How the pandemic has been approached in New Zealand

Dr Suzy Morrissey, Public Policy Institute, University of Auckland
LP&R Virtual Conference 2020
Wage and leave payments (subsidies)

- Wage Subsidy (and later Extension)
  - For businesses with reduced revenue, to be paid to staff, very little admin
  - Paid at $350 part-time and $585.80 full-time – same as paid parental leave

- Leave Support Scheme
  - For business to pay staff who can’t work from home or can’t go to work due to health guidelines
COVID-19 Income Relief Payment

- For those who lost their job (including self-employed) from 1 March 2020 to 30 October 2020 due to COVID-19
- More generous eligibility rules than Jobseeker Support (standard benefit)
  - Partners can earn up to NZD $2,000 gross per week > $90 per week
- Payment rate significantly higher
  - NZD $490 full-time, $250 part-time (not taxed) > NZD $250 (after tax)
• No additional childcare support was offered*

• Other than for children of essential service workers during the lockdown (Alert Level 4) period when in-home care was funded by Government

*NZ has a partial subsidy for 3-5 year olds in ECE but there is no support for 0-2 year olds
COVID-19 responses

Analysis

• Some support for those in paid work

• More generous than usual support for those who lose their jobs

• No support for those in unpaid work or those facing increased childcare responsibilities (predominately women)
Parental leave and COVID-19

- Temporary change made to allow return to work without losing remaining leave entitlement
- One temporary return to work only
- Not considered to be ‘on parental leave’ at that time, parental leave is ‘paused’
- Still only one transfer of leave, so cannot switch between parents/carers
From 1 July 2020, parental leave is now available for 26 weeks

This was an election promise from 2017 and the staggered increase to 26 weeks over the last few years was implemented as part of their ‘100 day plan’