

## Polson Higgs Client Advice # V – A webinar, business continuity, minimum wage subsidy and April's Fool

Today is the start of the new financial year, which will undoubtedly hold challenges for all of us. But it is also April Fools, so we have not only more information to help you, but also the story of one of the best April Fools jokes ever.

In this newsletter we will cover:

- Working from home on the computer
- Business Continuity
- Minimum Wage
- Wage Subsidy latest news
- COVID 19 Business Information Briefing Webinar
- April Fools

**Working from home on the computer** – Join a free 15 minute webinar from our IT Team, **this afternoon at 2.00 pm**. This is focused on:

- How can I communicate with everyone in my team?
- How can I share documents and files with everyone in my team?
- How to do you remote access or share computers?
- And some others tricks and tips

To register [click this link](#). (If you are not available at 2.00 pm you can still register and you will receive a recording to watch at your convenience)

**Business Continuity** – We are all now operating under some type of “Business Continuity Plan”, some will be very comprehensive, others a simple list of “tasks” on the back of an envelope. Now that the initial transition to lockdown, and its impact are better understood, is the time to review that plan to ensure that you have covered everything. To assist our clients with this we have prepared a **free 45 minute webinar** that will cover the key elements that your plan should cover. Following the webinar we will also make available templates that you can use to create / update your business continuity plans. To register for the webinar on **Friday, at 2:00 pm** [click this link](#). If you are not available at 2.00 pm you can still register and you will receive a recording to watch at your convenience)

**Minimum Wage** – The increase to the Minimum Wage takes effect from today (1 April) with an increase of \$1.20 per hour from \$17.70 to **\$18.90 per hour**. You should process the increase as soon as you are able to do so safely and in compliance with any COVID-19 restrictions in place.

You will have to pay staff for any hours that were worked, but for which the required pay rate could not be processed at the time. **Also check out the Wage Subsidy latest news below for additional information.**

#### **Wage Subsidy latest news –**

- If you thought you had applied for the wages subsidy, but only got paid for 2 weeks instead of 12, you most likely have applied for the Annual Leave payment in error. You can however, after the 2 weeks, still apply for the wage subsidy for that employee (provided you meet all the normal criteria). This will mean that you will have received 14 weeks, not 12 of wage subsidy for that employee. The over payment of 2 weeks will probably need to be paid back to the government at some point.
- If you are accessing the Government's Wage Subsidy Scheme, you are required, if possible, to pay your employees at least 80% of their pre-COVID-19 income. For workers on the **minimum wage**, this means they could receive less pay than previously did, even when the minimum wage has increased. This is because there is no requirement for employers to pay the minimum wage, if no work is being performed.
- Example: *Denise is a labourer on the minimum wage, and normally works 45 hours a week. She cannot work during the lockdown, and her employer is not earning any revenue. She expected her weekly wage to increase from \$796.50 to \$850.50 from 1 April 2020. Her company is able to pay her 80% of her pre-COVID-19 income - \$637.20 per week – and this doesn't change when the minimum wage increases. Denise will begin earning the minimum wage if she begins working again for the company after the lockdown.*

**COVID 19 Business Information Briefing Webinar** – In partnership with the Otago Southland Employers Association, we presented a webinar for its members yesterday. David Browne from the OSEA presented on employment relations, and our Henry van Dyk covered cashflow and Government Subsidies. You can view the webinar at <https://youtu.be/8Tcw052RXuU>.

**April Fools** – As today is April Fools we thought we would share our favourite April Fools prank. On 1 April 1957, the BBC broadcast an episode of its flagship documentary programme, Panorama which detailed the “**Spaghetti harvest in Switzerland**”. With an authoritative commentary, and wonderful footage of the spaghetti being harvested fresh from the trees, it is a masterpiece. They explain the bumper crop is caused by the virtual disappearance of the spaghetti weevil, and the uniform length is because of many years of patient endeavour by plant breeders, If you want a smile check it out here [https://www.youtube.com/watch?v=tVo\\_wkxH9dU](https://www.youtube.com/watch?v=tVo_wkxH9dU)

**New webpage** – we have added a new page to our website and are gathering different resources for you to use. Check out <http://www.ph.co.nz/expertise/covid-19/>

If you have a question about anything please don't hesitate to ask on [covid19@ph.co.nz](mailto:covid19@ph.co.nz).

Stay safe and keep in touch.

Kind regards

**Polson Higgs Team**

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*Business advisors*



Better  
business  
together.

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