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COVID
Timeline
16 March
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Robertson, G., 2020

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17 MARCH 2020

\$12.1 billion support for New Zealanders and business



HON GRANT ROBERTSON(/MINISTER/HON-GRANT-ROBERTSON)

Finance (/portfolio/labour-led-government-2017-2020/finance)

- \$500 million boost for health
- \$8.7 billion in support for businesses and jobs
- \$2.8 billion for income support and boosting consumer spending

Finance Minister Grant Robertson today outlined a \$12.1 billion package to support New Zealanders and their jobs from the global impact of COVID-19.

This package is one of the largest in the world on a per capita basis. It represents 4.0% of GDP and is more than the total of all three Budgets' new operating spending in this term of Government put together.

"The global economic impact of COVID-19 on New Zealand's economy is going to be significant, so we are acting now to soften that impact.

"Our first priority is the health and wellbeing of our people. The global spread of the virus has also disrupted economies across the world costing the jobs and livelihoods of countless families.

"We don't yet know what the full impact on New Zealand's economy will be, however we do know it will cost us jobs and have a significant impact on business. We are moving quickly to help people stay in work and reduce the blow for business," Grant Robertson says.

1 billion package includes:

- Initial \$500 million boost for health
- \$5.1 billion in wage subsidies for affected businesses in all sectors and regions, available from today
- \$126 million in COVID-19 leave and self-isolation support
- \$2.8 billion income support package for our most vulnerable, including a permanent \$25 per week benefit increase and a doubling of the Winter Energy Payment for 2020
- \$100 million redeployment package
- \$2.8 billion in business tax changes to free up cashflow, including a provisional tax threshold lift, the reinstatement of building depreciation and writing off interest on the late payment of tax
- \$600 million initial aviation support package

This cash injection is on top of the \$12 billion New Zealand Upgrade Programme that was announced in January.

“I want to make it clear that this is not a one-off package, it is just the beginning. As we go through this crisis towards economic recovery the Government will be constantly monitoring the situation and adjusting its response. As with every action we have taken we will be constantly reviewing every measure to ensure it is getting to the people and businesses that need it the most,” Grant Robertson said.

“We are actively discussing working capital support for small and medium businesses and tailor-made support for larger and complex businesses.

“There are four guiding principles for our response. Any measures the Government takes must be timely, fiscally sustainable, targeted to those who need it, and proportionate to the level of the economic shock.

“The investments we’re announcing today are possible because of our careful and responsible management of the Government’s books.

“By running surpluses and keeping debt under control, New Zealand is in one of the strongest positions of any country to respond strongly through our public health and economic stimulus packages,” Grant Robertson said.

Related Documents

Business cashflow and tax measures factsheet.docx (http://www.beehive.govt.nz/sites/default/files/2020-03/Business%20cashflow%20and%20tax%20measures%20factsheet.docx)	(21.94 KB)
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COVID leave support factsheet.docx (http://www.beehive.govt.nz/sites/default/files/2020-03/COVID%20leave%20support%20factsheet.docx)	(14.74 KB)
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