

# Southern Lakes Business Response Group

COVID-19 – Update 17 – 14/05/2020 – 4.00pm

*Here's the latest update from the **Southern Lakes Business Response & Recovery team***

This afternoon Finance Minister Grant Robertson presented the 2020 Budget - or the COVID-19 budget as it will no doubt become known. Today we have focused our update on the high level information we have to hand, providing links to the details should you wish to know more, but we will have further detail and analysis in our Tuesday update and will share appropriate analysis via the Queenstown and Wanaka Chambers of Commerce Facebook pages between now and then.

**2020 Rebuild budget- The Finance Minister's [full speech can be read here.](#)**

Announcing the budget in Parliament, the Minister said this year's budget goal was to get New Zealanders together to respond, recover and rebuild, saying "the budget is about jobs and creating jobs". He outlined it was forecast that the unemployment rate would increase significantly, rising to 8.3% in the year ending June 2020, before peaking at 9.8% in September 2020 and then recovering thereafter.

Below are the key economic, specific tourism information, social and other highlights. The devil is always in the detail and more analysis to come.

## **Budget 2020**

- Looking at 1 year of recession
- Annual growth -4.6%
- Unemployment next month predicted to be 9.8%, in 3 years down to 5%
- \$27 billion deficit (last budget was \$7billion surplus).

## **Economic Highlights:**

A \$50 billion COVID-19 response and recovery fund - \$30 billion spent/allocated in this budget, with \$20 billion to be kept on hold for future initiatives.

- **\$3.2 billion** for targeted wage subsidy- extended for another 8 weeks but businesses need to show a 50% reduction in revenue due to COVID-19. Will be paid out at the same rate as the current wage subsidy.
- **\$1.4 billion** for trades and apprenticeship training - [Click here for details.](#)
- **\$1.1 billion** environmental jobs scheme - with the aim of creating almost 11,000 jobs in the environment sector from pest control to wetland restoration. [Click here for details.](#)
- **\$3 billion** for infrastructure projects. [Click here for details.](#)

- **\$400 million** tourism recovery fund. [Click here for more information.](#)
- **8,000** new public and transitional homes to be built creating additional jobs. [Click here for details.](#)
- **\$150 million** short-term loan scheme - to incentivise businesses to continue research and development programmes which might otherwise be shut down.

**\$400 million tourism package details - [Further details here.](#)**

- **Tourism New Zealand** - Domestic tourism marketing campaign.
- **Tourism Transitions Programme**- deliver advice and support for either pivoting a business towards the domestic and Australian market, hibernating a firm, or other options.
- **Strategic Tourism Assets Protection Programme** - A fund to identify and support attractions and amenities that play a vital part in our domestic tourism offering and our international brand as a tourist destination and provide them with the protection and assistance they need so they will not be lost.
- **Tourism Recovery Ministers Group** - oversee the Tourism Recovery Package, and the tourism industry's recovery.
- **New Zealand Futures Tourism Taskforce** - lead the thinking on the future of tourism in New Zealand.

**Social and Health Highlights - [Full details here.](#)**

- **\$32 million** for food banks
- **\$3.9 billion** to ensure all DHBs continue to meet the needs of their populations
- **\$414.2 million** for the Early Learning Sector, including funding subsidies, pay increases for educators, additional support for home-based educators and investment in playcentre sustainability
- **\$246.1 million** investment in community services, including a significant funding boost for family violence service providers
- **\$193.5 million** to support farmers through the eradication of *Mycoplasma Bovis*
- **\$47.8 million** to replace ageing communications capabilities for Police, Fire and Ambulance to support healthier, safer and more connected communities.

**Other announcements:**

- **\$1.77 billion** boost for defence
- **\$1 billion** to improve transport, including \$667m on rail infrastructure
- **\$900 million** support package for Māori, including \$200m employment package and \$400m increase to education
- **\$833 million** to go towards disability support services
- **\$400 million** to replace Interislander ferries
- **\$195 million** Pacific communities support package
- **\$130 million** To maintain New Zealand Post service levels
- **\$56 million** boost to Warmer Kiwi Homes programme. [Click here for details.](#)
- **\$55.6 million** of aid spending for Pacific Island nations

All major announcements are loaded to the [Beehive website here.](#)

The next group update will be Tuesday 19 May. All key updates in between will be posted online here at the [local COVID-19 page](#) and the [Government page here.](#)

## COVID-19 updates

**Immigration** - Parliament has passed legislation to ensure that the Government can respond quickly, appropriately and efficiently to immigration issues arising from the COVID-19 outbreak.

[Click here for details.](#)

### **The Bill introduces eight time-limited powers (12 months):**

- to impose, vary or cancel conditions for classes of temporary entry class visa holders
- vary or cancel conditions for classes of resident class visa holders
- extend the expiry dates of visas for classes of people
- grant visas to individuals or classes of people in the absence of an application
- waive any regulatory requirements for certain classes of application (that is, waive any prescribed requirements that people need to fulfil to have their application accepted by INZ for assessment).
- waive the requirement to obtain a transit visa
- suspend the ability to make applications for visas or submit Expressions of Interest in applying for visas by classes of people who are offshore
- revoke the entry permission of people who are deemed to have been granted entry permission.

**Small Business Cashflow Scheme** - IRD has released information regarding the Small Business Cashflow Scheme to support SME businesses and organisations struggling because of loss of revenue as a result of COVID-19. Applications are open from 12 May 2020 to 12 June 2020. [Details can be found here.](#)

**Level 2 advice TIA** - [Click here for guidance for Tourism Operators.](#)

### **Regional travel update - Air New Zealand**

Level 2 will see the return of flying to the likes of Queenstown, Invercargill and Blenheim in the South Island and Rotorua, Gisborne, Palmerston North, New Plymouth, Hamilton, Whangarei and Kerikeri in the north. Additional routes and frequencies will be reintroduced back into the schedule as demand permits and once it is clear exactly when the country will be moving to Alert Level 2. We will restart services to Taupo and Timaru as demand allows. The majority of the Level 2 schedule takes effect from 18 May.

### **Air NZ - business events survey**

Participate in a short (15 minute) survey being conducted by Tourism New Zealand, in conjunction with Air New Zealand and the business events industry, to understand how we can support you with domestic meetings, conferences and incentive trips. The survey is conducted by Kantar and will be available to complete until **Friday 15 May, 11 am**. Please **click on this link** or paste it into your browser to go to TNZ's secure website where you can complete the survey.

### **Extension to Otago welfare support**

- The Otago COVID-19 Helpline has changed operation hours to 9 am to 5pm daily. Those who cannot access daily essential such as food, pet food, or medicines should contact 0800 322 4000 or [help@otagocdem.govt.nz](mailto:help@otagocdem.govt.nz)

- Foreign migrants who have lost their income and may not qualify for support from the New Zealand government, or have no other sources of support, can apply to Otago Civil Defence for support with their short-term living costs. [www.otagocdem.govt.nz](http://www.otagocdem.govt.nz)
- Support with rent and power/gas bills is available to New Zealand citizens and residents who need it. New Zealanders in this situation must first contact Work and Income New Zealand on 0800 559 009. This emergency funding will be available if they do not qualify for funding from Work and Income New Zealand.
- The support includes payments for accommodation (rent, boarding fees, hostel fees), electricity and gas.

## Webinars

### Tourism and Hospitality specific

**Webinar: Post-Budget discussion with Minister of Tourism - Friday 15 May 2020 - 9am** - Join TIA Chief Executive Chris Roberts and Minister of Tourism, Hon Kelvin Davis for a post-Budget discussion focused on tourism followed by Q&A. [Click here to register.](#)

**Webinar: Discussing Tourism – Webinar with Hon Simon Bridges and Hon Todd - Thursday 21 May 2020 - 2pm** - Hear from Hon Simon Bridges, the Leader of the Opposition and chair of Parliament's Epidemic Response Committee. He will discuss the work of the committee and next steps, as well as National's views on the future of our tourism industry. Mr Bridges will be joined by National's Tourism spokesperson Todd McClay. [Click here to register.](#)

### Register now.DQ webinars:

#### **Air NZ update with Cam Wallace - Friday 15 May 1:30pm-2:30pm**

Following the Government's announcement that New Zealand will move into Alert Level 2 on Thursday 14 May, this week's Destination Queenstown webinar brings Air New Zealand's Chief Revenue Officer Cam Wallace to your screens to give DQ members an update on our national carrier's approach to re-starting air services to Queenstown.

#### **TNZ Update with GM Domestic Bjoern Spreitzer - Friday 22 May, 1:30pm-2:30pm**

Bjoern will provide an update on TNZ's approach to campaigning in the domestic market, including letting us know the structure and people on the domestic team. RSVP to [reception@queenstownnz.nz](mailto:reception@queenstownnz.nz). You will be sent a calendar link to the webinar on the Thursday evening before the session each week.

#### **Data; Research and Insights for the Domestic market - with LWT GM James Helmore - Friday 15 May- 12-1.00pm**

James will be joined by Bernie Hanratty Insights Analyst – COVID-19 Tourism Regional economies National Accounts Stats NZ who will be on hand to share national tourism insights and answer your questions. Register in advance for this meeting [HERE](#).

#### **Restaurant Association - Lessons from lockdown and beyond with Chand Sahrawat - 11-11:30am 21 May 2020**

Chand Sahrawat will be talking about what we have learnt from lockdown, positives and negatives and preparation for the future. [Click here for details and to book.](#)

**Chand will be talking about:**

- What they have learnt
- What they thought would be easy but wasn't
- The positives and negatives
- Preparing for level 2 and beyond
- Employee wellbeing and looking after your own mental health as a manager/business owner.

[General business and economic](#)

**Catapult Regeneration – Come out of Covid-19 Better and Stronger**

While it may not feel like it now, research shows that periods of economic turbulence are an opportunity for forward-looking leaders to forge better and stronger organisations.

Catapult Regeneration guides leaders on how to do this based on research and 20 years' experience working with leaders and organisations. Catapult Regeneration covers strategy, operations, people, and personal leadership delivered in five online sessions over two and a half weeks. Five Zoom sessions of two hours each with a ten-minute break. Participants will be emailed links and articles to supplement the Zoom sessions.

**Price: \$490 exclusive of GST.** [Click here for details.](#)

**Institute of Directors**

**28 May:** [Director Dialogue with Sarah Ottrey: Covid 19 – telling signs of our organisation's future prosperity](#) – the move online has gone next level. Has our customer experience (CX) held up?

**11 June:** [Director Dialogue with Rowena Davenport and Jessica Palmer – getting started with governance.](#)

***We are here to help, so if you have any concerns, or are not getting the support you need, from the resources, please contact anyone below.***

**Destination Queenstown** – Ann Lockhart – CEO – [annl@queenstownNZ.nz](mailto:annl@queenstownNZ.nz)

**Queenstown Chamber** – Anna Mickell – CEO – [ceo@queenstownchamber.org.nz](mailto:ceo@queenstownchamber.org.nz)

**Lake Wanaka Tourism** – James Helmore – GM – [james@wanaka.co.nz](mailto:james@wanaka.co.nz)

**Ignite Wanaka Chamber** – Naomi Lindsay – Executive Officer – [naomi@ignitewanaka.co.nz](mailto:naomi@ignitewanaka.co.nz)

**QLDC Economic Development** – Peter Harris – Economic Development Manager  
[peter.harris@qldc.govt.nz](mailto:peter.harris@qldc.govt.nz)

**Regional Business Partners** – Tara Druce – Business Advisor – [tara@otagorbp.co.nz](mailto:tara@otagorbp.co.nz)