

BUSINESS ASSISTANCE

1. Canterbury Business Recovery Trust Fund (the 'fund')

The fund has been set up to assist Canterbury businesses to get back up and running and to be self supporting.

The fund will be administered by the Canterbury Business Recovery Group (CBRG), a joint initiative between the Canterbury Development Corporation and the Canterbury Employers' Chamber of Commerce.

The government has donated \$2.5 million to the fund which will be distributed by the CBRG, along with funds donated by the private sector, to the Canterbury business community. The Government's contribution comes from the \$6.85 million support package announced on 22 March 2011.

Purpose of the Fund:

The fund will be applied to assist business with the following kinds of costs:-

- a. Temporary location expenses;
- b. Permanent location costs;
- c. Connection to essential services;
- d. Restoration of damaged Information & Communication Technology hardware and files; and
- e. Access to expert advice and assistance.

Applications for assistance from the Fund:

Applications for assistance can be made to the CBRG from 1 April 2011. Currently, expressions of interest can be lodged online at <http://www.recovercanterbury.co.nz/net/contact/CBRTF-application.aspx>. A business recovery coordinator will contact those who register an expression of interest.

The CBRG will allocate the fund to eligible businesses via its business recovery coordinators.

Eligibility criteria

Eligibility for access to the fund will be determined by the CBRG based on the following criteria:-

- a. The business must be a registered commercial enterprise holding an IRD number;
- b. The business must be Canterbury based;
- c. The business must be impacted by the earthquakes (from 4 September onwards);
- d. The business must demonstrate that the funding has the potential to assist the entity with recovery from the impact of the earthquakes;

- e. The business must be able to show that no other efficient survival or recovery options are available;
- f. The business must be willing to agree to milestones and timelines for reassessment.

2. New Zealand Trade and Enterprise Fund (\$2 million)

The government package will also provide \$2 million to support visits to international markets. That funding will be made available through New Zealand Trade and Enterprise (NZTE).

The purpose of this fund is to assist affected export businesses to visit key clients and partners in international markets.

The funding will be available on a retrospective basis through to 30 June 2011. It will cover 75% of eligible travel costs up to a maximum \$25,000.

To be eligible for the funding, businesses must be existing exporters whose key operations have been affected by the earthquake. The funding is for visits to, or by, the existing customers, distributors, agents and other key business partners of the qualifying businesses.

NZTE is currently putting in place a system to administer the funding. Applications can be made either by contacting the NZTE business services team on 0800 555 888 or by the business contacting their current client manager.

3. Earthquake Support Subsidy

The Earthquake Support Subsidy is a payment to assist employers to pay their employees while they deal with the impact of the earthquake. It is available through Work and Income New Zealand (for employers with less than 50 employees). Otherwise, employers should contact the Earthquake Government Helpline on 0800 779 997.

The payment assists employers when they are unable to operate due to damage, a cordon, or the unavailability of an essential service. Small businesses that can operate but are experiencing significant loss of trade also qualify. Employers with business interruption insurance can access the subsidy until they receive their insurance payment, but will be required to repay it when that insurance payment is received. The subsidy is \$500 gross per week per full time employee until 4 April 2011. The scheme can be extended to 18 April 2011 upon application.

A further subsidy will also be available for a 6 week period from 18 April 2011 based on more stringent criteria.

The further subsidy will be available to employers who:

- a. Cannot operate because of physical barriers caused by the earthquake;
- b. can demonstrate ongoing viability to a business recovery co-ordinator; and
- c. have already been receiving ESS round one

It will not be available to employers experiencing a loss of trade, or sole traders.

Payments under the further subsidy will be at the rate of \$500 gross per week for full-time employees for the first fortnight, and will reduce to \$375 for the second fortnight, and \$250 for the third fortnight.