



# ECONOMIC RESPONSE PLAN COMMENCES WITH OVER \$1.7 MILLION PAID



## BUSINESS GRANTS

88



## AMOUNT PAID

\$659k



## WAGE SUBSIDIES

82



## AMOUNT PAID

\$1.03M

The Ministry of Finance and Economic Management is actively processing applications for the Business Grants and Wage Subsidy Schemes of the Economic Response Plan. As of 11.30am on 8 April a total of \$1.7 million of payments had been processed.

The payments were comprised of Business Grants to 88 businesses, totaling \$659,000 and Wage Subsidy payments to 82 businesses totaling \$1 million.

Financial Secretary, Garth Henderson stated that he was pleased with the progress being made, 'many other countries have implemented wage subsidy schemes, however in those cases the money is still not flowing to businesses. We have built a new system from scratch which is user friendly, and have managed to get the funding out to businesses in need. In a similar vein to the health response, the Cook Islands economic response is well ahead of the curve. The 88 businesses that have received funding in the last two days can now rest assured that their cash-flow issues have been addressed in the short-term.'

A total of 924 employees are included in the 82 businesses receiving the wage subsidy, approximately

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*– Garth Henderson, Financial Secretary*

15 per cent of all employees on Rarotonga. The payments amount to \$1,140 per employee for the month of April, and will continue to be paid out monthly for both May and June.

MFEM are working hard to continue processing of the remaining applications in the system, which total approximately 182. Henderson said that 'there are a number of applications that are in the system which are still in draft form, if you have concerns about your application, please log into the CINSF system to check

the status of your application, and importantly ensure that it has been submitted. I would also like to thank all of the agencies that have worked hard in the development and roll-out of the Economic Response Plan, the Cook Islands National Super Fund, the Ministry of Internal Affairs, the Chamber of Commerce's Private Sector Taskforce and all of the employers that applied to ensure that their staff are looked after in the coming months.'

Henderson also stated 'now that implementation has commenced, the team are able to continue to focus on the next phase of the Economic Response Plan, as outlined in March.' MFEM have established a Virtual Think Tank comprised of experts based locally and internationally. 'The team will be refining Stage 3 of the Economic Response Plan. MFEM have identified the need for an additional \$76 million of stimulus before the end of the 2020 calendar year, this will be appropriated in the 2020/21 Budget.' Further details of the next phase of the Economic Response Plan will be released next month.

