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BUSINESS

PREMIUM

Omicron shift to Red: Business leaders frustrated as Robertson offers no new support

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January 23 2022 PM Jacinda Ardern has confirmed New Zealand will move to the red traffic light setting at midnight tonight.



By Chris Keall
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VIEW PROFILE

A top business leader says he agrees with the decision to shift to red - but is disappointed that Finance Minister Grant Roberson offered no new support today.

Business NZ leader Kirk Hope also said, "It's not particularly clear who should be isolated and when and the fact there will be announcements in three stages is disappointing. Businesses need clarity urgently."

Robertson said businesses and the self-employed would be able to access existing support, including the \$359 per week per worker Short-Term Absence payments and Leave Support Scheme (\$600 per week for full timers, \$359 per week for part-timers), and that Inland Revenue, at the IRD Commissioner's discretion, would continue to offer leeway to businesses hit by the pandemic.

Further business support measures were possible. "The trajectory of Omicron will help us judge if further employment resources are needed".

The Government had had months to get an Omicron plan in place, Hope said.

Late last week, a number of business groups told the Herald they would need more financial support if the nation is put back in red - as it will be from 11.59pm tonight.

They included Restaurant Association chief executive Marisa Bidois and Heart of the City CEO Viv Beck. Their members were familiar with the curbs involved with red under Delta - including capacity limits, spacing and seated-only service - but Omicron would hit harder, and hit businesses already under pressure.

"Even though we can be well prepared, it will be a worrying time for the same sectors that have been impacted over and over again."

Hope said the recurring nature of the lockdowns meant increasing worker and manager burnout. "When Omicron and the "big sick" hits, we're going to find ourselves in the midst of a supply chain crisis. With the infectious nature of the variant, many people will need to take time away from their jobs to isolate and recover," he said.

Rapid testing was the key to minimising such disruption, Hope said - but he was frustrated by the paucity of detail in today's briefing.

Robertson said rapid antigen tests (RATs) were key to minimising supply chain issues. Big businesses could order RATs from offshore. The Government would concentrate on helping small to medium businesses access rapid-testing kits.

"All businesses need assistance with RATs," Hope said, talking to the Herald as Robertson wound up his briefing.

"The Government has the entire country's stock. It's disingenuous for the Government to say business can access RATs when only nine providers of high-quality kits have been approved." Hope understood that some 300 providers had applied for approval.

In the meantime, "Any business is going to struggle to get access to these tests."

The Government lost time by taking so long to lift its ban on RATs, he said. It now needed to accelerate the approval process "As soon as possible." Rapid testing was the key for keeping Covid-free people at work, and gauging which staff were clear to return.

The Business NZ head was frustrated that there was no new information on RATs at today's briefing.

Across the Tasman, businesses have struggled to find RAT kits during Australia's Omicron update.

Prime Minister Jacinda Ardern did update that the Government currently has around 4 million RATs, with 1 million more arriving next week and "tens of millions on order".

Robertson said close to \$4 billion was left in the Government's Covid fund. The shift to red would cost around \$200m per week.

Treasury estimated the cost of the 15-week Delta lockdown at \$8 billion.

More details on the three Omicron stages will be given at a briefing on Wednesday.