



Unemployment Benefit

Temporary financial lifeline for those out of work

Objective

The objective of this measure is to provide temporary financial support to individuals who are unemployed as a result of the COVID-19 pandemic. With the prolonged border closure impacting the ability of individuals to find new employment, eligibility for this benefit has been extended to a total of 7 months, and will be accessible until June 2021.

About the Unemployment Benefit

The Unemployment Benefit is designed as a short-term measure only, as job opportunities are expected to improve when the economy recovers in the coming months. With this temporary measure, recipients are encouraged to actively seek out new employment opportunities as they become available, rather than continuing to receive unemployment support.

To be eligible for the unemployment benefit, individuals must meet all of the following criteria:

- aged 16 years or older (excluding students and self-employed) who have lost employment since 1 March 2020, as a result of the COVID-19 pandemic, through:
 - termination, constructive dismissal, or emergency health orders made to a business, which restrict the business from operating.
- actively seeking employment;



- physically and mentally able to work; and
- ineligible for the wage subsidy and sole trader grant.

Eligible recipients will be paid \$266 per week for a period of 4 weeks.

During this time, you will be required to work with the Ministry of Internal Affairs (INTAFF) to find alternative work opportunities

through their **Employment Services** initiative. If you find work during this period, you will no longer be eligible for the payment.

This measure commenced from 1 April 2020, with payments administered by INTAFF. Payments are made on the 1st and 16th of the month, starting from the date of application, but not prior to the date of final pay. Back payments can be made to the effective date of termination, only where the applicant is able to provide a valid reason for the application delay.

For those receiving voluntary redundancy pay, unemployment benefit payments will not commence until the redundancy payment period is complete. For example, if 1 month of redundancy pay is received, the unemployment benefit will only be paid from 1 month after the effective date of redundancy.

PAYE will not be deducted from the Unemployment Benefit, nor will CINSF contributions, however, it will need to be declared as income through the annual tax return process.

Unemployment Benefit Extension

Recipients that are unsuccessful in securing new employment within the 4 weeks that they receive the Unemployment Benefit can apply with INTAFF for review and extension of an additional 4 weeks of the benefit, available for up to 3 months. To be eligible for the extension, applicants must show that a genuine attempt has been made to obtain new employment, and provide written proof of community service, volunteer work, or training undertaken.

With the prolonged border closure and resulting impacts on the job market, an additional 3 months of the Unemployment Benefit Extension has been made available on the condition that while continuing to seek new employment, recipients perform 10 hours per week (or at least 40 hours per month) of volunteer work or community service.

Extended payments beyond the first 4 weeks will be reduced to \$150 per week. The amount will be paid from the date of the initial application for extension. If extension criteria are met, back payments for an extension can be made to the completion of the previous 4 week period, only where the applicant is able to provide a valid reason for the application delay.

How to apply

The application process to access the unemployment benefit is:

- Download the “Unemployment Benefit” or the “Unemployment Benefit – Extension” form from www.covid19.gov.ck or INTAFF website www.intaff.gov.ck.
- Complete and sign the form.
- Provide the following supporting documents for first time applications:
 - valid identification document (passport/ driver’s license/ birth certificate).
 - RMD Number and proof of CINSF.

- letter of termination from employer dated from 1 March 2020, or alternatively, have the employer sign the application form.
 - applicant's bank account number.
- Provide the following supporting documents for the benefit extension.

First 3 month extension period:

- evidence of a genuine attempt to find new employment (for example, utilising the Employment Services website for job searches, submitting job applications, enquiring with employers, having interviews).
- written proof of volunteer work or community service (for example, from the Puna, village, church, or other organisation), or evidence of training registration/ attendance.

Second 3 month extension period:

- evidence of a genuine attempt to find new employment (for example, utilising the Employment Services website for job searches, submitting job applications, enquiring with employers, having interviews).
- written proof of at least 10 hours per week (or a minimum of 40hrs per month) of volunteer work or community service with an approved NGO (includes churches and punas), submitted by the NGO fortnightly to INTAFF via email or letter.

Email copies of all documents to intaff.compliance@cookislands.gov.ck or if the applicant does not have access to email, drop off a hard copy of the application form and documents at the INTAFF office.

For any queries about this measure please call INTAFF on 29370.

For further information contact:

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