



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. This benefit can be claimed for up to 4 months, until 31 December 2020.

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 begins to recover. 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 business 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 date of final pay, 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. 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.

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.

The unemployment benefit can be extended for up to 3 months, subject to review of recipient eligibility every 4 weeks, until 31 December 2020. The unemployment benefit extension will be effective from 1 July 2020.

The unemployment benefit and upskilling

Those receiving the unemployment benefit are encouraged to enroll in a **Fees Free** training course offered through CITTI or USP to develop job skills and improve employment opportunities. Information on training courses can be accessed from the Fees Free factsheet available for download on the MFEM website at: www.mfem.gov.ck/erp

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, or alternatively, have the employer sign the application form.
 - applicant's bank account number.
- Provide the following supporting documents for benefit extension:
 - evidence of a genuine attempt to find new employment (for example, correspondence with Employment Services officers, job applications, interviews).
 - written proof of community service or volunteer work (for example, from the Puna, village, church, or other organisation), or evidence of training registration/ attendance.

Email e-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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