

Federal Government Announcement JobKeeper payment

Huge union win!

31 March 2020

It pays to be in the union!

For the last three weeks the ASU along with other Australian unions have been campaigning relentlessly for a wage subsidy for workers to ensure members jobs are protected through the global pandemic.

Three weeks ago Prime Minister Morrison refused to even consider a wage subsidy.

But our hard work has paid off!

Thanks to the work of thousands of union members across the country the Federal Government announced yesterday that to keep people in jobs during the pandemic they were going to provide a wage subsidy to workers.

The JobKeeper payment is a huge win for the Australian Union Movement and more importantly for union members and working people.

Here is what we know about the JobKeeper payment so far. We will keep you updated as more information becomes available.

So what is it?

Under the JobKeeper Payment, businesses significantly impacted by the Coronavirus outbreak will be able to access a subsidy from the Federal Government to continue paying their employees. This assistance will help businesses to keep people in their jobs and re-start when the crisis is over.

The payment is being called the JobKeeper Payment and will continue for six months.

How does it work?

Eligible employers will apply for the JobKeeper payment from the Federal Government (Australian Taxation Office), and then pass on the payment to their employees.

We will support members who want their employer to apply for the JobKeeper payment and we are working on the best way to do this for you now.

Is my employer eligible?

All businesses or organisations who employed people on 1 March 2020 and who have lost 30% of their revenue because of the impact of the pandemic (or 50% of revenue for businesses with a turnover over \$1 billion) are eligible for the JobKeeper payment.

How much is it?

The JobKeeper payment is \$1500 per fortnight before tax. This is a flat rate whether you work full time or part time. Casual workers who have been employed for longer than 12 months are also eligible to receive the \$1500 payment. Everyone receives the same payment of \$1500 no matter your salary or whether you worked 35 hours per week or 10 hours a week.

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What happens if I usually earn more than \$1500 per fortnight?

The payment is a flat rate of \$1500, but the expectation is if your employer is still doing business that they will top up this rate to cover your full salary. If your employer is not currently earning any revenue this may not occur.

Will it include payment to my Superannuation?

No. It does not include the Superannuation Guarantee Levy. However, your employer can choose to pay superannuation on the JobKeeper Payment.

What happens if I have been stood down?

If your employer has stood you down because of downturn due to the coronavirus pandemic then they are still eligible for the JobKeeper payment and must pay it to you. You have to have been employed on 1 March 2020 to be eligible, even if you have been stood down since this date.

What about if I have been made redundant?

If your employer has made you redundant because of the coronavirus but you were employed by them on the 1 March 2020, then they are able to re-engage you and will then be entitled to receive the JobKeeper payment and pass it on to you.

What do I have to do to get this payment?

Your employer will need to apply for the payment, and will notify you that they are receiving the JobKeeper payment on your behalf and will pass it on to you.

We will support any members who want their employer to apply for the JobKeeper payment. We are working on the best way to assist members with this process and will update you as soon as we can.

What happens if I have registered my intention to claim/am already receiving the Job Seeker payment?

If you have already been stood down or lost income and have applied for income support (Job Seeker payment) and your employer has notified you that they intend to apply for the JobKeeper payment on your behalf, you must report your income from the JobKeeper payment to Services Australia which means you will no longer be eligible for the Job Seeker payment and only receive income from the JobKeeper payment.

In simple terms the income you receive from the JobKeeper payment will cancel out your eligibility for the Job Seeker payment. You will only receive one payment.

However, if you have already applied for the Job Seeker payment we advise not cancelling your application until the JobKeeper legislation has passed Parliament and you have notification from your employer that you will receive the JobKeeper payment.

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What happens if I work multiple jobs and both of my employers are eligible?

You must notify your primary employer of your personal circumstances.

I am not an Australian citizen, will I receive the payment?

If you are a New Zealand Citizen on a triple 4 visa and your employer is eligible for the JobKeeper subsidy, then you will receive the payment.

If you are working on a different visa you must contact your employer to find out your eligibility.

The Australian Union Movement will continue to campaign until every worker no matter the status of their visa is entitled to this wage subsidy.

When and how will I receive this payment?

Employees will be able to receive this payment in a number of different ways.

- If you ordinarily receive \$1,500 or more in income per fortnight before tax, you will continue to receive your regular income according to the prevailing workplace arrangements. The JobKeeper Payments will subsidise part or all of your income.
- If you ordinarily receive less than \$1,500 in income per fortnight before tax, your employer must pay you, at a minimum, \$1,500 per fortnight, before tax.
- If you have been stood down, your employer must pay you, at a minimum, \$1,500 per fortnight before tax.
- If you were employed on 1 March 2020, subsequently ceased employment and then were re-engaged by the same eligible employer, you will receive, at a minimum, \$1,500 per fortnight, before tax.

If your employer is eligible and you are still employed or are on stand down you should begin to receive this payment immediately.

If your employer has made you redundant you must first contact your employer and find out their intention to claim on your behalf.

Businesses can begin paying the subsidy to workers from 30 March 2020, with businesses to receive the backdated money from the Federal Government the first week of May.

What does my employer have to do to get this payment?

Employers must elect to participate in the scheme. They will need to make an application to the Australian Taxation Office (ATO) and provide supporting information demonstrating a downturn in their business. In addition, employers must report the number of eligible employees employed by the business on a monthly basis.

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What we don't know yet?

We do not know what the final legislation will look like as it is being drawn up this week. The Prime Minister has indicated the Parliament will be recalled to pass the new laws next week.

We also don't know what impact annual leave and accrued entitlements will have on the JobKeeper payment. We will update you as soon as more information becomes available.

Other information

Soon we will send you additional information on how to ensure your employer applies for the JobKeeper payment. We will be ensuring employers don't use the administrative burden as an excuse to get out of applying for the payment.

If you have begun the process of applying for the Job Seeker payment we recommend that you continue with this process until the final legislation for the wage subsidy has been passed and you have received notification from your employer that they will pay you the JobKeeper payment.

The information provided in this bulletin is correct as at 31 March 2020.

The ASU will continue to be by your side through this challenging time.

If you have any questions or concerns, please contact your union organiser.

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There's never been a more important time.

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By your side



Matt Norrey

Branch Secretary

Victorian Private Sector Branch

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