

Federal Government JobKeeper payment

JobKeeper update for members

Updated 9 April 2020

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.

The Federal Parliament has now passed legislation and created the JobKeeper wage stimulus package.

This package is not perfect, there are still many workers who are not eligible to receive the payment and the Australian union movement will continue to campaign until all workers receive the financial assistance they require.

THE BASICS

So what is it?

Under the JobKeeper wage stimulus package, 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.

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.

Registered charities are eligible if they estimate their turnover has fallen or is likely to fall by 15% or more relative to a comparable period.

The JobKeeper Payment will continue for six months.

How does it work?

Employers must elect to participate in the scheme. They will need to make an application to the Australian Taxation Office (ATO) to receive the JobKeeper payment, and then pass on the payment to their employees.

WHAT DOES IT MEAN FOR ME?

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

If you are still working your usual hours and your employer is eligible, you won't notice a difference in your income, you will continue to be paid for the hours that you work, and the JobKeeper

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payment will assist your employer to subsidise your wage. You will still receive superannuation on your full income.

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

If you are still working your usual hours and your employer is eligible, you will now receive the \$1500 per fortnight JobKeeper allowance. With JobKeeper your employer receives the same payment for every eligible employee no matter your salary or whether you worked 35 hours per week or 10 hours a week.

What happens if I have been stood down or my hours have been reduced?

This is called a JobKeeper enabled stand down direction.

If your employer uses this measure and reduces your hours but your fortnightly salary is still more than \$1500 per fortnight, then your employer will need to pay you for every hour that you work and they will use the JobKeeper payment to subsidise part of your income.

If your employer significantly reduces your hours (including down to no work hours) and therefore your fortnightly income falls below \$1500, you will then receive the JobKeeper payment of \$1500 per fortnight before tax as a minimum.

Be advised that after tax the take home amount will be \$1308 per fortnight.

If you are on a JobKeeper enabled stand down you will only receive superannuation for the hours that you actually work. If your hours have been reduced to nil hours you will not receive superannuation on the JobKeeper payment.

A JobKeeper enabling stand down direction does not apply while an employee is taking paid or unpaid leave authorised by the employer (for example, annual leave).

My employer made me redundant because of COVID-19 what about me?

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 is the impact of JobKeeper on annual leave, unpaid leave and parental leave?

You can receive JobKeeper if you are on annual leave or unpaid leave.

Employees receiving Parental Leave Pay or Dad and Partner Pay from Services Australia are not eligible for the JobKeeper Payment. However, employees on parental leave from their employer will be eligible.

What about workers compensation?

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Employees receiving workers compensation will be eligible for the JobKeeper Payment if they are working, for example on reduced hours, but will generally not be eligible if they are not working.

When and how will I receive this payment?

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 CHANGES CAN MY EMPLOYER MAKE?

My employer wants to change my duties. Are they allowed?

Yes. If your employer qualifies for JobKeeper they may direct a change to your duties as long as they are safe, the employee is licensed and qualified to perform the duties and they are reasonably within the scope of your employer's business operations. An employee does not have to comply if it is unreasonable in all the above circumstances. The employer must give at least three days' written notice of their intention (unless otherwise agreed) and ensure consultation has occurred.

My employer wants me to work from home. Are they allowed?

Yes. Your employer may direct you to perform duties at a place that is different from your normal workplace (including the employee's home). The direction may be given if the place is suitable for the employee's duties, it does not require the employee to travel an unreasonable distance and the location is safe.

A direction to change work location does not apply where it impacts on caring responsibilities of an employee. The employer must give at least three days' written notice of their intention (unless otherwise agreed) and ensure consultation has occurred.

My employer wants me to work different days or at different times. Are they allowed?

By agreement between an employer and employee an arrangement to work on different days or at different times may be arranged. As long as the agreement does not reduce the employee's number of hours of work compared with the employee's ordinary hours of work.

An employee must consider and must not unreasonably refuse the employer's request for agreement to the changed arrangements.

Do I have to take annual leave if my employer asks me to?

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Under the new legislation an employer may ask an employee to take paid annual leave and/or to agree to take annual leave at half pay. An employee must consider (and must not unreasonably refuse) their employer's request to take annual leave, provided that the leave arrangement would not result in reducing the employee's leave balance to fewer than two weeks. If the employee does not agree to the request, the FWC could settle a dispute about this by arbitration

Do I have to take long service leave if my employer asks me to?

No. Under the new legislation there is no provision for your employer to make you take long service leave.

I have a salary sacrifice arrangement with my employer. Can it continue?

Yes. The JobKeeper payment may be paid to an employee in cash or as a fringe benefit or extra superannuation contribution where the employee and employer agree.

Can I work another job while I am stood down or if my hours have been reduced?

Yes. If you have been stood down or your hours have been reduced you can make a request to your employer to engage in secondary employment, training or professional development. An employer must consider and not unreasonably refuse such requests. You will still receive the JobKeeper payment.

OTHER ELIGIBILITY QUESTIONS:

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

Eligible employees include Australian citizens, the holder of a permanent visa, a Protected Special Category Visa Holder, a non-protected Special Category Visa Holder who has been residing continually in Australia for 10 years or more, or a Special Category (Subclass 444) Visa Holder.

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

I am a casual worker who has been with my employer for less than 12 months, what about me?

Unfortunately casual workers in this situation are ineligible for the JobKeeper payment, if you are in need of financial assistance you will need to register for the JobSeeker payment with Services Australia.

I am a fixed term contractor. Am I eligible for JobKeeper?

Yes. All fixed term contractors are eligible for the payment if employed at 1 March and meet the other eligibility criteria.

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I work for a labour hire firm. Who can claim JobKeeper for me?

Only your direct employer can claim JobKeeper.

I work for local government. Can my employer register for JobKeeper?

No. Australian government and its agencies, State and Territory governments and their agencies, foreign governments and their agencies, local governments and wholly-owned corporations of these bodies are not eligible for the JobKeeper payment. If you are in need of financial assistance you will need to register for the JobSeeker payment with Services Australia.

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

You must notify your primary employer of your personal circumstances.

JOBSEEKER INFORMATION

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

If you have already been stood down or lost income and have applied for income support (JobSeeker 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 JobSeeker payment we advise not cancelling your application until you have notification from your employer that you will receive the JobKeeper payment.

FINALLY

There are a lot of changes here, what if there is a dispute?

If you think you have been treated unreasonably by your employer or have a good reason that you cannot comply with a directive (for example caring responsibilities), you should contact the ASU for advice.

The new legislation authorises the Fair Work Commission (FWC) to deal with disputes between employees and their employer by mediation or conciliation and permits it to make orders so we may ask the FWC to hear and decide on a dispute about your situation.

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Furthermore on Wednesday 8th April the Fair Work Commission varied 99 modern awards to put in place a minimum standard of two weeks unpaid pandemic leave for all workers covered by the awards and will allow workers to access annual leave at half pay by agreement with their employer.

Disclaimer This is general guidance only and was correct at the time of writing at 9 April 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 branch for more information on 03 9342 3300 or at info@asupsvic.org

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