

The JobKeeper Payment is a payment made to eligible businesses and not-for-profits affected by the Coronavirus to support them in retaining employees. Eligible businesses that elect to participate will receive a payment of \$1,500 per fortnight per eligible employee to support the eligible people they employed as at 1 March 2020 who are retained in employment.

The Australian union movement will continue campaigning to ensure all workers who need a wage subsidy are all able to access a wage subsidy. For now, the arrangements are as below:

Which businesses are eligible?

- A business is eligible for JobKeeper if it is:
 - A business or not-for-profit with turnover of less than \$1 billion that can prove a decline in turnover of 30% or more;
 - A business or not-for-profit with turnover of more than \$1 billion that can prove a decline in turnover of 50% or more;
 - An Australian Charities and Not-for-profits Commission registered charity that can prove a 15% or greater decline in turnover.
- If a business is part of a consolidated group for income tax purposes, with a turnover of more than \$1 billion, the 50 per cent or more turnover test will apply to each business in that consolidated group. If the consolidated group has turnover of less than \$1 billion, the 30 per cent or more turnover test is applied to each business in that consolidated group. Individual businesses within a consolidated group may be eligible for the JobKeeper payment while other businesses in the group may not be eligible.
- Businesses which are unable to prove a decline in turnover due to inconsistent income or a recent commencement of operation will be able to request an alternative loss of income test.
- The following entities are ineligible to receive JobKeeper
 - Any banking institution that was subject to the *Major Banking Levy Act 2017*
 - Government agencies, local government bodies or entities wholly owned by entities of those types
 - Companies which have had liquidators or provisional liquidators appointed.

Which employees are eligible?

- An eligible employee is an employee who:
 - is employed by the eligible employer at any time in the fortnight (including those stood down or re-hired);
 - was a full-time or part-time employee, or a casual employed on a regular and systematic basis for longer than 12 months as at 1 March 2020;

- was aged 16 years or older at 1 March 2020;
- was an Australian citizen, the holder of a permanent visa, or a Special Category (Subclass 444) Visa Holder at 1 March 2020;
- was a resident for Australian tax purposes on 1 March 2020; and
- is not in receipt of a JobKeeper Payment from another employer.
- Self-employed people are also eligible provided, at the time of applying, they:
 - estimate their turnover has or will fall by 30 per cent or more;
 - had an ABN on or before 12 March 2020, and – either
 - had an amount included in its assessable income for the 2018-19 year and it was included in their income tax return lodged on or before 12 March 2020 (or such later time as allowed by the Commissioner), or
 - made a supply during the period 1 July 2018 to 12 March 2020 and provided this information to the Commissioner on or before 12 March 2020 (or such later time as allowed by the Commissioner);
 - were actively engaged in the business;
 - are not entitled to another JobKeeper Payment (either a nominated business participant of another business or as an eligible employee);
 - were aged at least 16 years of age as at 1 March 2020; and
 - were an Australian citizen, the holder of a permanent visa, or a Special Category (Subclass 444) Visa Holder at 1 March 2020.

Who is ineligible?

- Casuals with less than 12 months tenure
- Any worker on a temporary visa other than the 444 visa
- There are also some circumstances in which an employee can be rendered temporarily ineligible (for a number of fortnights) to receive the payment. An individual is excluded from being an eligible employee of an entity for a fortnight if:
 - (government provided) parental leave pay is payable to the individual and the individual's PPL period overlaps with, or includes, the fortnight; or
 - at any time during the fortnight, the individual is paid (government provided) dad and partner pay; or
 - when all of the following apply:
 - the individual is totally incapacitated for work throughout the fortnight;
 - an amount is payable to the individual under, or in accordance with, an Australian workers' compensation law in respect of the individual's total incapacity for work;
 - the amount is payable in respect of a period that overlaps with, or includes, the fortnight.

How can businesses claim the payment?

- In order to claim the payment, businesses must notify the Commissioner (through the ATO) of their intent to claim the payment. Registration can be done through the ATO website.
- They must also provide the personal details of the employees for whom they intend to claim the payment to the ATO.
- Employers must seek permission from their employees to nominate them as eligible employees, through a 'nomination notice', for the purposes of the scheme.
- Payments will be made automatically through the single touch payroll system. Businesses not yet compliant with this system will have to use a manual payment system.

What will workers receive?

- If you are an eligible employee and your employer has nominated to participate in the scheme:
 - In order to receive the subsidy for a given fortnight, your employer must pay you \$1500 or more in that fortnight before tax. The following payments count towards this minimum:
 - Salary, wages, commission, bonus or allowances
 - Amounts withheld for tax purposes
 - Contributions to superannuation
- If your employer is still operating and you would normally earn more than \$1500 per fortnight, you must receive all payments and contributions to which you would normally be entitled based on your award or Enterprise Bargaining Agreement. Your pay should not change.
- If you have been stood down or your wage is less than \$1500 per fortnight, you will receive at least \$1500 per fortnight (before tax) in payment. The portion of that \$1500 which is above that which you should have received for your work that week will not attract additional superannuation payments, although you can speak to your employer about contributing some of the payment into your superannuation.

Note: This factsheet is based on Treasury advice and was correct at time of publication 08 April 2020.