BULLETIN Industrial Relations



Reference No: JobKeeper/dh-07-20

Date issued: 22/07/2020

JobKeeper Payment extended

The JobKeeper Payment has been extended – at a lower rate and with stricter eligibility – until March 2021, the Morrison government has announced.

Originally due to run until 27 September 2020, JobKeeper will now continue to be available to eligible businesses and not-for-profits until 28 March 2021.

To be eligible post 27 September 2020, businesses will need to requalify. Businesses and not-for-profits seeking to claim the JobKeeper Payment will be required to demonstrate that they have suffered an ongoing significant decline in turnover using actual GST turnover (rather than projected GST turnover) in the June and September quarters 2020 to be eligible for the December quarter. Businesses will again need to reassess their eligibility for the March quarter.

The current fortnightly payment rate of \$1,500 for eligible employees (including the self-employed) will continue until 27 September 2020.

From 28 September 2020, JobKeeper payment rates will be determined by whether the eligible employee, in the four weeks of pay periods before 1 March 2020, was working 20 hours or more a week on average.

From 28 September 2020, JobKeeper payment rates for eligible employees meeting this 20-hour or more test will be \$1,200 per fortnight, reducing to \$1,000 per fortnight from 4 January 2021.

For other eligible employees (e.g. part-time), JobKeeper payment rates will be \$750 per fortnight from 28 September 2020, reducing to \$650 per fortnight from 4 January 2021.

The Government has also indicated it will seek to extend the temporary changes to the Fair Work Act 2009 under JobKeeper phase 2.

Summary of key dates

- Until 27 September 2020: Payment continues at \$1,500 per fortnight
- 28 September 2020 3 January 2021: Payment reduced to \$1,200 / \$750 per fortnight
- 4 January 2021 27 March 2021: Payment reduced to \$1,000 / \$650 per fortnight
- 28 March 2021: Payments end.

VACC continues to work closely with the Australian Chamber of Commerce and Industry on various industrial relations and health and safety issues relating to Coronavirus. An addendum reflecting the latest developments to the previously circulated guidance for employers on the JobKeeper wage subsidy has been developed in order to assist members and is available <u>here</u>.

The Federal Government has released a comprehensive factsheet, <u>Extension of the JobKeeper</u> <u>Payment</u> for employer convenience.

Members needing further advice and support on JobKeeper Payments are encouraged to contact the Chamber's IR Department on 03 9829 1123 or <u>ir@vacc.com.au</u>. For specific payroll related advice relating to JobKeeper, members are encouraged to contact our new VACC IR resource, Andrea Chwalko.

Andrea Chwalko E: <u>achwalko@vacc.com.au</u>

For more information:

Australian Government factsheet: Extension of the JobKeeper Payment

Australian Government: Delivering support for business investment

Australian Government: Extension of additional income support for individuals

Australian Taxation Office: JobKeeper guides

Business Victoria: JobKeeper Payment for employers and employees

Prime Minister, Treasurer, Minister for Families and Social Services joint media release: <u>JobKeeper payment and income support extended</u>

The Treasury: The JobKeeper Payment (Three-month review June 2020)

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