

# JobKeeper payment

## What is the JobKeeper Payment? What does this mean for me?

The JobKeeper payment is a Commonwealth Government wage subsidy paid to eligible employers. The employer must then direct those payments to their eligible employees. The eligible employee must be paid at least \$1,500 per fortnight, regardless of what they usually earn (even if it is less).

The payment is a flat payment of \$1,500 (before tax) to the eligible employer per fortnight, per eligible employee, for a maximum of six months.

The Government believes the payment will:

- Encourage employers to retain their employees to receive the Payment and subsidise the cost of wages
- Provide greater job security to employees, and provide financial assistance to employees who have been stood down



## Can employers reduce employees' pay unilaterally to \$1,500 per fortnight?

The current proposal does not state whether employees must continue to be paid their same rate of pay when receiving the payment if their original rate of pay is above \$1,500 per fortnight. If an employer cannot afford to pay the 'gap' between the JobKeeper payment and the employee's ordinary salary, some employers may seek to reduce pay to the \$1,500 level. However, any unilateral change to terms and conditions may constitute termination of employment. We await further detail to confirm this when the Bill to be debated in parliament next week is released.

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### Am I an eligible employer?

A company, partnership, trust, sole trade, not-for-profit, charity, or self-employed employer will be eligible if:

- its annual revenue is less than \$1bn and it has lost 30% or more of its monthly revenue
- its annual revenue is equal to or greater than \$1bn and it has lost 50% or more of its monthly revenue



### Am I an eligible employee?

- Must be a current employee (if you have been stood down, or re-hired you are deemed to satisfy this requirement)
- Must have been employed on 1 March 2020
- Must be a full-time or part-time employee, or a casual employee with more than 12 months service
- Must be at least 16 years old
- Must be an Australian citizen, or holder of certain visas
- Must not receive a JobKeeper Payment from another employer

## What are the pay obligations for eligible employers?

