

COVID-19 and JobKeeper

What was JobKeeper?

JobKeeper Payment was a scheme to support businesses significantly affected by COVID-19.

The JobKeeper Scheme ended on 28 March 2021 and is no longer available to businesses and workers. This factsheet outlines how the scheme worked while it was in force.

The JobKeeper scheme had three different periods:

- **JobKeeper 1**- 28 March 2020 to 27 September 2020
- **JobKeeper 2**- 28 September 2020 to 3 January 2021
- **JobKeeper 3**- 4 January 2021- 28 March 2021

JobKeeper 1

The initial scheme ended on 27 September 2020. Under the initial scheme, the Commonwealth Government paid the employer \$1,500 a fortnight in JobKeeper payment for each eligible worker.

The \$1,500 payment was paid to workers by their employers in the same way as wages, so it was taxed.

An employer could not pick and choose which workers got paid JobKeeper - if one eligible worker got JobKeeper, all eligible worker should have received it.

To be eligible, you needed to meet the following requirements:

Be aged 16 or over;

- Employed by the business as at 1 March 2020;
- Employed for any fortnight that the JobKeeper payment was claimed for you;
- Employed as a full time or part time worker. Casual workers must have been employed on a "regular and systematic basis" for at least 12 months as at 1 March 2020;
- Be an Australian resident or special category visa holder (in general, workers on temporary visas were unlikely to be eligible);
- Provided your employer with a completed nomination form;
- If you had more than one job, you could only apply for JobKeeper for one;

- Some workers could not get it (for example, workers getting workers compensation or paid parental leave);
- Some self- employed workers were eligible for JobKeeper.

JobKeeper 2

JobKeeper 2 started on 28 September 2020 and ended on 3 January 2021. The payment was different, depending on the number of hours worked, as follows:

	Tier 1 payment	Tier 2 payment
Amount of JobKeeper:	\$1,200 per fortnight before tax	\$750 per fortnight before tax
Who the rate applied to:	<ul style="list-style-type: none"> • Eligible workers who worked for 80 hours or more in the four weeks of pay periods before either 1 March 2020 or 1 July 2020, and • Eligible business participants who were actively engaged in the business for 80 hours or more in February and provide a declaration to that effect. 	Any other eligible workers and eligible business participants.

To be eligible, you needed to meet the following requirements:

- Employed by the employer (including if you were stood down or re-hired);
- Aged 18 or over (16 and 17 year olds may have qualified depending on their circumstances);
- Employed by the business as at 1 July 2020;
- Employed for any fortnight that the JobKeeper payment was claimed for you;
- Employed as a full time or part time worker. Casual workers must have been employed on a “regular and systematic basis” for at least 12 months as at 1 July 2020 and not a permanent worker of another employer;
- An Australian resident or special category visa holder (in general, workers on temporary visas were unlikely to be eligible);
- Provided your employer with a completed nomination form;
- If you had more than one job, you could only apply for JobKeeper for one.
- Some workers could not get it (for example, workers getting workers compensation or paid parental leave);
- Some self- employed workers were eligible for JobKeeper.

JobKeeper 3

JobKeeper 3 applied for the period 4 January 2021 and 28 March 2021 (unless extended). Eligibility for JobKeeper 3 was the same as for JobKeeper 2, but the amount of money was different depending on the number of hours worked.

	Tier 1	Tier 2
Amount of JobKeeper:	\$1,000 per fortnight before tax	\$650 per fortnight before tax
Who the rate applies to:	<ul style="list-style-type: none"> • Eligible workers who worked for 80 hours or more in the four weeks of pay periods before either 1 March 2020 or 1 July 2020, and • Eligible business participants who were actively engaged in the business for 80 hours or more in February and provide a declaration to that effect. 	Any other eligible workers and eligible business participants.

What did employees get paid under JobKeeper?

Situation	Pay each fortnight
Worker is told not to come to work – temporarily 'stood down'	JobKeeper payment amount, not normal wage.
Worker is on unpaid leave or on paid leave of less than JobKeeper amount	JobKeeper payment amount, not normal wage.
Worker is still working, earning less than JobKeeper amount each fortnight	JobKeeper payment amount, not normal wage.
Worker is still working (normal or reduced hours), earning more than JobKeeper amount per fortnight	Full wages for the hours worked
Worker is on paid leave and should get paid more than JobKeeper amount	Full wages they should get on paid leave

Examples

Jon worked part time in a gym, 20 hours per week, earning \$25 per hour. He usually got paid \$1000 before tax per fortnight. The gym was closed due to the Covid-19 government shutdown in March and Jon was told by his employer that he didn't have any work for Jon to do. The business and Jon qualified for JobKeeper. When the gym reopened Jon was told there was not enough work and he was told that he was stood down from his job and had not worked since then. Although Jon usually only earned \$1000 per fortnight, he received \$1500 (before tax) per fortnight under JobKeeper until 27 September 2020, from 28 September 2020 he has received \$1,200 (before tax), and from 4 January 2021 he started receiving \$1,000 (before tax).

Jen also worked at the gym. She worked 38 hours per week, earning \$25 per hour. She usually got paid \$1,900 before tax each fortnight. She also qualified for JobKeeper, as there was also no work for her to do. Although Jen usually earned \$1,900 per fortnight, she only received the JobKeeper amount and not her normal wage.

Jes worked in a retail store that was not shut down but there had been a large downturn of work. She worked 38 hours per week, earning \$25 per hour. She usually got paid \$1,900 before tax each fortnight. She also qualified for JobKeeper. She was still working the same hours at work. As Jess was entitled to get paid for all the work that she did, she still got paid \$1,900 per fortnight. Depending on when the business was eligible, her employer may have received the JobKeeper amount of the amount paid to Jess per fortnight from the government through the JobKeeper scheme.

JobKeeper Rules

- Employers could give their workers 'JobKeeper Enabling Directions' which meant the worker may have had to work less hours, or temporarily not come to work, or work different duties or at a different place than normal.
- Employers had a requirement to talk to workers about the change and tell the worker at least 3 days before the change was due to start.
- The changes had to be safe and reasonable. If the worker needed a particular qualification or licence to do the work, the boss could not ask the worker to do the work unless they had that qualification or licence.
- Employers could ask workers to agree to some other changes and employers could tell workers to take annual leave, as long as the worker was left with at least 2 weeks, which the worker could not unreasonably refuse to take.
- The worker and their employer could also agree that the worker take twice the annual leave at half the pay.
- The worker still worked for their employer during this time, even if the worker was asked not to come to work, so the worker still earned annual leave etc.
- If the worker was told they must do something that they were concerned about, they may have had the right to dispute this by making a complaint to the Fair Work Commission.

Where can I get help or more information?

	<p>Kingsford Legal Centre – Legal Advice</p> <ul style="list-style-type: none"> • email legal@unsw.edu.au, • call (02) 9385 9566 (Monday- Friday 9am – 1pm, 2pm – 5pm)
	<p>Your local community Legal Centre- Legal advice</p> <ul style="list-style-type: none"> • Call Law Access on 1300 888 529 • Visit the CLCNSW website: https://www.clcnsw.org.au/find-legal-help
	<p>Fair Work Australia (Information and complaint body)</p> <ul style="list-style-type: none"> • For information about making a complaint • https://www.fairwork.gov.au/how-we-will-help/templates-and-guides/fact-sheets/rights-and-obligations/employment-conditions-during-natural-disasters-and-emergencies • https://www.fwc.gov.au/resources/benchbooks/JobKeeper-disputes-benchbook
	<p>Australian Taxation Office (Information only)</p> <ul style="list-style-type: none"> • https://www.ato.gov.au/General/JobKeeper-Payment/Employers/ • https://www.ato.gov.au/General/JobKeeper-Payment/Payment-rates/80-hour-threshold-for-employees/

Kingsford Legal Centre is funded by the UNSW Sydney Faculty of Law, and the Community Legal Centres Program administered by Legal Aid NSW

