
CIRCULAR NO. GEN/37/CCV/2020
DATE: 1 October 2020
SUBJECT: JobKeeper – A Recap
ATTENTION: Club Managers

In accordance with our prior communications, the purpose of this circular is to provide a summary of our recent updates issued regarding JobKeeper payments.

Extension of the JobKeeper – A summary (re Payments):

- Legislation was passed by the Australian Government on 1 September 2020 extending the JobKeeper provisions in the Fair Work Act 2009 (**FW Act**) – *with some changes* (**Extended Provisions**)
- The Extended Provisions take effect from 28 September 2020 and apply until **28 March 2021**
- Extended Provisions apply to *Eligible Employers* and allow *Legacy Employers* to continue using some of the JobKeeper provisions (with some changes) if they meet certain conditions.
- *Eligible Employer* – Employers may be eligible for the JobKeeper Payment scheme if all the following apply:
 - On 1 March 2020 you ran a business in Australia, or were a Not-for-Profit or a Deductible Gift Recipient
 - You employed at least 1 *Eligible Employee* during the JobKeeper fortnight you are applying for (includes employees stood down or re-hired)
 - Your business satisfies the actual decline turnover test for the relevant period (*period from 28 September 2020*)
 - Your business is not in one of the ineligible employer categories.

Refer <https://www.ato.gov.au/general/jobkeeper-payment/employers/eligible-employers/> for detail.

- *Actual Decline Turnover Test* – Unlike when you calculated the original decline in turnover test, you do not use your projected GST turnover for the relevant quarter being tested. You use your current GST turnover.
 - JobKeeper Extension 1 – 28 September 2020 to 3 January 2021: current GST turnover for the quarter ending 30 September 2020 (the months of July, August and September) has declined by the specified shortfall percentage (15%, 30% or 50%) in comparison to current GST turnover for the quarter ending 30 September 2019.
 - JobKeeper Extension 2 – 4 January 2021 to 28 March 2021: current GST turnover for the quarter ending 31 December 2020 (the months of October, November and December) has declined by the specified shortfall percentage (15%, 30% or 50%) in comparison to current GST turnover for the quarter ending 31 December 2019.

Nb: Specified Shortfall Percentage: Businesses and not-for-profits will still need to demonstrate that they have experienced a decline in turnover of:

- **50%** - for those with an aggregated turnover of more than \$1 billion;
- **30%** - for those with an aggregated turnover of \$1 billion or less;

- **15%** - for Australian Charities and Not for profits Commission-registered charities (excluding schools and universities).

Refer https://treasury.gov.au/sites/default/files/2020-08/Fact_sheet-JobKeeper_Payment_extension_1.pdf and

<https://www.ato.gov.au/uploadedFiles/Content/CR/downloads/Extension-of-the-JobKeeper-Payment-factsheet.pdf> for detail.

- Your employee is an eligible employee for a JobKeeper fortnight starting on or after 3 August 2020 if they:
 - are employed by you (including those stood down or re-hired) at any time in the JobKeeper fortnight
 - didn't receive any government paid parental leave or Dad and Partner Pay or a payment in accordance with Australian workers compensation law for an individual's total incapacity for work during the JobKeeper fortnight
 - agree to be nominated by you
 - either were an eligible employee for a JobKeeper fortnight ended before 3 August 2020 using the 1 March test, or meet certain conditions at 1 July 2020. Previously, employees needed to have been employed as at 1 March 2020 (and for a minimum of 12 months for long-term casual employees employed on a regular and systematic basis) in order to be eligible for JobKeeper payments. **From 3 August 2020**, the relevant date of employment moved from 1 March to 1 July 2020. The requirement for casuals to be employed for a minimum of 12 months on a regular and systematic basis remained.

Refer <https://www.ato.gov.au/general/jobkeeper-payment/employers/your-eligible-employees/> for detail.

JobKeeper Payments – from 28 September 2020

From **28 September 2020** to 3 January 2021, the JobKeeper Payment rates will be:

- **\$1,200** per fortnight (before tax) for all eligible employees who were working in the business or not-for-profit for **80 hours or more** in the four weeks of pay periods before either 1 March 2020 or 1 July 2020, and for eligible business participants who were actively engaged in the business for 80 hours or more in the 4 week period; and
- **\$750** per fortnight (before tax) for other eligible employees and business participants.

From **4 January 2021** to 28 March 2021, the JobKeeper Payment rates will be:

- **\$1,000** per fortnight (before tax) for all eligible employees who were working in the business or not-for-profit for **80 hours or more** in the four weeks of pay periods before either 1 March 2020 or 1 July 2020, and for eligible business participants who were actively engaged in the business for 80 hours or more in the 4 week period; and
- **\$650** per fortnight (before tax) for other eligible employees and business participants.

Reference Period: for employees regarding their hours worked to determine their tier of payment will be the two fortnightly pay periods prior to 1 March 2020 or 1 July 2020. The period with the higher number of hours is to be used for employees who were eligible at 1 March 2020.

Eligible Employees: Your employee's total number of hours of work, paid leave and paid public holidays during their reference period was 80 hours or more. Your employee will satisfy the 80-hour threshold if, in their 28-day reference period, the total of the following is 80 hours or more:

- actual hours they worked
- hours they were on paid leave
- hours they were paid for absence on a public holiday.

Refer <https://www.ato.gov.au/General/JobKeeper-Payment/Payment-rates/> for detail

The Information provided in this e-mail is generic advice. For advice in respect of your specific situation, please contact the SIAG National Advisory Service on 03 9644 1400 or 1300 742 447.



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