



JobKeeper Changes – Employee Eligibility

Under the employee eligibility changes announced by the Federal Government, employers should:

1. check for any newly eligible employees with the reference date moving from 1 March 2020 to **1 July 2020**; and
2. meet the wage condition test for newly eligible employees by **31 August 2020**.

When do the changes apply?

The **eligibility criteria** for employees and business participants will change from **Monday 3 August 2020**. From this date, employers will be able to nominate additional employees as eligible employees for the JobKeeper scheme.

The employee **eligibility reference date** will also move from 1 March 2020 to **1 July 2020**.

Please note these changes impact on the JobKeeper fortnights starting on or after 3 August 2020, including:

- the final four fortnights of the current JobKeeper scheme (fortnights commencing 3 August, 17 August, 31 August and 14 September 2020); and
- the extended JobKeeper scheme from 28 September to 28 March 2021.

Which employees will be affected?

Full-time, part-time or fixed-term permanent employees who commenced employment between 2 March 2020 and 1 July 2020 may now be eligible employees.

Changes to JobKeeper will allow employees who were previously ineligible under the 1 March 2020 test date to potentially be eligible under the new 1 July 2020 test date.

Newly eligible employees will include:

- Casual employees who commenced employment with the employer between 3 March 2019 and 2 July 2019. These casual employees will now meet the definition of a 'long term casual employee'.
- Employees who turned 18 years of age between 2 March 2020 and 1 July 2020.
- Employees who turned 16 years of age between 2 March 2020 and 1 July 2020 and were living independently or not undertaking full-time study between 2 March 2020 and 1 July 2020.
- Employees aged 16 or 17 years of age on 1 March 2020 but started living independently or stopped full-time study between 2 March 2020 and 1 July 2020.
- Employees who became either an Australian resident for social security law purposes, or a tax resident and holding a special category Subclass 444 visa, between 2 March 2020 and 1 July 2020.

What do employers need to do and when?

The 'One in, all in' rule will still apply requiring every eligible employee, including those newly eligible under the **1 July 2020** test date, to be given the choice to be nominated by an employer for the JobKeeper scheme. Employers must provide every newly eligible employee with a nomination notice.

All employers have until **31 August 2020** to meet the wage condition for all new eligible employees under the new 1 July 2020 eligibility test. This means employers need to pay any newly eligible employee at least \$1,500 for each relevant JobKeeper fortnight. Employers have the two fortnights from **3 August to 16 August 2020** and **17 August to 30 August 2020** to meet the wage condition for all new eligible employees.

What will happen to already eligible employees?

All individuals who satisfied the 1 March 2020 requirements will remain eligible employees unless they are no longer employees. An eligible employee's status as at 1 March 2020 is preserved. If an eligible employee has been re-hired after 1 July 2020 then their eligible employee status is preserved providing they have not provided an employee nomination notice to another entity.

Where an eligible employee or an eligible business participant has changed jobs, they can re-nominate as an eligible employee for a new entity.

Please contact our office on 5224 1022 if you have any questions regarding possible eligible employees and the timing of your payment obligations.

Please also note that this legislation has not yet been enacted and some minor changes may occur to the above information.