

# **Q&A on Support for Businesses**

The Prime Minister has today announced the Government's third tranche of economic assistance and this has included a new wage subsidy for employers called JobKeeper.

Here are some answers to business owners' most immediate questions:

#### 1. What is the new scheme?

The new scheme is called JobKeeper and its objective is to keep businesses operating, their employees in work and the relationship between businesses and their employees intact.

#### 2. What is on offer?

The Government is offering JobKeeper payments of \$1,500 a fortnight per employee to be paid to businesses to fund the wages of its employees (i.e. full time and part time employees and for casual employees who have been employed with the business for over 12 months).

## 3. How long will the scheme last?

Six months from 30 March 2020

#### 4. Does the payment vary based on employees' salaries?

No, this is a flat payment – i.e. same for everybody.

#### 5. Do I need to pay salaries on top of the Government's payment?

Consider the \$1,500 per fortnight a contribution from Government, not necessarily the full salary amount; it will represent 100% of the median wage for some sectors but not all.

### 6. Will I need to pay super on the Government payment?

No, you will not have to pay super on the \$1,500 fortnightly payment.

## 7. Is my business eligible?

All businesses who suffer a fall in their turnover by 30% or more due to the Coronavirus are eligible (including not-for-profit businesses and sole-traders).

#### 8. When does the scheme begin?

The scheme is effective from 30 March 2020, but it applies to employees that have been on the books from 1 March 2020. In terms of when government payments will begin, this will be subject to arrangements between the ATO and individual businesses.

# 9. What if I have stood employees down who are now on unemployment benefits?

If you have stood people down since 1 March and they're now on JobSeeker (Centrelink's income support), they can transfer to JobKeeper once you are fully registered for JobKeeper.

#### 10. How do I register?

Go to <a href="https://www.ato.gov.au/Job-keeper-payment/">https://www.ato.gov.au/Job-keeper-payment/</a> to register your interest.

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