

JobSeeker Payment: What You Need To Know

The Government is temporarily expanding eligibility to income support payments and establishing a new, time-limited Coronavirus Supplement to be paid at a rate of \$550 per fortnight. This supplement will be paid to both existing and new recipients of the eligible income support payments. These changes will apply for the next six months.

Who can receive the JobSeeker Payment?

Eligibility

- **Age** – Between 22 and Age Pension age. There are alternative income support payments available for people aged 21 or younger.
- **Income & Assets** – You usually can't get JobSeeker Payment if you have income or assets over a certain amount. Asset tests have been waived by the Government for new claims from 25 March 2020 to 24 September 2020, however income tests still apply.
- **Residency** – On the day you claim JobSeeker Payment, you must be an Australian resident, and in Australia. You must continue to meet the residence rules for as long as you get this payment.
- **Employment** – You must be unemployed and looking for work or sick or injured and are unable to do your usual work or study for a short time.

Expanded access

- **Employment** – In response to Coronavirus, there is expanded access to include employees who are stood down, working reduced hours or lose their employment; sole traders; the self-employed; casual workers; and contract workers. Employees who have not been terminated, only temporarily stood down, or those working reduced hours will now be able to apply without a separation certificate.
- **Reduced means testing** – Asset tests have been waived by the Government for new claims from 25 March 2020 to 24 September 2020.
- **Reduced waiting times** – The one-week Ordinary Waiting Period has already been waived. Other waiting periods have also been waived.

Who can receive the Coronavirus Supplement?

Anyone who is eligible to receive the JobSeeker Payment (or other eligible income support payments) will be eligible to receive the Coronavirus Supplement. Anyone who is eligible for the Coronavirus Supplement will receive the full rate of the supplement each fortnight (people will receive their normal JobSeeker Payment plus the full amount of the supplement for 6 months).

How much can you get?

Your JobSeeker Payment amount depends on your situation. This includes:

- your personal situation, such as if you have children or a partner
- how much income you've earned in the past 14 days

The JobSeeker Payment is tapered, meaning if you earn \$0 for the fortnight you'll get the full income support payment (approximately **\$565** per fortnight for a single with no dependent children), but if you still have some income (but remain below the maximum income threshold) you will receive a portion of the payment.

When your income reaches the maximum threshold, your JobSeeker Payment reduces to zero. The maximum threshold at which the JobSeeker Payment reduces to zero for a single person with no dependent children is an income of **\$1,075** per fortnight. If you have a partner who earns more than **\$3,065** per fortnight (\$79,762 per year – increased following the latest announcements), you are not eligible for the JobSeeker Payment even if you earn no income individually.

As long as you are eligible for even just a minimal JobSeeker Payment or Youth Allowance Payment, you will receive the **full** Coronavirus Supplement payment, which is **\$550** per fortnight.

Income Test – What counts as income?

Most types of income count in your income test. These includes:

- employment income, including wages, bonuses, penalty rates, overtime, fringe benefits and salary sacrifice amounts
- income from a sole trader or partnership business
- distributions or dividends from a private trust or private company
- real estate income from things like rental properties or boarders and lodgers
- deemed income from financial investments
- deemed income from money in superannuation funds if you've reached Age Pension age
- reportable superannuation contributions
- some lump sum payments
- Paid Parental Leave payments.

Company directors who are also employees

If you own a company in which you are also an employee, reducing your employment income to zero will not in itself make you eligible for accessing the JobSeeker Payment. A share of the income from a company or trust you are connected with will also be attributed to you. The amount of income attributed to you will depend on your level of control.



What about your leave entitlements?

JobSeeker Payment applicants will not be permitted, and will need to declare that they are not, accessing employer entitlements (such as annual leave and/or sick leave) or Income Protection Insurance, at the same time as receiving JobSeeker Payment or Youth Allowance Jobseeker under these arrangements.

However, employees will not need to exhaust their leave entitlements before being able to access the JobSeeker Payment. This is because the “liquid asset” test waiting period has been waived from 25 March 2020 to 24 September 2020. Normally, liquid assets are any funds readily available to an employee (and their partner) which includes annual and long service leave entitlements.

Also, lump sum leave payments received when your job ends do not count towards your income for the purposes of the income test in determining your eligibility for the JobSeeker Payment.

When will you get paid?

JobSeeker Payment is a fortnightly payment. You’ll get your first payment 2 weeks after your last waiting period ends. All waiting periods have been waived from 27 April 2020.

The Coronavirus Supplement Payment will commence on 27 April 2020 and will be automatically added to your JobSeeker Payment from this date. It will not be paid retrospectively.

How do you apply?

Applications for the JobSeeker Payment are open now. The benefits can be accessed via telephone and via the myGov website. Current advice is that applicants should avoid attending Centrelink offices in person due to social distancing measures.

Applicants will need to make a declaration about their identity, residency status, income and that they have been made redundant or had their hours reduced (including to zero) as a result of the economic downturn due to Coronavirus – this includes a stand down situation.

The myGov process is relatively simple, with applicants being required to sign up or login to their myGov account and register their intent to claim by clicking the 'Register intention to claim' button at the top of the page. Applicants do not need to have a “CRN” prior to registering their intention to claim.

Required documentation

There are a number of documents required for the application. This may be the longest (and most frustrating) part of the process. In order to apply for income support payments, applicants may be required to upload some of the following documentation evidencing:

- tax file number
- bank account details
- savings, term deposits, mortgage offsets or overseas account details
- investments
- insurance agreements
- income and assets, including real estate assets
- superannuation
- income tax returns
- notice of assessments
- profit and loss statements
- payslips/PAYG certificates
- living arrangements
- children details
- parent or guardian details, including work and income details
- partner details, including citizenship, study, work, income and separation details (if relevant)

What else do you need to know?

Those receiving the JobSeeker Payment have an obligation to actively look for work or build their skills, but the Government is making sure this can be done flexibly and safely. In some circumstances, job seekers can undertake training or volunteer within their community to meet their mutual obligation requirements.

Job seekers are encouraged to stay job ready, connected to their employment services provider and up to date on potential job opportunities in their local area.

Sole traders that become eligible for the JobSeeker Payment will automatically meet their mutual obligation requirements during this period by continuing to develop and sustain their business.

REMEMBER!

Services Australia has effective measures in place to detect those seeking to defraud the social security system. Anyone fraudulently claiming a payment will need to pay the money back and may face imprisonment.