

Benchbook

Jobkeeper disputes (Coronavirus economic response)

About this benchbook

This benchbook has been prepared by staff of the Fair Work Commission (the Commission) to assist parties lodging or responding to jobkeeper dispute applications under the *Fair Work Act 2009* (Cth).

The majority of the jobkeeper provisions of the *Fair Work Act 2009* (Cth) were repealed on 29 March 2021. The Commission has limited power to deal with jobkeeper disputes on or after this date.

Attachment 5 sets out the jobkeeper provisions of the *Fair Work Act 2009* (Cth) that continue to apply on and after 29 March 2021.

Disclaimer

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The information provided, including cases and commentary, is considered correct as of the date of publication. Changes to legislation and case law will be reflected in updates to this benchbook from time to time.

This benchbook is not a substitute for independent professional advice and users should obtain appropriate professional advice relevant to their particular circumstances.

In many areas of Indigenous Australia, it is considered offensive to publish the names of Aboriginal and Torres Strait Islander people who have recently died. Users are warned that this benchbook may inadvertently contain such names.

Glossary

The parties to jobkeeper disputes have generally been referred to in this benchbook as the 'Applicant' and the 'Respondent'. A glossary explaining these and other commonly used terms is at Attachment 1.

Links to external websites

Where this site provides links to external websites, these links are provided for the reader's convenience and do not constitute endorsement of the material on those sites, or any associated organisation, product or service.

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Part 1 – Introduction

The Jobkeeper payment scheme applied between 30 March 2020 and 28 March 2021. The Jobkeeper payment scheme **does not apply on or after 29 March 2021**.

This part provides an introduction to:

- the Fair Work Commission
- the jobkeeper scheme, and
- the Coronavirus Economic Response provisions.

More detailed information about the Coronavirus Economic Response provisions is in Parts 2 to 10.

About the Commission

The Fair Work Commission (the Commission) is Australia's national workplace relations tribunal.

Australia has had a national workplace relations tribunal for more than a century and it is one of the country's oldest key institutions. Over time it has undergone many changes in jurisdiction, name, functions and structure. Throughout its history, the tribunal has made many decisions that have affected the lives of working Australians and their employers. The Commission recognises the importance of promoting public understanding of the role of the tribunal and of capturing and preserving its history for display and research.

The Commission is responsible for applying provisions of the *Fair Work Act 2009* (the Fair Work Act) and the *Fair Work (Registered Organisations) Act 2009* (the Registered Organisations Act). This includes powers to deal with some disputes about the jobkeeper payment scheme.

About the jobkeeper payment scheme

The [Coronavirus Economic Response Package \(Payments and Benefits\) Rules 2020](#) (the Payments and Benefits Rules) are made under s.20 of the [Coronavirus Economic Response Package \(Payments and Benefits\) Act 2020](#) (the Payments and Benefits Act). The Payments and Benefits Rules establish the jobkeeper payment scheme, including:

- when an employer or business is entitled to a payment
- the amount and timing of a payment, and
- other matters relevant to the administration of the payment.

Payments under the jobkeeper payment scheme are currently available in fortnightly periods between 30 March 2020 and 28 March 2021.

On 21 July 2020, the government announced that it would extend the jobkeeper payment scheme from 28 September 2020 until 28 March 2021, and it amended the Payments and Benefits Rules to that effect on 15 September 2020.¹ There are two separate extension periods:

- Extension 1 is from 28 September 2020 to 3 January 2021
- Extension 2 is from 4 January 2021 to 28 March 2021

For each extension period, the rate of the jobkeeper payment is different.

For jobkeeper fortnights ending before 28 September 2020, the payment amount is \$1,500.

From 28 September 2020, the rate of the jobkeeper payment will depend on the number of hours an eligible employee works. It will be split into two different payment rates:

- a Tier 1 rate will apply to all eligible employees whose hours of work, hours of paid leave and hours of paid absence on public holidays were 80 or more during a specified 28-day period before either 1 March 2020 or 1 July 2020
- a Tier 2 rate will apply to any other eligible employees.

The payment amount per fortnight is set out in the table below.

Jobkeeper fortnight	All eligible employees	Tier 1 rate	Tier 2 rate
Ending before 28 September 2020	\$1,500	-	-
28 September 2020 to 3 January 2021	-	\$1,200	\$750
4 January 2021 to 28 March 2021	-	\$1,000	\$650

A business must notify the Australian Taxation Office about whether the Tier 1 or Tier 2 rate applies to eligible employees.² A business must notify eligible employees in writing of which rate applies to them within 7 days of notifying the Australian Taxation Office.³

To be entitled to the jobkeeper payment, the business must pay the employee the full jobkeeper payment amount before it receives the jobkeeper payment from the Australian Taxation Office.⁴

The jobkeeper payment scheme ended on 29 March 2021.

¹ [Coronavirus Economic Response Package \(Payments and Benefits\) Amendment Rules \(No.8\) 2020](#)

² Payment and Benefits Rules, ss.6(1)(fa).

³ Payment and Benefits Rules, ss.6(4A).

⁴ Payment and Benefits Rules, ss.6(1)(d) and 10.

How does an employer qualify for the jobkeeper scheme?

Jobkeeper payments are administered by the Australian Taxation Office.

Commission staff cannot give advice on whether an employer is eligible for the jobkeeper scheme, and the following is provided for information only.

A business that has suffered a substantial decline in turnover can be entitled to a jobkeeper payment for each eligible employee. For all jobkeeper fortnights, the business must satisfy the original 'decline in turnover' test,⁵ which is based on the business's projected GST turnover. For jobkeeper fortnights from 28 September 2020, the business must also satisfy the 'actual decline in turnover test', which is based on current GST turnover.⁶

Different thresholds apply to the decline in turnover required, depending on the status of the entity, as follows:

- in most cases, at least 30%
- for larger businesses with aggregated turnover of \$1 billion or more, at least 50%
- for registered charities, other than schools and some higher education providers, at least 15%.

Some employers are not entitled to receive jobkeeper payments.⁷ These include:

- banks (or entities within consolidated groups of banks) liable to pay a levy under the *Major Banks Levy Act 2017* in any quarter ending before 1 March 2020
- Australian government agencies (and entities wholly owned by them)
- local governing bodies (and entities wholly owned by them)
- sovereign entities
- companies where a liquidator or provisional liquidator has been appointed in relation to the company; and
- individuals where a trustee in bankruptcy has been appointed to the individual's property.

The Commission cannot assist with disputes about whether an employer is eligible to receive a jobkeeper payment or whether an employee is an eligible employee for the purposes of the jobkeeper scheme.



Related information

[Part 7 – Disputes the Commission cannot assist with](#)

Employer record keeping requirements

An employer is not entitled, and is taken never to have been entitled to, a jobkeeper

⁵ Payments and Benefits Rules, ss.7(1)(b) and 8.

⁶ Payments and Benefits Rules, ss.7(1)(c) and 8B

⁷ Payments and Benefits Rules, s.7(2).

payment unless it complies with record keeping requirements under the Payments and Benefits Act.⁸

When are employees eligible under the jobkeeper payments scheme?

Employers can claim the jobkeeper payment for eligible employees.⁹ Jobkeeper payments are administered by the Australian Taxation Office.

Commission staff cannot give advice on whether an employee is an 'eligible employee', and the following is provided for information only.

Eligible employees are employees who:¹⁰

- are currently employed by an employer that is eligible to receive the jobkeeper payment (including employees who are stood down or re-hired)
- were employed by the employer at 1 March 2020 (for jobkeeper fortnights commencing before 3 August 2020) or at 1 July 2020 (for jobkeeper fortnights commencing on or after 3 August 2020)
- are full-time, part-time, or long-term casuals (a casual employed on a regular and systematic basis for longer than 12 months at 1 March 2020 for jobkeeper fortnights commencing before 3 August 2020 or at 1 July 2020 for jobkeeper fortnights commencing on or after 3 August 2020)
- are a permanent employee of the employer, or if a long-term casual employee, are not also a permanent employee of any other employer
- are at least 16 years of age at 1 March 2020 (for jobkeeper fortnights commencing before 3 August 2020) or at 1 July 2020 (for jobkeeper fortnights commencing on or after 3 August 2020)
- if 16 or 17 years of age at 1 March 2020 (for jobkeeper fortnights commencing before 3 August 2020) or at 1 July 2020 (for jobkeeper fortnights commencing on or after 3 August 2020), are independent and not undertaking full-time study within the meaning of the *Social Security Act 1991*
- are an Australian citizen, the holder of a permanent visa, or the holder of a Special Category (Subclass 444) Visa at 1 March 2020 (for jobkeeper fortnights commencing before 3 August 2020) or at 1 July 2020 (for jobkeeper fortnights commencing on or after 3 August 2020)
- were a resident for Australian tax purposes on 1 March 2020 (for jobkeeper fortnights commencing before 3 August 2020) or on 1 July 2020 (for jobkeeper fortnights commencing on or after 3 August 2020)
- are not receiving government paid parental leave, dad and partner pay, or payment under workers' compensation law for total incapacity to work, and have given the

⁸ Payments and Benefits Act, s.14(1).

⁹ Payments and Benefits Rules, s.6.

¹⁰ Payments and Benefits Rules, s.9.

employer a nomination notice in the approved form (and have not given any other employer a nomination notice or, if they have given another employer a nomination notice, they stopped being an employee of that employer between 1 March 2020 and 1 July 2020).



Related information

[What is a 'jobkeeper fortnight'?](#)

Overview of the Coronavirus Economic Response provisions in the Fair Work Act

The jobkeeper provisions of the *Fair Work Act* applied from 9 April 2020. They were varied and extended in September 2020. Most of the jobkeeper provisions of the *Fair Work Act* were repealed on 29 March 2021 and **do not apply on or after 29 March 2021**.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

On 9 April 2020, the [Coronavirus Economic Response Package Omnibus \(Measures No. 2\) Act 2020](#) introduced a new Part 6-4C into the Fair Work Act. At that time, most provisions in Part 6-4C were to operate until 28 September 2020, and enabled employers that qualified for the jobkeeper scheme and were entitled to jobkeeper payments for employees to give certain directions to employees and make certain requests of them. This included making requests that an employee take annual leave.

Part 6-4C was significantly amended on 3 September 2020 by the [Coronavirus Economic Response Package \(Jobkeeper Payments\) Amendment Act 2020](#), to support the extended operation of the jobkeeper scheme until 28 March 2021. As amended, Part 6-4C still allows employers that qualify for the jobkeeper scheme to access a range of flexibility measures in giving certain directions to employees and making certain requests of them. However, from 28 September 2020, Part 6-4C no longer allows employers to make requests that an employee take annual leave.

Part 6-4C also now allows employers that were entitled to one or more jobkeeper payments in the period prior to 28 September 2020, but no longer qualify for a jobkeeper payment on or after 28 September 2020 (legacy employers), to access modified flexibility measures. To access these measures, legacy employers must have a certificate stating that they have experienced at least a 10% decline in turnover.

Part 6-4C allows the Commission to deal with disputes about the operation of the new Part.

The provisions of the new Part are confined to an employer that is a 'national system employer' and to an employee who a 'national system employee' (s.789GC). Note also the extended meaning of these terms found in Division 2A of Part 1-3 of the Fair Work Act.

Directions

An employer that qualifies for the jobkeeper scheme and becomes entitled to jobkeeper payments for an employee during the relevant period, can give the employee three new kinds of directions:

- A 'job keeper enabling stand down' (s.789GDC) is a form of flexible stand down. It can require an employee not to work on a day they would usually work, work for a lesser period on a day, or work a reduced number of hours overall (which can be nil). Similar to a regular stand down under s.524 of the Fair Work Act or an award or agreement, there is a causative requirement, but one linked to the pandemic: the stand down direction can only be given if the employee 'cannot be usefully employed for the employee's normal days or hours ... because of changes to business' that are 'attributable to the COVID-19 pandemic' or to 'government initiatives' to slow its transmission (s.789GDC(1)(c)).
- Under s.789GE, an employer may direct an employee to perform other duties. The duties in question must be within the employee's skill and competency, and must be reasonably within the scope of the employer's business operations. The employee must also have any relevant licence or qualification required to perform the duties.
- An employer may also give an employee a direction to work at a different place (s.789GF). This can be any place that is different from the normal place of work, including the employee's home, provided that it is 'suitable for the employee's duties'. It must not require the employee to travel an unreasonable distance.

Each of these three directions is a 'jobkeeper enabling direction' and is subject to the employer payment obligations in Division 2 and conditions in Division 6. A direction does not apply to an employee if it is unreasonable (s.789GK), and the employer must consult the employee, and give the employee written notice of the intention to give the direction at least three days before it is given, or a lesser period if the employee genuinely agrees. A direction to perform other duties or to work at a different place must also be 'necessary to continue the employment of one or more employees' (s.789GL).

Legacy employers that hold a 10% decline in turnover certificate can give modified jobkeeper enabling directions to employees they were previously entitled to jobkeeper payments for (ss.789GJA, 789GJB and 789GJC), subject to more stringent consultation requirements.

Each of the substantive direction provisions contains additional requirements, including in relation to safety.

A direction has effect despite a 'designated employment provision' which includes a term of a contract and a fair work instrument, but operates subject to the protections in Division 12.

Leave continues to accrue as if the jobkeeper enabling direction had not been given (s.789GS).

Jobkeeper enabling directions do not apply on or after 29 March 2021.

Requests

There are also provisions that enable an employer that is qualified for the jobkeeper scheme, and entitled to jobkeeper payments for an employee, to give the employee a request, which the employee must then consider and not unreasonably refuse. In some circumstances, legacy employers can also make requests of employees that they were previously entitled to jobkeeper payments for.

An employer may request an employee to agree to work on days or at times that are different from the employee's ordinary days or times, but which do not reduce the employee's number of hours of work (compared with the employee's ordinary hours) (s.789GG). If the request is made by a legacy employer, any agreement must not have the effect of requiring the employee to work less than 2 hours in a day.

Second, prior to 28 September 2020, an employer that is qualified for the jobkeeper scheme and entitled to jobkeeper payments for an employee may request an employee to take paid annual leave, provided the request does not result in the employee having a balance of fewer than two weeks (s.789GJ(1)). (An employer and employee can also agree to the employee taking twice as much paid annual leave at half pay under s.789GJ(2).) The annual leave provisions will be repealed on 28 September 2020.

If an employer has given an employee a jobkeeper enabling stand down direction, the employee may give the employer a request to engage in 'reasonable secondary employment', or a request for training or professional development. The employer must consider and must not unreasonably refuse the request (s.789GU).

Requests are also subject to the relevant employer payment obligations in Division 2 and the protections in Division 12.

Requests and agreements made under the jobkeeper provisions of the *Fair Work Act* do not apply on or after 29 March 2021.

Disputes

The Commission 'may deal with a dispute about the operation of this Part,' including by arbitration (s.789GV(2)). Mediation, conciliation, recommendations and opinions are also contemplated (see the reference to s.595(2) in the note to s 789GV(2)). There must first be an application from an employer, employee, union or employer association.

The Commission 'may' make any of the orders in s.789GV(4), which includes any order it considers 'desirable' to give effect to a direction, setting aside a direction, or substituting a different direction. The Commission may also make 'any other order it considers appropriate'. The Commission must take into account 'fairness between the parties concerned' (s.789GV(7)).

Disputes coming before the Commission may concern, for example: whether a jobkeeper enabling stand down is 'because of' changes to business attributable to the pandemic or the government's response to it; whether an employee 'cannot be usefully employed for the employee's normal days or hours' (potentially less clear cut in the case of a partial stand down); safety implications of directions, including in relation to transmission of the virus; whether alternative duties are within an employee's skills and the scope of the business


concerned; suitability of alternative workplaces; the reasonableness of employee refusals to work different days or times, or to take annual leave; whether a direction is unreasonable in all of the circumstances; employer compliance with consultation and notice requirements regarding a direction; and whether a direction to perform other duties or work at a different place is 'necessary to continue the employment of one or more employees'.

The Federal Court can make an order terminating a jobkeeper enabling direction or agreement made by a legacy employer if it is satisfied that the employer did not satisfy the 10% decline in turnover test, as well as any other order that the court considers appropriate (ss.789GXD and 789GXE).

Except for Division 5, the relevant divisions of Part 6-4C are repealed with effect from **29 March 2021** and any jobkeeper enabling directions (and agreed changes to working days and times) in effect at the time of repeal then cease to have effect. Division 5, which deals with taking paid annual leave, is repealed with effect from 28 September 2020. The Commission can deal with disputes after 29 March 2021 (but cannot make an order giving effect to a direction or substituting a direction after that date).

See the [Explanatory Memorandum for the Coronavirus Economic Response Package Omnibus \(Measures No. 2\) Bill 2020](#) and the [Coronavirus Economic Response Package \(Jobkeeper Payments\) Amendment Bill 2020](#).

Part 2A – Jobkeeper enabling directions – general information

 See Fair Work Act ss.789GC, 789GDC, 789GE, 789GF, 789GJA, 789GJB, 789GJC and Division 6 of Part 6-4C

Sections 789GDC, 789GE, 789GF, 789GJA, 789GJB, 789GJC and Division 6 of Part 6-4C were repealed on 29 March 2021.

A jobkeeper enabling direction cannot be given on or after 29 March 2021 and a jobkeeper enabling direction given before 29 March 2021 does not apply on or after that date.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

Under Part 6-4C, employers that qualify for the jobkeeper scheme and some ‘legacy employers’ can give ‘jobkeeper enabling directions’.

‘Legacy employers’ are employers that were entitled to a jobkeeper payment for an employee prior to, but not on or after, 28 September 2020. Legacy employers that satisfy the ‘10% decline in turnover test’ and hold a ‘10% decline in turnover certificate’ can give modified jobkeeper enabling directions.



Related information

What is the [10% decline in turnover test](#)?

What is a [10% decline in turnover certificate](#)?

Part 2A of this benchbook provides general information about all jobkeeper enabling directions.

Part 2B of this benchbook provides information about jobkeeper enabling directions given by employers that are currently entitled to jobkeeper payments for an employee.

Part 2C of this benchbook provides information about jobkeeper enabling directions given by employers previously entitled to jobkeeper payments (legacy employers).

There are three types of jobkeeper enabling directions:

1. a **jobkeeper enabling stand down direction**, including a direction to reduce an employee’s hours, under s.789GDC or s.789GJA
2. a direction in relation to the duties to be performed by the employee under s.789GE or s.789GJB, and
3. a direction to perform duties at a place different from the employee’s normal place of work, including their home, under s.789GF or s.789GBC.

Jobkeeper enabling directions apply even if they are not consistent with:

- the Fair Work Act (subject to s.789GZ)
- a 'fair work instrument' (such as a modern award or an enterprise agreement)
- a contract of employment, or
- a transitional instrument (within the meaning of item 2 of Schedule 3 to the [Fair Work \(Transitional Provisions and Consequential Amendments\) Act 2009](#)).

Jobkeeper enabling directions must be in writing, must not be unreasonable, and are subject to notice and consultation requirements. The notice and consultation requirements are different for legacy employers.

Subject to any order made by the Commission in dealing with a dispute about the operation of Part 6-4C, jobkeeper enabling directions operate until they are withdrawn, revoked or replaced. Jobkeeper enabling directions under ss.789GDC, 789GE or 789GF cease to have effect if the employer ceases to be entitled to jobkeeper payments for the employee who has been given the direction. Jobkeeper enabling directions given by legacy employers under sections 789GJA, 789GJB or 789GJC:

- cease to have effect on 28 October 2020 if the employer does not hold a 10% decline in turnover certificate for the quarter ending on 30 September 2020, and
- cease to have effect on 28 February 2021 if the employer does not hold a 10% decline in turnover certificate for the quarter ending on 31 December 2020.

All jobkeeper enabling directions cease to have effect on 29 March 2021.

The Minister for Industrial Relations has the power to exclude one or more specified employers from being able to give jobkeeper enabling directions,¹¹ but this has not yet occurred.



Checklists

See the checklists at Attachments 2 and 3 to identify whether a jobkeeper enabling direction is authorised and has effect.

[Attachment 2 – Jobkeeper enabling directions checklist – employers currently entitled to jobkeeper payment](#)

[Attachment 3 – Jobkeeper enabling directions checklist – employers previously entitled to jobkeeper payment](#)

Jobkeeper enabling directions given before 28 September 2020


Jobkeeper enabling directions made prior to 28 September 2020 automatically continue in effect after 28 September 2020, provided they continue to be authorised by Part 6-4C.

If an employer ceases to qualify for the jobkeeper scheme on 28 September 2020, any

¹¹ Fair Work act s.789GX

jobkeeper enabling directions it gave before that date cease to have effect. The employer may be able to give new jobkeeper enabling directions as a legacy employer: see [Part 2C – Jobkeeper enabling directions – employers previously entitled to jobkeeper payments](#).

Service and entitlement accrual while a jobkeeper enabling direction applies

 See Fair Work Act ss.22, 789GR and 789GS

For the purposes of the Fair Work Act, the period that an employee is subject to a jobkeeper enabling direction counts as service.


While a jobkeeper enabling direction applies to an employee:

- the employee accrues leave entitlements, and
- redundancy pay and payment in lieu of notice of termination are calculated,

as if the direction had not been given.

The Commission **can** deal with disputes about ss. 789GR and 789GS after 29 March 2021.

When a jobkeeper enabling direction will have no effect

 See Fair Work Act ss.789GDC, 789GE, 789GF and Division 6 of Part 6-4C

Sections 789GDC, 789GE, 789GF of Part 6-4C were repealed on 29 March 2021.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

Jobkeeper enabling directions cannot be made retrospectively.¹² This means that directions given before Part 6-4C commenced operation on **9 April 2020** are not authorised by provisions in that Part. Depending on the circumstances, such directions given before 9 April 2020 may still have been authorised, for example under a fair work instrument or a contract of employment.

Jobkeeper enabling directions have no effect if they are unreasonable or the employee was not consulted.

Jobkeeper enabling directions about duties of work and location of work also have no effect unless the employer reasonably believes they are necessary to continue the employment of one or more employees.

Jobkeeper enabling directions have no effect on or after **29 March 2021**.

Reasonableness

 See Fair Work Act s.789GK

A jobkeeper enabling direction does not apply if it is unreasonable in all the circumstances.

¹² Fair Work Act ss.789GDC(1)(a), 789GE(1)(a) and 789GF(1)(a).

For example, a direction may be unreasonable because of the impact it would have on the caring responsibilities of the employee. A direction relating to the reduction of hours given to employees in a particular category may be unreasonable if the direction has an unfair effect on some of those employees compared with the other employees in that category.

Section 789GK does not otherwise provide guidance on what may be ‘unreasonable’. See ‘What is a reasonable belief?’ below, for more information.

Necessary to continue the employment of employees

 See Fair Work Act s.789GL

To give a jobkeeper enabling direction about duties to be performed or location of work, the employer must have information before them that leads them to reasonably believe that the direction is necessary to continue the employment of one or more of their employees.

This is not required for jobkeeper enabling stand down directions.



What is a reasonable belief?

The expression ‘reasonable belief’ and similar expressions are used in a wide variety of contexts in statutes and by the common law.

In the context of discrimination laws, the High Court has held that what is reasonable must be ascertained taking into consideration all of the circumstances of the case, including by reference to the scope and purpose of the Act.¹³

What is a reasonable belief in the context of s.789GL of the Fair Work Act has not yet been considered. In light of previous High Court authority, however, what is reasonable should be considered in light of the objects of Part 6-4C of the Fair Work Act (see s.789GB), the objects of the Fair Work Act (see s.3), and the provisions to which the requirement pertains and the circumstances in the particular case to which the jobkeeper enabling direction relates.

It is clear from cases decided in those differing contexts that not only must the requisite belief actually and genuinely be held by the relevant person, but in addition the belief must be reasonable in the sense that, objectively speaking, there must be something to support it or some other rational basis for the holding of the belief and it is not irrational or absurd.¹⁴

In determining whether a jobkeeper enabling direction given by an employer to an employee is necessary to continue the employment of one or more employees of the employer, it does

¹³ *Waters v Public Transport Corporation* [1991] HCA 49 per Mason CJ and Gaudron J at 32

¹⁴ *Amie Mac v Bank of Queensland Limited and Others* [2015] FWC 774 (Hatcher VP, 13 February 2015) at para. 79.


not matter that a similar jobkeeper enabling direction could have been given by the employer to an employee other than the relevant employee.¹⁵

Hypothetical example

Sonya runs a café and employs Chris and Jill, who are both waiters. Sonya's business has qualified for the jobkeeper scheme. Sonya is entitled to jobkeeper payments for both Chris and Jill.

As a result of COVID-19, Sonya cannot run her café as usual, so she decides that to keep the business running, she will offer home delivered meals. Sonya needs someone to do the deliveries, so she directs Chris to perform those duties. The direction has effect, even though Sonya could have directed Jill to do the deliveries rather than Chris.

Consultation

 See Fair Work Act ss.789GM and 789GMA

Consultation requirements for employers currently entitled to jobkeeper payments and legacy employers are different.

A jobkeeper enabling direction given by an employer currently entitled to jobkeeper payments does not apply to an employee unless:

- the employer gave the employee **at least three days written notice** of the employer's intention to give the direction. A lesser period of notice may apply if the employee genuinely agrees to a lesser notice period, and
- before giving the direction, the employer consulted the employee, or a representative of the employee, about the direction.

A jobkeeper enabling direction given by a legacy employer does not apply to an employee unless the employer gave the employee **at least seven days written notice** of the employer's intention to give the direction. A lesser period of notice may apply if the employee genuinely agrees to a lesser notice period.

Before or during the seven days before a jobkeeper enabling direction is given by a legacy employer:

- the employee may appoint a representative, including an employee organisation (a union) for the purposes of the consultation
- the employee may tell their employer they have appointed a representative, in which case the employer must recognise the representative
- the employer must consult with the employee or their representative
- for the purposes of the consultation, the employer must provide the employee or their representative information about the proposed direction, which may include information about the nature of the direction, when the direction is to take effect, and

¹⁵ Fair Work Act s.789GL(2)

how the direction is expected to affect the employee. The employer is not required to disclose confidential or commercially sensitive information to the employee

- the employer must invite the employee or their representative to give their views about the impact of the proposed direction on the employee (for example any impact on the employee’s family or caring responsibilities), and
- the employer must give prompt and genuine consideration to any views given by the employee or their representative.

The Regulations may require that a written notice of the employer’s intention to give the direction must be in a prescribed form. As at the date of publication of this benchbook, no relevant regulations have been made.

If an employer has already given notice and consulted with an employee, the employer can give a jobkeeper enabling direction without having to give notice and consult again if:

- the employer previously complied with the notice and consultation requirements in relation to a proposal to give the employee another jobkeeper enabling direction under the same provision, and
- the employee or their representative expressed views about the proposal to the employer, and
- the employer considered those views in deciding to give the direction.

An employer must keep a written record of a consultation with an employee or their representative.

Example – consultation by legacy employer

The following example is taken from the [Explanatory Memorandum](#) to the *Coronavirus Economic Response Package (Jobkeeper Payments) Amendment Bill 2020*.

Meelah works as a retail assistant in Florence’s pet accessories boutique. Florence’s business qualified for the jobkeeper scheme prior to 28 September 2020. Her business is starting to recover so she will not requalify for the extended jobkeeper scheme, though she has still satisfied the 10% decline in turnover test for the June 2020 quarter. Florence has obtained a certificate from an eligible financial service provider to this effect.

Meelah was given a valid jobkeeper enabling stand down direction in April 2020 that will cease at the start of 28 September 2020 (because Florence’s business will no longer qualify for the jobkeeper scheme).

As a legacy employer, Florence can give Meelah a jobkeeper enabling stand down direction under new section 789GJA. All of the requirements of this section have been met, and Florence wants to give Meelah a new jobkeeper enabling stand down direction on 28 September 2020 with effect from that day.

On 14 September 2020, Florence gives Meelah notice of her intention to give the new direction (more than the statutorily required seven days’ notice).

On 16 September 2020, Florence decides to start consultation. Florence sends Meelah an email in which she sets out information about the proposed new direction, including that it is a jobkeeper enabling stand down direction under section 789GJA that proposes to direct Meelah to work 70% of her ordinary hours as at 1 March 2020. The email states the

proposed direction would take effect from 28 September 2020, and sets out a proposal for how Meelah’s normal days and times of work would be reduced to give effect to the fewer hours. The email invites Meelah to give her views on the impact of the proposed jobkeeper enabling stand down direction.

On 18 September 2020, Meelah decides to appoint Sinead, a delegate of her union, to be her representative for the purposes of this consultation. Meelah tells Florence she has appointed Sinead. Florence’s early start to consultation, and Meelah’s appointment of Sinead, is validated by subsection 789GMA(9).

Sinead asks Florence if they can have a phone call to discuss the proposed direction, and they agree on a call on 23 September 2020. During the call, Sinead conveys Meelah’s concern that Florence’s proposal for how Meelah’s normal days and times of work would be reduced will make it harder to arrange care for her young child because she would work shorter shifts each day. Meelah would prefer to work her normal length shifts on fewer days, instead.

On 24 September 2020, Florence considers her full staffing availability and rosters to see whether she can accommodate Meelah’s request, which she determines that she can. Florence emails Sinead and Meelah to tell them this, and sets out the new proposal for Meelah’s reduced hours. Sinead replies noting that Meelah prefers the new proposal, and Florence confirms this arrangement will be reflected in the direction she gives.

Florence does not have to repeat the notice and consultation requirements for the reformulated direction as she has already done this for the original proposal, in accordance with subsection 789GMA(10).

On 26 September 2020, Florence gives Meelah the direction reflecting the agreed days and times Meelah will work, to take effect from 28 September 2020. The effect of this direction can continue until 27 October 2020, pending Florence’s business satisfying the 10% decline in turnover test for the September 2020 quarter, obtaining the necessary 10% decline in turnover certificate and notifying Meelah of the direction continuing (or ceasing if no certificate) after this date.

Stand downs that are not jobkeeper enabling stand downs

 See Fair Work Act s.524

A **jobkeeper enabling stand down direction** under ss.789GDC or 789GJA is different to a direction to employees to stand down under s.524 of the Fair Work Act.

Under s.524, an employer can stand down an employee during a period in which the employee cannot usefully be employed because of:

- industrial action (other than industrial action organised or engaged in by the employer)
- a breakdown of machinery or equipment, if the employer cannot reasonably be held responsible for the breakdown, or
- a stoppage of work for any cause for which the employer cannot reasonably be held responsible.

An employer does not have to qualify for the jobkeeper payment scheme to stand down an employee under s.524, and does not have to make payments to the employee for the period of the stand down.

The Commission can deal with disputes about stand downs under s.524. See the Commission's [Industrial action benchbook](#) for more information on standing down employees under s.524 of the Fair Work Act.

Employee requests for secondary employment, training and professional development during a jobkeeper enabling stand down

 See Fair Work Act s.789GU

Section 789GU of Part 6-4C was repealed on 29 March 2021.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

If a jobkeeper enabling stand down direction applies to an employee, the employee may ask their employer:

- to engage in reasonable secondary employment
- for training
- for professional development

The employer:

- must consider the request; and
- must not unreasonably refuse the request.

If the employer does not consider or unreasonably refuses the request, they contravene a civil remedy provision.



A **civil remedy provision** is a provision of the Fair Work Act that if breached, means that the person affected can apply to a Court for an order for a financial penalty against the alleged wrong-doer, or any other order the Court considers appropriate such as an injunction.

Part 2B – Jobkeeper enabling stand down directions – employers currently entitled to jobkeeper payments

 See Fair Work Act s.789GDC

Section 789GDC of Part 6-4C was repealed on 29 March 2021.

A jobkeeper enabling direction cannot be given on or after 29 March 2021 and a jobkeeper enabling direction given before 29 March 2021 does not apply on or after that date.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

Division 3 of Part 6-4C of the Act authorises an employer who qualifies for the jobkeeper scheme to give a *jobkeeper enabling stand down direction* to an employee.

A jobkeeper enabling stand down direction is a direction to:

- not work on a day or days on which the employee would usually work
- work for a lesser period than the period which the employee would ordinarily work on a particular day or days, or
- work a reduced number of hours (compared with the employee's ordinary hours of work). This can include reducing the employee's working hours to nil.

The time during which a jobkeeper enabling stand down direction applies is called the jobkeeper enabling stand down period.

When is a jobkeeper enabling stand down direction authorised?

A jobkeeper enabling stand down direction is authorised if:

- the employer qualified for the jobkeeper scheme when the direction was given
- the employee cannot be usefully employed for the employee's normal days or hours during the jobkeeper enabling stand down period because of changes to business attributable to:
 - the COVID-19 pandemic; or
 - government initiatives to slow the transmission of COVID-19
- implementing the stand down direction is safe, having regard to (without limitation) the nature and spread of COVID-19, and
- the employer becomes entitled to one or more jobkeeper payments for the employee:
 - for a period that consists of or includes the jobkeeper enabling stand down period; or

- for periods that, when considered together, consist of or include the jobkeeper enabling stand down period.

When does a jobkeeper enabling stand down direction not apply?

A jobkeeper enabling stand down direction does not apply during a period when the employee is taking paid or unpaid leave authorised by the employer, or the employee is otherwise authorised to absent from their employment.

Payment while a jobkeeper enabling stand down direction applies

During the jobkeeper enabling stand down period, the employer is required to comply with:

- the wage condition set out in the jobkeeper payment rules
- the minimum payment guarantee, and
- the hourly rate of pay guarantee,

but the employer is not otherwise required to make payments to the employee in respect of the jobkeeper enabling stand down period.



Related information

[Part 4 – Employer payment obligations](#)

Case example: Reasonableness of jobkeeper enabling stand down direction

[Transport Workers' Union of Australia v Prosecur Australia Pty Limited \[2020\] FWCFB 3655](#) (Hatcher VP, Young DP, Cirkovic C, 13 July 2020); [Transport Workers' Union of Australia v Prosecur Australia Pty Limited \[2020\] FWCFB 3865](#) (Hatcher VP, Young DP, Cirkovic C, 23 July 2020)

The respondent gave all its eligible employees, including full-time, part-time and long-term regular casual employees, a jobkeeper enabling stand down direction to change their working hours to 50 per fortnight. This was more hours than some casual employees had worked prior to the COVID-19 pandemic.

Arguing that the direction was unreasonable, the applicant said that it imposed an unfairly disproportionate reduction of hours on permanent employees compared with casual employees.

At first instance, the Commission found the direction was reasonable. On appeal, the Commission quashed the original decision and directed the parties to have further discussions, having regard to a number of propositions including:

- if the direction meant that the ordinary hours of a part-time employee increased but full-time employees had their ordinary hours reduced, that would be unreasonable and unfair
- there is no need to issue a direction to reduce the ordinary hours of work of casual employees, as casual employees ordinarily do not have any defined number of

ordinary hours but are engaged to perform work as required. However, for long-term regular casual employees, it is reasonable to provide some guarantee of hours to maintain their connection with the workplace and so the employer can derive commercial value from the jobkeeper subsidy it receives in respect of them

- the assessment of reasonableness must take into account in a significant way the entitlements of the employees affected by the direction. This means the direction must take into account whether the deprivation or reduction of pre-existing entitlements to hours of work disproportionately and unfairly affects one category of employee over another
- it is relevant that permanent employees might have access to leave entitlements to supplement their income in the face of reduced hours of work, and
- an alternative direction must be administratively workable and allow the employer to conduct its operations efficiently.

Following discussions, the parties each proposed an alternative JobKeeper enabling stand down direction. Noting that the parties had agreed that there was no need to make a direction in relation to part-time or casual employees, the Full Bench ordered that the direction proposed by the respondent replace the direction it had originally issued. The new direction guaranteed full-time employees a minimum of 60 hours per fortnight, and included commitments that it would not roster part-time or casual employees in preference to full-time employees who are willing and available to work, and would not require any employee to increase their hours.

Case example: Jobkeeper enabling stand down direction unreasonable

Allan Jones v Live Events Australia Pty Ltd [2020] FWC 3469 (Anderson DP, 3 July 2020)

The applicant, a broadcast engineer whose work primarily involves coverage of horse racing events in Western Australia, normally worked in excess of 80 hours per fortnight pre-COVID-19. The overall business of the respondent has been disrupted by COVID-19 and all its employees, except the applicant, agreed to a partial reduction to their contracted earnings of initially 40%. The applicant was given a jobkeeper enabling stand down direction reducing his minimum hours of work by 40%, from 80 to 48 per fortnight. At the time, the respondent continued to roster the applicant for around 80 hours per fortnight and he was performing productive work across those hours, but his regular overtime work had been scaled back.

The applicant argued that the jobkeeper enabling stand down direction was not authorised because the requirement in s.789GD(1)(c) that he could not be usefully employed for his normal days or hours had not been met, and the direction was ‘unreasonable in all the circumstances’.

The Commission considered that the applicant was not completely working his ‘normal’ hours (including regular overtime). Considering this and the possibility that his hours could be altogether reduced if there was a cancellation of horse racing events due to COVID-19, the Commission was satisfied that the requirement in s.789GD(1)(c) was made out.

However, the Commission was not satisfied that the direction was reasonable, as it was issued at a time when the respondent expected to continue to roster the applicant to work in excess of 48 hours per fortnight. The Commission said the direction was precautionary in nature, with the respondent seeking flexibility to reduce the applicant's ordinary hours by 40% should it need to do so. The Commission observed that a reasonable level of contingency would not of itself render a direction unreasonable, but a contingency which is so disproportionate from the actual circumstances is an unreasonable direction.

The Commission made an order substituting the direction with a new direction that the applicant's minimum hours of work be no less than 64 per fortnight where in all the circumstances this reduction is necessary and reasonable.

Directions about duties and location of work



See Fair Work Act ss.789GE, 789GF, and 789GDB(3)

Sections 789GE, 789GF, 789GDB(3) of Part 6-4C were repealed on 29 March 2021.

A jobkeeper enabling direction cannot be given on or after 29 March 2021 and a jobkeeper enabling direction given before 29 March 2021 does not apply on or after that date.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

Division 4 of Part 6-4C of the Fair Work Act authorises an employer who qualifies for the jobkeeper scheme to give a jobkeeper enabling direction to an employee about their duties of work or the location where their work is to be performed.

Duties of work

An employer that has qualified for the jobkeeper scheme can direct an employee to perform any duties during a period (the relevant period) that are within the employee's skill and competency.

A direction about duties of work is authorised if:

- the duties are safe, having regard to (without limitation) the nature and spread of COVID-19
- where the employee was required to have a licence or qualification in order to perform those duties - the employee had the licence or qualification
- the duties are reasonably within the scope of the employer's business operations, and
- the employer becomes entitled to one or more jobkeeper payments for the employee
 - for a period that consists of or includes the relevant period; or
 - for periods that, when considered together, consist of or include the relevant period.

Payment while a direction in relation to duties of work applies

If a direction in relation to duties of work applies to an employee, the employer must ensure that the employee's hourly base rate of pay is not less than the greater of the following:

- the hourly base rate of pay that would have applied to the employee if the direction had not been given to the employee, or
- the hourly base rate of pay that is applicable to the duties the employee is performing.

Example

The following example is taken from the [Explanatory Memorandum](#) to the *Coronavirus Economic Response Package Omnibus (Measures No. 2) Bill 2020*.

Ameisa operates a warehouse in NSW. The Storage Services and Wholesale Award 2010 applies to the employees of the warehouse, including Meera. As a storeworker grade 4, Meera generally acts in a leading hand capacity, coordinating the work of other storeworkers, performs liaison duties including with customers, and controlling inventory.

Ameisa's business is affected by the Coronavirus pandemic and qualifies for the jobkeeper scheme. Given the downturn in Ameisa's business operations, Meera is not required to perform her usual duties in respect of customer liaison. In order to keep Meera connected to employment during the pandemic, rather than reducing Meera's hours, Ameisa gives Meera a jobkeeper enabling direction that changes Meera's usual duties and enables her to be retain her regularly rostered hours, albeit in other duties.

Ameisa wants Meera to drive a forklift in the warehouse. Because the duties can be performed with appropriate social distancing and in a way that is safe with respect to the nature and spread of Coronavirus, reasonably within the scope of Ameisa's business operations, and Meera holds a current high risk work licence to operate a forklift (class LO), Ameisa is able to give a jobkeeper enabling direction authorised by s 789GE to drive the forklift.

While Meera's duties have been modified by the jobkeeper enabling direction, the other terms and conditions relating to her employment, such as the days and hours she works, are unchanged.



Related information

[Part 4 – Employer payment obligations](#)

Location of work

An employer that has qualified for the jobkeeper payment can give an employee a direction to perform work during a period (the relevant period), at a different location to the employee's normal place of work. This includes a direction that the employee must work from home.

A direction regarding the location of work is authorised if:

- the employer qualified for the jobkeeper scheme when the direction was given
- the place is suitable for the employee’s duties
- if the place is not the employee’s home – the place does not require the employee to travel a distance that is unreasonable in all the circumstances, including the circumstances surrounding the COVID-19 pandemic
- the performance of the employee’s duties at the place is safe, having regard to (without limitation) the nature and spread of COVID-19, and reasonably within the scope of the employer’s business operations, and
- the employer becomes entitled to one or more jobkeeper payments for the employee
 - for a period that consists of or includes the relevant period; or
 - for periods that, when considered together, consist of or include the relevant period.

Part 2C – Jobkeeper enabling directions – employers previously entitled to jobkeeper payments

The jobkeeper provisions of the *Fair Work Act* applied from 9 April 2020. Most of the jobkeeper provisions of the *Fair Work Act* were repealed on 29 March 2021 and **do not apply on or after 29 March 2021**.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

Some employers that were entitled to jobkeeper payments prior to, but not on or after, 28 September 2020 ('legacy employers') and their employees can access modified flexibilities under Part 6-4C. Legacy employers that satisfy the '10% decline in turnover test' and hold a '10% decline in turnover certificate' can:

- give jobkeeper enabling directions to employees they were previously entitled to jobkeeper payments for, and
- make agreements with employees they were previously entitled to jobkeeper payments for, to vary the employees' days or times of work,

subject to greater restrictions than qualifying employers.



What is the '10% decline in turnover test' and what is a '10% decline in turnover certificate'?

10% decline in turnover test

An employer satisfies the '10% decline in turnover test' for a designated quarter if the employer's actual GST turnover for the previous quarter is at least 10% less than their actual GST turnover for the corresponding quarter in the previous year.¹⁶

A quarter is the period of 3 months ending on 31 March, 30 June, 30 September or 31 December.¹⁷

The 'designated quarter' for a direction or request made:

- before 28 October 2020 – is the quarter ending on 30 June 2020,
- between 28 October 2020 and 27 February 2021 (inclusive) – is the quarter ending 30 September 2020, and

¹⁶ Fair Work Act s 789GCB

¹⁷ Fair Work Act s 789GC

- on or after 28 February 2021 – is the quarter ending 31 December 2020.

10% decline in turnover certificates

A '10% decline in turnover certificate' must be issued by an 'eligible financial service provider' that is satisfied that the employer meets the 10% decline in turnover test for the designated quarter. An 'eligible financial service provider' is a registered tax agent or BAS agent, or a qualified accountant.¹⁸

However, a 10% decline in turnover certificate cannot be issued by:

- a director or employee of the employer
- an associated entity of the employer, or
- a director or employee of an associated entity of the employer.¹⁹

Small business employers (that have less than 15 employees) do not require a certificate from an eligible financial service provider. Instead, if the employer or an individual who is authorised by the employer and has knowledge of the employer's financial affairs makes a statutory declaration that says the employer satisfied the 10% decline in turnover test, this is taken to be a 10% decline in turnover certificate.²⁰ A person must not knowingly make a false statement in such a statutory declaration. This is a civil remedy provision.²¹

Jobkeeper enabling stand down directions – employer previously entitled to jobkeeper payment for employee

 See Fair Work Act s.789GJA

Section 789GJA of Part 6-4C was repealed on 29 March 2021.

A jobkeeper enabling direction cannot be given on or after 29 March 2021 and a jobkeeper enabling direction given before 29 March 2021 does not apply on or after that date.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

Division 5A of Part 6-4C authorises legacy employers that hold a 10% decline in turnover certificate to give a *jobkeeper enabling stand down direction* to an employee.

¹⁸ Fair Work Act s 789GC

¹⁹ Fair Work Act s 789GCD(2)

²⁰ Fair Work Act s 789GCD(4)

²¹ Fair Work Act s 789GXC

A jobkeeper enabling stand down direction is a direction to:

- not work on a day or days on which the employee would usually work
- work for a lesser period than the period which the employee would ordinarily work on a particular day or days, or
- work a reduced number of hours (compared with the employee's ordinary hours of work).

Unlike a jobkeeper enabling stand down direction that an employer that is qualified to receive jobkeeper payments can give under s.789GDC, a jobkeeper enabling stand down direction under s.789GJA cannot reduce an employee's hours below 60% of their ordinary hours of work as at 1 March 2020.

The time during which a jobkeeper enabling stand down direction applies is called the jobkeeper enabling stand down period.

When is a jobkeeper enabling stand down direction authorised?

A jobkeeper enabling stand down direction given by a legacy employer is authorised if:

- at the time the direction is given, the employer holds a 10% decline in turnover certificate that covers the employer for the relevant designated quarter
- the employer was entitled to a jobkeeper payment for the employee for a fortnight that ended before 28 September 2020
- the employee cannot be usefully employed for the employee's normal days or hours during the jobkeeper enabling stand down period because of changes to business attributable to:
 - the COVID-19 pandemic; or
 - government initiatives to slow the transmission of COVID-19
- implementing the stand down direction is safe, having regard to (without limitation) the nature and spread of COVID-19
- the direction does not require the employee to work less than 2 hours in a day
- the direction does not reduce an employee's number of hours of work to:
 - less than 60% of the employee's ordinary hours of work as at the start of 1 March 2020, or
 - less than 60% of the ordinary hours or work specified in the *Fair Work Regulations 2013*, if the employee belongs to a class of employees specified in the *Fair Work Regulations 2013*, and
- the jobkeeper enabling stand down period begins on or after 28 September 2020.

When does a jobkeeper enabling stand down direction not apply?

A jobkeeper enabling stand down direction under s.789GJA does not apply during a period when the employee is taking paid or unpaid leave authorised by the employer, or the employee is otherwise authorised to absent from their employment.²²

Payment while a jobkeeper enabling stand down direction applies

During the jobkeeper enabling stand down period, the employer is required to comply with the hourly rate of pay guarantee in s.789GDB.²³ This requires the employer to ensure that the employee's base rate of pay, worked out on an hourly basis, is not less than the base rate of pay, worked out on an hourly basis, that would have been applicable to the employee if the direction had not been given to the employee.²⁴ The employer is not otherwise required to make payments to the employee in respect of the jobkeeper enabling stand down period.²⁵

²² Fair Work Act s.789GJA(3)

²³ Fair Work Act s.789GJA(2)

²⁴ Fair Work Act s.789GDB(2)

²⁵ Fair Work Act s.789GJA(2)

Example

The following example is taken from the [Explanatory Memorandum](#) to the *Coronavirus Economic Response Package (Jobkeeper Payments) Amendment Bill 2020*.

Matthew works as a receptionist at Nishtha's gym. He is engaged under the *Fitness Industry Award 2010* at Level 3. On 1 March 2020, Matthew was employed as a full time employee. This means that at the requisite time, his ordinary hours under the *Fitness Industry Award 2010* were 38 hours per week.

In late March 2020, Nishtha's gym closed due to government restrictions aimed at slowing the spread of Coronavirus, and Nishtha consequently qualified for the jobkeeper scheme in relation to Matthew.

When restrictions were eased in June 2020, Nishtha reopened the gym, but for reduced hours. She gave Matthew a jobkeeper enabling stand down direction under s.789GDC of the Fair Work act reducing his hours from 38 to 15 per week until 27 September 2020.

By 28 September 2020, Nishtha's business has started to recover financially and will not qualify for the extended jobkeeper payment from this date. The actual GST turnover of Nishtha's gym in the June 2020 quarter was at least 10% below the business' actual GST turnover in the June 2019 quarter, and Nishtha has obtained a certificate from an eligible financial service provider to this effect.

Nishtha wants Matthew to continue to work reduced hours because the gym still hasn't returned to its normal operating times. The existing direction that applies to Matthew cannot continue automatically because Nishtha is a legacy employer. The terms of the existing direction also reduced Matthew's hours to below 60% of his ordinary hours on 1 March 2020, which is not permitted by legacy employers after 28 September 2020. Nishtha gives Matthew a new JobKeeper enabling stand down direction under section 789GJA, which applies from 28 September 2020 and requires Matthew to work a minimum of 22.8 hours per week (60% of his ordinary hours on 1 March 2020), with at least 2 consecutive hours on each day Matthew works – he works 5 hours on Monday, Tuesday and Wednesday, 7.84 hours on Thursday, and no hours on Friday. Nishtha gives Matthew seven days written notice of her intention to give this direction, consults Matthew about the direction during the seven days prior to making the direction and keeps a written record of this consultation.

The new direction can apply from 28 September 2020 until 27 October 2020. Once the September quarter is complete, Nishtha must obtain a new 10% decline in turnover certificate for the September 2020 quarter. She will need to notify Matthew before 28 October 2020 that the JobKeeper enabling stand down direction will not cease to apply to him on that date. If she does so, the direction can apply until 27 February 2021.

Once the December 2020 quarter is complete, Nishtha must again obtain a new 10% decline in turnover certificate for the December 2020 quarter. She must again notify Matthew before 28 February 2021 that the JobKeeper enabling direction will not cease to apply to him on that date. If she does so, the direction can then continue to apply until the start of 29 March 2021. If in the September or December 2020 quarters the business

recovers, and no longer satisfies the 10% decline in turnover test (and can therefore not get the certificate), Nishtha will not be eligible to give her employees a JobKeeper enabling direction for the subsequent period (see new section 789GJE below). She would need to notify Matthew before 28 October 2020 (if the gym no longer satisfies the 10% decline in turnover test for the September 2020 quarter) or before 28 February (if the gym no longer satisfies the test for the December 2020 quarter) that the JobKeeper enabling direction will cease to apply to him on that date (whichever applies).

Matthew's base rate of pay under the *Fitness Industry Award 2010* is \$21.54 per hour, which cannot be reduced for his hours of work, regardless of the actual number of hours he works.

Directions about duties and location of work – employer previously entitled to jobkeeper payment for employee



See Fair Work Act ss.789GJB, and 789GJC

Sections 789GJB and 789GJC of Part 6-4C were repealed on 29 March 2021.

A jobkeeper enabling direction cannot be given on or after 29 March 2021 and a jobkeeper enabling direction given before 29 March 2021 does not apply on or after that date.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

Division 5A of Part 6-4C of the Fair Work Act authorises legacy employers that hold a 10% decline in turnover certificate to give a jobkeeper enabling direction to an employee about their duties of work or the location where their work is to be performed.

Duties of work

An employer that is not entitled to jobkeeper payments for an employee, but was entitled to a jobkeeper payment for that employee prior to 28 September 2020, and that holds a 10% decline in turnover certificate, can direct the employee to perform any duties during a period beginning on or after 28 September 2020 (the relevant period) that are within the employee's skill and competency.

A direction about duties of work is authorised if:

- the employer is not entitled to one or more jobkeeper payments for the relevant period, but was entitled to a jobkeeper payment for the employee prior to 28 September 2020
- the duties are safe, having regard to (without limitation) the nature and spread of COVID-19
- where the employee was required to have a licence or qualification in order to perform those duties – the employee had the licence or qualification

- the duties are reasonably within the scope of the employer’s business operations, and
- at the time direction was given, the employer held a 10% decline in turnover certificate that covers the employer for the designated quarter applicable to that time.

Payment while a direction in relation to duties of work applies

If a direction in relation to duties of work applies to an employee, the employer must ensure that the employee’s hourly base rate of pay is not less than the greater of the following:

- the hourly base rate of pay that would have applied to the employee if the direction had not been given to the employee, or
- the hourly base rate of pay that is applicable to the duties the employee is performing.

Location of work

An employer that is not entitled to jobkeeper payments for an employee, but was entitled to a jobkeeper payment for that employee prior to 28 September 2020, and that holds a 10% decline in turnover certificate, can give the employee a direction to perform work during a period beginning on or after 28 September 2020 (the relevant period) at a different location to the employee’s normal place of work. This includes a direction that the employee must work from home.

A direction regarding the location of work is authorised if:

- the employer is not entitled to one or more jobkeeper payments for the relevant period, but was entitled to a jobkeeper payment for the employee prior to 28 September 2020
- the place is suitable for the employee’s duties
- if the place is not the employee’s home—the place does not require the employee to travel a distance that is unreasonable in all the circumstances, including the circumstances surrounding the COVID-19 pandemic
- the performance of the employee’s duties at the place is safe, having regard to (without limitation) the nature and spread of COVID-19, and reasonably within the scope of the employer’s business operations, and
- at the time the direction is given, the employer held a 10% decline in turnover certificate that covers the employer for the designated quarter applicable to that time.

Termination of a jobkeeper enabling direction made by a legacy employer

 See Fair Work Act s.789GJE

A direction under ss.789GJA, 789GJB or 789GJC ceases to have effect:

- on 28 October 2020, if the direction applies to the employee but on 28 October 2020 the employer does not hold a 10% decline in turnover certificate for the quarter

ending 30 September 2020, and

- on 28 February 2021, if the direction applies to the employee but on 28 February 2021 the employer does not hold a 10% decline in turnover certificate for the quarter ending 31 December 2020.²⁶

Prior to 28 October 2020 and 28 February 2021, the employer must give the employee a written notice that explains whether the jobkeeper enabling direction will continue or will cease to have effect on 28 October 2020 or 28 February 2021, as applicable. If the employer fails to give the written notice more than once, they may be liable to pay civil penalties.²⁷

The Federal Court may terminate a direction under s.789GJA, 789GJB or 789GJC if it is satisfied that the employer did not satisfy the 10% decline in turnover test for the designated quarter applicable to that time.²⁸


A jobkeeper enabling direction cannot apply on or after 29 March 2021.

²⁶ Fair Work Act s.789GJE(2)

²⁷ Fair Work Act s.789GJE(3), (4), (5) and (6)

²⁸ Fair Work Act s.789GXD

Part 3 – Agreements about days or times of work

 See Fair Work Act ss.789GG and 789GJD

Sections 789GG and 789GJD of Part 6-4C were repealed on 29 March 2021.

A request for a jobkeeper agreement about days or times of work cannot be made on or after 29 March 2021 and an agreement made before 29 March 2021 does not apply on or after that date.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

An employer that is entitled to jobkeeper payments for an employee can make an agreement with the employee about the days or times the employee will work. Some legacy employers can also make agreements with their employees about the days or times the employee will work. However, agreements made by legacy employers cannot result in an employee working less than 2 hours in a day, and are subject to increased notice requirements compared with agreements made by employers that are entitled to jobkeeper payments.

The Minister for Industrial Relations has the power to exclude one or more specified employers from making agreements about days or times of work under ss.789GG and 789GJD,²⁹ but this has not yet occurred.

Agreements about days or times of work – employers currently entitled to jobkeeper payments

 See Fair Work Act s.789GG

Section 789GG of Part 6-4C was repealed on 29 March 2021.

A request for a jobkeeper agreement about days or times of work cannot be made on or after 29 March 2021 and an agreement made before 29 March 2021 does not apply on or after that date.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

If an employer qualifies for the jobkeeper scheme and is entitled to one or more jobkeeper payments for an employee, the employer may ask the employee to make an agreement with the employer about performing their duties on different days or at different times compared with the employee's ordinary days or times of work.

The employee:

- must consider the request, and


²⁹ Fair Work Act s.789GX(d)

- must not unreasonably refuse the request.

The agreement is authorised if:

- the agreement is in writing
- the employer qualified for the jobkeeper scheme when the agreement was made
- the performance of the employee’s duties on those days or at those times is safe, having regard to (without limitation) the nature and spread of COVID-19, and reasonably within the scope of the employer’s business operations
- the agreement does not have the effect of reducing the employee’s number of hours of work (compared with the employee’s ordinary hours of work), and
- the employer becomes entitled to one or more jobkeeper payments for the employee
 - for a period that consists of or includes the relevant period; orfor periods that, when considered together, consist of or include the relevant period.

Agreements about days or times of work – employers previously entitled to jobkeeper payment for employee

 See Fair Work Act ss.789GJD and 789GJF

Sections 789GJD and 789GJF of Part 6-4C was repealed on 29 March 2021.

A request for a jobkeeper agreement about days or times of work cannot be made on or after 29 March 2021 and an agreement made before 29 March 2021 does not apply on or after that date.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

Under s.789GJD, some legacy employers can ask an employee to make an agreement with the employer about performing their duties on different days or at different times compared with the employee’s ordinary days or times of work. To make a request under s.789GJD:

- the employer must have been entitled to a jobkeeper payment for the employee prior to 28 September 2020
- the employer must hold a 10% decline in turnover certificate that covers the employer for the designated quarter applicable at the time of making the request
- if the request is made before 28 September 2020, the employer must not be entitled to a jobkeeper payment for the employee for the fortnight beginning 28 September 2020,
- if the request is made on or after 28 September 2020, the employer must not be entitled to jobkeeper payments for the employee.

The employee:

- must consider the request, and
- must not unreasonably refuse the request.

The agreement is authorised if the employer meets the requirements in relation to entitlement to jobkeeper payments and the 10% decline in turnover certificate discussed above and:

- the relevant period of the agreement begins on or after 28 September 2020
- the agreement is in writing
- the performance of the employee's duties on those days or at those times is safe, having regard to (without limitation) the nature and spread of COVID-19, and reasonably within the scope of the employer's business operations
- the agreement does not have the effect of reducing the employee's number of hours of work (compared with the employee's ordinary hours of work), and
- the agreement does not have the effect of requiring the employee to work less than 2 hours in a day.



Related information

What is the '10% decline in turnover test' and what is a '10% decline in turnover certificate'?

Termination of an agreement under s.789GJD

An agreement under s.789GJD ceases to have effect:

- on 28 October 2020, if the agreement is in place but the employer does not hold a 10% decline in turnover certificate for the quarter ending 30 September 2020, and
- on 28 February 2021, if the agreement is in place but the employer does not hold a 10% decline in turnover certificate for the quarter ending 31 December 2020.³⁰

Prior to 28 October 2020 and 28 February 2021 the employer must give the employee a written notice that explains whether the agreement will or will not cease to have effect on 28 October 2020 or 28 February 2021, as applicable. If the employer fails to give the written notice more than once, they may be liable to pay civil penalties.³¹

The Federal Court may terminate an agreement under s.789GJD if it is satisfied that the employer did not satisfy the 10% decline in turnover test for the designated quarter applicable to that time.³²

³⁰ Fair Work Act s.789GJF(2)

³¹ Fair Work act s.789GJF(4), (5), (6) and (7)

³² Fair Work Act s.789GXE

An agreement about days or times of work can also be terminated in other ways, such as by agreement between the employer or employee.

An agreement under s.789GJD cannot apply on or after 29 March 2021.

Part 4 – Employer payment obligations

Division 2 of Part 6-4C sets out three ‘employer payment obligations’: the wage condition, the minimum payment guarantee, and the hourly rate of pay guarantee.

The hourly rate of pay guarantee applies to all employers that give jobkeeper enabling directions. The wage condition and the minimum payment guarantee only apply to employers that are entitled to jobkeeper payments.

Wage condition



See Fair Work Act s.789GD and Payment and Benefit Rules s.10

Section 789GD of Part 6-4C was repealed on 29 March 2021.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

In order to be entitled to a jobkeeper payment for an eligible employee for a fortnight, an employer must first pay that employee amounts totalling at least the amount of the jobkeeper payment the employer would be entitled to receive for that fortnight (the ‘wage condition’).

Employers cannot claim the jobkeeper payment unless they have already paid the employee. Information about when payment must be made to satisfy the wage condition is available on the ATO’s website, at [Paying your eligible employees – When to pay](#). Failure to meet the wage condition means an employer may be liable for civil penalties.

The total amount can include:

- salary, wages, commission, bonus or allowances paid to the employee
- tax withheld
- salary sacrifice superannuation contributions, and
- agreed deductions.³³



What is a ‘jobkeeper fortnight’?

Jobkeeper fortnights are defined in s.6(5) of the Payment and Benefit Rules. While the definition is likely to be amended soon to reflect that the jobkeeper scheme will continue to operate until 28 March 2021, presently the relevant fortnights, for the purposes of the jobkeeper scheme, are:

Monday 30 March to Sunday 12 April 2020

Monday 13 April to Sunday 26 April 2020

³³ See the [Explanatory Memorandum to the Coronavirus Economic Response Package Omnibus \(Measures No. 2\) Bill 2020](#), p.17

Monday 27 April to Sunday 10 May 2020
Monday 11 May to Sunday 24 May 2020
Monday 25 May to Sunday 7 June 2020
Monday 8 June to Sunday 21 June 2020
Monday 22 June to Sunday 5 July 2020
Monday 6 July to Sunday 19 July 2020
Monday 20 July to Sunday 2 August 2020
Monday 3 August to Sunday 16 August 2020
Monday 17 August to Sunday 30 August 2020
Monday 31 August to Sunday 13 September 2020
Monday 14 September to Sunday 27 September 2020
Monday 28 September to Sunday 11 October 2020
Monday 12 October to Sunday 25 October 2020
Monday 26 October to Sunday 8 November 2020
Monday 9 November to Sunday 22 November 2020
Monday 23 November to Sunday 6 December 2020
Monday 7 December to Sunday 20 December 2020
Monday 21 December to Sunday 3 January 2021
Monday 4 January to Sunday 17 January 2021
Monday 18 January to Sunday 31 January 2021
Monday 1 February to Sunday 14 February 2021
Monday 15 February to Sunday 28 February 2021
Monday 1 March to Sunday 14 March 2021
Monday 15 March to Sunday 28 March 2021

If the employer does not comply with the wage condition, they contravene a civil remedy provision.

The wage condition does not apply to legacy employers.



A **civil remedy provision** is a provision of the Fair Work Act that if breached, means that the person affected can apply to a Court for an order for a financial penalty against the alleged wrong-doer, or any other order the Court considers appropriate such as an injunction.

Example

The following example is taken from the [Explanatory Memorandum](#) to the *Coronavirus Economic Response Package Omnibus (Measures No. 2) Bill 2020*.

Jo is employed as a waiter in Anna's restaurant. Anna's restaurant has reduced operations to takeaway only because of Coronavirus restrictions. Anna qualifies for the jobkeeper scheme in relation to Jo, and gives Jo a jobkeeper enabling stand down direction not to attend work for 4 weeks, compared to her usual roster of 40 hours per week.

Anna is required to ensure Jo is paid the appropriate value of jobkeeper payments (\$3000) during the four week jobkeeper enabling stand down period (section 789GD, which contains the wage condition obligation).

Minimum payment guarantee

 See Fair Work Act s.789GDA

Section 789GDA of Part 6-4C was repealed on 29 March 2021.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

If a jobkeeper payment is payable to an employer for an employee for a fortnight, the employer must ensure that the total amount payable to the employee in respect of the fortnight is not less than the greater of:

- the amount of jobkeeper payment payable to the employer for the employee for the fortnight, or
- the amounts payable to the employee in relation to the performance of work during the fortnight.

Amounts payable to the employee in relation to the performance of work during the fortnight include the following, if they become payable in respect of the fortnight:

- incentive-based payments and bonuses
- loadings
- monetary allowances
- overtime or penalty rates, and
- leave payments.

If the employer does not meet the minimum payment guarantee, they contravene a civil remedy provision.

The minimum payment guarantee does not apply to legacy employers.



A **civil remedy provision** is a provision of the Fair Work Act that if breached, means that the person affected can apply to a Court for an order for a financial penalty against the alleged wrong-doer, or any other order the Court considers appropriate such as an injunction.

Hourly rate of pay guarantee

 See Fair Work Act s.789GDB

Section 789GDB of Part 6-4C was repealed on 29 March 2021.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

If a jobkeeper enabling stand down direction applies to an employee, the employer must ensure that the employee's base rate of pay, worked out on an hourly basis, is not less than the base rate of pay, worked out on an hourly basis, that would have been applicable to the employee if the direction had not been given to the employee.

If a direction in relation to duties of work applies to an employee, the employer must ensure that the employee's hourly base rate of pay is not less than the greater of the following:

- the hourly base rate of pay that would have applied to the employee if the direction had not been given to the employee, or
- the hourly base rate of pay that is applicable to the duties the employee is performing.

Example

The following example is taken from the [Explanatory Memorandum](#) to the *Coronavirus Economic Response Package Omnibus (Measures No. 2) Bill 2020*.

Rachel works as an administrator for a manufacturing business whose retail operations have moved online as a result of significantly reduced shopfront demand and a 30 per cent reduction in turnover, following the Coronavirus outbreak. Rachel's employer qualifies for the jobkeeper scheme in relation to Rachel and gives her a jobkeeper enabling stand down direction under section 789GDA that reduces her ordinary hours of work from 38 to 32 hours per week. Rachel's contractual base pay rate is \$30 per hour, which cannot be reduced for her hours of work, regardless of how many hours she is directed to work (section 789GDB, which contains the hourly rate of pay guarantee).

As a result of the jobkeeper enabling stand down direction reducing her hours, Rachel's fortnightly pay has reduced from \$2280 (\$30/hr multiplied by 76 hours worked in a fortnight) to \$1920 (\$30/hr multiplied by 64 hours worked in a fortnight).

Rachel must be paid for hours she worked, and as her reduced fortnightly pay is still higher than the value of the fortnightly jobkeeper payment (\$1,500) she must be paid that higher amount (section 789GDA, which contains the minimum payment guarantee).

However, under the jobkeeper scheme, Rachel's employer can apply the value of the jobkeeper payment towards her fortnightly pay.


If the employer does not meet the hourly rate of pay guarantee, they may be liable to pay a civil penalty.

The hourly rate of pay guarantee does apply to legacy employers.



A **civil remedy provision** is a provision of the Fair Work Act that if breached, means that the person affected can apply to a Court for an order for a financial penalty against the alleged wrong-doer, or any other order the Court considers appropriate such as an injunction.

Part 5 – Agreements about annual leave

 See Fair Work Act s.789GJ and 789GS

Section 789GJ of Part 6-4C was repealed on 28 September 2020

An employer cannot request an employee take leave under s.789GJ on or after 28 September 2020 and an agreement made before 28 September 2020 does not apply on or after that date.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

Prior to 28 September 2020, under s.789GJ(1), if an employer qualifies for the jobkeeper scheme and is entitled to one or more jobkeeper payments for the employee, the employer may ask the employee to take paid annual leave.

The employer can only make such a request if it will not result in the employee having a balance of paid annual leave of fewer than two (2) weeks.

The employee:

- must consider the request; and
- must not unreasonably refuse the request.

An employee is not required to comply with a request to the extent that it relates to taking annual leave after 28 September 2020.

Prior to 28 September 2020, under s.789GJ(2), an employer and an employee may also agree in writing to the employee taking twice as much paid annual leave, at half the employee's rate of pay. An agreement is authorised if:

- the agreement is in writing
- the employer qualified for the jobkeeper scheme when the agreement was made, and
- the employer becomes entitled to one or more jobkeeper payments for the employee
 - for a period that consists of or includes the relevant period; or
 - for periods that, when considered together, consist of or include the relevant period.

If an employee agrees to take paid annual leave at half pay:

- the employee accrues annual leave entitlements, and
- redundancy pay and payment in lieu of notice of termination are calculated,

as if the agreement had not been made.

Agreements made under s.789GJ(2) cease to have effect from 28 September 2020.

Case example: Employee’s refusal of request unreasonable

[McCreeedy v Village Roadshow Theme Parks Pty Ltd \[2020\] FWC 2480](#) (Hunt C, 13 May 2020)

The applicant, a part-time employee, had been stood down under a jobkeeper enabling direction. She had accrued a substantial annual and long service leave balance, which she planned to use on a number of interstate and international holidays.

The applicant’s employer requested that permanent employees take annual leave for half their ordinary hours of work, until their leave balance was reduced to two weeks. The applicant refused the request. She argued that her refusal was reasonable on a number of grounds, including: her lengthy period of service and substantial leave accrual, her future travel plans, the size and financial position of her employer, and her medical condition.

The Commission found that the applicant’s refusal of the request was unreasonable. It noted that the jobkeeper provisions are available for all eligible employers, small or large. It did not consider the applicant’s medical condition to be serious enough to warrant the requirement of a paid annual leave balance of more than two weeks. With regard to the applicant’s future travel plans, the Commission considered that the applicant would not be left without any access to paid leave, and that she could request leave in advance or use long service leave.

Case example: Employee’s refusal of request unreasonable

[Cassandra Powell v H & M Hennes & Mauritz Pty Ltd \[2020\] FWC 2514](#) (McKinnon C, 13 May 2020)

The COVID-19 pandemic has had a significant effect on the respondent. It asked permanent employees, including the applicant, to take paid annual leave so that it could reduce its contingent liabilities and support its overall financial position in response to the pandemic.


The applicant refused the request, arguing that it is unfair that her employee entitlements were given less value than the financial position of the respondent, and her employment is not affecting the respondent’s profitability because her wages are wholly covered by the jobkeeper scheme. She wanted to save her leave for when she can take proper holidays, and anticipated a family separation and legal proceedings that may require time off in the future, although she did not know when or how much time off she would need.

The respondent argued that it is doing what it can to keep as many people employed as possible, and its overall aim is to counteract the economic effect of the pandemic and ensure its return to a pre-COVID-19 trading environment.

The Commission observed that the need to support business continuity and job security for all employees of the respondent outweighs the inconvenience to the applicant of not being able to plan her annual leave at a time of her choosing.

The Commission ordered the applicant to take one full day’s paid annual leave per week until: her accrued leave balance is reduced to two weeks, the request was terminated by agreement, or 27 September 2020, whichever is the earlier.

Part 6 – Protections

 See Fair Work Act ss.789GXA, 789GXB, 789GY, 789GZ and 789GZA

Part 6-4C contains a number of protections for employees.

An employer is prohibited from purporting to give a jobkeeper enabling direction if the direction is not authorised by Part 6-4C and the employer knows the direction is not authorised. This is a civil remedy provision.

A legacy employer is prohibited from giving a jobkeeper enabling direction or making a request about changing an employees days or times of work if, at the time of giving the direction or making the request, the employer knew or was reckless as to whether it did not satisfy the 10% decline in turnover test.³⁴ These are civil remedy provisions.

If a jobkeeper enabling direction given by a legacy employer or an agreement made under s.789GJD(2) is in force at a particular time, the Federal Court may terminate the direction or agreement if it is satisfied that the employer did not satisfy the 10% decline in turnover test for the designated quarter applicable to that time.³⁵

An employer must not knowingly give to an eligible financial institution information in connection with the issue of whether the employer passes the 10% decline in turnover test which is:

- false or misleading, or
- omits any matter or thing without which the information is false or misleading.

This is also a civil remedy provision.³⁶

Part 3-1 of the Fair Work Act prohibits an employer taking adverse action against an employee because of the employee's workplace rights. Workplace rights under Part 6-4C include:

- an employee's benefit arising because of their employer's obligation to satisfy the wage condition in accordance with s.789GD
- an employee's agreement or disagreement to perform duties on different days or at different times in accordance with ss.789GG(2) or 789GJD(2)
- an employee's agreement or disagreement to take paid annual leave in accordance with a request under s.789GJ(1), or to take annual leave at half pay in accordance with s.789GJ(2), and
- an employee's request in relation to secondary employment and training under s.789GU.

³⁴ Fair Work Act s.789GXB

³⁵ Fair Work Act s.789GXD and 789GXE

³⁶ Fair Work Act s.789GXB(3)

Part 6-4C operates subject to the following sections and parts of the Fair Work Act:

- Division 2 of Part 2-9, which deals with payment of wages
- Part 3-2, which deals with unfair dismissal
- Part 3-1 (general protections) and s.772 (employment not to be terminated on certain grounds).

Part 6-4C also operates subject to:

- Commonwealth, State or Territory anti-discrimination law
- laws that deal with health and safety obligations of employers or employees
- workers' compensation laws, and
- a person's right to be represented, or collectively represented, by an employee organisation (a union) or an employer organisation.

Giving a jobkeeper enabling direction does not amount to a redundancy.

Part 7 – Disputes the Commission cannot assist with

The Commission is able to assist with disputes about the operation of Part 6-4C of the Fair Work Act. The Commission cannot assist with all disputes in relation to the jobkeeper payment scheme.

Most of the jobkeeper provisions of the *Fair Work Act* were repealed on 29 March 2021 and **do not apply on or after 29 March 2021**.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

Entitlement to jobkeeper payments

The Commission cannot assist with disputes about decisions of the Commissioner of Taxation as to whether an employer is entitled to receive jobkeeper payments. Objections to such decisions are dealt with in the manner set out in Part IVC of the [Taxation Administration Act 1953](#). This includes review by the Administrative Appeals Tribunal, and appeal to the Federal Court of Australia.

For information on disputes about jobkeeper eligibility, see [Dispute or object to an ATO decision](#) on the ATO's website.

Employers refusing to apply for jobkeeper payments

The Commission cannot assist where an employer refuses to apply for jobkeeper payments.³⁷ It is not compulsory for employers to participate in the jobkeeper scheme.

Disputes about underpayments

The Commission can deal with disputes under the dispute resolution procedure in an enterprise agreement or modern award (see ss.738-739 of the Fair Work Act), but the Commission cannot generally assist with claims for underpayment of wages and entitlements, including payments under the jobkeeper scheme.

You can contact the Fair Work Ombudsman for information and advice about claims involving underpayment – see www.fairwork.gov.au.

³⁷ [Knott v TJX Australia Pty Limited](#) [2020] FWC 2519 (Gostencnik DP, 14 May 2020); [Cantwell v O'Brien Group Australia Pty Ltd](#) [2020] FWC 2665 (Gostencnik DP, 21 May 2020).

Part 8 – Applications to deal with a dispute about the operation of Part 6-4C

 See Fair Work Act s.789GV, [Fair Work Commission Rules 2013](#) rule 8

Section 789GV provides that the Commission may deal with a dispute about the operation of Part 6-4C of the Fair Work Act.

An application for the Commission to deal with a dispute about the operation of Part 6-4C of the Fair Work Act can be made by lodging a completed and signed Form F13A – *Application for the Commission to deal with a jobkeeper dispute (coronavirus economic response)*.

There is no fee for making an application to the Commission to deal with a jobkeeper dispute.



Link to application form

[Form F13A – Application for the Commission to deal with a jobkeeper dispute \(coronavirus economic response\)](#)

All forms are available on the Commission's [Forms](#) webpage.

Who can make an application

You can apply to the Commission to deal with a jobkeeper dispute under the coronavirus economic recovery provisions in the Fair Work Act if you are:

- a national system employee
- a national system employer
- an employee organisation (a union)
- an employer organisation.

A national system employee is employed, or usually employed, by a national system employer (see s.13 of the Fair Work Act). In some circumstances, textile, clothing and footwear industry contract outworkers are taken to be national system employees (see s.789BB of the Fair Work Act).

A national system employer is an employer covered by the national workplace laws (see s.14 of the Fair Work Act).



Who is covered by national workplace relations laws?

The national workplace relations system covers:

- all employees in Victoria (with limited exceptions in relation to State public sector employees), the Northern Territory and the Australian Capital Territory

- all employees on Norfolk Island, the Territory of Christmas Island and the Territory of Cocos (Keeling) Islands
- those employed by private enterprise in New South Wales, Queensland, South Australia and Tasmania
- those employed by a constitutional corporation in Western Australia (including Pty Ltd companies) – this may include some local governments and authorities
- those employed by the Commonwealth or a Commonwealth authority, and
- waterside employees, maritime employees, or flight crew officers in interstate or overseas trade or commerce.

Amending an application

Section 586 of the Fair Work Act provides a power for the Commission to correct or amend an application, or waive an irregularity in the form or manner in which an application is made.³⁸

An applicant can apply to the Commission to amend an application if they have made a mistake on the form such as misspelling the name or not providing the full name of the employer. In certain circumstances, this power may also be used to substitute the name of the employer.³⁹

Responding to an application

When a person lodges a Form F13A – Application for the Commission to deal with a jobkeeper dispute (coronavirus economic response), the Commission will serve a copy on the Respondent named in the application. The Commission usually does this by emailing the application to the email address listed in the Form F13A.

The matter will then be allocated to a Commission Member to deal with. The Commission Member will make directions about how the Respondent must respond to the application.

Objecting to an application

The Commission can only deal with jobkeeper disputes that fall within its powers, also known as its 'jurisdiction'. If a respondent believes that the Commission does not have

³⁸ Fair Work Act s.586; see *Narayan v MW Engineers Pty Ltd* [2013] FWCFB 2530 (Ross J, Sams DP, Bull C, 29 April 2013) at para. 6, [(2013) 231 IR 89].

³⁹ See for example *Djula v Centurion Transport Co. Pty Ltd* [2015] FWCFB 2371 (Catanzariti VP, Harrison SDP, Bull C, 12 May 2015) at para. 28.

jurisdiction to deal with the application, or that the applicant is not eligible to make the application, then the respondent can make a jurisdictional objection.

For example, the respondent could make a jurisdictional objection if:

- the applicant is not a person or organisation that can make an application (eg they are not a national system employer), or
- the dispute is not about the operation of Part 6-4C of the Fair Work Act (such as a dispute about whether an employer qualifies for the jobkeeper scheme).

By making a jurisdictional objection, the respondent is saying that the Commission does not have the power to deal with the dispute. Making a jurisdictional objection will NOT stop the jobkeeper dispute application. Jurisdictional objections must be determined by the Commission. This is done by a member holding a conference or hearing and making a formal decision. A respondent may be required to provide evidence and/or submissions on its objections.

Discontinuing an application



See Fair Work Act s.588

An applicant may discontinue the application in accordance with the procedural rules, whether the matter has settled or not.⁴⁰

How to file a notice of discontinuance

There are two ways to discontinue a matter before the Commission. A signed 'Notice of Discontinuance' [Form F50] can be lodged with the Commission to discontinue the application. A copy of the signed Notice of Discontinuance must then be served on the respondent. The Member dealing with the application may dispense with the requirement to lodge a Notice of Discontinuance and accept discontinuance orally or by some other means.⁴¹



Link to form

[Form F50 – Notice of Discontinuance](#)


All forms are available on the Commission's [Forms](#) webpage.

⁴⁰ Fair Work Act s.588.

⁴¹ Fair Work Commission Rules 2013, rules 6 and 10.

Part 9 – Commission processes

General information

 See Fair Work Act ss.577, 578, 585 – 595, and 789GV

The Fair Work act sets out various requirements as to how the Commission may proceed in dealing with a dispute about the operation of Part 6-4C of the Fair Work Act.

The Commission may, except as provided by the Fair Work Act, inform itself in relation to any matter before it in such manner as it considers appropriate.⁴²

The Commission must perform its functions and exercise its powers in a manner that:

- is fair and just
- is quick, informal and avoids unnecessary technicalities
- is open and transparent, and
- promotes harmonious and cooperative workplace relations.

In performing its functions or exercising powers in relation to a jobkeeper dispute, the Commission must take into account:

- the objects of the Fair Work Act and the objects of Part 6-4C of the Act
- equity, good conscience and the merits of the matter, and
- the need to respect and value the diversity of the work force by helping to prevent and eliminate discrimination on the basis of race, colour, sex, sexual orientation, age, physical or mental disability, marital status, family or carer's responsibilities, pregnancy, religion, political opinion, national extraction or social origin.⁴³

The Commission may deal with a dispute about the operation of Part 6-4C of the Fair Work Act by:

- mediation or conciliation (helping parties to agree on how to resolve the dispute)
- a Commission Member making a recommendation or expressing an opinion,
- arbitration by a Commission Member (making a decision and, if necessary, issuing an order).

Commission conferences, sometimes known as mediation or conciliation, are conducted in private, unless the Commission Member dealing with the matter directs that they be conducted in public. This means that members of the public are excluded from the conference.

Commission hearings must be held in public, subject to s.593(3) (see 'confidentiality orders').

⁴² Fair Work Act s.590.

⁴³ Fair Work Act s.578.

The Commission's process for jobkeeper disputes

The process that the Commission will normally follow when it receives an application to deal with a jobkeeper dispute is set out below.

Step 1 – Application received

Applications are received at melbourne@fwc.gov.au.

Step 2 – Register

The Commission staff register the application and check that the application is complete. If an application is incomplete, Commission staff will contact the applicant about completing it.

Step 3 – Jurisdiction

Commission staff review the application and note potential jurisdictional issues raised. All applications are then reviewed by the National Practice Leader.

If the application raises jurisdictional issues, the National Practice Leader instructs Commission staff to contact the applicant about the jurisdictional issue. The applicant is given the opportunity to withdraw the application. If the application is not withdrawn, the application is served on the respondent and the parties are directed to make submissions. A Commission Member will make a decision about jurisdiction.

If the Commission decides it does not have jurisdiction to deal with the dispute the case will be closed.

If the Commission does have jurisdiction to deal with the dispute, a Commission Member will deal with the merits of the dispute.

Step 4 – Hearing or conference

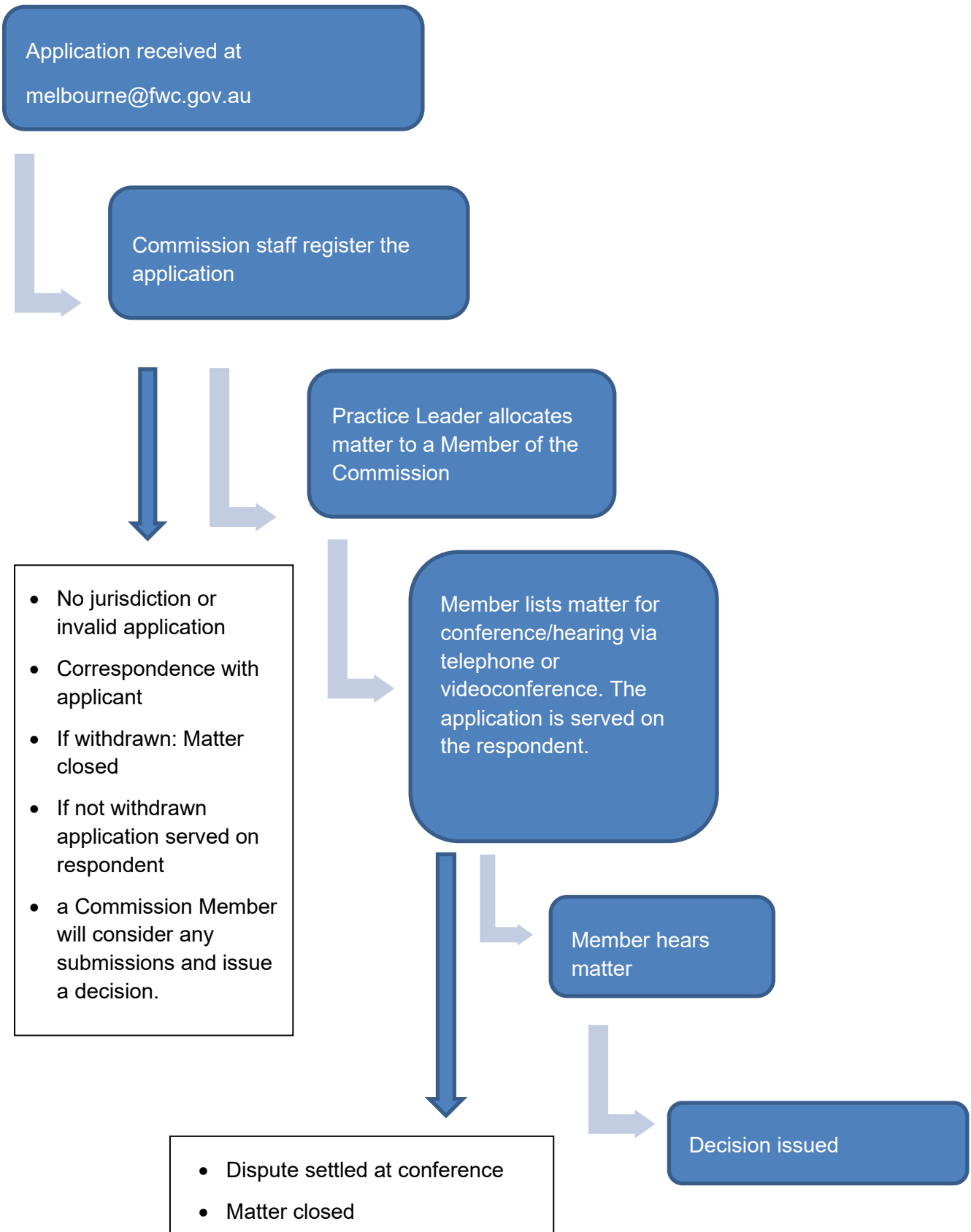
The Commission Member will list the case for a conference or hearing by telephone or videoconference. The application documents will be served on the respondent and the respondent has the opportunity to file written material before the conference.

The Commission Member will hold a conference to give the parties the chance to resolve the dispute by mediation or conciliation. The Commission Member may also express an opinion or make a recommendation to help resolve the dispute.

If the dispute is resolved by conference the case will be closed.

If the matter is not settled, the Commission Member will issue a decision.

Chart: The Commission’s process for jobkeeper disputes



Conferences and hearings during the COVID-19 pandemic

The Commission will hold all conciliations, hearings and conferences by phone or videoconference where possible.

Some cases may also be dealt with ‘on the papers’. This means a Commission Member will deal with your case using the written materials you and the other parties have lodged. If this happens, the Commission will not need oral submissions or evidence.

The Commission Member dealing with your matter will contact you if they decide to deal with your case on the papers.

Procedural issues

Confidentiality orders

 See Fair Work Act ss.593–594

The Commission is generally required to perform its functions and exercise its powers in a manner that is open and transparent,⁴⁴ and conducts proceedings in a manner that is consistent with the principles of open justice.⁴⁵ Commission hearings are normally required to be public,⁴⁶ and the Commission is required to publish its decisions.⁴⁷

The rationale for open justice has been summarised as follows:

‘The reason for the principle of open justice is that, if the proceedings of courts of justice are fully exposed to public and professional scrutiny and criticism, and interested observers are able to follow and comprehend the evidence, the submissions and the reasons for judgment, then the public administration of justice will be enhanced and confidence in the integrity and independence of the courts will be maintained. Not only does the conduct of proceedings publicly and in open view assist in removing doubts and misapprehensions about the operation of the system, but it also limits the opportunity for abuse and injustice by those involved in the process, by making them publicly accountable. Equally, public scrutiny operates as a disincentive to false allegations and as a powerful incentive to honest evidence.’⁴⁸[citations omitted]

There are limited exceptions to the principle of open justice. In particular, the Commission has power to make orders:

- that all or part of a hearing be held in private,

⁴⁴ Fair Work Act s.577(c).

⁴⁵ *United Firefighters’ Union of Australia v Metropolitan Fire and Emergency Services Board* [2017] FWCFB 2400 at [34].

⁴⁶ Fair Work Act, s.593

⁴⁷ Fair Work Act s.601.

⁴⁸ *Seven Network (Operations) Limited & Ors v James Warbuton (No 1)* [2011] NSWSC 385 at [2]

- restricting the persons who may be present at a hearing,
- prohibiting or restricting the publication of the names and addresses of persons appearing at the hearing, and
- prohibiting or restricting the publication or disclosure of evidence given at the hearing, documents referred to in the proceedings, and the Commission’s decision or reasons in relation to the matter.⁴⁹

Jobkeeper disputes may involve disclosure of sensitive business information and employees’ personal information, and a party may seek confidentiality orders under s.593(3) or 594(1).

While the Commission has discretion to make orders under s.593(3) or s.594(1), departure from the principle of open justice is only justified where it would frustrate the administration of justice by unfairly damaging some material private or public interest.⁵⁰ Open justice considerations are not to be applied in a vacuum and need to be considered in the context of the express power to prohibit or restrict publication of certain material having regard to its confidential nature or for any other reason and the circumstances of a particular case.⁵¹

Representation by lawyers and paid agents



See Fair Work Act ss.12 and 596, Fair Work Commission Rules 2013 r 11–12A

A party to a jobkeeper dispute requires permission of the Commission to be represented by a lawyer or paid agent at a conference or hearing, unless they are represented by a lawyer or paid agent covered by s.596(4) of the Fair Work Act – see s.596 of the Fair Work Act and rule 12 of the *Fair Work Commission Rules 2013*.

Relevantly, a person’s lawyer or paid agent is covered by s.596(4) of the Fair Work Act if the lawyer or paid agent is an employee or officer of the person, or an employee or officer of:

- a registered organisation,
- an association of employers that is not registered under the *Fair Work (Registered Organisations) Act 2009*, or
- a peak council

that is representing the person.

The *Fair Work Commission Rules 2013* also set out when the Commission must be notified that a person is represented, or is no longer represented, by a lawyer or paid agent.

⁴⁹ Fair Work Act ss.593–594.

⁵⁰ [United Firefighters’ Union of Australia v Metropolitan Fire and Emergency Services Board \[2017\] FWCFB 2500](#) at [34].

⁵¹ [Bowker and Others v DP World Melbourne Limited T/A DP World and Others \[2015\] FWC 4542](#) (Gostencnik DP, 6 July 2015) at para. 15.



The **Practice note: Lawyers & paid agents** provides procedural guidance on when and how the Commission is notified that a lawyer or paid agent acts or has ceased to act for a person, and when and how permission to be represented by a lawyer or paid agent can be sought.

Go to: [Practice note: Lawyers and paid agents](#).

Part 10 – Evidence

 See Fair Work Act ss.590 and 591

Section 590 of the *Fair Work Act 2009* (the Fair Work Act) outlines the ways in which the Fair Work Commission (the Commission) may inform itself including by:

- requiring a person to attend the Commission
- requiring written and oral submissions
- requiring a person to provide copies of documents
- taking evidence under oath or affirmation
- conducting inquiries or undertaking research, or
- holding a conference or a hearing.

Section 591 of the Fair Work Act states that the Commission is not bound by the rules of evidence and procedure (whether or not the Commission holds a hearing).

Although the Commission is not bound by the rules of evidence, they are relevant and cannot be ignored where doing so would cause unfairness between the parties.⁵²

The rules of evidence ‘provide general guidance as to the manner in which the Commission chooses to inform itself’.⁵³

Commission members are expected to act judicially and in accordance with ‘notions of procedural fairness and impartiality’.⁵⁴

Commission members are ultimately expected to get to the heart of the matter as quickly and effectively as possible, without unnecessary technicality or formality.⁵⁵

Orders to attend and orders for production of documents

 See Fair Work Act s.590, *Fair Work Commission Rules 2013* rules 53 and 54

The Commission can order a person to attend Commission proceedings or order a person to produce documents, so as to obtain information relevant to a matter before it. Orders to

⁵² [Re Construction, Forestry, Mining and Energy Union PR935310](#) (AIRC, Ross VP, 25 July 2003) at para. 36.

⁵³ [Australasian Meat Industry Employees’ Union, The v Dardanup Butchering Company Pty Ltd \[2011\] FWAFC 3847](#) (Lawler VP, Hamberger SDP, Gay C, 17 June 2011) at para. 28, [(2011) 209 IR 1]; citing [Hail Creek Coal Pty Ltd v Construction, Forestry, Mining and Energy Union PR948938](#) (AIRC FB, Ross VP, Duncan SDP, Bacon C, 12 July 2004) at paras 47–50, [(2004) 143 IR 354].

⁵⁴ [Coal & Allied Mining Services Pty Ltd v Lawler \[2011\] FCAFC 54](#) (19 April 2011) at para. 25, [(2011) 192 FCR 78]; Fair Work Commission, ‘[Member Code of Conduct](#)’ (1 March 2013), at p. 2.

⁵⁵ *ibid.*

produce assist the Commission to make informed decisions based on reliable evidence and facilitate efficient conduct of matters before the Commission.

An application for an order to attend can be made by lodging a completed and signed Form F51 – Application for an order requiring a person to attend Fair Work Commission.

An application for an order to produce documents can be made by lodging a completed and signed Form F52 – Application for an order requiring production of documents etc to Fair Work Commission.



The **Practice note: Orders to attend & orders to produce** provides a general explanation of the usual process for requesting, making and giving effect to orders to attend and orders to produce.

Go to: [Practice note: Orders to attend & orders to produce](#).



Links to application forms

[Form F51 – Application for an order requiring a person to attend before the Commission](#)

[Form F52 – Application for an order for production of documents, records or information to the Commission](#)

All forms are available on the Commission's [Forms](#) webpage.

Part 11 – Outcomes of Commission dispute resolution under Part 6-4C

 See Fair Work Act ss.595 and 789GV

The Commission may deal with a dispute about the operation of Part 6-4C of the Fair Work Act by:

- mediation or conciliation conducted by a Commission Member (helping parties to agree on how to resolve the dispute)
- a Commission Member making a recommendation or expressing an opinion
- a Commission Member arbitrating.

Before 29 March 2021, the Commission may make any of the following orders in dealing with a dispute under Part 6-4C:

- an order that the Commission considers desirable to give effect to a jobkeeper enabling direction
- an order setting aside a jobkeeper enabling direction
- an order setting aside a jobkeeper enabling direction and substituting a different jobkeeper enabling direction
- any other order that the Commission considers appropriate.

Although the Commission can continue to deal with disputes about the operation of Part 6-4C after 29 March 2021,⁵⁶ the Commission must not make an order giving effect to a jobkeeper direction or substituting a different jobkeeper direction on or after 29 March 2021 (and any order giving effect to a jobkeeper direction ceases to have effect at the start of 29 March 2021).⁵⁷

Contravening an order of the Commission

A person must not contravene a term of an order dealing with a dispute about the operation of Part 6-4C of the Fair Work Act.⁵⁸ This is a civil remedy provision.



A **civil remedy provision** is a provision of the Fair Work Act that if breached, means that the person affected can apply to a Court for an order for a financial penalty against the alleged wrong-doer, or any other order the Court considers appropriate such as an injunction.

⁵⁶ Coronavirus Economic Response Package Omnibus (Measures No.2) Act 2020, Part 2 of Schedule 1.

⁵⁷ Fair Work Act s.789GV.

⁵⁸ Fair Work Act s.789GW.

An application regarding a breach of a civil remedy provision is made to the Federal Court, the Federal Circuit Court or an eligible State or Territory court. This application may be made by an employee, an employee organisation or a Fair Work inspector.⁵⁹ To seek the assistance of a Fair Work inspector to enforce an order, a party should contact the Fair Work Ombudsman.

An application regarding a breach of a civil remedy provision must be made within six years of the alleged contravention.⁶⁰

Appeals

 See Fair Work Act s.604



The following information is limited to providing general guidance for appeals.

For information about lodging an appeal, stay orders, appeals directions and the appeals process please refer to the [Appeal proceedings practice note](#).

Overview

A person who is aggrieved by a decision made by the Commission (other than a decision of a Full Bench or Expert Panel) may appeal the decision, with the permission of the Commission.⁶¹

A **person who is aggrieved** is generally a person who is affected by a decision or order of the Commission and who does not agree with the decision or order. The term can extend beyond people whose legal interests are affected by the decision in question to people with an interest in the decision beyond that of an ordinary member of the public, such as, in some circumstances, a union or an employer association.⁶²

In determining whether a person is a 'person aggrieved' for the purposes of exercising a statutory right of appeal, it is necessary to consider the relevant statutory context.⁶³

⁵⁹ Fair Work Act s.539(2).

⁶⁰ Fair Work Act s.544.

⁶¹ Fair Work Act s.604(1).

⁶² See for example [Hart v Coles Supermarkets Australia Pty Ltd and Bi-Lo Pty Limited T/A Coles and Bi Lo \[2015\] FWCFB 7090](#) (Watson VP, Kovacic DP, Roe C, 27 October 2015).

⁶³ [Tweed Valley Fruit Processors Pty Ltd v Ross and Others \[1996\] IRCA 407](#) (16 August 1996).

Intervention

There is no provision of the Fair Work Act expressly dealing with intervention however the Commission has used the broad procedural power in s.589(1) to empower it to permit intervention in an appropriate case.⁶⁴

Time limit for appeal – 21 days

An appeal must be lodged with the Commission **within 21 days** after the date the decision being appealed was issued.⁶⁵ If an appeal is lodged late, an application can be made for an extension to the time limit.⁶⁶

Considerations

In each appeal, a Full Bench of the Commission needs to determine two issues:

- whether permission to appeal should be granted, and
- whether there has been an error in the original decision.

Permission to appeal

The Fair Work Act requires the Commission to grant permission to appeal if the Commission is satisfied that it is in the public interest to do so.⁶⁷

Public interest

The task of assessing whether the public interest test has been met is a discretionary one involving a broad value judgment.⁶⁸

Some considerations that the Commission may take into account in assessing whether there is a public interest element include:

- where a matter raises issues of importance and general application
- where there is a diversity of decisions so that guidance from an appellate court is required
- where the original decision manifests an injustice or the result is counter intuitive, or

⁶⁴ [J.J. Richards & Sons Pty Ltd v Transport Workers' Union of Australia \[2010\] FWAFB 9963](#) (Lawler VP, O'Callaghan SDP, Bissett C, 23 December 2010) at para. 9.

⁶⁵ Fair Work Commission Rules r 56(2)(a)–(b).

⁶⁶ Fair Work Commission Rules r 56(2)(c).

⁶⁷ Fair Work Act s.604(2).

⁶⁸ [Coal and Allied Mining Services Pty Ltd v Lawler \[2011\] FCAFC 54](#) (19 April 2011) at para. 44, [(2011) 192 FCR 78].

- that the legal principles applied appear disharmonious when compared with other recent decisions dealing with similar matters.⁶⁹

The public interest test is not satisfied simply by the identification of error or a preference for a different result.⁷⁰

Grounds for appeal

Error of law

An error of law of law may be a jurisdictional error, which means an error concerning the Commission's power to do something, or it may be a non-jurisdictional error concerning any question of law which arises for decision in a matter.

In cases involving an error of law, the Commission is concerned with the correctness of the conclusion reached in the original decision, not whether that conclusion was reasonably open.⁷¹

Error of fact

An error of fact can exist where the Commission makes a decision that is 'contrary to the overwhelming weight of the evidence'.⁷²

In considering whether there has been an error of fact, the Commission will consider whether the conclusion reached was reasonably open on the facts.⁷³ If the conclusion was reasonably open on the facts, then the Full Bench cannot change or interfere with the original decision.⁷⁴

It is not enough to show that the Full Bench would have arrived at a different conclusion to that of the original decision maker.⁷⁵ The Full Bench may only intervene if it can be demonstrated that some error has been made in exercising the powers of the Commission.⁷⁶

⁶⁹ *GlaxoSmithKline Australia Pty Ltd v Makin* [2010] FWA 5343 (Kaufman SDP, Ives DP, Spencer C, 23 July 2010) at para. 27, [(2010) 197 IR 266].

⁷⁰ See for example *Qantas Airways Limited v Carter* [2012] FWA 5776 (Harrison SDP, Richards SDP, Blair C, 17 July 2012) at para. 58, [(2012) 223 IR 177].

⁷¹ *SPC Ardmona Operations Ltd v Esam* PR957497 (AIRCFB, Ross VP, Hamilton DP, Hingley C, 20 April 2005) at para. 40, [(2005) 141 IR 338].

⁷² *Azzopardi v Tasman UEB Industries Ltd* (1985) 4 NSWLR 139, at pp. 155–156.

⁷³ *SPC Ardmona Operations Ltd v Esam* PR957497 (AIRCFB, Ross VP, Hamilton DP, Hingley C, 20 April 2005) at para. 40, [(2005) 141 IR 338].

⁷⁴ *House v The King* [1936] HCA 40 (17 August 1936), [(1936) 55 CLR 499].

⁷⁵ *ibid.*

⁷⁶ *ibid.*



Link to application form

[Form F7 – Notice of Appeal](#)

All forms are available on the Commission's [Forms](#) webpage.

Staying decisions



See Fair Work Act s.606

If the Commission hears an appeal from, or conducts a review of a decision, the Commission may order that the operation of the whole or part of the decision be stayed by making a stay order.

The stay order can be made on any terms and conditions that the Commission considers appropriate, until a decision in relation to the appeal or review is made, or the Commission makes a further order.

If a Full Bench is hearing the appeal or conducting the review, a stay order in relation to the appeal or review may be made by:

- the Full Bench
- the President
- a Vice President, or
- a Deputy President.

Role of the Court

Enforcement of Commission orders

If a person does not comply with an order in relation to a jobkeeper dispute then:

- an employee
- an employee organisation, or
- an inspector;

may seek enforcement of the Commission's order through civil remedy proceedings in:

- the Fair Work Division of the Federal Circuit Court of Australia
- the Fair Work Division of the Federal Court of Australia, or
- an eligible State or Territory Court.⁷⁷

Failure to comply with an order in relation to a jobkeeper dispute may result in the Court imposing a pecuniary penalty or making other orders.

⁷⁷ Fair Work Act s.539, table item 40.

Normally an order from the Commission will provide a timeframe within which the order must be complied with. It is advisable to wait until the timeframe has lapsed before seeking enforcement of the order.

Types of order made by the Court

 See Fair Work Act ss.545, 546 and 570

The Federal Court or the Federal Circuit Court may make any order the court considers appropriate if the court is satisfied that a person has contravened, or proposes to contravene, a civil remedy provision.

Orders the Federal Court or Federal Circuit Court may make include the following:

- an order granting an injunction, or interim injunction, to prevent, stop or remedy the effects of a contravention
- an order awarding compensation for loss that a person has suffered because of the contravention (which can include interest).

Pecuniary penalty orders

The Federal Court, the Federal Circuit Court or an eligible State or Territory court may, on application, order a person to pay a pecuniary penalty that the court considers is appropriate if the court is satisfied that the person has contravened a civil remedy provision.

The pecuniary penalty for an individual must not be more than the maximum penalty for the relevant contravention set out in section 539 of the Fair Work Act.

In the case of a body corporate, the maximum penalty is five times the maximum for an individual.



A **penalty unit** is used to define the amount payable for pecuniary penalties.

For example, the maximum number of penalty units for contravening section 789GXA of the Fair Work Act (which prohibits an employer misusing jobkeeper enabling directions) is 600 penalty units.

From 1 July 2017 a penalty unit was \$210.⁷⁸

- for an individual – 600 penalty units = \$126,000
- for a body corporate – 5 x 600 penalty units = \$630,000

The court may order that the pecuniary penalty, or a part of the penalty, be paid to:

- the Commonwealth
- a particular organisation (such as a union), or
- a particular person.

⁷⁸ Crimes Act 1914 (Cth) s.4AA.

Costs orders

A party to proceedings (including an appeal) in a court in relation to a matter arising under the Fair Work Act may be ordered by the court to pay costs incurred by another party to the proceedings.

The party may be ordered to pay the costs only if the court is satisfied that:

- the party instituted the proceedings vexatiously or without reasonable cause
- the party's unreasonable act or omission caused the other party to incur the costs, or
- the party unreasonably refused to participate in a matter before the Commission, and the matter arose from the same facts as the proceedings.

Attachment 1 – Glossary of terms

The glossary explains common terms used in this benchbook.

Adjournment	To suspend or reschedule proceedings (such as a conciliation, conference or hearing) to another time or place, or indefinitely.
Appeal	<p>An application for a Full Bench of the Commission to review a decision of a single member of the Commission and determine if the decision was correct.</p> <p>A person must seek the permission of the Commission to appeal a decision.</p>
Applicant	A person who makes an application to the Commission.
Application	The way of starting a case before the Commission. If there is a form prescribed by the <i>Fair Work Commission Rules 2013</i> (Cth), that form must be used.
Arbitration	<p>The process by which a member of the Commission will hear evidence, consider submissions and then make a decision in a matter.</p> <p>Arbitration generally occurs in a formal hearing and generally involves the examination and cross-examination of witnesses.</p>
Commission Member	Someone appointed by the Governor-General as a Member of the Commission. A member may be a Commissioner, a Deputy President, a Vice President or the President.
Conciliation	<p>An informal method of resolving a dispute by helping the parties to reach a settlement, which may involve making observations and recommendations.</p> <p>An independent conciliator can help the parties explore options for a resolution without the need for a determinative conference or hearing before a member.</p>
Conference	A proceeding conducted by a Commission Member which is generally held in private.
Court	In this benchbook, a reference to 'Court' generally means the Federal Court or Federal Circuit Court.

Decision	<p>A determination made by a single member or Full Bench of the Commission⁷⁹.</p> <p>A decision in relation to a matter before the Commission will generally include the names of the parties and outline the basis for the application, comment on the evidence provided and include the judgment of the Commission in relation to the matter.</p>
Eligible financial service provider	A registered tax agent, a BAS agent or a qualified accountant.
Error of law	An error of law is a common ground for legal review. It occurs when a member of the Commission has misunderstood or misapplied a principle of law; for example, by applying the wrong criteria, or asking the wrong question.
Evidence	<p>Information which tends to prove or disprove the existence of a particular belief, fact or proposition.</p> <p>Certain evidence may or may not be accepted by the Commission, however the Commission is not bound by the rules of evidence.</p> <p>Evidence is usually set out in an affidavit or given orally by a witness in a hearing.</p>
Explanatory Memorandum	An Explanatory Memorandum is a document that provides additional information about how proposed legislation is expected to operate and details about individual sections and provisions of that legislation.
Fair Work Act	The <i>Fair Work Act 2009</i> (Cth) is Commonwealth legislation dealing with workplace relations in Australia.
Fair work instrument	<p>A fair work instrument means:</p> <ul style="list-style-type: none"> (a) a modern award; or (b) an enterprise agreement; or (c) a workplace determination; or (d) a Commission order.

⁷⁹ The General Manager of the Commission, or a member of staff delegated powers under ss.625 or 671 of the Fair Work Act may also make a decision.

Full Bench	<p>A Full Bench of the Commission comprises at least three Commission members, one of whom must be a presidential member. Full Benches are convened to hear appeals, matters of significant national interest and various other matters specifically provided for in the Fair Work Act.</p> <p>A Full Bench can give a collective judgment if all of its members agree, or independent judgments if the members' opinions differ.</p>
Hearing	<p>A proceeding or arbitration conducted before the Commission which is generally open to the public.</p>
Individual	<p>A natural person.</p>
Jurisdiction	<p>The scope of the Commission's power and what the Commission can and cannot do.</p> <p>The power of the Commission to deal with matters is specified in legislation. The Commission can only deal with matters for which it has been given power by the Commonwealth Parliament.</p>
Legacy employer	<p>An employer that was entitled to jobkeeper payments for an employee prior to, but not on or after, 28 September 2020</p>
Lodge	<p>The act of delivering an application or other document to the Commission in a manner provided for in the <i>Fair Work Commission Rules 2013</i>.</p>
Matter	<p>Cases at the Commission are referred to as matters.</p>
Mediation	<p>A method of dispute resolution promoting the discussion and settlement of disputes facilitated by an independent mediator.</p>
Member	<p>See Commission Member</p>
Order	<p>A formal direction of the Commission which gives effect to a decision and is legally enforceable.</p>
Outcome	<p>See resolution</p>
Party	<p>A person or organisation involved in a matter before the Commission.</p>
Pecuniary penalty	<p>An order to pay a sum of money which is made by a Court as a punishment.</p>
Practice Leader	<p>The Commission Member who has oversight of one of the Commission's national practice areas. See National practice areas on the Commission's website.</p>

Procedural fairness	<p>Procedural fairness requires that a person whose interests will be affected by a decision receives a fair and reasonable opportunity to be heard before the decision is made.</p> <p>Procedural fairness is concerned with the decision making process followed or steps taken by a decision maker rather than the actual decision itself.</p> <p>The terms ‘procedural fairness’ and ‘natural justice’ have similar meaning and can be used interchangeably.</p>
Representative	<p>A person who acts on a party’s behalf. This could be a lawyer, a paid agent, an employee or employer organisation or someone else.</p> <p>Generally, a lawyer or paid agent can only represent a party before the Commission with permission of the Commission.</p>
Resolution (or outcome)	<p>An agreed resolution of a dispute. Generally, a negotiated outcome which all parties are satisfied with and bound by.</p>
Respondent	<p>A party responding to an application made to the Commission.</p>
Serving documents	<p>See service</p>
Service (Serve)	<p>Service of a document means delivering the document to another party or their representative, usually within a specified period.</p> <p>Documents can be served in a number of ways. The acceptable ways in which documents can be served are specified in Parts 7 and 8 of the <i>Fair Work Commission Rules 2013</i>.</p>
Witness	<p>A person who gives evidence in relation to a situation that they had some involvement in or saw happening. A witness is required to take an oath or affirmation before giving evidence at a formal hearing. The witness will be examined by the party that called them and may be cross examined by the opposing party to test their evidence.</p>

Attachment 2 – Jobkeeper enabling directions checklist – employers currently entitled to jobkeeper payments

Use this checklist to check that a jobkeeper enabling direction under sections 789GDC, 789GE or 789GF is authorised, has effect and applies to an employee under the Fair Work Act.

Sections 789GDC, 789GE and 789GF of Part 6-4C were repealed on 29 March 2021.

A jobkeeper enabling direction cannot be given on or after 29 March 2021 and a jobkeeper enabling direction given before 29 March 2021 does not apply on or after that date.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

<ul style="list-style-type: none"> The direction was given after Part 6-4C commenced on 9 April 2020 	<input type="checkbox"/>
<ul style="list-style-type: none"> The employer qualified for the jobkeeper scheme when the direction was given 	<input type="checkbox"/>
<ul style="list-style-type: none"> The employee is an eligible employee 	<input type="checkbox"/>
<ul style="list-style-type: none"> The employer is entitled to one or more jobkeeper payments for the employee for the relevant period This includes keeping records substantiating any information provided to the ATO in relation to the payment 	<input type="checkbox"/>
<ul style="list-style-type: none"> The employer has given the employee at least 3 days' written notice before giving the direction, or the employee has genuinely agreed to less than 3 days' notice 	<input type="checkbox"/>
<ul style="list-style-type: none"> The employer has consulted the employee (or their representative) about the direction 	<input type="checkbox"/>
<ul style="list-style-type: none"> The direction is not unreasonable in all the circumstances 	<input type="checkbox"/>
For a jobkeeper enabling stand down direction:	
<ul style="list-style-type: none"> The employee cannot usefully be employed for their normal days or hours during the period of the direction because of changes to the business attributable to the COVID-19 pandemic or government initiatives to slow the transmission of COVID-19 	<input type="checkbox"/>

Attachment 2 – Jobkeeper enabling directions checklist – employers currently entitled to jobkeeper payments

<ul style="list-style-type: none"> The implementation of the direction is safe, having regard to (without limitation) the nature and spread of COVID-19 	<input type="checkbox"/>
For a jobkeeper enabling direction about duties of work:	
<ul style="list-style-type: none"> If the employee is required to have a licence or qualification in order to perform the duties, the employee has that licence or qualification 	<input type="checkbox"/>
<ul style="list-style-type: none"> The duties are reasonably within the scope of the employer's business operations 	<input type="checkbox"/>
<ul style="list-style-type: none"> The duties are safe, having regard to (without limitation) the nature and spread of COVID-19 	<input type="checkbox"/>
<ul style="list-style-type: none"> The employer has information leading it to reasonably believe the direction is necessary to continue the employment of one or more employees of the employer 	<input type="checkbox"/>
For a jobkeeper enabling direction about location of work:	
<ul style="list-style-type: none"> The place is suitable for the employee's duties 	<input type="checkbox"/>
<ul style="list-style-type: none"> If the place is not the employee's home, the employee does not have to travel a distance that is unreasonable in all the circumstances, including the circumstances surrounding the COVID-19 pandemic 	<input type="checkbox"/>
<ul style="list-style-type: none"> Performing the duties at the location is safe, having regard to (without limitation) the nature and spread of COVID-19, and reasonably within the scope of the employer's business operations 	<input type="checkbox"/>
<ul style="list-style-type: none"> The employer has information leading it to reasonably believe the direction is necessary to continue the employment of one or more employees of the employer 	<input type="checkbox"/>

Attachment 3 – Jobkeeper enabling directions checklist – employers previously entitled to jobkeeper payments

Use this checklist to check that a jobkeeper enabling direction under sections 789GJA, 789GJB or 789GJC is authorised, has effect and applies to an employee under the Fair Work Act.

Sections 789GJA, 789GJB and 789GJC of Part 6-4C were repealed on 29 March 2021.

A jobkeeper enabling direction cannot be given on or after 29 March 2021 and a jobkeeper enabling direction given before 29 March 2021 does not apply on or after that date.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

<ul style="list-style-type: none"> The relevant period of the direction begins on or after 28 September 2020 	<input type="checkbox"/>
<ul style="list-style-type: none"> The employer was entitled to a jobkeeper payment for the employee prior to 28 September 2020 	<input type="checkbox"/>
<ul style="list-style-type: none"> The employer is not entitled to jobkeeper payments for the employee for the period of the direction 	<input type="checkbox"/>
<ul style="list-style-type: none"> The employer holds a 10% decline in turnover certificate for the designated quarter 	<input type="checkbox"/>
<ul style="list-style-type: none"> The employer has given the employee at least 7 days' written notice before giving the direction, or the employee has genuinely agreed to less than 7 days' notice 	<input type="checkbox"/>
<ul style="list-style-type: none"> The employer has consulted the employee (or their representative) about the direction 	<input type="checkbox"/>
<ul style="list-style-type: none"> The direction is not unreasonable in all the circumstances 	<input type="checkbox"/>
For a jobkeeper enabling stand down direction:	
<ul style="list-style-type: none"> The employee cannot usefully be employed for their normal days or hours during the period of the direction because of changes to the business attributable to the COVID-19 pandemic or government initiatives to slow the transmission of COVID-19 	<input type="checkbox"/>

Attachment 3 – Jobkeeper enabling directions checklist – employers previously entitled to jobkeeper payments

<ul style="list-style-type: none"> The implementation of the direction is safe, having regard to (without limitation) the nature and spread of COVID-19 	<input type="checkbox"/>
<ul style="list-style-type: none"> The direction does not reduce the employee's hours to less than 60% of the employee's ordinary hours as of 1 March 2020 	<input type="checkbox"/>
<ul style="list-style-type: none"> The direction does not require the employee to work less than two hours in a day on which the employee will perform work 	<input type="checkbox"/>
For a jobkeeper enabling direction about duties of work:	
<ul style="list-style-type: none"> If the employee is required to have a licence or qualification in order to perform the duties, the employee has that licence or qualification 	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> The duties are reasonably within the scope of the employer's business operations 	<input type="checkbox"/>
<ul style="list-style-type: none"> The duties are safe, having regard to (without limitation) the nature and spread of COVID-19 	<input type="checkbox"/>
<ul style="list-style-type: none"> The employer has information leading it to reasonably believe the direction is necessary to continue the employment of one or more employees of the employer 	<input type="checkbox"/>
For a jobkeeper enabling direction about location of work:	
<ul style="list-style-type: none"> The place is suitable for the employee's duties 	<input type="checkbox"/>
<ul style="list-style-type: none"> If the place is not the employee's home, the employee does not have to travel a distance that is unreasonable in all the circumstances, including the circumstances surrounding the COVID-19 pandemic 	<input type="checkbox"/>
<ul style="list-style-type: none"> Performing the duties at the location is safe, having regard to (without limitation) the nature and spread of COVID-19, and reasonably within the scope of the employer's business operations 	<input type="checkbox"/>
<ul style="list-style-type: none"> The employer has information leading it to reasonably believe the direction is necessary to continue the employment of one or more employees of the employer 	<input type="checkbox"/>

Attachment 4 – Jobkeeper disputes jurisdictional checklist

Most of the jobkeeper provisions in Part 6-4C were repealed on 29 March 2021.

See Attachment 5 for information about the jobkeeper provisions that apply on and after 29 March 2021.

The purpose of Part 6-4C of the Fair Work Act is to assist employers that qualify for the jobkeeper scheme to deal with the economic impact of COVID-19. Part 6-4C allows employers that qualify for the jobkeeper scheme and are entitled to jobkeeper payments for an eligible employee to give the employee a 'jobkeeper enabling direction', request the employee agree to change their days or times of work, and request the employee agree to take annual leave (including at half pay), subject to a number of safeguards for employees.

The Commission has power to deal with disputes about the operation of Part 6-4C. The Commission cannot deal with other disputes about the jobkeeper scheme.

Use this checklist to check that the Commission can deal with your jobkeeper dispute. If your dispute does not fit the criteria in the checklist, see the [Need help?](#) section on the Commission's website for information about government agencies that may be able to assist. If you still aren't sure, [contact us](#).

1. You are one of the following:

See: 'Who can make an application' on pages 21 – 22 of this benchbook for more information.

- a national system employee
- a national system employer
- an employee organisation
- an employer organisation

2. Your dispute relates to at least one of the following:

- a jobkeeper enabling stand down direction

For example, the dispute could be about:

- whether the direction is reasonable in all the circumstances
- whether the employer consulted with the employee
- whether the jobkeeper enabling stand down direction is safe
- whether the employee cannot be usefully employed for their normal days or hours
- whether the jobkeeper enabling stand down direction is because of changes to business attributable to COVID-19 or the government's response to it
- whether the employer has complied with the hourly rate of pay guarantee

<ul style="list-style-type: none"> ○ whether the employer has calculated the employee’s leave entitlements while the jobkeeper enabling stand down direction is in place as though the direction had not been made ○ * The examples provided are not exhaustive. 	
<ul style="list-style-type: none"> ● a direction about the duties an employee is to perform <p>For example, the dispute could be about:</p> <ul style="list-style-type: none"> ○ whether the direction is reasonable in all the circumstances ○ whether the direction is necessary to continue the employment of one or more of the employer’s employees ○ whether the employer consulted with the employee ○ whether the direction is safe ○ whether the duties are within the employee’s skill and competency, or the employee has the appropriate licence or qualification to perform the duties ○ whether the employer has paid the employee the jobkeeper payment, or the amount payable for the duties the employee is performing, whichever is greater <p>* The examples provided are not exhaustive.</p>	□
<ul style="list-style-type: none"> ● a direction about the location where the employee is to perform work <p>For example, the dispute could be about:</p> <ul style="list-style-type: none"> ○ whether the direction is reasonable in all the circumstances ○ whether the direction is necessary to continue the employment of one or more of the employer’s employees ○ whether the employer consulted with the employee ○ whether it is safe to perform work in the location ○ whether the direction requires the employee to travel an unreasonable distance <p>* The examples provided are not exhaustive.</p>	□
<ul style="list-style-type: none"> ● a request that an employee agree to a change in the days or times when the employee is to work <p>For example, the dispute could be about:</p> <ul style="list-style-type: none"> ○ whether performing the duties on the days or at the times requested is safe, or is reasonably within the scope of the employer’s business operations ○ whether the employee has considered the request, or has unreasonably refused the request <p>* The examples provided are not exhaustive.</p>	□

<ul style="list-style-type: none"> • a request prior to 28 September 2020 that an employee agree to take annual leave <p>For example, the dispute could be about:</p> <ul style="list-style-type: none"> ○ whether the request will mean the employee has a balance of paid annual leave of less than 2 weeks ○ whether the employee has considered the request, or has unreasonably refused the request <p>* The examples provided are not exhaustive.</p>	<input type="checkbox"/>
<ul style="list-style-type: none"> • an agreement prior to 28 September 2020 that the employee take annual leave at half pay <p>For example, the dispute could be about:</p> <ul style="list-style-type: none"> ○ whether the employer agreed in writing to the employee taking leave at half pay ○ whether the employer has calculated the employee’s leave entitlements as though the agreement had not been made <p>* The examples provided are not exhaustive.</p>	<input type="checkbox"/>
<ul style="list-style-type: none"> • an employee’s request for secondary employment, training or professional development, where the employer has given a jobkeeper enabling stand down direction <p>For example, the dispute could be about:</p> <ul style="list-style-type: none"> ○ whether the employer has considered, or has unreasonably refused, the request <p>* The example provided is not exhaustive.</p>	<input type="checkbox"/>

Attachment 5 – Jobkeeper provisions that continue to apply on or after 29 March 2021

On 29 March 2021, most of the jobkeeper provisions of the Fair Work Act were repealed, except as summarised below. This means that on and after 29 March 2021 an employer cannot:

- give an employee a jobkeeper enabling direction; or
- request an employee agree to change their days and time of work.

All jobkeeper enabling directions and agreements ceased to have effect on 29 March 2021. Any orders of the Commission giving effect to a jobkeeper enabling direction also ceased to have effect on 29 March 2021.

Jobkeeper provisions that continue to operate include:

- s.789GR, which provides that if an employee is subject to a jobkeeper enabling direction for a period, that period counts as service; and
- s.789GS, which deals with how an employee accrues leave entitlements, and how redundancy pay and payment in lieu of notice of termination are calculated, where a jobkeeper enabling direction or stand down applies to the employee, or where the employee has agreed to take paid annual leave under s.789GJ(2).

From 29 March 2021, an employee, employer, employee organisation or employer organisation can still apply to the Commission to deal with jobkeeper disputes about these matters. The Commission will be able to deal with these disputes by arbitration, mediation, conciliation, expressing an opinion or making a recommendation.

These are the only types of jobkeeper disputes where the Commission has retained the power to make orders. The Commission will no longer be able to make orders giving effect to jobkeeper enabling directions or substituting one jobkeeper enabling direction for another, but it will be able to make orders that it considers appropriate.



See Part 2A of this Benchbook (Service and entitlement accrual while a jobkeeper enabling direction applies) and Part 8 (Applications to deal with a dispute about the operation of Part 6-4C).