



A message from the CEO

COVID-19 Update 13/5

JobKeeper and Return to Work premiums

We have received confirmation that the JobKeeper wage subsidy payments will not be considered remuneration for calculation of Return to Work (RTW) premiums for 2020-21, the same as for state Payroll Tax.

You can still choose to have your premiums based on your 2019-20 actual remuneration, (with no end of year adjustment), or an estimate of your 2020-21 remuneration (with an end of year adjustment when actual remuneration is known).

Example 1:

Business 'A' pays its workers \$500,000 total remuneration in 2019-20, including \$100,000 of JobKeeper payments from April to June 2020. Business 'A' chooses the **actual** remuneration option in July when completing their remuneration return. They should declare \$400,000 total remuneration (\$500,000-\$100,000).

Example 2:

Business 'B' expects to pay its workers \$500,000 for 2020-21, and expects to receive \$80,000 in JobKeeper payments from July to September 2020. Business 'B' chooses the **estimates** remuneration option in July when completing their remuneration return. They should estimate \$420,000 total remuneration (\$500,000-\$80,000).

Remuneration returns for 2020-21 premium are due between 2 July and 15 September 2020.

COVID-19 Variations to Award

We, along with interstate Motor Trade Associations, have been negotiating with various union representatives on a temporary variation to the Vehicle Manufacturing, Repair, Services and Retail Award to provide flexibility during the COVID-19 pandemic.

After lengthy discussions, a variation was agreed and approved by the Fair Work Commission (FWC) on Monday 11 May 2020, with immediate effect. The variation will apply to 30 June 2020, but may be extended by the FWC.

The variation primarily seeks to assist employers in the automotive industry who may not have the benefit of the flexible working arrangements under the JobKeeper scheme. The variation allows for:

- An employer may direct an employee to perform alternate duties, provided sage and within their skill and competency.
 - An employer may direct a temporary reduction in hours, but subject to certain limitations and processes around such reduction, such as not reducing a full time employee to less than 22.8 hours.
-

- An employer may request an employee to take paid annual leave, provided a balance of 2 weeks is left. An employee must not unreasonably refuse a request, and parties may agree to allow twice as much annual leave at half pay.
- Increased provisions for close down due to the COVID-19 pandemic, including directions for taking of paid annual leave or unpaid leave.

While there are some limitations, this variation will assist members who are unable to access the flexible working arrangements available to employers who qualify for JobKeeper.

Of course, none of this prevents an employer and employee implementing additional flexible arrangements by agreement, as we have been advising members throughout this period.

If you have any questions about implementing any form of flexible working arrangements during the current health and economic crisis, please contact the Workplace Relations team on 8291 2000 or by [clicking here](#).

Fuel Pricing

The State Government today announced it will trial real-time fuel pricing in response to the South Australian Productivity Commission's (SAPC) Report into Fuel Pricing.

Final detail on the scheme is still to be worked through in Parliament, however, it is expected to draw from the Queensland model which involves compliance and enforcement by matching real time transaction data against prices reported.

The trial is funded for two years and the Government has reiterated that it will not support a policy of fuel price monitoring if fuel prices increased over the trial.

Earlier this year, we provided a submission to the SAPC Report into Fuel Pricing which argued that there is a sufficient lack of evidence to demonstrate that mandatory reporting lowers prices or benefits consumers. However, our submission did say that if the State Government does choose a model, the Queensland model would be our preference.

We recommended that enforcement should be swift, consistent and appropriate penalties or deterrents be put in place, and that regional and rural members should be excluded where the consumer benefit is negligible.

Divisional and Zone meetings

A reminder that we have recommenced Divisional and Zone meetings online. If you have received an invite for these, I encourage you to register and attend these online meetings as our Specialists will take you through Workplace Relations and Award developments, industry updates and more.

Paul Unerkov
MTA CEO

