



Zali Steggall MP

FEDERAL MEMBER FOR WARRINGAH

The Hon Josh Frydenberg MP
Treasurer
PO Box 6022
House of Representatives
Parliament House
CANBERRA ACT 2600

Tuesday 7 April 2020

Dear Treasurer,

I write in regards to the JobKeeper payment proposed in response to the economic consequences of the COVID-19 virus and proposed legislation. While it is an appropriate and broad reaching package, some key groups have been overlooked.

I appreciate that it is difficult to tailor support measures to all areas and packages may unintentionally overlook some sectors. I am concerned that pay as you go (PAYG) contractors, casual workers in dual income families who fail to meet the 12 months test and self funded retirees are currently in that situation.

PAYG contractors do not have a traditional employer/employee relationship and are not setup with their own ABN and hence fall into a grey area not explicitly captured in this legislation. Many in the entertainment industry fall into this category.

Casual workers in employment for less than 12 months are not currently eligible for JobKeeper. In his television interview yesterday, the Attorney General stated that the JobKeeper casual criteria would remain the same as JobSeeker would sufficiently capture those casuals who miss out. This is not the case for casual workers that are part of dual income families.

I acknowledge that the partner income test has been increased, however, the prospect of some of these families shifting from dual income to single income with no assistance will put many families in a dire situation.

In Warringah alone, there were 54.5 per cent dual income families in the 2016 census. This is likely to be even higher now. The complete loss of one income will seriously impact their ability to meet financial commitments and needs. This is of particular concern in areas with high rent and high property values such as Warringah where, in the 2016 census, the median rental price was \$580/week, and monthly mortgage repayment \$2,970 it has only increased since then. Similarly, families who have based their mortgage repayments on the assumption of two incomes are suffering from high degrees of mortgage stress at this time.

I urge you to consider an amendment to this measure whereby:

1. If an individual can demonstrate through their tax returns/contributions that they have had consistent casual employment or PAYG income over the past 12 to 24 months; and
2. That has now ceased, they should be eligible for the JobKeeper payment.
3. This payment could be issued by the Australian Tax Office like the payment of tax returns to a nominated bank account.

Similarly, some self funded retirees find themselves in a situation of little to no income. Many have taken a large loss to their savings and superannuation and are now encouraged to absorb rent relief from tenants who have lost business or employment. I urge the government to consider a time-limited access to a support payment similar to the \$550/fortnight Coronavirus supplement afforded to Job Seekers. This supplement could only be accessed if an individual can show:

1. a more than 30% decline in their retirement income from property; and
2. their annual retirement income received from property was less than a reasonable threshold as at 1 March 2020.

As indicated in the media today by the Prime Minister, Australians need this certainty for this next six months. In the interest of providing that certainty and safety net to get Australians through this crisis, I trust that you will consider these amendments.

Sincerely,



Zali Steggall, OAM MP
Federal Member for Warringah