

FACT SHEET

Fair Entitlements Guarantee (“FEG”)

FEG is a basic government payment scheme providing financial assistance to employees who have lost their job because of the liquidation or bankruptcy of their employer and who are owed employee entitlements that are not able to be paid by their employer or from another source.

What can I claim?

- unpaid wages (up to 13 weeks)
- unpaid annual leave and long service leave
- payment in lieu of notice (up to five weeks)
- redundancy pay (up to four weeks per full year of service)

What does FEG not cover?

Unpaid employer superannuation contributions.

Am I eligible?

Subject to certain exclusions, you will be eligible for FEG assistance if:

- your employment has ended.
- your former employer entered liquidation or bankruptcy on or after 5 December 2012.
- the end of your employment:
 - was due to the insolvency of your employer, or
 - occurred less than six months before the appointment of an insolvency practitioner for the employer, or
 - occurred on or after the appointment of an insolvency practitioner for the employer.
- you are owed employee entitlements.
- you have taken reasonable steps to prove those debts in the winding up or bankruptcy of the employer.
- you took reasonable steps to have your employee entitlements paid if they were owed to you before the date of the liquidation or bankruptcy of the employer.
- at the time your employment ended, you were an Australian Citizen or, under the *Migration Act 1958*, the holder of a permanent visa (i.e. your current visa allows you to live in Australia indefinitely) or special category visa (i.e. your current visa allows you to stay and work in Australia as long as you remain a New Zealand citizen).
- you have made an effective claim.

You must meet all of the above requirements to be eligible for FEG assistance.

Important

An effective claim needs to be lodged within 12 months of losing your job, or within 12 months of the date of liquidation/bankruptcy, whichever is the later.

Exclusions from eligibility

FEG is a scheme for employees only.

You will not be eligible if:

- you were a contractor or sub-contractor (although contract outworkers in the textile, clothing and footwear industry may be covered under a special scheme for employees in that industry).
- you are (or were within 12 months before liquidation) a director of the company, or a spouse or relative of a director of the company (if your employer was a company).
- you converted from contractor status to employee status with the same employer within the six months preceding the date of liquidation or bankruptcy.

Making an effective claim

You must make an effective claim to be eligible for FEG assistance. It is important that you submit your claim as soon as possible because FEG has strict time limits.

To make an effective claim, you must:

- lodge a FEG claim form,
- include all of the mandatory information and documentation requested on the form,
- lodge your claim no more than 12 months after the end of your employment or the date your employer entered liquidation or bankruptcy (whichever is the later), and
- lodge your claim before the discharge of your former employer's bankruptcy (if your employer was a bankrupt).

If your claim is not made within this timeframe, or does not include all required information and documentation, it will not be effective and you will not be eligible for FEG assistance.

How do I make a claim?

Go to FEGonline (www.employment.gov.au/FEGonline) to complete and lodge your claim.

Make sure you read all the FEG factsheets on the FEG website (www.employment.gov.au/feg). If you are unable to lodge a claim online, you can submit a paper based form available from the FEG website. Or the FEG Hotline can post a claim form to you.

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Some of the detail

Mandatory and supporting documentation

It is in your interest to supply any supporting documentation that may assist an assessment of your claim. The provision of some documents is mandatory.

Mandatory documents

You must provide documentary evidence of your residency or citizenship status at the time your employment ended.

A copy of at least one of the following documents is acceptable evidence of your citizenship or residency status:

- Australian passport current at, or expired within two years of, the end of your employment.
- Full Australian birth certificate.
- Australian citizenship certificate issued prior to the end of your employment.
- ImmiCard issued prior to the end of your employment.
- Certificate of evidence of residency status.
- Registration of descent document.
- Where appropriate, for the purpose of proving you hold a permanent visa, a copy of the passport you used to apply for that visa.
- Where appropriate, for the purpose of proving you held a special category visa at the end of your employment, the New Zealand passport that was current at the end of your employment or, if your passport had expired, the most recent expired New Zealand passport held by you at the time you entered Australia prior to working for the employer.
- Where appropriate, a *Confirmation of identity or citizenship for Aboriginal or Torres Strait Islander people* form.

Note: a driver's licence is not acceptable evidence of citizenship or residency status.

Where the name on the document does not match the name that you are claiming under, you will also need to supply:

- Change of name certificate, or
- Marriage certificate

Other supporting documents

The Department of Employment will usually rely on information provided by the insolvency practitioner using the employer's books and records.

However, you may be requested to provide further information, such as:

- signed employment contract or letter of appointment
- payslips
- PAYG payment summaries
- bank statements
- evidence of weekly or annual wage rate
- separation certificate
- letter of termination

If you are contacted for more information regarding your claim, provide this information as soon as possible.

The amount of assistance FEG will pay

- FEG assistance for unpaid entitlements is calculated based on your existing terms and conditions of employment.
- You will not be paid FEG assistance for amounts you have already been paid or amounts that are payable by another party.
- There is a FEG maximum weekly wage cap, currently \$2,451.
- Any favourable changes to your terms and conditions of employment within six months of your employment ending may be disregarded.
- Your FEG assistance may be reduced by any debts you owe to your former employer.
- FEG assistance may not be payable where the insolvency practitioner expects to have sufficient funds to pay the claim within 112 days of your lodging your claim.

Want more information or to contact FEG?

- FEG website: www.employment.gov.au/feg
- FEG Hotline: 1300 135 040 (9am-5pm Mon-Fri AEST)
- Email FEG: feg@employment.gov.au
- Fax FEG: (02) 6276 8717
- Post documents to: FEG Branch, Department of Employment, GPO Box 9880, Canberra ACT 2601

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