



Credit Policy

Eligible Income

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Casual and temporary

Casual and temporary employees do not get paid sick or annual leave and generally have non-guaranteed and varying hours of work.

Restrictions	Verification		% used for servicing
<p>This verification standard can only be used where the customer is:</p> <ul style="list-style-type: none"> casually and/or temporarily employed with the same employer for a minimum period of 6 months; or casually and/or temporarily employed in the same industry and/or employment role for a minimum period of 6 months. <p>Same industry and / or employment role is defined as offering a similar product / service or similar work i.e. the company they are employed by offers a similar product or service (e.g. Coles and Woolworths); or the type of role they have is similar (e.g. IT Business Analyst at CBA and IT Business Analyst at Woolworths).</p> <p>This verification standard is not to be used for seasonal workers where income is received over a season only and not across a full year. Refer to the PAYG – Seasonal income verification requirements.</p>	Same employer for 6 or more months	Employed for 6 or more months in same industry/employment role (not same employer)	100%
	<p>Use one of the following options:</p> <ol style="list-style-type: none"> Six months' salary credits to an account One payslip showing \geq six months YTD income One payslip showing < six months YTD income and PAYG payment summary/'Tax ready' Income Statement or Tax return or final YTD payslip from the preceding financial year. PAYG payment summary/'Tax ready' Income Statement or Tax return or final YTD payslip from the preceding financial year and Letter from employer or employment agency detailing: <ul style="list-style-type: none"> current employment arrangement (working hours/hourly rate) length of employment break up of YTD income <p>Note:</p> <p>For option 1 If the internet banking transaction listing does not contain all the account holders information (e.g. account holder name & account number) an old bank statement can be provided to verify ownership of account. Bank statements (including internet banking transaction listings) must be from the bank where the salary is credited.</p> <p>Where the customer has completed a withholding declaration to claim their tax offsets in their salary then salary credits cannot be used to verify income and you will need to use other verification methods listed above.</p> <p>For options 2 and 3, confirm and evidence of the start date of</p>	<p>Six months' salary credits* to an account and either</p> <ol style="list-style-type: none"> One payslip showing < six months YTD income (from current employer) or Letter from current employer or employment agency detailing: <ul style="list-style-type: none"> current employment arrangement (working hours / hourly rate) length of employment break up of YTD income <p>The amount to use in servicing will be the lower of the annualised average of the last 6 months' salary credits and the annualised current payslip/letter.</p> <p>*Note: Six months' salary credits will include more than 1 employer but each employer must be in same industry / role. Bank statements (including internet banking transaction listings) must be from the bank where the salary is credited.</p> <p>Care must be taken if the frequency of pay changed between employers.</p>	

employment with the borrower if they commenced employment after 1 July for the current financial year.

Calculations

Same employer for 6 or more months

Use **one** of the following options:

Option 1

Calculate the average by totalling the six months' salary credits and dividing by the number of expected pay periods (including periods of non pay) to obtain the average net income amount.

Enter this amount in the net to gross calculator and use the calculated annual gross income amount in the application.

Option 2

Annualise the YTD amount from the payslip.

Option 3

Annualise the YTD amount from the payslip and use the lower of the annualised YTD amount and PAYG payment summary/'Tax ready' Income Statement **or** Tax return **or** final YTD payslip from the preceding financial year.

Option 4

Annualise the YTD amount on the letter and use the lower of the annualised YTD amount and the PAYG payment summary/'Tax ready' Income Statement **or** Tax return **or** final YTD payslip from the preceding financial year.

Employed for 6 or more months in the same industry/employment role (not same employer)

Step 1: Calculate the average by totalling the six months' salary credits and dividing by the number of expected pay periods (including periods of no pay - e.g. where the customer was not required for work by their employer or where there was a break in employers) to obtain the average net income amount.

Enter this amount in the **net to gross calculator** and calculate the annual gross income amount.

Step 2: Annualise the YTD amount from the payslip OR letter.

Step 3: Use the lower of the annualised average of the last 6 months' salary credits (step 1) and the annualised YTD amount on the current payslip/letter (step 2) in the application.

Notes

- ▶ For cases where overtime is noted on the payslip and the employment type has been confirmed as casual, it is not necessary to calculate overtime separately as is done for a permanent employee who has set hours of work.
- ▶ Where the customer has confirmed they have been casually and/or temporarily employed in the same industry and / or employment role for 6 months or more this should be included in the comments of the application.
- ▶ For seasonal workers refer to the seasonal income verification requirements listed as 'PAYG Seasonal'.
- ▶ Input annualised casual and temporary income in the application.