

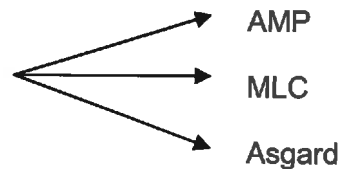
**A. Concepts:**

Related v non-related parties

Large Employers = 20 or more employees

Small Employers = less than 20 employees

Clearing House – gateway to paying multiple funds



**B. Before:**

Large Employers → eg MYOB MPowered Clearing House )

Small Employers → ATO Clearing House ) OR

EFT/BPay/Cheques to Super Fund + Online forms to complete the details

**C. After**

**From 01 July 2014:**

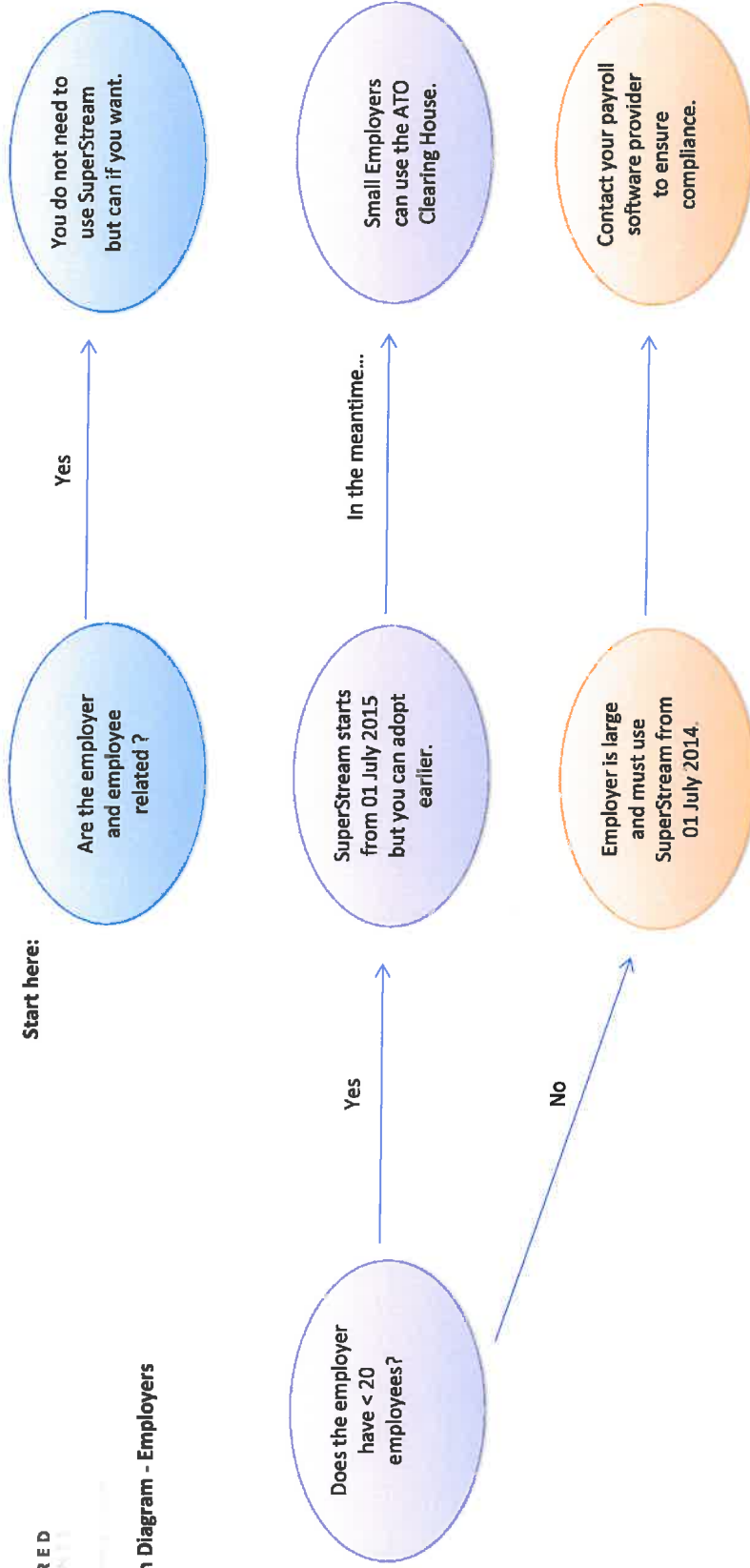
Large Employers → eg MYOB MPowered SuperStream

**From 01 July 2015:**

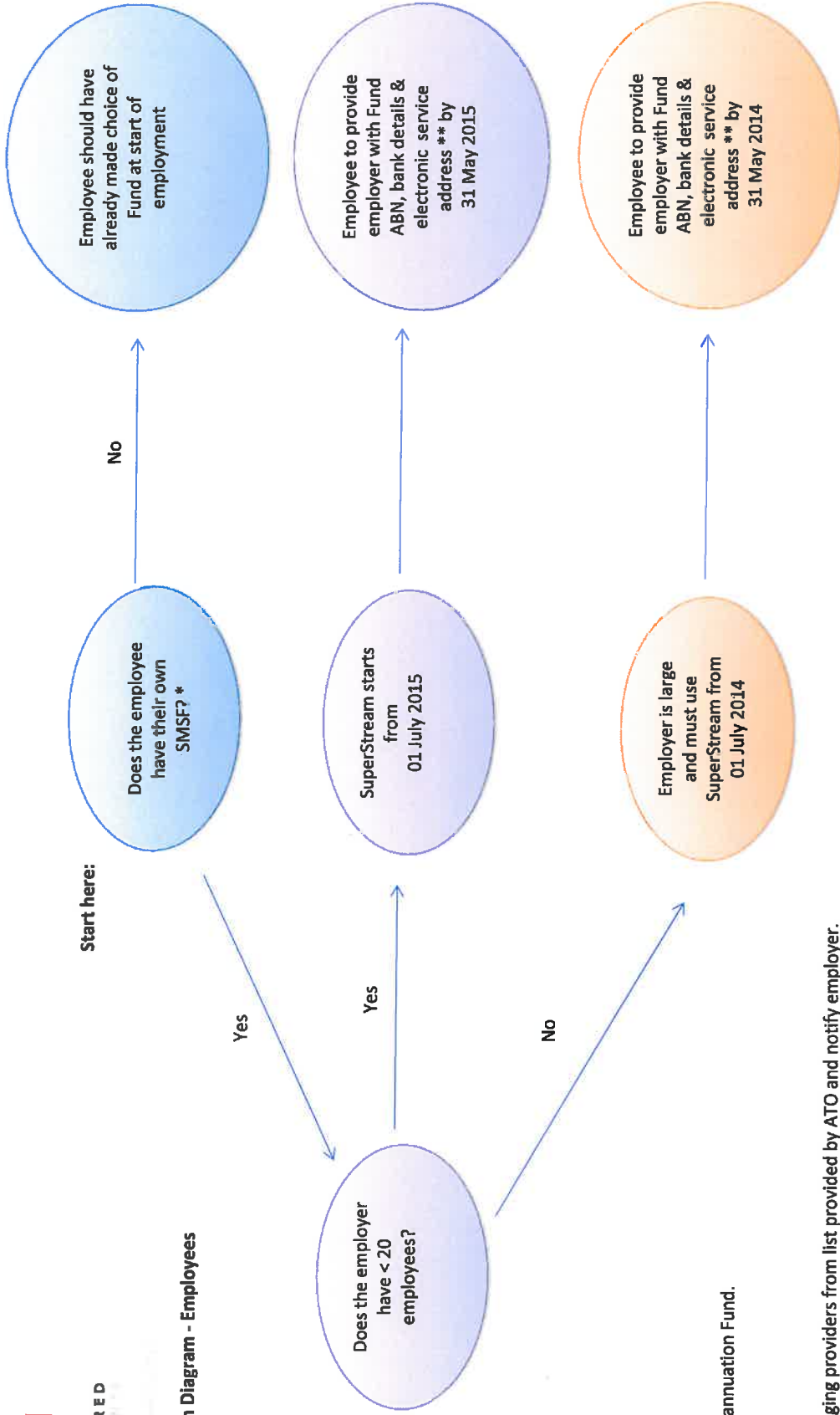
Small Employers → SuperStream

No more EFT/BPay/Cheques to Super Fund + Online forms to complete the details.

### SuperStream Decision Diagram - Employers



**SuperStream Decision Diagram - Employees**



\* Self Managed Superannuation Fund.

\*\* Select SMSF messaging providers from list provided by ATO and notify employer.

# Superannuation

## Superannuation Issues

### General

#### ► ATO publication on SuperStream Standards for contributions to SMSFs

KEY POINTS	
■	The ATO has released a publication titled 'SMSFs — the SuperStream standard for contributions' which outlines the obligations under the <i>Superannuation Data and Payment Standards 2012</i> (the <i>SuperStream Standards</i> ) of employers contributing to SMSFs and SMSF trustees receiving employer contributions.
■	For an <u>unrelated employer</u> with ≥ 20 employees: <ul style="list-style-type: none"><li>■ from 1 July 2014 — contribution data and payments must be sent electronically to SMSFs; and</li><li>■ generally, by 31 May 2014 — the SMSF member should update their details with their employer.</li></ul>
■	For an <u>unrelated employer</u> with < 20 employees: <ul style="list-style-type: none"><li>■ from 1 July 2015 — contribution data and payments must be sent electronically to SMSFs; and</li><li>■ generally, by 31 May 2015 — the SMSF member should update their details with their employer.</li></ul>
■	The relevant details that the SMSF member must to provide to their employer are the <u>SMSF's ABN and bank account details</u> , and an <u>electronic service address for receipt of a contribution data message</u> .
■	The ATO has a register of SMSF messaging providers on its website which can assist a SMSF trustee to meet its obligations under the <i>SuperStream Standards</i> .

The ATO has released a publication titled 'SMSFs — the SuperStream standard for contributions' which outlines the obligations under the *Superannuation Data and Payment Standards 2012* (the *SuperStream Standards*) of:

- employers contributing to SMSFs; and
- SMSF trustees receiving employer contributions.

### Background

The *Superannuation Legislation Amendment (Stronger Super) Act 2012* amended the *SIS Act* to introduce a framework to support the implementation of superannuation data and payment regulations and standards that would apply to specified superannuation transactions undertaken by superannuation entities and employers.

Further details to support the superannuation data and payment standards were contained in the *Superannuation Industry (Supervision) Amendment Regulation 2012 (No. 5)*, which were registered on 11 December 2012.

On 11 January 2013, the *SuperStream Standards* were registered<sup>38</sup> and included provisions specifying that:

- employers must make super contributions on behalf of their employees by submitting data and payments electronically; and
- all superannuation funds, including SMSFs, must receive contributions electronically.



### Important

The *SuperStream Standards* do not apply to trustees or employers where the contribution is from an employer that is a **related party** of a SMSF.<sup>39</sup> These contributions can be made using existing processes.

### Obligations of employers

The ATO publication outlines that employers must start using the *SuperStream Standards* to send contribution data and payments electronically to SMSFs as follows:

Commencement date <sup>40</sup>	Type of employer
from 1 July 2014	unrelated employers with ≥ 20 employees
from 1 July 2015	unrelated employers with < 20 employees



### Note

Employers with 19 or fewer employees can use the Small Business Superannuation Clearing House to pay their superannuation contributions.<sup>41</sup>

### Obligations of SMSF trustees

The ATO publication outlines that, from 1 July 2014, all SMSF trustees must start using the *SuperStream Standards* to receive contribution data and payments electronically from employers. However, due to the commencement date for employers noted above, the ATO publication states that the SMSF member should generally update their details with their employer by:

Relevant date	Type of employer
by 31 May 2014	unrelated employers with ≥ 20 employees

<sup>38</sup> These *SuperStream Standards* were made under the Commissioner's power in s. 34K of the *SIS Act* to issue superannuation data and payment standards.

<sup>39</sup> See reg 7.07F(2) of the *SIS Regs*.

<sup>40</sup> Employers have a year from the commencement date to implement this change.

<sup>41</sup> On 7 January 2014, the Government announced that it will transfer the Small Business Clearing House from the Department of Human Services to the ATO from April 2014.

Relevant date	Type of employer
by 31 May 2015	unrelated employers with < 20 employees



### Important

The ATO advises that SMSF members should check with their employer when they will start implementing the *SuperStream Standards* and confirm which date best aligns with their implementation plan. This may not be the relevant date specified above.



### Note

The above dates relate to employer contributions to SMSFs. Although no regulatory start date has been set for SMSF rollovers, it is expected that SMSF trustees will be required to use *superannuation data and payment standards* for the payment and receipt of rollovers from 1 January 2015.<sup>42</sup>

The SMSF member must provide their employer with:

1. the SMSF's ABN;
2. the SMSF's bank account details i.e. BSB and account number; and
3. an electronic service address for receipt of a contribution data message.



### Critical Point

An electronic service address is not the same as an email address and SMSF trustees may need to engage a commercial service provider to obtain such an address e.g. the electronic service address of Macquarie Bank is MACQAURIESMSF. The ATO has a register of SMSF messaging providers on its website.



### Note

The ATO has been sending letters to SMSF trustees with links to employers with 20 or more employees outlining:

- the changes to how a SMSF receives employer contributions from 1 July 2014; and
- that each member of the SMSF will need to provide the relevant information specified above to their employer by 31 May 2014, unless the employer has 19 or fewer employees.<sup>43</sup>



### Website

The ATO publication is available here:

[www.ato.gov.au/Super/Data-standards/In-detail/What-you-need-to-know/SMSFs/SMSFs---the-SuperStream-standard-for-contributions/](http://www.ato.gov.au/Super/Data-standards/In-detail/What-you-need-to-know/SMSFs/SMSFs---the-SuperStream-standard-for-contributions/)

<sup>42</sup> See, for example, the address by Alison Lendon, ATO Deputy Commissioner Superannuation, to the SPAA SMSF National Conference on 15 February 2013.

<sup>43</sup> As outlined above, these employers will have another year before they need this information.



The Trustee(s)  
SUPERANNUATION FUND

Our reference:

28 February 2014

## Changes to how your self-managed superannuation fund receives employer contributions

Dear Trustee

We are writing to you in your capacity as director of the corporate trustee of SUPERANNUATION FUND to ensure you are aware of SuperStream and how it will affect your self-managed superannuation fund (SMSF).

From 1 July 2014, employers with 20 or more employees are required to send contributions electronically to all superannuation funds, including SMSFs. This will provide a consistent and more efficient process for receiving contributions, improve data quality and simplify employer obligations.

### How does this affect you

As an SMSF trustee, you are required to receive the contribution information and payment electronically from this date.

To be able to do this, each member of your SMSF will need to provide the ABN, bank account and electronic service address of the SMSF to their employer by 31 May 2014. Employers with 19 or fewer employees have another year before they need this information.

This information is critical to ensuring the employer can make timely electronic payments to your SMSF bank account and you receive remittance information electronically confirming contribution amounts and reference details.

### What is an electronic service address and how can you get one

You need to obtain an electronic service address, which is different to an email address, for delivery of contribution messages. You can obtain this from a service provider such as an administrator, e-commerce gateway or other message delivery service. A small fee may be required to establish and maintain this service.

A list of registered service providers is available at [www.ato.gov.au/SuperStream](http://www.ato.gov.au/SuperStream). Additional service providers will be included as they register with us.

*see attached - I printed for you*

### For more information

We encourage you to find out more about SuperStream at [www.ato.gov.au/SuperStream](http://www.ato.gov.au/SuperStream)

If you aren't already, we encourage you to become a subscriber to our online newsletter, SMSF News. To do so, visit our website at [www.ato.gov.au](http://www.ato.gov.au) and search for 'SMSF News'.

Yours faithfully

Megan Yong  
Acting Deputy Commissioner of Taxation  
Superannuation



## < SuperStream

### Register of SMSF messaging providers

From 1 July 2014, self-managed superannuation fund (SMSF) trustees are required to receive electronic messages and payment associated with employer contributions using the SuperStream data and payment standard.



#### Find out more

[SMSFs - the SuperStream standard for contributions](#)

If you are an SMSF trustee, you will need an electronic service address (alias) to be able to receive data messages associated with employer contributions sent using SuperStream.

To help you obtain an electronic service address, we have published a [register](#) of SuperStream messaging solution providers that may be able to assist you.



We do not recommend or endorse any of the listed SMSF messaging service providers.

The register includes details about where to find more information about the service providers. Click on the provider's name in the register to go to their website, or use the phone number or email address in the 'contact' column to get in touch with the provider. The electronic service address (alias) is used to identify where contribution messages for your SMSF are to be sent. You need to provide this to your employer.

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## REGISTER



Provider name (the links below will redirect you to a website)	Electronic service address (alias)	Contact details	Restricted Registration
<a href="http://www.auspost.com.au/business-solutions/self-managed-superfund.html">Australia Post</a> < <a href="http://www.auspost.com.au/business-solutions/self-managed-superfund.html">http://www.auspost.com.au/business-solutions/self-managed-superfund.html</a> >	AUSPOSTSMSF	13 76 78 <a href="mailto:superannuation@auspost.com.au">superannuation@auspost.com.au</a>	No – open to all SMSF trustees
<a href="http://www.bglcorp.com/weareready/index.html">BGL</a> < <a href="http://www.bglcorp.com/weareready/index.html">http://www.bglcorp.com/weareready/index.html</a> >	AUSPOSTSMSF	1300 654 401 <a href="mailto:info@bglcorp.com.au">info@bglcorp.com.au</a>	Yes - limited to users of software services
<a href="http://www.classsuper.com.au/products/messaging-service/">Class Super</a> < <a href="http://www.classsuper.com.au/products/messaging-service/">http://www.classsuper.com.au/products/messaging-service/</a> >	smsdataflow	1300 851 057 <a href="mailto:support@class.com.au">support@class.com.au</a>	Yes - limited to users of software services
<a href="http://www.clicksuper.com.au/">Click Super</a> < <a href="http://www.clicksuper.com.au/">http://www.clicksuper.com.au/</a> >	CLICKSUPER	1300 834 535 <a href="mailto:info@clicksuper.com.au">info@clicksuper.com.au</a>	No - open to all SMSF trustees
<a href="http://www.computershare.com/au/business/ccs/Pages/default.aspx">Computershare</a> < <a href="http://www.computershare.com/au/business/ccs/Pages/default.aspx">http://www.computershare.com/au/business/ccs/Pages/default.aspx</a> >	Computershare	1800 675 269 <a href="mailto:superpoint@computershare.com.au">superpoint@computershare.com.au</a>	No - open to all SMSF trustees
<a href="http://www.contributionshub.com.au/">Contributions Hub</a> < <a href="http://www.contributionshub.com.au/">http://www.contributionshub.com.au/</a> >	ozedigateway	1300 737 614 <a href="mailto:info@contributionshub.com.au">info@contributionshub.com.au</a>	No - open to all SMSF trustees
<a href="http://www.esuperfund.com.au/learn/contributions-to-smsf/ss.html">ESUPERFUND</a> < <a href="http://www.esuperfund.com.au/learn/contributions-to-smsf/ss.html">http://www.esuperfund.com.au/learn/contributions-to-smsf/ss.html</a> >	ESUPERFUND	N/A <a href="mailto:info@esuperfund.com.au">info@esuperfund.com.au</a>	Yes - limited to users of administration services
<a href="http://www.gbst.com/our-expertise/wealth-management/my-wealth-mailbox">GBST Wealth Management</a> < <a href="http://www.gbst.com/our-expertise/wealth-management/my-wealth-mailbox">http://www.gbst.com/our-expertise/wealth-management/my-wealth-mailbox</a> >	MySMSFMailbox	(02) 9253 6513 <a href="mailto:mywealthmailbox@gbst.com">mywealthmailbox@gbst.com</a>	No - open to all SMSF trustees
<a href="http://www.klui.com.au">Klui</a> < <a href="http://www.klui.com.au">http://www.klui.com.au</a> >	klui	(02) 9931 6856 <a href="mailto:superstream@klui.com.au">superstream@klui.com.au</a>	No - open to all SMSF trustees
<a href="http://www.macquarie.com.au/mgl/au/personal/campaigns/superannuation/smsfmessaging">Macquarie Bank Limited</a> < <a href="http://www.macquarie.com.au/mgl/au/personal/campaigns/superannuation/smsfmessaging">http://www.macquarie.com.au/mgl/au/personal/campaigns/superannuation/smsfmessaging</a> >	MACQUARIESMSF	1800 806 310 <a href="mailto:transact@macquarie.com">transact@macquarie.com</a>	Yes - limited to existing bank account holders
<a href="http://digitalpulse.pwc.com.au/vantage-gateway-service">PwC</a> < <a href="http://digitalpulse.pwc.com.au/vantage-gateway-service">http://digitalpulse.pwc.com.au/vantage-gateway-service</a> >	PwCSuperGateway	(03) 9024 3770 <a href="mailto:Vantage@au.pwc.com">Vantage@au.pwc.com</a>	No - open to all SMSF trustees
<a href="http://www.smsdataflow.com.au/">SMSF DataFlow</a> < <a href="http://www.smsdataflow.com.au/">http://www.smsdataflow.com.au/</a> >	smsdataflow	1300 857 084 <a href="mailto:support@smsdataflow.com.au">support@smsdataflow.com.au</a>	No - open to all SMSF trustees
<a href="http://www.smsflow.com.au/">SMSFlow</a> < <a href="http://www.smsflow.com.au/">http://www.smsflow.com.au/</a> >	superMate	1300 650 135 <a href="mailto:info@smsflow.com.au">info@smsflow.com.au</a>	No - open to all SMSF trustees
<a href="http://www.superchoice.com.au/smsf/">SuperChoice Services Pty Limited</a> < <a href="http://www.superchoice.com.au/smsf/">http://www.superchoice.com.au/smsf/</a> >	SUPERCHOICE	1300 659 456 <a href="mailto:smsf@superchoice.com.au">smsf@superchoice.com.au</a>	No - open to all SMSF trustees
<a href="http://www.supermate.com.au/ssinfo">Supercorp</a> < <a href="http://www.supermate.com.au/ssinfo">http://www.supermate.com.au/ssinfo</a> >	superMate	1300 650 135 <a href="mailto:info@supermate.com.au">info@supermate.com.au</a>	Yes - limited to users of software services

<a href="http://quicksuper.westpac.com.au/smf">Westpac QuickSuper SMSF Gateway &lt;http://quicksuper.westpac.com.au/smf&gt;</a>	QUICKSUPER	1300 131 764 <a href="mailto:smsfconnect@westpac.com.au">smsfconnect@westpac.com.au</a>	No - open to all SMSF trustees
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We will maintain the register subject to the following terms and conditions:

1. It is a public register of SMSF messaging service providers who provide publicly available information for inclusion in the register on a voluntary basis.
2. Service providers whose details are included in the register warrant that they are providing a messaging service for the express purpose of enabling regulated superannuation entities to comply with their obligations under regulation 7.07F of the Superannuation Industry (Supervision) Regulations 1994.
3. The Commissioner reserves the right to remove or modify a service provider's details at any time.
4. While we will make reasonable efforts to ensure that the register is made available, we make no guarantees to provide continuously available access to the register or to provide access which is uninterrupted or fault free.
5. While we will take all reasonable care to ensure information provided via the register is accurate, subsequent changes in circumstances may occur at any time and may affect the accuracy of the information.
6. We do not provide any warranty, make any representation as to, or accept responsibility for the accuracy, correctness, reliability, timeliness or completeness now or in the future of any information provided via the register.

Last modified: 04 Apr 2014

QC 38231

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Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

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## SuperStream: simplifying employer contributions

There are over 800,000 Australian employers who are required to make super guarantee contributions on behalf of their employees.

For many, this can be a complex process, with multiple funds to contribute to, each with their own specifications for accepting the contributions data and payments.

From 1 July 2014, employers with 20 or more employees will see this simplified when they begin to make contributions using SuperStream. They have up to 12 months to make the change. <sup>1</sup>

From 1 July 2015, small employers (with 19 or fewer employees) will start making contributions using SuperStream and will have up to 12 months to make the change. <sup>2</sup>

SuperStream improves the productivity of the superannuation system by introducing common data items, electronic communications, simpler channels and faster business processes for sending employer contributions.

### How will SuperStream affect contributions?

Under SuperStream, employers must make super contributions electronically. The contribution data is sent electronically in a message format to the fund, and the contribution payment is sent electronically through the banking system.

The data message and payment are linked by a payment reference number which enables reconciliation by the receiving fund.

Many of the key components required for this change, including e-commerce infrastructure and software solutions, are already in use in the marketplace. Others are currently undergoing development and trials prior to being implemented.



#### Watch

This video explains SuperStream for employers. It features some businesses sharing their current circumstances and options they are considering to meet their obligations.

View the [SuperStream](http://www.youtube.com/watch?v=sB3CWx0Zhh0) <<http://www.youtube.com/watch?v=sB3CWx0Zhh0>> video 6:40

### What do I need to do?

Employers have options for meeting SuperStream - either using:

- a software solution that conforms to SuperStream
- a service provider who can arrange SuperStream compliance on your behalf.

## Employer FAQs

### Getting ready for SuperStream

#### What is SuperStream?

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SuperStream is a government reform aimed at improving the efficiency of the superannuation system. Under SuperStream, employers must make super contributions on behalf of their employees by submitting data and payments electronically in a consistent and simplified manner.

#### How will SuperStream benefit employers?

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These changes have a range of potential benefits for employers, including:

- the opportunity to use a single channel when dealing with super funds, regardless of how many funds your employees contribute to
- less time spent dealing with employee data issues and fund queries
- greater automation and reduced cost of processing contributions and payments
- more timely flow of information and money in meeting your superannuation obligations

#### Who does SuperStream apply to?

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SuperStream is mandatory for all employers making super contributions, APRA-regulated super funds and self-managed superannuation funds (SMSFs) receiving contributions.

#### Why is SuperStream being introduced?

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The main purpose of SuperStream is to ensure employer contributions are paid in a consistent, timely and efficient manner to a member's account. The change also removes many of the complexities employers currently face as a result of funds being able to set up different arrangements for accepting contributions (due to the lack of common data standards).

#### When do I have to start using SuperStream?

---

If you have 20 or more employees (medium to large employer), your SuperStream obligations under the Superannuation Data and Payment Standards 2012 (the Standard) start from 1 July 2014. From that date, employers will start implementing SuperStream and you have until 30 June 2015 to meet the SuperStream requirements when sending superannuation contributions on behalf of your employees<sup>1</sup>.

We are facilitating the implementation of SuperStream for employer contributions by coordinating the introduction of compliant SuperStream solutions. You will need to work with your service provider to decide when best suits to make the change.

If you have 19 or fewer employees (small employer), your SuperStream obligations start from 1 July 2015. You have until 30 June 2016 to meet the SuperStream requirements when sending superannuation contributions on behalf of your employees.<sup>2</sup> Note that you can voluntarily adopt the SuperStream from 1 July 2014 if you are ready and many solution providers may offer to assist you to do this from this date onwards.

## What do I need to do to meet my SuperStream obligations?

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Every business is different, so there's no 'one size fits all' approach to adopting the SuperStream.

Employers have options for meeting SuperStream – either using software that conforms to SuperStream; or using a service provider who can meet SuperStream on your behalf. We recommend that you start investigating your options now.

Your options may include:

- upgrading your payroll software
- using an outsourced payroll bureaux or other service provider
- using a commercial clearing house or the free Small Business Superannuation Clearing House (19 or fewer employees).

Your default fund may also have its own electronic channel that can be used during the transitional period up to 30 June 2016. This fund can provide you with details about how to comply with the SuperStream using their preferred facilities.

## My clearing house shields me from a lot of this complexity, so why do I have to change?

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Provided your clearing house submits data and payments electronically on your behalf in accordance with SuperStream, you will not have to make any change to how you provide information or payments to them.

In some cases however, you will need to provide additional data in the payroll file you send to your clearing house. This may include the fund's unique superannuation identifier, bank account details, electronic service address or employee tax file number (TFN) details (where these have been quoted).

These additions are designed to correct data quality issues in the current system which often lead to lost superannuation accounts, returned contributions and delayed processing.

Your clearing house or other service providers will be able to advise you about their plans and what they mean for you.

## What happens if I am not ready to use SuperStream by the required implementation dates?

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The Australian Taxation Office (ATO) will provide flexibility and support to employers making a genuine attempt to comply with their obligations under SuperStream. This will be based on your efforts to get ready, your capabilities, whether you have considered other options for meeting your obligations, and the particular arrangements you have worked out with your default fund.

More information can be found in [SuperStream compliance statement](#).

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**Example 1:** your business is a medium employer and has made plans and taken steps to implement SuperStream in May 2015. Due to a software programming issue with your payroll supplier, the implementation is delayed until September 2015 but you continued to meet your superannuation obligations using existing contributions methods.

As you have been making genuine attempts to meet your obligations, the ATO will take this into account when considering whether a penalty should be applied and will provide support and assistance if required.

**Example 2:** your business is a large employer and is currently going through a major platform upgrade to your HR and payroll systems. You do not expect to be able to run SuperStream compliant transaction in your system until January 2016 which is after the transition-in period which ends on 30 June 2015. To meet your SuperStream obligations during this interim period you should consider either:

- engaging with an external service provider, such as a clearing house, who can provide a complying solution in this period
- taking advantage of electronic processing alternatives offered by your default fund (it may be one of several) – which may include on-forwarding arrangements covering all your employee's funds.

If you do not enter into a transitional arrangement based on requirements outlined in Schedule 1 to the Standard or take reasonable steps to meet your SuperStream obligations, you may be subject to ATO compliance action including penalties. These will be applied on a case by case basis, according to the facts and in a manner consistent with the [SuperStream compliance statement](#).

**Example 3:** You have more than 19 employees and it is now after 30 June 2015. You have not made any plans or taken any concrete steps towards meeting your SuperStream obligation. Despite receiving advice from your payroll provider and the ATO on these obligations, you have chosen to keep making paying contributions using mail and cheques.

You are likely to face ATO compliance action including penalties. These will be applied on a case by case basis, according to the facts and in a manner consistent with the [SuperStream compliance statement](#).

## My employees are mainly seasonal – am I a small or medium employer?

For the purposes of SuperStream, **all** employees at the start date of 1 July 2014 are counted in determining the size of your business.

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**Example:** your business consists largely of seasonal employees – a mix of 5 full-time employees and 17 casual workers.

You will therefore have a total of 22 employees at the start date and will be classed as a **medium to large** employer. Your SuperStream obligations start from 1 July 2014 and you have until 30 June 2015 to meet all the requirements.

If your actual payroll numbers fall below 20 employees at 1 July 2014, you will be classed as a **small** employer. Your SuperStream obligations start from 1 July 2015 and you have until 30 June 2016 to meet all the requirements. This threshold really only affects your start date of your obligations under SuperStream. By 1 July 2015, **all** employers – no matter what size – should be working towards full compliance with their SuperStream obligations.

Last modified: 04 Apr 2014

QC 37668

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## The Pulse

Thursday 24th April

## SuperStream is coming... are you ready?

Written by  
Richard Puffe[Businesses, Featured](#)[Print Page](#)

Here is one sad truth about your super: you still can't afford to retire comfortably with \$1 million dollars.

According to a recent [Deloitte report](#), today's 30 year old would need to make extra contributions to their super to live comfortably post retirement. So, what's the magic number? It's \$1.58 million for males and \$1.76 million for females.

Understandably, the government announced a raft of changes in 2011. Under an initiative called "[Stronger Super](#)", one of the main drivers include getting employees between 20 and 40 year old to become more educated and proactive with their super investments.

#### Changes for business owners

From 1st July 2014, employers with more than 20 employees are required to [provide timely information about superannuation contributions](#) they have made.

SuperStream or Data and Payment Standards, is a new process requiring employers to pay their employees superannuation contributions using the government's new data standards. In layman's terms, it means all superannuation contributions need to be made and recorded electronically – no more cheque writing.

Employers will have to comply with 2 things under SuperStream:

1. The payment must be made electronically to the nominated superfund.
2. Details of the payment transaction, such as employee name, Tax File Number and Super fund member number are also sent to the superfund.

The government hopes that SuperStream will help:

1. Speed up the time it takes for super contributions to be credited against the members super account (from weeks to just days)
2. Provide better information about the amount and timing of superannuation payments to employees
3. Provide notification from funds to members on whether contributions have or have not been received.
4. Better data matching / consolidation by super funds in regards to money it has and whom it belongs to, for example, reduction in funds not credited against a super member.

#### Prepare for SuperStream with MYOB

To facilitate this compliance task, we will release an integrated SuperStream solution for MYOB products with a payroll feature including:

- [AccountRight Live](#)
- [AccountRight v19](#)
- [LiveAccounts](#)
- [Powerpay](#)

Here is how this will work with your MYOB software.

"ABC Bakery" authorises a superannuation payment of \$50,000 for the quarter. This amount represents payment for 25 employees to 30 different super funds. The new MYOB SuperStream will then dissect this bulk payment and individually pay the different super funds and provide them with the electronic information required under the new law and data standards.



That's it really. Once set up, it will take you just a few clicks to pay all super obligations, in the format and process that is compliant with SuperStream.

Based on feedback from a sister product, M-Powered Super, business owners love processing payroll and super electronically. For one employer, completing super payments for over 150 employees takes less than 30 minutes – that's 5 employees done in 1 minute.

If you are using a current MYOB product to calculate and complete your payroll, we will release a SuperStream solution well before July 2014.

SuperStream will be made mandatory to businesses with less than 20 employees from 1st July 2015 onwards. However, businesses that fall into this category can use the new MYOB SuperStream process once it is available. If you are preparing and paying your superannuation contributions manually, the MYOB SuperStream process will help you save time so you can focus on growing and running your business instead.

[AccountRight Live](#), [M-Powered](#), [payment](#), [superannuation](#), [SuperStream](#)

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## What others are saying



**Deb**

November 21, 2013 at 1:43 pm

Can you please tell me if there is any way in MYOB to report to the employee that you have paid their superannuation? I would like to include this on the pay slip if possible.



**Richard Puffe** MYOB Compliance Product Manager

November 22, 2013 at 10:58 am

Hi Deb,

Great question and I think once SuperStream / Data & Payment Standard is up and running (say 1 – 2 years), I suspect the government will finally mandate superannuation payment dates on pay slips.

I think it's a great idea including information to your employees about super and many employers using MYOB products are already including this information on the payslip. They are doing this by adding information into the notes field on the payslip.

However I would be a little cautious about including specific dates and / or specific wording stating super WILL be paid into a members account on X date. Do you as an employer, have total control of when the amount will be allocated against a members super account? No. You only have control over 50% of the transaction. Once the superfund receives the payment, you loose control.

So to avoid any legal issues with your employee, (as the payslip is a legal document) I would only be providing general information to the employee on information I have control over.

I hope this helps.

Richard Puffe  
MYOB Compliance Product Manager



**Eleanor**

November 27, 2013 at 5:47 pm

I have made a note on the Pay Slips saying "cheque for Super Contributions for the Month Of.... were mailed out on ....."



**Eveline**

November 22, 2013 at 1:42 pm

I have a client who has in any financial year over 150 employees. 15 are staff and the rest are actors and producers and are employed as a one off. What is the payroll number that would be used? Some months the payroll is 35 and in other months it is 15.

Another question about the super funds – some employees have their own fund, which I pay electronically; do these funds have to make themselves MySuper "compatible"?

Thanks



**Richard Puffe** MYOB Compliance Product Manager  
November 29, 2013 at 3:33 pm

Hi Eveline,

It is my understanding that the count of employees is taken at 1st July. If at that time you had 150 employees, you would be classed as +20 employees and would be required to lodge electronically via SuperStream. Even if you are below the 20 threshold on 1st July, given the usual number of employees and the seasonal spikes, I would suggest using M'Powered Super in AccountRight v19 now or AccountRight Live in early Q2 next year. You will save so much time administrating and paying your super.

Super funds that operate as a SMSF or are a choice fund (ie not a default fund), do not need to meet the new MySuper requirements.

The administration requirements of SuperStream are very fluid at present. There are still specifications which are as yet finalised by the ATO, so expect some minor changes in the next few months. As a result, I would ask the same questions to your financial adviser in May next year or just start using the SuperStream feature in AccountRight.

Hope this helps. Have a great weekend

Richard Puffe  
MYOB Product Manager – Compliance



**Eleanor**  
November 27, 2013 at 5:44 pm

Will this new Superstream be available directly thru AccountRight V19 or will it only be available by signing up to M-Power?



**Richard Puffe** MYOB Compliance Product Manager  
November 28, 2013 at 11:54 am

Hi Eleanor,

The new SuperStream process will be incorporated within the M'Powered Super service. So you can use the great workflow currently in AccountRight v19 and make the payment and notify your superfunds using the new SuperStream / Data & Payment Standard when it becomes law 1st July 2014.

So if you are already using M'Powered Super, you don't need to do anything. If not, sign up now and start using this feature. Why wait for the productivity gains to start after 1st July 2014 when you can have them now. eg a business in Hallam Victoria, 150 employee payroll, takes approx 5-10 min to reconcile and pay super every month.

Thanks  
Richard Puffe  
MYOB Product Manager – Compliance



**Brayden**  
December 3, 2013 at 7:22 pm

Will there be a cost for the new MYOB super stream?



**Richard Puffe** MYOB Compliance Product Manager  
December 10, 2013 at 3:39 pm

Hi Brayden,

We are in the final stages of working out pricing for AccountRight Live. Once it is available, I will update this blog and our website will also show the new pricing (if in fact it increases).

Thanks  
Richard Puffe  
MYOB Product Manager – Compliance



**Jane**  
December 9, 2013 at 12:49 pm

Can you provide clarification re SMSFs? I have three employees whose Superannuation Guarantee is paid into their SMSF. My understanding is that all SMSF have to comply with Super Stream/Data and Payment Standard by 1 July 2014 if they are to receive

employer Superannuation Guarantee payments. Will this be incorporated into Super Stream? We are currently not registered with M-Powered Super – I would also like to know if there is an additional cost to sign up for Super Stream?



**Richard Puffe** MYOB Compliance Product Manager

December 10, 2013 at 3:30 pm

Hi Jane,

Yes you are correct. From 1st July 2014, all SMSF's are "supposed" to be able to receive notification and payments via SuperStream. They will need to register or certify their SMSF to ensure it gets on the SuperStream SMSF register. They should have already received information from the ATO about certification and expect more to follow in the new year. If they have any questions surrounding their SMSF, they should consult their financial adviser in the new year.

Once this is done, as an employer using MYOB AccountRight Live using the SuperStream service or v19 AccountRight using M'Powered Super, you will be able to search for both APRA funds (eg AMP, BT Online etc) and SMSF's from a list and append that to your employee card. It will be really simple and you will be SuperStream compliant.

We are currently working out the price of our SuperStream service for AccountRight Live. Stay tuned as this should be finalised very soon.

Thanks  
Richard Puffe  
MYOB Product Manager – Compliance



**Mel**

December 27, 2013 at 1:53 pm

Hi, I currently use MYOB to produce a file which I then load onto the super fund's websites. I make the payments separately by EFT, Will I still be to do this with MYOB in the future?



**Pam**

January 2, 2014 at 3:58 pm

As the new super regulations came into effect 1st January 2014 – can MYOB please advise how we can get the appropriate information to upload to a super clearing house to enable us to pay numerous SGC funds at the same time. From your website it looks like MYOB is planning on something from 1st July 2014 which is too late, we really need this from now. Thanking you



**Aishah Mustafa** Blog Content Editor

January 6, 2014 at 1:57 pm

Hi Pam,

From what I understand, the product managers are looking to push this out some time ahead before July this year to allow breathing space for small businesses. We will definitely update you when we have a firm date.

Cheers,  
Aishah



**Victor Bimrose**

January 28, 2014 at 5:39 pm

Will the update be available for MYOB AccountEdge versions from 1 July 2014? (MAC Users)



**David Smart**

March 31, 2014 at 4:30 pm

Victor's question has been there for 2 months now. I too would like to know if AccountEdge will have support by 1 July 2014.



**Jacqui**

April 4, 2014 at 2:03 pm

I would really like to know also if AccountEdge will have superstream support come 1/7/14.



**Cardi McAuslan**

February 17, 2014 at 3:06 pm

Our company employs 35 people and will be required to use the Data and Payment Standar for super contributions by July 2014. What date will MYOB provide the Streamline data information and how it will work?  
Will we require any other software?  
What will the associated costs be?  
Thank you.



**Peter**

March 5, 2014 at 6:51 pm

I share the concerns of your contributors comments submitted in January 14. Deadlines are looming and we are yet to see a demo of MYOB's SuperStream solution. With over 100 employees July is the busiest month of the year and I am not planning on learning or bedding down a new software package during this time. Ideally I would like to test the new system for our Jan-March super guarantee payment and get it working properly so that's one less year-end headache. We use Premierv19 but not the MPower function, nor are we likely to consider using it. Will MYOB be able to cater for our needs or do we start using a clearing house ?



**Richard Puffe** MYOB Compliance Product Manager

April 2, 2014 at 9:44 am

Hi Peter,

MYOB AccountRight Live Plus & Premier will include a new "Pay Super" feature to be released in June. The service is included in your monthly subscription (so no extra cost) and is really simple to use.

If you don't want to use the M'Powered Super service for v19 AccountRight during the 2014 / 2015 financial year to pay your super contributions, then I would recommend upgrading to AccountRight Live Plus or Premier (to be released May) and start using Pay Super and get bank feeds as part of your monthly subscription.

As mentioned in a few posts below, we are expecting an announcement from the ATO / Government before Easter advising of some date changes to when superfunds and businesses need to comply with SuperStream.

I will follow this up with a blog to give all an update as to how this affects your business.

Thanks

Richard Puffe

MYOB Product Manager – Compliance



**Barb**

March 12, 2014 at 11:24 am

I am just confirming that with only 10 people we will not be required to super stream, is this correct



**Richard Puffe** MYOB Compliance Product Manager

April 2, 2014 at 9:23 am

Hi Barb,

There will be announcement in mid / late April by the ATO concerning a delay in when businesses must lodge their super contributions electronically via SuperStream, however the current date for a business with less than 20 employees to comply with SuperStream is 1st July 2015.

MYOB will have a compliant SuperStream service (as & when required by the ATO) within the AccountRight Live Plus & Premier in June this year.

Whilst it is not mandatory for a less than 20 employee business to adopt a SuperStream compliant service, I would recommend all businesses paying super contributions to start using the AccountRight Live Pay Super service early. The cost of the service is included in your existing monthly subscription and you will save a heap of time completing your monthly or quarterly super contribution payments.

So why wait until you are required by law? Comply early and get your productivity gains.

Hopes this helps

Richard Puffe

MYOB Product Manager – Compliance

**Sub**

March 27, 2014 at 10:45 am

Hi there,

So for the super payment of next qtr ( Apr- June) which is due in July, we process our payroll normally in this period? We use PremierV19. We don't use M-Powered service. **Please** advise

Thank you

**Richard Puffe** MYOB Compliance Product Manager

April 2, 2014 at 9:35 am

Hi Sub,

We are waiting for the ATO / Government to ratify a change in the SuperStream compliance dates. There are many parties within the superfund community which will not be able to comply with a 1st July 2014 dead deadline.

What we know, is, if accepted by the ATO & Government in mid / late April, businesses and superfunds will have an extension of time as to when they need to comply with SuperStream.

Once the exact dates are agreed to, I will be writing a new blog detailing how this affects your business.

Hopefully we only have to wait two-three weeks for confirmation, however MYOB is working on a SuperStream compliant Pay SuperService and will be releasing this in June.

Thanks

Richard Puffe  
MYOB Product Manager – Compliance

**Helen Case**

April 8, 2014 at 11:46 am

When will the compliance update to allow for Superstream be released? It would make sense to allow clients sufficient time to collect relevant data fields that will be required and to be familiar with the software update prior to 1 July 2014.

Will this be available to clients on classic MYOB – both Account Right Plus V19.9 and Premier?

**Aishah Mustapha** Blog Content Editor

April 9, 2014 at 12:22 pm

Hi Helen,

Thanks for your question. We will be announcing an update in the next few weeks on the blog. Stay tuned.

Cheers,  
Aishah



# MYOB M-Powered Superannuation

> THE EASY WAY TO MAKE SUPERANNUATION CONTRIBUTIONS

"I know a good thing when I see it. The MYOB service is quick, efficient and has slashed my paperwork. Paying and remitting super contributions was a painful and profitless part of my business, and now it's easy."

- Michael Van Bremen, Canopus Australia, Victoria.

Now there is an easier way to make superannuation contributions. With MYOB M-Powered® Superannuation, you can send all superannuation contributions to your employees' funds in three simple steps using your MYOB software.

You can check at any time that the correct payments have been prepared and when you are satisfied that the superannuation contributions are correct, you simply enter your authoriser password and submit your contributions.

There's no paperwork, it's faster and you're in control.

## At a glance

- Control which funds get paid, how much is paid, and when.
- Control who authorises the payment.
- Simplify your super payments, eliminates your paperwork.

## Benefits for you

Whether you pay your employees' super on a weekly, fortnightly, monthly or quarterly basis, the M-Powered Superannuation service:

- Gives you total control of your superannuation payments
- Transmits and processes payments securely
- Automatically sends a remittance to each superannuation fund with details of the contributions you have made.
- Provides reports that keep you and your employees up-to-date.

## Works with your MYOB software

The M-Powered Superannuation service is fully integrated into the following MYOB software:

- MYOB AccountRight Standard
- MYOB AccountRight Premier
- MYOB AccountRight Enterprise
- PowerPay v8

All you need to do is apply for the service.

## Support and administration

There is a dedicated M-Powered Services support team to assist you with completing your Application, and the ongoing management of your M-Powered Services details.

## What are the fees?

M-Powered Services Access Fee *	
MYOB Cover clients*	Waived
Non MYOB Cover customers	\$10.00 per month
M-Powered Superannuation	
Employee Fee	\$3.00 per quarter per employee per fund (Please note: volume discounts may apply)

- \* For clients who have a current MYOB Cover membership the access fee is waived.  
Please note the Access Fee is applicable to customers using a third party approved partner product.
- + For information about taking out a Cover membership visit [www.myob.com.au/cover](http://www.myob.com.au/cover)

Please refer to the Product Disclosure Statement for full details, visit [myob.com.au/m-powered](http://myob.com.au/m-powered)

## How to get started

Here's how to start simplifying, streamlining and automating your business processes with the M-Powered Superannuation service.

1. To apply, find out more, or to read the M-Powered Services Product Disclosure Statement, visit [www.myob.com.au/m-powered/](http://www.myob.com.au/m-powered/), or call 1300 555 931.
2. When your application has been approved, MYOB will send you a Welcome Kit containing everything you need to get started.
3. Just follow the easy steps to set up your M-Powered service – the functionality is already built into your MYOB software.
4. Start using the service and enjoy the time-savings and increased productivity that result from simplifying, streamlining and automating your business processes.

MYOB Product	M-Powered invoices	M-Powered Invoices - Import Assist Function	M-Powered superannuation	M-Powered Payments	M-Powered bank Statements
Just Invoices	v1-v1.1	-	-	-	-
BusinessBasics	v1-v1.1	-	-	-	-
AccountRight Basics	v2011 +	-	-	-	-
Accounting / AccountRight Standard	v12 + / v2011 +	v12 - v19.9*	-	v13.5 - 19.9*	v13.5 - 19.9*
Accounting Plus / AccountRight Plus	v12 + / v2011 +	v12-19.9*	v13.5 - 19.9*	v13.5 - 19.9*	v13.5 - 19.9*
Premier / AccountRight Premier	v6 +	v6-19.9*	v7.5 +	v7.5 +	v7.5 +
Premier Enterprise / AccountRight Enterprise	v1 +	v1-v19.9*	v1 +	v1 +	v1 +
FirstEdge / AccountEdge Basic	v1-v4 / v12 +	-	-	-	-
AccountEdge / AccountEdge Pro	v1-v11 / v12 +	-	-	-	-
AccountEdge Network Edition	v7 +	-	-	-	-
AccountantsOffice Enterprise	v2012.0 +	v2012.0 +	-	-	-
Accountant Enterprise	v5.0 +	v5.0 +	-	-	-
EXO Business	v4.6+	-	-	v4.6-v7.1	-

\* M-Powered Services are not currently available with AccountRight Live.



Australian Government  
Australian Taxation Office

## < Employers super

### How the clearing house operates

The clearing house lets you pay your super contributions in one transaction to a single location. It is designed to make the payment process easier, reducing red tape and compliance costs.

You simply register your employees' super fund details and, through the clearing house, we distribute the contributions to their various super funds.



#### Work it out

Is your worker eligible for super guarantee – [Super guarantee eligibility tool](#)

### Key features

- You make one secure electronic transaction and we distribute the super contributions to your employees' nominated super funds
- Each time you make a contribution, your employees' preferences are already included in the transaction details, so you only need to enter the contribution amounts
- Using the clearing house minimises the time and paperwork involved in paying contributions to numerous super funds
- You can choose to nominate a regular contribution amount for an employee
- Paying this way helps you meet your super guarantee obligations, reducing red tape and associated compliance costs
- You can obtain a record of your contribution history whenever you need it
- Once set up, it only takes a few minutes to process payments
- The clearing house is available 24 hours a day, 7 days a week



The clearing house will occasionally be unavailable after-hours for scheduled maintenance. If it is unavailable during business hours, try again later.



## Who can use the clearing house

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You can use this service if you are a small business with 19 or fewer employees. An employee is defined as an individual who is employed on a full-time, part-time or casual basis.

We monitor your eligibility for the clearing house each time you use the service.

Last modified: 02 Apr 2014

QC 38564

## Our commitment to you

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We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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### 3. SUPERSTREAM

#### 3.1 Background

SuperStream is a comprehensive package of reforms designed to enhance the 'back office' of superannuation and includes measures to:

- implement the new data and e-commerce standards for superannuation transactions;
- allow the use of tax file numbers (TFNs) as the primary locator of member accounts;
- facilitate account consolidation and improve the treatment of contributions made without sufficient member details; and
- establish an advisory governance body to advise on the implementation and maintenance of the standards.

The Government's Securing Super reforms will also:

- provide better information about the amount and timing of superannuation payments to employees; and
- provide notification from funds to members on whether contributions have or have not been received.

The reforms introduced through SuperStream and Securing Super will improve the productivity of the superannuation system:

- The adoption of data standards will result in more automated and timely processing of transactions, improved efficiency, an easier system for employers to use, fewer lost accounts and more timely flow of money to members' accounts.
- Reducing the number of multiple member accounts will reduce administration fees and insurance premiums on multiple accounts paid per member and maximise retirement benefits.
- Through the Government's Securing Super initiatives, employees will be able to better monitor their contributions.
- The SuperStream Advisory Council will provide a structured forum for stakeholders to advise Government on issues on the implementation and maintenance of the protocols and data and service standards.

Industry submissions to the Super System Review estimated that savings up to \$1 billion annually are achievable from the SuperStream reforms.

#### 3.2 Timely and efficient superannuation transactions and improved flow of super to member accounts

It is estimated that the Australian superannuation system processes more than 100 million transactions per year, at a cost of over \$3.5 billion.

Several aspects of the current system are inefficient.

- There are no mandated data or transmission requirements for transactions within the superannuation system. This has resulted in funds:
  - having different data requirements and formats for processing data and payments; receiving poor quality data leading to members being incorrectly enrolled in funds with a resultant risk of multiple accounts being created;
  - receiving insufficient member information preventing the correct allocation of contributions.
- There is widespread use of manual payment (cheque) and data transfer (paper forms) mechanisms that contribute to poor data quality and result in processing delays, duplicated and lost accounts that all add costs to the system.

SuperStream will implement reforms to address inefficiencies in back office processing by:

- improving the quality of data in the system;
- allowing the use of tax file numbers (TFNs) as the primary locator of member accounts;
- encouraging the use of technology to improve processing efficiency; and
- improving the way fund-to-fund rollovers are processed and the way contributions are made.

The Super System Review recommended the development of standardised forms and common data standards to support electronic transactions for superannuation. It also recommended that these standards should be compatible with the Standard Business Reporting (SBR) framework and provide for linked personal and financial data transmission.

SBR will be used as the platform to develop the taxonomy and message structures for superannuation transactions, along with the use of eXtensible Business Reporting Language (XBRL) for exchanging information. Additionally, the payment standard prescribed by the Australian Payments Clearing Association (APCA) and international financial messaging standards prescribed by the International Organisation for Standardisation (ISO20022) will be used.

Consultations also highlighted that, to achieve the necessary improvements in data quality there was a need to mandate the use of data and payment standards across all superannuation transactions involving member contributions and rollovers.

The Government will legislate to mandate the use of the new data and payment standards for superannuation transactions and reporting to Government in order to maximise the efficiencies.

The Government is mindful of the implementation issues the introduction of the data and e-commerce standards raises for small employers and will continue to consult with employer groups on the best and most practical ways to achieve these objectives for small employers.

Smaller employers will be able to utilise the free services offered by the Medicare Small Business Superannuation Clearing House to streamline their processing.

The adoption of data and e-commerce standards will have substantial benefits for all participants and will enable participants to communicate by using standardised business terms, while electronic transmission will allow for a more automated and timely processing of transactions with fewer errors. This will result in improved efficiency, an easier system for employers to use, fewer lost accounts and more timely flow of money to member accounts.

In particular:

- Superannuation funds will receive member information and linked payments in a standard electronic format removing substantial manual processing. Improvements to the quality of member information received from employers will reduce costs associated with rework arising from incomplete or incorrect information;
- Employers will be able to send contributions in a standard electronic format removing the need to submit this information to separate funds in different paper formats;
- Employees/members will have contribution payments allocated to their account more rapidly and better quality data will result in less instances of lost super arising from incorrect or incomplete data being sent to funds. A reduction in processing costs will reduce fees charged to members in the long term.

During consultation, support was expressed for a phased introduction of SuperStream initiatives from July 2012 through to July 2015. Consultation highlighted the large scale change required to support the introduction of data standards and electronic transactions for superannuation.

### 3.2.1 Timeline

The implementation timeline for the data and e-commerce standards is as follows:

- **Early 2012:** Data standards published and available for use by funds (voluntary uptake).
- **July 2013:** Data standards and use of e-commerce becomes mandatory for APRA-regulated funds and SMSFs for processing rollovers and accepting contributions (provided by employers in the new format).
- **July 2014:** Data standards and use of e-commerce becomes mandatory for large and medium employers making contributions.
- **July 2015:** Proposed application of data standards and use of e-commerce to small employers subject to further consultation on impacts.

The Government will continue to consult with relevant stakeholders on implementation issues.

## 3.3 Consolidating multiple accounts and reuniting lost super

Lost and unnecessary superannuation accounts can have a significant impact on the retirement savings of individuals concerned and also add to fund administration costs.

As at June 2010, there were around 33 million superannuation accounts in Australia, being three accounts for every worker. This includes an estimated 5 million accounts recorded on the Lost Member Register.

Currently, processes for individuals wishing to consolidate accounts or obtain lost super can be cumbersome and time consuming.

The Government aims to increase retirement incomes by facilitating a steady reduction in the number of unnecessary and lost superannuation accounts. The Government's package of Stronger Super reforms will make it easier for superannuation funds and their members to locate and consolidate multiple superannuation accounts, including by allowing the wider use of TFNs.

These reforms will have considerable benefits:

- Members will have a streamlined process to consolidate accounts and avoid paying unnecessary fees, including insurance premiums, on multiple accounts. Any accounts with less than \$1000 will be automatically consolidated to the current active account unless the member opts out.
- Superannuation funds will be able to search the Australian Taxation Office (ATO) registers for any lost or unclaimed superannuation as well as information on member accounts (member consent required) and advise the member that they may wish to consolidate their superannuation accounts.

### 3.3.1 Timeline

The timeline for account consolidation is as follows:

- **July 2011:** Funds can use TFNs as primary locator to find accounts within a fund.
- **January 2012:** Funds can use TFNs to search the ATO's current service for searching for lost accounts — but only with member consent.
- **July 2012:** Where a member has multiple accounts within a fund, funds would be required to consolidate these accounts, where possible.
- **July 2012:** The ATO will provide a new online facility for members to view their active (but not their inactive) superannuation accounts that are currently reported to the ATO, in addition to their lost accounts and other superannuation monies held by the ATO (for example, unclaimed money). Funds will also be able to search the account information, with member consent.
- **October 2013:** Funds will report all inactive accounts, lost accounts as well as active accounts to the ATO.
- **January 2014:** Commencement of auto-consolidation of lost and inactive accounts (two years without contributions or rollover) with a balance of less than \$1,000 and accounts in eligible rollover funds. The process will be initiated by the ATO and conducted annually. The ATO would identify relevant accounts and advise the active fund (Fund A). Fund A would then be responsible for arranging consolidation unless the member opts out. Fund A would have a prescribed time to write to the member advising them that if they do not 'opt out' then Fund A will write to the other funds and commence the auto-consolidation process. As part of this process the member would be advised that there may be insurance cover in the other funds and they should consider this and other relevant information before making any decision. The member will have the prescribed time to advise Fund A if they do not want the accounts consolidated. If the member does not 'opt out' the current fund will then commence the consolidation process by advising the other funds which will have a prescribed period to process the consolidation.
- In addition, members and funds (with member consent) can use the ATO online facility at any time to search for all accounts, including inactive accounts. They will be able to claim any ATO-held super monies through this online facility.
- **July–December 2014:** The enrolment process for new employees will be modified so that employees can actively consider account consolidation at this time. If the new employee does not exercise choice the default option would be to create a new account. Any lost and inactive accounts with a balance of less than \$1,000 will be transferred into the new account through the auto-consolidation process previously mentioned.

In the latter half of 2014 the threshold for auto-consolidation of lost and inactive accounts would be increased to at least \$10,000 subject to a review of the threshold by the Treasury, ATO and APRA. The Government will continue to consult with industry to ensure that the administration of the account consolidation process is as efficient as possible, for example, through greater use of standardised forms and processes including standard proof of identity requirements.

#### Cameo

Trevor is advised that ATO online can display his active and inactive super accounts and identify if he has any lost or unclaimed super. Trevor has two super accounts and decides he should consolidate them to his current active account held by GreenSky superannuation fund. Trevor accesses ATO online and elects to consolidate.

When GreenSky is contacted by the ATO, GreenSky commences the consolidation process.

### 3.4 Enhanced new employee enrolment process

As outlined above, an enhanced enrolment process will commence during July — December 2014 to ensure new employees consider account consolidation at the time of beginning new employment.

As part of the process employees will be able to access a listing of all their superannuation accounts from ATO online to assist with exercising choice. The employee can use this information and elect to have superannuation contributions made to their existing account or open a new default account.

Employees will also be able to use the information and elect to consolidate their other accounts online. The ATO will notify their active fund of their election to consolidate and the active fund will have a period of time to obtain consent and facilitate the consolidation.

Existing employees can also benefit from this process by logging onto ATO online at any time to view a list of their superannuation accounts, choosing to consolidate and electing to have the ATO notify their active fund of their consolidation request.

The enhanced enrolment process will utilise ATO online as a central portal to provide information on members' superannuation accounts and help them consider and facilitate account consolidation. This portal is available to members at any time and is not limited to the enrolment process.

The enhanced enrolment process, in conjunction with the broader measures to assist account consolidation, will reduce the number of multiple accounts and improve members' overall retirement benefits by reducing the impact of multiple administrative fees and insurance premiums.

#### Cameo

Grace starts a new job and logs onto ATO online. While online, she could see a list of her superannuation accounts and exercises her Choice to have contributions made to an existing account using the information displayed. At the same time Grace elects to consolidate one of her superannuation accounts from her part-time job during her university days.

At her leisure, Grace logs onto ATO online to view her superannuation information including a list of all her accounts. She later elects to consolidate another superannuation account from her previous job using ATO online.

### 3.5 No TFN contributions

The Super System Review made a number of recommendations to expand the use of TFNs to improve superannuation fund efficiency and assist with account consolidation. For this to work, employees and employers need to supply TFNs to funds.

Two options were considered by the SuperStream working group for dealing with contributions not accompanied by a TFN (no-TFN contributions):

- The employer could be required to forward the superannuation contributions concerned to the ATO, along with the identifying details that it has, and the contribution would be treated as unclaimed money. This is the option recommended by the Super System Review.
- Alternatively, the employer could be required to forward the superannuation contribution to a fund. If the fund was unable to obtain a TFN and other identifying details within a specified time frame, it would then send the money to the ATO, as part of the unclaimed money process.

The working group endorsed the second of these two options and the Government agrees with this approach. The new arrangement for the treatment of no-TFN contributions will commence from 1 July 2013.

### 3.6 Regular information to employees on employer contributions

Currently, the law only requires payslips to report an employee's entitlements to superannuation, accrued during the pay period, even though the employer may not make the actual contribution until after the end of the quarter. Employees do not always know if their employer has failed to make contributions on their behalf.

Similarly, funds send out statements to members to notify them of contributions that have been made on their behalf for that year. These are sent on an annual basis and can be issued up to eighteen months after the pay period in which superannuation was supposed to be paid.

As a result of the time lag in the receipt of information, employees do not always receive information on their contributions in time to take action if contributions have not been made.

As part of the Securing Super package, the Government will legislate to ensure that employers identify when superannuation will be paid to employees, and that employees are given more information to better monitor their contributions.

### 3.6.1 Payslip reporting

From 1 July 2012, employers will be required to report on payslips an 'expected payment on or before' date in addition to the current entitlement during the pay period. In many cases this will be the superannuation guarantee due date, or a due date under a workplace agreement or award. In some cases, however, where they remit contributions sooner, employers may choose to disclose an earlier date.

This will provide up-to-date information to employees on when they can expect superannuation contributions and will allow them to follow up with their superannuation fund to confirm that payments have been made by the due date.

From 1 July 2013, subject to there being no significant payroll system costs, payslip reporting of actual contributions paid rather than just accrued contributions will commence, including the provision of information about which fund the contributions are being paid into.

#### Cameo

Matthew works for a building company and is a member of XYZ Fund. He gets paid on a fortnightly basis. For pay period 2-13 July 2012, his employer will put on his payslip that he is entitled to \$206 of superannuation guarantee payments and that the expected payment date will be on 28 October (as his employer remits superannuation guarantee payments on a quarterly basis).

### 3.6.2 Fund notification

In addition to payslip reporting (by employers), funds will be required to either issue six monthly statements which show contributions made or, report electronically to members on whether they have 'received' or 'not received' any superannuation contributions for that quarter. Funds could offer web portals, so that members can check their contributions online.

Compulsory notification will commence from 1 July 2013. The six-monthly statements commonly issued by funds which show contributions made would discharge this obligation.

#### Cameo

As Matthew has provided electronic contact details to this fund, XYZ fund could send Matthew a quarterly SMS from 1 July 2013 to inform him that contributions have been made on his behalf for that quarter and that he can seek further information by logging onto the fund's web portal for transactions during that quarter. Matthew can then compare the payments of superannuation recorded on his payslip and the quarterly transaction statement and address any discrepancies at an early stage.

## 3.7 Advisory Council

The SuperStream working group chaired by Treasury has been overseeing the development of data and e-commerce standards since March and will continue to perform this role until the end of 2011.

The Government recognises that there needs to be continuity in the governance and oversight of the SuperStream data and e-commerce standards as the design details are finalised and implementation commences. Consequently, the Government has decided to establish a SuperStream Advisory Council to provide advice to Government on these matters when the working group winds up.

The Advisory Council members will be appointed by the Government and will meet regularly to monitor the implementation of data and e-commerce standards. The Council will provide a structured forum where stakeholders identify improvements in the standards and the protocols around them and make recommendations for changes to Government. The Council will also report to Government on what the agreed measures of success for SuperStream are showing.

The Advisory Council will be supported by a secretariat located within the Government.

Further details on the membership and meeting arrangements will be announced by the Minister in due course.

It is expected that the Advisory Council for SuperStream will be established in early 2012.