

Payday Super Fact sheet

November 2025

What is Payday Super?

Payday Super is a new legal requirement, taking effect from **1 July 2026**, for Australian businesses and employers to pay their employees' super guarantee (SG) contributions at the same time as their wages or salaries.

Contributions must reach funds within 7 business days of payday. Payday is the date an employer makes a qualifying earnings (QE) payment to an employee. Refer to the qualifying earnings on page 2.

Current rule	Payday Super
Employers must pay their employees' super guarantee contributions by at least the quarterly due dates (four times a year).	Employers must pay their employees' super guarantee contributions at the same time as their wages or salaries. For most businesses, this changes the frequency of super payments from quarterly to monthly, fortnightly or weekly, depending on their payroll cycle.

Benefits of Payday Super

For the employee:

- These changes aim to help Australians grow their retirement savings faster and reduce the risk of unpaid super.
- More frequent payments mean employees' super is invested sooner, boosting long-term outcomes.
- Super contributions will become easier to monitor, helping employees manage their super more effectively.

For the employer:

- Streamlined payroll and easier to monitor super contributions, minimising the risk of penalties.
- Processing super payments every payday will lessen the quarterly administrative workload involved in managing super for employees who have since left the business.

What does Payday Super mean for employers?

From **1 July 2026**, employers will have new responsibilities under Payday Super. This means:

1. Accurate calculations every pay cycle

You'll need to correctly calculate super owed to each employee based on their qualifying earnings (QE), which includes ordinary time earnings and salary sacrifice contributions.

Refer to qualifying earnings section on page 2.

2. Timely payments to super funds

Super contributions must be paid at the same time as salary and wages and reach the employee's super fund within 7 business days of payday. Limited exceptions apply to payday timeframes, including:

- First-time contributions for new employees – employers have 20 business days, after their first payday, for their super fund to successfully receive their first super payment.
- If the employee requests the employer to pay into a different super fund.
- When payments of QE are made to an employee outside their regular pay cycle.

3. Compliance with choice of fund

During onboarding, employers can request a new employee's stapled fund details, allowing them to share this information with the employee before offering alternative super fund options.

Employers must continue to pay into the employee's chosen fund. Failure to do so may result in additional penalties.

call 1800 675 839

visit primesuper.com.au

email administration@primesuper.com.au



Prime Super

What is qualifying earnings (QE)?

Qualifying earnings are the portions of an employee's pay that are used to calculate their superannuation guarantee (SG) contributions for each pay day cycle.

QE is a new concept including:

- Ordinary time earnings (OTE)
- Salary sacrifice super contributions
- Other amounts currently counted as salary or wages for SG purposes

Reporting requirements

Employers must report both QE and the superannuation liability for each employee through Single Touch Payroll (STP) every pay cycle.

Changes as a part of Payday Super

Changes to the Super Guarantee Charge (SGC)

From **1 July 2026**, employers who fail to pay their employees' super in full and on time will incur interest and penalties. If they still don't pay all outstanding super within 28 days of receiving an ATO notice, additional charges and fees may apply.

- Individual final SG shortfall: The unpaid super contributions remaining at the time of the SGC assessment, calculated using QE and reduced by any late payments made before assessment.
- Notional earnings: An interest amount applied to compensate employees for the investment returns they miss when their super contributions aren't paid in full or on time.
- Administrative uplift: An extra charge imposed to cover enforcement costs and encourage employers to voluntarily disclose non-compliance to the ATO.
- Choice loading: A penalty applied when an employer fails to meet the required choice of super fund obligations.

Closure of the Small Business Superannuation Clearing House (SBSCH)

From **1 July 2026**, the ATO's Small Business Superannuation Clearing House (SBSCH) will cease operation, meaning businesses that use it for super payments will need to transition to an alternative system.

Need help?

If you're an employer looking for help on Payday Super, contact your local [Employer consultant](#), or send us an email enquiry on employers@primesuper.com.au

Learn more

Scan the QR code below, or visit primesuper.com.au/employer/responsibilities/payday-super

