



**primesuper**  
surprisingly straightforward

# Employer Guide

28 August 2018

At Prime Super, we're all about making super as easy as possible for you as an employer of staff. This guide provides you with the key information you need to pay super and comply with government regulations.

By selecting Prime Super for your superannuation services, you can be sure that your employees' super savings are invested in a fund that has their futures in mind.

Plus, if you need help with paying super, we're with you every step of the way. With local Regional Managers based around the country, chances are we're not far away from you.

## About Prime Super

Prime Super is an independent profit-to-members super fund and has provided super and retirement solutions to Australians for over 20 years.

From humble beginnings in rural Australia, the Fund has expanded to represent a diverse range of workers across multiple industries.

Our 'surprisingly straightforward' solutions take the complexity out of super and investments for our members, helping them grow, manage and protect their wealth and retirement income.

## The straightforward approach to super

- ✓ Easy online super processing with EmployerOnline.
- ✓ We're committed to helping you manage your super obligations simply and easily.
- ✓ We take the complexity out of super so that you can get on with what matters to you and your business.

## Benefits of partnering with Prime Super

- Manage your super obligations easily with your EmployerOnline account
- Dedicated assistance from an Australian customer service centre and local regional managers
- Lodge your payments and data once, using our clearing house service
- Default fund status and MySuper authorised
- For your employees –
  - Financial literacy seminars at no additional charge,
  - Competitive fees,
  - Solid investment returns,
  - A range of investment options, and
  - Competitively priced insurance cover.

## How to join

Prime Super is open to all employers and individuals across Australia. Our Health division is specialised to employers and individuals working in the health, aged care and related industries and has insurance arrangements specific to those industries. All other aspects (investment options, fees, support, employer contribution methods, etc.) are identical.

Join online at [primesuper.com.au](https://primesuper.com.au) or download and complete an Employer application form, from our website.

## Cooling-off period

You have 14 days to decide whether Prime Super is the right fund for your employees. Any contributions you have paid into Prime Super will be rolled over to a nominated super fund. The amount returned may be adjusted for any tax payable, or for any increase or decrease in investment earning during the period. As a result, the amount returned may be less than what was originally contributed.

Any preserved amounts rolled over or transferred from another super fund can't be refunded directly to the employee if you use the 14 day cooling-off period. These amounts will be rolled over or transferred to the fund nominated by the employee. To cancel your membership, write to the Trustee: Prime Super, Locked Bag 5103, Parramatta NSW 2124.

## Local support

You are supported by a team of local Regional Managers and customer service professionals to help you every step of the way. Visit our website [primesuper.com.au](https://primesuper.com.au) or call **1800 675 839** to find your nearest Regional Manager.

# Your guide to the Super Guarantee (SG) system

**You're required to pay compulsory super contributions of 9.5% for all your eligible employees**

## Who's eligible?

### **All employees aged over 18 years who:**

- Earn \$450 or more (before-tax) in a calendar month, and
- Work on a full-time, part-time or casual basis.

### **All employees who are under 18 years who:**

- Earn \$450 or more (before-tax) in a calendar month, and
- Work 30 hours or more in a week on a full-time, part-time or casual basis.

## **Contractors**

- If a contract is wholly or principally for labour, you are required to pay the contractor SG. A contract can be verbal or in writing and labour can include physical labour and mental or artistic effort.

## **Temporary Residents**

- If you employ temporary Australian residents who meet any of the above conditions you must make super contributions for them.

## **SG contributions apply to:**

- Ordinary earnings
- Paid sick leave
- Long service leave
- Annual leave

## **What qualifies as ordinary earnings?**

Working out ordinary earnings isn't always straightforward. If your employees have complex salary packages – with loadings, allowances or commissions for example – working out ordinary time earnings becomes a little more difficult. But the checklist overleaf aims to help make it simpler, and shows the payments that count as salary or wages and ordinary time earnings. Remember, it's a summary and provides general guidance only.

If you're not sure whether you're making the right SG payments, visit [ato.gov.au/Business](http://ato.gov.au/Business)

| <b>Payment types</b>  | <b>Counted as:<br/>salary or<br/>wages?</b> | <b>Counted as:<br/>ordinary time<br/>earnings?</b> |
|---|---|--|
| <b>Awards and agreements</b>  |   |  |
| No ordinary hours of work stipulated  | Yes   | Yes  |
| Overtime – general  | Yes   | No   |
| Overtime – based on award ‘hourly driving rates’  | Yes   | No   |
| Overtime – casual, due to a ‘bandwidth’ clause  | Yes   | No   |
| Overtime – where an agreement overrides an award to remove distinction between ordinary and other hours | Yes   | Yes  |
| Piece-rates – no ordinary hours of work   | Yes   | Yes  |
| Shift-loadings – casual   | Yes   | Yes  |
| <b>Allowances</b>   |   |  |
| Danger allowances   | Yes   | Yes  |
| Expense allowance expected to be full used  | No  | No   |
| On-call allowance for doctors in relation to ordinary hours of work                                     | Yes   | Yes  |
| Retention allowance   | Yes   | Yes  |
| Unconditional extra payments  | Yes   | Yes  |
| <b>Payment of expenses</b>  |   |  |
| General reimbursement   | No  | No   |
| Petty cash  | No  | No   |
| Travel costs  | No  | No   |
| Unfair dismissal payments   | No  | No   |
| Workers’ compensation – not working   | No  | No   |
| Workers’ compensation – returned to work  | Yes   | Yes  |
| <b>Leave payments</b>   |   |  |
| Ancillary leave (jury duty, defence forces reserves leave)  | No*   | No   |
| Annual leave, sick leave or long service leave  | Yes   | Yes  |
| Parental leave (maternity, paternity, adoption)   | No*   | No   |
| <b>Termination payments</b>   |   |  |
| In lieu of notice   | Yes   | Yes  |
| Unused annual leave   | Yes   | No   |
| <b>Bonuses</b>  |   |  |
| Bonuses relating to overtime only   | Yes   | No   |
| Christmas   | Yes   | Yes  |
| Ex-gratia but relating to ordinary hours of work  | Yes   | Yes  |
| Performance   | Yes   | Yes  |

Source: ATO, Super for Employers <https://www.ato.gov.au/Business/Super-for-employers/>

\* These payments are specifically excluded from being ‘salary or wages’ for superannuation guarantee purposes; however, they may be ‘salary or wages’ for income tax purposes.

## When do I need to pay?

You need to pay your SG contributions from the first day an employee starts working for you. SG contributions should be made at least once every quarter.

| Quarter | Period                  | Payment cut-off date |
|---------|-------------------------|----------------------|
| 1       | 1 July – 30 September   | 28 October           |
| 2       | 1 October – 31 December | 28 January           |
| 3       | 1 January – 31 March    | 28 April             |
| 4       | 1 April – 30 June       | 28 July              |

If you don't meet these deadlines the ATO will charge you late payment fees. You'll also be charged fees by the ATO if you don't pay the correct amount or to the correct fund and you won't be able to claim a tax deduction for your employee contributions.

## How do I make SG contribution payments?

### SuperStream

The federal government standards require you to pay your employees' super electronically, but Prime Super can easily help you with your obligations.

Prime Super has a clearing house solution to help ensure you are compliant. If you aren't making contributions online you should sign-up for **EmployerOnline**, via the Prime Super website to get started.

### EmployerOnline

A straightforward, safe and efficient way to manage contribution payments, member details and records. Contact your local Prime Super Regional Manager if you'd like any support or assistance using the system – we'll be happy to talk you through step-by-step.

## Clearing house

If your employees have 'choice of fund' you are probably paying super into multiple different super funds. This can be a complex and time consuming process, requiring you to contact and pay each fund separately.

The Prime Super clearing house service allows employers to pay all their super contributions in a single online payment.\* The clearing house then distributes employee super payments to all the funds on your behalf.

### Simple, convenient & free

- Pay contributions to multiple superannuation funds from a single website and make a single payment.
- Keep track of payments easily. View contribution histories online for both Prime Super members and for members of all other funds using your **EmployerOnline** login.
- Import compatible payroll files seamlessly into the system.
- Export contribution data and employee data in various formats.
- Simple and easy re-hire functionality, useful for casual and seasonal workers.
- Ability to pay to self-managed super funds.
- Easy payments available via BPAY or Authorised Bank Transfer (self-initiated direct debit).
- On-the-ground support provided by a dedicated Regional Manager to help get you started.

\* The Prime Super clearing house service is provided by SCH Online. SCH Online is operated by The Superannuation Clearing House Pty Limited (ABN15 086 576 721, AR 290290) issued by Pacific Custodians Pty Limited (ABN 66 009 682 866, AFSL 295142). Separate terms and conditions apply. Please refer to the Superannuation Clearing House Pty Ltd's Financial Services Guide and refer to the SCH Online PDS available from sch-online.com.au for more details.

## Get started

Once you've set up **EmployerOnline** you'll be able to take full advantage of our clearing house service (just follow the prompts online). This means you'll be able to pay multiple employee funds through one single contribution payment – it couldn't be easier.

## Payment methods

Both our clearing house and EmployerOnline allow you to make payments in a range of ways, which are all SuperStream compliant. You can choose to use:

1. BPAY® – quick, secure and 24/7.
  - a. Biller code: 584573
  - b. Reference number: log on to your online services or call us on **1800 675 839**
2. Direct Debit – you can authorise us to debit your bank account for the amount of each contribution. However, the amount may vary each quarter, so you'll need to complete a new request each time. A direct debit form can be found on our website.

## Providing your employee's TFNs

When an employee starts work for you, they'll normally complete an ATO form that contains their TFN. Once they have given you this form, please pass on their TFN to us:

- within 14 days of the employee giving you the form, or
- when you make the first SG contribution on their behalf.

The ATO may fine you if you're late providing an employee's TFN. Privacy laws do not allow you to give us a copy of the ATO's form but do allow you to pass the TFN itself onto your employee's super fund.

## Data accuracy

When paying super, it's crucial that you use accurate employee details each time you enter data on their behalf. This enables us to get in contact with them about their account and importantly helps to ensure they never lose track of their retirement savings.

Using your office email address or your office phone number could also open you up to a privacy breach, should you receive confidential information by accident. To make sure you're on the right track when entering data – follow these easy tips.

## Tips for entering employee data

- ✓ Make sure it's accurate
- ✓ Don't use your email address
- ✓ Enter employee's mobile no.
- ✓ Use employee's postal address

## Super contributions

Prime Super can accept the following payments, please contact the ATO on 13 10 20 or visit their website to find out more:

1. Employer contributions.
2. Voluntary contributions – additional contributions employees make to boost their savings which can be made before (concessional) or after (non-concessional) tax. The government limits the amount of voluntary contributions you can make.
3. Rollovers & transfers from different funds.
4. Spouse contributions & contribution splitting.
5. Government co-contributions – your employees could qualify if they're low income earners and make voluntary after tax contributions.
6. Low income super tax offset contribution directly into their super.

## Choice of fund

### Who's eligible?

When you employ new staff, choice of fund legislation means you need to check whether they're entitled to choose where their super is paid.

### All employees that are:

- ✓ Employed under a Federal award
- ✓ Employed under a former State award (known as a Notional Agreement Preserving State Award)
- ✓ Employed under another award or industrial agreement that does not require super support
- ✓ Not employed under any State award or industrial agreement (including contractors who are regarded as eligible employees for super)

### All employees that you are already paying super contributions for, under or in accordance with, a:

- ✗ State industrial award
- ✗ Preserved State agreement
- ✗ Federal industrial agreement such as an AWA
- ✗ Pre-reform AWA, pre-reform certified agreement, collective agreement
- ✗ Old IR agreement, Individual transitional employment agreement
- ✗ Workplace determination or enterprise agreement (these are defined terms in Federal industrial relations law)

Please note that this list is not exhaustive. Refer to [ato.gov.au](http://ato.gov.au) for further information.

### What do you need to do?

You need to offer the **Choice of Superannuation fund form** (available from [primesuper.com.au](http://primesuper.com.au)), with the default fund details completed, to:

1. A new employee who starts working for you and qualifies for choice of fund (must be given within 28 days of the employee starting work).
  - a. Part A if they pick their own fund
  - b. Part B if they don't and you need to provide them with your default fund details
2. An existing employee who wants to change their super fund (they can do this as many times as they like, but you only have to accept one every 12 months).
3. An existing employee who's fund no longer complies.
4. Existing employees if you decide to change your default fund.

You do not need to give employees who are temporary residents a standard choice form, but they do have the right to request one if they want to pick their own fund.

## Your default fund

Choosing your default fund is an important decision as it impacts the quality of your employee's retirement. You must choose one that meets the basic requirements of; being a complying fund, offering a MySuper product and having the minimum level of insurance cover. Prime Super meets these requirements.

## Find out more

We're committed to helping you manage your super obligations. If you have any questions about super give us a call on **1800 675 839** or email us on [administration@primesuper.com.au](mailto:administration@primesuper.com.au)

### Disclaimer

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This guide provides employers with an overview of Prime Super and employer obligations. It is for employers who are considering becoming a Prime Super participating employer. You should also read the Prime Super Product Disclosure Statement available at [primesuper.com.au](http://primesuper.com.au) in conjunction with this document.

The offer made in this guide is only available to employers receiving it within Australia. Applications made from outside Australia will not be accepted.

The information in this guide is correct as at the date of publication. Where a change to information in the guide is not materially adverse, the trustee will provide updated information at [primesuper.com.au](http://primesuper.com.au) which you can access at any time.

Prime Super does not recommend that anyone make decisions concerning superannuation arrangements based solely on the information in this guide. This information is of a general nature. It has been prepared without taking into account your particular investment objectives, circumstances, financial situation or needs. You should consider the information in this document in light of your particular objectives, obligations, financial circumstances and needs. This guide is not intended to be and should not be construed in any way as investment, legal or financial advice. You should obtain professional advice as you consider appropriate.

### Privacy policy

The privacy of personal information is important to both members and Prime Super. Full details about Prime Super privacy policy is available online, visit [Primesuper.com.au](http://Primesuper.com.au) to find out more.

**email** [administration@primesuper.com.au](mailto:administration@primesuper.com.au)

**visit** [primesuper.com.au](http://primesuper.com.au)

**or call** 1800 675 839

