

Thursday 17 August 2017

## Extending Single Touch Payroll could reduce non-payment of superannuation in black economy

The Australian Institute of Superannuation Trustees (AIST) has called on the Government to extend the mandatory uptake of Single Touch Payroll for small businesses to address non-payment of superannuation in the black economy.

In its [submission](#) to the Black Economy Taskforce, AIST notes that Single Touch Payroll – a new electronic payment system that will be mandatory for large employers from July next year – ensures that the Australian Taxation Office (ATO) receives regular and accurate information on superannuation guarantee obligations from all employers.

AIST's submission recommends the Taskforce support existing initiatives (SuperStream, Single Touch Payroll and new superannuation reporting) as the most effective ways of increasing super compliance, in preference to the Taskforce's suggestion of adapting the New Payment Platform (NPP) for this purpose.

The NPP provides a new payments system and is an important and exciting development, but SuperStream has already delivered billions of dollars of benefits to super fund members, and it's being used to deliver even more benefits.

**AIST Senior Policy Manager David Haynes** said that the scale of black economy transactions in Australia was a concern, not just with many employees being underpaid but these employees not getting superannuation entitlements from their employers.

"One of the best ways to tackle the black economy and unpaid super is to encourage uptake by businesses of electronic payment systems," Mr Haynes said. "The technology exists but we need to get all businesses on board."

AIST's submission also urges the Taskforce to endorse the move for the super funds to report more information, more frequently to the ATO on the SG contributions received from employers.

### Enquiries:

**AIST senior media manager Janet de Silva: 0448 000 499**

**AIST media officer Sarah Goodwin: 0401 769 296**

***AIST is the peak industry body for the \$700 billion profit-to-member super sector which includes industry, corporate and public sector.***