

# Payday Super: What You Need to Know



## What is Payday Super?

Payday Super (PDS) is a major reform to how compulsory superannuation (Super Guarantee or SG) is paid in Australia. From 1 July 2026, employers will be required to pay their employees' super at the same time as salary and wages. This move away from quarterly super payments is a significant change to the way payroll will work for shift-based businesses.

## What's changing from 1 July 2026?

### When do Super Guarantee payments need to be made?

From 1 July 2026, super must be paid at the **same time** as an employee is paid their wages or salary. Funds should reach the employee's super account **within seven business days from payday** (unless for new employees or a new super fund for existing employees, where the timeframe is extended to twenty days).

### How should Super Guarantee be calculated?

SG is calculated as **12% of an employee's Qualifying Earnings (QE)**, which includes ordinary time earnings (OTE) and other eligible payments.

### How will the Super Guarantee Charge (SGC) work?

The SGC is assessed by the ATO and applies if super isn't received by the employee's fund within seven business days of payday (unless an extended timeframe applies). It's calculated on QE, includes daily compounding interest, and an administrative uplift. **The penalty is 25% or 50% of the unpaid SGC**, depending on any prior penalties.

### How is Single Touch Payroll (STP) affected?

Businesses will need to report on both QE and super liability.

### Will the Small Business Superannuation Clearing House (SBSCH) continue?

**No, the SBSCH will close by 30 June 2026.** All employers will be required to use a payroll solution that is integrated with a super clearing house.

## 4 Payday Super Business Considerations

- 1 Increased transactional volume:**  
For example, weekly payroll means 52 Super payments instead of 4, making manual checks and uploads inefficient and error-prone.
- 2 Ongoing cash flow management:**  
Businesses must ensure funds are readily available every weekly/fortnightly/monthly payroll cycle.
- 3 Challenges of manual systems:**  
If payroll and super are currently managed by spreadsheets or separate systems, you may find the new seven-day deadline and increased volume unmanageable, highlighting the need for a single, integrated platform.
- 4 Stricter regulatory oversight:**  
The ATO will be assessing the SGC, placing the compliance burden (and risk) on the employer, making accurate, automated record-keeping critical.

## Get Ready for Payday Super

### Review payroll systems

Confirm your payroll software supports Payday Super calculations, STP reporting, and on-time super payments.

### Plan cash flow differently

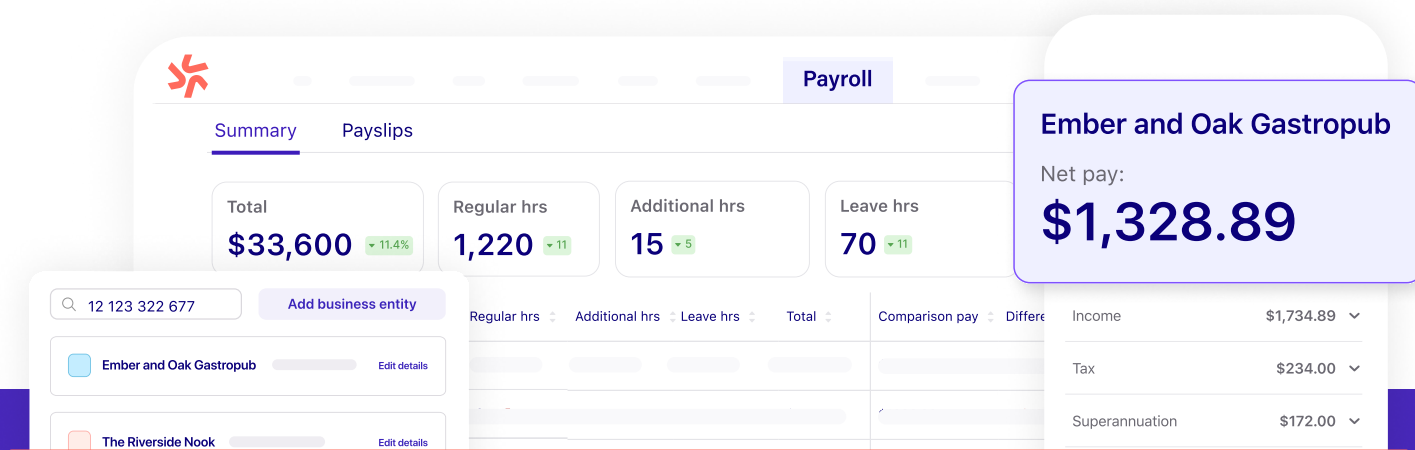
Weekly or fortnightly payment cycles mean funds must be available each time you run payroll (not quarterly).

### Update processes & training

Educate payroll and finance teams on new timing, reporting, operational requirements, and handling exceptions (eg. new employees).

### Transition from SBSCH

Move to a commercial super clearing house, or a payroll solution, like Deputy, that is designed to integrate with clearing houses for seamless processing.



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