



Australian Government



Australian  
**Small Business and  
Family Enterprise**  
Ombudsman

6 June 2018

The Committee Secretary  
Senate Standing Committees on Economics  
PO Box 6100 Parliament House  
Canberra ACT 2600

**By email:** [economics.sen@aph.gov.au](mailto:economics.sen@aph.gov.au)

Dear Committee Secretary

**Treasury Laws Amendment (2018 Measures No. 4) Bill 2018**

We support moves to strengthen employers' compliance with superannuation guarantee obligations. The implementation of Single Touch Payroll (STP) will increase transparency and allow the Commissioner of Taxation to monitor the payment of employee entitlements.

Of particular relevance to time poor small businesses is their ability to direct resources away from their day-to-day operations to become compliant. Small businesses do not have separate payroll, accounting or IT departments. It is the owner who will have to learn the new system, how it will work with their accounting package, and if it can be linked to their bank account for ease of payment.

As noted in the Regulatory Impact Statement for the Bill changes will be required to the systems and processes of businesses and small businesses will incur a cost in order to implement the STP reporting system. For around the 40 per cent of small businesses which have payroll software it may simply be adding a new function to their system. For the remaining 60 per cent it will mean implementing a payroll system with the STP function plus a significant investment of time to learn how to use the system.

We recommend using the next 12 months to provide funding and education through industry associations and SME trusted advisers, such as accountants, to support SMEs to become STP ready. We further ask that consideration be given for micro and small businesses to combine STP reporting with existing reports such as their Business Activity Statements.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Jill Lawrence on 02 6263 1558 or at [Jill.Lawrence@asbfeo.gov.au](mailto:Jill.Lawrence@asbfeo.gov.au).

Yours sincerely,

**Kate Carnell AO**

Australian Small Business and Family Enterprise Ombudsman

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