

17 September 2014

General Manager
Deregulation Division
The Treasury
Langton Crescent
PARKES ACT 2600

Via email: deregulation@treasury.gov.au

Dear Sir/Madam

I write to you in relation to the consultation by The Treasury on the Exposure Draft *Treasury Legislation Amendment (Repeal Day) Bill 2014*.

Executive Summary:

The pay slip requirements under Part 29B of the *Superannuation Industry (Supervision) Act 1993* currently have little practical effect given that no Regulations have been made to date to prescribe the information to be recorded. However, if such Regulations were made this would simply result in duplicating the existing requirements under the *Fair Work Act 2009* and the *Fair Work Regulations 2009* and the imposition of additional red-tape and administration. Accordingly, we support the repeal of Part 29B and related provisions of the *Superannuation Industry (Supervision) Act 1993*.

Background:

Under Part 29B of the *Superannuation Industry (Supervision) Act 1993* employers are required to include information, prescribed by the Regulations, about the superannuation contributions in the payslips issued to their employees. However, given that no Regulations to this effect have been made to date, currently Part 29B has no practical effect.

There are already extensive requirements on employers to keep records and provide payslips under the *Fair Work Act 2009* and the *Fair Work Regulations 2009*. In relation to superannuation contributions, under regulation 3.46 (5) employers are required to include the following information on the pay slip provided to their employees:

- the amount of each contribution that the employer made during the period to which the pay slip relates, and the name, or the name and number, of any fund to which the contribution was made; and
- the amounts of contributions that the employer is liable to make in relation to the period to which the pay slip relates, and the name, or the name and number, of any fund to which the contributions will be made.

While Business SA does not oppose the payslip requirements in the *Fair Work Act 2009* and the *Fair Work Regulations 2009*, as a matter of principle we oppose the inclusion of superannuation as an industrial matter in enterprise agreements and Modern Awards. Accordingly, Business SA will be seeking the removal of superannuation as an allowable term in Modern Awards under section 139 and the provisions on default fund terms in sections 149C and 149D of the *Fair Work Act 2009*.

If regulations were issued under Part 29B of the *Superannuation Industry (Supervision) Act 1993* this simply would result in a duplication of existing requirements under the *Fair Work Act 2009* and the *Fair Work Regulations 2009* and the imposition of additional red-tape and administration on business. Further this would be of no additional benefit to employees or otherwise justifiable from a public policy perspective.

Accordingly, we support the repeal of Part 29B and related provisions of the *Superannuation Industry (Supervision) Act 1993*.

Who we are:

As South Australia's peak Chamber of Commerce and Industry, Business SA is South Australia's leading business membership organisation. We represent thousands of businesses through direct membership and affiliated industry associations. These businesses come from all industry sectors, ranging in size from micro-business to multi-national companies. Business SA advocates on behalf of business to propose legislative, regulatory and policy reforms and programs for sustainable economic growth in South Australia.

Should you require any further information or have any questions, please contact me on (08) 8300 0060 or rickc@business-sa.com.

Yours sincerely



Rick Cairney
Director of Policy