



Paying workers

Fast facts

Paying wages or salary to your workers

As an employer, you have obligations to pay wages or salary to your workers at the correct rate at least monthly based on their award or employment agreement.

- Minimum pay and conditions
- National employment standards (fairwork.gov.au)
- Pay your contractors each time you receive an invoice from them

Withholding amounts for workers

As an employer, you must deduct the appropriate amount of tax, based on the employee's gross pay, and send that amount to the ATO periodically on your employee's behalf.

- Pay as you go (PAYG) withholding
- This contributes to the employee's end-of-year tax obligation
- Use the tax withheld calculator or tax tables on the ATO website

Paying superannuation contributions

As an employer, you must contribute a minimum amount to your employees' superannuation (the super guarantee).

- Check the current rate and use super contributions calculator on the ATO website
- Pay into employee super fund, stapled super fund or your default fund, as appropriate
- Use SuperStream to pay employees' superannuation guarantee contributions
- www.ato.gov.au/Business/Super-for-employers

Single Touch Payroll (STP)

You're required to report your employee's tax and super information to the ATO using STP. Find out more at ato.gov.au.

- At the end of each financial year, lodge a PAYG withholding annual report for all payments not reported and finalised through STP

Reporting payments to contractors

Certain industries and sectors have specific reporting requirements to the ATO when paying contractors. The industries and sectors are:

- Building and construction
- Cleaning services
- Courier services
- Information technology services
- Road freight services

- Security, investigation and surveillance services

The reporting requirement is called the Taxable Payments Reporting System. If you provide such services and pay contractors to provide services on behalf of your business, you may need to lodge a Taxable payments annual report (TPAR) each year to report the total payments you make to your contractors.

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