

Superannuation Guarantee



The superannuation guarantee (SG) is money paid by an employer to any eligible employee to help grow their super balance for retirement.

Over the coming years, the rate of SG that must be paid will rise until it reaches 12% in the 2025/26 financial year.

You can see the current and future rates of SG in the table below.

Financial year(s)	Super guarantee (%)
1 July 2023 – 30 June 2024	11.0
1 July 2024 – 30 June 2025	11.5
1 July 2025 – 30 June 2026 and onwards	12.0

Who is eligible for SG?

The SG rate is a compulsory payment set by the government but paid by employers. Most employees are eligible to receive SG as long as they're 18 years of age or older (if you're 18 or under, you need to work at least 30 hours per week). SG is generally paid for full-time, part-time and casual work, including for temporary residents.

There is no upper age limit for receiving SG contributions. As long as you are working and meet the SG eligibility criteria, your employer should continue making these payments for you. (Different rules apply for super contributions that you make for yourself.)

A minimum income threshold of \$450 used to apply to SG, meaning employees needed to earn at least this amount per month before their employer was required to pay super. This threshold was removed on 1 July 2022.

How is SG calculated?

The SG rate is calculated as a percentage of an employee's 'ordinary time earnings' (OTE). OTE includes things like standard hours, shift loadings and bonuses, but doesn't include overtime.

So, for example, if your annual salary is \$50,000, you should receive 11% of \$50,000 in SG payments – or \$5,500. (Calculation uses the 2023/24 SG rate.)

If you're an employer paying super for very high income earners, you should also check the 'maximum super contribution base'. This limits the amount of compulsory super you may have to pay. The base changes each financial year.

Want to know more?

For more detailed information about making or receiving SG payments, visit the Australian Tax Office website at ato.gov.au or call **13 10 20**.

Need help with your superannuation payments? Contact us today.

 1300 360 988

 mail@firstsuper.com.au

 firstsuper.com.au



Issued by First Super Pty Ltd (ABN 42 053 498 472, AFSL 223988), as Trustee of First Super (ABN 56 286 625 181). This information is current as at March 2024. Information is subject to change. This fact sheet contains general advice which has been prepared without taking into account your objectives, financial situation or needs. You should consider whether the advice is appropriate for you or read the Product Disclosure Statement (PDS) before making any investment decisions. To obtain a copy of the PDS and Target Market Determination, please contact First Super on **1300 360 988** or visit our website at firstsuper.com.au/pds.

First Super Pty Ltd | ABN 42 053 498 472 | AFS Licence No: 223988 | RSE Licence No: L0003049 | First Super Pty Ltd as Trustee of First Super ABN 56 286 625 181