

5 March 2026

Committee Secretary
Parliamentary Joint Committee on Corporations and Financial Services
PO Box 6100
Parliament House
Canberra ACT 2600
corporations.joint@aph.gov.au

Dear Committee Secretary,

Thank you for the opportunity to participate to the inquiry on the provision, regulation, and pricing of modern insurance products for small businesses and not-for-profit and community organisations operating in Australia.

Clubs across Australia are located across metropolitan, regional and rural areas and are a key pillar of communities and experience an extremely high level of patronage across a diverse range of the community members. Clubs are also subject to extensive legislative requirements at a state and federal level. As a result, clubs require a variety of insurance cover to support their operations, including public liability, professional indemnity, cyber, threats and business interruption products.

Clubs offer a range of services, including sports and recreation facilities, and some clubs have been uniquely impacted by a lack of insurance options based on the service they offer. As an example, golf clubs have experienced a loss of many insurer options due to volatile weather conditions and/or associated risks, which has led to golf clubs having few coverage options and increased premiums.

Clubs Australia also notes that properties and businesses, including clubs, in disaster prone areas are experiencing prohibitive insurance costs. As an example, findings from the Insurance Inquiry in 2020 by the Australian Small Business and Family Enterprise Ombudsman found that small businesses in disaster prone regions face “severe difficulty obtaining affordable property insurance”.

Furthermore, the cost of business is continuing to increase which is impacting clubs, particularly those small to medium in size. For instance, in NSW, approximately 78% of clubs are small businesses and small clubs have expressed concerns about the rapidly evolving regulatory environment and the burden of the costs associated with compliance. For context, the number of regulations introduced between 2010 and 2019 doubled when compared with the previous decade.



Clubs Australia also wishes to convey its support for the following recommendations outlined in the Australian Chamber of Commerce and Industry's submission to this inquiry:

- 1:** Align insurance requirements in regulation and procurement with the actual risk of activities, rather than applying settings designed for large and complex organisations to small businesses.
- 2:** Improve national coordination of insurance-related taxes, levies, civil liability frameworks and licensing requirements to reduce fragmentation that drives higher premiums and limits insurer participation.
- 3:** Strengthen engagement with global reinsurers through targeted outreach to improve recognition of Australia's regulatory standards and local risk-management practices.
- 4:** Market-stabilisation tools, including the Cyclone Reinsurance Pool, should be used as part of a broader reform package that also reduces insurance-related taxes and levies and increases investment in risk mitigation.
- 5:** The government should support a forward-looking insurance framework by encouraging innovation in insurance product design and investing in insurance literacy and risk-management support for small businesses through trusted intermediaries.

Please contact Daniel Mitchell at daniel.mitchell@clubsaustralia.com.au if you have any questions regarding this submission.

Kind regards,

Daniel Mitchell

Clubs Australia