

30 January 2026

By email: [prebudgetsubmissions@treasury.gov.au](mailto:prebudgetsubmissions@treasury.gov.au)

Dear Assistant Minister,

Clubs Australia welcomes the opportunity to provide a 2026-27 Commonwealth Pre-Budget submission.

Clubs Australia represents over 5,000 clubs across Australia that employ more than 140,000 people. Clubs are not-for-profit, community-owned institutions that bring people together across generations and backgrounds through sport, volunteering and other activities. Clubs embody and promote Australian values of mateship, community and inclusion.

Clubs conduct a range of commercial activities – such as serving food and alcohol – to foster vibrancy and community activity, as well as generate funds that support their core purpose.

Clubs support their communities by subsidising access to sporting facilities and donating money to charities like veteran welfare and disability support. The value of this support is \$5 billion annually. To demonstrate the flow-on impact of any tax and regulatory savings, NSW clubs make cash contributions to charities and community groups comprising 16% of their net profit.

To support clubs in delivering these benefits, Clubs Australia recommends that the Government:

1. Provide practical support and guidance for clubs to navigate increasing regulatory and reporting obligations, ensuring clubs can comply without excessive administrative costs.
2. Develop a tiered incentive system to encourage employers to take on more apprentices and trainees, with priority going to small clubs, regional clubs and key cohorts.
3. Provide financial assistance for clubs to improve their facilities for people living with a disability.
4. Implement a workable and practical solution for merchant fees for consumers, banks and small business by:
  - unbundling debit fees from credit,
  - banning surcharging on debit and mandate dynamic least-cost routing, and
  - allowing surcharging on more expensive credit cards.
5. Not restrict businesses from applying a surcharge to recoup fees incurred through payment processing for credit cards.

To discuss this submission further, please contact Simon Sawday, Director of Government Affairs, on [REDACTED]

Yours sincerely,

Simon Sawday  
Director of Government Affairs

## **A. Regulatory requirements**

Clubs across Australia instrumental in building and strengthening their communities, providing social, sporting and hospitality services. Rising cost-of-living pressures are impacting club operations, with many reporting lower patronage as households tighten their budgets.

This decline in discretionary spending is coupled with increasing costs for clubs, including higher fuel and transport costs for goods, rising labour and material expenses for venue maintenance and renovations, and growing regulatory and reporting requirements.

Clubs are working to absorb these cost increases rather than pass them on to members and patrons, recognising the vital role they play in providing affordable hospitality and community services. However, at the same time, clubs are subjected to an increasing number of regulatory and reporting obligations at both the Commonwealth and state and territory levels. Requirements related to liquor licensing, gaming compliance, workplace relations, sustainability reporting, and financial disclosures continue to expand, adding to the administrative and financial strain that clubs already experience.

While these measures may serve important public interest objectives, it is also important that new and existing requirements do not create unnecessary complexity or duplication, particularly in the current economic climate. A more coordinated and practical approach to regulation – one that acknowledges cost-of-living pressures and the financial constraints facing clubs – would help clubs operate sustainably and with certainty.

### **1. Clubs Australia recommends providing practical support and guidance for clubs to navigate increasing regulatory and reporting obligations, ensuring clubs can comply without excessive administrative costs**

## **B. Skills and Migration**

As large, not-for-profit employers, clubs offer a safe and inclusive environment for work experience, traineeships, and apprenticeship opportunities.

Clubs are passionate about developing skilled workers and investing in training and career progression. Many clubs offer work experience opportunities to school-aged students, helping them build valuable skills with the potential to transition to long-term employment within the sector.

Clubs Australia appreciates the Commonwealth Government's introduction of the Skills in Demand visa, which replaced the Temporary Skills Shortage (TSS) visa. This visa offers a more tailored approach to skilled migration, providing a clearer pathway to residency. There are additional opportunities to support clubs in employing apprentices and trainees, especially among key groups such as people with a disability, women, First Nations people, and those in regional areas.

These groups face barriers in accessing and completing apprenticeships. Clubs also have limitations on their ability to expand training opportunities with these cohorts.

To address these challenges, we propose a tiered incentive system to encourage clubs to employ more apprentices and trainees. This system should provide greater financial and practical support to small and regional clubs and would also assist in increasing participation among underrepresented cohorts, ensuring that clubs remain strong pathways for workforce development in their communities.

- 2. Clubs Australia recommends developing a tiered incentive system to encourage employers to take on more apprentices and trainees, with priority going to small clubs, regional clubs and key cohorts.**

### **C. Disability Access Support**

Clubs provide a safe and inclusive environment for people living with disability, offering various programs and activities, accommodating reasonable adjustment requests for employees, and surpassing the standard requirements for physical accessibility in venues.

Clubs are dedicated to removing barriers to participation, increasing involvement, and improving the experience for people with a disability visiting their premises. For example, Hornsby RSL hosts augmented bowling games during select times for seniors and people with a disability.

Many venues are interested in upgrading their facilities to accommodate individuals with disability, but the capital expenditure is prohibitive. With 18% of the Australian population experiencing disabilities, the presence of facilities that can support this demographic is imperative.

Clubs Australia supports introducing tailored grants or interest free loans to support venues with capital works projects, such as creating sensory stimulating spaces, installing assistive technology, and upgrades to address sound absorption or diffusion to enhance facilities for individuals with disability in centrally located community hubs.

- 3. Clubs Australia recommends providing financial assistance for clubs to improve their facilities for people living with a disability.**

### **D. Merchant Fees**

Clubs accept cash and credit/debit cards for most of their services unless the law requires a specific payment method.

Small clubs already operate in a challenging economic environment and the current system is not proportionate. In its current operation, interchange fees and other merchant costs have a greater impact on small clubs. These clubs generally face higher card acceptance costs where they cannot negotiate a cheaper rate due to various factors, including a lack of scale.

It is unfair for clubs to absorb all merchant card payment fees and payment costs if the Government bans debit card surcharges. Clubs should not be in a position where they are “caught in the middle”, because it is lawful for the payment provider to impose fees on the retailer, but unlawful for the retailer to pass-on these fees to the consumer. Many clubs cannot absorb these costs in the current environment, so they pass them on to consumers.

- 4. Clubs Australia recommends a workable and practical solution for consumers, banks and small business is to:**
  - **unbundle debit fees from credit,**
  - **ban surcharging on debit and mandate dynamic least-cost routing, and**
  - **allow surcharging on more expensive credit cards.**
- 5. Clubs Australia recommends that businesses will not be restricted from applying a surcharge to recoup fees incurred through payment processing for credit cards.**