AUSTRALIAN
LIVE
MUSIC
BUSINESS
COUNCIL

Payday Super

Member Survey Summary
July 2026

ATO Draft Ruling SGR 2026/D1 and Payday Super

Prepared for ALMBC members | July 2026

104 responses received, 16 of them anonymous.
Responses came in from 20 July to 2 August 2026.

Overview

Responses were received from right across the live music ecosystem: sole trader musicians, band leaders, booking agents, venue owners, event producers, hobbyists and retirees.

Almost nobody argues against superannuation in principle.

The near-universal message is that the method is unworkable.

The draft ruling (SGR 2026/D1) and Payday Super (from 1 July 2026) have been bolted onto an industry of high-volume, low-value, one-off engagements with no consultation, no guidance and no free tooling.

Key stories

A grassroots venue operator presents six to ten bands a week, over 2,000 individual artists a year, all on door deals. They estimate the ruling adds roughly 50 admin hours a week on top of an existing 80-hour week largely worked unpaid, plus about $2,000 a week in extra liability. They cannot afford to pay themselves super, yet would be administering it for thousands of performers.

A WA booker was let go after 11 years booking the same hotel when they asked for an increase to cover the 12%, with the venue citing the cost as the direct reason. Loading one band's members into their accounting software took 3 hours 17 minutes, and their software subscription has doubled. They booked 89 acts at a major regional festival last year and say it is simply not possible to continue.

A band leader of 46 years is retiring from running professional bands. They have lost more income in the past month from cancelled gigs (festivals, jazz clubs and community events run by volunteer pensioners) than a year of 12% super would have delivered. Their line: 12% of nothing equals nothing.

An independent artist laid out the gross-fee problem with numbers. A $10,000 festival fee attracts $1,200 in super, but after commissions, flights, crew and production the artist's actual profit is about $1,800, so super on real labour would be roughly $216.

A band leader has lost four festival gigs since 1 July, been paid 12% less than the agreed fee three times, and faces $115 a month in accounting software costs to pay super for a band they lead only four or five times a year.

A band manager has three of six band members over 75. One super payment was returned due to age, two others bounced with no clear reason, and the funds themselves gave contradictory instructions. They call the rules “classic bureaucracy clubbing baby fur seals”.

A booking agency handling 40 to 70 gigs a week made the most forensic submissions. Section 12(8) does not answer who the deemed employer is in venue, agent and artist arrangements, and the ATO has never addressed door deals, deposits, contra deals or cancellation fees. Their killer historical point: government agencies themselves, including major publicly funded events, booked and paid performers for decades without ever remitting super. If government payroll departments did not spot the obligation, small venues and musicians had no hope, which should rule out retrospective enforcement.

A regional NSW band leader reports every venue in their region has refused to add 12% and refused to pay performers directly, pushing it all onto one agent whose fee will nearly double. Earnings drop twice: once for super, once for the agent's increased fee.

A full-time musician with six agents finds each one handling SG differently. One deducts super from the fee (and has since 2019), one wants 30 to 40% carved out as expenses, another wants 70% as expenses so labour drops below 50% and arguably no SG applies at all. A perfect illustration of the chaos.

A 64-year-old musician describes daily stress, high blood pressure and a nervous rash trying to work out how to invoice, with venues declaring old fees "super inclusive".

A venue owner says flatly they will no longer book sole trader bands, only companies, because dealing with up to 60 musicians' super details a week is not feasible. A regional Qld performer claims gigs there are down 75% since 1 July.

A full-time duo reports a major national pub chain has moved its performers onto a third-party booking app that collects their personal data, auto-generates invoices they cannot personalise, and now takes the 12% straight out of a long-standing fixed fee. A $600 duo fee has become $534 in the hand, with the venue stating there will be no renegotiation. If other venues follow, the couple say it becomes a significant weekly pay cut.

A Sydney sole trader performing up to 70 times a year reports that not one of their venues knew the SG regime existed. Raising it has triggered downward fee renegotiations, and one national retail client is considering dropping all non-company performers, including face painters and magicians, rather than manage individual super. They add that most entertainers they know will not even raise super with a venue for fear of being seen as difficult and simply replaced, leaving the few who do to carry all the risk to their own residencies.

A Sydney sound engineer's diary of four gigs since 1 July captures the confusion in miniature. One band leader tried to deduct super from a long-agreed fee, then proposed forming a partnership, then suggested the engineer set up a Pty Ltd company to make the problem disappear. Other leaders said nothing at all, unaware of their own obligations. After his accountant, the ATO, a union rep and hundreds of social media posts all gave different answers, he notes the clearest explanation he could find came from an AI chatbot, which is not something anyone can rely on as legal advice.

The director of a 300-plus-artist single-day festival in regional NSW supports the intent and already pays award rates, but reports the change lifted their break-even point by about $10,000, that they have no payroll system for hundreds of one-off engagements, and that they expect to end up educating performers about super themselves with little guidance of their own. They cite the cancellation of a major jazz festival, after more than three decades, as a direct casualty.

A local government cultural officer engaged 190 artists in six months, many of them emerging, independent and booked only once. They report that even a council does not have a payroll system able to load each performer as an employee, and warn that an administrative barrier should never be the reason a community cannot engage an artist.

A community association running a monthly RSL-sponsored open mic says it will now have to ask musicians to invoice only for the use of their instruments, or shut the night down altogether, which would take with it the senior secondary music students who come to play alongside experienced players.

A Melbourne jazz band leader warns that compulsory super on door-split gigs, the engine of a scene international players call the envy of the world, would decimate the smaller rooms where attendance often does not cover even the musicians' own pay.

Themes across all responses

1. The 12% is coming out of musicians' pockets, not on top. The most common single observation, made by a dozen-plus respondents. Venues will not lift fees, so super is carved out of existing and even pre-contracted fees, an effective pay cut on incomes already near or below minimum wage. Several note gigs booked 12 to 18 months ago at fixed fees.

2. Work is already vanishing. Cancelled festivals, venues cutting live music, bookers sacked, venues refusing sole traders, musicians quitting. Multiple first-hand reports of real losses since 1 July, not predictions.

3. Nobody knows who the deemed employer is. Venue, agent, band leader or promoter? Door deals, ticket splits, revenue shares, artist-hires-venue arrangements, partnerships and trusts all sit outside the ruling's examples. Even agents actively trying to comply cannot get answers, and there is a GST-on-wages puzzle nobody can resolve.

4. Super on gross fees is wrong. Performance fees bundle labour with PA hire, travel, commissions, rehearsals and gear. Multiple respondents want a labour-component safe harbour, including adopting the Live Performance Award's existing labour and allowances split.

5. Band leaders as unpaid payroll clerks. The person who invoices carries the whole band's employer obligation, pays super to their subbies, and often receives none themselves. Several describe paying their bandmates' super out of their own share.

6. The tradie comparison. “A plumber invoices and handles their own super, why not us?” appears in at least ten responses. The most common fix proposed: let ABN holders self-manage super, reconciled annually at tax time.

7. Admin machinery does not exist. The Small Business Superannuation Clearing House closed exactly as Payday Super started. Respondents want a free clearing house, workable stapled-fund processes for one-off bookings, and relief from the 7-day remittance cycle for high-volume micro-payments.

8. Hobbyists and older musicians make no sense in this system. Members aged 75 to 84 cannot receive contributions or do not want accounts that fees will erode. Strong calls for age, hobbyist and de minimis exemptions, and for an opt-out.

9. The advice vacuum and retrospectivity fear. Chartered accountants never flagged s.12(8) for 30 years, government agencies never paid it, and one major festival did not add super to an offer as recently as May. Musicians are now reportedly demanding back pay to 1992, and operators fear business-ending retrospective SGC exposure. A strong case is made for transitional relief and prospective-only enforcement.

10. Mental health toll. Stress-related illness, musicians quitting, one respondent raising suicide and homelessness risk, and several describing music as identity, not just income.

11. Large operators are shifting both the cost and the data-harvesting onto performers. It is often the biggest chains, not the struggling small rooms, deducting super from fixed fees and pushing musicians onto compliance apps that collect personal and fund details. This adds a market-power and privacy dimension the ruling does not contemplate.

12. There is a chilling effect on musicians themselves. Many will not raise super with a venue for fear of being replaced, so the handful who do carry all the exposure. This undercuts any assumption that performers can simply ask for the 12% on top.

13. Named casualties are mounting. The Newcastle Jazz Festival is cited repeatedly, alongside aged care homes cancelling resident performances and community open mics now at risk. These are being reported as facts, not forecasts.

14. The band leader is a payment conduit, not an employer. Several submissions, including a detailed one from a regional community arts society, ask the ATO to recognise that a band member who merely invoices and distributes a shared fee exercises no managerial authority and takes no commercial benefit, and should not be deemed the employer of the players alongside them.

15. The long-run cultural cost is real. Respondents link the change to a continued drift from original live bands toward solo acts with backing tracks and tribute shows, and to regional ensembles quietly switching to backing tracks rather than administer super for multiple, changing performers.

16. An international benchmark exists. At least one submission notes Australia appears to be alone in taxing its arts sector this way and points to arrangements in countries such as Germany as a model worth examining.

Most-suggested fixes

1. Let ABN holders self-manage their own super (the tradie model). The clear frontrunner, raised in one form or another by at least a dozen respondents. The argument: musicians are contractors like plumbers and sparkies, so make them responsible for their own contributions. One respondent adds a practical mechanism, paying it annually on net income at tax time, easily data-matched from returns. Others soften it to an opt-in or opt-out, so those who want employer-paid super can have it while day-jobbers with existing super can decline. This approach is now backed by a detailed economist's analysis and by a community arts society submission.

2. Calculate super on the labour component only, not the gross fee. A gig fee bundles commissions, travel, PA and gear hire, rehearsals and production, so 12% on gross taxes the musician's own costs. One specific proposal: adopt the Live Performance Award's existing split (roughly a $150 to $200 performance call plus $50 to $100 in allowances) as a standard safe-harbour formula. An agency similarly asks for a safe-harbour percentage rather than per-gig apportionment across thousands of small payments. A worked example shows why it matters: a festival paying super on a $6,000 labour charge remits $720, but only $2,400 of that reaches musicians as actual wages, so the venue overpays by $432. One musician offers the counterview from lived experience, that agents are already gaming expense percentages (one wants 70% classed as expenses to duck SG entirely), so any formula needs to be fixed, not negotiable.

3. Thresholds and 'de minimis' rules. Several flavours proposed: a per-engagement de minimis (minimal financial threshold applied on a project-by-project or contract-by-contract basis. Below this set dollar amount, minor expenses, non-audit services, or trivial discrepancies are ignored, waived, or exempted from strict reporting and approval rules to save administrative time) so a one-off sub gig is not a full compliance event, with the old $450-a-month threshold reinstated in modernised form; a dollar threshold below which the booker owes nothing; applying the ruling only to artists earning above the tax-free threshold; limiting it to musicians whose primary income is music; a cutoff around $2,000; the venue-side version of applying it only to venues turning over more than $2 million; and exemption for anyone working under 20 paid hours a week.

4. A free clearing house. One respondent is most explicit: a free, simple clearing house that does not require payroll or booking software, because neither their pub gig nor their volunteer jazz club can absorb ongoing admin costs. Several call for the SBSCH to be re-established or replaced, pointing out the sector lost its only free multi-fund tool on 1 July, exactly as the obligation intensified. One agency goes further into the plumbing: publish a plain-language pathway for deemed employers now the SBSCH has closed, confirm any SuperStream channel discharges the obligation, and make choice-of-fund and stapled-fund processes workable at booking speed for a same-week engagement. A $115-a-month software bill for four or five gigs a year is the cost case for why this matters.

5. Age and hobbyist exemptions, or an opt-out. The neatest mechanism proposed: an ABN hobbyist declaration should trigger an SG exemption exactly as it does for GST. Another suggests tick-box exemptions for over-70s, casuals and hobbyists (while honestly flagging the coercion risk if a loophole exists). Respondents aged 77 to 84 simply want an age exemption, one notes an 83-year-old bandmate cannot even hold an account, and another demands a legal opt-out for pensioners and self-funded retirees who do not want contributions at their stage of life. A design point adds that tiny late-life balances just get eaten by fund fees, so the policy achieves nothing for this cohort.

6. Aggregated or slower remittance instead of per-gig, 7-day compliance. A monthly aggregation concession for performance engagements is requested, on the basis that per-payday remittance and stapled fund lookups for one-off gigs impose disproportionate cost on small operators. Another proposes a PAYG-style approach, deriving a gross-to-net ratio from the prior year's return and applying it per invoice. One musician notes Payday Super directly increases bookkeeping frequency and cost.

7. Worked examples and clear liability allocation. The agencies in particular want the ATO to publish explicit examples covering: agency as principal versus agent for the venue; door deals and ticket splits; artist-hires-venue and revenue-share arrangements; bands as partnerships, companies or trusts; deposits and balances; contra deals; and cancellation fees. One theatre revenue-share question (“am I employing the theatre, or is it employing me, and am I my wife's employer?”) shows how basic the unanswered questions are. Respondents add that the ATO should be emailing venues their obligations directly rather than leaving performers to explain the law to their own bookers, and want the GST treatment of a fee that is now partly “wages” resolved.

8. No retrospective enforcement, and transitional relief. The detailed argument: penalty and SGC exposure for positions taken on professional advice, in a 30-year regulatory vacuum the ATO itself never addressed, would undermine the operators performers depend on. It is recommended that ALMBC gather member evidence of government bodies paying performers with no super, and survey members on what SG advice they actually received, as proof the obligation was not reasonably discoverable. Reports of chartered accountants never flagging the issue, and of musicians now demanding back pay to 1992, show the exposure is live, not hypothetical.

9. Broader industry support measures. A scattering of bigger-picture asks: tax subsidies for small regional venues to cover the super cost; scaled tax deductions for venues booking live music (5% for a soloist up to 20% for four-piece and larger); alcohol excise relief, soundproofing rules for developers and an inquiry into insurance pricing; a national venue insurance scheme and universal artist income; minimum fees of $350 to $400 per musician per gig so players can fund their own super; and government matching of self-employed artists' contributions.

10. A specific payment-conduit carve-out, so a band member who only invoices and distributes a shared fee is not automatically deemed an employer.

11. A genuine education and transition period, developed with the sector, before any compliance or enforcement activity begins.

12. Data-privacy-safe compliance systems, so performers are not forced to hand personal and fund details to every venue or third-party booking app.

13. Transitional and support measures for volunteer-run and community events, which the responses show are the most exposed of all.

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