

AFL Cairns - Player Salary Cap (PSC) 2023

<u>Purpose</u>

The purpose of the Player Salary Cap (PSC) system in the AFL Cairns (AFLC) competition is to promote a dynamic and competitive brand of football providing stability for all Clubs.

Given the consistent improvement in playing performance across the League in recent years, demands for increased player payments have reached a level that require equalisation, as deemed by AFLC. Due to the significant difference in profit generation between the seven (7) Senior Clubs, the PSC is designed to narrow the financial gap, whilst also ensuring our competition is attracting high quality players.

The below rules will be enforced by AFLC with harsh penalties for incorrect reporting or breaches.

Objectives

- 1. To contain spending by Clubs to a manageable and affordable level relevant to the local AFLC environment.
- 2. Encourage Clubs to develop and promote their junior players and promote Club loyalty.
- 3. Encourage Clubs to manage their playing list in the short and long term.
- 4. Better manage player payments and improve the financial stability of Clubs.
- 5. To promote an agreed level of equity and fairness in our competition.

The System

- 1. Each Senior Club registered with AFLC will be advised of a prescribed 'Salary Cap' for each season, which must be adhered to as set out in this document.
- 2. Each Club must ensure every Senior player completes an AFLC Player Contract Agreement via Cognito Forms for each season, which indicates the conditions under which the player is engaged including all elements of any financial payment or reward being offered.
- 3. Any of the following are considered breaches of the PSC rules:
 - i) Any Club, player, official or individual connected to a Club providing false or misleading information, or complicit in the deliberate submission of false or misleading information.
 - ii) Failure of Clubs to declare any form of player payment, incentive, bonus or reimbursement.
 - iii) Nominated playing-coaches failure to meet the minimum attendance criteria whilst maintaining a dispensation from the PSC.
 - iv) Failure to provide AFLC with the correct Salary Cap Report in accordance with the dictated timelines.

- 4. In the event any of the above breaches are identified, or other breaches of the PSC as determined by the AFLC, a full investigation will be initiated by AFLC. On completion of the investigation, an AFLC Review Board will determine the appropriate outcome.
- 5. AFLC have also engaged a third party to assist with PSC compliance. Mr. Michael Delaney will take on the role of Salary Cap Auditor again in 2022. I certainly hope we don't need to call on Michael, but will do so if there is fair and reasonable evidence of club deception regarding the salary cap. If you have any evidence, based on fact, this can be communicated to us with full details confidentially to integrity@aflcairns.com.au. Penalties will apply for false or misleading accusations.

Appealing a Breach of the Salary Cap

The process where Clubs or a player wish to appeal the determination by AFLC of a PSC breach will follow the following process:

- i) If a Club believes the PSC assessment is not correct, fair, or reasonable, it may lodge an appeal in writing to review the decision by the AFLC Review Board. This request must only contain sound, factual information supporting the appeal. The appeal will include a formal hearing with evidence to be presented by the Club in question and any other relevant parties at the discretion of the AFLC Review Board.
- ii) The Review Board will consist of one Executive Board Member, the AFLC General Manager (or other of similar position) and an AFLC Tribunal Member. The Review Board cannot consist of a person involved in the initial investigation.
- iii) All new appeal information and the original investigation information will be made available to the Review Board. The Club will have the opportunity to state their case to the Review Board before deliberation and a decision is determined.
- iv) The decision by the Review Board is final and there is no further form of recourse.

Penalties

Penalties for breach of the PSC include, but are not limited to:

- 1. Suspension, disqualification, or deregistration from participation in AFLC competitions, events and activities. Applicable to a Club, player, official, member or individual associated with a Club.
- 2. \$10,000 fine for every \$1,000 over the salary cap (\$60,000), up to a total of \$200,000.
- 3. At the discretion of AFL Cairns:
 - a. Stripped of the Premiership if successful in the Grand Final.
 - b. Up to \$10,000 off the Club salary cap the following season.
 - c. Loss of Premiership Points to start the following season.
 - d. Loss of AFL Cairns Sponsorship funding the following season.

Fines will double in value (ie - \$20,000 for every \$1,000 over the salary cap, up to \$200,000 for a second offence) if Clubs breach the cap multiple times within a five (5) year period.

Salary Cap Conditions

The agreed PSC for 2023 will be \$60,000 per Club/per season as determined by the AFLC and its members (the eight Clubs), which includes all 19 Home & Away rounds, plus the Finals Series*.

Clubs can pay up to the PSC cap without penalty.

A Club paying over the PSC cap will be subject to the penalties above.

The annual Salary Cap includes the following (* indicates Exemptions & Variations may apply):

- 1. *All payments, by way of cash or goods or services, to a player or a Senior / Development grade coach playing in an AFLC match.
- 2. All payments, by way of cash or goods and services, to a player for performance in an AFLC match. This includes incentives and awards.
- 3. *Allowances for travel and/or accommodation.
- 4. Transfer and relocation fees and reimbursements.
- 5. *Employment by the Club for a role or job within the Club or its associated entities, including playing-coach.
- 6. *Employment of the spouse or partner of a player within the Club or its associated entities.
- 7. Sign on fees.
- 8. *Players Club Membership Fees.
- 9. Payments made to players whilst injured.
- 10. Board, rent and/or living expenses.
- 11. Debts owed at the player's original Club by the transferring player that are being paid by his new AFLC Club.
- 12. Club apparel or equipment over and above the Club 'on and off field' playing uniforms required by all players.
- 13. Lump sum payments to players on termination of a contract.
- 14. Bonuses from the Club for receiving Club or League awards.
- 15. Loans to a player or a spouse / partner.

Finals Series

All player match payments, bonuses and ongoing payments paid during the AFLC Finals Series are exempt from the PSC, however, must still be recorded in the Salary Cap Report. Match payments, bonuses and ongoing payments are not to exceed that paid during the Home and Away season and in accordance with their individual Player Contract Agreement.

A maximum of three (3) players per game during the AFLC Finals Series can have their FIFO journey exempt from the salary cap. Any additional FIFO players must have all associated travel costs included in the PSC. All FIFO expenses must be clearly recorded in the Salary Cap Report.

Exemptions & Variations

Playing Coaches

- 1. A maximum of two (2) Senior player-coaches can have 50% of their total contract value deducted from the Club's PSC total. This can be structured either:
 - i. One (1) playing Head Coach, plus one (1) playing Assistant Coach or;
 - ii. Two (2) playing Assistant Coaches, should the Club appoint a non-playing Head Coach.
- 2. All playing Head and Assistant Coaches must hold a minimum of a Level 1 Coaching Accreditation.

Head Coaches

- 3. Senior players assigned the Head Coach of a Women's or Junior team at the same Club can have 50% of their total contract value deducted from the Club's PSC total.
 - i. A minimum of 80% attendance at training and games is required for this exemption to be claimed. Failure to meet the attendance standard will result in the exemption being withdrawn and possible additional penalties for the Club and/or individual.
- 4. Senior players assigned the Club Coach of the Superstars program can have 25% of their total contract value deducted from the Club's PSC total. Clubs may have a maximum of one (1) Senior player per team claiming this deduction each year.
 - i. A minimum of 9 out of 10 weeks attendance during the Superstars program is required for this exemption to be claimed. Failure to meet the attendance standard will result in the exemption being withdrawn and possible additional penalties for the Club and/or individual.
- 5. Senior players involved in an Auskick program as a Club Coach can have 25% of their total contract value deducted from the Club's PSC total. Clubs may have a maximum of two (2) Senior players claiming this deduction each year.
 - i. A minimum of 7 out of 8 weeks attendance during the Auskick program is required for this exemption to be claimed. Failure to meet the attendance standard will result in the exemption being withdrawn and possible additional penalties for the Club and/or individual.

Marquee Players

- 6. Each Club can have one (1) Marquee Player excluded from the PSC.
- 7. Each Club Marquee Player must be nominated to AFLC for approval before the team selection deadline (8am Friday before match day) of Round 1 and a copy of their contract supplied.
- 8. A Marquee Player must have played a minimum of ten (10) Senior games for a Club in a State League competition or higher within two years of recruitment to the AFLC club.
- 9. Clubs are allowed to nominate the same Marquee Player for two (2) consecutive seasons. Marquee Players that meet the following criteria are eligible for a third season:
 - i. Played 100 or more Senior games for a State League Club, or

- ii. Played 50 or more games in the AFL.
- 10. Once a Marquee Player is no longer eligible and wish to continue playing with the same AFLC Club, they will be included into the PSC. Other exemptions may apply (ie playing-coach).
- 11. Upon approval by AFLC, all League Marquee Players will be publicly acknowledged prior to the season commencing.
- 12. If a Marquee Player receives a long-term injury that rules them out for the remainder of the season (minimum 6 rounds of the Home & Away season remaining) and they choose to relocate out of Cairns, Clubs may request through the AFLC to replace them with another player that meets the Marquee Player criteria.
 - i. Approval is at the discretion of AFLC and will be based on the injured players reasons for relocation, impact from the injury on their ability to perform their other duties, replacement player credentials, and other factors determined by AFLC.
 - ii. A medical certificate may be requested by AFLC to prove the significance of the injury and expected recovery timeframe.

One-Time Marquee Player Appearances

- 13. 50% of one-time marquee player appearance payments are to be claimed within the Club Salary Cap, subject to AFLC approval. The process for this to occur is as follows:
 - i. Clubs are to provide AFLC with a copy of the players contract detailing their off-field and on-field requirements, as well as payment plan.
 - ii. AFLC will confirm the player aligns with the values and vision of the League and is providing benefit to the Club and community.
 - iii. Once AFLC approval is granted, 50% of the player payment is to be claimed through the salary cap and reported as per standard deadlines.
 - iv. Clubs may request for additional salary cap dispensation (>50%) through AFLC if they feel their circumstances warrant it.

Veterans Exemption

- 14. Players with eight (8) years continuous service with one (1) AFLC Club are exempt from the PSC from their eighth (8th) season onwards.
- 15. This exemption condition is non-transferable to another AFLC Club, whereby the player will be included in the PSC.

Travel & Accommodation

- 16. Payment of a travel and/or accommodation subsidy to a player who has a round trip of 100km or more (via ground means only) to attend games or training at the player's home ground (only) from their bona fide home address, can have \$750 per season exempt from the PSC cap.
- 17. Clubs claiming this exemption will be required to show proof of the players home address.
- 18. Clubs that finish outside of Finals (top 4) in the immediate previous season are allowed a \$5,000 exemption for transfer and relocation fees across all Senior players in the current season.

Fly In - Fly Out (FIFO) Costs

- 19. Travel costs, fares and charges involved in transporting a player from more than 150km from a Club's home ground to play in the AFLC Senior competition (constituting a FIFO player) are exempt from the PSC.
- 20. A maximum of three (3) FIFO journeys per player will be exempt during the Home and Away fixtured matches of a season. These are to be clearly recorded in the Salary Cap Report.
- 21. Accommodation and meals for FIFO players at any time whilst travelling or within Cairns are not exempt.

Bona Fide Employment

22. A player can be employed by a Club sponsor, patron, bona fide entity or supporter if the employment position can be proven to be a genuine position required by the company or individual.

Membership Subscriptions

23. Club or Third Party Payments made to a player to cover their Club Membership fee can have \$300 per player exempt from the salary cap. This includes payments from Player Sponsors, Club Sponsors, the Club, or other third parties. All Club Membership fee payments must be tracked by receipt and recorded in the Salary Cap Report.

Third Party Payments

- 24. Due to the complexities of Third Party Payments (TPP) and recency of Club enquiries into this matter, all TPPs will require AFL Cairns determination on whether they are exempt from the salary cap. Clubs requesting TPP determination are to send the AFLC Operations Manager an email with the proposed payments and/or arrangement including details of the beneficiaries of the TPPs.
- 25. Determinations will be based on whether the TPPs are in the best interest of promoting the League and Club, and the impact on the integrity of the competition. Any individual or Club found to be receiving TPPs without prior AFLC approval will be subject to the penalties listed above.
- 26. AFLC will continue to refine the rules around TPPs and aims to provide more clarification in season 2024 in order to remove the requirement of an AFLC determination.

Administration

Clubs are required to submit a Salary Cap Report at the following times:

- 1. Before the commencement of Round 8.
- 2. Before the commencement of Round 15.
- 3. No more than one (1) week after the Grand Final.

Salary Cap Reports are to be submitted using the AFLC Salary Cap template with all conditions and exemptions included, as per above. Clubs that fail to report correctly and in accordance with the timeframes will be subject to loss of Club Challenge points and possible penalties as detailed in this document.



AFL Cairns - Player Points System (PPS) 2023

Player Assessment Criteria

Points	Category	Explanation
0	AFLC 5-year player	 A player with five (5) years continuous service to one AFLC Club. Eligible in the fifth (5th) year of registration
		 A player with eight (8) years continuous service to one AFLC Club that is returning after playing for any other Club
1	AFLC 8-year player	 A player with eight (8) years continuous service to one AFLC Club transferring to another AFLC Club. Eligible in the eighth (8th) year of registration
1		 A player that has never played in the AFL Cairns (AFLC) Senior grade competition
	Local player	 A player returning to their original AFLC Club after playing elsewhere outside AFLC
		 A player who joins an AFLC Club after two (2) years of not being registered with any other team
1	Transferring AFLC Development/Reserve grade player	 A player that has played no more than three (3) Senior grade games and at least five (5) Development/Reserve grade games with an AFL Cairns Club in the preceding year
1	Player from another Australian Regional or Metropolitan Football League	 A player from another League. For example, Townsville, Ovens & Murray, Central Wheatbelt, Essendon District, VAFA, SAAFL, TANFL, QAFL
1	State League player	 A player who has played at least ten (10) games at this level in the past two (2) years. Leagues include VFL, SANFL, QAFL and WAFL
1	Ex-AFL player	 A player who has been listed with an AFL Club in the past three (3) years and has not played with the registering AFLC Club as a Junior or has played for another AFLC Club previously
2	Player / Coach	 A player who wishes to transfer to another AFLC Club and is appointed the Senior (soul) Head Coach of that Club
8	Transferring AFLC Senior grade player	 A player that has played more than three (3) Senior grade games with one AFLC Club in the preceding four (4) years, transferring to another AFLC Club
		*Points will reduce by two (2) each year the player is absent from their former AFLC Club

Exemptions

Long Term Injury: If a player suffers a long-term injury that denies their ability to play an entire season, their continuous streak of registrations with a single club will remain intact. Clubs may be required to provide medical evidence of the injury to prove the player was not capable of playing at any stage during the Home & Away season. The player must re-register with the same club the following year to maintain or obtain their status as a five (5) or eight (8) year AFLC player.

<u>Club Points Allocation</u>

Senior grades within each Club will be allocated a base of thirty-four (34) Player Points. Concessions will be added at the conclusion of each year as follows:

- 1. Clubs who finish outside the top four based on the Senior Grade competition ladder at the conclusion of the Home & Away season will receive 8 additional points the following year to a maximum of forty-two (42) points.
- 2. If a Club receiving concessional points (any Club over the base points of 34) finishes inside the top four based on the Senior Grade competition ladder at the conclusion of the Home & Away season, their points allocation will be reduced by four (4) points for the following season.

2023 Club Point Values			
Cairns City Lions	34 points		
Cairns Saints	34 points		
Centrals TB	34 points		
Port Douglas	34 points		
South Cairns	42 points		
North Cairns	42 points		
Manunda Hawks	42 points		

Individual Points Allocation

AFLC is responsible for allocating individual player points through PlayHQ. All Senior players will require a points allocation in order to play during the season. Clubs found to have played a player without points allocated will be subject to fines at the discretion of AFLC.

Player points will be allocated in accordance with the assessment criteria upon receipt of the players Player Contract Agreement from their associated Club.

Clubs may apply in writing to the AFLC PPS Committee for a specific determination for individuals that don't neatly fit the above criteria or are requesting an exemption. Points will be allocated under the discretion of AFLC PPS Committee based on the evidence provided.

Definitions

AFLC is AFL Cairns Ltd.

Associate of a Club means and includes an office bearer, sponsor, or member of the Club, a partner of the Club or a partnership in which the Club is a member, any person who is or was acting, or who proposes to act, on behalf of or in conjunction with the Club.

Associate of a Player means and includes any relative of the player or any of their relatives, trusts or provident funds for the players benefit or their relatives benefit and companies in which the player or their relative or partners hold shares or any person who is or was acting, or who proposes to act, on behalf of or in conjunction with the player.

A **Club** is an AFLC affiliated Football Club.

The Club is the Club with whom a player will play within a given season.

A **Season** is an AFLC football year commencing 1st November in a year until 31 October the following year.

Review Board is the AFLC Review Board.

Spouse or Partner is a person who has been in a relationship with a player (legal or de facto) for three (3) months or longer.

Player is the footballer registered with or seeking registration and clearance to a Club.

PSC is the AFLC Player Salary Cap.