The Future of Sport in Australia
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15 October 2009

The Hon. Kate Ellis
Minister for Sport
Parliament House
CANBERRA ACT 2600

Dear Minister Ellis

On 28 August 2008 you announced the membership and Terms of Reference for the Independent Sport Panel to investigate reforms required to ensure the Australian sporting system remains prepared for future challenges at both the community and elite levels. It is my pleasure to forward the report of the Panel appointed to undertake this review.

The report’s findings and recommendations are made after extensive consultation with key stakeholders and the general public. The recommendations are not part of an exhaustive wish list but are targeted at specific issues which the Panel believes need to be addressed to meet the challenges facing the Australian sporting system.

In making the recommendations, the Panel acknowledges that some of the recommendations will require change to the sporting system as it currently stands. It is acknowledged that implementation of these recommendations will require the commitment of all levels of government and stakeholders.

I sincerely thank the members of the Panel for their significant contribution to this review. They have given of their time and expertise without qualification.

Yours sincerely

David Crawford
Chairman
Independent Sport Panel
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The announcement by the Minister for Sport of the terms of reference for the Independent Sport Panel (the Panel) was a recognition by Government that it is now time to review all aspects of sport in Australia and to chart a new direction.

The terms of reference are very broad. The Panel consulted widely and all relevant stakeholders were given the opportunity to participate. In all, the Panel met with or received submissions from over 650 organisations or individuals. Many issues were raised, many problems identified and many suggestions were provided. It is clear that there is much to be done.

It is apparent that while significant gains were achieved in the way in which elite sport was administered post the 1976 Olympics, the world has changed. There is a need to address our goals and aspirations at both the elite and participatory level, taking account of economic and demographic changes, immigration and resultant new cultures, population shifts—rural to urban, and the changing nature of sport itself and physical activity.

As the terms of reference are broad and noting the inclusion of preventative health issues, the Panel has included within the definition of sport, physical activity in a broad sense.

The Panel formed the view that it is not possible to address all of, and make recommendations about, the multitude of issues that have been presented. It believes there are a limited number of fundamental issues, which if addressed, will make a difference and provide the basis to ensure the Australian sporting system remains prepared for future challenges at both the elite and community levels.

There are eight chapters as part of this executive overview. Each chapter deals with a fundamental issue, contains a summary of what needs to be addressed and provides recommendations for going forward.

The recommendations address the ‘must do’ initiatives and are interdependent in the sense that chapters may include issues relating to continuing success at the elite or participatory level, social inclusion, preventative health, pathways or funding.

The Panel believes that these matters need to be addressed if:

- Australia is to continue to be successful at the elite level.
- All Australians are able to participate in their sport(s) of choice.
- The health and wellbeing of our population is improved.

The Panel believes that if the right structure and governance is put in place, there is every chance for a successful future for Australian sport. Without the right structure and governance, success will not result.
The eight chapters are:

- Defining our National Sports Vision
- Reforming the Australian Sports Commission to Lead the Sports Systems
- Merging our Institutes of Sport
- Building the Capacity of our National Sporting Organisations
- Putting Sport and Physical Activity Back into Education
- Building Community Sport with People and Places
- Ensuring Australia’s Sport System is Open to All
- Sustaining the Funding Base for Sport.

There is a summary after chapter eight listing all of the recommendations.

The part of the report entitled ‘Assessment and Findings’ provides more details of the information considered by the Panel, the assessments made and the findings.

The information in ‘Assessment and Findings’ contains many matters raised for future consideration. It is recognised that it is inappropriate to believe one size fits all. Accordingly, there will need to be judgement applied in particular circumstances in addressing these matters by those charged with the responsibility for implementation.

It has become clear to the Panel and confirmed by many submissions, that without implementing these changes, Australia will fall further behind in our standing in elite sport: the health and wellbeing agenda for our population will not be progressed to the extent it should, and the general level of participation in sport and physical activity will continue its downward spiral.

The Panel places on record its thanks and appreciation of the support received from the Sports Branch of the Department of Health and Ageing.
CHAPTER 1.1
DEFINING OUR NATIONAL SPORTS VISION

Australia does not have a national sports policy or vision. We have no agreed definition of success and what it is we want to achieve. We lack a national policy framework within which objectives for government funding can be set and evaluated.

The Australian Government and the Australian Sports Commission (ASC) have long affirmed the importance of high performance and community sports participation. More recently, the importance of sport’s contribution to the national health agenda and social inclusion has been emphasised. However, with no clearly defined ambitions, no measurable targets and no collection of supporting data, implementation has been poor.

The absence of a definition of sporting success has led to a failure to collect meaningful data about the quality of Australia’s sport and recreation participation. This has inhibited an evidence-based approach to the development of sports policies and strategies.

At the start of this review, the Panel asked some simple questions about the amount of money being spent by all Australian governments on sport, recreation and physical activity, and its impact. It was surprising to discover there is no current reliable information available to answer those threshold questions.

The only data found was derived from 2000–01 Australian Bureau of Statistics material. It confirmed that approximately $2 billion was spent on sport at that time across the three tiers of government. Only 10 per cent came from the Australian Government, 40 per cent from state and territory governments, and the remaining 50 per cent from local government. State, territory and local government spending was predominantly directed to facilities and their upkeep.¹

Olympic medal counts seem to be the one area where success is being defined and measured. No parallel ambition has been expressed for community sporting participation where outcomes are not even measured.

¹ Australian Bureau of Statistics, Sport and Recreation Funding by Government, Australia, 2000–01, cat. no 4147.0.
As well as submissions received by the Panel, attendees at each of the community forums around the country agreed that national success should not be solely assessed in terms of medal tallies. When determining our national sporting statement of success, elite performance in non-Olympic sports and the general health and fitness of Australians need also to be considered. High community participation rates at all ages and capacities; strong national and club based competitions; support for coaches and recognition of the role of volunteers are other factors that should be taken into account.

The Panel endorses a broad definition of Australia’s sporting success. In defining ‘success’ for the Australian sport system, the Australian Government should seek the advice and input of the ASC and engage in a conversation with the states and territories and the departments responsible for sport as well as the Australian community about how we set our national priorities and targets.

The Panel is of the view that, in advising on our national sport policy and vision, the ASC pays strong regard to the following general themes:

- credible performances on the world sporting stage, particularly in sports well-liked by Australians
- high sport and recreation participation rates across the community
- vibrant clubs and local and national competitions
- the quality of the health and fitness of the nation
- pride in traditions of fair play
- the ability of sport to contribute to inclusive and harmonious outcomes in communities
- continuing commitment to the fight against drugs in sport.

Elite sporting success is an important matter and requires continuing focus. But a balance needs to be struck between the amount of money invested by all levels of government and the achievement of outcomes, particularly in the context of Olympic and Commonwealth Games performance.

The Australian Government funding for sport that is distributed through the ASC goes overwhelmingly to Olympic sports. In 2007–08, for example, the ASC distributed nearly $90 million in grants to national sporting organisations (NSOs).\(^2\) Around 80 per cent of this went to Olympic sports and over 90 per cent of this amount went to ‘high performance’ programs.

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The Panel supports the setting of ambitious targets for Australia’s elite sporting success. However, a re-assessment of funding priorities in light of policy objectives is now timely.

First, the funding imbalance between Olympic and non-Olympic sports should be questioned. More emphasis should be given to sports that are popular with many Australians. There are 19 Australian teams which hold ‘Top Three’ world rankings and more than half of these are in non-Olympic sports.

The bias towards funding Olympic sports leads to outcomes that make little strategic sense for Australia. For example, more government funds are provided for archery than cricket which has more than 100 times the number of participants according to unpublished ASC data. Water polo receives as much high performance and Australian Institute of Sport (AIS) funding as golf, tennis and lawn bowls combined—even though these sports can rightly claim to be ‘whole of lifetime’ sports and significant contributors to the Australian Governments preventative health agenda.

Second, the quantum of spending needs to be more rigorously assessed. The Panel was advised that calculating the ‘costs of medals’ is difficult and any conclusion would be problematic. The Panel understand this but some effort needs to be made because without this information, investment decisions cannot be made on a rational basis.

What we do know is that the sustained level of funding required over four years to win Olympic and Commonwealth games medals is very high. Australia’s medal ranking in Beijing was sixth—a very creditable result and our third best performance in 30 years. This resulted in 14 gold medals and 46 medals in total and whichever way the math is done, the result is very expensive. The ASC’s funding to Olympic sports for their elite programs runs at over $60 million per year and this does not include state and territory funding or Australian Olympic Committee (AOC) contributions. Over four year cycles, it is easy to derive figures in the order of $15 million per gold medal or $4 million per medal. Higher figures are routinely raised in the national media.

The obvious response is that we underestimate the many intangible benefits. But the same is true of many other sports. Australians are very interested in what happens in cricket, golf, surfing—not to mention the various football codes. On what basis are these sports not equal claimants on the public purse?

Importantly, the Panel can find no evidence that high profile sporting events like the Olympics (or Wimbledon or the Australian Football League (AFL) Grand Final) have a material influence on sports participation. So if sports are to be funded in part to encourage wide participation, some priority should be given to those sports played throughout the country and even more so to those that engage their participants through their lifetimes.
It is also vital that Australia’s medal targets are realistic. In recent years, there has been a dramatic increase in the scale of elite sporting investment, particularly by countries with significantly higher populations and budgets. In response to this, there are advocates for much greater funding for Olympic elite sports.

The relevant NSOs and AOC and the Australian Paralympic Committee (APC) have put together a case for an additional $109 million per year on average on the basis that this is required to sustain Australia’s position as a ‘Top Five’ medal count nation.3

The Panel is not in a position to argue whether this would be money worth spending because it cannot judge it in light of other priorities. But we doubt that this is where the next $100 million per annum for sport should be spent. A common view expressed to the Panel—even by many NSOs—was that elite performance ultimately depends on the depth of participation and this area has been badly underfunded.

Furthermore, ‘medal count’ is a dubious measure. The Panel strongly believes the public needs to be educated to think differently about what constitutes Olympic success. There are currently around 300 events at the Olympics and medal count biases funding towards individual events rather than team sports which the Panel believes ought to have some priority given their importance to our society. For example, there are two gold medals available in each of the team sports like hockey and basketball—but there are 47 in athletics and even diving has eight, while canoe/kayak has 16.

In all, we need to consider what we can afford to invest and how we appropriately balance this investment to support a broader definition of sporting success. This will mean more explicitly defining elite sporting success in the context of prioritising those sports which capture the country’s imagination and represent its spirit and culture. These are the sports where our performance on the national and world stage is important to our sense of success as a nation.

There should be debate about which sports carry the national ethos. Swimming, tennis, cricket, cycling, the football codes, netball, golf, hockey, basketball, surfing and surf lifesaving are among the most popular sports in Australia, a part of the national psyche. Many are team sports and are the sports we are introduced to as part of our earliest education and community involvement.

If more money is to be injected into the system then we must give serious consideration to where that money is spent. If we are truly interested in a preventative health agenda through sport, then much of it may be better spent on lifetime participants than almost all on a small group of elite athletes who will perform at that level for just a few years.

The ASC should provide advice to government on the critical decisions regarding investment priorities. Ambitious yet achievable targets should be set for elite sport allowing decisions on investment for participation sports through to elite sport to be made confidently.

Indicatively, the Panel recommends some general parameters for these targets. We should aspire to and be proud of, say, 'Top Eight' results for some chosen sports at the Olympics and have higher aspirations in others. Separate targets would be developed for Paralympic, Commonwealth Games and World Championship events.

We should aspire for Australia to at least maintain current international rankings in those sports significant to Australians. Where a sport has no elite international competition, maintaining a viable and exciting national elite competition should be the goal.

Underpinning these aspirations and targets must be a plan to broaden all sport’s participation base, expand the pools of talent in our preferred participation sports and appropriately invest in elite pathways and athlete support. Measurable targets should be agreed with the states and territories and NSOs for community participation and social inclusion.

For greater success we must also look at better coaching pathways and the training and development of officials and administrators and we should support our immense volunteering community across the sports sector. These areas will be more closely looked at in later chapters of this report.
Recommendations:

1.1 The Australian Government, advised by the Australian Sports Commission and in consultation with state and territory governments, should develop a costed national sports policy framework and submit the framework to the Council of Australian Governments for endorsement.

1.2 The national sport policy framework should include the following:
   a) Measurable national objectives and priorities for public funding including success for high performance and participation, with domestic and/or international significance and capacity to contribute to the Australian Government’s objectives for social inclusion and preventative health.
   b) Financial and non-financial strategies to achieve those objectives including strategies that provide for greater participation.
   c) The roles and responsibilities of various levels of government and their agencies in delivering those strategies; including the sport and recreation, health, education, Indigenous and youth portfolios.

1.3 The national sport policy framework should be supported by availability of robust data:
   a) To ensure maximum effectiveness and efficiency, the Australian Government, in consultation with state and territory governments, should design and fund collections of statistics and other data to inform policy development generally and to assist ongoing evaluation of national sport policy framework strategies.
   b) The Australian Sports Commission should develop a system for collection of participation data from national sporting organisations that is reliable, valid, repeatable and comparable across sports.

1.4 The Australian Government should ensure that Australia remains at the forefront of the global fight against doping in sport and that Australia’s domestic anti-doping regime reflects world best practice in deterrence, detection and enforcement and incorporates the recommendations of the Panel into the structural and governance arrangements of the Australian Sports Anti-Doping Authority.
CHAPTER 1.2: REFORMING THE AUSTRALIAN SPORTS COMMISSION TO LEAD THE SPORTS SYSTEM

Created 25 years ago, the Australian Sports Commission (ASC) has played an important role in ensuring Australia’s continued success on the world sporting stage. Whilst its vision for the nation to be recognised as a world leader in developing high performance and community sport is admirable, changing circumstances and expectations of sport means that it is time to reconsider the primary role and structure of the ASC.

If the Australian sports system is to work well and deliver on the ambitions of a national sports strategy, it needs:

- a leader for the whole sports system—elite and grass roots
- a generator of ideas, projects and innovation across the sector
- a problem solver—helping solve the big problems facing sport
- an advisor to government on sports policy and standards
- a source of Australian Government funds for various participants in the system
- a builder of consensus and collaboration across the sector
- a facilitator of conversations with relevant stakeholders (a ‘door’ through which things get done).

This list is not inconsistent with the ASC’s existing ambition. And the Panel believes that the ASC is the logical organisation to discharge these responsibilities, but requires significant reform to do so.

The ASC has described itself as:

‘Australia’s primary national sports administration and advisory agency, and the cornerstone of a wide-ranging sports system. On behalf of the Australian Government, the ASC plays a central leadership role in the development and operation of the Australian sports system, administering and funding innovative sport programs and providing leadership, coordination and support for the sports sector. The ASC is recognized as a world leader in the development of high performance sport and sports participation……’

4 www.ausport.gov.au
The ASC submission described the Australian sporting system as being ‘at a fork in the road’ where we can either accept the status quo or confront the critical problems—that ‘our active lifestyle is under threat and the sport system which has evolved over our history is now struggling to adapt and compete with modern challenges and inactive leisure pursuits’. The ASC describes itself as ‘ready to facilitate the reform’ of the sporting system.

The Panel agrees the sports system is at a critical point and reform is now needed. But the Panel believes that reform is also needed at the ASC if it is to carry out its agreed roles.

In the course of our work, we heard wide-ranging criticism of the ASC’s performance from other participants in the sports system. Indeed—and commendably—we see a number of initiatives now being taken by ASC leadership to address some of the issues.

In a presentation to the Panel in July 2009, the ASC acknowledged it needed to build a ‘collaborative national sports system that creates opportunity for all Australians to participate in sport and to excel at every level’.

It went on to say: ‘ASC’s role and focus will change over time but its core role should be system leadership, program planning and co-ordination, funding of sport and being the ‘information clearing house’ for sport in Australia.’

This is a positive development, moving the ASC from its previous vision of wanting to be recognised as the world leader in developing high performance and community sport. The panel supports the ASC’s commitment to move towards greater partnerships with the national sporting organisations (NSOs), the creation of ‘whole of pathway’ plans and the facilitation of co-operative Australian Government and state and territory government high performance programs. The panel endorses the move from ‘directive leadership’ to a uniting and partnering style.

Some of the questions relate to the way the ASC has dealt with other participants in the system—in the view of many it has been controlling and not very collaborative. Others have been concerned about the ASC’s conflict of interest as a service provider when dealing with other participants. Some would say the job itself is very difficult due to the great complexity of the Australian sports system.

The current Australian sports system is very complex, inefficient and cumbersome. Delivery of sport involves all three tiers of government and its various arms including sport and recreation, health, education, and other portfolios. Most of the NSOs also have ‘federal’ structures consisting of several layers of governance and control. As well, the sports system involves the participation of many other players, including the Australian Olympic Committee, private providers, universities and the school system.
The result is that every aspect of sport has to be managed across multiple organisational boundaries by voluntary collaborative effort involving many stakeholders. This takes time and effort and does not always happen. There is frequently poor co-operation between stakeholders, leading to inconsistent and ineffective delivery. The Panel was frequently told that the level of co-operation across the sports system has been deteriorating and is less effective than it was before Australia hosted the 2000 Olympic Games.

The ASC is seen by most to be the logical ‘broker’ across the system, building collaboration and bringing various parties to the table to secure agreement. The ASC itself understands how important this is and in its submission declared that it is ready to ‘lead the strengthening of relationships among stakeholders and across all jurisdictions….’

This is welcomed by the Panel. But to fulfil this promise, the ASC will not only have to change its style but also be restructured to remove activities that give it a ‘conflict of interest’ with those organisations it must support and bring to the table.

There are at least two important areas where the ASC is ‘conflicted’. The ASC ‘owns’ the Australian Institute of Sport (AIS) which has been increasingly viewed by the state and territory institutes and academies of sport (SIS/SAS) and private providers as a competitor. It comes into further conflict when the ASC negotiates the provision of government funding for the NSOs who are deciding whether or not to use the AIS.

Furthermore, the ASC’s role in the Active After-school Communities (AASC) program is that of service deliverer and, as such, the ASC is competing with NSOs, other government agencies, non-government organisations or private providers who might also deliver the program.

The Panel believes those activities that create, or have the potential to create a conflict for the ASC, be removed from its operations. Specifically, the AIS should be separated from the ASC (we discuss this further in the next chapter) and the AASC program should be contracted out by the ASC to appropriate providers at agreed performance standards.

The Panel was told by many respondents in the sports sector that the ASC has not contributed enough to resolving problems and proposing initiatives in key areas of sport. This view is shared by the Panel.

There are many areas where the absence of data or analysis has been telling. We have already noted the dearth of data on total government spending on sport—and make the obvious point that no sensible sports strategy is possible without data on where the money is currently being spent.

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While there is talk of rapidly changing demographic and lifestyle shifts in Australian society with significant impact on participation, little research or analysis appears to have been conducted on what this means for sports planning. There seems to have been little attempt to measure outcomes in sport beyond medal counts and certainly there is a paucity of data on the state of community sport. We have been repeatedly told of the need for systems to support volunteers; for locating alternative sources of funding for NSOs and their increasing competition for the ‘entertainment’ dollar; for creating an inventory of facilities, and for providing whole sector funding packages.

The only information that exists on past AIS scholarship holders is through a voluntary alumni association, and little is known about whether they are still engaged in their sports. These are just some of the examples cited through the course of the review.

The Panel believes that the ASC has focused overwhelmingly on elite Olympic sport to the detriment of other sports as well as participation and community sports. It is time this changed. Even, in its own submission, the ASC suggested ‘community sport was on the brink of collapse’ and called for a national plan to rectify the problem.

The areas of elite and community sport are strongly related and the link needs to be reflected at the policy and strategic level. There is an obvious link between the size of the participation base and the flow of talented athletes to the elite end. Elite sports are now recognising that building and ‘owning’ their grassroots participation structures is an avenue to securing new revenue streams and elite success. The Panel believes it is important that policy and funding decisions are made in ways that recognise the links between elite and participation sport. The ASC’s role is defined as covering both elite and participation sport and this linkage needs to be strengthened.

The Panel believes—along with the ASC—that the sport system needs change but that change is also needed at the ASC. Removal of those activities that give it a conflict and strengthening its commitment to building collaboration and problem solving are needed. And to ensure that these changes are driven from the top, the board and executive leadership needs to be reconstituted to ensure that the right skills are in place to meet its objectives.

The Panel’s view is that a spill of the current ASC board should take place and the Minister for Sport should take advice on nominations for the new board to ensure the proper skills-set is achieved. The board should have no more than eight non-executive directors plus the chief executive officer (CEO) as a board member.

Board members should be chosen on a skills basis but with relevant and diverse experience and a truly national perspective. A chairman and CEO who can best bring the skills and vision appropriate to meet this new challenge should be appointed.
The ‘new’ ASC should be a much smaller organisation but one that provides strong and empathetic leadership to the entire sports system.

**Recommendations:**

2.1 Recognising the complex nature of the Australian sports system, a single point of focus is required to provide leadership. That point of focus should be the Australian Sports Commission.

2.2 Consistent with the Australian Sports Commission’s leadership role, it should not be involved in service delivery. Those activities that give the Australian Sports Commission a ‘conflict’ with the other organisations it is supposed to deal with and support should be taken away from it. Specifically, the Australian Institute of Sport should be separated from the Australian Sports Commission (we discuss this further in the next chapter) and the Active After-school Communities program should be contracted out to appropriate providers at agreed performance standards.

2.3 The Australian Sports Commission should be responsible for developing the overarching strategy framework in light of Australian Government policy, proposing and measuring national outcomes, contributing to policy proposals, solving problems, allocating Australian Government money to elite and community organisations and strengthening and evaluating the national sporting organisations. And very importantly, it should be building collaboration across the sports system.

2.4 The Australian Sports Commission board and executive leadership should be reconstituted to ensure that the right skills are in place to meet the Australian Sports Commission’s new objectives. The Australian Sports Commission board should be reconstituted with no more than eight non-executive directors plus the chief executive officer as a board member. Board members should be chosen on a skills basis but with relevant and diverse experience and a truly national perspective. A chairman and chief executive officer who can best bring the skills and vision appropriate to the new challenge should be appointed.
CHAPTER 1.3: MERGING OUR INSTITUTES OF SPORT

It is necessary to change Australia’s current model. A commonly held view by stakeholders is that the Australian Institute of Sport (AIS) has become a competitor to the state and territory institutes and academies of sport (SIS/SAS)—the ninth state—and the issues of competition and lack of co-operation that affect the existing system will not be solved by goodwill and better communication alone.

The Panel’s key recommendation is for the AIS to be separated from the Australian Sports Commission (ASC) and then to be merged with the SIS/SAS into a single body to form the Australian Institutes of Sport (AIsS). This organisation will have its own separate governing board and a charter to deliver high-performance outcomes. This arrangement should ensure a national approach, eliminating the current issues around co-ordination, co-operation and competition.

The issues stem from competing objectives which, in turn, are based on funding provided by the Australian Government and state and territory governments. In future, the Panel proposes that national programs should be supported by national funding and state and territory programs by state and territory funding, with their objectives realigned accordingly.

This change should seek to ensure that not only are the elite programs optimised but also ‘feeder’ systems below.

The current structure is second-best because collaboration is voluntary and never guaranteed. Even with reasonable collaboration, when agreeing on their high performance plans, the national sporting organisations (NSOs) still have to deal with each of the AIS and the various SIS/SAS as separate entities with differing objectives, which can be time consuming, expensive and frustrating.

There is also some disagreement about whether the AIS is always a positive. It takes elite athletes from club environments and often replicates the work done by the states and territories. In reality, the AIS and SIS/SAS are mostly focussing on the same athletes—those with potential to represent Australia. As such, they overlap and badging has been a problem.

This was not the way the system was intended. The Australian Government established the AIS in 1981 and its success prompted state and territory governments to develop their own programs.
There have been varying degrees of co-operation and strident protection of jurisdictional patches on all sides. Currently there is no nationally agreed demarcation of the roles and responsibilities of the various Australian Government and state and territory government agencies in respect of high performance and participation sport. The Australian Government and state and territory governments all fund programs supporting athletes that represent the nation. They are also involved in funding community sport.

A new approach built around a greater clarity of role and efficiency is needed. The obvious step forward is for the national programs to be funded and managed by the Australian Government and state and territory programs to be managed by state and territory governments. This would have to be agreed to at the Council of Australian Governments (COAG) to bind the Australian and states and territory governments to the agreed split of roles and responsibilities. Whilst the Panel acknowledges that this will be a difficult result to achieve, the time has come to acknowledge that the current complex and competitive system is one of the greatest inefficiencies in delivering elite success on the world stage.

The easy solution is to leave the institutes separate and, as in the past, attempt to achieve collaboration across the system through the work of various committees. But this is not the best option. The current structure is limited because collaboration is voluntary and may not always be forthcoming.

The Panel’s view is that if we are to have any chance of maintaining elite success internationally we must think nationally. Furthermore, as the world shrinks and other countries invest in training facilities, we can expect more of our most elite athletes to spend more time overseas. The overseas training ‘Hubs’ will become even more important but this also makes disputing who ‘owns’ our most elite athletes even less sensible. The duplication which is inherent in the state/territory focus is now one of our greatest opportunities for reform.

The AIS was itself a product of the need for innovative reform, and has been much admired and copied. The time has come once again to grasp the opportunity for reform, define a national system and give it every chance of success.

Any offer to the states and territories should be based on the following propositions:

- The Australian Government should assume financial responsibility for the SIS/SAS, reaching agreement with the states and territories on how this is done.
- The states and territories can still claim star performers as their own. We all know that the public cares less about where the athletes train than where they are from.
- The state and territory located AIS facilities will still be accessible for local programs that the states and territories may wish to develop and fund.

Executive Overview
The Australian Government will pass over to the states and territories the management of any direct service delivery programs at the local level such as the Active After-school Communities (AASC) program. This is in keeping with the principle that the states and territories should have responsibility for delivery of state and territory based programs.

The proposed structure offers the states and territories some protection from the risk of being left with ‘stranded assets’ as the sports system moves from being supplier-driven to user-driven.

Combining the institutes would relieve competitive tensions in the elite network and the need for NSOs to shop their programs around the AIS and SIS/SAS. The institutes need to be one national body with state and territory located branches funded entirely by the Australian Government.

State and territory based programs should be funded and managed by the state and territory governments, with Australian Government contributions where appropriate, with the objective of identifying and preparing athletes for progression into national programs. Similarly, local and regional programs should be funded and managed by state, territory and local governments, again with Australian Government funding support, with high performance programs having the objective of identifying and preparing athletes for progression into state and territory programs.

Later in this report, the Panel is clear that providing greater funding to the NSOs will be a further step towards ‘sport controlling sport’. In future, the NSOs will ‘buy’ services from the AISs as they see fit. The opportunity for significant rather than incremental change is at hand.
Recommendations:

3.1 The Australian Institute of Sport should be removed from the Australian Sports Commission and amalgamated with state and territory institutes and academies of sport, into a single Australian Institutes of Sport (AiSS), funded by the Australian Government, and with the existing combined funding levels.

3.2 For elite sport, the Australian Government should be responsible for support of national level programs, state and territory governments for state and territory level programs and in association with local governments for developmental programs.

3.3 State and territory based programs should be funded and managed by the states and territories (even if with Australian Government contributions) with the objective of identifying and preparing athletes for progression into national programs.

3.4 Where appropriate the Australian Government and state and territory governments should negotiate appropriate arrangements for use and control of existing facilities used by state and territory institutes and academies of sport.

3.5 Australia's high-performance sport system should be based on the principle that elite programs be delivered at optimal locations—and the system must facilitate the engagement of other providers such as universities and private organisations where appropriate.
CHAPTER 1.4: BUILDING THE CAPACITY OF OUR NATIONAL SPORTING ORGANISATIONS

National sporting organisations (NSOs) are key drivers of national elite sports performance. Their role in community sports structures is less clear-cut but their potential contribution is huge.

There are over 90 recognised NSOs and their annual revenues range from hundreds of millions of dollars to very little. These differences make generalisations difficult but there are some common issues that the Panel believes need to be addressed. Many national sporting organisations are typically small organisations, under-resourced and dependent on public funding to survive.6

There is a need to strengthen the governance, capability and effectiveness of many of them. And the NSOs must become fully responsible for their own high performance programs and also play a greater role in encouraging participation. The new Australian Sports Commission (ASC) needs to play a lead role in supporting a process of change.

When the ASC funded Olympic Athlete Program (OAP) commenced in 1993, the ASC took an appropriately interventionist approach with many NSOs to ensure that program improvements came with the extra funds. Today, as the Panel understands it, there is divided opinion on whether the organisations best qualified to run elite programs are the sports themselves. It would seem that something is seriously wrong if sports that have received major funding for almost two decades have not yet acquired the expertise to manage their own sports.

Some have argued that the Australian Institute of Sport (AIS) and state and territory institutes and academies of sport (SIS/SAS) need to maintain control of the elite programs to protect government investment. But the Panel believes while appropriate accountability is required, it is time to give sports more control over their own programs. Sports that receive elite funding and have a history of success should take direct responsibility for their own programs. There are a number of sports that are capable of taking responsibility for their own programs but the capacity of sports to run themselves under the new paradigm needs careful assessment.

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In the future, an NSO should develop its plan covering high performance programs and community participation with guidance from the ASC. It would then apply to the ASC for funding. The ASC would then allocate funding. The NSO could then ‘buy’ services from various providers to deliver elite programs, the NSO choosing from providers such as the Australia Institutes of Sport (AISs) but also universities, private operators, and overseas bases.

The NSOs would then report outcomes to the ASC whose job would include monitoring and evaluation. The provision of funding in the first place would be subject to adequate plans and targets being in place. Provision of funding would give the ASC leverage to push sports to focus on participation strategies as well.

Participation strategies are a major challenge for many NSOs. A pre-occupation with elite performance and winning medals has led some NSOs to neglect grassroots participation. As well, lifestyle changes are driving growth towards non-structured recreational activities because participants want less competitive exercise at times of their choosing rather than being committed to structured competition over months of the year. Some NSOs have ambivalent views about this (the Panel heard about ‘fast food sports’) and have failed to grasp the commercial opportunities that accompany them. In many instances, recreational participants are now ‘owned’ by private providers and for-profit interests. The huge numbers of recreational cyclists, many of whom spend large sums of money on their recreation are a prime example. Others include recreational skiers, runners, indoor soccer players and some netballers. These are casual participants who often have no affiliation to an NSO.

While community-level participants may be part of independently managed leagues and competitions, NSOs must work hard to ensure these participants are affiliated with the NSO and that the NSO is able to support them in ways that both parties see as valuable. The affiliation of the hundreds of independent local leagues to the Australian Football League (AFL) and the AFL’s direct ownership of community programs like Auskick are good examples. By ‘owning’ the participation base, the AFL can support its growth and also ‘bundle’ up its numbers around the country in ways that attract sponsors.

Furthermore, NSOs that build a relationship with their community structures will be better placed to attract funding to assist the government achieve its preventative health and inclusion objectives through sport. Later in this report the Panel recommends that government increases funding support for strategies to boost sports participation across sectors of our population currently under represented such as migrant groups, Indigenous people, the ‘time poor’ and others. The NSOs are obvious vehicles through which some of these efforts can be channelled.
Arguments have been made to the Panel that commercially successful (the so-called professional) sports should receive no government support because they are wealthy and can look after themselves. Presumably, this view could also be extended to any sport—such as cycling, surfing, tennis or golf—where individual athletes can become very wealthy. In the Panel’s opinion, these views misunderstand how these sports are structured, usually with a very small professional elite level at the top (compared to overall participation in that sport), but with grassroots competitions that are as amateur and dependent on volunteers as any other. Government support for these community-level programs is both appropriate and sensible because of the large number of participants in sports such as netball, cricket and the football codes across the country. The only rider that the Panel would make is that government support for the grassroots programs of professional sports ought to be linked to the readiness of the sport to invest some of its own funds into the grassroots as well.

NSOs that focus mostly on Olympic medals face a particular challenge in achieving financial viability. The Olympic Games may be the world’s greatest sporting event but it comes with strings attached for the competing NSOs. The sports are required to sign over their games-related intellectual property and commercial assets to the Australian Olympic Committee (AOC) for several weeks around the event itself during which time the International Olympic Committee and AOC control the rights and receive the revenues. In addition, the *Olympic Insignia Protection Act 1987* provides intellectual property protection to the AOC over particular Olympic symbols and words at all times.

It appears participating sports receive limited revenue in return from the Olympic movement. For example, approximately $500 million was appropriated by the Australian Government to the ASC for high performance sport for the four year period ending in 2008–09 yet for a similar period (calendar years 2005–2008) the AOC annual income statements indicate that the AOC contributed approximately $33 million7 in direct support to Olympic teams, National Federations and medallists and their coaches. The Panel suggests that further analysis be carried out on the commercial restrictions placed on the NSOs (and athletes) by the AOC as well as the proportion of AOC and International Olympic Committee (IOC) revenue returned to NSOs. The Panel’s preliminary analysis suggests the commercial restrictions in Australia are even more stringent than those that apply in some other countries such as the United States of America (USA).

The problem for Olympic sports is that their big day occurs once every four years and on these occasions their revenue potential is wholly signed over to the AOC. It seems, therefore, that it is no coincidence that sports most dependent on the Olympic Games for their ‘day in the sun’ are also

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among the least financially self-sufficient. Only by developing commercially valuable ‘properties’ outside of the Olympics will a sport be able to develop independent sources of revenues.

There is also a large opportunity for sporting organisations, clubs and associations to share services to create efficiencies and cost savings. Currently most work independently of each other which results in duplication and loss of expertise. They would function more effectively and efficiently if they were able to share administrative support and aggregate purchasing of items like equipment and insurance. Even marketing functions can be shared. NSOs, leagues and individual clubs working collaboratively and sharing support functions would reduce costs, increase skill and lower the burden on volunteers. In a world cheaply connected by internet, this sharing can operate across distances.

The main obstacle, of course, is the usual reluctance of independent organisations to give up any of their roles. The Panel sees a major role for the ASC in promoting large scale adoption of the sharing model. Grants to financially strapped NSOs and community sports bodies can be tied to readiness to participate in ‘shared function’ schemes. The ASC can encourage and support organisations that promote shared ventures. The Panel notes that even highly competitive (and regarded by many as wealthy) AFL clubs are sharing back-office functions even including, in some instances, marketing functions. Organisations like the Melbourne Cricket Club (MCC) are already home to clubs involved in a variety of sports and could be encouraged to grow this activity as a stand-alone business.

The ability to reduce costs and increase expertise by simplifying administration, increasing collaboration and sharing resources between NSOs and state sporting organisations (SSOs) is significant.

Achieving many of these changes requires leadership and this is where many NSOs run into trouble. Most of the NSOs are hindered by their ‘federated’ structures, making it harder for the sport to build commercial capability and make decisions that cut across their state and territory structures. By ‘federated’ we mean the national governing body of the NSO consists of representatives of state and territory associations and each state and territory, all with their own chief executive is independent of the others.

These overly complex structures mean most NSOs are still struggling to gain consensus, alignment and the resources to create a nationally unified vision and product. They involve duplication. Being independent and sub-scale they also provide inferior pathways to talented people which means they don’t always attract the best talent.

The Panel has no issue at all with community sport being controlled by community governance structures. Not even the commercially most successful sports in Australia, cricket and the football codes, seek to control community cricket or football structures across the country. There are
hundreds of grassroots cricket associations and football leagues across Australia that, while mostly affiliated with their governing bodies, are independently governed and will remain that way.

It is at the high performance level where the athletes are elite and the financial opportunities are large that the local and state and territory based structures become problematic. They do not work well because of the inherent conflicts of interest.

The elite sport business is a national activity and it should be managed as such. The federal structures are flawed because directors are expected to represent their state or territory constituencies even at the expense of the national interest. This is precisely what good directors responsible for national performance and sponsorship outcomes ought not to do.

National talent pathways must be managed nationally and funded according to need rather than state and territory interests. Major sponsors must be managed and protected nationally if they are to sponsor national teams or competitions. Information on participants which form the basis for sponsorships (such as Auskick and in2cricket) must be collected and aggregated in the same way across the nation.

Federal structures are fine if the sport has no aspiration beyond being a community based sport and has no interest in securing national sponsors. But if the sport wants to build a national commercial franchise as well as a strong national talent pool and pathways, it should develop governance structures that separate the elite and professional programs from community-level programs. Sports cannot commercialise their national assets without control over these assets at a national level.

It is time for the elite end of a sport to be run as a national business with a governance board selected on the basis of skills and not state/territory representation.

The state or territory organisations would not be disadvantaged because they would still be the ‘shareholders’ in a ‘business’ that is striving to be successful. Their role would be to appoint the board and act as shareholders would in any organisation. The board would then be empowered to ‘run the business’.

The board would appoint a national chief executive to oversee the staff, including staff based in the states and territories. The day of each state/territory having its own separate ‘company’ with its own chief executive officer (CEO) has surely passed. There is duplication across the country. The systems are incompatible. Each business is sub-scale which limits the capacity to hire and offer career progression to good people. National sponsors are not interested where neither state and territory participation nor even consistent participant data collection can be assured.
The ASC has provided advice on governance structures to sporting organisations and mostly we agree with that advice. But there is one area where we strongly disagree. The ASC’s governance advice says that the CEO should not be a member of the board and in describing the roles states that ‘the board is the mind of the organisation and the executives are the hands’.8

This is a diminished view of the role of management. It is wrong and goes to the heart of the huge challenges facing sports. Lifestyle and demographic changes have to be faced. Young people have many other entertainment options. We live in a complex era where executive teams must be the main initiator of strategy and change. The old style of sports organisation might still be appropriate to a local sporting club where the management is part-time or volunteer. But it is completely wrong in a professional management environment where the executive team is responsible for developing strategies and negotiating commercial arrangements with sponsors, governments and media organisations. Here, the role of the board is to appoint, support and challenge the executive team but it is the executive team that drives the business. They are ‘minds’ as well as ‘arms’. And as is the common practice in the corporate world, the CEO should be a member of the board.

The Football Federation of Australia (FFA) and the AFL have made dramatic changes to their governance and the benefits are beyond dispute. But most sports leaders have shown themselves reluctant to vote themselves out of their jobs. Even the initial governance changes at the AFL and FFA only came about because extreme pressure was applied and so the new ASC should consider tying funding support to NSOs’ readiness to change.

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Recommendations:

4.1 National sporting organisations should have primary responsibility for development of their own high-performance programs with assistance from the Australian Sports Commission as appropriate on a case-by-case basis.

4.2 The Australian Sports Commission should make the adoption of appropriate and national skills-based governance structures that reflect the diversity of membership a funding condition for national sporting organisations.

4.3 National sporting organisations boards and managements should place engagement of recreational participation as a key priority and that this focus should be backed by government policy at all levels.

4.4 All national sporting organisations that are highly dependent on public funding should have rolling five year national plans that set the targets and measures by which the national sporting organisations should be judged.

4.5 To address duplications of functions, the Australian Sports Commission should encourage ventures that provide ‘shared functions’ to sporting clubs and bodies and should make ‘sharing’ a condition of financial support to identified national sporting organisations.

4.6 National sporting organisations that are engaged in the Olympics should explore events that raise profile outside the Olympics.
CHAPTER 1.5: PUTTING SPORT AND PHYSICAL ACTIVITY BACK INTO EDUCATION

After years of decline, it is time to once again make sport and physical education a priority in our education system. Teachers need better training and schools need better facilities.

Throughout the work of the Panel, the need to reunite sport and the education system emerged as one of the strongest consistent themes. A number of sports organisations advised the Panel that there is great scope for the re-invigoration of sport and physical education in the school system, but the significant changes in families and their competing time commitments must be taken into account when taking this step.

Ultimately the Panel believes that in order for children and young adults to be interested in playing sport and staying physically active, activities must be fun, enjoyable and accessible. They should be appropriate for age, gender and skill levels and relevant to development needs.

Physical education in schools plays a central role in breaking down barriers to participation in sport. It provides significant health and social benefits. It was concerning to learn from experts Australia-wide that the education system no longer reliably provides the platform upon which much of the nation’s sporting activity is based. It no longer consistently carries out the vital role of introducing children to physical activity and organised sport.

The delivery of physical education and organised sport should be reinstated as a key component of the school curriculum across the country. Australian governments should make sport in schools an ongoing priority and agree that physical education must be delivered by each school as if it were a separate key learning area in the national curriculum.

The Australian Curriculum, Assessment and Reporting Authority (ACARA) should consider promoting health, physical education and organised sport as a key learning area in the second phase of the review of the new national curriculum, to be developed in 2011 and implemented in 2012.

As a condition of current Australian Government education funding, physical education has been required for a minimum of two hours per week in primary and secondary schools. However, there was no measurement of delivery nor was it mandatory. State and territory governments and non-government education authorities were expected to monitor progress. It is understood that under
The National Education Agreement (NEA) 2009, this requirement no longer applies. In reality, participation in sport and physical activity is usually left to the discretion of individual schools and teachers to implement.

There is compelling evidence of the critical role physical education and sport play in developing a child’s intellectual, social, emotional, physical and linguistic skills. Active play is important for physical development of gross-motor skills and is a means of gaining strength, agility and co-ordination. Children who learn hand eye co-ordination from an early age are more inclined to participate in sporting activities as they get older.

As a child moves from early development into the formal education system, this exposure to sport and physical activity becomes even more crucial. A significant amount of international research also indicates that physical activity improves academic outcomes, self-esteem, mental health and creates a sense of inclusion.

In its recently released (June 30, 2009) report ‘Australia: The healthiest country by 2020’, the National Preventative Health Taskforce (the Taskforce) argued for ‘adequate time for sport and recreation within school time’, as a way of improving the nation’s health. It called for further training and support for teachers to teach physical education and sports and ‘to motivate and inspire children to engage in physical activity’. The Panel supports this recommendation of the Taskforce.

Submissions to the Panel highlighted the fact that greater emphasis needs to be placed on the delivery of sport and physical education as part of teacher training programs (particularly in primary schools) and that greater effort should be made to have trained physical education teachers placed in all secondary schools.

Teachers play a critical role in developing the attitudes and views of young Australians. This is particularly the case in the area of living healthy lives and participating in sport and physical activity.

The Panel received significant amounts of anecdotal evidence throughout the consultation process suggesting that the number of qualified physical education teachers in primary and secondary schools is declining and in many cases non-existent. This appears to be linked with a decline in emphasis placed on sport in teacher training courses.

A number of primary teaching degrees include a compulsory ‘health’ unit that may incorporate physical education (sometimes health and movement) but in some courses physical education is only offered as an optional or specialised unit. As a result, it is possible for a primary school teacher to have little exposure to physical education training.

Primary school teachers are already experiencing difficulties in overcoming a crowded curriculum and sport is often an easy target for removal as the educational outcomes are not as obvious.
Given the outdoor and physical nature of most sport, there are often preparation time pressures, shortage of equipment, or fears of accident and injury.

Current teacher training requirements need to be reviewed as a priority to consider the mandatory inclusion of basic physical education training.

One of the initiatives to receive much comment throughout the Panel’s review is the Active After-school Communities (AASC) program, administered by the Australian Sports Commission (ASC). The feedback about this program was mixed. The ASC’s own review was positive but many of the national sporting organisations (NSOs) were critical of the program. It is important to note that the Panel was not presented with reliable and measurable data about the success of the program. There was some suggestion the program could be more efficiently and effectively delivered with the greater involvement of appropriate NSOs and other experienced service providers.

The program should be funded for its current term and in the meantime the ASC should take on board the criticisms raised and review what should then happen. Should the program be continued, in keeping with its recommendations concerning the ASC, the Panel believes its delivery in future should be contracted out to appropriate service agencies in consultation with state, territory and local authorities. Appropriate measurements of success be established and made publicly available. The Panel believes the ASC should undertake the appropriate analysis of the program, advise on its future development and then design the most effective delivery mechanism to ensure greatest impact across the country.

Submissions to the Panel suggested that a link should be encouraged between designated sport and physical education teachers and relevant local sporting clubs to encourage children to move from physical activity into a more structured sport environment. This was reinforced by many NSOs and the Panel agrees this should be a priority.

Many argued that in addition to a greater emphasis on skills-based training for teachers, there is a need to recognise coaching and officiating courses as components towards high school certificates and university degrees. It was considered that this would help to legitimise sport and physical activity courses that are run by external stakeholders.

There is increasing pressure on sport and recreation facilities in Australia. The general issue is discussed elsewhere in this report. There was also general concern at the lack of development and maintenance of appropriate facilities in many schools to encourage physical activity.

In response to growing pressures on local community sporting and recreation facilities, the Panel consistently received submissions that there is a need for local sports organisations to have good access to local school facilities outside of school hours. Improved school facilities should be used
for out of school hours activities and the schools themselves would benefit with reduced costs and connection to the local community, among many other benefits.

The Australian Government should consider the repair, upgrade and development of sport and recreation facilities in schools as an integral part of both its ‘education revolution’ initiative and the school building component of the economic stimulus package. It is also an opportune time to ensure the appropriate link is drawn between the building of new school halls across the country and the needs of relevant indoor sports.

It is time for all governments to take action to facilitate greater access to school sporting facilities outside of school hours and that greater community access is provided to tertiary education and other institutional sporting facilities.

**Recommendations:**

5.1 The Australian Government and state and territory governments should make sport in schools an ongoing priority and should agree that physical education be a stand alone key learning area in the national curriculum.

5.2 Relevant Australian Government agencies, including the Australian Curriculum, Assessment and Reporting Authority, should ensure that the national curriculum for sport and physical education be considered as soon as possible and no later than the second phase of the national curriculum, to be developed in 2011 and implemented in 2012.

5.3 The Australian Government should consider the repair, upgrade and development of sport and recreation facilities in schools as an integral part of its ‘education revolution’ initiative on the basis that public access to school sporting facilities is maximised.

5.4 The Australian Government and state and territory governments should take action to allow greater access to school (primary and secondary) sporting facilities outside of school hours.

5.5 Greater community access should be provided to tertiary education and other institutional sporting facilities.

5.6 The Active After-school Communities program should be reviewed and if continued beyond its currently funded term should be contracted out to other service providers at appropriate service standards.
CHAPTER 1.6: BUILDING COMMUNITY SPORT WITH PEOPLE AND PLACES

The infrastructure of community sport, made up of both people and facilities, is under threat. The supply of volunteers, often the lifeblood of any club or association is under pressure. There is no coherent approach to building community sports and the physical facilities they need.

If participation levels are to grow or even be sustained, policy makers and sports administrators must find new ways to encourage and support volunteerism. Governments at all levels will have to increase their investment in community facilities if grass roots sport is to flourish.

There are about 1.5 million volunteers\(^9\) involved in clubs and sport associations across Australia. They are coaches, officials, administrators and the helpers who arrive early to mark out the lines on the oval, provide refreshments and organise the fundraising events.

The tradition of volunteering is a competitive advantage for Australia, and is not replicated in many other countries. But sports organisations report increasing difficulties in securing enough volunteers. Modern lifestyles and flexible working hours do not fit easily into the schedules for community sport.

Compliance obligations and duties of care are increasingly onerous. Volunteers face increasing costs. There is rarely any reimbursement for required courses such as coaching, first aid and necessary police checks or other out of pocket expenses including telephone calls, travel cost, accreditation costs and sporting equipment.

Submissions and the consultation process highlighted the decline in volunteer numbers and described the pressures on volunteers as they try to balance work-life issues. Volunteer coaches and administrators are overloaded and under-resourced and feel trapped in their roles with little support.

Sports that use unqualified coaches run serious liability risks as well as the loss of participants to better organised and equipped sports. The problem is that capability comes at a cost.

Sports organisations are becoming more complex off the field. They are required to operate as a small business with all of its regulatory, legal, accounting, insurance and other administrative components. These demands place pressure on volunteers who are not fully equipped to carry out these roles.

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\(^9\) Parks and Leisure Australia, Submission to the Independent Sport Panel, 7 November 2008, pp. 2.
Of the volunteer organisations surveyed by Volunteering Australia as a part of the National Survey on Volunteer Issues 2007, half indicated that they experience barriers (including skills and training barriers) to using potential volunteers.

The Australian Government should explore a national scheme where volunteers would be reimbursed for mandatory accreditation courses such as coaching and first aid. Volunteers contribute their time and social capital and it is not unreasonable that they be compensated by government for undertaking mandated training.

There should be a central resource to help volunteers with technical support including advice on legal and insurance matters, handling GST and applications for grants. The Australian Sports Commission (ASC) should explore such a resource. Every sports organisation wrestles with similar issues and there are economies of scale in ‘knowledge’ and technical expertise. As already discussed in a previous chapter, larger national sporting organisations (NSOs), or other sports bodies could establish ‘shared services’ that could be offered to other sports or an organisation that is less tied to a particular sport.

There is need for a network of former elite athletes to volunteer and mentor others. Talented athletes are too often lost from the sport once they have finished competing at the elite level. The Panel sought to find out whether past Australian Institute of Sport (AIS) scholarship holders are still active in their sport and found that we have no system in place to track them, let alone encourages them to continue involvement in their sport. Clearly they have a great deal to offer as volunteer coaches and local leaders. The Australian Government through the ASC should invest greater energy and resources in its alumni network and encourage past scholarship holders to maintain their involvement.

Strategies to attract new volunteers are needed. There is a prospective pool of volunteers among the growing number of retirees (referred to in the next chapter). As the population ages, there will be more people for whom contributing to local community activities will become attractive. Strategies to attract these people to become involved should be explored.

There should be rewards for volunteers. Australians are so accustomed to having enough volunteers that we take them for granted. Currently there is no suitable scheme acknowledging volunteers in our sporting system. Some sporting clubs have initiatives that encourage volunteering, such as reduced registration fees for families that commit their services. These schemes should be encouraged by all levels of government.

Just as the volunteers need financial support, greater investment is needed in community sports infrastructure.

Currently most of the funding task falls to local government and it is under-resourced. The relatively small amount of Australian Government funding was often viewed as politically motivated and not related to an objective assessment of needs.

Community sports facility funding is simply not co-ordinated across all levels of government. Community groups find it difficult to apply for funding support. The process is complicated with several levels of government often involved. Invariably the community groups lack the necessary expertise.

The Australian Sports Foundation (ASF), which could be a source of funds, is barely known and certainly not understood. It is still small and donors are put off by uncertainty, unsure their gifts will reach their intended destination. Preliminary analysis also suggests that the ASF is being used primarily by wealthier sporting clubs and needs to be reworked so that it is also able to support less wealthy sporting organisations.

The Panel believes that there is an important and necessary opportunity for the ASF to become a better facilitator of funds across the sports system. It is now an appropriate time for the Australian Government to review the effectiveness of the ASF and to determine the best structure, governance and strategy required to deliver consistent and better co-ordinated funds to the sector.

There is limited data available which gives a fact-based picture of the supply and demand situation for sports facilities that would enable informed decisions to be made. The common view expressed to the Panel is that facilities do not meet demand and, in the case of field sports, the drought is making it worse. Local governments do not have sufficient resources to address the sporting needs, yet existing sports facilities in schools, universities and defence installations are often underutilised.

The ASC should lead a review of sports facilities in education and defence institutions that are currently locked away from community use.

There have been calls for a ‘national audit’ of sports facilities. Audits have been conducted in some states/territories and regions and good data is held by some local governments. This data is generally collected and stored independently using different systems and may not be compatible with data from other states/territories or local governments. Many local governments do not have good data on infrastructure in their jurisdictions.11

The Panel is not convinced that a national audit is needed. It would be a massive task and probably out of date by the time it was completed. It would run the risk of ‘paralysis by analysis’ when the real problem is already known on the ground.

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The Australian Government has made commitments of approximately $118.5 million for sport and recreation facilities, administered through the Department of Health and Ageing and the Department of Infrastructure, Transport, Regional Development and Local Government over the 2008–09 and 2009–2010 financial years.

In addition the Australian Government has announced $1.67 billion in funding through programs including the Regional and Local Community Infrastructure Program and Jobs Fund Initiative. A component of this will go to sport and recreation funding, including sport and recreation infrastructure funding.

This is welcomed by the Panel. Successive Australian governments have considered funding for community facilities as mainly the responsibility of state, territory and local governments, with comparatively minor funding coming from the Australian Government. There is a need to build a physical infrastructure strategy around the Australian Government’s announced commitments, and that annually the Australian Government adds to this fund.

In keeping with the principle explained earlier—that the Australian Government ‘manages’ the elite sports while state, territory and local governments ‘manage’ community sport—this particular fund should be entirely devoted to community sports facilities. Elite facilities or major stadium upgrades would be handled through a different budget process.

A fund of (say) $250 million each year could then be divided between the states and territories in rough proportion to their populations. Local government and community sporting organisations could then present proposals to the states and territories for their projects. Some preference could be given to projects where state, territory and local government—and the communities themselves—match the Australian Government dollars. Small projects—such as new cricket nets or refurbished toilets—should be assessed through a much simpler process than more expensive projects. Priority would also be given to disadvantaged areas and incentives should be designed to ensure that cross-border issues are addressed.

This more ‘bottom up’ approach would have the advantage of greater ownership by local communities and would push decisions down to where the competing projects are known and best evaluated. A straight-forward application process should be designed. At present community groups find it hard to know how to apply for funding support even when programs are in place.

The exact size of such a fund cannot be quantified at this time in the absence of robust data. There is little doubt that the current need would exceed $1 billion, so a four or five year program of $200 million to $250 million per annum would soon make a major difference. A process will also need to be designed to ensure that any Australian Government funding supplements, rather than replaces other spending. This proposal will require agreement at the Council of Australian Governments (COAG) level.
Recommendations:

6.1 The Australian Government should develop and fund a national volunteer program for sporting and physical activity organisations that aims to attract and retain volunteers to sport through education, accreditation and recognition and in particular takes account of the potential offered by the growing number of older Australians to become volunteers.

6.2 The Australian Government should establish and fund a national scheme that encourages past high-performance scholarship holders (Australian Institute of Sport and state and territory institutes and academies of sport) to volunteer within community sport organisations as coaches, managers, administrators and mentors.

6.3 The Australian Government, in consultation with the state and territory governments, should develop a strategic national facilities initiative for the funding and development of Australia’s community sport and recreation facilities over the next decade.

6.4 The Australian Government should establish a national sport facilities fund with an initial allocation of $250 million each year for four years, to begin the implementation of the strategic national facilities initiative in partnership with state, territory and local government and the private sector, where appropriate.

6.5 The national sport facilities fund should have an initial focus on drought-proofing assets that are determined to be of ‘high-priority’.

6.6 In any infrastructure programs, preference should be given to projects that have the potential to engage wide sections of the community, such as multi-sport facilities in proximity to other community infrastructure, to help with sustainability and to increase social capital.
CHAPTER 1.7: ENSURING AUSTRALIA’S SPORTS SYSTEM IS OPEN TO ALL

There have always been groups in our community who have not participated in sport. Policy makers and sports administrators need to understand why some people choose a sporting life, while others are less inclined.

The barriers for many people and the impact of our changing demographics and lifestyles on Australians’ engagement with sports and physical activity need to be examined so the system can be opened to all.

According to survey data\textsuperscript{12} around 50 per cent of Australians participate ‘regularly’ in sport and physical activity. The ‘missing half’ has become a formidable policy challenge. If sport contributes to the nation’s health and community cohesion, a key task for sports policy makers and administrators is to address the factors and, in some cases, the barriers that prevent participation.

The ageing of the population and the growth of immigration is significantly changing the Australian demographic. This requires strategic focus and provides opportunities for innovation across the sport system. These demographic changes will require new and different approaches and an understanding of where sport fits in the spectrum of entertainment and leisure.

Across our communities we are experiencing significant lifestyle changes and pressures which must be understood in the context of encouraging greater participation in sport and physical activity.

The Panel has identified nine areas which must be a focus of the strategic work done by the reformed Australian Sports Commission (ASC). In each area, specific strategies will be required to understand and remove existing barriers to participation and to create inclusive environments where participation can grow. This focus reinforces the primary recommendation of the Panel, that the ASC needs reform, structural change and appropriate new skills in the strategic leadership of the sports system.

The nine areas identified by the Panel are:

- **Women**—taking leadership roles in sport and recognising presence
- **Our ageing population**—supporting relevant sport and recreation and ensuring appropriate infrastructure
- **Our young people**—understanding their options and encouraging new forms of sports and physical activity engagement
- **Indigenous communities**—ensuring resources reach the grassroots and sustainable programs are built
- **The time-poor**—innovation around less structured activities
- **The disadvantaged**—tackling affordability and access issues
- **People with disabilities**—facilitating access and inclusion
- **Migrant communities**—welcoming and providing appropriate access
- **Homophobia and sexuality discrimination in sport**—new opportunities for inclusion

**Women:** Sports participation rates for women and men are much the same\(^{13}\). Participation is marginally higher among young males compared to females but this is reversed among older people. In many respects the issues facing men and women in sport are similar and can be dealt with through the same strategies. However, women require special consideration across the sporting system with respect to representation and funding.

Women are under-represented in leadership roles, as coaches and administrators in sporting organisations. This is an opportunity missed in this extremely competitive sector. Of 50 national sporting organisations (NSOs) that consulted with or made submissions to the Panel, only 15 had a female chief executive officer or executive director. Of the 350 identified board positions in these organisations, only 25 per cent were held by women.\(^{14}\) In another survey of the top 40 sporting organisations in Australia, only 13 per cent of executive positions are filled by women. With roughly the same number of participants in sport, it would be a realistic goal to have closer to 50 per cent representation of women in these leadership roles.


\(^{14}\) Analysis by the Independent Sport Panel of publicly available information on board and executive positions of fifty national sporting organisations that engaged with the Panel through the Panel’s consultation process. Data was accurate as at 1 April 2009.
The Panel notes the About Time! report\(^\text{15}\) of the 2006 Senate Environment, Communications, Information Technology and the Arts Committee Inquiry into Women in Sport and Recreation in Australia (the Women in Sport Inquiry). There was strong support amongst submissions for the Australian Government to further consider and progress the key findings of the Women in Sport Inquiry. The Panel agrees and notes that acting on the recommendations of the Women in Sport Inquiry will progress this issue significantly, particularly in the context of how women perceive their participation in the sports sector.

On the funding issue, the financial squeeze on women’s elite sports is likely to be even more severe than for their male counterparts. The Panel commissioned research into the drivers of commercial sponsorship in sport\(^\text{16}\). While sport properties still resonate strongly with male audiences, females are less likely to resonate with women’s sport than with other entertainment properties. As a result of this, women’s sport will continue to find it more difficult to attract corporate sponsors and media support. This view, expressed here in a preliminary fashion, should be fully explored by the ASC. If it is true, the case for government financial support for women’s sport grows. The Panel notes in this context that only two per cent\(^\text{17}\) of televised sport is women’s sport but women won 57 per cent of Australia’s gold medals in Beijing\(^\text{18}\).

**Our ageing population:** Over the next 20 years, Australia’s population will undergo some dramatic shifts that will pose enormous challenges and opportunities for promoting sport and recreation.

Australia will have many more young children but it will have lesser growth of numbers in the 35 to 64 year age bracket and a more than doubling of people aged over 65.\(^\text{19}\)

The relative contraction in the mid-age category spells trouble for sports that rely mostly on parent volunteers to staff their programs. Still, the growing ‘grandparent’ age group provides opportunities to draw them in as volunteers.

A special focus on older people is now warranted, encouraging them as volunteers and participants. We must support sports and physical activities that meet the needs of older Australians. In the past, the ASC’s financial support has gone primarily to young athletes who are engaged in Olympic sports. Virtually nothing has gone to lifetime sports like golf, bowls and tennis or to sports organisations with programs for older people. This needs to change.

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\(^{15}\) Parliament of Australia, Senate Environment, Communications, Information Technology and the Arts Committee, About Time! Inquiry into women in sport and recreation in Australia, September 2006.

\(^{16}\) Gemba Group, Australian Sport—Commercialisation, Challenges and Opportunities, August 2009, pp. 22.

\(^{17}\) Australian Government, Australian Sport: Emerging Challenges, New Directions, pp. 7.

\(^{18}\) The Hon. Tanya Plibersek MP (Minister for the Status of Women), Speech for International Women’s Day—Women’s World Cup, North Sydney Oval, Sydney, 8 March 2009.

The young: Young people participate in a wide range of sports. Their participation in more traditional sports is being affected by their increasing involvement in ‘non-traditional’ sports, which involve physical activity and participation rather than formal competition. The Panel was consistently informed that this is a significant trend with decreasing participation rates in the more traditional, team based sports marked by formal structures and competitions.

Teenagers have changing priorities as they complete school, begin to work and become more involved in other activities. They also have competing commitments. Teenagers have become more involved in computer based activities and social activities and place less emphasis on participating in sport.

There is a lack of sporting role models who are accessible to teenagers and that may be having an impact. For young women in particular, self esteem and body image issues may play a role in keeping them away from sport.

Many drivers are at play in changing the way in which young Australians engage with sport and physical activity. The Panel was provided with compelling evidence of the range of entertainment and recreation activities with which sport now competes, the emerging trend of greater emphasis on other social activities, and the rapidly changing dynamic of family life20.

Elsewhere the Panel has made recommendations about the need to reunite sport with the education sector, and the ASC should take a lead role in designing innovative strategies for the greater sporting participation of our young people. This must include understanding the role of all relevant institutions, including universities, technical colleges and other places of learning.

Demographic analysis commissioned by the Panel confirmed the need for specific and focused attention to be given to the engagement of young people21. In the next 30 years, Australia will experience a significant growth in children and young people. If we are to properly engage those young people and promote their involvement in sport and physical activity we require a considered strategic plan, utilising all available assets and focusing on the role of community based sport as a priority.

Indigenous communities: The potential for sport to contribute to ‘Closing the Gap’ in Indigenous health and well-being is widely recognised. The Panel has consulted with Indigenous stakeholder groups, including organisations that deliver sport and physical recreation services to Indigenous communities.

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20 Gemba Group, Australian Sport—Commercialisation, Challenges and Opportunities, August 2009, pp. 14.
There is an opportunity for the ASC, in partnership with governments, NSOs, business and many others, to define the sustainable and strategic role of sport in delivering health, educational and employment opportunities for Indigenous people and communities.

Sport is a proven way to engage Indigenous young people but is under-resourced, and often not connected with other engagement programs. Sports facilities and resources are minimal in most remote communities. Much is being spent but little actually reaches the communities with much of the resources being absorbed in administration. Government departments and non-government organisations (NGOs) often use sport to achieve other social outcomes but they are not co-ordinated with sports infrastructure leading to wasteful, duplicated and ineffective outcomes. Put simply, there are too many missed opportunities in the lack of a coordinated strategy using sport as a means of delivering significant benefits to Indigenous Australians.

Vast amounts of energy and time of community development workers is absorbed in applying for grants and making acquittals to multiple stakeholders. The costs and time of dealing with remoteness and long distances pose enormous challenges. The Panel observes that a return airfare from Sydney to Los Angeles is now cheaper than a flight between many regional centres in Australia.

All levels of government are involved in the delivery of sport and recreation services to Indigenous Australia. The general view is that a combination of limited funding, a duplication of activities, limited strategic direction and limited understanding of the Australian sports industry has resulted in an inefficient, fragmented and under-resourced approach.

Concerns were also raised that funding is committed through annual application-based grant processes. These have historically supported one-off, short-term activities that limit the development of genuine community capacity and undermine the potential for sustainable community-run sport programs.

Less than 25 per cent\(^\text{22}\) of Australia’s Indigenous people live in remote areas and so this is an issue that involves capital cities as well as regional Australia. And the Indigenous population is much younger than the non-Indigenous population. Over half is under 30 years old.

The ASC needs to work with various stakeholders to address the problems described above. Sports, particularly those that are popular in Indigenous communities, have a special role in supporting education and employment strategies and are valuable contributors to building social capital in communities. There is great potential here for new collaboration and the expansion of programs which have demonstrated their success, but struggle to attract sustainable long term funding and commitment.

\(^{22}\text{Australian Bureau of Statistics, Population Distribution, Aboriginal and Torres Strait Islander Australians, 2006, cat. no. 4705.0.}\)
Sport offers one of the most efficient and trusted pathways for success for many Indigenous people and communities. We underplay its significance in Australia and fail to take advantage of one of our clearest opportunities to deliver successful social outcomes—it’s not just about Aboriginal role models in sport—it is the total pathway of health, setting clear goals, aligning sporting opportunities with responsibility around education and employment.

NSOs should be encouraged to further their commitment to Indigenous athletes. With the growing numbers of elite Indigenous athletes, there is a significant opportunity to support a number of them who wish to work with their communities after they retire from full-time competitive sport.

**The time-poor:** The two-income and single parent families are on the rise. This creates more families that are “time-poor” and leaves little time for sport. For some, exercise is ‘purchased’ at a gym although this is unlikely for those who are financially, as well as time, poor.

For many, their own schedules are generally incompatible with organised sport. Exercise has to be squeezed in where it can. Building greater flexibility into the timing of exercise programs and fixtures will help. While some traditional sports are expanding, the growth areas include activities such as walking, running, cycling and aerobics/gym exercise, essentially activities that can be done on an individual basis. There is substantial growth in the number of people engaged in non-structured physical recreational activities, such as skateboarding, skiing, golf, cycling and in more informally organised competitions such as mixed indoor cricket, netball and volleyball.

Elsewhere in this report, we have noted that many traditional sports organisations have an ambivalent view of these ‘fast food sports’. Many NSOs have ignored them and failed to grasp the participation and commercial opportunities that accompany them. From a sports policy point of view, there are at least two implications to be explored. Firstly, public investments in non-traditional assets such as bike paths and skateboard parks are important, as are the tennis courts and cricket grounds. And secondly, the NSOs should be encouraged to develop more flexible products at club level, less organised around traditionally structured competition fixtures.

**The disadvantaged:** Social background, gender and disability all have a strong influence on the scope and quality of early experiences of sport. Club sports are made up mostly of children from middleclass backgrounds, which is due in part to cultural traditions but also because participation requires adequate disposable income to pay for fees, uniforms, equipment and transport.
The link between lower income families and low participation in sporting activities has been noted elsewhere. The *Children and Sport* report found a strong correlation\(^{23}\) between participation and family income. The parents of junior sport participants were predominantly in white-collar occupations.

The costs of participating in sport and recreation are said to be increasingly onerous for many working families. Sports are facing escalating costs. Insurance costs are increasing and facility owners (including local government) are moving to more commercial charges for use of their facilities. The sporting clubs themselves struggle with replacement of volunteers with paid support.

In many sports there is a greater demand for higher quality facilities which come at costs not easily absorbed by local sporting organisations. Hockey is an extreme example where the use of expensive synthetic pitches has become the norm. The drought is providing serious challenges to tennis courts, cricket and football grounds around much of the country.

Insurance costs illustrate the problem. The 2002 Senate Standing Committee on Economics *Inquiry into the impact of public liability and professional indemnity insurance cost increases*\(^{24}\) showed that sport and recreational organisations have been disproportionately affected by increases in the cost of public liability insurance. These increased premiums are being passed on to the participants at the grassroots level. This issue continues to place financial burdens on community sporting clubs.

The cost of sport participation has increased by much more than the Consumer Price Index (CPI) or inflation. According to the Australian Bureau of Statistics (ABS)\(^{25}\), the CPI increased in Australia by 36.6 per cent over the 10 years from 1998–99 to 2008–09.

The data suggests the ABS sports participation expenditure class (that includes sporting club subscriptions and registration fees) increased by up to 69.4 per cent over the same period.\(^{26}\) A broad and informal analysis conducted on behalf of the Panel by the Australian State Sports Federations Alliance (ASSFA) shows an average increase in costs of 92 per cent across 15 randomly selected local clubs and sporting organisations.

Participation involves costs for boots, uniforms, bats, racquets, gloves and protective helmets, or the petrol required to transport children to venues. For many families these escalating costs are

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\(^{23}\) Tim Olds PhD, Jim Dollman PhD, Kate Ridley, Kobie Boshoff PhD, Sue Hartshorne, Simon Kennaugh University of South Australia, Australian Government, Australian Sports Commission, *Children and Sport—the full report, A report prepared for the Australian Sports Commission, a research report by the University of South Australia, 2004.  
\(^{25}\) Australian Bureau of Statistics, *Consumer Price Index series*, cat. no. 6401.0 
\(^{26}\) Australian Bureau of Statistics, *Consumer Price Index series*, cat. no. 6401.0
increasing burdens on family budgets and limit their ability to support children participating in multiple sporting competitions and physical activities. Some sport and physical activity groups have tried to support families by reducing registration fees when several children from the same family participate in a sport. This comes at the expense of the club through loss of revenue or increased expense for other families.

A task for the ASC is to consider how these costs can be contained and whether forms of assistance to the poorest families can be devised to encourage participation.

The Panel understands there are a small number of postcode areas in Australia where a disproportionately high level of social disadvantage is to be found. If sport is a positive force for community health and social inclusion, it may be possible to test its effects where its impacts are most needed.

**Persons with disability:** There were calls for more funding for sporting and other organisations that provide services and support to athletes with disabilities at both the elite and community level. Appropriate levels of funding should be made available to community organisations to increase participation in physical activity by marginalised or isolated groups, such as people with a disability. It was suggested financial support should be ongoing.

Consistent with other areas of sport, there was a call for a better co-ordinated approach to sport for people with a disability. There is the need to ensure all sporting organisations adopt an ethos of inclusion for people with a disability.

Better coaching for athletes with a disability is an area that needs improvement. There should be general inclusion of related training courses for coaches in all sports for people with a disability. Some submissions said it should be mandatory for ASC coaching courses to include a component on coaching and training athletes with a disability.

The cost alone is prohibitive for many people who want to try different sports. The cost of specialised equipment, for example specially fitted out chairs, is extremely high and a barrier to participation for people with a disability.

The ability of sports for people with a disability to capture the sponsor dollar has always been difficult and this is becoming increasingly so as the pool of corporate funds shrinks in the current economic climate.

Also at the community participation level, there are difficulties experienced by athletes with a disability participating in sports with able bodied athletes. The basic skill levels required are different and that makes competing practically impossible, and does not encourage involvement.
Currently many people with a disability participate in sport outside a structured sporting organisation. This results in a missed opportunity for both the individual and the sports organisation.

Important programs such as Sports CONNECT exist. This is a national framework that builds pathways for people with disability to get involved in sport by creating and developing relationships between sports and disability organisations.

Through the work of Sports CONNECT more people with disability are recognising the many social and health benefits resulting from involvement in sport. At the same time it is important that sports organisations continue to develop awareness of the significant benefits of involving people with disability either as participants, administrators, volunteers, coaches or officials.

**Our migrant communities:** Today, around 25 per cent of the Australian population (around 5.3 million people) were born overseas and that percentage is even higher in Sydney and Melbourne. A language other than English is spoken in 20 per cent of homes. These numbers will increase further over the coming decades and the source of migrant intake is also shifting from Europe towards Asia and the Middle East. Today, after English, the most commonly spoken language in Australia is Chinese, followed by Italian, Greek, Arabic and Vietnamese.

ABS survey data suggests that ethnic minorities and people born in non-English speaking countries are more likely to have lower participation rates in sport and physical activity. It is difficult to engage new migrants in sport at all. First-generation migrants from non-English speaking backgrounds show low levels of participation.

There are many barriers to migrant participation associated with cultural differences.

Although language is the most significant, migrants often prioritise earning a living during the process of settlement and do not have the time for social or leisure activities. Other barriers also include the availability of culturally appropriate community programs, such as the issue of mixed groupings in exercise classes. The sporting preferences of migrant groups may be in less accessible sports such as badminton and table tennis.

There are great challenges here for social inclusion but there are opportunities for sport to contribute to building a better society. The sports sector, through the NSOs, should be encouraged to work with migrant groups to a greater extent than it has done to date.

28 Australian Bureau of Statistics, *Migration, Australia, 2006–07* cat. no. 3412.0
30 For example, ABS data from the 2005–06 Multi-purpose Household Survey indicated that only 36 per cent of people were born in southern or eastern European countries and 38 per cent of migrant from north African and middle eastern countries participated in some kind of physical activity.
The Panel believes that in its role in advising the Australian Government on issues of social cohesion and the social participation of migrants in Australian society, the Australian Multicultural Advisory Council (AMAC) should consider the unique role of sport in this regard and work with the ASC to design specific strategies to encourage greater participation and engagement.

**Homophobia and Sexuality Discrimination:** State and territory anti-discrimination laws within Australia recognise the equal rights and respect due to gay, lesbian, bisexual and transgender people, and sport is covered by these state/territory laws. The Panel was advised that researchers have recently identified sport as a significant site of homophobic discrimination, and that gay, lesbian and bisexual athletes face significant unique challenges. These range from dealing with the impacts of homophobia, the concealing of sexuality, and the resultant impacts on sporting performance and opportunity.

In research conducted in Australia in 2004, an increasing number of same-sex attracted young people indicated that they felt discriminated against due to their sexuality, with sport identified as an unsafe environment. Those who suffered abuse or discrimination fared worse on every indicator of health and well being.

The Panel believes that this is an area which has been largely neglected in sports policy and where the ASC can play an important role in working with researchers and the sports community to better understand the issue and work to build appropriate strategies for more inclusive outcomes.

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**Recommendations:**

7.1 The Australian Sports Commission, in consultation with Australian Government, state and territory and local governments and agencies and appropriate experts, should develop strategies as a matter of priority in the nine key areas identified by the Panel. In each category, the Panel has made specific comment on the key issues to be addressed and these should provide the context in which strategies and recommendations are designed and communicated across the sporting system. In some instances, this would involve the setting of targets, the undertaking of new research and analysis, and significant community consultation.

7.2 The Australian Government should choose several geographic areas across Australia where many or most of the nine issues exist and contribute to significant social disadvantage, and design projects which place sport, recreation and volunteering at the centre of plans to improve community outcomes. This would involve collaboration with the state, territory and local governments and agencies responsible for indicators of disadvantage in partnership with national sporting organisations, non-government organisations and communities.
CHAPTER 1.8:
SUSTAINING
THE FUNDING BASE FOR SPORT

Does sport need more money, or does it just need to use the existing pool of funds better? More money can fix most things in sport. However, transparency of priorities and more innovation in the development of funding opportunities will have greater lasting effects on the sector.

Throughout the review process, the call for increased funding for sport and better co-ordination of the funds currently available was consistent. Stakeholders want greater investment on areas as varied as facilities, elite sports identification and development, grassroots participation, pathways for coaches, officials and volunteers, sports science and medicine.

The call for more funding was loud but suggestions for innovation, identification of new sources of revenue and better targeted investment were muted. A few submissions did, however, argue that the sports system has enough money in total but that it is not well distributed, poorly managed and often not linked to long term sustainable investments.

The Panel was unable to ascertain the total level of funds spent by Australian Government Departments or agencies on sport or sport related matters. There is no central registry of amounts spent on sport and no requirement to inform any central agency. Sports related payments identified included subsidies, infrastructure, tourism, trade, education, welfare, Indigenous affairs and so on.

The Panel is not in a position to suggest firm proposals and budgets for funding but it makes the following points.

There is a strong case for increased Australian Government funding of sport. Given the importance of sport to the nation and its potential to contribute to improving health and community outcomes, the Australian Government’s identified direct sport budget does not appear large at present (at around $200 million per year).

How much more should be spent on sport will largely depend on consideration of issues beyond the Panel’s scope. The justification for government funding lies largely in achieving elite success in international events and in the health and community inclusion benefits that derive from community participation in sport.
The Panel has expressed its view on requests for increased funding to sustain a ‘Top Five’ position in the Olympic medal count. The Panel does not believe that the medal count is an appropriate measure of Australian performance or that ‘Top Five’ is a sensible target. The Panel’s judgement, after hearing all of the submissions and looking at the data, is that if another $100 million per year is invested in sport it would better directed to other priorities.

The Panel is convinced that increased investment in community sport infrastructure is important. Community sport underpins elite sport by deepening the talent pool but also directly contributes to the social agenda. The Panel has proposed that the community infrastructure investment announced by the Australian Government ($1.02 billion) be supplemented with an annual contribution of around $250 million for community sports facilities. Furthermore, the Panel is convinced that some selective investment in supporting volunteerism—such as reimbursement of mandated courses for coaches and officials—would be beneficial.

The Panel is convinced that investment through the national sporting organisations (NSOs) in targeted programs aimed at marginalised groups will be beneficial. But these should be framed in concert with other initiatives to ensure that the effort isn’t wasted.

Targeted investment in the NSOs—and to support the sharing of resources between sports organisations—is also attractive.

The Panel agrees with the calls for a more balanced proportion of the total spending to be committed to community sports participation and the pathways from junior to elite level involvement.

There has been an ongoing debate in Australia regarding the introduction of a Higher Education Contribution Scheme (HECS) for professional athletes. Under the system, once athletes have created an income stream from sport, they would be asked to reimburse some of the money spent by the taxpayer on their development.

There is not universal support for imposing a HECS style payment on elite sportspeople with many citing the time-limited nature of a sporting career and saying the imposition of a HECS style payment would be a disincentive for elite sportspeople to participate at the highest level of competition. As well, the costs of collection would appear to outweigh the benefits of such
a scheme. At this point, the Panel sees no reason to introduce such a scheme although the Australian Sports Commission (ASC) should ensure that the case against it is a strong one.

There was widespread support for the introduction of a sports lottery, similar to the current United Kingdom (UK) model. The NSOs and in particular the non-professional sports were strong advocates for such a lottery. Many organisations saw the introduction of a sports lottery as a way of raising funds for elite and community sport without placing an additional burden on the Australian Government budget. However, the Panel is not attracted to this. It understands that there are constitutional obstacles because lotteries are a state and territory responsibility. But as well, the Panel observes many opportunities already exist for gambling in Australia and sees little merit in promoting another one.

It has been stated earlier in this report that better use could be made of the Australian Sports Foundation (ASF). There were calls for the ASF to receive a direct appropriation from the Australian Government so that all donations to the ASF can be distributed back to local sporting organisations.

It was also suggested that opportunities for corporations to donate funds through the ASF to benefit grass roots participation could be better promoted and the rules surrounding administration made much simpler. The ASF was also considered to be a suitable vehicle for raising the level of support for disadvantaged groups to enhance a more inclusive opportunity for those in need.

Attendees at the community forums were generally aware of the ASF but most did not understand its role, or the way in which it could be successfully utilised in their communities.

The ASF needs to be much better promoted across the sporting system. Its administration needs to be reviewed to ensure ease of access, and consideration be given to the means by which it can be made more accessible to disadvantaged communities.

The topic of sponsorship was consistently raised during the Panel’s investigation.

It was noted at most of the community forums that sponsorship support and government funding programs were more available to those sporting organisations that have the expertise and resources to pursue funding strategies. Conversely, organisations and clubs with little expertise in this area tend to expend much time and energy chasing funds, often unsuccessfully.

The Panel believes that there is room for improvement in this regard, and that there is a need for government, and national and regional sporting bodies to provide expertise and advice to local sporting organisations.

Sponsorship has played a critical role in providing money to many sports but submissions identified growing objections to certain types of sponsorship.
Typically, these concerned sponsorship from brands and businesses perceived to be contributing to health and social problems; alcohol, gaming and fast foods were specifically identified. Many submissions commented on the inappropriateness of certain partnerships forged between sport and commercial interests and suggested that certain categories should be banned from being able to sponsor sport in Australia.

The Panel believes this is a legitimate and growing community concern. Sport is seen to be a vehicle for the promotion of a healthy and active lifestyle and plays a key role in the preventative health arena. Sports organisations need to be conscious of this shift in community attitudes and begin to build alternate forms of corporate relationships for the future. A time may come when alcohol, gaming and fast food relationships with sport will not be sanctioned.

An indication of the Australian Government’s intent can be seen in the Minister for Health and Ageing’s announcement of a $25 million fund to replace some types of sponsorship. In September 2009, The Minister told Parliament, the government had created the fund out of additional revenues created by the ‘Alcopops’ excise. The money is for sporting and cultural organisations and other community activities, as an alternative to sponsorship from alcohol companies.31

Consistent with the views of the Panel about the need for better governance of our NSOs, the Panel believes that the identification of new forms of commercial opportunities and relationships should be a key strategic priority for all sport. The ASC should assist the NSO community with strategic planning support in this area as a priority.

The Panel also believes that the NSOs must position themselves to take every opportunity to increase sponsorships for their sports. As argued previously, some sports have neglected their grassroots participants and are losing the commercial opportunities that come with them. Others have governance structures that impede development of other sources of income and these need to be challenged.

The Panel has noted the complex financial relationship between the Olympic sports and the Australian Olympic Committee (AOC). Work needs to be done by the ASC to establish whether the contractual arrangements that limit NSOs securing their own income around the time of the Games and the amount contributed by the AOC to the Olympic sports can be improved.

Financial barriers to sports participation was a strong and common theme throughout the review process. The cost of fees, insurance, equipment and uniforms are all posing a barrier to growing the participation base. This has been discussed in other areas of this report.

Overall, the Panel understands that the economic environment will be tight and that funding increases will have to be strongly justified. The Panel believes that significant gains can be made at

low or no cost. For example, the merging of the state and territory institutes and academies of sport (SIS/SAS) and the reform of the ASC should yield net benefits. Investment in increasing the capacity of the NSOs will not be large and should be partly funded by some savings from more aggressive sharing. The Panel is not proposing large increases in investment in elite sport—but rather that it be maintained and spread around a little differently. There is a big request for funding for community sport infrastructure—but this will contribute to a social agenda that is much wider than sport itself.

**Recommendations:**

8.1  The Australian Government should maintain sport funding at current levels and should consider supplementing this funding on the basis of the agreed targets for high performance and participation outlined in the national sports policy framework.

8.2  The Australian Government should provide to the new Australian Institutes of Sport (AISs) at least the existing level of funding allocated to the Australian Institute of Sport by the Australian Sports Commission and the combined allocation of state and territory governments to the state and territory institute and academies of sport.

8.3  The Australian Government should not introduce a HECS style contribution scheme for graduates of the existing Australian Institute of Sport, state and territory institutes and academies of sport or the new Australian Institutes of Sport (AISs), but rather it should introduce a scheme that requires graduates from these institutions to donate time and or expertise to the Australian sport system.

8.4  The Australian Government should not introduce a national sports lottery at this stage but should negotiate with state and territory governments to provide a share of existing lottery revenue for sport and recreation facilities and programs.

8.5  The Australian Government should review the governance, structural and operational arrangements of the Australian Sports Foundation to raise awareness within the community of the opportunity offered by the Australian Sports Foundation for fundraising and to provide easy access to the Australian Sports Foundation by community groups.

8.6  That the Australian Sports Commission in conjunction with the Department of Health and Ageing should explore the viability of tax rebates, voucher or another system designed to reduce the cost of participation, and the likely contribution of such schemes to increasing participation levels.
Chapter 1.1: Defining Our National Sports Vision

1.1 The Australian Government, advised by the Australian Sports Commission and in consultation with state and territory governments, should develop a costed national sports policy framework and submit the framework to the Council of Australian Governments for endorsement.

1.2 The national sport policy framework should include the following:

a) Measurable national objectives and priorities for public funding including success for high performance and participation, with domestic and/or international significance and capacity to contribute to the Australian Government’s objectives for social inclusion and preventative health.

b) Financial and non-financial strategies to achieve those objectives including strategies that provide for greater participation.

c) The roles and responsibilities of various levels of government and their agencies in delivering those strategies; including the sport and recreation, health, education, Indigenous and youth portfolios.

1.3 The national sport policy framework should be supported by availability of robust data:

a) To ensure maximum effectiveness and efficiency, the Australian Government, in consultation with state and territory governments, should design and fund collections of statistics and other data to inform policy development generally and to assist ongoing evaluation of national sport policy framework strategies.

b) The Australian Sports Commission should develop a system for collection of participation data from national sporting organisations that is reliable, valid, repeatable and comparable across sports.

1.4 The Australian Government should ensure that Australia remains at the forefront of the global fight against doping in sport and that Australia’s domestic anti-doping regime reflects world best practice in deterrence, detection and enforcement and incorporates the recommendations of the Panel into the structural and governance arrangements of the Australian Sports Anti-Doping Authority.
Chapter 1.2: Reforming the Australian Sports Commission to Lead the Sports System

2.1 Recognising the complex nature of the Australian sports system, a single point of focus is required to provide leadership. That point of focus should be the Australian Sports Commission.

2.2 Consistent with the Australian Sports Commission’s leadership role, it should not be involved in service delivery. Those activities that give the Australian Sports Commission a ‘conflict’ with the other organisations it is supposed to deal with and support should be taken away from it. Specifically, the Australian Institute of Sport should be separated from the Australian Sports Commission (we discuss this further in the next chapter) and the Active After-school Communities program should be contracted out to appropriate providers at agreed performance standards.

2.3 The Australian Sports Commission should be responsible for developing the overarching strategy framework in light of Australian Government policy, proposing and measuring national outcomes, contributing to policy proposals, solving problems, allocating Australian Government money to elite and community organisations and strengthening and evaluating the national sporting organisations. And very importantly, it should be building collaboration across the sports system.

2.4 The Australian Sports Commission board and executive leadership should be reconstituted to ensure that the right skills are in place to meet the Australian Sports Commission’s new objectives. The Australian Sports Commission board should be reconstituted with no more than eight non-executive directors plus the chief executive officer as a board member. Board members should be chosen on a skills basis but with relevant and diverse experience and a truly national perspective. A chairman and chief executive officer who can best bring the skills and vision appropriate to the new challenge should be appointed.

Chapter 1.3: Merging Our Institutes of Sport

3.1 The Australian Institute of Sport should be removed from the Australian Sports Commission and amalgamated with state and territory institutes and academies of sport, into a single Australian Institutes of Sport (AIsS), funded by the Australian Government, and with the existing combined funding levels.

3.2 For elite sport, the Australian Government should be responsible for support of national level programs, state and territory governments for state and territory level programs and in association with local governments for developmental programs.
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3.3 State and territory based programs should be funded and managed by the states and territories (even if with Australian Government contributions) with the objective of identifying and preparing athletes for progression into national programs.

3.4 Where appropriate the Australian Government and state and territory governments should negotiate appropriate arrangements for use and control of existing facilities used by state and territory institutes and academies of sport.

3.5 Australia’s high-performance sport system should be based on the principle that elite programs be delivered at optimal locations—and the system must facilitate the engagement of other providers such as universities and private organisations where appropriate.

Chapter 1.4: Building the Capacity of Our National Sports Organisations

4.1 National sporting organisations should have primary responsibility for development of their own high-performance programs with assistance from the Australian Sports Commission as appropriate on a case-by-case basis.

4.2 The Australian Sports Commission should make the adoption of appropriate and national skills-based governance structures that reflect the diversity of membership a funding condition for national sporting organisations.

4.3 National sporting organisations boards and managements should place engagement of recreational participation as a key priority and that this focus should be backed by government policy at all levels.

4.4 All national sporting organisations that are highly dependent on public funding should have rolling five year national plans that set the targets and measures by which the national sporting organisations should be judged.

4.5 To address duplications of functions, the Australian Sports Commission should encourage ventures that provide ‘shared functions’ to sporting clubs and bodies and should make ‘sharing’ a condition of financial support to identified national sporting organisations.

4.6 National sporting organisations that are engaged in the Olympics should explore events that raise profile outside the Olympics.
Chapter 1.5: Putting Sport and Physical Activity Back Into Education

5.1 The Australian Government and state and territory governments should make sport in schools an ongoing priority and should agree that physical education be a stand alone key learning area in the national curriculum.

5.2 Relevant Australian Government agencies, including the Australian Curriculum, Assessment and Reporting Authority, should ensure that the national curriculum for sport and physical education be considered as soon as possible and no later than the second phase of the national curriculum, to be developed in 2011 and implemented in 2012.

5.3 The Australian Government should consider the repair, upgrade and development of sport and recreation facilities in schools as an integral part of its ‘education revolution’ initiative on the basis that public access to school sporting facilities is maximised.

5.4 The Australian Government and state and territory governments should take action to allow greater access to school (primary and secondary) sporting facilities outside of school hours.

5.5 Greater community access should be provided to tertiary education and other institutional sporting facilities.

5.6 The Active After-school Communities program should be reviewed and if continued beyond its currently funded term should be contracted out to other service providers at appropriate service standards.

Chapter 1.6: Building Community Sport With People and Places

6.1 The Australian Government should develop and fund a national volunteer program for sporting and physical activity organisations that aims to attract and retain volunteers to sport through education, accreditation and recognition and in particular takes account of the potential offered by the growing number of older Australians to become volunteers.

6.2 The Australian Government should establish and fund a national scheme that encourages past high-performance scholarship holders (Australian Institute of Sport and state and territory institutes and academies of sport) to volunteer within community sport organisations as coaches, managers, administrators and mentors.
6.3 The Australian Government, in consultation with the state and territory governments, should develop a strategic national facilities initiative for the funding and development of Australia's community sport and recreation facilities over the next decade.

6.4 The Australian Government should establish a national sport facilities fund with an initial allocation of $250 million each year for four years, to begin the implementation of the strategic national facilities initiative in partnership with state, territory and local government and the private sector, where appropriate.

6.5 The national sport facilities fund should have an initial focus on drought-proofing assets that are determined to be of 'high-priority'.

6.6 In any infrastructure programs, preference should be given to projects that have the potential to engage wide sections of the community, such as multi-sport facilities in proximity to other community infrastructure, to help with sustainability and to increase social capital.

Chapter 1.7: Ensuring Australia’s Sport System is Open to All

7.1 The Australian Sports Commission, in consultation with Australian Government, state and territory and local governments and agencies and appropriate experts, should develop strategies as a matter of priority in the nine key areas identified by the Panel. In each category, the Panel has made specific comment on the key issues to be addressed and these should provide the context in which strategies and recommendations are designed and communicated across the sporting system. In some instances, this would involve the setting of targets, the undertaking of new research and analysis, and significant community consultation.

7.2 The Australian Government should choose several geographic areas across Australia where many or most of the nine issues exist and contribute to significant social disadvantage, and design projects which place sport, recreation and volunteering at the centre of plans to improve community outcomes. This would involve collaboration with the state, territory and local governments and agencies responsible for indicators of disadvantage in partnership with national sporting organisations, non-government organisations and communities.
Chapter 1.8: Sustaining the Funding Base for Sport

8.1 The Australian Government should maintain sport funding at current levels and should consider supplementing this funding on the basis of the agreed targets for high performance and participation outlined in the national sports policy framework.

8.2 The Australian Government should provide to the new Australian Institutes of Sport (AiS) at least the existing level of funding allocated to the Australian Institute of Sport by the Australian Sports Commission and the combined allocation of state and territory governments to the state and territory institute and academies of sport.

8.3 The Australian Government should not introduce a HECS style contribution scheme for graduates of the existing Australian Institute of Sport, state and territory institutes and academies of sport or the new Australian Institutes of Sport (AiS), but rather it should introduce a scheme that requires graduates from these institutions to donate time and or expertise to the Australian sport system.

8.4 The Australian Government should not introduce a national sports lottery at this stage but should negotiate with state and territory governments to provide a share of existing lottery revenue for sport and recreation facilities and programs.

8.5 The Australian Government should review the governance, structural and operational arrangements of the Australian Sports Foundation to raise awareness within the community of the opportunity offered by the Australian Sports Foundation for fundraising and to provide easy access to the Australian Sports Foundation by community groups.

8.6 That the Australian Sports Commission in conjunction with the Department of Health and Ageing should explore the viability of tax rebates, voucher or another system designed to reduce the cost of participation, and the likely contribution of such schemes to increasing participation levels.
Assessment and Findings
This part of the report, ‘Assessment and Findings’, provides details of information considered by the Panel, while considering its recommendations. Important matters for the Australian sports and physical activity sector that require further consideration are identified.

There are seven sections in this part which is a broader debate of the issues identified in the terms of reference.

After an extensive consultation process, the Panel has had the benefit of the considerable information provided in order to identify the major challenges facing Australian sport. The Panel has synthesised the input received in order to identify those recommendations detailed in the ‘Executive Overview’ which have the potential to make a significant difference.

During the consultation process, the Panel met with, or received submissions from over 650 organisations or individuals. There were 13 public forums and approximately 368 people attended these forums. The Panel also conducted 77 meetings throughout the consultation process, visiting each state and territory to hold meetings with those organisations that agreed to participate in the process.

Participants were representatives of government, community organisations or local, state/territory and national sporting organisations.
2.1: NATIONAL SPORT POLICY FRAMEWORK

Findings

1. There is no agreed definition of what ‘success in sport’ means for Australia, either at the elite or participation level and thus no clear objectives or plans.

2. The lack of a national policy framework and defined measures of success for elite sport and mass participation mean that funding is appropriated without clear and agreed objectives.

3. Since previous Australian governments began providing significant support to sport, the clear focus has been winning Olympic, Paralympic and Commonwealth Games medals, while participation or ‘grass roots’ sport has been comparatively under-funded. This has resulted in neglect of the fundamental basis of sport in Australia—participation by children and adults in recreational-based sport at community levels.

4. The delivery of sport involves all three tiers of government and a variety of agencies in each sector, including sport and recreation, health, education, infrastructure and Indigenous affairs. But there is inadequate co-operation between all these stakeholders, leading to inconsistent and ineffective delivery.

5. The lack of fundamental data on most aspects of the sport sector substantially inhibits an evidence based approach to the development of policies and strategies.

6. There is a clear need for a nationally agreed plan for sport which encompasses all relevant areas of government and engages all tiers of government.

A FRAMEWORK FOR NATIONAL SPORT

With a definition of success and clear goals to aspire to, a framework for achieving those goals is required. The Australian Sport Commission (ASC) and all state and territory departments of sport and recreation have essentially the same objectives: perform well at elite level and increase participation. However, there is no overarching strategy and very little co-ordination.

The delivery of sport is the responsibility of sporting clubs affiliated with state and territory sporting organisations (SSOs). In turn these SSOs are aligned with a national sporting
organisation (NSOs), the peak administrative controlling bodies for each sport. All levels of government currently provide assistance to help this system deliver outcomes in elite and participation fields. What is required is better ways of providing this assistance.

Our interviewees, almost without exception, believe there should be a national strategy or overarching policy framework within which the various stakeholders can chart their own strategies.

The current lack of co-operation and co-ordination of effort among the main stakeholders demands a national plan. The simple elements of such a plan should be to:

- set targets
- define strategies to achieve them
- state who is responsible for delivering them.

Such a plan will be useless if not funded adequately. There must be a commitment from all levels of government to back the plan with real support. To be effective this will need to be agreed by the Council of Australian Governments (COAG). The COAG brings together the Prime Minister, state Premiers, territory Chief Ministers and local government (through the Australian Local Government Association) to develop responses to issues of concern to all three spheres of government.

Given that sport and recreation requires co-ordination between all three tiers of government, it will be advantageous for the Australian Government, through COAG, to include local government membership in the Sport and Recreation Minister’s Council (SRMC) and charge it with the responsibility of managing and reporting back periodically to COAG on the implementation of the national sports policy framework.

Ministerial councils are a means of co-ordinating across jurisdictions, national approaches to issues. It is important that ministerial councils operate as efficiently as possible to achieve this objective. An aim of these broad protocols is to facilitate high-quality consultative decision-making, through a robust framework that is accountable, fiscally prudent and administratively efficient.32

Because of the cross-portfolio and whole-of-government implications that this report is addressing, a COAG ministerial council is the best mechanism to use where resolutions require a commitment, especially financial commitment, from respective governments. Furthermore, key recommendations of this report should be used as the basis for the terms of reference for the council.

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DEFINING ‘SUCCESS’ IN SPORT
Currently, there are no agreed performance criteria for ‘success’ for high-performance sport or for social and health outcomes in ‘grassroots’ sport.

In the absence of nationally agreed criteria, the ASC spending priorities are, by default, the Australian Government’s strategy for sporting success. This is focused almost entirely on winning medals at Olympic and Commonwealth Games but takes little account of participation numbers or social criteria. The Australian Olympic Committee (AOC) has, since the announcement in 1993 of the Sydney Olympics, set targets for Australian medals. These targets have gained currency in the public domain and the Australian Government has embraced them and worked to achieve them. The Panel believes that the Australian Government, as the chief source of elite sport funding, should set the medal targets, in consultation with the AOC.

This spending pattern flows to the states and territories. Funding provided by the ASC to NSOs for elite athlete preparation is in turn provided to the state and territory institutes of sport and state and territory academies of sport (SIS/SAS) which allocate additional money to support programs. As a result, state and territory funding patterns mirror those at Australian Government level.

National and state/territory funding is allocated to sporting organisations for other purposes, in addition to elite competition. Although total funding for participation-level sports is low in comparison to elite sports, it is difficult if not impossible, to determine what funding goes where at each level of government. As we cannot tell exactly what is being spent where and on what, we cannot tell how effective or efficient it is.

While it is necessary to ensure that Australia maintains its international competitiveness through continued support for the development of elite athletes, the link between elite performance and participation at the grassroots level must also be recognised. Elite sport and grass roots participation are not mutually exclusive. In fact:

Elite sport provides role models which in turn encourage participation.

- The people who deliver sport—coaches, officials, administrators, volunteers—overwhelmingly come from people who have played the game themselves. This is particularly true of coaches.
- Pathways from grass roots to elite sport provide opportunities and motivation for children to continue playing (noting that pathways for non-elite athletes need also to be in place).
- Elite athletes bring in money to the sport through sponsorship and profile.
A commonly held view is that success in international sport creates increased interest which translates into higher levels of participation at the grassroots. However, while Australia has been very successful at the last four Olympics, there has also been a ‘blowout’ of adult and child obesity and little change in participation numbers in sport. According to survey data only 50 per cent of Australians participate ‘regularly’ in sport and physical activity. Nor does hosting major sporting events such as the Olympic or Commonwealth Games guarantee sustained increases in participation.

Apart from the obvious implications for community health, a small participation base poses a major threat to our international performance. Australia converts its small talent pool into Olympic medals at the highest rate in the world among leading nations; around six times better than the United States of America (USA) and 27 times better than China.

Australia’s relatively small population and economy mean it will be difficult to greatly improve on this. Australia will never surpass China, Russia or the USA in medal tallies in the longer term. The best to aspire to is fourth. Other nations are taking a more serious view of Olympic performance and funding their ambitions accordingly, Countries such as France, Germany, the United Kingdom (UK), Italy, Japan, Spain, India, South Korea and others all have larger populations and are putting greater resources into elite sport. Smaller countries are also taking more medals. The application of large amounts of additional funding may keep Australia in or near the top five for the 2012 Games, but in the longer term this performance is unlikely to be maintained.

We can only maintain our place by increasing the number of people playing sport, by increasing the talent pool from which to choose talented athletes to mould into champions.

**SUCCESS FOR ELITE SPORT**

*Olympics, Paralympics and Commonwealth Games*

The ASC has three criteria on which it bases its elite funding decisions:

- **Excellence**—Assessment of the results and performances of NSOs at major benchmark events with a focus on Olympic and Paralympic performances, as well as assessment of the NSO’s pathways and the capacity of that sport to be successful.

- **Relevance**—Assessment of the sport’s significance to Australians. A component is related to the NSO’s status as an Olympic sport. The other relates to its popularity, assessed through participation rates as well as other information on attendances, television ratings and sponsorship.

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Effectiveness—Assessment of the NSO’s capacity to deliver grassroots development programs and the sport’s governance, management structures and financial risk.

It is hard for the Panel to reconcile the assessment of ‘relevance’ with funding levels provided to NSOs. For example, the overwhelming dominance of professional sports such as Australian Football League (AFL), cricket and rugby league, in attendance, television ratings, sponsorship and participation numbers would suggest these sports deserve a larger slice of the funding pie than the relatively small allocations they currently receive from the ASC. The measure of ‘effectiveness’ is, in reality, also only peripherally considered. The ASC has a history of continuing to fund the elite programs of NSOs that are very minor sports in terms of participation almost entirely on the basis that they are potential international medal winning sports. Current examples include canoeing and taekwondo.

Clearly, the primary criteria for funding at the Australian Government level is the potential to win medals at Olympic and Paralympic Games, with medals won at Commonwealth Games secondary to this. Success at world championship level and world rankings are important only as pointers to these objectives.

This is reflected in funding levels prioritised to sports involved in these events. Sports with the most potential to win medals in these forums receive the bulk of the funding.

The ASC currently provides funding support to 55 NSOs for high performance sport through direct grants and/or allocations for AIS sport programs. Sporting organisations are calling for substantially increased funding to ensure success on the international level.

Any action on this issue is dependant on the expectations of Government. For example, if the expectation is that Australia will finish in the top five at the Olympics, then either more money needs to be found or existing funding redistributed to medal-winning sports at the expense of others. If the target is revised downwards, then funding elite programs of a broad range of sports could continue.

Australia has a long history of success in the Olympic Games, finishing in the top five at the last four Olympic Games. The expression ‘punching above our weight’ has been used so often (and with accuracy) that it has become something Australians expect.

That is not to say that Australia cannot continue to be a major medal winner at the Olympics. A place in the top 10 remains realistic. The Panel is of the view that we can do better than that. If the system is optimal, then it is not unrealistic to target a top eight result.

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34 Information provided by the Australian Sports Commission to the Independent Sport Panel. This includes funding to the Olympic Winter Institute and the Australian Paralympic Committee. In addition the ASC supports eight NSOs for the disabled with grants.
Australia is a world leader in Paralympic sport. Australia rightly embraces the Paralympics, and not just because it provides opportunities for disabled athletes to compete at the highest level. In the same way as the performance of our Olympians inspires the population and induces a sense of pride in the nation, so to do our Paralympians, and to both the disabled and the entire community.

Seeing disabled athletes compete at the highest level also works to break down barriers existing in the community with regard to people with a disability, improving integration into society.

Many countries are yet to embrace the Paralympics as fully as Australia and this lack of competition has been a major factor in Australia’s medal tallies. But this is changing. In the short to medium term, it seems likely that Australia will remain a major medal winner at Paralympic Games, but again expectations must be realistic. With other, larger countries more fully embracing Paralympic sport, it is not realistic to expect that Australia will retain its current status. A top five finish may be difficult to achieve.

Australia’s success at the Olympics has had an impact on the Australian community’s perception of the importance of Commonwealth Games. There is a sense that Australia is above this level of competition. This is not unreasonable considering Australia’s medal tallies over the past four Commonwealth Games. Nonetheless, public interest is high when the Games are on and there is an expectation that Australia will continue to be successful. Doubtless to say, there would be a significant media and public backlash if this were not to continue.

Most of the sports on the Commonwealth Games schedule are also Olympic sports, though there are exceptions: the Melbourne 2006 Games included netball, lawn bowls, Rugby 7’s and squash, and these are also on the program for the Delhi 2010 Games. This argues for ongoing support of the elite programs such as lawn bowls and squash.

Given the medal tally of 2006, it is not unreasonable for Australia to continue to aspire to being the number-one nation in future Commonwealth Games medal tallies. However, it is important to remember that the UK competes in the Commonwealth Games as separate ‘home nations’. The UK’s recent resurgence in international sport is likely to threaten Australia’s position.

**Non-Olympic or Commonwealth Games sport**

Australia as a nation places great importance on a small number of international competitions involving non-Olympic sports. Perhaps it is no coincidence that these are ‘professional’ or the ‘strong commercial’ sports such as cricket, rugby union and league with high levels of professional players. The Panel considers that these sports have the capacity to be self-sufficient in the elite area, with products that attract major sponsorship dollars.

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35 Rugby 7’s will be part of the Olympic program in 2016.
Soccer is an Olympic sport, but at the under-23 level. There is no doubt that the major event on the international soccer calendar and the one that matters most to Australians is the FIFA World Cup. With the Socceroos qualifying for the 2006 and 2010 World Cup, the re-emergence of the A-League and a large participation base, interest in soccer is high. Tennis is similar, in that the four Grand Slam events are the ones that have meaning for the Australian public, not the Olympics.

The Australian and state/territory governments put significant amounts of funding towards elite programs in soccer and tennis. While the Panel stops short of saying they should not fund these programs, with large participation bases and significant commercial opportunities, governments should consider whether it is appropriate to provide ongoing elite program funding to sports that should be self-sufficient.

The Panel considers that these sports and the events that they are involved in are highly valued by the Australian community and involve large numbers of participants and supporters. However, as major businesses, these organisations should be able to adequately promote and support their own elite programs. Government funding may be appropriate for grassroots programs in these sports because these are as amateur and reliant on volunteers as any other sport but the readiness of the elite level of these sports to make some investment in participation should be taken into account by government when considering such investment.

Netball might be considered to be an ‘emerging professional’ sport. World championships, limited to a few competitive countries, attract solid media attention and spectator interest. The Australian Government has made a significant investment in the establishment of the ANZ Championships, a re-invention of the previous national league, which includes teams from New Zealand. This investment included support for television coverage. This is an interesting litmus test. The sport has a large participation base and is increasingly attracting commercial interest. The addition of a viable, high-profile international series may help the sport to reach ‘professionalism’ and become more self-sufficient. It is too early to tell whether this will prove to be the case.

Australians look to the Olympics, Paralympics and Commonwealth Games as benchmarks for success in elite sport. However, this should not be the sole focus of a definition of success in elite sport.

When determining our national sporting statement of success, elite performance in non-Olympic sports and the general health and fitness of Australians need also to be considered. There are, for example, 19 Australian teams which hold ‘Top Three’ world rankings and more than half of these are in non-Olympic sports. High community participation rates at all ages and capacities; strong national and club based competitions; support for coaches and recognition of the role of volunteers are other factors that should be taken into account.
The Panel endorses a broad definition of Australia’s sporting success. In defining ‘success’ for the Australian sport system, the Australian Government should seek the advice and input of the ASC and engage in a conversation with the states and territories and the departments responsible for sport as well as the Australian community about how we set our national priorities and targets.

The Panel is of the view that, in advising on our national sport policy and vision, the ASC pays strong regard to the following general themes:

- credible performances on the world sporting stage, particularly in sports well-liked by Australians
- high sport and recreation participation rates across the community
- vibrant clubs and local and national competitions
- the quality of the health and fitness of the nation
- pride in traditions of fair play
- the ability of sport to contribute to inclusive and harmonious outcomes in communities
- continuing commitment to the fight against drugs in sport.

Elite sporting success is an important matter and requires continuing focus. But a balance needs to be struck between the amount of money invested by all levels of government and the achievement of outcomes, particularly in the context of Olympic and Commonwealth Games performance.

We should not forget the many world championships and other high-level competitions which are important to our notions of sporting success and status. Success in a wide range of individual sports can be just as stimulating as high ranking on medal tables at multi-sport events.

SUCCESS FOR PARTICIPATION SPORT

Defining ‘success’ for participation sports appears much simpler than for elite sport. The goal is clear: more people of all ages participating.

However there are complications. Setting targets requires robust baseline data. For a sector that is so important to Australia in so many ways, it is remarkable that such data is limited.

Even the definition of participation is problematic. Over the course of a year, people may play in more than one season. There is no standard approach of reporting this: should they be counted as two participation events or one? It is likely that different sports count participants differently.
There is a high degree of variability in the way data is collected by NSOs, which may impact on accuracy. This would be problematic if future funding depends on success in increasing numbers.

Sources on participation rates in sport used by the ASC is data collected from NSOs, combined with data collected through the Exercise, Recreation and Sport Survey (ERASS), an annual survey commissioned by the Standing Committee on Recreation and Sport (SCORS) and funded jointly by the ASC and state and territory departments of sport.

ERASS gives a flavour of the interest and participation in each sport. Figures in isolation are not particularly useful, but collectively can form a picture of the impact and interest in various sports. ERASS only surveys people from age 15 and up and so does not include participation trends for younger children. Moreover, it does not distinguish between sport played in competitions affiliated with an SSO and countable by an NSO, and sport played in unaffiliated competitions.

The Australian Bureau of Statistics (ABS) also collects data on participation, but the definition of ‘physical activity’ is different to that in ERASS. The Sweeney Sports Report reports biannually on participation rates, but is not considered sufficiently robust for ASC purposes as it reports on a single participation once in the reporting period.

Statistics are generally not comparable from sport to sport and there are some concerns about reliability. The figures can sometimes be used within a sport to chart growth or decline, however historical sport data is often unreliable. Some NSOs adapt and change membership categories in their collections, resulting in difficulties drawing meaningful comparisons.

There is a need for reliable, valid and repeatable data on sport participation across all age groups. It is essential that this information be collected from NSOs, as a direct measure of their performances. It is also important to collect data on participation outside NSO structures to give an overall picture of sport participation. The general benefits of participation in sport are not just dependent on the affiliations of players.

Both ABS and ERASS collecting essentially the same data seems wasteful. The ABS collects its physical activity (and sport) data as a part of larger surveys which are not conducted annually and are therefore less useful for time span comparisons. The Panel notes the cost of additional ABS data collection is likely to be prohibitive. A more practical solution is to ensure that ERASS is collecting information which provides a realistic and full picture of participation in sport and physical activity in Australia. A realistic picture would exclude collection of data on annual participation which currently gives an over-inflated impression of participation. It would instead focus on determining regular participation levels. Considering the link to preventative health, data

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which tests the frequency and intensity of participation required to achieve a health benefit (as outlined in the Department of Health and Ageing (DoHA) *National Physical Activity Guidelines for Australians*)\(^{37}\) should be used.

There appears to be substantial current and planned activity in relation to the collection of data and statistical information to inform the development of health policy and programs. For example, the Australian Government through the DoHA is currently planning the development and implementation of an ongoing *National Nutrition and Physical Activity Survey Program*. The survey program will collect data on the food intake, physical activity participation and physical measurements of the Australian population through periodic surveys. The first survey is expected to commence in late 2009 and is expected to focus on Australian adults\(^{38}\).

In view of these and possibly the development of other collections, the Australian Government should review all current and planned collection relating to physical activity and its preventative health agenda to explore the opportunity to enhance the collection of sport and physical activity data and statistical information.

Despite current problems with the data, it is clear that sport participation at all levels is far lower than it should be. Given the urgent need to address physical inactivity and obesity levels, sport has a vital role to play.

So far, the Australian Government has not set any targets for participation. There are, perhaps, two reasons. First, is the lack of sufficiently reliable data used to set targets. This should not be insurmountable. Second, and more importantly, it is likely that given the complexity of the issues surrounding participation no-one is confident of success. Certainly there has been little success to date. It is high time this changed.

Substantial increases in participation should be achievable with the right policies and programs. Addressing the issue of participation requires multiple and concurrent initiatives which will contribute to the overall objective.

The Panel notes that while participation in sport needs to increase for the entire community, segments of the population are under-represented in organised sport, notably girls of all ages, women, disabled, Indigenous Australians, recent immigrants from non-Anglo countries and the socially disadvantaged. To a large extent, a well co-ordinated and comprehensive approach to increasing participation will access these target groups as a part of the general community. However, it is recognised that specific efforts will need to be made particularly for disabled and Indigenous people, as well as recent immigrants.

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37 www.health.gov.au
38 www.health.gov.au
ANTI-DOPING

Australian anti-doping efforts take place in a global environment. The Australian Government has committed to the global fight against doping in sport by ratifying the UNESCO International Convention Against Doping in Sport, supporting the World Anti-Doping Code (including associated international standards relating to prohibited substances and methods, testing, laboratories, therapeutic use exemptions and privacy standards), and Australia’s National Anti-Doping Framework as agreed by the SRMC in 2007.

The Australian Sports Anti-Doping Authority (ASADA) is the key implementation agency for Australia’s anti-doping program. The Panel notes that a recent independent review of ASADA was commissioned by the DoHA in the second half of 2008. The review was timely given that ASADA had been in operation for two and half years; and that the most recent changes to the World Anti-Doping Code came into effect on 1 January 2009.

The Review recommended a number of changes be made to improve and strengthen ASADA’s structural and governance arrangements to ensure that the efficacy of Australia’s anti-doping program is maintained. Most of the recommendations will be implemented through legislative changes to the Australian Sports Anti-Doping Authority Act 2006.
2.2: ROLES AND RESPONSIBILITIES

Findings

7. Various levels of government have developed roles in high performance and participation sport often responding to jurisdictional priorities and without reference to national strategic priorities.

8. As a consequence there is not universal agreement on the roles and responsibilities of each tier of government in high performance and participation sport.

9. All stakeholders in sport, both government and non-government, have increasing participation as a key goal, yet there is little or no co-ordination among these bodies to achieve that goal.

CLARITY OF ROLES AND RESPONSIBILITIES

The Australian Government introduced funding programs for national sporting organisations (NSOs) in the 1970s. This funding supported high performance athletes and the administration of the NSOs. Funding for participation programs and service delivery were added over time. Similarly state and territory programs have been developed and introduced for high performance and participation programs over the past few decades. There have been varying degrees of co-operation and collaboration on the one hand and strident protection and defence of Australian Government and jurisdictional patches on the other. The current situation is that there is no nationally agreed demarcation of the roles and responsibilities of the various Australian Government and state and territory government agencies that develop strategy and implement policy and programs in both high performance and participation sport.

The current lack of co-operation and co-ordination of effort among the main stakeholders in both elite and participation arenas demands a new national approach. This will need to be agreed to at the Council of Australian Government (COAG) to bind the Australian Government and state and territory governments to the agreed split of roles and responsibilities in implementing the national sports policy framework discussed in the previous section.
PRINCIPLES OF AN EFFECTIVE HIGH PERFORMANCE AND PARTICIPATION SYSTEM (IN A FEDERATED SYSTEM)

Such a national sports policy framework needs to clearly articulate targets for elite and participation sport. How to achieve those targets, the roles and responsibilities of stakeholders and a funding package should all be part of the policy.

A body is needed to implement the national sports policy framework. This body should have overarching responsibility to provide leadership in the implementation of the framework including high performance and participation sport. Rather than set up an entirely new body, the Panel is of the view that the Australian Sports Commission (ASC) can be modified to take on this task.

In this respect, the ASC needs to be reconstituted to be responsible for:

- setting standards for implementation under the parameters of the national framework
- developing and implementing strategy for achieving the objectives / targets
- allocating funding for high performance programs and possibly participation programs
- monitoring and evaluation.

The composition of the ASC board will need to be considered, as will the staff to ensure that the right skill sets are in place to meet the new objectives.

The ASC must not be compromised by conflict of interest. It cannot be both a funder and a service provider. In the elite space, the Australian Institute of Sport (AIS) risks being conflicted, being controlled by the ASC, as well as part of the national delivery system that the ASC funds. Similarly, in grass roots sport, the ASC currently runs the Active After-school Communities (AASC) program which operates in spaces that other areas of government and sporting organisations also work.

PRINCIPLES IN THE ELITE SYSTEM

If the objective of Australia’s elite sporting system is to produce athletes to represent Australia and/or achieve international success, this demands a cohesive and co-operative approach. The primary driver for a national program must be to service the needs of the sports and the athletes in an optimal manner. To achieve this goal, the system needs to be able to reach beyond the self-interest of the various institutions.

Under the current system, issues of competition and lack of co-operation will not be solved by goodwill and better communication alone. The issues stem from the basic competing objectives, which are in turn based on funding provided by Australian Government and state and territory governments.
It is therefore necessary to change the model. The logical solution is for national programs to be supported by national funding and state/territory programs by state/territory funding, with objectives realigned accordingly. This realignment should have the objective of ensuring that not only are the top end elite programs optimised, but also the ‘feeder’ systems below them.

This will relieve competitive tensions in the elite network and the need for NSOs to shop their programs around the AIS and state and territory institutes of sport and state and territory academies of sport (SIS/SAS). These organisations need to be one organisation with, in effect, state/territory branches funded entirely by the Australian Government.

**PRINCIPLES IN THE PARTICIPATION ARENA**

In the participation arena, there are areas that are appropriately the responsibility of all levels of government but all are operating in the same spaces with little co-ordination. A simple demarcation of responsibility is required.

At the national level, the Australian Government should be responsible for setting strategy and standards of delivery for participation programs by other tiers of government. At the state, territory and local levels, governments should be responsible for delivery of sport participation programs. This may involve provision of funding from the Australian Government to enable state and territory governments to deliver programs, usually on the basis of making a contribution to the overall resources required with the balance being provided by state, territory and local governments.

The key elements of an overarching participation strategy are further discussed in the section *Participation in Sport*, but include:

- public awareness
- facilities
- tax reform
- coaches, officials, administrators
- after school programs
- school sport / physical education
High Performance Sport

High Performance Sport Findings
10. Many aspects of the current elite system have clearly worked well to produce outstanding international results over the past 15 to 20 years.

11. Despite these positive elements there are system failures, and, it seems likely that better results may have been achieved with a better system.

12. The Panel observed these failures in the current elite sport system:
   • a lack of co-operation and at times direct competition between key government providers—the Australian Institute of Sport and the state and territory institutes and academies of sport—even within the same sports.
   • a lack of adequate feeder programs to support the Australian Institute of Sport and the state and territory institutes and academies of sport.
   • a lack of sufficient involvement by sporting organisations in their own programs.
   • an ‘institute-centric’ approach, which largely ignores the potential of other organisations to contribute to high-performance programs.
   • fewer talented athletes flowing to the finishing schools due to:
     i. the decline of sport and physical training in education.
     ii. the decline in active play for children.
     iii. the decline or stagnation of participation in sport at all levels.
   • Australian Government and state and territory government funding over recent years has not kept pace with the increasing costs of high performance sport.

ELITE SYSTEM FAILURES
National programs are supported by funding from the Australian Sports Commission (ASC) and state/territory governments. State and territory governments are also responsible for state and territory programs. Inevitably, state and territory institutes of sport and state and territory academies of sport (SIS/SAS) programs become a mix of national and state and territory priorities. An example of the difficulty this creates is illustrated by the situation of head coaches of SIS/SAS programs who have potentially four masters:
The Future of Sport in Australia

Assessment and findings

- the ASC, which provides funding and has high-level involvement in the program;
- the SIS/SAS, which also provides funding and has high-level involvement;
- the national sporting organisations, which notionally owns the program and may be providing additional funds or other resources; and
- the state sporting organisations, which may provide funding and other local support and is responsible for feeder programs.

SIS/SAS organisations contend that competition among them is helpful and desirable. It is difficult to see merit in this view unless the object of Australia’s elite system is for them and the Australian Institute of Sport (AIS) to compete against each other for superiority. At present, sports have to shop around the AIS and SIS/SAS trying to develop a national program, potentially going to nine organisations. Sometimes they must play one off against others instead of being able to negotiate a proper outcome through one organisation.

The result is often a cobbled-together attempt to satisfy varying and at times competing interests of the AIS and SIS/SAS stakeholders. There is no clear national leader in planning and managing elite programs. An element of control is in the hands of each stakeholder. It is difficult to imagine an optimal national program arising from such a process.

The focus of both the AIS and SIS/SAS is primarily on national level athletes. However, AIS and SIS/SAS programs are only a part of the elite athlete development pathway. The success of these programs depends on the availability of talented athletes produced by the ‘sub-elite’ pathways, over which they generally have little direct control or input. While the AIS currently has an appropriate national focus, SIS/SAS focus is also primarily directed upwards. Closer co-operation with the feeder systems will be beneficial. It should be noted that funding for state sporting organisations (SSOs) does not come from the SIS/SAS, but from the relevant state or territory department, which may not have complementary high-performance objectives.

Identifying talent at this level is limited by resources. It is mostly conducted by coaches and not supported with the scientific rigour applied in national programs. As well, children develop at different rates, so there must be sufficient flexibility within a SIS/SAS program to identify talented athletes regardless of age.

Currently this may not be the case, depending upon program criteria. For example, if the criteria demands accepting national-level athletes only on scholarships, then the job of getting them to that level falls on community sport (and regional academies in New South Wales and Victoria) over which the SIS/SAS has little influence. This raises the question of whether talent is being identified and picked up efficiently.

In summary, while co-operation among the various institutes and academies exists, there are issues...
about demarcation of responsibilities and program objectives. While these issues remain, the system cannot be optimal. World-class athletes will continue to be produced but there is likely to be an opportunity cost. A system that is better co-ordinated is likely to produce better results more efficiently.

**A NEW ELITE SPORT SYSTEM**

The Panel believes a new structure to address the current system failures is needed. A table representation of proposed roles and responsibilities and explanatory notes follow.

**National Sports Organisations**

Given the current elite sport delivery system, it seems logical to suppose that the organisations best qualified to run elite programs are the sports themselves. However, there is divided opinion on this issue.

At the commencement of the *Olympic Athlete Program (OAP)* funding in 1993, the elite programs of many sports were under-resourced and well behind world’s best practice. The Australian Sports Commission (ASC) took a necessarily interventionist approach with national sporting organisations (NSOs) to ensure that substantial program improvements came with the extra funds.

To a certain degree, this approach persists. NSOs are often not part of the final decision making process for programs in their own sports in the elite network. It is 16 years since the OAP funds (which ceased in 2000) and derivations of that program started to flow, and if NSOs that have received major funding during that time have not acquired the expertise to manage their own sports then something is seriously wrong. A number of sports have run highly successful programs for many years, albeit in association with the elite network. The Australian Institute of Sport (AIS) and the state and territory institutes and academies of sport (SIS/SAS) contend that it is important to maintain control of elite programs from the point of view of protecting government investment. While noting the need for oversight of sports to ensure appropriate accountability of government funds, it is time to give sports more say in their own programs.

There are a number of sports that are capable of taking responsibility for their own programs but the capacity of sports to run themselves under the new paradigm will need careful assessment by the ASC.

In the future, an NSO should develop its plan covering high performance programs and community participation with guidance from the ASC. It would then apply to the ASC for funding. The ASC would then allocate funding. The NSO could then ‘buy’ services from various providers to deliver elite programs, the NSO choosing from current providers such as the Australia Institutes of Sport (AIsS) but also universities, private operators, and overseas bases.
Table 1: A New Elite Sport System: roles and responsibilities

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<th>Overarching Policy</th>
<th>National Sport Program</th>
<th>ELITE SPORT</th>
<th>Minister for Sport</th>
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<td>ELITE SPORT</td>
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Implementation

- National elite
- NSOs
- Providers: AISs, private organisations, international, universities etc
- Fed Govt $ through ASC
- State Sub-elite
- SSOs
- State Programs
- State Govt $ through SDSR
- Developmental
- Feeder Programs
- State Govt $ through SDSR + Local Council $
The NSOs would then report outcomes to the ASC whose job would include monitoring and evaluation. The provision of funding in the first place would be subject to adequate plans and targets being in place. Provision of funding will give the ASC leverage to push sports to focus on participation strategies as well.

Other sports may require an approach that involves more control and input and this should be assessed on a case by case basis.

Providers: The Australian Institutes of Sport (AISs)

The key shift in this model from the current structure is the separation of the AIS from the ASC to be merged with the SIS/SAS into a single body (the Australian Institutes of Sport or AISs). It will have a separate governing board and a charter to deliver high-performance outcomes at the national level and the capacity to deliver high-performance outcomes at state and territory levels when required. This arrangement should ensure a national approach, eliminating the current issues around co-operation and competition.

Providers: Engagement of other organisations

There are opportunities for the sport sector to more closely engage with other sectors to mutual advantage. Universities, for example, own sporting facilities, have departments relevant to elite sport (sport science, medicine) from which research and student placements might be accessed. Universities may even offer opportunities to host national or state/territory level programs in the same manner as the AIS/SIS/SAS do now. Indeed a number of universities currently provide more funding to elite sport programs than some of the SIS/SAS network do.

Co-operation with other industries may offer opportunities. In an example of this, the AIS has been working with the Commonwealth Scientific and Research Organisation (CSIRO) on sport science programs in recent years, with encouraging results. Partnerships with ‘Information Technology’ companies may identify initiatives applicable to sports. There are likely to be many other examples.

Sporting organisations, at all levels, governments and communities need to make more effort to identify and take advantage of opportunities across sectors.

The current system works against such broader engagement. With NSOs reliant on both national and state/territory government funds for their programs, they are forced to use national and state/territory government institutions whether this is optimal or not. NSOs are unable to take advantage of opportunities outside this system. The new funding model will assist in fixing this problem.
High performance program delivery

Under this model, the process will be:

- NSo develops high-performance plan
- NSo applies to ASc for funding
- ASc makes a grant to the NSo
- NSo ‘buys’ from providers
- NSo reports to ASc
- ASc monitors and evaluates
- State and territory programs feed national programs, and developmental programs feed state and territory programs.

At each level, the relevant government is responsible for funding: national funding for national programs, state/territory funding for state/territory programs and local funding for local programs. This arrangement will overcome the competitive disputes, lack of co-operation and overlapping priorities among and within providers, which currently exists at the national level.

With the power of funding, the NSOs will choose the most effective agencies to deliver their programs. This potentially includes current providers, (the new amalgamated AIsS), but also other potential providers, such as universities, private operators, and overseas bases. The AIsS would be a provider like any other. If the sport is best served by being delivered through the AIsS, then so be it. If it is not, then so be it. Only in this way can optimal programs be developed.

The initial centralised concept of the AIS is long past its usefulness. Flexible delivery has been happening for many years, not just within Australia but internationally. The ASC has recognised this with development of the Eurohub to service athletes training and competing in Europe. Many athletes spend significant periods of each year overseas training and competing with the best athletes in their fields. This trend will certainly continue, as athletes not only chase competition, but also income in overseas leagues which offer better returns than in Australia. Flexibility is more than ever a cornerstone of elite programs, including the ability to meet the needs of athletes overseas as well as athletes in Australia. This is a logical extension of that process.

All levels must be interlinked. There is little long or even medium-term sense in having a national program without feeder programs. Fully established pathways must be in place as a precondition of hosting a national program. A national program will attract the best athletes, coaches and support staff in the country and the interaction with them and their state, territory and local level compatriots will benefit all levels, creating a centre of excellence.
**High Performance Co-ordination**

While responsibility for athlete preparation rests with the NSO, there is still a need for co-ordination of programs that run across all sports. These include:

- elite coaching and high performance management programs
- career and education services for athletes
- facilitation of international activities
- sport science and sport medicine
- research and development
- information and communication technology.

The AIsS should provide the co-ordination of these programs across sports:

- **Elite coaching programs**—Coaches benefit from exposure to the methods and techniques of others, not just within their own sport but across sports. High performance managers too, benefit similarly and can learn from experiences of others in different sports. Cross-fertilisation of high performance personnel is to be encouraged and it is logical that this be co-ordinated on a national basis.

- **Career and education services for athletes**—The Athlete and Career Education program is a well established program reaching athletes in the entire AIS/SIS/SAS network, sensibly coordinated by the AIS. This program assists athletes in many ways, including in work, education and transition from an athletic career to society in general.

  It is also clear that relevant sporting organisations and government agencies responsible for these athletes have practices in place to attend to the mental health and wellbeing services. For example, the AIS has in place the Athlete Counselling Services that provides psychological services and programs aimed at enhancing the mental health and wellbeing of AIS athletes.

The Panel conducted a survey of high-performance athletes. When asked whether Australian sports people have the pastoral care and athlete development necessary to support them in pursuit of their sporting goals, 65 per cent either agreed or strongly agreed. Of the balance of those surveyed 21 per cent were neutral on the proposition that there is sufficient pastoral care, and only 17 per cent either disagreed or strongly disagreed with the proposition.
However the Panel is concerned for the mental health and well-being of athletes from commercially successful sports and from government funded high-performance sports. Mental health issues among athletes and associated problems are regularly documented in the media.

The concern of the Panel is that such services are not evidently in place for athletes at lower levels of the athlete pathway, or for elite athletes that have not succeeded and are no longer on high-performance or commercial sport programs. The Panel is of the view that there is a clear role for commercial sports and for governments to create a regular dialogue on the mental health requirements of these athletes. Mechanisms that provide some level of monitoring and support of athletes outside of current mental health frameworks need to be put into place.

- **Facilitation of international activities**—With so many of Australia’s athletes in a wide range of sports spending more time overseas, there is a clear need to ensure that they are properly serviced and have access to high quality training and competition.

There is a clear case for initiatives such as the ‘Eurohub’, a centre for athletes to live and train in Italy, with high quality servicing. This enables athletes to compete in competitions in Europe without returning so frequently to Australia to access what they need.

Sports can also benefit from the experiences of others in different parts of the globe without being in a centre. Recommendations on training venues, accommodation, local service providers, travel arrangements etc can result in better outcomes and cost savings.

Facilities such as the ‘Eurohub’ and collation of other international information, is best handled with a national approach.

- **Sport science and sport medicine, Research and development, Information and communication technology**—A focus on sport science and medicine has served Australia well in elite sport. World leading approaches in athlete servicing and innovations from research and development have meant that Australian athletes are often better prepared and equipped than their competitors. This has been one of Australia’s competitive advantages, going some way to overcoming the odds of competing successfully against countries with access to far larger talent bases.

It is clear that strong support for sport science and medicine must continue as one of the fundamental pillars underpinning elite performance.
There was very little feedback or input on the subject of sports sciences, medicine and technology throughout this review process. However, the Panel notes the submission from the Australian Olympic Committee (AOC) outlining shortcomings in the co-ordination of sport science as a result of the current independent nature of the AIS/SIS/SAS network. The new structure, where these organisations are brought together as a single entity, should solve these issues.

In addition to the AIS Sports Science and Medicine Centre, there are other agencies with personnel and resources that can contribute to research and development in sport. Universities and the CSIRO and even sport manufacturing companies, could all play a role in progressing sport science and medicine.

Information and communications technology is a rapidly advancing field. New innovations make possible high level communication with athletes and support staff spread around the globe. Transfer of data invaluable to training, performance and competitor analysis is now possible in real time. This is particularly important for Australian athletes, many of which spend considerable periods of time abroad. The status of Australia’s capacity in this area needs to be examined across the elite network and, if shortcomings are found within an amalgamated system, then plans need to be developed to address them.

High Performance Implementation

This structure represents a fundamental shift in the way that both Australian Government and state and territory governments seek to achieve outcomes in elite sport. With the ASC, AIS, SIS/SAS and state/territory departments of sport and recreation all affected, the Panel is under no illusion that change will be easy. Opposition will be likely. However, the fact that the change will be difficult does not mean that it should not be undertaken. An overwhelming majority of submissions and consultations suggested change must happen.

Concerns about NSOs having the power but not the capacity to deliver high-performance programs are diminished by the fact that the power in the system remains with the funding body, the ASC. The criteria for funding an NSO’s high-performance program will include assessment of the capacity to deliver or a path to get there. This will need to be on a case-by-case basis. Some NSOs will require little involvement, others will need assistance and some may not be in a position to deliver. The degree of management or oversight will be expressed in the funding agreement between the ASC and the NSO. The short term object will be for NSOs to be in a position to deliver their own programs if they aren’t already.
Also integral to the agreement will be processes for ongoing monitoring and evaluation involving all parties, including targets to be met and the ability for the ASC to intervene if this process uncovers major issues.

The Panel recognises that the AIS/SIS/SAS may have structures in place including facilities and personnel that, under the new system, are not guaranteed to be used and there is a risk some capacity may be a wasted. However, this is not an issue that is specific to a proposed new system. In the past, various elite programs have moved from place to place as circumstances change. Athletes move of their own volition from time to time to be with different coaches or train with other athletes. Initially, when the system is restructured, there may be a greater than usual change, but this will be a transitory spike in an existing and ongoing process.

If this proves to be the case, resources should be redirected to the new objective of providing greater commitment to the feeder systems—there should be little overall wastage, but rather a redistribution to a more effective system.

It is noted that the current system has no long-term certainty in any case. Australian Government funding has not been provided over a long term (approximately 25 years) to NSOs for their elite programs, so at any time programs in the network are under threat of closure or change. Longer funding periods have been proposed in a number of submissions and there is a strong case to do so. An Olympic cycle is four years, but it takes far longer than that to prepare an athlete to this level. Indicative funding should be provided to relevant NSOs on a rolling cycle of five years, with ongoing and rigorous evaluation. Funding issues are described in more detail later in this part.

The ‘branding’ of athletes has been a major issue between the AIS and SIS/SAS since the system came into existence. Which athlete should wear which logo at what event is a distraction that needs to end. With more and more athletes spending greater periods of each year overseas, it matters less anyhow.

To provide recognition for state and territory funding, dual branding under a single national system will be straightforward, for example the AIS-NSW. The arrangements should be solidified in athlete agreements under principles expressed by the AIsS.

There should be minimal impact on the ability of the states and territories to source and service local sponsors and indeed the national structure may provide the AIsS with greater leverage to generate national level sponsorship. Government commitments will be made under the COAG agreement and should not be affected.

Regardless of the common sense in the new approach, it is possible that some states and territories will not agree. Ensuring that everything is done to secure agreement in the first place is essential. An important part of this will be seeking the support of the sporting sector.

Assessment and findings
Based on submissions received, the new system should be welcomed by the majority of sporting organisations. With predictions of worsening elite results unless something is done coming from this sector, the AOC, Australian Paralympic Committee, NSOs, state sporting organisations (SSOs) and other sporting organisations should be expected to be vocal in their support. It will be interesting to gauge the maturity of the sector in this respect. Generally, submissions reflected an understanding that the system must change. Whether the sport sector is able to galvanise a co-ordinated response is uncertain.

The SIS/SAS and AIS may provide the sternest opposition, as the new system will reduce some of their autonomy and open the market to other providers. Aside from logical necessity, there are or could be some levers available to generate support from all parties. Firstly, as state/territory elite programs are dependent on Australian Government funding, this could be made dependent on states/territories agreeing to the new system. States and territories will then have to choose either to fund their SIS/SAS on their own, close the program or be a part of the new system. Secondly, there is a need for overall increased funding. If states and territories want some of that funding to be spent in their jurisdiction, then they will need to be a part of the national system. Finally, as outlined later in this part, the Australian Government might implement other new funding streams, for example a facilities fund, which may also come with a proviso of being part of a national system.

An optimal system will be effective only if it is funded to succeed. Targets for elite success are discussed in an earlier section. Regardless of which targets the Australian Government adopts, it is clear that costs are rising and removal of current duplication will only go part way to solving the issues. If the Australian Government decides current rankings are to be maintained then additional funding must be provided.

One of the fundamental principles of successful athlete programs is ongoing and frequent exposure to international competition. In the lead up to the Sydney Olympics, Australia hosted a large number of international competitions as athletes were keen to train and compete in Australia as part of their preparation for the Olympics.

Australian athletes now have to seek most of their international competition experience overseas. This is far more costly in many ways—it is not just about airfares. An effective international program requires support personnel including, coaches and managers travelling with the athletes. It also includes sport science and medical support either travelling with the unit or sourced locally. Some sports have special needs—transport and storage of sailing boats and rowing shells for example. All athletes need training venues.
These and other factors add up to the fact that the same level of funding now buys less international competition than before. The Panel is not able to put a figure on what governments should provide for elite sport. This is dependent on decisions made with regard to what constitutes elite success and which sports are likely to bring that success. The Panel notes that the AOC has undertaken a significant exercise in identifying the resource needs of sports in order to achieve ‘Top Five’ success at the 2012 and 2016 Olympics. The Panel is not in a position to second guess these figures, but notes that they may need to be revisited if targets change. The work done by NSOs in developing these figures will be invaluable when undertaking the exercise of putting their high performance plans to the new ASC.

Participation in Sport

**Participation in sport Findings**

13. The goal of increasing participation has generally been seen by stakeholders primarily in the light of the ‘sporting pyramid’: that more participants mean more talent available for elite programs.

14. Little attention has been paid by stakeholders at all levels to the importance of increasing participation to bolster the sustainability of sporting organisations or as a mechanism to address health issues in the population.

15. Sport has potential to contribute in a major way to improving the health and well being of the community. This potential is underestimated by all levels of government and as such is under resourced and addressed in an ad hoc manner.

16. Government funding targeted at increasing participation has primarily been provided to national sporting organisations and state sporting organisations—a top down approach. A more holistic approach which includes investment at a local level is needed.

17. Government funding has, at all levels, been primarily provided to sporting organisations on a sport by sport basis, virtually ignoring the multi-causal nature of the issue.

18. There is a dearth of robust data on participation in sport and the agenda is confused with obesity, the roles of unstructured and structured physical activity and participation sport versus elite sport—all relevant and at times competing issues.
It is clear that participation sport is a complex problem. There are many stakeholders: all tiers of
government and a number of government portfolios, as well as sporting organisations at national,
state/territory and club level. There are many inter-dependent issues and different opinions on
how to solve them.

Noting these difficulties, the Panel has approached the issues of participation by attempting to:

- better define the problem
- outlining what action is required
- how this action could be implemented.

DEFINING THE PROBLEM OF PARTICIPATION

The Australian Sports Commission (ASC) and all state and territory departments of sport and
recreation have as an objective increasing participation in sport. Sporting organisations at all levels
have the same objective. However, there is no overarching strategy and very little co-ordination.

The delivery of sport is the responsibility of local clubs affiliated with state sporting organisations
(SSOs), affiliated with national sporting organisations (NSOs). All levels of government currently
provide assistance to help this system deliver outcomes in both elite and participation fields. What
is required is better co-ordination in the provision of this assistance.

A robust evidence base enables a clear identification of the problem. Unfortunately, for a
major sector of the Australian economy there is an extraordinary dearth of robust data on
participation in sport.

Commonly held perceptions such as the impact of cost, influence of role models and major events,
need to be unequivocally resolved, as does the most basic of information on participation numbers
in sport. From time to time there are reports in the media about the cost of sport preventing
children from playing and a number of submissions supported this. However, other data\(^{39}\) suggests
that cost is a minor factor only. There seems to be a general view among sporting organisations
and governments that role models are important in attracting young people to sport. This can
be seen in the efforts of major professional sports to work with their athletes to address binge
drinking, illicit drug use and other societal issues. However, the extent that role model behaviour
does or does not impact on the decisions of parents and children to participate in a given sport
is not well understood. There is also a view, shared and promoted by cities and nations the world
over including in Australia, that major sporting events lead directly to increased participation in
sport as a legacy, yet this is not supported by research.\(^{40}\)


\(^{40}\) Stephen Frawley, AJ Veal, Richard Cashman and Kristine Toohey, University of Technology Sydney, School of Leisure,
Sport and Tourism, Faculty of Business, *Sport For All* and Major Sporting Events, February 2009.
If the baseline data is poor, it is very difficult to construct appropriate strategies and impossible to properly evaluate programs.

That said, it is known that participation in sport is dependent on a number of factors and there is no reason to wait before acting.

The sport agenda is also confused with obesity, food intake, physical activity versus sport and participation sport versus elite sport; all relevant but at times competing issues. Effective action is unlikely to be taken to address a problem confused with other issues.

Physical activity (or more accurately physical inactivity) is part of the obesity issue but not the only part—along obviously with what you eat. Sport or structured activity is part of the inactivity issue but not the only part—along with active living strategies such as walking to the bus, taking the stairs and other similar activities.

Sport should not be regarded as ‘the solution to obesity’ or ‘the solution to physical inactivity’ because it alone cannot be. Rather, sport has a critical role to play in strategies to address these larger issues. In this context, the Panel supports the Australian Government’s move to include sport within the health portfolio. This places sport, particularly community based sport, in the Australian Government’s preventative health agenda where it belongs.

It is important for the Australian Government to now use this opportunity wisely and invest the necessary time in making the policy linkages between sport and preventative health messages and issues.

The sport sector has, in recent years, attempted to use the potential of sport to address physical inactivity and obesity issues as leverage for government support, without much success. The Panel supports these efforts, with a caveat. The intent of government support must be clear. Participation needs to be seen as an end in itself, not as a means to bolster the future elite programs or as an adjunct to talent identification. In an environment of fiscal restraint, it will continue to be extremely difficult to convince departments of treasury and finance at both the Australian Government and state and territory level to increase funding for sport if the primary argument is to win international medals.

In this context, the traditional ‘pyramid model’ for sport needs to be rethought, as it is based on and encourages continued focus on elite sport. The pyramid model implies age specifics in that there is a narrow age group that can reach the highest level, therefore those levels below it are primarily a progression from juniors through to senior elite. It therefore excludes people who are participating but have no interest in progressing to higher levels of competition. The assumption in the present system is that all aspire to progress but that only people who are talented enough get through.
The sport sector may see all of that in the pyramid model, but it needs to understand that decision makers outside the sector may not share this view.

If sport is to take its rightful place in the preventative health agenda, the reasons for increasing participation must be clear and understood by the sports industry—to have more people, more active, more often—and clearly articulated beyond the sport sector.

That is not to say that sporting organisations should take their eye off the elite ball. NSOs need to ensure that talent identification programs work efficiently through a sound national pathway. But that is a separate issue—an elite sport issue. Participation for the sake of participation will feed these programs as a matter of course.

A well articulated call for action is required which clearly and concisely states the reasons for increasing participation in sport, the actions required and the targets to be achieved. These must be clear to stakeholders and well publicised to the public. Only then will there be prospects of a co-ordinated government approach backed with sufficient funds to make a difference.

But who must make that well articulated call for action? The sport industry has a multitude of competing interests—sporting organisations, various levels of government, different government departments. The Australian Olympic Committee (AOC) and the big professional sports have the most influence at present, but are not truly representative of the sport sector in its entirety. Sport as an industry does not have a strong co-ordinated voice and is unlikely to have one in the foreseeable future. Co-operation between stakeholders is ad hoc at best, with a lack of co-operation between and within sport, health and education sectors at all levels. This leads to a lack of coherence and consistency in policy objectives, their associated programs and subsequent outcomes. What successful lobbying that has occurred in the sport sector has been done by the AOC in the elite arena. It is no coincidence that elite sport receives significantly more funding than participation initiatives at the national level.

There is a clear need for a single body to make a clear statement. The earlier discussion on a national sport framework elaborates on this point.

**ACTION REQUIRED TO IMPROVE PARTICIPATION**

Barriers and motivations to sports participation are inter-dependent, yet efforts to increase participation have been implemented in a piecemeal fashion. For example, efforts to enhance coaching and to assist clubs with administration have and are being made but without a concurrent co-ordinated attempt to address the lack of facilities. If there is nowhere to play, no amount of coaches will help to increase participation.

Strategies must be clearly articulated and acted upon in a co-ordinated fashion. It is only a combination of all actions together that will lead to success.
In this respect, the sport sector can learn much from action that has been taken in the area of tobacco control. Successful strategies to reduce smoking have been clearly articulated and acted upon in a co-ordinated fashion. It is a combination of all actions together that has led to a decrease in smoking and smokers marginalised.

The three pronged approach to the anti-smoking movement resonates with sport participation and public awareness, supported with community level programs and backed with legislation or regulation:

- **Public awareness**—There have been consistently delivered, ongoing and evolving media campaigns against smoking, whereas campaigns on the benefits of sport have been almost non-existent. Any campaigns that have been run with the objective of increasing physical activity focus on unstructured activity, not sport, despite the opportunities offered in this field by sport.

To people on the street, the benefits of sport participation are probably not widely known, beyond ‘getting fit’. People participate more by assimilation or association rather than through targeted efforts to educate and encourage them. The objective should be to help people make a conscious decision to participate.

A nationally co-ordinated media campaign would seem a logical and necessary component of any serious effort to increase participation.

- **Community level support programs**—Media anti-smoking campaigns have been backed up by government funded initiatives such as the QUIT program. These programs take advantage of the increased public interest in quitting smoking generated by the campaign, and enable people who wish to quit to obtain help.

In contrast, there has been little effort to ensure that sporting organisations have the capacity to take advantage of interest generated by campaigns to increase physical activity, or major events such as the Olympics and Commonwealth Games which seem, intuitively, to be great opportunities missed. As is mentioned elsewhere there is no real evidence that these events automatically translate into increased participation.

Ensuring that sporting organisations have the capacity to absorb new participants and develop programs to leverage off events and campaigns is an essential part of the strategy mix.

The elite sport system can be delivered at a national level for national level athletes, since the cohort is very small and under the control of national organisations. The same is not true for the vast majority of sport participants. NSOs and SSOs (with the
exception of the professional codes), are generally not well placed to deliver sport at a local level due to the large distances that must be covered because of the geographical size of Australia, as well as a lack of resources. While technically through their local competitions many participants are affiliated with the SSO and through it the NSO, the reality is that local sporting organisations are responsible for delivery of the great majority of sport in Australia. Unfortunately, many suffer from lack of capacity in all forms and are unable to effectively deliver. This is addressed later in this part.

Research indicates that interventions to increase both unstructured physical activity and sport participation are best delivered locally through building capacity in the community. This implies that funding to increase participation should flow from governments direct to community level sport. At present, Australian Government funding is generally provided to NSOs and similarly most states and territories provide funds directly to SSOs, rather than at the grass roots level where it is most needed and where research indicates it would be most effective.

• **Legislation and regulation**—Smoking has been the subject of increasing regulation: frequent and substantial price rises due to increased taxation, restrictions on availability, bans on advertising and sponsorship, requirements for warnings on packaging and declaration of no smoking areas.

The tools of regulation will need to be used in a different fashion in efforts to increase participation. It is easier to regulate against something than it is to encourage something. However there are potential avenues: examples include tax breaks for participation fees, tax breaks for sporting organisations to reduce costs and setting (and applying) minimum requirements for school sport / physical education.

There are four key needs that must be satisfied to enable participation out of the above discussion. These needs are intertwined and are:

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2.3: CULTURAL AND SOCIETAL IMPACTS

Findings

19. That the shifting nature of Australian society, particularly demographic and lifestyle changes, are having an impact on the sports and physical activity sector and this impact will increase over time.

20. Many sporting organisations have not embraced more recreational forms of their sports, missing opportunities for membership, volunteers and revenue.

21. The changing age profile of the Australian population is not well catered for by the sporting sector, with a focus from both sporting organisations and governments on elite sport.

22. The ageing population provides opportunities for volunteerism in sport, with potential benefits to the aged, children and sporting clubs.

23. The ongoing migration of the population from regional to metropolitan centres provides challenges to both areas which are yet to be satisfactorily appreciated or addressed by sporting organisations and governments.

24. Immigration is changing the demographics of the population. New populations will require different approaches, including a shift away from more traditional Australian sports.

25. Indigenous sport programs are not well coordinated within governments or between levels of government, leading to confusion and ineffectiveness.

26. Significant amounts of government support, at all levels, for Indigenous programs is not focussed on long term capacity building.

Sport is an integral part of the Australian culture. Many of our great national icons and celebrities are sports people. A significant element of our national identity is vested in our performance on the international sporting field and sport is an integral part of local community life.

Traditionally, Australians have embraced sports that have strongly corresponded to our colonial beginnings. However, changes in lifestyle and population demographics, as well as an improved
understanding of the need to better engage Indigenous people and people with a disability, all require a rethink of sport in Australia.

Australian population trends and projections over the next two decades have significant implications for sport:

- lifestyle changes leading to a preference towards unstructured activity
- the changing age profile of the population
- the substantial migrant intake from countries that have different views and preferences in sport
- the shift in population from regional to metropolitan areas
- ongoing groups of low socio-economic status.

Sporting organisations must take into account the changing nature of society and provide sporting and physical activity options that meet the required demands of the population.

**LIFESTYLE CHANGES: SHIFT TOWARDS UNSTRUCTURED ACTIVITY**

Evidence shows that participation in physical activity is dominated by non-organised sport and physical recreation. Moreover, this is an increasing trend: aerobics and fitness activities were the biggest growth areas for participation between 2001 and 2008. 41

The growth of time-poor two-income families leaves little time for sport. As a consequence, exercise is ‘purchased’ and ‘fitted into’ a schedule. People are moving towards activities that are able to suit lifestyle and time constraints and thus provide the most flexible options. Seven out of the ten growth areas in this time span were activities such as walking, running, cycling and aerobics/gym exercise—essentially activities that can be done on an individual basis. Apart from aerobics, in 2008, participation in the five most popular sports in Australia largely took the form of non-organised involvement.

While some traditional sports are growing, there is substantial growth in the number of people engaged in non-structured physical recreational activities—such as skateboarding, skiing, golf, cycling and more informally organised competitions such as mixed indoor cricket, netball and volleyball.42

Many traditional sports organisations have had an ambivalent view of the development of ‘fast food sports’ and have failed to embrace them. As a result, many national sporting organisations (NSOs) have ignored these social developments and failed to grasp the commercial opportunities

that accompanied them. A stark example is that of fun runs: 70,000 people were interested enough in running to participate in the 2009 City to Surf, yet there are less than 20,000 members of the national body Athletics Australia. In some instances, a large portion of the recreational participation base is now ‘owned’ by private interests and the national sports body is not involved.

NSOs need to embrace a wider perspective of what constitutes their sports. Sport is not simply about competition pathways which eventually lead to elite performance. For NSOs, the recreational versions of their sports give promise of increased membership, increased pools of volunteers, increased commercial opportunities and there are likely to be consequent flow on effects to the elite side.

Though logical, some NSOs may find this surprisingly hard to achieve. Boards often have members on them that played the sport to the highest level and may not have the required perspective to see the larger picture of mass participation. Moreover, current government funding models encourage a focus on elite sport.

INCREASED YOUTH POPULATION

Many developed nations such as the United Kingdom (UK), Germany, Japan and France will experience reduced rates of growth (and in some cases decline) in their youth and middle-aged groups over the next 20 years. By comparison Australia, though ageing, will still remain relatively youthful.

In the 20 years between 2006 to 2026, Australia is projected to add a further 835,000 children compared to 351,000 in the previous twenty years; an increase of 138 per cent on the growth experienced in the last 20 years. This will be caused by higher net migration and fertility. Further, Australia is projected to add a further 1.23 million persons aged 15 to 34 years between 2006 and 2026. This represents a 156 per cent increase on the 479,000 persons added to this age group in the 20 years to 2006.43

Increases in the 15 to 34 year age group are good news for elite performance, as these are considered the peak performance years for athletes. Our small talent pool in relation to major international competitors will be expanding while others will be contracting. However, this news is to be tempered by the reality that our talent base will never be as large as those of other larger countries.44

In participation terms this is also an opportunity. Aside from children, this group is the most likely to be participants in sport. There are opportunities for NSOs to capture more members.

INCREASED AGED POPULATION

Australia’s population is getting older but at a slower rate to comparable western countries. Around nine per cent of our population (some two million people) is aged 70 years or older. This is expected to rise to 13 per cent by 2021 and to 20 per cent (around 5.7 million people) in 2051. People aged 80 years and over currently make up around four per cent of the population and this proportion is expected to increase to 10 per cent by 2051.

This will have a significant impact upon sport and recreational activities and where, as a nation, we focus support. With an ageing population, Australia needs to increasingly support sports and physical activities that meet the needs of older participants. Research shows that older age groups have lower levels of participation; a trend which is confirmed upon analysis of similar data in the United States of America (USA) and the UK. As such, with all other factors remaining constant, the rate of overall participation is likely to fall over the next decade or two and efforts must be made to prevent this. The levels of support given to ‘life-time sports’ and the provision of services and facilities that support these activities should be reviewed and lifted. Keeping older people active has very large population health benefits and sport has a critical role to play in this regard.

The growing grandparent age group (60 to 74) but slower rates of growth in the 40 to 59 age group over the next 20 years also provides opportunities for participation in volunteer capacities. Older people have been driving up levels of participation in sport. Greater life expectancy, improvements in overall health, greater affluence and a general perception of feeling younger will all be factors in driving increased involvement by older persons compared to previous generations.

People in the 60 to 74 year age group typically have more time on their hands and are often willing and able to contribute to communities in ways not possible during their working lives. A greater retired population than ever should be seen as an opportunity to engage these groups as a support resource for sporting activity. With freedom from the workforce comes a desire to keep busy and fill available time. Many feel the need to impose purpose or achieve something on a daily basis. This could mean contributing to community organisations and clubs. It will be in Australia’s interest to harness this resource and to make use of the important skills that the ‘Baby Boomers’ will have to give to the community in retirement. In fact, the other trend of increasing numbers of young people over the next twenty years means that there will be increased demand for sport and structured physical activity. This increased demand will not be met unless the volunteer base to support the delivery of sport and physical opportunities also increases. Australia would appear to be in a fortunate situation of having a potential pool of volunteers in its growing numbers of

45 Australian Bureau of Statistics, Population by age and sex, Australian states and territories, June 2007, cat. no. 3201.0.
47 Long, J. Sport and the ageing population: Do older people have a place in driving up participation in sport?, Leeds: Centre for Leisure and sport research. Leeds Metropolitan University, 2004.
older Australians. The challenge will be to realise that potential by mobilising this group and add value to their own lifestyles at the same time—benefits accrue to the active aged, the children they support and the sporting clubs they assist.

In the next 10 to 20 years there is projected to be declining growth in persons aged 35 to 49; as parents, this group has traditionally been a strong source of volunteers. Compounding this is the likelihood that more and more families will require dual incomes, and as such parents will be increasingly time-poor. With a decreasing pool of volunteers from traditional sources, retired people potentially provide a valuable resource to fill the support roles critical to sustaining grass roots sport involvement.

Achieving greater sporting and community engagement from retired people should be considered a win–win scenario for Australia. The benefit of a valued and experienced support group is obvious to Australia’s sporting programs, however engagement in a worthwhile cause will also provide a valuable way for ‘Baby Boomers’ to stay connected with society at a time in life when there is a risk of isolation. This risk is particularly high among males who frequently have been working all their lives and are ill-equipped to build new social connections once work is over.

**SHIFT FROM REGIONAL TO METROPOLITAN AREAS**

Community-based physical activity programs have the potential to make positive impacts on participants as well as the communities in which they live. Social benefits to promoting sporting involvement include improved self-esteem, greater community identity, increased community cohesion and support among players and non-players.

Sporting clubs, events and programs provide places and opportunities to meet and to encourage greater respect for people and property. This is of particular importance to rural communities where sport is seen as an important way of keeping in contact with others, and also a means of welcoming newcomers to the area. Residents in regional areas view sport and recreation as crucial to the viability and sustainability of the communities. Sport is seen as a primary source of social interaction for the community as well as a social leveller across barriers of age, length of residence and economic status, among other things. Sport creates opportunities for social involvement, leadership, role models, positive peer groups, social bonding, improved self-esteem and a healthy lifestyle, which lead to safer communities and lower levels of crime, particularly in areas of disadvantage.

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Despite the importance of sport to rural communities, involvement in sport in rural communities across the board from players, spectators and officials is declining. This is a result of the population shift away from rural areas, compounded further by an ageing population and an exodus of young people to larger urban centres.

This is an alarming development. According to the Australian Institute of Health and Welfare publication *Australia’s Health 2008*\(^1\) those who live in rural and remote areas generally have poorer health than those residing in major cities. This is reflected in levels of mortality, disease and health risk factors. In 2004–05, Australians residing in rural and remote areas were slightly more likely to be overweight or obese than those living in major cities and were more likely to report sedentary lifestyles.\(^2\) Encouraging more active lifestyles for those residing in rural and remote areas is a high priority and sport, with its well documented social and health benefits, has a critical role to play.

Population movements will mean increased demand and strains on city based facilities and potentially under-utilised facilities in rural areas. There is and will be in the future, increased demands on local councils in areas of rapid growth for recreation and sports facilities and the question of what to do with under-utilised facilities in rural towns. Any programs on sporting infrastructure need to take into account this trend.

There may be a role for larger metropolitan sporting organisations or clubs to assist in regional sport. Programs that ‘twin’ city clubs with remote clubs may be valuable in fostering participation and excellence in sport in regional areas. Major football codes are working in this space. Many National Rugby League (NRL) and Australian Football League (AFL) clubs play matches and do pre-season clinics in regional centres. There would appear to be little impediment, aside from resources, why other sports and clubs could not do so as well.

**IMPACT OF IMMIGRATION**\(^3\)

Today, around 25 per cent of persons living in Australia were born overseas. In some areas such as Sydney and Melbourne the percentage is higher. That number will increase further over the coming decades. The source of migrant intake is also shifting from Europe towards Asia and the Middle East.\(^4\)

Ethnic minorities and people born in non-English speaking countries have been identified as more likely to have lower participation rates in sport and physical activity.\(^5\)

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There are a number of other potential barriers to migrant participation associated with cultural
differences. Although language is perhaps the most significant barrier, migrants often prioritise
earning a living and caring for their family during the process of settlement and may not have the
time for social or leisure activities. Barriers also include the availability of culturally appropriate
community programs. Considerations include the issue of mixed groupings in exercise classes,
swimming pools and the presence of male instructors/life guards as barriers to female migrant
participation in particular. Migrants may also have cultural preferences for spending leisure with
family rather than in a public setting, and as such non-participation in sport and physical activity is
part of a broader issue associated with non-involvement in the community at large.

Social background, gender and disability all have a strong influence on the nature of children’s
ey early experiences. There is strong evidence to show that the scope and quality of early experiences
of sport is determined by children’s social backgrounds, particularly in terms of social class and
ethnicity. Children from white middle-class backgrounds dominate club sport, which is due in part
to the cultural traditions but also the fact that participation requires adequate disposable income to
pay for fees, equipment, transport and flexibility of parent work hours.56

The sporting community needs to consider the impact that this demographic shift will have.
Firstly, it is more difficult to engage new migrants in sport at all. First generation migrants from
non-English speaking backgrounds show low levels of participation. Secondly, their sporting
preferences are unlikely to reflect traditional Australian sporting preferences. The projected mix of
immigrants are likely to be more interested in sports such as badminton, table tennis and soccer,
which have stronger participation rates in Asia, in particular.

There are great challenges here for social inclusion and great opportunities for sport to contribute
at a local community level. To meet its potential to contribute to health and social inclusion and to
take advantage of increased populations in these demographics, the sport sector needs to actively
work to meet the needs of migrant groups and to a much larger extent than it has done to date.

**SOCIO-ECONOMIC STATUS**

Socio-economic status is a weak and inconsistent indicator of participation in physical activity.
However, there is some information, and some anecdotal evidence, which suggests a direct
correlation between family incomes and participation in organised sport/physical activity.

Overall, 63.5 per cent of children aged 5 to 14 participate in organised sport. Participation rates for
children between 5 and 14 years of age are substantially lower if the children come from one

56 Kirk,D, ‘Sport and Early Learning Experience’ in Sport England (Ed) Driving Up Participation: The Challenge for Sport,
parent families (55.6 per cent) and marginally higher for those with couples as parents (65.4 per cent). Moreover, the number of sports a child plays declines with decreasing socio-economic status.\(^5^7\)

The link between lower income families and low participation in sporting activities is a matter of increasing concern. The Children and Sport report\(^5^8\), found a strong correlation between participation and family income. The study determined that parents of junior sport participants were predominantly in white-collar occupations. In particular, the data suggested that the direct and indirect costs favour children from high-income families with a flexible daily routine, or those having one parent at home full-time or part-time to provide transport and other means of practical support. The authors of a similar study cited in the research concluded: ‘There can be no question, on the basis of the findings of this study, that there remain substantial socio-economic barriers to children’s participation in club and representative sport’.

Addressing the issues of socio-economic disadvantage is discussed later in this part.

INDIGENOUS SPORT

The ‘Closing the Gap’ speech by the Prime Minister, the Hon. Kevin Rudd, to the Australian Parliament on 26 February 2009 highlighted the need for partnerships across all sectors of the Australian community to help close the gap in Indigenous outcomes including in health, sport and physical activity. The recently released Productivity Commission \textit{Overcoming Indigenous Disadvantage} report noted:

\textit{‘Taking part in sport, arts or community group activities can foster self-esteem, social interaction and the development of skills and teamwork. Early participation in these activities can lead to stronger bodies, the prevention of chronic diseases and improved learning and academic performance. Reductions in substance misuse, self-harm and crime may also result. Indigenous people’s participation in artistic and cultural activities helps to reinforce and preserve living culture, and can also provide a profitable source of employment.’}

The Panel consulted widely with Indigenous stakeholder groups, including organisations that deliver sport and physical recreation services to Indigenous communities. These organisations are concerned that Indigenous people are less likely to be physically active and that this has a direct impact on the health of Indigenous Australians. Indigenous people (21 per cent) were less likely

\(^5^7\) Australian Bureau of Statistics, \textit{Children’s Participation in Cultural and Leisure Activities}, Australia, 2006, cat. no. 4901.0.

\(^5^8\) Tim Olds PhD, Jim Dollman PhD, Kate Ridley, Kobie Boshoff PhD, Sue Hartshorne, Simon Kennaugh University of South Australia, Australian Government, Australian Sports Commission, Children and Sport—the full report, A report prepared for the Australian Sports Commission, a research report by the University of South Australia, 2004.
than non-Indigenous people (31 per cent) to engage in moderate or high levels of exercise, in non-remote areas in 2004–05. Themes that emerged from discussions with consulted organisations support the Productivity Commission findings. Organisations observed that sport and physical recreation is the key vehicle for the delivery of essential health and social messages to Indigenous Australians and that sport has a positive impact on Indigenous Australians.

All levels of government are involved in the delivery of sport and recreation services to Indigenous Australians. Collectively across Australian Government and state and territory government agencies, approximately $44.896 million has been committed to sport and recreation activities and programs for Indigenous Australians in 2008–09. Of this, approximately $29.828 million is broken up across five Australian Government agencies and approximately $15.068 million comes from 10 state or territory government agencies.

The general view of all stakeholders is that a combination of limited funding, a duplication of activities, limited strategic direction and limited understanding of the Australian sports industry has resulted in an inefficient, fragmented and under-resourced approach. The situation is worsened by no national strategic policy framework and long term commitment to underpin sport and recreation service delivery.

Feedback from a number of bodies, including the Australian Government, state and territory government agencies, schools and grassroots Indigenous and non-Indigenous community organisations, indicated there is a lack of co-ordination around sport and recreation programs/activities/resources. This is limiting the positive long-term impact sport can have on Indigenous Australians, particularly youth at risk. Stakeholders called for a longer-term, more strategic approach to sport and recreation delivery for Indigenous populations.

Stakeholders at the Panel’s public forums outlined concerns that a significant proportion of current Australian Government funding goes towards administration, or recurrent costs associated with running sport and recreation organisations and staff, as opposed to actually delivering programs/resources. Concerns were raised that this funding is committed through an annual application-based grant process. This process has historically supported one-off, short-term activities that serve to limit the development of genuine community capacity and undermine the potential for sustainable community-run sport programs.

A rationalised, targeted approach to sport and recreation service delivery is urgently needed to ensure that Indigenous Australians are receiving the best possible opportunities to participate in quality sport and recreation programs. There should also be opportunities to develop the necessary capacity within communities to run their own sport programs in the future. Such a rationalised approach will significantly contribute to achieving ‘Closing the Gap’ outcomes.

A consolidated agency will have the greatest impact on addressing the issues of fragmentation and ineffectiveness. The Australian Government must consider which agency is best placed to deliver sport and recreation outcomes for Indigenous Australians. An existing organisation with Indigenous sport and recreation programs/activities and the knowledge and expertise to facilitate the development of a national strategic policy framework and to measure outcomes, is preferable.

The complexities in delivering sport and physical activity to people in rural and remote areas are clear. Submissions to the Panel from government and sporting organisations involved in the delivery of sport to these areas supported long standing existing perceptions that rural and remote areas have poorer sport and recreation facilities, services, expectations and outcomes than the rest of the nation.

Furthermore, governments face significant additional cost in delivering sport and recreation services to rural, remote and Indigenous communities, costs not faced by government in delivering services to metropolitan Australia. The message from all stakeholders is the Australian Government must take into account such complexities when funding, negotiating and dealing with deliverers of services to rural, remote and Indigenous communities.

Through consultations it is clear to the Panel there are a variety of organisations that are delivering quality sport and physical activity outcomes to Indigenous Australians by funding local sporting organisations. The Panel is particularly supportive of those organisations that are not only seeking to fund local Indigenous sporting organisations but that are involved in building the capacity of these local sporting organisations. Indigenous stakeholders contend that by building the ability of local sporting organisations to apply for and administer grant money (getting the structures set up), they are building the capacity to deliver meaningful sport and physical activity outcomes. This is a compelling argument.

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2.4: CAPACITY OF AUSTRALIA’S SPORTING ORGANISATIONS

Findings

27. The capacity of Australia’s sporting organisations to expand the delivery of sport and physical activity opportunities needs urgent attention.

28. The number of women in sport leadership positions is disproportionately low to their representation in the population.

29. Australia needs a system which supports the efforts of volunteer coaches, administrators and officials at all levels of sport.

30. Coaches play a particularly important role in developing children’s sporting abilities and mentoring their overall development and therefore particular attention needs to be given to recruiting and retaining volunteer coaches.

31. Elite athletes are not sufficiently supported after they retire from their chosen sport with the result that, in many cases, their talents and experience are not being passed on effectively.

The Panel has consulted with a range of sporting organisations (local clubs and sporting organisations, state sporting organisations and national sporting organisations). While the issues of structure and leadership of the system have been addressed in previous sections, this section focuses on the capacity of Australia’s sporting organisations to deliver better outcomes.

NATIONAL SPORTING ORGANISATIONS

National sporting organisations (NSOs) are key drivers of national elite sports performance. Their role in community sports structures is less clear-cut but their potential contribution is huge. Findings outlined in the Australian Sports Commission (ASC) submission to the Panel confirm that NSOs are typically small organisations that are mostly under-resourced and dependent on public funding to survive.⁶²

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Public funding is very important for many sports, particularly the Olympic sports. The sports most heavily focussed on Olympic success find that this is a two-edged sword because it does little for the financial viability of the sport.

It is clear that some sports will continue to have a significant reliance on government funding in the foreseeable future. In the view of the Panel this does not abrogate NSOs from a responsibility to move away from this reliance. Furthermore the Australian Government has a responsibility to tax-payers to actively ensure improvements in their financial accountability.

Smaller sports tend to be critical of the larger professional sports (such as the football codes and cricket), often suggesting that their advantage is due to unfair decisions by the media (particularly television) to broadcast these sports while neglecting others. In the view of the Panel, this argument confuses cause and effect. The buyers of content buy and show the sports that are popular which, of course, reinforces the popularity of that sport. The challenge for small sports is the same challenge that small competitors face in every industry—how to grow market share in environments where the larger competitors have long established positions. Smaller sports have a duty to themselves and their sports to develop alternate funding streams. These organisations should, as a first step, establish a joint advocate to lobby the Australian Government for policy or regulatory platforms that support the joint sale of content for a ‘raft’ of sports.

NSOs themselves have contributed to their difficulties. As discussed in the previous section, Cultural and Societal Impacts, cultural, demographic and lifestyle changes have led to a change in what the sports consumer requires of sport. Many traditional sports organisations have had an ambivalent view of consumers’ changing needs of sport and have failed to embrace them. As a result, many NSOs have ignored these social developments and failed to grasp the commercial opportunities that accompanied them. In many instances, the recreational participation base is now ‘owned’ by private interests and the national sports body is not involved. In the view of the Panel the recreational versions of sports give NSOs possible new sources of income.

There are a number of examples where the governing body overseeing the sport has neglected the grassroots participants. Some NSOs have been wholly focussed on the elite level and have effectively defined their purpose as winning Olympic medals. In doing this, they have neglected a growing constituency of recreational participants who are now affiliated and paying fees to private providers. The huge number of recreational cyclists, many of whom spend large sums of money on their recreation are an example. Others include recreational skiers, runners, soccer players and casual participants in a range of sports, who have no affiliation to a NSO. Many sporting bodies have ignored the huge growth in recreational activity in their sports until it was/is too late.
Two factors have contributed to this:

- governance structures that make it harder for sports to respond to emerging commercial threats and opportunities
- an excessive preoccupation with winning gold medals.

In the view of the Panel, sports organisations are hindered by their federated structures, which make it harder for the sport to build commercial capability and capture its ‘intellectual capital’.

Community sport will continue to be controlled by community governance structures. Not even the most successful commercial sports in Australia, such as cricket or the football codes, seek to control community football or cricket structures across the country. There are hundreds of amateur football and cricket leagues across Australia that are all independently governed and should remain that way. They are mostly affiliated with their governing bodies and supported in various ways.

It is at the national elite level where the athletes are professional or near to it that the local and state/territory based structures become more than problematic. Such structures can struggle to work well because of the inherent conflict of interest. Directors are expected to represent their state/territory constituencies—and this is precisely what good directors should not do. Directors are expected to look after the interests of all shareholders and this means all state and territories. Unless this is done, national talent and national commercial matters cannot be handled effectively. National talent pathways must be managed nationally and must be funded according to need rather than according to state/territory voting rights.

Most sports still have governance structures that enshrine ‘state’s rights’ at their centrepiece. This is fine so long as the sport has no aspiration beyond being a community based sport. But if the sport aspires to building a commercial franchise as well as strong national talent development and pathways, it should develop governance structures that separate the elite national and professional programs from community-level programs. Sports cannot commercialise their national assets without control over these assets at a national level. Similarly major sponsors must be managed and protected nationally.

The ASC provides advice on governance structures to sporting organisations and for the most part the Panel agrees with the advice. However the Panel strongly disagrees with the ASC Governance Principle 1.5 that ‘the board is the mind of the organisation and the executives

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are the hands”. This premise is not appropriate in an era where the executive team has to be the initiator of strategy and change. It might be appropriate to a local sporting club where the management is part-time or even volunteer. It is completely wrong in a professional environment where the executive team will be responsible for developing strategies and negotiating commercial arrangements with sponsors, governments and media organisations.

The role of the board is to appoint, support and challenge the executive team but it will be the executive team that drives the business. They will be ‘minds’ as well as ‘arms’. The ASC Guidelines also state that the chief executive officer (CEO) should not be a member of the board. There is no reason for this rule. It is completely out of step with corporate practice.

The diminished view of the role of management that is implicit in the ASC Governance Principles points to the strategic shortcoming of many NSOs. As was discussed in Panel consultations, the problem facing many NSOs is that they have given little thought to the strategic ‘end game’ that they are playing. Is it simply to win medals or achieve elite success in international competition? Or is it also to find ways to grow community participation and also secure commercial benefits from that growing participation base?

If both board and management are to be the ‘minds’ as well as the ‘arms’ of the NSO at the national level, it is obviously important that selection of personnel for these positions be primarily based on skill. For this reason, the ‘state-based’ representation of directors on the boards of NSOs is a second-best form of governance, as well as embedding conflict of interest in the structure.

The second factor that has contributed to some NSOs neglect of grassroots participation and development of their consumer base is a preoccupation with the Olympics. A sport that is fixated on performance outcomes at the Olympics finds itself, paradoxically, highly dependent on governments for support.

NSOs that focus mostly on Olympic medals face a particular challenge in achieving financial viability. The Olympic Games may be the world’s greatest sporting event but it comes with strings attached for the competing NSOs. The sports are required to sign over their games-related intellectual property and commercial assets to the Australian Olympic Committee (AOC) for several weeks around the event itself during which time the International Olympic Committee (IOC) and AOC control the rights and receive the revenues. In addition, the Olympic Insignia Protection Act 1997 provides intellectual property protection to the AOC over particular Olympic symbols and words at all times.

It appears participating sports receive limited revenue in return from the Olympic movement. For example, approximately $500 million was appropriated by the Australian Government to the ASC for high performance sport for the four year period ending in 2008–09 yet for a similar period (calendar years 2005–2008) the AOC annual income statements indicate that the AOC contributed approximately $33 million\(^{66}\) in direct support to Olympic teams, ‘National Federations’ and medallists and their coaches. The Panel suggests that further analysis be carried out on the commercial restrictions placed on the NSOs (and athletes) by the AOC as well as the proportion of AOC/IOC revenue returned to NSOs. The Panel’s preliminary analysis suggests the commercial restrictions in Australia are even more stringent than those that apply in some other countries such as the United States of America (USA).

The problem for Olympic sports is that their big day occurs once every four years and on these occasions their revenue potential is wholly signed over to the AOC. It seems, therefore, that it is no coincidence that sports most dependent on the Olympic Games for their ‘day in the sun’ are also among the least financially self-sufficient. Only by developing commercially valuable ‘properties’ outside of the Olympics will a sport be able to develop independent sources of revenues.

A sole pre-occupation with high performance, most notably winning medals, has also led some sports to ignore grassroots participation potential which, as discussed previously, has been captured by private providers and for-profit interests.

Many NSOs are funded primarily to deliver high performance outcomes. Yet stakeholders want a broader national leadership of their sport. The Panel supports the view of the ASC that the structure of most sports, with multiple layers of governance, management and delivery, has meant that most NSOs are still struggling to gain consensus, alignment and the resources to create a nationally unified vision and product. The majority of NSOs simply do not have the organisational capability or capacity to provide the resources to make an impact across their entire sport, from the community and club level right through to high performance.

The result is that the gap has widened between elite sport and the participation in structured physical activity and sport by the general population. There is significant work to do to assist sport at the club and grassroots level to meet the needs of modern society.

In future, increasing the capacity of the NSOs to control their own futures will be important. The Panel believes there is a role for government in assisting sporting organisations to establish marketable content for their sport through targeted programs and regulatory change to media requirements.

The development of viable domestic or international competitions for sports can produce marketable content. The Panel is of the view that NSOs, government and the corporate sector must work more closely and strategically to ‘think outside the box’ in developing viable sporting competitions. The Super 14 franchise is an obvious example of a competition that has succeeded despite major jurisdictional and structural issues. With this example in mind could other sports develop viable cross-border competitions?

The ability to reduce costs and increase expertise by simplifying administration, increasing collaboration and sharing resources between NSOs and state sporting organisations (SSOs) is significant.

There is also a large opportunity for sporting organisations, clubs and associations to share services to create efficiencies and cost savings. Currently most work independently of each other which results in duplication and loss of expertise. They would function more effectively and efficiently if they were able to share administrative support and aggregate purchasing of items like equipment and insurance. Even marketing functions can be shared. NSOs, leagues and individual clubs working collaboratively and sharing support functions would reduce costs, increase skill and lower the burden on volunteers. In a world cheaply connected by internet, this sharing can operate across distances.

The main obstacle, of course, is the usual reluctance of independent organisations to give up any of their roles. The Panel sees a major role for the ASC in promoting large scale adoption of the sharing model. Grants to financially strapped NSOs and community sports bodies can be tied to readiness to participate in ‘shared function’ schemes. The ASC can encourage and support organisations that promote shared ventures. The Panel notes that even highly competitive Australian Football League (AFL) clubs (regarded by many as wealthy) are sharing back-office functions even including, in some instances, marketing functions. Organisations like the Melbourne Cricket Club are already home to clubs involved in a variety of sports and could be encouraged to grow this activity as a stand-alone business.

Many sports raised with the Panel the difficulty they encounter in retaining elite coaches as they are unable to compete with packages on offer from other countries. It should be noted that in a number of sports the opposite trend is occurring and that international elite coaches are coming to Australia to train our elite athletes. In a global market, particularly in those sports where the supply of quality coaches is limited, the mobile movement of coaches from country to country is inevitable. The challenge for our sports is to look at ways of ensuring that the packages on offer (including remuneration and access to facilities) remain competitive.
WOMEN IN SPORT

Women are under-represented in leadership roles, as coaches and administrators in sporting organisations. This is an opportunity missed in this extremely competitive sector. Of 50 NSOs that consulted with or made submissions to the Panel only 15 had a female chief executive officer or executive director. Of the 350 identified board positions in these organisations, only 25 per cent are held by women. In another survey of the top 40 sporting organisations in Australia, only 13 per cent of executive positions are filled by women. With roughly the same number of participants in sport, it would be a realistic goal to have closer to 50 per cent representation of women in these leadership roles.

The Panel supports the analysis and findings of the About Time! report of the 2006 Senate Environment, Communications, Information Technology and the Arts Committee Inquiry into Women in Sport and Recreation in Australia. The Panel understands that while the Australian Government is yet to formally respond to that report, it has implemented a number of these recommendations already and has supported other initiatives that support the thrust of the recommendations. Nevertheless, the Panel suggests that the Australian Government formally responds to the Senate Committee’s report to at least place on the public record progress in implementing the Senate Committee’s recommendations.

MORE VOLUNTEERS VITAL FOR INCREASED PARTICIPATION

There are about 1.5 million volunteers involved in club and sport associations in Australia operating in various capacities, such as coaches, officials and administrators. The Panel acknowledges the contribution and dedication of volunteers and the key roles they play in maintaining participation levels in Australian sport. Volunteers play an important role in generating revenue for sporting organisations through fund-raising activities as well as encouraging other community members to be part of their organisations.

The tradition of volunteering is a competitive advantage for Australia, not replicated in many other countries. Its importance is not limited to its direct contribution to the efficient running of sporting clubs. Volunteer engagement is a major part of community social capital and should therefore be encouraged.

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67 Analysis by the Independent Sports Panel of publicly available information on board and executive positions of 50 NSOs that engaged with the Panel through the consultation process. Accurate at 1 April, 2009.
Feedback from various forums suggests that volunteer numbers are declining and this is creating significant difficulties for sporting clubs and associations in their efforts to, at a minimum, maintain and hopefully increase participative rates. It is clear that there are additional external pressures on volunteers as they try to balance work-life pressures and the rising incidence of single-parent families. It is also apparent that the role of volunteer is undertaken by a capped number of individuals who have increasingly been left with responsibility for organising sporting club activities. Sport and physical activity within Australia is reliant upon volunteer coaches and administrators who are too often overloaded and under-resourced. Without their efforts, Australian sport will struggle to maintain participation numbers. At the end of June 2001, 43,154 persons were employed by the industry yet these same organisations engaged a total of 170,329 volunteers during the same period. 70

At the same time the operations of organisations that deliver sport and recreation services have become progressively more complex. Sporting organisations are evolving to an industry that is increasingly focussed on professionalism and commercialism, particularly in the case of strong commercial sports. Organisations are required to operate as a business with all the regulatory, legal, insurance and other administrative components of such operations clearly evident.

Adapting to an evolving industry with all the time constraints that accompany volunteer workforces, places clear pressures on sport and recreation volunteers. Volunteers are often required to fulfil functions for which they are not necessarily trained. Of the volunteer organisations surveyed by Volunteering Australia as a part of the National Survey on Volunteer Issues 200771, 51 per cent of organisations indicated they experience barriers to involving volunteers such as appropriate volunteer skills and training. Sporting clubs should be looking at innovative ways of supporting individuals who undertake various courses that support their club, through direct financial reimbursement or other means, such as establishing or strengthening relationships with organisations that deliver training.

Other barriers to volunteerism outlined in the Volunteering Australia survey include the costs borne by volunteers. Volunteering will often come at a financial cost to individuals. Accredited coaching and first aid courses cost money for which there is usually no reimbursement. Volunteers not only contribute their time to these important community activities, they contribute to social capital. But they are also expected to pay for training mandated as part of their role. Sports report increasing difficulties in securing enough volunteers and little is systematically being done by government at all levels to ease these burdens. Governments should consider supporting

70 Australian Bureau of Statistics, Sports Industries Australia, 2001–01, cat. no. 8686.0.
local sporting organisations by subsidising costs associated with courses designed specifically for sporting organisations. It is important to firstly identify and accredit those courses that are considered appropriate and determine how such a scheme would operate.

It is important that Australia supports a system which recognises the contribution of volunteers. There is no suitable scheme which recognises and acknowledges the efforts of volunteers in our sporting system. Some sporting clubs have initiatives that encourage volunteering, such as reduced registration fees for families that commit to volunteer their services. These schemes must be encouraged by all levels of government.

Sporting organisations are not financially strong enough to provide direct financial compensation to their volunteers at all levels of sport. It is important that all local sporting organisations partner with government and review and explore innovative ways of compensating individuals and families in an effort to support and encourage volunteering at the local level.

COACHING

Attracting quality coaches for sporting teams continues to be a problem in the Australian sporting community. Parents are often ‘thrown in the deep end’ with no knowledge of basic skill development and people management. This can often lead to frustration among both coaches and young participants.

There was a general consensus in many of the forums and submissions, that sports that have a more professional approach to club organisation, find it easier to retain and attract volunteers. It is clear that participants (including parents and guardians of junior participants) are more likely to participate when coached, guided and mentored by appropriately skilled coaches and administrators.

It would be cheaper and easier for sporting organisations to revert to the old style volunteer who is given the necessary equipment and told to coach a team or run a local sporting organisation. But those days are well behind us. Professional administration and a full-time, qualified coaching network is becoming more common and necessary to compete for participants and volunteers. With greater awareness of the risks involved in physical activity, individuals and communities are demanding a safe and secure participative environment. Sports that do not have this or use unqualified coaches, risk liability and loss of participants to other, better organised and equipped sports. The difficulty is that such administration and management comes at a cost, borne by the sporting organisations. There is scope, particularly on the administrative side, for greater collaboration and sharing of resources and costs between similar sporting organisations in a district and across sporting organisations.

Sporting organisations must take responsibility for better management and organisational practices. They must consider innovative management practices that assist delivery of their product; they must look at outdated practices that are hindering their ability to attract and retain
volunteers. Today, with sporting organisations operating in generally ‘time poor’ communities, unless change is made, efforts to attract and retain volunteers will be increasingly difficult.

Parents, too, have a responsibility for assisting sporting activities. It cannot be left to the same individuals who, year after year, are given the responsibility for coaching teams or taking on the role of club president, treasurer, secretary and the like. Parents, in general, should be looking at how they can support the individuals who undertake these roles, whether in an assisting role or the way they treat officials at sporting events. Sporting organisations cannot be a ‘baby-sitting’ service for parents who think they are either too busy or do not have the knowledge or skills to assist. For far too long we have heard about the ‘ugly’ Australian in the sporting arena. Unfortunately, there are too many parents who are often highly critical of volunteers in sporting organisations but are still prepared to leave the responsibilities to them.

RECYCLING ELITE ATHLETES

Australia prides itself on our sportspeople delivering superior performances on the world stage. These athletes are continually put forward as role models for budding athletes and our nation. The length of time that sportspeople can operate at the highest level in their chosen sport is often limited and, as a consequence, we often lose these talented individuals from the sport once they have finished competing at the elite level. While a large number of athletes maintain an interest in their chosen sport and operate in a different capacity such as coaches and mentors, we have no national system in place that assists or encourages them to continue involvement in their sport. Clearly, they have a great deal to offer our future athletes, as role models, mentors and coaches.

Greater effort needs to be made in keeping these talented athletes in their sports in some capacity and that greater effort could be made in maintaining contact with them after they have retired. For example, while the ASC operates an alumni program for past Australian Institute of Sport scholarship holders, there is currently no comprehensive system in place which encourages and supports them in coaching and administrative support at the completion of their scholarships.
2.5: INFRASTRUCTURE

Findings

32. Facilities for sport are not meeting demand and in the case of field sports, the drought is making this problem worse.

33. In general, local governments do not have sufficient resources to address sporting needs.

34. Existing facilities in schools, universities and defence installations are underutilised.

35. There is insufficient data on supply of and demand for facilities to make informed decisions and local planning is patchy.

36. Australian Government funding for sports facilities has been ad hoc and not based on a strategic assessment of competing community needs.

37. Community sports facility funding is not co-ordinated across Australian governments.

Adequate facilities are needed for increasing participation in sport. To maximise participation, facilities must be of a quality and quantity that makes participation attractive, convenient and safe. There is little point in taking other action to increase participation without a concurrent program to ensure there are enough facilities available to take advantage of interest generated. It is not clear why something so obvious has not been properly addressed in the past. All levels of government have spent millions of dollars in an effort to increase participation without strategic consideration of where people might play should they be inclined to do so.

The primary objective of investment into community facilities must be to meet the needs of the community now and into the future. There are two obvious steps in doing so: determining the needs and meeting them.

DETERMINING THE NEEDS

In order to meet the needs of the community, it is critical to know what they really are. Funding facilities without an assessment of need is unlikely to provide optimal outcomes. Reports from two Australian Government inquiries have highlighted the need for systematic and strategic approaches to the provision of sport and recreation facilities across the country. The House of
Representatives report *Rethinking the Funding of Community Sporting and Recreational Facilities: A Sporting Chance*\(^{72}\) and the Sport 2000 Taskforce report *Shaping Up: A Review of Commonwealth Involvement in Sport and Recreation in Australia*\(^{73}\) both highlighted the need for systematic and strategic approaches to the provision of sport and recreation facilities across the country.

Governments at all levels have to deal with an array of established sports organisations, each bringing its own agenda and objectives to the policy arena. Community sporting programs are often driven by sporting organisations competing for market share, rather than meeting the needs of the population. In this environment well-resourced, high-profile and influential sports are likely to receive the lion’s share of the available resources and assistance. This does not necessarily reflect the needs of the community.

With the changing demographics in many areas, notably the influx of Asian immigrants, sports that are currently considered ‘minor’, such as table tennis, badminton and other sports popular in Asia, will become more important in the future. In addition, as the population ages, more provision will need to be made for sport facilities that cater to the needs of older people.

Asking sporting organisations to identify their needs as the sole criteria for infrastructure planning is not the answer. If asked, particularly in the context of possible funding, all sporting organisations will put forward a case for better facilities.

Without a comprehensive evaluation of the state of Australia’s sport and recreation infrastructure and an assessment of the level of need in various communities, efforts to address community concerns about unmet demand, dilapidation and drought-proofing are ad hoc at best, and likely to be inefficient and therefore ineffective.\(^{74}\)

It is clear that an evidence base is required to:

- Identify current and future needs, including consideration of changing population demographics.
- Determine the location and standard of our current stock of facilities.
- Determine to what extent existing facilities (including those under-utilised in schools, universities and defence installations) are able to meet current and future demand.
- Enable planning to address future community needs.

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\(^{73}\) Australian Government Sport 2000 Taskforce report *Shaping Up: A Review of Commonwealth Involvement in Sport and Recreation in Australia*.

The Panel notes that existing facilities in schools, universities and defence installations are generally under-utilised. A first option is to ensure that barriers to their use are overcome if possible. This may be a highly cost-effective approach and should be considered as part of any assessment of existing facilities.

Facility audits of varying scope have been carried out. In 2002, the Australian Government conducted the National Sport and Recreation Facilities Audit.\(^7^5\) However, that audit did not take into account local and regional data which comprises a majority of Australia’s sport and recreation facilities. It was also limited by the inability of some jurisdictions to provide detailed information on their respective stocks of facilities.

Audits have been conducted in some states, territories and regions and good data is held by some local governments. However, this data is generally collected and stored independently using different systems and may not be compatible with data from other state, territory or local governments. Moreover, many local governments, particularly in regional areas, do not have good data on infrastructure in their jurisdictions.\(^7^6\)

Both Australian Government inquiries mentioned above, called for a ‘national audit’ of sport and recreation facilities, as did many submissions to this review. The concept of a national ‘top-down’ audit might appear attractive in that it would be conducted through a single agency with simple cost arrangements. However, there are limitations to this approach:

- Conducting a national audit would primarily rely upon local input. But, the Australian Government does not own community sporting facilities (with the exception of defence installations) and neither do the states/territories (with the exception of the Australian Capital Territory (ACT), which is functionally both a territory and a local government).

- An adjunct to not owning facilities is not being responsible for their upkeep and maintenance. The Australian Government and state and territory governments do not generally keep information about the condition of local facilities and their ongoing costs.

- The Australian Government is currently a relatively minor spender on facilities. States/territories spend more. Local governments are clearly the major investors in construction and upkeep. Local governments are likely to see such a national audit as bureaucratic rather than useful and data collection may well be problematic.

- A new national audit starting from scratch would be a massive task and take substantial time and probably be out of date by the time that it is completed.

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\(^7^5\) Australian Government, Department of Communications, Information Technology and the Arts, *National Sport and Recreation Facilities Audit*, March 2002.

\(^7^6\) Parks and Leisure Australia, Submission to the Independent Sport Panel, 7 November 2008, pp. 2.
State or territory based audits have similar appeal, but the use of facilities sometimes ignores government borders, for example, the twin cities across borders such as Coolangatta–Tweed Heads, Albury–Wodonga and Canberra–Queanbeyan.

A more locally based ‘bottom up’ approach would have the advantages of:

- Ownership by local communities, with the resulting information being more accurate and more likely to be kept up to date over time as it is in the interests of local governments to maintain this information for local planning and resource allocation purposes.
- Being small enough to be manageable at the local level and could be completed in a relatively short timeframe.
- If conducted in co-operation with neighbouring local governments would address cross-border issues, allowing for regional information and priorities to be identified.

Any new audit, top down or bottom up, will also face the issue that some state, territory and local governments already have good information and the time, cost and effort of producing this data would be wasted.

Clearly, a preferred approach would use existing data where available and combine it into a form which is useful on a local, state/territory and national basis. Such a system would also provide guidelines for future data collection to ensure compatibility. Note that such a system may have application beyond the sports sector and be useful for other kinds of infrastructure, such as schools, libraries and youth centres.

Submissions to the Panel have identified some possible solutions. A web-based geographic information system (GIS) may offer a mechanism,77 a new system may need to be developed, or there may be other solutions. A scoping study would need to be conducted to assess the processes and practicalities of establishing a national system. Such a study would not be expensive and should be able to be completed in a short timeframe. The result should be a national sport infrastructure database and blueprint, which would logically be held and maintained by the Australian Government. This database would be a compilation of existing local databases connected through web-based technology.

This web-based database would be expanded as more local governments develop local databases. States and territories would be encouraged to help local government work with other councils in their jurisdictions to develop databases where none exist.

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77 Parks and Leisure Australia, Submission to the Independent Sport Panel, 7 November 2008, pp. 2.
With a practical approach identified, data will need to be collected and updated. While it might be argued that local government should be doing this as routine (and clearly some are), the reality is that many have not. Often town planning has ignored the needs of communities for sport facilities, both sporting and active leisure spaces. They will need a carrot to get moving.

If there is money available, action generally occurs. While it is appropriate for the Australian Government to bear the cost of housing the national database, state and territory governments should be responsible for providing assistance to local councils to develop their databases where necessary as some, or many may find it difficult to do so with existing resources.

Once the system is functional it is then possible (using a GIS) to add layers of information such as needs of particular sports, changing populations over time, socio-economic data and public transport. In fact, any available information that will assist in determining where, when and what facilities need to be provided could be added to the database. The collection of this data alone is of benefit, as councils can develop better quality plans for expansion areas, including adequate provision of sport and recreation facilities.

There is little point in collecting data and maintaining a shining new database if there is little prospect of fixing the problems it identifies. There must be the prospect of funding for facilities once the needs are identified. With a plan in hand, governments will be able to assess applications for support in the knowledge that they will be efficiently and effectively meeting the community needs of the community.

If the basis for funding is solely the needs of the community as demonstrated by robust data, then the criteria becomes simply how to prioritise those needs and develop jurisdictional and regional priorities. This should be done on a case by case basis, as it would be difficult and inconsistent to accord priority on some other criteria, for example local versus national versus international, regional versus metropolitan, or swimming versus football.

MEETING THE NEEDS

Successive Australian Governments have considered funding for facilities to be primarily the responsibility of state, territory and local governments, with comparatively minor funding coming from the Australian Government. In 2000–01 an Australian Bureau of Statistics (ABS) survey revealed the three levels of government provided a total of $2.1 billion in funding for sports and physical recreation. Of this, the Australian Government contributed $198.9 million (nine per cent), state and territory governments contributed $875.2 million (41 per cent) and local governments provided $1,050 million (49 per cent).78

Community groups find it hard to know how to apply for funding support even when programs are in place. The process is complicated because different levels of government are often involved and community groups lack the expertise needed to navigate the process.

An independent report into local governments in 2006 found that up to 30 per cent of local governments might not be sustainable. The report noted a national total backlog in local government infrastructure renewal work costing an estimated $14.5 billion. This backlog has resulted from a growing gap in many local councils between their revenue base and the funding required to deliver a broader range of services, as well as maintain and renew the infrastructure which supports these services.

The inescapable conclusion is that investment is needed and it is likely that the Australian Government is the only level of government able to drive national reform. The obvious way to drive reform is to provide funding. A national sport facilities fund should be established.

The size of such a fund cannot be quantified at this time in the absence of robust data on need. However, there is little doubt that the current need will exceed $1 billion, so a four or five year program of $200 to $250 million per annum will make a major difference. This is considerably more than the last Australian Government facilities program, the Community Cultural Sport and Recreation Program, which was $60 million over two years. Out of every six applications, five were considered worthy of support. Demand from proponents was in the order of $300 million, though since the grants had an upper limit of $250,000 many larger projects were ineligible, so the real demand would have been much higher.

Future funding should be dependent on ongoing information collection through the national database. The danger of establishing an Australian Government funding pool for sport infrastructure is that in doing so, Australian Government funding might be used to replace plans for development that are already on the table and future facility funding by local and state/territory governments. Any Australian Government funding must supplement other spending for objectives to be achieved.

This will require agreement at the Council of Australian Governments (COAG) level. Such an agreement will need to take into account the current forward commitments and spending levels of all tiers of government in sporting facilities and across departments recognising that sport facility funding comes from a number of areas of government. Further, an agreement needs to be put in place to ensure that current spending at state, territory and local government at least remains constant (or rises with CPI) and preferably rises with the introduction of new Australian Government funding.
It seems obvious, but worth pointing out, that the construction or redevelopment of any facility needs to take account of ongoing costs. No level of government should be both up for the cost of a facility and the ongoing costs of upkeep, repairs and renovations. A business case should be mounted that demonstrates the ongoing viability of the venue and the organisation before funding is provided.

A clear objective therefore is for venues to be self-sufficient and reduce, or be able to eliminate the need for future government assistance.

This may be achievable by some larger sporting organisations. It is unlikely to be for many smaller sports. Multi-sport facilities have the potential to be more self-sustaining. Larger facilities catering for a number of sports make communal features more economically viable, for example, meeting rooms, function rooms, canteens, bars, and change rooms can be used by a number of groups, not just sports organisations. There is the potential to ensure greater and more constant use throughout the year, as seasonal sports come and go.

Larger facilities also hold greater prospects for increasing social capital. As demographics change, this will become increasingly important. It may be that multi-sport facilities that include, for example, emerging sports preferred by people originating from Asian countries, may provide an avenue for integration and inclusion in communities. It is known that:

- Sport can have a critical and formative influence on the ethics, beliefs and behaviours of its participants.
- Sport is a vehicle for building community identity and cohesion.
- Sport provides inspirational role models who can engender community pride and help strengthen the social fabric of divided communities, regions or countries.
- Sport provides a positive alternative to anti-social behaviour and problems which stem from a lack of self-esteem, boredom, alienation and poverty.
- Well-run sporting programs provide training and experiences that develop individual capacity and provide skills transfer to other areas of life.
- Sport can be a valuable vehicle for reducing or eliminating alienation and stigmatisation for specific groups within the community.

In this respect, thinking should also go beyond just the sporting realm. Co-location of sporting facilities with other community facilities such as libraries, shopping centres, youth centres and others will also impact on the viability and creation of community centres. Other planning considerations include accessibility to public transport.
It would indeed be short-sighted to build new facilities or upgrade existing ones without regard for the future. Long-term viability depends on the ongoing availability of facilities. Recent years have seen the use of grass fields severely restricted in some states and territories by the effects of the drought. Synthetic turf or drought resistant grass, water tanks, recycling measures, use of solar power and energy efficient buildings must become fundamental principles of facility design. Facilities must use technologies that meet the challenges of climate change and community expectations of ‘greenness’. 
2.6: EDUCATION AND SPORT

Findings

38. Physical activity enhances academic and other educational outcomes.

39. There was no formal accountability and reporting to the Australian Government on the previous requirement to include two hours of physical activity per week in school hours as a condition of Australian Government education funding.

40. There are inadequate numbers of teachers trained to deliver physical education in our schools.

41. Local sporting organisations have difficulty in gaining access to school and other educational facilities.

42. The Active After-school Communities program needs to be reviewed by the Australian Sports Commission before a decision is made on its future.

The development of hand-eye co-ordination is a critical part of ‘play’ for a child and is fundamental to a child’s intellectual, social, emotional, physical and linguistic development. Teaching a child to grab at objects and catch or throw a ball, for example, is an active form of learning that engages the senses, body and brain. Play immerses children in complex experiences. It enables them to be aware of how they are thinking and feeling, without pressuring them to achieve.

Parents can provide interesting and challenging spaces and activities for play. Creating an environment that promotes high-quality play will enhance learning and development.

Balls, skipping ropes and balancing bikes set the scene for active play for the toddler and beyond. Active play is particularly important for physical development of gross-motor skills and is a means of gaining strength, agility and co-ordination. Children who learn hand eye co-ordination from an early age are more inclined to participate in sporting activities as they get older.

As the child moves from early development into the formal education system this exposure to sport and physical activity becomes more crucial. The irony is that there is a significant amount of international research currently available which indicates that physical activity actually improves academic outcomes and rather than being seen as an ‘optional extra’, physical activity should be seen as a driver of educational outcomes. Educational outcomes are not only academic outcomes but also include social outcomes such as self-esteem, mental health and social inclusion.
Physical education in schools is central to breaking down barriers to participation in sport as well as contributing to health and social inclusion. But the education system no longer uniformly provides the platform upon which much of the nation’s sporting activity was based. It no longer carries out its historic role of introducing children to physical activity and organised sport and providing ways for migrant children to join in.

Greater effort needs to be made to ensure that physical activity is delivered in the school setting.

THE REQUIREMENT FOR PHYSICAL EDUCATION IN SCHOOLS

The Australian Government provides significant funding to the government and non-government education sectors. However, the administration and delivery of education in Australia is principally the responsibility of state and territory governments and non-government education authorities.

As a condition of Australian Government education funding, physical education had been required for a minimum of two hours per week in primary and secondary schools. However, there was no measurement of delivery nor was it mandatory. State and territory governments and non-government education authorities were expected to monitor progress. It is understood that under the National Education Agreement (NEA) 2009 and the Schools Assistance Act 2008, this requirement no longer applies. In reality, participation in sport and physical activity is usually left to the discretion of individual schools and teachers to implement.

Some state and territory departments of education did advise the Panel that, in some instances, the minimum allocation of time dedicated to sport and physical education is, in fact, exceeded. The concern was raised that there was not enough consistency in the application of physical education in Australian schools. If the education system is going to play a role in the future of sport and preventative health then the national curriculum will need to be a driver in ensuring that physical activity is being delivered through all levels of school. It was clear from feedback from various sporting organisations and members of the public at the forums that they were unaware of the previous requirement for a minimum of two hours per week of physical activity. Where groups and individuals are aware, many feel the requirement was being neglected by a number of schools across the country.

THE NATIONAL CURRICULUM

The Schools Assistance Act 2004 expired in December 2008 and was replaced by the NEA and the Schools Assistance Act 2008. Under the NEA and 2008 Act, the focus moved away from the input controls which characterised previous funding agreements towards an emphasis on delivering high-quality outcomes. The agreements also articulate agreed policy and reform.
directions that will ensure that all Australian school students acquire the knowledge and skills to participate effectively in society and employment in a global economy.

Both the NEA and Schools Assistance Act 2008 require state and territories and the non-government education authorities to implement a revised national curriculum by 31 January 2012.

There has been a long history of collaboration between the Australian and states and territory governments on the development of national frameworks for education in Australia. Since 1989 there have been three iterations (1) the Hobart Declaration (1989 to 1999), (2) the Adelaide Declaration (1999–2009) and (3) the current Melbourne Declaration (2009–2019). Each of these declarations aims to improve the quality of schooling nationally and enhance the educational outcomes for all young Australians.

The Melbourne Declaration sets goals that seek to ensure that all Australian school students gain the knowledge and skills necessary to effectively participate in society and employment and identifies health and physical education as a key learning area within the curriculum in the compulsory years of schooling. Generally the compulsory years of schooling are considered to be kindergarten to year 10, with slight variations existing between states and territories regarding the school leaving age and requirements of students who leave school after year 10.

The interim National Curriculum Board has identified in its Shape of the National Curriculum: A Proposal for Discussion, that the national curriculum, which it develops, will reflect the Melbourne Declaration. The Australian Government has committed that this national curriculum, initially in the key learning areas of English, mathematics, science and humanities and social sciences, will be developed by 2010 and implemented from 2011. The second phase of the national curriculum will be developed in the learning areas of the arts and languages and the third phase will include health and physical education and information, communications technology and design and technology.

The Australian Curriculum, Assessment and Reporting Authority (ACARA) has been established to provide advice to Ministers (the Ministerial Council on Education, Early Childhood, Development and Youth Affairs—MCEEDYA) on the newly established Australian Curriculum. ACARA outlined progress on the national curriculum to MCEEDYA in September 2009.82

Schools are being asked to deliver results in an increasing number of key learning areas and sport and physical activity through structured education in the ‘in-school’ period is only one of those key learning areas. Whilst the Panel notes and appreciates the inclusion of health and physical education as one of the key learning areas under the current Melbourne Declaration, it is concerned with the

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82 The Hon. Julia Gillard MP (Minister for Education, Minister for Employment and Workplace Relations) and Ministerial Council for Education, Early Childhood Development and Youth Affairs (MCEEDYA) communiqué, joint media release, Brisbane, 28 September 2009.
delay in development of a national curriculum in the field of health and physical education. The Panel is also concerned that physical education is not a separate key learning area.

Physical education in schools is central to breaking down barriers to participation in sport and physical activity which in turn impacts on the success of the Australian Government’s preventative health and social inclusion agendas. Commentary provided at various forums suggests that the school environment already places less emphasis on sport and physical activity than it has done in the past. The clear linkage between positive health outcomes and physical activity is undeniable. There is also strong evidence that physical activity including sport is a significant contributor to education outcomes, both academic and life skill development.

There is a high risk that physical education will not be given appropriate priority while it is part of a broader key learning area. There is no guarantee that any physical education will be delivered in a particular school which only has an obligation to deliver it in a key learning area, that is, health and physical education. The outcome may very well be that the school’s obligation to deliver on the health and physical education key learning outcome is done so by delivering on the health elements only (for example, personal hygiene) with no physical education being delivered.

**QUALIFIED PHYSICAL EDUCATION TEACHERS**

One of the growing concerns in education systems throughout Australia is the decline in the number of trained teachers to deliver sport programs. Although there is limited data to suggest otherwise, the Panel received a lot of anecdotal evidence throughout the consultation process suggesting that the number of qualified physical education teachers in primary and secondary schools is declining and in many cases non-existent. This inconsistency in data could be due to teacher shortages often being ‘hidden’. Teacher numbers can be hard to measure as school systems use a number of strategies to ensure classes are not left without a teacher such as employing less qualified teachers and reducing curriculum on offer.

Another growing concern in the education system is the decline in emphasis on sport in teacher training courses. A number of primary teaching degrees include a compulsory ‘health’ unit that may incorporate physical education (such as health and movement) but in some courses physical education is only offered as an optional or specialised unit. This means that it is possible for a primary school teacher to have little exposure to physical education training in attaining their qualification.

This lack of specialised physical education teachers in primary schools is a major inhibitor to student skills development and participation in physical activity generally. Primary school teachers are already experiencing difficulties in overcoming a ‘crowded curriculum’ and sport is often an easy target for removal from the curriculum as the educational outcomes are not as visible as say, for example, mathematics and English. Given the outdoor and physical nature of sport, there may
be a reluctance among teachers to deliver such activities as there is often time required to set up and pack up necessary equipment, and ensuring equipment is available and in a suitable condition.

CONDITION OF SCHOOL SPORTING FACILITIES
The drought is contributing to the deterioration of outdoor sport and recreation facilities across the country. The impact of the drought on our sporting fields is discussed in more detail in the section, Infrastructure. Just as the conditions of many local fields are declining from overuse and weather conditions, school ovals are also impacted. School ovals and sporting fields are showing clear signs of stress with many becoming unusable. A consequence of this type of damage to outdoor sporting facilities is that there is a greater risk of students’ suffering from injuries such as sprained/twisted ankles and cuts.

Many schools have limited capacity to maintain outdoor facilities to a basic safety standard and as a result many of the facilities that do exist are simply not being used because it is unsafe to do so. School ovals and grassy play areas are an important part of the school infrastructure and should be considered within the framework of the Australian Government’s ‘education revolution’.

Teachers, like all members of the community, have always been conscious of the need to ensure a duty of care when delivering sporting programs. But there are greater legal risks and liability for accidents which are adding to the inclination to avoid physical pursuits at school.

ACCESS TO SCHOOL SPORTING FACILITIES
School facilities can be locked away from community use out of school hours. Whilst principles for the shared use of sport and recreation facilities have been endorsed and are encouraged by the Australian Government and state and territory ministers of sport and recreation and their departments, access to school facilities by local sporting clubs remains largely dependent on the attitude of the local school principals. The designs of new school facilities, given the current investment in school facilities, should take into account public use during non-school hours. This design would have to consider ways that do not compromise school security.

The 2006 Opening the Gates report, prepared by Sport and Recreation Tasmania (2006), presents information on approaches and policies within the sector that related to the current provision of and future planning for the shared use of education facilities which could help overcome this problem. The report had identified a number of perceived barriers to achieving progress in this area but also highlighted a number of successes and practical applications of a collaborative approach between the sport and recreation sector, education departments and local governments.

83 Sport and Recreation Tasmania, Opening the Gates report, 2006.
Importantly, the report acknowledged the progress made in a number of jurisdictions including the existence of strategic or policy documents in Queensland, Victoria, New South Wales and Western Australia addressing the shared use issues. The report says the development of a national policy may be difficult given the legislative requirements within each state and territory and advocated a set of national guiding principles be established. These principles would confirm the commitment of the sports sector to the principle of appropriate planning, development and management of shared use facilities in collaboration with the education sector and local government. These national guiding principles were endorsed by the Australian Government and state and territory ministers for sport and recreation in November 2008. Sport and recreation ministers and their respective departments also agreed to encourage the promotion of these principles in each of their jurisdictions.

It is important that jurisdictions continue to explore strategies for developing better collaboration between the various education departments and sporting groups to ensure that facilities are available for the delivery of sporting programs and that sporting clubs have greater access to these facilities outside of school hours.

**SPORT IN UNIVERSITIES**

The drop-out rate in sport usually occurs in late teens and early adulthood as young Australians are placed under increasing pressure to continue their learning and, at the same time, are participating in part-time employment. There are a high number (100,000)\(^{84}\) of young Australians who participate in university sports and the Panel was encouraged that young Australians are keen to continue their participation in sport while undertaking tertiary studies. Competitions such as the University Games are seen as a way of continuing interest in sport. The importance of this type of activity cannot be undervalued. The Panel would also encourage consideration of an intercollegiate type program for sport similar to that which operates in the United States of America (USA) but acknowledges that such a program is expensive and there are an enormous number of logistical issues associated with the development and implementation of such a competition.

University sporting facilities are another mostly untapped sporting resource for local sporting organisations. The Panel was presented with a number of examples of where local sporting community groups have not been able to access university facilities (internal and external). Universities represent large sporting infrastructure as well as a target demographic in our local communities. It is important that every effort be made to improve the integration of tertiary institutions into local communities. Sport and sharing of resources is potentially a way of strengthening this integration.

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ACTIVE AFTER-SCHOOL COMMUNITIES PROGRAM

The Active After-school Communities (AASC) program provides primary school-aged children with access to quality, fun, safe, inclusive and structured physical activity in the after school timeslot of 3.00pm to 5.30pm. It is free of charge as part of the Australian Government’s commitment to improving the physical activity levels, health and well being of Australian children. During term three of 2009, up to 150,000 children across 3,214 schools and Out of School Hours Care Services (OShCS) participated in the AASC program. There is a waiting list for centres that wish to have the program but demand cannot be met under current resourcing.

The cornerstone of the AASC is the involvement of local communities in its delivery. All activities are supervised by people registered with the Australian Sports Commission (ASC), the body responsible for the administration of the program. Registration involves completion of a Community Coach Training Program (CCTP) and a working with children check. From the start of the program to term three of 2009 over 36,000 community personnel have been trained in the CCTP to deliver the AASC program. The figure includes more than 6,700 teachers and 4,400 OShCS staff.

Evaluation of the program from 2005–07 suggests that the program is successful in achieving the immediate objective of getting children active. The AASC is also improving children’s motor skills and attitudes of children to physical activity. These are both important factors in long term physical activity patterns.

In relation to capacity building, more than three quarters of centres reported that they had increased their capacity to deliver structured physical activity. Of the program deliverers from sporting clubs and physical activity organisations, 50 per cent reported an increase in the number of children attending and participating at their club or organisation.

There was much comment throughout the Panel’s review regarding this program. While the ASC’s feedback about this program was positive, feedback was generally mixed. Many of the national sporting organisations (NSOs) were critical of the program. Some stakeholders suggested the program was a duplicate of other programs already offered and was viewed as a replacement for sport in school.

A major criticism of the program from some sporting organisations was that it does not necessarily lead to an increase in participation at the organised sport level. It is important to note that the Panel was not presented with reliable and measurable data about the success of the program. There was some suggestion the program could be more efficiently and effectively delivered with the greater involvement of appropriate NSOs and other experienced service providers.

The program should be funded for its current term and in the meantime the ASC should take on board the criticisms raised and review what should then happen. In the section, Roles and Responsibilities, the Panel discusses the desirability of the ASC to withdraw from service.
delivery to avoid conflicts with its role as the strategy developer and standard setter in the sports participation space. That section also discusses the alignment of the roles and responsibilities of each tier of government in sports participation.
2.7: INVESTING IN THE FUTURE OF SPORT

Findings

43. There is a strong correlation between international sporting success and public funding for sport.

44. Australian Government funding for sport is just one component of a large, complicated and evolving industry. Any diversification of sport industry funding will inevitably involve considerable consultation amongst stakeholders, often with competing interests, in a multi-tiered industry.

45. There is significant capacity for improved co-ordination and allocation of government funds between agencies and levels of government. It is the responsibility of the Australian Government to lead in this area.

46. Additional funding is required to meet current facility and infrastructure needs, including the adaptation of high-value infrastructure to climate change. This, however, cannot be achieved without significant co-operation and strategic planning between jurisdictions.

47. Sports at all levels derive significant revenues from fast food and alcohol advertising. Limitations on sponsorship of sport will significantly affect the industry.

48. There is a clear role and responsibility for sporting organisations to deliver social messages such as responsible consumption of alcohol and healthy eating.

49. The Australian Sports Foundation is an important mechanism. Changes to the operation and governance of the Australian Sports Foundation could improve its applicability to a wider group of Australians.

HIGH PERFORMANCE SPORT

The Panel recognises the importance to the Australian community, and the sport industry, of success in international sporting competition and considers that the current level of success will be difficult to maintain. Other nations are taking a more serious view of international performance and funding their ambitions accordingly. Countries such as France, Germany, the United Kingdom
(UK), Italy, Japan, Spain, India, South Korea and others all have larger populations and are putting greater resources into elite sport. Smaller countries are also taking more medals.

The application of large amounts of additional funding may maintain Australia’s current international status, but without maintenance of existing levels of funding Australia’s international performance and standing will decline, even with efficiencies that will be gained through structural reform discussed elsewhere in this report. The situation is similar for sport for people with a disability.

The Panel notes that a number of sporting organisations including the Australian Olympic Committee (AOC) and the Australian Paralympic Committee (APC) have made submissions seeking large increases (in the order of $100 million) in annual funding from the Australian Government for elite sport. The Panel is in no position to assess the veracity of this proposition and suggests that the level of additional funding that will be required from the Australian Government will depend on the targets it finally settles on. For example, if one of its measures of international sporting success is fifth place on the Olympic medal table then Australian Olympic sports will require significantly more funding than if the target was the ‘Top 10’ which is likely to be achieved within current funding levels.

The section, Roles and Responsibilities, outlines a proposed separation of the Australian Institute of Sport (AIS) from the Australian Sports Commission (ASC). It also suggests the AIS be merged with the state institutes and state academies of sport (SIS/SAS) into a single body, the Australian Institutes of Sport (AISs). Its charter will be to deliver high-performance outcomes at the national level and the capacity to deliver high-performance outcomes at state and territory level when required. This model should serve to deliver efficiencies and reduction of duplication, but will not result in cost savings significant enough to make a substantial difference. This new structure should not be looked upon as an opportunity to cut funding; current funding allocated to the AIS and the SIS/SAS needs to be maintained.

INFRASTRUCUTRE

A fundamental component in the success of any sport is the development and management of facilities. As the Australian sporting landscape changes with new sports and recreational activities taking over from traditional sports, there is greater competition for existing facilities and the development of new ones. The adequate provision of and access to community sporting infrastructure is a key barrier to participation in sports and physical activity and presents an important challenge to all levels of government and the private sector.

Local government expenditure on sport and recreation across Australia in 2000–01 was $1,050.1 million. Approximately 70 per cent ($726.9 million) was recurrent expenditure with capital
expenditure accounting for approximately 30 per cent ($323.2 million) of local government expenditure in 2000–01.\textsuperscript{85}

The majority of total local government expenditure in sport and recreation in 2000–01 was on venues, grounds and facilities at 95 per cent ($997.5 million). Approximately 40 per cent ($410.1 million) of this expenditure was on venues and sports grounds, with the remaining 60 per cent spent on recreation parks and recreation waterways.\textsuperscript{86}

Improved co-ordination between sports for the use of community sporting infrastructure relies upon better co-ordination between the three tiers of government. Local government is largely responsible for the development and maintenance of community sport facilities within a region. The Australian Government and state and territory governments are contributors to community public facilities but on balance have traditionally taken the role of developing large scale and ad hoc sporting infrastructure for the benefit of national and international sporting competitions and events, such as stadiums.

The cost of maintaining facilities has risen as a direct result of cost increases to electricity, water and insurance. These costs are either passed on to participants in registration fees, or must be met by additional funding streams. Some local government facilities that were once free now attract fees for usage.

With such a significant investment, there is a need for better co-ordination and more clearly defined roles at all levels of government, in developing and maintaining public community sporting facilities. Furthermore, effective partnerships between sporting organisations can deliver more effective expenditure of available funding.

Australia’s current infrastructure is geared towards long-established sports like the football codes and cricket. With the increasing popularity of non-traditional sports like table tennis and badminton, more pressure is being placed on administrators to better use existing facilities and develop new ones that best meet the needs of a changing sporting landscape.

The key participants responsible for using, developing and maintaining sporting facilities comprises all levels of government, organised sporting groups, informal sporting groups and the private sector. The breadth of the sporting facilities provided by these different players comprise:

- public community level facilities
- public ‘elite sport’ facilities

\textsuperscript{85} Australian Bureau of Statistics, Sport and Recreation Funding by Government, Australia, 2000–01, cat. no. 4147.0, 2002, pp. 3.

\textsuperscript{86} Australian Bureau of Statistics, Sport and Recreation Funding by Government, Australia, 2000–01, cat. no. 4147.0, 2002, pp. 4.
Access to suitable public sporting facilities is a key determinant of participation levels for organised community sport. It follows that sporting facilities must be more effectively incorporated into town and urban planning. A lack of co-operative planning across government can lead to ineffective, underutilised or overburdened public sporting facilities that do not meet community needs.

Given the different participants at both the public and private levels and the relevant responsibilities between local, state and territory governments and the Australian Government, it will be essential to develop a consistent national plan for the management of sporting facilities. This is discussed in more detail in the section, Infrastructure.

Similarly, insufficient expenditure by local government on development and maintenance directly impacts on the quality of facilities. Poor maintenance levels can result in aged, undesirable or unusable facilities. Some follow-on effects of poor quality facilities include:

- low levels of participation in local sporting competitions
- poor quality local sporting competitions
- poor athlete development or the requirement for athletes and their families to travel potentially huge distances to reach adequate facilities and competitions
- an inability for regional and metropolitan centres to attract elite or even sub-elite sporting competitions such as regional carnivals and championships.

Some sporting organisations at local levels are reluctant to work collaboratively and there is a great deal of competition between the sports for access to facilities. It is clear that many of the lower profile sporting organisations believe that higher profile sports get significant priority over less profiled sports in terms of gaining access to facilities.

Competition for sport facilities is leading to additional demand being placed on our already overburdened sporting facilities. The notion of season creep, or the overlap in seasons between traditionally winter and summer sports, results in facilities not being left fallow at any stage of the year. Facilities do not have time to recover or give local governments sufficient time to prepare facilities for the season ahead. It is therefore the responsibility of sports to work together to understand each other’s needs and compromise on use of facilities.

There is a need to review historical and long-term relationships between local governments and established sports that may be leading to an inconsistency in the cost of facilities with some lesser profiled sports paying higher rates for access to local government facilities.
The other major influence on infrastructure has been the impact of climate change and primarily the lack of water to adequately maintain sporting fields. To ensure long-term environmental sustainability, existing facilities need to be improved, especially in the area of water management, and new facilities need to adopt a more rigorous environmental planning process to ensure their viability into the future.

‘HECS-STYLE’ SYSTEM FOR ELITE ATHLETES

The Australian Government contributes a significant amount of funding each year to support the development of elite athletes. In 2008–09, the Australian Government provided $36.3 million that directly supported the allocation of 692 AIS scholarships to athletes.87

Australia has benefited greatly on the international stage with many of these athletes achieving major successes on the world stage. Sporting success will often lead to significant opportunities for the athletes in being able to generate a long-term cash benefit in the form of sponsorship, advertising/product endorsement contracts and speaking engagements.

When athletes who have received the benefit of government support in their training and competition earn significant money from their sport, there are often calls for them to ‘give something back’.

There have been many calls for the introduction of an athlete contribution scheme (ACS) similar to the Higher Education Contribution Scheme (HECS) introduced to the tertiary education sector by the Australian Government in 1989. This funding enabled the provision of technical coaching, sporting equipment, access to domestic and international competitions, accommodation and living support. The funding also provided the delivery of a range of sports sciences and sports medicine support services, and the conduct of applied research that is incorporated into the daily training environment.

There may be merit in the introduction of an ACS for Australian athletes. There are, however significant differences between HECS and an ACS that must be considered by government.

HECS requires that students make a contribution to the cost of their education. In the case of HECS, the total amount to be repaid is not based on the future income of the student. HECS payments are only related to future income in the percentage of the student contribution that must be repaid each year. Athletes pay tax on their earnings in the same way as all other citizens and it would be neither equitable nor practical for athletes to be required to pay for their sport programs on the basis of income. Note that where athletes are undertaking tertiary study they also pay HECS in the same way as all other students.

87 AIS Scholarship numbers recorded at 1 May 2009.
There are other significant issues that government will need to consider before introducing any ACS such as:

- Defining which athletes would be eligible from those variously receiving a variety of AIS scholarships and programs; SIS/SAS scholarships and programs; ASC payments through programs such as the Australian Government Sport Training Grant Scheme; and NSO funding.
- Calculating the cost of their individual programs, including which elements of their programs should be included in such calculations.
- Deciding what the various governments should contribute to athlete programs and what portion athletes should be required to pay to each particular government.
- Taking into account a realistic assessment of the earning capacity of post-career athletes (which may well be very different from that of tertiary graduates), to determine a basis for repayment thresholds and repayment rates.

Given the need for enabling legislation across up to nine jurisdictions, agreements with states and territories and database setup, an ACS is a significant undertaking. The Australian Government would also have to conduct appropriate needs analysis and cost-benefit analysis and it would also need to consult widely with relevant stakeholders.

It should be noted that it is only a relatively small number of athletes, especially in the case of those from non-professional sports, who are able to obtain and sustain long-term employment opportunities resulting from their athletic performances.

Earlier parliamentary inquiries (in 1983 and 1997) rejected the concept of a HecS-style contribution for athletes. The Panel sees merit in consideration by the Australian Government of a different and appropriately designed ACS. However, it is concerned that, if the financial return required from the athlete is too high, then the contribution may be a disincentive for athletes to continue in their sporting careers.

**NATIONAL SPORTS LOTTERY**

Sports lotteries are used in a number of countries as a way of raising revenue to support public sport programs, not the least being the United Kingdom (UK) sports lottery that was introduced in 1993. The Panel noted that there was considerable support for the introduction of a similar sport lottery in Australia. However, it does not hold that what works for the UK in terms of funding arrangements, will work in Australia. This style of funding is not seen as a good long-term solution to the issue of sports funding.
The Panel identified a number of logistical issues that would have to be overcome in order to develop a national sports lottery. Not least among the concerns raised, was the fact that the Australian Government does not have specific constitutional powers to raise revenue by way of lotteries. Any new lottery would, in all likelihood, impact upon existing state and territory government revenue derived from gaming and it is likely that state and territories would expect some level of compensation as a result of any loss in revenue.

The Panel also questions the need for another lottery system in Australia. There is strong evidence available to suggest that the gaming market within Australia is already well developed. The Panel is concerned about potential adverse social implications resulting from another lottery. The Panel rejects calls for the introduction of any new sports lottery in light of both the political and social difficulties likely to arise.

SPONSORSHIP

Sponsorship has always been an important source of funding for sport in Australia. Changes in sponsorship and advertising, over the years, have seen governments legislate in areas where they feel that sponsorship may be having adverse health and social impacts on society.

Sports are competing for an ever changing and more competitive bucket of sponsorship money. While there will always be room for individual sponsorship, it has been suggested a central body advocate and organise sponsorship on a sector wide basis. This could benefit less commercial and lower profile sports which continue to have difficulty in raising necessary sponsorship.

Lower profile sports need to be more proactive in the marketing of their products to potential sponsors. Most sports have governance arrangements that do not permit them to develop their products optimally and to harness their consumer reach, making their sport ‘hard to buy’. Moreover, the inability of many sports to harness the large participation base outside of their organisations presents confusion to potential sponsors and limits commercial value.

The appropriateness of certain partnerships that have been forged between sport and commercial interests must be considered. There is a strong argument for certain commercial interests to be banned from being able to sponsor sport in Australia, as has been done with banning of tobacco sponsorship. It is clear that some sectors of the community are concerned about the mixed messages that are being presented if the Australian Government continues to allow sponsorship by alcohol and fast food outlets at the same time it is pushing the need for a healthy and active lifestyle.

It is the view of the Panel that banning certain commercial interests will have major adverse impact upon sporting organisations at all levels and their ability to deliver sporting programs. In removing the ability for sports to forge partnerships with these sponsors, the Australian Government will
inevitably be ‘lobbied’ to fund the void in revenue to sports until alternatives are found, in the same way as tobacco sponsorships were bought out by various governments.

The issue of alcohol and fast food sponsorship is fundamentally different to that of tobacco sponsorship. There is no safe level of tobacco consumption; therefore there is no justification for advertising or sponsorship to promote its use. There are safe levels of consumption of alcohol and fast foods. Nonetheless, the Panel also is acutely aware of the health and social problems associated with over indulgence in alcohol and fast food.

The issue is not the sponsorship of sport per se, rather how the sport and its athletes promote the product. If role model athletes were often or always seen to be drinking in moderation and promoting such behaviour, sport has the potential to promote healthy behaviours regarding alcohol use in the community. Introduction of codes of conduct for alcohol use are an important step and the Australian Government has been working with key sporting organisations in this respect. The culture of some sports may take some time to change.

THE AUSTRALIAN SPORTS FOUNDATION

The role and capability of the Australian Sports Foundation (ASF) is not well known. Whilst the ASF does undertake considerable marketing activity, the feedback from submissions and consultations was that there was little understanding of the role of the ASF, especially at the community sport level.

It is clear that the operations of the ASF have grown over the past ten years, and to that extent it is successful. However the ASF remains small. Under current arrangements the ASF is unable to allow contributors to directly sponsor individual sports or organisations. Potential donors are put off by the lack of guarantee that their gift will reach the intended destination although this seems to be an unnecessary complication.

This is due to the nature of the tax legislation. In the view of the Panel, the Australian Government should consider changes to the taxation legislation to allow specific donations that can be directed to specific sports and organisations.

Furthermore, an appraisal of the projects being supported through the ASF suggests that larger and wealthier sporting organisations are the ones primarily accessing the ASF, probably because they are able to direct resources to making applications. The Panel has no objection to this but rather sees a pressing need to facilitate use of the ASF by sporting organisations with fewer resources.

The ASF also needs to investigate the other areas where it can provide support. For example it could assign funding to improve access to sport for people from Indigenous communities or people with a disability. This may be achieved by providing targeted streams of funding to achieve these outcomes.
As an organisation, the ASF was recently captured by changes in the Commonwealth Authorities and Companies Act (CAC Act), confirming its status as a CAC agency—an Australian Government agency with considerable operational independence but additional responsibilities to meet reporting and accountability requirements. As a small agency it is questionable whether this is a cost effective arrangement. As a subsidiary to a larger organisation, there are likely to be efficiencies.

During consultations with the ASF, it advised that some minor changes to the financing of the ASF and ensuring that the ASF board is appropriately skilled could make improvements to its operations.

There is a need for a review of the ASF and such a review should start with a clearer outline of its purpose. If the primary objective is to support elite sport, then the ASF should be a subsidiary body to the (new) ASC, though this may impact on the opportunities for grass roots sporting organisations to access the ASF.

**SALE OF BROADCASTING RIGHTS**

Broadcasting rights are a major source of non-government revenue for Australian sport. The challenge for small sports is the same challenge that small competitors face in every industry, which is to grow market share in environments where the larger competitors have long established positions.

As discussed in the section, Capacity of National Sporting Organisations, it is the opinion of the Panel that Olympic sport organisations are hindered by their relationship with the Olympic movement. Outside of the Olympics there are minimal events that attract public interest or media partners, at a domestic level. Olympic Games revenue potential is wholly signed over to the Olympic organisers during the games and Olympic sports are largely dependent on government funding for support throughout each four-year cycle. It is only by developing commercially valuable ‘properties’ outside of the Olympics that a sport can develop the necessary partnerships with media organisations and independent sources of revenues. It is the responsibility of the lower profile sports to look at ways in which they can be more marketable and aggressive in seeking other options that may exist in how they sell their sports.

To date, major sport has been the main beneficiary of available broadcast revenue, through the sale of the content that each major sport controls. Smaller sports tend to be critical of these usually larger professional sports (such as the football codes and cricket), often suggesting that their advantage is due to unfair decisions by the media, (particularly free-to-air television and pay TV) to show these sports while neglecting others. The Australian Government put in place an anti-syphoning scheme in 1994 to ensure that Australians have continued access to key sporting
events on free-to-air television and that these events are available to the whole viewing public by preventing pay TV licensees from acquiring exclusive rights to listed events. For events that are not on the anti-syphoning list, free-to-air and pay TV broadcasters can purchase the rights to televise those events, based on their individual commercial interests.

It is argued that anti-syphoning legislation ultimately limits the earning potential of the NSOs and holds back the quantity and quality of sports coverage on television.

In the view of the Panel, at the most basic level, the television networks make financial decisions to buy and show sports that are popular with the users of their service. This, in turn, reinforces the popularity of that sport, generating revenue that is reinvested into the sport. Sports are able to invest in higher quality personnel and resources and ultimately make decisions that ensure their game is more attractive, more marketable and more profitable.

The problem for major sports at present is that current anti-syphoning laws force them to sell their product to free-to-air television, which puts it in the same commercial market as other TV shows and events. Given the competitive nature of the media industry and the dependence on ratings of free-to-air television, sports run the risk of having to ‘sell’ themselves at a lower price to free-to-air TV networks than what they may have potentially been able to leverage from subscription television operators. This reduces the potential revenue of major sports. The Panel suggests that the Australian Government investigates the relaxation of current anti-syphoning legislation.

The Panel is aware of the Department of Broadband, Communications and the Digital Economy review of the anti-syphoning scheme and has been informed by the Sport on television: A review of the anti-syphoning scheme in the contemporary digital environment discussion paper. The Panel supports the review and recommends that NSOs directly affected by the discussion paper be given the opportunity to meet with review representatives.

DIGITAL MEDIA

Concerns were raised with the Panel regarding the impact digital media is having on the broadcasting of sport in Australia. This issue was the focus of a recent Senate Standing Committee on Environment, Communications and the Arts report tabled in May 2009 on The reporting of sports news and the emergence of digital media (the Digital Media Inquiry). A recommendation from the Digital Media Inquiry was:

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88 Senator Stephen Conroy (Minister for Broadband, Communications and Digital Economy), media release, 20 August 2009.
The digital era has seen the emergence of a whole new industry, one which uses technologies like the internet and mobile phones as a means of communication. These technologies have meant that access to sport news and coverage is much more responsive to the needs and demands of the community. Digital technologies can potentially have an impact on the commercial value of content, as it is almost impossible to maintain exclusivity of rights on the internet.

A balance is needed between the ability of sports to protect their commercial rights and generate funds to promote their sport, and reasonable access to content for news reporting for media outlets. There needs to be an appropriate balance between the public’s right to access alternative sources of information using new types of digital media, and the rights of sporting organisations to control or limit access to ensure a fair commercial return.

The Panel believes that at this time there is not a demonstrated need for government intervention; it is appropriate for sporting organisations to deal with the various media outlets to attain mutually beneficial arrangements.

**THE COST OF SPORT**

In many sports, there is a greater demand for higher quality facilities. While the Panel does not advocate sport participation in inferior facilities, it does suggest that improvements come at a cost which cannot be absorbed easily by local sporting organisations. The cost of sport participation has increased by much more than the Consumer Price Index (CPI) or inflation. According to the Australian Bureau of Statistics (ABS), the CPI increased in Australia by 36.6 per cent over the 10 years from 1998–99 to 2008–09.

ABS data suggests that sport participation costs (including sporting club subscriptions and registration fees) increased by up to 69.4 per cent over the same period. A broad and informal analysis conducted on behalf of the Panel by the Australian State Sports Federations Alliance shows an average increase in costs of 92 percent across 15 randomly selected local clubs and sporting organisations.

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90 Australian Bureau of Statistics, Consumer Price Index series, cat. no. 6401.0.
91 Australian Bureau of Statistics, Consumer Price Index series, cat. no. 6401.0.
Participation costs include equipment such as boots, swimmers, goggles, uniforms, ballet shoes, bats, racquets, gloves and protective helmets, and the petrol required to transport children to venues. For many families, these escalating costs are increasing burdens on family budgets and the ability to support children participating in multiple sporting competitions and physical activities. Many sport and physical activity groups have tried to support families with more than one or two children participating in a sport by offering reduced registration fees but this comes at the expense of the club by loss of revenue or an add-on expense for other families.

Local sporting clubs face ongoing difficulties associated with the escalating costs of getting individuals and sport teams on to the field. For example, insurance costs are increasing for individuals and clubs. The 2002 Senate Standing Committee on Economics Inquiry into the impact of public liability and professional indemnity insurance cost increases\(^\text{92}\) shows that sport and recreational organisations have been more disproportionately affected by increases in the cost of public liability insurance, these increased premiums being passed on to the participants at the grassroots level. This issue will continue to place significant financial burdens on community sporting clubs. Facility owners, such as local governments, are adopting more commercial charges for use of their facilities.

Consideration needs to be given to how these costs can be contained. There is a need to examine ways to reduce costs for both participants and sporting organisations.

### TAX DEDUCTIONS

Some countries provide financial incentives in the form of tax rebates to support participation in sport and physical activity by younger members of the community.

It is suggested that the Australian Government consider options for supporting participation in sport and physical activity by young Australians. There is potentially a significant cost to the Australian Government in introducing any scheme that provides financial support. An option is the introduction of a scheme that allows parents to claim a taxation deduction for their child participating in sport and physical activity. Alternatively the Australian Government may wish to consider the introduction of a voucher scheme that provides subsidised (free or discounted) access to sports participation (registration fees) or equipment for low-income families.

Tax rebates are used sparingly in Australia to off-set costs to target groups; the 30 per cent rebate on child care and the 30 per cent rebate on private health insurance premiums are significant examples. While there are precedents for directing tax incentives at high priority areas of concern the Panel is aware that the Australian Government will need to conduct an assessment of the cost

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\textsuperscript{92} Parliament of Australia, Senate, Senate Standing Committee on Economics, Inquiry into the impact of public liability and professional indemnity insurance cost increases, \textit{A Review of public liability and professional indemnity insurance Report}, 22 October 2002.
effectiveness of the rebate versus that of alternative approaches. Some issues to consider on the impact of any such rebate (including complexities of the introduction), are:

(i) Size of the rebate—While a variety of figures have been proposed by different groups and individuals, there is no data available to indicate the size of a rebate which would produce a cost effective result in terms of foregone revenue.

(ii) Cash constraints—A rebate is provided after the expense is incurred rather than up-front. This does not help the primary target group who cannot afford the price to begin with.

(iii) Rebates are bonuses for those who can afford to pay and do so already—Those who are already paying up front for memberships would receive the rebate for a service they are already buying.

(iii) Lowest income groups—The rebate would have no impact on the lowest income groups (the primary target) as they do not pay tax.

(iv) Infrastructure costs—Setting up a rebate scheme would require some mechanism for recognising eligible sports/physical activity providers and an ongoing infrastructure to maintain it.

(v) Taxation legislation—Expense of a predominantly private nature such as membership fees for sport cannot be directly linked to assessable income and therefore do not currently qualify as deductions. Relevant taxation legislation would require changing but this would not be a major impediment if a rebate were agreed.

(vi) Eligible activities—There are tens of thousands of possibly eligible providers: sports clubs, riding schools, recreation organisations, scouts groups, dance schools, gyms, etc. Determining the criteria for accrediting providers would be complicated.

(vii) Opportunities for fraud—Monitoring perhaps tens of thousands of eligible providers, and eligible participants would be a significant task. It may be difficult to prevent fraudulent claims from bogus providers.

TAX DEDUCTIBILITY STATUS FOR SPORTING ORGANISATIONS

Stakeholders requested the Panel consider recommendations to allow not-for-profit community sport organisations to apply for tax deductible status. Tax deductibility on donations to these organisations would provide immediate incentive to individuals to ‘invest’ in community sport organisations. Tax deductibility for participation costs will have the immediate effect of reducing the cost of participation.
As outlined above there are major issues for the Australian Government to consider prior to implementing such changes. Implementation of such measures would involve changes to the taxation system (and the *Income Tax Assessment Act 1997*). In particular the Australian Government may need to broaden the type of organisation considered to be a deductible gift recipient (DGR). Such a scheme may also affect the functions of the ASF.

Some representations to the Panel indicate that cost may not be a major ‘constraint’ to participation. If this is the case decreasing participation costs may benefit those already participating, without actually increasing overall numbers of participants.

**VOUCHERS**

An alternative to the tax rebate option is the introduction of a voucher system that provides a subsidised (free or discounted) access to sports participation in order to increase the ability of low-income families to allow their children to participate in extra-curricula organised sporting activities. A ‘sport voucher’ could be redeemed by a club or private provider when presented to them by a family and used to offset the child’s membership or participation fees.

Some of the impacts and complexities of a voucher system to be considered are:

(i) Size of the voucher subsidy—There is no data available to indicate the size of a voucher subsidy which would be cost effective.

(ii) Cash constraints—A voucher is provided up-front before the expense is incurred, rather than after as in the tax rebate option. Those who cannot afford the price to begin with would be directly assisted as opposed to a tax rebate scheme.

(iii) Lowest income groups—The voucher system would have its greatest impact on the lowest income groups, being those at which this option is primarily targeted.

(iv) Infrastructure costs—Setting up a voucher scheme would require a mechanism for recognising eligible recipients, eligible sports/physical activity providers and an ongoing infrastructure to maintain it.

(v) Eligible recipients—A significant consideration in implementing the voucher system is whether the voucher should be available to every child and how much would be available per child, or whether the availability of vouchers is ‘means tested’. An argument is that it should only be made available to families who are also eligible for concessions due to low income status. This could be linked to schemes that

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are already in operation. For example, one particular scheme provides financial assistance towards the educational expenses incurred by low-income families who are in financial need and who meet the eligibility criteria. This scheme would already have clear eligibility criteria of financial need in place. Those criteria reflect closely the indicators that have been discussed previously and would target those most likely to not participate in sport or active recreation currently. This particular system would require the co-operation of Centrelink and the Department of Education, Employment and Workplace Relations (DEEWR) at an Australian Government level and Departments of Education and/or Children’s Services at the state and territory government level.

(vi) Eligible activities—As with the tax rebate option, there are tens of thousands of possibly eligible providers and determining the criteria for accrediting providers would be complicated.

(vii) Opportunities for fraud—Monitoring perhaps hundreds of thousands of eligible participants, and tens of thousands of eligible providers would be a significant task. It may also be difficult to prevent false claims from spurious providers.
SUMMARY OF FINDINGS

2.1: National Sport Policy Framework
1. There is no agreed definition of what ‘success in sport’ means for Australia, either at the elite or participation level and thus no clear objectives or plans.

2. The lack of a national policy framework and defined measures of success for elite sport and mass participation mean that funding is appropriated without clear and agreed objectives.

3. Since previous Australian governments began providing significant support to sport, the clear focus has been winning Olympic, Paralympic and Commonwealth Games medals, while participation or ‘grass roots’ sport has been comparatively under-funded. This has resulted in neglect of the fundamental basis of sport in Australia—participation by children and adults in recreational-based sport at community levels.

4. The delivery of sport involves all three tiers of government and a variety of agencies in each sector, including sport and recreation, health, education, infrastructure and Indigenous affairs. But there is inadequate co-operation between all these stakeholders, leading to inconsistent and ineffective delivery.

5. The lack of fundamental data on most aspects of the sport sector substantially inhibits an evidence based approach to the development of policies and strategies.

6. There is a clear need for a nationally agreed plan for sport which encompasses all relevant areas of government and engages all tiers of government.

2.2: Roles and Responsibilities
7. Various levels of government have developed roles in high performance and participation sport often responding to jurisdictional priorities and without reference to national strategic priorities.

8. As a consequence there is not universal agreement on the roles and responsibilities of each tier of government in high performance and participation sport.
9. All stakeholders in sport, both government and non-government, have increasing participation as a key goal, yet there is little or no co-ordination among these bodies to achieve that goal.

10. Many aspects of the current elite system have clearly worked well to produce outstanding international results over the past 15 to 20 years.

11. Despite these positive elements there are system failures, and, it seems likely that better results may have been achieved with a better system.

12. The Panel observed these failures in the current elite sport system:
   • a lack of co-operation and at times direct competition between key government providers—the Australian Institute of Sport and the state and territory institutes and academies of sport—even within the same sports.
   • a lack of adequate feeder programs to support the Australian Institute of Sport and the state and territory institutes and academies of sport.
   • a lack of sufficient involvement by sporting organisations in their own programs.
   • an ‘institute-centric’ approach, which largely ignores the potential of other organisations to contribute to high-performance programs.
   • fewer talented athletes flowing to the finishing schools due to:
     i. the decline of sport and physical training in education.
     ii. the decline in active play for children.
     iii. the decline or stagnation of participation in sport at all levels.
   • Australian Government and state and territory government funding over recent years has not kept pace with the increasing costs of high performance sport.

13. The goal of increasing participation has generally been seen by stakeholders primarily in the light of the ‘sporting pyramid’: that more participants mean more talent available for elite programs.

14. Little attention has been paid by stakeholders at all levels to the importance of increasing participation to bolster the sustainability of sporting organisations or as a mechanism to address health issues in the population.

15. Sport has potential to contribute in a major way to improving the health and well being of the community. This potential is underestimated by all levels of government and as such is under resourced and addressed in an ad hoc manner.
16. Government funding targeted at increasing participation has primarily been provided to national sporting organisations and state sporting organisations—a top down approach. A more holistic approach which includes investment at a local level is needed.

17. Government funding has, at all levels, been primarily provided to sporting organisations on a sport by sport basis, virtually ignoring the multi-causal nature of the issue.

18. There is a dearth of robust data on participation in sport and the agenda is confused with obesity, the roles of unstructured and structured physical activity and participation sport versus elite sport—all relevant and at times competing issues.

2.3: Cultural and societal impacts

19. That the shifting nature of Australian society, particularly demographic and lifestyle changes, are having an impact on the sports and physical activity sector and this impact will increase over time.

20. Many sporting organisations have not embraced more recreational forms of their sports, missing opportunities for membership, volunteers and revenue.

21. The changing age profile of the Australian population is not well catered for by the sporting sector, with a focus from both sporting organisations and governments on elite sport.

22. The ageing population provides opportunities for volunteerism in sport, with potential benefits to the aged, children and sporting clubs.

23. The ongoing migration of the population from regional to metropolitan centres provides challenges to both areas which are yet to be satisfactorily appreciated or addressed by sporting organisations and governments.

24. Immigration is changing the demographics of the population. New populations will require different approaches, including a shift away from more traditional Australian sports.

25. Indigenous sport programs are not well coordinated within governments or between levels of government, leading to confusion and ineffectiveness.

26. Significant amounts of government support, at all levels, for Indigenous programs is not focussed on long term capacity building.
2.4: Capacity of Australia’s Sporting Organisations

27. The capacity of Australia’s sporting organisations to expand the delivery of sport and physical activity opportunities needs urgent attention.

28. The number of women in sport leadership positions is disproportionately low to their representation in the population.

29. Australia needs a system which supports the efforts of volunteer coaches, administrators and officials at all levels of sport.

30. Coaches play a particularly important role in developing children’s sporting abilities and mentoring their overall development and therefore particular attention needs to be given to recruiting and retaining volunteer coaches.

31. Elite athletes are not sufficiently supported after they retire from their chosen sport with the result that, in many cases, their talents and experience are not being passed on effectively.

2.5: Infrastructure

32. Facilities for sport are not meeting demand and in the case of field sports, the drought is making this problem worse.

33. In general, local governments do not have sufficient resources to address sporting needs.

34. Existing facilities in schools, universities and defence installations are underutilised.

35. There is insufficient data on supply of and demand for facilities to make informed decisions and local planning is patchy.

36. Australian Government funding for sports facilities has been ad hoc and not based on a strategic assessment of competing community needs.

37. Community sports facility funding is not co-ordinated across Australian governments.

2.6: Education and Sport

38. Physical activity enhances academic and other educational outcomes.

39. There was no formal accountability and reporting to the Australian Government on the previous requirement to include two hours of physical activity per week in school hours as a condition of Australian Government education funding.
40. There are inadequate numbers of teachers trained to deliver physical education in our schools.

41. Local sporting organisations have difficulty in gaining access to school and other educational facilities.

42. The Active After-school Communities program needs to be reviewed by the Australian Sports Commission before a decision is made on its future.

2.7: Investing in the future of Sport

43. There is a strong correlation between international sporting success and public funding for sport.

44. Australian Government funding for sport is just one component of a large, complicated and evolving industry. Any diversification of sport industry funding will inevitably involve considerable consultation amongst stakeholders, often with competing interests, in a multi-tiered industry.

45. There is significant capacity for improved co-ordination and allocation of government funds between agencies and levels of government. It is the responsibility of the Australian Government to lead in this area.

46. Additional funding is required to meet current facility and infrastructure needs, including the adaptation of high-value infrastructure to climate change. This, however, cannot be achieved without significant co-operation and strategic planning between jurisdictions.

47. Sports at all levels derive significant revenues from fast food and alcohol advertising. Limitations on sponsorship of sport will significantly affect the industry.

48. There is a clear role and responsibility for sporting organisations to deliver social messages such as responsible consumption of alcohol and healthy eating.

49. The Australian Sports Foundation is an important mechanism. Changes to the operation and governance of the Australian Sports Foundation could improve its applicability to a wider group of Australians.
APPENDICES

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Appendix A: Terms of Reference

In recognising the importance of sport and the significant emerging challenges to Australia’s sustained success in elite sport, the Minister for Sport outlined in the Commonwealth Government’s directions paper Australian Sport: Emerging Challenges, New Directions the need for widespread and continuing reform of Australia’s sporting system.

An independent expert panel will be appointed to make recommendations on the specific structures, programs and reform required to ensure the continuing robustness of the Australian sport system.

The panel, in reporting on these terms of reference, will take into account the growing challenges to Australia in the global sporting environment in the post-Beijing environment, note scientific advances and international sporting trends, and make particular recommendations about the best way to retain our international standing.

They will pay particular attention to the most effective manner that sport and physical activity can play a strong role in building a healthier Australia and forming part of the Commonwealth Government’s preventative health agenda. They will also assess the structure and capability of the Australian sports system as a whole, to achieve competitive advantage in delivering nationally desirable sport outcomes from social and community level right through to the highest levels of elite performance. Recommendations will be particularly directed towards the following Terms of Reference:

1. **Ensure Australia’s continued elite sporting success**
   - Identify any areas of duplication within Australia’s sporting system and recommend ways to build a more efficient system
   - Examine the relationship between the Australian Sports Commission, Australian Institute of Sport, State and Territory Institutes, academies of sport and regional institutes and how this relationship could deliver better athlete pathways
   - Recommend opportunities to ensure maximum returns from talent identification programs

2. **Better place sport and physical activity as a key component of the Government’s preventative health approach**
   - Examine Government frameworks to ensure an on-going focus on grassroots and community sport and physical activity
• Examine Government programs to increase participation rates in sport and physical activity, including analysis of existing programs

• Identify and recommend opportunities to break down barriers to participation at junior, adult and senior ages with a view to making it simpler and easier for Australians to participate in the sport or physical activity of their choice, including for women, the disabled and Indigenous people

• Recommend strategies to increase the effectiveness of the promotion of sport by the Federal Government to better communicate positive health and activity messages to the broader community

3. **Strengthen pathways from junior sport to grassroots community sport right through to elite and professional sport**

   • Examine the capacity of the system to ensure optimal and efficient delivery of the athlete and coach pathway for any given sport

   • Recommend the most effective support and recognition for the coaches, officials, umpires, administrators and volunteers who keep our community clubs alive

   • Examine how relationships between the Commonwealth Government and National Sporting Organisations, State Sporting Organisations and Australia’s peak representative bodies at key multi-sports competitions may be strengthened to deliver better performance outcomes

4. **Maintain Australia’s cutting edge approach to sports science, research and technology**

   • Examine the capacity of the system to ensure provision of cutting edge technology, innovation, sport science, sports medicine, applied research to underpin sport performance and development, including ways to maintain Australia’s position as leaders in anti-doping

   • Examine the current partnerships in place within these fields and recommend any potential partnerships

5. **Identify opportunities to increase and diversify the funding base for sport through corporate sponsorship, media and any recommended reforms, such as enhancing the effectiveness of the Australian Sports Foundation.**
APPENDIX B: MEMBERSHIP

Mr David Crawford, AO, BComm, LLB, FCA is the Chairman of the Independent Sports Panel. He is Chairman of Foster’s Group Limited, Lend Lease Corporation Limited, a Director of BHP Billiton Limited and a former Director of Westpac Banking Corporation and National Foods Limited.

His significant corporate career has focused on risk management and business reorganisation. He conducted a review of the structure of the Australian Football League in 1993 leading to the appointment of the Independent Commission to oversee AFL football.

He was Chairman of the review of the structure and governance of soccer in Australia. The 2003 Crawford Report is credited with establishing the blueprint for soccer that has seen it achieve unprecedented success over the past few years, including qualification of the Socceroos for the 2006 World Cup, membership of the Asian Football Federation and the establishment of the A-League.

Ms Sam Mostyn is a member of the Independent Sports Panel. She has a background in law, business, sport, sustainability and the community and cultural sectors. Since 2005 she has served as a Commissioner with the Australian Football League and chairs AFL Sportsready, the industry’s traineeship company. She has served on the executive team of a number of companies, including Optus, Cable & Wireless, and Insurance Australia Group and currently consults on sustainability issues for organisations. She serves on the boards of Reconciliation Australia, Australian Volunteers International, the Redfern Waterloo Authority and a number of cultural institutions. Sam lives in Sydney with her husband and 10 year old daughter.

Ms Pamela Tye AM is a member of Independent Sports Panel and retired School Principal. Previously President Australian Women’s Hockey, President of Hockey Australia, Vice-President of Federation of International Hockey, recipient of Award of Merit (FIH), and Women and Sport Diploma (IOC). Ms Tye has been a Director on the ASC Board, the Sydney Paralympic Games Organising Committee, and the State Sports Centre Trust at Olympic Park, Sydney.

Mr Colin Carter is a member of the Independent Sports Panel. His career was as a consultant with The Boston Consulting Group and he currently serves as an Adviser to that firm. He is a former Commissioner of the AFL and is currently a director of the Geelong Football Club and Chairman of the AFL Foundation. He is a director of two public companies, Wesfarmers and SEEK, as well as several not-for-profit organisations including World Vision, Indigenous Enterprise Partnerships and the Cape York Institute for Indigenous Policy and Leadership. He has been the
author of several reports into the strategy and structure of sporting organisations and has co-authored a book on governance, Back To The Drawing Board, published by Harvard Business School Press.

Mr Mark Bouris is the former Executive Chairman of Wizard Home Loans and a Board member of Sydney Roosters Rugby League Club. Due to work commitments, Mark was unable to contribute to the work of the Panel after May 2009. The Report has been finalised without the benefit of his input and accordingly he is not a signatory to this report.
APPENDIX C: METHODOLOGY

The methodology employed by the Panel in undertaking its review of the Australian sporting system, both at the elite and community sport level involved:

- Written submissions sought directly from key stakeholders.
- Advertisements in national newspapers seeking input from the wider community. Advertisements were placed in the national newspapers in September 2008 and again in March 2009.
- The Panel received 213 submissions from key stakeholders and the wider community.
- Dissemination of information via the Panel website (www.sportpanel.org.au)
- The Panel conducted 77 meetings with key sport sector stakeholders that accepted offers, visiting each state and territory.
- Testing of a number of propositions with elite sportspeople.
- Conducting thirteen (13) public forums across metropolitan and regional Australia to seek feedback from the individuals and local sporting organisations on community sport issues. The forums began in Darwin on 23 March 2009 and concluded in Coffs Harbour on 1 May 2009. Approximately 368 participants attended the forums. Participants were representatives of government, community organisations or local, state and national sporting organisations.
- Assessment of the information, data and research presented to the Panel and identification of the key findings.
- Development of the recommendations and report throughout 2009.

In all, during the consultation process, the Panel met with, or received submissions from, over 650 organisations or individuals.94 The wide range of organisations and individuals who contributed to the review through the Panel’s consultations encompassed:

- Each state/territory department of sport and recreation.
- Representatives of each state and territory government;

94 A full list of organisations and individuals that contributed to the Panel is included at Appendix D
• The Australian Sports Commission and other Australian Government departments and agencies.
• The Australian Institute of Sport and state/territory institutes and academies of sport.
• Representatives of local government.
• National and state/territory sporting organisations and umbrella groups.
• Recreation industry and training peak bodies.
• Members of the public

The Panel was informed by the representations from each of these groups and information assisted the Panel in its analysis of issues and influenced its recommendations.
APPENDIX D:
SUBMISSIONS AND CONSULTATIONS

Submissions
ACT Academy of Sport
ACT Sport & Recreational Industry
ACT Sport Inc. (ACT Sports Federation)
Albany District Netball
Amber Parkinson
Australian Olympic Committee, Australian Youth Olympic Festival, Executive Summary
Associate Professor Beth Hands
Athlete Training Development Program
Athletics Australia
Athletics Australia Addendum
Athletics South Australia
Australian Sport and Recreation Association for Persons with Integration Difficulties Inc
Australian and New Zealand Sports Law Association
Australian Athletes Alliance
Australian Athletes with a Disability Ltd & Wheelchair Sports Australia
Australian Baseball Federation
Australian Canoeing
Australian College of Sports Physicians
Australian Commonwealth Games Association
Australian Council for Health, Physical Education and Recreation Inc
Australian Drug Foundation
Australian Flying Disc Association
Australian Football League
Australian Human Rights Commission
Australian Ice Racing Inc
Australian International Shooting Limited
Australian Leisure Facilities Association
Australian Little Athletics
Australian Olympic Committee
Australian Olympic Committee Education
Australian Oztag
Australian Paralympic Committee
Australian Rugby League—National Rugby League
Australian Rugby Union
Australian Sports Commission
Australian Sport Foundation
Australian State Sports Federations Alliance
Australian University Sport
Australian Water Polo Inc
Australian Waterski and Wakeboard Federation
Australian Womensport & Recreation Association Inc
Badminton Australia
Basketball Australia
Bicycle Network
Bill Unkles, Camberwell Hockey Club
Bowls Australia
Boxing Australia
Brian Grant
Bronwyn Marshall
Bruce Warhurst
Camberwell Hockey Club
Catapult Innovations
Challenging Homophobia in Sport Initiative
Chris Ambler
City of Baroondara
Clive Davenport
Coalition of Australian Olympic Sports
Confederation of Australian Motor Sport Ltd
Confederation of Australian Sport
Craig Sinclair
Cricket Australia
Commonwealth Scientific and Industrial Research Organisation (CSIRO)
David Bell, Tagai State College Torres Strait Queensland
David Hawkins, Pool For Pittwater Committee
David Miers
Deaf Sports Australia
Deidre Anderson
Department of Local Government, Sport & Recreation (Queensland)
Disabled Surfers Association of Australia
Disabled Winter Sport Australia
Diving Australia
Dr Bob Such, MP
Dr Colin Bell
Equestrian Federation of Australia
Football Federation Australia
Football Federation Victoria
Former Australian Institute of Sport & National Coaches
Gail Aiken
Gary Moorhead
Gary O'Donnell
George P
Georgia Bonora
Gerran Wright, Recreation Services Shire of Yarra Ranges
Golf Australia
Graham Porteous, Recreation Services City of Melbourne
GSport
Gymnastics Australia
Harry Wark
Harvey Jolly
Hockey Australia
Hunter Surf Industry Cluster Inc
Hydrix Pty Ltd
Ian R. Harrison
Ian Staines, Football West
InnovationXchange
Institute of Sport Management
International Council of Arbitration for Sport
Ivan Eterovic
Jacqueline Campion
James Rouse Leisure Development City of Casey
Jayne and Bill Dennis
Jerzy Kortynski
Jim Daly
Joe Shaw
John Orchard
Joint Submission from Eleven National Sporting Organisations
Joint submission from The Cycling Promotion Fund and Cycling Australia Inc
Joint submission from Winter Sport National Federations
Katrina Hausia
Ken Clifford
Kidsafe Child Accident Prevention Foundation of Australia
Kim Buckingham
Leigh Hunter, Golf Australia (Australian Capital Territory and New South Wales)
Liz Bourne, Orienteering Queensland
Logan City Council
Lynne Sheehan
Mandy Quayle, Taronga Western Plains Zoo
Margaret Hanson
Margaret Muirhead
Mark Brogan
Marquee International Pty Ltd
Martin Bullock
Martin Davies-Roundhill
Melbourne University Sports Association
Melinda Quayle, Basketball New South Wales
National Aboriginal Sporting Chance Academy
National Elite Sports Council

The Future of Sport in Australia
Netball Australia
Netball Victoria
Network of Immigrant and Refugee Women Australia
Newcastle University Sport
Nick Gonios
NICTA (National ICT Australia)
North Coast Academy of Sport
Northern Territory Government Sport & Recreation Division
New South Wales Institute of Sport
New South Wales Sports Federation
Orienteering Australia
OZTAG
P & D Rousham
Parks and Leisure Australia
Paul J Hayes (re ICAS submission)
Paul Muller
Peta White
Peter Annis-Brown
Peter Burns
Peter W Richardson
Philip Stowell
Pony Club Australia
Professional Golfers Association of Australia
Professor Kristine Toohey
Queensland Academy of Sport
Queensland Athletics
Rapid Ascent
Recreation Services Shire of Yarra Ranges
Robert Mouatt
Robyn Cochrane
Robyn Machin, Violet Town Community Sports Clubs
Rod Carter
Rowing Australia
Royal Life Saving Society Australia
RWM Consultancy
School of Leisure, Sport and Tourism and the Australian Centre of Sport Business and Performance
School Sport Australia
Scouts Australia New South Wales
Service Skills Australia
Simon Balderstone
Simone Gray, Dubbo West Public School
Skate Australia
Softball Australia
Sonya Jenkins
South Australian Government Office for Recreation and Sport
Special Olympics Australia
Sport & Recreation Tasmania
Sport Knowledge Australia
Sport Management Association of Australia and New Zealand
Sports Law Committees of the Victorian Bar & Law Institute of Victoria
Sports Medicine Australia—Victoria
Squash ACT
State Physical Activity Council, South Australia
Stefanou Kosta
Steve Harris
Steve Stacey, Nyoongar Sports Association
Strongarm Boxing & Fitness Pty Ltd
Stuart & Theresa Morgan
Surf Life Saving Australia
Swimming Australia
Tanya Johansen
Tasmanian Sport and Recreation Association for people with a disability Inc
Tennis Australian Capital Territory Limited
Tennis Australia
The Johnny Warren Football Foundation of New South Wales Ltd
The Sport Australia Hall of Fame
The Woodlands Youth Group
Transplant Australia
Tricia Knott
VicHealth
VicSport
Victorian Institute of Sport
Vivien Bing
Volleyball Australia
Volleyball Australia II
WALGA
Warringah Council
Wayne Goldsmith
West Australian Football Commission Inc
Western Australia Department of Sport & Recreation
Western Australia Institute of Sport
Winter Sport
Women’s Golf New South Wales Inc
Womensport Queensland
YMCA Australia
Youthsafe

Consultations

STAKEHOLDER MEETINGS
Australian Capital Territory Academy of Sport
Australian Capital Territory Sport and Recreation Minister’s Advisory Council
Athletics Australia*
Australian Sport and Recreation Association for Persons with Integration Difficulties Inc Australia
New Zealand Sports Law Association
Australian Athletes with a Disability
Australian Athletics Alliance
Australian Baseball Federation
Australian Canoeing*
Australian Commonwealth Games Association
Australian Football League
Australian Football League Coaches Association
Australian Ice Racing
Australian Little Athletics
Australian Olympic Committee
Australian Paralympic Committee
Australian Rugby League/National Rugby League
Australian Rugby Union
Australian Sports Anti Doping Authority
Australian Sports Commission
Australian Sports Foundation
Australian State Sports Federation Alliance
Australian University Sports
Australian Volleyball Federation
Badminton Australia
Basketball Australia
Bowls Australia
Boxing Australia Incorporated
Mr Rob Moodie, Chair, Preventative Health Taskforce
Challenging Homophobia in Sport Initiative
Coalition of Major Professional Sports
Commonwealth Scientific and Industrial Research Organisation
Confederation of Australian Motor Sport Ltd
Confederation of Australian Sports
Confederation of Major Professional Sport
Cricket Australia
Cycling Australia*
Department of Education, Employment and Workplace Relations
Equestrian Australia
Football Federation of Australia
Golf Australia
Gymnastics Australia
Hockey Australia
National Aboriginal Sporting Chance Academy
National Elite Sports Council (NESC)
Netball Australia
New South Wales Department of the Arts, Sport and Recreation
Northern Territory East Arnhem Shire Council
Northern Territory West Arnhem Shire Council
New South Wales Institute of Sport
New South Wales Sports Federation
Nyoongar Sport Association
Office of Recreation and Sport, South Australia
Orienteering Australia
Professional Golfers Association Australia
Queensland Academy of Sport
Rowing Australia*
Service Skills Australia
Softball Australia
South Australian Cricket Association
South Australian Institute of Sport
Sport and Recreation Division of the Queensland Department of Communities
Sport and Recreation Tasmania
Sport and Recreation, Northern Territory Department of Natural Resources, Environment, the Arts and Sport
Sport Medicine Australia
Sports Australia Hall of Fame
Surf Lifesaving Australia
Swimming Australia*
Tasmanian Institute of Sport
Tennis Australia
The Hon. Michael Wright, MP Minister for Recreation, Sport and Racing, South Australia
The Hon. Michelle O'Byrne, Minister for Sport and Recreation, Tasmania
The Hon. Karl Rio Hampton, MLA Minister for Sport and Recreation, Northern Territory
The Hon. Kevin Greene, MP Minister for Sport and Recreation, New South Wales
The Hon. Phil Reeves, MP Minister for Child Safety and Sport, Queensland
The Hon. Terry Waldron, MLA Minister for Sport and Recreation, Racing and Gaming, Western Australia
Transplant Australia
Victorian Institute of Sport
Western Australia Department of Sport and Recreation
Western Australia Institute of Sport
Western Australia Sports Federation
Yachting Australia

COMMMUNITY SPORT PUBLIC FORUMS

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<td>Darwin</td>
<td>23 March 2009</td>
<td>Sam Mostyn	Colin Carter</td>
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<td>31 March 2009</td>
<td>David Crawford</td>
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<td>Albury/Wodonga</td>
<td>1 April 2009</td>
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<td>David Crawford</td>
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<td>Brisbane</td>
<td>6 April 2009</td>
<td>Sam Mostyn</td>
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<td>Coffs Harbour</td>
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<td>Pam Tye</td>
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95 The six national sporting organisations, identified with an asterisk—Rowing Australia, Yachting Australia, Cycling Australia, Australian Canoeing, Athletics Australia and Swimming Australia—were represented as the Coalition of Australian Olympic Sports. Athletics Australia also met with the Panel independently.
COMMUNITY SPORT PUBLIC FORUM ATTENDEES

A Minter—Camberwell Hockey Club
Aaron Morse—Inclusions Officer, Department of Sport and Recreation
Aaron Roberts—Regional Coordinator, Active After-school Communities
Adam Wallish—Chief Executive Officer, Australian Little Athletics
Alex Donaldson—Research Fellow, University of Ballarat
Alison Constantinou—Good Sports New South Wales & Project Coordinator Australian Drug Foundation
Andrea Ousely—National Institute of Circus Arts
Andreas Olascoaga, Andreas—Victorian Handball Federation
Andrew Butterfield—City of Casey
Andrew Dee—Chief Executive Officer, Rowing Australia
Andrew Robinson—Recreation Manager, Penrith City Council
Andrew Smith—President, Parks and Leisure, South Australia and Northern Territory
Andy Buckton—Business Development Manager, Perth YMCA
Ann Monaghan—National Manager, Special Olympics Victoria
Anna Wilson—Active Recreation Program Manager, Participation in Community Sport and Active Recreation
Anne Sheehan—Policy and Program Officer, Department of Health & Human Services
Annelise Robson
Anne-Marie Phippard—General Manager, Netball Australia
Antony Harding—Director, Transplant Australia
Barbara Kearins—State Executive Officer, Special Olympics ACT
Barbara Thompson—Whitehorse Netball Association
Barnaby Eaton—Board Member, Rowing Queensland
Barry Couzner—Director, D-Volleyball South Australia
Bec Dance—Client Manager, Sport and Recreation, Tasmania
Bernice Bution—Chief Executive Officer, South West Academy of Sport
Bill Unkles—Board Member, Camberwell Hockey Club
Bob Mouatt—Vice-President, ACT SPORT
Bob Sheppard
Bob Weight—President, South Canberra Gymnastics Club
Boris Georgieff—President, Volleyball Queensland
Brad Lukosius—Community Facilities Coordinator, Recreation and Leisure Services, Shire of
Mundaring
Brenda Norman—Riverina Regional Coordinator, the Centre your Community College
Brendan Denning—Manager, Game Development, Hockey Australia
Brent Phillips—DeafSports Victoria
Brian Blechynden—Facilities Planning Officer, City of Swan
Brian Canavan
Brian Cooney—IMG Tennis
Brian Hagaman—President, South Queensland Archery Society Inc
Brian Hinton—Director, Triathlon Australia
Brian Roe—President, Athletics Tasmania
Bronwen Young—Women’s Golf Victoria
Bruce McNaughton—Youth Coordinator, Queensland Ultimate Disc Association
Bruce Morris—Tenpin Bowling Queensland
Bruce Wallace—Regional Coordinator, Active After-school Communities
Cameron Knapton—West Australian Football Commission
Carol Collidge—Pony Club
Carolyn Watts—National Community Development Manager, Australian Drug Foundation
Catriona Harwood—Transition Support Officer, Australian Red Cross
Chad King—High Performance Manager, Rowing Queensland
Chad King—Rowing Queensland
Charles Sanders—Australian Little Athletics
Chris Ambler
Chris Atkinson—Old Canberrans Hockey Club
Chris Conlon—Regional Coordinator, Active After-school Communities
Chris Farrell
Chris Hicks—Director, Commercial Services, Newcastle University Sport (Nusport)
Chris Muldoon—Director, SportBusiness Partners Pty Ltd
Chris Rideout—Delegate, South Western Metro Basketball Association
Chris Thompson—Regional Manager, Department of Sport and Recreation
Christie Rogers—Field Officer, Murray/Mallee Community Health Services
Christine Higgison—Regional Coordinator, Active After-school Communities
Christine Tozer—District Liaison Officer, School Volunteer Program
Claire Scott—Community Service Development Specialist, Rockdale City Council
Colin Fuller—President, Golf Northern Territory
Colin Maguire—Chief Executive Officer, Touch Football Australia
Colin Mason—Director, Tennis Australian Capital Territory
Colin Smith—Director, Rowing Australia
Craig Dearlove—Field Officer, Port August City Council
Craig Dodson—DeafSports Victoria
Craig Hutchings—General Manager, Venues, University of Queensland
Craig Strudwick—Regional Coordinator, Active After-school Communities
Craig Tichon—Adviser, Sport and Recreation Queensland
Daniel Freer—Manager, Leisure and Libraries, City of Stonnington
Daniel Hutchinson—Chief Executive Officer, Rowing Australia
Daniel Rushworth
Danny Franc—Development Officer, Great Southern Football
Darren Monument—Principal, A Balanced View Leisure Consultancy Services
David Bartolomues—Sporting Wheelies
David Bell—Chief Executive Officer, Queensland Athletics
David Brabham—Northern Territory Manager, Active After-school Communities
David Brady—Business Operations Manager, Touch Football Australia
David Harwood
David Keating—President, Athletics Queensland
David Mason—Managing Director, Strategic Leisure Group
David Mennie
David Prete—President, Tableland Cycle Sports
David Rhodes—Business Development, Special Olympics Victoria
David Scott—General Manager, Basketball Tasmania
Dean Russel—New South Wales Touch Football
Deb Agnew—Field Officer, South East Local Government Association
Deborah Evans—Cairns Figure Ice Skating Club Inc
Dereck Fineberg—President, Little Athletics Association of New South Wales
Di Papas—Program Leader, Logan City Council
Diane Gibson—Dean, Faculty of Health, University of Canberra
Diona Collins—Senior Consultant, Ross Planning
Domenic Marta—Recreation and Open Space Coordinator, City of Unley
Don Larkin—Triathlon Victoria
Don Marsh—Commercial Services Manager, Surf Live Saving Tasmania
Donna Rousham
Doreen Conroy—Coordinator, Orange Schools Office
Doug Fox—Executive Director, Victorian Golf Association
Dougal Reed—Community Cricket, Cricket Australian Capital Territory
Dwight Zakus—Lecturer, Griffith University
Elizabeth Bennett
Elle Milne—Supporting Country Sport (SCS) Program Manager,
Emma Barlow—Development Manager, Golf South Australia
Emma Beaton—Chief Executive Officer, YMCA of Inner North East Adelaide
Eva Bylund—Advisor, Department of Local Government Sport and Recreation
Evan Stewart—Chairman, Baseball Western Australia
Fiona Hannan—Public Relations and Media Manager, Womensport Queensland
Fiona Patterson—Volunteering Community Programs, Department of Planning and Community Development
Fiona Tulloh
Frances Cramton—Chief Executive Officer, Women’s Golf New South Wales
Gabe Hodges—Regional Coordinator, Active After-school Communities
Gail Aiken—Managing Director, MPower Dome
Gail Torrens—Tenpin Bowling Queensland
Gareth Watkins—Assistant NSW State Manager, Active After-school Communities
Garry Buchanan, ACT/NSW Australian Football League
Garry Foran—Commercial Operations Manager, Touch Football Australia
Gary Barclay—General Manager, Nunawading Swimming Club
Gary Lees—General Manager, Wheelchair Sports West Australian Association
Gary Penfold—Australian Leisure Facilities
Gay Chandler
Gayle Rogers
Geoff Glass—Director, Facilities Planning, West Australian Football Commission
Geoff Woolcock—Griffith University
George Goodison
George Shorrock—Shire Sport and Recreation Coordinator, East Arnhem Shire
Georgy Vella—State Manager, Special O South Australia
Gerran Wright—Executive Officer, Yarra Ranges Shire Council
Gillian Duncan—President, Mountain Bike Australia
Gillian Ting—Executive Officer, Australian Athletes with a Disability Ltd
Gina Browne—Policy & Grants Officer, New South Wales Netball Association Limited
Glen Murray—Mature Artists Dance Experience Inc
Glynis Nunn-Cearns—Executive Director, Australian Track and Field Coaches Association
Gordon Cole
Graeme Murphy—GSPORT Consultancy
Graham Brimage—Director, Strategic Policy, Planning and Research, Department of Sport and Recreation
Graham Carter—ACT SPORT
Graham Warren—Yarra Ranges Shire Council
grant Cosgriff—Project Director, Sport and Recreation Victoria
Grant Parker—New South Wales Department of Education, Combined High Schools Sports Association
Greg Berry—Chairperson, School Sport South Australia
Greg Wilson—President, Cairns Croc Triathlon
Hamish Johnson—Chief Executive Officer, Equestrian West Australia
Hanna Tebbutt—Executive Officer, West Australian Little Athletics
Haydn Bellamy—State Manager, Gymnastics Australia
Heather McLaren—Marlin Coast Netball
Helen Langenberg—Board Member, Golf Tasmania
Helen Swan—General Manager, Lake Burrendong Sport & Recreation Centre, New South Wales Sport & Recreation
Iain Evens
Ian Beattie—Regional Umpire Coordinator, Queensland Country Cricket Association
Ian Ford
Ian Loweth—General Manager, Community and Cultural Services, Cairns Regional Council
Ian Watson
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Jan Brown
Jan Sutherland—Chief Executive Officer, Sport South Australia
Jane Russo—Director, Touch Football Australia
Janice Crosswhite—President, Australian Women'sport and Recreation Association
Jasmine Gallety—Armidale City Council
Tambelup & Kojonup
Ken Birch—Coach, Archery Society of Western Australia
Kerry Boden—Executive Officer, Australian Capital Territory Little Athletics Association
Kerry Partridge—President, North Brisbane Junior Rugby Club
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Lynne Sheenhan—Executive Officer, Sports Medicine Australia
Mal Healey—General Manager, Strategy, YMCA Victoria
Maree Tomlin—State Coordinator, Touch Football Australia
Margaret Stafford
Maria Berry—Football Federation Victoria
Marianne Maguire—Sport Operations Manager, Touch Football Australia
Marilyn Styles—Shire Sport and Recreation Coordinator, West Arnhem Shire
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Mark McAllion—Chief Executive Officer, VicSport
Mark Moncur—Kingborough Sports Centre Gymnastics
Mark Rendell—Chief Executive Officer, Football Federation Victoria
Mark West—President, Tasmanian Sports Federation
Martin Lambert—Strategic Leisure Group
Martin Meredith—New South Wales Rugby League Academy
Martin Sheppard—Managing Director, Smart Connection
Mary-Ellen Ray—Active After-school Communities
Matthew Nicholson—Associate Professor, University of Ballarat
Megan Kerr—Senior Project Officer, Department of Planning and Community Development
Megan Moss—Central Hockey Club
Mel Gangemi—President, Australian Flying Disc Association
Melanie Timney—City of Casey
Melissa Rudez—Inclusions Officer, Department of Sport and Recreation
Meredith Prime—Girls Sport Victoria
Michael Beaumont—Sports Development Manager, Royal New South Wales Bowling Association
Michael Brady
Michael Haley—Executive Officer, Dubbo Youth Foundation
Michael Haynes—Chief Operating Officer & General Manager, Community Basketball
Michael Lloyd—Chief Executive Officer, Northern Territory Hockey Association
Michael Rush—Chairman, Touch Football Australia
Michael Twohig—Surfs Sports Officer, Surf Sports and Surf Life Saving, New South Wales
Michael Woods—Swimming Australia
Michele Peopjes—Manager Community and Customer Service, Rockdale City Council
Michelle Crisp
Michelle Davie—Sport and Recreation Queensland
Michelle Lindley—Recreation Training Queensland
Michelle Muir—Department of Communities
Mick Farr—Bowls Australian Capital Territory
Mike Cotton—Southern Zone Pony Club, Tasmania
Mike Porter—Armidale City Council
Mike Stratton—Manager, Australian Bureau of Statistics
Murray Bird—Director, Velocity Sports
Murray Frith—President, Archery Tasmania
Neil Connell—Regional Coordinator, Active After-school Communities
Neil Dalrymple—Bowls Australia
Neil Thompson—Department of Sport and Recreation
Neville Clarke—Regional Coordinator, Active After-school Communities
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Nick Cox—Development Manager, YMCA Australia
Nick Hardy
Nick Mooney—Victorian State Manager, Touch Football Australia
Nikki Greenwood—Coffs Harbour City Council
Nikki Young—Program Officer, Department of Families and Community Services
Norma Andrews
Olap Richter—South Australia Flying Disc Association
Oliver Simon—Deputy Chief Executive Officer, Logan City Council
Pam Creed—National Institute of Circus Arts
Pam Glossop—Chief Executive Officer, Bowles West Australia
Pam Sard—Executive Officer, South Australian Little Athletics
Paul Foster
Paul Keighley—Director, Australian Flying Disc Association
Paul Mullarvey—Manager, Netball Victoria
Paul Rousham
Paula Cameron—South Australian Water
Paula Nielsen—Manager, Secondary School Sport South Australia
Pauline Harvey-Short—Chair, Womensport Queensland
Peter Cumminskey—Executive Director, Sports Federation of Queensland
Peter Mayer—President, Orienteering Association of South Australia
Peter McKay
Peter Sharpe—Senior Sports Consultant, Australian Sports Commission
Peter Watson—MLA, Member of Albany
Phil Freeman—Manager, Office of Recreation and Sport
Phillip Holt
Phillip Saikaly
Ray Ebert—Director, Rowing Australia
Ray Scheuboeck—Senior Park Lands Officer, City and Parks Lands Planning
Raymond Luz—Chief Executive Officer, Golf South Australia
Raymond Payne—General Manager, Squash Australian Capital Territory
Rebecca Joyce—Rowing Australia
Regan Kama—Development Manager, FIBA Oceania
Rhonda Harwood
Rhonda Turnbull—Executive Officer, Physical Education and Sport, Australian Capital Territory
Department of Education
Richard Colbran—Australian Drug Foundation
Rob Bradley—Chief Executive Officer, Royal Life Saving Society Australia
Rob Fiedler—Chief Executive Officer, Police-Citizens Youth Clubs Queensland
Rob Tankey
Robert Sirasch—Hunter Surf Industry Cluster Inc
Rod Hughes—Manager, OAMPS
Rohan Gunton—Recreation Operations Manager, Perth YMCA
Rollo Manning—Principal, RWM Consultancy
Ron Alexander—Director General, Department of Sport and Recreation
Ross Burridge—President, Australian Little Athletics
Ross Symonds—Chief Executive Officer, Table Tennis Australia
Roy Saunders—Sport Physician
Russell Hoye—President, School of Management La Trobe University
Sally Ham—Executive Officer, Triathlon Victoria
Sam Newbury—Development Officer, Great Southern Regional Cricket Board
Samantha Martin-Williams—Chief Executive Officer, Newcastle University Sport (Nusport)
Samantha Stevens—Regional Officer, Department of Sport and Recreation
Sarah Andrews—Contract Manager, Department of Education, Employment and Workplace Relations
Scott Derwin—Chief Executive Officer, Basketball Australia
Scott Pitts—South Australia Little Athletics
Scott Schwelkie—Australian Water Polo
Shane Hughan—Executive Officer, Shepparton Sports Stadium
Shane Oliver—Executive Officer, Victorian Water Polo Inc
Sharon Brasher—Industry Services Manager, Aquatics and recreation Victoria
Shaun Lennard—Board Member, Tasmania Sports Federation
Shaun Ratcliffe—Regional Manager, Active After-school Communities
Shelley Youman—Regional Manager, Active After-school Communities
Simon Newcomb—Rowing Queensland
Sonja Rutherford—Council of the Ageing and Powerlifting Australia
Stephen Fagg—Secretary, VISACT
Stephen Gregory—ACT Rugby Union
Stephen Hodge—Member of ACT Minister’s Sport & Recreation Advisory Council
Stephen Tudjman—President, Triathlon New South Wales
Steve Campbell—Coffs Harbour Sports Advisory Council
Steve Kalend—Executive Officer, School Sport Australia
Steve McMillan—Armidale City Council
Steve Rossingh—Executive Director, Sport and Recreation
Steve Stacey—Executive Officer, Noyoongar Sports Association
Steve Turner
Steve Tutton—Director, South Australian Sports Institute
Steven Murray—Manager, Queensland School Sport
Stewart Cooke—Manager, Recreation Training Queensland
Stuart Baker
Sue McGill—Manager, Sport and Recreation Victoria
Sue Suter—Suter Planners
Suellen Bordignan—Coffs Harbour City Council
Susan Metcalf—State Executive Committee, Scouts Australia, New South Wales
Suzanne Ingle—Board Representative, Women’s Golf Victoria
Tamara Mason—Bowls Australia
Tania Richardson—Executive Officer, Pony Club Association of Western Australia
Teri O’Toole—Chief Executive Officer, Wheelchair Sports West Australian Association
Terri Page—Queensland State Manager, Active After-school Communities
Thompson—Development Officer, Far West Academy of Sport
Tim Baker—State Manager, Active After-school Communities
Tim Dendle—Cairns Council
Tim Mahon—Manager, Regional Services, Department of Sport and Recreation
Tim Reilly
Tim Wyld—Business Operations Manager, Touch Football, South Australia
Toby Hodgson—Development Officer, Cycling Western Australia
Tom Lyon—Executive Officer, Tenpin Bowling Western Australia
Tony Hewitt—Cairns and Tablelands Regional Coordinator, Active After-school Communities
Tony Sherwill—Bowls Australia
Tracey Parker—Regional Coordinator, Active After-school Communities
Tracey Quayle—Regional Coordinator, Active After-school Communities
Tricia Martin—Recreational Planning Officer, City of Albany
Trish McLean—Coordinator Sport and Training, Special Olympics West Australia
Warren Nell—West Australian Football Commission

PUBLIC ADVERTISEMENTS

Advertisements requesting submissions ran in the following papers on 27 September 2008:

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APPENDIX E:
SUMMATION OF SUBMISSIONS
AND CONSULTATIONS

National Sport Policy Framework
Australia is in need of a national policy or vision for sport. A constant message delivered to the Panel throughout its investigation is that a policy that structures the sector and clarifies the roles and responsibilities of all major players is needed.

There is universal agreement that the sports sector has performed admirably since the evolution of ‘high performance’ sport. But now is the time to create a national sports strategy to build on that success by developing a cohesive framework for the Australian sports system at all levels.

At the heart of this policy, we must decide how we measure our successes. It must include grassroots sports and the broader concepts of recreation and physical activity.

STRATEGIC DIRECTION AND POLICY

Submissions
The stakeholders that engaged with this Panel generally indicated that the sporting community operates with limited guidance or strategic direction. Some stakeholders argued that there is a limited alignment of their sporting organisation with a national strategic plan. While competing agendas continue to cause confusion at the grassroots level of sport.

It is a common theme that direction and leadership in the sport section must come from a recognised national sports agenda.

A view was related in some submissions that elite and participation sport should be considered together in terms of sport’s potential to contribute to health, economic and social outcomes. Success at the elite level should be measured in conjunction with the health of community sport.

A national sports policy will help guide Australian Government funding of the sector. Submissions requested that a national policy include a strategic sector wide approach to the funding of sport.
Consultations

The themes arising out of the meetings with stakeholders and the consultation forums were similar to the submissions. The need for a national sports policy with agreed measures of success was again voiced.

There were calls for improved co-ordination of sport at the highest levels arguing strategic planning is a necessity for success in any sector.

NATIONAL AGREEMENT

Submissions

Many stakeholders believed for a national plan to have lasting impact it must have the support of all levels of government. Stakeholders recognised the challenges posed by our federated system in achieving national consensus as many experience similar difficulties in creating a national plan for their respective sports.

A number of submissions suggested that intergovernmental agreement was so important to the successful implementation of a national plan or policy that agreement is required through the Council of Australian Governments (COAG). It was generally accepted that a formal agreement across all levels of government would clarify the roles of various governments. The agreement would also help to establish and confirm the roles of community and sports organisations in delivering sport.

An agreement would define the role of sport. It would represent the needs of the stakeholders and the Australian community. This agreement would contain a commitment for all signatories to work together to achieve its objectives.

Some organisations did not specifically identify COAG as necessary for the agreement. They observed that relevant parties could reach improved outcomes through co-operation and the establishment of a national conference, or dialogue, of relevant organisations.

The relationship between Australian Government agencies, particularly the Australian Sports Commission (ASC) and state and territory government agencies must change.

Some organisations wanted the agreement to focus specifically on high performance sport with the purpose of simplifying the delivery of elite sports programs.

While other organisations called for one Australian Institute of Sport with state and territory branches. Others only called for the strategic alignment of existing institutes and academies of sport.

Other organisations observed that any agreement must include the various funding allocations and mechanisms that exist within the Australian Government and state, territory and local government stakeholders.
Discussions also focussed specifically on the need for a plan and an agreement to address the role of community sport. Under such a mechanism jurisdictions can better share physical activity resources and information. It is clear that at present such co-operation is largely informal.

Consultations
Meetings with stakeholders and consultation forums generally reflected the views put forward in the submissions. Improved delivery of sport in Australia needs co-ordination and agreement by all key players to a single plan and the support and agreement of COAG is seen as essential to the achieving a better Australian sporting system in the long term.

MEASUREMENT OF SUCCESS

Submissions
Opinion on what constitutes national success differed through out the submission process. At the elite level these varied from those sports where the focus must be on Olympic and Paralympic success, generally equating to winning medals, through to sports where success should not appear to focus entirely on Olympic and Commonwealth Games programs.

Equally at the community sport level there are a variety of suggested measurements for success, including participation and increasing participation levels. However, the one common thread at both levels is that there is currently no nationally accepted definition of success.

In its submission, the Confederation of Australian Sport (CAS)\textsuperscript{96} observes that government programs should be delivered using ‘robust and meaningful metrics’ to assess performance against desired outcomes. It was frequently raised during the submission process that current data regarding key sports parameters is poor. For example, there is little information on participation levels and how they vary from year to year for different activities or sports.

The information available is inconsistent and the result of ad hoc collections. The CAS submission notes the differences between levels of participation from the Australian Bureau of Statistics (ABS) and the ASC data. Improved data will help make evidence based decisions on key elements of the sector such as facilities, government funding and programs, even volunteers.

Discussions and submissions on a future national plan focussed on the role of the ASC. It was noted, in the absence of a clearly articulated national plan for sport, the ASC had filled the void and established a direction for sport that suited it. Without a stated national policy with agreed measures of success, some stakeholders claimed Olympic success had become the key indicator of success for government funded programs.

\textsuperscript{96} Confederation of Australia Sport, Submission to the Independent Sport Panel, November 2008, pp. 4.
The Orienteering Australia submission notes a bias in Australian Government funding to sports with Olympic programs.\textsuperscript{97} It believes funding models have become confused between the two broad categories of sport, high performance and community sport and there is a bias towards high performance sports.

Many sports broadly defined as non-Olympic sporting organisations believe they have been significantly affected by such an approach.

Submissions from high participation sports believe government funding would be better used on participation programs with active health and participation messages. These sports believe better policy balance is required.

High participation sports clearly want greater recognition of the obvious preventative health benefits of playing sport. Golf Australia used Australian Government figures to indicate while $67 million was spent on participation sport (and $137 million on elite sport) by the Australian Government in 2006–07, the Australian Government health budget was $44.1 billion, with $1.4 billion spent on costs associated with preventable diseases.\textsuperscript{98}

The Australian Football League (AFL) believes that non-Olympic sports, particularly mass participation sports with extensive community club networks, should not be overlooked by any level of government because they do not vie for Olympic medals.\textsuperscript{99}

Representatives of Olympic sports called for an increase in their funding. They often used the argument Australia is under increased pressure to maintain its current position on the medal tally in relation to other countries. In recent years other countries have increased their investment in Olympic sports and improved their results.

The non-Olympic sports believe the strong advocacy of the Olympic movement in general and the Australian Olympic Committee (AOC) have benefited Olympic sports. It was recognised that there can be increases in expenditure on both Olympic sport and community sport and activities, as long as the overall balance meets community expectations.

**Consultations**

The issue of how success should be measured into the future was continually raised at meetings and consultation forums. The critical nature of this issue to allocating resources was understood. Many stakeholders believe the measure of success needs to be reviewed and it should be broader than medal tallies. It must be nationally agreed to create a consistent approach across Australia and to achieve a better balance of funding for different aspects of sport.

\textsuperscript{97} Orienteering Australia, Submission to the Independent Review of Sport, October 2008, pp. 3.
\textsuperscript{99} Australian Football League, Submission to the Independent Sport Panel, 15 October 2008, pp. 7.
Of particular interest during this process was what constitutes community sporting success? A universally accepted vision of community sporting success was considered important to achieving a common direction in community sport. It would provide sector wide recognition to those organisations that can clearly demonstrate success.

The AFL observed that community sporting success can be measured by community participation in sport. This was the most supported measurement. However, stakeholders advocated for more focussed variants including ‘a sound participation base’, ‘high participation rates’ and ‘improvements in participation rate’ over an identified period of time.

Several organisations believed community sport success is best measured in terms of continuous improvement of an organisation in delivering sporting outcomes. This included nurturing individuals from grassroots to elite level.

The ASC noted that what constitutes sporting success might evolve but community level success could be defined by how sport assists with problems within the Australian community. Some observed that improved community health should be included as an important measurement of sporting success. In this way, some stakeholders considered the connection between the government’s preventative health agenda and sport.

Other stakeholders observed that measurements of community sport success should include economic benefits and the contribution to our national identity and culture.

Finally several organisations observed that success at community sport will vary from sport to sport and more generic measures such as the ability of an organisation to work within a long term strategic plan and to succeed against that plan may be a more appropriate measure.

**Roles and Responsibilities**

Leadership and governance are important issues for the Australian sports sector. The local sports system is complex and it if it is to develop and progress, change will be needed.

The stakeholders in the Australian sports system believe that the sector has the capacity to remain a sport ‘innovator’ on the international stage. They are in agreement that as well as a plan, the sector requires leadership.

The panel has consulted widely with key sport sector stakeholders, national sporting organisations (NSO), state sporting organisations (SSO), Australian Government and state and territory government departments of sport and recreation, Australian Government sporting agencies, regional and local sporting organisations and the general public have all been consulted.

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THE STRUCTURE OF THE AUSTRALIAN SPORTING SYSTEM

Submissions

The Australian sport sector is complex, a direct product of its own evolution. The system has had successes and failures. It is clear from submissions that the system and its stakeholders are ready for change.

Until the 1970s the Australian sports system was a participation based sector. Success at the elite or international level was limited to dedicated and largely self funded ‘amateur’ athletes. A lack of involvement from successive governments led to ad hoc funding for athletes and sports infrastructure.

Since that period, national sports policy has developed in response to domestic influences such as public expectations and the growing international influences, including the globalisation of sport. Australian governments became more involved in sport and recreation, in part through participation programs such as Life Be In It. The success of these programs created increased public interest in physical exercise, and led to state and territory based departments of sport and recreation.

Declining results on the international stage forced changes to the Australian government’s policy centring on high performance sport. In 1981 the Australian Institute of Sport (AIS) was created. The ASC, says Australia’s national sport system now has two ‘pillars’: community sport with focus on mass participation at all ages; and high performance sport, built around developing athletes through the AIS and the state and territory institutes of sport and state and territory and academies of sport (SIS/SAS).

But there is confusion amongst stakeholders over the roles and responsibilities of the various players in the sector. Some organisations suggest the confusion is caused by the number and variety of participants in the system spanning across the health, education, community, sport and recreation sectors and the corresponding portfolios of government.

Many submissions suggest that sporting organisations experience varying degrees of alienation from sport leadership, particularly at the national level. It is argued that part of the reason for this disengagement is the high number of Australian Government institutions who are delivering programs. This is also creating duplication and inefficiencies in the sports sector.

State and territory bureaucracies further complicate the system. There is a lack of co-ordination between the various portfolios and across the levels of government.
The size of the sport sector contributes to its complexity. According to the ASC submission sport and physical recreation services generated $8.82 billion in income during 2000–05, which equated to approximately 1.8 per cent of Australia’s Gross Domestic Product. The sport and recreation industry employed over 110,000 people and 9000 businesses were engaged in sport services and products in 2005. 100

According to the ASC submission sport engages 20 per cent of Australia’s volunteers, or 1.5 million people contributing some 150 million hours. 101

A common theme amongst submissions is that there is no body or organisation providing clear and decisive leadership to the sports sector. There is no agreement amongst stakeholders as to what the specific function of that organisation should be. Many submissions pointed to the lack of a national plan and a clear identifiable leader for the system as being part of the same problem.

Sporting organisations agree that the ASC, to an extent is perceived as the current leader of the sports sector. However, sporting organisations do not agree on the way in which the ASC is fulfilling that role.

The ASC allocates funds throughout the sports system. It is supposed to bring the various parties together but, according to some stakeholders as a service provider it directly competes with organisations it should support and bring to the table.

For example, the ASC ‘owns’ the AIS which is viewed by the SIS/SAS and private providers as a competitor. It comes into further conflict when it negotiates the provision of government funding for the NSO, who are deciding whether or not to use the AIS.

The ASC directly manages the Active After-school Communities (AASC) program when this program could be contracted out to NSOs, other government agencies, non-government organisations or private providers.

The Panel was told by key parts of the sports sector that the ASC does not contribute enough to resolving problems and proposing initiatives in key areas of sport. The need for a system to support volunteers, locating alternative sources of funding, creating an inventory of facilities, proposing better measurement of outcomes and the provision of reliable whole sector funding packages, were just some of the examples cited through the course of the review.

Some submissions observe that the roles and responsibilities of the ASC are not only conflicted but also confused between participation and high performance functions. It was suggested while there is some common ground in terms of athlete and coach pathways, the two are otherwise distinct.

Participation structures must concentrate on delivering important health, participation and inclusion messages, while elite structures will concentrate on developing a small band of high potential athletes from junior representative levels to sub-elite and international levels.

Submissions called for improved co-ordination and a clarification of the roles of individual stakeholders within elite sport. This includes the clarification of relationships between the AIS, SIS/SAS, regional academies of sport and other mainly junior institutions such as centres of excellence.

There is strong focus in submissions on the relationship between elite structures, particularly the AIS and the SIS/SAS. Supporters described the current system as ‘healthy competition’ but others were critical of the wastage in the elite sport system.

Some smaller sports that have been unable to gain support for an AIS program have developed de facto national centres of excellence at SIS/SAS. They believe should the state or territory centres be taken over, such programs may be lost.

The overall complexity of athlete pathways causes confusion for NSOs and athletes alike. According to the ASC submission, national talent identification (NTID) studies provide one example of the complexity of the Australian pathway.

An analysis of 673 athletes across 34 sports shows non linear progressions are common place. Objectives and directions are frustrated by the complex, multilayered, institutional arrangements that exist within sport between clubs, state/territory and national organisations.

National sporting organisations that are able to provide seamless and easily navigable development pathways tend to be healthy and successful.

A number of submissions called for the entire sports system to be simplified. They want to reduce the need for excessive collaboration.

Community organisations and a large number of NSOs point out that there are generally weak relationships between the Australian Government and NSOs and SSOs. It is argued this hinders the growth of sport.

Stakeholders agree the sports sector is unable to co-ordinate funding. Submissions identify government as a major source of funding but agree that government funding mechanisms across all levels are confused. This has resulted in the general perception that sports organisations must secure funding from as many sources as possible with no reference to a cross-sport needs analysis.

Stakeholders believe there has been a change in Australian Government funding priorities towards elite sport, particularly Olympic sports. Numerous stakeholders called for a redirection in government policies and the expansion of funding towards grassroots programs.

Appendices
The changing landscape of sport and physical activity has created greater need for reform of current community sport structures to reduce complexity and duplication.

According to submissions there is declining collaboration between sporting organisations. Agreement requires voluntary co-operation involving many stakeholders. This takes time and effort and appears to happen on an ad hoc and local level.

Sporting organisations say the level of collaboration across the sector has declined since the 2000 Olympics, when the event itself galvanised a great deal of co-operation. Resources and information could be better co-ordinated according to submissions.

There is support for initiatives that improve the governance and independence of NSOs. However, governance requirements must be better co-ordinated across sports. There is a level of opposition to a ‘one-size-fits-all’ approach to governance structures for sporting organisations.

The growing ‘professionalism’ of some sports allows them to take on a central administrative structure. But organisations such as Australian Little Athletics argue that such a structure would create problems for them. They say it would ‘serve to duplicate services and transfer running costs from local volunteers to paid employees and at significant additional costs to Australian tax payers’.

The role of NSOs as the ‘deliverer’ of sport is often confused with government organisations which also undertake the role.

A number of submissions argue NSOs should be strengthened and appropriately resourced to deliver elite and community sports outcomes. It is lack of capacity on behalf of the NSOs and not their ability that leads government entities to take on a delivery role instead of sporting organisations.

At the elite level, NSOs report they are frustrated because they must negotiate their plans with eight or nine institutes of sport. This is expensive and time consuming. There is strong support among NSOs to have greater input into their programs and for improved relationships with all levels of government.

The state and territory sports institutes and academies are an important part of the Australian sporting system. Submissions called for their roles and responsibilities to be clarified to ensure they complement, not duplicate the work of the ASC.

While there is some co-ordination through the National Elite Sports Council (NESC), this mainly focuses on Olympic and Commonwealth Games sports.

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The ASC annual report says: ‘Through NESC the eight state and territory sports institutes and academies and the AIS form a national network of providers of elite sports programs and services.’ Other submission suggested this relationship be further examined believing there is great scope for improvement.

**Consultations**

A general message conveyed at consultations was the need to improve co-ordination of sport at the highest level. Strategic planning is a necessity for success in any sector, including the sports sector. Consultations indicate that the sporting community continues to be funded with little overall guidance or direction.

The stakeholders that met with the Panel confirmed the messages raised through submissions on elite sport. Again, there was criticism of the relationship between the AIS and the SIS/SAS and the degree of overlap and duplication.

Concerns were again raised over a lack of leadership across the sector. There is no body that seems to regard it as its role to resolve problems and propose initiatives in key areas of sport.

Some stakeholders provided a candid view of the effectiveness of the ASC in executing its roles and responsibilities. The style of the ASC has been commonly described as ‘domineering’ and ‘dictatorial’. The ASC is perceived has having a substantial conflict of interest when it deals with other participants in the system.

Throughout the consultations, a number of issues were regularly highlighted including the growing pressure on volunteers, the need for alternative sources of funding including tax deductibility and the lack of an inventory of facilities. There were many other common themes raised during the review process; the need for better data and more co-ordinated government funding as well as better sporting services for rural communities among them.

It is a common theme amongst stakeholders that direction and leadership in the sports sector must stem from a recognised national sports agenda.

Stakeholders argue that the system requires leadership that clearly articulates the roles of government organisations on community sport independent of roles in high performance sport. Stakeholders also argue that leadership must clearly outline the roles of sporting organisations within the national plan.
SPORTS SCIENCE AND SPORT MEDICINE

Submissions

The ASC submission noted that an essential component of the success of the AIS and the national sport institute network has been its focus on sport science and medicine. Working alongside coaches and athletes in their daily training environment, the AIS has gained a worldwide reputation as a leader in sport science and medicine.

A vital factor underlying the scientific achievements of the AIS has been the establishment of a ‘critical mass’ of staff in this area. This has allowed staff members to develop a degree of sport specialisation beyond routine support to sport programs. This has come at a cost with services growing to the point where the AIS employs approximately 100 people across 11 departments, as well as catering for more than 30 postgraduates.

Over the last five to 10 years there has been added investment by a large number of nations in both national institutes and in related science, innovation, technology and research.

Some organisations believe Australia must capitalise on its success in sport science and medicine, as well as broader innovations and the development of technology to remain competitive in elite sport. The developments can also be used potentially for broader health related social outcomes. This inevitably involves increased expenditure by governments on sport science and medicine.

Other organisations argue that the role of the AIS as a service provider has become confused. They asked is the role of the AIS to service Olympic sports, or does it have a role as a service provider to all high performance sports in areas such as sports science and medicine?

Organisations called for the establishment of clear and better co-ordinated national processes regarding the delivery of sports science and medicine at all levels of the network. This would include services through the AIS and SIS/SAS.

In addition to the AIS Sports Science and Medicine Centre, there are agencies that can contribute to research and development in sport. These include the other institutes and academies of sport, universities, the Commonwealth Scientific Industrial Research Organisation (CSIRO) and sport manufacturing companies.

Consultations

Meetings with stakeholders and consultation forums generally reflected the views put forward in submissions.
Cultural and Societal Impacts

Cultural and societal change is having an impact on the way Australians view sport and physical activity. An evolving society means we must look at the way we organise, manage and market sport and physical activity into the future.

A changing society means changing attitudes to sport in Australia. There are new social and demographic barriers to participation in sport and physical activity that we must attempt to address.

Australia’s society is evolving and becoming more culturally diverse. Sport can play a role in integrating communities.

WHAT IS ‘SPORT’ AND HOW IS IT DIFFERENT FROM ‘RECREATIONAL OR PHYSICAL ACTIVITY’?

Submissions

Many submissions identified a need for a widely accepted definition when describing sport, recreation and physical activity. Some suggested that physical activity should be the all encompassing term which captures the many forms of activity of which sport is one.

Some stakeholders commented on the importance to government of considering sport and the broader notion of physical activity as subsets of the entire ‘activity’ continuum. It would include all the activities that can make up a healthy and participative lifestyle.

Submissions noted difficulties with a focus on participation in sport without considering a range of physical activities such as fitness, outdoor recreation, community recreation or participation in non-organised or non-competitive sport.

Submissions identified the changing nature of sport and physical activity including the trend away from participation in organised, club based sports to informal, community sport or physical activities.

An example of this is the increase in cycling activities, defined only by a complete lack of involvement by recognised local, state or national sporting organisations. Whether this activity is sport or physical activity, it is consistent with a message from government regarding the importance of maintaining a healthy and active lifestyle.

Consultations

There was discussion at the Brisbane forum which highlighted the difficulties resulting from an unclear definition of sport. It was noted that sport is only one part under the umbrella of physical activity. It was agreed all aspects of physical activity, not just sport, need to be defined and discussed in the Panel report to provide clarity on how sport and physical activity contributes to the preventative health agenda.
There was also discussion that the ASC definition of sport is too narrow in focus and is, in fact, designed to exclude certain activities simply because they are not physical or competitive in nature.

SOCIAL AND DEMOGRAPHIC BARRIERS TO PARTICIPATION

Submissions
There were a significant number of barriers to participation identified through the submission process.

The changing nature of family dynamics is impinging upon families being able to participate in sport and physical activity. Stakeholders suggested our changing higher paced society that is considered ‘time poor’ and the changing nature of society is affecting work/life balance. This particularly affects children who are required to attend training or competitions during weekdays.

Submissions also suggested sporting organisations should be aware of the needs of adolescent participants. Lifestyle factors such as study, social communities, career aspirations and part-time work all impact on teenagers’ dedication to sport. Sport needs to look at how they program competitions to allow young adolescents to participate and at the same time cater for their other interests.

Submissions focussed on Australia’s changing culture. While traditional sports are still popular, people are becoming more interested in a larger range of sports. It was argued that non-traditional sports are neglected in terms of funding and access to facilities. A move away from traditional sporting activities and competitions to more recreational type activities was noted. It was suggested that recreational activities, such as recreational cycling, be acknowledged as a legitimate activity and be financially supported.

The concept of ‘fast food sports’ was also raised in submissions. Fast food sports are a trend towards participation in sports where there is quick ‘gratification’. They are usually shortened activities and competitions that are usually provided by private providers. Indoor cricket, netball, soccer and casual tennis are some examples.

The use of the term ‘fast food’ may be impacting on the legitimacy of these activities and creating the impression that participants are not really playing sport. It was suggested a number of sporting organisations are reluctant to embrace these activities. As a consequence they are missing the opportunity to develop their sport and alternate funding streams.

Consultations
The growing number of accessible ‘organised’ community sports on offer for teenagers is affecting their involvement in more traditional sports. An example of this is ultimate frisbee or touch football. Stakeholders acknowledged that increasing participation rates in their sport may well result in decreasing participation rates in other, more traditional sports.
Based on the discussions across all forums these changing trends have been a success for less traditional sports and physical activities. These sports, for the most part, tend to offer participation rather than formal competition.

Scouts Australia put forward an idea at the Sydney forum that exposing children to a variety of activities is a positive. It gives children access to sports and the ability to choose the recreation to which they are most suited.

Participants at the Coffs Harbour and Canberra forums also noted the change towards physical activity. Activities such as dancing and Tai Chi were highlighted as being more popular than ever. While not traditional sports, some members of the forum believed they were beneficial activities for well-being and keeping teenagers involved.

As in the submissions process, the consultations also focused on the changing priorities of teenagers as they complete school, begin to work and become more involved in other activities. Also discussed were other competing commitments. Teenagers have become more involved in computer based activities and social activities and place less emphasis on participating in sport.

Also the lack of sporting role models who are accessible to teenagers may be having an impact. And for young women in particular, self esteem and body image issues may play a role in keeping them away from sport.

A key outcome from the consultation process was the need to shift the focus of funding and other support from elite to community based sport. Many respondents believe an increased focus on community sport will result in improved social outcomes. In this way, sport can be seen as an important element in wider social change.

**STRONGER INTEGRATION ACROSS A CULTURALLY DIVERSE AND EVOLVING AUSTRALIA**

**Submissions**

Community sport is an important hub for the delivery of better social outcomes. Many submissions called for more funding for community sport. It was also believed that government sports policy should have greater emphasis on community sports, allowing the sector to play its role in the government’s health agenda.

Greater effort must be made to promote the links between community and elite sports. Submissions often commented on the neglect, in terms of funding and support for community sport. More support should mean a larger participation base and that should ultimately mean more athletes for elite sport. Governments at all levels and the NSOs need to be more proactive in recognising community sport and its benefits to elite sport.
It was also suggested that community hubs be established and promoted to help community sport at the grassroots level. There was a call for the Australian Government to set up a national funding pool to support community based programs that encourage physical activity.

Submissions called for the greater promotion of sport and physical activity and its link to the preventative health agenda. Not only does active play have a positive impact on well-being but it also promotes self-esteem and social inclusion.

Sport can improve the health, social and economic conditions of Indigenous Australians. Especially for those people residing in rural and remote areas, better sport and recreation opportunities are needed. It was suggested that sport should be given the same importance as housing and education in Indigenous communities given the ‘flow on’ benefits to improved health, education, social integration and disengagement from the justice system. There could also be economic benefits from professional careers through jobs associated with the sport sector.

There is a lack of data regarding participation rates, facilities and expertise available in remote areas. It was noted in many submissions that rural areas have limited facilities. Submissions called for a more ‘holistic’ and systemic approach to policy making and resource allocation to save time and costs.

A key issue identified in submissions was the need for greater cross-cultural awareness by those who deliver services and training. There was a view having more Indigenous people delivering programs would improve the situation as well as providing role models for young athletes.

Given the remoteness and isolation encountered in Indigenous communities, it is crucial all sporting organisations work in collaboration with the relevant authorities to streamline program delivery. Community groups, education authorities, local government authorities and state/territory government departments are just some of the organisations that work in this area.

It was suggested Indigenous communities would benefit from a co-ordinated participation strategy across schools, school holiday programs and local sporting clubs. The strategy would give young Indigenous Australians consistent and continuous messages and target those children who are not currently involved in sport.

There was criticism of the ASC for failing to promote growth in sports participation at the grass roots level, particularly by the young, Indigenous Australians, women and people with a disability. It was suggested the ASC may have lost its focus because of the lack of a national sports policy.

Sport is an important part of Australia’s social fabric. The ongoing participation of people with a disability in both elite and community sport is an important part of that social inclusion and the Australian notion of a ‘fair go’. An increase in support for sport for people with a disability has seen Australia’s performance in the Paralympics improve tremendously. However, one major challenge still remains. The integration of people with disabilities as participants, officials, administrators
and spectators in both nationally organised and community sport needs to improve.

Submissions called for more funding for sporting and other organisations that provide services and support to athletes with a disability at both the elite and community level. There were calls for ‘appropriate’ levels of funding to be made to community organisations to increase participation in physical activity by marginalised or isolated groups in the community, such as people with a disability. It was suggested financial support should be ongoing.

There is a perceived lack of equity in the way funding is provided for sport for people with a disability. There is a lack of equal funding and also an inconsistency in funding policy between sport and sports for people with a disability.

Discussion centred on the role of the ASC in distributing funding to identified special needs groups. It was suggested that funding from the ASC is based upon the number of Olympic medals won rather than providing funding for all sports for people with a disability. It was also said that funding provided for activities such as talent identification were not equitable across sport including sports for people with a disability. This should be addressed.

Wheelchair Sports Australia said that cost alone was prohibitive for many people who want to try their sports. They are continually trying to raise money. The cost of specialised equipment, for example specially fitted out chairs, is extremely high and a barrier to participation. It was pointed out that the specialised nature of the equipment and the regular physical contact between the equipment, meant repairs were frequent and costly.

As we have seen in all areas of sport, there was call for a better co-ordinated approach to sport for people with a disability. There is the need to ensure all sporting organisations adopt an ethos of inclusion for people with a disability.

Coaching and talent identification were areas respondents believed needed improvement. Better coaching for athletes with a disability is one area but submissions also said there should be general inclusion of disability related training courses for coaches in all sports. Some submissions said it should be mandatory for ASC courses to include a component on coaching and training athletes with a disability.

There were also calls for the extension of the eligibility criteria for full scholarships from the AIS and the SIS/SAS for athletes with a disability.

Many people provided their own suggestions for programs and policies that would benefit people with a disability participating in both community and elite sport. A swimming program designed for children with a disability and the establishment of a sports and rehabilitation clinic to support people after receiving a transplant, were two such examples.
Consultations

Participation in sport and physical activity by people from non-English speaking backgrounds was raised at most public forums.

At several forums it was suggested that the Australian custom of going back to the club or hotel after sporting events leads to inappropriate funding from alcohol and poker machines. It was also felt the culture of ‘mateship’ discourages some community groups from joining in, because the people who do not participate in such activities did not feel part of the team.

Comments were also made at forums that sporting venues do not always reflect the ethnic mix of the local community. An example used to illustrate this was aquatic centres, where lifeguards and instructors may not reflect the diversity of the community.

In relation to sports for people with a disability, comments were directed at the difficulty experienced by athletes in participating in sports along side abled bodied athletes at the community participation level. The basic skill levels required are different and that makes competing practically impossible and does not encourage social inclusion.

The ability of sports for people with a disability to capture the sponsor dollar has always been difficult and this is becoming increasingly so as the pool of corporate funds shrinks in the current economic climate.

Discussions in many forums focussed on the support provided to Indigenous people and their ability to participate in sport and physical activity. It was suggested by stakeholders that there was a need to closely co-ordinate the ‘Closing the Gap’ policy into any new national sports policy. This was raised on several occasions by organisations and parties either representing the Indigenous community or who were closely affiliated with Indigenous people.

There was some negative commentary from forum participants who discussed tension that exists in some communities due to programs and grants available for disadvantaged indigenous members of the community, while disadvantaged non-indigenous families are not offered the same benefits.

The rising cost of fuel particularly in regional/remote areas was raised as an issue which is impacting participation rates. It was suggested some potential participants are not competing at regional events if their parents are unable to afford to travel or do not have the available time. Public transport is often not an option in regional Australia. It is difficult to find alternative transport to events unless coaches or officials are prepared to drive them.

At the Brisbane forum there was discussion of the fact that female participants are often penalised when they have their own families. There is limited access to childcare for women with small children. This could be overcome if women worked together to take turns at looking after children.
Childcare facilities for casual care would be of benefit. Mothers who have led active sporting lives often find it difficult to continue in sport once they have the responsibility of their own children.

**WOMEN IN SPORT LEADERSHIP**

*Submissions*

The general message from submission and consultation discussions is that the government and the sports themselves should promote and encourage more female involvement in sports leadership positions and the decision making process.

There was strong support amongst submissions for the government to further consider and act upon the key findings of the 2006 Senate Inquiry into Women in Sport and Recreation in Australia. The inquiry stated that women continue to be underrepresented in decision making structures of sports organisations in Australia. Statistics show that there are a low number of women on NSO boards and in executive positions.

The inquiry identified numerous barriers to women acquiring leadership roles in sport. The perceptions of a ‘male-dominated’ sports culture and women’s own expectations of the sector were identified as hurdles. Work-life issues also stopped women from seeking leadership positions. Other barriers mentioned included a lack of confidence to stand for election; a lack of relevant work experience in NSOs and the lack of relevant sport contacts, mentors and appropriate role models.

The Australian Paralympic Committee (APC) said in their submission, increased media coverage of women’s sport is one way to promote women in leadership roles and provide more role models. The APC pointed to their own experience of greater media coverage of the Paralympic Games saying it had a significant impact on public awareness and provided strong role models for women with a disability.

Netball Victoria believes media coverage and the associated promotion of appropriate role models needs to be developed. Female role models need to be embraced and promoted to increase public interest and encourage women in sport.

The Australian Womensport and Recreation Association stated that Australian research showed only eight per cent of teenage girls claim to have a sports role model. This lack of role models and mentors, combined with issues of low self esteem, indicate some of the reasons why young women choose not to get involved in sports leadership.

Some submissions, including one from Tennis Australia, recommended more government assistance and funding to target programs for women in sport. They called for assistance to increase the profile of the Women in Sport Leadership grants. Some organisations criticised the program because it tends to benefit sports that are already predominately female based, with high
percentages of female participation, coaching and management. There is agreement that such programs assist women to overcome some of the hurdles to becoming sports leaders.

**Consultations**

Meetings with stakeholders and consultations forums generally reflected the views put forward in submissions.

Netball Australia believes the Senate Inquiry has been undervalued. Participants at several forums queried whether there has been any significant developments or progression by sporting organisations or the Australian Government arising from the inquiry’s key findings.

**GAY, LESBIAN, BISEXUAL, TRANSGENDER AND INTERSEX PEOPLE (GLBTI)**

In a presentation to the panel, stakeholders representing Gay, Lesbian, Bisexual, Transgender and Intersex people said GLBTI people feared abuse and harm in a sports environment.

Higher rates of depression and anxiety in GLBTI people go hand in hand with demonstrably poorer rates of self rated health, particularly for young people making sport a desirable and important option to help address these deficits. These differences are most marked in rural, rather than urban environments where homophobia has been found to be more prevalent. Barriers to joining sporting clubs which provide an opportunity for healthy recreation as well as an opportunity (sometimes the only opportunity in rural areas) for social connectedness to develop urgently need to be addressed.

Homophobia in sport not only creates barriers to participation but damages those who participate. The submission noted recent Australia research showing that 46 per cent of gay, lesbian and bisexual participants were not ‘out’ in their chosen sport. In this situation elite athletes may rightly feel that being ‘out’ could limit their access to sponsorship and support. This has led to a lack of GLBTI role models in elite sports to inspire younger people to become involved.

Stakeholders concluded that the impact of homophobia and heterosexism on sport is a limiting one which can only inhibit future growth of many sports and discourage many talented young people from participation and the other forms of enjoyment that sports involvement brings.
Capacity of Australia’s Sporting Organisations

NSOs are key drivers of national elite sports performance. Their role in community sports structures is less clear-cut but their potential contribution is huge.

There is a need to strengthen the governance, capability and effectiveness of many of them. The NSOs must become fully responsible for their own high performance programs and also play a greater role in encouraging participation.

Volunteers play a critical role in the Australian sporting system. In the submissions and at public forums, the term ‘volunteer’ was interpreted to include tasks which were typically, at the grass roots level, undertaken by parents and friends.

The role of the volunteer and how it relates specifically to the capacity of the sporting sector was discussed in submissions and at forums. The ability of sporting organisations to maintain volunteer numbers also relates to changing societal and cultural issues which are covered in the previous section of this Appendix, Cultural and Societal Impacts.

The specific roles that were raised in submissions, public forums and stakeholder meetings in relation to volunteers included, but were not limited to coaches, officials and administrators.

Other areas that were raised in the context of capacity of the Australian sporting system related to the cost of individuals associated with participation in sport and physical activity and the access to quality facilities.

VOLUNTEERS

Submissions

The role of the volunteer in the Australian sport system cannot be underestimated. The Panel was provided with numerous examples throughout its consultation process of the huge commitment in time, cost and effort that it takes to keep young Australians active and participating on the sporting arena, both at the community and elite sporting levels.

Recruiting and keeping the number of volunteers is crucial to sporting organisations. Submissions suggested many sporting organisations are already struggling to maintain the current volunteer numbers required to support existing participants. Many parents are reluctant to take on the various roles in sporting organisations because, in many cases, they do not have or do not think they have the knowledge and skills required to complete the various tasks. This is only likely to get worse as available time for volunteering becomes even more limited and the demands of the role become more challenging in terms of legal and regulatory requirements. Several submissions
told of the problems sporting organisations are encountering in recruiting, retaining and motivating people to assist in running their organisations.

Sporting organisations suggested volunteers are currently under pressure and without continued and ongoing support, numbers will decline.

Submissions noted that volunteers donate significant amounts of time to clubs, associations and community sporting organisations. In addition to donating their time, volunteers regularly incur out of pocket expenses including telephone calls, travel costs, accreditation costs, sporting equipment and other costs.

Submissions spoke of the lack of training for skills development available to volunteers who assist in the activities of sporting organisations. This is a major problem for the organisations. Potentially participants are inadequately skilled to perform certain tasks and lose motivation when there is no improvement in their performance. Submissions suggested relevant and suitable training and development programs, along with mentoring systems, should be available to support volunteers.

Consultations
Discussions at all public forums noted the massive contribution volunteers make to clubs, associations and community sporting organisations as volunteer umpires, coaches, timekeepers, administrators and other officials. Discussions acknowledged that most people contribute in a volunteer capacity because they want to give something back to their chosen sport, their community or both.

According to community sporting organisations, the key issue regarding volunteerism is the difficulty attracting and keeping quality volunteers. Many believe that Australia’s volunteer base is shrinking. However, some people disagreed with this notion. In the Adelaide forum, it was stated the number of volunteers in sport is relatively high, however, they are not being efficiently used by sporting clubs.

Participants at several forums, including Darwin and Albury noted there may be a decline in volunteers for smaller organisations and sports but the better organised sports, such as cricket and AFL, attract higher numbers of volunteers. The discussion concluded that better club administration leads to more volunteers and ultimately more participants.

As already noted, volunteers incur out of pocket expenses. Discussions at most forums observed that in many instances there is limited opportunity to recoup these costs. It is believed these costs both in time and money are a disincentive to volunteer. It was suggested at most forums the introduction of tax incentives for volunteers, for example allowing them to claim out of pocket expenses as a tax deduction, may increase the number of volunteers in sport.
Again the lack of appropriate skills to deal with the increasing complexity of administering sporting clubs, including compliance with regulatory, legislative and administrative requirements was raised. Many clubs and organisations admitted they rely on their volunteers to do the best they can in relation to these requirements, irrespective of whether or not the volunteers have the background and skills. Overburdened and unsupported volunteers tend to leave sporting organisations with no one left to carry out these roles.

It was noted at many of the public forums, the impact of sporting programs such as the Australian Masters Games and ‘masters’ competitions. While they have encouraged older participants back into sport, increased participation may have reduced the available volunteer base for some sporting organisations. As older people compete they no longer have the time to volunteer.

COACHES

Submissions

The importance of an enthusiastic and skilled coach cannot be underestimated. Coaches are fundamental to the success of sport and talent across Australia through mentoring, teaching and being role models. This is very important at the grass roots level, where coaches can have a strong influence on children, keeping them involved in sport and reaching the highest level possible. This is particularly important in young to middle teens where participation rates tend to decline. Far too often young people drop out of sport as a result of poor coaching. This can mean either a lack of skill development and a sense of underachieving or where coaches try to ‘push’ participants beyond their capability or desire to play.

There was a clear message delivered suggesting there is a need to develop and expand the pool of skilled and talented coaches at every level. Coaches must be provided with the support and education they need to optimise sporting outcomes. Sports organisations wanted a program for junior coaches, to provide inexperienced coaches with the tools to assist them in developing athletes. There was a call for more resources for coach education and training.

A common suggestion in both the submissions and consultations was the development of appropriate national recognition programs that promote the achievements of coaches at all levels. It is equally important to promote the role that a coach plays in the success of a team or individual athlete.

It is important to acknowledge the importance of the coach being a potential role model in sport. It is clear that the drop-out rate in sport peaks in the early to late teens age group, particularly in females. It is important the system supports young role model coaches. It is also important to provide young people who do not want to pursue a sporting career but want to remain involved in sport (as a coach) with the necessary support and skill development to do so.
In relation to the funding of coaches, there was common consensus that it is important to provide support at all levels of coaching and not just at the elite end. Many respondents suggested a centralised pool of funding for coaches across all sports and levels could provide improvements in the development and retention of coaches in Australian sport.

It is generally acknowledged that being a talented sportsperson does not automatically translate into being a talented coach. Just as with talented athletes, talented coaches need a clear identified pathway from grass roots to elite levels, if they choose to pursue such a career. Sporting organisations emphasised the need for a clear pathway to be developed that supports and nurtures talented coaches in their transitions from grass roots through to elite sport.

It was suggested it may be appropriate to establish a national funding pool for employment and retention of coaches at the elite and development levels. This would allow for talented, developing coaches to be financially supported either directly through scholarship schemes or subsidisation of training programs. This would help coaches make the transition from volunteer to professional coach.

There is a recognised need to provide clarity in the coaching pathway and provide targeted training and scholarships to help coaches progress. This includes both formal education and training and mentoring. There needs to be a strategic plan which captures and provides clear guidelines for the recruitment and retention of quality coaches.

The education system needs to play a more active role in the development of coaches. It could provide educational pathways that recognise coaching and officiating courses as components toward school certificates and university degrees. Coaching should be offered through educational institutions and be established as a vocational training scheme to improve retention and promote the development of career opportunities. There needs to be more emphasis placed on schemes which allow for the provision of accreditation courses in the education system.

Financial incentives are seen as an important factor in the retention of coaches within the Australian sporting system or many successful coaches will be provided with opportunities overseas where the levels of remuneration can be higher. The suggested solution was to provide adequate remuneration that was commensurate with the skills and experience of each coach. Clearly the sporting organisations see appropriate remuneration as the critical element in attracting and retaining quality coaches in Australia.

Providing tax incentives to coaches was seen as an important factor in both the development and retention of coaches within the Australian sporting system. Submissions said providing tax incentives (the nature of which were not stipulated) and currency guarantees would contribute significantly to retaining experienced coaches.
While it is important appropriate remuneration be available for the retention and employment of coaches, it is also important to acknowledge that appropriate facilities and mechanisms be in place to support coaches. Submissions said world class training facilities, the latest in sport science development and an administrative structure that catered for their needs were as important as remuneration.

The ASC administers the National Coaching and Officiating Accreditation schemes (NCAS and NOAS). These schemes provide competency based training and nationally recognised accreditation to coaches and officials for ‘recognised’ sports. Notwithstanding the existence of these schemes, many sporting organisations have requested a national leadership body such as the former Australian Coaching Council to provide direction and leadership on coaching issues. Some of the smaller NSOs suggested there is merit in creating a national (or state/territory based) coaching director position to ensure activities are conducted in a consistent manner and as a means of increasing professional opportunities for coaches.

One area the Panel expressed interest in exploring was the capacity to make greater use of the knowledge and skills of past elite and professional athletes in mentoring and coaching young athletes. The panel noted that while the ASC has in place an alumni program for past scholarship holders, little is done to encourage these retired athletes in transferring their knowledge and skills to others in their local communities. This was supported in submissions to the Panel.

**Consultations**

At the grass roots level, there are people who participate purely for the social interaction, while others want to progress through to the elite levels of sport. Regardless of the motivation, it is important the coach does not lose sight of the fact that sport and physical activity at the grass roots level is about enjoyment and fun. At public forums and in discussions with stakeholders the Panel was constantly reminded that participation should be fun and if, as a result of ability and desire, an athlete chooses to take participation to another level, it is then coaches play a more critical role in skill development. It is at this point, coaches will require more knowledge and skills themselves to pass onto young athletes.

Many comments were made during the investigation regarding the lack of support for those people who take on coaching children. Most of the feedback suggested local sporting organisations are dependent on the goodwill of parents to take on the role of coach. Support mechanisms are not in place to support these coaches. These junior coaches often do not have a knowledge of strategies and are often left to their own devices to develop skills programs that are, in many cases, inappropriate or inadequate.
It was acknowledged that in some sports, coaches have access to paid positions, even at the young and early development level of participation. In most forums and meetings though, the Panel was given numerous examples of where coaches donate significant amounts of time to chosen sports. In addition it was acknowledged that coaches are expected to pay for their coaching courses, first aid courses and travel to competitions.

ADMINISTRATORS

Submissions

Many submissions made the point sporting organisations, including clubs and associations, work independently and would function more effectively if they were able to access central administrative support. Clubs working collaboratively are likely to improve the effectiveness of administrations and sharing administrative support would reduce the burden on volunteers. Participants at both regional and metropolitan forums observed that better administrative support, mentoring and succession planning by sporting organisations would improve volunteer retention.

For many clubs, a mix of paid and unpaid coaches/administrators who can deliver sporting success throughout elite and community sport is required. They should be supported by a flexible infrastructure of recognition, remuneration and training that delivers results at all sporting levels. It was suggested rural sporting associations could be subsidised so that semi-professional administrators could be employed across a number of sports in a region.

Many respondents identified the ability to reduce costs by simplifying administration. Increasing collaboration and sharing resources between NSOs and SSOs to deliver key infrastructure, knowledge, support and outcomes, were all seen as ways to rationalise the process. There may be scope to cluster ‘like sports’ in a central, regional area in order to streamline the administrative responsibilities of smaller sports.

Submissions recognised that many administrators are volunteers and they need to be financially supported to encourage them to stay active within the sport. This financial support includes help with the cost of training and requirements such as police background checks. Again, the provision of tax incentives is seen as a way of delivering incentives for administrators to remain in the sporting system.

It was argued that an effective whole-of-sector approach to sport administration, including the sharing of administrative resources would have industry wide benefits. This would include a reduction in duplication, reduced costs and more effective use of limited resources.

Consultations

Participants at all forums noted there are competing demands on club administrators. They juggle full time jobs, volunteering in their sport and possibly playing as well. Discussions indicated
that people now have less time available to volunteer their assistance in community sport and performing many of the tasks associated with the administration of sporting clubs.

Parents, as a general rule, will support their local clubs by performing administrative duties while their children are involved in that sporting club. Turnover, for this reason, can be frequent. Clubs and associations often do not have appropriate succession plans in place, leading to the loss of corporate knowledge when significant administrators leave clubs. This places large administrative burdens on those people who choose to stay on for another term. Without good plans in place it is very difficult to attract the next administrators to these positions as they see how much time and effort is required to carry out the roles effectively.

A common theme offered by representatives from a variety of organisations, across most forums was that younger people must be encouraged into administrative roles. There are many reasons why younger people shy away from undertaking administrative roles in sporting clubs. One important observation was that older members of the club are reluctant to pass over responsibility, often resulting in an ageing committee. This potentially creates difficulties, as any organisation requires a balance between youth and experience. An education program offering mentoring and skills development in sports administration could provide an opportunity for younger people to take on roles in clubs. However, cultural change has to be part of this agenda to ensure that new people are welcomed and accepted when offering their services.

A concern raised in the Melbourne forum and several other forums is that people often do not have the appropriate skills to complete their roles effectively. Clubs are often assisting administrators in writing proposals and training new administrators on the responsibilities of the position. This detracts from the club or organisation’s ability to move forward as quickly as they would like. It was suggested in Melbourne that clubs working collaboratively and sharing administrative support would reduce the burden on people and improve the effectiveness of club administration.

Participants across a majority of forums observed that sporting clubs are required to comply with numerous sporting organisation regulations and administrative requirements. These can be prohibitive. At the Dubbo forum, a participant observed that one volunteer had to obtain three police checks in six months for three different positions.

**COST OF PARTICIPATING IN SPORT**

*Submissions*

There are often large costs associated with getting an individual or a team ready for competition. Registration fees, insurance costs and the cost of equipment and uniforms is a barrier to participation in sport. This is even more apparent for participants who are expected to travel
considerable distances. Along with the time taken to travel, there are significant transportation costs incurred in order to participate.

While research reported that cost was a minor factor in comparison to lack of time, injuries or age and lack of interest, there was considerable commentary which suggested that cost is impinging upon people’s willingness to participate in sport. While many of the submissions mentioned rising costs as a barrier to participation, there was little commentary on practical ways to resolve this issue.

The cost and availability of suitable travel arrangements to participate in sporting events, particularly in rural and regional Australia, was identified as a barrier. This is particularly the case where frequent travel over long distances means overnight accommodation is needed.

Another barrier to participation was the cost of registration fees and required equipment. Suggestions for assisting in this area were the need for tax incentives such as the removal of GST on some items, or benefits through health funds and a reduction in insurance costs.

Consultations
In discussions at forums, there were conflicting views on the validity of research that suggested cost is only a minor barrier to participation. Many people suggested that increasing cost is a disincentive to participation.

Panel consultations identified numerous economic influences affecting participation rates. These included the cost of sport, increasing cost of travel and the increasing number of families defined as working poor. These issues are seen as key barriers to participation in sport.

It was suggested at the forums, cost may not be hindering general participation in sport but it is limiting families in the number of sports they are participating in.

Based on the discussions at the Darwin, Perth and regional forums it is clear the cost of transport in regional and remote areas does have an impact on local athletes and their desire to travel to competitions. In addition, regional and particularly remote areas have generally poorer infrastructure. The result of these two factors combined is limited access to and a poorer quality of local/regional sporting competitions compared to the eastern states. It is important to note these discussions applied to all levels of sport and physical activity, from local competitions through sub-elite and into elite levels.

For example, participants at the Dubbo forum said competition at the state and territory level does not only involve travel costs but usually results in accommodation costs. This total cost of travelling to state and national competitions results is some families relocating their children to the city centres or pulling their child from the sport.
Infrastructure

People need a place to play. Access to safe and attractive facilities is critical to the choices people make about participating in sport and physical activity. This discussion outlines the key infrastructure issues raised in submissions to the Panel and consultations. The current perceived lack of facilities is a major concern among stakeholders.

The submissions to the Panel covered a range of topics including community facilities, impacts of climate change, the need for a national audit, a plan to influence local urban planning and public investment.

Issues raised at forums were similar. However, another issue raised in the consultations was access to the natural environment (beaches, national and state parks) in the context of supporting the wider physical activity needs of Australians.

COMMUNITY FACILITIES

Submissions

The adequate provision of and access to community sporting infrastructure is a primary concern. It is considered a key barrier to participation in sports and physical activity in Australia.

For organised sports this includes access to sporting fields of a playable quality. Sport organisations observed that as a sporting nation we must be able to provide children and participants with suitable facilities so they can participate in their chosen sport. Submissions noted that participants should not be denied sport because of a lack of opportunity.

The lack of suitable facilities available to community sporting organisations is an issue. Sporting clubs and associations are considered to be the sporting backbone of Australia and they must be adequately supported. Sporting clubs are resource and time poor, volunteer reliant and often only have access to poorly maintained facilities.

There may be significant amounts of under used facilities across regional and metropolitan Australia including Australian Government agency facilities, schools, universities and other educational institutions. In particular, submissions referred to the need for better use and coordination of partnerships with public schools and the Department of Defence.

The current system does not provide for satisfactory co-operation between government and key sport sector stakeholders on the facility needs of organisations. Proper facilities will allow sports organisations to deliver their services at the community level and limit the barriers to participation.
Facilities must be of sufficient quality and quantity to make participation attractive and convenient. This includes better locations that assist in reducing metropolitan commuting times. Time of travel was identified as a major contributor to reduced participation. Solutions include the establishment of improved local facilities in existing suburbs, removing the need for families and individuals to commute long distances.

There is difficulty maintaining public campaigns to increase participation when, according to submissions, there are insufficient or inadequate facilities to cater for any increase in participation.

**Consultations**

Lack of suitable sporting facilities or the lack of access to available facilities is affecting participation in sport across Australia. At each public forum the Panel discussed the role of government in developing necessary local public infrastructure. It is widely accepted that local government is the biggest contributor to the development and maintenance of public sports facilities. The Australian Government and state and territory governments are perceived as taking the role of developing larger scale infrastructure. Many observed there is little co-ordination across these levels of government on the development and maintenance of public facilities.

Discussions at many forums suggested that ad-hoc and insufficient expenditure by local government on development and maintenance directly impacts on the quality of facilities. Poor maintenance results in aged, undesirable and unusable facilities.

Discussions at several regional centres, including Albury and Dubbo, said poor quality facilities led to many problems. Substandard facilities were contributing factors to low levels of participation, poor quality local competitions and poor athlete development or forcing athletes and families to travel long distances to reach adequate facilities and competitions. They created an inability for regional and metropolitan centres to attract elite or even sub-elite competitions such as regional carnivals and championships.

Rising costs have been an issue for community sport. Participants at the Hobart forum said the cost of running facilities has risen as a direct result of cost increases to electricity, water and insurance. Additional costs are passed on to participants in the form of registration fees or must be met by additional funding. Participants at the Coffs Harbour forum noted that local government facilities were once free but now attract fees for usage.

Participants noted some sporting organisations at local levels are reluctant to work together and there is a great deal of competition between the sports for access to facilities. Participants at the Canberra forum noted competition for adequate facilities results in waiting lists for facilities there. Participants agreed without increased investment in facilities sport must work collaboratively to get the optimum outcome for all sports from existing facilities.
Capital city forums also raised the issue of institutional facilities such as schools, universities and Department of Defence. These facilities are under used by community sporting organisations. School communities have significant sporting facilities but these can only be used at the discretion of the school principal. Access to school facilities may alleviate some of the burden but would require a detailed process to protect school property and equipment outside of school hours.

**CLIMATE CHANGE**

*Submissions*

Climate change requires national leadership, direction and funding. A number of stakeholders, including high profile national sporting organisations like Cricket Australia and the AFL, as well as the ASC observed the lack of facilities is more pronounced due to the impacts of climate change, including a lack of water to maintain sporting fields.

The supply of facilities is not keeping up with the demand at all level of sport. Existing infrastructure is generally of poor quality and inadequate in terms of dealing with the effects of climate change. The lack of facilities is an impediment to sport growing or developing participation.

Several lesser profile sporting organisations said the shortage of available facilities exacerbates an already uneven allocation of community facilities.

Solutions to climate change are generally long term and will need national agreement and direction. Suggestions included the reintroduction of the Australian Government Community Water Grants program. Sporting clubs could also be encouraged to use synthetic surfaces. Local and state/territory government initiatives to reduce reliance by sport on water are also a component of a national approach.

*Consultations*

The consultation process, including meetings with key stakeholders and community forums, reaffirmed the submissions received by the Panel. The affect of climate change on the already inadequate supply of sporting facilities was reinforced.

**NATIONAL PLAN**

*Submissions*

The need for a national plan by which infrastructure can be co-ordinated is a common recommendation of sporting organisations and stakeholders.
Many NSOs contributing to the submission process noted that facilities are not necessarily made available to organisations on ‘needs basis’. They suggested improved co-ordination between sports for the use of community sporting infrastructure. This includes the need for factors other than pure financial capacity to pay for the facilities to determine access.

A key reason raised by submitters for the insufficient stock of sporting infrastructure was the lack of a co-ordinating national body. There is general acceptance among stakeholders that this is an Australian Government responsibility.

There is confusion over the roles of the three tiers of government, particularly with regard to planning and facility funding. Funding programs that do exist are complicated—across levels of government and across state territory and Australian Government portfolios—leading to a potentially inequitable process.

Co-ordination would involve assessments of needs for infrastructure development, upgrades, maintenance and retro-fitting of infrastructure for drought proofing. Several submissions, including that made by Parks and Leisure Australia103 observed there are few funding programs that address these issues. Instead most deal with the development of new and additional facilities. In some situations the redevelopment or retro fittings of existing facilities presents better community outcomes. Existing facilities often have the advantage of ‘location’. Combined with the observation that travel time is a clear barrier to involvement and participation, there may be benefits to funding the redevelopment of local facilities over newer developments in outlying or distant places.

Submitters suggested an audit of facilities should have a role in identifying facilities that are under used. With a completed stock take of available facilities a central co-ordinating organisation could arrange access of facilities for sporting organisations.

There is insufficient data on the supply and demand for facilities. A national plan for investment into facilities based on good local data would maximise government investment and benefits to community and elite development.

A national plan should address the breadth of available facilities including those with limited access at present: schools and other educational facilities, as well as military facilities.

A united government approach to facilities would be a more effective and inclusive approach. This would involve governments working closely with both the community sector through peak state and territory bodies to address facility availability, development, maintenance and access issues.

A national plan could identify and foster public and private partnerships. However, submitters noted that private investment is a component and not a panacea for facility development.

103 Parks and Leisure Australia, Submission to the Independent Sport Panel, 7 November 2008, pp. 3.
Consultations
Discussions at consultations agreed all three tiers of government must work together to improve the quality of facilities. Participants noted the need for more clearly defined roles at all levels of government in developing and maintaining public community sporting facilities. These issues should be addressed through a national plan for infrastructure.

Participants at the Perth forum discussed the perception that established mass-participation sports get priority over less profiled sports in terms of access to facilities. Facilities are not available at certain times of the year as councils prepare the grounds for higher profiled sports. Participants in Albury said historical and long term relationships with local councils and established sports led to an inconsistency in the cost of facilities with some lesser profiled sports paying higher rates for access to local government facilities. A national plan for facilities, including an assessment of needs, should address access issues.

The notion of ‘season creep’ was mentioned at the Sydney forum. This involves the changing sporting seasons and the additional demand placed on facilities. This was seen as a real issue in Sydney, especially in the change over between cricket and football as the seasons now overlap. The identified solution is for sports to work together in a co-operative manner to understand each others needs and compromise on facilities use. A national facilities plan will assist this process and assist developing additional facilities where they are required.

The Sydney forum put forward the idea of a sporting infrastructure database which would track all facilities and their availability. This would include school, university and private facilities as well as those publicly available. The database would be accessible by all sporting organisations. It would help them work together on how to best share use of facilities to benefit the majority of participants. People understood this would be costly to establish and maintain, however they did support having a database or something similar available.

URBAN PLANNING
Submissions
There is a need for consistent incorporation of sporting infrastructure into urban planning requirements. The co-ordination of these requirements is difficult due to either a lack of asset information or the inconsistent collection of the relevant information. Local councils are not well enough resourced to conduct necessary asset management. There is a need for Australian Government funding and involvement, in partnership with state/territory and local governments, in the sports facilities sector.
Several government stakeholders and NSOs identified infrastructure planning as inadequate. Criticism focussed on local and state/territory government planning mechanisms and the lack of a consistent approach across the country.

An agreed national plan should include future and present facilities requirements and be incorporated into a national infrastructure framework. There is a need to differentiate between ‘recreation’ space and ‘sporting facilities’ in urban planning. Both need to be provided for community use. Urban plans and zoning regulations must take both into account. To this end local and state/territory governments may need to consider incentives to urban planners and developers to incorporate both into future urban developments.

**Consultations**

The consultation process, including meetings with key stakeholders and community forums, reaffirmed the submissions received by the Panel. The adequate incorporation of sporting facilities into new developments was emphasised.

Discussions also noted a lack of co-operative planning across governments, leading to ineffective underused or overburdened public sporting facilities that do not meet community needs.

**INCREASED FUNDING**

**Submissions**

Increased funding for infrastructure was a key recommendation raised through the submissions from a broad cross section of stakeholders. The sport sector requires ongoing programs of investment in facilities in order to address gaps in existing needs, increasing population levels, changes in community expectations and standards and requirements for renewal and replacement.

Recommendations for increased expenditure were not limited to sporting organisations but also included government stakeholders, with the Northern Territory Government calling for greater levels of funding to support industry requirements for facility development.104

Submissions advanced a variety of mechanisms for the funding of facilities. These generally included the establishment of a fund, commonly referred to as a ‘future fund’, to address facility requirements. The fund would cater for immediate and ongoing investments in new facilities and the refurbishment of existing infrastructure. Stakeholders agree the establishment of a fund is the core responsibility of the Australian Government. Stakeholders generally acknowledged the scheme must operate across the three tiers of government.

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Improved co-ordination of funding is required to improve facilities across Australia and increase participation rates. There is a need for facilities development to be co-ordinated independently of the political process. In particular submissions raised the common perception and need for facilities to be developed and co-ordinated outside of government election cycles.

Better co-ordination is not a new suggestion. Numerous previous studies have made such recommendations including the House of Representatives report Rethinking the Funding of Community Sporting and Recreational Facilities: A Sporting Chance.\textsuperscript{105}

A majority of submissions called for improved co-ordination of funding and communication between the different stakeholders, particularly government stakeholders. This is considered essential to improved facility outcomes. It has already been stated that better co-ordination of funding for facilities from all level of governments is important, however, submissions argued there is currently no delivery mechanism. This will encourage better strategic practices and reduce the likelihood that valuable proposals are overlooked or not prioritised.

\textit{Consultations}

The consultation process backed many of the submissions received by the Panel. It reinforced the need for increased and co-ordinated expenditure on sporting facilities.

In addition discussions at the Adelaide, Melbourne and Perth forums, noted that co-ordinated partnerships between government and sporting organisations can deliver more effective expenditure of available funding. Examples of successful public-private partnerships on regional and local infrastructure were regularly cited by participants.

\textbf{NATIONAL AUDIT}

\textit{Submissions}

Numerous submissions recommended an audit of facilities. Along with better co-ordination of funding, a national audit was the most suggested recommendation for improving Australia’s sporting facilities. It is seen as one way of addressing the perceived lack of facilities due to growing participation rates. The audit is commonly perceived as the most useful tool in determining the needs and priorities across the sector.

\begin{footnotesize}
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\textsuperscript{105} House of Representatives Standing Committee on Environment and Heritage, \textit{Rethinking the Funding of Community Sporting and Recreational Facilities: A Sporting Chance}, October 1997.
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\end{footnotesize}
In observing that the current supply of facilities is unlikely to keep up with the increased demand of an enhanced government community sports program, the ASC supports the establishment of a comprehensive national audit of facilities. The ASC hopes an audit can lead to a co-ordinated national strategy for infrastructure.106

The Australian State Sports Federations Alliance (ASSFA) argued that levels of annual budget allocation for facilities and sporting infrastructure could be determined through the national audit. This would be done in conjunction with sport sector stakeholders. At the same time state, territory and local governments determine the projected capital investment funding requirements for improved, replacement and new facilities, through capital investment plans.107

As already discussed an audit would identify regions and areas of shortages. Several submissions observed that the audit needs to be comprehensive, taking into account maintenance and retrofitting requirements.

Numerous submissions noted that government funding for facilities should be centralised with a single agency and there was support for the audit to be co-ordinated by an Australian Government agency. That could be either the ASC or the Department of Health and Ageing. The audit must be comprehensive enough for sports to be able to address their individual sport facility requirements. However, some submissions, including the ASSFA called for the audit to be conducted by state/territory and local governments.

Several submissions noted that such an audit may involve Council of Australian Governments (COAG) agreement and the ASC recommended that it be funded through COAG.

**Consultations**

The consultation process reaffirmed the submissions received by the Panel, particularly the need for a national focus for the audit.

**Education and Sport**

There is research suggesting there is a positive relationship between physical activity and academic and other educational outcomes. It has been shown that young people who receive additional physical activity tend to show improved attributes such as increased brain function and nourishment, higher energy and concentration levels. There are also other indirect consequences such as improved self-esteem resulting from changes in body build. Improved self-esteem has also been shown to lead to improved behaviour. All these benefits have been shown to support cognitive learning.


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The Future of Sport in Australia
There is a need to strengthen the link between the education system and participation by young Australians in sport and physical activity. This link was raised in all facets of the consultation process but particularly in the public forums. It was identified, at the grass roots level as being a major impediment to increasing participation rates in sport and physical activity in Australia.

The most common issues raised in the submissions and in the wide ranging consultations undertaken by the Panel included the need for early development of hand/eye co-ordination, the time dedicated to sport and physical activity in schools, the lack of teacher training and commitment to physical activity, ways for educational facilities to be used for the sporting needs of the community and physical activity programs delivered in schools.

**EARLY EXPOSURE TO HAND/EYE CO-ORDINATION AND SKILLS DEVELOPMENT**

*Submissions*

The development of hand/eye co-ordination is a critical part of ‘play’ for a child. It is fundamental to a child’s intellectual, social, emotional, physical and linguistic development. Teaching a child to grab at objects and catch or throw a ball, for example, is an active form of learning that engages the senses, body and brain. Play immerses children in complex experiences. It enables them to be aware of how they are thinking and feeling without pressuring them to achieve.

Parents can provide interesting and challenging spaces and activities for play. Creating an environment that promotes high-quality play will enhance learning and development.

Balls, skipping ropes and balancing bikes set the scene for active play for the toddler and beyond. Active play is particularly important for physical development of gross-motor skills and is a means to gaining strength, agility and co-ordination. Children who learn hand/eye co-ordination from an early age are more inclined to participate in sporting activities as they get older. The school environment, with the support and encouragement of parents, has traditionally been the vehicle used to nurture a child’s interest and willingness to participate in physical activity and sport.

**TIME COMMITMENT TO SPORT AND PHYSICAL ACTIVITY IN THE EDUCATION CURRICULUM**

*Submissions*

Many submissions raised the lack of time dedicated to sport and physical activity in the education curriculum. Many of the submissions noted that the time spent on sport and physical activity has declined significantly over the years.
It was suggested that a greater amount of time be dedicated to physical education on the national curriculum. In one submission it was suggested this amount should be set at a mandatory five hours per week in primary schools. Others suggested the school day should be extended to ensure there is sufficient time dedicated to sport. The emphasis is more on the mandating of physical activity for a set time in the school curricula. It was suggested there be a greater facilitation role played by the ASC, in consultation with the education sector, in co-ordinating mandatory physical education.

There was little discussion in submissions on the difference between sport and physical activity. However, there was discussion which suggested the split of sport and physical activity from recreation activities.

There were also calls for funding to state/territory governments for education to be conditional upon the delivery of minimum levels of physical activity in primary schools.

**Consultations**

In many of the forums, comments were made on the lack of time dedicated to children participating in physical activity at school. This is particularly the case in the lower and middle primary school years. Schools, in the upper primary and high school level, have in the past, participated in weekly inter-school competitions. Much of the discussions at the forums centred on the drift away from these activities and how other learning areas have encroached upon the emphasis and time once dedicated to sport. The general view in public forums was with limited compulsory physical activity currently in schools, the social dynamics left in the school environment are not conducive to children making positives choices about sports participation. Unless parents participate themselves or take an active role in developing base level skills in their children, these children are less likely to be an active child and subsequently an active adult.

The Adelaide forum noted there are many sporting and physical activity programs aimed at primary school children but not many that transcend into high school. The Coffs Harbour forum noted that traditionally schools were the foundation of sporting life for children. This has now changed as more local sporting organisations require players which are outside of school sport. But for some children, if they are not pushed to participate in sport through school, their physical activity and health will diminish.

There was wide spread scepticism as to whether schools were meeting obligations in this area. It was suggested that class participation is largely dependent on the interest of the teacher and that frequency, level and type of physical activity provided in the schools deviates considerably.
THE EDUCATION SYSTEM, OTHER GOVERNMENT DEPARTMENTS (AND JURISDICTIONS) AND NATIONAL SPORTING ORGANISATIONS

Submissions

There were submissions calling for greater co-operation between the education system and NSOs. Co-operation would lead to better preparation and delivery of sport and physical education activities in schools. Stronger links between the education sector and NSOs would have significant benefits for the child, the education system and the NSOs. The education system benefits because there is the potential for the teacher to learn skills from the NSO. These skills are then passed onto the child and the NSO benefits because they have an opportunity to strengthen their participation base if the child remains interested in the sport.

Many sporting organisations expressed a need for greater co-operation between the different levels of government in order to emphasise the importance of sport and physical activity in schools.

Sporting organisations and government departments also argued for a more formal commitment to sport and physical activity between the Australian Government and state and territory governments through COAG agreements.

The key message coming out of the submissions from the NSOs is that sport needs to be firmly placed on the education agenda. The relevance of sport in schools needs to be linked to key health messages and to better integrate the national sporting agenda with the education framework.

A number of NSOs suggested there are opportunities to strengthen the link between themselves and the education system. They argued there is potential for NSOs to be more involved in ‘train the trainer/teacher’ type programs. The NSOs could develop more structured, quality programs that are designed to develop children’s skills, not only in their sport but physical activity in general.

Another suggestion was that sporting clubs already have quality, accredited coaches who, at a cost, could be used in schools. This would enable sporting organisations to increase the number of personnel available and, at the same time, benefit schools by providing quality personnel to deliver sport and physical activities in the school environment.

TEACHER TRAINING AND DELIVERY OF PHYSICAL ACTIVITY

Submissions

Teachers play a critical role in developing the attitudes and views of young Australians. This is clearly the case in the areas of living healthy lifestyles and participating in physical activity. Teachers are clearly role models in our society and it is important they encourage active participation in physical activity as a tool that contributes towards a healthy lifestyle.
Submissions suggested greater emphasis should be placed on the delivery of sport and physical education as part of teacher training programs. Greater effort should be made to have trained physical education teachers placed in all primary schools. This was seen as critical to skills development in a non-competitive environment. There was also the view that a link could be established between the designated teacher and the local sporting clubs to encourage children to move from physical activity into a more structured sport environment.

A number of NSOs supported the need for greater emphasis on skills-based training in teacher training programs. They also supported the need to recognise coaching and officiating courses as components towards high school certificates and university degrees. It was considered this would legitimise sport and physical activity courses that are run by external stakeholders. This would need to be supported by a mechanism that provides appropriate accreditation to these courses.

**Consultations**

Feedback at the forums suggested there is a shortage of suitably qualified physical education teachers particularly in lower to middle primary school ranges. It is apparent that state/territory Departments of Education have difficulty training and retaining quality physical education teachers in the school system, particularly in primary schools. A suggestion to overcome this shortage was to have NSOs license appropriate people with appropriate qualifications to assist in the delivery of school sports programs.

Some forums noted that adequately trained physical education teachers were needed. Physical education degrees are usually combined with other health and personal development modules. This has moved the traditional physical education teacher from a purely sport and physical activities focus to a more holistic health teacher. As a consequence, teachers are not given the same level of exposure to physical activity strategies that enable them to teach the necessary skills to students.

Many forums suggested teachers were not conducting the same level of physical activities in the school environment as has occurred in the past. Some of the reasons for this decline in the level of physical activity in schools included comments on the ‘crowded curriculum’. The teachers were being asked to do more in a set timeframe and as a consequence, sport and physical activity were not given the same level of exposure they had in the past. Another reason suggested was that the legal risks of accidents added to the inclination to avoid physical pursuits at school.

The Perth and Coffs Harbour forums both mentioned sport in schools aimed more at the university level, similar to the college system in the United States of America. They felt this structure of scholarships to university would provide better opportunities for athletes to achieve in their sport, but also to achieve academically at the same time.
ACCESS TO PRIMARY, SECONDARY AND TERTIARY EDUCATION FACILITIES

Submissions

There is clearly increasing pressure on sport and recreation facilities in Australia. Many submissions commented on the lack of local government facilities available to local sporting organisations. Comments were made on the irony of having significant pressures placed on local government facilities, with all the associated wear and tear and increasing maintenance costs, and then having state/territory government school ovals being left idle on the weekends. Commentary centred on the need for local sporting organisations to have greater access to local facilities outside of school hours as a way of overcoming the shortage of facilities. It was argued clubs should be encouraged to seek partners in the community to develop grounds and other facilities.

Sporting organisations spoke of the need for joint investment by the Australian Government in facility partnerships with state, territory and local governments and sporting and community organisations. The object would be to make facilities more accessible including access by public transport, adequate car parking, disabled access and more friendly environments. It was suggested local schools would be ideal facilities given their importance in local communities.

There were a number of submissions that discussed access to tertiary facilities. Comments were centred on the untapped resources that exist within our tertiary institutions including state of the art strength and conditioning gyms, swimming pools and hydro-recovery capacity, sports scientists and researchers. These facilities often duplicated AIS/SIS/SAS facilities. It was suggested that before the ASC, AIS, state/territory and/or regional academy programs build or add on to existing facilities, they should investigate existing facilities in local or regional universities. The nation-wide coverage of our universities in metropolitan and regional Australia make them ideal resources that could assist in the high cost associated with participation in sport, certainly at the sub-elite level. This would also help to strengthen the link between tertiary facilities and the local community.

The ASC and CSIRO made reference in their submissions to the need for greater collaboration between the organisations and the SIS/SAS network to deliver sports medicine and sport science. It was suggested Australia has a significant opportunity to achieve competitive advantage from this trend because it has world leading national agencies in the AIS (elite sport development) and CSIRO (science addressing national challenges). It is clear from the submissions that networking of projects is already being done between the various institutions and agencies in order to avoid duplication of effort. Tertiary institutions and government agencies have suggested this network be enhanced to complement the work being undertaken by these various bodies. Sports administrators are demonstrating a new willingness to form inter-organisational partnerships to grow their science and innovation base. In general, the research to expose new insights into human performance is becoming increasingly multidisciplinary and parallels other national challenges.
Consultations

The panel received feedback from community groups on the lack of access to local school facilities. It was suggested there were a number of potential reasons for facilities to be locked away from community use out of school hours. The point was made in the forums that there is no guiding policy governing community accessing educational facilities even at state/territory levels and what happens largely depends on the attitude of the local school principals.

School facilities are often designed in such a way that they are inaccessible to the public during non-school hours. For example, toilet blocks are often encompassed within the school buildings which mean they cannot be accessed externally. School security will not permit access being granted to these facilities during out-of-school hours as schools are concerned with the potential for vandalism, not just to school toilet blocks but also classrooms. The same can be said of other facilities such as school halls and gymnasiums. The design of school buildings need to ensure that external access can be made available to the public after school hours without compromising security.

AUSTRALIAN GOVERNMENT PHYSICAL ACTIVITY PROGRAMS
DELIVERED IN THE EDUCATION CONTEXT:
ACTIVE AFTER-SCHOOL COMMUNITIES PROGRAM

Submissions

The Active After-school Communities (AASC) program is a national initiative that provides primary school children with access to free sport and other structured physical activity programs in the after school time slot of 3.00pm to 5.30pm.

The AASC program aims to engage traditionally inactive children in sport and other structured physical activities. It hopes to create a positive and fun experience and develop a love of sport that inspires children to join a local sporting club. An evaluation of the program conducted in 2008 shows that approximately 80 per cent of participants were considered previously inactive.

The ASC manages the AASC program nationally through a network of locally based regional co-ordinators. The co-ordinators assist schools and after-school care centres to facilitate the program, recruit and train community coaches and work with local sporting clubs and organisations to increase junior membership.

The AASC co-ordinators plan the delivery of the program in primary schools with Outside School Hours Care Services (OSHCS). They use local sporting clubs, volunteers, private providers, teachers and OSHCS staff, retirees, senior secondary and tertiary students, parents and siblings to deliver the service.
The cornerstone of the AASC program is the involvement of the local community in delivery of the program. This involvement will offer opportunities to support and strengthen community cohesion and development.

The AASC program delivers services to around 3,200 sites across Australia. Of these sites, 48 per cent are located in regional/rural Australia, 14 per cent of sites cater for special needs students, 23 per cent of sites are located in low socio-economic areas and approximately 50 per cent of students participating in the program are female.

There was a mixed response to the AASC program. Support for the program suggested it meets its objectives of encouraging inactive children into physical activity. The ASC argues for an expansion of the program. Others argued the program is missing the mark and is resource intensive, suggesting the program be included into the education system.

The AASC generally had more support in regional than metropolitan areas. That may be because there are fewer options for sport, sporting programs or organisations delivering sport in some regional areas. It was considered that the AASC program does get children who would not normally participate, involved in physical activity. It does assist in the development of hand-eye co-ordination. The program was also seen as assisting in the social integration of children from various socio-economic and culturally diverse backgrounds.

Some NSOs suggested that there is a potential for local sporting organisations to tap into the AASC program as a means of encouraging young Australians to participate in more structured physical activity. This should not overpower the current objectives of the program.

Other sports were inclined to suggest that the AASC program needed to be reviewed and overhauled. They said it wasn’t meeting its desired objectives and that any review needed to be undertaken with appropriate NSOs to ensure programs delivered by both parties were complementary and not a duplication of effort.

Consultations

The AASC program was discussed at all of the forums. Views were generally supportive of the programs as it gets children who would not generally choose physical activity involved in sport. It provides exposure to varied activities. Participants at some forums mentioned that while the program was working well, they were not sure if it was only reaching children who were already active.

It was also noted there are schools on a waiting list for this program.

It was suggested at the Sydney forum that AASC is a duplicate of programs which are already offered and was often viewed as a replacement to sport in school. Some submissions stated the effectiveness of the program needs to be reviewed.
The NSOs and SSOs representing high participation sports generally agreed the AASC program duplicated existing programs and resources of those organisations. They said there was no formal relationship between those sports and the AASC program.

However, representatives from several lower profile NSOs observed that their sport had a good relationship with the AASC program. They said the relationship has boosted the profile of their sport in those regions.

Participants also suggested there could be better alignment between the AASC and local sporting organisations in the hope children will cross from the program into organised community sport. In support of this, several participants representing SSOs observed that one potential criticism of the program was that it does not necessarily lead to an increase in participation at the organised community sport level.

Participants argued the AASC program is free, leading to an expectation that club and community sport will also be free. This is clearly not the case and the AASC program should be viewed as a means of encouraging active play, which is in addition to school programs and local community sporting organisations.

AUSTRALIAN GOVERNMENT PHYSICAL ACTIVITY PROGRAMS DELIVERED IN THE EDUCATION CONTEXT: HEALTHY ACTIVE AUSTRALIA COMMUNITY AND SCHOOLS PROGRAM

The Healthy Active Australia Community and Schools program is another Australian Government program. It was not raised by stakeholders in either the submissions or public consultation process.

This program provides grants between $10,000 and $200,000 for projects of up to 18 months to not-for-profit organisations to undertake healthy eating and physical activity initiatives at the local level. The program will benefit the whole community as well as assist at-risk target groups such as children, adolescents, young women, families in lower-socio economic and rural/remote areas and Indigenous communities. More than 500 schools and community organisations have received funding under this initiative in two rounds, October 2007 and August 2008.

AUSTRALIAN GOVERNMENT PHYSICAL ACTIVITY PROGRAMS DELIVERED IN THE EDUCATION CONTEXT: SPORTING CHANCE PROGRAM

The Sporting Chance Program provides for the delivery of projects that use sport as a vehicle to increase the level of engagement of Indigenous students to improve their educational outcomes.

In 2009 a total of 16 providers will deliver 42 projects under the program (37 school based sports academies for some 3,000 students and five education engagement projects for some 5,000 students).
The Sporting Chance Program has two elements:

- School-based sports academies that provide innovative and high quality sports-focused learning and development opportunities to secondary school Indigenous students.
- Education engagement strategies that provide a range of sport, recreation and education activities for primary and secondary school Indigenous students.

This program was not raised in any submissions or consultations.

It should be noted that there are a number of Australian Government programs that have active education objectives. The Sporting Chance program is one that is particularly relevant given its focus on Indigenous communities.

**Investing in the Future of Sport**

The sport and physical activity sector must be supported into the future. The main focus must be on how we can make better use of existing funding and how greater efforts should and can be made to source alternative funding streams.

There was considerable commentary throughout the consultation process on the quality of existing sport facilities and the need to upgrade or maintain these facilities. Discussion also included ways of using existing funding to improve access to facilities.

There was considerable discussion throughout the consultation process on alternate sources of funding including, the role of the ASF, the introduction of HECS style arrangements for AIS scholarship holders, the need to introduce a sports lottery, improving access to the sponsorship dollar and better leveraging income streams from media opportunities.

**FACILITIES**

**Submissions**

Submissions to the Panel clearly outlined issues relating to sporting facilities as some of the highest priority concerns. The adequate provision and access to community sporting infrastructure has been identified as a primary concern of major sporting organisations. Infrastructure is also seen as a key barrier to participation in sports and physical activity. There were also many comments regarding the quality of existing facilities.

There was a clear call for more funding to be directed to maintaining the condition of community sporting facilities. Many calls for financial assistance were general in nature or focussed on sport
specific type maintenance that was required in their region. Other submissions provided different strategies that could be used to improve access to better quality facilities. Providing direct funding to local councils was seen as a way of allowing local councils to revise their fee structure and charges to local sporting clubs for use of facilities.

Some suggested the Australian Government, with the support of other levels of government, establish a sports facilities future scheme to better co-ordinate investment and funding.

There was acknowledgement of the contribution made by the Australian Government and state and territory governments to local sporting clubs for the establishment of facilities. However, there were also comments suggesting funds need to be allocated to ensuring the long term sustainability of facilities. Comment was made that regional and rural areas, in particular, suffer accelerated and higher maintenance costs as a result of isolation and harsher climates.

Submissions also commented on the need for more multipurpose facilities and ensuring these facilities cater for the needs of different standards of sport as a way of making better use of existing funding.

Submissions also raised the need for improved town planning in newer sub-divisions. There was considerable discussion on the lack of green space and facilities in newer developments. Local councils need to ensure that facilities at the local level are given priority. Some submissions expressed concern over the shrinking space being dedicated to sports facilities in existing communities. There were comments on the loss of green space, as councils are selling off green space as a way of raising revenue.

Sharing of facilities between different sporting organisations in the local community was seen as a way of addressing the shortage of facilities. The sharing of playing and social facilities by several sports would provide the critical mass of people required to ensure a sustainable future for these sporting facilities.

Consultations
The general consensus was overall government funding of sport should be increased. This was particularly the case in the areas of community participation and pathways from junior to elite levels. Many sports see the need to better fund sport at the community levels (coaches, administration and clubs) to decrease the burden on volunteers and increase the levels of participation.

Discussion at public forums covered a multitude of issues relating to sporting facilities. Governments, organised sporting groups, informal sporting groups and the private sector were all acknowledged as key participants in using, developing and maintaining sporting facilities. Discussions addressed a range of sporting facilities, including public community level facilities,
public ‘elite sport’ facilities, private sector user-pays facilities and the natural environment (beaches, national and state parks). However, discussions predominantly focussed on the provision of publicly owned community sport facilities. The central theme was that access to suitable public sporting facilities is a key determinant of participation levels for organised community sport.

Participants at all forums discussed the various roles the three tiers of government play with regard to the development and maintenance of public facilities. Participants at the Albury–Wodonga and Dubbo forums noted that local government is largely responsible for the development and maintenance of community sport facilities within the immediate region. This was a widely accepted view across all forums. At the Perth forum the discussion noted that Australian Government and state and territory governments are also contributors to community public facilities. But on balance they have traditionally taken the role of developing large scale and ad hoc sporting infrastructure, such as stadiums, for the benefit of national and international sporting competitions and events.

Participants at most forums noted the need for better co-ordination and more clearly defined roles for all levels of government in developing and maintaining public community sporting facilities. Discussions at the Adelaide, Melbourne and Perth forums further noted that effective partnerships between government and sporting organisations can deliver more effective spending of available funding. Participants at the Sydney and Melbourne forums noted that sporting facilities must be more effectively incorporated into town and urban planning. This discussion noted the lack of co-operative planning across government can lead to ineffective, under used or overburdened public sporting facilities that do not meet community needs.

Discussions at some forums noted the insufficient expenditure by local government on development and maintenance directly impacts on the quality of facilities. Poor maintenance levels can result in aged, undesirable or unusable facilities. Discussions at several regional centres said substandard facilities were contributing factors to low levels of participation, poor quality local competitions and poor athlete development or forcing athletes and families to travel long distances to reach adequate facilities and competitions. They created an inability for regional and metropolitan centres to attract elite or even sub-elite competitions such as regional carnivals and championships.

Rising costs have been an issue for community sport. Participants at the Hobart forum said the cost of running facilities has risen as a direct result of cost increases to electricity, water and insurance. Additional costs are passed on to participants in the form of registration fees or must be met by additional funding. Participants at the Coffs Harbour forum noted that local government facilities were once free but now attract fees for usage.

Participants noted some sporting organisations at local levels are reluctant to work together and there is a great deal of competition between the sports for access to facilities. Participants at the
Canberra forum noted competition for adequate facilities results in waiting lists for facilities there. Participants agreed without increased investment in facilities sport must work collaboratively to get the optimum outcome for all sports from existing facilities.

Capital city forums also raised the issue of institutional facilities such as schools, universities and Department of Defence. These facilities are under used by community sporting organisations. School communities have significant sporting facilities but these can only be used at the discretion of the school principal. Access to school facilities may alleviate some of the burden but would require a detailed process to protect school property and equipment outside of school hours.

The notion of ‘season creep’ was mentioned at the Sydney forum. This involves the changing sporting seasons and the additional demand placed on facilities. This was seen as a real issue in Sydney, especially in the change over between cricket and football as the seasons now over lap. The identified solution is for sports to work together to understand each others needs and compromise on use of facilities.

OTHER SOURCES OF FUNDING

Submissions

Many sporting organisations argued that overall government funding of sport should be increased. They also believe there is the need for an audit of how money is currently spent and how the current funding model can be optimised, particularly in the areas of community participation and pathways from junior to elite level.

At the elite and sub elite levels there is a recognised need to identify a mechanism by which an athletes ongoing training and development costs can be deferred to a time when their income is sufficient to repay these costs. A HECS style scheme (such as the ACS covered in the previous part of this report) for sport has long been discussed as a possible solution. This was an issue identified in submissions and consultations.

Many submissions argued a HECS style scheme would recognise there are limited amounts of sports funding and the individual should take some responsibility for the cost of their sporting endeavours. Like any other type of study, institute or academy programs need to be paid for. There was not universal support for imposing a HECS payment on elite athletes. Opponents referred to the time limited nature of a sporting career and said the imposition of such a scheme would be a disincentive for elite athletes to participate at the highest levels of competition.

There was widespread support for the introduction of a sports lottery, similar to the United Kingdom model. This was particularly strong in submissions from the NSOs, especially non-professional sports. The question of whether Australia needs a lottery system to fund Olympic
and other sports has been discussed in great detail, especially at the conclusion of the Beijing Olympics. Many organisations saw the introduction of a sports lottery as a way of raising funds for elite and community sports without placing additional financial pressure on the Australian Government budget.

There was also discussion on how best to use the ASF. There were calls for the ASF to receive a direct appropriation from the Australian Government so all donations to the ASF can be distributed to local sporting organisations. It was suggested that opportunities for corporations to donate funds through the ASF could be better promoted. The rules surrounding contributions to the ASF should be made simpler. The ASF was also considered a suitable vehicle for raising the level of support for disadvantaged groups. It could provide targeted funding to enhance opportunity, access and participation in community based sport for people living with disability, Indigenous Australians, women, people from migrant and refugee backgrounds and those from lower socio-economic backgrounds. It should be noted that the ASF distributes only a small number of ‘grants’ to disadvantaged groups.

Consultations

In general, people participating in the public forums were of the opinion that a sport lottery may be an alternative to government funding for elite sport in Australia. The idea of a sport lottery was raised at almost every forum and has popular support as a means of putting money back into sport.

Attendees across the majority of forums were aware of the ASF, however, many attendees did not fully understand its role. The general feeling across the forums was the ASF in its current form needs much better promotion. It was acknowledged that the ASF serves an important function but a review of its purpose could benefit the sporting community.

Another problem faced by the ASF is the inability to allow contributors to directly sponsor individual sports or organisations. This is due to the nature of the tax legislation. The appropriate section of the tax act could be amended to allow specific donations that can be directed to specific sports and organisations.

There was also the view that the ASF needs to investigate other areas where it can provide support for disadvantaged communities. For example, it could assign funding to improve access to sport for people from Indigenous communities or people with a disability. This may be achieved by providing targeted streams of funding from donations received to achieve these outcomes.
SPONSORSHIP

Submissions

There were some strong objections to certain types of sponsorship that were identified through submissions. Comments primarily surrounded sponsorship from businesses that are perceived to be contributing to social and health problems. Many submissions commented upon the inappropriateness of certain partnerships that have been forged between sport and commercial interests. They suggested that certain commercial interests should be banned from sponsoring sport in Australia, as has already been done with the banning of tobacco advertising in sport.

Many submissions were of the opinion that allowing sporting clubs to be sponsored by alcohol and fast food companies sent out mixed messages to the community of the need for a healthy and active lifestyle and, at the same time, suggesting it was okay for these companies to be linked to sports.

The marketing of sporting organisations was raised in a number of submissions. Many smaller NSOs saw a need for assistance in the development of marketing and sponsorship activities. They felt they did not have the expertise or contacts to forge a relationship and potential sponsorship arrangements with corporations. They do not have the skills and experience to broker the best deals for their sports. The bottom line was that they cannot appropriately market their product. Alternatively, smaller NSOs thought there may be an opportunity for collective sponsorship through either the ASC or the AIS/SIS/SAS network.

Consultations

It was noted at most forums that sponsorship money and government funding grants are available to those sporting organisations that have the expertise and resources to pursue the funding. Organisations that do not have the expertise to access these funds can expend significant resources in an ultimately unsuccessful attempt.

Some clubs have been successful in gaining funding assistance through sponsorship when they have been able to align their sport with local business needs. At the Melbourne forum it was noted some national organisations, including large corporate companies, have charters to return funding to community and sporting organisations. Participants noted such charters are driven by corporate policies of connecting with local communities to establish brand loyalty. Representatives at both metropolitan and regional forums observed that many community clubs depend on participant family members, who own local businesses, to provide sponsorship.

The most repeated recommendation across forums for improving sponsor opportunities for local sporting organisations was improving the expertise of organisations in ‘selling’ their ‘product’ to the corporate sector. Participants noted there may be a role for government as well as national, regional and local sporting bodies in achieving this.
The next most commonly raised suggestion was the introduction of tax incentives for sponsorship. Changes might include an expansion of the sponsorship activities that attract tax deductibility status or increasing the tax deductibility status of donations to sporting organisations above 100 per cent.

Across all forums there was little or no opposition to sponsorship of local sporting organisations by either alcohol or gambling interests. Representatives from regional and metropolitan sporting clubs were concerned that changes to alcohol advertising, recently mooted through regional and national media, could lead to reduced sponsorship of local sport. A smaller number of participants did, however, note that changes to alcohol advertising may not necessarily adversely affect local sponsorship. These participants generally observed that reduced sponsorship following the banning of cigarette advertising was balanced by increased sponsorship by other sectors.

**ECONOMIC VEHICLES (TAX BREAKS, VOUCHERS)**

*Submissions*

Removing the financial barriers to participation is a theme identified throughout the submissions and consultations. The tax system is seen as one of the keys areas to being able to achieve this. An intrinsic element in any proposal regarding tax deductibility is ensuring there is an unequivocal definition of sport that takes into account the changing nature of sport in Australia. This has taxation and legal implications. It was suggested there is potential to reduce the cost of participation, through tax incentives such as the removal of GST on some items or benefits through health funds.

Many sports commented on the need for tax deductibility status to be given to athletes and families as a way of easing the financial costs associated with participation. It was emphasised that tax deductible status for any sponsorship or donation is essential for future sport sponsorship. Greater thought should be given to tax deductions being made available for player membership fees and equipment. There were calls for amendments to be made to the *Income Tax Assessment Act 1997* to allow not-for-profit community sport organisations to apply for tax deductible status or to allow for community sport and recreation club membership fees to be tax deductible.

Some suggestions were to support employers by providing tax incentives for employers who offer corporate volunteer incentives (for example two paid days) and enable payment of an approved preventative health expense by employers on behalf of employees to be a tax deduction. This was seen as a way of stressing the importance of the link between sport and physical activity to the Australian Government’s preventative health agenda.
Consultations

Tax exemption and rebates were seen as an important mechanism to keep coaches, referees and administrators in sport, especially at the community level.

Volunteers donate significant amounts of time to clubs, associations and community sporting organisations. In addition to time donated to clubs, volunteers regularly incur out of pocket expenses including telephone calls, travel costs, accreditation costs, sporting equipment and other costs. Discussions at most forums observed that in many instances there is limited capacity for individuals to recoup these costs. Participants at both regional and capital city forums submitted that the costs both in time and out of pocket expenses act as a disincentive to volunteer. It was noted at the majority of forums that the introduction of tax incentives for volunteers may increase the number of volunteers in sport.

Tax deductibility for participation by junior athletes was the most commonly raised remedy to cost as a barrier to participation. As an example, a participant at the Perth forum observed that participation rates among junior athletes directly affects Australia’s elite athlete pool. Investment at junior and sub-elite levels, through tax-deductibility for participation, would reduce costs and would compliment investment at the top end of the sporting pathway.

Discussions on cost as a barrier to participation varied slightly across the forums. In some forums it was raised in the context of junior competitive or sub-elite sporting pathways. At others, it was raised purely in the context of its effect on junior participation levels in organised community sport. Participants argued that reduced costs would lead to increased involvement by families and children not currently participating, potentially increasing the pool of young athletes.

Notwithstanding these different contexts the key solution proposed by forum participants remained the same; introduce tax deductibility for participation costs in junior sports.

Tax incentives can also be used to encourage the inclusion of non-professional sports and programs for women, athletes with disabilities and those from an Indigenous background.

SPORT AND THE MEDIA

Submissions

In Australia, anti-syphoning laws also affect free-to-air and digital-only services, stopping certain programs (for example AFL matches) from being shown exclusively on digital television, instead requiring them to simulcast the program on analogue.

The Australian Government has in place a list of sporting events it has determined should be available on free-to-air television for viewing by the general public. It is called the anti-syphoning
list because it aims to prevent these events being ‘syphoned off’ by subscription television to the detriment of free-to-air viewers.

The most recent anti-syphoning list took effect on 1 January 2006 and expires on 31 December 2010. The anti-syphoning scheme does not reserve listed events solely for free-to-air broadcasters. For example, the anti-syphoning scheme does not oblige free-to-air broadcasters to buy rights to events on the list. It does not guarantee free-to-air broadcasters exclusive rights to events on the list. It does not compel free-to-air broadcasters that acquire the rights to events on the list to broadcast the events live or broadcast in full.

Subscription television licensees can acquire the rights to broadcast events on the anti-syphoning list if rights are not acquired by free-to-air broadcasters. They can also acquire rights if those rights are held by commercial television licensees who have the right to televise the event to more than 50 per cent of the Australian population or either the Australian Broadcasting Corporation (ABC) or the Special Broadcasting Service (SBS).

The Australian Government’s anti-hording provisions require commercial television licensees who acquire the right to televise a designated event, but who do not propose to fully use that right, to offer the unused portion to the ABC or SBS for a nominal charge within a specified offer time. The national broadcasters must also offer unused portions of rights to each other.

Concerns have been raised with the panel regarding the impact that digital media is having on sports broadcasting. This issue was the focus of a recent Senate Standing Committee on Environment, Communications and the Arts report tabled in May 2009 titled The reporting of sports news and the emergence of digital media (the Digital Media Inquiry). One of the recommendations from the Digital Media Inquiry was that:

*The committee urges the Government to take into account the opportunities and challenges presented by digital media to sports organisations’ current and future revenue prospects and options, and recommends that the current Crawford review of sports pay particular attention to the capacity of sports to invest in digital innovation.*

The digital era has seen the emergence of a whole new industry, one which uses technology like the internet and mobile phones as a means of communication. These technologies have meant that access to sport news and coverage is much more responsive to the needs and demands of the community.

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While many sports gain large revenues from the sale of broadcast rights to the media, the majority need to weigh up the value of signing exclusive broadcasting agreements in order to gain revenue and the ability to grow profile and participation numbers through wide spread media coverage.

Many submissions, particularly those from smaller, low-profile sports, sought government funding or other assistance to help increase media coverage of their sport to increase interest and drive greater participation. Some of the suggestions included having the Australian Government legislate or buy air time on commercial television and or a national broadcaster. That time would be dedicated to minor sports so there is greater equity in exposure across the sporting sector.

Many submissions suggested there may be an opportunity for smaller sports to develop a more collaborative approach in marketing their sports in the media.

Submissions to the Panel identified anti-hoarding provisions as a key element in levelling the playing field in relation to media rights management. It allows genuine competition in the negotiation of sporting rights between sports governing bodies and the media.

**Consultations**

The issue of anti-syphoning and anti-hoarding were not raised in the public forums as an issue. There was some discussion on the impact of the anti-syphoning, anti-hoarding and access to digital media in some stakeholder meetings. The discussions primarily focussed on the ability of some sports to retain intellectual property of their sports.

It was raised that, at present, sports pay for the broadcasting of live sporting events within a venue but once the broadcast is transmitted to the general community, current digital media laws permit internet operators to stream these events outside a 10 second delay period. Professional sports expressed concern that new media platforms are having a negative impact on the ability of their sports to sell their product in the marketplace.

There is potential for media outlets to question the cost of broadcast rights as copyright laws permit the streaming of events and images so shortly after the ‘live’ coverage of a sporting event. There were also concerns about the potential use of images and film by these new media platforms without providing financial return to the sport.

Lower profile sports saw increased access to varying types of media outlets as being an opportunity to increase their revenue streams, particularly as more ‘players’ enter the digital market. There is an opportunity for the lower profile sports to ‘sell’ their sports to these media operators, a market that hadn’t existed until the emergence of digital media. There was a view that these lower profile sports were underselling their ‘product’ in an attempt to get some media exposure for their sport.
APPENDIX F:
AUSTRALIA’S CURRENT SPORTING SYSTEM & RESPONSIBILITIES
## APPENDIX G: ACRONYMS

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<tr>
<th>Acronym</th>
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<tr>
<td>AASC</td>
<td>Active After-school Communities program</td>
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<td>ACGA</td>
<td>Australian Commonwealth Games Association</td>
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<td>AIS</td>
<td>Australian Institute of Sport</td>
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<td>NSRDC</td>
<td>National Sport and Recreation Development Council</td>
</tr>
<tr>
<td>NSWIS</td>
<td>New South Wales Institute of Sport</td>
</tr>
<tr>
<td>NTID</td>
<td>National Talent Identification and Development program</td>
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<tr>
<td>SCORS</td>
<td>Standing Committee on Recreation and Sport</td>
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<tr>
<td>SIS/SAS</td>
<td>State and Territory Institutes and Academies of Sport</td>
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<td>SLSA</td>
<td>Surf Life Saving Australia</td>
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<td>SRG</td>
<td>SCORS Research Group</td>
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<td>SRMC</td>
<td>Sport and Recreation Ministers’ Council</td>
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<td>SSO</td>
<td>State (and Territory) Sporting Organisation</td>
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APPENDIX H:
IMPACT OF DEMOGRAPHIC CHANGE (KPMG)
Independent Sport Panel

Impact of demographic change: the future of sports participation in Australia

August 2009

PROPERTY & DEMOGRAPHIC ADVISORY

KPMG
The Future of Sport in Australia

Appendices

Some of the most salient points arising from this study include the following:

1. Western Youth Decline: Many developed nations such as the UK, Germany, Japan and France will experience reduced rates of growth (and in some cases decline) in the youth and middle-aged cohorts over the next 20 years. This may provoke a "state response" to identify and support talent in a focused (and possibly funded) way. It may also prompt these nations to fund and direct talent into sports so as to maintain their profile in elite sport. Another possible outcome is that traditional western Olympic-medal-winning countries will subside in sporting stature in the future as their "pools of youth" evaporate.

2. Australia Remains Youthful: The USA and Australia will remain youthful nations for the next 20 years which will yield rising pools of sports talent. The danger is that this might lead to a level of complacency in Australia because sporting talent will continue to naturally surface from a rising cohort of youth. But as other western nations possibly respond with a more focused approach to sport this process could prompt the USA and Australia to eventually respond in kind.

3. Changing Migrant Mix: Australia's migrant mix is changing from Mediterranean to Asian, African and Middle East sources. This trend is most evident in capital cities and especially in Sydney and Melbourne. The challenge will be to develop city-based programs to engage first-generation non-Anglo migrants in sporting activities. This might be easier with familiar sports, i.e. soccer, not AFL.

4. Second-Generation Australians: It is clear that first-generation non-Anglo migrants are less engaged with sport than the Australian-born population. Unfortunately the data does not show whether second-generation migrants lift participation to Anglo levels as a consequence of their exposure to sport through the school experience. However, precisely this outcome is not inconsistent with the participation data that is available.

5. Active Retirees as Volunteers: The demographic outlook shows a rapidly growing grandparent age group (60-74) but slower rates of growth in 40s and 50s over the next 20 years. This represents an opportunity as well as a need to promote inter-generational support to deliver fundraising/volunteering services to kids' sport. Give the boomers something to do in retirement, i.e. manage Little Athletics. This is a win-win for both cohorts. And it keeps boomers young by mixing with young people.

6. Role of Rural Towns: There is likely to be continued loss of youth from country towns and, possibly, from remote communities to larger cities in Australia. Rural and remote communities have a culture of tithing sports stars to the city. Perhaps there needs to be a program that twins city clubs with remote clubs so as to foster pride in local youth finding success in wider sporting arenas.

7. Sports Infrastructure: There may be an issue in the utilisation of sports infrastructure and resources. Fast growth in the youth age cohorts in the city, and even in coastal areas, will place demands on local councils to deliver recreation and sports facilities. On the other hand, there will be under-utilised facilities in many rural towns. The question is whether we leverage better usage of existing sporting infrastructure in declining communities.

8. Idealisation of Elite Sport: The volume let alone the proportion of youth will diminish in many western nations (excluding Australia and the USA) over the next 20 years. This may result in these nations idealising youth through elite sport funding and support. To some extent this has already occurred with the UK now directing lottery funds to elite sports. This is as much an ideological response to
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Key points and insights

the need for sporting success as it is a financial response. (Australia did similar after our poor showing at Montreal in 1976 and which led to the establishment of the AIS)

9. Boomers Engage in Exercise: Australian sports participation is now dominated by individual activities (walking, aerobics, swimming, cycling, running) which are convenient and require minimal organisation. These “priorities” are similar to those in the USA. Over this decade walking, cycling and aerobics in particular have increased in popularity. This heightened sports engagement may reflect the ageing of the baby boomers. But it might also reflect a greater tendency by the community to prefer the individual benefits of sport (i.e. body image and health) as opposed to the social benefits (i.e. camaraderie) of participating in team sports. This situation is exacerbated by the tendency for couples in their 30s and 40s to both work which leaves little time for sport. As a consequence, exercise is “purchased” and “fitted into” a schedule. Involvement in kids’ sport is outsourced!

10. Australians May Prefer Individual Sport: Over the next decade there could well be a greater preference by Australians for individual rather than team sports. This prospect would reflect a shift from a communal baby boomer view of sport to the individualistic perspective preferred by Gen X and Gen Y who come from small (often single child) families.

11. Australian Support for Elite Sports: The Australian ideal of elite sport has long defined our national character. Sport is egalitarian; it abides by a known set of rules; it allows “colonials” to compete internationally. These characteristics are unlikely to change in the short term. The problem is that over the next decade other western nations could embrace the ideal of elite sport (for different reasons). The competitive edge Australia has had — our galvanising behind sporting success — may be matched by others in the future. How we respond to these sporting challenges will reflect the value Australians still place on sport and on sporting success.

If you have any questions or would like to discuss our work, please contact myself on 03 9288 5047 or James Paul on 093 9288 5382.

We thank you and the relevant Independent Sports Panel, and Department of Health and Ageing personnel for all the assistance provided in conducting this study and we look forward to continuing our relationship.

Yours sincerely

Bernard Salt
Partner
KPMG
Contents

- Background and approach
- Warranty
- Literature review
- Australian participation in physical activity
- Sport as an employer
- Australia’s cultural profile
- Australia’s ageing population (national)
- Demographic comparison with competitor nations
- Australia’s ageing population (internal geography)
Independent Sports Panel

In recognising the importance of sport and the significant emerging challenges to Australia’s sustained success in elite sport, the Australian Government released the directions paper Australian Sport: Emerging Challenges, New Directions, on 6 May 2008. The paper outlines the need for widespread and continuing reform of Australia’s sporting system.

On 28 August 2008, the Minister for Sport, Kate Ellis, announced the appointment of an independent expert panel that will investigate ways of ensuring that Australia’s sporting system remains prepared for the challenges of the future.

The expert panel has been charged with the task of looking at sport at both the elite level and at the grassroots community level, as part of a top-to-bottom examination of Australian sport and will look for better ways to run, promote and manage sport in Australia.

Approach

The following steps have been taken to prepare this report:

1. An extensive scan and literature review of issues surrounding sporting culture and participation in Australia. This process drew on both domestic and foreign sources and sought to investigate issues including: attitudes to elite sport; emerging sports; organised versus unorganised involvement in sport; and the social drivers and propensities of migrants from different cultural backgrounds to assimilate into Australia’s perceived sporting culture.

2. An analysis of Australia’s historic and forecast population between 1986 and 2026 by age.

3. A detailed demographic and social snapshot of Australia based on recent Census results. The aim of this will be to quantify the key issues currently shaping Australia’s demographic landscape.


5. A detailed assessment of Australia’s changing levels of sporting involvement based on available data and research provided by the Australian Bureau of Statistics and Australian Sports Commission. This has included a time-series analysis of sporting participation by type, age, ethnicity, region, language and labour force status.

6. Provision of data and qualitative insight into changing levels of participation in organised sport compared to unstructured physical activity, as well as insight into the attitudes and values which shape sporting participation in different cultures and Australian attitudes towards sport at an elite level.

7. A profile of the major demographic shifts projected to impact on the level and form of Australia’s participation in sport and recreation out to 2021. This analysis has sought to identify and quantify the future type, size, location and culture of Australia’s sporting participation.

Background

The Independent Sport Panel, as part of the Commonwealth Department of Health and Ageing, has approached KPMG to provide a Future Scoping Study of Sports Participation in Australia. The outcome of the project will be to provide the Independent Sport Panel with a report which will provide analysis and an interpretation of relevant demographic and social trends impacting participation in sport in Australia. Some of the main areas to be covered as part of this study include:

1. Current levels of sports participation;
2. Changing age structure of Australia;
3. Impact of Australia’s changing ethnicity;
4. Australia’s demographic geography, and
5. Views toward elite sport.
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**Warranty**

**Inherent Limitations**

This report has been prepared as outlined in the Background and Approach section of this report. The services provided in connection with this engagement comprise an advisory engagement, which is not subject to assurance or other standards issued by the Australian Auditing and Assurance Standards Board and, consequently, no opinions or conclusions intended to convey assurance have been expressed.

No warranty of completeness, accuracy or reliability is given in relation to the statements and representations made by, and the information and documentation provided by, the Independent Sport Panel or Department of Health and Ageing consulted as part of the process.

KPMG have indicated within this report the sources of the information provided. We have not sought to independently verify those sources unless otherwise noted within the report.

KPMG is under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form.

The findings in this report have been formed on the above basis.

**Third Party Reliance**

This report is for the sole purpose set out in the background and approach section of the report and for the information of the Independent Sport Panel and Department of Health and Ageing.

This report has been prepared at the request of the Independent Sport Panel and in accordance with the terms of the Department of Health and Ageing’s contract for services signed by KPMG on 17 July 2009. Other than our responsibility to the Independent Sport Panel as part of the Department of Health and Ageing, neither KPMG nor any member of employee of KPMG undertakes responsibility arising in any way from reliance placed by a third party on this report. Any reliance is that party’s sole responsibility.

**Reliance on Projections**

The forecasts that have been used in this study are based on assumptions about circumstances and events that have not yet transpired and are therefore subject to variations that may arise as a result of future occurrences. As a result, we cannot provide any assurance that these forecasts will be achieved.

Any such forecasts should not be regarded as a representation or warranty by or on behalf of KPMG or any other person that such forecasts or their underlying assumptions will be met. Opinions offered constitute our judgement and are subject to change without notice, as are statements about market trends, which are based on market conditions.
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Introduction and summary

The integral role sport plays in Australian society is confirmed often and regularly through national events that are deeply rooted in Australian culture. Such events include, among many others, the Melbourne Cup, test cricket, football grand finals, the Sydney to Hobart, Stawell Gift and Australian Open. Our enjoyment of these events and our success on the international stage is a large part of the Australian identity and the national economy.

Increasing, or at the very least maintaining, community participation in sport will be an important issue facing Australian governments in light of an ageing population. Sporting participation will be critical in maintaining Australia’s high standards of success but there are also other benefits of being involved in sport. A healthy public has significant benefits to the national economy through a higher capacity to generate wealth and through placing a lesser economic burden on medical services (Sport 2000 Task Force, 1999 p.59). In addition to the obvious benefits of health and fitness, sport also provides valuable opportunities for people of all ages and cultures to improve themselves and to engage in their communities.

In respect of the wide range of influence sport has on Australia that is both tangible and intangible, this literature review has focused on a framework of three key topics. These include:

1. Australia’s national sporting culture and views toward elite sport;
2. Participation in sport and recreation; and
3. Sport’s role in the community.

The key findings from this literature review include the following:

1. Sport is central to Australia’s self-perception. Built on our historical isolation, harsh land, and an intrinsic need to prove ourselves to the world, sport is at the forefront of Australia’s culture and identity.

2. Given its social standing, sport provides an opportunity for leadership on broader social issues. Already, sport has provided a forum for addressing issues such as religious discrimination, racial prejudice, gambling, drugs and environmental concerns. The increasing complexity of managing multicultural societies will continue to demand that sport becomes an arena for addressing greater social responsibility.

3. Quality early learning experiences are of crucial importance to continuing participation in physical activities for elite performers and, we might infer, for the majority of young people. Also quality early learning experiences not only develop physical competencies but, crucially, develop perceptions of competence that underlie the motivation that is vital to continuing participation.

4. Perhaps the biggest influence on Australia’s future participation in sport will come from demographic changes resulting from an ageing population. Engaging this population as a resource to support both grass roots and elite sport will be a key opportunity for ensuring Australia’s sporting success over this period.

5. It is widely believed that sport plays a critical role in western society and is a key contributor to providing the ‘social capital’ and values desired for building sustainable communities. Further as the sole resource for Australia’s elite athletes, support for community participation in sport and physical recreation needs to remain a key focus of governments.

Australia’s national sporting culture and views towards elite sport

Sport has long been a central feature of Australian popular culture. But sport is hardly an invention of Australians. It was a British fascination with sporting pastimes that produced games like cricket, soccer, the rugby codes and golf. Similarly, American football, baseball, basketball and volleyball were each developed by the United States. Apart from Australian rules football, the only other widely played Australian game is two-up.

However, Australia’s sporting prowess in the global arena is a point of national pride as sport is widely acknowledged and celebrated as a key building block of Australian culture. There is little doubt that sport plays a significant role in Australian society. In a November 2003 article titled Sport is culture; and nowhere more so than in Australia, Richard Cashman argued that “sport in Australia just might be more deeply and meaningfully cultural than in any other country” (Cashman, 2003, SMH). Adding weight to Cashman’s argument is the fact that the Olympic Games have been assigned to the southern hemisphere only twice, and both times to Australia.
Cashman’s article responds to the suggestion that sport and art are mutually exclusive and compete for public attention, and as such Australia’s love of sport is to the detriment of art and culture. In reference to the spectacle created by sporting events such as the Melbourne Cup, Cashman suggests that Australia’s major sporting events contribute a vibrant theatrical stage that provides the “social cement” required to bind communities, and inspire art and culture (Cashman, 2003, SMH). Cashman puts forward the works of prominent Australian artists such as Banjo Patterson and Arthur Street as testament to the view that Australian sport does not compete with purist cultural pursuits, but inspires them.

In reference to Phar Lap, Geoff Cheong also argues that sport and culture in Australia are intricately interwoven asking the question “How many countries would have their most famous race horse displayed in the state museum?” (Cheong, 2009, p.237). Cheong’s writings on sport are part of a wider piece of work that explores what is sacred to Australia, a topic that Cheong claims could not be completely covered without an analysis of sport. Cheong believes that Australian sport has passed through two distinct phases and is now situated on the edge of another. The first phase was influenced by our mainly Anglo origins, our convict heritage and the need to prove our worth to the world, but particularly England. Cheong argues that the harsh land, geographic isolation, rugged way of life and a distinct disdain for authority developed a loyal camaraderie (mateship) central to the Australian character (Cheong, 2009, p.239). These factors created a physicality and determination that was naturally predisposed to the sporting field.

Cheong describes the genesis of Australia’s cricketing rivalry with England as a key event in our transformation from a self-perceived unwanted relative to worthy competitor (Cheong, 2009, p.240). Our distinguished contribution and willingness to fight during the world wars confirmed Australia’s determination to compete, becoming a point of pride and self-respect internationally. In many senses this follows the thinking of Donald Horne who claimed that “sport was the first form of Australian foreign policy” and that until the wars, “was the only way which Australians could prove they were the best” (Horne, 1970, p.156).

Cheong goes on to describe the 1956 Olympics as a “symbolic statement which declared that Australia was part of the world community” (Cheong, 2009, p.241); and signalled a new phase in Australian sport from an amateur activity to a professional one. This transition occurred parallel to the emergence of Australia as the Lucky Country, whereby the nation’s increasing wealth, its wide open spaces, mild climate, expanding population and political will all provided the capacity for sport to continue filling a cultural vacuum.

Cheong presents a fascinating dichotomy whereby sport represents a ‘uniting interest’ at the heart of the nation’s imagination, however it has largely been a ‘male dominated activity with women not offered the same level of adulation’ (Cheong, 2009, p.245). He also argues that although Australia is an increasingly developing multicultural country, sport and recreation has until recently played only a small role in providing unity among sports people of differing cultures; particularly between white and black Australia.

Sport has the ability to bridge differences and inform ignorance by developing mutual respect between participants (including spectators). Cheong emphasises the importance of sport’s ability to create uplifting symbols such as the iconic image of Cathy Freeman lighting the Olympic flame in 2000; ‘a symbol of sporting equality between white and indigenous Australia’ (Cheong, 2009, p.247). In a directions paper, Australian sport: emerging challenges, new directions, the Department of Health and Ageing ranks Cathy Freeman’s 2000 Olympic 400 metre win with John Aloisi’s World Cup qualifying penalty against Uruguay and Kieren Perkins’ gold medal win in Atlanta as not only great sporting moments but great Australian moments.

However, Cheong does not mention the ability of sport to create equally important yet confronting images such as that of Aboriginal and St Kilda footballer, Nicki Winmar, defiantly pointing to the colour of his skin in reaction to racial abuse from opposition supporters after a game of Australian rules football in 1993.

In a material sense the Winmar image provided a vital catalyst for the introduction of official prejudice policies in Australian sport such as the AFL’s Racial and Religious Vilification Policy introduced in 1995 which was the first of its kind.
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Literature review

Perhaps more importantly, this particular image confronted Australians with the issue of racism in society and marked an important turning point in awareness and attitudes towards indigenous players.

Aboriginal, ex-AFL player and Chairman of the AFL Indigenous Foundation, Michael Long, refers to the Winmar incident as a “defining moment in the history of the AFL” (Shaw, 2005) as indigenous players have since become a key focus of the AFL. At the time of the Winmar incident, there were 17 indigenous players listed with AFL clubs, a figure that has since increased to 82 in 2009 (an increase of 382 per cent).

The Winmar incident shows that sport not only has the capacity to provide an equal playing field, but also the forum to address important social issues outside the sporting arena. Even though Cheong does not address the Winmar image specifically he does acknowledge this issue: “When sport holds such an elevated place in the life of the nation it has great opportunities to formulate policies and shape the attitudes of citizens” (Cheong, 2009, p.248).

Cheong feels that we are now entering a third phase in Australia’s sporting history. He believes that sport will “no doubt, remain significant in contributing to the formation of the identity of Australians” (Cheong, 2009, p.248), however, as Australians, we will need to maintain a stronger external social focus with the increasing global nature of human society. This reference to the global village is repeated as the source of new perspectives, opportunities and responsibilities.

Sport’s “central standing in society allows it to provide great opportunity for leadership. Already sport has provided a forum for addressing issues such as religious discrimination, racial prejudice, gambling, drugs and environmental concerns” (Cheong, 2009, p.248). Cheong claims that the increasing complexity of managing multicultural societies will continue to demand that sport becomes an arena for addressing greater social responsibility.

The writing of Cheong also touches on the concept that sport’s self-perpetuation in Australia is largely driven by the success of its elite sporting codes and athletes.

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Literature review

In *Sacred Australia* Cheong argues that “Australia is a people always eager to embrace their champions.” Historical isolation and the rugged nature of our continent generated a tradition of mateship at the heart of Australian values that still exists in society today. This mateship means that one person’s success is widely shared and claimed by all. In a sense, the success of different sporting codes is built on the value of its icons. Therefore the continuation of sport relies on the marketing of its superstars and personalities to attract the next generation.

**Drivers of participation in physical recreation and elite sport**

Surveys show sporting participants generally realise that there are significant health benefits of physical activity. Weight management, social interaction and enjoyment of exercise are all common reasons for participation in Australia. Reasons for non-participation broadly included being too busy or a lack of time; age or health-related reasons; and also a lack of interest (ABS 4177.0, p.3).

David Kirk, in a discussion paper for Sports England titled *Sport and early learning experiences*, believes that access to and experience with sports in the early years has the greatest impact on the level of participation a person achieves later in life. Citing the professional expertise of several other researchers, Kirk states that there are three phases in the sporting development of youth. These are: the early experiences in sport, whereby young children (aged 7-12 years) are exposed to and provided with opportunities to learn and understand a range of sporting activities. Called the sampling phase, the main motivator during this period is fun and enjoyment with the emphasis on playing rather than training (Kirk, 2004).

Kirk states that the sampling phase is followed by the specialising phase (around 13 to 15 years) when the range of sports played narrows and the motivation begins to shift from fun and enjoyment towards competitive success and the enjoyment of winning. The transition into this phase involves a shift from play to deliberate practice whereby there is a focus on improving levels of performance (Kirk, 2004).

It is suggested that following the specialising phase participants have one of three options. The first is to drop out of sport, the second is to continue participating in sport in a recreational phase where sport is played relatively informally and for fun. The third option is to move into an investment phase, where there is usually a focus on one activity and a commitment to intensive training and competitive success. It is stated that the early years are critical for the development of the kinds of physical and psychological competences that place individuals in a position to access, engage and pursue sport later in life.

“Motivations, self-concept and perceptions of competence are already well established by the ages of 11-14” (Kirk, 2004).

In a recent book by Steve Cannane titled *First Tests: Great Australian Cricketers and the Backyards That Made Them*, the concept that early childhood sporting experience largely determines later participation is elaborated further to the specific skills developed by some of Australia’s elite professionals. Cannane believes that the colloquial concept of “backyard cricket” has provided some of Australia’s most well-known cricketers with the early competitive environments and skills to pursue greater sporting success.

Specifically, Cannane argues that some of Australia’s greatest cricketers developed unique skills from an early age that were specifically determined by their experiences with backyard cricket. The boy-who story of perhaps Australia’s greatest-ever cricketer, Don Bradman, using a cricket stump to hit a golf ball up against a corrugated iron shed is firmly entrenched in Australian folklore. Cannane argues that Don Bradman’s “unique grip, stance and backlift all evolved in response to the pace at which the golf balls rebounded off the tank” (Cannane, 2009).

Citing other examples, it is put forward that Greg Chapell’s unique ability to play off his hips was developed in his backyard where the best scoring options lay between a lemon tree and the back shed on the leg side. Further, Invincibles team member, Neil Harvey, developed his renowned footwork playing balls that darted off the cobbles stones in the back lane behind his childhood home in Fitzroy.

Cannane draws together a convincing collection of childhood stories from Australia’s elite cricketers. He believes that it was these early experiences that are at the heart and soul of their game. “Facing hostile brothers on dodgy pitches created a love of competition and developed the skills and the toughness that took them to the top” (Cannane, 2009).
A scan of available literature and research shows that early childhood experience alone is not the sole determinant of later sporting involvement. Kirk claims that social background, gender and disability all have a strong influence on the nature of children’s early experiences. “There is strong evidence to show that the scope and quality of early experiences of sport is determined by children’s social backgrounds, particularly in terms of social class and ethnicity” (Kirk, 2004).

Citing research conducted in Australia, Kirk believes that children’s participation in community-based sport is largely determined by the family’s socio-economic status and composition. Children from white middle-class backgrounds are over-represented in club sport, which is due in part to cultural traditions but also the fact that participation requires adequate disposable income to pay for fees, equipment, transport and flexibility of parent work hours (Kirk, 2004).

Without intervention, different socio-economic and ethnic groups end up producing largely different sporting skills due to the accessibility, or lack of some sports compared to others. Kirk argues this leads to a risk of homogenising sport in relation to social background.

Kirk believes that schools have a critical role in providing for sustained participation in physical activity. “Socio-demographic data shows that for under-represented population groups in particular, school remains the most likely place that they will gain access to a quality physical education experience” (Kirk, 2004). Kirk argues that it is at school that children of all backgrounds can experience the sampling phase of their sporting careers. It is the sampling phase that is crucial in providing a platform to progress into specialised involvement, which can lead to a culture of recreational participation or even further to a personal investment in focused training and betterment in particular disciplines.

Rowe et al 2004, state that sporting clubs have a very important role to play in the provision of sporting opportunities after the sampling phase. In particular it is argued that sporting clubs:

1. Make the link between organised sport in school and in the community;
2. Provide the strong social ties that sustain participation into later life;
3. Provide opportunities for structured competition and performance improvement; and
4. For those with the desire and talent they can provide the pathway into elite sport and high-level performance.

Although this is the case, Rowe et al also cite English research which highlights an over-representation of white males in club sport, with an under-representation of women, unskilled workers, Asians and Black Caribbean persons. Research conducted by the ABS in a 2006 paper titled Migrants and Participation in Sport and Physical Activity, showed a similar trend in Australia whereby ethnic minorities, people born in non-English-speaking countries, older people and people with low levels of education have been identified as more likely to have lower participation rates (ABS, 2006). It is argued that although language is perhaps the most significant barrier, migrants often prioritise earning a living and caring for their family during the process of settlement and as such may not have the time for social or leisure activities.

The 2006 ABS report on migrant participation also cited a number of other potential barriers to migrant participation associated with cultural differences. These included the availability of culturally appropriate community programs. Some specific examples that were highlighted included the issue of mixed groupings in exercise classes, swimming pools and the presence of male instructors/life guards as barriers to female migrant participation in particular. The ABS report also put forward that migrants have cultural preferences for spending leisure with family rather than in a public setting, and as such non-participation in sport and physical activity is part of a broader issue associated with non-involvement in the community at large.

Although maintaining and increasing levels of sporting participation among youth and migrants will be an important issue for Australia going forward, perhaps the biggest influence on Australia’s future participation in sport will come from the demographic changes resulting from an ageing population; an issue that is common across many western nations. Research shows that older
age groups have lower levels of participation; a trend which is confirmed upon analysis of similar data in the USA and the UK. As such, with all other factors remaining constant, the rate of overall participation is likely to fall over the next decade or two.

A research paper completed by Jonathon Long in 2004 for Sport England assessed the role older people have in driving up levels of participation in sport. Long believes that greater life expectancy, improvements in overall health, greater affluence and a general perception of feeling younger will all be factors in driving increased involvement by older persons compared to previous generations.

However, Long’s views do not consider the prospect of Baby Boomers staying in the workforce longer on a full-time or part-time basis. Research has indicated that persons who are semi-retired do not necessarily see themselves as retired, and their lifestyles seemed to be very different to fully-retired peers. As such, with a greater share of older persons expected to remain working there may not be the time or inclination to keep healthy among older persons as first thought.

Regardless, a greater retired population than ever before should be seen as an opportunity to engage these groups as a support resource for sporting activity. With freedom from the workforce comes a desire to keep busy and fill available time. Many feel the need to impose purpose or achieve something on a daily basis. This could be as simple as cleaning out a garage, however it could also mean contributing to community organisations and clubs or expanding their role as a carer within the family. It will be in Australia’s interest to harness this resource and to make the important skills that the Baby Boomers will have to provide the community in retirement.

This will apply to local sporting clubs as much as any other organisation. In the next 10 to 20 years there is projected to be declining growth in persons aged 35 to 49; as parents, this group has traditionally been a strong source of volunteers. Compounding this is the likelihood that more and more families will require dual incomes, and as such parents will be increasingly time-poor. With a decreasing pool of volunteers from traditional sources, retired persons will provide a valuable resource to fill the support roles critical to sustaining grassroots sport involvement.

Achieving greater sporting and community engagement from retired persons should be considered a win-win scenario for Australia. The benefit of a valued and experienced support group is obvious to Australia’s sporting programs, however engagement in a worthwhile cause will also provide a valuable way for Baby Boomers to stay connected with society at a time in life when there is a risk of isolation. This risk is particularly high among males who frequently have been working all their lives and are ill-equipped to build new social connections once work is over.

**Sport’s role in the community**

There is a vast amount of literature both in Australia and internationally on the role of sport and recreation in the community. The amount of literature surrounding this specific topic could be seen as proof enough of the importance sport is seen to play in western society. In fact it has been noted that sport is commonly positioned as a key contributor to providing the “social capital” and values desired for building sustainable communities.

In 2007 Josephine Chau prepared a report for the NSW Premier’s Council of Active Living, entitled “Physical Activity and Building Stronger Communities”. This report examined the evidence base for the positive influence sport and physical exercise has on communities. Specifically it noted that there is evidence to suggest that community-based physical activity programs “have the potential to make positive impacts on participants as well on the communities in which they live” (Chau, 2007, p.13). The report cited numerous social benefits of promoting sporting involvement, including improved self-esteem, greater community identity, increased community cohesion and support among players and non-players.

It was found that sporting clubs, events and programs provide places and opportunities to meet and to encourage greater respect for people and property. This was thought to be of particular importance to rural communities where sport is seen as an important way of keeping in contact with others, and also a means of welcoming newcomers to the area.

Original research conducted by Townsend, Moore and Mahoney in _Playing their_
part: the role of physical activity and sport in sustaining the health and well-being of small rural communities (Playing their part) conducted focus groups with residents of two small rural Victorian towns. These focus groups found that residents viewed sport and recreation as crucial to the viability and sustainability of the communities. Sport was seen as a primary source of social interaction for the community as well as a social leveller across “barriers of age, length of residence, economic status etc.” (Townsend et al, 2002).

Despite the importance of sport to these small rural communities, Playing their part identified a declining level of involvement in sport in rural communities across the board from players, spectators and officials. This was seen to be the result of a declining population base, which was being compounded further by an ageing population and an exodus of young people to larger urban centres.

Research published by Sport England entitled Sport Playing Its Part: The Contribution of Sport to Building Safe, Strong and Sustainable Communities, confirms the view that sport is important to community cohesion and reducing antisocial behaviour. In particular this report promoted the view that sport provides for stronger social networks by reducing social isolation, leadership, role models, positive peer groups, social bonding, improved self-esteem and a healthy lifestyle, which lead to safer communities and lower levels of crime, particularly in areas of disadvantage (Sport England, 2005).

In 1994, Colin Tatz completed a study entitled Aborigines: Sport, Violence and Survival for the Criminology Research Council. This report identified the social benefits of sport in Aboriginal communities, and claimed that “sport plays a more significant role in the lives of Aborigines than in any other sector of Australian society”. Similar to statements made in Sport Playing Its Part, the Tatz report concluded that sport has helped reduce internalised violence and in some cases has become a “vital force in the very survival of several Aboriginal communities in danger of social disintegration” (Tatz, 1994).

In recognising the social benefits that sport participation has in Aboriginal communities, Tatz also states that these benefits are often only short-lived with noticeable declines in delinquency rates during football and basketball seasons. The report noted that there is a “void” in the off-season in some communities when boredom becomes a “killer” (Tatz, 1994).

Although Tatz found that sport in Aboriginal communities takes place despite the absence of facilities, equipment, money or access to regular competition, he also found that access to proper facilities coupled with lower rates of delinquency (Tatz, 1994). “In 1989 the arrests at Palm for violent offences were half that of 1988 – a fact that correlates with the lights at the oval” (Tatz, 1994).

This theme is supported in research published by Sport England which found that the building or refurbishment of local sporting facilities and open spaces can have a significant impact on the liveability and feeling of safety in neighbourhoods.

Sport Scotland shares similar views to the English when it comes to the value sport and physical recreation can bring to society. “Participating in sport can improve the quality of life of individuals and communities, promote social inclusion, improve health, counter anti-social behaviour, raise individual self-esteem and confidence, and widen horizons” (Sport Scotland, 2005).

However, in 2000 Senator Kate Lundy wrote an online opinion piece titled Community vs elite sport: the elusive balance. Lundy argues that striking the right balance between community sport and elite sport is the main challenge for the Federal Government in ensuring Australia’s continued sporting success.

Referring to major US sports such as basketball, baseball and football where there is a disassociation between professionals at the elite level and spectators, Lundy believes Australian sport is yet to reach the heights of US sponsor-driven/media dominated events that alienate supporters. “Fortunately for Australians, sport still remains a shared experience that provides an intrinsic sense of our national character” (Lundy, 2000). However, Lundy goes further to argue that Australia’s sporting success and ethos will not last unless recreational and competitive community sport is adequately supported.
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Literature review

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Differing profiles of Australia’s participation in physical activity

Australian Bureau of Statistics compared to Australian Sports Commission data

Source: Australian Bureau of Statistics; Australian Sports Commission; KPMG Property & Demographic Advisory

Data source: ABS Cat. 4177.0 Participation in Sports and Recreation, 2006-06, from the 2005-06 Multi-Purpose Household Survey (MPHS). This survey collected data on the characteristics of persons aged 15 years and over who physically participated in sports and recreation activities. Rather than prompt or provide a definition of sports and physical recreation, the MPHS leaves the interpretation of sport and physical activity up to the respondent. However, activities such as gardening, housework, manual labouring and other forms of occupational physical activity are excluded from the data.

Different levels of participation - same trends

Different classifications of what defines sport and physical activity provide for two separate views for participation levels, however the same trend is identified.

The ABS definition, which excludes gardening, household work and physical activity performed at work provides for a lower count of overall participation (66%) when compared to the Australian Sports Commission (ASC) data (83%). Both definitions provide for similar participation levels between males and females, as well as a similar trend between age groups whereby there is a declining level of involvement as people age. Participation is marginally higher among young males compared to females, however this changes in older age groups where there is greater participation among females compared to males.

Data source: Australian Sports Commission’s (ASC) Exercise, Recreation and Sports Survey (ERASS) Annual Report 2008. This survey looks at participation by persons aged 15 years and over in any form of physical activity for exercise, recreation or sport, and includes activities that were part of household, garden or work duties. This is a major point of differentiation between the ABS and the ASC data, and appears to provide for an inflated count of participation when compared to the ABS data.

Even though the ASC data appears to provide for inflated participation levels, the ASC’s ERASS survey is conducted annually providing for more recent data and time-series comparisons, as such the ASC data forms the basis for the majority of participation data analysed in this study.
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A profile of Australia’s participation in physical activity

Overall participation

According to the ERASS some 93% or 13.9 million Australians aged 15-years and over reported that they had participated in sports and recreation at least once in 2008. There was a largely equal proportional representation of males and females.

Some 90 per cent of persons aged 15-24 years participated in physical activity at least once in 2008. This was the most ‘active’ age cohort, with participation declining gradually thereafter to 80% of persons aged 55 to 64 years, and then to 73% of those aged 65 years and over.

Participation is marginally higher among young males compared to females, however there is greater participation among older females compared to males.

ABS data collected in 2005-06 shows a similar trend to the ERASS data, however due to definition differences provides for a lower level of overall participation.

Regular participation

Regular participation is defined as at least three times per week on average. According the ERASS results 49% of Australians regularly participated in sport and physical activity in 2008, with greater regular participation experienced among females at 52% compared to males at 47%.

This gender discrepancy was accentuated in the middle-age brackets, particularly persons aged 35 to 44 years, where between 53-58% of females participated regularly in physical activity compared to 43-46% of males. This may reflect constraints on time for males who are more likely to be the main source of (full-time) income for families.

Interestingly, regular participation in physical activity peaks in persons aged 55 to 64 years, which may reflect a greater awareness of physical health in this cohort.
Impact of demographic change: The future of sports participation in Australia
A time-series profile of participation in physical activity, 2001-08

Overall participation is up since 2001
According to the ERASS survey results, there were regular annual increases in Australia’s overall participation in physical activity between 2002 and 2005. During this time the proportion of Australians that participated in physical activity at least once in the previous 12 months increased from 77.8% to 83.3%. Participation in physical activity declined between 2005 and 2007, from 83.3% to 79.4%, however in the last year of data participation rebounded to 83.4% in 2008.

Greater gains have been achieved in regular participation
Between 2001 and 2008, Australia’s participation in regular physical activity increased from 37% to 49%. However during this period participation levels have moved both up and down. Trends for both males and females have been mostly consistent.

Participation in organised sporting activity has remained relatively constant over the survey period between 2001 and 2008.
According to the ERASS survey results the level of participation in organised sporting activity has risen marginally from 40% in 2001 to 41% in 2008. However, participation in organised physical activity actually decreased between 2006 (43%) and 2007 (38%).

Source: Australian Sports Commission; KPMG Property & Demographic Advisory

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### A time-series profile of participation in physical activity by State, 2001-08

Total participation at least once a year

<table>
<thead>
<tr>
<th>State</th>
<th>2008 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Capital Territory</td>
<td>88.6</td>
</tr>
<tr>
<td>Western Australia</td>
<td>85.1</td>
</tr>
<tr>
<td>Queensland</td>
<td>83.6</td>
</tr>
<tr>
<td>Victoria</td>
<td>83.4</td>
</tr>
<tr>
<td>South Australia</td>
<td>83.3</td>
</tr>
<tr>
<td>Tasmania</td>
<td>82.7</td>
</tr>
<tr>
<td>New South Wales</td>
<td>82.6</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>81.8</td>
</tr>
<tr>
<td>Australia</td>
<td>83.4</td>
</tr>
</tbody>
</table>

**ACT clearly out in-front based on overall participation**

The ERASS results show that the ACT has traditionally been the most active state/territory, with 88.6% of persons aged 15 and over participating in physical activity at least once in 2008.

NSW was the most inactive state with 82.6% of persons aged 15 and over participating in physical activity in 2008, closely followed by Tasmania (82.7%).

Participation levels between the states have generally followed the same trend since 2001, with increasing participation between 2001 and 2004, declining to 2007, before rebounding in 2008.

Victoria, in particular experienced a relatively rapid increase in participation levels between 2001 (77.4%) and 2004 (85.1%).

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Source: Australian Sports Commission, KPMG Property & Demographic Advisory
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A time-series profile of regular participation by State, 2001-08

Participation in physical activity at least three times a week based on ASC definition

There has been increasing levels of regular sport participation across all states since 2001. Between 2001 and 2008, ASC data shows that Australia’s levels of regular participation (i.e. at least three times per week) have increased from 37.2% to 49.3%. This trend was witnessed across all states and territories over the same period and shows a marked increase.

Consistent with overall participation data the ACT leads the way with the highest level of regular participation at 55.4% in 2008. This was notably higher than any other state or territory.

The second most active state is South Australia with 49.9 per cent of persons aged 15 years and over participating in physical activity at least three times per week.

Source: Australian Sports Commission; KPMG Property & Demographic Advisory
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Migrant participation based on ABS data

Southern/Eastern European, North African and Middle Eastern migrants are the most unlikely to participate in sport.

Migrants from Italy, Greece and Lebanon are all less likely to participate in sport.

Southern and Eastern European migrants were the most unlikely ethnic group to participate in physical activity in 2005-06. This is surprising considering Italy and Greece are the two most common countries of birth for Australians from Southern and Eastern European countries.

Based on the MPHS Survey conducted by the ABS in 2005-06, only 36% of persons who were born in Southern and Eastern European countries participated in some kind of physical activity, however there were 306K Southern and Eastern European migrants that did participate in sport which was the second highest number of foreign-born participants behind those born in North-Western European nations (1.41m).

There is a widely held perception that the children and grandchildren of Southern and Eastern European migrants, particularly Italian and Greek migrants, who moved to Australia in the post World War II are well assimilated in terms of sporting involvement, and participate in sport at levels similar to those of Anglo-Australians. This may be true, however, ABS data shows that first-generation migrants from these nations are still less likely to participate in sport, indicating that time and exposure to Australian values may be the most effective tool in influencing ethnic participation levels.

Only 38% of migrants from North African and Middle Eastern nations participated in sport or physical activity in 200506. This was the second lowest level of participation based on birth place. Lebanon, Egypt, Iraq, Turkey and Iran are the five most common countries of birth for Australians born in North Africa and the Middle East.

Residents born in Asian countries also demonstrated a relatively low rate of participation in sport and physical recreation. South-East Asian and North-East Asian countries in particular had especially low levels of participation.

With well-aligned cultural values, North-Western European and American migrants showed participation levels similar to those of Australian-born residents. Migrants born in Sub-Saharan Africa also demonstrated relatively high levels of sports participation (higher than any other ethnic group). The most common countries of birth of Sub-Saharan migrants were South Africa, Zimbabwe and Mauritius.
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A profile of Australia’s participation in organised physical activity

Overall and regular participation

Based on the ERASS definition of organised sport, some 41% of Australians were involved in some form of organised sporting participation in 2008.

According to the ERASS there is a marked decline in organised sporting participation as people age. Of persons aged 15 years and over, participation is greatest among males aged 15 to 24 years (69%), and lowest among females aged 55 to 64 (30%).

Overall, there was a greater level of participation in organised physical activities by males. Some 12% of Australians were regularly involved in organised sport in 2008.

Support roles (non-playing involvement)

Data identifying non-playing involvement in organised physical activity has been sourced from the most recent ABS publication 6285.0 Involvement in Organised Sport and Physical Activity, 2007. This data is not collected in the ERASS.

The ABS has a notably narrower definition of organised physical activity; which is those sports and physical activities organised by a club, business or organisation. Non-playing involvement includes coaches, referees, administrators, medical and other support roles.

The ABS provides a cultural indicator of organised physical activity involvement by place of birth. This data shows a significantly higher rate of participation (27%) among Australian-born residents compared to those born in non-English-speaking nations (11%).

Overall participation by place of birth, 2005-06 (ABS)

<table>
<thead>
<tr>
<th>Place of Birth</th>
<th>Participation (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>27</td>
</tr>
<tr>
<td>Other English speaking countries</td>
<td>22</td>
</tr>
<tr>
<td>Other countries</td>
<td>17</td>
</tr>
</tbody>
</table>

Data source: Australian Bureau of Statistics; Australian Sports Commission; KPMG Property & Demographic Advisory
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Time spent participating in organised physical activity, 2001 & 2007 (ABS)

Hours per week

According to ABS data, actual playing participation in organised physical activity increased by only 3% between 2001 and 2007 despite the population increasing by 8% over the same period.

Data provided in the ABS publication 6285.0 Involvement in Organised Sport and Physical Activity shows that 3 to 9 hours per week is the most common time commitment for participation in organised physical activity in Australia. Less than 3 hours per week was the second most common level of participation.

Although there are relatively low levels of participation in physical activity for longer than 9 hours per week, these segments experienced the greatest percentage growth between 2001 and 2007.

Data source: Data on this page identifying involvement in organised sport has been sourced from the 2001 and 2007 ABS publication 6285.0 Involvement in Organised Sport and Physical Activity. This data is not collected in the ERASS.

The ABS has a notably narrower definition of organised physical activity; which is those sports and physical activities organised by a club, business or organisation.

Non-playing involvement includes coaches, referees, administrators, medical and other support roles.

Non-playing participation in physical activity is mostly limited to less than 3 hours per week.

However, similar to playing involvement there has been significant percentage growth in persons with greater involvement.
Females show a greater propensity to use fitness centres

Based on the ERASS results 16% of Australians aged 15 years and over participated in some form of physical activity for exercise that was organised by fitness, leisure or indoor sports centres (fitness centres) in 2008. However there was a greater propensity for females (19%) to use fitness centres compared to males (13%).

This inconsistency between the genders was further exaggerated between the ages of 25 and 64 with males showing a more rapidly declining level of involvement. Participation in activities organised by a fitness centre peaks in young males (24%) and females (25%) aged 15 to 24 years, and decreases to a low of 5% in males aged 55 to 64 and 11% in females aged 65 years and over.

Data source: All data on this slide has been derived from the ERASS Annual Report 2008. This information relates to persons aged 16 years and over who participated in physical activity for exercise, recreation and sport over a 12-month period prior to interview in 2008.

Unfortunately this data is not publicly available for a time series comparison.

Sporting clubs are dominated by males across all age groups

The 2008 ERASS survey found that participation in physical activities organised by sporting clubs was largely dominated by males. Some 32% of males participated in some form of physical activity that was organised by a sporting club in 2008, compared to only 19% of females.

This discrepancy between the genders was consistent through the lifecycle, however it narrowed in older age groups.

Participation was highest among young people with 49% of males and 33% of females aged 15 to 24 years participating in sporting clubs activity in 2008. This declined to a low of 23% for males aged 55 years and over, and 13% for females aged 45 to 64 years.
### Impact of demographic change: The future of sports participation in Australia

#### Most popular physical activities by sex, 2008

Individual sports/activities are the most popular form of exercise.

![Top 20 sports and physical activities participated in by Australians by sex, 2008](image)

Walking was the most popular form of physical exercise with an estimated 6.5 million persons having walked for exercise at some stage in 2008. Some 65% of persons who walked were females and 35% were males. In fact, sports that do not require other participants to be performed comprised the top six most popular physical activities in 2008.

Tennis and golf were the most popular ball sports. Golf was largely dominated by males (80%), while tennis experienced a relatively equal level of participation from both males and females.

Football (soccer) was the most popular team sport with 856K participants in 2008. Soccer was followed by netball, which along with yoga was dominated by female involvement.

Neither of the Rugby codes made the top 20 most participated sports, however combined League and Union had 369K participants (enough to rank 17th).
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Most popular physical activities organised/non-organised involvement, 2008

Non-organised sport and physical recreation dominate the most popular activities

Apart from aerobics, participation in the five most popular sports in Australia largely took the form of non-organised involvement. Some 6.41 million persons participated in non-organised walking for exercise compared to 250K that participated in organised walking.

Team sports and sports requiring specific facilities comprised the large majority of sports where organised participation was required. Lawn bowls had the highest concentration of organised involvement in 2008.

Note: The parts of this chart does not sum to equal total sporting participation for the 20 most popular sporting activities as individuals can participate in both organised and non-organised sport in the one year.

Source: Australian Sports Commission; KPMG Property & Demographic Advisory
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Growth in Australia's most popular physical activities, 2001-2008
Strong growth in personal activities and areas of international success

Personal activities were the biggest growth areas for participation between 2001 and 2008. Seven out of the 10 growth areas were activities such as walking, running, cycling and aerobic/gym exercise. These are activities that are able to suit lifestyle and time constraints and thus provide the most flexible option for participants.

The remaining growth areas comprised sports that have achieved recent international success. Indoor and outdoor football (soccer) and cricket comprise the remaining top 10 growth sports between 2001 and 2008. It may be seen as no coincidence that this period has correlated with Australia making the World Cup for the first time since 1974 and Australia's dominance of world cricket.

### Growth in Australia's most popular physical activities, 2001-2008

<table>
<thead>
<tr>
<th>Activity</th>
<th>2001</th>
<th>2008</th>
<th>2001-2008</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Walking (other)</td>
<td>4,356</td>
<td>6,508</td>
<td>2,153</td>
<td>49%</td>
</tr>
<tr>
<td>Aerobics/fitness</td>
<td>1,961</td>
<td>3,902</td>
<td>1,941</td>
<td>99%</td>
</tr>
<tr>
<td>Running</td>
<td>1,084</td>
<td>1,649</td>
<td>565</td>
<td>52%</td>
</tr>
<tr>
<td>Cycling</td>
<td>1,438</td>
<td>1,928</td>
<td>490</td>
<td>34%</td>
</tr>
<tr>
<td>Football (outdoor)</td>
<td>551</td>
<td>856</td>
<td>304</td>
<td>55%</td>
</tr>
<tr>
<td>Yoga</td>
<td>223</td>
<td>526</td>
<td>304</td>
<td>136%</td>
</tr>
<tr>
<td>Walking (bush)</td>
<td>795</td>
<td>1,087</td>
<td>292</td>
<td>34%</td>
</tr>
<tr>
<td>Football (indoor)</td>
<td>174</td>
<td>384</td>
<td>210</td>
<td>120%</td>
</tr>
<tr>
<td>Cricket (outdoor)</td>
<td>411</td>
<td>589</td>
<td>178</td>
<td>43%</td>
</tr>
<tr>
<td>Weight training</td>
<td>445</td>
<td>608</td>
<td>163</td>
<td>37%</td>
</tr>
<tr>
<td>Australian rules football</td>
<td>353</td>
<td>488</td>
<td>135</td>
<td>38%</td>
</tr>
<tr>
<td>Touch football</td>
<td>404</td>
<td>537</td>
<td>133</td>
<td>33%</td>
</tr>
<tr>
<td>Dancing</td>
<td>297</td>
<td>387</td>
<td>90</td>
<td>30%</td>
</tr>
<tr>
<td>Lawn bowls</td>
<td>290</td>
<td>383</td>
<td>93</td>
<td>26%</td>
</tr>
<tr>
<td>Basketball</td>
<td>536</td>
<td>598</td>
<td>62</td>
<td>12%</td>
</tr>
<tr>
<td>Netball</td>
<td>612</td>
<td>643</td>
<td>30</td>
<td>5%</td>
</tr>
<tr>
<td>Fishing</td>
<td>365</td>
<td>366</td>
<td>1</td>
<td>0%</td>
</tr>
<tr>
<td>Swimming</td>
<td>2,416</td>
<td>2,414</td>
<td>-2</td>
<td>0%</td>
</tr>
<tr>
<td>Golf</td>
<td>1,240</td>
<td>1,181</td>
<td>-59</td>
<td>-5%</td>
</tr>
<tr>
<td>Tennis</td>
<td>1,382</td>
<td>1,123</td>
<td>-259</td>
<td>-19%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>11,749</td>
<td>13,849</td>
<td>2,101</td>
<td>18%</td>
</tr>
</tbody>
</table>

Includes aerobics, gym exercise, exercise bikes and treadmill exercise etc. Growth in this segment may reflect the apparent increasing popularity of membership-based fitness clubs and personal trainers.

Soccer has become mainstream enough to be called football – between 2005 and 2006 the Australian Sports Commission switched from calling this code soccer to football.

Lower levels of international success in these sports may be having an impact on general participation.

Includes all forms of participation.

Source: Australian Sports Commission, KPMG Property & Demographic Advisory
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Motivators and constraints of physical activity participation

Motivators of those that participate in sport and recreation, 2005-06 (ABS)

ABS publication 4177.0 Participation in Sport and Recreation provides an indication of the motivators and constraints for persons to get involved in sport and physical activity. Health and fitness is cited as the main motivator for participation in sport and physical activity. Enjoyment plays a much bigger part in sporting involvement for the younger age groups. Reasons why people don’t participate in sport are mostly due to non-interest, family commitment, injury or old age.

Constraints of non-participants in sport and recreation, 2005-06 (ABS)

Source: Australian Bureau of Statistics; KPMG Property & Demographic Advisory
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**Sporting jobs**

Sporting jobs by segment between 1996 and 2006

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**Sport is a key employer of young people**

The ABS provides a classification of Sporting jobs based on the Australia New Zealand Standard Industry Classification (ANZSIC). Included in the ABS Sport classification are jobs associated with sporting facilities, services to sport (ie administrators, coaches, ski-tow operators etc), and horse and dog racing.

The chart below shows the age profile of persons employed in sport compared to the average age profile of the entire working population. This highlights the critical role sport plays in Australian society as a key source of employment for young people. Growth in the sporting sector provides people aged 15 to 24 with a ready source of employment, which in effect binds Australia’s youth into the sporting experience.

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**As an employer the sports industry grew faster than the remainder of the economy between 1996 and 2006**

In 2006, some 76K Australians were employed in a position that sat within the ABS classification of a Sporting job. This had increased by 25K jobs or 48% since 1996 compared to job growth across all industries of 19%.

The sub-category of ‘Sports and Services’ was the greatest employer within the Sporting jobs category, with 37K jobs in 2006, followed by Sport Grounds and Facilities with 31K jobs. The Sports and Services sub-category comprises jobs associated with riding schools, ski-tow operators, clubs and associations, coaches, administration and sportsmen etc.
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Region of Birth, 2006

Nearly 4 million Australians were born outside of the Oceania region, however this only goes part of the way to quantifying the nation’s level of multiculturalism as it does not capture second and third generation Australians with strong roots in their foreign heritage.

Australian residents place of birth, 2006

Region

Oceania

79%

3.92m

Other

21%

14.57m

Other

21%

Australia

79%

3.92m

New Zealand

0.39m

Remainder Oceania

0.04m

Australia's non-Australian-born residents by region of birth, 2006

North-West Europe

33%

1.36m

• UK

1.04m

• Germany

0.11m

• Netherlands

0.08m

• Ireland

0.05m

• Remainder North-West Europe

0.08m

Southern & Eastern Europe

18%

0.72m

• Italy

0.20m

• Greece

0.11m

• Poland

0.05m

• Croatia

0.05m

• Remainder S&E Europe

0.31m

Asia (Total)

1.21m

• China (including Hong Kong)

0.28m

• Vietnam

0.16m

• India

0.15m

• Philippines

0.12m

• Malaysia

0.09m

• Remainder Asia

0.37m

Southern & Central Asia

7%

0.27m

• India

0.15m

• China (including Hong Kong)

0.09m

• Pakistan

0.03m

• Remainder S&C Asia

0.00m

South-East Asia

14%

0.55m

• Malaysia

0.15m

• Philippines

0.10m

• Singapore

0.07m

• Indonesia

0.04m

• Thailand

0.03m

• Remainder S-E Asia

0.12m

Sub-Saharan Africa

5%

0.19m

• South Africa

0.10m

• Zimbabwe

0.02m

• Remainder Sub-Saharan Africa

0.07m

North Africa & Middle East

6%

0.25m

• Egypt

0.10m

• Iran

0.07m

• Tunisia

0.05m

• Morocco

0.03m

• Remainder North Africa

0.09m

North-East Asia

10%

0.39m

• Japan

0.12m

• South Korea

0.10m

• China (excluding Hong Kong)

0.09m

• Korea (North)

0.07m

• Remainder N-East Asia

0.02m

South-East Asia

14%

0.55m

• Vietnam

0.16m

• Philippines

0.15m

• Thailand

0.10m

• Indonesia

0.05m

• Malaysia

0.05m

• Remainder S-E Asia

0.12m

Source: KPMG Property & Demographic Advisory
Impact of demographic change: The future of sports participation in Australia
Source of new migrants, 1996 to 2006

<table>
<thead>
<tr>
<th>Top 10 Countries of birth for foreign-born residents, 1996</th>
<th>Top 10 Countries of birth for foreign-born residents that arrived in Australia between 1996 and 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country of birth</td>
<td>No.</td>
</tr>
<tr>
<td>1. United Kingdom</td>
<td>1,073K</td>
</tr>
<tr>
<td>2. New Zealand</td>
<td>291K</td>
</tr>
<tr>
<td>3. Italy</td>
<td>238K</td>
</tr>
<tr>
<td>4. China (incl. Hong Kong)</td>
<td>179K</td>
</tr>
<tr>
<td>5. Vietnam</td>
<td>151K</td>
</tr>
<tr>
<td>6. Greece</td>
<td>127K</td>
</tr>
<tr>
<td>7. Germany</td>
<td>110K</td>
</tr>
<tr>
<td>8. Philippines</td>
<td>93K</td>
</tr>
<tr>
<td>9. Netherlands</td>
<td>88K</td>
</tr>
<tr>
<td>10. India</td>
<td>78K</td>
</tr>
<tr>
<td>Remainder</td>
<td>935K</td>
</tr>
<tr>
<td>Total</td>
<td>3,363K</td>
</tr>
</tbody>
</table>

Source: Australian Bureau of Statistics; KPMG Property & Demographic Advisory

Most migrants to Australia still come from traditional sources such as the UK and New Zealand, however an increasing focus is now being placed on our neighbours in Asia.

- Australia’s migration has remained dominated by Anglo influences, i.e. UK, NZ and increasingly South Africa
- At the time of the 1996 Census some 41 per cent of Australia’s foreign-born population were from either the UK or New Zealand
- However between 1996 and 2006 the focus of new migrants shifted from traditional European backgrounds to Asian, African and Middle Eastern backgrounds.
- Although persons born in China comprised only 5% of Australia’s foreign-born population in 1996, Chinese comprised 11% of new migrants to Australia between 1996 and 2006.
- How to engage Asian, African and Middle East communities will perhaps be one of the most challenging obstacles in promoting greater, or perhaps maintaining, levels sporting involvement and participation.
Impact of demographic change: The future of sports participation in Australia

Ancestry and language, 2006

Place of birth is not the only measure of Australia’s level of multiculturalism. An analysis of the population by birth place of parents and the language spoken at home can identify a much greater population with non-traditional-Anglo heritage.

- At the time of the 2006 Census some 4.42 million Australian were born overseas, however there were 8.05 million with at least one parent born overseas.
- Of the 8.05 million persons who cited that at least one parent was born overseas, there were 6.32 million people who claimed non-Anglo ancestry, while 4.91 million claimed an Anglo ancestry*.
- Language spoken at home can signal a level of assimilation of migrants. At 2006 there were 3.15 million Australians who spoke a language other than English when at home; of these Chinese, Italian and Greek were the most common foreign languages spoken at home, while Chinese and Arabic were the biggest growth segments between 1996 and 2006.

* These figures do not sum to total persons who cited at least one foreign-born parent (i.e. 8.05 million) as any one person can claim a number of ancestries.

Source: Australian Bureau of Statistics; KPMG Property & Demographic Advisory

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Australia’s indigenous population is young and mostly located in rural and remote communities. At the time of the 2006 Census, some 2% of Australia’s population or 455K persons stated that they were Aboriginal or Torres Strait Islander. The 2006 age profile of Australia’s indigenous residents shows a dramatically younger population when compared to the non-indigenous population.
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The future of sports participation in Australia

Australia’s population growth: past, present and future

Australia will remain a fast growth nation for decades to come

PAST (Sustained growth): Over the last half of the century since the end of WWII, Australia has experienced a sustained period of consistent population growth. This period has provided a platform for the economy to flourish and for continuous advances in standard of living. Recent growth data and the ABS’ latest population projections indicate that we are now entering a new phase of higher growth.

FUTURE (Dramatically increased population outlook): In September 2008 the ABS released its most recent population projections derived from the 2006 Census results. Based on elevated fertility rates and net migration, these projections have dramatically increased Australia’s population outlook compared to that of two years earlier. It is likely that increased levels of migration are part of the government’s plan to support the Baby Boomer generation in retirement.
The future of sports participation in Australia

Australia’s population growth: past, present and future

Australia will remain a fast growth nation for decades to come

PRESENT (Last year of historic data, 2008)

In the financial year to June 2008 Australia’s population is estimated to have increased by 359K, down from record growth of 374K in the year to June 2008. However, due to extraordinary growth in the second half of 2007, Australia recorded its highest ever level of annual growth in the 12 months to December:

- adding
- 406,000 residents in the last year of recorded data.

FUTURE (Dramatically increased population outlook)

In September 2008 the ABS released its most recent population projections derived from the 2006 Census results. Based on elevated fertility rates and net migration, these projections have dramatically increased Australia’s population outlook compared to that of two years earlier. It is likely that increased levels of migration are part of the government’s plan to support the Baby Boomer generation in retirement.

PAST (Sustained growth): Over the last half of the century since the end of WWII, Australia has experienced a sustained period of consistent population growth. This period has provided a platform for the economy to flourish and for continuous advances in standard of living. Recent growth data and the ABS’ latest population projections indicate that we are now entering a new phase of higher growth.

Federation WWI Great Depression WWII Post war industrialisation Recessions GFC

<table>
<thead>
<tr>
<th>Year</th>
<th>Federation</th>
<th>WWI</th>
<th>Great Depression</th>
<th>WWII</th>
<th>Post war industrialisation</th>
<th>Recessions</th>
<th>GFC</th>
</tr>
</thead>
<tbody>
<tr>
<td>1901</td>
<td>350</td>
<td>350</td>
<td>350</td>
<td>350</td>
<td>350</td>
<td>350</td>
<td>350</td>
</tr>
<tr>
<td>1914</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
</tr>
<tr>
<td>1928</td>
<td>450</td>
<td>450</td>
<td>450</td>
<td>450</td>
<td>450</td>
<td>450</td>
<td>450</td>
</tr>
<tr>
<td>1942</td>
<td>500</td>
<td>500</td>
<td>500</td>
<td>500</td>
<td>500</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>1956</td>
<td>550</td>
<td>550</td>
<td>550</td>
<td>550</td>
<td>550</td>
<td>550</td>
<td>550</td>
</tr>
<tr>
<td>1970</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
</tr>
<tr>
<td>1984</td>
<td>650</td>
<td>650</td>
<td>650</td>
<td>650</td>
<td>650</td>
<td>650</td>
<td>650</td>
</tr>
<tr>
<td>2008</td>
<td>700</td>
<td>700</td>
<td>700</td>
<td>700</td>
<td>700</td>
<td>700</td>
<td>700</td>
</tr>
</tbody>
</table>

Population growth (000s)

- Historical population growth
- Last year of historical data
- Previous ABS projections (2006)
- Current ABS projections (2008)

Significant events and Australia’s growth over the last century

- Historical population growth
- Last year of historical data
- Previous ABS projections (2006)
- Current ABS projections (2008)

Source: Australian Bureau of Statistics; KPMG Property & Demographic Advisory
Migrants will play an increasing part in Australia’s growth in the future. Migration is projected to play a much bigger role in Australia’s growth over the forecast period to 2026, while Melbourne, Sydney, Queensland and Perth will continue to be the focus of growth. Melbourne in particular is projected to experience significantly increased growth.

In the 20 years to 2006 net migration was responsible for 45% of population growth in Australia, with the majority (55%) of growth being driven by natural increase. However in the next 20 years to 2026, net migration is forecast to account for 56% of Australia’s population growth, while the remaining 44% is projected from natural increase.

The distribution of population growth over the next 20 years is projected to largely replicate the last 20 years. Melbourne, Sydney, Queensland and Perth are projected to account for 78% of growth between 2006 and 2026, compared to 75% over the 20 years to 2006. Melbourne is projected to experience a spike in growth from the 830K witnessed between 1986 and 2006 to growth of 1.30m in the next 20 years to 2026.

The future of sports participation in Australia
Drivers and distribution of population growth

The distribution of population growth, Australia 1986 to 2006

Components (drivers) of population growth, Australia 1986 to 2026

<table>
<thead>
<tr>
<th>Region</th>
<th>1986-06</th>
<th>2006-26</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney</td>
<td>0.86</td>
<td>1.14</td>
</tr>
<tr>
<td>NSW Remainder</td>
<td>0.49</td>
<td>0.43</td>
</tr>
<tr>
<td>Melbourne</td>
<td>0.83</td>
<td>1.30</td>
</tr>
<tr>
<td>Victoria Remainder</td>
<td>0.17</td>
<td>0.24</td>
</tr>
<tr>
<td>Brisbane</td>
<td>0.64</td>
<td>0.86</td>
</tr>
<tr>
<td>Old Remainer</td>
<td>0.58</td>
<td>1.09</td>
</tr>
<tr>
<td>Adelaide</td>
<td>0.15</td>
<td>0.24</td>
</tr>
<tr>
<td>SA Remainder</td>
<td>0.04</td>
<td>0.08</td>
</tr>
<tr>
<td>Perth</td>
<td>0.50</td>
<td>0.75</td>
</tr>
<tr>
<td>WA Remainder</td>
<td>0.14</td>
<td>0.19</td>
</tr>
<tr>
<td>Tasmania</td>
<td>0.05</td>
<td>0.06</td>
</tr>
<tr>
<td>NT</td>
<td>0.06</td>
<td>0.07</td>
</tr>
<tr>
<td>ACT</td>
<td>0.08</td>
<td>0.08</td>
</tr>
<tr>
<td>Australia</td>
<td>4.91</td>
<td>6.54</td>
</tr>
</tbody>
</table>

Source: Australian Bureau of Statistics; KPMG Property & Demographic Advisory
Impact of demographic change: The future of sports participation in Australia

Australia’s changing demographic profile

In the next 20 years to 2026, Australia is projected to add a further 839k children, compared to 361k in the twenty years previous; an increase of 138% on the growth experienced in the last 20 years. This will be caused by higher net migration and fertility.

Between 2006 and 2026 the number of Australians aged 35 to 64 years is projected to increase by 2.08 million residents. This represents 27% less growth than the 2.84 million persons added to this age group between 1986 and 2006. This broad age bracket comprises persons in their ‘family formation’ and ‘empty-nester’ phases of life. A contraction in the rate of growth in the 35-60 age group over the next 20 years may impact volunteering and fund-raising.

The ageing of the Baby Boomers is projected to see a further 1.25 million Australians added to the ‘active retirement years’ or 65 to 74 year age bracket between 2006 and 2026. This represents a 240% increase over the growth experienced in the previous twenty years to 2006. The ageing of the Baby Boomers will impact on this phase of life and may see growth in low impact activities such as cycling, bushwalking etc.

Over the 20 years to 2026, the number of Australians aged 75 years and over is projected to increase by 1.14 million, compared to the growth of 624k in the 20 years prior. In sedentary retired this suggests we may need to look at programs designed to engage the frail elderly.

Australia’s changing age profile will pose greatly different opportunities and challenges for promoting participation in sports and recreation over the next 20 years compared to last; managing increased growth in Australia’s talent pool (and pipeline), the transition of the Baby Boomers from the workforce into retirement and significantly reduced growth in traditional volunteer sources are all going to transform the landscape of Australia’s sporting environment.

Population growth by age, 1986 to 2006 and 2006 to 2026

- **Children**: 138%
- **Peak performance**: 156%
- **Family formation**: -36%
- **Empty nesters**: -17%
- **Active retired**: 240%
- **Sedentary retired**: 78%

Source: Australian Bureau of Statistics; KPMG Property & Demographic Advisory

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Impact of demographic change: The future of sports participation in Australia

Top 30* Olympic nations by historic and forecast growth in GDP per capita

GDP growth per capita 1989 to 2009 compared to forecasts growth 2009 to 2014 (countries selected based on medal count in Beijing)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Beijing**</th>
<th>1989-09</th>
<th>F2009-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>China</td>
<td>1</td>
<td>475%</td>
<td>48%</td>
</tr>
<tr>
<td>2</td>
<td>Georgia</td>
<td>29</td>
<td>203%</td>
<td>29%</td>
</tr>
<tr>
<td>3</td>
<td>Slovak Republic</td>
<td>25</td>
<td>135%</td>
<td>31%</td>
</tr>
<tr>
<td>4</td>
<td>Korea</td>
<td>7</td>
<td>132%</td>
<td>30%</td>
</tr>
<tr>
<td>5</td>
<td>Belarus</td>
<td>16</td>
<td>112%</td>
<td>26%</td>
</tr>
<tr>
<td>6</td>
<td>Kazakhstan</td>
<td>29</td>
<td>100%</td>
<td>26%</td>
</tr>
<tr>
<td>7</td>
<td>Poland</td>
<td>20</td>
<td>83%</td>
<td>25%</td>
</tr>
<tr>
<td>8</td>
<td>Norway</td>
<td>22</td>
<td>52%</td>
<td>22%</td>
</tr>
<tr>
<td>9</td>
<td>Ethiopia</td>
<td>18</td>
<td>47%</td>
<td>22%</td>
</tr>
<tr>
<td>10</td>
<td>Spain</td>
<td>14</td>
<td>44%</td>
<td>22%</td>
</tr>
<tr>
<td>11</td>
<td>Russia</td>
<td>3</td>
<td>43%</td>
<td>21%</td>
</tr>
<tr>
<td>12</td>
<td>Australia</td>
<td>6</td>
<td>40%</td>
<td>22%</td>
</tr>
<tr>
<td>13</td>
<td>United Kingdom</td>
<td>4</td>
<td>39%</td>
<td>16%</td>
</tr>
<tr>
<td>14</td>
<td>Hungary</td>
<td>21</td>
<td>39%</td>
<td>14%</td>
</tr>
<tr>
<td>15</td>
<td>Netherlands</td>
<td>12</td>
<td>38%</td>
<td>13%</td>
</tr>
<tr>
<td>16</td>
<td>Czech Republic</td>
<td>24</td>
<td>36%</td>
<td>11%</td>
</tr>
<tr>
<td>17</td>
<td>Romania</td>
<td>17</td>
<td>35%</td>
<td>10%</td>
</tr>
<tr>
<td>18</td>
<td>United States</td>
<td>2</td>
<td>31%</td>
<td>8%</td>
</tr>
<tr>
<td>19</td>
<td>Denmark</td>
<td>30</td>
<td>30%</td>
<td>8%</td>
</tr>
<tr>
<td>20</td>
<td>New Zealand</td>
<td>26</td>
<td>29%</td>
<td>7%</td>
</tr>
<tr>
<td>21</td>
<td>Germany</td>
<td>5</td>
<td>27%</td>
<td>7%</td>
</tr>
<tr>
<td>22</td>
<td>Canada</td>
<td>19</td>
<td>27%</td>
<td>7%</td>
</tr>
<tr>
<td>23</td>
<td>France</td>
<td>10</td>
<td>25%</td>
<td>7%</td>
</tr>
<tr>
<td>24</td>
<td>Japan</td>
<td>8</td>
<td>19%</td>
<td>6%</td>
</tr>
<tr>
<td>25</td>
<td>Brazil</td>
<td>23</td>
<td>19%</td>
<td>2%</td>
</tr>
<tr>
<td>26</td>
<td>Italy</td>
<td>9</td>
<td>16%</td>
<td>2%</td>
</tr>
<tr>
<td>27</td>
<td>Kenya</td>
<td>15</td>
<td>13%</td>
<td>3%</td>
</tr>
<tr>
<td>28</td>
<td>Jamaica</td>
<td>13</td>
<td>4%</td>
<td>2%</td>
</tr>
<tr>
<td>29</td>
<td>Ukraine</td>
<td>11</td>
<td>-7%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Source: International Monetary Fund World Economic Outlook Database; KPMG Property & Demographic Advisory

Former Soviet Bloc nations are forecast to experience the greatest relative gains in GDP per capita compared to other top 30 medal-winning nations.

Growth in these nations is most likely to be driven by resources (i.e. gas and oil) and the fact that these nations are coming off a relatively low base. This may indicate a greater financial pool from which to support elite sporting programs.

In particular, the Ukraine is projected to experience the greatest increase in GDP per capita over the five years to 2014; after being the lowest ranked nation (by growth) over the last 20 years. Australia is projected to lose ground financially to other top 30 Olympic nations over the next five years.

* No data available for Cuba (ranked 28th in Beijing)
** Based on Beijing medal ranking
Impact of demographic change: The future of sports participation in Australia

International competitor comparisons: China, USA and Russia

A comparison of demographic forces impacting on the remaining top 10 medal winning nations at the Beijing Olympics

- **China**
  - Will continue to lose population in the youth cohorts between 2005 and 2025.
  - In the 20 years to 2025, China’s population aged 0 to 34 is projected to decrease by 92 million to 633 million.
  - This will impact on China’s peak performance talent pool and also its talent pipeline.
  - By 2025, China is projected to have a peak performance talent pool of 370 million persons aged 15 to 34 years.
  - A stronger reduction in youth over the next 20 years to 2026 may prompt an even more “organised” approach to sport.

- **USA**
  - Has a similar projected growth pattern to Australia due to an ageing Baby Boomer population.
  - In 2025 the USA is projected to have a peak performance talent pool of 95 million persons aged 15 to 34 years.
  - However, the USA is still projected to experience strong growth in persons up to 44 years.
  - This should have a positive impact on the USA’s talent pool and support base.
  - As such, the USA is likely to remain a strong competitor in the future.

- **Russia**
  - Has experienced a significant decline in its youth over the last 20 years to 2026.
  - In 2025, Russia is projected to have a peak performance talent pool of 29 million persons aged 15 to 34 years.
  - Over the next 20 years this should have a noticeable impact on Russia’s talent pool of peak performance athletes.
  - Losses also extend to early middle-age.
  - Will need a “state approach” to filtering elite sports candidates.

---

**Comparison of population growth by age, 1986 to 2006 and 2006 to 2026**

*Source: United Nations; KPMG Property & Demographic Advisory*
Impact of demographic change: The future of sports participation in Australia

International competitor comparisons: UK, Germany and South Korea
A comparison of demographic forces impacting on the remaining top 10 medal winning nations at the Beijing Olympics

**UK**
- The UK experienced a significant decline in its peak performance talent pool in the 20 years to 2005.
- During this period the number of persons aged 15 to 34 decreased by 1.42 million to 15.7 million.
- Over the next twenty years to 2025, the UK’s population aged 15 to 34 is set to increase by 720K.
- This will see the UK have a projected peak performance talent pool of 16.5 million persons aged 15 to 34 years in 2025.

**Germany**
- Over the next 20 years to 2025, Germany is projected to experience significant population loss in the number of persons aged 60 or less.
- Between 2005 and 2006 the German population aged 60 or less is projected to decrease by 4.6 million, following a similar reduction of 4.9 million in the 20 years to 2025.
- By 2025, Germany is projected to have a peak performance talent base of 16 million persons aged 15 to 34 years.
- A significantly reduced talent pool may result in more money being spent on fewer elite sports candidates, or may see a concentrated effort in certain sporting fields.

**South Korea**
- Projected loss of population aged 60 or less similar to Germany.
- Between 2005 and 2025, the number of South Koreans aged 60 or less is projected to decrease by 780K, following a loss of 705K in the 20 years to 2005.
- South Korea’s talent pool for athletes aged 15 to 34 years is projected to decrease 7.3 million in 2005 to 7.0 million in 2025.
- This may see a greater “focus” on the business of sport.

**Comparison of population growth by age, 1986 to 2006 and 2006 to 2026**

Source: United Nations; KPMG Property & Demographic Advisory
Impact of demographic change: The future of sports participation in Australia

International competitor comparisons: Japan, Italy and France

A comparison of demographic forces impacting on the remaining top 10 medal winning nations at the Beijing Olympics

- **Japan**
  - Japan has lost youth over the last 20 years and will continue to lose youth over the next 20.
  - Over the 20 years to 2005, Japan’s population aged 15 to 34 decreased by 5.7 million.
  - In the next 20 years to 2025, the number of Japanese in these age groups is projected to decrease by 10.5 million.
  - Japan must get better at identifying and supporting elite sports stars.
  - Over the next 20 years to 2025, the Japan’s population aged 15 to 34 is set to decrease to 23 million.

- **Italy**
  - The two developed nations with the lowest birth rates are Japan and Italy.
  - Future population losses will focus on 30-44 years.
  - This will result in fewer volunteers and perhaps less fundraising as a consequence.
  - By 2025, Italy is projected to have a peak performance talent base of 12 million persons aged 15 to 34 years.

- **France**
  - France too is losing youth.
  - In the last 20 years to 2005, France’s population aged 15 to 34 decreased by 1.7 million.
  - In the next 25 years to 2025, France’s population aged 15 to 34 is projected to decrease by only 230k.
  - There is also a slow down in the rate of growth in middle-age in France – fewer candidates for sport and fundraising.

---

**Comparison of population growth by age, 1986 to 2006 and 2006 to 2026**

Source: United Nations; KPMG Property & Demographic Advisory

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- Australia’s ageing population (internal geography)
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Demographic geography of Australia
Eight separate regions

Australia is comprised of eight separate geographic regions; each with a distinct function and unique demographic profile

**Major capitals**
- Comprised of Sydney and Melbourne as global cities and a major focus for Australia’s immigration, education, commerce and employment.

**State capitals**
- Comprised of Brisbane, Perth and Adelaide as significant commercial centres from a national and state perspective.

**Minor state/territory capitals**
- Comprised of Hobart, Darwin and Canberra as the remaining state / territory capitals and significant state-based commercial centres.

**Industrial centres**
- Comprised of Newcastle, Wollongong, Geelong, Whyalla, Townsville, Mackay and Gladstone which provide an important and distinct source of industry-focused employment.

**Lifestyle coastal areas**
- Includes coastal communities with a predominantly lifestyle / tourism focus. Comprises both coastal centres such as the Gold Coast, Byron Bay and Mandurah, and aggregations of smaller coastal communities.

**Remote & rural centres**
- Includes Australia’s remaining top 70 most populated urban centres. These cities provide an important regional service function for regional areas (i.e. Dubbo, Mount Isa, Alice Springs and Ballarat etc).

**Rural communities**
- Remaining agricultural-based communities in Australia.

**Remote communities**
- Remaining communities located in remote areas.
Impact of demographic change: The future of sports participation in Australia

Population distribution and growth

Population and density, 2008

<table>
<thead>
<tr>
<th>Population</th>
<th>Area</th>
<th>Density</th>
</tr>
</thead>
<tbody>
<tr>
<td>million</td>
<td>km²</td>
<td>no./km²</td>
</tr>
<tr>
<td>Major Capitals</td>
<td>8.38</td>
<td>19,837</td>
</tr>
<tr>
<td>Capitals</td>
<td>4.75</td>
<td>13,114</td>
</tr>
<tr>
<td>Coastal Lifestyle</td>
<td>2.53</td>
<td>176,590</td>
</tr>
<tr>
<td>Rural Communities</td>
<td>2.44</td>
<td>2,611,190</td>
</tr>
<tr>
<td>Industrial Centre</td>
<td>1.31</td>
<td>7,874</td>
</tr>
<tr>
<td>Remote Rural Centre</td>
<td>1.31</td>
<td>70,323</td>
</tr>
<tr>
<td>Minor Capital</td>
<td>0.73</td>
<td>6,821</td>
</tr>
<tr>
<td>Remote community</td>
<td>0.20</td>
<td>4,796,685</td>
</tr>
<tr>
<td>Australia</td>
<td>21.66</td>
<td>7,702,434</td>
</tr>
</tbody>
</table>

- Australia’s major capital cities are the most populated areas in Australia, comprising a combined total of 8.38 million residents or 39% of the national population at June 2008.
- Capital Cities are less influenced by migrant culture than are Sydney and Melbourne but are nevertheless the preferred destination for young people from rural areas to move to after secondary school.
- Capitals & Major Capitals account for 61% of the Australian population. They are the main reservoirs of Australian youth.
- Coastal lifestyle towns are dominated by the older age groups and as such have special needs and interests.
- Melbourne and Sydney dominate the Australian nation. These two cities are “global” and are the main ports of entry for migrants.

Source: Australian Bureau of Statistics; KPMG Property & Demographic Advisory
Impact of demographic change: The future of sports participation in Australia

Population distribution and growth
Comparison of growth by age group in the 20 years to 2006 compared to the forecast 20 years to 2026

- Over the next 20 years there will be more population growth under 40 in Melbourne and Sydney than there has been in the last 20 years.
- Will need sporting infrastructure support as well as appropriate mechanisms to identify and harness sports talent.
- Strong growth in the active retirement population base over the next decade. Coincides with slower growth in middle-aged population.
- Volunteer and administrator base might shift from parents to grandparents; perhaps there is an opportunity to set up a grandparent’s “sports support” group?

Australia’s major capital cities
(Sydney & Melbourne)

- The age profile that applies to Melbourne and Sydney also applies to Brisbane, Adelaide and Perth but on a reduced scale.
- The key difference between these two markets is the “migrant factor”—new and rising migrant groups impact Melbourne and Sydney more than other capital cities.
- A sports program designed to engage new Asian, African and Middle-East migrants should be based in Melbourne and Sydney.
- The issue in other capital cities is the way each (Brisbane, Adelaide & Perth) draws in talented youth from the bush.

Australia’s state capital cities
(Brisbane, Adelaide & Perth)

- Voluntary and administrator base might shift from parents to grandparents; perhaps there is an opportunity to set up a grandparent’s “sports support” group?

Source: Australian Bureau of Statistics, KPMG Property & Demographic Advisory
Impact of demographic change: The future of sports participation in Australia

Population distribution and growth
Comparison of growth by age group in the 20 years to 2006 compared to the forecast 20 years to 2026

- Elevated birth rates and stronger migration will deliver even more youth to coastal cities (i.e. Gold Coast) over the next 20 years.
- This region will also record particularly strong growth in the active and sedentary retired age groups. May need focused support to engage these groups in their new retirement locations.
- The point is that the demography of Australia is articulated: a one-size-fits-all approach will not have the maximum effect. Tailor programs and investment to “fit” local circumstances.

- The last 20 years have seen a dramatic loss of youth from rural communities. This loss will slow but not stop over the next 20 years.
- This is not so much an issue of access to infrastructure (it’s probably under-utilised!); it is more an issue of the psychological impact of youth-loss—how to build confidence in country towns?
- The problem is that country towns have a culture of “yielding” or “tithing” its talented youth to the city. A good way of countering the depressing impact of this process is for city sports stars to regularly “pay homage” to their grassroots home!
- Make country towns feel they “own” a sports star or team.

Source: Australian Bureau of Statistics, KPMG Property & Demographic Advisory
Impact of demographic change: The future of sports participation in Australia

Population distribution and growth

Comparison of growth by age group in the 20 years to 2006 compared to the forecast 20 years to 2026

The distinctive feature of remote Australia is the expected surge in the active and sedentary retired population over the next 20 years.

These areas possibly have had strong volunteer and fundraiser bases in the past but this may be unlikely in the future as growth in the 40-69 age group slows down.

The reason for the decline is often farm aggregation. Also youth transition out of these areas is likely to continue.

This will be a problematic group to engage although a program designed to get 60-somethings to become involved in the local footy club will help.

Many people in this age group have skills in administration (plus they have the time); it’s a matter of harnessing that talent and labour.

The main industrial cities of Australia have a demographic growth profile that largely mirrors the capital cities.

More youth, less middle-aged volunteers and fundraisers, and more active grandparents.

This is not such a bad combination if the “active retired” (aged 60-74) are engaged in sport as umpires, volunteers, administrators or fundraisers, releasing middle-aged workers to work and pay tax.

Industrial centres
(Newcastle, Wollongong, Geelong, Townsville, Rockhampton, Gladstone and Whyalla)

Remote and rural centres
(Various regional cities including Dubbo, Mount Isa, Alice Springs and Ballarat)

Source: Australian Bureau of Statistics, KPMG Property & Demographic Advisory

Growth 1986 to 2006
Growth 2006 to 2026
Impact of demographic change: The future of sports participation in Australia

Population distribution and growth

Comparison of growth by age group in the 20 years to 2006 compared to the forecast 20 years to 2026

- This chart shows that there will be more (mostly-indigenous) kids and parents under the age of 40 in remote Australia over the next 20 years.
- Projections show a stabilisation of the loss of youth less outflow to, presumably, the city.
- Not entirely convinced of the veracity of this forecast as it “assumes” a complete turnaround in the outflow of youth. If it is achieved then there will be a need and an opportunity to engage remote youth in organised sport activity. Perhaps city clubs could be encouraged to “adopt” or “twin” with remote counterparts, i.e. Essendon with Jabiru.

Similar trend as for other capitals but even less influence from migrants. The minor capitals (Darwin, Hobart and Canberra) will attract youth under 20 and young adults 30-44 over the next 20 years.

Again there is an expected slowdown in the middle-aged parental volunteer cohort, but strong growth in active retirees.

Source: Australian Bureau of Statistics; KPMG Property & Demographic Advisory

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APPENDIX I:
AUSTRALIAN SPORT: COMMERCIALISATION CHALLENGES AND OPPORTUNITIES (GEMBA GROUP) \(^{109}\)

\(^{109}\) This Report is an edited version of the Report Australian Sport—Commercialisation Challenges and Opportunities, dated 19 September 2009 and commissioned by the Independent Sport Panel.
This report focuses on the Commercial Module of the Sports Review being conducted by the Federal Department of Health and Ageing

- The independent expert panel has been appointed to make recommendations on the specific structures, programs and reform required to ensure the continuing robustness of the Australian sport system

- Recommendations will be directed towards the following terms of reference while the major focus of this project will be the ‘commercial’ section

1. **Elite**
   - Ensuring Australia’s continued elite sporting success and talent identification programs

2. **Health**
   - Better place sport as a key component of the Government’s preventative health approach

3. **Pathways**
   - Strengthen pathways from junior sport to grassroots sport to elite and professional sport

4. **Science**
   - Maintain Australia’s cutting edge approach to sports science, research and technology

5. **Commercial**
   - Identify opportunities to increase the funding base for sport through sponsorship and media
The report has been developed with a combination of Consumer and Market Insights.

Consumer Insights from the most comprehensive Sports & Entertainment study in Australia:
A weekly online survey measuring Australian’s interactions and perceptions with Sports and Entertainment Properties.

Market Insights gathered from the last 3 years of work with Australian and International Sporting Organisations.

The Future of Sport in Australia
Executive Summary
Executive Summary (1)

- Australian Sport is at a critical commercial juncture. Several 'market' and 'internal' factors are currently aligning to make commercialisation of Sports (particularly smaller sports) problematic in the coming years.

- Several 'market' factors, are and will increasingly, make Commercialisation for Sports more challenging:
  - The current economic conditions will provide short term challenges in the areas of Sponsorship and Broadcast;
  - Sports will increasingly be battling for share of eyes, hearts and wallets with Entertainment genres such as Music, Movies and Electronic Gaming. This is having the effect of diluting potential corporate revenues flowing through to Sports Organisations;
  - Changes in consumer’s media consumption habits are moving eyeballs away from traditional Sport broadcast partners (TV & Broadcast) to new digital platforms not readily understood by Sports Organisations. Furthermore as advertising revenues flatten out, Broadcasters are required to source more content for more channels hence eroding their capacity to pay for Sports content.
Executive Summary (2)

• However while the market conditions will need to factored into strategies, the more problematic issues for Sports commercialisation are largely in the control of the Sport Organisations and their key stakeholder, Government

• The ‘internal’ issues that are impeding Commercialisation include
  - Governance models that do not allow Sports to harness their consumer reach and often make the Sport ‘hard to buy’
  - A lack of capability and multi layered Governance models resulting in sub optimal Product development
  - Australian Broadcasting Commission Policies that severely limit the commercial benefit of placing Sports on ABC Channels
  - Revenue distribution models between the AOC and NSO’s that result in Sports losing their commercial ‘pinnacle moments’ for relatively low compensation
Executive Summary (3)

- Government policy can assist the Commercialisation of sport in three key ways

<table>
<thead>
<tr>
<th></th>
<th>Unlock Revenues</th>
<th>Facilitation Cost Efficiencies</th>
<th>Revenue Allocations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>By proactively driving Governance changes in Australian Sport, the Government can assist Sports realise their revenue potential. Presently the Governance Models of most Sports are not adequately equipped to provide a commercially effective ‘go to market’ offer and hence Sports are not realising their full revenue potential. The Government could also play a proactive role in reviewing the commercial guidelines of the ABC which prohibits brand recognition and in turn greatly diminishes the commercial benefit for Sport receiving broadcast support.</td>
<td>By proactively driving Governance changes in Australian Sports, the Government can help sports streamline their organisational structures. This will have the effect of removing duplicated resources and explore cost reductions through shared services and other buying efficiencies.</td>
<td>The Government should review the Revenue flows between the AOC and the respective NSO’s. Presently Sports give up their commercial rights to the AOC for a relatively small amount of money.</td>
</tr>
</tbody>
</table>
This report will explore six themes that encapsulate the major challenges facing Sport commercialisation in Australia:

1. **Highly Competitive Sports & Entertainment Environment**
2. **Olympic Sports lose Their Pinnacle Moments**
3. **Federal Governance does not allow optimal commercialisation**
4. **Getting easier to get ‘eyeballs’ but harder to get Broadcast revenue**
5. **Participation Franchises Must Move To Best Practice CRM**
6. **Product Development is critical to commercial success**

These themes highlight the need for strategic and innovative approaches to enhance the commercial viability and sustainability of sports in Australia.
In a highly competitive ‘Entertainment’ market, Sports must understand their existing and potential consumer segments.

gemba qualitative research uncovered that the behaviours and involvement levels in sports and entertainment are driven by the underlying passion for the sports or entertainment ‘brand’. It also painted a clear picture of different passion levels from the fanatic to the disinterested. This model of engagement can be used by sponsors or marketers to develop effective strategies.

1. Fanatics
   Devotion and eternal optimism
   Based on Passion score of 5 or 4

2. Fans
   Consistent enthusiasm
   Based on Passion score of 3

3. Disinterested
   Low level of enthusiasm
   Based on Passion score of 2 or 1

Q. Please indicate your level of passion where 1 = not at all and 5 = very passionate.
Despite Australia’s reputation as a strong Sporting nation, Entertainment genres dominate Passion levels

**Fanatic Passion Levels - Australia (Top 10)**

<table>
<thead>
<tr>
<th>Activity</th>
<th>% of scores of 4 or 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Movies</td>
<td>59%</td>
</tr>
<tr>
<td>Live Music Concerts</td>
<td>+1%</td>
</tr>
<tr>
<td>Theme Parks</td>
<td>+2%</td>
</tr>
<tr>
<td>Live Comedy</td>
<td>+1%</td>
</tr>
<tr>
<td>Australian Rules</td>
<td>-2%</td>
</tr>
<tr>
<td>Electronic Games</td>
<td>+3%</td>
</tr>
<tr>
<td>Cricket</td>
<td>-2%</td>
</tr>
<tr>
<td>Live Pub Bands</td>
<td>+1%</td>
</tr>
<tr>
<td>Rugby League</td>
<td>0%</td>
</tr>
<tr>
<td>Theatre</td>
<td>0%</td>
</tr>
</tbody>
</table>

Q. Please indicate your level of passion for each of the sports/activities? 1=not at all; 5=very

Base: All Australians; n=5100

Department of Health and Ageing - Sports Review

© GEMBA GROUP
Potential Sponsors weigh up the pros and cons of Sports and Entertainment properties before investing

**Entertainment Properties Characteristics**
- More targeted to a particular demographic, geographic and psychographic (i.e. often attract opinion leaders at music concerts, fashion festivals etc)
- Highly engaged customers (i.e. higher passion levels)
- Often occur at a point in time (commonly a “once off” therefore limited touch points)
- More sophisticated approach to activation
- Talk strongly to a younger/female demographic

**Sport Property Characteristics**
- Targets a mass audience
- More consistent with a regular calendar/schedule of events and therefore multiple touch points
- Spread across geographies
- Often prominent TV coverage
- Greater reach
- Better suited to building ‘mass’ brand awareness
Commercialisation will be increasing difficult for Sports in the future, particularly for Women’s Sports

<table>
<thead>
<tr>
<th>Issue</th>
<th>Implication</th>
<th>Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian sports will be increasingly fighting with other Entertainment genres for Sponsorship funds</td>
<td>The trend of diminishing Sponsorship for Sport, specifically for 2nd and 3rd tier sports, will accelerate. Sponsorship margins for sports organisations will be under increasing pressure due to an increasingly competitive market</td>
<td>Australian Sports need to lift their capability around sponsor acquisition and servicing. This capability needs to be underpinned by improved consumer insights</td>
</tr>
<tr>
<td>Entertainment properties resonate very strongly with the female market. Women are unlikely to nominate a female sports star as their favourite athlete</td>
<td>Women’s sports will find it even harder to generate sponsorship and broadcast income. Furthermore, women’s sports and women athletes may not be the most effective role models to drive women’s participation in sport</td>
<td>Federal and State Government’s need to conduct research into the driver’s of Women’s sport participation. Women’s sport will continue to require a disproportional amount of funding from the Government due to limited commercial opportunities</td>
</tr>
</tbody>
</table>
The fight for control of the pinnacle moments in Sport is intensifying as international governing bodies realize the commercial potential.

### Sporting Bodies Control of Pinnacle Moments

<table>
<thead>
<tr>
<th>High Control of Pinnacle Moments</th>
<th>Low Control of Pinnacle Moments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FIFA (soccer)</strong></td>
<td><strong>UCI (Cycling)</strong></td>
</tr>
<tr>
<td>The Federation Internationale de Football Association (FIFA) is responsible for the organization of football's major tournaments.</td>
<td>The Union Cyclist International (UCI) is the international governing body for cycling but does not control various aspects of the three 'grand tours'.</td>
</tr>
<tr>
<td><img src="image1" alt="FIFA Logo" /> <img src="image2" alt="soccer.png" /> <img src="image3" alt="Brasil 2014" /></td>
<td><img src="image4" alt="UCI Logo" /> <img src="image5" alt="France" /> <img src="image6" alt="la_vuelta" /> <img src="image7" alt="Giro d'Italia" /></td>
</tr>
<tr>
<td><strong>NFL (gridiron)</strong></td>
<td><strong>ATP (Tennis)</strong></td>
</tr>
<tr>
<td>The National Football League (NFL) controls the game’s ‘pinacle moment’ – the SuperBowl which gets over 100m viewers annually.</td>
<td>The Association of Tennis Professionals (ATP) does not control the four grand slam events or ‘pinacle’ moments of the sport.</td>
</tr>
<tr>
<td><img src="image8" alt="NFL Logo" /> <img src="image9" alt="Tampa Bay Buccaneers" /></td>
<td><img src="image10" alt="ATP Logo" /> <img src="image11" alt="US Open" /> <img src="image12" alt="Indian Wells" /> <img src="image13" alt="Australian Open" /></td>
</tr>
</tbody>
</table>

Source: gemba research
In Australia, Sports typically lose control of their key commercialisation periods in three ways:

1. **AOC & ACGA Commercial Control**
   - For the majority of Olympics and Commonwealth Games Sports, the only periods where they engage the wider community are tightly controlled by the AOC and ACGA.

2. **Lack of control with International Federation**
   - Because of disconnects with International Federations, Australian sports are losing control of events being run in Australia. Examples include Tour Down Under and ITU Events.

3. **Global Events getting stronger**
   - The increased access to global events provided by Pay TV and online has resulted in global events becoming the pinnacle of certain sports in Australia. These events in turn providing no revenue to local sports.
Olympics athletes are required to sign away rights for the ‘games period’ and hence this reduces the NSO’s commercial opportunities.

“Games Period” means the period commencing at the earlier of:

(a) the assembly of the Team for the Games under the control and authority of the Chef de Mission; or

(b) the opening of the Games Accommodation;

and ends at midnight the day after the closing ceremony of the Games except for the period prescribed by Rule 41(3) of the Olympic Charter which is the period starting from and including nine days prior to the Opening Ceremony and ending on the end of the third day after the Closing Ceremony, i.e. 4 February until 3 March 2010.

13.2 I agree that:

(1) the Team Sponsors may use my Image to promote Australia’s participation in the Games and in their advertising, promotion or marketing activities, provided that such use of my Image is limited to being part of the Team as a whole. This obligation applies even if a Team Sponsor competes with one of My Sponsors.

(2) the Team Sponsors may use my Image in congratulatory advertising which will be solely for the purpose of congratulating me for my performance at the Games and will not contain or imply any endorsement by me of the Team Sponsor involved or its products or services;
The AOC remits ~14% of total revenue and only 43% of total sponsorship back to NSO’s, Medallists and their coaches.

**Total Revenue & Expenses (AOC 2005-08)**

- Net Profit: 35%
- Medallists and Coaches: 5%
- National Federations: 9%
- Other Expenses: 51%

**Contribution to Sports as a % of Total Sponsorship (AOC 2005-08)**

- National Federations: 27%
- Medallists and Coaches: 16%
- Other: 57%

Source: 2008 AOC Annual Report

Appendices

Department of Health and Ageing - Sports Review
When benchmarking against other Sports, it would appear that NSOs receive a relatively low percentage of total revenue. 

**Stated % of Revenue Pool**

- Mature market
- Highly unionized
- Frequent strikes
- Higher individual compensation

<table>
<thead>
<tr>
<th>Sport</th>
<th>AOC</th>
<th>Sport H</th>
<th>Sport F</th>
<th>Sport G</th>
<th>Sport E</th>
<th>Sport D</th>
<th>Sport C</th>
<th>Sport B</th>
<th>Sport A</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of Revenue Pool</td>
<td>67%</td>
<td>55%</td>
<td>31%</td>
<td>26%</td>
<td>25%</td>
<td>25%</td>
<td>23%</td>
<td>14%</td>
<td></td>
</tr>
</tbody>
</table>

It is important to note that calculation methods of the respective ‘Revenue Pools’ do vary amongst sports.

However, it would still appear, based on a preliminary analysis, that the providers of the Australian Olympic ‘content’ (i.e., the NSOs) receive a low percentage of total revenues compared to the providers of content (i.e., Players / Athletes) in other Sports.

(1) Based on interviews rather than specifically calculated financials
(2) Base Revenue Pool differs between sports
(3) Sport F does not have a set percentage allocation to players but is estimated at 25% from Gemba interviews
(4) Sport D estimated payment is based on stated set percentage that players receive and may potentially be lower
Based on financials for FY08, the USOC invests a significantly higher proportion of it's revenue into preparing the Olympic Team.
The USOC has also provided more commercial flexibility to NSO's by allowing them to do their own Apparel deals.

Two Apparel Partners
adidas - All Sports (except swimming) and Medal Suits

USOC appoints Apparel partner for Medal Suits
Federations appoint their own Apparel Partner

Other large Olympic Associations including China and Japan, have an Apparel Structure similar to that of the USOC. The British Olympic Association have the same model as the AOC.
### The Government should consider impact of AOC distributions to NSOs as it relates to future NSO Government funding requirements

<table>
<thead>
<tr>
<th>Issue</th>
<th>Implication</th>
<th>Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most Olympic Sports have low levels of consumer interest outside the Olympics and Commonwealth Games periods</td>
<td>Commercial revenues will always be limited due to a lack of ‘eyeball’s hence commercialising Sport’s Participation base will be imperative</td>
<td>Refer to Theme 5 “Participation Base”</td>
</tr>
<tr>
<td>The AOC and ACGA enforce very strict team agreements on Athletes and NSOs</td>
<td>NSOs competing in Olympic Games and Commonwealth Games have a very limited commercial opportunity to capitalise on their ‘pinnacle’ moments</td>
<td>Government to review the compensation paid to the NSOs for loss of their commercial rights to the AOC</td>
</tr>
<tr>
<td>The AOC is a highly profitable entity that reinvests a fairly low percentage of revenue back into NSOs</td>
<td>Olympic Sports are being squeezed by a limited ability to extract income for the Olympic Games and a growing need to invest in Elite and Pathway Programs</td>
<td>Government to review the percentage of revenue invested back into NSO’s by the AOC for the preparation of teams and athletes</td>
</tr>
<tr>
<td>Some International Federations are sanctioning events in Australia with little or no consultation with the local NSO</td>
<td>Australian NSOs are not benefiting from successful events being held in Australia. This impact has both financial and branding implications</td>
<td>Government to support NSOs with funds for lobbying to ensure International Federations are not bypassing Australian NSOs</td>
</tr>
</tbody>
</table>

Department of Health and Ageing - Sports Review

© GEMBA GROUP
Federal Governance does not allow optimal commercialisation.
However unlocking the real value of Participation Franchise Sports requires direct access to the clubs, leagues and members.

**Requirements of Brands**

- High numbers of target consumers
- Guaranteed delivery of programs at Grass Roots levels (signage, collateral distribution)
- Ability to communicate electronically and via direct mail to participants

**The NSO ‘Reality’**

- Limited visibility of participant profile and fragmented programs and databases
- State associations unwilling (due to perceived lack of ‘benefit’) to execute national programs
- Poorly managed databases often controlled by states. No perceived benefit to collaborate with NSO’s
- Grass Roots Sponsorship Database Commercialisation ‘Value Adds’ to Members

Marketing Expenditure
When sports organisations can centralise a grass roots proposition, Brands pay a fairly consistent ‘revenue per contact’

<table>
<thead>
<tr>
<th>Sport/Brand</th>
<th>Participants</th>
<th>Frequency</th>
<th>Total contacts</th>
<th>Revenue per contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>160,000</td>
<td>22 weeks</td>
<td>3,520,000</td>
<td>$0.43</td>
</tr>
<tr>
<td>B</td>
<td>300,000</td>
<td>9 weeks</td>
<td>2,700,000</td>
<td>$0.37</td>
</tr>
<tr>
<td>C</td>
<td>70,000</td>
<td>20 weeks</td>
<td>1,400,000</td>
<td>$0.40</td>
</tr>
<tr>
<td>D</td>
<td>30,000</td>
<td>12 weeks</td>
<td>360,000</td>
<td>$0.31</td>
</tr>
</tbody>
</table>

As the above summary indicates the Australia market is beginning to determine a fairly consistent market price for an ‘engagement’ with a participant and their respective families. This type of ‘media metric’ will become more common place as Brands increasingly look to increase their focus on sponsorship return on investment.

Source: Gemba Research
Commercialising Licensing through a Participation Franchise is highly dependent upon access to the grass roots network.
Because most sports can not deliver access to grass roots networks, licensing income is very low for Participation Franchises.

Source: gemba Research; Sport 9 figures do not include a major sport event as sport does not control the rights.
To monetize a database, NSOs must play the role of aggregator providing brokers with sufficient volume to sell the member list.

**Value chain for monetizing member databases**

- **Database Owners**: National Sports Organisations
- **Aggregator**: List Broker
- **List sellers**: Companies

The data pooler will assist National Sports Organisations with:
- Analysing the existing State-based databases, ensuring consistency across all for aggregation
- Audit the database to improve the quality of data
- Manage the permission process
- Segment the final database to assist in the sale of lists

Even the largest State associations do not have sufficient members to provide the minimum volumes required to efficiently monetize a membership database. The role that NSO’s can play as aggregator will assist in persuading the States to be involved and will transition ownership of the database to the NSO.
Government policy can be a proactive driver of change in helping NSOs grow commercial revenue from Participants

<table>
<thead>
<tr>
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<th>Implication</th>
<th>Recommendation</th>
</tr>
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Government policy can be a proactive driver of change in helping NSOs grow commercial revenue from Participants

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<td>Entertainment properties are often easier for Brands to buy and manage than Sports properties</td>
<td>Brands will increasingly shift investment away from Sport.</td>
<td>Drive and accelerate the process of Governance change by aligning Government funding with Governance reviews. A continuation of current Governance models will necessitate a high reliance on Government for funding</td>
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Getting easier to get 'eye-balls' but harder to get Broadcast revenue.
Government could help facilitate strategies around cost sharing, rights aggregation and policy changes with the ABC

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<tr>
<td>Advertising revenues for broadcasters will flatten out as advertisers spread their marketing funds across more mediums and channels</td>
<td>NSO’s will find it increasingly difficult to extract revenue from broadcasters. The trend of sports paying for broadcast placement is likely to accelerate</td>
<td>Investigate a shared services approach to Television to reduce production costs for Sports Organisations</td>
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<td>The lack of direct broadcast revenue will require NSO’s to generate secondary revenue sources (i.e. Sponsorship)</td>
<td>Sports broadcast on the ABC are severely limited in deriving secondary revenue through Sponsorship because of the network’s refusal to acknowledge sponsors</td>
<td>Government to review the ABC guidelines in respect to recognition of Sponsors</td>
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<tr>
<td>The majority of sports can only generate small audiences</td>
<td>The small audiences of some sports do not allow them to reach a ‘critical mass’ that broadcasters are interested in.</td>
<td>Preliminary investigations suggest that there is an opportunity to ‘aggregate’ Australian sports for sales in overseas markets. This process will need to be facilitated by a central body (potentially Government) before a commercial partner can be appointed</td>
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Participation Franchises Must Move To Best Practice CRM
A Membership Shared Service could drive cost efficiencies and best practise programs while still protecting a sport’s unique positioning.

Participants

National Sports Organisations

- Consumer Research
- Brand Positioning
- Membership Product Development
- Membership Collateral Design and Production

Australian Sports Shared Service Organisation

- Sales Campaigns (Renewals, Acquisition)
- Sales Administration
- Membership Fulfilment
- Post Sales Service

REVENUE FUNCTIONS

COST FUNCTIONS
Sports with Participation Franchises need to urgently prioritise the development of their Membership programs

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<tr>
<td>Membership Managers in smaller NSO’s are often multi-tasking across ‘Marketing and Promotions’ and are not properly trained</td>
<td>Membership programs are often under resourced and not equipped to provide best practice CRM program in a critical revenue stream</td>
<td>NSO’s need to urgently prioritise this area and lead Marketing and Branding efforts through membership rather than spreading resources across multiple functions</td>
</tr>
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<td>Sport databases are often spread across different states and sometimes across different sport disciplines</td>
<td>High level of cost inefficiency across Membership resources and IT systems. No ‘critical mass’ for commercialisation of databases through third parties (i.e. List Brokers)</td>
<td>Refer to Governance Theme</td>
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<tr>
<td>Many sports are dissatisfied with their IT / Software solution for Membership and basic functionality can not provided (i.e. rolling memberships)</td>
<td>Reduced ability to innovate Membership offers. Reduced ability to commercialise large consumer databases</td>
<td>Government to lead and drive a shared services approach to Membership (incorporating both IT / software and people)</td>
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<td>Sports often have a poor understanding of their ‘customer value proposition’</td>
<td>Low membership conversion rates. High Churn figures. Opportunity to cross sell and up sell consumers is often missed</td>
<td>Sports Organisations must spend more money on research to better understand their consumer base. Sports need to look to best practice CRM programs in other industries to evolve their membership value propositions</td>
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Currently, most Sports are not well equipped in terms of capability or Governance models to adequately address Product development

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<td>Australian Sports tend to focus on operational revenue levers, rather than reviewing and if necessary changing the Product offer</td>
<td>Many sports are not evolving with consumers and are at risk at being left behind by larger Sports and Entertainment genres</td>
<td>Australian Sports need to increase funds committed to consumer research to regularly and objectively review their respective Product offers</td>
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<tr>
<td>Many sports are trying to develop Consumer Franchises despite disadvantageous market structures and consumer trends</td>
<td>Resources and focus is being targeted in highly speculative strategies</td>
<td>Sports need to objectively assess their respective Consumer and Participation franchises and embark on appropriate Product development strategies</td>
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<tr>
<td>Product development is often restricted by Governance models. For example NSO’s can not access State Grass Roots programs</td>
<td>Product development is seriously compromised resulting in sub optimal consumer and corporate partner offers</td>
<td>Refer to Theme 3 - Governance</td>
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APPENDIX J:
COMMUNITY FORUM REPORT
(SMS CONSULTING)
Independent Sport Panel
Report on Community Consultation Forums
March - May 2009
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Introduction

1. In May 2008 the Australian Government released the directions paper Australian Sport: Emerging Challenges, New Directions and in August 2008 the Minister for Sport, Kate Ellis, established the Independent Sport Panel (the Panel) to investigate and analyse sport at both the elite level and at the grassroots community level.

2. The Panel was asked to make recommendations on five Terms of Reference:

   1. Ensure Australia’s continued elite sporting success
   2. Better place sport and physical activity as a key component of the Government’s preventative health approach
   3. Strengthen pathways from junior sport to grassroots community sport right through to elite and professional sport
   4. Maintain Australia’s cutting edge approach to sports science, research and technology
   5. Identify opportunities to increase and diversify the funding base for sport through corporate sponsorship, media and any recommended reforms, such as enhancing the effectiveness of the Australian Sports Foundation.

3. The Panel has consulted widely with key sport sector stakeholders, including National Sporting Organisations (NSO), State Sporting Organisations (SSO), State and Federal Government Departments of sport and recreation, federal government sporting agencies, regional and local sporting organisations and the general public.

4. In October 2008 and February 2009, the independent Panel called for written submissions from interested individuals and sporting organisations. Over 150 submissions were received from various National, State and local sporting organisations along with those received from members of the public across Australia.

5. In addition to written submissions the Panel conducted 13 community consultation forums (the forums) across Australia to further explore the key issues affecting the local sporting communities, with a focus on Terms of Reference 2, 3 and 5 as these have the most impact at community level. The forums attracted more than 300 interested members of the Australian sporting community, and were held in the following locations:

   - Darwin
   - Sydney
   - Albury
   - Hobart
   - Brisbane
   - Cairns
   - Adelaide
   - Melbourne
   - Canberra
   - Perth
   - Albany (not facilitated)
   - Dubbo
   - Coffs Harbour
Written reports recording the discussion at each forum have been provided to the Panel. These records of discussion should assist the Panel in presenting their final report to Government. The forum in Albany, WA was conducted by the Panel member Colin Carter. This was not facilitated and no record of discussion prepared.

7. The community representatives attending the forums discussed their concerns, challenges and solutions, raising relevant issues that impact on sport at the local community level and nationally. The forums identified both national and regional specific issues in relation to sport, and as the forums progressed it was evident that there were a number of consistent issues affecting participation in sport across Australia.

8. This report will provide some background to the Panel’s broader consultation process, identifying common themes from the written submissions. It will then address the issues and comments raised at the forums, highlighting some of the similarities and differences presented by the interested parties from across Australia. This report is based on the forums and focuses only on Items 2, 3 and 5 of the Terms of Reference.

Background

9. The two rounds of written submission will have brought to the attention of the Panel many issues that were expanded upon during the forums. Some of the key themes from these submissions that were relevant to participants at the forums are outlined below.

10. It should be noted that some of these themes are not unique to sport. Some reflect broader changes in society today. It is the view of SMS Consulting that for community sport to be successful sporting organisations must take into account the changing nature of society and provide sporting and physical activity options that meet the required demands of the population. These themes will be important for the Panel to take into account when formulating their recommendations to government.

Funding of Sport

11. There were 28 National Sporting Organisations (NSO’s) that provided comments regarding funding of sport through their written submissions. The general consensus was that overall government funding of sport should be increased, particularly in the areas of community participation and pathways from junior to elite level. It is of particular note that many sports see the need to better fund sport at community levels (coaches, administrators, clubs) to decrease the burden on volunteers, and increase the levels of participation.

Governance of Sport

12. The general message provided in the written submissions was the need to improve coordination of sport at the highest level. Strategic planning is a necessity for success in any sector, including the sport sector. Submissions indicate that the sporting community continues to be funded with limited overarching guidance or strategic direction. Some stakeholders have argued that there is limited alignment of their sporting organisation with a national strategic plan and that competing agendas continue to cause confusion at the grassroots level of sport. It is a common theme amongst consulted stakeholders that direction and leadership in the sport sector must stem from a recognised national sports agenda. A national agenda would allow sporting organisations at all levels to align their direction with an overall strategic plan. This must be provided by an overarching body, be it an existing organisation or a new organisation to give sport in Australia the clear direction it requires.
Sport and Education

13. The changing nature of sport within the education system has been consistently noted by stakeholders as an influence on participation rates in sport by children. A common theme from many of the submissions was that compulsory school sport and physical activity be reintroduced into the national education curriculum. This would assist in addressing the issue of participation in physical activity among the school age population. With limited compulsory physical activity currently in the education system, social dynamics play a key role in levels of participation. Unless parents either participate themselves in sport, and/or take an active role in developing base level skills in their children, these children are less likely to be an active child, and subsequently less likely to be an active adult.

Infrastructure

14. Submissions to the Panel to date have clearly outlined issues relating to sporting facilities as some of the highest priority concerns. The adequate provision and access to community sporting infrastructure has been identified as a primary concern of major organised sporting organisations and seen as a key barrier to participation in sports and physical activity. Many NSO’s promote the idea of improved coordination between sports for the use of community sporting infrastructure. The other major influence on infrastructure has been the impact of climate change and therefore the lack of water to adequately maintain sporting fields.

Cost of Participation

15. Panel submissions to date have identified numerous economic influences affecting participation rates, including: the increasing costs of sport, increasing cost of travel and the increased number of families defined as working poor. These issues are seen as key barriers to participation in sport. Many NSO’s strongly believe there should be some form of tax relief available for participants to decrease the cost of participation in sport.

Social and Demographic Influences

16. Common barriers to participation through the submissions and forums has been the numerous fundamental social and demographic influences across the community. These have included:

• the ageing population;
• changing family dynamics and an increased number of single parent families;
• ‘low activity’ families - those that have low sporting participation rates; and
• increased number of people from culturally diverse backgrounds, including many from societies with vastly different sporting culture to that which exists in mainstream Australia.

Submissions have identified an overall perception from stakeholders of a changed, higher pace society that is, considered to be ‘time poor’.

Sport and Physical Activity

17. Some stakeholders have identified, as a key issue, the importance to government of considering sport, and the slightly broader notion of physical activity, as subsets of the entire ‘activity’ continuum. This continuum takes into account all the activities that can make up a healthy and participative lifestyle. Submissions noted difficulties associated with a focus on participation in sport without considering a range of physical activities such as fitness, outdoor recreation, community recreation or participation in non-organised or non-competitive sport.

18. Submissions identified the changing nature of sport and physical activity including the trend away from participation in organised, club based sporting participation to informal, community sporting or physical recreation activities. An example regularly sited was the increase in cycling activities, defined only by a complete lack of involvement by recognised...
local, state or national sporting organisations. Beyond any debate as to whether such activities are sport or physical activity, they are clearly consistent with a message from Government regarding the importance of maintaining a healthy and active lifestyle.

19. It must be noted that Sport Panel submissions have clearly identified the important role that government plays in effectively educating parents on the health benefits to their families of an active lifestyle, of which sport and physical education is an important part.

Forums - Common Themes

20. The purpose of the forums were to provide an avenue for sporting organisations at all levels, along with the public, to provide input to the Panel for their report to government. The forums prompted wide and varied discussion. However, throughout the forums several common themes emerged in relation to the Terms of Reference and areas within community sport. These were:

- Access to Public Sporting Facilities
- Sport in the Education System
- Changing Nature of Volunteerism
- Sporting Pathways and Talent Identification
- Funding and Sponsorship

The following matrix outlines the forums at which the listed issues were discussed. The records of discussion suggest these issues were supported by the majority of forum participants.

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<tr>
<th>Access to Public Sporting Facilities</th>
<th>Sport in the Education System</th>
<th>Changing Nature of Volunteerism</th>
<th>Sporting Pathways and Talent Identification</th>
<th>Financial Incentives and Sponsorship</th>
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Access to Public Sporting Facilities

21. Discussions at the public forums covered a multitude of issues relating to sporting facilities. Government, organised sporting groups, informal sporting groups and the private
sector were all acknowledged as key participants in using, developing and maintaining sporting facilities. Discussions addressed a breadth of sporting facilities including: public community level facilities, public 'elite sport' facilities, private sector 'user pays' facilities and the natural environment infrastructure (beaches, national and state parks). However discussions predominantly focussed on the provision of publicly owned community sport facilities. The central theme in this regard was that access to suitable public sporting facilities is a key determinant of participation levels for organised community sport.

22. Participants at all forums discussed the various roles that the three tiers of government play within their regions with regard to the development and maintenance of public facilities. Participants at the Albury-Wodonga and Dubbo forums noted that local government is largely responsible for the development and maintenance of community sport facilities within the immediate region. This was a widely accepted view across all forums. At the Perth forum the discussion noted that federal government and state governments are contributors to community public facilities but on balance have traditionally taken the role of developing large scale and ad hoc sporting infrastructure for the benefit of national and international sporting competitions and events such as stadiums.

23. Participants at most forums noted the need for better co-ordination and more clearly defined roles at all levels of government, in developing and maintaining public community sporting facilities. Discussions at the Adelaide, Melbourne and Perth further noted that effective partnerships between government and sporting organisations can deliver more effective expenditure of available funding. Participants at the Sydney and Melbourne forums noted that sporting facilities must be more effectively incorporated into town and urban planning. This discussion noted that a lack of co-operative planning across government can lead to ineffective, underutilised or overburdened public sporting facilities that do not meet community needs.

24. Discussions at some forums, particularly Coffs Harbour, noted that insufficient expenditure by local government on development and maintenance directly impacts on the quality of facilities. Poor maintenance levels can result in aged, undesirable or unusable facilities. Discussions at several regional centres including Albury and Dubbo noted several knock on effects of poor quality facilities including:
   • low levels of participation in local sporting competitions;
   • poor quality local sporting competitions;
   • poor athlete development or the requirement for athletes and their families to travel potentially huge distances to reach adequate facilities and competitions; and
   • an inability for regional and metropolitan centres to attract elite or even sub-elite sporting competitions such as regional carnivals and championships.

25. Discussions at several forums including the Hobart forum noted that the cost of running facilities has risen as a direct result of cost increases to electricity, water and insurance. These costs are either passed on to participants in registration fees, or must be met by additional funding streams. Participants at the Coffs Harbour forum noted that local government facilities that were once free now attract fees for usage.

26. Participants noted that some sporting organisations at local levels are reluctant to work collaboratively and there is a great deal of competition between the sports for access to facilities. Discussions at the Perth noted a perception that higher profiled sports such as Australian Rules, Rugby League and Cricket get priority over less profiled sports such as flying disc. Facilities will not be available at certain times of the year as local councils prepare the grounds for a higher profiled sport. Participants at the Albury forum noted that historical and long term relationships between local councils and established sports can lead to an inconsistency in the cost of facilities with some lesser profiled sports paying higher rates for access to local government facilities. Participant at the Canberra forum noted that competition for adequate facilities has resulted in waiting lists for facilities in Canberra. Many participants agreed that without increased investment in facilities sports must work collaboratively to get the optimum outcome for all sports from existing facilities.
27. Most capital city forums noted that there are significant institutional facilities that are underutilised by organised community sport. These institutions include private and public schools, the Department of Defence and Universities. School communities have significant sporting facilities, yet the use of such facilities is at the discretion of the school principal. The access to school facilities is inconsistent as it is very dependent on the approach taken by individual school principals. Discussions at the forums noted that access to school facilities may alleviate some of the burden but would require a detailed process to protect school property and equipment outside of school hours.

28. The general consensus on the access to sporting facilities is the need for further coordination between sports and the knowledge of what facilities are available. The Sydney forum put forward the idea of a sporting infrastructure database which would track all facilities and their availability. This would be inclusive of school, university and private facilities as well as those publicly available. The database would be accessible by all sporting organisations and they could work together on how to best share use of the facilities to benefit the majority of participants. People understood this would be costly to establish and maintain, however they did feel strongly of having the concept or something similar available.

29. The notion of season creep was mentioned at the Sydney forum. This involves the changing sporting seasons and the additional demand being placed on sporting facilities. This was seen as a real issue in Sydney, in particular around the change over between cricket and football as the seasons now cross over. The only identified solution at the forum was for sports to work together to understand each others needs and compromise on use of facilities.

Sport in the Education System

30. Children who learn hand eye coordination from an early age are more inclined to participate in sporting activities as they get older. Children look for role models from an early age and the education system has an opportunity to begin to influence attitudes toward sport by involving children in sport during the school program. It was noted at several forums including Adelaide and Hobart that compulsory school sport and physical activity should be part of the National Curriculum. The Darwin forum noted that in the NT three hours per week is set aside for Physical Education (PE). The concern was raised that there was not enough consistency in the application of physical education at Australian schools, even though time was allocated for PE. It was felt that if the education system is going to play a role in the future of sport and preventative health then the national curriculum will need to be evaluated across all levels of school ranging from primary through to University to provide better consistency and exposure to sports and physical activity.

31. Feedback from the majority of forums was that physical education in schools is currently mandated for 2 hours per week. The feeling from forum participants was that the focus of class participation is limited to the area of interest from the relevant teachers. The Cairns forum noted that adequately trained PE teachers were lacking in the region. Physical education degrees are now usually combined with other health and personal development modules. This has moved the traditional PE teacher from purely sporting and physical activity focus to more of a holistic health teacher of which PE is just one component.

32. The Adelaide forum noted there are many sporting and physical activity programs aimed at primary school children but not many that transcend into the high school environment. The Coffs Harbour forum extended on this, noting that traditionally schools were the foundation of sporting life for children. This has now changed as more local sporting organisations require players which are outside of the school sport. For some children, if they are not pushed to participate in sport through school, their physical activity and health will diminish.

33. The Active After Schools Community (AASC) program was discussed at all of the forums. Views were generally supportive of this program as it is getting children involved who would not normally choose physical activity. It provides exposure to varied activities and is seen as a way of encouraging children to try new activities. For example the program was
acknowledged in Albury as increasing participation by otherwise inactive children. Conversely participants at the Cairns forum mentioned that while the program was working well, they were not sure if it was only targeting children who were already active.

34. It was also noted in Canberra that there were children on the waiting list for this program. Participants also suggested that there could be better alignment between the AASC and local sporting organisations with a view to ensuring the transmission of children from the program to participation in organised community sport. In support of this several participants, representing largely state sporting organisations, observed that one potential criticism of the program was that it does not necessarily lead to an increase in participation at the organised community sport level. Participants argued that the AASC program is free, leading to an expectation that club and community sport will also be free.

35. The AASC generally had more support in the regional areas than metropolitan areas. A reason for this may be that there are less options for sport, sporting programs or organisations able to deliver sport in some regional areas.

36. It was mentioned in Sydney that AASC is a duplicate of programs which are already offered and was often viewed as a replacement to sport in school. NSOs and SSOs representing high participation sports generally agreed that the Active After School Communities (AASC) Program duplicated existing programs and resources of those organisations, and there was no formal relationship between representatives of those sports and the AASC program. However, representatives from several lower profile NSOs (including ultimate frisbee at the Albury forum and touch football at the Perth forum) observed that their sport had a good relationship with the AASC program and that the relationship had boosted the profile of their sport in those cities.

37. The Perth and Coffs Harbour forums both mentioned sport in schools aimed more at the university level, similar to that of the College system in the United States. They felt that this structure of scholarships to university would provide better opportunities for athletes to achieve in their sport, but also to achieve academically at the same time by having such a system.

Changing Nature of Volunteerism

38. Discussions at all public forums noted the massive contribution that volunteers make to clubs, associations and community sporting organisations as volunteer umpires, coaches, timekeepers, administrators and other officials. All discussions acknowledged that most people contribute in a volunteer capacity because they want to give something back to their chosen sport, their community or both.

39. The key issue raised by community sporting organisations with regard to volunteerism is the difficulty faced in attracting and keeping quality volunteers. A significant amount of discussion revolved around the observation that Australia’s volunteer base is shrinking, however some people did disagree with this notion. In the Adelaide forum, for example, it was stated that the number of volunteers in sport is relatively high, however they are not being efficiently utilised by sporting clubs.

40. Participants at several forums including Darwin and Albury noted that while there may be a decline in volunteers for smaller organisations and sports, the better organised sporting organisations, such as cricket and AFL, attract a higher number of volunteers. The discussion noted that better club administration leads to higher levels of volunteers and ultimately more participants.

41. Participants also noted that volunteers do not always have the appropriate skills to deal with the increasing complexity of administering sporting clubs, including compliance with regulatory, legislative and administrative requirements. A self criticism put forward by representatives of clubs and community sporting organisation was that many organisations rely on their volunteers to do the best they can in relation to these requirements, irrespective
of whether the volunteers have the requisite backgrounds and skills. Overburdened and unsupported volunteers tend to leave sporting organisations with no one left to carry out these roles.

42. Participants at both regional and metropolitan forums observed that better administrative support, mentoring and succession planning by sporting organisations would improve volunteer retention. Discussions confirmed a regular argument espoused in submissions made to the Panel that sporting organisations (including clubs and associations) currently work independently and would function more effectively if they were able to access central administrative support. Clubs working collaboratively and sharing administrative support would reduce the burden on volunteers and improve the effectiveness of club administration.

43. Participants at all forums noted that there are many competing demands on volunteers. Volunteers juggle full time jobs, volunteering in their sport and possibly playing in their sport. Discussions indicated that people now have less time available to volunteer their assistance in community sport.

44. Discussions at many forums noted that clubs and associations often do not have appropriate succession plans in place, leading to a loss of corporate knowledge when significant volunteers leave clubs. This, in turn, places large administrative burdens on those volunteers who choose to stay on for another term. Without good plans in place it is very difficult to attract the next volunteers to these positions as they see how much time and effort is required to carry out the roles effectively.

45. A concern raised in Melbourne and several other forums is that volunteers often do not have the appropriate skills to complete their roles effectively. Clubs are often assisting volunteers in writing proposals, teaching them how to coach and providing other support, which in turn detracts from the ability of the club or organisation to move forward as quickly as they would like. It was suggested in Melbourne that clubs working collaboratively and sharing administrative support would reduce the burden on volunteers and improve the effectiveness of club administration.

46. Volunteers donate significant amounts of time to clubs, associations and community sporting organisations. In addition to time donated to clubs volunteers regularly incur out of pocket expenses including telephone calls, travel costs, accreditation costs, sporting equipment and other costs. Discussions at most forums observed that in many instances there is limited capacity for individuals to recoup these costs. Participants at both regional and capital city forums submitted that the costs both in time and out of pocket expenses act as a disincentive to volunteer. It was noted at the majority of forums that the introduction of tax incentives for volunteers may increase the number of volunteers in sport.

47. The Masters Games is a great incentive for encouraging older participants back into sport. Discussions at the Darwin, Sydney and Perth forums noted that increased participation in the games may have reduced the available volunteer base for some sporting organisations. As volunteers go back into or continue in their own sports as active participants, they do not have the time to contribute back to the sport through volunteering.

48. There was an innovative suggestion at the Brisbane forum that volunteers should be given time off from work to help sporting communities and organisations. If this is an important Government agenda there should be support for volunteers through supporting employers to offer time off work. An example of where this works in other sectors is the military reserve, which allows employees time off for reserve work.

49. A common theme offered by representatives from a variety of organisations, across most forums was that younger people must be encouraged into volunteerism. Participants noted that there are many reasons why younger people shy away from volunteering. One important observation was that older volunteers are reluctant to pass over the responsibility to younger volunteers resulting in an ageing volunteer base. An education program offering
mentoring and skills development in sport administration could provide an opportunity for younger volunteers to take on roles in clubs. However, cultural change has to be part of this agenda to ensure that volunteers are welcomed and accepted when offering their services.

**Sporting Pathways and Talent Identification**

50. A clear message from all forums was that children require significant financial support and quality coaching and mentoring to successfully move through junior competition to sub-elite levels. Participants noted that the financial cost of supporting juniors in competitive sport is predominantly borne by parents and that there are talented children across Australia without the support of wealthy parents or a skilled coach. Forum participants uniformly reported ‘cost to families of supporting young athletes’ as a key reason for talented youngsters not progressing through the entire pathway from junior sport through regional and sub-elite levels to elite sport. The large distances required for travelling to competitions was raised as an additional burden faced by parents and children in regional areas and distant cities such as Perth and Darwin.

51. Tax deductability for participation by junior athletes was the most commonly raised remedy to cost as a barrier to participation. As an example, a participant at the Perth forum observed that participation rates in junior athletes directly affects Australia’s elite athlete pool and that investment at junior and sub-elite levels (through tax-deductability for participation) would reduce costs and would compliment investments at the top end of the sporting pathway (elite/national).

52. It is important to note that discussions on cost as a barrier to participation varied slightly across the forums. In some forums it was raised in the context of junior competitive or sub-elite sporting pathways, as discussed above. In other forums it was raised purely in the context of its effect on junior participation levels in organised community sport. Participants argued that reduced costs would lead to increased involvement by families/children not currently participating, thereby potentially increasing the ‘pool’ of young athletes. Notwithstanding these different contexts the key solution proposed by forum participants remained the same: introduce tax-deductibility for participation costs in junior sports.

53. Another commonly raised issue affecting participation levels by teenagers in traditional organised community sport is the increasing involvement by juniors in ‘non-traditional’ sports. Participants at metropolitan forums observed that there is a growing number of accessible ‘organised’ community sports in which juniors choose to be involved. An obvious case in point is ultimate frisbee. This developing sport had representatives at most of the metropolitan forums. These representatives acknowledged that increasing participation rates for their sport may well result in corresponding decreasing participation rates in other, more traditional sports.

54. Based on the number of discussions across all forums this change in dynamic has been a success for the less traditional sports and physical activities that, for the most part, encourage participation rather than competition. Scouts Australia put forward the idea at the Sydney forum that exposing children to a variety of activities is a positive and gives them the ability to choose the recreation to which they are most suited.

55. Participants at the Coffs Harbour and Canberra forums also noted the change towards physical activity and highlighted activities such as dancing and Tai Chi as now being more popular than ever. While they are not seen as the traditional sports, some members of the forums felt they were beneficial activities for the well-being of the younger generation and keeping teenagers involved.

56. Other issues, affecting the prioritisation of sport by teenagers, and therefore junior participation rates in sports broadly described by forum attendees as ‘traditional sports’ were raised at panel forums. These include: the propensity for some students to focus on academic pursuits in the final years of schooling; competing teenage commitments and the changing nature of participation including involvement in non-organised and less ‘traditional’ sporting...
activities and physical activities; the trend in teenagers to be more involved in technologies at the expense of physical activity; trends in teenagers to place less of an emphasis on participating in sport and more of an emphasis in other, social activities; the lack of accessible (regionally active) sporting role models for teenagers; and, particularly with young women, poor body image and low self esteem.

57. Participants at all forums observed that pathways and talent identification issues also relate to coaches and officials. Coaches are more than just sporting volunteers. Coaches are fundamental to the success of sport and the development of talent across Australia through mentoring, teaching and being role models. Although coaches in tennis and swimming can be paid positions this is not the case in most sports, where coaches donate significant amounts of time to chosen sports. In addition it was acknowledged at most forums that coaches are expected to pay for their coaching courses, first aid courses, travel to competitions.

58. Participants across a majority of forums observed that Coaches and sporting officials are also required to undergo police checks and to comply with numerous sporting organisation regulations and administrative requirements. These can be prohibitive and a participant at the Dubbo forum, observed that one volunteer had to obtain three police checks in six months for three different positions. The example highlights a regular observation at forums administrative requirements on individuals and sporting organisations should be refined and better co-ordinated by government and industry. In addition participants at forums regularly observed that sporting organisations at the national, state and local levels must work together to ensure administrative requirements such as police checks are co-ordinated consistently across all sports. It was argued that an effective whole-of-sport approach to sport administration, including the sharing by sporting organisations of administrative resources, would have whole-of-industry benefits, including a reduction in duplication, reduced expenditure and more effective use of scant resources.

59. A clear message from all forums was that officials, including referees and umpires, in sport play a critical role in the continued success of sport in Australia. Career officials face similar barriers to coaches and are often travelling away from home to undertake officiating roles in national competitions if they want to pursue it as a career. It was noted in the regional forums that preference is given to local officials who are able to participate in regular events and therefore it is easier to pursue an officiating role in the larger centres than it is in the remote or regional areas of Australia. The distance and cost of travelling to national and international competitions to enhance reputation and status is prohibitive to many potentially successful officials.

Funding, Taxation and Sponsorship

60. It was noted at most forums that sponsorship money and government funding grants are available to those sporting organisations that have the expertise and resources to pursue the funding. Organisations that do not have the expertise to access these funds can expend significant resources in an ultimately unsuccessful attempt.

61. Representatives from local sporting clubs at both metropolitan and regional forums observed that many clubs depend on participant family members who own businesses to provide sponsorship.

62. Some clubs have been successful in gaining funding assistance through sponsorship when they have been able to align their sport with a local business needs. At the Melbourne forum it was noted some national organisations, including large corporate companies, have charters to return funding to community and sporting organisations. Participants noted such charters are driven by corporate policies of connecting with local communities to establish brand loyalty.

63. Across all forums there was little or no opposition to sponsorship of local sporting organisations by either alcohol or gambling interests. Representatives from regional and metropolitan sporting clubs were concerned that changes to alcohol advertising, recently
mooted through regional and national media, could lead to reduced sponsorship of local sport. A smaller number of participants did however note that changes to alcohol advertising may not necessarily adversely affect local sponsorship. These participants generally observed that reduced sponsorship following the banning of cigarette advertising was balanced by increased sponsorship by other, previously underutilised sponsorship sectors.

64. The most regularly mooted recommendation across forums for improving the provision of sponsorship by business of local sporting organisations was improving the expertise of sporting organisations in ‘selling’ their ‘product’ to the corporate sector. Participants noted that there may be a role for government and national, regional and local sporting bodies in achieving this. The next most commonly raised suggestion was the introduction of tax incentives to sponsorship. Changes might include an expansion of the sponsorship activities that attract tax-deductability status or increasing the tax-deductability status of donations to sporting organisations above one-hundred percent.

65. As an additional consideration there is a sport lottery that has successfully run in the UK for a number of years. In general, people were of the opinion that a sport lottery may be an alternative to Government funding for elite sport in Australia. The idea of a sport lottery was raised at almost every forum and therefore has popular support as a means of putting money back into sport.

66. Attendees at both the Brisbane and Melbourne forums noted that GST raised through the sporting community could be quarantined by government and returned to the sport as a means of funding sporting organisations.

67. Attendees across the majority of forums were aware of the Australian Sports Foundation (ASF), however, many attendees did not fully understand its role. The general feeling across the forums was that the ASF in its current form needs much better promotion. It was acknowledged that the ASF serves an important function but that a review of its purpose could benefit the sporting community.

Forums - Regionally Specific Themes

68. Although the majority of issues raised were common challenges across the country, there were also a number of specific regional challenges raised, including:

- Distance in Western Australia, Northern Territory and regional areas
- Role of Elite Athletes

Distance in WA, NT and country areas

69. Based on discussions at the Darwin, Perth and regional forums it is clear that the cost of transport in regional and remote areas on Australia has a direct effect on the propensity for local athletes to travel to access competition. In addition regional, and particularly remote areas have generally poorer and sparser infrastructure. The result of these two factors is limited access and a poorer quality of local/regional sporting competition in many regional and remote areas of Australia to that which is experienced on the eastern seaboard. It is important to note that these discussions applied to all levels of sport and physical activity, from local competitions, through sub-elite levels and into elite levels.

70. For example participants at the Dubbo forum noted that competition at the state level does not only involve travel costs but usually results in accommodation costs. This total cost of travelling to state and national competitions results in some families relocating their children to the city centres or pulling their child from the sport.

Elite athletes giving back to regional areas
71. Participants at the Albury and Coffs Harbour forums believe that high profile elite athletes should be encouraged and co-ordinated by sporting organisations or government to give back more of their time to grassroots sport. In particular this should be done to promote sport in regional and rural communities and, if possible, by athletes who come from those areas. This type of involvement was seen as rare in the current environment. These athletes are seen as real role models for the younger participants and are an inspiration for children to emulate the feats of their heroes. It was suggested that part of holding an AIS scholarship is to give a certain amount of time at the grassroots levels. This would raise the profile of sport and inspire young participants to continue in sport.
Conclusion

72. The issues raised throughout the public forums generally support those key themes raised in the submissions processes conducted by the Sport Panel. Against each of the Terms of Reference, the following is a summary of the key issues raised at the forums:

2. Better place sport and physical activity as a key component of the Government’s preventative health approach
   - Improved governance structures and direction to better focus on community sport
   - Improved co-ordination of and access to sporting facilities
   - Improved co-ordination of funding by government to community sport
   - Improved co-ordination of programs across all levels of government
   - Government consider cost as a key barrier to participation in community sport
   - Better promotion by government of physical activity as well as sport
   - Better use of the education system to promote sport and physical activity
   - Continue with programs like AASC

3. Strengthen pathways from junior sport to grassroots community sport right through to elite and professional sport
   - Increase in funding from government, particularly for junior sport
   - Decrease costs to participants
   - Provide some support and incentives for volunteers, including coaches
   - Better co-ordination of junior sport programs across government

5. Identify opportunities to increase and diversify the funding base for sport through corporate sponsorship, media and any recommended reforms, such as enhancing the effectiveness of the Australian Sports Foundation.
   - Increase in funding from government
   - Provide tax relief for participants and volunteers in sport
   - Tax changes to increase corporate sponsorship of local sport organisations
   - Increase the promotion and role of Australian Sports Foundation
   - Improved co-ordination and access grants
   - Consider the use of a National Sports Lottery or similar scheme
   - Return GST monies raised in sport back to sport

73. Sport is seen across the country as being very important to many people. The forums have shown that people are very passionate about achieving their goals and being successful. It is recommended that a first step could be consideration given to improved governance mechanisms across sport in Australia. This should give organisations the direction they are searching for in taking the necessary steps to ensure Australia’s continued sporting success.
APPENDIX K: REFERENCES

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