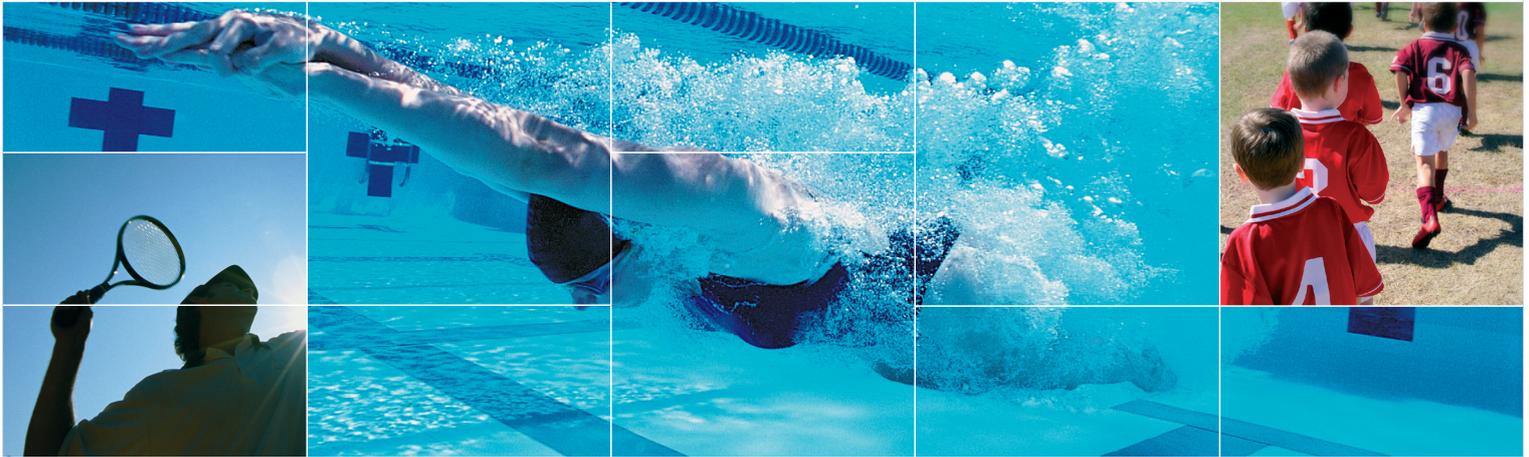




Australian Government  
Australian Sports Commission



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Note: The Australian Sports Commission held three stakeholder forums as part of the process of preparing this submission: a forum with representatives from community sport, a forum with National Sporting Organisations, and a forum with a small group of high performance coaches. Although the main issues arising from the forums aligned with those in this submission, due to changes in project time lines, only the preliminary considerations from the community sport forum have been incorporated. Addendums to this submission will be prepared to put forward the considerations from the three forums.

# Contents

<b>Definitions and acronyms</b> .....	<b>v</b>
<b>Executive summary</b> .....	<b>1</b>
<b>Findings and recommendations</b> .....	<b>5</b>
<b>1 Introduction</b> .....	<b>16</b>
<b>2 Sport: An integral part of Australian life</b> .....	<b>19</b>
<b>2.1 Sport and health</b> .....	<b>21</b>
2.1.1 Obesity and overweight	22
2.1.2 Physical inactivity	22
2.1.3 Mental health and well-being	23
2.1.4 Benefits of physical activity	24
<b>2.2 Sport and national identity</b> .....	<b>25</b>
<b>2.3 Sport and social cohesion and inclusion</b> .....	<b>27</b>
<b>2.4 Other sport related outcomes</b> .....	<b>29</b>
2.4.1 Education	29
2.4.2 The economy	29
2.4.3 Innovation, science and technology	30
2.4.4 The environment	30
<b>3 High performance sport</b> .....	<b>32</b>
<b>3.1 Background</b> .....	<b>32</b>
<b>3.2 Australia’s international competitiveness</b> .....	<b>33</b>
<b>3.3 Key challenges facing Australian high performance sport</b> .....	<b>38</b>
<b>3.4 Delivering the Australian high performance system</b> .....	<b>40</b>
3.4.1 Duplications and lack of alignment	40
3.4.2 The role of the Commonwealth Government and the Australian Sports Commission	41
3.4.3 The Australian Institute of Sport and State and Territory Institutes and Academies of Sport.	42
3.4.4 Institute network funding and scholarship support	45
3.4.5 Regional academies and other partners	47
3.4.6 Summary	48
Finding 1	48
Recommendation 1: National Institutes model	49
<b>3.5 Targeting of sports:</b> .....	<b>50</b>
Finding 2	53
Recommendation 2: Targeting of sports	53
<b>3.6 Athlete and coach support</b> .....	<b>53</b>

Finding 3	55
Recommendation 3: Direct support for elite athletes and coaches	55
<b>3.7 Supplementation funding for indexation and international competition travel.....</b>	<b>56</b>
Finding 4	57
Recommendation 4: Critical supplementation	57
<b>3.8 National talent identification and development.....</b>	<b>57</b>
3.8.1 Challenges	58
3.8.2 Opportunities	59
Finding 5	61
Recommendation 5: National talent identification and development	62
<b>4 Community sport.....</b>	<b>63</b>
<b>4.1 A new model for community sport .....</b>	<b>63</b>
<b>4.1.1 Background .....</b>	<b>63</b>
<b>4.1.2 Challenges facing community sport.....</b>	<b>64</b>
<b>4.1.3 What has worked well to date? .....</b>	<b>65</b>
<b>4.1.4 The way forward .....</b>	<b>67</b>
<b>Finding 6 .....</b>	<b>68</b>
Recommendation 6: A national plan for community sport	68
Recommendation 7: Establishment of a new community sport model	68
<b>4.2 Active After-school Communities program.....</b>	<b>68</b>
<b>Finding 8 .....</b>	<b>69</b>
Recommendation 8: Expansion of the AASC program	70
<b>4.3 Targeted sports programs.....</b>	<b>70</b>
4.3.1 The Senate Inquiry into Women in Sport	70
Finding 9	71
Recommendation 9: Women in sport	71
4.3.2 Disability Action Plan	71
Finding 10	72
Recommendation 10: Disability sport	72
4.3.3 Indigenous sport	72
Finding 11	72
Recommendation 11: Rationalisation of Indigenous programs	72
<b>4.4 Sport infrastructure and facilities .....</b>	<b>72</b>
Finding 12	74
Recommendation 12: Supply and demand of sporting facilities	74
<b>5 National sporting pathways .....</b>	<b>75</b>
<b>5.1 The capacity of the sport system to delivery pathways .....</b>	<b>77</b>
Finding 13	79
Recommendation 13: Building capacity of sporting organisations	79

<b>5.2 Strengthening sport and education system links .....</b>	<b>79</b>
Finding 14	81
Recommendation 14: Strengthening sport and education system links	81
<b>5.3 Coaching and officiating.....</b>	<b>81</b>
5.3.1 The coaching pathway and related issues	81
5.3.2 Addressing the issues	83
5.3.3 Officials	84
Finding 15	85
Recommendation 15: Support for coaching and officiating	85
<b>5.4 Recruiting, retaining and supporting volunteers .....</b>	<b>85</b>
Finding 16	86
Recommendation 16: Optimising volunteerism in sport	86
<b>5.5 Relationships between the Commonwealth Government and other sporting bodies.....</b>	<b>86</b>
Finding 17	88
Recommendation 17: A unified approach between peak multi-sport bodies, the ASC and NSOs	88
<b>6 Sport science, research and technology .....</b>	<b>89</b>
<b>6.1 National coordination of sport science and sports medicine .....</b>	<b>89</b>
Finding 18	92
Recommendation 18: – National coordination of sport science and medicine delivery	92
<b>6.2 Enhancing the capacity sport science, research and technology .....</b>	<b>92</b>
6.2.1 Current research & technology partnerships	93
6.2.2 The way forward – a new model for a new era	94
6.2.3 Sport research and innovation centre	95
6.2.4 Summary	96
Finding 19	97
Recommendation 19: National centre for science, innovation and technology in sport	97
<b>6.3 Sport information, technology and knowledge .....</b>	<b>97</b>
6.3.1 Information and communications technology capability of Australian sport	98
6.3.2 Enabling access to sport information	99
6.3.3 Exploiting new knowledge environments in sport	100
6.3.4 Building e-capability in Australian sport	101
Finding 20	102
Recommendation 20: Development of ICT infrastructure and e-capability for sport	102
<b>7 Diversification of funding base.....</b>	<b>103</b>
<b>7.1 Commercial opportunities in sport .....</b>	<b>103</b>
Finding 21	104
Recommendation 21: Identifying commercial opportunities for NSOs	104
<b>7.2 Events legacy .....</b>	<b>104</b>
Finding 22	104
Recommendation 22: Events legacy	104

<b>7.3 Public-private partnerships.....</b>	<b>105</b>
Finding 23	105
Recommendation 23: Public-private partnerships	105
<b>7.4 Sports lottery.....</b>	<b>105</b>
Finding 24	106
Recommendation 24: National sports lottery	106
<b>7.5 Taxation arrangements affecting sport.....</b>	<b>106</b>
Finding 25	107
Recommendation 25: Taxation options for sport	108
<b>7.6 Athlete contribution scheme .....</b>	<b>108</b>
Finding 26	109
Recommendation 26: Athlete contribution scheme	109
<b>7.7 Integrity of sport.....</b>	<b>110</b>
7.7.1 Alcohol sponsorship of sport	110
Finding 27	111
Recommendation 27: Responsible use of alcohol program	111
7.7.2 Sports betting	111
Finding 28	112
Recommendation 28: Sports betting	112
7.7.3 Child protection	112
Finding 29:	113
Recommendation 29: Child protection	113
7.7.4 Dispute resolution involving integrity issues	113
Finding 30	114
Recommendation 30: Dispute resolution for integrity issues	114
<b>Conclusion.....</b>	<b>115</b>
<b>Appendices.....</b>	<b>117</b>
<b>Appendix A: International comparison of competitor countries investment in sport .....</b>	<b>117</b>
<b>Appendix B: Reported funding and SIS/SAS support for all ASC and AOC funded sports 2007/08.....</b>	<b>120</b>
<b>Appendix C: Reported funding figures for AIS and SIS/SIS from 2001/02 to 2007/08.....</b>	<b>126</b>
<b>Appendix D: High performance system enhancements for three priority sports .....</b>	<b>131</b>
<b>Appendix E: List of participants in the ASC’s community sport forum, 2-3 October, 2008 .....</b>	<b>134</b>
<b>Appendix F: Sport infrastructure discussion paper .....</b>	<b>136</b>
<b>Appendix G: Further information on enhancing sport science, research and technology .....</b>	<b>154</b>
<b>End notes:.....</b>	<b>157</b>

## Definitions and acronyms

AASC	means Active After-school Communities program – a community sport program run by the ASC on behalf of the Commonwealth Government.
AASI	means All Australian Sporting Initiative – a community sport program run by the ASC targeting minority or disadvantaged populations.
ACE	means Athlete Career and Education.
ACGA	means Australian Commonwealth Games Association – the organisation responsible to select, send and fund Australian teams to the Commonwealth Games.
ACTAS	means the Australian Capital Territory Academy of Sport.
AIS	means the Australian Institute of Sport.
ALGA	means the Australian Local Government Authority
AOC	means the Australian Olympic Committee – the organisation responsible to select, send and fund Australian teams to the Olympic Summer and Winter Games.
APC	means the Australian Paralympic Committee – the organisation responsible for Australia's elite athletes with a disability.
ASC	means the Australian Sports Commission – the Australian Government agency that manages, develops and invests in sport at all levels.
ASF	means the Australian Sports Foundation - a commonwealth company with Deductible Gift Recipient status enabling tax deductible donations to be made for sporting projects.
Australian Sport System	- the system of institutional arrangements that has evolved to deliver sport and structured physical activity in Australia.
COAG	means the Council of Australian Governments.
Community Sport	encompasses all 'grassroots' sport played at the local community level, including clubs, schools, and other local sporting organisations.
CSIRO	means the Commonwealth Scientific and Industrial Research Organisation.
Elite level of athlete development	– means development of athletes from national squad level through to highest level Australian representation.
ERASS	means Exercise, Recreation and Sport Survey.
FIFA	means Fédération Internationale de Football Association, which is the International Federations for football (soccer).
HECS	means Higher Education Contribution Scheme.
ICT	means Information and Communication Technology.
Institutional arrangements	- network of organisations and their inter-connectedness to support a sector or industry.
NESC	means National Elite Sports Council - collective body of the State and Territory Institutes and Academies of Sport.

NICTA	means National Information Communication Technology Australia.
NSIC	means National Sport Information Centre
NSO	means National Sporting Organisation - recognised national body for each sport in Australia.
NSRDC	means National Sport and Recreation Development Council.
NSWIS	means New South Wales Institute of Sport.
NTID	means National Talent Identification and Development program.
NTIS	means Northern Territory Institute of Sport.
Olympic sports	includes Winter and Summer Olympic, Paralympic and Commonwealth Games sports and is generally taken to be 'non-professional'.
PPP	means public-private partnerships - a government service or private business venture which is funded and operated through a partnership of government and one or more private sector companies.
Pre-elite level of athlete development	– means starting from local representative level through to representing the state at national level.
Professional sports	- those sports where the NSOs are financially self-sufficient and both the sport and its elite athletes generate significant income from the sport.
QAS	means Queensland Academy of Sport.
SASI	means South Australian Sports Institute.
SCORS	means Standing Committee on Recreation and Sport.
SDSR	means State Government departments or agencies with responsibility for sport and recreation.
SIS/SAS	means State and Territory Institutes and Academies of Sport.
Sporting Pathways	- the connection of steps from grassroots sport through to elite. The sporting pathway consists of parallel and integrated athlete, coach and competition pathways.
SRMC	means Sport and Recreation Ministers' Council.
SSO	means State (and Territory) Sporting Organisation.
SSSM	means sports science and sports medicine.
TIS	means Tasmanian Institute of Sport.
VIS	means Victorian Institute of Sport.
WAIS	means Western Australian Institute of Sport.
WHO	means World Health Organisation.

## Executive summary

In contrast to the long-held image of a nation of 'young, bronzed Aussies' who by nature excel at sport, is the evidence of rapidly rising obesity rates across all ages, as an increasingly sedentary lifestyle challenges sport's role in society from grassroots through to elite.

Obesity is a growing problem worldwide. The latest figures estimate that as many as 3.71 million or 17.5% of the Australian population is obese, with the total cost of obesity in Australia for 2008 projected to be \$58.2 billion.

Research repeatedly shows that a physically active lifestyle is a key solution in reducing the incidence of obesity, with adherence to physical activity increasing if the activity is structured (e.g. sport) and supported by good coaching. Further, it has been shown that physical activity attenuates many of the health risks associated with obesity and active obese individuals have lower morbidity rates than normal weight individuals who are sedentary. Physical activity is also effective to improve mental well-being. Sport and structured physical activity must play an essential role in preventative health.

Australia has a history of engendering an active sporting lifestyle, leading to international success in sport. However, 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. Concurrently the international competitiveness and investment in sport is growing rapidly.

Australia's sporting system is at a fork in the road. Reform of the system must retain the key elements that have evolved to produce out successful sporting history. However, a well planned, structured, and nationally coordinated approach to enhancing the Australian sport system is needed in order to realise the potential of sport to deliver key outcomes:

- increased participation for preventative physical and mental health;
- sustained strong national identity through high performance success; and
- social cohesion and inclusion in the Australian community.

There are fundamentally two choices for the reform of the way sport in Australia is delivered. They are the:

- *status quo* choice; and
- the *fix the problem* choice.

This submission promotes disturbing the *status quo* and making the *fix the problem* choice by advocating a long-term a comprehensive, whole-of-system performance enhancement plan. Having looked at the evidence gathered from around the world, the Australian Sports Commission is convinced that unless the major issues of leadership, structure, strategy and resources are effectively dealt with, over time there will be a gradual deterioration in community and elite sport outcomes and significant unrealised potential in sport's ability to contribute positively towards in community health, social cohesion and national identity.

This submission has therefore addressed all aspects of the terms of reference of the Independent Review of Sport, looking at the delivery of sport in a holistic integrated

manner. Recommendations put forward by this submission are designed to result in a cost-effective delivery of sport with a seamless pathway from the broad base of mass participation through to elite international competition.

High performance sport is becoming ever more competitive and professional, with many countries investing in increasingly comprehensive and sophisticated sport systems.

In order to remain competitive, Australia must counter growing disadvantages of:

- a small population base with a trend in decreasing physical activity levels and basic movement skills of children; and
- the tyranny of distance and resulting increasing cost of accessing the necessary levels of competition.

There is a need to streamline the system and form a confederation of the Australian institutes of sport, under an inter-governmental agreement, to create a single point of responsibility and accountability. This structure would optimise the capability of the institutes system to assist in the delivery of the public's investment in high performance outcomes, particularly at major multi-sport events. In addition, in the face of the global sporting 'arms race', it is necessary to: target resources towards sports of relevance and strength; increase investment in athletes and coaches; ensure the availability of the necessary competition opportunities; and bolster the identification and development of the young talent.

To underpin achievements at the highest level it is essential athletes have a seamless and well-structured development pathway along which to progress from grassroots participation, through pre-elite to elite international standard. Ideally athlete pathways should be supported by closely aligned coach and competition pathways. For a whole range of reasons, the evolution of the Australian sport system over the last 20 years or so has seen a growing gap between community sport participation and high performance sport, and the sporting pathways are struggling to bridge the divide due to lack of resources and alignment.

Apart from a small number of professional sports, the human and financial resources and overall capacity of all levels of sporting organisations to deliver athlete, coach and competition pathways is limited. There is a need to assist, coordinate and streamline the layers of sporting organisations, improve their governance and management practices, define their roles and responsibilities, and enhance resources so they can better deliver their sport from grassroots to elite.

Greater involvement from the peak bodies for the major multi-sport Games would also benefit the sporting pathways. All of these bodies benefit from the Commonwealth Government's investment in preparing athletes for elite competition. The Australian Olympic Committee in particular has the opportunity to contribute further to the ability of the sporting system to achieve sustained high performance results. There is a strong precedent internationally for close working relationships between the National Olympic Committee and the Government agency for sport.

Coaching is an essential element of the sporting pathway and the sport system as a whole. Australia is lagging behind many of our competitor countries in terms of the coaching pathway, full-time career opportunities and the professionalisation of the industry. At the community sport end of the pathway, coaches and officials lay the foundation for life-long involvement in sport, whether it be on the pathway to elite

success or simply as a participant for life. It is imperative that a national strategy for coach recruitment, retention, development and support (for volunteers through to career coaches) be established to ensure participants of all ages and stages learn their sporting skills in a safe and encouraging environment.

If Australia is to achieve the Commonwealth Government's desired national outcomes of building a healthier Australia through community sport and sustaining elite sport success, then reigniting the education system is vital. The sporting pathway starts with school sport and teaching children fundamental motor skills. Currently the overall fitness and physicality of our children is waning because of the decline of sport in school. There are opportunities also to enhance community sport, and to access quality facilities and knowledgeable personnel by finding better ways to link the education system at all levels with the sporting system.

Community sport is about lifelong learning through being happy, healthy, active and productive. As with most areas of the Australian sport system, however, achieving the desired outcomes is hampered by a fragmented structure and lack of a nationally coordinated approach. A recent national community sport forum resulted in a vision to unite and align all key stakeholders in working towards a common purpose, that:

*Every person, everywhere in Australia, has access to affordable, quality and safe opportunities to participate in community sport.*

To this end there is urgent need for a national plan to be developed with clear aims, objectives, roles and responsibilities for all stakeholders. Further components of an enhanced community sport model include: resourcing at the local level with tailored outcomes to community needs; a coordinated best-practice model for recruiting, retaining and enhancing the experiences for our vital volunteers; and a national audit for supply and demand of sporting facilities to precede national long-term planning.

Support for targeted population groups is also hampered by the issues of leadership, structure and resources. National planning and resourcing will ensure sport realises a multitude of potential benefits for groups such as Indigenous Australians, people with a disability and women.

Community sport has identified that sport needs to adapt and innovate to remain relevant within the cultural and geographical diversity that is modern Australia. Our elite coaches and sport scientists have a reputation of being flexible, adaptable and innovative. It is essential that we support this innate skill and resource cutting-edge sports science, research and technology. Australian initiative established the Australian Institute of Sport and set the standard for both institute systems and an integrated sports science approach to elite athlete preparation. Australia must capitalise on its track record for excellence in sports science, sports medicine, research and technology, including web and new media technology, through:

- better coordination of the use of sports science and sports medicine across the national network to optimise athlete and coach development;
- extending the collaborative partnerships and creating clusters of applied research around the country to produce cutting-edge high performance enhancing technology, but also realising the potential for broader community benefits;
- creating an online destination for sport knowledge through which all Australians can learn about any aspect of sport and related areas; and

- enhancing the 'e-capability' of sporting organisations in order to educate, entice and communicate with people about sport.

Finally, there is a need to be innovative in finding new avenues of resourcing sport to diversify and enhance the funding base. Sport must protect its integrity and thus its brand whilst at the same time finding ways to realise the commercial potential in the 'product' of sport delivery. There is a need for lateral thinking such as tapping into the legacy of major events and public-private partnerships for the building of facilities. Tax incentives for club membership and volunteerism would also diversify funding while providing powerful encouragement for increased participation in sport and structured physical activity.

The Australian sport system is at a fork in the road. Reform is necessary to address the major issues of leadership, strategy, structure and resourcing, but it won't be easy. In the short to medium term, without an increase in government funding, Australian sport is headed for mediocrity in high performance outcomes, in the quality of sporting organisations and the product they deliver, and in the physical activity levels and health of Australian people. Investment now has the potential to position sport in the longer term to be a vibrant industry, less reliant on public funding and able to deliver significant benefits for the health, well-being, national identity, social connectedness and economy of our nation.

Strong leadership is essential in driving the sport system forward. The Australian Sports Commission is ready to facilitate the reform and lead the strengthening of relationships among all stakeholders, and across all jurisdictions, in order to streamline the structure for delivery. There is an opportunity to empower the Australian Sports Commission to act as a 'one stop shop' in order to lead a cost-effective, nationally coordinated strategy to achieve the Commonwealth Government's desired outcomes from Australian sport

Good health is priceless – we need to invest in the health of our nation through sport.

# Findings and recommendations

## Finding 1

The Australian sports institutes system supports the high performance structure by delivering components of NSO pathways. Competing priorities exist across the institutes system due to there being nine stand-alone government-funded entities. While duplication of programs and servicing is minimal, alignment of goals and coordination of roles is sub-optimal. Currently sports present their plans and seek program support from each of the nine separate organisations. There is a need for a single point of strategic decision making and leadership in order to optimise resources, reduce inefficiencies and ensure priority sports are able to access the necessary support from the system. Critical to achieving strategic alignment is the need to re-assess and clarify agreements between stakeholders as to the roles, responsibilities, expectations and performance outcomes for the delivery of national programs. Consideration also needs to be given to engaging other possible partners, such as regional academies of sport, universities and accredited private providers in a comprehensive national institutes system.

### **Recommendation 1: National Institutes model**

Consolidate the sport institute/academy system by creating a new national “Australian Institutes of Sport” model, establishing a confederation of the sports institutes to deliver improved athlete pathways by harnessing current and additional resources and expertise to increase efficiencies and alignment to national outcomes.

The new model is proposed to be characterised by ~

- The formation of an inter-governmental agreement, through either the Council of Australian Governments (COAG) or the Sport and Recreation Ministers’ Council (SRMC) forums, for the specific purpose of creating partnerships to optimise the funding and cooperation of the Australian institute system in supporting high performance pathways.
- The establishment of an ‘Australian Institutes of Sport Council’ that will be responsible for strategic direction, planning and oversight of the management and delivery for institutes support of sports, in the context of NSO national pathway programs and national high performance outcomes.
- The Australian Institutes of Sport Council, comprising representation from the States/Territories and Commonwealth, as well as independent experts, will be chaired by the Chair of the ASC as the person responsible for leading the Commonwealth Government’s sport agenda and mandate to deliver outcomes.
- A consolidated national funding pool with contributions by the Commonwealth and State/Territory Governments (including a significant proportion of each institute budget), with funding being distributed centrally through the new Australian Institutes of Sport Council.
- Responsibility for day-to-day management and delivery of programs will rest with existing State and Territory institutes and academies, as per their agreed and defined role with each NSO pathway program.
- Ensuring that State and Territory institutes and academies maintain their identity, have strategic and operational input to the national system and have defined responsibilities as being part of the national system and that they are duly recognised for their contribution to international performance outcomes.

- An ability and willingness to engage with new partners and stakeholders who have the capacity to enhance delivery of the Australian institutes system, including regional sporting bodies, education bodies and private providers.
- A targeted, nationally quality assured, coordinated and performance focused delivery of SSSM support. Increasing the critical mass of providers in many professions that are strategically and operationally linked to a particular program will provide a quality national SSSM system and will enhance the professional development and career pathway for those involved. (see section 6.1 for more detail in this area).
- The role of the AIS, as one of the institutes in the Australian Institutes model, is defined as providing national leadership for the provision of sport science and sport medicine and applied research and as a National Training Centre where relevant as part of an NSO national pathway program.
- Enhanced value of the European Training Centre, currently being established by the ASC, as an offshore institute and part of the national strategy supporting athlete development and SSSM servicing of national athletes and teams training and competing across Europe.

### **Finding 2**

Current funding is distributed across 54 sports. Apart from 'professional sports' such as the four football codes, cricket and tennis, the majority of NSOs are in need of further resources to deliver sufficient domestic and international competition experiences and to support the development of athletes through quality coaching. On current funding levels Australia cannot continue to support 54 sports and still sustain high performance outcomes in those sports in which we excel on the international stage. There is a need to target some sports and programs for funding, and decrease funding for some others in order to maintain standards in priority medal winning sports.

#### **Recommendation 2: Targeting of sports**

In the absence of a significant increase in high performance funding, the ASC and institute system target key sports in which Australia can excel on the world stage and ensure they are optimally supported.

### **Finding 3**

Apart from those in professional sports, the large majority of athletes in Olympic, Paralympic and Commonwealth Games sports do not derive a living from sport. In fact many live below the poverty line, making great financial, personal and future career sacrifices to represent their country. Their time at the top and window of opportunity for distinction is short. With no forward estimates provision for direct athlete support beyond 30 June 2009, Australia is the only nation of the top ten on the Olympic medal tally that does not provide financial assistance for athletes to train and achieve their goals and provide an example of striving for excellence to broader society.

The institute system and many of the NSOs have identified that development, recruitment and retention of international standard coaches in Australia is under pressure due to financial and competitive forces. The number of full time positions and the remuneration levels for Australian coaches are relatively low in comparison to both other countries and to other industries. There is a need to recognise and support coaches in order to deliver world class outcomes.

### **Recommendation 3: Direct support for elite athletes and coaches**

The Commonwealth Government creates an ongoing direct support scheme for elite and emerging athletes and for related high performance coaches.

### **Finding 4**

Due to terminating supplementation funding, NSO high performance base funding is projected to drop back to 2004/05 levels in 2009/10. Baseline funding does not take into account indexation for inflation or rising international travel costs. In addition, the need to travel has increased as most sports have struggled to deliver quality domestic competitions. Since the Sydney 2000 Olympic Games and 2006 Melbourne Commonwealth Games there has been a marked reduction in the desire for foreign athletes to travel to Australia for competitions, resulting in increased need for Australian athletes to travel overseas for the necessary level of competition.

### **Recommendation 4: Critical supplementation**

Supplementation funding is provided for high performance sport to account for indexation and international competition travel costs.

### **Finding 5**

Australia has been an innovator in developing talent identification programs and processes. The National Talent Identification and Development (NTID) program fills a critical need in the high performance pathway for three reasons:

- given Australia's limited quantity of talent there is an ongoing need for national facilitation and support for the identification, case management and fast tracking of athletes towards success in sports in which they are suited;
- a number of NSOs and SSOs are still not at the stage of their evolution where they have the expertise and resources (financial and human) to drive development at the pre-elite level;
- NTID eliminates the disconnect in the athlete development pathway by bridging the gap between community and elite sport and targeting those athletes that exist between the non-elite and elite components of the pathway. Targeted athletes are immersed within an enriching development environment, enabling them to thrive.

Optimal effectiveness of the NTID program is limited by access to talent, the quality and quantity of coaches, development pathway disconnects between non-elite, pre-elite and elite athletes, and program reach and delivery, particularly to rural and regional Australia. There is a need to enhance the reach of the NTID program and for specialised development environments or centres of excellence that provide opportunities for value-add elements such as sports science and sports medicine, and research.

### **Recommendation 5: National talent identification and development**

The National Talent Identification and Development program be expanded to facilitate the enhanced recruitment and development of talented athletes at the pre-elite level supported by adequate quality coaching; and to expand the network of centre of excellence hubs (particularly in regional areas) with the capabilities to provide optimal talent development environments.

### **Finding 6**

Sport plays a major role in achieving wider physical and mental health, social and economic benefits. Community sport is the arena in which these benefits are principally achieved. Community sport has a greater influence than any other social movement,

through mass participation at the community level of all ages, abilities, genders and backgrounds.

Community sport is at the brink of collapse due to the significant challenges it currently faces. These include the significant societal, generational and environmental changes and their subsequent impact on the availability, accessibility and affordability of community sport. Club level sport is finding it increasingly difficult to adapt its practices to attract and retain participants, coaches, officials and administrators. To date community sport has been driven off the backs of volunteers. Societal changes now present a challenge to the sustainability of such a model. Significant investment needs to be made at the local level in relation to both financial and human resources, to rebuild and redesign community sport.

Community sport needs to be redefined to acknowledge the changing landscape in structured physical activities that children and families are choosing to participate within. There is also the needs reform the delivery of sport in the community to reduce complexity and duplication, and better coordinate and clarify roles and responsibilities of the various stakeholders.

The success of community sport initiatives is dependent upon program design that provides long term investment in communities at the local level, yet provides a central coordination for support, collaboration and provision of quality training, education and resources. It also allows for tailoring of the program by the community to meet their specific needs.

#### **Recommendation 6: A national plan for community sport**

A national stakeholder plan be developed for a new community sport model, including the definition of sport, structured physical activity and active recreation, and the identification the key stakeholders with clearly defined roles and responsibilities.

#### **Recommendation 7: Establishment of a new community sport model**

The formation of an inter-governmental agreement, through COAG or other appropriate mechanism, to enable Commonwealth and State/Territory Governments to jointly invest in the establishment and implementation of the proposed new community sport model.

#### **Finding 8**

In today's society, Australian children have less opportunity to be physically active through structured physical activity including organised sport both in the school and community settings. Physical inactivity has been shown to contribute to a decline in education outcomes, social exclusion, anti-social behaviour, substance abuse and increased likelihood of obesity and/or health issues resulting from a sedentary lifestyle.

The Active after-school communities program is an example of a community run program that incorporates the key success factors of program design previously identified.

Re-igniting physical education in schools is paramount to a physically active nation into the future. Providing children with positive sporting experiences and teaching them about the benefits of physical activity and good nutrition is the basis for life-long health. Further, a vibrant school sport system, feeds into strong community sport with heightened interest and involvement in club level sport. The AASC program has already gained momentum in this area by partnering with schools and assisting generalist teachers to feel more confident about delivering physical education. The potential is great for a win-win where

the AASC program assists the re-ignition of sport and physical education in schools and a stronger system of school sport supports a stronger community sport culture.

**Recommendation 8: Expansion of the AASC program**

The formation of an inter-governmental agreement, through COAG or other appropriate mechanism, enable Commonwealth and State/Territory Governments to jointly expand the AASC program and concurrently enforce the Government's policy to ensure that children have access to a minimum of 2 hours of physical activity each week during curriculum time.

**Finding 9**

The 2006 *Senate Inquiry into Women in Sport and Recreation in Australia* found that women have significantly less sports media exposure and sports leadership opportunities than their male counterparts. Progression on the findings of this inquiry has been limited by lack of funding to plan and implement.

**Recommendation 9: Women in sport**

That key recommendations from the Senate Enquiry into Women in Sport are progressed.

**Finding 10**

People with a disability do not have equal opportunity to gain the physical, medical and psychological benefits imparted by participation in sport and physical activity. Progression on the findings of the National Plan for Paralympic Sport and Sport for People with a Disability has been limited by lack of funding to implement.

**Recommendation 10: Disability sport**

Key recommendations from the National Plan for Paralympic Sport and Sport for People with a Disability are progressed.

**Finding 11**

Indigenous Australians are increasingly susceptible to issues with health, education, employment social exclusion, anti-social behaviour and substance abuse. A fragmented approach with at least five Commonwealth Government departments plus a number of state governments funding Indigenous sport programs has resulted in duplication and impacted on the efficiency and effectiveness of sport programs currently delivered to Indigenous Australians.

**Recommendation 11: Rationalisation of Indigenous programs**

There is a rationalisation of funding for Indigenous sport across Commonwealth Government departments and agencies, with one funding agency, the ASC, delivering Indigenous sport outcomes.

**Finding 12**

The current supply of sporting infrastructure and facilities is not keeping up with demand and is very probably not sufficient to cater for an enhanced community sport program. Much of the existing infrastructure is aging or of poor quality and inadequate in the face of climate change. Sport at all levels is reporting this as a major issue, and an impediment to providing opportunity for growing participation. There is an urgent need for a comprehensive national audit of supply, leading to a coordinated national strategy and plan for sport infrastructure.

### **Recommendation 12: Supply and demand of sporting facilities**

The ASC be authorised and funded by COAG to engage and project manage a suitably qualified independent consultant to assess the supply of, and the demand for, sport facilities and provide recommendations which lead to evidence-based sport infrastructure planning on a national basis and the production of rolling quadrennial (strategic) and annual (operational) sport infrastructure plans.

### **Finding 13**

The structure of sporting organisations has evolved in response to historical requirements and the evolving hierarchical competition needs (local, regional, state, national). The sporting pathway evolved in parallel with the competition pathway. The result is that many sports comprise a number of layers and affiliated organisations each trying to deliver their sport within their own jurisdiction. Sports are already doing 'more with less' but a clarification of roles and responsibilities would greatly assist sports maximise their meagre resources and enable more appropriate distribution for delivery of the components of their sport across the levels. This issue is a systemic problem across the industry. Creating a seamless pathway without gaps or duplication requires excellent communication and a unified vision for the sport. In recent years the ASC has worked with a number of sports to reform governance and management processes in order to gain better alignment between business strategy and governance structure and hence attain a more effective delivery of the sporting pathway.

### **Recommendation 13: Building capacity of sporting organisations**

Recognising the need to build organisational capacity and capability of sporting organisations, funding is provided to the ASC to work with targeted sports on improving governance and management processes as part of broader whole-of-system reform to coordinate and streamline delivery of sport from grassroots to elite, including defining roles and responsibilities and optimising resources across the pathway.

### **Finding 14**

Physical Education in schools has declined due to a decrease in teachers trained and willing to deliver it and the subject being marginalised within the curriculum to make way for more 'academic' subjects. As a result, the health and basic motor skill development of our children is declining. The Australian education system has a sports competition program independent of sporting organisations. It also owns perhaps the largest network of sporting facilities in Australia. Over the years there have been discussions between the sport sector at the club and state/territory levels and school/university systems about potential links through competitions and possible expanded community access to school sporting facilities. However, apart from a few examples, progress has been relatively limited. Links between sport and education are fundamental to achieving both long-term preventative health and sustained high performance excellence.

### **Recommendation 14: Strengthening sport and education system links**

Mandatory Physical Education be reintroduced into the curriculum and that the ASC play a greater facilitation role, in consultation with the education sector and other relevant authorities, in seeking to develop a more unified national approach between the sport and education systems.

### **Finding 15**

One of the biggest limitations of the sporting pathway from grassroots and community sport through junior sport to sub elite and elite level is the provision of high quality and

quantity of coaches and officials. Quality coaches and officials not only enhance the development of young athletes through to elite performers, but also ensure enjoyment and retention of participants of all ages and stages. The Australian pathways for developing coaches and officials lag behind those of many sporting nations in terms of providing opportunities, incentive, experiences, adequate remuneration and recognition.

**Recommendation 15: Support for coaching and officiating**

The ASC is resourced to lead a strategic planning process to create a national system of recruiting, developing and retaining quality coaches and officials, and the sporting pathway is adequately resourced to ensure the support of coaches and officials as an essential component for optimal delivery of the pathway at all levels.

**Finding 16**

Sport engages more than 20% of Australia's volunteers, with over 1.5 million volunteers involved in sport and recreation organisations. Sport relies on these volunteers and they in turn make the sporting industry a relatively low cost industry, which provides the majority of Australians the opportunity to take part. Attracting and retaining volunteers, however, is becoming increasingly challenging due to the time involved and increasing demand on roles. There is a growing body of research on volunteerism as well as some examples of good practice in enhancing volunteer experiences, which needs leadership to collate, coordinate and develop a sustainable national model for sport volunteerism.

**Recommendation 16: Optimising volunteerism in sport**

The ASC is resourced to drive coordination of existing good practice and facilitation of research into volunteerism in sport, leading to the implementation of best practice models and support for sporting organisations on how to best attract, retain and optimise the experience for volunteers.

**Finding 17**

Currently the ASC, on behalf of the Commonwealth Government, is the major investor into the national sporting pathway and preparing athletes for major international multi-sport Games. The ASC works directly with the APC, but the AOC and ACGA operate separately and fund sport primarily to attend their Games. The Olympic Winter Institute is an example of the AOC and ASC jointly investing to achieve high performance outcomes. There is a strong case to be made for further AOC investment in other Olympic sports.

**Recommendation 17: A unified approach between peak multi-sport bodies, the ASC and NSOs**

That a unified approach between the ASC, AOC, ACGA, APC and NSOs be explored to optimise effectiveness of supporting the national sporting pathway, including increased financial contribution by the AOC in particular.

**Finding 18**

While each sport institute in the system provides sports science and sports medicine support to scholarship holders, the current structure limits optimal coordination of support for both individual sports and athletes nationally. Each sport must negotiate with each institute as to the support available. Every institute is reporting a demand for more service providers. Communication and coordination across the network is limited, particularly in cases where a sport does not have a staff member or service provider who is able to facilitate connections across all providers for that sport. In addition because each institute recruits its own staff, there is limited scope to develop a nationally coordinated approach. The relative lack of integration also diminishes the ability to

respond to professional sports or international competitors poaching from the small pool of high-quality personnel.

**Recommendation 18: National coordination of sport science and medicine delivery**

As part of the new Australian Institutes of Sport model, the AIS leads the coordination of sports science and sports medicine delivery for the high performance sport system, including ensuring adequate quality and quantity of service providers are available to targeted sports as well as to emerging athletes.

**Finding 19**

Excellence in science, research, technology and innovation has played a critical role in helping Australia reach and maintain a leadership position in world sport and is inextricably linked to elite sport performance. To maintain its status as a premier sporting nation, Australia will need to substantially increase its investment in the development and implementation of new knowledge and technologies, while also ensuring that this has a direct influence on the practices of coaches and athletes. Previous research collaborations aimed at assisting high-performance sport programs have worked well and the knowledge and technologies produced have also benefited the broader community. Building on these collaborations to establish a national Sport Research and Innovation Centre would introduce operational efficiencies, enable better use of available funds and enhance the effectiveness of collaborative research.

**Recommendation 19: National centre for science, innovation and technology in sport**

Create a well-resourced national Sport Research and Innovation Centre, headquartered at the AIS but involving close collaboration with NSOs, SIS/SAS, universities, national research organisations (such as CSIRO and NICTA), the private sector and other relevant industry groups.

**Finding 20**

In the modern age of ICT connectivity, it is essential that sports and sport administration bodies have cutting edge e-capability in order to educate, entice and communicate with people about sport. Most NSOs have some form of web presence, but few have a full ICT package including databases and national web-based business processes. The sports industry is also in need of a 'go to' ICT knowledge platform through which all Australians can learn about any aspect of sport and related areas. The ASC already has the potential to do this and is growing its capacity. It is essential for sport to fully utilise the web (Web 2.0) as an interactive networking and communication tool in order to fully realise the potential of sport as integral to the Australian way of life into the future.

**Recommendation 20: Development of ICT infrastructure and e-capability for sport**

The ASC is adequately resourced to develop communication networks, ICT infrastructure, databases and web application systems to support the e-business and sport knowledge environment required for Australia. This includes creation of an 'online destination' for Australian sport knowledge and information, as well as providing leadership and assistance to NSOs to develop their e-capability.

**Finding 21**

Non-government funding opportunities for many non-professional sports are limited and many NSOs currently have only modest commercial capabilities to exploit the opportunities that exist.

**Recommendation 21: Identifying commercial opportunities for NSOs**

Additional funding is provided to the ASC to enable the Commission to assist selected NSOs identify their existing and potential commercial assets with the view to generating additional non-government income within acceptable risk parameters.

**Finding 22**

It would be legitimate for a proportion of the income earned from hosting major sporting events to be hypothecated in favour of ensuring there are lasting material legacies to sports from major events.

**Recommendation 22: Events legacy**

That a process be created whereby State/Territory Governments, NSOs and event promoters collaborate to ensure that a material legacy is left to the sporting community after the hosting of major sporting events.

**Finding 23**

Public-private partnerships, when appropriately structured and based on realistic cost-benefit analyses, can provide a cost-effective means of attracting significant additional private sector funding into the building and operation of sport infrastructure.

**Recommendation 23: Public-private partnerships**

The costs and benefits of public-private partnerships to fund, or fund and operate, sport facilities over an agreed dollar threshold should be systematically examined by the relevant government jurisdictions whenever significant investment is planned to meet demand.

**Finding 24**

Given the social implications of introducing another form of gambling in what is already a crowded gambling market and the likelihood that a Commonwealth lottery would adversely affect State and Territory income streams derived from lotteries and other forms of gambling, the position taken by the Oakley review of sport (1999) that a national sports lottery should not be introduced remains appropriate.<sup>i</sup>

**Recommendation 24: National sports lottery**

A national lottery with revenue hypothecated to sport not be introduced.

**Finding 25**

The taxation arrangements affecting sport in Australia are not as supportive to the development of the sector as is the case in a number of our competitor countries. This significantly reduces the flow of funds into Australia's sport economy and does not provide the desirable incentive for participation in sport to assist in achieving preventative health outcomes.

**Recommendation 25: Taxation options for sport**

The ASC be authorised by the Commonwealth Government to engage, on behalf of the Australian sport sector, with the Commonwealth Review of Australia's Future Tax System (chaired by Dr Ken Henry AC) regarding options to increase the flow of funds into the sport economy through the reform of the taxation system.

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<sup>i</sup> Australian Government, *Shaping Up: A Review of Commonwealth Involvement in Sport and Recreation in Australia*, Canberra, 1999, 39, (Oakley Report).

### **Finding 26**

For the majority of athletes and sports, the introduction of an athlete contribution scheme would not meet the tests of equity or efficiency and could be expected to yield a number of adverse unintended consequences that are inconsistent with the Commonwealth Government's broader policy objectives, however for a small number of professional sports further analysis is needed regarding the feasibility of such a scheme.

#### **Recommendation 26: Athlete contribution scheme**

That an athlete contribution scheme not be introduced as a general concept, however an analysis be done of professional sports on a sport by sport basis to investigate the feasibility of a payback system for athletes developed through the institutes system.

### **Finding 27**

Binge drinking is a serious social problem especially among many young people. The sport industry is committed to responsible alcohol use, along with all issues under the preventative health banner. Sport has the power to promote role models and high standards of healthy behaviour as a key part of the solution to the problem. The ASC's funding relationship with NSOs places it in a unique position to promote the responsible use of alcohol in sport.

#### **Recommendation 27: Responsible use of alcohol program**

The ASC lead the sport industry to work with the Prime Minister's Preventative Health Task Force to ensure responsible alcohol use is promoted, with a supporting program of effective education and guidance of athletes, whilst ensuring sport sponsorship income potential is maintained or enhanced.

### **Finding 28**

For a robust sports integrity framework for sports betting to exist nationally, there is a need for consistent State/Territory legislation to:

- strengthen the power of sporting organisations to regulate the betting related conduct of their sporting participants;
- for the sharing of betting information between all sports gambling operators and relevant sporting organisations to enable sports to investigate breaches of conduct and to allow the fair conduct of betting activities by operators; and
- restrict the ability of Australians to bet on sporting events not authorised by betting regulators.

#### **Recommendation 28: Sports betting**

Following an assessment by SCORS and SRMC, the Victorian *Gambling and Racing Legislation Amendment (Sports Betting) Act 2007* be considered by the other States and Territories as a template for possible adoption to promote a robust and coherent sports integrity framework for sports betting nationally while at the same time to enable sporting bodies to receive a proportion of revenue from betting on sporting events, as appropriate.

### **Finding 39**

There is a need for a national approach to preventing and dealing with child abuse and child protection, including a mutual recognition scheme whereby cards and notices issued under one jurisdiction's Working with Children Check scheme are transferable and recognised by other jurisdictions.

**Recommendation 39: Child protection**

The ASC receives additional funding to establish a National Child Protection in Sport Centre for the purpose of coordinating a national Working with Children Check scheme for the sport sector, including the provision of information, resources, education and training.

**Finding 30**

NSOs need to strengthen their competencies in dealing with disputes involving integrity issues while at the same time ensuring that jurisdictional requirements are strictly complied with and, in addition, ensuring that any related legal proceedings are not compromised as a result of NSO involvement. The sport sector also needs to have access to an appropriate, independent, alternative dispute resolution mechanisms using procedural rules adapted to the specific needs of sport and capable of dealing with matters expeditiously and at low cost.

**Recommendation 30: Dispute resolution for integrity issues**

The ASC, or a new independent body, be empowered and funded to provide advice within the sport sector on complaints regarding sport integrity issues and, where appropriate, to mediate, conciliate or arbitrate disputes that fall within its jurisdiction.

# 1 Introduction

Despite numerous structural and funding challenges, the Australian sport system possesses many attributes that provide a sound foundation upon which to build. This submission will make the case for the reform of the Australian sporting system in ways that retain the best features while at the same time addressing those aspects that have prevented its full potential being realised.

Australia's national sport system is supported by two main pillars:

- community sport, centred principally on local clubs with a focus on mass participation and competition for all ages; and
- high performance sport, centred on developing talented athletes to competitive standards primarily through the Australian Institute of Sport (AIS) and state and territory institutes and academies of sport (SIS/SAS) network.

For most sports, these two pillars should be closely connected and it is a truism that the strength of the total system is only as good as its weakest link. This is why this submission will emphasise the importance of ensuring that the linkages between community sport and elite sport are as strong as possible and why it is essential that they be viewed as part of the one continuum.

A key objective in the cost-effective delivery of sport is to ensure that there is a seamless pathway from the broad base of mass participation to the elite competition level. This means that key elements such as quality coaching and competition, and clear structured skill progression are available to individuals all of the time. This in turn means that an individual has the opportunity to develop from a non-elite participant, into an elite senior and international competitor without having to experience major disconnects within the development pathway. National sporting organisations (NSOs) that are able to provide seamless and easily navigable development pathways tend to be healthy and successful.

Unfortunately, however, this objective is all too often frustrated by the complex, multi-layered, institutional arrangements that exist within sport between club, state and national organisational levels and, in addition, the different strata of government involved in funding sport and providing sport infrastructure.

Notwithstanding these difficulties, Australia's sports system has achieved some remarkable successes. However, the institutional arrangements governing community sport and the pathways to elite sport are, for the most part, a product of the first half of the last century. While they may have served Australia well in past years, they are no longer capable, in their present form, of meeting the challenges now confronting sport and the wider community.

These challenges centre on the life-threatening health issues posed by dramatic increases in inactive leisure pursuits, the social exclusion resulting from an increasingly diverse community and the more streamlined and better resourced sport systems in a number of our competitor countries that have more seamless delivery pathways between community sport and elite competition.

Five fundamental questions must now be asked as we look towards the future:

- How can the sport sector best be harnessed to contribute towards achieving positive outcomes in community health, social cohesion and national identity?

- How can the operations of the community - elite sport continuum be strengthened so that any 'weak links' impeding the delivery of sport are removed?
- How much more cost-effective might the delivery of sport be if the present institutional arrangements are streamlined to enable national pathways to operate in a more seamless manner?
- What opportunities exist to further encourage innovation in sports science and technology? and
- Where are additional resources needed and how should they be sourced to ensure that opportunities are fully exploited?

These are not trivial issues. Unless they are properly addressed, they will continue to impede the potential for sport to contribute, at anything like its potential, towards achieving positive outcomes in community health, social cohesion and national identity.

Reflecting on the past and looking to the future, it is not an overstatement to suggest that Australia's national sports system is at a fork in the road. The choice of path will shape the future of Australian sport for a generation to come. It is therefore vitally important that the right choices are made.

There are fundamentally two choices for the reform of the way sport in Australia is delivered. They are the:

- *status quo* choice; and
- the *fix the problem* choice.

The *status quo* choice involves tinkering at the margin to incrementally improve the present arrangements for delivering sport. It focuses on patching the symptoms and developing *ad hoc* 'solutions' that try to work-around the problems. In reality, this is a thinly disguised 'business as usual' strategy because, behind the exhortations for greater harmonisation and collaboration, it tends to leave the present institutional arrangements more or less unchanged. The *status quo* option would inevitably place an excessive reliance on greater funding to improve systemic performance.

The *fix the problem* choice disturbs the *status quo* by advocating a comprehensive, whole-of-system performance enhancement plan. This choice has no alternative but to confront long-standing and intractable issues such as:

- The athlete and coach pathways for many sports are less than optimal because of poor linkages between community and high performance sport.
- The community - elite sport continuum has weakened because of the decreased focus on physical activity and sport in schools, leading to decaying linkages between schools and sporting clubs.
- Sport at the community level is under resourced with a heavy reliance on volunteers.
- High performance funding is spread across a large number of sports meaning none are resourced adequately to deliver sustainable international success.
- Resourcing is inadequate to address needs in high priority areas such as talent identification and development, income support for top level and emerging athletes and coaches, and for sports science and sports medicine (SSSM) innovation and clinical support.
- As a consequence of Australia's geographic isolation extensive travel is essential to access appropriate levels of international competition.

- Many sporting organisations are severely undercapitalised and with little capability to strengthen community - elite sport pathways.
- Unless the community has reasonable access to quality sporting facilities, public policy objectives relating to health, social inclusion and international representation at the elite athlete level will be compromised.
- The multi-layered institutional arrangements involved in the management of the community - elite sport continuum are poorly aligned and excessively complex resulting in cumbersome decision-making and disconnected planning and strategy execution.
- Recognising the lag indicator effect, the early signs of a weakening in Australia's competitive position at the elite athlete level will become much more accentuated in the years ahead unless there is a significant, and urgent, injection of additional ongoing funding.

While not all of these issues are contentious, some undoubtedly are. If the recommendations in this submission are adopted, they will disturb the way some institutional arrangements have evolved over many years.

The Australian Sports Commission (ASC) unapologetically favours the *fix the problem* option because it addresses the underlying causes, not just the symptoms, of the systemic problems that are presently frustrating the potential for sport to contribute at anything like its potential, towards achieving positive outcomes in community health, social cohesion and national identity.

The ASC readily acknowledges that fixing the systemic problems currently holding back Australian sport will not happen just through the provision of additional government funding. While additional funding from all sources, and especially from government, is vital, this needs to be accompanied by concerted action to address the matters referred to in this submission in a coherent and holistic manner.

Change will require strong national leadership. The ASC, by virtue of its location within the national health portfolio, its pivotal relationships with NSOs and the wider community sport/education sectors and its central role (through the AIS) within the elite sport network, is best placed to provide this leadership through strengthened partnerships with all of the relevant key stakeholders. This will require the ASC being empowered to play a more active coordination role across jurisdictions both vertically and horizontally. There is a clear opportunity to strengthen leadership by authorising the ASC to act as a 'one-stop-shop' in providing transparent and accountable national coordination.

This submission, which addresses the 'Independent Expert Panel - Terms of Reference', will make key findings and outline choices that, if made as recommended, will necessarily disturb the *status quo*. The submission makes a determined effort to base its recommendations on well-researched evidence. It aims to provide an evidence-based roadmap to assist decision-makers choose the right path which, if adopted, will best enable us to achieve the objectives outlined in *Australian Sport: emerging challenges, new directions*,<sup>1</sup> in ways that ensure that those engaged at all levels of the community - elite sport continuum are able to realise their potential.

## 2 Sport: An integral part of Australian life

Australia as a nation has a history and reputation of an active sporting lifestyle, which has led to international success in sport. This active lifestyle however is under threat and the sport system that has evolved over many years is struggling to adapt to the demands of modern society and sedentary leisure activities. It is essential that we reignite the sporting system and in doing so invest in the future health of our nation.

Sport in Australia can be traced right back to Indigenous Australians, where recreational pastimes and games were indicative of their way of life. Their environment demanded that they be physiologically fit in order to survive. When Europeans arrived in Australia in the late 1700s, they brought European forms of sport and leisure to a land where climate and lifestyle were conducive to physical activity. An increasingly multicultural mix of people further broadened the range of sports available, and in which Australians expected to excel. <sup>2</sup>

The role of sport has been an outlet and a chance to showcase the strength, determination and resilience gained from working to build a nation in a harsh and unforgiving land. In doing so, sport developed a national identity that has unified Australia and helped bridge inequalities of race and gender. The history of sport as an intrinsic part of an active, outdoor life led to extensive Australian success in all levels of sporting competition, from local events to Olympic and Paralympic Games, which in turn has expanded the importance and significance of sport in Australian life.

The Australian sports system has evolved for over a century from the humble beginnings of individuals forming teams to play sport and compete against each other. The growth in the number of these competing teams led to the development of local sporting clubs and associations, generally based around sporting facilities in a local community. While a club was a collection of teams, usually spanning a wide age range from children through to open and masters level; associations formed as a collection of clubs within a community, to administer competition for the growing participant numbers. The desire for associations to compete against each other necessitated the development of state and territory sporting organisations to regulate this level of competition. And finally, from the 1930s and 1940s, national sporting federations were formed to regulate interstate competitions and to hold membership of the international sporting federations.

The Australian 'sporting pathway' evolved from this structure of competition and supporting institutional arrangements. In its purest form, the 'pathway' involves the progression of a young athlete from unstructured play, through into 'structured sport' (games and competition at school or with a club), onto pre-elite representative sport, and then to national/elite level competition and international sporting success<sup>ii</sup>.

The majority of participants are involved in either unstructured or structured physical activity, for basic fitness, social and enjoyment purposes. Although the 'sport system' has little influence over participants in unstructured physical activity, it is still an important option for health, well-being and connectedness as part of an active community.

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<sup>ii</sup> For the purposes of this submission, the athlete development pathway has been sign-posted with the three major stepping stones: non-elite, pre-elite and elite. This simplified thematic connects the often cited pathway dichotomy of 'participation' and 'elite' with the bridging 'pre-elite' element.

Structured, or organised, physical activity and sport is the first and largest level of the pathway in terms of the options it offers for participants of all ages and stages. Structured physical activity and sport is all about engaging and sustaining 'grass-roots' participation within sport across all ages, genders, abilities and nationalities. Most participants are more likely to adhere to exercise if it is in the form of regular structured activity or sport and it is at this level where sporting organisations provide the support and infrastructure for the basis of community sport in all its forms with all its benefits.

The 1950s and 1960s were the golden era of Australian sport and the pinnacle of our 'natural' talent, physicality and the pathway system that had evolved. The end of the amateur era of sport and Australia's failure to win a single gold medal in the 1976 Montréal Olympics led to the Australian Government responding by establishing the AIS, a key step in Australia becoming the first western country to take a systemised approach to elite sport.

The AIS was modelled on the centralised systems used by Eastern European nations, where sport was characterised by an integrated whole-of-government approach to create a seamless high performance sport system with integrated sport development pathways. Conversely, Australian sport continued to rely on the existing club system and the school sport culture to underpin high performance sport, without clear links between the two. The government of the day did not foresee the need to develop a cohesive long-term strategy around the role and delivery of sport in society in tandem with the rapidly changing high performance system.

The last 20 years has seen rapid social change globally in areas such as technology, commercialism and globalisation, and a parallel decrease in opportunities and motivation for incidental exercise. As Australian society has changed and sport has had to compete for leisure time, the demand and expectation for a more professional 'product' has left the largely volunteer-based club system struggling to respond and evolve. Concurrently the culture of a strong presence of sport in school life has declined. These two pillars (club and school sport) which were traditionally integral to our way of life as well as underpinning our high performance sport system have weakened considerably.

Simultaneously while many NSOs are funded primarily to deliver high performance outcomes, the expectation from all stakeholders has expanded to include the provision of broader national leadership of their sport. The structure of most sports, however, 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 yet 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 had widened between elite sport and 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 launching the Rudd Government's New Directions for Australian Sport directions paper, the Minister for Sport Kate Ellis identified the Government's preventative health agenda and maintaining Australia as "one of the world's greatest sporting nations"<sup>3</sup>, as two major priorities for sport.

In order for these objectives to be achieved and sustained, a seamless sport system is required; one in which sport is linked to both health and education and where there is full

coordination and cooperation through all levels of government. These factors will then enable the development of a cohesive national sport-for-all framework.

If a long-term approach is taken to the enhancement of our sport system, then the sport industry can not only contribute to the preventative health solution, but also have significant positive effects on a number of other major sectors in our society. Benefits of sport have been shown to include: enhanced academic outcomes; increased self-esteem and social confidence; development of life skills such as team work, fair play and strategic thinking; community building and social cohesion; social inclusion of minority and disadvantaged groups; and enhanced mental and physical well-being.

Sport has been largely taken for granted and type-cast by media and policy makers across government as being about elite performance. The wider benefits of sport as a public asset have been under-valued. Sport is being under-utilised as an integral contributor to a range of issues central to Australian society. The potential benefits of sport very much need to be at the forefront of a long term visionary strategy for the health of the nation.

## 2.1 Sport and health

In the *Australian Sport: emerging challenges, new directions* paper, the Minister for Sport Kate Ellis recognised that

*“... sport and physical activity play a key role in our preventative health agenda.”*

Over the last twenty years or so, across the developed world, obesity and overweight has emerged as a real threat to future health, bringing with it a potentially crippling economic impact. For the first time in our evolution, a generation of children has the opportunity of living a completely sedentary lifestyle, with multimedia-based entertainment options progressively dominating leisure time.<sup>4 5</sup>

The Oxford Health Alliance (2006)<sup>6</sup> study on chronic disease found the three main risk factors to be tobacco, poor diet and physical inactivity. A review by Telford (2007)<sup>7</sup> indicates that physical inactivity is the greatest risk factor for chronic disease including type II diabetes, coronary heart disease, stroke and some cancers. Underweight or healthy weight individuals that are inactive have a higher risk of chronic disease than overweight but physically ‘fit’ and active people. Those with lowest risk for chronic disease are fit individuals of healthy weight, and highest risk is borne by unfit obese individuals.

Participating regularly in structured physical activity (including sport) plays a critical role in the fight against obesity and is imperative to both physical and mental well-being. The reality is that opportunities for incidental exercise are fewer in today’s busy world; parents are concerned about safety issues associated with unsupervised activity (‘stranger danger’); and due to work commitments the time available to many households to allow children to ‘roam free’ is restricted. Sport provides a valuable and viable alternative. Sport is supervised, bound by duty of care requirements and takes place at times parents can schedule into their busy routines. Organised sport, apart from its potential health and social benefits, is a desirable extra-curricular activity that is ‘family friendly’. It is essential that the sport industry is re-ignited to allow its benefits to be realised.

### 2.1.1 Obesity and overweight

The latest figures (Access Economics, 2008)<sup>8</sup> estimate that ~

- As many as 3.71million, or 17.5% of the Australian population (16.5% of males and 18.5% of females), are now obese.
- A further five million are overweight.
- In 1980 just 7% of the adult population was reported to be obese.<sup>9</sup>
- Since 1985 childhood obesity rates have increased from just over 1% to close to 8% by 2004.
- By 2003, 23% of children were overweight; double the figure of 1993.<sup>10, 11</sup>
- By 2006 the figures reported were up to 26.2% of boys and 28.4% of girls<sup>12</sup>.
- More than half of all Australians aged 25-64 are overweight or obese (64% men and 42% of women)<sup>13</sup>.

The 2008 Access Economics report also states, “With no further change in age-gender prevalence rates, such that all further increases are due to demographic aging alone, by 2025 a total of 4.6 million Australians (18.3% of the population) are projected to be obese”.

Both overweight and inactivity increase with age. Currently the 55-59 year age group contain the largest number of obese (and inactive) people. With an aging population it does not augur well for the future health costs of the phenomenon. Research by the World Health Organisation (WHO)<sup>14</sup> suggests that physical inactivity increases all causes of mortality involving obesity and its related diseases, including cardiovascular disease and type II diabetes. Further, WHO estimates that physical inactivity causes in excess of two million deaths worldwide and is a leading cause of death in developed countries. The financial cost of obesity in Australia for 2008 was estimated as \$8.283 billion. The net cost of lost wellbeing was valued at a further \$49.9 billion, bringing total cost of obesity in 2008 to \$58.2 billion<sup>15</sup>. With rapidly rising obesity rates a relatively recent phenomenon, it is likely that we are only just beginning to see the related health costs.

A recent study has shown that adequate levels of physical activity throughout life can even protect against overweight and obesity in people with a gene variant that is associated with high body mass index and obesity<sup>16</sup>. The study indicated that it is important to ensure a physically active lifestyle to prevent obesity in genetically susceptible individuals.

### 2.1.2 Physical inactivity

Simultaneous to increased obesity rates, participation in both structured and unstructured physical activity has been in decline for 20 years or more. According to the Australian Bureau of Statistics 31.4% of persons aged 18 or over participated in organised sport in 2002, compared to 26.0% in 2006<sup>17</sup>. In 2005-06 approximately 5.5 million people reported they did not participate in any sport or physical activity of any kind over the preceding year.

The presence of sport and physical education in Australian schools has decreased and our children live in a society that finds it increasingly ‘inconvenient’ to be active and where the opportunities for incidental exercise have markedly decreased. The

expectation that young people will be fit and active through involvement in sport and physical games is no longer a reality. We urgently need to reverse this trend.

The National Physical Activity guidelines<sup>18</sup> recommends 30 minutes of moderate-intensity physical activity a day for adult Australians and 60 minutes of moderate to vigorous physical activity per day for children and adolescents aged 5-18, as the minimum requirement for good health. However, to be considered 'physically active' the National Physical Activity Survey states a minimum of 150 minutes of moderate-intensity physical activity over at least five sessions in a week. A report produced by Sports Medicine Australia and Pfizer Australia in late 2006<sup>19</sup> found that 66% of all Australians did not meet recommended guidelines for moderate intensity activity in the previous week. A study by Scully (2007)<sup>20</sup> shows that in 2005 only 14% of surveyed Australian secondary school students engaged in the recommended levels of physical activity. Less than 10% of the population participate more than three times per week in organised sport.<sup>21</sup>

Stephenson et al (2000) reported that physical inactivity contributes 6400 deaths in Australia per year from chronic heart disease, type II diabetes and colon cancer, and 2200 deaths per year from breast cancer and stroke.<sup>22</sup>

The Australian Government ran a study between 2001 and 2005 which indicated that Aboriginal and Torres Strait Islanders are exercising less. Sport and physical activity is a common theme that can reduce the life expectancy gap between non-indigenous and indigenous Australians<sup>23</sup>.

The evidence suggests<sup>24</sup> that obese children have a significant chance of becoming obese adults. At the same time active children and youths are more likely to become active adults contributing to health, well being and positive self-esteem across their lifespan. Consequently, it can be reasonably argued that fostering enjoyment of, and participation in, physical activity during childhood and adolescence may contribute to an increased prevalence of participation in the adult population, with the added benefit of lower obesity rates.

International studies report that among all the beneficial outcomes provided by sport and physical activity, the health agenda is considered to be the "strongest and most systematic"<sup>25</sup> and ranked as the most important.<sup>26</sup> The Commission of European Communities published two White Papers in 2007: a *White Paper on Sport* and a *White Paper on A Strategy for Europe on Nutrition, Overweight and Obesity related health issues*. These papers clearly identify sport as a key player in the fight against obesity – "as a health-enhancing physical activity, the sport movement has a greater influence than any other social movement. However, the recognised potential of the sport movement to foster health-enhancing physical activity often remains under-utilised and needs to be developed".<sup>27</sup>

### 2.1.3 Mental health and well-being

The United Nations International Working Group on Sport for Development and Peace has well documented evidence that regular participation in sport and physical activity not only enhances physical health but also positively affects self esteem and self worth, especially that of girls and women. Further research has supported this by demonstrating that participation in physical activity and sport assists with the reduction of depression, improvement of positive mood, and enhances one's ability to better perform daily

tasks.<sup>28</sup> Conversely, obesity carries more stigma in children than any physical disability, affecting social and psychological well-being.<sup>29</sup>

Like obesity, depression, anxiety and other mental illnesses are a growing problem with resulting losses in productivity and increases in cost to society ~

- More than one million people in Australia experience depression, anxiety or related alcohol and drug problems each year.
- Depression is currently the leading cause of non-fatal disability in Australia<sup>30</sup>, but only 3 per cent of the population identifies it as a major health problem<sup>31</sup>.
- Each year, undiagnosed depression in the workplace costs \$4.3 billion in lost productivity and this excludes Workcover/insurance claims, part-time or casual employees, retrenchment, recruitment and training<sup>32</sup>.
- On average, every full-time employee with untreated depression costs an organisation \$9,665 per year<sup>33</sup>.
- Each employee with depression will, on average, take three to four days off work per month which is equivalent to over six million days lost each year in Australia<sup>34</sup>.
- In addition to absenteeism, depression accounts for more than 12 million days of reduced productivity each year.

Regular participation in moderate to vigorous physical activity can result in improved mental well-being and reduced symptoms of several mental health disorders. Specifically, regular physical activity protects against the onset of depression symptoms, major depressive disorders, anxiety disorders, and reduces the symptoms of depression and anxiety. Furthermore, regular involvement in sport or physical activity can prevent the onset of depressive symptoms, psychological distress, and anxiety disorders whilst enhancing overall well-being. Finally, involvement in sport or physical activity can delay the onset of dementia and cognitive decline in older adults.<sup>35 36 37</sup> The mental health benefits of sport and physical activity are inclusive for people of all ages, and ethnicities including Australian Indigenous populations<sup>38</sup>, older adults<sup>39</sup> and children<sup>40 41</sup>.

## 2.1.4 Benefits of physical activity

The health benefits of physical activity have been shown to include:

- Fewer 'unhealthy days' and better health-related quality of life;
- Reduction of functional decline, reduced risk of falls and postponed aging;
- Reduced deaths and ongoing illness from heart disease, hypertension and stroke;
- Reduction in the rates of diabetes insulin dependency and all related health issues;
- Improved bone, skeletal and joint health (bone density and osteoporosis);
- Reduced back pain, improvement in arthritis conditions and improved immune system;
- Protection against some cancers including reduced risk of breast and ovarian cancer;
- Improved mental health; decreased anxiety and depression rates;
- Improved self-image, self- concept, self-esteem;
- Increased creativity, improved sleep, increased energy, reduced fatigue;
- Decreased psychological negatives for people with disabilities; and
- Decreased hospital visits and health related costs for healthy individuals.

Several other nations have begun to realise the value of sport as a preventative health measure. New Zealand's peak body for sport and recreation, 'SPARC' has as its vision, 'to be recognised as world leading in the approach to sport and physical recreation measured by: being the most active nation; having athletes and teams winning consistently in events that matter to New Zealand, and having the most effective sport and physical recreation systems'<sup>42</sup>. The motivation for this vision is a healthier New Zealand '*where the parks are full and the hospital wards are empty*'. The UK is investing heavily in a number of programs to get children and young people active, both through school and community sport interventions.

Undertaking structured physical activity and playing sport are ideal preventative health mechanisms for Australians of all ages and particularly for young people and children to develop positive attitudes and active life skills to carry them into healthy adulthood. Linking the practice and theory of sport and physical activity within the school environment is essential. The ASC is in full agreement with the major recommendation of the Commission of European Communities, namely "to strengthen the cooperation between health, education and sport sectors to define and implement coherent strategies to reduce overweight and obesity and improve health". Our strategy must involve strong leadership and planning to promote and deliver sport and physical activity at both the community level and through NSOs, with an emphasis on strengthening cooperation between schools, teacher training bodies, local and national authorities and sports clubs.

## 2.2 Sport and national identity

Over the years sport has stopped the nation: a horse race called the Melbourne Cup; Don Bradman and 'The Invincibles'; Evonne Goolagong's 1980 Wimbledon win; the historic 1983 America's Cup win; Kieren Perkins' gutsy 1996 Olympic comeback; Cathy Freeman's 400m at the Sydney 2000 Olympics; Steven Bradbury in the 2002 Winter Olympics; Sydney's 2005 nail-biting win by a point in the AFL grand final; and John Aloisi's penalty goal against Uruguay that qualified Australia for the 2006 World Cup Finals. Not only are these great sporting moments, but great Australian moments.

The recent Beijing Olympic Games were a timely reminder of how important sport is to our national identity and how integral it is to the fabric of our society; a report by Rupucom International found that 98% of Australians watched the Games.

The 2006 FIFA World Cup was a prime example of bringing the nation together as one. Australia had not made the World Cup Finals for 32 years. When John Aloisi scored the winning penalty against Uruguay to qualify the team for the 2006 Finals, it was viewed as one of Australia's greatest sporting moments. Race, religion, age and gender were not important on that day or during the subsequent World Cup Finals.

Throughout our history, sport has both characterised the Australian people and united us. From early settlement sport provided an outlet from the realities of a harsh existence, one with very few other cultural or recreational options. As a 'young' and small (population) nation it has always been important and confidence boosting to Australians to show the world what we are capable of through sport. The image of strong, resourceful and determined people, personified through sporting success is the way Australians like to see themselves and like to be seen by the rest of the world.

Even during war time, Australia's love of sport was evident with stories of Australians organising sporting competitions to relieve the stress of the battle ground. Sport and war both typify Australian qualities of courage, teamwork, leadership, physical prowess, mateship and loyalty.

There is no question that when Australia performs well in international sporting competitions that it generates a lift in community pride and spirit. The findings of the 2006 Exercise, Recreation and Sport Survey (ERASS)<sup>43</sup> Report reported an increase in positive feelings about Australia by respondents following the staging of the Commonwealth Games in Melbourne. Similarly, the Australian Unity Wellbeing Index<sup>44</sup> showed the national mood peaked at its highest level during Australian sporting triumphs at both the Athens and Sydney Olympics. An examination of the Australian of the Year award recipient list since the inception of the program demonstrates the major role that sport plays in defining the identity of the nation. 27% of all Australian of the Year and 41% of all Young Australian of the Year recipients are sportspeople – a far higher representation than for any other sector of the community.

Australians derive a very strong sense of national pride from the achievements and success of our Olympians and elite athletes, who are idolised and made into 'icons' by the public. Our sporting idols are admired as ambassadors for the Australian values of hard work, fair play, sportsmanship, team work, camaraderie and success despite adversity. Australians love to see sporting teams and individuals not only win, but to fight and doggedly overcome the odds, embodying what is seen to be a uniquely Australian quality. Sport provides a very real positive outcome that sparks a sense of pride and 'feel good' egalitarianism among the Australian population, and personifies Australia's national identity.

Sport is often used as vehicle for the community to explore various elements of Australian identity. Issues such as inclusion and racism are examined through the prism of sport. Even when sport stars behave poorly, it initiates debate and becomes a metaphor for a wider discussion about how Australians should behave in their daily lives. The role model status of our major sportspeople means they are in effect representing what is good and bad about the Australian national identity.

Whilst Australia was ranked fourth on the medal tally in the 2000 and 2004 Olympic Games, we slipped to sixth in 2008. We are facing pressure from other nations, who are pouring money into sport in order to achieve success and thus reflect the 'health' and intrinsic pride of their countries. Great Britain is a prime example where, with the 2012 London Olympic and Paralympic Games growing steadily closer, there has been a massive investment in sport to reigniting a sport system which had been neglected for many years. Similarly China, Russia, France, Japan and Germany to name a few, have all invested heavily in recent years with the aim of achieving international sporting success (see section 4.3 and Appendix A).

Studies have not always found that high performance success translates directly to increased participation at grassroots level. Anecdotally, however, it is suggested that while interest in sport does increase (for example after success at the Olympic Games), the sports themselves don't have the capacity to cater for increased demand. In particular, the smaller sports struggle to provide: additional equipment to try; coaches to instruct; venues to use; sufficient volunteers to organise additional competitions; and suitable times for new participants to become involved.

Not only is Australia doing well in sport important to the general public, but without interest and consciousness of what sport is about, we will not reignite participation. This is especially true for the younger generation for whom there is a myriad of activities vying for their time and interest. As a result, their direct personal involvement in sport has arguably not been as strong as that of previous generations. Young people need role models that signify the excellence, striving, energy and enthusiasm that sport personifies. Sporting success is integral to our heritage. It is important to who we are, where we have come from and how we feel about ourselves as a nation into the future.

## 2.3 Sport and social cohesion and inclusion

Throughout Australian history, within the community, sport has provided a strong and continuous thread through a diverse and widespread population. The significant social impact contributed by sport and physical activity is often under recognised as an important binding element in the social and cultural fabric of Australia.

From rural settings to mining, public parks to beaches, church groups to sporting clubs, a unique characteristic of Australian culture has always been that any game is open to anyone at any time. Sport in Australia has traditionally not been restricted to social classes, races, gender or age – if a person is capable, they can play. As a result when class and race barriers are overcome on the playing field they are also overcome off the field. Sport provides common ground and allows players and spectators alike to feel included and part of something which is important to our society.

The recent overhaul of Australian football (soccer) illustrates the power of sport in bringing communities together. Doing away with the old system of ethnic based teams and creating one team for each major city, has not only united all ethnic groups behind each team but also enhanced the popularity of the game exponentially, bringing together fans of all races, ages and genders.

The importance of social inclusion has already been recognised by the Commonwealth Government and the Minister for Sport, Kate Ellis, in the *Australian Sport: emerging challenges, new directions* paper released on 6 May 2008:

*Sport has a range of benefits at both the community and individual level. At the community level, sport brings people together, break downs barriers and unites those who may have nothing else in common. Sport has a unique ability to transcend race, religion, gender and creed. It is truly a tool of social cohesion.*

The Commission of European Communities White Paper on Sport (2007) has social inclusion as one of the key society roles of sport. The paper states that “Sport provides citizens with opportunities to interact and join social networks; it helps immigrants to develop relations with other members of society; and it constitutes a tool for reaching out to the underprivileged or groups at risk of or facing discrimination. Through its contribution to economic growth and job creation, it can also help to revitalise disadvantaged areas”.

Further, sport “generates important values such as team spirit, solidarity, tolerance and fair play contributing to personal development and fulfilment. It promotes an active contribution to society and thereby helps to foster active citizenship”.

Involvement in sport also has been shown to help reduce incidence of illicit activities and negative behaviour<sup>45</sup> and has been found to influence young people to avoid negative, anti-social and risky behaviour. This includes a reduced tendency to commit crime<sup>46, 47</sup>, and a reduction in incarceration, which leads to safer communities.<sup>48, 49</sup> Actively fostering sport at a community level, including diversity in age, race and gender will ensure provision of these positive benefits for society.

The ASC already has programs to utilise sport as a vehicle for social inclusion for the following targeted populations:

- Indigenous communities – Indigenous Sport program;
- Women – Women in Sport program;
- People with a disability – Disability Sport program;
- International third world countries – International Relations;
- Low socio economic communities – Active After-school Communities program;
- Multi-cultural communities – Active After-school Communities program and All Australian Sporting Initiative.

As an extension of the Active After-school Communities (AASC) program, the All Australian Sporting Initiative (AASI) is an example of a program where the ASC is working to build social cohesion in an area of social disadvantage in South Western Sydney (Lakemba and Macquarie Fields) through structured physical activity involving primary school aged children and their families. Further evidence is provided by the Anmatjere Physical Activity Project, a joint initiative of the ASC and the Anmatjere Council in the Northern Territory, designed to create a community-owned and self-sustaining program that enhances the physical activity levels and general health in four communities. In addition to the AASC objectives, the project provides nutrition and alcohol and substance-abuse education activities.

Sport and physical activity has been shown to have a positive impact on the Australian Indigenous communities, reducing violence, crime, theft and vandalism, reducing substance abuse and self-harm and improving school attendance.<sup>50</sup> Tatz (1994) found that structured physical activity and sport enhanced social cohesion, improved self esteem, reduced suicide risks and improved social support for Aboriginal communities.<sup>51</sup>

Sport and structured physical activity promotes family and community connectedness<sup>52</sup>, improved social skills, and enhanced social capital (trust, reciprocity, participation, and social norms)<sup>53</sup>, and community identity and pride.<sup>54</sup> In addition, international studies also conclude physical activities could lead to enhanced community relations, cultural values<sup>55</sup>, and respect for others and their properties.<sup>56</sup> There are countless anecdotes throughout the history of Australian society that support these findings. It is essential that a strong sport policy into the future ensures Australians are engaged in a wide range of sport and structured physical activity to support and enhance the community and people's feeling of connectedness with it.

## 2.4 Other sport related outcomes

A well designed sport system also has the potential to deliver further positive impact in other aspects of Australian society, notably education, the environment, science, innovation and technology and the economy.

### 2.4.1 Education

Sport and education are natural allies providing mutual benefits; however, they have drifted apart in recent years to the detriment of both sectors.

While sport and physical activity has been repeatedly shown to enhance scholastic ability<sup>57</sup>, concentration levels and general behaviour<sup>58 59</sup>, changes in the education curriculum, a decrease in the number of physical education teachers employed in schools, and an aging teacher cohort, have lead to a decline in the amount of physical education delivered in schools. Commonwealth education grants are tied to mandatory minimum time allocations for physical activity in schools, though there is doubt these requirements are being met effectively. Sport is certainly no longer an integral part of school life.

Education has a key role to play in supporting physical activity and sport as solutions for obesity and inactivity-related health problems. The education system can have a huge role to play in educating future generations for a life of physical activity, looking after their bodies and enjoying good health. If young people can be exposed to positive and inclusive experiences in physical activity at school which foster sport involvement for life, the platform will be established for a more active, healthy and connected society.

Sport in schools has always been a fundamental part of the Australian sport system. Failure to reignite and enhance sport in schools has the potential to undermine our entire sporting system, unless the gap is filled by alternative, more resource-intensive means.

The reduction of sport as an integral part of school life has significant knock-on effects throughout society. It is arguably a major cause for an accelerating trend of declining international sporting results, declining fundamental motor skills and increasing waistlines. A decrease in sport throughout the education system also effects sport as a part of the community. An effective and sustainable sport system and a vibrant and healthy society start with the education of our young people. The best investment we can make in our future is to ensure we have healthy, educated young people emerging from our school system, with sound fundamental motor skills to engage in sport and structured physical activity throughout their lives.

### 2.4.2 The economy

Sport and physical activity makes a significant contribution to the Australian economy, is a beacon in hard times, and has the potential to contribute more than any other industry to decrease costs of an aging society through improved health.

The sport industry provides enhancement to the overall Australian economy through increased employment, increased household spending and improved business productivity and income. Sport and physical recreation services generated over \$8.82

billion in income during 2004-05, according to figures released in August 2006 by the Australian Bureau of Statistics.<sup>60</sup> This equates to approximately 1.8% of Australia's Gross Domestic Product. The cost benefit is positive when it is considered that less than 0.10% of federal budget allocations go to sport.

The sport and recreation industry employed over 111,000 persons in 2005, up from 98,000 in 2001. As a comparison, sport employs more people than the mining industry in Australia. Over 9000 businesses provide sport products and services.

Sport engages more than 20% of Australia's volunteers. There are over 1.5 million volunteers in sport and recreation organisations, contributing a total of 150 million hours. Such a significant input by volunteers makes sport a relatively low-cost industry.

The economic impact from major sporting events is estimated to be well into the billions of dollars. Events such as the Ashes Test Match series, the Australian Open tennis tournament, the Commonwealth and Olympic Games, the Rugby World Cup, various Masters Games events, the Formula One Grand Prix and the Tour Down Under cycling event generate revenue in ticket sales, holiday expenditure, merchandise and equipment sales, as well as creating jobs. There are dozens of smaller events in each state each year also creating economic impacts. Additionally, at many of these and other major international events, sport is an influential vehicle and networking opportunity used to stimulate and convert business opportunities.

### 2.4.3 Innovation, science and technology

Sport has been demonstrated to be a powerful medium to bring skilled experts together to accelerate a wide range of technologies. Australia has a strong reputation both within sport and more broadly as an innovative and progressive nation. Further strategic planning to maximise the role and use of sport innovation, science and technology will lead to enhanced benefits for Australian society in a range of areas.

The AIS has gained a worldwide reputation for its use of sport science, medicine and technology. Opportunities are continually being explored and realised for partnerships to be formed where sport can bring scientists from different disciplines and organisations together to research human performance in a sporting context. These collaborations can use sport to hasten technology development and knowledge in the advancement in the area of human performance, not only for elite sport but also for wider community benefits.

The other growing area for innovation and technology is information and communications technology (ICT). In the modern age of ICT connectivity, it is essential sports and sport administration bodies have cutting edge e-capability in order to educate, entice and communicate with people about sport.

### 2.4.4 The environment

Australia has been a driving force behind developing environmentally sound sport events. The environment is now the third pillar of the Olympic movement, alongside sport and culture. This means environmental considerations are going to underpin the sporting and cultural aspects of all future Summer and Winter Olympic Games. The Sydney 2000 Games identified that the environmental impacts of the events were to be minimised in

every possible way, Australia made Olympic history by hosting the first truly 'Green Games'.<sup>61</sup>

Given the increasingly adverse climatic conditions in Australia, there is a very real need to develop environmentally responsible ways to: design and manage of facilities; manage events; and even produce sporting equipment. Australia's need may well provide an opportunity for us to take a lead in these areas internationally, with the benefits of:

- enhancing our reputation as a leader in environmental issues;
- providing a competitive advantage;
- and realising economic benefits from the commercialisation of products and methods.

At the most basic level an active population is also an environmentally friendly one. Many European and Asian nations have a strong culture of commuting on foot or bicycle with city design, pedestrian and bike paths and public transport all supporting this way of life. Environmental policy in Australia should include the role that sport and a physically active nation can play in reducing our environmental footprint.

## 3 High performance sport

### 3.1 Background

There is a real threat that Australia's sporting prowess is past its peak. Our history is one of Australians 'stopping everything' to watch our best athletes competing on the world stage and winning. The basis of this is a culture of healthy children engaged in physical activity at all times of the day and playing competitive sport from a young age. Until recently the norm was considered to be: sport as part of the school curriculum; sport as part of playground culture, before, during and after school; sport played in neighbourhood parks and streets; and a large number of children involved in multiple sporting activities forming the basis of physical literacy, overall strength and competitive instinct.

Additionally, in the past parents were readily involved in playing, in volunteer coaching, officiating and administrative roles, and in generally leading by example. In the last 25 years or so this has changed dramatically, with a reduction in the amount of sport occurring in the school environment, a noticeable reduction in children partaking of sport and physically active leisure options, and a decrease in direct parental involvement in their children's sport.

Through until the 1970s what had evolved as 'our sporting culture' was enough to ensure international sporting success as a nation, with a third placing at the 1956 Melbourne Olympic Games a particular highlight.

After World War II, emerging Communist governments chose to use sport as a means of building national prestige and proving their worth in the face of growing wealth of the capitalist west. By the 1970s Communist governments were treating sport as a business and had built organised and centralised sport systems, underpinned by the education system and staffed by an extensive network of full-time, degree-qualified coaches and other high performance staff. This, coupled with the start of the 'professionalisation' of sports through both financial rewards for athletes and in the way sports were organised, brought about a complete and irreversible change in the international sporting landscape.

After a disastrous result in the 1976 Olympic Games, winning only five medals, none of them gold, the Australian government of the day responded strongly to the new global sporting challenge, with the establishment in 1981 of the AIS. This decisive response enabled us to gain a head-start on many of our competitor nations. The institute system and resulting evolution of Australia's high performance sporting structure is still the basis for strong international sporting performances. However, other nations have copied the best of our system with significant investment in institute-based high performance structures supplemented by a cohesive, coordinated whole-of-government approach to underpinning high performance programs.

While high performance sport has evolved in Australia, participation levels, the presence of sport in the school environment and the vibrancy of the grass roots of Australian sport, the club system, have all declined markedly. A deterioration of the community base of sport has caused a weakening of our 'natural system' of athlete development.

Despite a focus on coaching and sport science at the elite level, it is widely felt by high performance coaches across all sports that the generation of young athletes coming

through does not have the basic all-round fitness, strength and physical literacy of previous generations. The trend is moving away from the raw athleticism of previous generations of Australian youth and the existing high performance sporting system does not have sufficient resources or structural arrangements to enable expert coaching and sport science to fill the gap. Both issues must be addressed: the activity levels and grassroots basis for sport of children; and the depth and quality of coaches and other support staff throughout the system.

Australia is at a fork in the road in how we position ourselves for future high performance sporting success. More resources are undoubtedly needed to counter competitor country advantages of:

- larger populations and athlete talent pools;
- easier access and proximity to world class competition;
- more full-time coaches;
- more full-time athletes;
- higher incidental activity rates which lower obesity and;
- better links between sport and education; and
- better overall national alignment and cross-government coordination.

More money, however, is not the only answer. Indeed, blindly following the trend of higher investment without thoroughly addressing the system as a whole, the athlete and coach pathways and the optimal institutional arrangements to support them, will ultimately be unsustainable and will lead to costly failure.

This review, and the ASC submission to it, provides an opportunity to assess the current arrangements, their effectiveness, and the gaps in the system. The evidence provided will enable effective strategic planning for a sustainable future of successful Australian sporting performances.

## 3.2 Australia's international competitiveness

There are now 204 nations competing in the Olympic Games, up from 169 in 1988. Whilst the number of sports on the Olympic program has been capped by the International Olympic Committee, the number of athletes competing at the summer Olympic Games has significantly increased from an average of 5866 from 1960-1984 (inclusive) to over 11,000 in 2008. This is largely due to an expansion of the programs for selected sports and a significant increase in the number of events for women. There are now 302 medal events at the summer Olympics.

The number of nations that have developed medal-winning capability has increased dramatically. In 2004 a record 57 nations (28%) won at least one gold medal and the number of nations winning at least one medal of any type increased to a peak of 87 in 2008 (42.6%). The 'market share' for the top 10 nations, however, is stable at approximately 55% of total medals. The supply of medals has stabilised but the demand has increased, making it harder than ever to maintain performances.

The objective of many nations is to sustain or improve medal counts in the 2012 London Olympic and Paralympic Games and beyond, in order to engender a positive image and reflect intrinsic pride in their countries. The stated primary aim of the United Kingdom for

2012 was to finish fourth on the Olympic medal table, displacing Australia from that position. They achieved the target four years early in Beijing and have reset their London goal to third. Other nations such as China, Germany and Korea also improved their medal tallies in Beijing and competition is high amongst the top 15 nations for supremacy. There is also increasing investment in sport from across Asia and the Middle East.

Looking behind the spectacular improvement in the results of the United Kingdom at the Beijing Olympics provides a great case study of the elements of a modern approach to a successful high performance system.

#### **High Performance Sport in the United Kingdom**

**Structure:** UK Sport was established by Royal Charter in 1996 and is the organisation with the responsibility and authority to lead sport in the UK to world-class success. UK Sport works with all partner organisations to deliver medals at Olympic and Paralympic Games. The four Home Country Sports Councils (England, Scotland, Wales and Northern Ireland) are all aligned and involved in the strategy and direction of UK Sport.

**Funding:** From Exchequer and National Lottery. UK Sport receives a fixed 3.8% of total national lottery proceeds. Funding has been increasing rapidly since 1996, with 2006/07 UK Sport budget of £108 million. This is projected to increase to over £120 million from 2009/10 and to approximately £130 million by 2011/12.

**Performance:** At the 1996 Olympic Games, the UK placed **36<sup>th</sup>** on the medal tally with 1 gold, 8 silver and 6 bronze. Twelve years later in 2008, the UK placed **4<sup>th</sup>** with 19 gold, 13 silver and 15 bronze medals.

**Institute system:** The English Institute of Sport is a wholly owned subsidiary of UK Sport. Each Home Country also has an Institute. The Institutes system is multi-centred, supported by a network of High Performance Centres which are usually linked to Universities. The Institute system is relatively new and the quality of sport science and medicine support it provides to the system is still evolving, albeit rapidly.

#### **Main features of system:**

- Clear, transparent and well communicated mission, values, purpose, strategy, plans and targets.
- Good partnerships and alignment with all stakeholders (Home Countries, NSOs and other relevant organisations).
- Majority of funding goes to National Sporting Organisations as the centre of high performance sport delivery.
- Strong incentive and support for athletes to dedicate to sport, with three tiered system of direct athlete support funding.
- System of direct funding and support for coaches, high ratio of coaches to athletes, and clear pathway for coach development.
- Easy, inexpensive access to appropriate levels of international competition.
- Growing Talent Identification program targeting sports and body types.
- Clear and effective development pathway integration.

#### **Underpinning Programs:**

- Sport England, Scotland, Wales and Northern Ireland each look after community sport and sport development pathways underpinning UK Sport's elite programs.
- Sport England budget of £300 million per year
- Youth Sport Trust (budget £250 million per year) working on increasing and improving sporting opportunities for children and youth, through a variety of programs linked to the Departments of Education and Health.

Whereas in the 1970s and 1980s Communist countries and then Australia's investment and systemised approach were revolutionary, now the rest of the world has copied, modified and/or built their own versions of a 'professionalised' sports institute(s) system, many based upon the AIS model, and with supplementary programs. Table 1 provides a

comparison between the high performance system elements and funding levels of Australia and those of our main competitor countries (with supplementary information at Appendix A).

The Australian Government Budget allocation to high performance sport in Australia in 2007/08 of \$131.5 million was well below the average of \$242 million for the leading nations analysed, based on information available. This compounds problems arising from the fact that our competitor countries also have the advantages of larger populations, often larger sporting talent pools and more convenient (less costly) access to high quality international competition.

Major events and competitions for our Olympic and Paralympic sports are predominantly in Europe and North America and, although a number of sports are looking to engage Asia, there are still limited opportunities in our region. As a result, over the last four-year period, sports are reporting a 50-100% increase in their expenditure on international competition and up to a 50% increase in the proportion spent on international competition relative to their overall budget.

Australia is now facing the same set of circumstances which prevailed at the time of our disastrous 1976 Olympic Games result: a combination of growing complacency in Australia's perceived 'right' to be successful in international sport; declining participation rates and overall fitness level of the general population; and a rapidly changing global sporting environment. After the continued success at the Beijing Games, a scenario of 'no gold medals' seems unlikely in the near future; however, unless the three factors above are systematically and strategically addressed, the signs of a serious decline are present.

Australia's Olympic medal count is already trending downward. At the Sydney 2000 Games Australia won a total of 58 medals. In Athens 2004 this dropped to 49 medals and then to 46 in Beijing. The predictions for Beijing were lower at 38-40 medals, but it can be argued that the climate and time zone of Beijing was advantageous to Australia. Australia's Paralympic medal tally declined from 149 in Sydney to just 79 in Beijing.

In non-Olympic sports, Australia is still enjoying international sporting success, but many of the sports in which we do well are those with high participation numbers here, a relatively small number of competing nations and/or are primarily "Commonwealth" sports – for example, netball, cricket, AFL, rugby league and rugby union. Cricket and rugby union are good recent examples of where other nations have begun to invest in the sport, threatening Australia's dominance. Australian football (soccer) is an example of where a dependence on a significant increase in funding from the Federal Government has resulted in better international performances, in parallel with enhanced capacity of the national sporting organisation.

It is clear from this synopsis that there are a number of areas in which our competitor countries are gaining an advantage and also areas in which our natural advantage is slipping. History has shown, for many countries, across a range of sports and major competitions, declines in performance follow neglect and underinvestment in high performance sport. Reversal of this decline and reinvigoration of the high performance system takes 12-16 years and considerable funds. Unless we are prepared to fall well away from what Australians have come to expect from our tradition of international sporting excellence, continued investment in our high performance structure including: athlete support, international travel and our underpinning sport system, is essential.

Table 1

	Appropriation for National High-Performance Sport	AUD equivalent	Investment Trend	Additional investment in sport from all sources (High-Performance and development)	2008 Olympic ranking	2004, 2000, 1996, 1992, rankings	Sport structure and government environment	High-Performance System	Athlete Support	Competition access
<b>Australia</b>	\$131 million appropriated to the Australian Sports Commission for High-Performance in 2007/08	\$131.5 million (2007/08)	Set to decrease by \$12.5 million in 2009/10	\$73.3 million for participation (ASC programs) State Governments contribute approximately \$100 million. Limited corporate investment.	6	4, 4, 7, 10	Club system of sport. 3 levels of Government. Funding mostly from National and state - both are decreasing	Mix of centralised and decentralised programs (AIS). Poor use of and links to education system.	Relatively low levels of direct athlete support. Funding terminates 30/6/09. \$4 million per year. Up to \$18,000 per year.	Significant travel required - major expense for most sports (30% of budget). Has increased by up to 100% net and 50% as a proportion of sport's budget in the last 4 years.
<b>Canada</b>	Sport Canada budget CAD\$143.7 million in 2004/05 with approx \$140M since (The greater % for Winter sport)	\$150 million (per year 2004-2008)	CAD\$51.6 million in 1996/97 (178% increase in 8 years)	Funding through provincial Governments. Significant corporate. Tax benefits for Children's sport. Approx \$250 million	154	21, 24, 21, 11	2 levels of Government plus the Canadian Olympic Committee. Rebuilding their High-Performance 'culture'.	Sport through university system; Also reasonably strong club system. 8 High-Performance centres. Emphasis on Winter Olympics.	Program of direct athlete support (cash and training funding) - CAD\$20-25 mill per annum since 2004/05 Up to AUS\$19,000/year	Good competition in USA. Must travel for top level competitions.
<b>China</b>	Significant through all levels. Recent article in Time magazine quoted the annual budget of the Sports Ministry at US\$714 mill	\$750 million	Increased significantly in the lead up to the Olympics	Budget for the Beijing Olympics approximately \$40 billion. USD\$1mill/yr sport science research budget	2	2, 3, 4, 4	3 levels of Government. Well organised national sport structure. Bottom up development.	National Institute; 35 High-Performance Centres (provincial); 3000 sport schools; Centralised at the elite level.	Full time support from 16-18 years of age; More than 20,000 full-time salaried elite athletes.	Very strong domestic competitions; Rarely travel.
<b>France</b>	€178 million in 2008 through the Government	\$300 million (2008)	41% increase in the last 4 years	Substantial funding though 22 provincial Governments; Over AUD\$1 billion Military support.	7	7, 6, 5, 9	3 levels of Government. Strong program in schools and universities but basis of sport is the club system (approx 75,000 clubs).	National Institute; supported by 22 High-Performance Centres (provincial). Centralised at the elite level.	Full support at the National Institute. Education and career assistance.	Very strong domestic competitions; In Europe. Low costs.
<b>Germany</b>	€187 million in 2007 through the Government (lottery backed)	\$315 million (2007)	Steady over the last 3-4 years. Has been additional investment in the club system in East Germany	€668 million State Government spend. €50 million military. + Schools/universities.	5	6, 5, 3, 3	3 levels of Government. Still a mix of East and West ideals. Club and National Leagues.	4 Federal Training Centres; 20 Olympic Training Centres; 39 sport schools; professional league system.	Cash and training/competition support costs.	Very strong domestic competitions; In Europe. Low costs.
<b>Great Britain</b>	£108 million in 2007 through the Government and the lottery	\$230 million (2007)	Has increased dramatically over the last 4 years. 20% increase over the next 4 years	£300 million Sport England. £250 million Youth Sport Trust.	4	10, 10, 36, 13	3 levels of Government as well as British Olympic Committee support.	Home country institutes of sport; supported by High-Performance Centres (linked to Universities).	Significant direct athlete support and program support directed through NSO's. Up to AUD\$50,000 per year direct payment	Proximity to mainland Europe. Similar cost to Australia's domestic travel.

	Appropriation for National High-Performance Sport	AUD equivalent	Investment Trend	Additional investment in sport from all sources (High-Performance and development)	2008 Olympic ranking	2004, 2000, 1996, 1992, rankings	Sport structure and government environment	High-Performance System	Athlete Support	Competition access
<b>Italy</b>	Euro €460 million over 4 years through the National Olympic Committee (and lottery)	\$192.5 million (2004-08)	Increasing with the CPI each year of 4 years	Local Governments, private sponsorship, military. Est at well over AUD\$250 million	9	8, 7, 6, 12	Sophisticated club system and national leagues.	Network of High-Performance Centres; Strong club and league system. No link to schools.	Financial support in national leagues, plus athlete allowances and training costs.	Very strong domestic competitions; In Europe. Low costs.
<b>Japan</b>	USD\$83mill in 2005 through physical education and sports portfolio plus the Japanese Olympic Committee	\$109 million (2005)	Increasing significantly. "Gold Plan" aimed at Olympic top 3 in 2020	Levy on professional sports (30% of HP funding); New, state of art, National Institute opening in 2008. Est additional \$400 million	11	5, 15, 23, 17	Government and Japanese Olympic Committee together oversee sport. Strong corporate support.	Specialised sport programs through a mix of schools, universities and clubs. New National Training Centre and Sport Science Institute (JISS)	University scholarships. Full support for national team athletes. Up to \$24,000 allowance per year.	Strong domestic competitions. Asian competition varied.
<b>Korea</b>	USD\$80.6 million in 2005 through Government. Significant corporate involvement. Also funding through the Korean Olympic Committee.	\$106 million (2005)	Increasing. Big spending on facilities	Local Government and corporate sector - Total USD\$400 million/yr. Additional money into facilities and infrastructure.	8	9, 12, 10, 7	Whole of Government approach through the education system. Support from 15 provinces.	School, university, national squads (no clubs). National Institute for targeted sports; regional training centres.	Full training support, some personal sponsorships; Incentives for schools to excel.	Strong domestic competitions. Asian competition varied.
<b>Russia</b>	Centralised, well funded system based on the education system. (Budget figures unavailable)	Significant \$ through the education system	Recent significant additional funding reportedly promised from a group of Russia's high net worth individuals.	Armed forces, police, trade union based clubs; Russian Olympic Committee.	3	3, 2, 2, 1	National and regional funding of sport through the school and university system (plus military).	Centralised program from sports schools through to 16 University High-Performance Centres.	Full time support from school level; training costs plus allowance. 3000 athletes receive up to USD\$6000/year	Very strong domestic competitions; In Europe. Low costs.
<b>USA</b>	USD\$108 million (\$149 million operational) in 2005/06 through US Olympic Committee.	\$144 million+ (2005/06)	Increasing at least with the CPI	College system (media rights alone = \$548 million/yr!) provides huge structural and financial backing to the High-Performance system.	1	1, 1, 1, 1, 2	Unparalleled tradition of sport through the school and university system.	High-Performance sports (National Teams) are coordinated through the US Olympic Committee and 4 National Training Centres.	Full university scholarships. Cash and program support through the US Olympic Committee programs. Up to USD\$28,000 cash + \$10,000 travel allowance	Very strong domestic competitions; Low costs

### 3.3 Key challenges facing Australian high performance sport

Australian high performance sport has a number of significant challenges to overcome domestically if it is to realise a more efficient, effective and world class national system that is capable of producing sustainable international podium performances. Many of these issues cross over with other parts of the submission, highlighting the interconnectedness of the sports system as a whole. Nonetheless, the following are the key challenges to be addressed in creating a competitive and sustainable high performance system.

Australian high performance sport currently has no single point of accountability for strategic decision making, with multiple bodies involved. An often disjointed national system has led to decision-making at times being driven by parochialism rather than what may be best for each sport and its athletes and, ultimately, Australia's international performance. It is recognised that competition between states (and the AIS) can be a positive attribute, but this competitiveness must be harnessed in a positive way to result in the cooperation required.

Up to \$8.1 million of Commonwealth Government funding is due to terminate on 30 June 2009. If this terminating funding is not available to the Commission in the next quadrennium, existing high performance funding support to NSOs will return to 2004/05 levels, significantly impacting on the capacity of Australian sport to remain competitive internationally. (Refer to section 3.7)

The Government's national sports institute, the AIS, is experiencing continual rises in non-discretionary costs associated with delivering world class and successful sport programs of the quality and level required to sustain internationally competitive athletes and teams. In 2008/09 estimates for these costs (depreciation, utilities, fixed residential costs) will increase by approximately \$1.5 million. In addition to these costs are the increased expenses incurred to access quality international competition, with the current situation relying heavily on leveraging significant funding contributions from national sporting organisations (initially allocated by the ASC) or accessing other internal budgets. There are also regularly increasing daily living expenses and relocation costs for those athletes in out-of-Canberra sport programs.

It is essential to be able to provide athletes and coaches with access and exposure to international competition. This provides practice in pressurised environments, exposure to international judges and referees and invaluable learning experiences. By nature of Australia's geographic isolation we need to travel overseas frequently and/or for long periods of time, and costs are rising. The major competitions for our Olympic and Paralympic sports is located in Europe and America and, although a number of sports are looking to engage Asia, there are still limited opportunities. As a result, over the last four year period, sports are reporting a 50-100% increase in their expenditure on international competition and up to a 50% increase in the proportional spend relative to their overall budget. (Refer section 3.7)

The decline in the availability of non-government financial support means many NSOs (excluding some key professional sports) have become increasingly reliant on government funding at the national and state level. Simultaneously there has been an erosion of the real value of funding to high performance sport at the state and territory level, with numerous State Departments of Sport and Recreation (SDSR) absorbed into larger mega-departments with an associated reduction in funding and profile.

Consequently, a number of NSOs and SIS/SAS are struggling to deliver sustainable, quality high performance programs.

As a result of increasingly stretched funding across the national system, without further significant funding from government the AIS cannot continue to support 35 sport programs across 26 sports at the level required to achieve results in an increasingly competitive international environment. Increasing cost and demand for services threatens the AIS's ability to retain key coaches and sport science sport medicine (SSSM) service providers.

There is arguably a diminishing athlete talent pool contributed to by increasing rates of obesity, declining motor sport development, lack of physical education in school environments and an ageing population is reducing the number of quality junior athletes entering development programs. The AIS is reporting that many athletes are just not physically robust or prepared and, when they enter a high performance training culture, they are easily injured or unable to meet the training and competition demands. The failure of the pre-elite daily training environments to keep pace with the advances at the top elite level is creating a greater gap in this part of the pathway. Many SSOs do not have the capacity to deliver pre-elite athlete and competition pathways, placing further pressure on NSOs to deliver development programs on top of their existing responsibilities and resources.

The ability to recruit, develop and retain our international standard coaches is becoming more and more difficult due to financial and competitive forces. In order to keep our elite coaches at the forefront of international coaching, we need to provide a pathway that can educate, develop and support our elite coaches. (Refer to section 5.3)

There exists an increasingly urgent need to underpin development and coach succession in Australian high performance sport, particularly in a range of key Olympic sports that have limited full-time coaching opportunities as a profession and therefore limited development opportunities. The coach pathway is poor and there is a lack of full-time and/or quality coaches supporting the junior and pre-elite development ranks. (Refer to sections 3.8 and 5.3)

The application of sports science and sports medicine is essential in the development and sustainability of successful elite athletes' performances. There is a need for coaches to be better educated and to develop a greater sophistication in the use of SSSM.

To attract, develop, retain and sustain highest quality SSSM staff is an increasingly difficult and expensive task. This has been further exacerbated with AIS and NSO programs now competing with very well resourced professional sporting clubs who target and recruit staff developed through the sports institute system.

There is a need for better coordination and collaboration between the AIS, SIS/SAS, university and other research bodies and private organisations in order to 'applied research' and the benefit to elite athletes and coaches (Refer to section 6.2)

To date, Australian high performance sport is languishing when it comes to ICT use in world sport. Australian sport requires very significant and sustained investment in ICT infrastructure to enable a more dynamic approach to innovative technologies to overcome geographical barriers and to enhance and empower the working practices of high performance staff and coaches. (Refer to section 6.3)

Increasingly international level achievement in elite sport requires full-time commitment to training and improvement. With little ability to earn a living from their sport and limited time to work while training, a majority of athletes struggle with day to day living expenses while pursuing sporting excellence. (Refer to section 3.6)

## 3.4 Delivering the Australian high performance system

### 3.4.1 Duplications and lack of alignment

In addition to the challenges facing Australian sport from increasing investment and natural advantages of our competitor countries, perhaps the biggest challenge to Australian sport delivering sustainable successful international performance outcomes is ensuring that our strategies, planning and execution are equivalent to the best in the world.

In accordance with the “sport runs sport” principle, the sport sector has evolved in response to historical exigencies – local people formed sporting clubs that at a later date formed state/territory associations which in turn formed national bodies, all largely for practical regional, national and international competition reasons. For the most part, this evolution had relatively little to do with promoting national mass participation or national high performance outcomes in a cost-effective way.

The result is that many sports comprise up to nine separate legal entities (one NSO and eight State Sporting Organisations (SSOs)) operating with a high degree of independence. It is not at all uncommon for a single sport to have up to nine constitutions, nine boards, 81 directors, nine chief executives, nine strategic plans, nine operational plans, nine budgets, nine financial systems and nine membership systems attempting to service just a few thousand members. Some sports also have separate organisations for people with a disability, as well as for other specialist groups.

Add to this, nine national and state/territory service providers (AIS plus eight SIS/SAS) operating with significant autonomy and 673 local government authorities plus an unknown number of for-profit private sector operators providing and maintaining sporting facilities, it is not surprising that the clearly defined pathways meant to connect mass participation with elite programs are often disjointed and sometimes dysfunctional.

At present, truly effective *active national leadership* (as opposed to *passive coordination*) is less than optimal because of these institutional and systemic arrangements and the fact that there is no single point of responsibility and accountability. Across the high performance system there are a number of organisations all with ‘leadership’ roles, without one definitive organisation that is ultimately responsible for the high performance system and its results. The ASC, the AIS, NSOs, SIS/SAS, the Australian Olympic Committee (AOC), the Australian Commonwealth Games Association (ACGA), and the Australian Paralympic Committee (APC) all have very strong vested interests in high performance and success, yet all have a large and often distinct and passionate set of stakeholders.

Due to all of the organisations involved, clearly duplication exists across the system, especially with regards decision making as well as with administrative processes. Gaining consensus and alignment on strategies and programs for each sport across the nation is

hampered as every organisation has its own methods and ideas on what is best and its own stakeholders to which it is answerable. There is a need for streamlining and clarification of roles and responsibilities.

The Australian community has become accustomed to Olympic and other international success. It is expected that Australian athletes will always be successful. Yet we know our competitors have analysed our system and are now seriously challenging not only our success, but consequently the community expectations of our performances. The AIS has had a reduction in the real value of the dollars available for its elite athletes and this has, and will, diminish our ability to compete and perform to a level expected by the community. With limited resources across the high performance system in Australia, the system would benefit from a single body responsible for sport, including prioritisation of sports, strategies, planning, evaluation and support.

Previous Commonwealth attempts to provide more active national leadership, other than the provision of additional resources, have not always been well received by other jurisdictions, SSOs or even the SIS/SAS. Such attempts have always been open to the accusation that they are Commonwealth 'take-overs'. Notwithstanding such concerns, there is now, more than ever, an urgent need for the national sports system to be comprehensively streamlined so that the available funding is directed towards executing national priorities in ways that do not waste resources.

Section 5 (on pathways) details the challenges for sporting bodies in coordinating their members to optimise capacity to deliver sport for all levels. The high performance system however, is primarily the domain of the NSO, supported by the sports institute system. The ASC funds and oversees Australian high performance sport outcomes on behalf of the Commonwealth Government.

### **3.4.2 The role of the Commonwealth Government and the Australian Sports Commission**

The ASC controls the Commonwealth Government's investment in each sport through the relevant NSO. The ASC currently recognises ninety NSOs that have met the minimum thresholds to gain status as the national body. Currently fifty four (54) of these sports are funded. In addition funding is provided to nine National Sporting Organisations for the Disabled as well as to the Olympic Winter Institute and to University Sport.

Through the recognition and funding relationship, the ASC is able to set minimum standards of operation and implement critical policy platforms such as Australia's stance on drugs and the member protection policy. NSOs are currently assessed for funding purposes against the ASC criteria of Excellence, Relevance and Effectiveness.

*Excellence* – An 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 planning process and the capacity of the sport to be successful into the future.

*Relevance* – An assessment of the significance of the sport to the Australian community. One component of this assessment is related to the NSO's status as an Olympic sport while the other relates to its popularity assessed through participation rates as well as other anecdotal information on attendances, television ratings and sponsorship.

*Effectiveness* – An assessment of the NSO’s capacity to deliver grass roots sports development programs alongside its high performance (excellence) programs; as well as an assessment of the sport’s governance and management structures; and an assessment of the sport’s financial risk.

The ASC works closely with each sport through dedicated consultants who provide assistance, advice and direction to senior officers and staff such as the President, Chief Executive Officer and the National Performance Director in each sport. At the start of each Olympic cycle the ASC assists NSOs to develop and refine strategic plans and national athlete development pathways, in consultation with other key stakeholders when and where appropriate. Supplementing this process is an annual review of the costed operational plans of each sport, which detail the effective measures sports will use to deliver their strategic objectives.

In addition to the quadrennial and annual planning, the ASC also coordinates twice yearly meetings with priority Olympic and Commonwealth Games sports with the aim of providing a panel to overview and discuss each NSO’s high performance program, endorsement of its plans and budgets and monitoring of performance towards major Games. These meetings have involved the ASC and AIS, with standing invitations for representation extended to the SIS/SAS, the AOC and the ACGA.

On an on-going basis, the ASC also conducts detailed reviews of selected individual sports to provide expert analysis and guidance to sport, particularly in the areas of governance, management and high performance outcomes.

### **3.4.3 The Australian Institute of Sport and State and Territory Institutes and Academies of Sport.**

The Australian Institute of Sport is one division of the ASC and shares administrative support and corporate services. Working relationships within the AIS and the remainder of the ASC are strong; however, healthy debate exists at various times on what is best for sport as a whole and for individual sports.

The AIS is the national centre of sports excellence for the training and development of elite athletes and teams. It was established in 1981 and its mission was: *To address the ailing international sporting performances and reputation by developing elite sport in Australia through the provision of facilities and funding to sporting organisations and potential elite athletes.*

Today the AIS provides support to up to 700 elite athletes in 35 separate programs across 26 sports. Whilst the main residential sports programs operate from a 65-hectare site in Canberra, there are also training programs based in locations around Australia including in Adelaide, Perth, Brisbane, Melbourne, Sydney, the Gold Coast, as well as a growing presence in Europe.

The AIS gives athletes access to expert coaching, world-leading sports science and sports medicine support, state-of-the-art sports facilities, and opportunities for competition related travel, work and study. For selected high priority sports, the AIS fulfils a specific role as agreed to with the relevant NSO. AIS sport programs are a wide mix of senior elite and pre-elite, camp-based and residential programs.

A key aspect of the AIS is the provision of a range of sports science sports medicine programs which comprise:

- the delivery of integrated support services in the areas of clinical disciplines and sports science, athlete career and education, and athlete welfare to AIS sports programs. These services are delivered as agreed between the coach and the service provider in the AIS Performance Enhancement Framework planning process;
- leadership to Australia's high performance sports through national programs in elite sports research and sports science quality assurance, in addition to benchmarking services and facilitation of discussion on topics of current interest; and
- applied research, technology and innovation partnerships that enable high performance outcomes for the benefit of AIS athletes and coaches.

Subsequent to the establishment of the AIS, a network of state institutes and academies of sport (SIS/SAS) emerged and spread progressively throughout the country over a 14 year period from 1982 to 1996. The SIS/SAS emerged largely in response to state-based criticism of a centralised model and a need to provide support to elite and pre-elite athletes in their 'home' environment.

All SIS/SAS programs provide coach support to athletes. There are also individual athlete scholarships available. The SIS/SAS provide varying levels of sport science, medicine and physical conditioning services and support to athletes in squad environments and/or on an individual basis. They also provide some funding for competition travel (usually domestic). Support for athlete career, education and welfare exists in every SIS/SAS through the nationally run and funded Athlete Career and Education (ACE) program.

Each SIS/SAS is housed within their respective government sport portfolio. Some have a direct reporting relationship to the state government through the Minister for Sport, whilst others are part of a larger government department or agency. Each SIS/SAS works under its own unique state government structure and differing sport philosophies, objectives and levels of funding.

As a sub-committee of the Standing Committee on Recreation and Sport (SCORS), the National Elite Sports Council (NESC) was established in 1993 and comprises the Executive Directors of the SIS/SAS and the AIS, as well as observer representatives from the AOC and ACGA. The NESC group convenes three to four times per year to discuss national high performance issues of mutual interest.

The NESC network is collectively responsible to its stakeholder governments and strategic partners for the provision of the daily training and high performance sport servicing environment for the high performance athletes, coaches and programs on the Olympic, Paralympic and Commonwealth Games schedules. Professional sports are also supported by the system at varying levels. NESC attempts to have national influence through a consensus of views at the senior administrative level and then through engagement directly with State and Territory Ministers for Sport.

The nature of the working relationship between the AIS and SIS/SAS has varied over the years. It has ranged from a view of dominance by the ASC and/or AIS, to a highly productive and cooperative relationship. While the competitive cooperation between institutes and academies has contributed to raising the standard of Australian high performance sport, ultimately each NESC partner is responsible to their respective state government. The structure of the relationships between NESC partners is such that

opportunity for any truly 'national strategy' is reliant on it being favourable to all parties and their respective stakeholders.

Consequently the development of a strategy for supporting each sport is not a collective exercise. After working with the ASC to determine their high performance plans, pathways and funding, each sport must then apply to each institute (including the AIS) with their pathway and programs, stating their case for support. If the sport is a high priority sport, has good planning around a comprehensive pathway, and each of the NESC members buys-in to their part in the pathway, then the system works well and supports the sport optimally. This ideal does not work for all sports and in some cases misalignments of NESC partner priorities leads to duplication, but more often gaps, in support of pathways. Duplications are not the major issue, as all institutes are spreading limited funding so it is exceedingly rare a sport in Australia is over-serviced or over-supported by the system.

At a practical level, Table 2 shows the approximate number of athletes currently supported by the system<sup>1</sup> – 20% by the AIS and 80% by the eight SIS/SAS, with an overlap of less than 7%. It also shows the support and relative breakdown of AIS and SIS/SAS for recent major multisport events (note that not all athletes at each event are supported by the system, e.g. basketball teams are professional and players do not have institute scholarships). The overlap in support for athletes is primarily when the AIS program is camps-based and the athlete also spends time training in their home environment and also has a scholarship with their home state institute. In this case communication between the programs is generally very good and agreements are made as to which institute provides what support to the athlete and when. There is a strong precedent for this kind of arrangement and it works well with athletes not able to 'double-dip' and with very little duplication. The biggest challenge with dual-badged athletes is coordination and communication between state and national sport science and medicine providers, especially when a significant percentage of state-based providers are private practitioners and not directly employed by the SIS/SAS.

**Table 2: AIS/SIS/SAS relative athlete support**

	AIS support		SIS/SAS support		Dual AIS & SIS/SAS		Total number of athletes	Total % supported
	No. S'ships	% of total	No. S'ships	% of total	No. S'ships	% of total		
Overall system Scholarships 2007/08	700	20.0%	2800	80.0%	240	6.9%	3500	100%
2008 Beijing Olympic Team	191	44.0%	265	61.1%	136	31.3%	434	73.7%
2008 Beijing Paralympic Team	21	12.4%	113	66.9%	13	7.7%	169	71.6%
2006 Melbourne Commonwealth Team	100	23.4%	235	54.9%	58	13.6%	428	64.7%

<sup>1</sup> Note that scholarship numbers are dynamic and can vary significantly even within the year depending on program status. Numbers given are based on average number of full-scholarships. In addition there are approximately 500 part-scholarships across the SIS/SAS. Dual figures are taken from the AIS database.

There are many more athletes supported by the system than represent at major Games (including also Winter Olympics), but this reflects the fact that the system supports development athletes in most sports and also provides some support to additional sports, including some that are not funded by the ASC. Appendix B gives more detail of the way each funded sport is supported across the system by the ASC, AIS, AOC and SIS/SAS. In all NESC supports over 50 NSOs including sub-disciplines (e.g. BMX, mountain biking, track and road cycling) and Paralympic disciplines, across a range of scholarship levels.

In high priority (Olympic medal) sports, gaining alignment, clarifying roles and providing a complete system is usually easier, especially if the sport has a clear idea of what it wants from each partner in the system. There have, however, been instances of infighting amongst NESC partners over 'blue ribbon' programs and/or athletes and a clash of ideologies on what is the optimal high performance pathway for a particular sport. On the other hand it is the second tier sports that often have to 'sell' the benefits of their sport and pathway to the NESC partners, and have difficulty gaining the support.

The biggest gaps in the system are for the smaller, less successful sports and the lower levels of elite and pre-elite development. At state level, sport has been fighting for recognition amongst the myriad of funding priorities. State governments often look to gain kudos from the very visual 'national identity' aspects of sport, i.e. elite performance and major events. For this reason funding for lower levels of sport is becoming harder to obtain at state level and many of the SIS/SAS are focusing more on the high profile and top, 'national' level of the pathway and less on pre-elite.

With limited resources all around, the system would benefit from a unified national approach and agenda for sport, including prioritisation of sports and mutually beneficial agreements on which partner(s) can best service the necessary levels of various sports.

It is worthy to note that in 1994, in the lead up to the 2000 Sydney Olympic Games, the implementation of the Olympic Athlete Program demonstrated what could be achieved with the required level of funding and a collective approach to achieving agreed national high performance outcomes. Under this model, parochial differences were largely put aside and a new level of cooperation and interaction among organisations was established to harness and align domestic resources. The management of the Olympic Athlete Program, by the ASC through the AIS, involved the pooling of elite funding amongst stakeholders, the targeting of sports with the best prospects of international success and an improved level of planning, monitoring and evaluation of funded sports. After the Sydney Games the system changed to that of "sport runs sport" and funding was allocated to sports (by the ASC) to manage within their individual priorities.

### **3.4.4 Institute network funding and scholarship support**

Current funding within the NESC system comes from four major sources:

1. ASC funding direct to NESC members (may include appropriations for national initiatives, e.g. the national ACE program), the bulk of which goes to the AIS;
2. State Government funds, primarily to the respective SIS/SAS;
3. Sport funds from both NSOs and SSOs; and
4. Other, such as sponsorship, revenue raising projects, interest and donations.

Information provided by NESC members shows that over the last seven years, funding from the Commonwealth and State/Territory Governments has remained fairly constant with each contributing approximately 40% (+/- 3%) to the annual total institute system operational budget. Of course the Commonwealth Government appropriated an additional \$90million to high performance sport in 2007/08.

Over the seven year period, contributions to the system from sport have grown from 9% to over 12% and other funding sources have declined from 9.6% in 2002/03 to just 5.1% in 2007/08. The following table provides the source breakdown for operation budget for each NESC Partner in 2007/08. Appendix C gives a detailed breakdown and analysis of the same for the full seven year period from 2001/02 through to 2007/08.

**Table 3: NESC Income Profile - 2007/08**

Institute/ Academy	Income Source (\$)				
	ASC	State Government	Sport	Other	Total
<b>AIS</b>	40,813,634	180,000	3,555,552	812,000	45,361,186
ACTAS	24,000	1,812,297	599,970	-	2,436,267
NSWIS	114,500	8,387,000	2,711,045	2,300,455	13,513,000
NTIS	9,000	2,237,000	178,000	10,000	2,434,000
QAS	146,000	8,833,000	1,193,300		10,172,300
SASI	43,000	3,823,181	890,000	375,057	5,131,238
TIS	48,450	1,688,726	517,800	73,000	2,327,976
VIS	79,125	5,175,000	819,700	625,500	6,699,325
WAIS	42,000	4,020,000	1,347,000	565,000	5,974,000
<b>Total</b>	<b>41,319,709</b>	<b>36,156,204</b>	<b>11,812,367</b>	<b>4,761,012</b>	<b>94,049,292</b>
<b>Percent of total</b>	43.9%	38.4%	12.6%	5.1%	

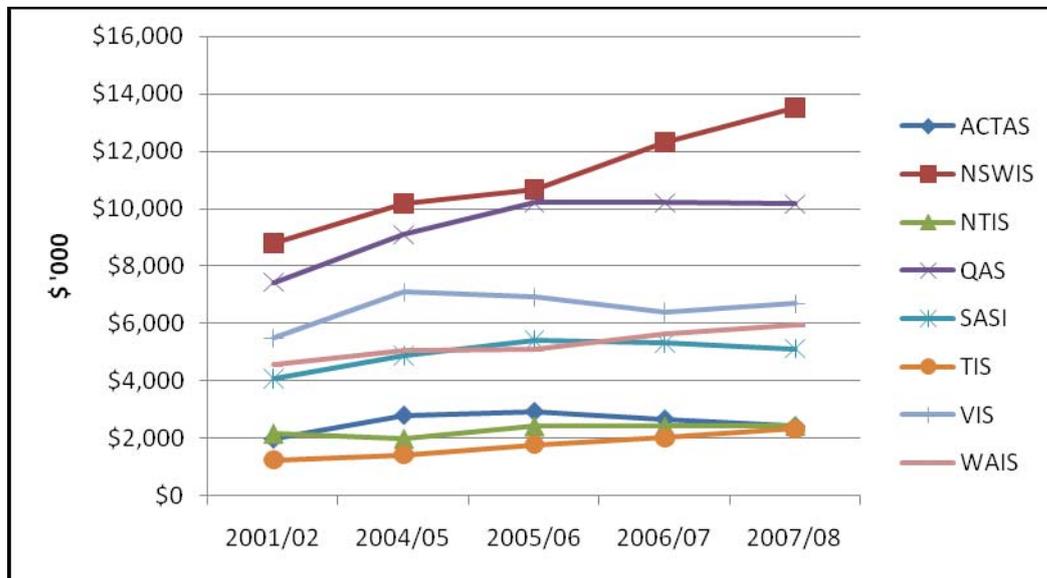
Over the last seven years the collective operational budget of the SIS/SAS (excluding the AIS) has increased by a gross amount of approximately \$13 million to a total of almost \$48.7 million. When indexation is applied, the collective 'real growth' in state funding to these eight agencies over the previous seven years has been \$5.2 million, however the bulk of the increases were in the 2001/02 to 2004/05 period with just \$1.8 million since 2004/05. As can be seen from Figure 1, operational budgets and budget trends over the seven year period varies significantly from state to state, with the budget for NSWIS up to 8 times larger in 2007/08 than that of TIS, ACTAS and NTIS.

For the same period, the AIS budget has increased by a similar amount, \$12.5 million, to a total of \$45.3 million with the AIS also gaining additional administrative support as part of the broader ASC. The Commonwealth Government contributes 90% of the AIS operational budget. Supplementation funding from 2006/07 brought the AIS budget in line with indexation. Detailed reported figures for AIS are also at Appendix C.

While the collective SIS/SAS operational budget matches that of the AIS, the SIS/SAS collectively supports approximately 2800 full- and 500 part- scholarship holders across over 50 sports, compared to 700 AIS scholarship holders across 26 sports. With every institute having a facility and administrative staff to support as part of their operational budget, the capacity to provide coaches, sport science and medicine staff and direct funding for training and competition needs, varies considerably across the network.

It can be argued that at times the allocation of scholarships is based on the need of any particular NESC partner to be seen to be supporting certain types of and/or a maximum numbers of athletes within their respective jurisdiction, rather than focussing on the needs of a sport and aligning resources to achieve commonly agreed national high performance outcomes.

**Figure 1: SIS/SAS Budgets 2001/02 to 2007/08**



### 3.4.5 Regional academies and other partners

The National Network of Regional Academies of Sport is currently a conglomerate of regional academies of sport in NSW and Victoria (NSW has 11 academies and Victoria has 5 academies). This group has enormous potential to make a far greater contribution to the national sports system. It meets infrequently, and also 'suffers' from local imperatives rather than embracing a far broader national plan for sport. The capacity to leverage resources within local communities is high, as is their capacity to reach out to difficult to reach talent pools. Some regional academies are already well linked in with universities, and some have been keen to make themselves more relevant to the national plan for sport.

There are also a number of regional academies in other states, all with varying relationships to SIS/SAS partners and varying capacities to support developing athletes and the high performance pathway. There is particularly scope and willingness for the regional academies to play a greater role in the National Talent Identification and Development (NTID) program run by the ASC.

Other groups exist which have traditionally been viewed as on the fringe and significantly under-utilised in the sporting pathway and high performance sport. Australian University Sport has access to a significant talent pool, great infrastructure for training and sports science and sports medicine support (through University programs/departments), and importantly, a network that is spread across major rural and regional cities. This is a resource and opportunity that is relatively unexplored in the Australian system, apart from the odd university-backed team in the national leagues of three or four professional and

semi-professional sports. The USA sports system, by comparison, very much revolves around colleges and universities. While sport scholarships are not the norm in Australian universities, there are opportunities to establish partnerships with clubs, teams, programs and other initiatives.

There may also be an opportunity to better utilise the school system. This is explored further in section 5.2.

### 3.4.6 Summary

The structure of Australian high performance sport currently does not enable a **single point of strategic decision-making and accountability for international performance outcomes**. Despite the fact that the ASC works with each NSO to determine high performance plans and pathways, the structure of the institutes system does not allow for a cohesive overall national high performance strategy. It is recognised that competition between states (and the AIS) can be a positive attribute, however a coherent national system should be a higher priority.

The strategy proposed to remedy these problems focuses on seeking to plan and resource service provision in ways that can best meet national priorities by ensuring that all parts of the athlete and coaching pathway are covered, with single-point accountability and reduced opportunity for blame shifting.

The structure to deliver this strategy envisages a national body (Board) chaired by the ASC/AIS to be accountable and responsible for Australia's international performances and to coordinate the activities of the AIS and SIS/SAS. The Paralympic sports have this with the APC. The national body then would be provided the resources, funded jointly by the Australian and State/Territory Governments to ensure successful delivery of high performance sport in the context of NSO national pathway programs. Such a structure would require the national body to work closely with all stakeholders

### Finding 1

The Australian sports institutes system supports the high performance structure by delivering components of NSO pathways. Competing priorities exist across the institutes system due to there being nine stand-alone government-funded entities. While duplication of programs and servicing is minimal, alignment of goals and coordination of roles is sub-optimal. Currently sports present their plans and seek program support from each of the nine separate organisations. There is a need for a single point of strategic decision making and leadership in order to optimise resources, reduce inefficiencies and ensure priority sports are able to access the necessary support from the system. Critical to achieving strategic alignment is the need to re-assess and clarify agreements between stakeholders as to the roles, responsibilities, expectations and performance outcomes for the delivery of national programs. Consideration also needs to be given to engaging other possible partners, such as regional academies of sport, universities and accredited private providers in a comprehensive national institutes system.

## Recommendation 1: National Institutes model

Consolidate the sport institute/academy system by creating a new national “Australian Institutes of Sport” model, establishing a confederation of the sports institutes to deliver improved athlete pathways by harnessing current and additional resources and expertise to increase efficiencies and alignment to national outcomes.

The new model is proposed to be characterised by ~

- The formation of an inter-governmental agreement, through either the Council of Australian Governments (COAG) or the Sport and Recreation Minister’s Council (SRMC) forums, for the specific purpose of creating partnerships to optimise the funding and cooperation of the Australian institute system in supporting high performance pathways.
- The establishment of an ‘Australian Institutes of Sport Council’ that will be responsible for strategic direction, planning and oversight of the management and delivery for institutes support of sports, in the context of NSO national pathway programs and national high performance outcomes.
- The Australian Institutes of Sport Council, comprising representation from the States/Territories and Commonwealth, as well as independent experts, will be chaired by the Chair of the ASC as the person responsible for leading the Commonwealth Government’s sport agenda and mandate to deliver outcomes.
- A consolidated national funding pool with contributions by the Commonwealth and State/Territory Governments (including a significant proportion of each institute budget), with funding being distributed centrally through the new Australian Institutes of Sport Council.
- Responsibility for day-to-day management and delivery of programs will rest with existing State and Territory institutes and academies, as per their agreed and defined role with each NSO pathway program.
- Ensuring that State and Territory institutes and academies maintain their identity, have strategic and operational input to the national system and have defined responsibilities as being part of the national system and that they are duly recognised for their contribution to international performance outcomes.
- An ability and willingness to engage with new partners and stakeholders who have the capacity to enhance delivery of the Australian institutes system, including regional sporting bodies, education bodies and private providers.
- A targeted, nationally quality assured, coordinated and performance focused delivery of SSSM support. Increasing the critical mass of providers in many professions that are strategically and operationally linked to a particular program will provide a quality national SSSM system and will enhance the professional development and career pathway for those involved. (see section 6.1 for more detail in this area).
- The role of the AIS, as one of the Institutes in the Australian Institutes model is defined as providing national leadership for the provision of sport science and sport medicine and applied research and as a National Training Centre where relevant as part of an NSO national pathway program.
- Enhanced value of the European Training Centre, currently being established by the ASC, as an offshore institute and part of the national strategy supporting athlete development and SSSM servicing of national athletes and teams training and competing across Europe.

### 3.5 Targeting of sports:

The medal results over the last four Olympics brings to light evidence that, in multi-medal sports of major significance to Australia, the Olympic field is becoming more internationally competitive. More countries are performing well in sports such as swimming, cycling, rowing, sailing and canoeing/kayaking. These multi-medal sports are crucial to Australia's Olympic medal tally – both gold and overall, contributing over 75% of gold and over 60% of total medals at the last two Games.

Swimming is the sport we are most reliant on, accounting for an increasing percentage of Olympic medals. At the 1988 Games, swimming accounted for 21.4% of total medals. By Beijing this percentage had doubled to a whopping 43.5% (20 out of 46 medals). At the same time, the number of countries winning gold medals in swimming has risen from 10 in 1988 to 14 in 2008.

In Beijing only two other sports won more than one gold medal (rowing and sailing). No sport other than swimming consistently wins medals. However, at each of the last three Games an average of 14 sports produced a medal, with 6 sports winning gold. Across the last three Games the medals were won by 21 different sports with 15 sports producing gold. At Commonwealth Games level, the number of sports winning medals is even greater with 16 sports producing medals (12 winning gold) at the 2006 Games.

It is therefore important that we continue to support the sports with the potential to win multiple medals, but also to not spread the risk too thinly by investing in too few sports and missing the medals that are less predictable. Currently, the Commonwealth Government, through the ASC invest in 54 sports, including all but three Olympic disciplines – handball, modern pentathlon and synchronised swimming<sup>2</sup>. There are also of course many non-Olympic sports in which the ASC invests, including Commonwealth Games sports, winter sports and professional sports. Paralympic sports are also funded, both through the APC and through the relevant able-bodied sports.

The reality is, however, that in the face of increased investment from our competitor countries it will be necessary to either enhance or further focus our investment in sport. If new resources cannot be identified to support Australia's elite sport system it will be necessary to look at targeting existing resources to support those sports most likely to contribute to maintaining Australia's international position.

As part of the lead up to the 2012 London Olympics, the ASC invited targeted NSOs to participate in a strategy development process *National Pathways Planning* to establish their approach to the delivery of their sport for the period 2009-2013 and beyond. The process also included a full review of AIS and NTID programs to inform the prioritisation of NSOs for funding for 2009-2013 quadrennium.

The objective of this approach is to ensure Australia's future performance in international competition by implementing sustainable, efficient and effective pathways throughout the sport. The national pathways planning outcomes will inform the ASC's decision-making process in relation to 2009-2013 funding of NSOs.

The Commission's focus, consistent with its current funding strategy is the prioritisation of Olympic and Paralympic as well as Commonwealth Games sports. The following NSOs

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<sup>2</sup> The NSO for Taekwondo is also currently not recognised. Taekwondo's funding was redirected through the AIS for the Beijing Olympics, but it is currently not a sport with whom the ASC has a funding agreement.

presented to the Commission between October 2007 and March 2008 on the effectiveness of their existing pathways and planned future changes to this pathway ~

Archery	Athletics	Badminton	Baseball
Basketball	Bowls	Boxing	Canoeing
Cycling	Diving	Equestrian	Football
Gymnastics	Hockey	Netball	Judo
Rowing	Sailing	Softball	Shooting
Skiing	Squash	Swimming	Tennis
Table Tennis	Triathlon	Volleyball	
Water Polo	Weightlifting		

A number of key challenges were identified from the presentations by NSOs. These challenges (listed below) are seen as critical elements that must be addressed if Australia is to remain successful in an increasingly competitive international sporting environment.

1. The need for more resources to be provided directly to Australian athletes to ensure they have the same development and support opportunities as their international competitors.
2. Providing enhanced international competition opportunities for elite and potentially elite athletes to ensure that they are regularly and continually exposed to international performance standards and trends.
3. NSOs needing resources to play a far greater role in nationally directed and supported talent identification and development programs throughout the entire athlete pathway, not just at the top end.
4. The need to improve and enhance the number of quality coaches in the Australian system through the creation of more professional coaching opportunities.
5. Integration of NSO high performance programs within the AIS where appropriate (i.e. where the NSOs don't have the capacity or capability to run a high performance program) to ensure sound leadership and alignment of high performance strategy through the NSOs pathway.
6. Alignment of NSOs elite development strategy and resource allocation with key program delivery partners, particularly the SIS/SAS network.
7. Enhanced resources to support research, coordination and the delivery of sports science and sports medicine services to athletes.
8. The need to be innovative in the use and development of technology and equipment and its application to improving sporting performances.

Additional financial modelling has been undertaken by the ASC to look at the resources that are necessary to adequately support priority NSOs to address the key challenges and sustain and enhance their international success. This modelling considered the funds available to the ASC, taking into account the terminating funding to NSOs on 30 June 2009 of \$8.1 million as well as the increase in funds required by priority NSOs across their high performance and AIS programs.

These additional funds have been identified in consultation with key NSOs and are based on the need to address the key challenges identified to maintain and enhance their chances of future international success.

The implications of this initial financial modelling suggest that the ASC could be up to \$25 million short of the funds required to sufficiently support the top priority NSOs to

enable them to deliver the expected standard of results and thus maintain Australia's international competitiveness. This calculation takes into consideration the terminating funding that is provided directly to NSO and athletes as well as additional funding required to enhance the operations of key NSOs just in the high performance area. The figure would be much higher (potentially double) if there is a desire to support current lower priority NSOs to maintain or even raise their current international rankings to medal potential at Olympic, Paralympic and/or Commonwealth Games.

If no additional high performance funding is available to the ASC to allocate to NSOs for the 2009-2013 quadrennium the ASC will be forced to consider a strategy that includes complete or partial funding cuts to lower priority sports to ensure priority sports are funded to the level they need to sustain success. This could also include removal of high performance funding from some medal winning Commonwealth Games sports in the lead up to Delhi in 2010.

The ASC will also be faced with tough decisions with regards to the removal of AIS programs. This could include program allocation cuts to professional sports of tennis, AFL, cricket, rugby league, rugby union and golf to allow the resource focus to remain on medal potential Olympic sports.

The purpose of these funding cuts would be to support system enhancements in priority sports to address the key challenges identified by those sports. An overview of the type of high performance system enhancements proposed in three priority sports of swimming, cycling and rowing are outlined in Appendix D.

It must be noted that the effective targeting of existing government funding to a reduced number of priority NSOs in the 2009-2013 cycle will result in a significant number of NSOs having high performance funding either partially or completely cut. The impact of these cuts will vary from potentially destroying the existing programs, activities and operations of the NSOs, to relatively minor cuts for organisations that were not large recipients of Commission support.

A worst case scenario for a sport that relies on ASC funding would be a loss of coaching, management and administrative staff, resulting in a decline in international performances but also a dismantling of the NSO's capacity to lead and coordinate the sport nationally. Loss of the 'critical mass' of high performance staff would adversely affect the quality of management and delivery of the sport to the community by reducing capacity across the whole range of sport development programs. (The role of the NSO and the relationship of high performance funding to the quality of sport delivery throughout the pathway will be discussed further in the section on Pathways.)

The dramatic decrease in the number and cost of international competition opportunities and the dilution of professional, supported daily training environments would have an immediate impact on performance. The effect of lost international competition opportunities cannot be understated. It is a critical piece of the picture that allows potential elite athletes to transition to become seasoned international competitors ready to make an impact at major events such as World Championships and Olympic Games.

International performance standards may be maintained for a short period with existing athletes, but as senior athletes retire the lack of any systematic talent identification and development programs and reduced competition access would become evident. At the same time, the costs for athletes to participate would rise exponentially with most competition and preparation costs met by the athlete. The important medical and

scientific support services would be unaffordable and athlete preparation would become largely amateur, combined with sustaining a paid career outside of sport. It is likely in some sports that the athlete preparation and development process would rely almost wholly on a volunteer part-time support structure mirroring closely the type of athlete preparation of the 1970s and early 1980s prior to the establishment of the AIS. In effect, the type of preparation that led to Australia's disastrous performances in Montreal in 1976.

It is likely this 'system degradation' will also extend to the development of the sport. In some cases participation driven by aspiration will be affected by the lack of effective role models, diminishing sport profile and the lack of nationally-directed and resourced participation initiatives. At the same time it is unlikely that innovative coach education and development programs, which have their genesis from emerging trends in high performance competition, will be developed. This will further dilute the quality of coaches in the system and the capacity to produce sustainable athlete talent pathways.

An examination of international trends of funding and performance across sports and nations indicate an 8-12 year lag time in realising the performance outcomes and/or detriment of Government funding in high performance sport. Continued underfunding and/or decisions taken to cut funding to NSOs now will in all likelihood impact upon a full generation of athletes and the systems and processes that have been developed to support those athletes. In most cases it would take 8-12 years or two to three full Olympic cycles of reinstated funding before an NSO could expect to return to current performance levels. Any decision to target funding will come with the realisation that those sports who are not part of the priority NSO group will most likely suffer poor international performances for a long period of time.

## Finding 2

Current funding is distributed across 54 sports. Apart from 'professional sports' such as the four football codes, cricket and tennis, the majority of NSOs are in need of further resources to deliver sufficient domestic and international competition experiences and to support the development of athletes through quality coaching. On current funding levels Australia cannot continue to support 54 sports and still sustain high performance outcomes in those sports in which we excel on the international stage. There is a need to target some sports and programs for funding, and decrease funding for some others in order to maintain standards in priority medal winning sports.

### Recommendation 2: Targeting of sports

In the absence of a significant increase in high performance funding, the ASC and institute system target key sports in which Australia can excel on the world stage and ensure they are optimally supported.

## 3.6 Athlete and coach support

It is the reality of modern elite sport that the full-time commitment required to excel is extremely high. Many athletes in Olympic sports subsist on bare minimum, often well below the poverty line, in order to dedicate to their sport. Athletes make extreme personal, financial and future career sacrifices to achieve at the highest level, but very

few recoup career costs and have no guarantees of success or financial remuneration after their career is over. Without financial support to assist athletes, as well as coaches, in and around their daily training environment, it is becoming increasingly difficult for Australian athletes and coaches to maintain the training regime and the commitment required for success at the international level.

In Australia, athlete allowances have been irregular and only for those ranked in the top 4 in the world. The criterion for the highest tier of support in most nations is top 8-16 ranked in the world. The funding available under the soon to terminate Australian Government Sport Training Grant scheme enabled the ASC to make 230 – 260 allocations per year. This funding enabled support to be provided to those athletes who demonstrated medal potential for Beijing (Olympics and Paralympics).

Every other nation in the top ten on the Olympic medal ranking has a permanent athlete support scheme for athletes. For example the United Kingdom Athlete Personal Award Scheme provides £23,930 to approximately 1500 identified 'senior podium level' athletes and then lesser amounts to another two tiers of developing athletes. In New Zealand the Performance Enhancement Grants provides a base award of NZD \$15,000 per annum for world top 16 ranked individuals and a performance incentive (NZD \$20,000 for individual medallists) for all Olympic disciplines. It is essential in order for Australian athletes to compete on a level playing field that they have access to the same kind of support.

With funding for the Australian Government Sport Training Grant Scheme due to terminate, there is no capacity to provide support to those emerging athletes who will form the backbone of teams for the Delhi Commonwealth Games and Winter and Summer Olympic and Paralympic Games in Vancouver and London, respectively.

A scheme for both world-class and emerging athletes (as exists in most top Olympic nations) would provide support to the next wave of talented athletes coming through the system as well as incentive for athletes to remain in elite sport and pursue their ambitions. Support could be provided to both current podium level athletes and, by discretion, to those athletes that have demonstrated that they have realistic medal-winning capabilities at the major international level over the next four to six years, enabling them to train and compete at the required level to contribute to Australia's continued success in the international sporting arena.

This long-term approach to athlete development is particularly critical for Australia because of its relatively small talent pool of potential high performance athletes, the financial lure of professional non-Olympic sports, and the approach being taken by Australia's major sporting competitors in supporting the long-term development of their athletes.

In Australian high performance sport, a relatively small proportion of athletes derive any meaningful income in the medium to long term. High profile, and high income generating, sporting careers are overwhelmingly short-term and few in number. Of 33 Olympic sports, there are only nine in which Australian athletes can earn a living through professional teams or prize money, and they have to compete overseas to do so.

Many sports (even those that provide AIS scholarships) are amateur in nature, with no financial return to the participating athlete. In those sports where athletes do receive support from the system and go on to make significant prize money, mechanisms are in

place to enable them to contribute money back to the sport. For example in tennis, athletes return a proportion of any prize money or earnings back to the AIS. Golf has foundations through which athletes can donate to support grassroots development.

Whilst pursuing their athletic goals, athletes are encouraged to undertake tertiary studies and vocational development to prepare them for life after sport. An athlete that completes a degree or other course at a tertiary institution while on scholarship is liable to the Higher Education Contribution Scheme (HECS), the same as his or her classmates.

Unlike sport, however, an education contributes to earnings for life. As already outlined the majority of athletes in the sports supported by government funding would not earn above what would be considered a reasonable repayment threshold that would be included in any HECS-type scheme. Those athletes that do are already taxed via income taxation. Previous analysis has deduced that the costs of administering a repayment scheme are likely to significantly outweigh the returns.

Like athlete support, coach support is paramount to Australia's ongoing success. Whilst some coaches are paid for their services, many more are not or receive minimal assistance. Coaching as a profession in Australia is under-recognised and under-paid. Right across the system, NESC members, NSOs and SSOs have identified coach identification, recruitment, retention, development and support as a major issue. At the elite end it is vital to retain the time and commitment of our best coaches. A program modelled on the current Australian Government Sport Training Grant for coaches will enable elite high performance coaches to dedicate themselves more fully to their coaching role and would also enable them to accompany their athletes to major competitions. More detail on coaching is contained in sections 4 and 5.

### **Finding 3**

Apart from those in professional sports, the large majority of athletes in Olympic, Paralympic and Commonwealth Games sports do not derive a living from sport. In fact many live below the poverty line, making great financial, personal and future career sacrifices to represent their country. Their time at the top and their window of opportunity for distinction is short. With no forward estimates provision for direct athlete support beyond 30 June 2009, Australia is the only nation of the top ten on the Olympic medal tally that does not provide financial assistance for athletes to train and achieve their goals and provide an example of striving for excellence to broader society.

The institute system and many of the NSOs have identified that development, recruitment and retention of international standard coaches in Australia is under pressure due to financial and competitive forces. The number of full time positions and the remuneration levels for Australian coaches are relatively low in comparison to both other countries and to other industries. There is a need to recognise and support coaches in order to deliver world class outcomes.

### **Recommendation 3: Direct support for elite athletes and coaches**

The Commonwealth Government creates an ongoing direct support scheme for elite and emerging athletes and for related high performance coaches.

### 3.7 Supplementation funding for indexation and international competition travel

Based on forward estimates contained in the latest budget, the ASC has notionally \$40,260,000 per annum in high performance funding available to allocate to NSOs for the 2009-2013 quadrennium. This does not include an annual allocation of \$8.1 million for NSO supplementation and international competition support which was provided to NSOs from 2005/06 through to 2008/09, which is due to terminate on 30 June 2009. In 2007/08, the terminating supplementation and international competition funding represented 17.9% of the high performance grants provided to NSOs.

If this terminating funding is not available to the ASC in the 2009-2013 quadrennium, existing high performance funding support will return to 2004/05 levels, thereby significantly impacting on the capacity of NSOs to remain competitive internationally. This will be exacerbated by the potential loss of terminating funding for the Australian Government Sport Training Grant scheme under which athletes are directly supported (currently \$4.5 million per annum in 08/09) as outlined above.

As already indicated, travel for competition is a major and increasing cost for sports. Due to our comparatively small population base, domestic competition in Australia lacks competitive depth. Further, the geographic spread of our major cities makes the reality of truly national leagues in most sports logistically difficult and relatively expensive compared to leagues in other countries. The result is either no national league, a short and compromised league, or a full national league that is not financially viable.

By nature of our geographic isolation we need to travel overseas frequently and/or for long periods of time, and costs are rising. It is a growing reality that the most competitive events for both team and individual sports are in Europe and America (depending on the sport). Professional leagues exist in most team sports and by nature of the number of countries there are high quality and quantity of events in individual sports. Opportunities are also beginning to emerge in Asia. At the same time other nations are becoming less and less willing to travel to Australia to compete, as the standard is higher closer to home. As a result, over the last four years sports are reporting a 50-100% increase in their expenditure on international competition and up to a 50% increase in the proportion spent relative to their overall budget.

Where once athletes and teams travelled overseas for short periods, now there is the need to either make multiple trips or to base themselves overseas for extended periods. The establishment of the European Training Centre is a response to this need. But even with the provision of this base, the need to travel and the costs of being overseas are an ever increasing necessity for Australian sport.

Previous government supplementation funding was in recognition of the increased travel demands and costs as well as the broader inflation of costs.

The ASC has unsuccessfully to date sought the extension of these supplementation measures to give certainty to sport in their planning for the Delhi 2010 Commonwealth Games through to London and beyond. In short, national sporting organisations face constant cost increases, an inability to find sponsors and uncertainty over levels of government funding.

## Finding 4

Due to terminating supplementation funding, NSO high performance base funding is projected to drop back to 2004/05 levels in 2009/10. Baseline funding does not take into account indexation for inflation or rising international travel costs. In addition, the need to travel has increased as most sports have struggled to deliver quality domestic competitions. Since the Sydney 2000 Olympic Games and 2006 Melbourne Commonwealth Games there has been a marked reduction in the desire for foreign athletes to travel to Australia for competitions, resulting in increased need for Australian athletes to travel overseas for the necessary level of competition.

### Recommendation 4: Critical supplementation

Supplementation funding be provided for high performance sport to account for indexation and international competition travel costs.

## 3.8 National talent identification and development

In the *Australian Sport: emerging challenges, new directions* paper, the Rudd Government believes that:

*...the ASC must continue to produce innovative programs to find and develop Australia's best athletes.*

The paper specifically cited the activities of the National Talent Identification and Development (NTID) program being crucial in finding the next generation of athletes.

Initially established in 1994 following the announcement of Sydney as host city for the 2000 Olympic Games, the then National Talent Search program followed on from the pioneering work of Dr Allan Hahn in the sport of rowing and was designed to coordinate the talent identification efforts of a range of National Sporting Organisations (NSOs) through a state-based mass screening approach.

However, it was quickly apparent that while the Talent Search program could successfully identify athletes, it was not resourced sufficiently to ensure that pre-elite athletes were receiving adequate development support. Thus, the key learnings were that in order to maximise the outcomes of talent identification programs, equal attention and resourcing needed to be applied to both the recruitment and selection of talent as well as to the key elements of talent development such as access to quality coaching, sports science and sports medicine support, competition, equipment, and full pathway integration.

Since its inception, the NTID program has continued to evolve and is now a standalone program run by the ASC, filling a number of needs of the national high performance system far beyond just the initial fundamental concept of identifying talent. Through experience and the application of knowledge and skills across all disciplines of sports science, the NTID program recruits and selects potential, current and even former athletes with the capacity to attain (or re-attain) elite level sporting performances. The NTID program is run by dedicated coordinators at a national level and takes a project based approach, targeting selected sports/disciplines and/or athlete types including specific talent identification and development initiatives in the areas of Asian-centric and Indigenous sports.

The existence of the NTID program recognises and reflects the inability of the NSOs and SSOs to adequately meet the developmental resourcing required to maximise and fast track identified talent. Consequently, the NTID program fills a number of roles in the national high performance pathway:

- maximising Australia's relatively small athletic population by actively marketing and recruiting gifted and talented individuals into programs on behalf of NSOs;
- matching athletes to sports in which they are most suited;
- case managing and fast tracking talented athletes;
- case managing athletes in target groups (e.g. Asian and indigenous sports);
- targeting 'soft' medal sport disciplines or events;
- targeting a specific component of the talent development pathway that results in a clear and measurable outcome for the NSO; and
- recruitment and development of coaching resources to support athlete development at the pre-elite level.

NTID is a truly national program, under the ASC, which integrates with the NESC, regional academy, university, school, and club systems and is represented from grassroots through to elite sport, community level through to the AIS elite programs. It currently works with more than 600 identified athletes, and over 60 part-time and full-time coaches that are all partially or fully funded by the NTID program. NTID is currently working with a suite of 13 sports which represent a substantial number of available medal categories at Olympic summer and winter competitions. This year, 10 NTID/Talent Search athletes qualified to represent Australia at the Beijing Olympic Games with most having been in their sport for less than five years. A bronze medal was won by the women's K4 sprint canoeists with three of the four paddlers coming from a talent identification program. These statistics highlight the success that evidence-based talent identification and quality talent development environments can have on the national sporting system.

### 3.8.1 Challenges

The area of talent identification and development, and indeed sport as a whole, is currently facing a number of challenges which, if not addressed, will inevitably lead to not only a decay in our performances internationally but also further deterioration of health and social issues associated with our flagging levels of physical activity. The broadening gap between grass roots and elite sport is of great concern and the NTID program alone cannot bridge this divide. With a decreasing quality of athletes naturally emerging through the sports system and Australia's future medal tally under threat, NTID efforts to fill this void, whilst critical, are in isolation not sufficient and must be supported by the overall restoration of our sporting culture.

Many of the issues affecting NTID have been discussed in this section, however key areas of concern directly impacting on talent identification and development are:

- *Arresting the Vulnerability of the Pre-elite:* this critical group within the development pathway reside in the divide between grass roots and elite where blurred accountability and responsibility, combined with non-specific resourcing and poor pathway support means development opportunities are significantly compromised. Most NSOs/SSOs are incapable of providing a quality development environment (including coaching, training and competition experiences, high quality equipment,

facilities, SSSM support). Our current inability to meet the unique developmental needs of this spectrum of athletes creates retention vulnerability and in turn fails to capitalise on the already extensive personal and financial investment made in the athlete and certainly compromises our future medal winning capacities.

- *Quality Coaching*: lack of remuneration and stability coupled with limited professional development opportunities and increased demands to spend time away from home (in order to provide necessary development opportunities for athletes overseas) individually and collectively pose significant threat to this already weakened resource. Lack of full-time quality coaches at the pre-elite level is also contributing to our failure to adequately prepare athletes for elite level competition.
- *Quality of Athletic Talent*: quality of athletes coming through the system is declining due to: a reduction of sport in the school curriculum and a resultant decline in motor skill, physical development and exposure to a diversified sporting background experience by Australian youth; inadequate standard of pre-elite daily training environment (including coaching); limited competition experiences; and poorer quality training facilities.

### 3.8.2 Opportunities

There are a number of opportunities to enhance the impact of the NTID program into the future. Green field opportunities to improve the athlete development pathway may arise via the following foci.

#### A Regional Focus

- *Importance of the Regional Talent Pool*: strategic development and implementation of targeted talent identification initiatives outside of major metropolitan centres presents significant opportunities with more than 30% of the population living in these areas. Furthermore, it is estimated that approximately 21% of elite athletes originate from regional areas (urbanised centres with population <100,000). If we consider this figure in the context of the challenges discussed, the opportunities made available through better resourcing and infrastructure suggest we have an athlete resource that is currently undervalued and underutilised.
- *Improving Regional Access*: partial remedying of this issue is being approached with considerable endeavour through the development of the 'eTID' online self identification program and the corresponding Talent Assessment Centre network. This is predominantly a university network (specifically Human Movement/ Exercise Science Faculties and University Sports Associations). However, in a broader sense, the Australian university system has significantly more to offer. Just as the university system is an instrumental component of the North American sporting system, Australian universities with their vast regional (and metropolitan) footprints, infrastructure and human resources in both coaching, science and medicine offer significant growth areas for future high performance pathways.
- *Regional Talent Spotters*: the resultant provision of identification and physical screening opportunities not previously available in regional areas is a significant advancement but the opportunity to expand and grow this identification network must be further recognised. As an example of untapped potential, the training and development of nationally accredited 'talent scouts' throughout regional areas of Australia is one such way in which opportunity can be further recognised.
- *More Local Sporting Champions*: talent development opportunities for regional athletes can be enhanced through the development of programs that can improve

access to sporting infrastructure. The Government has already made known their commitment to this cause through their direct support to the Local Sporting Champions program. The Local Sporting Champions has the potential to be far more than the current grants-based program designed to provide financial assistance to those needing to travel greater than 250km. It could significantly value add to NTID alignment by offering reimbursements to those athletes who travel large distances to Talent Assessment Centres and ultimately get selected into NTID programs. In locations where adequate coaching does not exist, resources could be provided to those identified talented individuals that need to travel to NTID coaches and programs on a regular basis. Similarly, opportunities might exist for subsidising full boarding scholarships to rural and regional athletes in partnership with supportive educational institutions.

- *Regional Coaching:* better servicing our regional areas can also be achieved through resourcing the development of coaching infrastructure in regional Australia. It is widely acknowledged that the recognition and resourcing of coaching as a competitive and viable profession is critical to the future health of our sport system as a whole. Improved support, remuneration and a better integrated structure would also provide more reasonable justification for encouraging and attracting coaches to regional locations. Both the police force and teaching profession may require graduates to do a regional placement within the first few years of their employment. With appropriate professional development, mentor and incentive arrangements in place, there is no reason why such an initiative could not be considered within a stronger, more viable coaching structure.

#### **Focusing on Expanding our Centres of Excellence Footprint**

- *Universities and Specialist Sports Schools:* Universities/tertiary institutions may become excellent future partners and contributors to the athlete pathway via a nationally endorsed centre of excellence model. The centre might be responsible for recruiting, selecting, and developing athletes and coaches, and providing sport support in graduate courses related to administration, science and medicine. Similarly the integration of the current network of specialist sports schools to form a cooperative body supporting and advancing pre-elite development utilising educational pathways would be a positive step in helping to overcome the current grass roots/elite sport dichotomy. The specialist sports schools are a major feature of some high performance systems (e.g. Germany) and a number of other European countries also favour this model. Many of these schools can offer good coaching, equipment, infrastructure, training promotion and facilitation and have the capacity to attract great talent. We have an opportunity to harness the potential that such a group can provide.
- *Military support:* an important element contributing to international sporting success outside of Australia is the contribution of the Defence Forces. Many international competitors rely heavily on their defence forces to host high performance athletes and coaches, effectively allowing them to become fully paid career athletes. The Australian Defence Forces are not set up in this way, but the turn-key benefits of increased recruitment, retention and profile to the Australian Defence Force is noteworthy.

#### **An Incentive Scheme Focus**

- *Family Membership Rewards:* the establishment of a nationally accredited system which provides extrinsic benefits in return for commitment to sport and physical activity with appropriate incentives might be considered. Such benefits could include

discounts on consumer services, areas of dental, medical, and allied health assistance, or possibly tax relief. A system exists in Switzerland where tiered or 'carded' athletes (those nationally recognised at a defined level of performance) receive an identification card that allows instant recognition and ultimately consumer discounts throughout the nation.

- *Paid Part-Time Coaching:* by way of example the Swiss Olympic Association actively encourages significant coaching uptake by young men and women through the payment (via the NSOs) for coaching services at all levels of sport. Coaching therefore becomes a legitimate income stream that competes favourably with other paid part-time work. This particular incentive addresses coach recruitment, training and qualification, and retention.

#### **A Focus on Women**

- *Female Athletes:* a further area of opportunity for identification and development of talent in Australia is in women's sport. Australia has a natural head-start on many other nations in this area by nature of our more gender balanced society and a tradition of fine Australian sportswomen but, nonetheless, our society still favours the identification and development of male athletes over females. Sport remains more the 'social norm' for young boys to engage in and the prospect of a professional and lucrative sporting career is certainly more prevalent in male sports than in female. Interestingly, however, electronic games are more popular amongst males and of course non-global sports like AFL and rugby league attract a lot of the male talent. Both of these facts suggest we may need to rely on females more for our sporting success at major multi-sport Games into the future. Regardless, the fact remains that many women's sports and sub-disciplines lack relative depth internationally and there are opportunities for further success in women's sport if we can identify and case manage the development of our talented female athletes.

#### **A Focus on the Genesis of Talent**

- *Physical Education Specialists:* integral to improving participation rates and in turn the depth and breadth of our talent pool is repositioning structured sport/physical activity as a fundamental part of the primary and secondary school curriculum. Evidence suggests that early exposure to physical activity combined with a diversified sporting background through one's formative years increases the likelihood of an individual maintaining an active adult lifestyle and also achieving success at an elite level. Appropriately, to maximise this opportunity, increased places for undergraduate training for specialist physical education teachers is needed, as is the placement of, and access to, qualified movement practitioners in schools.

## **Finding 5**

Australia has been an innovator in developing talent identification programs and processes. The National Talent Identification and Development (NTID) program fills a critical need in the high performance pathway for three reasons:

- given Australia's limited quantity of talent there is an ongoing need for national facilitation and support for the identification, case management and fast tracking of athletes towards success in sports in which they are suited;
- a number of NSOs and SSOs are still not at the stage of their evolution where they have the expertise and resources (financial and human) to drive development at the pre-elite level; and

- NTID eliminates the disconnect in the athlete development pathway by bridging the gap between community and elite sport and targeting those athletes that exist between the non-elite and elite components of the pathway. Targeted athletes are immersed within an enriching development environment, enabling them to thrive.

Optimal effectiveness of the NTID program is limited by access to talent, the quality and quantity of coaches, development pathway disconnects between non-elite, pre-elite and elite athletes, and program reach and delivery, particularly to rural and regional Australia. There is a need to enhance the reach of the NTID program and for specialised development environments or centres of excellence that provide opportunities for value-add elements such as sports science and sports medicine, and research.

### **Recommendation 5: National talent identification and development**

The National Talent Identification and Development program be expanded to facilitate the enhanced recruitment and development of talented athletes at the pre-elite level supported by adequate quality coaching; and to expand the network of centre of excellence hubs (particularly in regional areas) with the capabilities to provide optimal talent development environments.

## 4 Community sport

### 4.1 A new model for community sport

#### 4.1.1 Background

As previously discussed in Section 2, sport can and does play a major role in achieving wider health, social and economic benefits. Community sport is the arena in which these benefits are principally achieved. As identified by the Commission for European Communities, community sport has a greater influence than any other social movement, through mass participation at the community level for all ages, abilities, genders and backgrounds<sup>62</sup>.

Historically community sport in Australia has been centred principally on local clubs with a focus on mass participation and competition for all ages. In more recent times, community sport has, by necessity, broadened substantially beyond traditional sport and club structures to include other structured physical activities. There are now many more players involved. These players include recreational and street-based activities that have increased in popularity and through demand evolved into structured or organised sports, such as skateboarding and rollerblading. Dance, circus and martial arts have also gained in popularity and are mainly delivered through private organisations on a fee-for-service basis, in contrast to the volunteer-based club structures that have driven sporting outcomes in the past. These new players need to be embraced, along with the traditional players, to support the provision of opportunities for all Australians to participate in sport at the community level across their life span.

In order to meet these changing needs and realise the opportunities within the health, education and community services sectors, increased communication, planning and cooperation are essential to enable this diverse group of stakeholders to achieve outcomes that have mutual benefit to each sector and to the nation.

In recognising this need, the Australian Sports Commission held a community sport consultative forum on 2-3 October 2008 with participants from federal, state, regional and local organisations across health, education, community services and sports sectors, to help inform the future direction of community sport, which is reflected within this submission (for a full list of attendees, please refer to Appendix E).

A key outcome of the forum was the development of a national vision for community sport, to align all key stakeholders in working towards a common purpose.

***“Every person, everywhere in Australia, has access to affordable, quality and safe opportunities to participate in community sport”.***

Sport England has conducted similar consultations, and derived the following, not dissimilar, vision<sup>63</sup>:

1. a substantial – and growing – number of people from across the community play sport;
2. talented people from all backgrounds are identified early, nurtured and have the opportunity to progress to the elite level; and

3. everyone who plays sport has a quality experience and is able to fulfil their potential.

#### 4.1.2 Challenges facing community sport

In order to achieve the vision for community sport, the following challenges (as identified through the community sport forum) need to be considered and addressed ~

- *Sport in schools*: the substantial reduction of sport in the school curriculum, and training of teachers in physical education, has coincided with the basic motor skill competencies of Australian children dropping significantly and an increase in the prevalence of sedentary recreation activities. (Refer to section 5.2).
- *Traditional delivery of sport*: changing work patterns and family structures mean that traditional sport delivery structures may no longer appeal to, or coincide with the availability of, potential participants. There is a need to review whether the traditional Anglo-Saxon sport delivery model requires modification to suit today's multicultural society and generational changes.
- *Generational change*: sport needs to address the interests, expectations and 'psyche' of all segments of the population, especially Generation X and, more importantly, the emerging Generation Y. Cross-generational differences in attitude, culture and commitment need to be accommodated within our sport delivery system. This is already evident through sports and activities such as extreme sports and street sports that are growing in popularity.
- *Volunteers*: volunteers, the lifeblood of community sport, are becoming increasingly difficult to attract and retain. Nearly 75% of clubs are administered by volunteers; however, there has been a significant reduction in volunteerism due to the complexities of society today including increased working hours and less available time for community based philanthropic activities. As such, the cornerstone of community sport, local clubs, are under threat. This has impacted on participation rates in general and the recruitment and retention of administrators, coaches and officials in particular. (Refer to Section 5.4).
- *Sports infrastructure and facilities*: a further barrier that has been identified to participation in structured physical activity is an aged and failing sports infrastructure. Local councils have identified significant funding shortfalls in relation to the upkeep of sports facilities and infrastructure. The impact of this is exacerbated by new urban design not including sufficient sports infrastructure and the damaging effect of drought on our playing fields. The Australian Local Government Authority (ALGA) has identified the need to give particular attention to rebuilding sport infrastructure as a means of improving community health and wellbeing and combating the obesity epidemic.<sup>64</sup> (Refer to section 4.6).
- *Affordability*: costs for participation, coaching and officiating all impede the growth of community sport. Membership fees have increased to meet additional costs to the clubs and organisations, such as increased insurance costs and maintenance costs for facilities. Equipment costs for participants and officials have risen substantially. Higher transport costs, due to increases in petrol prices, to attend training and competition are also a limiting factor. In addition, the cost for training for coaches and officials to obtain and maintain their necessary qualifications can also be prohibitive.
- *Quality sporting experiences for all*: the quality of the delivery of community sport at the club level varies dramatically from sport to sport, club to club. Whilst there

may be policies and training developed at the national level to support quality delivery of sport for people of all abilities, genders, backgrounds and ages, the ability to support the local implementation of these is limited by available resourcing. In addition the quality of coaches, officials and club administrators have a significant impact on the long term viability of clubs.

- **Confusion amongst the key players:** the increasing numbers of organisations across the health, education, community and sport sector delivering sporting and physical activity outcomes has substantially increased the complexity of the industry. At present, there is no clear national plan outlining the definition of sport, structured physical activity and active recreation, and the roles and responsibilities of these players in delivering these outcomes. (Refer to section 5.1).
- **Evidenced-base decision making:** data and evidence is being gathered by various groups but the ability to use it to make informed decisions for the industry as a whole is being lost as there is no central repository through which to collect, collate, interpret and share information. In turn there is no mechanism through which decisions can be made from the information collected.

### 4.1.3 What has worked well to date?

The community sport forum discussed several existing programs being delivered at the community level to identify the characteristics of successful programs. Five common themes emerged from the discussions. The Active After-school Communities (AASC) program was identified as an example of a program that was successful due to its incorporation of these success factors within its design. Some additional examples are below.

- **Community engagement and self determination** - the program is designed and developed by the community, identifying ways to build on their existing strengths and resources, therefore minimising duplication of resources and enhancing program outcomes. Examples of effective community engagement include ~
  - Building Healthy Community Grant available through the Department of Health and Ageing to support rural and regional communities. Built into this scheme is the requirement for the community to apply for the grant directly, demonstrating how the grant will meet their specific needs.
  - The physical activity program at Longwarry Primary School. The School is in a high needs, low socio-economic area and the Principal designed a specific program to meet the needs of his community. He employed a personal trainer full time for the students, staff and parents. The students have mandatory fitness classes for 30 minutes in the morning, which has shown a significant increase in their concentration and motivation at school during the day and a decrease in absenteeism. The parents have classes that conclude during recess, so that they are required to walk through the school grounds as a role model for their children.
- **Central Coordination and Local Delivery** – the provision of a centrally coordinated structure and strategic direction in program implementation, whilst allowing flexibility to tailor the delivery to meet community needs. Examples of how this has been demonstrated include ~

- National Sporting Organisation modified junior sport programs – the NSO provides the resources, the State Sporting Organisations support the implementation through training in delivery of the specific modified programs, and the local clubs assume the responsibility for delivery.
- The Club Development Officer Network employed in partnership with local councils and WA Department of Sport and Recreation and the Field Officer Network employed in partnership between local councils and the SA Office for Recreation and Sport. These networks are centrally accountable to the government sport agency which provides the strategic direction and oversight, whilst still providing flexibility at the local level to implement tailored programs.
- **Strategic Partnerships** – long term partnerships are identified and established to provide mutual strategic benefit to all organisations involved. Examples of how this has been demonstrated include ~
  - A South Australian primary school has established a partnership with its local council whereby its school facilities are made available to the community free of charge and the council provides maintenance for the facilities at no cost, thus aligning strategic needs.
  - Midnight Basketball Australia is a not-for-profit organisation that has established partnerships within the community through the various local councils the program is run in (e.g. Redfern, Orange, Geelong, Kwinana, Geraldton) and with corporate organisations to support the program delivery. The program meets the strategic needs of both organisations to address anti-social behaviour and support at risk youth, through their engagement in basketball during the hours of 11pm to 3am.
- **Quality Programs Delivered** – programs are tailored to meet the individual needs of each community. Quality training, education and resources are provided to the community to support delivery. Examples of how this has been demonstrated include:
  - Lakemba Sports Club – offers multiple sporting opportunities specifically delivered to meet the needs of the community. It has the following vision:
 

*“Because sport is an important form of social activity that affects social behaviour, skills development, the economy, and perhaps the values of citizens, we are devoted to promote participation in sport by addressing religious, ethnic, social and economic barriers to create a pleasant, productive, healthy, and affordable sporting culture to benefit society as a whole.”*
  - Disability Education Program has been developed by the Australian Sports Commission and is implemented through a network of providers including the state government sport and recreation agencies. This Program provides quality education and training on how to deliver inclusive sporting opportunities for people with a disability.
  - Rugby league and cricket are examples of sports where they have tailored the timing of their junior program to meet the needs of the community, by running the competition in twilight hours. This has resulted in increased junior membership. Training and support for parents as volunteers, is also provided during this timeslot.
- **Long term investment at the local level** – provision of sustainable ongoing programs with adequate ongoing resourcing invested at the community level. The

following programs have had long term investment and as a result have had a significant impact within the communities they were engaged:

- the Indigenous Sport Program, coordinated by the Australian Sports Commission and delivered by the State Departments of Sport and Recreation;
- the United Kingdom will invest £780 million in school sport over the next three years; and
- the Walking School Bus coordinated by VicHealth is now a self funded initiative.

#### 4.1.4 The way forward

In considering the vision, the challenges and the key success factors identified for community sport, a new model was presented to the community sport forum for discussion and debate. In the main, consensus was reached on a model that incorporated the following elements ~

- A national implementation plan which outlines the objectives of the model, roles and responsibilities of key stakeholders, the funding arrangements, the framework for the delivery of the model, and the coordination arrangements.
- Underpinning the model is the placement of a community sport officer within the local community, to first and foremost scope the existing resources available for community sport, existing initiatives being delivered within the community, potential partnerships within the community and the specific needs in relation to sporting outcomes of the community. This would include extensive community consultation.
- The community sport officer would assist the community to develop a tailored local plan that identified strategies to provide more opportunities for all community members to engage in community sport, based on the outcomes of the scoping exercise. This plan would be based on identified community needs and be led and driven by the community, supported by the community sport officer. It is anticipated that each community would include within its plan the creation of a community sport hub, utilising existing resources, including schools and/or other facilities.
- Critical to the plan would be ensuring that the proposed initiative built on existing community sport infrastructure and resources within the community to support and expand their outcomes.
- The local plan would include details of the investment required to achieve the objectives proposed, including identification of possible local and regional funding sources to contribute towards the implementation of the plan.
- The model would include the allocation of funding at a national level that could be invested within communities to contribute towards their plans, within set criteria and parameters.

## Finding 6

Sport plays a major role in achieving wider physical and mental health, social and economic benefits. Community sport is the arena in which these benefits are principally achieved. Community sport has a greater influence than any other social movement, through mass participation at the community level of all ages, abilities, genders and backgrounds<sup>65</sup>.

Community sport is at the brink of collapse due to the significant challenges it currently faces. These include the significant societal, generational and environmental changes and their subsequent impact on the availability, accessibility and affordability of community sport. Club level sport is finding it increasingly difficult to adapt its practices to attract and retain participants, coaches, officials and administrators. To date community sport has been driven off the backs of volunteers. Societal changes now present a challenge to the sustainability of such a model. Significant investment needs to be made at the local level in relation to both financial and human resources, to rebuild and redesign community sport.

Community sport needs to be redefined to acknowledge the changing landscape in structured physical activities that children and families are choosing to participate within. There is also the needs reform the delivery of sport in the community to reduce complexity and duplication, and better coordinate and clarify roles and responsibilities of the various stakeholders.

The success of community sport initiatives is dependent upon program design that provides long term investment in communities at the local level, yet provides a central coordination for support, collaboration and provision of quality training, education and resources. It also allows for tailoring of the program by the community to meet their specific needs.

### Recommendation 6: A national plan for community sport

A national stakeholder plan be developed for a new community sport model, including the definition of sport, structured physical activity and active recreation, and the identification the key stakeholders with clearly defined roles and responsibilities.

### Recommendation 7: Establishment of a new community sport model

The formation of an inter-governmental agreement, through COAG or other appropriate mechanism, to enable Commonwealth and State/Territory Governments to jointly invest in the establishment and implementation of the proposed new community sport model.

## 4.2 Active After-school Communities program

There are significant learnings to be made through an analysis of the success of the Active After-school Communities program.

The Commonwealth Government, through the ASC, has been trying to tackle the issue of an eroding community sport base and the subsequent implications for the health of our nation for a number of years with initiatives such as the current Active After-school Communities (AASC) program. Whilst advertising and education campaigns are important factors in assisting people to lead a healthier lifestyle, it is real and tangible interventions

at the community level which will have the greatest impact. The AASC program was launched by the Government in 2004 as a nationally resourced and coordinated approach to the management of a grass roots structured physical activity program. The AASC program is delivered locally through participating primary schools and outside school hours care services in the after school timeslot. It is a free program, offering fun, safe and inclusive structured physical activity to primary school aged children.

As the AASC program is locally focussed, it allows schools and outside school hours care services to tailor their program to specifically meet the needs of the children and families within their community. This has been effective in engaging children who would otherwise not have been involved in sport or structured physical activity, and also introducing children and their families to new sporting experiences.

Of significant importance is the value of the provision of regional coordinators based within the community. This, combined with the provision of grants to schools and outside school hours care services to support the delivery of the AASC program, has made a significant impact on the ability of local communities to engage in structured physical activity and sport.

The regional coordinator network has been particularly successful in assisting local communities to link with relevant stakeholders to ensure joint outcomes are achieved. These partnerships enhance the program outcomes and also benefit the school and outside school hours care services as part of the community at large. Additionally, the regional coordinators have been instrumental in providing free, quality education and training opportunities to all deliverers engaged to enhance the quality of the program.

The systematic nature of this program has, for the first time, provided the ability to gather extensive research data to measure the impact of the initiative. To date the program has reached up to 150,000 children, provided free training along with employment opportunities to over 25,000 community coaches, and stimulated local community involvement in structured physical activity. So far the AASC program has been implemented in approximately 25% of Australia primary schools (1864 schools) and 26% out of school hour care services (1345) and their respective communities.

Research data collected over the past three years (2005, 2006 and 2007) highlights the program's success in meeting its objectives. The program targets children who were less active after school hours and has made them more active as a result of participating within the AASC program. Prior to their participation in the program, the majority of parents identified that their child was less active out of school hours than the average.

## Finding 8

In today's society, Australian children have less opportunity to be physically active through structured physical activity including organised sport both in the school and community settings. Physical inactivity has been shown to contribute to a decline in education outcomes, social exclusion, anti-social behaviour, substance abuse and increased likelihood of obesity and/or health issues resulting from a sedentary lifestyle.

The Active after-school communities program is an example of a community run program that incorporates the key success factors of program design previously identified.

Re-igniting physical education in schools is paramount to a physically active nation into the future. Providing children with positive sporting experiences and teaching them about the benefits of physical activity and good nutrition is the basis for life-long health. Further, a vibrant school sport system, feeds into strong community sport with heightened interest and involvement in club level sport. The AASC program has already gained momentum in this area by partnering with schools and assisting generalist teachers to feel more confident about delivering physical education. The potential is great for a win-win where the AASC program assists the re-ignition of sport and physical education in schools and a stronger system of school sport supports a stronger community sport culture.

## **Recommendation 8: Expansion of the AASC program**

The formation of an inter-governmental agreement, through COAG or other appropriate mechanism, enable Commonwealth and State/Territory Governments to jointly expand the AASC program and concurrently enforce the Government's policy to ensure that children have access to a minimum of 2 hours of physical activity each week during curriculum time.

### **4.3 Targeted sports programs**

In addition to the challenges identified at the community sport forum, there are a number of additional challenges within targeted sports programs that have been identified through previous reviews.

#### **4.3.1 The Senate Inquiry into Women in Sport**

In September 2006 the Senate Inquiry into Women in Sport and Recreation was tabled in the Senate. The report "About Time" made 18 recommendations of which 10 made a direct reference to the ASC. Several of the recommendations are part of ASCs core business, but other recommendations require further funding to implement.

The following recommendations require additional funding and are supported by the Commission ~

- Increasing leadership grants for women in sport.
- Facilitate media promotion for women in sport using web cast and media education and training. As access for sports to free-to-air television and mainstream media has become increasingly difficult for non professional sporting organisations without substantial resources, it significantly impacts women in sport. New technologies such as Web 2.0 can be used as a tool to provide viewing access to competitions. Initiatives to increase promotion and coverage of women in sport include:
  - funding support to selected national sporting organisations to access alternative media strategies such as web casting to promote women's sport; and
  - providing a more advanced media education program for high performance female athletes.
- Women in Sport Participation – Retention and Coaching Expansion

- Retention projects in partnership with national sporting organisations to address girls/women's retention in the sport. A three year strategy could include internal sport research to identify retention issues, strategies to address the identified issues (e.g. new competitions, new rules, role models etc.), and outcomes of sport specific participation programs looking at: playing, officiating and coaching.
- High Performance Coaching initiative to support sports in developing female high performance coaches.

To support more inclusive opportunities for women to participate in sport and to raise the profile of women in sport, the current sport leadership grants need to be expanded and targeted with identified NSOs which have demonstrated the capacity to increase opportunities for women in their sport. In conjunction with this, a new free-to-air or pay-television media coverage project for women in sport, along with new web-based media technologies, implemented with a selection of NSOs would increase opportunities for women in sport through media exposure.

## Finding 9

The 2006 *Senate Inquiry into Women in Sport and Recreation in Australia* found that women have significantly less sports media exposure and sports leadership opportunities than their male counterparts. Progression on the findings of this inquiry has been limited by lack of funding to plan and implement.

### Recommendation 9: Women in sport

Key recommendations from the Senate Enquiry into Women in Sport are progressed.

#### 4.3.2 Disability Action Plan

At the request of the former Australian Government, a national plan for disability sport was developed. The resulting joint ASC/APC National Plan for Paralympic Sport and Sport for People with a Disability was the product of extensive community and focused consultation by both organisations. The Plan was endorsed by both of the Boards of the APC and ASC (on 30 November 2006) and was presented to the then Government on 13 December 2006.

The Plan called for an enormous amount of structural work to be done in the area of disability sport. The Plan's recommendations covered the following broad areas:

- generating success at Paralympic Games;
- increasing participation in sport by people with a disability;
- improving and standardising classification for competitions;
- identifying pathways for young talented athletes with disabilities to achieve their goals; and
- increasing the inclusion of sports for people with disabilities in mainstream sports.

The Plan has been referred to SRMS and SCORS on a number of occasions for comment. Further progress is dependent on additional funding from all parties and a strong commitment from the Commonwealth and State and Territory Governments.

## Finding 10

People with a disability do not have equal opportunity to gain the physical, medical and psychological benefits imparted by participation in sport and physical activity. Progression on the findings of the National Plan for Paralympic Sport and Sport for People with a Disability has been limited by lack of funding to implement.

### Recommendation 10: Disability sport

Key recommendations from the National Plan for Paralympic Sport and Sport for People with a Disability are progressed.

## 4.3.3 Indigenous sport

Currently sport is a tool being used to create positive engagement with Indigenous communities across a number of departments such as the Department of Education, Employment and Workplace Relations and the Department of Families, Community Services and Indigenous Affairs. These programs could be enhanced by greater involvement of the ASC and NSOs in their development and execution. For example, the ASC believes it should increase its involvement in the Department of Education, Employment and Workplace Relations' *Sporting Chance* program, and provide input into other programs using sport to achieve outcomes within the Department of Health and Ageing.

## Finding 11

Indigenous Australians are increasingly susceptible to issues with health, education, employment social exclusion, anti-social behaviour and substance abuse. A fragmented approach with at least five Commonwealth Government departments plus a number of state governments funding Indigenous sport programs has resulted in duplication and impacted on the efficiency and effectiveness of sport programs currently delivered to Indigenous Australians.

### Recommendation 11: Rationalisation of Indigenous programs

There is a rationalisation of funding for Indigenous sport across Commonwealth Government departments and agencies, with one funding agency, the ASC, delivering Indigenous sport outcomes.

## 4.4 Sport infrastructure and facilities

If the Community Sport objectives are to be realised and every person everywhere in Australia is to have the opportunity and access to structured physical activity and sport, an essential part of the equation is the provision of adequate and appropriate sporting

facilities. However, there is mounting evidence that the supply of facilities is already well behind demand and that the gap is getting wider.

Population increase and major demographic change have contributed to a mismatch between the supply of, and the demand for, sport infrastructure. There are increasing stories in major metropolitan areas of there not being enough playing fields to cater for teams (e.g. Football Federation of Australia reports literally 100's of young players being turned away due to inadequate numbers of fields). In rural areas location, quality, maintenance and the effect of drought are all factors exacerbating the lack of supply.

There is concern by sporting organisations and local government authorities across the country over what is described as decaying infrastructure. Many local sporting organisations are unable to generate sufficient funding for the maintenance and upgrading of existing infrastructure such as surfaces, pavilions and lighting. In addition, water restrictions are causing the loss of many sport ground surfaces resulting in the modification or abandonment of sporting programs and competitions and causing sports to incur substantial non-budgeted remedial and replacement works. Moreover, there is concern about the lack of provision for organised sport in new residential developments. These concerns are particularly evident in the water-dependent, mass-participation outdoor field and court sports throughout metropolitan, regional and rural communities.

The ASC has recognised the need for more evidence-based research into the nature and extent of the perceived problem of unmet demand in the provision of sport infrastructure. The results of a national survey conducted by the Commission in 2007 of Australia's national sporting organisations, state government sport and recreation agencies, state government planning agencies, a sample of local government councils and relevant peak professional and industry bodies suggest that the widespread community concern over inadequate facility provision has a solid basis in fact.<sup>66</sup>

The unmet demand was reported by respondents in terms of insufficient quantity of facilities and inadequate quality of facilities. The deficiencies affect virtually all kinds of facility – sportsgrounds and 'bricks and mortar' infrastructure such as pools, courts, rinks, pitches and various types of indoor sport facilities. The evidence suggests that this situation is adversely affecting a wide range of sports (large and small, professional and amateur) throughout most parts of Australia (rural, regional and metropolitan).

In the case of sportsgrounds, sporting organisations claim that there are not enough of them within reasonable proximity to where people live and, where they do exist, they are being over-used to the extent that playing surfaces are being degraded and the safety of players is being compromised.

Sporting organisations sometimes do not have long-term leases, so there is often little incentive to invest in facility maintenance or redevelopment of ageing and decaying facilities. Increasingly, many providers are said to be more interested in operating facilities on commercial lines, making them too expensive for sports with modest resources to continue using them. Affected sports are forced to relocate to other less suitable, less accessible venues that sometimes do not meet safety requirements such as lighting standards.

These deficiencies are reported to be limiting the growth of club membership and causing prospective participants in sports to be turned away because there is no space for them to train or compete.

Although the Commonwealth Government has provided funding for sport infrastructure from time-to-time, mainly through the sport portfolio department, these programs were not part of the ongoing sport program planning process. For the most part, facility provision has been seen as a state and local government or private sector responsibility with little linkage to the sport development pyramid.

Local government is acutely aware of the problem but has limited financial capacity to respond with the level of investment required. Representing 673 councils nationally, the Australian Local Government Association confirms that there is significant unmet demand for access to sport infrastructure in many communities, including high growth areas in coastal towns, new suburbs in existing towns, rural remote areas and indigenous communities.<sup>67</sup>

The principle reasons for this situation are poor planning, the high cost of provision, reduced financial capability of councils (especially in depressed socio-economic areas), aging facilities built to old standards, and the impact of drought. More detail is contained in the Sport Infrastructure discussion paper at Appendix F, but it is clear that there is a need for greater leadership and coordination to fix the problem of sport infrastructure in Australia.

## **Finding 12**

The current supply of sporting infrastructure and facilities is not keeping up with demand and is very probably not sufficient to cater for an enhanced community sport program. Much of the existing infrastructure is aging, or of poor quality and inadequate in the face of climate change. Sport at all levels is reporting this as a major issue, and an impediment to providing opportunity for growing participation. There is an urgent need for a comprehensive national audit of supply, leading to a coordinated national strategy and plan for sport infrastructure.

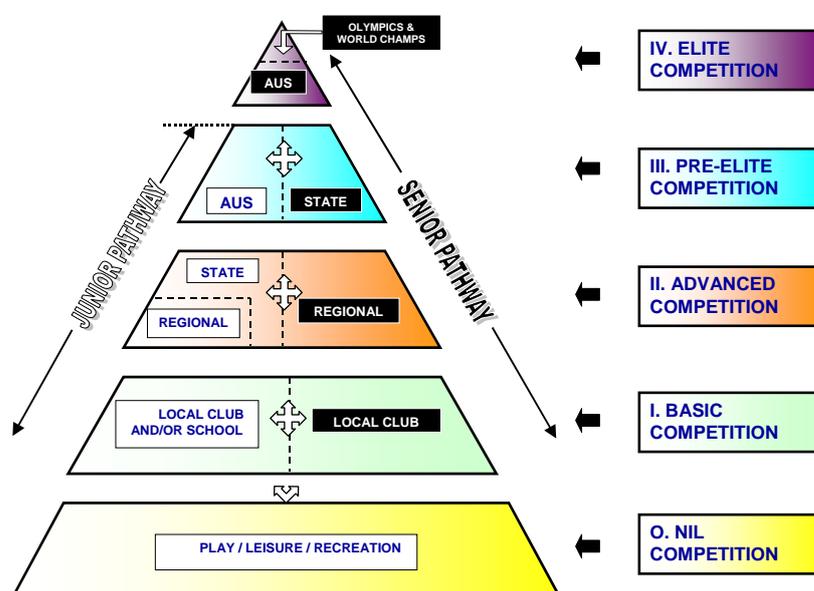
## **Recommendation 12: Supply and demand of sporting facilities**

The ASC be authorised and funded by COAG to engage and project manage a suitably qualified independent consultant to assess the supply of, and the demand for, sport facilities and provide recommendations which lead to evidence-based sport infrastructure planning on a national basis and the production of rolling quadrennial (strategic) and annual (operational) sport infrastructure plans.

## 5 National sporting pathways

The Australian 'sporting pathway' has been mentioned throughout this document, with some background at the start of Section 2. The sporting pathway is simply the 'vertical' progression of athlete from the broad, 'horizontal' base of community sport through the 'pre-elite' stages of development, skill progression and competition experiences, to elite senior national and international competitor.

The sporting pathway is in fact three inter-related, and ideally, integrated pathways: the athlete pathway, the coach pathway and the competition pathway. Ideally athlete progression is seamlessly integrated with coach support and competition experiences appropriate to the level of the skill development for any athlete on the pathway. The following diagram depicts the general Australian sporting pathway, showing levels of competition commensurate with each level of athlete development.



**Figure 2. The sporting pathway pyramid**

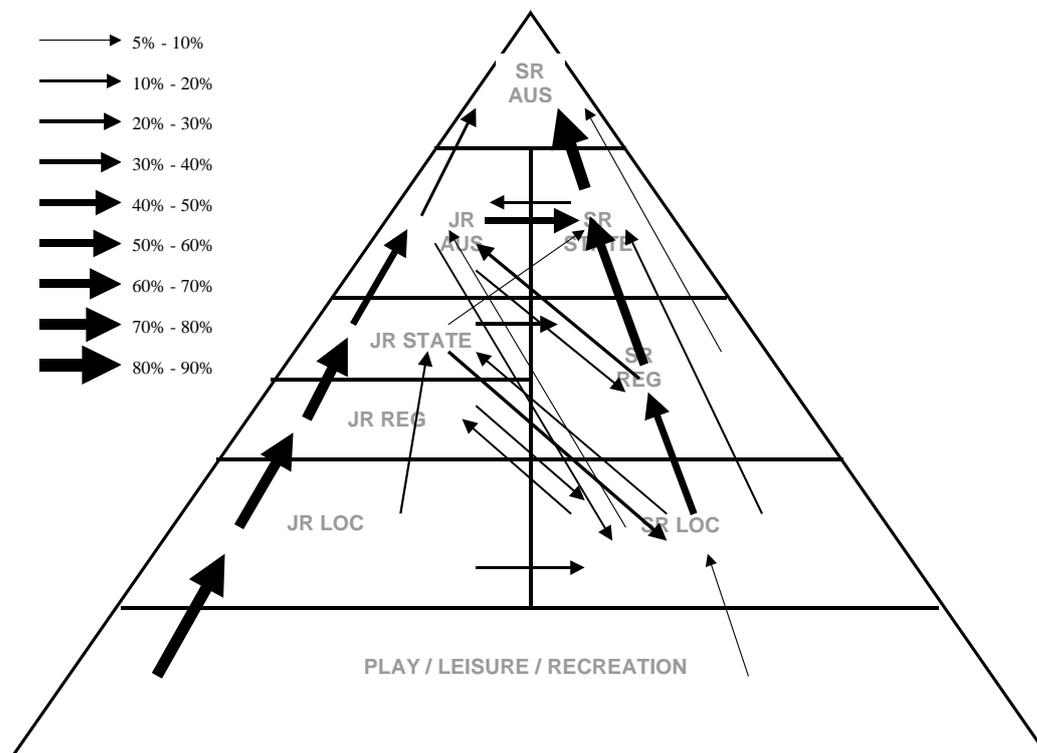
As already outlined, the Australian sport system was built from the ground up with a basis in school, club and local sport. The sporting pathway evolved from the hierarchy of competition tied to progressively higher levels of representation. The pre-elite pathway generally starts at the representative level of community associations that compete for regional and then state championships, and moves onto state representative teams that compete for national titles. Pre-elite sport is generally about junior athletes and/or those aspiring to take the next step to elite level competition.

Elite, or high performance, sport (as outlined in Section 3) incorporates national squads and teams which then form the basis of Australian teams competing in the international arena. High performance sport is defined as having the best athletes, with the best coaches, using world standard facilities, supported by science and medical services to enhance the performance of the athletes in their 'daily training environment'. International competition on a regular basis is a key component of the preparation of

elite level athletes for their major events. The high performance step of the pathway is the one in which there has been the most investment due to its high visibility, impact and desirable outcomes.

The understanding of how athletes develop is surprisingly limited. Perhaps it is the enormous number and variability of available sports or the challenges of long term prospective monitoring. It behoves peak sporting organisations such as the ASC to understand how talent is transformed into the next generation of athletes. Yet in reality the majority of athlete development pathways remain largely unknown while being attributed to an unplanned mix of educational institutions, private and public clubs, various local and state sporting associations, community programs, and a large volunteer base.

A recent study undertaken by the NTID program shows the complexity of the Australian pathway in a real life sense. The progression of 673 athletes from 34 sports (12 team and 22 individual sports) was analysed to identify the route taken 'up' the pathway through various levels of junior and senior competition stages to the pinnacle of senior level Australian representation. The result of the study is show in Figure 3 below and clearly shows that progression 'up' the pathway is often not linear.



**Figure 3: Magnitude of direct movements through the pathway pyramid**

The complexity of the pathway underlines the difficulty faced by many sports in creating a seamless pathway whereby each athlete can clearly navigate their way from non-elite participant through to their individual pinnacle without experiencing major disconnects along the way. Part of the key to progression is the guidance of good coaching to align skill development with competition experience and manage rate of advancement as well as support any setbacks.

Pre-elite sport, including identifying and developing talent from junior development through to senior state level, will inevitably involve difficult and vulnerable times for athletes. It is these middle stages of the Australian sporting pathway where resourcing is scant and guiding support is variable. Many of the next generation of both participants and elite athletes are poorly case managed; often without quality specialist coaches; lacking sufficient national and international competition opportunities; and rarely having access to the advantages provided through sports science and sports medicine. The dropout rate at this stage is particularly high. Further structure and support is needed to enhance pre-elite sport, which will in turn better support elite sport.

## 5.1 The capacity of the sport system to delivery pathways

National sporting organisations are the custodian of their particular sport from grassroots through to elite sport. NSOs are supported in this role by state and local sporting organisations who deliver the various levels of the sport in their jurisdiction. The reality is that most of the funding to NSOs is for high performance outcomes and, as previously discussed (Section 3) the various sporting organisation layers are not always in alignment on direction, roles and responsibilities in terms of the broader athlete and coach pathway.

Apart from in a small number of professional sports, the human and financial resources and overall capacity of all levels of sporting organisations to deliver the sporting pathway is limited. The issues regarding the capacity and alignment of the institute system to support delivery of the lower levels of the pathway have been discussed in Section 3. Similarly the invaluable role the NTID program plays in identifying and developing pre-elite athletes across selected sports, has been discussed.

High performance funding over the last 25 years has enabled the NSOs of the more successful sports to move further along the continuum from 'kitchen table operation' to 'professionally run businesses'. As a generalisation, greater levels of high performance funding have lead to greater levels of sophistication in delivery of the sport product and pathways, obviously with a focus on the high performance outcome side of the business. This has been achieved largely through higher quality and quantity of full-time staff. Conversely at all levels, the lower the funding and support for high performance, the less sophisticated the operation of the sporting organisation.

Even NSOs which are well advanced in the business of high performance delivery are still largely on the kitchen table when it comes to the operation of activities other than high performance – namely those linked to commercialisation, support of community sport, delivery of a seamless pathways, good governance and self-sufficiency.

The majority of SSOs, particularly of smaller sports, simply do not have the capacity to support the delivery of the sporting pathway to pre-elite athletes. For a long time sporting organisations at all levels have been doing 'more with less' and trying to stretch meagre resources across every aspect of their operation. At the junior level, most athletes must self-fund their development, including their participation in representative teams (travel, accommodation, uniforms, etc). Many SSOs also struggle to provide training and support for quality coaching and officiating. Coaches and officials who do look after state representative teams often do so on a volunteer basis, with large time commitments including using annual leave from their jobs to travel with teams. This situation makes

recruiting and developing quality coaches and officials at the pre-elite level increasingly difficult.

Similarly providing appropriate levels of competition along the pathway is a real challenge for most sports. At state level there are not the coaching, officiating or administrative personnel to do any more than provide age-based competition opportunities – and for some sports, particularly in regional areas, even this is difficult. Case managing athletes and matching competition needs to physical skill development progression of talented performers is but an ideal. At national level many sports are struggling to conduct viable national leagues, with the expense of travel around the country affecting the length of season and the quality of the competition. Further there are issues across every sport with the large variation in athlete depth. Small states have a better ability to case manage and bring state quads together for regular training but don't have the population base from which to draw depth of talent. Larger states have the numbers, but the population density of large cities and/or size and diversity of large states make squad training very difficult.

The successful assimilation of the pathway steps therefore is hampered by lack of resources as well as the unique issues associated with size and population distribution of Australia. The solution starts with finding ways to increase the capacity of sporting organisations to work together under the leadership of each NSO, reduce areas of duplication and unite to source and optimise resources.

Work is ongoing by the ASC and by many of the SDRs to assist sporting bodies (local, club, state and national) to become more professional and even commercial in the delivery of a quality product/service to the community. This work includes education and assistance for the good governance and management practices within sporting organisations. This will allow NSOs to gain alignment and consensus and create viable programs and models through which they can add value and provide efficient services and business practices to their constituent state and local bodies.

Concurrently there is the need for a coordinated approach between national and state in planning and adequately defining roles and responsibilities for all stakeholders across the pathway. Too often both NSOs and SSOs try to be all things to all people and in doing so spread their resources too thin. In turn sports are not always clear what the role of support agencies such as the AIS and SIS/SAS in the pathway should be. A coordinated cohesive approach will clarify roles for all and potentially optimise valuable resources.

In recent times the ASC has sought, to the extent resources allow, to strengthen the capability of targeted sports through comprehensive governance and management reform. The most successful example of this is Football (Soccer). A number of other sports that have recently been the subject of ASC reviews - Football (Soccer), Canoeing, Yachting, Athletics, Ski and Snowboard, Softball and Touch - have either adopted, or are actively considering, options to streamline the way they are delivered through behavioural and/or structural change.

This work is ongoing and government support and intervention is vital for the future of our sports, not only for better delivery of the pathways, but for overall provision of a viable service to the community.

## Finding 13

The structure of sporting organisations has evolved in response to historical requirements and the evolving hierarchical competition needs (local, regional, state, national). The sporting pathway evolved in parallel with the competition pathway. The result is that many sports comprise a number of layers and affiliated organisations each trying to deliver their sport within their own jurisdiction. Sports are already doing 'more with less' but a clarification of roles and responsibilities would greatly assist sports maximise their meagre resources and enable more appropriate distribution for delivery of the components of their sport across the levels. This issue is a systemic problem across the industry. Creating a seamless pathway without gaps or duplication requires excellent communication and a unified vision for the sport. In recent years the ASC has worked with a number of sports to reform governance and management processes in order to gain better alignment between business strategy and governance structure and hence attain a more effective delivery of the sporting pathway.

### Recommendation 13: Building capacity of sporting organisations

Recognising the need to build organisational capacity and capability of sporting organisations, funding is provided to the ASC to work with targeted sports on improving governance and management processes, as part of broader whole-of-system reform to coordinate and streamline delivery of sport from grassroots to elite, including defining roles and responsibilities and optimising resources across the pathway.

## 5.2 Strengthening sport and education system links

As outlined throughout this submission, if Australia is to achieve the Commonwealth Government's desired national outcomes of building a healthier Australia through Community sport and sustaining elite sport success, then reigniting the integral link between sport and education is essential. Australia's school system should be a natural ally of the sport sector in seeking to advance these objectives.

Despite the fact that sport was historically part of school in Australia, the education system is now being under-utilised as part of the Australian sporting pathway. Failure to reignite and enhance sport in schools has the potential to undermine our entire sporting system, unless the gap is filled by alternative, more resource intensive means.

A well planned and run system of education on physical health and activity will lead to:

- increased physical activity leading to better basic movement skills, strength, coordination and physical fitness in children;
- an increase in club membership due to more children wanting to play club sport after being introduced to it at school, leading to an increase in the base of the sporting pathway;
- an increased involvement of volunteers (parents) supporting community level sport leading to better sport delivery;
- an increase in the quality and quantity of talent coming through our sport system; and
- an increase in the quality and quantity of coaches and other professionals who are knowledgeable about sport.

As outlined in Section 2, the presence of physical activity in schools has declined markedly over the past 15-20 years, thus necessitating initiatives such as the AASC program. There has been a steady decrease in specialist physical education teachers, due to cost cutting measures, resulting in delivery of physical education and activity being left to general teachers. With an aging (primarily female) teaching population and an increasingly crowded curriculum, the reality is that physical education is often not a priority. The Commonwealth Government does mandate minimum levels of physical activity in primary schools and Commonwealth funding to State education is dependent on schools fulfilling these requirements. However, there is no structure or strategy through which to formally enforce this policy.

As discussed elsewhere in this submission (Sections 2 and 5), re-igniting physical education in schools is paramount to a physically active nation into the future. Providing children with positive sporting experiences and teaching them about the benefits of physical activity and good nutrition is the basis for life-long health. Further, a vibrant school sport system, feeds into strong community sport with heightened interest and involvement in club level sport. The AASC program has already gained momentum in this area by partnering with schools and assisting generalist teachers to feel more confident about delivering physical education. The potential is great for a win-win where the AASC program assists the re-ignition of sport and physical education in schools and a stronger system of school sport supports a stronger community sport culture.

Concurrently, links between education and sporting bodies are tenuous and exist on an ad hoc basis between individual schools/universities and sporting organisations or programs. Systematic planning and linkages could realise significant benefits in areas such as: educating and inspiring children as to the benefits of life-long physical activity and sport; attracting a new generation to coaching, officiating and administration of sport; wider access to school/university sporting facilities; better relationships and understanding between education system and sporting organisations for talent identification and development.

The school system has a competition structure which is usually not linked to sporting organisations, but is a natural opportunity for talent identification. There exists some difficulty in coordinating schedules between school sport and club sporting competitions, but if these issues could be overcome there is potential for more effective and efficient delivery of competition for both parties and for the lower end of the sporting pathway.

For many years, the US college system has been the backbone of that countries' talent identification and development framework. The US' large, geographically dispersed, system is characterised by comprehensive and well resourced programs and pathways for athletes and coaches who participate in well-organised, high quality, inter-collegiate competitions up to the elite level. Australia does not have anything resembling such a developed system, notwithstanding that we have 40 universities, many with first class sporting facilities, and some 500,000 students in the 18-25 age range, including a significant proportion with elite athlete potential.

The "eTID" online self identification program and the Talent Assessment Centre network located mostly within the university sector to facilitate decentralised talent identification in regional areas is an example of how the substantial resources and expertise of the university sector might be harnessed. This recent development illustrates the potential role for the ASC to provide national leadership, in consultation with the university sector, in a wider range of areas directed towards achieving national objectives in sport participation-health prevention and elite sport competition.

Some 22 universities in Australia offer tertiary studies and undertake research in fields such as sports management, sports science, exercise science, human movement, sports medicine and coaching – all of which support the sporting pathway. While there has been useful collaboration between the ASC and a few of these universities, there is a need to better collaborate on how such courses can enhance Australia’s sporting pathway.

The education systems own perhaps the largest network of sporting facilities in Australia. There has been an extensive discussion between the sport sector at the club and state/territory levels and school systems over the years regarding options to expand community access to school sporting facilities. Moreover, this issue has also been on the agenda of the National Sport and Recreation Development Council (NSRDC) and SCORS for some time. However, apart from a few examples of access being opened up, progress has been relatively limited.

In all of these areas (expanded provision of physical education and sport in schools; better connections between school/university competition opportunities; and community access to educational institution sporting facilities), the ASC could play a greater leadership role, in consultation with the relevant authorities, in seeking to develop a more unified national approach to these issues.

## **Finding 14**

Physical Education in schools has declined due to a decrease in teachers trained and willing to deliver it and the subject being marginalised within the curriculum to make way for more ‘academic’ subjects. As a result the health and basic motor skill development of our children is declining. The Australian education system has a sports competition program independent of sporting organisations. It also owns perhaps the largest network of sporting facilities in Australia. Over the years there have been discussions between the sport sector at the club and state/territory levels and school/university systems about potential links through competitions and possible expanded community access to school sporting facilities. However, apart from a few examples, progress has been relatively limited. Links between sport and education are fundamental to achieving both long-term preventative health and sustained high performance excellence.

### **Recommendation 14: Strengthening sport and education system links**

Mandatory Physical Education is reintroduced into the curriculum and that the ASC plays a greater facilitation role, in consultation with the education sector and other relevant authorities, in seeking to develop a more unified national approach between the sport and education systems.

## **5.3 Coaching and officiating**

### **5.3.1 The coaching pathway and related issues**

As outlined at the beginning of this section, as well as throughout Section 3, coaching and the coach pathway is a vitally important part of the athlete development pathway. It is also the area most in need of bolstering if Australia is to sustain international sporting excellence, as apart there are simply not enough coaches in the system, from community level through to world class full time high performance coaches.

At the grassroots level of the pathway, coaches have a major role to play in providing participants (of all ages and stages) with a positive experience in sport, and in doing so either starting them on the sporting pathway or fostering them as life-long participants. Recent research conducted in the UK by Sport England in 2007<sup>68</sup> support this finding that “the coach is uniquely positioned to establish sporting environments to provide the individualised, responsive and dynamic environments that the research suggests are important to inducing and supporting participation”; and “Research with children and adults suggests that coaches provide participants with fun/enjoyment, encouragement, sport development, social development, confidence, progression and lifelong participation in sport”.

Outside of the abilities skills and attributes of the athlete, the coach is the single most important factor in the high performance sporting environment. In this environment, the coach is not only the driver of athlete progression and performance, but also the critical coordinator of an athlete’s or team’s overall program, with Australian high performance programs currently referred to as ‘athlete centred, coach driven’ and incorporating a range of support personnel.

In Australia, coaching is not a viable profession for the majority. Employment of elite coaches is primarily the domain of the AIS, SIS/SAS and larger NSOs. Most of these coaches service the very elite level of the sport. Apart from the professional sports coach remuneration is modest and there is little if any ‘pathway’ to becoming an elite coach.

Australian remuneration levels are low compared to many other nations and it is a common occurrence to see our best coaches lured to overseas opportunities. The AIS, many NSOs, SIS/SAS have identified that the recruitment, development and retention international standard coaches is becoming more and more difficult due to financial and competitive forces. A recent report (2008)<sup>69</sup> out of the United Kingdom indicates salaries as high as £300,000 pounds per year for top National Performance Directors. An audit done of similar roles in Australia in 2007 indicate United Kingdom salaries are approximately three times that of Australia’s for similar roles.

At the pre-elite level very few coaches are full-time career coaches and most are volunteers. The few full-time coaches at the pre-elite level are generally employed by the SIS/SAS for development programs and remuneration is low. The lack of full-time professional coaches at development levels in many sports is affecting the quality and preparedness of athletes feeding into elite programs. This is of course exacerbated by the decline of sport in school affecting basic movement skills and fitness of young athletes.

There are a few individual sports (e.g. tennis, golf, swimming and gymnastics) where a culture of user pays exists and coaches can independently earn a living, but remuneration is largely dependent on squads with a large number of athletes. There are also some paid coaches in the school system (generally private schools) but the Australian sporting system to date has been largely unsuccessful at linking with schools and harnessing the potential synergies there.

Coaching as a ‘profession’ cannot compete with careers in broader society and those wanting to coach are not able to make a viable living until they are at the elite level. The result of this lack of recognition and status of coaching in Australian society is a large gap between the quality and skill of elite coaches who are employed full time by the system and those coaches working at the junior and pre-elite level who are poorly remunerated if at all. As a consequence succession planning is becoming increasingly difficult as the

volunteer coaches are limited by time, opportunity and higher level exposure to develop the skills required of the full-time coaches.

In some Olympic sports there are less than a handful of full-time coaches. A key factor to success in high performance programs is the athlete to coach ratio. The provision of more full-time coaching positions would improve this ratio in many high performance programs and would also extend the professional coaching 'pathway' which would provide greater opportunity and incentive for coaches to continue in the role.

Equally as important are the volunteer coaches at the community sport level. It is essential that these coaches are supported with easy to use and understand information to assist them to lay the foundation for life-long sport involvement for participants at all levels. There exists a range of information, resources and education programs available to volunteer coaches and officials. For example, the ASC has developed a series of more than 100 web pages called 'Tools and Tips for new coaches and officials'. Some sports offer orientation to coaching sessions for new coaches and officials. However the challenge is to increase the awareness, availability and uptake of this information by clubs and individual coaches and officials at community level, as well as assist sporting organisations to deliver quality and cost-effective coach education.

### 5.3.2 Addressing the issues

In order to address these issues and better support the sporting pathway, it is clear that Australia needs a coaching system that:

- supports and develops high performance coaches;
- provides them with a career structure;
- keeps them at the forefront in international coaching developments;
- provides educational and professional development opportunities for all coaches; and
- provides a greater recognition of the value of coaching and coaches.

In response to these issues and in order to fill the gaps in the coaching pathway and the sporting system as a whole, the ASC has introduced significant new programs to support the development of high performance coaches. These initiatives include the Coach Career Management and the Elite Coach Development Programs as well as the creation of a coach services position within the AIS. These new programs complemented the existing activities such as: the National Coaching Scholarship Program; national seminars and workshops provided by the ASC for high performance coaches; and professional development activities provided for AIS coaches.

State and Territory Institutes and Academies of Sport are also attempting to increase resources and programs to support the development of their coaches. A small number of NSOs have increased support for their high performance coaches by appointing dedicated national high performance coaching coordinators, but there is a need for many more to do so.

There is urgent need for a systematic national approach to create a sustainable and viable pathway for coaches at all levels which engages all stakeholders to collectively address the issues. A National Development Framework has already been initiated to guide all stakeholders towards a coordinated national approach to the recruitment,

development and retention of quality high performance coaches within the Australian sporting system to 2012 and beyond.

The objective of the Framework is to assist stakeholders to identify the priority sports and individuals coaches within those sports to be targeted for development; the development pathway for those high performance coaches; the identification of stakeholder responsibilities in the development pathway; the identification of focus areas for high performance coach development; the identification of gaps within the current system for future action; and priority actions needed to facilitate the collaborative implementation of the Plan. Potentially, the framework provides for a more nationally co-ordinated approach to the management of coaching resources within the system, however current resources and structures make this impossible.

To date the work on this Framework has been developed by the ASC, AIS, SIS/SAS and a small number of NSOs and requires further work, but more significantly additional resourcing is needed to support sporting organisations in order to make this a reality.

Continued effort and resourcing is essential for coaches at all levels of the pathway. Training, research, web-based and hands-on support is needed for volunteer Mum and Dad coaches through to elite national team performance directors. The challenge simply stated is to produce more coaches and officials at every level who are better at what they do. But numbers alone are not sufficient. The system has to be able to accommodate this valuable community human resource. Placement, retention, training and deployment require a system that will effectively use its valuable personnel.

### 5.3.3 Officials

Officiating also has an essential, but often underestimated role to play. In general the development of officials is poorly resourced and low on the list of priorities of most NSOs. There are limited opportunities for officials to gain exposure to higher levels of competition, especially international level. This has a direct effect on the quality of officiating in Australia, affecting game style and subsequently the ability of Australian teams and individuals to adapt to international level and style of competition. Again, at the community sport level, officials have a big responsibility to ensuring the sporting experience is positive and retaining participants in the sport.

Some state government agencies provide small development programs for officials; however, outside of these initiatives the development of high performance officials is primarily driven on a sport-by-sport basis. Some NSOs are now seeking support for the establishment of officiating 'academies' to provide a more structured development pathway for their high performance officials. While these are sound initiatives the support for these will only come at the expense of resources being reallocated from elsewhere in the officiating or high performance system.

The current National Officiating Scholarship Program run by the ASC provides support for individual officials. It has been identified that the official's coach/co-ordinator is the key element in the development of officials at all levels. However, those in these roles, including the high performance level, are often volunteers who have had little to no development support or training for the role. There is a great potential to provide professional development to enhance the skills of these people and therefore influence the development of a greater number of officials as a result.

## Finding 15

One of the biggest limitations of the sporting pathway from grassroots and community sport through, junior sport to sub elite and elite is the provision of high quality and quantity of coaches and officials. Quality coaches and officials not only enhance the development of young athletes through to elite performers, but also ensure enjoyment and retention of participants of all ages and stages. The Australian 'pathway' for developing coaches and officials lag behind that of many sporting nations in terms of providing opportunities, incentive, experiences, adequate remuneration and recognition.

### Recommendation 15: Support for coaching and officiating

The ASC is resourced to lead a strategic planning process to create a national system of recruiting, developing and retaining quality coaches and officials; and that the sporting pathway be adequately resourced to ensure the support of coaches and officials as an essential component for optimal delivery of the pathway at all levels.

## 5.4 Recruiting, retaining and supporting volunteers

Volunteers support almost every part of the pathway in roles as diverse as coaches, officials, team managers, administrators, board and committee members, with many filling multiple roles.

Volunteers have always been the lifeblood of Australian sporting system, however with changes in society and people's priorities and time, recruiting and retaining volunteers is becoming more difficult. There is a need to examine the way sport is delivered in order to enhance the attraction, enjoyment and intrinsic reward for volunteers.

Change and flexibility with regards the expectation on volunteers is required in across much of the sports industry. There are volunteers in many sports who have been involved for many years and who work tirelessly across a range of roles. There is often an expectation that new volunteers must 'replace' others and take on multiple responsibilities, but the reality is that few are prepared to do this.

In addition the range and complexity of tasks and responsibilities on volunteers has increased dramatically over the last 20 years since sport as a whole has become more 'professional'. Some roles even involve legal obligations and the level of accountability in addition to the time, required skills and knowledge is off-putting for many people.

Despite these challenges, there are many examples in the Australian sporting community, of good practice with regards recruiting, recognising and retaining volunteers. There are some great stories of local clubs, schools and associations and their thriving sporting environments due to their innovative and modern practices of engaging volunteers.

There also exist a number of excellent research papers outlining international practices for optimising volunteerism, not only in sport but in the broader not-for-profit sector.

There is no need to reinvent the wheel, but there certainly is a need to find, coordinate and widely implement best practice models in recruiting, supporting and recognising volunteers to support our sporting pathways. The development and coordination of a

national model for volunteerism in sport, rather than isolated pockets of good practice, would greatly assist in providing a quality sport service for all Australians.

Concurrently however, it is necessary to consider ways in which the sporting pathway in particular, can become less reliant on volunteers. This is true even in the community sport model presented in Section 4. And as outlined above, in terms of the sporting pathways, it is an issue that, apart from at the very elite end of the pathway, most of the coaches are volunteers. This affects the time they have available both to coach and to develop their knowledge and experience, which in turn affects the quality of instruction, guidance and support given to our aspiring elite athletes. It is essential for the future effectiveness of the Australian high performance system that we continue to professionalise coaching and officiating within the sporting pathway.

## **Finding 16**

Sport engages more than 20% of Australia's volunteers, with over 1.5 million volunteers involved in sport and recreation organisations. Sport relies on these volunteers and they in turn make the sporting industry a relatively low cost industry, which provides the majority of Australians the opportunity to take part. Attracting and retaining volunteers, however, is becoming increasingly challenging due to the time involved and increasing demand of roles. There is a growing body of research on volunteerism as well as some examples of good practice in enhancing volunteer experiences, which needs leadership to collate, coordinate and develop a sustainable national model for sport volunteerism.

## **Recommendation 16: Optimising volunteerism in sport**

The ASC is resourced to drive coordination of existing good practice and facilitation of research into volunteerism in sport, leading to the implementation of best practice models and support for sporting organisations on how to best attract, retain and optimise the experience for volunteers.

## **5.5 Relationships between the Commonwealth Government and other sporting bodies**

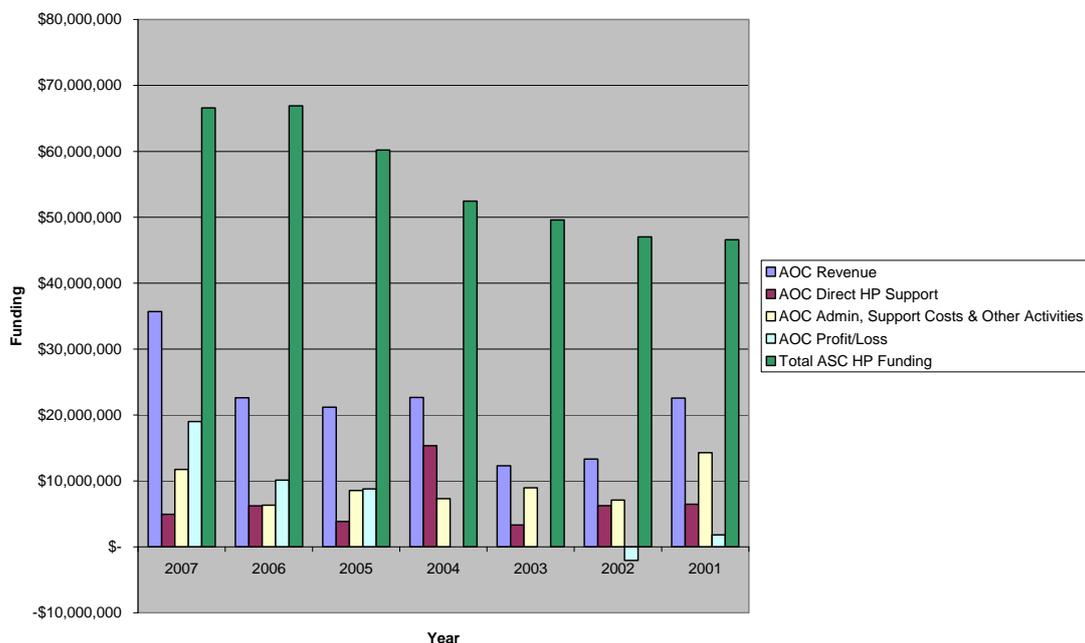
The ASC, the AOC, the APC and the ACGA each have very different roles within sport in Australia. The ASC is the Australian Government agency that manages, develops and invests in sport at all levels. The AIS, a division of the ASC, is the nation's national institute and is responsible for the preparation of Australia's elite athletes by conducting elite and development programs as agreed with priority NSOs as part of their national pathway. As discussed in Section 3, the SIS/SAS also assist in this role, supporting pathway programs and individual athletes in their pre-elite and elite high performance development.

In 2007/08 the ASC allocated over \$86 million in grants and funding to NSOs, in excess of \$10 million to the APC and NSODs, and over \$4 million directly to targeted athletes (total over \$100million).

The AOC is the organisation responsible to select, send and fund Australian Teams to the Olympic Summer and Winter Games. The AOC also supports athlete development through the biannual "Australian Youth Olympic Festival", a legacy of the Sydney Olympic Games.

The AOC is funded completely from sponsorship and income generated from the Sydney Games. In 2007 the AOC reported allocating just under \$5 million to NSOs and athletes. The AOC four year budget leading into and including Beijing totalled \$33million, made up of: \$5.5 million budget for two Youth Olympic Festivals (2005 and 2007); \$8.5 million for team preparation; \$6.0 million for the athlete medal incentive scheme and \$13.0 million budgeted for Beijing Games. In 2007, it was reported that the AOC had investments totalling in excess of \$120 million and recorded a profit of close to \$20 million. The figure below details AOC high performance funding along with other AOC revenue and expenses.

The ACGA has a similar role to the AOC, being the organisation responsible to select, send and fund Australian Teams to the Commonwealth Games. The ACGA is also self-funded and has a budget of \$15 million over four years for elite and junior athletes support and team costs leading into the 2010 Commonwealth Games. The ACGA policy of providing support for junior athletes has been quite beneficial especially for small NSOs.



**Figure: 4 Comparison of ASC and AOC Direct High Performance Funding and Other AOC Revenues and Expenses**

The APC is the organisation responsible to select, send and fund Australian Teams to the Paralympic Summer and Winter and Commonwealth Games. Unlike the AOC and ACGA, however, the APC has limited sponsorship or private sector funding. Over the 2004-08 Paralympic cycle the Australian Government, through the ASC, provided well over \$26 million to the APC, plus \$1 million in direct athlete support. The APC and the ASC work closely together to enhance support for athletes with a disability.

Although the AOC and ACGA receive no direct funding from the government, they receive significant benefit from the Commonwealth Government's investment in sport, resulting in the preparation of athletes for their multi-sport Games. The end result is similar to that of the direct investment to the APC, although arguably on a larger scale. The AOC is the highest profile organisation and receives significant public kudos for Olympic success, despite a relatively small investment compared with the ASC on behalf of the Government.

The relationship between the ASC and the AOC in particular is not a close working relationship, despite sharing some common objectives. NSOs also have direct relationships with each of the organisations. Funding levels from the ASC (including AIS) and AOC for 2007/08 and 2007 respectively are tabled in Appendix B. The AOC contributed less than 10% of the total of ASC funding to NSOs in the years shown (data is taken from respective annual reports).

The relationship between the National Olympic Committee and National Government Sporting Agency varies significantly around the world. There is a growing trend however for closer relationships, joint funding contributions and even unified bodies. The Australian sport system would almost certainly benefit from closer involvement from the AOC, particularly in the area of national pathways and athlete development. A unified national approach from all peak multi-sport bodies together with the ASC to support NSOs would result in a more effective national high performance system.

The one area in which the AOC and ASC/AIS are jointly involved and invest (almost equally) in is Winter Olympic sport. This is done through a dedicated umbrella body, the Olympic Winter Institute of Australia, a company limited by guarantee, with its members being the standing executive of the AOC, and with the Director of the AIS on the Executive Board.

The existence of an organisation such as this is unique in Australian sport but designed to be a professionally run, specifically targeted high performance entity to optimise outcomes from a group of related sports run mostly by volunteers and enthusiasts. Despite a modest operating budget, the model has proved very effective and has continued to evaluate and amend its operational structure and build its relationships with various partners to address challenges and produce results.

Although Winter sport is relatively small in Australia, the Olympic Winter Institute is an example of where collaboration and joint investment in sport by the AOC and the ASC/AIS has proved beneficial in producing successful high performance outcomes.

## **Finding 17**

Currently the ASC, on behalf of the Commonwealth Government, is the major investor into the national sporting pathway and preparing athletes for major international multi-sport Games. The ASC works directly with the APC, but the AOC and ACGA operate separately and fund sport primarily to attend their Games. The Olympic Winter Institute is an example of the AOC and ASC jointly investing to achieve high performance outcomes. There is a strong case to be made for further AOC investment in other Olympic sports.

### **Recommendation 17: A unified approach between peak multi-sport bodies, the ASC and NSOs**

A unified approach between the ASC, AOC, ACGA, APC and NSOs be explored to optimise effectiveness of supporting the national sporting pathway, including increased financial contribution by the AOC in particular.

## 6 Sport science, research and technology

The Commonwealth Government's *Australian Sport: emerging challenges, new directions* paper acknowledges that:

*'Innovation, research, science and technology will be the drivers of Australian sporting excellence in the decades to come.'*

An essential component of the success of the AIS and subsequent national sport institute network has been its revolutionary focus on sport science and medicine, working alongside coaches and athletes in their daily training environment. The AIS has gained a worldwide reputation as the 'Harvard' of sport academies. An essential component of its success has been its sport science, medicine and technology innovations and the *application of those innovations directly to sport*. For example, in the 1980s Australia became the first western nation to implement a scientifically based talent identification and development program, and led the world in developing methods to analyse the training and competition performance of swimmers. During the 1996 Atlanta Olympics, Australia made international headlines through its use of cooling jackets to help athletes cope with hot conditions, and in the lead-up to the 2000 Sydney Olympics the AIS was widely lauded for its major contribution to the development of a test for the banned drug Erythropoietin (EPO).

A vital factor underlying the scientific achievements of the AIS has been the establishment of a 'critical mass' of staff in the sports science and sports medicine areas. This has allowed staff members to develop some degree of sport specialisation and has enabled attention to problems beyond just the provision of routine support to sport programs. It has produced a dynamic, collegial environment in which possible solutions to problems can be extensively debated and refined, and has permitted the conduct of various special projects requiring the availability of a reasonably substantial scientific labour force. From a staff of just two people in 1981, the SSSM section of the AIS has grown to a point where it now employs approximately 100 people across 11 different departments, as well as catering for more than 30 postgraduate scholars.

The last five to ten years has seen a concerted investment, by a large number of nations, in both national institutes and in related science, innovation and technology partnerships and research. Australia must capitalise on its track record for excellence in sport science and medicine and for broader innovation and development of technology to remain competitive both in terms of high performance outcomes and for potential broader health-related social outcomes.

### 6.1 National coordination of sport science and sports medicine

The importance of sports science and sports medicine in contributing to medal winning performances is incontestable. The application of sports science and sports medicine is essential in the development and sustainability of elite athletes for successful performances. However there is a need to ensure access to quality SSSM is consistently applied throughout the athlete development pathways and across the institute system.

The demand on SSSM has continued to increase by virtue of a greater athlete and coach understanding and appreciation of the potential performance benefits of these services and the greater level of demand for integration between sport science disciplines (e.g. physical therapies, recovery, physiology, performance analysis, decision making and skill acquisition, psychology, medicine and strength and conditioning). There is a need to continue to increase the sophistication of servicing and to deliver comprehensive and more holistic support to athletes (including Athlete Career and Education).

As outlined in section 3 (and Appendix B), approximately 3500 athletes across over 50 sports, are supported across the institute system. By nature of the varying size and resourcing, the capacity to support athletes and coaches with SSSM servicing varies widely. After negotiating program support from each SIS/SAS, each NSO must then also negotiate the level of SSSM support available to their athletes and coaches.

The ability of the AIS to provide cutting edge support is undoubted thanks to the integrated system of staff across all SSSM disciplines. No other institute has the capacity to either employ a critical mass of staff or to have them all housed in one central location. Additionally, apart from at the AIS, athletes are not centrally located and either athletes and/or SSSM staff must travel to access support. A number of AIS programs are also spread around the country and these programs depend on SSSM provided by the SIS/SAS network. However due to the inadequate supply of providers in the states, the system is becoming increasingly reliant on AIS SSSM staff.

The following Figure shows the spread of AIS programs around the country, illustrating the complexity and scope of providing support across all SSSM disciplines to so many athletes and coaches.

**Figure 5. AIS Programs around Australia**



The number of SSSM staff that each institute has the resources to employ is considerably less than the AIS. As a result, many of the SSSM providers used by the system are private practitioners. These providers are utilised on a fee for service basis and in the case of vital 'every day' services such as the physical therapies (physiotherapy, massage), athletes are generally reimbursed the private health insurance 'gap', up to a finite annual allocation. This amount depends on the athletes' elite status and the resources available to their sport within their SIS/SAS. In some states, provision of some SSSM discipline services is simply not available.

Apart from limitations on SIS/SAS resources with regard to the number of staff they can employ and engage, generally across the system the ability to attract, develop, retain and sustain quality SSSM staff is an increasingly difficult and expensive task. AIS, SIS/SAS and NSO programs are now competing with professional sporting clubs who are targeting, and commercially engaging, the same service providers. The AIS (and many of the SIS/SAS) are becoming breeding grounds for quality SSSM staff for the benefit of the professional sports and also for many of our competitor countries.

In addition to the issues regarding supply and demand of SSSM support around the country, coordinating services for each sport is a difficult task. Apart from AIS full-time residential programs, athletes are spread around the country and indeed the world, and are accessing different SSSM providers. In Basketball for example, national team athletes live and play for teams around the country, in Europe, the USA and Asia. Keeping track of the fitness and strength programs, injuries and rehabilitation is a major task. Unless sports have a dedicated SSSM coordinator, it is impossible to adequately monitor and support athletes around the country.

Collaboration and sharing of ideas among specialised discipline providers is also extremely difficult under the current system. There is no one body with the time and mandate to provide the leadership for what would be an invaluable enhancement of the system. Rather than SSSM service providers working in isolation in their respective states, a model where communication and collaboration was facilitated would enable the sharing of best practice and stimulation of new ideas. This would also provide further sharing of issues, learnings and perspectives between those working 'in the field' in SIS/SAS environments and the relative 'institutionalised' approach of working at the AIS. The mutual benefits across the system would be enormous.

The establishment of a 'national institutes' model as outlined in section 3.4 would go a long way towards alleviating some of these issues by providing a mechanism for centrally planning, funding and coordinating the provision of SSSM support across the network. While more funding to employ SSSM staff is necessary, a coordinated and collaborative approach to determining the needs and priorities across sports, including assessing the demand for SSSM around the country, and then applying resources accordingly would lead to the provision of a more comprehensive system for athletes and coaches. It is logical that the AIS lead the coordination as it has the staff and the knowledge of the whole system and already provides coordination to AIS sports where athletes are located around the country and the world.

An added benefit of a more national and collaborative approach to delivery of SSSM support across the Australian sport system would be the optimisation of support through the AIS European Training Centre in Italy. National coordination of SSSM would ensure priority athletes and sports get access to the best possible support in Europe, at the same time providing a professional development pathway with opportunities for SSSM providers to further develop their skills through international experience.

## Finding 18

While each sport institute in the system provides sport science and sports medicine support to scholarship holders, the current structure limits optimal coordination of support for both individual sports and athletes nationally. Each sport must negotiate with each institute as to the support available. Every institute is reporting a demand for more service providers. Communication and coordination across the network is limited, particularly in cases where a sport does not have a staff member or service provider who is able to facilitate connections across all providers for that sport. In addition, because each institute recruits its own staff, there is limited scope to develop a nationally coordinated approach. The relative lack of integration also diminishes the ability to respond to professional sports or international competitors poaching from the small pool of high-quality personnel.

### **Recommendation 18: – National coordination of sport science and medicine delivery**

As part of the new Australian Institutes of Sport Model, the AIS lead the coordination of sport science and sports medicine delivery for the high performance sport system, including ensuring adequate quality and quantity of service providers are available to targeted sports as well as to emerging athletes.

## 6.2 Enhancing the capacity sport science, research and technology

Innovation in sport has led to a number of valuable collaborations with research institutes, universities and other relevant industry groups, escalating over the last few years. These collaborations have used sport to advance technology development and knowledge in the area of human performance, not only for elite sport but also for wider community benefits. The four year Olympic cycle provides a powerful impetus for targeting and fast-tracking research, and exposing new technologies during major sporting events that can facilitate subsequent broader commercial applications.

Crucial to the scientific accomplishments of the AIS has been the formation of effective partnerships with external groups. Even with the SSSM staff numbers expanding, it has become increasingly evident over time that the AIS cannot afford to confine its pursuit of innovation to its own research facilities. Demand for discovery and problem-solving has begun to far outstrip the capacity to respond using only in-house expertise and resources. Establishment of collaborative relationships with other specialist problem-solvers, such as universities, large research organisations and various industry groups, has been a natural way to move forward. The relationships have differed widely in terms of their formality, from 'handshake' arrangements between a few individuals to highly structured, multi-organisational agreements. In 2005, the AIS established an Applied Research Centre consisting of a small team of people charged with negotiating and fostering effective collaborative links.

Some of the partnerships developed by the AIS have been genuinely innovative in themselves. Included here are arrangements with numerous Australian universities and sporting organisations to create a 'sport-based' PhD scheme that embeds students in the sports they are researching; formation within the Cooperative Research Centre (CRC) for

Microtechnology of a Sport program that incorporated involvement of a specialised 'product development team'; participation in a joint CSIRO-AIS research theme that brings scientists across CSIRO Divisions to solve sporting challenges; and establishment of a fledgling Sports Technology Industry Cluster consisting of small to medium-sized engineering companies interested in sharing resources and capabilities to achieve synergistic outcomes.

While the combination of internal critical mass and strategic external partnerships has allowed the AIS to achieve highly in the research and technology domains, it is no longer unique in world sport. With regard to research partnerships in particular, very significant initiatives are now occurring in competitor nations. In the United Kingdom, an investment of £15 million has been made in the establishment of a Sports Technology Institute at Loughborough University. The Institute has a range of major industry partners, including Nike, Reebok, New Balance and Umbro. It is aiming to develop 'cutting-edge' technologies to assist the performance of British athletes at and beyond the 2012 Olympic and Paralympic Games, while also generating economic returns through product commercialisation. Comparable initiatives are occurring in Germany, the Netherlands and Belgium.

If it is to remain at the international forefront of sports research and technology, Australia needs to take new and decisive steps, not only to increase its capacity for the generation of sports knowledge, but also to ensure the relevance of that knowledge and its infusion into coaching practice. It must augment the in-house research and technology expertise of the AIS, build on existing partnerships with other organisations and, where appropriate, develop and support new partnerships.

Although there are some hurdles to be overcome, there are grounds for considerable optimism. The will to move forward is strong, and existing AIS linkages offer a very solid foundation for an upgraded approach. Compared with its major international rivals, the AIS has a much longer history of research partnerships and a broader range of collaborative experience. This places it in a good position to develop new operational models that could help to retain a competitive advantage.

### **6.2.1 Current research & technology partnerships**

The AIS presently has a major research and technology partnership with CSIRO. For the past two years, the organisations have each contributed \$200,000 to a joint research fund to support collaborative research. This has yielded outcomes that aided Australian performance at the Beijing Olympics, particularly in sailing. Based on the initial success of the collaboration, CSIRO recently decided to upgrade its involvement with sport by establishing a new research theme titled '*Advancing Human Performance*'. The theme is being pursued in close cooperation with the AIS, which made a cash input of \$500,000 for 2008/09, matching the CSIRO commitment. It is hoped that early positive achievements will stimulate increased investment in the future.

Another important research partner of the AIS is National ICT Australia (NICTA), which is Australia's largest research organisation in the field of information and communications technologies. Between them, the AIS and NICTA have contributed a total of \$320,000 to a combined research fund over the past two years. The primary joint project has related to the development of a wearable device that will enable characterisation, quantification and recording of the training activities of swimmers. NICTA recently submitted a paper to

the Minister for Broadband, Communication and the Digital Economy, seeking support for an upgraded relationship with the AIS.

The AIS draws on a wide range of organisations including national research organisations, universities, small to medium enterprises and larger corporations in order to tap into relevant innovation. Some examples of these productive partnerships are included at Appendix G.a.

While there is richness and diversity in the range of current AIS partnerships, a cautionary note does need to be sounded. As a result of recent reductions in the budget of the AIS Applied Research Centre, many of the partnerships have an uncertain future and at present even the most pivotal of them cannot be guaranteed beyond the end of the current financial year. However, the ASC is committed to doing all within its power to ensure their preservation and expansion, and the prospects therefore remain bright.

## 6.2.2 The way forward – a new model for a new era

Through its experience with research partnerships, the AIS has become increasingly aware that gaining access to high-level expertise will not in itself be sufficient to optimise outcomes in the areas of sports research, technology and innovation. The real challenge is to gain a comprehensive understanding of the problems faced by sports and of the capacity and willingness of the broader innovation community to solve them and then achieve a suitable alignment. This challenge is extraordinarily complex. Sports often find it difficult to properly identify and articulate potential research issues. Innovation is occurring in large and small pockets all over Australia and much of it tends to remain invisible unless concerted effort is made to uncover it. Direct dialogue between scientists and industry experts can sometimes be inhibited by differences between the two groups in terms of professional culture and language.

In other contexts, decisive measures have been implemented to address such situations. For example, an American company called InnoCentive has been established with the sole charter of providing an effective interface for communication between ‘seekers’ of solutions to problems and potential ‘solvers’ of those problems. The company helps the ‘seekers’ to prepare clear ‘challenge briefs’ and uses various methods, including the internet, to contact and attract the attention of the prospective ‘solvers’. It offers financial incentives of varying magnitudes for the achievement of successful project outcomes. It has proven to be immensely successful and over several years has developed a worldwide network of more than 160,000 registered ‘solvers’. In Australia, a company called Innovation Exchange employs ‘intermediaries’ with extensive backgrounds in both science and industry to interact with various organisations and to recognise, define and broker opportunities for synergy.

It is of course true that through its own staff and its existing partnerships the AIS already has in place quite substantial and demonstrably effective networks of ‘solvers’. These need to be consolidated, strengthened and secured for some time into the future, but they should not be permitted to become exclusive. It may well be possible to markedly increase the overall productivity of the ‘solver’ networks by actively facilitating their communication with sports, and also with one another. This is the essence of the ‘open innovation’ approach that has already yielded remarkable benefits for a range of corporations, and its adoption could provide Australia with a research and development framework that would be unique in world sport and offer an ongoing competitive advantage.

### 6.2.3 Sport research and innovation centre

It is suggested that existing AIS linkages should be used as a basis for the formation of a national Sport Research and Innovation Centre that would revolutionise Australia's capacity to improve sports performance through special projects aimed at the development and application of ground-breaking new knowledge and technologies.

The Centre would build strong interactions with NSOs, state sports institutes and academies, universities, specialised research institutions and industry groups. It would have its administrative headquarters at the AIS in Canberra to capitalise on opportunities for interaction with a diverse range of sports professionals, but its activities would take place in various parts of Australia to maximise access to expertise. Its major objectives would be to:

- Keep Australia at the forefront of international sporting achievement in the face of the current strong challenge from competitor nations;
- Produce a step-change in Australia's capacity for generating, aggregating and applying new knowledge and technologies in the sports domain;
- Extend the breadth and depth of sports research through strategic collaborative arrangements involving multiple organisations and researchers; and
- Establish an integrated national research framework that addresses the needs of sports but also caters for the effective education, development and retention of emerging sports researchers.

The Centre would also seek to facilitate the use of research outcomes to develop a new sport-related national industry that could benefit the Australian economy and help fund future research. It would try to realise opportunities for sports research to produce 'flow-on' benefits to other industry sectors and the wider Australian community.

In order to achieve the objectives, the Centre would work closely with sports to identify and document areas in which special projects may solve problems or create opportunities relevant to performance. At the same time, it would continually liaise with specialist research organisations, universities and industry groups as a basis for comprehensive mapping of Research and Development interests and capabilities with immediate or potential relevance to sport. It would then link sports with the expert researchers and innovators best-placed to successfully design and carry out required projects. It would fund relevant research, monitor research progress and ensure aggregation of new knowledge resulting from the work. Where appropriate, product development and commercialisation opportunities would be pursued and in this process the Centre would encourage the competitiveness and growth of small and medium-sized Australian enterprises that could become future investors in research.

Key features of the Centre would include:

- Employment of a dedicated team to provide a constant and vibrant interface between sports and the innovation community;
- A focus on fostering and supporting the development of largely self-managed research 'clusters' in target research areas; and
- The involvement of the AIS, the Commonwealth Scientific and Industrial Research Organisation (CSIRO) and National Information Communication Technology Australia (NICTA) as core partners in the initiative.

These features would provide the Centre with the essential elements necessary to understand and solve many of the problems faced by sports, with minimal requirement for a centralised management structure.

Recruitment of a special team to ensure effective communications between sports and innovators is considered critical to the establishment of a functional 'knowledge economy' characterised by continual sharing of information and ideas and the use of open innovation methods to greatly accelerate progress.

Supporting the formation of research clusters that are essentially self-managed would reduce the administrative overheads of the Centre and provide considerable flexibility, since some of the clusters may be quite transient and there would be scope for regular reconfiguration. The arrangement would also allow research teams to operate with a high degree of independence, rather than being incorporated into a 'top-down' administrative framework that could impose barriers to creativity. To obtain ongoing funding from the Centre, the clusters would have to produce outcomes of value to sports, thus assuring accountability. (Further details on how the Centre would operate are at Appendix G.b).

With the idea of the Sport Research and Innovation Centre in mind, staff members of the AIS Applied Research Centre recently began a process of consulting with selected sports in an attempt to define their upcoming research and technology needs. Concurrently, they encouraged colleagues from one university (Griffith) to carry out an 'audit' of all sports research being carried out across its various faculties. Both exercises have produced instructive results.

The Griffith University group has been amazed by the extent of its own sports research. This suggests that collation of similar information across the wider Australian university sector could well reveal a great deal of hidden capability and therefore supports the need for development of a communication network of the type that would be pursued through the new Centre. It may be possible to take a significant step forward by simply garnering research efforts already occurring and aligning them with identified needs of sports. Of course, the achievement of alignment would almost certainly depend on ability to offer the researchers some form of incentive.

Projects coordinated and conducted through the Centre would be focused primarily on high-performance sport, but would yield spin-off benefits to community sport, and perhaps also to such areas as health management, palliative care, emergency services, education, and defence. The sectors outside of high-performance sport may offer the best commercialisation opportunities.

By developing innovative ways for bringing leading scientists and design experts from multiple organisations into contact with clearly articulated research needs of sports, as well as with each other, the Centre would enable Australia to rival and surpass major scientific and technological initiatives now being undertaken by its competitor sporting nations.

## 6.2.4 Summary

Australia has a proud history in the generation of new knowledge and technologies for application to high-performance sport, and the Commonwealth Government has stated a belief that continuing advances in these areas will be required to maintain Australia's sporting excellence. The AIS has been a major contributor to the achievements that have

occurred over the past 27 years. Its contribution has been made possible by the combination of a 'critical mass' of in-house scientists and a range of strategic research and technology partnerships that have provided access to relevant external expertise. Competitor nations have recognised the value of this combination and are now implementing similar systems with much greater financial support.

However, the long AIS history of collaborative endeavours has provided experience that can be used to develop new approaches that could continue to offer Australian sport a competitive advantage. Significant gains could be made through the localised adoption of modern open innovation methods and through ensuring a fully effective communication interface between sports and the innovation sector. There is potential to build on existing AIS research and technology linkages to establish a new Sport Research and Innovation Centre that would employ a dynamic, highly inclusive collaborative mode of operation, foster the development of largely self-managed research clusters to take on specific research problems and produce spin-off benefits for the wider sport and general communities. The Centre would be unique in world sport. The establishment of the AIS was an extraordinarily bold public sector initiative and another such initiative is needed now to preserve the original impact.

## Finding 19

Excellence in science, research, technology and innovation has played a critical role in helping Australia reach and maintain a leadership position in world sport and is inextricably linked to elite sport performance. To maintain its status as a premier sporting nation, Australia will need to substantially increase its investment in the development and implementation of new knowledge and technologies, while also ensuring that this has a direct influence on the practices of coaches and athletes. Previous research collaborations aimed at assisting high-performance sport programs have worked well and the knowledge and technologies produced have also benefited the broader community. Building on these collaborations to establish a national Sport Research and Innovation Centre would introduce operational efficiencies, enable better use of available funds and enhance the effectiveness of collaborative research.

### Recommendation 19: National centre for science, innovation and technology in sport

Create a well-resourced national Sport Research and Innovation Centre, headquartered at the AIS but involving close collaboration with NSOs, SIS/SAS, universities, national research organisations (such as CSIRO and NICTA), the private sector and other relevant industry groups.

## 6.3 Sport information, technology and knowledge

Australia has a unique opportunity to reform traditional sport delivery practices and transition the Australian sport sector to a technology enabled, knowledge-based community in order to:

- Sustain and improve our competitive advantage in high performance sport; and
- Enable all Australians to share and benefit from the wealth of sport information and expertise within our sport community.

An Australian Communications and Media Authority Report (2007) indicated that many Australians view access to the internet as an essential part of their daily lives<sup>70</sup>. The Report stated that almost ninety percent of Australian households have a fixed landline or mobile phone, of which eighty percent have access to the internet. The Department of Finance and Deregulation has found that a quarter of all Australians now conduct all or most of their dealings with government over the Internet and 41% of people would prefer to contact government by the internet.<sup>71</sup>

The globalisation of ICT is transforming Australian society. The 'Web 2.0' phenomenon of mass participation in information sharing has given rise to popular online social networking sites which have been strongly embraced by the Y generation and are gaining use in the wider community.

The Australian sports community is also reaching unprecedented levels of online connectivity. It is expected that sport in Australia will increasingly be influenced by socio-economic factors relating to levels of take-up and use of ICT. Looking forward, 'Australian sport' must also be viewed as a significant online destination. The Australian sport community in this context is defined as a place, space and destination where community members, information, experiences and knowledge are connected, which will in turn fuel both interest in sport and enhanced participation experiences.

To sustain its competitive advantage and build upon 27 years of sporting excellence, the AIS will be required to continue to pursue and make use of leading edge information and communications technologies within competition and training environments. Coaches, athletes and sport scientists make extensive use of digital media and performance telemetry. It is now a basic requirement that digital resources are organised, aggregated and made available worldwide over high speed networks in order to develop and enhance knowledge and understanding of elite sport performance.

### **6.3.1 Information and communications technology capability of Australian sport**

Demand for ASC ICT services has evolved and grown significantly over recent years:

- from the initial provision of personal computing during the 1980's and early 1990's; and leading national sport organisations in adopting and establishing an early Internet presence in the mid 1990's;
- To the development of internal database systems and innovative world leading sports science and sports medicine applications; managing a significant ASC internet presence and delivering a wide range of ASC services via the web through contemporary web based applications today.

The ASC has been able to achieve and accomplish much with its limited ICT related resources to date. However, demand for ICT services and infrastructure, particularly for web related business solutions, now vastly exceeds the ASC's capability to meet these needs. To take the ASC and Australian sport forward, significant investment is required in communications networks, ICT infrastructure, databases and web application systems, to support the electronic-business (e-business) and sport knowledge environment required to connect and advance Australian sport.

On the high performance sport front, Australian coaches, athletes, and sport scientists make extensive use of digital media to track the progress of athletes and refine training

programs. It is now considered a minimum requirement that their digital resources and data are stored, aggregated and facilitated to grow a better understanding and insight into elite sport performance. Professionally managed digital repositories and databases, connected by high speed networks, create powerful resources to support elite athlete development.

Australia has multiple high performance sport competition and training centres located across the continent and overseas. Currently, there is a major disconnect in terms of high performance broadband capability between most Australian high performance sport centres. The ASC has been successful in establishing a high speed broadband connection between AIS Canberra and the Perth training base for AIS Men's and Women's Hockey. However, further work needs to be undertaken to connect all AIS and SIS/SAS training centres and other centres of research and sporting excellence across Australia and overseas. Investment in easily accessible high speed communication and collaboration facilities that can be connected to from anywhere in the world is essential, if our athletes and coaches are to have access to the latest information and be able to collaborate in a secure environment with each other and with sport scientists and sport medicine experts.

Across the wider community, leading sport knowledge and research material is currently not made available to all Australians. Critical information is presently stored in different organisations and research repositories, some requiring expensive subscriptions. Many individuals have extensive knowledge in specific areas, but to date there are only limited whole-of-sport technology approaches to linking these individuals and research resources to the wider sports community. The ASC anticipates that the Government's Broadband Network initiative will provide a key component of national ICT infrastructure enabling the Australian sports community to share visually rich digital media content with all connected Australians. However, the ASC will be required to establish new technology enabled business solutions in order to fully exploit the Government's ICT and broader digital economy initiatives.

### 6.3.2 Enabling access to sport information

The Coles Report (1975) identified a critical need for the creation of a sport information service to support the development of elite sport in Australia. Don Talbot, Inaugural AIS Director, established the AIS Information Centre in 1982. The role of the Centre was to collect quality Australian and overseas published information on sport, and to provide a comprehensive information and documentation service to AIS coaches, sport scientists, athletes and staff. The early and successful AIS information servicing model was progressively adopted by emerging state institutes and academies of sport over the next two decades.

The Information Centre's service mandate was broadened in 1988 with the amalgamation of the AIS and ASC. The Centre's name was changed to the National Sport Information Centre (NSIC) reflecting a major shift in service focus. The NSIC built on its existing information management systems at the time, identifying and making leading national and international sport related information visible and available to the Australian sport community.

The NSIC continues to develop and refine information service delivery strategies to ensure various targeted Australian sport sector client groups maintain access to critical sport information resources. However, challenges looking forward include the ongoing digitisation and management of aging and culturally significant information holdings,

establishing and growing an electronic publishing capability, and meeting the costs and demand for provisioning information resource and services via the web. The NSIC is widely acknowledged as Australia's premier sport information centre with the extension of this concept now being drawn upon by competing nations.

The ASC continues to make a significant contribution to the Australian sports sector by enabling access to quality sport information services and resources. The ASC maintains a significant online servicing presence, while also managing and facilitating a valuable and unique legacy of sport information that has been developed over the past twenty seven years.

### 6.3.3 Exploiting new knowledge environments in sport

Knowledge management in Australian sport has been widely viewed as a formal process to date, enabled through systematic approaches to information production, collection, facilitation and disposal. Sport knowledge that has been captured and managed through these formal processes currently resides within various organisations, libraries and documentation centres. However, the greater component of Australian sport knowledge is more tacit and discrete in its nature and resides within isolated communities or sits with key individuals.

To harness the power of what we collectively know about sport and physical fitness in Australia, it is proposed that a web based sports knowledge network be created to further information sharing and to capture tacit knowledge and expertise. The web based network will be about connecting sports people and community via the Internet, supported by technology. It will:

- be a direct link to what our sport community already knows, drawing on human competency, intuition, ideas, and motivations;
- help Australian sport community members overcome the tyranny of distance and geographic isolation;
- connect Australians to each other to further information discovery and sharing, and to foster knowledge development and learning; and
- support community, business, organisational and Government objectives.

Looking forward, the ASC, as the federal sport agency, is well positioned to lead and transition the Australian sport sector to assume a more active role in a knowledge-based economy. The high level of take-up and use of ICT by Australians in general, provides the ASC with a unique opportunity to directly connect and engage with sports community members. The ASC could potentially reach unprecedented levels of business engagement and social inclusion, and gain improved visibility of its various communities by establishing and fostering a secure online web based destination for Australian sport.

To achieve this, the ASC would be required to significantly upgrade existing ICT infrastructure and business systems in order to cater for every Australian sport community member. The Australian sport sector would need to respond quickly to exploit the Australian Government's investment in ICT infrastructure and the digital economy. The ASC and its key sport sector stakeholders would be required to work together to ensure community members are able to connect with each other and access quality information resources that enable learning, sport knowledge development and promote related Government sport, health and education policy agendas.

The ASC anticipates that knowledge management and development in Australian sport will only increase in strategic importance as competition for sports expertise reaches new and significant levels across international markets. The establishment of an accessible web based sport knowledge network will help ensure that Australian sport retains and continues to develop the intellectual property and expertise that underpins the success of our national sport system.

### 6.3.4 Building e-capability in Australian sport

Establishing electronic capability (e-capability) across Australian sport at all levels through the use of ICT and web based solutions has the potential to unify and improve business processes, and ultimately business performance throughout the sport sector. The ASC is well positioned to lead and strengthen the Australian sport sector through provisioning and establishing e-business solutions and systems that improve the flow of information and that connect community members, sports organisations and key sport sector partners.

Building e-business capability in sport encompasses the entire information transaction value chain across the national sport sector, with a primary focus on capabilities such as e-commerce, e-publishing, e-learning and electronic information resource sharing. The ASC will be required to consolidate its own business systems, while also establishing 'whole-of-sport' e-business frameworks to connect government and private sectors to enable the exchange of data, information and knowledge across the Australian sport sector.

The e-capability of Australian clubs, SSOs and NSOs is of variable quality and in some cases inadequate. In many instances systems do not integrate and/or are unable to share data, information is restricted when it could be available to all and efficiencies are not realised. The result is that many sport participants find the sport 'product' to be frustratingly 'amateur' and inferior to other leisure options. Due to its not-for-profit and volunteer nature, sport lags behind most other industries in e-capability. In a society where instant access to information is demanded, many sports are losing participants due to inefficiencies of antiquated systems. There is a significant need to assist sports to adopt web-based sports management and information systems if they are to fulfil the broader objectives for the role of sport in Australian society.

Effective ICT systems have the potential to significantly increase access to information, to provide enhanced education and training opportunities, to increase communication across sectors, to increase day to day productivity and significantly improve the product across all levels of sport. Opportunities for individuals, as both participants and consumers of sporting services, to provide feedback to organisations are unprecedented as a result of web technologies.

A side benefit of adopting nationally integrated ICT systems would be improved communication, cooperation and alignment across jurisdictions within and across organisations. The web is without boundaries and effective e-capability requires interoperability across systems and jurisdictions.

The ASC has a key leadership role to play in the following areas:

- establishing national standards to ensure interoperability across systems;

- educating and guiding the sports community regarding the criteria for prudent e-capability software acquisition and ongoing maintenance;
- assisting the change management process in moving from disparate and inefficient localised systems to nationally integrated systems; and
- provision of professional development opportunities to better equip people in sport to acquire and manage their e-capability.

It is expected that e-capability will increasingly become a vital part of national sport business operations at all levels. In a business environment where information is viewed as an important asset, e-capability provides sporting organisations with a means to consolidate best practice models, improve communication, gather and provide quality information and capitalise on strategic relationships between community members, which ultimately can be the difference between sport business success and failure.

## **Finding 20**

In the modern age of ICT connectivity, it is essential that sports and sport administration bodies have cutting edge e-capability in order to educate, entice and communicate with people about sport. Most NSOs have some form of web presence, but few have a full ICT package including databases and national web-based business processes. The sports industry is also in need of a 'go to' ICT knowledge platform through which all Australians can learn about any aspect of sport and related areas. The ASC already has the potential to do this and is growing its capacity. It is essential for sport to fully utilise the web (Web 2.0) as an interactive networking and communication tool in order to fully realise the potential of sport as integral to the Australian way of life into the future.

## **Recommendation 20: Development of ICT infrastructure and e-capability for sport**

The ASC is adequately resourced to develop communication networks, ICT infrastructure, databases and web application systems to support the e-business and sport knowledge environment required for Australia. This includes creation of an 'online destination' for Australian sport knowledge and information, as well as providing leadership and assistance to NSOs to develop their e-capability.

## 7 Diversification of funding base

The majority of Olympic NSOs are heavily reliant on Commonwealth Government funding. The percentage of government funding compared to Olympic NSO total revenue is trending upward, growing from an average of 50% in 2001/02 to 59% in 2006/07. At the same time private sector sponsorship of sport has been harder to secure since the Sydney Olympics in 2000, with a number of Olympic sports losing major sponsors.

In 2006, there were approximately \$2 billion of sponsorship and TV rights attributable to sport in Australia. A recent ASC survey of Olympic sports revealed a total sponsorship figure of just over \$13 million (with swimming accounting for over one third of this amount), of which approximately half is value-in-kind. The vast majority of sponsorship, including television rights, for sport goes to the four football codes, cricket, tennis and golf. Apart from these professional sports, very few other Australian sports enjoy free-to-air television coverage and most have to pay for any coverage they get (usually delayed highlights). This makes sponsorship hard to sell and, if a major sponsor is secured, the large share of sponsor revenue often goes to paying for the free-to-air broadcast.

The following factors warrant consideration in any discussion on the diversification of the funding base in sport:

- commercial opportunities in sport;
- integrity of sport;
- a sports lottery;
- public private partnerships;
- event legacies;
- taxation arrangements affecting sport; and
- an athlete contribution scheme.

While strongly supporting the need for the sport sector to pursue opportunities to diversify income sources, including from commercial activities, the ASC's firm conviction is that all such initiatives must be legally and ethically sound and not jeopardise the integrity of sport.

### 7.1 Commercial opportunities in sport

Maximising non-government income in sport depends, as with other industry sectors, on providing products and services that people want. Currently, the majority of Olympic, Paralympic and Commonwealth Games sports derive most of their non-government income from membership fees. Increasingly, however, these sports are recognising that the heavy commitments of modern life are often not compatible with the obligations associated with club membership and/or the benefits of membership are not enticing to all participants. As a consequence, and in addition to continuing to service their traditional club membership base, a number of sports are developing strategies aimed at attracting persons who want to participate on an *ad hoc* 'pay and play' basis. For some sports, this strategy has the potential for more rapid growth in non-government income than membership fees.

Most non-professional sports are in the very early stages of identifying and developing their commercial assets and in many cases, it is likely that their commercial income generating potential will be limited beyond improving the provision of the service, and therefore the value of their 'product', to members. Nevertheless, the ASC recognises that sport has an obligation to carefully examine all feasible non-government income generating options so that the dependence on government funding is contained to an acceptable level. Hence, the ASC has recently commenced working with a small number of selected sports, as part of a pilot study, to assist them in assessing their commercial potential within the context of meeting their community service obligations as non-profit entities.

## **Finding 21**

Non-government funding opportunities for many non-professional sports are limited and many NSOs currently have only modest commercial capabilities to exploit the opportunities that exist.

### **Recommendation 21: Identifying commercial opportunities for NSOs**

Additional funding is provided to the ASC to enable the Commission to assist selected NSOs identify their existing and potential commercial assets with the view to generating additional non-government income within acceptable risk parameters.

## **7.2 Events legacy**

Each year in Australia a number of major events are hosted in each state. The size and scope of these events varies considerably as does the direct benefit to the sports involved. Tennis Australia owns and benefits from the Australian Open, however in many of the smaller sports, private promoters run events and the sports receive no direct benefit. Annual multisport events such as the Master Games and University Games generate tens of millions of dollars for the local region in which they are held.

Considerable economic benefits are generated from hosting big sporting events (international level multi-sport Games and events). In addition to local spectators, such events often attract large numbers of international as well as interstate fans with the result that sports tourism has become a major industry in Australia. It is unusual, however, for the sports themselves to derive ongoing material benefit from these events.

## **Finding 22**

It would be legitimate for a proportion of the income earned from hosting major sporting events to be hypothecated in favour of ensuring there are lasting material legacies to sports from major events.

### **Recommendation 22: Events legacy**

State/Territory governments, NSOs and event promoters collaborate to ensure that a material legacy is left to the sporting community after the hosting of major sporting events.

## 7.3 Public-private partnerships

The cost of supplying sport infrastructure can be very high and often government, especially at the local level, does not have the financial capacity to meet the demand.

Public-private partnerships (PPPs) where a government service or private business venture is funded and operated through a partnership of government and one or more private sector companies, are an option for diversifying the funding base in relation to the provision of sport infrastructure, especially in view of the fact that many sport facilities are now being operated on commercial bases.

PPPs are commonly utilised for major public infrastructure projects, but have not been common practice for sport infrastructure and facilities. There are potential opportunities for government to avoid up-front capital costs and for some of the risk of building expensive sporting facilities to be shared with private sector beneficiaries of future revenue streams.

At the same time, it must be noted that PPPs have had a mixed track record in terms of delivering on expectations, mainly because of the inappropriate ways some partnerships were structured and because the contractual obligations were sometimes based on flawed cost-benefit analyses.

### Finding 23

Public-private partnerships, when appropriately structured and based on realistic cost-benefit analyses, can provide a cost-effective means of attracting significant additional private sector funding into the building and operation of sport infrastructure.

### Recommendation 23: Public-private partnerships

The costs and benefits of public private partnerships to fund, or fund and operate, sport facilities over an agreed dollar threshold should be systematically examined by the relevant government jurisdictions whenever significant investment is planned to meet demand.

## 7.4 Sports lottery

The option of a national sports lottery is sometimes mentioned as a means of generating non-government income. Lotteries are used by a number of countries to raise funds for public sports programs, including at least 17 European nations as well as China and New Zealand.

Lotteries operate in each State and Territory in Australia and a few lottery games operate nationally under regulation which varies across jurisdictions. A number of states do ensure that a proportion of the gambling revenue is distributed to community building projects, including for sporting purposes, but there is no common national policy on the use of lottery funds. States where lottery and/or gambling revenue is directed towards sporting purposes tend to have high overall levels of funding for sport.

With the possible exceptions of the internet and Commonwealth places (i.e. airports and commonwealth buildings), the Commonwealth does not have jurisdiction to raise lottery revenue. Moreover, because a Commonwealth lottery could adversely affect State and Territory income streams derived from lotteries and other forms of gambling, this cooperation could conceivably be withheld.

## Finding 24

Given the social implications of introducing another form of gambling in what is already a crowded gambling market and the likelihood that a Commonwealth lottery would adversely affect State and Territory income streams derived from lotteries and other forms of gambling, the position taken by the Oakley review of sport (1999) that a national sports lottery should not be introduced remains appropriate.<sup>72</sup>

### Recommendation 24: National sports lottery

A national lottery with revenue hypothecated to sport not be introduced.

## 7.5 Taxation arrangements affecting sport

The ability of the sport sector in Australia to attract private sector money as tax deductible donations to be used, for example, to build sport facilities, is very limited.<sup>3</sup> This is because Australian Taxation Office Ruling TR 2005/21 states that social, recreational and sporting purposes are not charitable. Consequently, donations made to sporting organisations are not tax deductible.

However, the Australian Sports Foundation Limited (ASF) operates as a company under the *Corporations Act 2001* (Commonwealth) and, from 1 July 2008, is a “commonwealth company” pursuant to the *Commonwealth Authorities and Companies Act 1997* (Commonwealth). The ASF is not a controlled entity of the ASC and ASF directors are appointed by the Minister for Sport pursuant to an instrument prepared by the portfolio department. The ASF annual report is submitted to the Australian Securities and Investments Commission (ASIC) and the ASF’s financial statements are not consolidated with those of the ASC.

The purpose of the ASF is to support the development of sport in Australia. To achieve this, the ASF, as a consequence of its status under the *Income Tax Assessment Act 1997* as a Deductible Gift Recipient, is able to receive tax deductible donations from individuals and businesses and makes discretionary grants to eligible organisations with a sporting project registered with them.

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<sup>3</sup> Under Australian taxation legislation, a sporting organisation will generally only be a deductible gift recipient if it fits within the welfare rights category, that is, the organisation is primarily helping needy or disadvantaged people.

While the Foundation's Deductible Gift Recipient status makes it the only sports organisation able to accept tax deductible donations (with the exception referred to in the footnote), the sums of money available through this process are relatively limited.<sup>4</sup>

At the same time, it should be noted that in many other countries tax legislation is much more sympathetic towards the needs of sport. In the USA for example, there are two types of amateur athletic organisations that can qualify for tax-exempt status. The first type is an organisation that fosters national or international amateur sports competition but only if none of its activities involve providing athletic facilities or equipment. The second type is a 'qualified' amateur sports organisation. The difference is that a 'qualified' amateur sports organisation may provide athletic facilities and equipment, but must meet certain other criteria.<sup>5</sup>

Canadian tax legislation is also much more sympathetic towards the needs of sport than is the case in Australia. In Canada, since 1 January 2007, there has been a Children's Fitness Tax Credit introduced as a means of offsetting some of the expenses faced by parents paying for their children to participate in eligible programs of prescribed physical activity. This measure is seen as a health and social inclusion investment aimed at helping children on the road of a lifetime of healthy, active living.

In addition, countries such as Switzerland and New Zealand provide tax incentives for coaches, athletes and general sport participation. In New Zealand this includes promoting and supporting volunteerism by encouraging employers to allow additional leave for staff for volunteer activities.

Tax benefits for sporting club memberships and volunteer activities is a very good way of promoting sport as a key part of the preventative health agenda and also supporting grassroots community sport.

## Finding 25

The taxation arrangements affecting sport in Australia are not as supportive to the development of the sector as is the case in a number of our competitor countries. This significantly reduces the flow of funds into Australia's sport economy and does not provide the desirable incentive for participation in sport to assist in achieving preventative health outcomes.

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<sup>4</sup> Given that the ASF is a separate legal entity to the ASC, the ASF is making its own submission to the National Inquiry. Hence, it is not appropriate for the ASC to comment in its submission on income diversification options associated with the functioning of the ASF.

<sup>5</sup> An organisation is a qualified amateur sports organization if it is organised and operated:

- (1) Exclusively to foster national or international amateur sports competition; and
- (2) Primarily to conduct national or international competition in sports or to support and develop amateur athletes for that competition.
- (3) Donations to either amateur athletic organisation are deductible as charitable contributions on the donor's federal income tax return. However, no deduction is allowed if there is a direct personal benefit to the donor or any other person other than the organisation.

[Source: US Department of the Treasury, Internal Revenue Service Publication Section 501(c)(3) Organisations]

## Recommendation 25: Taxation options for sport

The ASC be authorised by the Commonwealth Government to engage on behalf of the Australian sport sector with the Commonwealth Review of Australia's Future Tax System (chaired by Dr Ken Henry AC) regarding options to increase the flow of funds into the sport economy through the reform of the taxation system.

### 7.6 Athlete contribution scheme

The Commonwealth Government contributes significant funds every year to the development of elite athletes. Back in 1999, the Oakley Report noted that the average cost to Australian governments of assisting an elite athlete was \$12,000 per athlete per year. At that time there were about 4,500 athletes in Australia receiving assistance. Moreover, the cost to the Commonwealth of maintaining an AIS residential athlete was estimated at \$28,000 per athlete per year. There were about 590 athletes receiving this form of assistance in 1999.<sup>73</sup>

The Oakley Report took the view that those athletes who benefit from government programs should put something back into the system. Accordingly, the Oakley Report recommended that an athlete contribution scheme be introduced to operate in the same way as the Higher Education Contribution Scheme (HECS) in the tertiary sector but that the repayments commence when the athlete's income is twice the threshold that applies under the HECS.

This proposed difference between the athlete contribution scheme and HECS was intended to recognise that HECS gave a person an opportunity to gain an education that could help produce an income for life whereas an elite athlete typically gained a specific skill that might help to earn an income for a short period or yield no income at all.

The Oakley Report recommendation was aimed at creating a system whereby the Government could eventually recoup most of its investment in individual athletes.

The recommendation was not accepted by the Australian Government at the time. Since then, from time-to-time, the athlete contribution scheme concept has been raised with Government but on each occasion it has been rejected.

The ASC does not support the introduction of an athlete contribution scheme for the vast majority of elite athletes. There are a number of reasons for this position:

- Attempts to base a case for the introduction of an athlete contribution scheme on HECS fail to understand the major differences between the sport and education sectors and the links with earning income;
- The vast majority of tertiary graduates obtain an increase in income as a result of their studies. In the case of athletes, however, the overwhelming majority receive no or little income as a result of their athletic careers or their AIS scholarship. It would be almost impossible to distinguish between income gained as a result of AIS scholarships and income gained from tertiary studies (the latter already being subject to HECS);
- Although most athletes earn very little income from sport (as outlined in Section 3.6), their exceptional efforts have contributed greatly to Australia's national pride and international profile. Australian governments and business have, for many

years, been able to successfully leverage off Australia's positive international profile in building productive relations with other countries and in creating profitable commercial opportunities;

- Any athletes who do make money from their sport are taxed through the Australian income tax system;
- The introduction of an athlete contribution scheme would almost certainly make a career in sport less appealing to young people and hence adversely impact on Australia's success in international benchmark events such as the Olympics. This in turn could have a negative effect on attracting people to become physically active thereby yielding the unintended consequence of increasing the incidence of obesity-related chronic illness in the community;
- The administrative complexity associated with accounting for athletes not on AIS scholarship but receiving indirect assistance through ASC funds provided to NSOs for coaching, travel etc would be very difficult;
- If the scheme were limited to AIS scholarship holders, for example, it could have the unintended effect of making AIS scholarships unattractive, thereby defeating the national leadership role of the AIS in sport;
- If an athlete contribution scheme were introduced, it would be necessary to consider whether such a scheme should be extended to recipients of SIS/SAS scholarships; and
- If an athlete contribution scheme were extended to athletes with a disability, this could produce a public backlash.

Despite these overwhelming arguments against the introduction of a HECS type scheme of athlete contribution, there are still a small number of professional sports in which athletes are supported in their development by the AIS and/or SIS/SAS and can go on to make a substantial living. It is impossible to make a sweeping policy across these sports for athletes to pay back to the system that developed them, but there is certainly the need for a thorough analysis, on a sport by sport basis, of the feasibility of some kind of athlete contribution scheme in relation to professional sports. There is some precedent for this with the AIS Tennis program having a policy whereby athletes on scholarship repay a percentage of winnings.

## Finding 26

For the majority of athletes and sports, the introduction of an athlete contribution scheme would not meet the tests of equity or efficiency and could be expected to yield a number of adverse unintended consequences that are inconsistent with the Commonwealth Government's broader policy objectives. However, for a small number of professional sports further analysis is needed regarding the feasibility of such a scheme.

## Recommendation 26: Athlete contribution scheme

An athlete contribution scheme not be introduced as a general concept; however, an analysis be done of professional sports on a sport-by-sport basis to investigate the feasibility of a payback system for athletes developed through the institute system.

## 7.7 Integrity of sport

Increasingly sports administrators around the world are concerned with threats to the integrity of sport in the form of corruption, doping, illicit drugs use, match-fixing and other illegal sport betting activities, and off-field anti-social and criminal behaviour. Sports have a moral and often legal obligation to address these integrity issues but it is also a matter of protecting the 'brand' and not putting at risk any current or prospective associated revenue.

Sport, both as a sector and individually, will not be able to diversify its funding base adequately through income derived from higher participation and spectator numbers, media rights and sponsorship, unless the sector takes effective action to preserve and strengthen the integrity, and thus image, of sport.

Unfortunately, despite the overwhelmingly positive effects of sport on the community, the integrity of sport is increasingly at risk from community, business and government reactions to well-publicised examples of negative, illegal or immoral behaviour. These instances, while in the minority, affect the reputation of sport as a whole and its attractiveness as a leisure activity and its value in the market place.

The ASC currently takes a lead on sport integrity issues where possible, assisting NSOs to ensure the 'image' of sport is positive and threats to the integrity of sport are addressed collectively across the industry.

### 7.7.1 Alcohol sponsorship of sport

Recent media reports of excessive alcohol consumption among young people and well-publicised instances of intoxicated high profile sport stars engaging in anti-social behaviour, has excited public interest in measures aimed at reducing the incidence of 'binge drinking' in the community. The most recent political response has been the introduction of the *Alcohol Toll Reduction Bill 2007* to the Senate aimed at restricting the times alcohol can be advertised on TV and radio.

The reality however is that the number of sport stars who engage in such anti social behaviours are in the vast minority. Athletes are and should be role models for healthy behaviour, including responsible use of alcohol. Strong education programs around all aspects of healthy living, tied to promotion by sporting role models has the potential for huge positive impact on the behaviour of young people.

Advertising by alcohol companies is significant in the sporting industry, especially of the large professional sports. Again, there is the potential for positive impact with alcohol advertising being tied to responsible and enjoyable use of alcohol by healthy, vibrant, high achieving sports people.

Conversely independent marketing research commissioned by Gemba Consulting has shown that any material loss of sponsorship income could compromise the ability of sporting organisations to deliver their sport both at the professional level and at the grass roots community level. In turn, loss of sponsorship and revenue from the bigger sports will increase competition in the market place for sponsorship revenue and potentially impact upon the already limited opportunities for Olympic and Commonwealth Games sports.

## Finding 27

Binge drinking is a serious social problem especially among many young people. The sport industry is committed to responsible alcohol use, along with all issues under the preventative health banner. Sport has the power to promote role models and high standards of healthy behaviour as a key part of the solution to the problem. The ASC's funding relationship with NSOs places it in a unique position to promote the responsible use of alcohol in sport.

### Recommendation 27: Responsible use of alcohol program

The ASC lead the sport industry to work with the Prime Minister's Preventative Health Task Force to ensure responsible alcohol use is promoted, with a supporting program of effective education and guidance of athletes, whilst ensuring sport sponsorship income potential is maintained or enhanced.

## 7.7.2 Sports betting

Gambling is a big and rapidly growing business in Australia currently accounting for an estimated 1.5% of GDP<sup>74</sup>. Since 1994, there has been significant growth in the sports betting market as a result of legislation, increasing public awareness of wagering products and technological developments.

At a national level, the legislation governing the regulation, supervision and control of gambling activities is limited to the *Interactive Gambling Act 2001*. This Act prohibits Australian internet gaming sites from providing services to Australians. The Act, however, does not prohibit online sports betting and lotteries.

State and territory regulations control every aspect of the Australian gaming industry from public lotteries to casinos and gaming machines. There are many inconsistencies, both legislative and regulatory, between the states and territories.

Without agreement for the two way exchange of information between sporting organisations and betting operators across all states and territories, the ability of sporting organisations to enforce rules and regulations relating to wagering on their sport remains compromised. This makes it more difficult for betting operators to identify inappropriate betting or match fixing by sports people.

Currently, betting operators are not required to consult with sporting organisations regarding what, if any, aspects of their competitions can be used for betting purposes. Betting operators must seek approval from the relevant regulators regarding sporting events for which bets may be accepted and in some jurisdictions the permitted contingencies related to the sporting event.

Apart from a small number of professional sports and teams and/or situations where private arrangements are in place with betting agencies, there is currently little opportunity for sports to benefit from sports betting. Of course any direct benefit to sport would have to be regulated and carefully managed to ensure the integrity of the competition is protected at all times.

Against a background of increasing concerns regarding the integrity of sport resulting from the rapid rise in sports betting, the *Gambling and Racing Legislation Amendment (Sports betting) Bill 2007* was passed by the Victorian Parliament on 23 May 2007. The aim of the Bill is to improve public confidence in the integrity of sport in a betting environment and to ensure that sporting bodies receive a proportion of revenue from betting conducted on sporting events. This has been well-received by the sporting organisations affected.

## Finding 28

For a robust sports integrity framework to exist for sports betting nationally, there is a need for consistent state/territory legislation to:

- strengthen the power of sporting organisations to regulate the betting related conduct of their sporting participants;
- for the sharing of betting information between all sports gambling operators and relevant sporting organisations to enable sports to investigate breaches of conduct and to allow the fair conduct of betting activities by operators; and
- restrict the ability of Australians to bet on sporting events not authorised by betting regulators.

## Recommendation 28: Sports betting

Following an assessment by SCORS and SRMC, the Victorian *Gambling and Racing Legislation Amendment (Sports Betting) Act 2007* be considered by the other States and Territories as a template for possible adoption to promote a robust and coherent sports integrity framework for sports betting nationally while at the same time enable sporting bodies to receive a proportion of revenue from betting on sporting events, as appropriate.

### 7.7.3 Child protection

Sexual violence against children in sport has emerged as a key integrity issue for sport. Sport provides easy and direct access to children, opportunities for close and trusting relationships to form and for frequent overnight travel and trips with adults in cars. Sporting organisations usually engage anyone who is prepared to volunteer with few, if any, checks conducted.

The ASC has taken a leadership role on child protection aimed at:

- increasing the Australian sport sector's awareness and understanding of child abuse and the legal and moral obligations in this area;
- establishing a commitment by sporting organisations to use proactive safeguarding practices that minimise the risk of children being abused; and
- ensuring organisations are able to respond appropriately to allegations of child abuse.

NSOs have varying ability to enforce national policies down to club level for a range of constitutional, legal, resourcing and communication reasons. Moreover, there are considerable inconsistencies between state and territory Working with Children Check schemes which create administrative, financial and compliance burdens for sporting

organisations, especially where coaches and other sporting personnel regularly operate across jurisdictions.

### **Finding 29:**

There is a need for a national approach to preventing and dealing with child abuse and child protection, including a mutual recognition scheme whereby cards and notices issued under one jurisdiction's Working with Children Check scheme are transferable and recognised by other jurisdictions.

### **Recommendation 29: Child protection**

The ASC receive additional funding to establish a National Child Protection in Sport Centre for the purpose of coordinating a national Working with Children Check scheme for the sport sector, including the provision of information, resources, education and training.

## **7.7.4 Dispute resolution involving integrity issues**

There are many disputes in sport that require resolution. However, sporting organisations are often not resourced at a level nor are they necessarily competent or possessing the specific skills to deal with disputes in an impartial way. Further it is not uncommon for sporting organisations to be parties to a dispute.

Some disputes need to be dealt with under the relevant criminal jurisdiction while others are able to be litigated under the civil jurisdiction.

Increasingly, legal authorities are advocating the use, in appropriate circumstances, of diversionary practices such as alternative dispute resolution as a means of ensuring that the parties in dispute are able to have their matters dealt with through mediation, conciliation and arbitration without the long delays and costs typically associated with courts.

Before matters reach this stage, however, it is desirable that, in appropriate circumstances outside the criminal jurisdiction, the parties in dispute seek to resolve their differences in mutually acceptable ways. NSOs can potentially play a constructive role in some cases if they have legally appropriate processes in place that observe the principles of procedural fairness.

In addition, a number of countries have independent dispute resolution bodies specialising in sport. These include Sport Resolutions in the United Kingdom and the Sport Dispute Resolution Centre of Canada. These are both non-profit entities established to expedite dispute resolution in legally defensible ways and at much lower cost than is usually involved in litigating disputes in court.

In some cases, the Court of Arbitration for Sport, created in 1984 and operating under the administrative and financial authority of the International Council of Arbitration for Sport, is chosen by litigants because of its specialist knowledge of arbitration and sports law. However, this process can be relatively expensive and time consuming.

### **Finding 30**

NSOs need to strengthen their competencies in dealing with disputes involving integrity issues while at the same time ensuring that jurisdictional requirements are strictly complied with and, in addition, ensuring that any related legal proceedings are not compromised as a result of NSO involvement. The sport sector also needs to have access to an appropriate, independent, alternative dispute resolution mechanisms using procedural rules adapted to the specific needs of sport and capable of dealing with matters expeditiously and at low cost.

### **Recommendation 30: Dispute resolution for integrity issues**

The ASC, or a new independent body, be empowered and funded to provide advice within the sport sector on complaints regarding sport integrity issues and, where appropriate, to mediate, conciliate or arbitrate disputes that fall within its jurisdiction.

## Conclusion

The submission has made the case for the reform of the Australian sporting system in ways that retain its best features while at the same time fixing those aspects that have prevented its full potential being realised.

The submission has done this by asking five fundamental questions:

- How can the sport sector best be harnessed to contribute towards achieving positive outcomes in community health, social cohesion and national identity?
- How can the operations of the community - elite sport continuum be strengthened so that any 'weak links' impeding the delivery of sport are removed?
- How much more cost-effective might the delivery of sport be if the present institutional arrangements are streamlined to enable national pathways to operate in a more seamless manner?
- What opportunities exist to further encourage innovation in sports science and technology? and
- Where additional resources are needed and how should they be sourced to ensure that opportunities are fully exploited?

Having looked at the evidence gathered from around the world, the ASC is convinced that unless these issues are effectively dealt with, there will, over time, be a gradual deterioration in community and elite sport outcomes and significant unrealised potential in sport's ability to contribute positively towards in community health, social cohesion and national identity.

The submission has therefore addressed all aspects of the delivery of sport in a holistic, integrated manner. This has led to making recommendations addressing issues relating to leadership, strategy, structure and resourcing, including:

- New institutional arrangements for the management of the high performance sport pathways;
- Targeting high performance funding towards sports with medal winning potential;
- Direct financial support for elite athletes and coaches;
- Supplementing funding for high performance sport to address such critical matters as indexation, international travel costs and retention of world class coaches;
- Strengthened talent identification and development arrangements including the greater use of regional networks;
- A nationally planned and coordinated structure for the delivery of sport in the community, with clear definition of roles and responsibilities for all stakeholders;
- Greater physical activity for children, adolescents and adults by applying relevant learnings gained from the delivery of the AASC and other community programs, including strengthened partnerships with schools and clubs;
- A coordinated cohesive and adequately resourced approach to providing sport for the target populations groups such as Indigenous Australians, people with a disability and women;
- Improved national planning for sport infrastructure;

- Building the capability of sporting organisations so there are better alignments between business strategies and governance structures as well as greater clarity in roles and responsibilities at national and state levels;
- Improved national coordination of science, innovation and technology research and development;
- Strengthened national information and communication technology (ICT) networks;
- Diversification of funding sources to include greater non-government revenue.

It is the case that a number of these recommendations will cost more money. However, additional government funding is warranted for sport because compared with many of the alternatives on the health, social inclusion and national identity policy agenda, sport represents, on a dollar-for-dollar basis, one of the most cost-effective policy spends.

At the same time, to make the best possible use of existing resources and to maximise the benefits of any higher government funding for sport, strong leadership is necessary. Empowering the ASC to act as a 'one-stop-shop' and to lead the industry would enhance the provision of sound strategy and structure to deliver cost-effective national coordination.

The ASC fully recognises, and accepts, that this role will only work effectively if it reflects a culture based on the principles of genuine consultation with all of the key stakeholders, government and non-government. The recommendations incorporate transparency and accountability provisions to give substance to this commitment.

The ASC strongly advocates that the independent panel supports the recommendations contained in the submission and looks forward to having the opportunity to answer any questions that panel members might have regarding particular matters.

## Appendices

### Appendix A: International comparison of competitor countries investment in sport<sup>6</sup>

Achievement in sport dates back to the beginning of Australia's history as a nation and sporting prowess is very much part of our culture and psyche. The Australian sports sector has emerged from the 'disaster' of the 1976 Olympic Games to achieve enviable success over the last 25 years in major international sporting competitions, under direction of successive governments and through leadership of the Australian Sports Commission and the Australian Institute of Sport.

While not all Australians participate in sport, it is an activity which is inextricably linked to the Australian identity and the characteristics we value as a nation: teamwork, dogged determination, hard work, sacrifice, fair play, excellence, innovativeness, resilience and respect. Further, sport has been instrumental in building the well-being of individual Australians and the social cohesion and inclusion of their communities. Sport unites the nation and makes us feel good about who we are.

In recent times the competitiveness of international sport has intensified<sup>7</sup>. A significant number of countries are now investing very substantial financial resources into increasingly sophisticated sport systems with particular emphasis on their high performance programs. Poaching of Australian coaches is part of this trend making it increasingly difficult to develop and retain international standard coaches. The objective of many nations right around the world is to sustain or improve medal counts in the Beijing and London Olympic and Paralympic Games and beyond, in order to reflect the 'health' and intrinsic pride of their countries.

Australia's innovative systems and practices have enabled us to 'punch above our weight' in international sport and have subsequently been seen as international benchmarks for other nations to copy or adapt in efforts to develop their own sports systems. As other nations have 'caught up' and copied our practices we are losing our competitive advantage due to their pre-existing advantages of large populations and proximity to northern hemisphere competition hubs.

Despite our innovativeness, our relative declining investment in sport compared to our competitors is making it increasingly difficult to sustain success. By nature of our geographic isolation we need to travel overseas frequently and/or for long periods of time, and costs are rising. Major competition for our Olympic sports is in Europe and America and although a number of sports are looking to engage Asia there is reluctance from the Asian side. On top of this Australia's share of hosting major events is declining as more and more countries, particularly from the Middle East, bid for the hosting rights.

As a result, over the last four year period, sports are reporting a 50-100% increase in their expenditure on international competition and up to a 50% increase in the proportion spent relative to their overall budget. This burgeoning budgetary pressure for many sporting bodies is having an effect on other aspects of their operations and areas of

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<sup>6</sup> Note this comparison is for Australia's Olympic Sports and their international competitors and does not include Australian professional sports.

<sup>2</sup> De Bosscher et al, *The Global Sporting Arms Race*, Chapter 4.3, Meyer & Meyer Sport, 2008.

athlete and coach support, exacerbated by the fact that there is no indexation of their grant revenue.

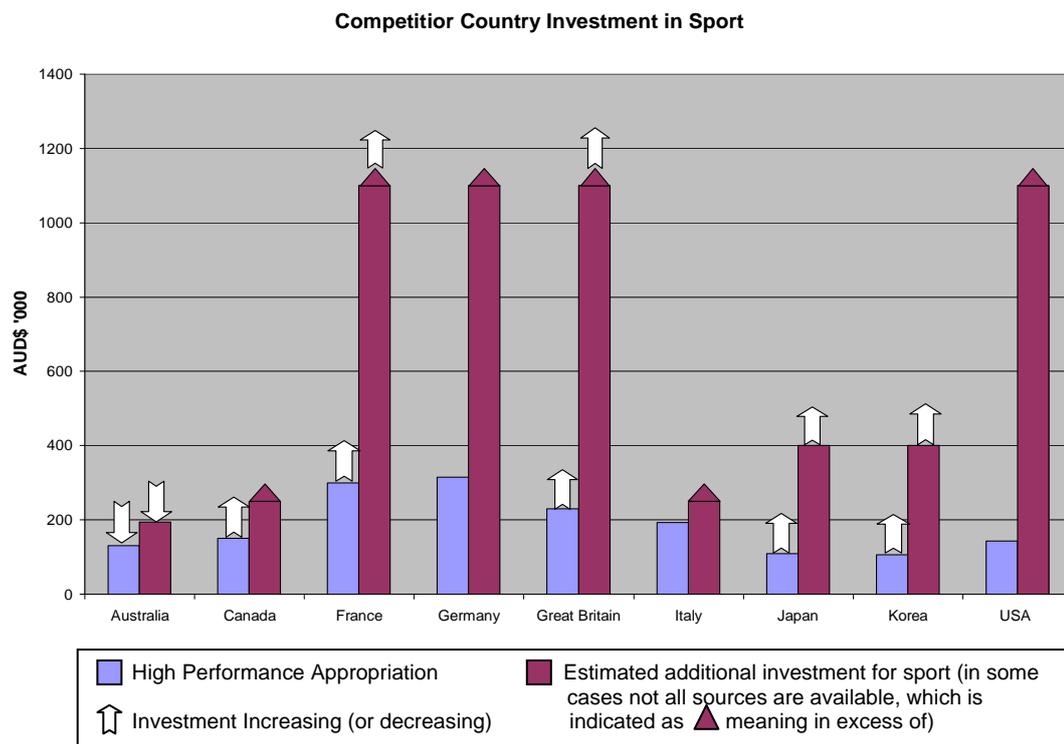
In addition, many of our competitors have extensive supplementary investment and infrastructure in place to under-pin their high performance systems – primarily through the education system and lower levels of government, as well as through competitions, clubs, the military and the corporate sector.

These developments are placing severe pressure on Australia’s competitive position in high performance sport. In order for Australia to remain competitive, it will be necessary to continue to invest in sport, strengthening coach and athlete support at all levels of the sport system, in order to retain our international identity as a great sporting nation.

**Failure to do so in the current climate would see a rapid and dramatic decline in both results and the health of sport in this country.**

Figure 1 below paints a clear picture of Australia’s competitor country investment in sport<sup>8</sup> and its trends. It is based on a detailed country by country analysis which is summarised at Table 1. The analysis addresses levels of investment and system characteristics of the top ten summer Olympic nations (plus Canada) as compared to Australia, highlighting the challenges we face in maintaining our sporting competitiveness. (China and Russia formed part of the analysis but were not included in Figure 1 because of the difficulty of determining actual figures for those countries.)

**Figure 1.**



<sup>3</sup> In this context investment covers support of the athlete and coach pathway from the grass roots to the elite level and does not include facilities. Detailed and accurate information on funding is often very difficult to obtain due to ‘confidentiality’ of programs and investment by governments and other agencies. Information has been taken from a variety of sources. All attempts have been made to ensure the information here within is accurate and comparisons are relevant. In some cases figures are an estimation based on best available information.

The key points to note of this analysis are as follows:

- The sport budget of most countries is trending strongly upwards. It is only Germany and the USA (with figures for Russia unknown) where budget figures are steady and consequently their results are declining (USA still retains the number 1 position, but their Gold medal total has decreased by almost 20% since 1996). **The Commonwealth Government's appropriation is due to decrease by 9% in 2009/10.**
- The High-Performance appropriation to the Australian Sport Commission (\$131 million in 2007/08) is **within the lower end of the range** of that of the equivalent national/high-performance umbrella sport agencies for our competitor countries (Range AUD\$106 – 315 million; average \$186 million)<sup>9</sup>.
- Every nation on the table now has a National Sports Institute and/or a network of state/provincial high-performance centres. Ten to fifteen years ago, we were one of the few with the Institute network advantage.
- **Every nation has long term and comprehensive funding for direct athlete support (allowance), enabling athletes to train full time whether or not they are in a centralised (institute) environment.** In Australia, athlete allowances have been irregular and only for those ranked in the top 4 in the world. The criterion for the highest tier of support in most nations is top 8-16 ranked. Of 33 Olympic sports, there are only 9 in which Australian athletes can earn a living through professional teams or prize money – and they have to compete overseas to do so. Direct athlete support funds for Australian athletes are due to end after 30/6/09.
- Due to our comparatively small population base and large country, domestic competition in Australia lacks competitive depth in most sports and is relatively expensive compared to other countries. This coupled with our geographic isolation means **Australians must travel extensively to gain the necessary high level competition - an expense that far exceeds that of any other country.** This need and cost is increasing and is impinging further on sporting budgets.
- Every nation covered in the comparison has a stated ambition of top four or better on the summer Olympic medal table within the next 12 years.<sup>10</sup>

While the foregoing comparison does not cover facilities, Australia's sporting infrastructure (major stadia aside) does not meet current and future demand. This is compounded by the drought conditions in Australia and the need to move to synthetic surfaces that require little or no water.

It is clear from this synopsis that in order to maintain the Australian tradition of sporting excellence, continued investment in **high-performance, athlete and coach support, international travel and our underpinning sport system** is essential.

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<sup>4</sup> Note figures quoted are from the current Olympic cycle, but the budget year does vary. Figures are not available for China or Russia. Funding in the USA is not derived from government.

<sup>5</sup> Olympic rankings are based on the number of Gold medals won and are irrespective of total medals (Gold, Silver and Bronze). For example in 2004 China were ranked ahead of Russia, despite winning less total medals.

Appendix B: Reported funding and SIS/SAS support for all ASC and AOC funded sports 2007/08

	<b>ASC 2007/08 Grant Approvals and AIS Allocations</b>					
		<b>NSO Grants</b>				
<b>Sport</b>	<b>AIS allocation</b>	<b>High Performance</b>	<b>Sport Development</b>	<b>Other targeted program funding</b>	<b>TOTAL</b>	<b>AOC funding 2007</b>
Archery	681,000	354,800	27,200	0	1,063,000	27,000
Athletics	1,493,800	3,782,600	146,400	450,000	5,872,800	278,633
Australian Football	200,000	0	216,000	74,000	490,000	
Badminton	0	185,000	27,000	340,000	552,000	27,000
Baseball	0	1,347,000	146,000	9,000	1,502,000	93,000
Basketball	1,512,900	2,552,584	216,400	90,000	4,371,884	291,750
Bicycle Motocross	0	0	140,000	0	140,000	
Bocce	0	26,000	25,000	0	51,000	
Bowls	0	417,200	146,800	80,000	644,000	
Boxing	671,200	141,000	54,000	0	866,200	36,000
Canoeing	984,300	257,000	108,000	10,000	1,359,300	76,500
Cricket	528,500	0	216,000	89,000	833,500	
Cycling	1,607,400	3,984,500	110,000	76,200	5,778,100	211,500
Diving	719,100	761,800	27,200	75,000	1,583,100	30,000
Equestrian	0	2,242,000	87,000	16,300	2,345,300	95,280
Fencing	0	35,400	26,600	0	62,000	12,000
Football	1,391,600	5,331,600	216,000	225,000	7,164,200	138,000
Golf	383,300	478,400	151,600	170,300	1,183,600	
Gymnastics	1,035,400	1,225,000	216,000	32,000	2,508,400	82,250
Handball	0	0	0	0	0	60,000
Hockey	1,252,700	3,785,200	161,800	193,317	5,393,017	463,016

Ice Racing	0	83,000	0	0	83,000	
Indoor Cricket	0	61,000	150,000	0	211,000	
Judo	0	467,800	16,200	295,000	779,000	48,000
Karate	0	3,000	83,000	0	86,000	
Lacrosse	0	0	50,000	0	50,000	
Modern Pentathlon	0	0	0	0	0	9,000
Motor Sport	0	304,200	64,800	0	369,000	
Motorcycling	0	382,600	64,400	4,500	451,500	
Netball	629,800	1,897,100	279,900	662,000	3,468,800	
Orienteering	0	86,000	0	0	86,000	
Polocrosse	0	61,000	60,000	0	121,000	
Pony Clubs	0	30,000	25,000	0	55,000	
Roller Sport	0	0	206,000	2,850	208,850	
Rowing	1,612,100	3,853,600	89,400	40,000	5,595,100	439,125
Rugby League	200,000	2,000,000	216,000	60,000	2,476,000	
Rugby Union	200,000	0	216,000	54,000	470,000	
Sailing	824,600	2,830,600	146,400	20,000	3,821,600	150,000
Shooting	0	1,349,800	76,200	93,250	1,519,250	81,000
Skiing	0	767,600	16,400	0	784,000	
Softball	396,300	1,439,200	161,800	50,000	2,047,300	195,364
Squash	439,100	437,600	118,400	0	995,100	
Surf Life Saving	0	355,400	161,600	40,000	557,000	
Surfing	0	423,400	86,600	25,000	535,000	
Swimming	1,262,200	4,400,000	216,000	105,480	5,983,680	385,875
Synchro Swimming	0	0	0	0	0	36,000
Table Tennis	0	103,800	48,200	0	152,000	27,000
Taekwondo*				774,000	774,000	64,750
Tennis	517,900	0	216,000	35,000	768,900	30,000
Tenpin Bowling	0	80,000	150,000	0	230,000	
Touch Football	0	70,000	200,000	54,000	324,000	
Triathlon	532,800	878,600	96,400	98,000	1,605,800	55,125

University Sports	0	210,000	0	2,730,000	2,940,000	
Volleyball	1,148,000	1,286,000	64,000	117,000	2,615,000	109,500
Water Polo	488,500	1,875,000	61,000	20,000	2,444,500	355,670
Water Skiing	0	157,000	0	0	157,000	
Weightlifting	0	362,600	21,400	0	384,000	9,000
Winter Sports	560,000			200,000	760,000	986,750
Wrestling	0	50,000	0	0	50,000	30,000
<b>Totals</b>	<b>21,272,500</b>	<b>53,212,984</b>	<b>5,826,100</b>	<b>7,410,197</b>	<b>87,721,781</b>	<b>4,934,088</b>
* This was the notional allocation for Taekwondo						
<b>Paralympics</b>		<b>9,770,000</b>		<b>4,375</b>	<b>9,774,375</b>	
<b>NSODs</b>		835,000		13,500	848,500	

Note all figures were taken from ASC and AOC annual reports.  
Green highlight denotes Olympic sports in 2008.  
NSODs means national sporting organisations for people with a disability

Appendix B: Continued

Sport	NESC Support 2008								
	AIS	ACTAS	NSWIS	NTIS	QAS	SASI	TIS	VIS	WAIS
Archery	Res, Dev		Individual			Individual	Individual	Individual	Individual
Athletics	Res (events)	Squad	Squad	Individual	Squad	Squad	Squad	Squad	Squad
Australian Football	Camps, Dev			Squad			Squad		
Badminton			Individual			Individual	Individual	Squad	Individual
Baseball		Squad	Squad		Squad	Squad		Squad	Squad
Basketball	Res, Dev	Squad	Squad		Squad	Squad	Squad	Individual	
Bicycle Motocross									
Bocce									
Bowls			Squad				Individual	Individual	
Boxing	Res, Dev	Individual					Individual	Individual	Individual
Canoeing	Camps		Squad		Squad	Squad	Individual	Individual	Squad
Cricket	Res (M), Camps (W)		Squad	Squad	Squad	Individual	Squad	Individual	
Cycling	Camps	Squad	Squad	Individual	Squad	Squad	Squad	Squad	Squad
Diving	Res		Squad		Squad	Squad	Squad	Individual	Individual
Equestrian		Individual	Squad			Individual		Individual	Individual
Fencing								Individual	Individual
Football	Res/Dev (M), Camps (W)	Squad	Squad		Squad	Squad	Squad	Squad (M)	
Golf	Camps, Dev		Squad		Squad	Individual	Individual	Squad	
Gymnastics	Res		Squad		Squad	Squad	Individual	Squad	Squad

			(M)			(Tr)			
Handball									
Hockey	Res	Squad							
Ice Racing					Individual				
Indoor Cricket									
Judo		Individual	Individual	Individual		Individual	Individual	Individual	Individual
Karate						Individual	Individual		
Lacrosse						Individual			
Modern Pentathlon			Individual					Individual	
Motor Sport									
Motorcycling									
Netball	Res, Dev		Squad						
Orienteering		Squad				Individual	Individual		
Polocrosse									
Pony Clubs									
Roller Sport									
Rowing	Res	Squad	Squad		Squad	Squad	Squad	Squad	Squad
Rugby League	Camps, Dev			Squad	Squad				
Rugby Union	Camps, Dev			Squad	Squad				
Sailing	Camps		Squad	Individual	Individual	Squad	Individual	Individual	Squad
Shooting		Individual	Individual		Individual			Squad	Individual
Skiing		Individual	Squad					Squad	
Softball	Camps	Squad	Individual		Squad	Individual		Squad	Squad
Squash	Res						Individual	Squad	
Surf Life Saving									

Surfing						Individual			
Swimming	Res		Squad	Individual	Squad	Squad	Squad	Squad	Squad
Synchro Swimming			Individual					Squad	
Table Tennis						Individual		Squad	
Taekwondo*						Individual		Individual	Individual
Tennis	Res, Dev		Squad	Squad	Squad	Squad	Squad		Individual
Tenpin Bowling				Squad					
Touch Football				Individual					
Triathlon	Camps	Individual	Squad	Individual	Squad	Individual		Squad	Individual
University Sports									
Volleyball	Res, Dev	Individual			Squad	Squad	Individual		Individual
Water Polo	Camps		Squad		Squad	Squad		Individual	Squad
Water Skiing			Individual			Individual			
Weightlifting			Squad	Squad	Individual	Individual	Individual	Individual	
Winter Sports	Camps	Individual	Squad			Individual		Squad	Individual
Wrestling		Individual	Individual						
Approximate Scholarship numbers	<b>700</b>	<b>185</b>	<b>750</b>	<b>140</b>	<b>600</b>	<b>500</b>	<b>135</b>	<b>450</b>	<b>340</b>
<b>Paralympics</b>	<b>Yes</b>								
Res = Residential or full-time program; Dev = Development program; Squad = full program support; Individual = individual athlete supported									

Appendix C: Reported funding figures for AIS and SIS/SIS from 2001/02 to 2007/08

	Income Stream comparison - 2001/2002 - 2007/08										% change
	Institute/ Academy	Income Source								Total	
		ASC^	% change	State Government^^	% change	Sport**	% change	Other***^	% change		
2001/02	AIS	\$29,500,000		\$0		\$1,118,200		\$2,110,000		\$32,728,200	
2002/03	AIS	\$28,100,000	-4.75%	\$0		\$1,000,000	-10.57%	\$2,400,000	13.74%	\$31,500,000	-3.75%
2003/04	AIS	\$29,500,000	4.98%	\$0		\$1,118,200	11.82%	\$2,110,000	-12.08%	\$32,728,200	3.90%
2004/05	AIS	\$30,130,000	2.14%	\$10,000		\$2,070,000	85.12%	\$1,810,000	-14.22%	\$34,020,001	3.95%
2005/06	AIS	\$32,200,000	6.87%	\$206,000	1960.00%	\$2,900,000	40.10%	\$1,260,000	-30.39%	\$36,566,020	7.48%
2006/07	AIS	\$37,534,000	16.57%	\$180,000	-12.62%	\$2,813,000	-3.00%	\$905,000	-28.17%	\$41,432,000	13.31%
2007/08	AIS	\$40,813,634	8.74%	\$180,000	0.00%	\$3,555,552	26.40%	\$812,000	-10.28%	\$45,361,186	9.48%
Average		\$32,539,662		\$82,286		\$2,082,136		\$1,629,571		\$36,333,658	5.73%
% contribution		89.56%		0.23%		5.73%		4.49%			
% change 01/02 - 07/08			<b>38.35%</b>				<b>217.97%</b>				<b>38.60%</b>
<b>2001/02</b>	<b>SIS/SAS</b>	\$438,850		\$25,821,721		\$5,310,650		\$4,216,450		\$35,787,671	
2002/03	SIS/SAS	\$494,552	12.69%	\$28,714,591	11.20%	\$5,671,590	6.80%	\$4,413,900	4.68%	\$39,294,633	9.80%
2003/04	SIS/SAS	\$478,932	-3.16%	\$29,139,946	1.48%	\$7,110,543	25.37%	\$4,358,852	-1.25%	\$41,268,273	5.02%
2004/05	SIS/SAS	\$533,420	11.38%	\$31,284,590	7.36%	\$6,709,709	-5.64%	\$4,047,673	-7.14%	\$42,575,391	3.17%
2005/06	SIS/SAS	\$483,000	-9.45%	\$33,609,308	7.43%	\$7,786,778	16.05%	\$3,596,105	-11.16%	\$45,475,191	6.81%
2006/07	SIS/SAS	\$478,000	-1.04%	\$35,091,871	4.41%	\$7,985,201	2.55%	\$3,481,627	-3.18%	\$47,036,645	3.43%
2007/08	SIS/SAS	\$506,075	5.87%	\$35,976,204	2.52%	\$8,256,815	3.40%	\$3,949,012	13.42%	\$48,688,106	3.51%
Average		\$487,547		\$31,376,890		\$6,975,898		\$4,009,088		\$42,875,130	5.29%
% contribution		1.14%		73.18%		16.27%		9.35%			
% change 01/02 - 07/08			<b>39.33%</b>				<b>55.48%</b>				<b>36.05%</b>

<b>NESC Income Stream Comparison - 2001/2002</b>					
<b>Institute/Academy</b>	<b>Income Source</b>				
	<b>ASC^</b>	<b>State Government^^</b>	<b>Sport**</b>	<b>Other***^</b>	<b>Total</b>
<b>ACTAS</b>	\$49,000	\$1,680,200	\$202,000	\$53,000	\$1,984,200
<b>NSWIS</b>	\$65,000	\$5,726,000	\$1,406,000	\$1,602,000	\$8,799,000
<b>NTIS</b>	\$7,000	\$1,843,000	\$248,000	\$69,000	\$2,167,000
<b>QAS</b>	\$80,850	\$6,371,594	\$983,450	\$3,000	\$7,438,894
<b>SASI</b>	\$75,000	\$2,945,000	\$745,000	\$315,000	\$4,080,000
<b>TIS</b>	\$29,000	\$985,927	\$165,000	\$71,000	\$1,250,927
<b>VIS</b>	\$76,000	\$3,020,000	\$772,000	\$1,623,000	\$5,491,000
<b>WAIS</b>	\$57,000	\$3,250,000	\$789,200	\$480,450	\$4,576,650
<b>Total</b>	\$438,850	\$25,821,721	\$5,310,650	\$4,216,450	\$35,787,671
<b>Percent of total</b>	1.2%	72.2%	14.8%	11.8%	

<b>NESC Income Stream Comparison - 2002/2003</b>					
<b>Institute/Academy</b>	<b>Income Source</b>				
	<b>ASC^</b>	<b>State Government^^</b>	<b>Sport**</b>	<b>Other***^</b>	<b>Total</b>
<b>ACTAS</b>	\$49,000	\$1,680,200	\$202,000	\$53,000	\$1,984,200
<b>NSWIS</b>	\$65,000	\$5,836,400	\$1,352,150	\$1,513,400	\$8,766,950
<b>NTIS</b>	\$7,000	\$1,718,000	\$173,000	\$39,000	\$1,937,000
<b>QAS</b>	\$104,552	\$7,276,694	\$827,598	\$3,000	\$8,211,844
<b>SASI</b>	\$75,000	\$3,247,370	\$745,000	\$315,000	\$4,382,370
<b>TIS</b>	\$41,000	\$985,927	\$230,000	\$42,000	\$1,298,927
<b>VIS</b>	\$96,000	\$4,720,000	\$996,000	\$2,141,000	\$7,953,000
<b>WAIS</b>	\$57,000	\$3,250,000	\$1,145,842	\$307,500	\$4,760,342
<b>Total</b>	\$494,552	\$28,714,591	\$5,671,590	\$4,413,900	\$39,294,633
<b>Percent of total</b>	1.3%	73.1%	14.4%	11.2%	

<b>NESC Income Stream Comparison - 2003/2004</b>					
<b>Institute/Academy</b>	<b>Income Source</b>				
	<b>ASC^</b>	<b>State Government^^</b>	<b>Sport**</b>	<b>Other***^</b>	<b>Total</b>
<b>ACTAS</b>	\$49,000	\$1,717,364	\$715,044	\$95,000	\$2,576,408
<b>NSWIS</b>	\$65,000	\$5,923,000	\$1,733,383	\$1,764,573	\$9,485,956
<b>NTIS</b>	\$9,000	\$1,739,400	\$179,500	\$17,500	\$1,945,400
<b>QAS</b>	\$84,432	\$7,611,986	\$1,259,992	\$44,956	\$9,001,366
<b>SASI</b>	\$67,500	\$3,568,196	\$852,227	\$269,725	\$4,757,648
<b>TIS</b>	\$41,000	\$990,000	\$240,000	\$42,000	\$1,313,000
<b>VIS</b>	\$106,000	\$4,520,000	\$1,026,000	\$1,575,000	\$7,227,000
<b>WAIS</b>	\$57,000	\$3,250,000	\$1,104,397	\$550,098	\$4,961,495
<b>Total</b>	\$478,932	\$29,319,946	\$7,110,543	\$4,358,852	\$41,268,273
<b>Percent of total</b>	1.2%	71.0%	17.2%	10.6%	

<b>NESC Income Stream Comparison - 2004/2005</b>					
<b>Institute/Academy</b>	<b>Income Source</b>				
	<b>ASC^</b>	<b>State Government^^</b>	<b>Sport**</b>	<b>Other***^</b>	<b>Total</b>
<b>ACTAS</b>	\$49,000	\$1,866,274	\$752,266	\$144,000	\$2,811,540
<b>NSWIS</b>	\$71,250	\$6,715,000	\$1,724,720	\$1,664,438	\$10,175,408
<b>NTIS</b>	\$10,000	\$1,791,000	\$165,000	\$29,000	\$1,995,000
<b>QAS</b>	\$145,170	\$7,840,780	\$1,088,821	\$20,009	\$9,094,780
<b>SASI</b>	\$62,000	\$3,939,768	\$704,000	\$186,000	\$4,891,768
<b>TIS</b>	\$41,000	\$1,111,768	\$237,902	\$49,000	\$1,439,670
<b>VIS</b>	\$105,000	\$4,520,000	\$887,000	\$1,575,000	\$7,087,000
<b>WAIS</b>	\$50,000	\$3,500,000	\$1,150,000	\$380,226	\$5,080,226
<b>Total</b>	\$533,420	\$31,284,590	\$6,709,709	\$4,047,673	\$42,575,391
<b>Percent of total</b>	1.3%	73.5%	15.8%	9.5%	

<b>NESC Income Stream Comparison - 2005/2006</b>					
<b>Institute/Academy</b>	<b>Income Source</b>				
	<b>ASC<sup>^</sup></b>	<b>State Government<sup>^^</sup></b>	<b>Sport<sup>**</sup></b>	<b>Other<sup>**^</sup></b>	<b>Total</b>
<b>ACTAS</b>	\$49,000	\$2,001,381	\$880,692	\$11,000	\$2,942,073
<b>NSWIS</b>	\$65,000	\$6,846,000	\$2,290,000	\$1,475,000	\$10,676,000
<b>NTIS</b>	\$9,000	\$2,216,000	\$178,000	\$16,500	\$2,419,500
<b>QAS</b>	\$116,000	\$8,932,650	\$1,148,350	\$6,000	\$10,203,000
<b>SASI</b>	\$68,000	\$4,055,502	\$993,638	\$315,380	\$5,432,520
<b>TIS</b>	\$46,000	\$1,477,775	\$218,000	\$41,000	\$1,782,775
<b>VIS</b>	\$74,000	\$4,520,000	\$902,000	\$1,419,000	\$6,915,000
<b>WAIS</b>	\$56,000	\$3,560,000	\$1,176,098	\$312,225	\$5,104,323
<b>Total</b>	\$483,000	\$33,609,308	\$7,786,778	\$3,596,105	\$45,475,191
<b>Percent of total</b>	1.1%	73.9%	17.1%	7.9%	

<b>NESC Income Stream Comparison - 2006/2007</b>					
<b>Institute/Academy</b>	<b>Income Source</b>				
	<b>ASC<sup>^</sup></b>	<b>State Government<sup>^^</sup></b>	<b>Sport<sup>**</sup></b>	<b>Other<sup>**^</sup></b>	<b>Total</b>
<b>ACTAS<sup>'''</sup></b>	\$0	\$1,786,516	\$880,692	\$11,000	\$2,678,208
<b>NSWIS</b>	\$65,000	\$8,187,000	\$2,284,434	\$1,775,800	\$12,312,234
<b>NTIS</b>	\$9,000	\$2,218,000	\$178,000	\$10,000	\$2,415,000
<b>QAS<sup>'''</sup></b>	\$116,000	\$8,932,650	\$1,148,350	\$6,000	\$10,203,000
<b>SASI<sup>'''</sup></b>	\$113,000	\$4,027,371	\$978,975	\$210,327	\$5,329,673
<b>TIS</b>	\$46,000	\$1,463,280	\$437,750	\$77,500	\$2,024,530
<b>VIS</b>	\$85,000	\$4,520,000	\$910,000	\$883,000	\$6,398,000
<b>WAIS</b>	\$44,000	\$3,957,000	\$1,167,000	\$508,000	\$5,676,000
<b>Total</b>	\$478,000	\$35,091,817	\$7,985,201	\$3,481,627	\$47,036,645
<b>Percent of total</b>	1.0%	74.6%	17.0%	7.4%	

<b>NESC Income Stream Comparison - 2007/2008</b>					
<b>Institute/Academy</b>	<b>Income Source</b>				
	<b>ASC<sup>^</sup></b>	<b>State Government<sup>^^</sup></b>	<b>Sport<sup>**</sup></b>	<b>Other<sup>***</sup></b>	<b>Total</b>
<b>AIS</b>	\$40,813,634	\$180,000	\$3,555,552	\$812,000	\$45,361,186
<b>ACTAS</b>	\$24,000	\$1,812,297	\$599,970	\$0	\$2,436,267
<b>NSWIS</b>	\$114,500	\$8,387,000	\$2,711,045	\$2,300,455	\$13,513,000
<b>NTIS</b>	\$9,000	\$2,237,000	\$178,000	\$10,000	\$2,434,000
<b>QAS</b>	\$146,000	\$8,833,000	\$1,193,300		\$10,172,300
<b>SASI</b>	\$43,000	\$3,823,181	\$890,000	\$375,057	\$5,131,238
<b>TIS</b>	\$48,450	\$1,688,726	\$517,800	\$73,000	\$2,327,976
<b>VIS</b>	\$79,125	\$5,175,000	\$819,700	\$625,500	\$6,699,325
<b>WAIS</b>	\$42,000	\$4,020,000	\$1,347,000	\$565,000	\$5,974,000
<b>Total</b>	<b>\$41,319,709</b>	<b>\$36,156,204</b>	<b>\$11,812,367</b>	<b>\$4,761,012</b>	<b>\$94,049,292</b>
<b>Percent of total</b>	43.9%	38.4%	12.6%	5.1%	

**Notes**

1. <sup>^</sup>ASC funds direct to NESC members (may include appropriations for AIS Corporate Services)
2. <sup>^^</sup> State Government funds (may include appropriations for Corporate Services)
3. <sup>\*\*</sup> Sport funds (NSO and SSO) to NESC members
4. <sup>\*\*\*</sup> Sponsorship, Revenue raising projects, Interest, donations
5. All information provided by Institute or Academy

## Appendix D: High performance system enhancements for three priority sports

### Swimming Australia – Case Study

Swimming Australia faces a number of significant challenges if it is to be able to maintain its position as Australia's most successful Olympic sport. The external environment is becoming more competitive, with more nations investing in swimming programs, and an increasing number of nations investing significantly more funds into the sport than Australia. A key threat arising from this situation is the potential for Australian coaches to be recruited by Australia's competitors, who are able to offer far greater salary packages than are available in Australia. The introduction of the Open Water discipline to the Olympic program has increased the drain on human and financial resources, and more nations are investing in Paralympic swimming than ever before.

Within Australia, the environment which has supported high performance swimming in the past is becoming less supportive. The competitive swimmer population is shrinking, and development programs are significantly under-funded. There are greater financial and time pressures on families. Australian swim coaches in the main are not well remunerated, and often have unreliable tenure. Commercial pressures on swimming facilities has resulted in reduced access to lane space, or increased costs to maintain access.

The international competition calendar has grown significantly over the past four years, and travel costs have greatly increased, while Swimming's revenue base has remained relatively static.

Both Swimming Australia and the ASC have independently made an analysis of swimming's high performance needs over the coming Olympiad and reached similar conclusions in relation to the significant funding shortfall, which if left unaddressed, will seriously threaten Australia's ability to remain a swimming world power.

Swimming has consistently provided approximately one third of all Gold medals, as well as the overall medal tally, at successive Olympic Games. In fact the contribution of swimming is increasing and a decline in swimming results would affect Australia's overall medal tally at all major Games.

The key areas requiring additional support are:

1. protection and enhancement of support for those centres and clubs which have been, or are most likely to achieve sustainable world class performance outcomes – this includes the development, retention and recruitment of world class coaches, whether developed in Australia or imported from overseas
2. protecting and expanding the capacity of the AIS program to support the national high performance program, particularly in relation to the hosting of national camps and provision of Sports Science and Sports Medicine research, testing and athlete servicing
3. enhancing the national youth program

## Cycling – Case Study

Cycling Australia manages, in partnership with the AIS, a highly successful high performance program based in Adelaide and at the AIS European hub in Varese in Northern Italy. The program covers all disciplines of cycling including road, track, BMX, mountain bike and an integrated program for athletes with a disability.

Australia was the leading cycling nation at the Athens Olympics winning 10 medals, 6 of which were gold and winning 25 medals, 11 of which were gold at the Athens Paralympics. Since that time however Australia has falling behind France, Netherlands and Great Britain who have emerged as the world's leading cycling nation. Great Britain particularly have shown how significant investment (UK Cycling has a high performance budget 3 times larger than Cycling Australia) with nationally directed long term pathways can enhance international success. Great Britain's complete domination of cycling medals (14 medals to Australia's solitary silver) in Beijing was a stark illustration of what a well structured, financed and supported program can do.

Cycling Australia presented its strategy for national pathways to the ASC in February 2008. In that presentation a number of key challenges for the sport were identified for the 2009-2013 quadrennium and beyond. The major issues that need to be addressed if Cycling Australia is to remain internationally competitive are:

1. Increasing resources and leadership through its athlete pathway by providing greater support to existing SIS/SAS programs to provide better quality development opportunities for potentially elite riders.
2. To create new 'futures' development programs for younger athletes at identified hot spots locations around the country. These programs would act as feeders to SIS/SAS programs and provide opportunities to link the best coaches in the country with emerging talent.
3. Increase support to allow for Australia's elite athletes to compete internationally at important qualification events. The International Cycling Union now has a complex and lengthy qualification process for World Championships and Olympic Games that require significant resources and investment to support. Australia missed qualification for the Madison in Beijing, an event in which we won gold medals in at the previous two Olympic games, largely due to the limited resources available to maximise qualification opportunities.
4. Increased support to influence and access Australia's best road riders who have professional contracts in Europe. These riders are critical for winning Olympic and World Championship medals and new resources are required to ensure we can access these riders and allow them to adequately prepare and compete in these important events.
5. Increased support to ensure Australian cycling can access the best equipment and technology support comparable to that of other leading nations.
6. Ensuring that there is sufficient, coaching, managerial and sports medicine and sports science support to adequately service Australia's elite and potentially elite athletes.

## Rowing – Case Study

Rowing Australia is one of Australia's leading Olympic sports winning, on average, 5 medals at each Olympic Games since 1996 and 3 medals in Beijing.

Rowing Australia is a comparatively small participation sport with less than 10,000 members Australia wide. Access to rowing opportunities is generally expensive and requires significant equipment and facility support. Despite these limitations Rowing has been surprisingly successful on the international stage due to the significant Government investment. Currently the ASC's investment in Rowing Australia represents over 80% of its total turnover.

Rowing Australia has a good talent pool from which to draw. Most athletes emerge from a background in the private school network where there is significant financial support and a quality coaching environment. The issue for Rowing Australia however has been the inability to effectively tap into that talent pool, provide international competition opportunities and turn this talent into potential medal winning athletes.

These issues have been highlighted in recent years with the number of rowing nations winning medals in Athens increasing to 21 and the emergence of China as an international rowing power. The international rowing environment has never been more competitive and rowing must act now to prevent a slide into mediocrity in relation to its international performances.

Rowing Australia has identified the following strategies to enhance its program for the 2009-2013 quadrennium and beyond.

1. The creation of an integrated leadership and pathways model based at the AIS in Canberra, featuring:
  - The creation of a National Development Coach position to oversee the transition of talent athletes from the school network and talent identification programs into the Rowing Australia pathway.
  - A nationally coordinated sport science and sports medicine strategy
  - The formation of nationally led program integrating the resources of the AIS and Rowing Australia.
2. Enhanced roles for SIS/SAS and elite development programs in supporting potentially elite athletes as well as national team athletes based in their state.
3. Providing direct support to athletes in their daily training environments to allow them to train and prepare at a level equivalent to the international counterparts.
4. Enhancing the opportunities for international competition for junior, under 23 and senior national teams athletes to ensue the appropriate athlete development and progression.

## Appendix E: List of participants in the ASC's community sport forum, 2-3 October, 2008

Name	Surname	Organisation
Phil	Alchin	Disability and policy coordination Branch ACT FAHCSIA
Hiba	Ayache	Islamic Women's Welfare Association
Peter	Bartels	Australian Sports Commission Board
Kristen	Beams	Cricket Australia
Andrew		
Colin	Bell	Hunter New England Population Health
Peter	Bennett	Archery Victoria
Graham	Brimage	Strategic policy and planning
Sue	Brown	School of Human Movement and Sport Sciences, Uni of Ballarat
Darryl	Buchanan	Wheelchair Sports SA
Rita	Butera	Diversity & Multicultural Agenda, Beyondblue
Bill	Caddey	Jump Rope for Heart & Walking, National Heart Foundation - ACT
Sally	Carbon	Australian Sports Commission Board
Anthony	Castro	Indigenous Sport Program, Sport & Recreation, NT
Emma	Clarkson	SunSmart Youth & Sports, The Cancer Council Victoria
Nicole	Colev	Gymnastics Tasmania
Richard	Crane	South Metropolitan Public Health Department of Health, WA
Pamela	Creed	National Institute of Circus Arts
Janice	Crosswhite	Australian Womensport & Recreation Association
Neil	Dalrymple	Bowls Australia
Brendan	Denning	Game Development, Hockey Australia
Roger	Desailly	Stockland Park
Alexander	Donaldson	School of Human Movement and Sport Sciences, Uni of Ballarat
Micaela	Drieberg	Australian Drug Foundation
Jeff	Dry	one eighty sport and leisure solutions
Jeffrey	Emmel	ACHPER
Craig	Fosdike	St Josephs Memorial School, SA
Ali	Gaden	Sport & Recreation Services, Sport & Recreation, TAS
Lindsay	Gardner	Hunter Orthopaedic School, NSW
David	Gould	Wheelchair Sports SA
Andrew	Gow	Health Development, Greater Sthn Area Health Service
Toni	Gray	Health & Wellbeing, Depart of Education Health & Physical Education, School of Health Sciences, Uni of Notre Dame, WA
A/Prof Beth	Hands	
Dennis	Harris	Parkside Primary School, SA
Michael	Haynes	GM Community Basketball, Basketball Australia
Dennis	Keats	Sport and recreation Tasmania, Dept of Economic devlpmt. And Tourism
Rebecca	Kelley	Sport and Recreation Services ACT
Megan	Kerr	Community Renewal, Dept of Planning & Community Development
Mecca	Laalaa	Lakemba sports club
Greg	Lacey	Tyabb Primary School, Victoria
Rod	Leonarder	Department of Education & Training
Gavin	Macdonald	ACTSport
Kyle	March	Associated & Catholic Colleges of WA
Maria	Marriner	Health Promoting Schools, Dept of Employment, Education & Training
Craig	Martin	Sport & Recreation, TAS
Mark	McAllion	Softball Australia
Sue	McGill	Sport and Recreation Victoria
Peter	McKay	Longwarry Primary School
Graham	McNaney	NSW Rugby League

A/Prof		
Phillip	Morgan	School of Education, University of Newcastle
Paul	Oliver	Aus Human Rights Commission
Damian	O'Sullivan	Health Promotion Unit, Queensland Health
Kate	Palmer	Netball Australia
Joshua	Patterson	Minto Housing Communities assistance program
Geoff	Rietschel	Gymnastics Australia
Gabby	Ripoll	Campbelltown Council
Peter	Roberts	Sport, Swimming & Aquatics, Dept of Education & Children's Services SA
Kate	Roffey	VicSport
Steve	Rossingh	Sport & Recreation, NT
Michael	Schetter	State Department of Sport & Recreation
Ahmed	Shaker	Punchbowl boys high
Annabel	Sides	Sports medicine Australia
Anthony	Stewart	Basketball Tasmania
Trin	Taber	Special O
Helen	Taylor	School Sport, NT
Neil	Thompson	Department of Sport & Recreation, WA
Rob	Thompson	WA Sports Federation
Shanthi	Thuraisingam	National Heart Foundation - Victoria
Rhonda	Turnbull	PE & Sport Unit, ACT Dept of Education and Training
Melanie	Water	Kidsafe Victoria
Carolyn	Watts	YWCA VIC
Steve	Whisker	Kelly Sports Canberra
Dean	Williamson	Campbelltown Council
Simon	Wood	Australian Flying Disc Association

## Appendix F: Sport infrastructure discussion paper

*The close inter-relationship between the so called sports development pyramid and facilities provision at each level of the pyramid has never been developed in this country. This is a major omission in sports policies and program development at all levels of Government. Sport is played by people, but people play sport in, or on, a sport facility.<sup>1</sup>*

### Demand and Supply

Over the years, governments at all levels in Australia have recognised the benefits of physical activity and there have been a number of programs exhorting the community to become more active. Such programs have contributed to an increasing demand for access to quality sporting facilities in many parts of Australia. However, there is mounting evidence that the supply of facilities is not keeping up with demand and that the gap is getting wider.

Major demographic change has contributed to a mismatch between the supply of, and the demand for, sport infrastructure. Until the middle of last century the Australian population, notwithstanding rapid growth from high birth and net migration rates, was notable for its relatively stable demographic patterns measured in terms of population distribution and household composition. Especially since the 1970s, however, there have been major demographic changes in Australia. These changes have been ably mapped by the demographer Bernard Salt in this recent book, *The Big Shift*.

Salt has shown that over the century to 2001, Australia's population distribution has changed from a rural/capital/coastal ratio of 61:32:7 in 1901 to 17:64:19 in 2001 with most of these changes happening in the last 30 years.<sup>2</sup> These urban consolidation trends, which are continuing at an accelerating pace, are predicted to have profound effects in the demand for, and the supply of, goods and services of all kinds especially when they are combined with changing consumer preferences involving Generations X and Y and the impact of retiring baby boomers.

Recent media reporting illustrates the effect of these changes on sport. For example, the *Daily Telegraph* observed that due to increasing population levels in Sydney, *at least 100 cricket teams, 60 soccer teams and countless touch and Oz Tag teams have been refused registration because of the unavailability of playing pitches.*<sup>3</sup>

An article in the *Sydney Morning Herald* noted that Sydney was now experiencing a boom in the numbers of people wanting to play organised sport but that *the city now suffers from a shortage of something that goes to the heart of our national identity: sports fields. In some places, people are unable to play due to a lack of facilities, and tensions are rising as they compete just to get onto a field.* Moreover, in an attempt to cope with the demand, many existing sports fields are now being used for 50 hours a week compared with the 20 hours necessary for them to recover.<sup>4</sup>

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<sup>1</sup> Australian Sports Commission, *Submission to the Inquiry into the Funding of Community Sporting and Recreational Facilities*, House of Representatives Standing Committee on Environment, Recreation and the Arts, May 1997, 132.

<sup>2</sup> Bernard Salt, *The Big Shift*, Hardie Grant Books, Melbourne, 2004, 3.

<sup>3</sup> Daily Telegraph, *We need more fields of dreams*, Saturday Opinion, 22 October 2005.

<sup>4</sup> Sydney Morning Herald, *Obesity game plan short of a few fields*, Michael Duffy, 26 August 2006.

*The Age* in Melbourne recently observed that local government in Victoria was seeking an \$80 million rescue package to help save sportsgrounds and swimming pools hit by drought with several public pools being closed because of leaks. According to the VicSport Chief Executive Officer, *The dwindling number of ovals and reserves would have an impact on participation rates and could eventually contribute to higher rates of obesity in the community.*<sup>5</sup> Another report in *The Age* expressed concern over the poor state of repair of many public pools in Melbourne *most of which are more than 40 years old* with poor access to pools for some large socio-economically disadvantaged populations in some parts of the city.<sup>6</sup>

Another report drew attention to the major challenges confronting the aquatic industry with 75% of aquatic centres built more than 15 years ago and with nearly 60% being over 25 years old but with only minimal information on the state of facilities and future requirements.<sup>7</sup>

The impact of drought and resultant water restrictions on golf, tennis, bowls, cricket, soccer and AFL, especially the cost of repairs, shortening of seasons and loss of participation, was a major feature of reporting in *The Sunday Age* on 10 December 2006.<sup>8</sup>

*The West Australian* recently ran a story that the State Government and local councils are grappling with high demand for new sportsgrounds. Over the next 15 years in Perth's new suburbs, it is anticipated that for AFL alone, there will be up to 90 new clubs, 680 extra teams and 17,000 additional players. There is said to be a problem with ageing facilities and Perth's land shortage has contributed to the inadequate number and size of new ovals because flat land suitable for sportsgrounds is also regarded as the most suitable for housing. The WA Local Government Association is concerned not only with the one-off cost of providing land for sporting purposes but also with the ongoing cost of maintaining facilities.<sup>9</sup>

These media reports are a small illustration of what could soon become a much larger national story that has the potential to influence public opinion negatively towards government. This larger story is that the present state of affairs will, unless corrective action is taken, be perceived as a failure of leadership by government at all levels to adequately address what should have been an avoidable problem.

In addition to these media reports, a consortium of 11 major sports (cricket, rugby league, rugby union, AFL, football (soccer), athletics, hockey, netball, bowls, golf and tennis) last year drew the previous Federal Government's attention to what the consortium believes to be significant deficiencies in the provision of sport infrastructure.

In particular, the consortium expressed concern over what it described as decaying infrastructure. Many local sporting organisations are unable to generate sufficient funding for the maintenance and upgrading of existing infrastructure such as surfaces, pavilions and lighting. In addition, water restrictions are causing the loss of many sport ground surfaces resulting in the modification or abandonment of sporting programs and competitions and causing sports to incur substantial non-budgeted remedial and

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<sup>5</sup> *The Age*, *Drought: councils seek big package*, Cameron Houston, 7 February 2007.

<sup>6</sup> *The Age*, *Editorial Pools in peril: shallow excuses aren't enough to save them*, 10 January 2007, 12.

<sup>7</sup> Martin Sheppard, *Call for Action*, *Australasian Leisure Management*, January/February 2007, 40-44.

<sup>8</sup> *The Sunday Age*, 10 December 2006, 10.

<sup>9</sup> *The West Australian*, *Provision for suburban footy grounds wanted*, 17 April 2007.

replacement works. Moreover, the consortium is concerned about the lack of provision for organised sport in new residential developments. The consortium contends that these concerns are particularly evident in the water-dependent, mass-participation outdoor field and court sports throughout metropolitan, regional and rural communities.

The ASC has recognised the need for more evidence-based research into the nature and extent of the perceived problem of unmet demand in the provision of sport infrastructure. The results of a national survey conducted by the Commission in 2007 of Australia's national sporting organisations (NSOs), state government sport and recreation agencies, state government planning agencies, a sample of local government councils and relevant peak professional and industry bodies, suggest that the widespread community concern over inadequate facility provision has a solid basis in fact.<sup>10</sup>

The unmet demand was reported by respondents in terms of insufficient quantity of facilities and inadequate quality of facilities. The deficiencies affect virtually all kinds of facility – sportsgrounds and 'bricks and mortar' infrastructure such as pools, courts, rinks, pitches and various types of indoor sport facilities.

The evidence suggests that this situation is adversely affecting a wide range of sports (large and small, professional and amateur) throughout most parts of Australia (rural, regional and metropolitan).

In the case of sportsgrounds, sporting organisations claim that there are not enough of them within reasonable proximity to where people live and, where they do exist, they are being over-used to the extent that playing surfaces are being degraded and the safety of players is being compromised.

Sporting organisations sometimes do not have long-term leases so there is often little incentive to invest in facility maintenance or redevelopment of ageing and decaying facilities. Increasingly, many providers are said to be more interested in operating facilities on commercial lines making them too expensive for sports with modest resources to continue using them. Affected sports are forced to relocate to other less suitable, less accessible venues that sometimes do not meet safety requirements such as lighting standards.

In some cases, the facilities do not meet international standards and this impedes the ability of those sports to host international events.

These deficiencies are reported to be limiting the growth of club memberships and causing prospective participants in sports to be turned away because there is no space for them to train or compete.

The main locations of unmet demand tend to be sport-specific but often the situation is acute in capital cities, especially Sydney, Melbourne and Brisbane although high population growth regions in non-metropolitan areas are also poorly supplied with suitable facilities.<sup>11</sup>

Indeed the position appears to be especially serious in rural and remote Australia. Research data collected through the Commission's Active After-school Communities

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<sup>10</sup> Australian Sports Commission, Report to the Board, *Sport Infrastructure in Australia*, Canberra, 1 May 2007.

<sup>11</sup> *Ibid.*

Program drawing upon the Indigenous Sport Development Officer Network and community sport evaluations at state and local levels clearly show that the lack of adequate facilities, and the effects of drought on existing facilities, are severely limiting the offering of sporting competitions.<sup>12</sup>

Although the Commonwealth Government has provided funding for sport infrastructure from time-to-time mainly through the sport portfolio department, these programs were not part of the ongoing sport program planning process and were not integrated into the four year sport development and funding cycles administered by the ASC. For the most part, facility provision was seen as a state and local government or private sector responsibility with little linkage to the sport development pyramid.

Local government is acutely aware of the problem but has limited financial capacity to respond with the level of investment required. Representing 673 councils nationally, the Australian Local Government Association (ALGA) confirms that there is significant unmet demand for access to sport infrastructure in many communities. In the ALGA's opinion, the unmet demand manifests as a shortage of appropriate facilities in high growth areas in coastal towns and new suburbs in existing towns and in the inability of existing facilities to meet growing demands from a wider range of users. Rural remote areas and indigenous communities also experience significant unmet demand.<sup>13</sup>

The main areas of deficiency are capacity problems at peak training and playing times, a lack of indoor sport facilities, a lack of support facilities such as change rooms, lighting and parking, a shortage of facilities such as pools that can be used throughout the year, facilities that do not meet the requirements of ageing communities, a backlog of out-of-date facilities requiring extensive maintenance, refurbishment or upgrading and a lack of facilities for new sports that are gaining in popularity.

From a local government perspective, the principal reasons for this situation are poor planning, the high cost of provision, reduced financial capacity of councils especially in depressed socio-economic areas, ageing infrastructure built to old standards and the impact of drought.

According to the ALGA, the main priorities to address unmet demand include additional funding from state and federal governments working with local government to ensure local needs are met, more joint ventures involving government at all levels, schools and community groups, facility design that encourages multiple use and includes support infrastructure as well as innovative measures to improve water use efficiency.<sup>14</sup>

The foregoing strongly suggests that the present arrangements are not working and have not worked well for many years. There is an urgent need for greater national leadership to fix the problem of inadequate sport infrastructure in Australia.

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<sup>12</sup> Colmar Brunton Social Research. *Active After-school Communities Program Independent Evaluation Report 2005-2007*.

Australian Sports Commission, *Indigenous Sport Program, Annual State Reports, 2004-2007*, Government of South Australia, Office for Recreation and Sport, *Active Community Field Officer Program, 2005-2006 Statewide Report*, WA Government, State Department of Sport and Recreation, *Community Club Development Officer Program, Establishment Framework, 2006*.

<sup>13</sup> Australian Local Government Association, *Comments for Australian Sports Commission, Availability of Sports Infrastructure in Australia*, 17 May 2007.

<sup>14</sup> *Ibid.*

It is against this background that the Rudd Government document *Australian Sport: Emerging Challenges, New Directions* issued on 6 May 2008 gives a high priority to increasing participation in sport and physical activity while at the same time recognising that such participation requires adequate facilities. This signals a willingness to consider options aimed at addressing past under-investment in sport infrastructure.

Having regard to these considerations, the ASC believes that, given its funding relationship with national sporting organisations (NSOs), it is in a unique position to coordinate a national response to these concerns on behalf of the Commonwealth Government.

Should the Government concur with this view, the Commission's leadership role could possibly include:

- Engaging and project managing a suitably qualified independent consultant to develop and trial an appropriate methodology, in consultation with the states and territories and other key stakeholders, to assess the supply of, and the demand for, sport facilities in a small, representative, national sample of local government areas (LGAs);
- Subject to the successful outcome of this pilot study, coordinating, in consultation with the states and territories and other key stakeholders, the progressive rolling-out of the resultant system to all LGAs;
- Coordinating, in consultation with the states and territories and other key stakeholders, public and private sector planning and investment in sport facility provision aimed at achieving greater equilibrium in supply and demand giving particular attention to rural and remote regions and socio-economically disadvantaged parts of Australia; and
- Encouraging the most cost-effective use of existing sport facilities, including those located in the education sector.

The Commission is not presently funded to perform these functions so additional resources would need to be provided for this purpose.

### **Environmental and Design Impacts on Sport Infrastructure**

The Garnaut Climate Change Review Report released on 4 July 2008, in particular Chapter 7 – The Impact of Climate Change on Australia, paints a grim picture for Australia's way of life unless concerted global action is taken without delay to mitigate the effects.

The impact of climate change, especially the projected rainfall reductions in southern Australia, is increasingly being seen by stakeholders as a potential threat to the delivery of sport because of the damage to sports grounds that depend on adequate water to maintain them in a useable condition.

A *National Climate Change Adaptation Framework* (NCCAF) has recently been produced under the auspices of the Council of Australian Governments (COAG). This requires the Sport and Recreation Ministers Council (SRMC) to develop and implement an action plan to address the impact of climate change on sport and recreation activities. In response to

this, the Standing Committee of Recreation and Sport (SCORS) has requested the National Sport and Recreation Development Committee (NSRDC) to develop an action plan to be considered by SCORS which will then provide advice to SRMC in November 2008.

The NCCAF draws attention to the need for government, industry partners and the wider community to gather good information so that decision-makers can make well-informed decisions on how the Australian community can adapt to climate change in ways that are cost-effective and which minimise disruption and dislocation.

The peak industry body, Parks and Leisure Australia (PLA), has been a major force in drawing public attention to the problems caused by climate change for community access to parks and sporting fields and the need for effective climate change adaptation.

PLA has expressed interest in partnering with the Commission in addressing a number of issues identified in its *Strategic Framework for Action 2008-2010* issued in May 2008. In this connection, PLA has highlighted the need to establish a climate change adaptation framework for Australia with particular emphasis on water use and conservation. PLA is advocating research into best practice water usage in maintaining parks and sporting fields.

The Commission strongly supports the need to work collaboratively with industry partners such as PLA and takes the view that the response to the impact of climate change on sport needs to be as multifaceted as possible. For example, in addition to developing and applying water efficient technologies and harvesting recycled water, the wider use of synthetic surfaces and multi-purpose indoor sports facilities needs to be actively encouraged.

Moreover, there are presently inefficiencies in the way some sport facilities are used because a number of sports are unwilling to share them. In future, greater attention may need to be given to funding collaborative community ventures and possibly providing incentives for shared use.

It is clear that changing demand affecting outdoor grass-based sports will also affect the demand for indoor sport facilities as increasing numbers of players switch sports where access is denied or is significantly reduced.

The foregoing suggests that a holistic approach in the design of systems for the delivery of sport should go well beyond the traditional focus on coach and athlete pathways to include, as well, facilities planning that encompasses not just organised sport but all forms of physical activity.

Hence, international best practice has embraced a 'back to basics' holistic approach. In this connection, Sport England believes that encouraging people in large numbers to become physically active requires investment in innovative design of urban space. In the words of the Sport England Chair, Derek Mapp:

*Being active should be an intrinsic part of people's everyday lives. This is why the effective design and layout of new housing communities (both large and small) has a vital role to play in promoting sport and active recreation to people regardless of sex, age, race or disability.*<sup>15</sup>

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<sup>15</sup> Sport England, op cit, Foreword.

England's legislative planning framework employs statutory guidelines – a series of policy guides to assist planning at the local level. A 1998 direction mandated consultation with Sport England on all development applications involving open space used within the past five year period. The policy guide was further revised in 2001 to protect existing, and create additional, open spaces.

A key aspect of this approach is that the planning process rather than the standard has been enshrined in the legislation, and the process requires a local needs assessment to be undertaken in line with the guidelines.<sup>16</sup>

In England, central government is devoting considerable professional expertise to the issue of balanced urban planning, including the provision of open space as a means of encouraging greater physical activity.

In this connection, the Commission for Architecture and the Built Environment (CABE) was established in 1999 by the UK Government as a statutory body funded by the Department for Culture Media and Sport and the Department for Communities and Local Government to provide expert advice on, *inter alia*, new buildings, master plans, urban frameworks and green space strategies.

CABE represents a benchmark for good practice in designing environments that work and its Annual Review for 2005/06 shows that considerable attention is being given to encouraging physical activity through the use of well designed green and public spaces.<sup>17</sup> In Australia, many LGAs have produced town or regional plans pursuant to the legislation governing land use in their states using integrated local area planning (ILAP) principles. The ILAP principles include the need to take a holistic view of local areas, linking related physical, environmental, economic, social and cultural issues, rather than treating them separately.<sup>18</sup> Parks and recreation are expressly referenced in the ILAP conceptual framework.

But the legacy of past planning decisions based on obsolete standards lingers. For example, in the Blue Mountains in 1974, the Council adopted a standard of 1.8 hectares of sports grounds per 1,000 people and a further 1 hectare of parkland per 1,000 people. More recent thinking, however, has discouraged the use of such standards because they are seen as a rather blunt instrument and hence inappropriate for addressing the varied sport and recreation needs of different communities which are now far more diverse than in past years.<sup>19</sup>

Notwithstanding the positive changes made in Australia in more recent years, some property developers are still able to comply with requirements under planning legislation to set aside a proportion of open space for community sport and recreation by assigning land in small parcels (for example, ornamental 'pocket parks' and water features) that are unsuitable for housing but can be used as passive open space and as walking tracks. However, unless land is of a sufficiently large size, is well drained and has good access to public transport, it is usually unsuitable for sporting purposes.

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<sup>16</sup> SRMC 35 Agenda Item 4.8 - Open Space Planning and Provision, 3.

<sup>17</sup> CABE, *Annual Review 2005/06*, London, 2006, 26.

<sup>18</sup> Australian Local Government Association, *A Guide to Integrated Local Area Planning*, Canberra, July 1993, 1.

<sup>19</sup> Parks and Leisure Australia, *Capacity and Sustainability of Sports Grounds Scoping Project*, November 2005, 3.

It is a concern that in Australia, the Planning Officials Group (POG) that advises the Local Government and Planning Ministers' Council (LGPMC) does not accept that there is any systemic planning problem in this area. The LGPMC appears to believe that there is an effective system in place for the identification and zoning of land for open space that reflects needs assessment input from sport and recreation agencies.<sup>20</sup> If this is the case, it is surprising that the NSW Parliament's 2006 inquiry into sportsground management in that State noted that:

*Evidence gathered during the course of this Inquiry demonstrates that continuing and future access to sustainable sportsgrounds and open space recreation facilities is under threat in New South Wales. Uncoordinated planning, disparate management practices and a lack of consistent data collection are compounding an already precarious situation and preventing active community sporting participation.*

*In addition to a chronic shortage of sporting venues in many local government areas, existing sportsgrounds are subjected to increasing user pressures, resulting in degraded playing surfaces aggravated by the prolonged drought. This leads to a lack of opportunity for training, an inability to accommodate emerging sports and a failure to put into practice Federal and State Government campaign strategies to improve general community health and well being.*<sup>21</sup>

## **Facilities Planning**

Without effective planning, facilities are often built without proper regard for demand 'hot spots' with the result that resources are wasted by spending time and money addressing what evidence-based data would show to be low community priorities.

The criterion of 'nice to have' should not substitute for 'need to have' when prioritising the expenditure of taxpayer dollars. Regrettably, there are many examples where the former criterion appears to have been applied in the past. This has contributed to the present undersupply of sport facilities in high demand areas throughout Australia and the resultant public criticism.

On equity and efficiency grounds, transparent and accountable needs-based assessment is the only way to ensure that taxpayer money is not wasted. Needs-based assessment depends on a rigorous evaluation of the supply of, and the demand for, sport infrastructure.

The starting point for a needs assessment is a stocktake or audit of what sport facilities exist for each sport at a post code or local government area level, classified according to criteria such as capacity, quality, access, supporting infrastructure and community standards. Attempts have been made in the past to do this at the national, state and local government levels but never in a properly coordinated and systematic way. The result is that no comprehensive national stocktake of sport facilities presently exists.

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<sup>20</sup> Planning Officials Group to the Chair, Local Government and Planning Ministers' Council, Correspondence, 8 June 2006.

<sup>21</sup> New South Wales, Legislative Assembly Standing Committee on Public Works, *Sportsground Management in NSW, Executive Summary*, Parliament House, Sydney, November 2006, xi.

At present in Australia, inter-governmental coordination of sport policy is conducted under the auspices of SRMC. The Council is advised by SCORS. The latter is advised by two specialist sub-committees, the National Elite Sports Council (NESC) covering high performance sport and NSRDC covering mass participation sport and recreation.

In recent years, the agendas of SRMC, SCORS and NSRDC have included the issue of inadequate sports grounds and in more recent times, consideration has extended to sport facilities more generally. As noted earlier, climate change adaptation was formally added to the agenda this year.

None of these bodies produces what could be called a national strategic plan covering sport or recreation. Moreover, there is no national coordinating body for physical activity and there is no national plan for increasing physical activity. In short, there is no holistic design, planning and resourcing view being taken of the active recreation- organised sport delivery continuum within an overall physical activity and health policy context.

Sport infrastructure planning in Australia has evolved over many years in a fragmented, *ad hoc* way mainly through collaboration between state sporting organisations and clubs and local government authorities (LGAs) under broad parameters contained in various pieces of planning legislation within each state and territory.

The clear and unambiguous message coming out of the Commission's 2007 survey on sport infrastructure is that planning is woefully inadequate.<sup>22</sup> In particular, coordination between the tiers of government, among agencies at the same level of government and between government and sporting organisations is defective. Poor planning has contributed to significant underinvestment in facility maintenance and development.

Since 1980, the Australian Government has funded a number of sport infrastructure programs. These programs included the development of international standard sports facilities and community sport and recreation facilities (including ones with a regional sustainability focus), Sydney Olympic Games facilities and various *ad hoc*, one-off, sport infrastructure projects. However, with the exception of the Olympics facilities expenditure, funding prior to 2004 especially was relatively modest.<sup>23</sup>

Australian Government funding for sport infrastructure was primarily administered by the portfolio department responsible for sport but the ASC was not consulted, in any systematic way, regarding priorities.

The main impediments to rational facilities planning in Australia are:

- the lack of adequate supply and demand data collected on a consistent basis at post-code or local government area level that can be aggregated into state and national datasets capable of providing valid and publicly transparent inter-jurisdictional comparisons; and

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<sup>22</sup> Australian Sports Commission, Report to the Board, *Sport Infrastructure in Australia, op cit.*

<sup>23</sup> Accurate data on Australian Government expenditure on sport infrastructure over the past three decades is hard to come by but a figure of around \$450 million since 1980 is as an indicative guide. This includes one-off funding provided for Sydney Olympics facilities construction (\$150million) and grant allocations since the 2004 federal election (\$130million).

- dispersed accountability across all levels of government for the provision of facilities which makes coordinated national planning difficult and encourages blame-shifting when faced with public criticism.

A recent ANU study of Australian Government funding of sport facility programs over the past 25 years reached the conclusion that the International Standard Sports Facilities Program (ISSFP) was the only program that did not focus the greatest amount of funding into marginal seats. The author concluded that:

*The imbalance of funding in favour of marginal seats in all programs but the ISSFP is highly indicative of persisting political interference with allocation of funds....Without equitable distribution of projects and funding, the policy initiatives used to rationalise the programs were undermined as the program objectives were frustrated, preventing the Commonwealth from maximising its effectiveness. Without programs being coordinated with rationale (sic) policy, and then being administered to support that policy through equitable distribution of funding and projects amongst each classification of electorate, the Commonwealth did not make the most of its role.<sup>24</sup>*

If this conclusion is valid and if similar politically-based sport facility funding decisions have also been made over the years by other levels of government without proper regard to need, these factors go a long way towards explaining why there is a widely held view among many stakeholders that there is a significant unmet demand for sport facilities affecting many sports in all states.

There have been a number of attempts to improve sport facilities planning, for example, the 1997 House of Representatives Standing Committee on Environment, Recreation and the Art's Inquiry into the Funding of Community Sporting and Recreational Facilities.

In its submission to that Inquiry, the Commission stated that *it is desirable that a comprehensive needs analysis exercise be undertaken. This would involve the development of a digital Geographic Information System to map the inventory of existing facilities and an analysis in conjunction with the States, Territories, National and State Sporting Organisations and the Australian Local Government Association to establish the major pockets of under supply of existing facilities.*<sup>25</sup>

In 1999, the report *Shaping Up: a Review of Commonwealth Involvement in Sport and Recreation in Australia*, concluded that:

*The provision of facilities for community participation in sport and recreation, the training of elite and developing elite athletes and for holding international sporting events is critical to meeting the Commonwealth Government's objectives in sport and recreation.*<sup>26</sup>

The review therefore recommended that:

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<sup>24</sup> Evan Johns, *Playing the Game: The allocation of funding through Commonwealth sport facility programs over the past 25 years*, Discussion Paper, Crawford School of Economics and Government, ANU, 2006, 46.

<sup>25</sup> Australian Sports Commission, *Submission to the Inquiry into the Funding of Community Sporting and Recreational Facilities*, 138.

<sup>26</sup> Commonwealth of Australia, *Shaping Up: A Review of Commonwealth Involvement in Sport and Recreation in Australia*, AGPS, Canberra, 1999, 102. (Oakley Report)

*The completion of a national audit of sporting and recreation facilities be a high priority and that the Commonwealth take a leading role in developing a strategic approach toward the development and funding of facilities. The availability of sport facilities at schools and universities should also be factored into planning at a local level.*<sup>27</sup>

Since the release of these reports, SRMC and SCORS have discussed options to improve sport facilities planning from time to time but, as stated earlier, efforts to undertake a national sport and recreation facilities audit as a precursor to being able to systematically assess supply and demand have so far failed to yield executable results.

Active consideration of sport infrastructure by SCORS/SRMC was not reactivated until October 2004 when the PLA wrote to SCORS expressing concern that current provision levels were insufficient to meet the increased demand resulting from urban density policies and government initiatives to increase physical activity. PLA suggested that government investments in increasing physical activity might be undermined if a collaborative and coordinated approach to open space provision was not put into effect across all levels of government.

There is an urgent need to remedy the present dysfunctional sport facilities planning arrangements in Australia. In June 2007, the ASC conducted a short preliminary study of possible methods for assessing the supply of, and the demand for, sport infrastructure. The study concluded that although a system with the necessary functionality would require further careful assessment of what data are available now and what additional data would need to be collected, there was a sound basis for the relevant authorities to conduct a pilot study to refine the methodology and to assess the feasibility of national roll-out. To minimise cost and risk, such a pilot study should be limited to a small number of sports chosen for their Olympic medal potential and/or their mass participation interest and be restricted to a small number of representative LGAs.<sup>28</sup>

The means of doing this are well known and technically feasible but cost-effective execution would depend on a level of cooperation between all levels of government that has not been evident to date.

Examples of inter-governmental co-operation in facilities provision do exist in other portfolios. By way of illustration, the tripartite partnership arrangements for population ageing in Tasmania based on an inter-governmental agreement overseen by a steering committee has been suggested as a possible model for sport. The agreement aims to:

- Minimise duplication and under-utilisation of facilities;
- Maximise the range of facilities provided;
- Promote the sharing of resources, research, expertise and ideas; and
- Facilitate joint projects.

One of the features of this model is said to be that a high level of coordination and collaboration between the three levels of government can be achieved with each jurisdiction retaining the right to make its own funding and policy decisions but within a nationally planned framework.

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<sup>27</sup> *Ibid.*

<sup>28</sup> Australian Sports Commission, Report to the Board, *The Supply of, and the Demand for, Sport Infrastructure in Australia*, Canberra, 5 June 2007.

Sport facilities planning also needs to involve a range of providers from outside the sport sector as well including government and non-government schools, higher education institutions and the private sector. This needs to recognise that in the education sector, in particular, there are many practical legal and risk issues that past negotiations have demonstrated need to be overcome in order to ensure that the community has better access to the substantial school and higher education sport facilities that are known to exist.

The foregoing suggests that unless there is a comprehensive, coherent and systematically maintained national sport facilities plan based on accurate supply/demand data, there is little likelihood that the national pool of resources will be utilised in cost-effective ways that will yield lasting benefits in advancing the Commonwealth Government's wider physical activity-health prevention policy objectives.

Given its pivotal position in relation to the provision of Commonwealth Government funding to NSOs, the Commission should, subject to being resourced appropriately, play a leadership (lead agency) role in driving sport facilities planning in Australia, in consultation with key stakeholders.<sup>29</sup>

In the first instance, the lead agency role would involve overseeing the pilot study referred to earlier and, subject to this study yielding a positive result, overseeing the arrangements for a progressive national roll-out.

Before the pilot study was undertaken, however, the lead agency would need to consult with key stakeholders regarding methodological design including such matters as the supply/demand data to be collected, data sources, data definitions, data standards and various protocols relating to data collection, aggregation and reporting. Discussion would also be necessary on the method and pace of the national roll-out so this proceeded at a rate key stakeholders can accommodate.

For the reasons canvassed earlier relating to the need for a holistic approach in advancing the Commonwealth Government's wider physical activity-health prevention policy objectives, the work undertaken through this process, should be integrated with the activities of the new national coordinating body proposed by NSRDC with the specific task of increasing physical activity, both structured and unstructured.

The proposed new body would comprise all of the relevant portfolios (health, sport and recreation, education, planning, transport, infrastructure and local government) and would guide program investment and facilitate horizontal collaboration at each level of government as well as promote vertical collaboration between all levels of government.

### **National Facilities Fund**

The provision of sport infrastructure varies significantly across jurisdictions notwithstanding that, according to the Commonwealth Grants Commission's Principle of Fiscal Equalisation, each state and territory is meant to have an equalised capacity (as a

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<sup>29</sup> Key stakeholders include state/territory sport and recreation agencies, state planning agencies, education authorities, local councils, NSOs, SIS/SAS, relevant peak industry bodies and private facility providers.

consequence of their own-controlled financial position and Commonwealth untied general revenue grants) to provide comparable services to their respective communities.<sup>30</sup>

The fact that there is significant variation in the level of sport infrastructure provision suggests, *prima facie*, that some jurisdictions have determined priorities that have not fully recognised that sport represents one of the most cost-effective 'policy buys' in preventing chronic illnesses compared with many of the much more expensive illness treatment alternatives contained in health portfolio budgets.

Up-to-date and accurate data on government expenditure on sport facilities are not readily available. The most recent reliable published figures indicate that in 2001-02, state and territory governments outlaid \$280million on sport facilities whereas local government in that year spent almost \$1billion.<sup>31</sup> Accurate figures for Australian Government's expenditure on sport infrastructure over the last 25 years are also difficult to come by.

There are a number of reasons for this. In addition to the clearly identified allocations for sport facilities programs, some 'mixed' programs covered cultural and recreational facilities as well as sport infrastructure while others funded a range of regional economic sustainability/access to services projects, including sport facilities. Moreover, some program initiatives were 'rolled over' into replacement programs and provision for inflation was not incorporated on a consistent basis. In addition, departmental records show different commitment figures in relation to the allocations for some projects.<sup>32</sup>

Whilst acknowledging that no comprehensive national planning data exist to systematically assess supply and demand, there are some preliminary, albeit partial, indications of the scale of the financial challenge being confronted. For example, the consortium of 11 of Australia's largest organised sports (referred to earlier) recommended towards the end of the previous Federal Government's term of office that funding of \$1 billion is required over 4 years to address the concerns they identified. The consortium advocated that \$765 million of this sum be allocated for redevelopment of existing sport facilities, \$230 million for new sport facilities and \$5 million for the development of a national sport infrastructure database and blueprint.

As stated earlier, much of the provision of sporting infrastructure in Australia has traditionally been the responsibility of local government, a sector of government that for some years has experienced considerable financial pressure to provide the level of infrastructure and services demanded by the community. Evidence for this comes from the recent National Financial Sustainability Study of Local Government compiled by PriceWaterhouseCoopers (PwC) which estimates that up to 40% of councils could be financially unsustainable. The difficult financial circumstances of many councils and the

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<sup>30</sup> The principle of fiscal equalisation states that each State should be given the capacity to provide the average standard of State-type public services, assuming it does so at an average level of operational efficiency and makes an average effort to raise revenue from its own sources. (Source: Commonwealth Grants Commission website, 18 July 2008)

<sup>31</sup> Australian Government, *Review of Australian Government Funding for Sport*, Draft Issues Paper, Department of Communications, Information Technology and the Arts, May 2007, 16.

<sup>32</sup> Australian Government, *Correspondence from Department of Communications, Information Technology and the Arts to Department of Prime Minister and Cabinet*, October 2002.

deferral of infrastructure expenditure leading to backlogs, has particular relevance to explaining the shortfall in the provision of sport facilities.<sup>33</sup>

In response to the PwC report, the ALGA urged all councils to give particular attention to *ovals, swimming pools, walking tracks and sporting facilities as these are important in improving community health and wellbeing and combating the obesity epidemic.*<sup>34</sup> The ALGA established a database so councils could register examples of the types of community infrastructure that could be funded under the \$250 million (over 4 years) Local Community Infrastructure Renewals Fund recommended by PwC to assist councils renew aged and failing infrastructure. The database was intended to serve as a basis for local government to engage with the Commonwealth Government regarding the provision of funding.

The foregoing suggests that there is a need for the establishment of a nationally focussed sport facilities fund of a size sufficient to:

- address over a realistic timeframe, the undersupply in sporting facilities of an appropriate quality in those parts of Australia where comprehensive national planning data indicate, in priority order, the shortfall is most acute;
- sustain a level of investment that will prevent a recurrence of the undersupply identified through the nationally coordinated planning process.

It is not sensible to suggest the size of the fund in the absence of comprehensive planning data but it is clear from the work done by the major sports consortium and by PwC on behalf of local government that the sums of money involved would be substantial.

To address, in a meaningful way, the deleterious effects of past underinvestment and resource misallocation over many years, annual funding for an extended period at a level much higher than presently obtains, is required.

Funding at the level required from traditional sources does not appear to be a feasible option. The size of the problem and the financial cost of fixing it are expected to be sufficiently large to warrant action under the auspices of COAG.

There are two main options:

- A capitalised fund (where allocations to projects would be drawn from annual income earned by the fund); or
- A recurrent fund (where allocations to projects would be drawn from appropriations provided periodically).

There are advantages and disadvantages in both types of fund and a decision on the most appropriate type would need to be informed by the results of the planning process when the dimensions of the task can be fully appreciated.

## Other Funding Options

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<sup>33</sup> PriceWaterhouseCoopers, *National Financial Sustainability Study of Local Government*, ALGA, November 2006.

<sup>34</sup> Councillor Paul Bell, President, ALGA, 2007.

Because there will never likely be enough funding from the usual government appropriation processes to fully satisfy the need, funding from other sources also needs to be explored.

Even where additional funding for sport is not hypothecated in favour of sport infrastructure, it can provide budget relief in other parts of the sport budget thereby enabling reallocation in favour of sport facilities.

Possible options include:

#### Public Private Partnerships (PPP)

There are many types of PPP in the provision of infrastructure in a range of portfolios that in the past were fully funded by government.

Given the high capital cost of facilities provision, public policy over the last decade or so favouring minimal government debt has created opportunities for partnering with the private sector in order to stretch the reach of public dollars.

In view of the fact that many sport facilities are now being operated on commercial lines, there are potential opportunities for government to avoid up-front capital costs and for some of the risk of building expensive facilities to be shared with private sector beneficiaries of future revenue streams.

#### Major Event Legacy

Some sports host major events often with the financial or in-kind support of the various levels of government or government-sponsored events corporations. It is arguable that where feasible, sports that have benefited financially from such events should contribute towards the provision and/or maintenance of facilities that might otherwise have to be at public expense.

#### Commercialisation in Sport

Some sports, if properly structured and marketed, have significant commercial opportunities and there may be cases where those opportunities have not been fully exploited.

To the extent that there is scope for commercial income in sport to supplement taxpayer funding and where those sports can become less reliant on government funding, they should consider options for investing in sport facilities that are likely to further strengthen their commercial appeal.

#### Donations

The ability of the sport sector in Australia to attract private sector money as tax deductible donations to be used, for example, to build sport facilities, is very limited.<sup>35</sup> This is because Australian Taxation Office (ATO) Ruling TR 2005/21 states that social,

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<sup>35</sup> Under Australian taxation legislation, a sporting organisation will generally only be a deductible gift recipient if it fits within the welfare rights category, that is, the organisation is primarily helping needy or disadvantaged people.

recreational and sporting purposes are not charitable. Consequently, donations made to sporting organisations are not tax deductible.

However, the Australian Sports Foundation Limited (ASF) operates pursuant to the *Australian Sports Commission Act 1989* as a non-profit public company limited by guarantee for the purpose of supporting the development of sport in Australia. To achieve this, the ASF, as a consequence of its status under the *Income Tax Assessment Act 1997* as a Deductible Gift Recipient (DGR), is able to receive tax deductible donations from individuals and businesses and makes discretionary grants to eligible organisations with a sporting project registered with them.

While the Foundation's DGR status makes it the only sports organisation able to accept tax deductible donations (with the exception referred to in the footnote), the sums of money available through this process for sport facilities are currently small and are not able to address the shortfall in any significant way.

At the same time, it should be noted that the US tax legislation is much more sympathetic towards the needs of sport. In that jurisdiction, there are two types of amateur athletic organisations that can qualify for tax-exempt status. The first type is an organisation that fosters national or international amateur sports competition but only if none of its activities involve providing athletic facilities or equipment. The second type is a qualified amateur sports organisation. The difference is that a qualified amateur sports organisation may provide athletic facilities and equipment. <sup>36</sup>

Having regard to these considerations, there could be merit in seeking a review of the relevant provisions of the tax legislation and/or the ATO ruling as a means of substantially increasing the flow of private sector money into the not-for-profit sporting sector for investment in sport infrastructure.

#### A National Sports Lottery

The national sports lottery option is canvassed last because although the income from this source is likely to be high, its introduction might not be politically feasible.

Having said that, lotteries are used by a number of countries to raise funds for public sports programs including at least 17 European nations, China and New Zealand.

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<sup>36</sup> An organisation is a qualified amateur sports organization if it is organised and operated:

- (4) Exclusively to foster national or international amateur sports competition; and
- (5) Primarily to conduct national or international competition in sports or to support and develop amateur athletes for that competition.

Donations to either amateur athletic organisation are deductible as charitable contributions on the donor's federal income tax return. However, no deduction is allowed if there is a direct personal benefit to the donor or any other person other than the organisation.

[Source: US Department of the Treasury, Internal Revenue Service Publication Section 501(c)(3) Organisations]

Some Australian states apply income derived from gambling to support community capacity-building projects but, for the most part, this income is not sufficient, or is not available for, spending on significant sport infrastructure projects.

For example, the Queensland Government Gambling Community Benefit Fund provides grants to a maximum of \$30,000 for projects such as minor capital works. However, major capital works such as sport infrastructure are not eligible to receive funding from this source. The West Australian Lotteries Commission (Lotterywest) also provides significant funding to the WA Department of Sport and Recreation for allocation to WA sporting organisations but none of this is to be used for funding sporting facilities.

While a national lottery with funding hypothecated in favour of sport infrastructure could be expected to raise substantial income, such an initiative would require the cooperation of the states and territories. Given that the Commonwealth does not have express constitutional power to raise revenue from this source outside its own jurisdiction and because a Commonwealth lottery could adversely affect state income streams derived from gambling, this cooperation could conceivably be withheld.

Notwithstanding that the Productivity Commission has found that problem gambling is lowest for lotteries compared with other forms of gambling, the ASC agrees with the conclusion reached by the Oakley Review in 1999 that the political and social difficulties associated with initiating a national sports lottery preclude serious consideration of this option.<sup>37</sup>

## Recommendations

(1) That future planning for sport infrastructure be undertaken in a holistic way based on international (needs based) best practice design methods for assessing supply and demand that have regard to wider government policy aimed at promoting physical activity-health prevention objectives.

(2) That the ASC be authorised and funded by COAG to engage and project manage a suitably qualified independent consultant to develop and trial an appropriate methodology, in consultation with the states and territories and other key stakeholders, to assess the supply of, and the demand for, sport facilities in a small, representative, national sample of local government areas (LGAs);

(3) That, subject to the outcome of the pilot study, the ASC be authorised and funded by COAG to coordinate, in consultation with the states and territories and other key stakeholders, the progressive rolling-out the resultant system to all LGAs;

(4) That the ASC be authorised and funded by COAG to coordinate, in consultation with the states and territories and other key stakeholders, public and private sector planning and investment in sport facility provision aimed at achieving greater equilibrium in supply and demand giving particular attention to rural and remote regions and socio-economically disadvantaged parts of Australia;

(5) That COAG fund the establishment of a national facilities fund (to be known as the Australian Sport Infrastructure Fund) to be administered by the ASC for the purpose of

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<sup>37</sup> Commonwealth of Australia, *Shaping Up: A Review of Commonwealth Involvement in Sport and Recreation in Australia*, *op cit*, 39.

distributing funding in accordance with the priorities identified through the national planning process;

(6) That the ASC be authorised and funded by COAG to encourage the most cost-effective use of existing sport facilities, including those located in the education sector.

(7) That the ASC, in consultation with key stakeholders, actively explore opportunities for enlarging the national funding pool available for sport infrastructure from all sources, including those from outside the government appropriation process.

(8) That, having regard to the US Internal Revenue Service legislation cited above, consideration be given to reviewing the relevant provisions of the *Income Tax Assessment Act 1997* and ATO Ruling TR 2005/21 with the view to expanding the scope for tax deductibility in relation to donations to not-for-profit sporting organisations for the purposes of building sport infrastructure.

## Appendix G: Further information on enhancing sport science, research and technology

### a) Examples of AIS research partnerships

The AIS is an Associate Member of the Cooperative Research Centre (CRC) for Advanced Composite Structures, and is currently contributing half of the salary of a technical officer who is employed by the CRC and devoted largely to sport projects. This partnership has given rise to some innovative work with rowing, cycling and archery.

Through its PhD program and various research projects, the AIS has current links with 23 of Australia's 39 universities (and it has previously linked with at least seven others). The linkages provide access not just to university expertise, but also to specialised research facilities. For example, an AIS collaboration with Monash University in sports aerodynamics permits use of the Monash wind tunnel, and a partnership with the University of South Australia has enabled employment of a laser system for rapid measurement of the body dimensions of athletes. An arrangement with the John Curtin School of Medical Research at ANU allows access to highly sophisticated (and expensive) molecular biology analysers.

For the past three years, the AIS has been working with representatives of Griffith University, the University of Sydney and Victoria University on an ambitious initiative aimed at achieving greater integration of sports research across the university and industry sectors. The plan is to develop a fully inclusive and highly collaborative network of universities with an interest in sports research, so as to better address the needs of high-performance sport programs and other industry players, avoid unnecessary duplication of research, and stimulate a more coordinated approach to the preparation of future sports researchers. It is envisaged that the AIS will be the leading industry partner and a major advisor in regard to research directions, and that the network will promote closer interaction between social and more traditional scientific research. An early activity of the new Australian Sports Research Network is to establish a central repository of sport research projects being conducted by Australian universities, thereby enabling determination of capabilities and gaps. To this stage, the organisations supporting the concept of the Australian Sports Research Network have been contributing the time of the participating staff, but a cash budget eventually will be needed for the network to realise its potential.

An agreement with a small Melbourne company, Catapult Innovations Pty Ltd, provides the AIS with a readily available means for converting prototype equipment into robust 'products' that can be repeatedly deployed in field situations. The company was formed after the closure in 2006 of the CRC for Microtechnology, an organisation in which the AIS was a core participant for five years. The founders of Catapult Innovations were former members of the CRC Product Development Team. Under the terms of the agreement, the company committed to providing the AIS with heavily discounted engineering services on condition that the AIS would guarantee a specific amount of work each year for a three-year period. Devices developed in conjunction with Catapult have found application across many sports, and at the Beijing Olympics they were mounted on the boats of Australian rowers to monitor race performance.

The AIS also has relationships with a number of other small to medium-sized companies (SMEs), mostly for the purposes of conducting specific projects. Included here are PWP Designs, Hydrix, Kinetic Performance Technology, Sykes Racing, Reason Systems, Applied

Research & Development, Bat Logic and Talon. While all of these companies are involved in some form of engineering, their primary interests cover a wide range of capabilities, from software and firmware development to database construction and even manufacture of sporting equipment. The potential for the focus areas to supplement one another has given rise to an idea for establishment of an Australian Sports Technology Industry Cluster. The idea has been enthusiastically received by the companies, and initial steps have been taken to bring it to fruition.

Some NSOs are providing support for research and technology initiatives. Cycling Australia, Basketball Australia, Cricket Australia and the Olympic Winter Institute of Australia are all contributing funding for PhD scholarships and the Australian Rugby Union, Tennis Australia and Australian Canoeing have done so in the recent past. A few of these organisations have also made financial commitments to specific research projects and the same is true of the AIS swimming, Athletics and Boxing Programs. There is presently only minor interaction between the AIS and SIS/SAS in the research and technology domains, but some work is being carried out in conjunction with the South Australian Sports Institute, and the AIS is represented on the Research Committee of the Queensland Academy of Sport. In addition, equipment developed through the AIS in conjunction with other partners has been made available to the SIS/SAS at the AIS cost price.

Aside from research and technology partnerships, the AIS also has a number of research sponsors that provide support for projects as opposed to participating directly in them. The sponsors include such companies as Nestlé, Berlei, Beiersdorf and BOC Gases.

#### **b) Further details on the proposed Sport Research and Innovation Centre**

Existing AIS linkages would provide a solid foundation for cluster development. For example, Nestlé and RMIT University are interested in participating in a cluster focused on Nutrition & Body Composition (to be called the *Physique & Fuel Centre*), while the Hunter Medical Research Institute, the University of Newcastle and Griffith University are currently collaborating in a fledgling Sports Immunology Research Cluster. The University of Melbourne could be involved in the establishment of a cluster focused on Injury Prevention and Rehabilitation, and both the University of Sydney and the John Curtin School of Medical Research at ANU are potential participants in a Sports Genetics Cluster. As previously mentioned, progress already has been made toward development of a Sports Technology Industry Cluster involving a number of SMEs, and both CSIRO and NICTA are interested in supporting this development. The Australian Sports Research Network is in a good position to coordinate establishment of a cluster focused primarily on social science issues. An Aquatics Research Unit that has attracted some funding from CSIRO is in place at the AIS, but could be greatly expanded. There is scope for future inclusion of many other organisations in the cluster concept. The Defence Science & Technology Organisation (DSTO) and the CRC for Advanced Composite Structures are among the more obvious candidates.

It is envisaged that, in addition to the above, there would be a need for major research clusters in the areas of Training Methodology, Environmental Physiology and Anti-Doping Research, but the magnitude of support from the Centre for particular clusters would in the end be determined primarily by the outcomes of the detailed, iterative discussions with sports. AIS involvement in an Anti-Doping Research Cluster would require revival of links that were in place before 2001, when a decision of the previous Australian

Government forced discontinuation of a previously productive collaborative endeavour. However, much groundwork has been completed over the past few months to clear the way for renewed AIS effort in the area, and this was recently consolidated when an AIS group won a grant of \$US100,000 from the World Anti-Doping Agency.

The viability of the Centre would be underpinned by expansion of the current strategic relationship between the AIS and CSIRO. This relationship would ensure that the Centre had ready access to both sport-specific expertise and deep science skills across many disciplines. It would enable Australian sport to benefit from cross-disciplinary convergence of technologies and from leveraging of science investments aimed primarily at other sectors. It would also allow the Centre to capitalise on existing CSIRO collaborative networks. From small beginnings in 2006 and with very limited funding, the AIS and CSIRO have already carried out a number of very successful joint projects. Establishment of the Centre would enable the full potential of the relationship to be realised.

The Centre would also gain great strength the substantial involvement of NICTA. Advanced ICT capabilities will be critical to successful collaboration between the various organisations associated with the Centre, and to the effective aggregation of knowledge. In addition, it is envisaged that NICTA will be the hub of a research cluster capable of solving a range of challenging ICT problems for Australian sport.

The Centre would support the development of problem-solving capabilities in areas of long-term relevance to sport by funding the appointment of professional research staff at the AIS, CSIRO, NICTA and other institutions (such as state sports institutes, universities and even corporate groups). In addition, it would part-fund trainee researchers at PhD, Masters and Honours levels. It envisages stimulating wide research effort on selected sport problems by providing open prizes for the best solutions.

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