

AUSTRALIAN ATHLETES' ALLIANCE

GOVERNMENT POLICY PAPER

The Australian Athletes' Alliance (AAA) is the peak body of elite players' associations representing Australian athletes. Its members currently include the Australian Cricketers' Association, AFL Players' Association, Australian Netballers' Association, Australian Swimmers' Association, Professional Footballers Association, Rugby League Professionals' Association, and Rugby Union Players' Association. As a peak body, the AAA represents its members on various issues of common concern and provides a unified representative voice on issues involving Australian sport.

This policy paper addresses issues that address three of the five terms of reference: (1) ensuring Australia's continued elite sporting success; (2) strengthening pathways from junior sport to grassroots community sport right through to elite and professional sport; and (5) identifying opportunities to increase and diversify the funding base for sport through corporate sponsorship, media and any recommended reforms, such as enhancing the effectiveness of the Australian Sports Foundation.

To achieve the goals set out in the Terms of Reference, the AAA asserts that the following issues, set out more fully below, should be addressed by the independent panel:

1. Australia's sporting citizenship;
2. Australia's pending acute sporting skills shortage;
3. Investment in Australian sporting infrastructure;
4. new technologies, media and communications;
5. the centrality of the professional sporting sector; and
6. the professional career path for elite athletes.

Finally, the AAA commends the Australian government's "whole of government" approach, which coordinates policy across the different ministries and departments to ensure a coherent, reasoned, and efficient legislative and funding framework. Some of the issues raised, such as tax and media policy, may be beyond the scope of the Minister for Sport; however, as they address issues vital to the financial viability and attractiveness of sport, it is essential they are addressed in the independent panel's report and recommendations.

1. Australia's Sporting Citizenship

Sport is uniquely placed to set a better example for Australian citizenship. The AAA proudly acknowledges that Australia's elite athletes have an important role to play in building and developing Australia's social fabric.

Policy areas where the AAA and athletes can play a leading role include:

1. *responsible use of alcohol*
2. *healthy bodies/eating right*
 - a. *eliminating childhood obesity*

- b. curing eating disorders/creating positive body image in young people*
- 3. volunteerism/ encouraging others to contribute to their communities*

Leadership will importantly enable governments to leverage elite athletes to drive key messages in these areas. The AAA has already demonstrated its commitment in this area through its work in 2007 when illicit drug use by professional athletes was politicised by the former Australian government.

2. Australia's Pending Acute Sporting Skills Shortage

Australian sport is about to confront an acute skills shortage, the resolution of which is essential to the retention and enhancement of Australia's international competitiveness.

Historically, Australia has enjoyed two great pillars of competitive advantage: (1) a deep love of sport and a culture of participation which has enabled the natural development of elite athletes in many sports; and (2) since the disappointment of Montreal, sophisticated investment in high performance programs and sports science which has placed Australia at the cutting edge.

These twin pillars are under threat at two levels.

At the community level, the traditional strengths of volunteer based clubs are being challenged by time poor Australians who are increasingly sensitive to safety issues and require children to play in a highly structured and supervised environment. Children are less active in a prosperous nation, resulting in higher levels of obesity. Australia will have to replicate its natural advantage in a structured sense.

At the elite level, the investment being made by Australia's competitors has the potential to both dwarf and compete with Australia's. The standards of international sport will continue to explode and provide a competitive career path to Australia's elite athletes, coaches, sports scientists, medical practitioners and administrators.

Consequently, Australia needs to develop a new way to produce, develop and retain elite athletes and personnel in changing times. Australia will need to deliver the new system to Australian children in a structured way (such as around their schooling) and at even younger ages. International competition will be so high that the quality of the system (especially coaching, programs and competition) will need to be extremely high from the time a child is introduced to a sport. This will require a more specialised approach to coaching, development and high performance.

Australia presently does not have adequate numbers of sufficiently skilled coaches and sports administrators to address these demands. The resolution of this skills shortage is essential. The opportunity to address this may partly lie in the retirement of Australia's first generation of full-time professional athletes looking to transition into life after sport as well as the development of new models of program delivery (e.g. schools and the private sector as well as clubs and associations).

3. Investment in Australian Sporting Infrastructure

The inclusion of playing fields and sporting facilities must be a compulsory aspect of Australia's planning policy – a matter for state and local governments.

Access to fields of a playable quality is crucial. As a sporting nation, we cannot afford to deny children the right to participate in their chosen sport through a lack of opportunity.

At the elite level, government investment in stadia needs to deliver economic outcomes to the tenants that provide the content – sporting associations and clubs – to ensure the viability of professional sport in this country. Elite academies and training programs need to be adequately resourced to world class standards and take into account the international career path of many sports. In keeping with the globalisation of sport, training and administrative bases in Europe, Asia and the United States are essential.

Australia needs to plan holistically for the future of the professional sporting sector in Australia and ensure our infrastructure will meet the demands at the following key levels:

- local/State, having regard to projected participation levels (club, association, school, private sector);
- elite development/academies;
- high performance bases, both at home and at strategic locations abroad; and
- stadia, for both league and international competition.

The latter point is particularly important. Much of sport's policy in recent years has been focused on major international events. However, viable professional sports leagues are essential to the development and growth of the professional sporting sector, and stadia economics and requirements will be different. Australia's sporting infrastructure must cater for both the boutique and the mass consumer event.

4. New Technologies, Media and Communications

Since the 1950's, the media industry has singularly transformed the working environment and conditions for professional sports. Media revenues remain the most significant driver of the economics of professional sports, although (as noted above) these are now being matched by stadium economics in the world's most sophisticated sports leagues.

Athletes are, of course, both the "product" and the "labour force" for media's most compelling content – professional sports. Athletes are viewed as content in all aspects of their lives as media corporations seek to constantly promote their sports content through the 24 hourly news cycle.

For much of the 50 year commercial involvement of the media in professional sports, the media companies have held the upper hand and arguably only the Australian Football League has been able to leverage genuine competition for its media rights. Old fashioned notions drive public policy in this area, such as the anti-syphoning list, which uniquely denies sports the right to leverage their most valuable asset in accordance with the demands of the free market. Few industries, if any, have this right taken from them without just compensation.

Genuine competition for sports media rights is crucial to the future viability of professional sports in Australia. Only competition will enable sports to negotiate the best possible commercial and sporting media rights deals.

Encouragingly, new technologies including digital have the capacity to open up new levels of competition in this field, with the fragmentation of the media market likely. The impact of these developments will hugely impact the professional sporting landscape in Australia.

Presently, the policy landscape in this field is dominated by the existing commercial interests of free to air television and, to a lesser extent, Foxtel. For example, media interests have presently combined to reject genuine multi-channeling through digital television.

Given their central role within the Australian media, it is problematic that both the sporting industry and the performers in that industry have such little impact on media policy. Equally troublesome is the rejection in Australian law of basic notions of privacy and image rights for the performers that are the very subject of such valuable media content. The sensible development of effective policy which corrects these anomalies should be a key recommendation of the panel.

5. The Centrality of the Professional Sporting Sector

Government policy has historically focused on two key levels: (1) grass roots participation; and (2) international success. The tier between these two levels – the professional sporting sector – is arguably the most important despite often being overlooked by government and left as a matter for each sport.

Australia's strongest sports all boast outstanding competitions at this level: AFL, cricket, rugby league and rugby union. Football and netball have each recently made important investments at this level for their lasting benefit. Basketball is reviewing its governance structure again acknowledging the centrality of professional sport. Baseball is another sport that has sought to invest in a viable semi-professional national sporting competition.

A viable professional sporting competition enables the employment of players, coaches, referees and administrators to feed a sport's development. Governing bodies need to manage their sports in a way that achieves a delicate alignment between the grass roots, the professional sector and international competition. Similarly, government policy around sport – including in the noted areas of infrastructure and media – needs to acknowledge the importance of achieving this alignment. Stadia that suit national level competition and the packaging of a competition's media rights with its national team are important examples. Both rugby and football have benefitted from this approach, an approach that could be placed at risk, for example, by a narrow policy approach to the anti-siphoning list.

6. The Professional Career Path for Elite Athletes

In order to be internationally competitive, Australia must provide the best conditions for Australian professional athletes to work. This involves players not only realizing their potential, but finishing their playing days as better people and well equipped to contribute to the broader society.

While different sports have different career paths, these career paths have some common elements: (1) most athletes do not remain professional beyond the age of 35; (2) the small number of athletes at the top of the more lucrative sports receive the high salaries the public attributes to all athletes; most athletes earn more modest amounts and, in the less lucrative sports such as netball and swimming, the larger group's earnings are quite meagre; (3) athletes often have recurring physical injuries or issues that require medical treatment throughout their careers and thereafter; (4) athletes need to transition to new careers at a time when they are likely to have young children and other such concerns; (5) athletes often have their careers ended earlier than they had planned, such as through injury; and (6) athletes earn the bulk of their income at an age substantially younger than the general population. Australia's laws in key areas do not reflect these differences, having been largely enacted before sport became a full-time professional undertaking for athletes. The nation, which enjoys the enormous cultural, social and economic benefits that ensue from Australia's ongoing international competitiveness in the fully professional era, has a reciprocal responsibility to establish a legislative and financial framework that is consistent with the demands now being placed upon its elite athletes.

As sport becomes increasingly global, Australia needs to ensure that it remains as competitive as it can given its small population. Accordingly, the Australian Government must work to harmonise tax and superannuation laws to the extent possible (especially as regards income averaging, deductibility of expenses such as agents' fees and advanced access to superannuation savings) as well as bring privacy laws into the international mainstream by recognising athletes' image rights. These reforms are not unrealistic; they merely recognise the specificity of sport – the very same specificity that has prompted governments around the world to enact legislation in fields such as doping that uniquely submit athletes to uphold and accept standards of behaviour and regulation not applicable to the rest of the community.