

Submission to the Sports Panel

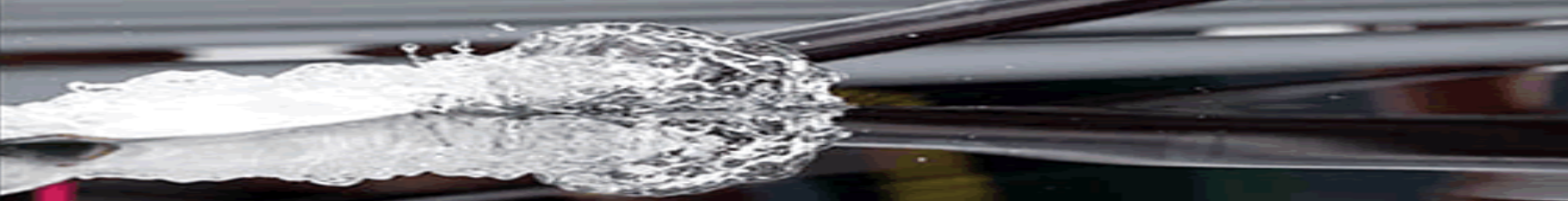
20 November 2008

This submission compliments the joint submission by the Coalition of Australian Olympic Sports presented on 31 October 2008.

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Agenda

- Submission
- Appendix

Rowing Australia Ltd is the peak body of rowing in Australia

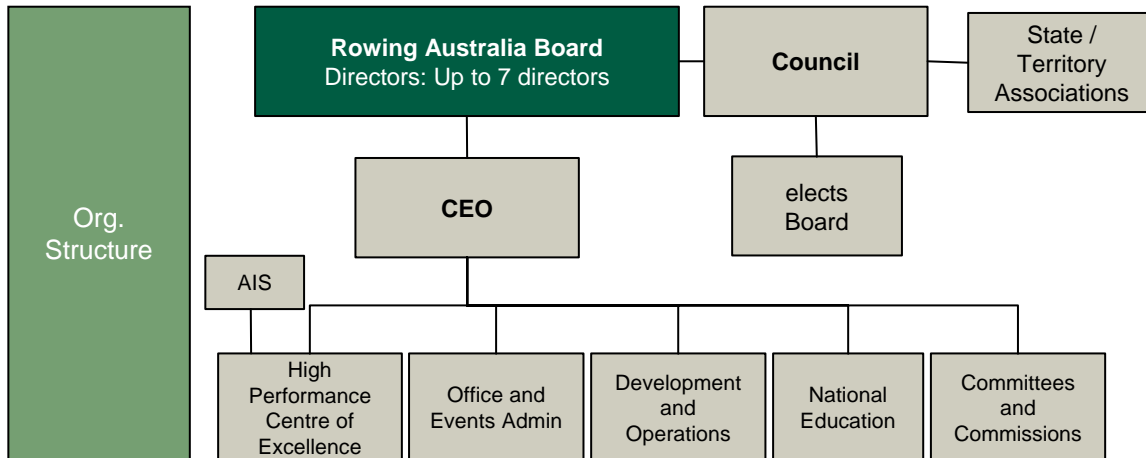
Primary functions

- Administer and promotes rowing in Australia
- Responsible for international and interstate rowing, national programs for development, coaching and boat race officials
- Founded in 1925

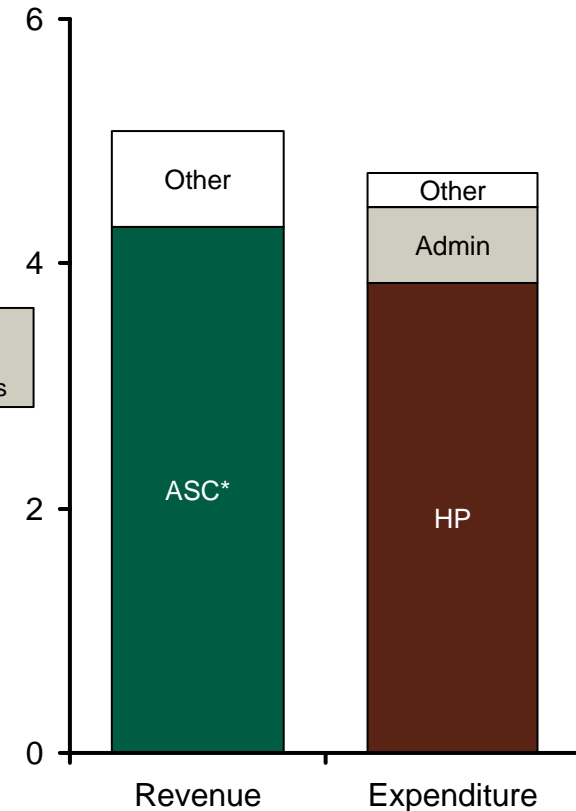
Associated bodies

- ASC, AIS, NESC, AOC, APC, FISA
- State / Territory rowing associations
- 146 registered clubs, 172 registered schools

Org. Structure



Rowing Australia Income and Expenditure FY07
Millions of dollars



Note: *Include AOC funding
Source: Rowing Australia

Rowing is the true team sport



Rowing is one of the core sports of the Olympic Games, Australia has competed at every Olympiad and since 1992 has provided multiple medals.

Olympic Games *			
Medals			
1992	2	-	-
1996	2	1	3
2000	-	3	2
2004	1	1	2
2008	2	2 *	-

World Championships *			
Medals			
2000	- **	1	1
2001	3	-	-
2002	4	1	2
2003	3	3	2
2004	1 **	-	1
2005	4	1	1
2006	3	2	1
2007	3	2	2
2008	1 **	-	1

Australia has continuously been ranked globally in the top three rowing nations.

* includes adaptive medals

** non-olympic events only

However Australia's global leadership position of elite rowing is under threat and must be addressed this quadrennium

- Of Australia's ten gold medals over the 100 + years of Olympic competition, have been won by only 14 athletes. Australia must invest on a broader spread of athletes to retain its leadership
- Australia is losing its leading coaches and SSSM to other nations (UK and USA)
- Rowing is the true team sport and lacks commercial appeal (due to lack of television) and is therefore at the elite level totally dependent on Commonwealth funding (through the Australian Sports Commission)
- Commonwealth funding of elite rowing needs to be both increased and fixed over the quadrennium of the Olympic Games. Funding needs to:
 - fully fund overseas tours to World Cups and World Championships for A teams
 - provide a "living stipend" to leading athletes over the quadrennium which must provide certainty over a four year period not year by year
 - increase remuneration to the leading coaches ensuring their retention and being incentivised
 - provide much higher funds to development teams Under 23 and Juniors
 - invest in SSSM that delivers medals
- State Government funding through SIS / SAS is in most cases (other than WA and SA) too low with Rowing Australia providing \$1million. The states and territories need to reinvest in elite sport at the grass roots level



In recognition of these threats and to maintain its leadership position, Rowing Australia and the Australian Institute of Sport have undertaken a new strategy and operational plan for high performance rowing

Themes

Integration, Coordination, Leadership

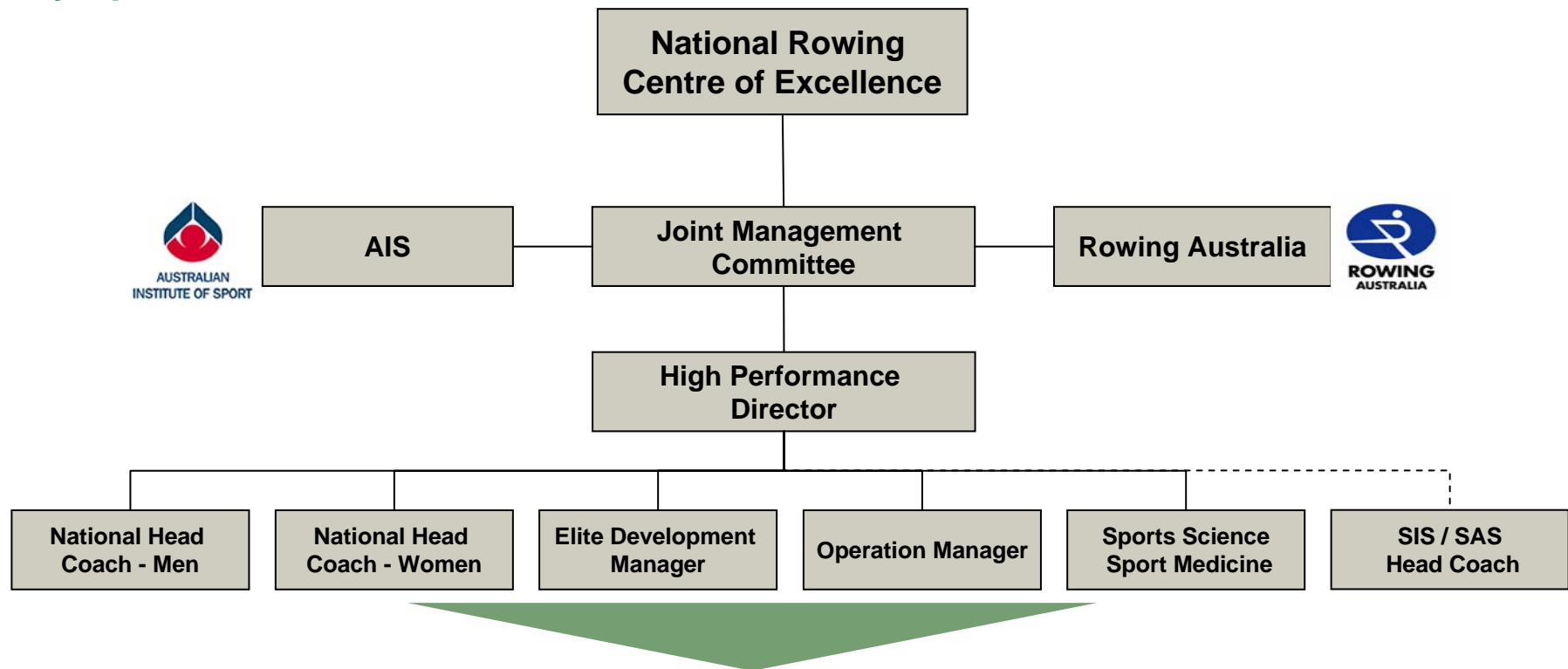
Vision

“To be the most successful international program in world rowing”

Objectives

- Win three Gold medals at the 2012 London Olympic Games
- Win one gold medal at the 2012 London Paralympic Games
- Increase the number of athletes with elite medal winning performance characteristics through all levels of the HP program
- Increase the number of coaches in the HP program capable of coaching Olympic Gold medal performances
- Maximise the effective integration and utilization of all available HP resources across Australia through NRCE leadership

To achieve those goals Rowing Australia and the AIS have developed a new structure for elite rowing in Australia that is focused on results, especially at the Olympic Games



This structure merges RA's High Performance program with that of the AIS residential program and will be responsible for Australian crews wherever they are based

The new NRCE structure for elite rowing whilst based in Canberra at the AIS is a “whole of Australia” model

- one single High Performance Director for both the AIS and RA
- total focused approach
- joint management committee (AIS/RA) for delivering on the strategy of 3 Olympic Gold medals
- National Head Coaches must spend at least 50% of their time across the SIS / SAS and Elite Clubs throughout Australia
- AIS residential program will be used in the first two years as a development of leading Under 23 athletes with the final two years being focused on Olympic medals
- Very strong commitment to continue with a “whole of Australia” model where Australian crews will be based in training locations across Australia
- There will be reinforcement across Australia of a single training method and technique

As international rowing competition is centred in the northern hemisphere Australia faces significant obstacles in achieving that success

- Most international competitions are in the Northern Hemisphere which requires Australian rowing teams to travel overseas:
 - at significant expense
 - demanding long periods overseas affecting studies, careers and relationships
 - most rowers receive minimal to zero stipends whilst on tour
 - many rowers on selection need to relocate to other states / territories to train where the crew is located
- Timing and costs result in a high personal sacrifice to athletes resulting in long term retention being a major issue
- Rowing Australia has to acquire, or lease, world class boats to compete in World Championships and World Cups
- For Australia rowing development teams (Under 23, Junior) these are funded by RA to \$2000 per head (cost of \$9000 per head) requiring significant fundraising by local rowing communities and families

Recent movements in the exchange rate of the Australian \$ to the Euro, US \$ and the UK Pound will result in these costs increasing over 25%

The new structure and new appointments will bolster the program but ...

- NRCE needs to retain talented rowers for a minimum of two Olympic Games as generally rowers do not win medals in their first Olympics. This requires flexibility in development, support in their personal relationships, a “living wage” and planned approach across the quadrennium
- NRCE across the SIS / SAS and Elite Clubs needs to retain and provide merit based rewards (world competition) for leading coaches especially at the Olympic Games
- having a single focused high performance model (irrespective of athlete or coach location) across Australia that is fully funded. Currently many of the SIS / SAS programs are under funded (especially Victoria and NSW), nor are they focused entirely on gold medal outcomes for Australia (but state based KPI's). Rowing Australia invests over \$1 million per annum in these programs
 - the VIS world class training centre is being forced to move from the Lexus Centre to a sub-optimal location at South Melbourne
- providing funded development pathways for outstanding athletes in competition and their development
- critical that the government adopt a whole of sport model from school, after school, university to elite

Rowing needs significant growth in funding.

- The requirement for increased State Government funding on a like-for-like per capita basis for their SIS/ SAS, SSOs, clubs, participation programs, school programs and provision of facilities. Currently there is a very significant disparity between SIS / SAS that does not reconcile by funding per head or GDP
- Reduce administrative costs and duplication costs across the ASC, AIS and SIS/ SAS. RA is doing this with the NRCE but there is more to be achieved across SIS / SAS
- To generate additional sports funding, the Federal Government could investigate the introduction of a National Sports Lottery System similar to the one operating in Great Britain or a sharing arrangement with state/territory based lotteries could also be investigated. This could potentially fund:
 - school participation programs (coaches, facilities, equipment)
 - club capital works and equipment
 - under age national teams
 - athlete funding
 - top-up funding of national programs
- Review tax deductibility for sports sponsorship

To address Australia's emerging preventative health issues and to provide a new pathways the Commonwealth and State Governments can utilise the resources of the rowing clubs and ...



Adopt a School Program

- focused entirely on state and community high schools developing school based rowing programs
- local clubs (up to 146) adopt a school providing a competitive program (with potential pathway to club rowing)
- State / Territory Associations offer specific championship for these new school programs
- program goal will be to have (over a four year period) 75 clubs participate with 5,500 new competitors to the sport from 75 schools across Australia
- each participating club would receive grants through Rowing Australia if they agree to "Adopt a School"
 - purchase of school boats / oars
 - extension / revamping of club facilities
 - semi-professional coaches for school athletes
 - coach and athlete development
 - specialized competition and camps

Budgeted cost of the program would be **\$2.75 million per year** over the four year period. "Adopt a School" would build on the successful UK program and the similar model being developed in state associations (but under funded)



Rowing Australia is keen to exploit its commercial opportunities to further diversify its funding base however to develop this and promote the sport more broadly it needs consistent television exposure at no cost to the sport


- utilise the free to air channels from both the ABC (x2) and SBS to develop sport based weekends
- at minimal cost and through its arrangements with international rowing (FISA) can provide coverage annually of World Cups (3 per year) and World Championships (cost \$20k)
- ABC / SBS also provide a highlights package annually of the Kings Cup / National Championships to showcase the sports (production \$150k)



Overall cost to the national broadcasters will be no more than **\$170k** per year

To maintain its current leadership standing in elite rowing RA will require

- funding of a minimum of 72 athletes over the four year period at \$40,000 per annum at \$2.9 million per annum
- funding of development athletes at Under 23 and Juniors at \$0.5 million per annum
- ensuring Australian outstanding rowing coaches are retained or attracted back to Australia either at the AIS, SIS/SAS and or Elite Clubs requiring additional funding of \$0.5 million per annum
- top-up funding over the quadrennium addressing exchange rate differentiation



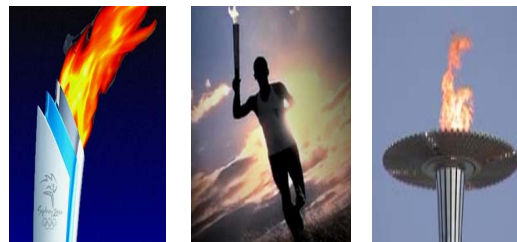
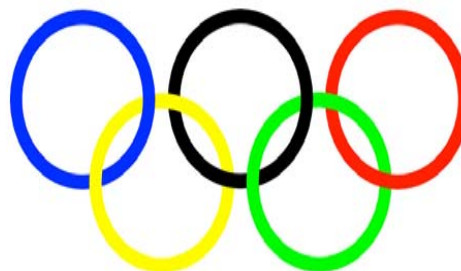
Additional funding for elite rowing will be: athletes **\$2.9 million per year**, development athletes **\$0.5 million per year**, coach retention across SIS / SAS and elite clubs **\$0.5 million per year** and top up funding approximately **\$0.5 million per year**

Rowing Australia also asks the panel to consider changes to taxation regulations to ease the funding burden

- The ASFA is proposing a Physical Activity Tax Rebate to allow parents, guardians and carers to make a per child claim for costs associated with their child's involvement in an eligible sport or active recreation
 - Currently, c.70% of the cost of children's participation in sport and active recreational activities is borne by their parents/guardians
 - the proposed tax rebate would be set at a minimum of c.\$250 p.a. per child, with parents/guardians earning between \$25k and \$75k p.a. being eligible
 - the scheme would provide important relief to families who would otherwise be forced to cut their spending on sport and recreation in the difficult current economic climate
- Exempting NSOs from Payroll Tax liability would help to reduce costs and simplify administration
- Allowing the membership of sports clubs and NSOs to be tax deductible (up to a certain level) would help to boost participation in organised sport
- Allowing NSOs to set up foundations for tax deductible donations from private donors (rather than through the ASF) and making commercial sponsorship more tax advantageous to companies would provide an extra avenue of funding to NSOs
- Removing the GST on grants to NSOs from the ASC and other Federal Government agencies would give additional financial relief to financially constrained NSOs
- Enabling additional tax deductions for employers who employ elite athletes on a part-time basis

For Rowing Australia the Olympic Games and the Paralympic Games offer advantages to Australian society far beyond its overall base

- Encourages and promotes participation
- Offers “role models”
- Encapsulates the Olympic spirit
- Defines Australian identity
- Good news story
- International acclaim and great promoter of Australia
- Has spin-off benefits for trade and international relationships
- A single international platform
- Political strength





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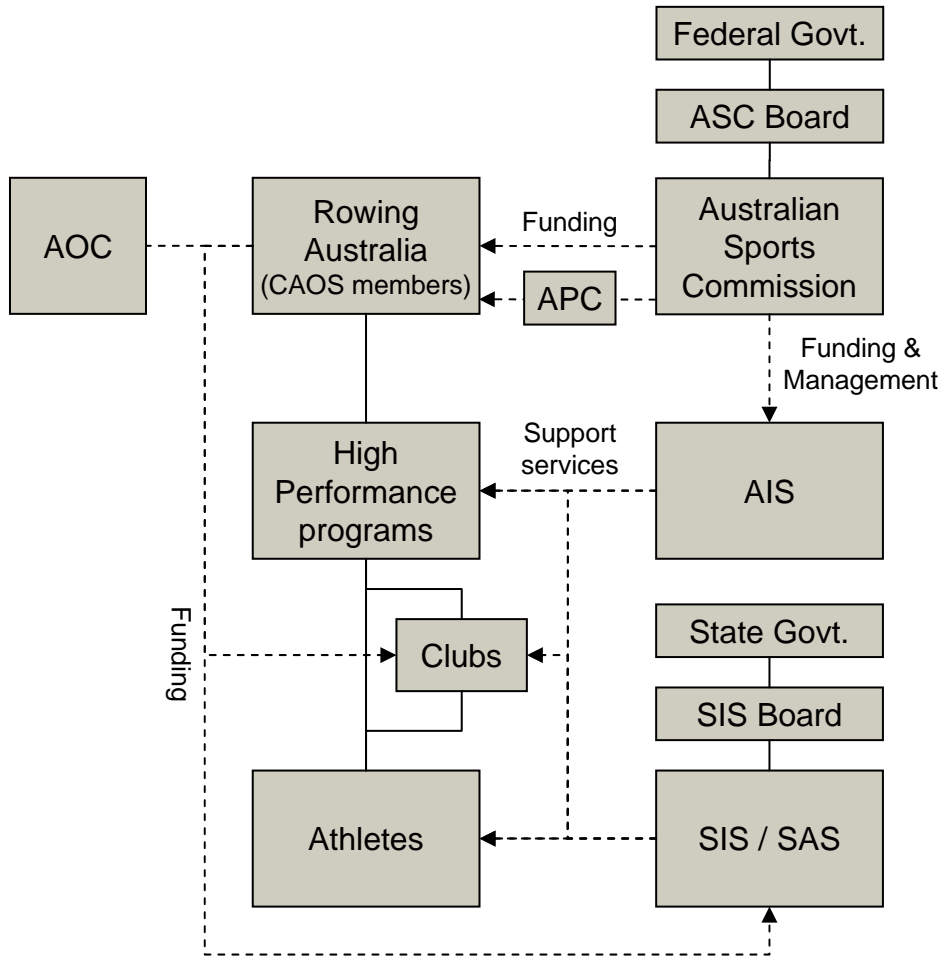
Rowing Australia recommends a number of key structural changes to elite sport funding and development

Change	Implications
<p>National Leadership and Alignment</p>	<ul style="list-style-type: none"> ● RA must own the plan for their rowing and have a 'one Australia' model ● Delivery agencies (SIS/SAS) need to provide services focused on Olympic success ● RA must own the funding model to the program and athletes ● SIS/SAS funding is low and needs to be boosted (over 20% of funds comes from RA / ASC grants) ● Funding for RA should be confirmed for the four year period
<p>Elevate coach development and retention</p>	<ul style="list-style-type: none"> ● Reintroduce a program of coach education and development from community through to elite coaches ● Attractive remuneration to performing coaches that is conducive to attracting and retaining the world's best coaches
<p>Deliver a unified system of athlete ID, development and support</p>	<ul style="list-style-type: none"> ● Focus of athlete ID, development and support must be on Olympic success, not short-term ● Ongoing financial support for rowers needs to be increased across the entire four year Olympic cycle to reduce uncertainty ● Expand rower development and talent identification programs ● Provide support networks for rowers as they move through the pathway. These should align to the age and needs of the athlete demographic
<p>Re-establish Australia's commitment to cutting edge technology</p>	<ul style="list-style-type: none"> ● Establish an AIS based SSSM innovation and delivery network ● SSSM must be focused on what delivers medals ● Research and innovation needs to be applied to rowing

Rowing Australia totally endorses the submission by the Coalition of Australian Olympic Sports especially the key recommendations

- Ensuring continued elite success
 - High Performance funding needs to be increased and funded consistently over the quadrennium to allow Australia to maintain its position in world sport. Increased funding should be directed to program funding, athlete support and training/retention of coaches and support staff
 - the structure of Australian sport needs to be simplified to remove inefficiencies within service providers (i.e. AIS and SIS/SAS) and give NSOs more control over their participation base and high performance programs
- Preventative health
 - school-based programs should be significantly expanded
 - school and university sports programs with an emphasis on participation should be funded either federally or at the state/territory level
 - educators should be trained and encouraged to implement active school and university sports programs
 - funds and support should be provided to sports clubs to attract and retain post-school participation – programs must link sport to sport structures
 - clubs with government supported funding need to adopt schools, especially state schools
- Strengthening pathways through to elite/professional sport
 - funding is required for additional development coaches to promote participation at grassroots level
 - capital programs for clubs and funding for regional programs to strengthen pathways are also required
 - increased sharing of expertise, information and resources between service providers and NSOs is necessary
- Maintaining cutting edge approach to sports science and R&D
 - the AIS should become a centralised database and coordinator of all sports-related SSSM and R&D. SIS/SAS and university research should be supervised by and/or provided to the AIS
 - AIS and CAOS sports need to undertake a SSSM 'needs analysis' of what drives Olympic success
- Increasing and diversifying funding base
 - the ABC and SBS can assist by televising CAOS sports, helping to raise their public profile and generating sponsorship opportunities
 - introduction external funding that could entail a national or shared state/territory based Sports Lottery System similar to the Great Britain model
 - expanding tax deductibility for sports sponsorship and participation would help to increase funding avenues for NSOs

Rowing Australia is accountable for its performance and medals however the current structure is too unwieldy and bureaucratic



'Sport needs to own sport'

Entire focus must be on Olympic and Paralympic success using the quadrennium as the stepping stone

The GB rowing program benefits from both extensive government funding and corporate sponsorship

	Great Britain	Australia	Comments																								
High Performance Funding	<ul style="list-style-type: none"> UK Sport provided £6.7m (A\$17.1) in FY08 to HP athletes Current Siemens sponsorship worth a total of £3.1 (\$A7.9m) to 2012 	<ul style="list-style-type: none"> A\$4.3 in FY07 to Rowing Australia from ASC (and AOC) 	<ul style="list-style-type: none"> Most High Performance athletes in Great Britain receive sufficient funding to be full time athletes 																								
Athlete support	<ul style="list-style-type: none"> Grant funding of £1.1m (\$A2.8) in FY08 in addition to the ARA sponsorship Camelot sponsors individual athletes and crews (e.g. the M4 that won gold in Beijing) 	<ul style="list-style-type: none"> Limited athlete grants to cover living expenses etc. 	<ul style="list-style-type: none"> Sponsorship and personal funding in GB provide incentives and rewards to top athletes Individual sponsorship and grant funding is limited in Australia 																								
Coaching	<ul style="list-style-type: none"> Three newly appointed HP Coaches employed by GBR Other PT coaches funded by GB. No real volunteer coaches for Olympic level athletes 	<ul style="list-style-type: none"> National program coaching support is supplemented by clubs and state institutes 	<ul style="list-style-type: none"> Coaching expertise is increasingly important in rowing Greater funding in the GB system leads to more professionalism and coaching excellence 																								
Medal Tally	<table border="1"> <thead> <tr> <th>Medals</th> <th>1</th> <th>2</th> <th>3</th> </tr> </thead> <tbody> <tr> <td>2004</td> <td>1</td> <td>2</td> <td>1</td> </tr> <tr> <td>2008</td> <td>2</td> <td>2</td> <td>2</td> </tr> </tbody> </table>	Medals	1	2	3	2004	1	2	1	2008	2	2	2	<table border="1"> <thead> <tr> <th>Medals</th> <th>1</th> <th>2</th> <th>3</th> </tr> </thead> <tbody> <tr> <td>2004</td> <td>1</td> <td>1</td> <td>2</td> </tr> <tr> <td>2008</td> <td>2</td> <td>1</td> <td>-</td> </tr> </tbody> </table>	Medals	1	2	3	2004	1	1	2	2008	2	1	-	<ul style="list-style-type: none"> GB outperformed Australia in Beijing The dominance of GB has coincided with its extensive and targeted funding program
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The improvements in Great Britain's rowing performance has coincided with a deep and targeted investment program also at the participation and club level

Note: Conversion to AUD occurred on 27/10/08

Source: UK Sports Annual Reports; Amateur Rowing Association; Rowing Australia Annual Report

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To address the lack of funding for elite rowers Rowing Australia recommends the Commonwealth Government reintroduce the highly successful OAP program

- The Olympic Athlete Program (OAP) was a Federal Government initiative that provided an additional \$135 million over six years in the lead-up to the Sydney 2000 Olympic Games to help prepare Australian athletes for Olympic and Paralympic competition
 - funding was focused on athletes with medal chances at the Sydney Olympic/Paralympic Games and was supplementary to normal program funding
 - activities funded by the program were athlete centred, coach driven and performance based
 - participating sports were accountable for their performances and reported through sports specific Boards/Management Committees that included the ASC, AIS, NSO, AOC and NESC
- Sports participating in the OAP were prioritised into three categories with funding tiered accordingly. OAP funding was directed towards a number of different activities, including:
 - international competition
 - elite coaching and support functions (e.g. HP managers, NTCs)
 - equipment
 - training camps
 - sports science/medicine (nationally coordinated)
 - direct athlete support
- The OAP was widely regarded as a success and helped to lift Australia's medal tally from 41 at the 1996 Atlanta Olympics to 58 at the 2000 Sydney Olympics
 - CAOS believes that a review of the successful Olympic Athlete Program would be valuable to help inform the future structure and funding of Australian High Performance sport going forward