

Submission to the Senate Select Committee on Administration of Sport Grants

Should there be a \$100 million federal community sport grants program at all?

Introduction/summary

It is understandable that the Senate Select Committee should wish to examine in detail the administration of the Community Sport Infrastructure Grant (CSIG) program. However, under the Committee's terms of reference item 1f, 'related programs and matters', we believe the legitimacy of such a program should also be examined. In this submission, we outline proposals for devolving need assessment and grant allocations to the local level and relating the process to the national *Sport 2030* plan.

Submission

It is questionable whether national funds designed to be allocated in small amounts paid directly to local community organisations have a part to play in a federal system. Apart from the clear temptation for pork-barrelling, they make no sense in terms of efficiency and rational policy, particularly when, as is the case with sport and recreation, there is already a system in place to assess local community needs.

The federal government has a responsibility for sport and recreation, which is reflected in the establishment, under legislation, of the Australian Sports Commission, now known as Sport Australia. It has responsibility for both elite and international representative sport and for community sport. Government funding for Sport Australia is about \$370 million, roughly a third of which is spent on community sport. This includes \$20 million a year funnelled through national sports governing bodies to boost participation and, in the last two years, \$50 million a year for the CSIG program.

State and territory governments also have responsibility for sport/recreation, administered by their own sports ministers, commissions and offices/departments. They typically run a number of sport/recreation facilities of state significance, such as major aquatic centres and national parks, and offer their own community sport grants schemes. They collectively spend about \$3 billion annually on sport/recreation.

Local government, in the form of 550 local councils across Australia, have the major responsibility for provision of local community sport/recreation facilities, such as parks, sports fields, playgrounds, swimming pools and trails and footpaths, on which they collectively spending about \$3 billion per year,ⁱ Even community sports club facilities are often leased from, and/or subsidised by, the local council. So, despite the political and media attention given to the CSIG program, it represents less than one per cent of total annual public spending on community sport/recreation.

The question to be asked, therefore, is: why does the federal government need to be involved in community sport at all, given that state/territory and local government are overwhelmingly the main deliverers of such services? Clearly, it should have an involvement in elite/international sport, but why community sport?

The government's policies for both are set out in in *Sport 2030*, the national plan for sport released by then Minister for Sport, Bridget McKenzie, in 2018. Noting that less than a third of adults and less than a fifth of children met health-related minimum physical activity guidelines, the plan declared: 'fewer Australians are playing sport and engaging in physical activity – this is a trend we need to reverse'.ⁱⁱ This concern is legitimate, reflecting the federal government's responsibility for

the health of the nation. After all, the Minister for Sport and Sport Australia are located within the federal health portfolio. The *Sport 2030* plan sets a target for the government to reduce the level of ‘inactivity’ in the population by 15 per cent by the year 2030. However, what meaningful contribution can be made towards achieving this target by spending a mere \$2 per head of population per year on a directly administered community grants program?

There must be a better way to pursue the *Sport 2030* target. On 29 January, 2020, two members of the Coalition side of politics made observations that raise key questions regarding how community sport policy should be pursued. In response to questions on the CSIG program at the National Press Club, the Prime Minister sought to excuse the intervention of the Minister for Sport and other politicians in the CSIG decision-making process by asserting that local Members of Parliament know their local communities and their needs better than Canberra bureaucrats. The Nationals Member for Gippsland, Darren Chester, on the ABC Radio National Breakfast program, suggested that the money should be divided equally between all electorates, with local MPs playing a role in the local decision-making. These observations prompt the question: who knows the sport/recreation needs of local communities best? Could it possibly be local councils, who are already the major providers of sport/recreation facilities?

What would be a better system?

First, via the Meeting of Sport and Recreation Ministers (part of COAG), persuade all the states/territories to sign up to the activity target in the *Sport 2030* plan and write it into their own, mostly existing, strategic plans for sport/recreation.

Second, state/territory governments should require individual local councils that wish to be part of the program, to incorporate the health-related activity target into their own sport/ recreation and open space strategic plans, including costed priority projects. Most councils already have such plans, but typically not with a participation target.

Third, the federal government or Sport Australia should allocate the CSIG money to state/territory governments on a simple per capita basis.

Fourth, state/territory governments should match the federal funds and allocate the grants to local councils to support the implementation of the local plans – under strictly observed guidelines! At least local councils are subject to state-level corruption commissions.

Fifth, Sport Australia should substantially increase the sample size of its annual AusPlay national sport participation survey so that, over a regular two or three-year interval, it would be possible to provide information on physical activity levels in individual council areas. This type of large-scale survey is already conducted in England by Sport Australia’s equivalent agency, Sport England (www.sportengland.org/research/active-lives-survey/).

Sixth, the federal government might also consider this devolved approach for other grants programs, such as the Department of Health’s Driving Social Inclusion through Sport and Physical Activity program.

This approach would locate local sport/recreation needs assessment at the local level. After all, local knowledge is best suited to understanding local needs. Taken cumulatively, this approach would have national significance, with Australia-wide initiatives making a practical contribution to the participation targets established in *Sport 2030*.

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ⁱ Expenditure figures adapted from A.J. Veal, S. Darcy and R. Lynch (2013) *Australian Leisure*. Sydney: Pearson (p. 171). It is many years since the ABS published detailed data on this topic. www.pearson.com.au/products/S-Z-Veal-A-J-et-al/S-Z-Veal-A-J-Et-Al/Australian-Leisure/9781442541474?R=9781442541474

ⁱⁱ Australian Government, 2018, pp. 16, 2. www.sportaus.gov.au/nationalsportplan