



# **HOUSE OF REPRESENTATIVES**

**STANDING COMMITTEE ON ENVIRONMENT, RECREATION AND THE ARTS**

**Reference: Funding of community sporting and recreational facilities**

**HOBART**

**Friday, 9 May 1997**

**OFFICIAL HANSARD REPORT**

**CANBERRA**

HOUSE OF REPRESENTATIVES  
STANDING COMMITTEE ON THE ENVIRONMENT,  
RECREATION AND THE ARTS

Members

Mr Truss (Chair)

Mr Anthony	Mr Harry Jenkins
Mr Robert Brown	Miss Jackie Kelly
Mr Billson	Dr Lawrence
Mr Eoin Cameron	Mr Martin
Mrs Crosio	Mr McDougall
Mr Entsch	Dr Southcott
Mr Hockey	

The committee is to inquire into:

whether the Commonwealth Government should be involved actively in funding in full or in part local community sporting and recreational facilities and, if so, whether the Commonwealth Government should have a dedicated program to fund sporting and recreational infrastructure;

determine (as far as possible) existing and future requirements for national, regional and local community sporting and recreational facilities and inquire into ways in which better utilisation can be made of existing community and educational facilities for sporting and recreational pursuits;

inquire into alternative options which may exist for funding national, regional and local community sporting and recreational facilities including, but not limited to, private sector funding and funding via the Australian Sports Foundation; and

make recommendations to the Minister for Sport, Territories and Local Government on matters arising from the Terms of Reference

**WITNESSES**

<b>ALOMES, Mr Gregory Stephen, Executive Director, Hobart Metropolitan Councils Association, GPO Box 503E, Hobart, Tasmania 7001</b>	<b>392</b>
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<b>COOLEY, Ms Angela Katherine, Executive Officer, Tasmania’s West North West Councils, PO Box 274, Ulverstone, Tasmania 7315</b>	<b>392</b>
<b>DAVOREN, Mr Richard Patrick, Manager Facility Services, Department of Education, Community and Cultural Development, 116 Bathurst Street, Hobart, Tasmania 7000</b>	<b>357</b>
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<b>KELLY, Mr Gary Vernon, Manager, Office of Sport and Recreation, Department of Education, Community and Cultural Development, Level 13, 110 Collins Street, Trafalgar Building, Hobart, Tasmania 7000</b>	<b>357</b>
<b>TRAYNOR, Alderman David, Chairman, Hobart Metropolitan Council’s Leisure, Sport and Culture Standing Committee, GPO Box 503E, Hobart, Tasmania 7001</b>	<b>392</b>
<b>WARDLAW, Mr Stewart, Executive Director, Local Government Association of Tasmania, GPO Box 1521R, Hobart, Tasmania 7001</b>	<b>392</b>
<b>WEST, Mr Mark Thomas, President, Tasmanian Sports Federation Incorporated, Derwent Entertainment Centre, Brooker Highway, Glenorchy, Tasmania 7010</b>	<b>377</b>

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THE ARTS

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Present

Mr Truss (Chair)

Mr Billson

Mr McDougall

Mr Jenkins

The committee met at 9.00 a.m.

Mr Truss took the chair.

**CHAIR**—I declare open this public hearing by the House of Representatives Standing Committee on Environment, Recreation and the Arts for its inquiry into the funding of community sporting and recreational facilities.

Since this inquiry was advertised in mid-November, the committee has received more than 260 submissions. On the basis of these submissions, the committee is holding public hearings in each of the capital cities and visiting facilities in each of the states and territories. This hearing is the committee's fifth.

The committee will hear today from the Tasmanian Government, Tas Sport, the Tasmanian Sports Federation, representatives of local government, which is the nation's largest provider of sporting and recreational facilities, and we will also hear from the Local Government Association of Tasmania, the Hobart Metropolitan Councils Association, and Tasmania's West North West Councils will also be appearing before the committee.

Committee hearings are recognised as proceedings of the parliament and warrant the same respect as proceedings of the House of Representatives. Evidence given before the committee is protected by parliamentary privilege. Witnesses will not be asked to take an oath or make an affirmation. However, they are reminded that false evidence given to a parliamentary committee may be regarded as a contempt of the parliament.

The committee prefers that all evidence be given in public, but should witnesses at any stage wish to give evidence in private they may ask to do so and the committee will give consideration to such a request.

**DAVOREN, Mr Richard Patrick, Manager Facility Services, Department of Education, Community and Cultural Development, 116 Bathurst Street, Hobart, Tasmania 7000**

**KELLY, Mr Gary Vernon, Manager, Office of Sport and Recreation, Department of Education, Community and Cultural Development, Level 13, 110 Collins Street, Trafalgar Building, Hobart, Tasmania 7000**

**BROWN, Dr Denise, Policy Analyst, Policy Division, Department of Premier and Cabinet, 15 Murray Street, Hobart, Tasmania 7000**

**CHAIR**—We have received the submission from the government and have authorised its publication. Do you propose any changes to the submission?

**Mr Kelly**—No.

**CHAIR**—Would you like to make any opening comments?

**Mr Kelly**—Yes, Mr Chairman. Perhaps I could say initially that the state government believes that involvement in sport and recreation is beneficial to the community in general and to individuals who participate because of the health and wellbeing benefits that accrue from that involvement, and also the social and community benefits that accrue from involvement in sport and recreation, and the economic benefits to the state. Secondly, we believe that a planned approach to the development of sport and recreation facilities is a positive strategy for us. Because of our small dispersed population and the difficulty, particularly in rural areas, for communities to establish facilities, a planned approach assists them and also those communities with more resources available to them.

In our submission we have emphasised our desire that any funding from the Commonwealth for sport and recreation facilities will complement the Active Australia program, and perhaps I could say more about the Active Australia program a little later. We also believe that Commonwealth funding should be in the form of untied grants to allow for strategic development and avoiding any duplication of effort. We also believe that the funding processes that are developed should encourage cooperation between community organisations, local government and state government, and we are also aware that we have a number of present and future requirements for funding which, again, we can talk about a little later if we have time.

We also believe that the non-traditional activities which go beyond the more orthodox indoor facilities should be given attention as well; things like cycling, skateboarding and rollerblading, which are becoming increasingly popular, and yet there are not very many facilities available for them. They are the sorts of areas that we have tended to emphasise in our submission, and hopefully during our discussion this morning we will have a chance to elaborate on those.

**CHAIR**—Are there any other comments?

**Mr Davoren**—The only other thing I would like to add is that there are a number of opportunities to merge some of the facilities with school communities, so we are currently looking at developing a policy

paper on that issue. There is great scope in a number of areas where we can share facilities and therefore get better utilisation.

**CHAIR**—Could you give us some information about the Tasmanian government's funding of programs for sport in this state?

**Mr Kelly**—We have what we call a state body funding program which last year amounted to some \$600,000. That was primarily for state bodies to assist their development. It was not for facility development. That is all we had last year. In previous years we have had what we call a minor capital works program; it is quite a small program where organisations were allocated up to \$5,000 for minor improvements. We were not able to sustain that program last year. In the coming year our funding will depend upon budgets, of course. We are hoping to have at least that same amount available. We are also hoping to have additional funds for community organisations to develop programs and projects, but it will not extend to facility development.

**CHAIR**—How have facilities such as, say, an indoor sports complex, traditionally been funded in Tasmania?

**Mr Kelly**—In a variety of ways. Some four to five years ago there was a public bodies assistance scheme available to organisations, which was dependent upon the individual circumstances of organisations applying and tended to be more on the basis of loans rather than straight-out grants. That program does not exist any more and organisations who want to develop facilities are required to go to local government, to corporations, to look at their own resources. On occasions money is found from within government, but there is no specific fund set aside for that purpose.

**CHAIR**—You suggest in your submission that any Commonwealth funds provided should basically be given as an untied, lump sum grant to the states and that the states should make that distribution. Bearing in mind that the Commonwealth already provides substantial lump sum grants to the state and to local government that are untied—that money can obviously be used for sports facilities now and the state has chosen not to do so—how could you guarantee that any additional funds provided would be used for that purpose? For that matter, as a second part of the question, if we were to provide an extra \$10 million, say, to Tasmania, would sports facilities be the highest priority?

**Mr Kelly**—Given that that was the purpose for which the funding was provided, I would say that yes, it would be identified for that purpose and would be allocated, I would presume, through our own office of sport and recreation which has the expertise to identify needs, relate to the organisations that would be in need of the funds and also cooperate with local government in establishing a strategy which would allow for those funds to be used in a developmental way over time. I think one of the difficulties of tying up grants is that it can lead to duplication if we are not careful. That is not to say it will in every circumstance, but our preference would be for untied grants to allow for proper planning and strategic development. I think that if that sort of money were allocated through our office, that certainly is the way we would operate.

**CHAIR**—Is the provision of sporting facilities a higher priority in Tasmania than, say, extra money for roads or welfare or child-care centres or whatever?

**Mr Kelly**—I am not really in a position to answer that. I guess if you would like more information on that we would have to supply it in written form. My response to that is, from my point of view, that if it were allocated for that purpose then that is the way it would be used, but I cannot fully respond to that question.

**Dr Brown**—Could I add something to that particular question. The question of priorities would be determined in the planning processes that would take place at, say, two or three tiers or levels of planning. The first tier would be at a local level where state government would expect that state government agencies would be involved very closely with local government and local communities in planning for facilities of a sporting or recreation nature. These plans would then build up at a regional level to provide for a state plan, so that priorities could be easily identified within the identified level of funding that was made available specifically for sporting and recreational facilities. There would not be, as you have questioned, any possibility that funds that were identified for that purpose would be diverted to other purposes, such as roads.

**Mr McDOUGALL**—That is an interesting statement, because I was down in the state last week in relation to a road funding inquiry. I got completely the opposite feeling in regard to that question; that when money came down to the state from the federal level it went into the treasury and where it came out at the other end—I got the very distinct impression—was very questionable. So you are actually saying that if money came down specifically for sport facility development, treasury or some other department would not give it off.

**Dr Brown**—It has been the practice in the past that if there are identified funding grants—and in this case it would be an identified funding grant for sport and recreation—then that is the purpose that it would be used for.

**CHAIR**—But isn't the logical solution for the Commonwealth to actually provide funds for a specifically identified project? The previous program that was around actually provided grants to local organisations directly so there was no risk of them being not used for the intended purpose, or they should not have been anyway.

**Mr Kelly**—There is no doubt that that type of funding is useful and beneficial. However, it can at times lead to duplication and fragmentation if the right sort of linking and liaison are not present, and in some circumstances they were not. Certainly, from my viewpoint, untied funding would allow a better planning base and if funds are tied to particular groups straight through to the Commonwealth then, yes, that is great. It is good that organisations get the benefit of those funds, but desirably it should be a strategic planning base so that we do not duplicate our efforts.

**CHAIR**—Is the \$600,000 that you provide to organisations for administration, or how is that spent?

**Mr Kelly**—In a variety of ways: for standard setting, coaching purposes and administration as well. Quite a number of organisations rely on that funding to employ their staff. It should be remembered that the majority of sport and recreation organisations in this state are heavily dependent upon volunteers and, generally speaking, have very few paid people. Our funds are used to enable those organisations to not only maintain their operations but also hopefully take development steps forward to enable them to service their



communities more effectively.

**CHAIR**—Do you provide those funds by way of an untied grant to an association or are they required to lodge a submission about how they intend to spend it?

**Mr Kelly**—They are required to provide us with a submission but increasingly what we do is to work with organisations on what we are calling an ‘outcome based process’ in which we and the organisation work together on a plan which allows the organisation to fulfil that plan over a one-, two- or three-year period. Our obligation, then, is to monitor that plan, work with the organisation to see that the objectives are met and, in so doing, give them some autonomy, some responsibility and a sense of security as well. That seems to be working quite well, to the extent where it was a partial approach last year and we are moving towards making it an approach which will incorporate all applications and submissions from hereon in.

**Mr BILLSON**—What size is the Office of Sport and Recreation?

**Mr Kelly**—We have nine or 10 staff in the Tasmanian Institute of Sport in Launceston, which come under our wing, and we have 25 staff, five of whom are in Launceston, five in Burnie, and we have 14 working from Hobart. The majority of those staff work with state organisations and local government and community groups to assist them in their delivery of services through planning support, organisational support, research information, that sort of thing.

**Mr BILLSON**—In terms of the allocation of grant funding that is available now, you have a process for strategically evaluating which ones get up and which ones should not?

**Mr Kelly**—We do, and like every other state we are refining the process. It is not a perfect process, in fact it is a very difficult process to provide funds which, on the one hand, seem to be fair and just in relation to other demands but at the same time fulfil the requirements that the organisation has. We are continually working at improving the way in which we provide those funds and the way in which we monitor those funds. We can get better at it but it is certainly my understanding that every other state in the Commonwealth has the same sort of issues to deal with in relation to that and we are working together with them and with the organisations to improve that process.

**Mr BILLSON**—In terms of the project evaluation capacity that already exists, surely there is an argument that says that untied grants do enable a strategic evaluation approach; the two do not necessarily need to go together. Most of the states have assured us that they have the infrastructure and the instruments in place to carry out that evaluation process. The liaison that goes on between the sports, the governing bodies and the government would see applications brought forward that already hit those right buttons, therefore the Commonwealth would be able to simply provide funding on a facility by facility basis. Is that not what you believe would be the case in Tasmania?

**Mr Kelly**—The process you are talking about is one whereby the Commonwealth would provide funds direct to the organisation?

**Mr BILLSON**—Or to the applicant; it may well be the government, it may well not be the

government.

**Mr Kelly**—Yes, there is no doubt that we could assist that process.

**Mr BILLSON**—But what I am getting at is if the Commonwealth simply said, ‘We will fund on a project by project basis but the applications need to have gone through your peak sporting associations and your state departments,’—that is the simple matrix of: yes, that is done, that is done, that is done, it is a starter, it has got some life—the issue of whether it is tied or not becomes fairly immaterial in that arrangement, I would have thought.

**Mr Kelly**—I certainly would agree that that could be done. I guess all I am saying is that, preferably, those untied funds would assist a broader planning process.

**Mr BILLSON**—Having worked with the state government, they always loved untied funds.

**CHAIR**—In most states, a proportion of gambling revenue goes to some community purpose and, in some states, it goes specifically to sport and recreation. Does any gambling revenue specifically find its way to sport and recreation in Tasmania?

**Mr Kelly**—We are just about to embark on our first grants program using those funds and we will be advertising that program in about a week and a half. That program is directed to community organisations; there is up to \$5,000 for developments which assist their communities. This is the first time we have had this program.

**CHAIR**—Sport or recreation could be a part of that?

**Mr Kelly**—Yes. The grants program is called Sport Tasmania, but it does provide for applications from recreational organisations.

**CHAIR**—What is the source of that money, precisely? How is it determined how much money is available?

**Mr Kelly**—I cannot give you the formula, I am not conversant—

**CHAIR**—Is it a proportion of all gambling revenue or just revenue from poker machines, or casinos?

**Mr Kelly**—Again, I would have to supply that to you in a written form because I am not aware of the formula or exactly where it comes from.

**CHAIR**—I am trying to get a handle on just how big a program it is going to be. How many grants are there likely to be?

**Mr Kelly**—I can tell you that we believe that it will be around \$150,000 in the first year. Depending upon the income from gambling, it may or may not stay at that level. This would have to be reinforced in

writing, but I believe it is from poker machine gambling rather than the broader gambling base.

**CHAIR**—You are building a big aquatic centre. How is that being funded?

**Mr Kelly**—It is being funded through the Hobart City Council, with some state government funds as well.

**Mr BILLSON**—And what are the proportions there?

**Mr Kelly**—Again, I have not got them precisely. I would have to give you the information this afternoon, when we go to the aquatic centre to have a look at it. I can provide you with that by the time we get there.

**Mr BILLSON**—That would be appreciated. One of the issues that keeps coming up, in terms of capital facility grants, is the targeting of them. We have heard repeatedly from peak sporting associations that the money should go towards elite facilities, or state based or better quality facilities, and the local community should look after local communities. You then talk to representatives of the local communities, that is the local government people, and they say quite the opposite. I would be interested in your views on where you think that focus should be.

**Mr Kelly**—One of our difficulties is the decentralisation of Tasmania and the fact that communities are quite small compared to mainland standards. Those communities do not always have the capacity to service the size of the asset; it may be the sporting asset. That is one of the difficulties. So there is, on the one hand, the fact that these quality facilities in certain locations would be valuable but there is interaction between the smaller communities that do not see that facility in their domain. It is fairly obvious you are going to get this conflict of view because of the nature of Tasmania, the size of the communities and the way they interact.

**Mr McDOUGALL**—What work is being done in regard to the sport and education departments and local government getting together in those particular cases where you can add another dimension? Who is also fighting to create facilities? Who probably already is? The community out there in a small community is trying to do the same; they are duplicating and neither of them are getting to the desired end result. What work has the department of sport done with the department of education and local government to resolve that issue?

**Mr Davoren**—We are part of the same department; sport and rec have become part of the Department of Education, Community and Cultural Development. So there is great liaison within the agency as far as sporting facilities and school facilities are concerned, and that has only happened over the last 12 months, I guess due to the fact that we are part of the same department.

In terms of developments, there are quite a few developments which have occurred in conjunction with local communities. The most recent one of these is Dodges Ferry Primary School, which was one of the possible venues you could have visited. That was simply the agency putting in some of the funding—education facility development funding—that would have included general purpose rooms and facilities that

stood alone but in conjunction with the local government—which is Sorell Council on this occasion—we were able to provide a gymnasium and more facilities using the shared funding between us.

So the education department simply put in the sort of money that they would have put in, in any case, as part of this school development and the local government put in an equivalent amount. Between us we managed to build quite a good complex at Dodges Ferry. We also got a very good agreement in place and that has always been a problem with local communities—getting an agreement that has worked successfully in the longer term.

**Mr McDOUGALL**—You mean a management agreement?

**Mr Davoren**—A management agreement. In the case of Dodges Ferry, we worked on a stratum title basis so that the council owns its bit and education still owns its share. So that, in the case of the council in the future wanting to sell off part of the development, should they decide to become part of another council or whatever decisions may be taken, that part of the asset is always available for sale. It is not merged into some sort of a murky corporate body that may cease to exist. In the case of this development, the parts are clearly defined and each person, each contributor, knows exactly what they own.

**Mr McDOUGALL**—What about the sporting organisation that is going to use it?

**Mr Davoren**—There is a management committee put in place and that management committee organises the day-to-day operations of the facility, so that sporting bodies apply to the management authority.

**Mr McDOUGALL**—Sporting bodies are not on the management body?

**Mr Davoren**—They are represented on the management body, but not all of them. The facility is used by quite a range of groups, in fact, not just sporting bodies but also community groups.

**CHAIR**—I am curious about this strata title arrangement that you organised for the ownership because that is something that we have not heard about before. Could you explain to us in more detail who owns what? Obviously, it is not practical to sell the toilets off from the court; the whole thing is a unit, so in practice you could not really sell pieces of it, could you?

**Mr Davoren**—You can. If you had a block of flats you can sell one of the flats.

**CHAIR**—Yes, but each one is not—

**Mr Davoren**—There are two discrete parts to it: there is the gymnasium development and then there is the performing arts and auditorium development which is part of the whole. It has been separated and certainly we and the Sorell Council are happy with the separation.

What has happened in a number of other locations is that you get an enthusiastic body that will apply for funding and then the enthusiasts who begin the development fade or die or whatever and these developments sometimes tend to drift. At some stage the organisation may even wind up, and then we have a

situation where it is difficult to really determine who will take it over because the document of incorporation might say that any residual funds will revert back to whomsoever, to the original people, or whatever. It is not very clear cut.

**CHAIR**—So in this Dodges Ferry case, there is actually a body corporate?

**Mr Davoren**—Yes, which is the management committee.

**CHAIR**—Are there common areas held by the body corporate?

**Mr Davoren**—No, the division is either state government or local government, it is clearly divided, and so far it has worked extremely well.

**CHAIR**—Why have you bothered with it then if there are basically stand-alone units?

**Mr Davoren**—They are part of a whole. You would have to see it, I guess.

**Mr JENKINS**—Do they have shared facilities?

**Mr Davoren**—The gymnasium shares the facilities that are in the performing arts sector of it, for example; and that is part of the agreement. So the agreement covers sharing arrangements but should the Sorell Council wish to withdraw from that for any reason they can sell their interest to somebody else. They could sell it to another council, they could sell it to the sporting body themselves or they could sell it to private enterprise, if that was the way they wanted to go, but they have got a saleable asset.

**CHAIR**—I think what Mr Jenkins meant is: are there two sets of toilet blocks, for instance, or is there only one for the whole complex?

**Mr Davoren**—There is one set of toilet blocks for the complex.

**CHAIR**—There is one set of toilet blocks, there is one cafe, say.

**Mr Davoren**—Yes.

**CHAIR**—Who owns those?

**Mr Davoren**—I believe we do. I believe education is in possession of those. I can see you are leading to the point, 'Well, what happens if we fall out?'

**CHAIR**—You take their toilets off them. I am trying to be very constructive about this because it is an idea that has not been put to us before. We are certainly coming across—in our inquiries everywhere—a firm community desire for there to be cooperation and for multi-use facilities and the like, and the practical arrangements are sometimes wanting.

**Mr Davoren**—It was a difficult agreement to reach. I was involved with a fair amount of it, in fact. It was a sticking point for the council to be involved with this development, to put money into the development and yet not have something to show for it that they had rights over. The agreement was drawn up by Crown law and it met all of the council requirements as far as planning requirements and the like.

**Mr JENKINS**—Was it built on Crown land?

**Mr Davoren**—It is built on Crown land.

**Mr McDOUGALL**—Who owns the land?

**Mr Davoren**—The land is owned by the Crown.

**Mr McDOUGALL**—Let us say the council want to get out and sell it to sports, they have got a building and they have got a bit of land. What happens to the land? Does there have to be a lease agreement by the sporting body, or what happens?

**Mr Davoren**—It is the same type of agreement as a block of flats.

**Mr McDOUGALL**—So it has all been divided up into titles?

**Mr Davoren**—Into two.

**Mr McDOUGALL**—Two titles.

**Mr BILLSON**—But under AAS 27 there would have been an asset recognition for the improvement without necessarily having to go down the path that you have spoken of. Is that what was driving the city council—they wanted to show something on their books for their money?

**Mr Davoren**—I believe so. I believe that is the case.

**Mr BILLSON**—It might have been better just to get a different accountant.

**Mr Davoren**—It is a matter that we will pursue from hereon because we have got other locations where, as I say, the ownership—I think the Elphin Sports Centre is one that comes to mind—is not at all clear and we are still attempting to determine who is liable for some problems that are actually on the site.

**Mr BILLSON**—So you are seeking to create the facility as a chattel, almost?

**Mr Davoren**—Yes.

**Mr BILLSON**—And then let the ownership of the chattel lie where it may.

**Mr Davoren**—Yes. In the case of the Elphin Sports Centre there was a problem with plumbing work

that was done some years ago and we are still attempting to determine who in fact is responsible to repair the problem because the ownership is not at all clear in this case, whereas in the case of Dodges Ferry it is very clear.

**CHAIR**—In the Dodges Ferry case, does the other party have a first right of refusal should one party wish to sell?

**Mr Davoren**—I cannot recall in detail. I have got a copy of the agreement, which I am quite happy to provide to you.

**CHAIR**—It probably would be of interest to the committee because we have not come across that sort of arrangement anywhere previously, I do not think, to my knowledge, anyhow. It certainly raises the issue of shared use of education department facilities. It is a very common complaint around the country that there are sometimes very excellent facilities in schools that the public does not have access to and I note that you are looking at addressing that issue.

**Mr Kelly**—Yes, as Richard said, the fact that we are now within the one department with the one minister gives us a better chance of doing that but it is of increasing concern that there are facilities—gymnasiums and school rooms of various kinds—which are just sitting idle for a lot of the time.

**Mr McDOUGALL**—What about universities and other tertiary institutions?

**Mr Kelly**—Yes, that is an interesting one; I think that should be pursued as well, and we have not, to any great degree, but I would see it as part of the strategy. Given that we have just got the one university in the state—

**Mr McDOUGALL**—But it has got several campuses.

**Mr Kelly**—It has, and there is no doubt that if those facilities are sitting idle, then we have a responsibility to look at why they are idle and how they can be utilised for the benefit of the community.

**Mr McDOUGALL**—What happens now?

**Mr Kelly**—In terms of?

**Mr McDOUGALL**—Use. Does the university open its gate? Can the local sports club go down and, say, have an arrangement with them that they use it once a week for certain purposes? Does that happen or does it just sit there and everybody fights for the use of the oval owned by the local government?

**Mr Davoren**—No, it happens. In the case of the education facilities that I am involved with, it is government policy that those facilities be made available to the public, so that each school that has got a gymnasium or a sporting field or any sporting facility is expected to make those available to the public. Most do, but not in every case, because in some cases maybe there is no demand, but I can quote quite a number of locations where the sporting facilities are actively used by community groups.

**Mr McDOUGALL**—Does the decision rest with the principal or the school community group?

**Mr Davoren**—The policy is government policy to do it and it would be unusual that a school principal would not abide by that, but the decision to accept or reject would be made at the school community level.

**Mr McDOUGALL**—The community level not the principal?

**Mr Davoren**—Albeit the principal is part of the school community and, in fact, is an active member of the school council.

**Mr McDOUGALL**—I am pushing it because in some states the whole decision making lies with the principal. If the principal is onside, great; if he is not, you are in trouble.

**Mr Davoren**—It is the school council and the principal is a member of the school council. I presume that if the principal were extremely anti whatever the decision was he would influence the school council, but it is a normal practice that these facilities are made available to the public.

**Mr Kelly**—I am aware of models in South Australia where the community has access to some tertiary institutions through the use of joint community and college committees which work extremely well, and I think that is the sort of model that we could well pursue. It has not been pursued but if we are going to cooperate and use those facilities that is the sort of model we have to encourage.

**Mr BILLSON**—If the Commonwealth followed your untied grant suggestion, is there a likelihood that some of that money would end up subsidising the operation of these facilities?

**Mr Kelly**—I do not think we would want to move that way. Our whole thrust is to encourage organisations to take responsibility for their own projects, programs and, in this case, their own facilities. We do not really want in any way to get in a position where we have organisations totally dependent upon government. That is not healthy.

That has happened in the past and to a certain extent, as I said before, there is a sense in which many of the volunteer based organisations do depend upon government funds to do what they currently do, but our effort, as well, is to try and balance that with a sense of responsibility for their own facilities, or whatever they do. That is a tension which is difficult to work through, but we certainly do have that strategy.

**Mr BILLSON**—Would it be helpful if the Commonwealth said, ‘Unless you can demonstrate that this is a feasible, viable project at an operating level with some capacity for renewal, in terms of the capital fabric of the facility, funding will not be provided?’ Would that be helpful to you?

**Mr Kelly**—I think so, because we would certainly not want another dependent system to be developed—that an organisation was dependent on the Commonwealth rather than the state—because that would create difficulties which I have already alluded to. So if that approach was taken by the Commonwealth, yes, that would be helpful.



**Mr BILLSON**—But of itself that would make it more difficult for some of the smaller communities to argue their case and that is a tension that we are coming across all the time; the equity of access argument is a big one.

**Mr Kelly**—Yes, that is right, particularly in the case of facilities where there are problems with maintenance in the long term. Who picks up the maintenance responsibility in 10 years time? Those sorts of issues need to be attended to now rather than later. As Richard said, we are reaping the benefit now of not attending to them 10 years ago.

**Mr BILLSON**—The private sector is telling us that they resent the support that is provided for leisure facilities that councils or state or federal government have had a hand in creating and that effectively compete against something they have had to finance themselves and service the debt. What is the relationship in Tasmania between private provision of those sorts of facilities and public provision?

**Mr Kelly**—I guess the issues would be the same but the number of commercial operations here are less because of the lack of volume of usage. So I would say that, in terms of that sort of difficulty, it does not exist in such a large measure as it would in the higher populated states.

**Mr BILLSON**—Is the brochure that was in my hotel room for something down on the wharf—that you would be pleased to know inspired me to eat an apple for breakfast and not something else—an exception in Tasmania in terms of that type of complex?

**Dr Brown**—There are very few and they are mostly concentrated in Hobart. You certainly would not find any privately owned facilities of that kind in the smaller population centres. This is one of the reasons why it is very important for government to be involved in ensuring that the kind of facilities that are available in these remote locations are facilities that the broadest group of the population can use, rather than any specific elite groups or small sporting groups. Both Gary and Richard earlier mentioned the problems that Tasmania has with our dispersed population.

We also have in mind the fact that we need to provide for an ageing population and therefore the kinds of facilities, whether they be sporting facilities or recreation facilities, need to cater for an ageing population and not simply for younger sporting groups. There will be demands from both ends, and the middle of the spectrum as well, and when you have a very small remote rural community, for example, where you have big differences in age groups and you have young kids as well as a lot of elderly people, then obviously it is very difficult for the private sector to cater for the needs of these people because the market just simply is not going to be large enough.

**Mr BILLSON**—Finally, in terms of shared use of educational, including tertiary, facilities, sustainability of the operation, capacity to renew the fabric of the structure and avoiding duplicating a privately provided facility, you would generally support those sorts of evaluation criteria, would you?

**Mr Kelly**—Yes.

**Mr BILLSON**—What about the one about minimal state effort?

**Dr Brown**—There is one other one I think we would insist on, and that is that the majority of the community support any particular project that might be being put up. That is where I think it is very important for the state government to be involved—and the local government organisations—to ensure that any particular project that is put up for funding has the support of the wider community and not just simply a very small part, because that is going to be critical in the ongoing support and maintenance and responsibility for that facility, not just in the short term but in the long term.

**Mr BILLSON**—We have had evidence that a third/third/third between state, local and federal should be a minimum requirement; others have said a quarter/quarter/quarter/quarter, being state, local, federal and the community or user groups. If those sorts of criteria were in place your \$600,000 would not go very far.

**Mr Kelly**—No, and it has been a real problem that the money that has been available has not gone to the extent of funding facilities or even reasonable maintenance or reasonable additions.

**Mr McDOUGALL**—Last night we stayed next door to the North Hobart oval, I think it was called.

**Mr Kelly**—Yes.

**Mr McDOUGALL**—Is that private?

**Mr Kelly**—No, it is operated by the Hobart City Council.

**Mr McDOUGALL**—I was told that one football club uses that occasionally to play football. Is that place really multiple purpose or do other community groups and user groups get the opportunity to use that? Or is it simply there for one football team and they use it for their home games and training?

**Mr Kelly**—I think it would be fair to say it is not used enough. Certainly it is used by the North Hobart Football Club. It has been used by other clubs as a home ground from time to time and there are state games played there. It is used a little bit more than just in terms of one club's usage but I think it has always been recognised that it needs to be used more than it is.

**Mr McDOUGALL**—Not just the field but the rest of the facilities.

**Mr Kelly**—Yes.

**Mr McDOUGALL**—Before you made a decision on whether something else should be built, are you satisfied you are getting the best use out of existing facilities that are around anyway?

**Mr Kelly**—Well, certainly, that is what we would want; that makes sense. It is a reasonable sort of expectation that new developments will not occur until there has been reasonable usage of what is already there.

**Mr McDOUGALL**—Have you done that audit?

**Mr Kelly**—To a degree, in that the government has supported a number of indoor facility studies around the state—on the west coast, the north west, the Tamar region and in Hobart—to determine what indoor facilities there are; how they are being utilised; whether there are problems with them; and what sort of services are being provided through them, in an attempt to set a basis for a much more strategic approach to these sorts of development in the future. We have groups of managers—local government people—working in each of those areas to try to determine what the future requirements are and what is currently happening, more so in the north west and north, less so in the south, where that study has not been finalised as yet. Certainly it has been a development over the last two or three years which I think has been encouraging and it is something that we certainly want to build on.

**Mr Davoren**—I believe the state government is actually putting more in than Gary is aware, inasmuch as the school sporting facilities, as I mentioned earlier, are well used by the community and they are funded largely by the state government but they are not regarded as a formal sporting facility provided for the community. In fact, whenever we develop a school facility, whether it be a gymnasium or a sporting field or whatever, it is always with the anticipation that the community is going to use it, so if that process was more formalised it would be recognised then that the state government is actually contributing much more than would appear to be the case from the figures that Gary handles.

**CHAIR**—Following on from the North Hobart oval questions, in your submission you identify on pages 7 and 8 a list of major projects that you feel need to be undertaken in Tasmania. I might add that I noticed on the front page of the *Examiner* this morning a lovely artist's picture of a new AFL facility for, I think, the showgrounds. Your proposals also include, from memory, upgrading of Bellerive oval, obviously for cricket. Have you attempted to prioritise those projects and do you have any plans at the present time for funding them?

**Mr Kelly**—We do not have present plans for funding them because the funds are not available so, to that extent, no. In terms of priority I am not sure that there has been a priority put on those facilities. Each one has its own particular set of needs and I guess each one would say that it is a priority in its own right so in that context it is quite difficult to say this is first or that is second. For example, the AFL position is dependent upon whether there is an opportunity for an AFL team to take part in the competition, so there are issues which surround each one which make it quite difficult to say this is one, two, three, four.

**CHAIR**—Presumably Bellerive is already being used for state and international cricket matches. There must be some capacity therefore for the Tasmanian Cricket Association to play some role in funding additional developments there.

**Mr Kelly**—I am sure there is. You will have an opportunity this afternoon of asking them directly what they propose to do but I would assume that they are in fact planning to do that. The nature or size of the amount that they are going to contribute and what they require from government, and the detail of that, certainly can be provided this afternoon.

**Mr JENKINS**—This raises some interesting questions, especially in the Tasmanian context, about what role elite sport plays in trickling down to create greater participation. Because we do not have the interconnection, you are likely to divert resources and effort into exploring the ways that you can get an AFL

side or whatever other sport is at an elite national level, but not get an effect downstream. I am wondering, in the government's consideration of being involved in things like the AFL or whether you should have an NBL basketball team or whatever the sport is, whether there is seen to be a spin-off at the lower levels for participation.

**Mr Kelly**—That is an interesting issue and it is a debatable one. Certainly there is some reason to say that the sort of models that exist in national teams and state teams are beneficial in terms of participation but it is not the only way that participation is encouraged. It would not be appropriate to put all our financial eggs in that sort of basket thinking that that is going to bring about participation. It will up to a point but I do not think it has been proven one way or the other at this stage.

Our view is that the majority of our funds, our available resources, should go into it at the community level rather than at the state or national level because the resources available to those bodies are greater to some degree than those available for community groups. However, there is quite a degree of pressure placed on government to support those teams. At this stage we are still working through that issue.

**Mr JENKINS**—Does there seem to be an economic benefit in trying to have these type of level teams?

**Mr Kelly**—Yes. In terms of state profile there is an advantage in having a team in a national competition and I think there is some merit in that argument.

**Mr JENKINS**—I notice Lake Barrington is mentioned on this list. Now, that is an issue of continuing maintenance of a facility that has established itself as an international centre. Is that an example of where, around Australia, we can establish that if Tasmania has a facility like that why would other states bother—except if they are holding Olympics—to have a similar type of facility? Do you think that is an argument that is getting across or is there still too much competition at that sort of elite level facility?

**Mr Kelly**—Again, I have not got a full answer to that question. One would think that, given that Lake Barrington proved itself as a top-class international venue during the world rowing championships in 1990, that would be recognised as the place to carry out major rowing events. That is a decision that I guess other states need to make. That has not necessarily been the case, given that an international facility is being developed at Penrith for the Olympics that is going to, in a sense, duplicate Lake Barrington, so there is a difficulty there.

**CHAIR**—You volunteered in your opening remarks to make some comments about Active Australia. We have heard some critical comments about that program. What role do you expect it to play in Tasmania?

**Mr Kelly**—The Australian Sports Commission has initiated the Active Australia program as a means, from its point of view, of encouraging participation in sport and recreation for the benefits that I mentioned earlier. From our point of view we would be wholeheartedly behind that program because participation is the key element of our role in the state.

It is hoped that the Active Australia program will assist that sort of view we take, that on a national

basis each state and territory will work together on a program which sets standards of service delivery and also promotes, in a variety of ways, the benefits of sport and recreation. To that extent the subject that we are talking about today is relevant because if participation is encouraged there needs to be available facilities of a variety of kinds and therefore the two go together. As Active Australia begins to develop and gain momentum the matter of facilities becomes more crucial. That is the major reason why it has been included in our submission, in that if that is seen as a Commonwealth desire as well, it matches quite well our desire to provide appropriate facilities.

**CHAIR**—But from your experience to date is Active Australia likely to actually provide those benefits or is it just a logo selling exercise?

**Mr Kelly**—It is still debatable. I am aware that there was a meeting earlier in the week in which Active Australia was being discussed and there are still some issues to resolve, for example: with health, is health coming in strongly or is health not; the involvement of local government; the role of the states; the role of the Commonwealth; and what happens exactly. All those things have not yet been finalised and I think they need to be reasonably soon. Certainly the concept is a good one, the concept is one which we certainly endorse and we want to support. The framework, the nuts and bolts, have yet to be fully put together.

**CHAIR**—Our time has actually more than passed, I note, but we have certainly appreciated the information you have given us. Mr McDougall has just drawn to my attention that you also have a public assistance loans program and he was interested in getting some more details on that.

**Mr McDOUGALL**—I know you said you did have this program once.

**Mr Kelly**—Once, yes.

**Mr McDOUGALL**—I would be interested to see whether you have still got some details on how you actually structured that.

**Mr Kelly**—Then?

**Mr McDOUGALL**—Then.

**Mr Kelly**—Yes.

**Mr McDOUGALL**—If you could forward that to us I would be very interested.

**Mr Kelly**—Okay, yes.

**CHAIR**—Any other questions?

**Mr JENKINS**—Did we ask where the Commonwealth gets the money from?

**Mr BILLSON**—We avoided the lottery question. We were supporting the submission for the notion of looking at the national sports lottery. We have been inquiring of all the states how they would view that initiative and the likely impact of it on their own gaming revenue, particularly given what you had said earlier about your new soon-to-be advertised program of grants out of poker machines—whether a national lottery would compete for that dollar and be a revenue transfer.

**Mr Kelly**—Yes. Again, that is a difficult one for me to answer given the sort of issues that arise, given the sort of issues that are arising in Victoria at the moment, but certainly, in a very simplistic way, additional funds are hard to find. If funds can be found through a lottery which does not have other negative implications for the community then fair enough. I will have to leave that one with you.

**Mr BILLSON**—One of the other propositions put to us was a two cent levy on every cigarette stick and I think somebody said if cigarette consumption went down you just bump the levy up which is an idea. I would be interested in your thoughts on that idea.

**Mr Kelly**—Well, as a nonsmoker I have difficulty in coming to terms with that one. I am not sure about that.

**Dr Brown**—There are already—

**CHAIR**—But you have suggested the Commonwealth just provide grant funding. Do you have any idea as to where the Commonwealth should source it from?

**Mr Kelly**—No, I would not presume to have that sort of knowledge.

**Mr BILLSON**—Leave that one with us, you think?

**Mr Kelly**—I think so.

**Mr Davoren**—Presumably, the health of the community will rise and therefore the expenditure will fall in the health area.

**Mr McDOUGALL**—You mean the health budget is a good idea?

**Mr Davoren**—No, I was suggesting that might be one place—

**CHAIR**—I am not sure the treasury would be in a hurry to wear that argument till they saw some evidence that the health budget was going to fall. That obviously is the hard question that this committee has to address. We have appreciated your submission and the evidence that you presented this morning and thank you for your presence and for answering questions in that way.

We may well need to get back to you in relation to some matters and we thank you also for taking on board the couple of requests that we have made for additional information to help us in looking at some of these matters, so thank you.



[10.10 a.m.]

**WEST, Mr Mark Thomas, President, Tasmanian Sports Federation Incorporated, Derwent Entertainment Centre, Brooker Highway, Glenorchy, Tasmania 7010**

**DOWNES, Mr Brian Thomas, Director—Board, Tasmanian Sports Federation Incorporated, Derwent Entertainment Centre, Brooker Highway, Glenorchy, Tasmania 7010**

**CHAIR**—We have received the submission from you and have authorised its publication. Do you propose any changes to the submission?

**Mr West**—No, no changes to the submission. The only thing we wanted to do was to introduce Tas Sport to you.

**CHAIR**—We would certainly invite you to make an opening statement and that is one of the things we would like to know something about.

**Mr West**—Tas Sport is an organisation formally formulated in 1993 at the behest of state sporting organisations to have a united voice, predominantly as a lobby group to government. We were formally incorporated late in 1996. It is a voluntary organisation apart from a funded executive director, Tony Fulton, who is currently in the north of the state I think doing a local government presentation. We represent approximately 60 state sports organisations around Tasmania. We incorporate within the realm of Tas Sport the Sporting Federation, Australian Society of Sports Administrators and a representative on committees on both the Commonwealth Games and the Olympic Games from Tasmania's perspective.

It was brought about through a shared belief that the public worth of sport to the community would be enhanced by ourselves through a forum of thought and advocacy. The following stakeholders, as I have mentioned, the Australian Sports Commission, the Confederation of Australian Sport, the Tasmanian Department of Tourism, the Office of Sport and Recreation, the Tasmanian Institute of Sport and, obviously, the 60 state sporting organisations, got together in 1993 to develop the concept of Tas Sport. We recognise the importance of a voice—having a sport and lobby group which is united and represents sport as a whole rather than elite sporting organisations or large sporting organisations having an unfair advantage or not representing the total sporting community.

We are committed to obtaining a better deal for sport by securing active support from government, which we have demonstrated so far to be very well represented between ourselves and the Office of Sport and Recreation—we have good support there—and through the education authorities. Some of the developments that are coming about through education are combining more than one arm of education, as in for sports administrators, for coaches, for health in sport et cetera; we are combining them because of the size of Tasmania. If you have one of those events and it is not well attended it becomes an economic liability; however by combining them all together we have found that we get much better attendance and, of course, it is well accepted by the community. That is basically what Tasmanian Sport, Tas Sport is.



**CHAIR**—You mentioned that you receive a grant from the state government. That is presumably from the \$600,000 that we heard about earlier today. What about your members? Do they pay fees?

**Mr West**—Our fee base is purely \$50 per state organisation. We are a volunteer organisation. Our funding for our executive director does come from the department—from Sport and Rec—and we do take on some contracted responsibilities from the department to offset those funds.

**CHAIR**—Are you satisfied with your state government's contribution towards sports facilities and sport in general in Tasmania?

**Mr West**—I think I would fairly say that sport will never be satisfied with the contribution that it gets, but we have a good working relationship with the government. We understand the constraints that governments do face, particularly Tasmania at this stage. Being a young organisation—we have only been going three years—we are just coming to the stage where we can actively be involved in those negotiations. So we are coming to that stage where we can influence where the government is going to spend its money from a sporting perspective. I could not say that we are unhappy with the support that we receive.

**CHAIR**—The federal government has got a \$100 billion debt as well. Are you satisfied with the level of sporting contributions from the federal government?

**Mr West**—I would suggest that, as per the submission we have put today, we believe that it is appropriate from the federal perspective to assist in the funding of facilities. As to the internal use of those facilities we believe that it is a state and local government responsibility, and a sporting organisation's responsibility, to fulfil that. From that point of view the last point in our submission was that for the future funding of sport we believe that a sports lottery—whether that be viable, considering all the other lotteries that are developing at this stage—or a tax surcharge on cigarettes or some other form would be the way to fund sport in future, and facilities.

**CHAIR**—We will certainly ask you some more questions about that in due course, but I have noticed also that you suggest that there should be a national community based facility planning and development panel. Could you tell us a bit more about what you envisage that panel being and doing.

**Mr Downes**—Yes. I suppose the absolute mechanics of how that panel would work have not been fully determined. The concept is, though, that we need to take a more global—and I am talking across the country now—take a more global perspective on our sports facilities development. Whilst we are talking specifically about what is happening and what we would like to see happen in Tasmania, I think we need to be, as individual states, cognisant of what is occurring across the country, and certainly that can be best achieved by having a national panel, where that panel has representation from each of the states.

Effectively, the role I would see that panel playing would be as a panel of experts which would be able to assist government or sports commissions or whoever on where funds might go, based upon agreed criteria, because my experience has been that there have always been different perceptions of the criteria. One organisation sees a certain criterion and another organisation sees another.

This panel would provide an opportunity for some common approach to where these sorts of facilities can be developed across the country and could also look at matters such as those raised in the submissions—with rowing, for instance, it might well be that; of course, with the Olympics there is a new facility being developed at Penrith and there is one here at Lake Barrington. They are the sorts of issues that need to be sensibly discussed at national level with input from all the states, and if there can be a common approach to the development of international facilities across the country, that to me is a good start. From that each of the states would have their own panel which would be working on the same sort of criteria but feeding into the national organisation, the idea being that we have common criteria across the country that filter down to each state and the criteria are agreed by all parties.

**CHAIR**—Do you not think, what with states being parochial and communities being parochial, that if the national panel were to decide that the rowing facility should be at Lake Barrington, that that is not likely to stop Western Australia from building one in Western Australia if they wanted to anyhow?

**Mr Downes**—That may well happen, and of course that is where politics might come into it as well, but I think in sport, as many of us would be aware, parochialism comes across all the time. I think the ability is, if you are representing a state or even a region and you go on to a larger committee, to be able to sit round that table and say, ‘Well, I’m here now representing the bigger picture,’ and sometimes that would need to be making decisions that you might not see necessarily as in the greatest interest for your state, but it might be in the greater interest of the whole, of the bigger picture. I take your point. That is human nature, but I would not suggest that we allow that to continue. If we bow to that sort of belief, then nothing would ever progress and we will always have factions working. Here in Tasmania there is a lot of parochialism within the state, and someone has got to take a lead.

**CHAIR**—But if the national government is only providing a small proportion of sports funding it would not have a lot of clout in relation to enforcing the decisions of this national panel.

**Mr Downes**—No, you are right, and in fact it might well be that ultimately it will come down to—there is a hope, I suppose, that common sense will prevail; but if right from the word go there is a commonality agreed upon and there are criteria agreed upon by all states, then at least from there you are actually heading in the right direction and you would just hope that that national panel would work sensibly through any of the issues that came before it.

**CHAIR**—What sort of people would be on the panel?

**Mr Downes**—I believe personally—and this again has not been, to my understanding, looked at in great depth—that there would need to be experts across the board who are involved in facility development, facility management, and, of course, representation from a range of sports and community groups. Whilst we, as in Tas Sport, represent state organisations, state organisations have their affiliates who are clubs and regional associations, and, of course, in turn there are members. So we do actually represent the average sport user who often is not an elite sports person, and so the recreational sporting user would also need to be represented at that national level via its state body.

**CHAIR**—So it would be basically an advisory panel. It would not actually fund and operate facilities

of its own or manage facilities of its own accord.

**Mr Downes**—If it had control over the funds that were available then that would give it more teeth, there is no doubt about that, and if the directions that it makes can be adhered to and followed on, then that will obviously make it worthwhile. If it is only an advisory body, where the advice might be given but then is not adhered to, then—

**CHAIR**—What would you like?

**Mr Downes**—I would like to see it have some teeth with some control over the funding.

**CHAIR**—So you would like the Tasmanian government to give its money to the national panel and the national panel choose how to distribute it.

**Mr Downes**—Any decision made by the national panel would need to be made in consultation, obviously, with the state groups, and so, yes, I would see that—we are talking major international facilities now, of which there might only be one or a couple in the country—those decisions need to be made nationally.

**Mr McDOUGALL**—Can I ask you, just on that question: we have got the new aquatic centre here; there was Commonwealth funding in that, I believe.

**Mr Downes**—Yes.

**Mr McDOUGALL**—To what extent was it funded by the Commonwealth, and how was the decision taken regarding the break-up between the three levels of funding?

**Mr Downes**—I have not been close to that particular project, although my understanding is that it is about a three-way split between the state government, the Hobart City Council and the Commonwealth. I understand the Commonwealth money is coming through the previous Working Nation program. The funds were directed through that program. How that actual split was decided upon was, I think, a matter of negotiation between the parties over a period of time.

**Mr McDOUGALL**—Can I ask you then: that happened back in 1980 in Queensland, where there was a third, a third, a third. They got the Commonwealth Games facilities; the city got left with the total capital recurrent expenditure on those facilities, which have been a total burden—to the point, with the aquatic centre alone, of \$1.3 million a year—ever since as a debt. How is this one going to resolve that issue on a third, a third, a third, and who carries out not only the recurrent expenditure, but the recurrent capital to maintain the standard that it is built to?

**Mr Downes**—I cannot answer you in depth; you would probably need to speak with, certainly, the Hobart City Council, I would suggest.

**CHAIR**—The city council?

**Mr Downes**—The Hobart City Council.

**CHAIR**—All right then. The committee is visiting the centre this afternoon.

**Mr Downes**—Yes. And I am sure they will be able to provide you with more than enough information.

**Mr BILLSON**—Through your membership base are you getting any feedback from participants about the cost of participation? Just by way of example, if you play on a private squash court you are not only paying for the costs of the facilities and all your gear, you are paying a margin on it; if you are a triathlete you are on your own; if you are a basketballer, as long as you can pay the operating costs you are forking out money; tennis and netball cover most of their day to days but there is no account made for the ground or the land; football and cricket get huge subsidies because of the very limited rent that is being charged, preparation of pitches and the like; and if you are a lap swimmer you are getting an enormous subsidy because they run at such crackerjack losses. Are you getting feedback back from your membership about—

**Mr West**—We recently had a sports forum in conjunction with the department of sport and recreation. The general information that came out of that was that with what we would term ‘fast-food’ sport, such as your roll-up for your touch football, you are paying \$600 a team; you do not do anything, you participate and leave; someone is running it all. They are eating into the sporting basis of your traditional grassroots sport organisations. The general consensus was that sport has to turn itself around to be a customer based organisation, which it necessarily has not done before, and, within the organisations—the traditional organisations—they have to take in the ‘fast-food’ perspective.

Those discussions have not been furthered from there and it is very hard on a community based idealism of what sport does for the community when people now can pay for that privilege and not be involved in the volunteer organisations; the volunteers no longer get involved in the traditional organisations. That is an issue we are facing, especially in Tasmania. There is a big percentage of volunteers in the organisation of sport and they are being whittled away; and that has to be addressed. As to how we address it, sport is definitely looking at it but we have not got the next step at this stage.

**Mr BILLSON**—If the Commonwealth did its quick pick, no super and did win some money that we could share around, and if it sought to address that, that would be quite a shock for the traditional sporting participants. Are you advocating that that should be part of our consideration, those historical anomalies that see cricket clubs occupying a huge chunk of dirt with turf wickets that are quite expensive to prepare? Unlike in other states, I have not heard a lot of problems with ground rentals. I know in my state they are trying to recover more of those costs.

**Mr West**—Councils definitely are.

**Mr BILLSON**—That is happening here?

**Mr West**—Yes. Again, the criteria of how that was addressed would be paramount to any support or opposition on that type of idea, and I could not see how we would address that sitting here today, so I could not comment on that.

**Mr BILLSON**—I am interested in the leisure versus sport issue. How do you deal with that as an organisation? Are rollerbladers and people who go for a walk in the lovely gardens and the like part of your picture?

**Mr West**—Yes, absolutely.

**Mr BILLSON**—So you are very inclusive of any physical activity that can be organised, structured, or just be for the fun of it; is that the way you handle—

**Mr West**—Yes; it does not have to be a so-called traditional sport to be a member of Tas Sport.

**Mr BILLSON**—And you would encourage us to take a similarly broad view of what is recreation?

**Mr Downes**—You are raising some very interesting points, and of course we could probably talk all day, but certainly I think what we all need to be aware of is that the sporting industry is a moving beast, and when I say sport I, in my mind, have a definition of what sport is and you might have another definition. For some people sport is actually going for the walk down to get their paper; that is their sport. It is a term that is often used much more broadly than what in fact we often see sport as.

Certainly the Tasmanian Sports Federation, whilst we have a structured membership base—and it needs to be structured to have a membership base and in turn get some sort of revenue—as a philosophy we encourage participation across all levels and we recognise that traditional activities or forms of activities through clubs may well be changing over the next number of years; certainly, post-Olympics we might find a situation where there will need to be much more consideration given to those of us who are not necessarily wanting to be constrained by traditional clubs, but who want to participate in a much more free yet regular opportunity.

Mark referred to the ‘fast-food’ type sports: we are seeing a great increase in that sort of area and we need to be aware of that collectively as a government and also sports.

**Mr BILLSON**—So the fact that we have—arguably; I am not saying we have—whimpered out on trying to make those definitions; you would probably be with us in that respect?

**Mr Downes**—Yes, it is a topic of discussion. You are probably talking with the Confederation of Australian Sport: that is a big issue with them there at the moment, and they are coming up with the same sorts of dilemmas, if you would nearly want to call it that.

**Mr JENKINS**—Can we discuss the characteristics of these ‘fast-food’ sports, just for a little bit. Are they basically private entrepreneurs that put them together?

**Mr Downes**—Basically.

**Mr JENKINS**—They are on the basis that they are informal groupings? They create teams, there is the all-up fee to cover everything, and just go in, play, and go out?

**Mr Downes**—Yes.

**Mr West**—Such as your indoor netball, indoor cricket; your basketball is getting to that stage now.

**Mr JENKINS**—All right. So with netball and basketball, basically you are playing the same game but it has turned the traditional way of putting it together upside down. Getting back to Mr Billson's question about the costs: the added cost for the entrepreneur in putting these together must be offset through some form of greater efficiency for it to work.

**Mr West**—Predominantly what I have seen is that they would have a facility that can cater for this type of function. What goes along with being able to participate in the sport is the social gathering that goes on afterwards; there is a bar open, a facility, people become regular users of it. They utilise themselves as a team base; they will go out and get their team together, but they will participate in four or five sports at that one facility on an ongoing basis.

**Mr BILLSON**—It is a social event.

**Mr West**—Yes, and it takes over a social aspect. Whereas your local club, for example, is struggling because they cannot charge the broader community the same charges. They are focused so much on getting the sport on to the field that the social side of that is dropping.

**Mr JENKINS**—Right. So the economics of it is a bit like a petrol station where the margins are so low on the petrol it does not matter whether you make the money or not on the petrol as long as you can flog cigarettes, milk, whatever, from the service centre.

**Mr Downes**—Very much so.

**Mr JENKINS**—Right. So therefore perhaps when we are looking at facilities and more traditional community based clubs come to us and say, 'Well, we want assistance with putting together a social facility' or something like that, we might have to look more favourably on that on the basis that it assists the club to do things, to create participation?

**Mr Downes**—Yes. I think you would have to look at each one and be careful, I suppose, because you set precedents. But certainly you have got to look at the context and the environment within which they are playing, and certainly understanding why people participate is very, very important. While some of us might participate because we love to get out there and feel the burn, so to speak, other people, in fact most people, participate because of the social enjoyment, not only in playing but afterwards. So it is a total experience, and I think that that needs to be understood by legislators and those that are controlling funds.

**Mr McDOUGALL**—Could I just ask you on that: I would put in that area something like touch football, which has become a very high participation sport. Do you find in your analysis of it that these types of ‘fast-food’ sports have, in the main, very high participation levels?

**Mr Downes**—Yes; there is the high participation and often now with a reduction totally in the administration side of things. Traditional sport often sees us as volunteers, getting on committees and ending up having a second job. In fact I know many people in this room are involved with traditional clubs and know how difficult it is to get volunteers, and what we are finding now is that these organisations can actually say, ‘You come along. All you need to do is provide your team. We will actually look after all the administration, there is no hassle with all that. You just come and play, pay your money.’ People are prepared to do it, because we have got so much choice these days they just want to go and do it and then go.

**Mr McDOUGALL**—Where is government’s role in that?

**Mr West**—A lot of the organisations that are starting up now are in a franchise, privately owned situation where, by creating the facility, they can then bring the people to play the sport, whatever it might be. I think government’s role is in the facilities on a shared basis; with touch football, for example, the actual people that run it are touch football enthusiasts. What has happened with the way the sport has developed, they are now literally making a business out of running their sport. I think, from that point of view, if the public and the community are prepared to go down that line then the government needs to be seen to be encouraging that.

**CHAIR**—In each state I have asked for some comments on the general state of sport in the state, and I am referring particularly to the administrations and the quality of events and the like. We have heard in some cases quite disturbing reports about state administrations at the point of collapse and some sports running a real risk of being phased out altogether, including some relatively well known, high profile sports. What would you say is the state of sport in Tasmania?

**Mr Downes**—Probably pretty well much the same. There are certain state sporting organisations that are doing very well, or are at least perceived to be. As to others, I think in fact in the main the majority of them really do struggle financially and they live on a very small amount of money, and that of course constrains any of the progression decisions that they may have or directions that they want to go. Certainly, there have been some that have gone just because physically they cannot do it. The volunteer situation is a never-ending issue. Yes, I would say that, overall, the state of traditional sport is on the downward spiral.

**CHAIR**—Are there any that you could identify as being particularly at risk?

**Mr West**—Having a personal involvement in Australian Rules football, for example, we have a situation here where because of the excesses of the late 1980s and the early 1990s the clubs, and the league for that matter, are struggling. How they get the traditional supporter back to the football is a big dilemma they are facing—providing a better product and getting back to traditional sport—and they have to look at a customer base, a service. They have to go and find the level playing field that we have not had for a long time.

The constraints on fathers taking their children to a sport on a Saturday have almost disappeared because the child in the younger years has the opportunity to play four or five different sports on a Saturday. The parents are spending their time taking those kids around to all those sports. Again, for example, coming back to football, perhaps they need to put up lights somewhere so they can play football at night so that people can go and watch it when they can go and not actively headbutt with other sports because it is a Saturday when the children can play the sport; it is those sorts of issues.

**CHAIR**—How is athletics going in Tasmania?

**Mr Downes**—You might be aware that the Domain Athletic Centre, which is the prime facility here, has just had its track upgraded which they have been wanting for some time now. Speaking with the people involved with that, I understand their membership is dropping, but people participating in fun runs and those sorts of things is on the up. So this is what I was talking about before, that people are making choices to be involved in things where they do not necessarily have to be involved in a membership or a structured situation but they are still going out and participating.

I was previously involved with tennis administration, and I know that has always been a problem with tennis because often people, if they have got two racquets and a tennis ball, just go and hop on a court and have a hit. They do not necessarily need to be a member and of course the affiliation fees and all sorts of things that go to maintain the structure of the sport are lost or not gained. I think this is an issue that is across the board with many sports, and certainly athletics is experiencing the same sorts of problems.

**Mr McDOUGALL**—It has been put to me before that by athletics ignoring the fun run, by ignoring the triathlete over the years as a progressive organisation and growing and saying, 'No, that is not our base, we have got nothing to do with it,' that is bringing about their own demise. Is that true, in your opinion?

**Mr Downes**—I would suggest that it is not helping the situation and generally sport needs to be aware of the changes that are occurring with the way our patterns of physical activity are changing.

**Mr McDOUGALL**—Can I say just for the record how refreshing it is talking with your organisation and the fact that you seem to have a real handle on what the reality is out there and are trying to deal with the challenges, given that. That is perhaps a bit of a contrast with some of the other organisations we have talked to from other states.

Having also been involved in footy and tennis, the player payments and the effort that clubs made to try to raise money to pay for the next generation Royce Hart and the Tasmanian equivalent of Andre Agassi that then suck the life out of the club, I feel ill when I see taxpayers' money going to pay for facilities at clubs where they have just blown \$100,000 in player payments and have shut out junior development and those sorts of things. Should we be saying, 'No, we want to have a look at your business plans, we want to see how you run the place before we hand over the taxpayers' money'?

**Mr Downes**—Absolutely, yes.



**Mr West**—It is all member based, it is all fee based, and it is all public expenditure from one form or another. Sport definitely has to structure itself as a small business, there is no question of that, and an avenue towards promoting that to sport is something that needs to be addressed.

**Mr BILLSON**—This leads me on to the next issue, which is about the management of facilities. We have had evidence—and I must confess that I am of a view—that for smaller facilities the last people you want managing them are the users of them because you need to have so many different uses to make it viable. The flip side of that, though, is that you get to a critical mass, as we heard from Lindsay Gaze yesterday in basketball, and when you get to a four- or a five-court stadium the fact that they are profitable is because the sport virtually owns the venue. You might have one paid staff member and the rest of it is run on a voluntary basis, which is a totally different outlook from the smaller facilities. Do you have a feel for those sorts of tensions and where you decide—

**Mr West**—Every sport wants its own facility for that sport. We certainly have the belief that any facilities that are structured now have to cater for a range of sports so that you get 24-hour usage out of it, and it needs to have a committee structure operating it with full-time people, or a person, in charge of that, answering to all the sport or community areas that use it. Yes, that is definitely a need and it is different from the volunteer single organisation running a facility and then saying, ‘Well, we do not use it on Tuesday night so we can go out and find someone else and they can come in on our criteria.’

**Mr BILLSON**—So is it a case of having the sports involved on the board to talk about the broader direction of facilities, but having some occasionally unpopular prickly person who says, ‘Hang on, it is Friday night, having three of you practice on a basketball court during our peak hourly rate opportunity is not a good idea.’ Is that something that needs to be very genuinely on the table as well?

**Mr Downes**—Yes. The management person is looking after an asset that is sometimes worth millions and millions of dollars, so that person needs to be attuned with all the recreational sporting patterns and leisure activities, as well as having a business acumen about what they are doing. At the same time there needs to be input from the user groups as best possible.

You mentioned two examples there and, certainly from a community base, we very much promote the idea of multi-use. In fact, any facility that is built these days needs to be able to demonstrate that there can be multiple uses of the facility. Whilst there may well be a main user, that needs to be considered in the management agreement right from the outset, and if there are going to be profits gained then obviously that is part of the agreement and there needs to be relevant returns shown accordingly so that there is an equitable return to all concerned. It is all part of the management structure. All that, right from the word go, has got to be set up properly with all parties involved and, having experienced this sort of thing before, it will eliminate or reduce a lot of the problems that you—

**Mr BILLSON**—In your submission, if I understand you correctly, we would help that by saying, ‘If you have not done that work, do not expect any Commonwealth money.’

**Mr Downes**—Yes, I think we have to. It is Commonwealth money—it is our money, it is taxpayers’ money—and we have all got to be accountable for it.

**CHAIR**—In your experience as administrators, how accessible are school and other facilities to community sports people?

**Mr Downes**—I listened with interest to what was being said before. I am on a school council myself and, in fact, there is a local council in Kingborough, which is south of here, that is actually undertaking a study at the moment. In talking to the lady that is undertaking that study the other day, she indicated that most of the responses that were coming back highlighted the very high need for shared facilities between school facilities and the community. My understanding is that the government does have a policy of shared facilities, but it ultimately comes down to a security situation and user situation which is decided, essentially, by the principal, obviously guided by the school council.

**CHAIR**—So in practice there is not a lot of community use of school facilities?

**Mr Downes**—It could be improved.

**Mr West**—It is being discussed at a much greater level in the past six months and we expect that that will continue and will bear some fruit down the track, but it has been limited in the past and does need improving.

**Mr McDougall**—We get a varying view from different states as to how the education department works. Some states are saying, 'Well, really, it is the school principal at the end of the day who decides,' so you could actually end up doing a joint facility development for a multi-purpose use having community involvement, sport involvement, and another principal comes along and, bingo, the whole thing has gone because he or she does not like it and wants a higher predominant use by the school. We have seen that. But we have also seen the extreme where state and local governments have been belting their heads against a bureaucracy of the education department for 10 years and still have not resolved the question. Do you believe that there is an opportunity in Tasmania to get a real outcome of delivery of service of multiple use and multiple development with the education department or is it really just a nice little furry government wish?

**Mr West**—If a school has an indoor facility which would cater for basketball and a number of indoor sports, why would the community want to build another one down the road? For a start, they are going to use it at different times. The biggest barrier to the community being able to use those facilities is who is going to pay for maintenance, how do we structure a fee structure, and that is what it all comes down to. The school says, 'We will let you use this but you are going to pay this amount', and it is out of their area to be able to put up moneys of that type to make it viable for them, so then they go and lobby the local government to go and build another one.

**Mr BILLSON**—Does that not bring you back, though, to that point of who is managing the place—

**Mr West**—Yes.

**Mr BILLSON**—You have got someone who can legitimately say, 'Hang on, it is going to cost us \$15,000 a year just to keep the lights on. I know you would like to use it for 40c an hour but we have got to get a return of \$8 or something just to pay its way.' It brings us back to the management issue, I would have

thought.

**Mr Downes**—I think there is a real opportunity but it really does depend on the facility. If we are talking about the school tennis court which sits out in all the weather, then there is not a problem necessarily, going back to the tennis scenario I mentioned before, but if it is an indoor hall where they have to gain access through parts of the school and all these sorts of things, and there are lights and all these other issues, it becomes a bit more prickly.

I believe that there is a real intention on behalf of the state government to go down that way because they are also not wanting to duplicate facilities, and my experience is that there is a willingness from local communities to want to do that. The mechanics on how that happens means these issues, which are always going to be there, need to be sorted out in a sensible way. It would be ideal if we can actually come up with a number of models where this has worked around the country which can be presented to communities to say, 'Hey, this is how it was done.'

**CHAIR**—Are there many indoor sports facilities in Tasmania and, in particular, many multi-court facilities?

**Mr West**—We have not done an investigation in that area so I could not answer the actual number of facilities.

**Mr Downes**—My own knowledge is that there are a number but a lot of them are privately owned. There are a number here within Hobart that rest with organisations, that were built by governments years ago, yet are considerably run down because the organisations do not have the dollars to refurbish them. I know the government has undertaken a number of investigations. There is an audit. I must admit I have not seen or heard of what the results were.

**CHAIR**—Are they generally multi-court or single court?

**Mr West**—Generally they have been single usage.

**CHAIR**—So they would be struggling financially.

**Mr Downes**—Yes, and that is the issue they have, because when they were built they did not understand where this whole industry was going to go.

**Mr West**—There are a couple of areas in Hobart, for example, that are pushing for government money to enlarge, so they do have an opportunity to make some income out of it. At their present stage they cannot make an income.

**CHAIR**—Are you aware of any Tasmanian organisations that have used the Australian Sports Foundation and, if so, what is their response to it?

**Mr Downes**—I had the understanding that there was an organisation, the Southern Tasmanian Netball

Association, that was investigating that channel. I must confess I do not know what happened with it. I know it did not come out to a favourable outcome for them, so I do not know what happened, but they actually did go down the track. In fact I actually had all the information on that and passed it on to them, but they are the only ones to my knowledge.

**CHAIR**—Does your organisation have a view about the Sports Foundation and its effectiveness?

**Mr Downes**—I think the concept is nice. I cannot comment on how effective it is, because I have not seen any examples of it.

**CHAIR**—That perhaps is a fair comment on how effective it is.

**Mr Downes**—Yes.

**Mr McDOUGALL**—We talked about the education department. The universities and the tertiary level—realising that they are still part of the state system—seem to have a little autonomy all of their own. How do you see that potential development of multi-use, and is it happening?

**Mr West**—No, it is not happening. The universities tend to cater for their students out of hours, which puts constraints on whether there is multi-use available for the greater community. As to whether it has been pushed to happen, I am not aware. I have never actually considered the universities; I have never gone that step to consider the universities.

**Mr McDOUGALL**—But you would agree that there are some pretty good facilities around university campuses.

**Mr Downes**—Yes, and I believe that that will happen as a result of the sorts of discussions that we are having and the need for organisations to look seriously at what their assets are. They will automatically start looking at other forms of income.

**CHAIR**—Thank you very much for appearing before the committee. It has been really good to hear your comments on so many of the issues that are before us and from a very practical point of view. We have appreciated your submission and your answers to the questions. Thank you for appearing today.

[10.52 a.m.]

**WARDLAW, Mr Stewart, Executive Director, Local Government Association of Tasmania, GPO Box 1521R, Hobart, Tasmania 7001**

**COOLEY, Ms Angela Katherine, Executive Officer, Tasmania's West North West Councils, PO Box 274, Ulverstone, Tasmania 7315**

**ALOMES, Mr Gregory Stephen, Executive Director, Hobart Metropolitan Councils Association, GPO Box 503E, Hobart, Tasmania 7001**

**TRAYNOR, Alderman David, Chairman, Hobart Metropolitan Council's Leisure, Sport and Culture Standing Committee, GPO Box 503E, Hobart, Tasmania 7001**

**CHAIR**—Welcome. We have received submissions from your organisations and they have been authorised for publication. Are there any changes that you propose to the submissions?

**Mr Wardlaw**—No, sir.

**Ms Cooley**—No.

**Alderman Traynor**—No, Mr Chairman.

**CHAIR**—Perhaps I could invite you to make some opening comments and in that process it would be useful for you to explain, for the record, the relationship between the various organisations that are present here this morning.

**Mr Wardlaw**—I represent the Local Government Association of Tasmania which comprises all 29 councils in the state, and our submission that we are putting to you today has actually been endorsed by the association's management committee, so it actually has an endorsement right across the state. For the record I would explain that Tasmania has three geographic regions and they are not a formal part of the Local Government Association, but we certainly do have very strong affiliations and common interests. Ms Cooley is representing the North West Regional Group of Councils and Alderman Traynor and Mr Alomes are representing the Hobart Metropolitan Council Association, which is actually a subset of the southern region, if that makes sense. The northern area of the state is not represented today, although I believe the Launceston City Council, which is the major council in that area, has made a submission which probably broadly represents those regional interests.

**CHAIR**—As an executive director, are you engaged as an officer of those councils?

**Ms Cooley**—Yes. West North West Councils is set up as a separate organisation and it is funded by the nine north west councils that are involved in it.

**CHAIR**—And it has its own separate office.

**Ms Cooley**—Yes, that is right.

**Mr Wardlaw**—I was going to briefly discuss some very generic and overarching issues. They are really to do with the principle that our key interest is seeing a strategic policy that integrates national, state and local government in terms of activities and interests, such as the one for which we appear before you now. The submission we have put in to you virtually speaks for itself; however, I will just highlight a few key principles over the next two or three minutes.

The first is something which I perhaps heard a little bit of in the previous submissions; that the federal system of government probably tends to disaggregate the capacity and the effort of governments to really achieve best outcomes. All spheres of government are very keen in seeing the use of capital and assets maximised—that is something that interests us, particularly in terms of educational facilities and things like that—and recurrent expenditures really should be minimised as much as practicable by integration and working together in some strategic sense. The access for people to facilities is essential, and there should be equity considerations to make sure that no section of the nation's population is denied equity or access because of, for example, their position, their social structure or economic considerations.

It is those two things, the economic and social considerations, that concern us most in Tasmania. We see that, because the economy is going through a somewhat depressing time and because we have probably got some bad social indicators, which really limit our ability to do some of these more innovative and entrepreneurial things with joint sector ventures or private sector ventures, our population should not be denied good quality facilities. We see value very much in this integration of total national effort and that goes in two particular areas: one is in the provision of infrastructure and the other is in funding.

The last point that we would make is that we see infrastructure as a tiered issue, inasmuch as there are national and international facilities, and then there are state facilities and there are local facilities. In terms of those three tiers of facilities, we see that going with that there are probably obligations and responsibilities for governments to fund according to those tiers. For example, if there is a need for an international or a national standard facility, we would see greater responsibility for the Commonwealth to work with state and local government in the funding for the provision and maintenance of those facilities.

If, on the other hand, it is something of a state standard or a state facility, the Commonwealth role might be somewhat less, and once again if it was just something of a local or a regional nature, local government's role becomes much stronger. So we would see that sort of tiering of responsibility as pretty fundamental to the provision and maintenance of facilities. I think that is probably all I would like to say in the opening remarks.

**CHAIR**—Would anyone else like to make some opening comments?

**Ms Cooley**—No, I think I am right.

**Alderman Traynor**—I represent the HMCA Leisure, Sport and Culture Committee, which is a standing committee of the greater Hobart council's committees and issues such as the Aquatic Centre and so on are very much on our agenda. The facilities that you will be visiting today are all on our agenda, if you

like. The hat I wear as an elected member is for the City of Clarence, not the City of Hobart, indicating the regional approach that we have been taking to the provision of facilities in this city, rather than the state as a whole. Our committee represents only the greater Hobart area, rather than southern Tasmania.

We have a number of concerns, many of which have been voiced here today already, and a number of which I am sure you have heard from previous submissions from other areas. The first one relates to funding. As an elected member I am pretty much of a realist in terms of where money is coming from nowadays. We are limited in our land based taxation system of rates and we are certainly extremely limited in what we can raise, and funding in the form of grants, particularly for cities, is a shrinking possibility for us. It may well be different for other councils that the other members here represent, but certainly for cities we cannot rely on growth in grants based income in the future, and that is a major limiting factor on us.

The councils of the Hobart region have been quite responsible in recent years, post-Hilmer, in terms of the sorts of charging facilities and funding arrangements for existing facilities. However, Hobart has a range of facilities that are now quite run-down, that either need replacement or major refurbishment, some of which are mentioned in our submission. The place of the private sector has been emphasised in our submission and we are certainly aware that 'pay and play' is the way of the future in a number of sports. Netball was mentioned, and a couple of others of that nature, and local government would not be competing in those areas at all.

Politically—and as the only elected member before you I can speak politically—the citizens that we represent demand sports at the lowest level and they demand that local government fund the local soccer ground, so we are not just talking about elite sport. There is some demand on local government for provision of those as well, of course, but politically councils representing sports at that neighbourhood level are being pulled to continue to provide those sorts of facilities and not charge full attributed costs back to community groups at that low level.

Local government no longer has the capacity to give away money in those sorts of areas and that in itself is both an opportunity and a threat, in that there can be some more private sector involvement in those sorts of local things, like local sponsorship of sporting facilities by local businesses, but certainly the problem will not go away. Whereas with the political demands, it is going to take a long time for people to understand things like full cost attribution.

In our submission we mention on page 7 and 8 some future facilities that have been identified for the greater Hobart area, starting at the higher level with the AFL ground which has been subject to a separate report, and there has been a detailed evaluation of the Hobart facility. We are certainly well aware of the Launceston proposal and we are not going to buy into that argument. Suffice to say that there is a submission floating around on that particular issue.

Another issue of local concern is the existing facility for cricket, which you will be visiting this afternoon, and that is actually in the City of Clarence, just to put in a plug. There are some major upgrades required for that and I am sure the moment that you go there you will see some of the need, quite obviously. The one that our committee has been working on has been the Domain Athletics Centre. Unlike past rivalry between local governments, we have been very cooperative on this particular issue and we are seeking to put

up joint submissions on this particular one. There will be some joint funding arrangements on the Domain Athletic Centre, despite the fact that it happens to be located in one of our city council areas. Our submission quite clearly points out that our committee sees as its role that cooperative approach for the future and regional funding.

Just to backtrack a little bit, the Hobart Aquatic Centre that has been mentioned is not a particularly good example of regional cooperation, although we did cooperate and I actually served on the committee for that facility in the early days as an example of cooperation, but the funding side of it was that it was not jointly funded by councils, it was funded by Hobart Council, but we provided assistance in other ways. Other facilities have been mentioned, also right down to the neighbourhood level, in other submissions that have been made to you.

On page 9 of our submission there are also a few issues that we have mentioned with regard to ongoing future management, including the need for professional management of sporting facilities; the need for regional facilities, as opposed to the very local level; asset management; the place of the education department, and as an aside I will mention the Dodges Ferry Primary School arrangement, which does have the sort of facility that you were looking for as an example on the previous submission. I notice that you chose not to visit that one—I think it was identified as a possible visit for you—but that particular one is a fully cooperative community and school arrangement, with the full concurrence of the school council and principal, as an example of how it can work.

As far as our local government involvement goes, we are interested in the future in far more joint arrangements for facilities, including joint funding and joint management arrangements involving the private sector where appropriate in joint ventures, or just several local governments joining together rather than duplication of services in the future. Some of the funding options have been identified on pages 10 and 11 in our submission. We definitely see a future for corporate sponsorships, as I have already mentioned, at the local level, but certainly for peak facilities, or elite sports as well, and we have made some submissions about some possible incentives.

As I said at the beginning, as an elected member I am pretty realistic about sources of taxation income and I think we are fairly realistic in what we are suggesting in our proposed funding and involving other tiers of government and not just asking the Commonwealth for direct grants.

**CHAIR**—Thank you very much for those comments. We are bound to want to address quite a number of the issues that you have raised. Just as a small point, I note in your submission that you claim that there has been a reduction in general purpose funding—this is the local association—provided to local government in this state by the Commonwealth. What is the basis for that statement? It was my understanding that the personal income tax share to local government has increased, I think, every year since 1972 or whenever it started.

**Mr BILLSON**—Six per cent last year.

**CHAIR**—Why have you claimed that there has been a reduction?



**Mr Wardlaw**—That is in the financial assistance grants, distributed by the Commonwealth to the states then distributed to the councils.

**CHAIR**—Yes, that has been increasing all the time.

**Mr Wardlaw**—Well, we believe that is not the case, necessarily. There have been adjustments made to that. By looking at that in sort of real terms, by adding on inflation and then looking at what money is distributed, our research indicates in actual fact it has not kept pace with real value.

**CHAIR**—Is that just from one local authority's point of view or from Tasmania's—

**Mr Wardlaw**—No, across the board.

**CHAIR**—But the total amount went up above inflation last year.

**Mr BILLSON**—The FAG money is clear. If you are talking about other dips out of Commonwealth funds, that might be a different story. But the evidence is unquestionable.

**Mr Wardlaw**—Mr Chairman, I am prepared to take that back, re-check it and formally get back to you on that point, if you wish.

**CHAIR**—Thank you. It is perhaps not a major point but my understanding of—

**Mr Wardlaw**—We will clarify that, sir.

**Alderman Traynor**—Mr Chairman, I was going to speak in support of what Mr Wardlaw has said. As our group represents cities, we are particularly disadvantaged in that regard. Grants from FAGs, particularly, are reducing in real terms and in the case of the City of Clarence it has reduced in actual money over recent years.

**CHAIR**—That may be a problem with the intrastate distribution, is it?

**Alderman Traynor**—Therefore you have got to be careful about making any statements from your perspective that Tasmanian money might increase by a certain percentage, but when it relates to money on the ground that can actually be used, it gets soaked up into some strange little tiny outlets.

**CHAIR**—That may well be the case. But presumably it is being administered or divided up in Tasmania on the basis of need and if somebody in Tasmania has made an assessment that the needs are greater in other places, well, that may well be the case.

Let me refer to other issues in relation to funding. You followed the theme that there should be a national task force. In fact, I do not think anyone else has put forward the proposal that the Commonwealth should involve itself in elite facilities, national and international, and leave councils to look after the local ones. Generally there has been a view that the Commonwealth's responsibility is more wide-ranging than

that. What is the basis for your coming to the conclusion that the Commonwealth should restrict its involvement to international and national facilities?

**Mr Wardlaw**—What we are saying, I guess, is that its involvement is greater at the national and international facilities and lesser, if at all, at the very local level when you get down to a cycle path or a bikeway or anything like that. It is just, sir, that we see it is quite rational to have a hierarchy of funding relative to the nature and extent and the complexity of the particular facility.

For example, I guess the extreme end of the scenario would be the Olympic Games where you have international world standard facilities for those types of events. And as such, there is a huge spin off, a national spin off, for that type of activity. So it is in the very broad national public interest to have a greater involvement. However, the other extreme case, as I said before, is that it might be just a cycle path or a skateboard track; quite obviously the national interest is much, much smaller and therefore the local interest becomes greater.

It is really developing a theme. Following on from what Alderman Traynor was saying, an AFL football facility does have a degree of national perspective about it, being a national code and something that is significant and televised across Australia. Therefore it would engage, probably, a Commonwealth sort of interest. That is the sort of thinking behind that approach.

**CHAIR**—Except those big events, like the Olympic Games and AFL football games, have a much greater capacity to fund themselves.

**Mr Wardlaw**—They certainly do. It is for that reason that I was attempting to explain in my initial comments that, taking a situation like Tasmania where the economy is much weaker and, probably as a corollary of that, the social problems are greater, our community should not be necessarily disadvantaged because we cannot attract that private sector investment into national standard facilities which we still believe any population in Australia should have reasonable access to.

**Mr BILLSON**—The argument that has been put to us by other local government associations is quite the opposite, that those at the elite end of the market are getting a disproportionate share of funding—I think Ms Cooley's submission says it is about 93 per cent; there is the capacity to attract corporate sponsorship and other benefits; and that the local facilities are grossly neglected because of that. The argument can then be put that, if we are in for the health and equity argument, which is a reasonable proposition for the Commonwealth to look at it from, that would take you in the absolute opposite direction to the line you were just running. That tends to leave us with a dilemma, does it not, that the reasons why the Commonwealth would get in are quite the opposite to what your submission asserts.

**Mr Wardlaw**—Taking the aquatic centre as an example, I think that is probably a good case model where you have got a national interest because it is a venue of international and national standard, and the Commonwealth is engaged in joint funding. Secondly, because it is a state facility where you conduct state championships, the state is engaged in that. Thirdly, the average local community has an advantage in being able to go and use that facility in a recreational sense, so there is local government funding as well.

We would see that model as really quite a sensible approach because it does have all those elements in it. If you are talking about purely elite facilities, you would probably apply a different sort of scenario to that. But the aquatic centre is a typical case study, in which I think there was fairness and equity in the way it was funded.

**Mr McDOUGALL**—You talk about fairness and equity in the way it was funded. What is the fairness and equity in regard to how it is going to be maintained and the recurrent funding—not only recurrent in management but also recurrent in capital? Is the same fairness and equity going to be in that?

**Mr Wardlaw**—That is something that really we have not addressed our submission to. It is something that probably affects the policy of an individual council. It may be more appropriate for the Hobart Metropolitan Councils Association to respond to that issue, because it is something particularly to do with a single region and a discrete group of councils.

**Alderman Traynor**—Mr Chairman, I would be happy to respond to that because I know that even in the previous Tas Sports Federation submission the issue was raised as to the operational side of the ongoing expenditure. When dealing with the big bucks you tend to talk about capital in this context but the ongoing responsibility for operational cost is quite clearly with the Hobart City Council. However, they have made some very responsible decisions with regard to income generation through the facility. One area is that of charging rates. Sub-lease arrangements have already been put in place. Whilst I have not had access to the detailed figures, at this early stage the indications are that it is a matter of being quite happy with the potential possible income from a major facility such as that.

Certainly with regard to capital expenditure, I am aware that there has been capital expenditure made with the intention of limiting future operational expenditure—for example, cost effective heating methods, lighting methods and so on that will reduce the ongoing expenditure on a year to year basis. Obviously, if you spent enough capital in those sorts of areas you can design facilities to minimise those sorts of things, so that has been taken into account.

It is, however, the position that that particular facility will continue to be run by Hobart City Council rather than through any sort of regional arrangement. I should not comment much further because I am not a city council alderman; I represent the City of Clarence.

**CHAIR**—That is an example of regional co-operation in the cities. Sometimes it is easier to achieve that in cities than in country areas. Are you aware of any examples of the country towns of north-west Tasmania, for instance, having co-operated to build a regional sporting facility?

**Ms Cooley**—Mr Chairman, at this stage, no. We are at a much earlier stage than the HMCA are at the moment. We have done an indoor facility study in co-operation with the state government. But at this stage we have not gone a lot further than that basically because of competing pressures.

**CHAIR**—Could you explain what you mean by ‘competing pressures’?

**Ms Cooley**—In terms of work pressures—things that are going on in the region at the moment.

**CHAIR**—You are not yet rowing over which towns should have the indoor facilities—that is something to look forward to?

**Ms Cooley**—No. At the moment there are not any. There are a few proposals that have been floated over time. I have only been in the north-west for a little bit over a year but I know that there has been some talk, just general talk, about whether one area, which is a more rural area, Kentish, should have their own sports centre or whether they should be forced to use one closer in to Latrobe. But they have actually set up a new council arrangement. The two councils are working together and have formed a joint authority to do all their administration and business together, with two separate council bodies on each side. So that may solve that question. But as far as proposals for facilities go, I do not know of any in the region on a large scale at the moment. There might be small projects—small funding type projects.

**CHAIR**—So you are not aware of any cases where one council actually provides financial help towards a sports facility that is actually in another shire?

**Ms Cooley**—No, we do not have any huge sports facilities in the region, either, except for Lake Barrington, which is the international rowing facility which the Kentish Council provides financial assistance to. But I am not aware that any other councils contribute to that.

**Mr JENKINS**—I thought the name Tattersalls Hobart Aquatic Centre was interesting. Does that mean that there is corporate sponsorship?

**Mr Wardlaw**—Yes.

**Mr JENKINS**—Is it considerable—well worth the right to have the name on?

**Mr BILLSON**—Sufficient to have your organisation argue that the introduction of a national sporting lottery probably would not be in the interests of a Hobart aquatic centre?

**Mr Alomes**—I think the important point to make here relates to the question earlier about capital contributions from the Commonwealth and should there be an equal contribution to maintenance or asset replacement. I think what was found with the aquatic centre was that it was a real struggle to get the money together. While I am sure the Tattersalls amount was not comparable to what the Commonwealth, the state and the councils put in, it made the difference and that is what we are trying to communicate in our submission regarding Commonwealth funding.

If you have sufficient funds to be able to fund state, national, regional and local facilities we would very much welcome it, but we are fairly suspicious that there will not be that level of funding available. Maybe I am being a little cynical. But what we are about is getting sufficient funding for capital to make the difference—that is, capital from the Commonwealth to make the difference to get some of these things in place. Once they are in place, the regional and local community should in fact work to sustain it and maintain it. But, clearly, we understand there is a shortfall of funds generally in government. What we are trying to communicate is that, well, it would be very good if the Commonwealth would participate, particularly in major facilities, to make the difference to enable us to all work together to get something on the ground and

operating.

**CHAIR**—Do you have an idea of what percentage of the capital cost is necessary to make the difference?

**Mr Alomes**—It is going to vary from sport to sport, in some respects, and the nature of the councils involved. But it should be aiming for at least a third, a third, a third.

**CHAIR**—It has been suggested to us that an indoor sporting complex, for instance, needs about four courts and costs about \$3 million to \$4 million and that to make that viable we would need \$1 million cash contributions.

**Mr Alomes**—That could well be so. The Domain Athletic Centre is a good example. I think the total cost is about \$1½ million. We have got about \$600,000 and we are really struggling to get the rest of the money together from council contributions, private sponsorship, to make that happen. Clearly, a third contribution from the Commonwealth would make the difference. That would be upgraded, but not as an elite facility. It would be a national standard facility but it would also be a facility for the schools, for the young people right through to the elite.

**CHAIR**—So that \$1.5 million development—did I get the figure right?—cannot cover \$900,000 worth of interest and redemption from ongoing revenue?

**Mr Alomes**—It would be very difficult, but I still make the point that that is a local responsibility, a regional responsibility, to cover that.

**Mr BILLSON**—Can I just conclude what I was talking about earlier. Ms Cooley, does your community feel happy that there is the Hobart Aquatic Centre or is there a bit of 'me to' going on up there?

**Ms Cooley**—It has not actually ever arisen as an issue in the community as far as I know. The Hobart Aquatic Centre was well and truly on the way when I went to the north-west. I do think that there is definitely an opinion that these big facilities in other parts of the state are pretty hard to access on a regular basis for users in the north-west. As a person living on the north-west, I am really not going to come down to Hobart when I want a swim. But if there was an outstanding international event going to be held there, people in the north-west are very well known for the way they support those upper level sporting activities.

**Mr BILLSON**—So, if the Commonwealth was to say that it would have a, let us say, a proportionate share involvement in funding national standard state centres, you would feel that your community would accept that and we would feel that we could at some point in the future rule off that investment once we had got to a point where each state was sufficiently well serviced? Your people would be happy with that and then we would sort of kick in and—

**Ms Cooley**—I am not sure what you mean. Do you mean if they are in Hobart, located in Hobart?

**Mr BILLSON**—Yes.

**Ms Cooley**—No, and that is why we have argued very strongly about equity and ground level participation. There is probably not a large amount of elite, very high level sport in the north-west or in the whole of Tasmania. I think my community would feel very much left out of the picture and very neglected by the Commonwealth and the state if they were to do the same thing. So we have argued quite strongly in our submission that we would like to see more money put into ground level participation. I think 97 per cent of funding at the moment is going to elite level sport. It is a pretty well known fact that children are playing less and less sport and we feel that the way to encourage them to get back in is by providing the facilities for them at the ground level and then maybe they can go on and develop from there.

**Mr BILLSON**—So the last thing you would like us to do would be to perpetuate that imbalance?

**Ms Cooley**—I think it is important that the imbalance is addressed. I do not know whether ‘perpetuating’ would be the right terminology—I would hope that that is not what is planned. But I think it is very important that the imbalance is addressed because there are a lot of rural communities especially that do not have access to good sporting facilities. Whilst we are very aware of the need to regionalise these facilities and put money into regional-type arrangements, I think you have still got to be aware that in some areas it might still be a two hour trip to the regional facility.

**Mr BILLSON**—We have also received considerable evidence that says the Commonwealth should be a catalyst funder—that is, we would help get projects off the ground and then see you later, all the very best. Following that line, though, there would need to be a test of viability of the venture and this would have an effect of possibly further excluding smaller communities because they just cannot sustain the activity. The viability test is a difficult one. Is that something that you have a view on?

**Ms Cooley**—I think Alderman Traynor has got a view but I would like to add something first. That is why we have argued as well that we need planning, prior to any funding being given. These things need to be worked through to the nth degree before any funds are handed over and we think that might be able to help address that situation.

**Mr BILLSON**—And that study would be covered by the authorities?

**Ms Cooley**—The way that we saw it was that people applying for funding under a Commonwealth funding program should at least be able to demonstrate that they have identified the needs for their region and then that they have addressed those needs in terms of prioritising them. If they cannot do that, if they cannot actually demonstrate that they have planned this properly through to the maintenance and the recurrent costs and the running costs, then you have really got to seriously look at whether it will be a success.

**Mr BILLSON**—I would agree, yes.

**Mr Alomes**—We actually currently have an example of the Domain Athletic Centre in the sense that we are requiring a business plan before we will in fact put a proposition to our council.

**Mr BILLSON**—Just before the Chairman leaps in, local councils have suggested that we should fund the kite-flying exercises as well—that the Commonwealth should fund the countless feasibility studies.

**Alderman Traynor**—That would be nice. But again being fairly realistic, Mr Chairman, we would not be suggesting that sort of funding. But certainly our local government obviously feels itself to be accountable to its electorate both in financial terms as well as electorally, and any misuse of funds or projects that fail come back on local government and do not necessarily reflect badly on the Commonwealth, which might be partly funding the project.

So in a sense local government has a fairly immediate requirement for these projects to be successful. Given the other moves in our tier of government with regard to other accountability issues, including our latest accounting standards and so on that we are required to meet—factors such as sensible strategic planning and strategic on-going management of these particular facilities are certainly a key concern of all local governments throughout Tasmania and in particular in the cities—I cannot see a problem with suggesting that local government should provide both a leadership role and an on-going management role of some of these facilities.

Local government is well placed because of local knowledge. Secondly, the Commonwealth is protected because of these accountability questions. So I can imagine that your question, Mr Billson, would be covered by those sorts of reassurances.

**Mr BILLSON**—I have a final question that I would like to ask you about funding. Given all of the characteristics which you put forward regarding local government—and as a product of local government, I think highly of that institution—if the money was simply provided by an increase in FAG, my suspicion is a ‘poopteenth’ of it would find its way through to recreation and sporting facilities. Would you care to comment on the likelihood of it finding its way through to that?

**Mr Wardlaw**—In answering your question in a round about way, I think, in the broader public interest, there is a need to ensure that if there is any adjustment to any sort of general purpose funding—for example, the need for recreational facilities—it should actually be targeted. So probably, in all common sense, you start talking about specific purpose funding to get that outcome.

**CHAIR**—So you would really prefer to have money for other things than sporting facilities?

**Mr Wardlaw**—Well, we need money for all sorts of purposes.

**CHAIR**—You prefer to have money, full stop. But if you are given a pot of money, you are not going to spend it on sport?

**Mr Wardlaw**—The demands are so complex that councils have to manage that there is a probability that it be put into more urgent infrastructure, physical infrastructure, rather than into the more social side if it was just part of the general purpose payment, I would suspect.

**CHAIR**—So at your conferences and the like you are really crying out for money for other things

rather than sporting facilities?

**Mr Wardlaw**—Yes. At an inquiry last week we were saying that just for the purpose of maintaining the road network in Tasmania there is a \$30 million deficit already. So obviously if you have got more general purpose money you are going to put it towards those sorts of really quite imposing requirements and obligations. That is what is likely to occur more often than not. I am not saying that it would not happen but I think it is more likely it will go into those very, very pressing needs of infrastructure.

**Mr BILLSON**—You are saying we need to accept the list of areas where funding is not required; it is quite—

**Mr Wardlaw**—I think where I was starting off from was really the need to have an integrated and strategic approach by all spheres of government to programs like this and that is the position that we would take.

**Mr JENKINS**—We are fortunate that as Mr McDougall has been present on both the road funding inquiry and the sports funding inquiry there have to be consistent answers. Within local government, I think throughout Australia to varying degrees, there are regional approaches, especially to sport and recreation needs. I note in the HMCA's submission talk of section 38 of the Tasmanian Local Government Act which allows you to put together regional authorities. Ms Cooley mentioned the Kentish/Latrobe one, so I will get her to talk about that. But from Hobart's point of view, could you just clarify whether there have been any of these authorities put together.

**Alderman Traynor**—The answer is no but there are some very close to fruition and there are a number of others. The point is it is a possibility for particular projects. Mr Alomes wants to talk about a particular example.

**Mr Alomes**—I should say, Mr Chairman, that in fact the HMCA is one of those bodies. So the mere fact that we have got a standing committee called leisure, sport and culture which has in fact been in operation for about nine months and is actually preparing this strategic plan for the development of major facilities in the region is a good example of that at work already.

In terms of having an authority that actually runs a facility, no, but certainly under similar sections of that same act there are controlling authorities being established—the aquatic centre, for example, with a board of management established at arm's length to the council. So there are some examples of councils doing it individually. We are an example ourselves of doing the strategic planning and the planning and priority setting through that authority structure.

**Mr JENKINS**—Would those authorities have the ability to borrow money?

**Mr Alomes**—They have the same basic powers as local government within their defined functions.

**CHAIR**—Could you comment on the north-west?

**Ms Cooley**—The north-west is also a joint authority such as the HMCA. Within that the



Kentish/Latrobe arrangement is actually the total councils—it is not just on sport or recreation or any other issue. It began very much as an experiment, an alternative to amalgamation. They have now got two separate councils at the top and then a joint authority which has three divisions to run the councils. That joint authority will deal with all the normal council business as one organisation. The reason I used that was to explain that co-operation does exist and that these issues can be dealt with in those structures.

**Mr JENKINS**—The north-west indoor facility study identified under use as being a particularly significant issue. It identifies that some of that is because facilities need refurbishment but it also identifies management strategies and lack of facility marketing programs. How do you gain the sort of co-operation needed to address this?

**Ms Cooley**—We have already established a body of managers. So any facility manager in the north-west can attend a forum regularly and discuss the network and work out ways to overcome such problems as under use. We are also looking at commencing a needs assessment as well so that we can identify which areas are worse off in terms of under use. We are looking at ways of addressing that. We are also looking at what are our future priorities. Managers are finding the facility managers forum that has been developed extremely useful and there has been a little bit of improvement in that area since then.

Let me refer to a need that we identified that a funding program may address. There seems to be, at least in our region, a need for training of managers. A lot of people are appointed as sports facility managers. But as the trends in sports facility management move forward pretty quickly and it is very difficult for councils to keep managers up to scratch on those, we felt that a funding program should not simply look at funding concrete facilities but that it should actually go further and look at the people involved and the re-developments and things like that.

**Mr JENKINS**—Fine. Thank you for putting that on the record because later I have got to discuss with my colleagues whether our terms of reference are broad enough for us to well and truly explore that. I think it is a theme that comes through continually and I am glad that you put that on the record. Did the facilities study also look at facilities provided by schools?

**Ms Cooley**—Interestingly enough—and I thought of this while you were talking to the your last two gentlemen—the schools, or the Education Department as a whole, were invited to participate. But the responses from the Education Department were extremely limited, and I guess that fairly well depicts the relationship in the north-west in terms of use of Education Department facilities—there is not very much dialogue. I know there is very much a feeling in the north-west councils that it is a waste of time because security is always the issue and we cannot get around that issue.

**Mr JENKINS**—Thank you once again for putting that on record. Would that be an issue in Hobart metro?

**Alderman Traynor**—Yes. As you can imagine, Mr Chairman, we are speaking about dozens of schools, not just schools in the state school system but also, of course, private schools. There is very limited access overnight. We are usually talking about evenings and weekend usage of these facilities and, to a limited extent, school holiday usage. But schools are not designed to allow easy access to their gym or

whatever by members of the public. I mentioned Dodges Ferry as an example earlier on: it is actually a separate building, so it is next door to the school but it is actually accessed separately; you can walk from the car-park to the gymnasium arrangement without crossing any school property or interfering with the school operations. They can have housepersons netball during school hours without interfering with the school operations. So that was a capital matter—it was designed that way from the start.

**CHAIR**—Ms Cooley, there were a couple of statistics you quoted before that interested me. I am interested in the basis of them. In your submission you actually say that 97 per cent of sport funding is being allocated to elite athletes. I would be interested in the basis of the statistics that led you to come to that conclusion.

**Ms Cooley**—Our submission was actually put together by the people involved in our sport and recreation committee in the region, which includes the state government, and they were figures provided by the state government representative on our committee.

**CHAIR**—I would certainly be interested to find out what those calculations are because it does seem a lot, and I am wondering what you are taking into account in coming to that figure.

**Ms Cooley**—There was a national report done on local government funding of sport and recreation, and I think it comes out of that, but I can confirm that.

**CHAIR**—In the submission you do not imply that it is just local government funding. I am just curious as to what might be the basis for that because obviously it is a pretty important piece of background information from the point of view of our inquiry.

**Mr McDOUGALL**—Are rates in Tasmania capped or is there a discussion by the state that they should be capped?

**Mr Wardlaw**—No, they are not capped but, yes, there is an intention by the state government to cap them. As a matter of fact, there is a discussion going on this very day about what the government really means by that. We understand that they are going to cap the rates by the rate in the dollar, by how you calculate it, rather than by the revenue that you receive. There is really a marked difference between those two approaches.

**Mr BILLSON**—Valuers will become important.

**Mr Wardlaw**—Yes they will. And the second thing that I was going to say in relation to rate capping is that it will apply to the general rates, not to service rates like water, sewerage and waste. It will impact on the sort of funding that this committee is interested in because it will cap, restrict, that revenue.

**Mr McDOUGALL**—The reason I asked the question was that some of the other states which have rate capping have said that the rate capping has in effect reduced their capacity to be able to fund. That comes back to the question of priority within the local government as to where money should be allocated. I come back to the question that I asked the state government this morning, and I seem to have been given a

different answer to the one I got from the state government in relation to the road funding inquiry. The state government assured us this morning that if money was allocated for sport and recreation by the Commonwealth then it would stay with that department and would not be hived off to another department. In the road funding inquiry I got quite the opposite answer. Could I get from the local government representatives what your feelings would be. If you run into rate capping and you get restricted, and if the Commonwealth does give you funds, will there be the potential of it being hived off anyway?

**Mr Wardlaw**—I think that the answer that we gave to the road funding inquiry is still very relevant. Local government is really, I guess, so seized on this point across the nation, and Tasmania falls very much in line with this: we want to retain identified road funds in the financial assistance grant distribution because we want to make sure that the money is hypothecated to roads. When it hits the council in-tray, the way in which councils structure their finances is that they do have accounts for roads or for street lighting or for recreational facilities. So it is a natural consequence that any money that has got any semblance of sporting and recreation will go to a sporting and recreation account. So I would say that by practice, how councils do business is totally different to how states do business. How councils do business, it would hypothecate.

**Mr McDOUGALL**—But you are saying the councils would hypothecate but there seems to be a doubt as to whether it would hypothecate at the state level?

**Mr Wardlaw**—That is really something that we obviously have a very keen interest in but in the end it is the state that decides that. Whilst we would lobby it furiously to hypothecate it, in the end it becomes a state government policy.

**Mr McDOUGALL**—What is the reality of what has happened?

**Mr Wardlaw**—I think in reality generally state governments operate a consolidated accounting system. A state puts all the money into the one big pool and then agencies make bids for it. If there are X millions of dollars flowing in for a specific purpose, it might well see some obligation because of the history of that issue to actually pass it on; in other cases it will not.

**Mr BILLSON**—Or suck its money out and then put it into something else.

**Mr Wardlaw**—I think what the state was inferring with the roads is that just as the Commonwealth sees a federal fuel tax as a general tax, not a road tax, states see road money as a general bit of money and not necessarily funds they should hand on direct. That is just the way the governments see those sorts of things.

**Alderman Traynor**—Mr McDougall raises some very interesting points. I am representing the city councils in the greater Hobart area and we certainly have some problems in this area. First of all with regard to differentiation between councils in Tasmania, certainly the cities would see themselves as being more efficient and a bit leaner than some of our other councils which are reliant upon grants income, for example, and have other problems on an ongoing basis.

Rate capping would be particularly onerous if it was applied across the board for city councils. In the

event of rate capping being introduced or imposed by the state government—after all, we are the only tier of government on which another tier can impose things—those city councils, which I am sitting here representing, would be severely limited in their future expenditure. The proposal has been for a three-year rate capping. By the third year we would be quite desperate, and there would certainly be no discretionary funding on major capital or ongoing operational matters like the sorts of regional facilities that you have been talking about.

**CHAIR**—Has your state government negotiated a deal with local government to return to local government some of the benefits that it is accruing from the Hilmer process?

**Mr Wardlaw**—No, it has not. It has not at all—unlike Queensland which have done quite a good deal, and Western Australia which is doing quite well. Our state government is very disinclined to negotiate that, and that is possibly because of its own financial circumstances. I think it is very unlikely it will happen—we would love it to occur but we do not think it will.

**CHAIR**—But it still expects you to make some Hilmer-type reforms.

**Alderman Traynor**—Mr Chairman, we have been making the reforms.

**Mr Wardlaw**—Yes. The full rigour of reforms, in fact, we are expected to achieve.

**CHAIR**—But it is going to pocket the money?

**Mr Wardlaw**—Exactly.

**Alderman Traynor**—Precisely, Mr Chairman. For the last three years we have been implementing the reforms.

**Mr BILLSON**—We have a rate capping regime in my electorate in Melbourne and the city council is contemplating the introduction of a \$10 facility and capital works levy. The research that they have done, I am told, suggests that people are more inclined to pay that rather than have it just swallowed up, and that where there is certainty that the money is going to those sorts of projects then they are less worried about it. Is that something that you would consider? Secondly, if the Commonwealth was to ask for some demonstration of local effort to prove that the local communities are fair dinkum about their asks of the Commonwealth in terms of money, would that be one way of delivering that demonstration of effort?

**Mr Wardlaw**—I think that really raises a very interesting question because rate capping, where you start to limit the general income, might well cause councils to become very creative about how they maximise user charges or indeed put on particular levies. I think that generally councils in Tasmania anyway have made a lot of progress towards their pricing policies by going down the track of user charges as far as they can reasonably be expected to in terms of the public interest. However, those values might change given such programs as rate capping. I would suggest that you will see attention being paid to this issue of user charges across a whole range of local government services as rate capping over this initial three-year period starts to bite.

**CHAIR**—I have a quick question in relation to that. Does the Hobart Council still provide turf wickets, prepare turf wickets, for cricket clubs for little or no cost?

**Alderman Traynor**—I would not say little or no cost but certainly minimal cost. There are some subsidies in there still but certainly things are afoot to change a number of those issues and Bellerive has a different funding arrangement in that regard. But, yes, there are suburban turf wickets still being provided around the greater Hobart area.

**Mr McDOUGALL**—If I can change the subject. We have talked a lot about the future development of multiple facilities, of working with schools and universities. I come back to a question I asked earlier this morning and I used the North Hobart oval as an example of an oval which is, I gather, used very very restrictively. What has local government done in regard to saying, ‘Well, look, before we look down the track at what we can do, what we can develop with Education Department, have you really done a search on what you have got and what you need to do to actually expand the operation to be able to deliver better outcomes at a far better return on your money invested?’ You might like to give an answer in regard to both the regional areas and Hobart.

**Ms Cooley**—From a north-west regional point of view, that is where we are at the moment. We have an ongoing committee as well which is currently looking at those sorts of issues. We went through the indoor report, set out the points that were identified and we are now actually working quite closely with the state government to address those very points.

**Mr Alomes**—The HMCA was our effort at starting to do that. The first thing we concluded was that we needed a structure to enable us to talk to one another to be able to do those sorts of assessments. I mentioned earlier that the first practical project we are taking on is the Domain Athletics Centre. One of the things we did assess early on was whether its current location was the best location, and indeed whether there are other sites, like North Hobart, or whatever, that could be redeveloped or refocused to accommodate that activity. In the end we concluded it was the best site and it is a regional facility, hence it is worthy of further investigation in terms of how we develop it to a national standard. So to that extent we are currently doing it on a project-by-project basis but we see that that is part of our charter in the longer term.

**Mr McDOUGALL**—On that basis most of those older facilities would be hung on one sport or one group. What sort of resistance are you getting, or are you getting a resistance, from that sport saying, ‘Well, hang on a minute, this has been our hallowed place for years. We don’t want to share it.’ Are you running into that problem still?

**Mr Alomes**—If I could just speak about a couple I know—and I am very conscious of someone in the audience. At Glenorchy, for example, the football ground is used in the winter, of course, by the TFL and the Glenorchy Football Club. The council has moved to put turf wickets on it to get a summer use as well. My understanding is that has been done co-operatively. I will look to double check. Indeed, there is talk of even trying to provide lights that would benefit both the summer activities and the winter activities. So that is a practical example of that multiple use that you are talking about, but it also gets used for other activities as well.

**Mr JENKINS**—Could I just briefly go to questions about a concert hall—only because it has been mentioned both in the LGAT and HMCA's submissions. I note that the LGA here in Tasmania referred to landmark projects. In the state I come from it would be a major project quite easily solved by getting a committee of mates together. I note that one of the proposals was for the concert hall that might be part of a hotel complex or things like that. How realistic are those type of mechanisms to perhaps achieve projects like that? Also, does the LGAT use peak bodies as a means to gather private funding?

**Mr Alomes**—If I could just have a quick word on that. The bottom line, as I was saying earlier, is it is very hard to get the money together to make these projects viable, so there is a great pressure to work compromises, to work deals, that get the best result for the money we have got. I think there is an investigation at the moment by the Hotel Grand Chancellor Group to build a concert hall which will serve a function of a convention centre as well and a multi-purpose venue, in effect.

One of the concerns with that particular idea is, will it still meet the standards for a concert hall? I cannot answer that because I do not know whether they have got to that point, but clearly that is the level we are getting to. We are having to try and work those compromises because there simply is not the money around to build a stand-alone, purpose-built concert hall. So they are the sorts of things that are driven by the lack of finances or the lack of resources—the capital to do it. Whether at the end of the day we get an international or national standard concert hall, or whether we end up with an elaborate convention facility, is another question.

**Mr JENKINS**—Analogous to a sporting facility, you are trying to achieve something by making those compromises and making it something that has multiple uses.

**Alderman Traynor**—I think it does represent some realities of Tasmanian politics, that the Tasmanian economy does not have the money to throw around. In respect of any of these major projects that are seen as politically or socially desirable, for whatever reason, it is very difficult for any of the tiers of government to say, 'Well, it will be a government project' in a Tasmanian context. So the private sector option is certainly being pursued on a range of other projects as well, and I am sure Mr Wardlaw will nod his head on that one. It is not just this particular concert hall or the AFL oval in a Hobart context—it is throughout the state.

**CHAIR**—Thank you very much for providing the local government perspective in Tasmania for this inquiry. Local government provides more money for sporting facilities than any other tier of government and so your perspective is particularly important to us. We have appreciated the submissions that you have provided and committee members can look forward this afternoon to seeing something of what is available in Hobart. Unfortunately, I will not be able to join them because I have to head back home.

I think what we have seen in Tasmania demonstrates what we have seen in other parts of Australia, that there is a desire for very much more than there is available at the present time and probably very much a desire for much more than is reasonably possible to provide. But the committee in its investigation will certainly be looking at the capacity of the Commonwealth to contribute to these many worthwhile projects in the community. So thank you for appearing today and for your contribution our inquiry.

**Mr Wardlaw**—Mr Chairman, just before closing: I will actually go back over the Grants Commission figures for the last five years and I will try to confirm the information that is in the submission. I am confident that I am going to convince you on this—that in real terms it actually has declined. But if I cannot do that, I will certainly apologise to you.

**Mr JENKINS**—Mr Chairman, could we use North Hobart as a case study? Could we get a short comment off Hobart Council, or whoever might have something, about what the future is? Perhaps we can do that at a later date.

**Alderman Traynor**—For sure. But the North Hobart issue is pretty much a Hobart City Council issue rather than a regional facility because, in respect of all the regional uses of that ground, the decision has been made long ago that, no, it should be better located elsewhere, for whatever purpose.

**Mr JENKINS**—I think, as Mr McDougall indicated, over time obviously things have changed. It is now a matter of taking into account the structures and things like that around an oval that was used for football and cricket. So we have come to an era of multiple use.

**Mr Alomes**—It is a very good case study to look at—planning by councils individually and then the benefits of in fact having a regional overview, which probably would have led to different decisions earlier on if we had had that regional overview.

**CHAIR**—Before the hearing adjourns, I will call upon one of the members to move that the evidence be published.

Resolved (on motion by Mr Billson):

That pursuant to the power conferred by paragraph (o) of standing order 28B, this committee authorises publication of the evidence given before it at public hearing this day.

**Committee adjourned at 12 noon**