

# CORRECTED TRANSCRIPT

## RURAL AND REGIONAL SERVICES AND DEVELOPMENT COMMITTEE

### Inquiry into Country Football

Melbourne – 10 May 2004

#### Members

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Mr David Matthews, General Manger, Australian Football League.

**The CHAIR** – Under the powers conferred on this committee by the Constitution Act and the Parliamentary Committees Act, this committee is empowered to take all evidence at these hearings on oath or affirmation. I wish to advise all present at these hearings that all evidence taken by this committee, including submissions, is, under the provisions of the Constitution Act, granted immunity from judicial review. I also wish to advise witnesses that any comments made by witnesses outside the committee's hearing are not protected by parliamentary privilege.

We are an all-party parliamentary committee, hearing evidence today into the inquiry into country football – I am sorry, we have an Independent as well.

Welcome, Andrew and David. If you would like to give us your presentation, and hopefully we will have some time left over to ask you some questions.

**Mr DEMETRIOU** – Our presentation today extends from a presentation of August last year. It goes without saying that the AFL values the Victorian country football community.

### **Overheads shown**

The AFL welcomes this review because there is a need for greater state government support. The AFL invests more in grassroots development than any other sport. Victorian country football is strong and is important to the AFL and country communities. Victorian country football is well managed, with significant AFL support. The football community would welcome a stronger partnership with the state government to underpin sustainability. The AFL invests more than any other sport – \$23 million in annual grants to state affiliates. Our investment has increased from \$4 million in 1994. We have an extensive infrastructure of full and part-time development staff throughout Australia. We develop and support programs for every level and every segment, from Auskick to AFL.

Participation in Australian football grew 5.8 per cent last year to a level of 441 000. Participation in Victorian country football has grown by 21 per cent since 1991. Funding from AFL and Football Victoria to support country football exceeds \$5.5 million annually. Victorian country football is strong. There are more players than ever before: 880 clubs, 2700 teams, more than 70 000 players, more than 230 AFL Auskick centres with 17 500 participants. It is acknowledged that rural open-aged football has declined in some areas due to demographic factors, but still it is 30 per cent of national open-age, with a 16 per cent national participation base. A significant economic impact: annual economy of VCFL leagues and clubs is \$80 million. The broader economic impact in 2003 is estimated to be \$342 million. A strong relationship with the elite AFL level: 200 of the AFL listed players originate from country Victoria. Over 70 ex-AFL players are coaching and playing in country Victoria in 2004, and what a wonderful thing it is that once they have played AFL football many have chosen to go back to the country, or the start a new life in country Victoria.

There are a number of unsubstantiated myths about country football. It is strong and the Victorian Country Football League, its members, member leagues, clubs and volunteers work extremely hard. It would be fair to say that the AFL is probably guilty of not promoting enough of what it does for Victorian country football.

The AFL Partners with Football Victoria – Investment in country Victoria exceeds \$5.5 million. Staff servicing country Victoria: 18 full-time, one part-time. Football Victoria partners with the Victorian Country Football League: 12 full-time staff and a strong relationship with netball. In addition, the AFL works on many initiatives that create additional benefit. National risk management programs have saved football \$2 million. AFL community camps: an annual cost to AFL in country Victoria of \$200 000. AFL regional practice matches: average revenue to country football of \$10 000 per match. AFL player appearances: all will spend one full day in country Victoria in 2004. AFL Sportsready has provided \$300 000 to support traineeships since 1994.

### **Chart presented**

Victorian football is well managed with strong AFL support. However, a stronger partnership with the state government is required to underpin sustainability. The welfare of country football is largely determined by the strength of country communities. We spent \$1 million in funding to provide drought relief for country clubs, which is a great example of how we can work in partnership. We will be recommending that the state government: establish a \$5 million grants scheme that provides opportunities to invest more in infrastructure and capital works to upgrade facilities; invests \$1 million per year over the next five years in administration, including regional offices and training programs to support volunteer recruitment and retention; and develop policy with local governments to offset ground rental fees and associated costs.

The major benefit of AFL support cannot be measured in dollars. Creating quality environments for families, for developing communities. Welfare of our youth: organised sport promotes self-esteem and healthy lifestyles. There is an important community role played by the football, netball and cricket clubs in country Victoria. Community hub. Promoting social policy through sport: the AFL takes its social responsibility very seriously. Racial vilification: football is the first Australian sport to adopt such a code and education program with a move to other levels of football and other sports. Responsible use of alcohol: Football Victoria and the VCFL are active within the Australian Drug Foundation. Drugs: the Vichealth relationship is strong, and the AFL is a strong supporter of smoke-free, road safety and TAC campaigns.

The AFL also analyses the transcripts of regional hearings as they occur – and most of the themes are imminent. Water is an issue; facilities need investment and volunteers need help.

We note also that the understanding of our role in investment is limited. We aim to try our best to support and suggest ways in which your committee could help further.

I said at the outset that the AFL invests more than any other sport. The AFL contributes \$23 million in annual grants. Our investment has increased since 1994 from \$4 million, so it is a \$19 million increase in 10 years. We have an extensive infrastructure with full-time and part-time development staff throughout Australia, with development support programs for every level and every segment from Auskick through to the AFL. In the last year, based on the national census figures, participation in Australian football grew 5.8 per cent to a record level of 441 000 participants. Participation, more importantly for this hearing about Victorian country football, has grown 21 per cent since 1991 and funding from AFL and Football Victoria to support country football exceeds \$5.5 million annually. Our commitment to the development has grown and continues to grow, and this commitment is evident in our results.

We firmly believe that we have the best possible structures to deliver local programs with the proper expertise. In addition, the AFL works on many issues that create additional benefits. The best example I can give you is last year the national risk management program saved football in this country \$2 million. The AFL coordinated with all the state affiliates and all the junior leagues an insurance program, not only to deliver better benefits but also to find substantial savings – and \$2 million savings goes a long way in keeping football alive and well.

We have also, with our initiative, introduced AFL community camps in country Victoria – that is 16 AFL clubs from 16 regions around the country, and in particular country Victoria – to deliver football programs to coaches, players, administrators and volunteers. And they have been very, very successful. Those camps could only be executed and only be delivered properly with the assistance of Football Victoria and the Victorian Country Football League. We also have AFL regional practice matches with average revenue to country football in the order of \$10 000 per match. And this year at our regional challenge series it was not unusual to get crowds of 10 000 at games in country Victoria.

The latest collective bargaining agreement between the AFL and the players has an increase in the number of player appearances to promote football around the country. Players have to contribute to a half day a fortnight promoting the game and their club. This will mean under the new program, under AFL player agreements, that all players will spend one full day in country Victoria in 2004. That is some 400 players in the state. We estimate that cost to be around \$ 200 000 and money well

spent. The AFL has provided \$300 000 to support traineeships since 1994, and it's a wonderful program. I reiterate that the AFL manages support of game development through our state affiliation agreements, and we have a terrific partnership with Football Victoria, and in turn the Victorian Country Football League.

I could go on to talk about things like our grassroots weekend last year, which saw considerable worth to country football in Victoria. We promoted fundraising activities with the signing of guernseys, which found funds being redirected to clubs in country Victoria.

As you can see the chart shows the extensive infrastructure of Football Victoria. Football Victoria, as you know, is part of the AFL and is extremely professional, very well organised and it has a great history in Australian Rules football. We have a terrific relationship with Football Victoria.

It is important to understand out of that particular arrangement that the state government in giving the \$1 million grant to provide water relief in country Victoria for country football can only do that if it sits down with Football Victoria and the VCFL to understand which clubs and which grounds need urgent attention, what are the priorities, who should they be talking to first and who should they be directing their funds to. It has been done quite quickly with Football Victoria and the Victorian Country Football League.

We are recommending the state government: one, firstly establish a \$5 million grant scheme to provide opportunities to invest more infrastructure and capital works to upgrade facilities. That will be money well spent certainly, if executed properly by Football Victoria with the support of the AFL. As I mentioned, we are also recommending an investment of \$1 million a year over the next five years in administration, including regional offices and training programs to support volunteer recruitment and retention.

Thirdly, we are recommending a development policy with local government to offset ground rental fees and associated costs, which are becoming a burden.

I mentioned at the outset that we welcome this review because it is an opportunity to develop more meaningful partnerships. We want to work with the government to underpin sustainability. And we think this review needs these outcomes, as I also mentioned earlier.

The main benefit of AFL support cannot just be measured in dollars. We firmly believe that we create quality environments for families. It is terribly important to the AFL, through its state affiliations, that we help develop communities. We are also hell bent on doing something about the welfare of our youth through organised sport to promote self-esteem, healthy lifestyles and to keep our young children off the streets. We believe we have an important community role to play and that what is displayed by football, netball and cricket clubs in country Victoria is the community hub. We make no apologies for being unashamedly dedicated to tackling the issue of child obesity, and we believe this task is best managed by getting sports together – particularly in after-school programs.

The AFL also takes its role as a promoter of social policy of sport very, very seriously. We believe the AFL has a wonderful capacity to deliver community standards. We have seen it through racial vilification. And I repeat, we are the first Australian sport to adopt such a code and education program, and it has certainly flowed through other levels of football and other sports and through the community. We also promote the responsible use of alcohol through our connections with the Australian Drug Foundation.

Drugs: our relationship with Vichealth is extremely strong with things like the smoke-free campaign. And it goes without saying the enormous impact the TAC campaign has had on our road safety with less trauma-related injuries last year and the road toll diminishing. Therefore, it has to be much better for the taxpayers of this state.

Gentlemen, I conclude our presentation. We would welcome any questions on any of the presentation, or anything else you may wish to ask.

**Mr McQUILTEN** – The \$5 million, Andrew, that you suggested, how did it get to that amount? And also, what would you be putting in, or would you be putting any money into that scheme as well?

**Mr DEMETRIOU** – Currently the \$5.5 million flows from the AFL to Football Victoria to country Victoria. It's more than the total game development grant through the AFL in New South Wales, which is \$5 million, and it is more than we provide in Queensland, which is \$3.5 million. We invest substantial amounts in Victoria across a range of areas. One, through community infrastructure –

**Mr INGRAM** – Through the Chair – I think the question was about your recommendations.

**Mr McQUILTEN** – The \$5 million.

**Mr DEMETRIOU** – How did it get to that? It is through things like community structure, the sustainable development? In Geelong it is provided through transfer fees. AFL clubs transfer fees that flow through Football Victoria.

**Mr MATTHEWS** – John, I think also your question there – the \$5 million in terms of recommendation one, the grants scheme – in addition to what is flowing through, we arrived at a figure basically in a similar way to what Andrew alluded to before with the \$1 million provided to drought relief. As you are aware, we have over 880 clubs, and we think there are some genuine issues with the infrastructure facilities for those clubs. We think money of that magnitude requires some addressing, but in terms of the prioritising and the actual number, we believe it should be worked through with Football Victoria and the AFL.

**Mr INGRAM** – Would the AFL contribute to that? Do you think you have a role to contribute to that type of a grants scheme?

**Mr DEMETRIOU** – The AFL is on record as always contributing to things like facility development and capital grants development. We have just demonstrated that at the MCG and with the Skilled Stadium redevelopment. We have just provided some funding in Wagga for the establishment of Robertson Oval, which is used for football and cricket. We are doing similar things in Maroochydore. If there are proposals out there that require funding for the betterment of football in country Victoria, the AFL will certainly consider them.

**Mr CRUTCHFIELD** – I asked a number of leading questions as we went around the regions about the AFL's role and what they do and what country regions perceive the AFL to do or not to do. I was quite surprised, as one of the obvious things was that there was a lack of clear information about what the AFL do. I will give two examples. One is Auskick. I reckon half the people there had no idea it was an AFL-initiated program. Mind you, it was one of the other clear themes that people talked about – how good a program Auskick was – but the communication about where the funding initiated was not necessarily all about the AFL.

Peter Francis at Gippsland Power gave a presentation from the TAC, and in my view he was fantastic in communicating what the TAC did, in schools in particular, and in those other communities. Other TAC representatives didn't do that. They gave nowhere near the presentation he did. So I would just like your comments in terms of getting your message out there to country Victoria about what the AFL do provide, because it is very confusing – not only to us, but also to country Victoria.

**Mr DEMETRIOU** – I think I have acknowledged in my presentation that we are probably guilty of not articulating well enough what the AFL does, particularly in country Victoria, and particularly with the amount of funding and the programs that we support – and in some instances initiate. It is a challenge for the AFL to make sure that the message about the AFL and its programs is well understood by communities.

Having said that, I will say that we take great pride in the work that Football Victoria and the Victorian Country Football League do, in that they are the people at the local level with the expertise to deliver programs in partnership. Often people think that we don't, but we do work in partnership with those bodies to make sure that the programs are delivered and executed in the best possible manner. But I do agree that the AFL needs to address the issue of how we articulate what we are providing financially and what other support we are providing to football in country Victoria.

**Mr CRUTCHFIELD** – On the TAC Cup – it was mentioned a number of times – there are some presenters who talk about the perception that it is elitist. And a couple of people talked about shortening the season so that some of the kids could actually come back and play. Do you have a view on that?

**Mr DEMETRIOU** – Firstly, can I say I have mentioned in my presentation that in country football we have more people playing than ever before. Talented athletes want the best possible opportunity to pursue their goals and their dreams, and we believe the TAC Cup provides an opportunity for those young athletes to live at home in the country. The TAC Cup replaces the old under-19 system, which many people will remember. In 40 years the country has only relocated about 120 players per year from the country to play at VFL clubs in Melbourne and Geelong. An example is Garry Lyon, who moved from the country as a 16 or 17-year-old. Our research tells us that kids don't go back. The TAC Cup is as much about youth as it is about talent. It is a critical development age, and with our support we want to provide the highest possible experience we can. Some 400 young lads go through squads in each region each year; they go back to local clubs better players, and we think, more importantly, better people. The quality of the coaching, the infrastructure and the administration at TAC Cup have never been so high. We believe in the TAC Cup, given that we need continuity of coaching and competition, but we think we have achieved that.

We have agreed in our strategic plan – hopefully you all have a copy – to review the TAC Cup this year as one of our priorities, to see whether the program we have in place for the TAC Cup is as effective as it has been, and if there are any things we can do better.

**Mr CRUTCHFIELD** – I agree with you. I was just asking for a comment. I came from south Warrnambool as an under-19, and there were more kids coming out so you didn't have a choice about where you played; you had to play in Melbourne. You couldn't stay and play in a regional city near you.

**Dr NAPHTHINE** – The system of having AFL players go to country areas is a great system. Young kids want to touch their heroes, kick a football with them and learn to hand pass from them. There are two issues that have been raised with us as we have gone around. One is that there are areas that are a long distance from Melbourne – and there are apparently limitations – whether it is the Players Association or somebody has put limitations on how far players are prepared to travel unless they go by aircraft, and then the costs get prohibitive. Is there any way the AFL can assist in making sure the more far-flung regional areas can access those AFL players, rather than being restricted to being two hours from Melbourne?

**Mr DEMETRIOU** – The first thing I can say is that there is no restriction. In fact, under the new collective bargaining agreement the provision is that 400 players attend one day in the country – and that goes for all country Victoria. To further exemplify that, the AFL has provided additional funding this year to provide for the air travel – for example, to Mildura – where the players have to get there and out to the same day. So the AFL is not restricting anyone. From time to time it is true – and I think in the last agreement there have been some isolated cases – that players haven't attended or haven't shown up to particular appearances, particularly when they are of a long distance. We have addressed that and have put measures in place now to make sure we can work with the clubs and the coaching staff, and that there are proper timetables well in advance so that players will be able to maximise their attendances and get to those venues so they don't disappoint children and others who have organised, in some cases, their whole year around a visit from a particular player. So I think we have addressed the problem, and hopefully I will be able to sit here in 12 months and say to you it has been very, very effective.

**Dr NAPHTHINE** – Following up from that, the other complaint that many clubs have is that when players do arrive, people find they have got two rookies and a player who has just been drafted, so they have got no named players. Is there any way, through either the collective bargaining agreement or negotiation with the clubs, that when a group of players goes out there is a 50-game plus player plus a zero-50 plus a rookie rather than just having three or four relatively new players to the team?

**Mr DEMETRIOU** – We are confident, following the first collective bargaining agreement that went for five years, that in the new agreement we have taken up all the criticism – and that includes getting a better cross-section of player representation of more senior players attending clinics and community visits to country Victoria, and all over the place. It is true that many people aspire to see a named player or someone who has played 100 games – they don't want to see a rookie and they don't want to see injured players. We think we have addressed that. And again, I am hopeful that given all the work that has been put into player appearances and all the databases that have been set up, all the timetables and meetings with coaching staff, that this will be a success – and there will be penalties if clubs do not adhere to the policy that we believe sees much, much better player appearances in country Victoria.

**Dr NAPHTHINE** – Finally – and this is a very controversial question: there are many people who hark back to the days of zoning and say in zoning that clubs have a vested interest in looking after a country region, and hence you got better player participation, club support and all of that, and it has been suggested that you could have a form of zoning where you link clubs with certain areas – that's where they went for their camps, that's where they participated – and in return give the club a benefit after the first round of the draft pick. So the first 16 players are picked, then after that a club could nominate to swap their third-round draft pick for a pick from their designated zone. So the club gets a benefit from working their zone, and the country clubs within those zones get an enormous benefit, rather than just a visit, have a direct line and affiliation that can help with volunteers, training of trainers, and a whole raft of benefits that come from the club having that interest. What is your view on that possibility?

**Mr DEMETRIOU** – I chaired a review of the national draft study two and a half years ago to see if it was all working effectively. We took up the issue of zoning, and a couple of our clubs have raised the issue – a couple of former presidents. The fact of the matter is that all our advice is that to introduce zoning to AFL football is illegal, and that where you live shouldn't determine where you should work. There is no logic to a plumber who lives in Langwarrin having to do his plumbing in Langwarrin. He may choose to work in Sturt South Australia. But that is the law, and they have to respect the law. What we have tried to do through Football Victoria and other state affiliates, is to develop with them and work closely with them to set up a zone so that certain clubs do invest in development work.

The best case I can give in this hearing is Hawthorn and Gippsland. Out of that sometimes they do have such a player. I think there is some identification with that and what the natural zone is. I attended the announcement of the water relief at Warrigal, and even though Robert Murphy is playing for the Western Bulldogs, I think they got just as much excitement seeing Robert Murphy there playing for Warrigal than they would have had he been playing for Hawthorn.

**Mr INGRAM** – Following on, Andrew, you talk about the payment of airfares: is that both service flights and charter flights? Because a lot of regional areas don't have regular service flights –

**Mr DEMETRIOU** – It's both. I think they budget for \$70 000.

**Mr MITCHELL** – Andrew, the question of volunteers is coming up constantly – more regulation and harder to get people. There have been suggestions that the AFL could assist with support in volunteer activities, like bringing, say, country league trainers, et cetera, down for a weekend or something to be involved with an AFL club to pick up some ideas. Has the AFL got any thoughts on that?

**Mr DEMETRIOU** – We would agree with you. We provide wonderful support for

volunteers. I used the example before of the joint insurance initiative. That was in part to try to arrest the slide and the exit of volunteers who were starting to worry about all the public liability issues, and by going into this joint insurance program we have been able to retain those volunteers. We are working with the VCFL and Football Victoria to provide administrative support for volunteers. We think the government can also play a role, but I do want to mention the other support we provide.

First of all, we have club management resources volunteers. Programs have been trialled in the past 12 months, and there will be others launched during the next month or so. We have actually brought that back to the table from the committee hearing here, and as you can see there is everything in this how to set up a club, how to run a club – which is something the AFL has initiated. I mentioned community camps. Community camps are not just about players going out and visiting hospitals and seeing young children and doing clinics. We take coaches, we take administrators, we have CEOs and marketing managers talking to local club administrators and talking to them about things like GST and risk management issues – things that they find difficult to work with. So those community camps are all about trying to educate and support our volunteers.

During the season we run our grassroots weekend, which again pays tribute to volunteers. We also run a volunteer recognition program. In 2003 in the Year of the Volunteer we recognised 46 000 volunteers around the country and provided them with certificates of recognition, and I think we would have been the only sport to have done this.

There is no doubt that to a large extent the workload of volunteers has been created by the exigencies of various levels government. I am not being critical here, but the introduction of the GST is complex for volunteers, along with the surging cost of public liability insurance, increased charges to grounds and other facilities, increased power and water costs. We are looking forward to working with the government – whether at state or local level – to share service opportunities just like we have done with insurance. That might be in the purchasing areas – whether it is on on-line competition management systems, volunteer training programs – whatever we can do to pass up and to reduce the costs and to share the services, we will do. We are already doing it, and I think we can do it even more effectively. It is a good idea to get country trainers down, and we do that. If there is any way we could get the coaches to participate, or if trainers want to participate, we do that. AFL clubs would support any support for volunteers that has a transfer of expertise or information; anything that can help educate them, we see that as very beneficial.

**Mr CRUTCHFIELD** – On umpiring – I am still currently umpiring and not very well – I note Shane Carbine is the director of the Geelong Football Umpires' Association. He made some comments about transfer payments for umpires. He certainly came out of left field when he mentioned it, and I note your folder – which probably answers part of my question in terms of some initiatives to retain and attract umpiring – where do transfer payments for umpires that go from regional, or from any of the umpire leagues sit; and what are some of the AFL programs doing to attract people to umpiring?

**Mr DEMETRIOU** – At the end of 2002 the AFL state bodies identified that we had a problem with umpiring. We commissioned a status report over a period of month, conducted by Will Sanders, the chief executive officer of the Adelaide Football Club. The report identified and reiterated there was a crisis in umpiring in two areas: recruitment of umpires, and retention of umpires. Since then the AFL has implemented a number of recommendations in that report. It included an increase in funding towards umpiring in the development programs, and a very significant appointment – the appointment and creation of a national development of management, AFL-appointed. Since then, we have increased our budget in 2004 to reflect even further the report recommendations. In 2003, for the first time in a number of years, we saw the number of umpires coming into the system exceed the number exiting. That was the first sign.

**Mr CRUTCHFIELD** – Is that Australia-wide, Andrew?

**Mr DEMETRIOU** – That's Australia-wide. It was 6 per cent. We had an increase in the number of umpires that we recruited, and it was a terrific result for umpiring. We saw 6 per cent

less exit. We plan to invest more in umpire development. We plan to invest more substantially in umpiring accreditation programs. We are running a campaign to improve the environment for umpires. You will probably hear the AFL and the clubs working as diligently as possible to raise the awareness of the crisis in umpiring. Interestingly, Leigh Matthews recently initiated via the AFL the initiation of the players and coaches shaking hands with the umpires before the game. We don't support transfer fees for umpires. We believe strongly we would rather invest in the states and territories to support umpire recruitment. They are still, and will continue to be the best people to deliver our programs at the local level. The AFL will continue to invest heavily in the promotion and retention of umpires across the country, and of course that goes to the distribution of football in country Victoria.

**Mr INGRAM** – Andrew, one issue that has come up in a number of the hearings has been cross-border issues in relation to leagues that run in both New South Wales and Victoria. We have had evidence of clubs that basically straddle a boarder. They have enormous problems in attracting grants from their respective governments – if they compete in a league on one side of the boarder they can't get grants in that state because they are involved in a league in a different state. Is this something the AFL believes it has a role in facilitating between the two states, in making sure that those clubs have equal access to grants from the different state governments?

**Mr MATTHEWS** – I will answer that, Craig. I think one of the answers to the question is the government – because the question deals with the different of grants that are either made available or the actual application process for the grants – I think that does create some confusion. If you took the New South Wales-Victorian border, and a club to use your example plays a Victorian competition but is based in New South Wales, I think local councils and state governments under the issue that that sort of club is facing. Certainly we think we all have a role to play, particularly at state league and the VCFL and affiliated leagues in working with government to promote a better understanding of what is actually available. I think that is the major issue at the moment in terms of what buckets of money are available. The situation you've outlined is one that we probably need government help to grow from.

**The CHAIR** – On your second recommendation, talking about assistance with training programs to support volunteer recruitment and retention, obviously that is a really crucial part of the football culture in country communities, as I think you said earlier on, the football club reflects the strength of the country community, and obviously the volunteers reflect the strength of that country community. How do you see that working? Can you expand a little bit more on how that money might be spent; how we would actually improve what has been happening at the moment with extra dollars going into that program.

**Mr MATTHEWS** – The best way I can answer that is to say this: that the AFL through its state affiliates and the Victorian Country Football League, where it spends money it gets results. We believe that. We have a record collectively of delivering outcomes with the programs that we have put in place. In some ways it is a mathematical exercise – and I use Auskick as an example. If we spend more money in Auskick in New South Wales and Queensland on programs and we have more participants, I would say to you that the only thing holding back point 2 – which is to improve administration, offices, et cetera – is funding. And if the government wants to see the provision of additional funding over the course of five years, whether it is \$1 million, \$2 million or \$3 million a year, you could rest assured that the AFL would work with the government and Football Victoria and the Victorian Country Football League to make sure that that money is being well spent on delivering the outcomes that we all want. It is not only a matter of money; it is a mathematical exercise to us. It is money that can be spent in areas we have identified and where we have already spent the money in those areas; it's just a matter of spending more to get those outcomes.

**The CHAIR** – On the third recommendation: obviously as a state government committee we have to be very careful about our role and relationship with local government and their concerns about cost shifting to them. But at the same token, I believe that local government has to understand again the importance of country football and netball clubs to their local communities and the economic and social benefits they bring. Could you expand a bit more on how that may work; whether it be the offset of costs and fees, and are their models that are around that you think are

better than what is happening in other places that you might be able to give to us?

**Mr MATTHEWS** – I will give you an example. Previous to this role I worked as general manager of the Geelong Football League for five years and the Victorian Country Football League for two, so this is certainly an area that I am very passionate about. When I was working for the Geelong League one of the local football clubs raised some money to build a big shelter for the old guy who charged the patrons who would come in. He had been working for them for 20-odd years, and they thought given his age and the elements he faced it would be a great idea for him to have a shelter. The members of the club put together the shelter – it is only a fibro thing – but the local council later that year reviewed the ground based on the capital improvements and increased the rates. What I am suggesting – and what we are talking about there – is Andrew and I, having poured over the transcripts of the review to look at the evidence so far, we came to one of the major themes that the major burden for volunteers is the increased focus on the broad base. We can understand the focus, but we think it has to be put into perspective when compared with the value of the community and the operation in that community or region.

**Dr NAPHTHINE** – Over the last decade or two there has been a significant expansion of football coverage on national television to the point of in Western Victoria you get football Friday night, Saturday night, Sunday afternoon from 1pm, Anzac Day, Labor day and Saturday afternoon with a delayed telecast. Has the AFL done any independent studies on the impact that has on attendances and participation in country football?

**Mr DEMETRIOU** – Yes, it has and all I can say is that it has a positive effect. Certainly the media coverage is one measure of the popularity of the AFL. I think they were recently promoted as having about 600 people in the media covering AFL football, which I think is three times federal politics.

**Dr NAPHTHINE** – That's appropriate! They are paid ten times as much.

**Mr DEMETRIOU** – Since we entered into the current broadcast rights agreement, the information we have had from Football Victoria and the VCFL is that attendances at local football have increased. In many instances, country leagues had record gate takings to their finals in recent years, which we are thrilled about. That could be because of the popularity, again. It could be because of the media coverage. It could also be because we work closely with Football Victoria – to give you an example – to leave certain days free for finals. For example, we play preliminary finals now on Friday and Saturday nights, which allows football to be played during the day so you can watch the AFL games, which I think is a good thing.

I received an email from the chairman of Football Victoria congratulating the AFL on that measure. We also don't play football on preliminary final day on a Sunday in the AFL competition. That has a second or twin effect, because most of the country football finals are played on the Sunday before the grand final. Now that is a good thing.

On the other side of the equation, our broadcast rights generate substantial revenue from the competition, and that substantial revenue helps the AFL provide increased funding to grow the game in country Victoria, in Victoria, and throughout the country. We are spending more on game development than we have ever spent before, and we want to continue to spend more. Another way we can do that is by getting increased broadcast rights.

The media coverage of football – and I use television coverage in this instance – is actually quite superb. If you like watching football, the actual product you see on television is fantastic. That, too, goes to raising the interest and the excitement and passion for the game. That runs through to all our attendance levels – to Football Victoria and into Victorian country football games. The fact of the matter is that football is popular because of the way it is presented, because of the way it is covered media-wise – print media and radio – and I think also because of the way the competition is run, both at AFL level and at Football Victoria level through all its leagues.

**Mr MATTHEWS** – Having said that, you would be aware that within the current

arrangements we have some black spots, or some areas in parts of Australia where we do not receive this sort of category of coverage. The grassroots football people in those areas tell us we are missing an opportunity. The single stimulus to their participation and to their welfare is lack of coverage on television. They will be on the phone to us probably once a week saying, "If you can correct this problem – you are helping us capture the interest of families via Auskick and you are making an investment – but for us to sustain the interest against competing (indistinct) you need the AFL on television to help us sustain grassroots football.

**Mr CRUTCHFIELD** – This is probably a question for Ken in a couple of weeks, so I will flag it for him; it's about Footy Victoria and it's about salary caps. And David you might want to talk about your previous role. There are two schools of thought that came out – you have read this transcript and you probably know where I am going – in terms of if we provide more money to football clubs, they are just going to spend it on players and increase the money they are paid. Others say you are never going to stop it. I am of the school that we should be enforcing it more stringently – as you have done very successfully with the AFL – but we should be actually doing that with our country football leagues. Have you got a view on that salary cap issue?

**Mr DEMETRIOU** – Yes. It is difficult to increase a salary cap, and it is something that is foreign to people who work in a normal workplace. The AFL takes a lot of money to police a salary cap – hundreds of thousands of dollars. So you can understand how it would be very, very difficult for leagues to police a salary cap. I do want to congratulate Football Victoria and the VCFL for implementing a salary cap – the most recent increase was from \$50 000 to \$70 000 per club – because it actually reflects reality at the moment. By raising the bar to something that is more realistic for the clubs to work within, I dare say you will see the incidence of not a huge salary cap reduction. If you have the figure too low it will show that people are trying to find a way to rort or to get around the salary cap. Since the AFL has introduced a salary cap with some flexibility with additional services agreements and other arrangements such as services agreements and purchasing allowances, we have had very, very little cheating or rorting of the salary cap. I think they took a good step introducing a salary cap at a level that is workable.

The second thing is, I guess, that one could argue while you are paying players should they be paid, et cetera. There is a need to attract players and bring back ex-AFL players, or retain locals, otherwise they will go elsewhere and play at SANFL where they are offered good money, or they will go and play in Queensland or with the Australian Football League. We do want players staying in country football. The trick is to pay them what we can afford and what is sustainable, and not something which puts your club in jeopardy or in a perilous position. By and large, clubs are realising that, and are paying what is affordable and trying to retain locals and mix AFL players, or attract them. It does help the revenue base if you have ex-AFL players or you manage to retain locals; it does help when you have a bar after the game or a fundraising activity. All these things help the local clubs generate revenue. We can't have our cake and eat it too. We can't say on the one hand they shouldn't be paid; there are legitimate reasons they should, because it generates some revenue. But the trick is to only pay what they can afford within the salary cap and within the constraints that are there.

**Mr INGRAM** – Andrew, you made some comments about the TAC Cup and the shortened season. This is something that came up regularly throughout the hearings – a fair bit of negative comment about the drain of young people away – and you commented on that.

My question – and I will start with a comment: last year's East Gippsland Football League grand final, a young player who was playing with the Gippsland Power came back and played in one of the sides there. That created a much heightened interest in that local grand final, because one of the young guns, if you like, of the TAC Cup came back to the local area and played in the grand final, and people were quite interested in that. One of the things that has been put is that if you can do that – just even for the final – have it so they are qualified, they can come back and play the local finals, and that creates a much greater interest in the local football leagues. While you've already said you wouldn't consider shortening the season, surely what we are after is making sure the local football grand finals are the best standard we can provide so as to provide the link between the local football in the TAC Cup and the AFL.

**Mr DEMETRIOU** – Craig, they are legitimate comments you make. We have already undertaken a review of the TAC Cup, and that may fall out of that. I should leave those issues for Ken and for Glenn, but those are issues for Football Victoria and the VCFL. We would support whatever they would recommend on those issues. They are best in the position to deliver those. I could mount an argument and say you are absolutely correct, it would be better if they were all playing in finals, it would create more interest. But I could equally mount an argument to say that local country football teams seeing a young aspiring TAC Cup player playing in the finals at the MCG would create a lot of interest for that town; that they are seeing a young player about to be drafted who will create a lot of interest. I am not saying that is right or wrong either. I am not saying one is better than the other, but I do share and understand your comment that of course it would be preferable if they were playing – it would be a stronger game, and there would be more interest if the best talent were playing. Can't argue with that.

**Mr CRUTCHFIELD** – School curriculum, particularly in country Victoria, came up time and time again, particularly in primary schools – some 90 per cent are female teachers – and also the issue about sporting curricula. I note you have a couple of comments in respect of that.

**Mr DEMETRIOU** – The AFL is unashamedly on record as saying we think it is disappointing that in the school curriculum there is not more physical activity. The obesity levels in this country are public knowledge. And obesity will contribute substantially to the taxpayers of this country in 20 years. All the research into health shows we are a fat country – make no mistake. I think we are on record as being the second fattest country in the world from a childhood obesity perspective.

We have been in discussions with federal and state governments with some strategies to attack and address those issues; and we are confident that the programs and the suggestions we put forward will be realised and that we can attack this particular issue.

We don't just believe in physical activity; we believe in nutritional and life skills and we believe football and other sports will play a role in schools – particularly primary schools – and that we can make a difference. Hopefully the flow-on is that children from primary schools go on to join a club, and once they join a club they get put into a club environment where they have much higher self-esteem, feel much better about themselves – feel part of a team. The flow-on effect of that is that we will have fewer and fewer children on the streets. So we make no apology for sharing your view that it is very, very disappointing in the school curriculum at the moment there is a lack of physical activity.

**Mr CRUTCHFIELD** – Football in particular or just physical activity in general?

**Mr DEMETRIOU** – I am putting a national hat on, as this is a national problem. Whether it is football, netball – whatever the sport – we need to see our young children participating in sport, because it is terribly, terribly important for this country.

**Mr MITCHELL** – Andrew, the ugly parent syndrome we hear about – and there was a good example on the weekend – the person in Richmond who grabbed a Swans player. I think he ended up with a \$110 fine or something. What can the AFL do? Or what is the AFL doing to try to stop the ugly parent syndrome? Because I think that is discouraging for a lot of youngsters who want to play football.

I went to my nephew's first under-9s game a couple of weeks ago. You would have thought some of the parents were expecting 8-year-old Nick Reiwolt to be running around. What do you do to discourage that?

**Mr DEMETRIOU** – Can I differentiate between the two: the ugly parent syndrome is one thing, and crowd behaviour is another. Hence, I don't think the spitter a couple of weeks ago was an ugly parent –

**Mr McQUILTEN** – He was just ugly!

**Mr DEMETRIOU** – Football Victoria programs have been introduced through their leagues to raise the awareness of ugly parents. Those programs are a small step in a long journey to try to raise the awareness of why it is not good to be an ugly parent. It also goes through to the umpiring and the attitude towards umpiring. We have introduced the code of conduct, which I think we should all be congratulated on. It is an endeavour, an attempt, to try and again educate people and raise the awareness of why it is not good to be an ugly parent. I think the media has a role to play, and while sometimes we would prefer the media didn't raise and cover some of these issues, we also think we can use the media in a much more effective way to raise the awareness of these issues – whether it is the ugly parent or crowd behaviour.

We also do not shy away from the responsibility of crowd behaviour. The AFL spends about \$4 million with its clubs on police and security at all our games – about \$20 000-odd per game. We expect with our venues and our security police to conduct proper security checks of grounds, and I think in the main they do an outstanding job. From time to time there are a couple of instances – and there were a few on the weekend. But I think ugly parents and individuals have to accept responsibility, because they are no different to any person walking on the street. You can't start a fight at a crowd at the football, because you can't start a fight in Bourke Street. And we urge all people to understand that they are responsible citizens, whether they are at the football as an ugly parent, or whether they are at the football in a crowd, or whether they are walking down Swanston Street.

**Mr MATTHEWS** – Having said that, what you see through Auskick is an impact on the culture at junior level. So as parents and children play through Auskick – and you would be aware that the emphasis at Auskick is on skill development not on winning and losing – I think the VFL last year adopted a junior match policy that has been adopted in other states, that again when you get to competition level the emphasis is on giving every young player an equal opportunity. The answer to your question also lies in us making sure that of the resources that you put out, some relate to parents. At every stage in every program we are emphasising what we think is acceptable and what is not acceptable. I think we are doing that through coaching courses. What you are seeing now in Andrew and others at the AFL with the 'attack the umpire' at elite level will flow through as well. And the best example I can give you of that is that when the AFL took a leadership position on racial and religious vilification, it flowed down through to football. I know anywhere in Australia, and especially in football, racial comments are not acceptable. We see an opportunity with this presentation and with our slides to show the committee what the AFL can do with things, as finances are not always the solution. We are setting an example and I think we can do that.

**The CHAIR** – Thank you for giving us that last hour, it has been greatly appreciated. I know we could go on for hours.

**Mr DEMETRIOU** – If I could say something in closing: as I said earlier, we welcome the opportunity to speak at this hearing, but we have put some suggestions up there for some recommendations that require financial contribution from the government. All I want to say to you is that that would be money that would be well spent, that would deliver outcomes. We are not in the business of saving money. We are not asking for these funds to be put into the coffers of the AFL or Football Victoria; they will deliver outcomes and will be spent on the programs you have been hearing about, where there are issues that we think can be addressed and tackled. And if you were to come up with the recommendations and support the funding that we have asked for, make no mistake, that funding will be put to good use to deliver the outcomes we all want.

**The CHAIR** – We are out of time. But thank you both very much.

**Witnesses withdrew**