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THE STANDING COMMITTEE OF PUBLIC ACCOUNTS MET IN COMMITTEE ROOM 2, PARLIAMENT HOUSE, HOBART, ON MONDAY 21 OCTOBER 2013.

FOOTBALL INQUIRY

Mr ROBERT NEWITT WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

CHAIR (Mr Dean) - Before we commence there are a couple of things I need to tell you. This is being recorded by *Hansard*, so it is an open public hearing, and the most important thing is that whilst you are in this environment parliamentary privilege applies to any evidence that you give and you are protected in that regard. However, once you leave this environment if you repeat what you have said in here, if it is an issue that you should not have done, then there is no protection.

If at any stage during your evidence you feel that what you want to say should be taken in camera, in confidence, we would address that issue at the time of you making that request and we would make a determination whether we should receive you giving evidence in that capacity. In giving your evidence, and you have not made a written submission to us, the term of reference is very clear in relation to this. That is the term of reference and that is what the evidence is about. However, it depends on where we go and there is a bit of a relaxation and at the end you would capture all parts of the term of reference.

For your information, we have Mr Peter Gutwein, Mr Brenton Best and Mr Kim Booth on the phone, and Adriana Taylor has just arrived.

Robert, I will leave it open to you at this stage to make an opening statement and then we will follow with some questioning and other issues we wish to raise.

Mr NEWITT - I would like to say I have come today to answer any questions that you as a committee may have in relation to the positions that I have held within football in Tasmania.

CHAIR - I would ask you to go into, first of all, your background and where you fit into football in Tasmania.

Mr NEWITT - I was on the board of the North Hobart Junior Football Club for approximately three years, two of which I was president of the club. I was on the board of the North Hobart senior football club for approximately five years holding a variety of portfolios at that club. I was also on the committee of the Southern Tasmanian Junior Football League for approximately three years, and one of those years I was the joint vice president of the STJFL.

I have a number of issues in relation to community football in Tasmania, predominantly from my area, Southern Tasmania, but also in Tasmania as a whole. As I have not written a submission I have jotted down a number of dot points and I would like to go

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through and talk to you about those. That is probably the best way to go. In relation to that there are a couple of things I would like to hand to you. This is a report about a junior football game in 2006. I will table that document and I will get into what that report contains later on.

CHAIR - It might be convenient for members, if you have any questions on any dot point, you could jump in. That might be the easiest way to handle that. We will try it that way anyway.

Mr NEWITT - That is what I expected so that is great. According to statistics, Tasmania's population, as of June 2010, was 500 726. Tasmania's population in 2011 was 494 501, just to give you that context. Tasmania has a population no greater than the city of the Gold Coast.

When it comes to population in Tasmania my understanding is there are just slightly more women in Tasmania than men. If you look at those numbers you can say, okay, let us start with half a million for round figures. We have about 240 000 men. Out of those 240 000 men we have a number who fall into an age group or a capacity that have the ability to play football. This is the economics of football if you like.

To put it into layman's terms, we only have a certain number of cattle on the paddock. We cannot draw from a pool that we do not have. The reason I bring this into context is because out of those players and people you can only make so many clubs. You cannot make more clubs than there are players. I wanted to bring that into context for the committee to understand it. We are no bigger than the city of the Gold Coast and we do not have that many cattle on the paddock from which to draw. That in the past has been a number of issues and clubs I have been associated with, and one I highlight was Triabunna, where, at one stage they were playing players for three quarters in reserves and pulling them off and then having to play them in the seniors because they simply did not have the number of players to fill the teams in the club.

This is a telling factor in Tasmanian football, because we only have a certain amount of players who play the game. You cannot extract more clubs out of the players than we have. And in some case in Tasmania we may have too many football clubs for the amount of players, given that we have had to rely on doing what I said before. It is a bit hard when you look at Tasmania in that context. The two biggest impediments to football in Tasmania is the lack of equitable public transport for people to be able to go to and from games. This is because we are such a diverse state in area, in the size of our population, and most people know that for most Tasmanians, any more than 10 minutes away is too far. That is generally the way. That is one of the first things.

The second one is the Mason-Dixon line. We have all been here. All Tasmanians know it still exists. It is just off Tunbridge, Blackman River, and that is where it has been since colonial days. It is very hard to get people in Tasmania - and if you are not a Tasmanian you do not seem to understand this - to come to a consensus where they are all happy. There is no bigger divide than north and south, and I do not need to tell you politicians that.

The next point is that the Southern Football League, as it was at that time, had a general manager by the name of Noel Morrison, who asked, when he was appointed to the

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position, not to be put in charge of money. He knew what he was like. He was put in charge of the SFL, and unfortunately a certain amount of funds went missing. I do not know what happened in relation to that case, I cannot recall any public knowledge of that case but I do know that a certain amount of money went missing. I believe he was charged, but there was nothing made public about that.

The Tassie Devils football team - that was supposed to be the penultimate football team in Tasmania for us to send the higher echelon of players through to draft picks. That is now gone. If you are talking about creating pathways for players in this state, you would not cut out the highest level of football this state can provide to players, just simply like that. Daryn Cresswell was appointed as the coach of Tasmania and it was probably a questionable appointment at the time. I assume that AFL Tasmania would have had knowledge and background into this man's personality, et cetera, and if they did not know what was going on in relation to him then I suggest they were not doing the work and the background checks as they should before they employed someone of that magnitude.

The takeover of youth football by the AFL: AFL Tasmania approached the STJFL in 2005 or 2006 to allow AFL Tasmania to have control of youth football in southern Tasmania because at this stage the STJFL controlled all youth football in the southern part of the state, except for those on the peripheries such as further down the Huon, et cetera. George Callis, the marking manager for AFL Tasmania and Wayne Povey, their operations manager, came to a meeting of the STJFL and put forward a proposal or a motion that AFL Tasmania be allowed to control youth football. That motion was debated by the member clubs, and the vote was taken, and the member clubs decided they would allow AFL Tasmania to control youth football. At that time I made an amendment to the motion that they not be allowed to control youth football, but that they only be allowed to administer youth football. That would give them administration rights for youth football but it would not give them wholesale control over the running of youth football.

All member clubs agreed on this point, and it was decided that the administration of youth football would be handed over to AFL Tasmania. AFL Tasmania for two years had control of youth football in southern Tasmania, as an administrator. They were probably the worst two years in junior football I have ever seen. We had more reports about on-field incidents, we had more issues and more problems with youth football than they had ever had previously, to the extent that after two years, the STJFL went back to AFL Tasmania and said, 'We are taking the running of youth football out of your hands because you appear to be incompetent and inept at what you are doing'.

Mr GUTWEIN - What year was that Robert?

Mr NEWITT - About 2008 I believe, Peter. Everything I speak about you can find in records and minutes from clubs and associations - it has all been recorded and minuted. Jim Horne, who is the president of the STJFL, and has been since it was instituted - a wonderful man at doing things for junior football - would be able to enlighten you in relation to that. Tony Gibson, the secretary, will have all of the minutes in relation to that. They took the management of youth football out of the hands of AFL Tasmania because they were inept at their job - quite simply they just could not do it. The reason

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they could not do it, I believe, is because they are nothing more than a franchise in real terms - it is still Football Tasmania trading as AFL Tasmania. Does that help you, Peter?

Mr GUTWEIN - Yes, it does, thank you for that.

Mr BOOTH - Can I just ask you a question with regard to the same issue? Is there, in your view, some fundamental conflict or contradiction in AFL controlling football in Tasmania? Has junior football got a different reason to exist than the AFL, or a different direction it might want to go in? Have they all got the same aim, or is there a different outcome that the AFL might want, beyond the junior football?

Mr NEWITT - The aim of junior football is mainly to provide an avenue for children to have physical exercise and to participate in the sport of AFL football. Their role is to provide that. The prime directive of AFL Tasmania, which is basically the prime directive of AFL Australia, is to make sure they have enough draft picks at the end of each year to ensure that the 18 AFL teams have plenty of players to choose from. That is the prime directive of the AFL. It is to keep those 18 football teams in the AFL Australia competition buoyant. The other leagues provide the younger players to come through, so that when they are identified as being a quality player they can then be picked by the AFL and run through their programs.

Mr BOOTH - That is question I have - the reasons for existence for both of those different organisations may be on different trajectories. Is it reasonable to say that the AFL would prioritise the funding to get those draft numbers through, rather than for the overall benefit of physical activity for as many people who want to play football in Tasmania as possible?

Mr NEWITT - Absolutely so. I certainly believe that to be the case. The AFL is there to perpetuate its own existence. The AFL never came into being until someone decided that we needed to take football Australia-wide. Until that stage the biggest league in Australia was the VFL. It then became the AFL, and it became a corporation and it has just grown into a huge monster. The only assets they have, really, are footballers on the paddock.

Mr BOOTH - Their reason to exist is to get those players on the paddock as a pool to choose future AFL players from, rather than the reason for the junior football clubs or football in general - to be more about community, maybe more about physical exercise, and more about community engagement?

Mr NEWITT - That is exactly my belief, yes.

Mr BOOTH - Thank you.

Mr NEWITT - You are welcome. After the demise of youth football - coming back to the STJFL - we saw it go back into a well-run, well-ordered competition and in fact the STJFL, which is a junior football league, now has under-18 divisions and is running football right up until under-18s. That should have been done by senior clubs, given that anyone who plays at under-18 age level is more a young man than a junior. You would expect them to be coming under the umbrella of a senior club, more than a junior league.

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I honestly don't think their heart is in junior football at all, it is just mainly in maintaining and perpetuating their own existence as an entity.

CHAIR - Robert, to your understanding, what is AFL Tasmania about? What is the requirement that you understand of AFL Tasmania, under the government funding position? What are they required to do, in your view and understanding? You have spoken about their involvement here and how you took it over because they weren't able to administer the junior side of the competition in the way it was supposed to have been done. What is your understanding of that?

Mr NEWITT - I expect AFL Tasmania to be league administrator, but just to digress a little bit from that, they have now bought into four teams in this statewide competition. The administrator of the league is now a part-owner of four teams. That is an unhealthy business relationship in anyone's mind, simply because if you are the person handing out the money, are you going to give it to yourself or are you going to give it someone else? You have to look at it like that. Human nature dictates - no matter what you might do or think - human nature dictates that they will do what is best for them. I do not believe that their heart is in the community in Tasmania, because they are ripping the heart out of community football. They are trying to destroy clubs that are well over 100 years old, that are in the black, that are profitable, and trying to wipe them under the carpet and get rid of them and replace them with something like that.

Mr GUTWEIN - When you provided an introduction, did you mention that you were a member at some stage of the board of the North Hobart Football Club?

Mr NEWITT - Yes, that is correct.

Mr GUTWEIN - What is your view on what is very clearly occurring with your club at the moment?

Mr NEWITT - If I could put it in a gutter term, it sucks the guts out of me. I have not paid my membership at the North Hobart Football Club this year. Even though I am a member, I am refusing to be a financial member. I stood for president of the club for a number of years. Three years I challenged the presidency of the club, as I could see the direction the way things were heading, and I did not believe that North Hobart, or the people who were in charge of North Hobart at that time, could see the writing on the wall.

For that reason I have not renewed my membership. I have not resigned my membership; I am just unfinancial at this stage because I choose to be. To destroy a club that is the second oldest, or has the second most premierships of any club in Australia, it is only second to Port Adelaide I believe - at this time, one of the oldest clubs, older than my club, Richmond. North Hobart was instituted as a club in 1881. It is 132 years old, and someone wants to come down and tear this club apart limb by limb and destroy it for no other reason than it does not suit their model.

Football was never about the AFL. Football was about the working man having time off on Saturday, having recreation, and enjoying himself. It was never about a big corporation making huge amounts of money. This is where we have lost sight of what community football is about and where it should be. The government hands AFL

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Tasmania \$500 000 a year, that is my understanding. There are 10 state-wide league teams that AFL Tasmania hands out \$50 000 to each year.

You can say that that \$500 000 money that you give AFL Tasmania goes into their consolidated revenue. But then they are shelling out half a million dollars to 10 clubs to shut them up and try to keep them buoyant. They have stopped the clubs from earning money by allowing them to have true home-and-away series.

Because we have such a small state it lends itself very easily to a true home-and-away series of football. If I may digress a bit I will go to a point I will make later. I handed a report to Scott Wade in approximately 2008 before the state-wide league started, in which I made a recommendation for the running of football in Southern Tasmania to him. At that stage we had 18 football teams in Southern Tasmania, and what I suggested to him was that we return to the six-team TFL league and the 12 teams that are left we then split into a northern and southern regional base, where each division has six teams. When you have six teams it is quite a good number. It gives you a true home-and-away series where every second week you could play a game of football at home.

This is what the community needs. They need their football in their backyard, and the only way to achieve that is on a true home-and-away roster series, because these clubs survive on gate takings. They survive on canteen takings, they survive on the chocolate raffle or the ground raffle that goes round of a day. We see the kids walk round with a chalkboard with the number up, telling us which raffle number is up. This is how traditionally clubs have survived over the years.

Scott Wade is trying to take all that away, trying to take away their income streams in a number of ways. Anyone who sold National Pies at football would receive a 15 per cent kickback at the end of the year. If you sold, say, \$10 000 worth of pies, at the end of the year you would get \$1500 back from National Pies. Scott Wade cottoned on to this and went to National Pies and said, 'Right, you only give the clubs 10 per cent now and we skim five per cent off the top.' I believe that to be the case.

If AFL Tasmania is skimming five per cent off the top of that money, that is money for jam, because they are not the ones who buy the pies, they are not the one who have the volunteers who go out there and sell them, they do not stock the pie ovens, or stand in freezing cold kiosks week-in and week-out. Yet they take the money off these clubs. They are taking money away from clubs and then giving it back and saying, 'Aren't we good because we're giving you all this money' but you have knocked their income streams on the head.

They have protected sponsors. AFL is what they call 'protected sponsors' where a club cannot approach a sponsor if you are not AFL, cannot approach CUB, cannot approach Coca Cola, and there are a number of other sponsors they cannot approach because AFL Tasmania classes them as a protected sponsor. They take all the sponsorship money and they are not supposed to hand it out to the clubs. I look on that as a restriction of trade. You are stopping someone from doing what they should do. You are stopping the market forces of football working.

Mr HARRISS - I have to indicate some concern that whilst you are giving a snapshot of how football is administered in the state, our remit and term of reference is specifically as to

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how the \$500 000 per annum provided by the state government may find its way down to assist the administration of grassroots football. I am a little concerned we ought to be focusing on - and can I ask this question to Robert -

CHAIR - I was allowing to open up into where it was going and background and, you are right, we have reached the stage of where we now move to the funding side of it.

Mr NEWITT - Yes.

Mr HARRISS - I suspect all clubs across Tasmania are aware that AFL Tasmania gets funding from the state government and it is reported in their annual reports. You have been involved in the administration of football for a long time. Have you ever been made aware of what the rules around that \$500 000 are, as provided by the state government? The clubs that you have been involved with, STJFL or the North Hobart Football Club ever had any communication from AFL Tasmania as to this \$500 000 comes in and this is how they intend to use it for the betterment of grassroots football in Tasmania?

Mr NEWITT - I cannot say that I have. The North Hobart Football Club may have and the STJFL may have but personally I have seen none of that. I have not seen where that money filters down. Like I said, \$500 000 that the government gives them goes into consolidated revenue and out of that consolidated revenue it goes \$500 000 to 10 clubs. What those clubs do with that money is entirely up to them but I believe that the AFL may have put stipulations in there to say, 'This is what you have to do with this money'. I cannot say I have ever seen or heard of that. I know at one stage that the AFL was pushing for all clubs to have a paid administrator so was that money then pushed aside to pay for that administrator for that football club or for the general manager, if you like?

Mr HARRISS - Is that in the TSL you are referring to, a paid administrator?

Mr NEWITT - Yes, and that is what they do and that is my understanding. They get the money and it goes into AFL Tasmania consolidated revenue and it is like it disappears into a black hole and that is it and where the money goes after that, the quote in Saturday's paper -

We have been asked how the \$500 000 received from the Department of Sport and Recreation is being acquitted. As far as we are concerned

and this is Scott Wade

that is our only obligation. We know the direction we are heading in as far as Tasmanian footy is concerned. We don't report to the government.

If the government is giving someone \$500 000 a year I would want a report back from them and say, 'What do you do with my cash, buddy?' To me, this is a man who has contempt for everyone. He is unanswerable to anyone. And here is a question I ask - if it is AFL Tasmania trading as Football Tasmania who elects the office bearers of Football Tasmania or the AFL? Who are its members? When do they meet? Who approached Dominic Baker to be the president of Football Tasmania? I do not know whether this guy has any grounding in football but it is like trying to get a pilot to go to sea on a boat and saying, 'You know what you're doing, off you go because you're a skipper'.

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Just because you might have played football or you might have been a good footballer it does not make you a good football administrator.

Mr BOOTH - If you've finished on that line, Paul, I don't want to cut across the line you're working on.

Mr HARRISS - No, I'm done, Kim.

Mr BOOTH - Robert, are you aware then whether clubs who receive some of that largesse from AFL are informed at the time of receipt that it's public funding, or does the AFL effectively mask it and make it look like it's their own money they're paying out?

Mr NEWITT - Kim, as far as I'm concerned, any time you get anything from the AFL it's come from the AFL - it comes from them.

Mr BOOTH - So there's no accounting for it, there's no accountability? There's nothing with the funding grant, if you like? Are they conditional, the grants? There's nothing that identifies that it has come from public funding? Is it tied to anything, in particular, that might have met the terms of reference of the original grant to the AFL, like developing community football, for example?

Mr NEWITT - No. My understanding is that it just goes into consolidated revenue with AFL Tasmania, and they are an entity unto themselves. They don't have to even report to the government of the state, as they've said.

Mr BOOTH - So they can look good using public money, without disclosing it?

Mr NEWITT - Absolutely, absolutely, because they don't disclose where the money came from that they've handed out - it's just come from AFL Tasmania. That's my understanding of it.

Mr BOOTH - Thank you.

CHAIR - Robert, when you look at the funding from AFL Tasmania, as I understand it, it's provided for a number of things to occur within this state. Is that right?

Mr NEWITT - Yes.

CHAIR - I can go through the list of things - participation programs, coach and official education development, the government's initiatives, communication, marketing and promotion, club development, inclusive participation, and ethics/harassment-free sport. If that is what the government funding is all about, what knowledge do you have of any of those things being achieved in community football in Tasmania?

Mr NEWITT - Well, as it stands the majority of junior clubs run Auskick programmes, and the STJFL does particularly well with that. To put it once again back into context, the North Hobart and the Sandy Bay junior football clubs have a combined total of about 850 kids on their books. The Southern Tasmania Junior Football League is the largest stakeholder of footballers in Tasmania, with about 3 500 kids on their books - just in the

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STJFL. They are the largest stakeholder in relation to football in Tasmania. I don't think anyone could disagree with that, given the numbers.

With regard to community programs that AFL may have provided, they may turn around and say to you, 'We've provided community programs like the North Melbourne Football Club and the Hawthorn Football Club holding community clinics'. They could say that and you probably can't deny that because they're saying it, and we can't refute it. So the money they may have paid to those clubs, they can justify it coming out of your money - government money - because it meets the terms of reference. You said the money is there, in some cases, for advertising. How many thousands of dollars did they pay for some kid to do that on a computer? That is the new logo of the new Hobart City Football Club. It's an absolute mockery, sorry.

They tried to shut down North Hobart and Hobart football clubs to build one inner-city club. This was tried before. It was trialled before and it never worked and it won't work again, much the same as state-wide football was trialled before. Scott Wade has said a number of times, 'We don't care about bums on seats'. They're not worried about the crowds at the game. I'm sorry, but when it comes to community, that's what you're after. You're after your community going to your football and watching your footy matches, and making it a family day or a family affair, like it used to be.

I know times have progressed and technology is doing us in, with big TVs and the internet and people don't go to the footy any more like they used to.

CHAIR - I'll just look at each of those points if I can. It might make it easier. Looking at club development for instance, what club development, to your knowledge, has occurred outside of the TSL?

Mr NEWITT - Very little - I can see nothing. There is really nothing I can see that they do. They do not put on training programs in school holidays; they do not run training programs when the kids have got time off. You would think they would have sports camps and football camps in school holidays to train kids and give them an outlet during holidays. I have not heard or seen anything like that. Honestly, I have not seen them do anything.

CHAIR - I take another point then - coach and official education development - has any of that occurred to your knowledge anywhere?

Mr NEWITT - Yes, there is coaching accreditation. I have been through a program, and I am a qualified youth coach for football, and I am also a qualified umpire. They provide the avenues for coaches to be accredited, but they still charge you for that privilege - it is not free. Either the club will pay for that - they will pay for their coach. Anyone else who wants to do the accreditation can, but the money comes out of your own pocket.

CHAIR - So, they have facilitated it, but the participant pays to do it?

Mr NEWITT - That is right, but to facilitate it is nothing to them. It is easy for them. As far as I can see they are top heavy - there are so many people working there. When it was the TFL about half a dozen people ran the show and TFL football ran particularly well in this state for 40 years or more. It was a great model and it is still a great model because

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it looks after what Tasmania needs out of football, not what football wants from Tasmania - that is the pertinent point here. We need to understand what the community wants from football, not what the AFL wants from Tasmania.

CHAIR - Unless there are any further questions at this stage, I will let you go but try to concentrate on the funding issue and what these clubs are getting out of it.

Mr NEWITT - Recently AFL Tasmania appointed a new general manager, Shaun Young. I did not see the job advertised so whether it was just an appointed job or a job handed to the boys, I am unsure. But the money has to come from somewhere - whether it comes from government funding or whether it comes from AFL Australia, I do not know. That is a job for you people to find out, but I question the need for a general manager when we have Scott Wade, who elevated himself the position of CEO. We just have another tier now, on top of football administration, that we did not really need. To me, that is a questionable appointment, simply because there seems to be this relationship - and I call it a bad business relationship - between AFL Tasmania/Scott Wade and cricket/David Boon. It is a known fact that Scott Wade and David Boon have a personal relationship and I could mention a lot of things that have been questionable in that relationship, because of David Boon's son, Jack Boon, who that report comes through. This comes back to your funding,

Mr HARRISS - Mr Chairman, if I could just jump in there. That is a bigger issue, about AFL Tasmania's opportunity to administer their organisation as they choose. We are tasked with focusing on the benefit of \$500 000 annual government funding to support grass roots football to build and develop.

Mr NEWITT - Yes. What I am saying here, Mr Harriss, is that there was no need for AFL Tasmania to bring in another top heavyweight at a cost of \$45 000 to \$60 000 a year, for a general manager. As far as I am concerned, that is out of your funding because that comes out of the consolidated revenue of the AFL, because they do not disclose anything. Nothing is disclosed - they have a bank account and money goes in and money comes out. There is very little, as far as I am aware, that is disclosed. So, when I say this gentleman was appointed to a position, that comes back to the funding. Where was the money taken from for this position and what was the need for that position to be created?

CHAIR - They have completed an annual report haven't they?

Mr NEWITT - They probably would have, but I have not seen it so I do not know.

CHAIR - You have not seen an annual report?

Mr NEWITT - I have never read an AFL Tasmania annual report -

Mr GUTWEIN - There is one available.

Mr NEWITT - Yes, there would be one, certainly.

CHAIR - So you have not seen one of those reports?

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Mr NEWITT - No but in such a small state, where we have a relatively small number of people playing the game, why do we need such a top-heavy administration?

Mrs TAYLOR - In a sense, Robert, it does not matter, it is not coming out of this \$500 000. If it is coming out of this \$500 000 -

Mr NEWITT - We do not know this. That is the thing.

Mrs TAYLOR - That is the question, where it is coming from.

Mr NEWITT - Is the money from the government set aside in a specific account, where we say that is the government money and we can say exactly where it goes to. I think that is the issue but you cannot because it goes into their consolidated revenue and it disappears.

Mr DEAN - You are right, that is a matter for this committee to follow up and we will do that because it is required under the term of reference. We need to find out exactly where the government money is being expended and what is being returned to the state as a result of that expenditure. That is in accordance with this committee.

Mr NEWITT - When you are talking of funding in relation to money going out, and I cannot say whether it is from government money because it is undisclosed. Things like that cost tens of thousands of dollars. You must know how much it costs to do these things, and to wholesale cut a club out, or two clubs, and then reintroduce a new one which has no members at this point, has a basic committee. It has no volunteers, no working staff, and football starts in six months time. They are destroying clubs. This is a community they are destroying. It is not just a club. It is the whole family that is involved with that club. This is what they are breaking down and destroying, and it is not what the people of this state want.

You have only to walk around the street and ask people. You have only to look on the Facebook pages and see what people are saying. It is not what people want. At the end of the day, given our situation in this state, we have to start listening to what the people want and not so much what the corporation wants. That is the problem I can see.

CHAIR - Robert, I do not know what other points you have. If I could ask you, because of our time, to at those areas that are critical and hone in on that funding side of things and address that to the best of your ability I would appreciate it so that we can -

Mr NEWITT - Breaking up of teams and the creation of new ones, that is a waste of money. AFL must have to expend money on that. They are wasting money there. Draft fees, when players are picked to go to the AFL they are paid a draft fee. The AFL was paid that money now. In my understanding it should be paid back to the clubs for the years they have spent a lot of money training that player. It has cost the clubs a lot of money to train a player to a certain level. Then when they get picked up, that fee comes back to the clubs. I understand that that may not be the case at this time. That money is not coming back to the clubs.

Once again the clubs are being starved of money that is rightfully theirs, and then when the AFL Tasmania gives them money they think, we are bigger than Texas. Don't we

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look good? Look how much money we have given you, but you have stopped them from raising revenue. That is an issue, a big issue for clubs, raising revenue.

CHAIR - What you are saying there is the government funds that are provided to AFL Tasmania provide them with an opportunity to spend that in areas of trying to increase the football talent, and then when they get somebody drafted, a certain amount of that money should come back into the clubs as a result of the merry-go-round?

Mr NEWITT - As an investor the government will be looking to say what do we get for our money.

CHAIR - Very true.

Mr NEWITT - What are the KPIs of AFL Tasmania? One would have to say that their key performance indicator would be how many players they put into the annual draft. How many players does Tasmania supply to the annual draft each year in football? My understanding is it is no more than about 3.8, and that number has not substantially increased since AFL Tasmania came into being. If that has not increased and you are spending all this money on them, what are they doing?

Mr BOOTH - Robert, could I ask whether you see any role for the AFL to be receiving public money to redistribute to clubs, or should it go directly to clubs?

Mr NEWITT - I think that the money should go directly to clubs, because first, it does not allow the money to be sidetracked. Second, the money goes directly to those people to get the resources they need for their clubs to continue. I do not think that it is a smart move to have all your eggs in one basket, and that is to hand out your money in one big cash grab and say, 'There you go, thanks very much.' It might be better to work it, Kim, on a per capita basis per club, and say, 'Okay, you have so many kids in your club, we are going to provide so many dollars per kid, per club, per year, for funding and that is the basis we will work on'. The bigger clubs get a bigger slice because they have more kids to look after, and the smaller clubs probably not so much because they do not have as many kids but it would seem a more fair and equitable way and a more transparent way of dealing with government money than simply handing it all over in one lump sum.

I will not keep you much longer because I have gone through most of these points. I will leave this with you so you can go through that.

CHAIR - Could you table that document, please?

Mr NEWITT - It is not necessary that you have to table it, it is just my key points I wished to bring through to the committee this morning. The AFL now is part-owner of four teams. AFL Tasmania has now become a 50 per cent owner of nearly half the teams in the competition. In the market, if your business does not survive it goes under and the government does not give you \$50 000 to prop your business up, so market forces have to determine some things and they have to determine the number of football clubs and how we can play football in Tasmania because the economics of football do not allow us to continue with this model and this role. It is breaking our community apart.

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There is so much division in football now because of this. All I can say to you is if you want to find out for yourself, take a walk down the mall and ask people there, 'What do you think of local football?' and you will be surprised and shocked at the answers you will receive.

CHAIR - Robert, thank you very much for that. Are there any other questions of Robert? We are going to table that document as well.

Mr NEWITT - Thank you. You can keep that one, for what it is worth.

CHAIR - You have raised a number of issues which we will explore further.

Mr NEWITT - You can get that out of the paper.

CHAIR - You are right, the state government is purchasing a product from AFL Tasmania and that is what this inquiry is about - to see what the return is to the community and what it is doing for community football and how it is strengthening football in this state. And participation is an important thing.

Mr NEWITT - There is a copy of the 2006 STJFL report and it will show you that I was a vice-president at the time. You can keep that.

CHAIR - We would need to table it.

Mr NEWITT - Yes, you can table that, if you like. That will give you an insight into the runnings of the STJFL and without a doubt it is the best run football organisation I have ever had the privilege to be associated with. They are exceptionally good at what they do, they are very proud of what they do, and their soul intent is to give kids that ability to have a game of footy on the weekends. That is the whole reason for being there for those guys.

CHAIR - Robert, thank you very much. We appreciate that.

Mr NEWITT - I thank you all very much for your time.

THE WITNESS WITHDREW.

PUBLIC

Mr ROSS PAINE, NEW NORFOLK DISTRICT FOOTBALL CLUB, WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

CHAIR (Mr Dean) - Welcome. I need to say that whilst you are giving evidence here parliamentary privilege applies but once you leave this environment it does not apply so if you repeat any of that information and it might be not in the right phase to be able to do that then you are responsible but it applies whilst you are in here. If at any stage during your evidence you reach a stage where you feel that there might be something in confidence that you would like to tell us, if you ask we can consider taking that evidence in camera and we would make that decision at that time. At this stage it is public and open to the public.

You have made a submission to us and we have all been through that and you have identified a number of things. In commencing your evidence, I remind you of the terms of reference of which I think you are clear, so I ask you to predominantly stick to that and I know there might be a bit moving outside of it from time to time and there is some allowance for that. If you could stick pretty much to the government funding of \$500 000 annual, what it does, what it has done in your area, what it should have done and your concerns and issues around that.

I will give you an opportunity at this stage to expand on your submission to us and add anything to it or emphasise any points. Please take your time to do that now and then we will have some questions for you.

Mr PAINE - Thank you. I should say at the outset the New Norfolk District Football Club which is affiliated with the Southern Football League, is a second-tier competition. If you want to grade the competitions it is the Statewide League first tier and the STFL would be regarded as second tier. We come here today not disgruntled but in a manner to place things before you that we think are important and to move toward a greater transparency in funding arrangements to football in this state.

I do not think I need to expand on my written submission in any great detail and probably in the interests of expediency if you want to move to questions it may be the easiest way to go.

CHAIR - We are happy to do that. I will open it up to questions from members.

Mr GUTWEIN - Ross, as one of our key terms of reference is looking at expenditure of public money, as a member of the committee of management of the club that you are representing, how much of that money do you see flowing down to your club and how does it manifest itself if it does?

Mr PAINE - This is the nitty-gritty of our situation. We see nothing in terms of dollars to support the running of the New Norfolk Football Club. It costs, as I have indicated in my report and my submission, approximately \$160 000 a year to run this club and that is everything from oranges to coaches and everything in between and we do not receive 1 cent in dollars to support the running of the club. All that money has to be raised by club volunteers throughout the year and we are no different than, I imagine, any SFL club.

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Mr GUTWEIN - On the basis that the state government currently makes \$500 000 available to football in this state via the AFL, are there any other ways that support at a government level manifest itself to your club - any other income streams or grant programs that your club gets the benefit of?

Mr PAINE - None that I am aware of. Our club is not aware of the formal arrangements that may exist between government and the peak football body, and any arrangements that are supposed to exist between the peak football body or any arrangements that are supposed to exist between the peak football body, the statewide league teams, and teams in lower tier competitions, in regard to any support services or money. Whilst I am not fully across junior football, I can tell you that I would assume that the peak body funds programs for junior development. It is an assumption. In the last two years junior football club representatives - and I am talking here six to 15 year olds - report to me that they can only recall two visits by junior development officers in two years. I'm saying -

Mr GUTWEIN - That is AFL junior development officers or junior development officers who are attached to a state-wide league club?

Mr PAINE - That is correct, junior development officers attached to a state league club. But in terms of the senior club, the New Norfolk district football club, nothing.

CHAIR - Peter, have you anything further?

Mr GUTWEIN - I am making some notes so keep going.

Mr BOOTH - I have a question.

CHAIR - First of all, Adriana.

Mrs TAYLOR - Ross, your submission details what you obviously see, and that is very important. Thanks very much for that, it is a great help. Ivan mentioned to Robert, the previous witness, that there are eight performance indicators, eight focus areas, that the money is supposed to go to AFL for, things like coach and official education, coach and official development. You have not seen that the New Norfolk district club have been able to benefit from that?

Mr PAINE - Not personally, but I am new to football administration.

Mrs TAYLOR - Okay. It says that and it says governance initiatives, like - I presume - help the administration be up to speed with good governance. Communication, marketing and promotion - I presume marketing and promotion would mean club marketing and promotion, not AFL marketing and promotion. You have not -

Mr PAINE - I am not aware of it personally.

Mrs TAYLOR - Club development it says, so the only thing you can think of is a couple of times in the last two years that they have been, but you have not seen anything in terms of the senior club?

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Mr PAINE - No, none whatsoever.

CHAIR - Ross, how long have you been there?

Mr PAINE - I have only been on the board of management 12 months.

CHAIR - Only 12 months.

Mr PAINE - I have not a great history, and I have sought the views of other committee members who have been longer-term members than me.

CHAIR - On that question of Adriana's, you do not have any knowledge of any involvement of AFL Tasmania in the areas that Adriana has raised with you?

Mr PAINE - No, none whatsoever, and none in the last 12 months.

CHAIR - Sorry, Kim, it goes a bit further than that, and it refers to - there are eight areas that I understand this government is purchasing, in a way, from AFL Tasmania. You have participation programs, coach and official - as Adriana has mentioned - education development, government initiatives, communication, marketing and promotion, club development, inclusive participation and ethics, harassment-free sport. You have remembered all those areas. Are there any that come to mind that you may have witnessed from AFL Tasmania, or had involvement with?

Mr PAINE - All I can say is that our body, the SFL, may well have had access to funds for promotion of the league as a whole. But that is a guess; I do not know that for sure. But no-one has come to us, as a club, in the last 12 months and said, 'We would like to help you promote X, or assist with your coaching development', or anything of that nature.

CHAIR - Have you - and you have only been there that short period - been to AFL Tasmania and made any requests of them for support or help or involvement in any of these areas, or do you have any knowledge of that having previously occurred?

Mr PAINE - What I would say is that our representatives on the SFL board would make those representations to the SFL. We would not - I would have thought - gone direct to AFL Tas. I cannot say whether they have asked for support in the last 12 months or not. But that is where I would imagine the natural chain of command, if you like, would be.

CHAIR - Kim?

Mr BOOTH - Thank you, Ross, and yes, your submission is clear with regard to your understanding of where the money from the AFL does not go, which is obviously not to your club, by the sound of it. More importantly, have you ever been approached by the Department of Economic Development, Tourism and the Arts, or Sport and Recreation Tasmania with regard to whether you are getting any of those matters that this specific key performance indicators with the grant deed between AFL and the government? Have you ever been surveyed?

Mr PAINE - Not to my knowledge.

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Mr BOOTH - You have said you have only been there 12 months, so if you do subsequently find that you have, you could let the committee urgently know.

Mr PAINE - I certainly will.

Mr BOOTH - At this point, to your knowledge, you have never been approached by any government agency whatsoever with regard to any satisfaction with regard to the funding playing down?

Mr PAINE - Not to my knowledge, but I will check early this week and report back to the -

CHAIR - If you could come back to our committee, Ross, back to Jennifer, that would be good. We would appreciate that.

Mr BOOTH - I asked the previous person giving evidence, with regard to whether you think there is a fundamental difference in the trajectory or purpose of AFL as opposed to the more community-based football. What have you to say about that? Is there an inherent contradiction with regard to the purposes of existing AFL being more of a corporation, apparently self-serving rather than developing sport and recreation and physical activity with younger children, community participation and those sorts of things?

Mr PAINE - It is an interesting question. I totally support the state-wide league. Our club view would be that we support it, but perhaps not as strongly as I do personally. I think the state-wide league is important for aspirational ideals of young people playing football, number 1. I'm not sure you can judge the state-wide league on the same community level or values to community as you can a club in our league, the SFL, where we clearly represent a community, and New Norfolk is a very identifiable community. We perhaps look to deliver slightly different goods to our community than a state league club.

I am not sure that answers your questions, but if you want to direct my thoughts, please do.

Mr BOOTH - I am interested in hearing from people like yourselves who are directly involved, because I am not, so I need to know exactly how you are feeling about these things. It might be more direct perhaps to ask you if you think it is appropriate that funding for your organisation is funded through the AFL, or should it go directly to the clubs by the government based on funding agreements and so forth, and KPIs, directly rather than being redistributed through the AFL?

Mr PAINE - Tongue in cheek I could suggest that the AFL should be self sustainable, but I think that is not living in the real world. I think the suggestion has merit, that government money directed towards community football could be directed more directly to those involved in delivering that service. I think, in our case, it would have to be directed through the SFL. Going direct to clubs is probably a step too far and open to all sorts of suggestions.

Mr BOOTH - There was the suggestion previously that a per capita distribution based on the number of players. Would you have some comment on that?

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Mr PAINE - There would have to be some formula as to how money would be distributed if you took that track. That is one. I cannot think of another, but I am sure there are other ways that you could determine the appropriate level of funding to second-tier clubs.

Mr BOOTH - The final question in terms of the direction of football, where do you see it being in 10 years time if it keeps going the way it is?

Mr PAINE - I would like to think the state-wide league can survive, and I would like to see the second and third tier competitions prosper. The difficulty with that is that we are seeing teams in third year competitions, and even our competition, struggle for finance and players. That is not confined to Tasmania, so the future of those clubs struggling now are in peril.

Mr BOOTH - Do you see things other than this funding thing at the moment, that are impediments to that? Is it becoming too difficult to run a club these days with the obligations that are imposed on members with public liability and all of the other stuff that you have to take into account and what you did not have to do 20 years ago?

Mr PAINE - You are right. Fundraising to run any club, even our club and we would see ourselves as a successful club, is difficult - to raise \$160 000 or thereabouts - some clubs might be less and some clubs might be more - takes outstanding efforts on behalf of volunteers and the local communities. We have had to come up with novel suggestions such as running Fevola days where you hope to make substantially more than you would from normal roster matches. These events hold inherent risks and could fail quite easily where you would carry a financial burden. It is becoming more and more difficult to raise the level of funding and that takes me to the point of the value of community-based sporting clubs in general, and in our case football clubs, to a community, subjects that have been written on endlessly.

The value to communities is undoubted and that is why we would like to see more value placed on our club and if that means we are able to attract some government funding to set off some costs, well and good.

Mr BOOTH - You say that you might need government funding to do certain things but is there an argument that you could advance that you have become distracted, in that you are fund raising for a whole lot of hoops and hurdles that you are forced to go through, that you might regard as being unnecessary red tape and over-regulation, for example, that prevents you being able to focus on the core reason for your existence which is about playing football?

Mr PAINE - I think you take it in your stride and it does not matter whether it is a licensing fee to run your alcohol outlet on the ground, or cost of goods for your canteen, or whether it is some insurances or whatever. You take it in your stride. It is what you have to raise to make sure you put the team on the ground. I am sure that no player in any club thinks about these things but I am sure that for most committees of these football clubs, that is all they worry about.

Mr BOOTH - Thank you.

CHAIR - Peter, before I go to you, Adriana has a question.

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Mrs TAYLOR - I am looking at the finals and the semis being played at KGV and you mention the fact that they are because they attract a reasonable crowd and they raise money. Have you questioned the fact why does none of that ever flow to the participating teams, or why don't you get something for a premiership or whatever?

Mr PAINE - I know that a variety of representative clubs have questioned the SFL but there are commercial arrangements in place, as I understand it. I do not fully understand them and I do not think many people do outside the SFL and that is the way it is. I cannot answer the question. I do not understand -

Mrs TAYLOR - But the clubs make up the SFL, don't they?

Mr PAINE - That is right. I cannot understand why participating clubs in those two matches at the KGV do not receive any funds out of the takings, whether they be bar takings, gate takings or whatever. As I understand -

Mrs TAYLOR - The home ground would want some budget.

Mr PAINE - One would even question why the SFL would be playing their finals at the ground that is not in the SFL.

Mrs TAYLOR - Because it is a great ground, Ross.

Mr PAINE - It is certainly a great ground.

CHAIR - I am seeing if I can get a connection back to the term of reference on this but I will let it go.

Mrs TAYLOR - It is relevant. I am aware, because of my connection with Glenorchy Football Club, of how many hours and how much money volunteers put in to keep making football clubs survive and it does not matter what tier of football it is. You could not do it without the volunteers and our previous witness, Robert, talked about the fact that it is so hard for clubs to raise money. What we are trying to do with this \$500 000 is support community football - support club football. So, I can see that in the KPIs they might not want to directly fund operations, but if they are making it harder for the clubs to raise their own money, that might be an issue.

CHAIR - Thank you, Adriana. Peter, do you have a question?

Mr GUTWEIN - Yes I do. It just goes to the 'structure and future of football' term of reference. Ross, as a club, what level of engagement do you get, via the SFL, which I presume speaks with the AFL about these matters, when issues like the issuing of new licences are being discussed. What sort of engagement, as a club, do you get with any process that may be available to discuss more broadly the future and direction of football on an ongoing basis?

Mr PAINE - None personally, but the engagement is through our representatives on the SFL board. There is engagement, but because I am not one of those reps, I am not sure about the level of engagement - how things are presented to those representatives. They report

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back to our board on the progress of matters, but our club welcomes anyone to play, especially high profile teams, in our competition because it means we will get more supporters at our home games.

Mr GUTWEIN - That is a given, certainly. When you have high profile teams playing, it can certainly put bums on seats. With regard to competition for players and sponsorship, New Norfolk is, to some degree, geographically isolated, and there challenges in that, but do you find there is increased competition for players and sponsors across the league when that happens?

Mr PAINE - Generally, yes, but I think your point is well made that we are perhaps somewhat isolated by geography. It is hardly likely that Huonville will be trying to attract the same sponsors as New Norfolk, in our competition, so your point is well made - that we are perhaps better off than some clubs in that respect. We are also lucky that a lot of our players are local players - they just want to play football with their mates and they turn up to training at New Norfolk. They do not want to travel too far to play football but, in saying that, we have had several young players move forward to other statewide leagues and they go with our blessings, because they clearly want to enhance their footballing futures.

CHAIR - Are you right there, Peter?

Mr GUTWEIN - That is fine.

Mr HARRISS - Can I build on that theme Peter was just developing, Ross? You have indicated that you are not aware of any direct trickle down of the \$500 000 state government funding to AFL Tasmania to support any of the matters that Adriana and Ivan mentioned. If there was a trickle down of some of that \$500 000, or all of it, or whatever, what would you see as the greatest need at your club to be supported financially? Would it be administration or junior development or marketing promotion or expansion of knowledge of coaches? Has the club addressed any of those matters - where there is a greater need?

Mr PAINE - Some of those issues are quite esoteric - the development of coaches and the development of the game or the promotion of the club. It is more grassroots than that - clubs need dollars to survive. The greatest single example, which would apply to every SFL club, is the fact that at every home game, the home club pays for the umpires. That's approximately \$1 300 per game the home club pays if the full complement of umpires is made available. Some clubs don't even take that at their gate. Now, I'm not suggesting for one minute that the governing body can afford to pay the total cost of umpires. I'm suggesting that if you could somehow mitigate that cost, it means the club either has to make less money, or can redirect its money into other areas.

Mr HARRISS - Yes, that's clear, that's good. Thank you.

CHAIR - Ross, in your submission you say:

The New Norfolk District Football Club does however have concerns that the funding provided to the peak body for community football is being eroded by administration costs, with none actually filtering to the clubs -

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You've mentioned it a couple of times -

in lower-level competition, for the benefit of the club and competition as a whole.

Can you expand on the administration costs? Are you talking about the AFL?

Mr PAINE - Let's just put it this way. Because we don't see any direct moneys, it's an assumption that the money must be going somewhere. One would assume it's into administration. Whatever form that takes, whether it's junior development coaches - who we don't see that often - or whatever it is. We don't know. The point of those comments is that we're just looking for some transparency about where this funding goes. Because clearly - well, this is another assumption - clearly government isn't just giving \$500 000 to the peak body for their sole use. As you said, there are eight or nine KPI's that are expected to be met.

CHAIR - Ross, I think that's not a bad place to leave it - with the transparency issue. It's a good point.

Mr BOOTH - Chair, I've got another question.

CHAIR - Yes, Kim.

Mr BOOTH - Thanks, Ross, you said one of the KPIs was esoteric, or something like that?

Mr PAINE - What I meant was that issues such as coach development, promotion of the clubs, and promotion of the game, are probably beyond second and third tier clubs, because most of those clubs are staffed by volunteers. Most volunteers haven't got the time to put into those areas, as important as they are, and the clubs certainly haven't got the cash to get into promotional campaigns, et cetera.

Mr BOOTH - People have given evidence that none of the funding - that \$500 000 - appears to be filtering down to the intended recipients. The eight KPIs seem to be more something to dress up the grant to the AFL as if it means something, but if you analyse it and split that \$500 000 across all of the clubs and those eight KPIs, you would have 3 per cent of nothing almost for each one, wouldn't you?

Mr PAINE - I suspect that you could make anything fit into those KPIs, but I'm not involved with the peak body, so I don't know where the money goes.

Mr BOOTH - For example, 'coach and official education development' - presumably you would send your coach along to some sort of pooled coaching and development education program?

Mr PAINE - That's correct, but I expect that fund is for development of coaches employed by the peak body, not the coaches employed by second and third competitions.

Mr BOOTH - So you're saying the SFL should potentially receive the money - the \$500 000 - and distribute it, rather than the clubs themselves. But it would end up with a very small amount of money and it would be difficult for each club to even contemplate

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those KPIs, wouldn't it? It would be better for them to use it for directly funding the operations of their clubs as they see it.

Mr PAINE - You are quite right and perhaps that is why if you said, for instance, that it was to be put into the costs of umpiring it is something quite tangible. Just a suggestion, but I agree that sometimes the trickle-down effect will water down any direction that surrounds those funds.

Mr BOOTH - Yes, okay. Thanks, that is all I have.

CHAIR - Ross, do you get any information other than the annual report that is done by AFL Tasmania each year? Do you get any other feedback from AFL Tasmania as to what they are doing in this state and how they are going about things and the areas that are concentrating on, moving into? Does that feedback come back into the leagues, into the associations?

Mr PAINE - From my observations no, but I would suspect that any feedback would come back to the delegates to the SFL but my observations for this year is no.

CHAIR - Do you have any final comment you would like to make? AFL Tasmania now have a half share in four statewide clubs and do you have any knowledge of the funding that is provided for those four clubs?

Mr PAINE - I do not know it can work, so I do not know who owns the funding, whether the peak body would own the funding or whether the other half of the club owns the funding but, once again, it is not my area. I strictly want to say that I do not want to get drawn into making comments about things that I do not know about and do not understand.

CHAIR - That was not the intention in asking the question.

Mr PAINE - No, but I do not know how it can work on a personal -

CHAIR - Thanks, Ross.

Mrs TAYLOR - Can I confirm, in your submission you said \$1 300 per -

Mr PAINE - Per home game.

Mrs TAYLOR - If three levels of home games, if you have a seniors -

Mr PAINE - Second and colts, yes.

Mrs TAYLOR - Then that is three times that much?

Mr PAINE - No, \$1 300 for the three games.

Mrs TAYLOR - You said earlier per game and I was thinking does that mean three games?

Mr PAINE - Sorry.

PUBLIC

CHAIR - I take it from that you are providing your own boundary umpires, goal umpires and

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Mr PAINE - No, but on occasions the full complement of umpires is not available so you pay less on that particular game.

CHAIR - Ross, thank you very much for coming in today and giving evidence in the way in which you have and in saying this I have to say this man has been a very fine footballer in his day. There is no doubt about that. He played -

Mr HARRISS - We are off the record, Mr Chairman.

CHAIR - Off the record but it can be on the record if it wants to be.

Mrs TAYLOR - It is on the record.

CHAIR - He was a very good footballer. Ross, thank you very much and if there is anything additional that you did have you can provide that to the secretary and we can table that.

Mr PAINE - I will respond by e-mail, hopefully, by the end of the week to that question. As I said at the outset, we do not come here as a disgruntled club, we come aiming for a little more transparency and, hopefully, would like to see some of the funding go our way.

CHAIR - We appreciate you giving your evidence and at this stage we are going to adjourn for a period of time and return at half past one.

THE WITNESS WITHDREW.