



SPORT | Issue No. 14 | *Sports governance in Australia and the leadership of the Australian Sports Commission*

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The Australian Sports Commission (ASC) has set about to ensure that Australia gets good value for money on its contribution to sport, and it sees a fundamental aspect of this is the importance of governance.

The ASC is a Federal Government entity which oversees Sport in Australia. It has a separate Board but is under the control of the Federal Minister for Sport. The most significant thing that the ASC does is hand out the money. Federal Government support of sport is distributed by the ASC.

As with all Government funding, that money comes with conditions and, as it is tax payers money, that is probably the way it should be.

To that extent the ASC first established governance policies back in 2002. In 2012 it said to the seven sports that it gave the most amount of money, there was a mandatory governance policy which must be complied with. In 2015 it extended the number of Australian Sports that need to comply with the ASC Mandatory Governance Principles (if they are to receive government funding) to 20.

These mandatory policies apply to the National Sporting Organisation (NSO) and not necessarily the State Sporting Organisation (SSO), however SSOs now have to review their constitution to fall in line with their NSOs.

The ASC has now issued a discussion paper on a range of other proposed "improvements" to governance in Australia, principally around issues of unification and voting rights of members. This discussion paper is available from the ASC website, but most people involved in sport would already be well aware of this.

Many hours have been spent over the last 20 years discussing structures for Australian Sport and the two principal models, with variations, are the federated model and the unitary model.

The federated model mirrors the way Australia is structured. That is, typically, individuals are members of a club, clubs are members of an association or region, regions are members of a state and states are members of a national body, with all of these various bodies being separate entities.

The unitary model, as the name suggests, is one entity where all of the lower components are not separate legal entities but part of a whole.

At different times over the last 20 years the ASC has strongly endorsed the unitary model, but this has been generally ignored or not accepted by Australian Sport.

An array of sports over the decades have had disputes between the SSOs and NSOs. This normally reflects the passion and commitment of the participants, but it would have to be said that sort of disputation, and the time and cost involved in it, achieves little for the sport.

It is hard to argue against the notion that all participants in the sport nationally should work together for a common cause. Clearly a strongly supported motherhood statement but, like all families, whilst we may love each other there are times we don't agree and passionately don't agree with each other.

The notion that Sports can operate in a kumbaya ethos and that everything will always be unified and good, is flawed. Equally the notion that NSOs are always right and SSOs are always wrong, is equally flawed.

As I have said I support the notion that SSOs and NSOs should work together. There are increasing examples of where, without making a fuss, this is operating on a day to day basis. To make this happen however, there has to be a sense of common purpose and cooperation. NSOs need to recognise that they need to speak *with* SSOs, not *at* them.

The ASC is currently conducting a tour of Australia engaging with stakeholders to get feedback on their discussion paper. I attended one of these sessions the other day at which Simon Hollingsworth, the CEO, expressed that governance in Australian Sport is good (compared internationally) and how much it had improved in recent times. I agree with these comments.

He went on to say that despite this, there is no room for complacency and we need to seek ongoing, continued improvement. I again agree with that. Then the question is, how is that achieved? And are the proposals in the discussion paper, at this stage, too much, too early and potentially unnecessary?

Despite a common mantra that it is not a one-size-fits-all solution, the mandatory policies have become a one-size-fits-all solution. My view is that we need time for all of the mandatory principles to settle down, from issues around nominations committees, to ensuring member confidence, to achieving gender balance on boards, to gaining additional experience in balancing the need for knowledge of the sport with independence of directors.

My view is that more can be achieved by pursuing the principles that are currently articulated in the mandatory policies, than either enforcing a unitary/unified model (which the ASC categorically says it is not doing) or pursuing radical change of voting rights at a national level.

The ASC is to be commended for its contribution to improve governance in Australia, but it is not the only source of knowledge, experience and good ideas when it comes to governance.

Change for change's sake is never a good thing. Significant resources and distractions occur whenever change is implemented in an organisation.

Right now I believe that it is time to reflect on the enormous improvement and changes that have been made over the last five years. Now is not the time to distract sporting administrators by having to address and respond to radical governance changes and potentially, if mandated, the process of change and implementation.



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