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AUSTRALIAN INSTITUTE OF SPORT BILL 1986

Date introduced: 17 April 1986
House: House of Representatives
Presented by: Hon. John Brown, M.P.,
Minister for Sport, Recreation
and Tourism

DIGEST OF BILL

Purpose

To convert the Australian Institute of Sport (AIS) from a public company to a Commonwealth statutory authority.

Background

The AIS was incorporated as a public company on 24 September 1980 and commenced operating on 26 January 1981.

The AIS was created by the Federal Government to promote, provide, encourage and develop opportunities for Australian athletes to pursue and achieve excellence in sport.

The AIS opened with 155 athletes, 12 coaches and seven administrators. The eight original sports were soccer, basketball, gymnastics, netball, swimming, tennis, track and field and weightlifting.

Since its inception in 1981 the AIS has continued to expand and develop, in addition to the eight original sports, five new sports have been added. In 1984 hockey was decentralised to Perth and in 1985 diving and squash commenced in Brisbane and water polo and rowing commenced in Canberra.

Funding in 1980-81 was approximately \$1 million. In 1985-86 funding will be approximately \$14 million. Staffing has risen to approximately 160 and athletes from 155 resident athletes to 280 resident athletes and 2000 National Training Centre athletes.

In November 1985 the firm of Price Waterhouse conducted an internal audit review to investigate a number of allegations in the press of financial mismanagement at the AIS. Amongst other things, the auditors concluded at page 22 of their report that in 1985 the AIS's budget, excluding the National Sports Centre, reflected a deficit of \$75 000 and the deficit for 1986 was estimated by the AIS's finance section to be approximately \$450 000.

Main Provisions

The Bill will come into operation on 1 July 1986 (clause 2).

Clause 4 will establish the AIS as a statutory corporation.

The objects of the AIS will be to provide resources to help Australians achieve sporting excellence, to improve the sporting abilities of Australians generally and to foster co-operation in sport between Australia and other countries (clause 5).

Clause 6 will set out the functions of the AIS. Amongst the functions listed in that clause are the development of programs for outstanding sports people and coaches and the provision of sports medicine services.

The AIS will have power to do all things necessary in connection with the performance of its functions (clause 7).

Clause 8 will ensure that the public generally will have access to the AIS's facilities.

The Board of the Australian Institute of Sport (the Board) will be established by clause 9 and the Board's purpose will be to ensure the proper and efficient functioning of the Institute (clause 10).

The Board will have to comply with directions given to it by the Minister (clause 11).

Strategic plans will have to be prepared by the Board, the first of such plans will cover a period of 3 years and will set out the manner in which the Institute will function during that period (clause 12).

The strategic plans prepared by the Board must be submitted to the Minister for approval (clause 13); as must subsequent variations to the strategic plans proposed by the Board (clause 14).

The Board will comprise a chairperson, deputy chairperson, a director and between 7 and 11 other members (clause 15).

Members of the Board must disclose any direct or indirect interest they may have in a matter being considered by the Board and the disclosure will be noted in the minutes (sub-clauses 20(1) and 20(2)). Failure to disclose a pecuniary interest in a matter being considered by the Board may result in termination (sub-clause 19(2)).

The Board will be able to establish committees to assist the Board and such committees will consist wholly or partly of Board members (clause 23).

The Director of the AIS will be appointed by the Board (clause 24). The Director will conduct the affairs of the AIS subject to the directions given by the Board and in line with the policies prepared by the Board (clause 25). The Director will be prohibited from entering into other paid employment, except with Board approval (clause 26).

Written notice of any pecuniary interests in any business or body corporate must be given by the Director to the Board (clause 30).

The terms and conditions of employment of AIS staff will be determined by the Board with the approval of the Public Service Board (sub-clause 32(2)).

Parliament will appropriate money to the AIS (clause 33). The AIS will have to prepare estimates of receipts and expenditure for each financial year and submit those estimates to the Minister (clause 34). The AIS's money will only be able to be spent on liabilities incurred in the performance of its functions and in payment of people in accordance with the present Bill (clause 35).

The Minister for Finance will be able to lend the AIS money at an interest rate determined by the Minister and this will be the only source from which the Institute may borrow (clause 36).

Ministerial approval will be required before the AIS can enter into contracts for more than \$500 000 or enter into leases for land for more than 10 years (clause 37).

The AIS will not be subject to tax (clause 39).

Trust moneys received by the AIS will have to be kept in a separate trust account (clause 40).

The Board will have to provide the Minister with information of how the AIS's activities are being conducted and must be prepared to provide such information whenever requested by the Minister (clause 41).

The Governor-General will be able to make regulations and in particular regulations can be made prohibiting certain people from entering the AIS's premises, regulating the conduct of people on the AIS's premises and providing for the removal of people from the premises. The regulations will also be able to prescribe penalties, not exceeding a fine of \$500, for breaches of the regulations (clause 45).

For further information, if required, contact the Education and Welfare Group.

26 May 1986

References

Australian Institute of Sport, Annual Report 1984-85.
 Hon. John Brown, Parliamentary Statement, 28 November 1985.
 Price Waterhouse, Australian Institute of Sport Internal Audit Review, 1985.

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