

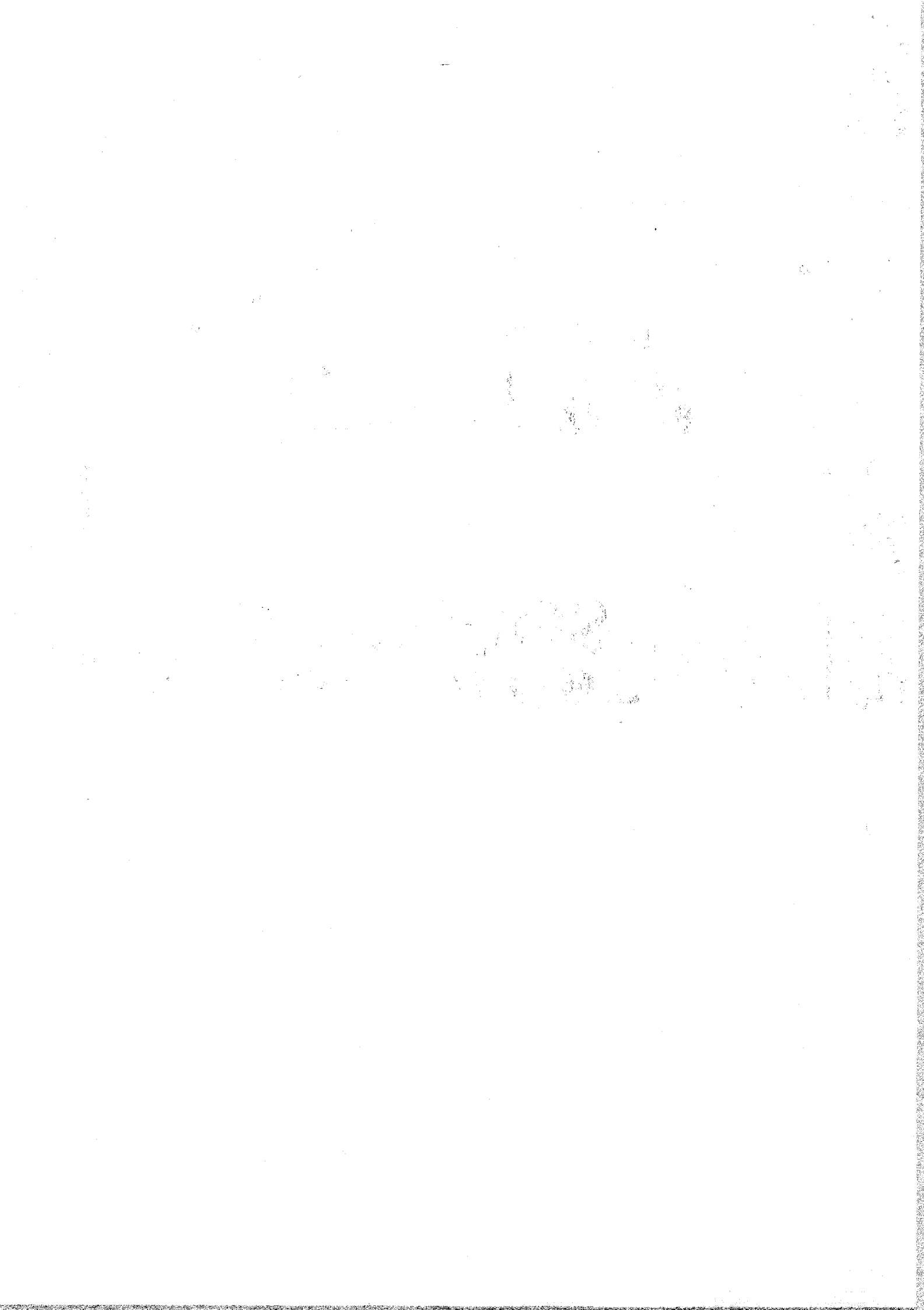
**SENATE ENVIRONMENT, RECREATION,  
COMMUNICATIONS AND THE ARTS  
REFERENCES COMMITTEE**

**SOCCER**

**FIRST REPORT JUNE 1995  
SECOND REPORT NOVEMBER 1995**

**GOVERNMENT RESPONSE**

**DECEMBER 1996**



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# GOVERNMENT RESPONSE TO THE SENATE INQUIRY INTO SOCCER

## Introduction

### Context of Report

On 8 December 1994 and 2 February 1995, the Senate resolved that the Senate Environment, Recreation, Communications and the Arts References Committee -

*inquire into the role of coaches, players, agents, clubs, officials and others in the transfer of Australian sportspeople and into any other matters relating to corruption, conflicts of interest, tax evasion, and improper financial transactions with particular reference to the sport of soccer; and review the report by the Hon D G Stewart to the Australian Soccer Federation; and that the Committee report to the Senate on this matter by 31 August 1995.*

The inquiry was called in the context of media speculation over the roles of Soccer Australia personnel in the transfer of players to overseas clubs including allegations that some impropriety had occurred in these dealings.

The Committee presented two reports to the Senate (June 1995 and November 1995).

### Government's General View

The Senate Committee's report showed that in relation to international transfers, the policies and procedures of Soccer Australia at the time were inadequate in that they did not exclude the possibility of impropriety occurring.

Soccer Australia has implemented changes to address some of the report's recommendations. Other recommendations require complex and sensitive negotiations on the international level and are being pursued through the international governing body FIFA. The Australian Sports Commission is satisfied with the progress made on the report's recommendations to date, and is continuing to work with Soccer Australia on outstanding issues.

This document is the Government response to both reports.

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# GOVERNMENT RESPONSE TO THE SENATE INQUIRY INTO SOCCER

## First Report (June 1995)

### *Recommendation 1*

*The Committee recommends that the whole process of player transfers must be handled in future in a much more rigorous and transparent manner ... financial aspects of the transfer must be conducted in such a way that no hint of impropriety is possible. There should be no cash payments. All payments must be made in such a manner as to leave a clear audit trail.*

The Government supports this recommendation.

The Second Report states that the Committee has noted a general improvement in the way in which the ASF regulates player transfers.

Soccer Australia advises that it currently requires clubs to make all payments directly to it or the appropriate State Federation, for onward transmission to the recipient club. Amendments are being drafted to Soccer Australia's Transfer Procedures and Regulations to ensure that no payments are made by way of cash.

### *Recommendation 2*

*The Committee recommends that the ASF should accredit an agent or agents who would act for the ASF in relation to overseas player transfers so as to ensure that Australia's soccer and financial interests are fully protected.*

The Government agrees with this recommendation.

Soccer Australia has recently advised the Committee that it intends to appoint an agent to represent its interests and establish an Australian Soccer Agents Accreditation Committee.

### *Recommendation 3*

*The Committee recommends that the ASF should establish a panel of experienced people who can provide advice to players and clubs with respect to a player who had been approached by an overseas club or who wished to seek a transfer to an overseas club.*

The Government supports this recommendation.

Soccer Australia has agreed to the establishment of a Players Commission which will among other things be an advisory panel. The ASC is having discussions with Soccer Australia regarding the establishment of a panel to advise athletes on leaving the AIS, and on the preferred membership of this panel.

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***Recommendation 4***

***The Committee recommends that formal contracts must be concluded between the ASF and the National Coach and Assistant National Coach.***

The Government agrees with this recommendation.

Soccer Australia has now signed formal contracts with the National Coach and the Assistant National Coach.

***Recommendation 5***

***The Committee recommends that the domestic player transfer fee be abolished immediately.***

The Government supports this recommendation.

The domestic transfer fee system for players 'out of contract' has been abolished by Soccer Australia, and replaced by a 'compensation system' whereby clubs may be compensated for the training and development of the player during his time with the club.

This is in accordance with what is likely to become international practice, in that an interim judgement by the European Court of Justice in the case of Jean-Marc Bosman v RFC Liege has ruled it is a breach of the Treaty of Rome for clubs to request a transfer fee for the transfer of a player after the expiry of the player's contract.

The Government agrees with the Committee's statement in the Second Report that players should still be able to sign contracts with individual clubs and compensation payments should be permitted.

***Recommendation 6***

***The Committee recommends that player contracts, including contracts with juniors and players with language or other such difficulties must be reviewed to ensure they are fair and equitable.***

The Government supports this recommendation.

The current 'Standard Players Contract' has been drawn up in consultation with the Australian Soccer Players Association (ASPA) and is approved by that body. Where a player is under 18 years of age, a further *Minor Contract Attachment Form* is completed.

The ASC is discussing modification of AIS contracts with Soccer Australia, and is waiting on the resolution of legal issues.

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*Recommendations 7, 8 and 9*

*The Committee recommends that the ASF takes every step ... to ensure that a National Coach/Assistant National Coach/National Youth Coach/National Team Manager ... is not allowed to be placed in ... a position of conflict of interest again.*

The Government supports this recommendation.

Soccer Australia has advised that it is implementing a code of conduct for all National Coaches and Team Managers to sign. This will be strictly monitored by senior management and the Chairman of the International Committee. The ASC will follow up with Soccer Australia to ensure that appropriate clauses are included in these contracts.

*Recommendation 10*

*The Committee recommends that a dedicated and professional team manager should accompany international teams.*

The Government supports this recommendation.

Soccer Australia has advised it is implementing arrangements for the appointment of professional Team Managers on the basis of a detailed job specification. The appointees will receive support from Soccer Australia staff and appropriate remuneration.

*Recommendation 11*

*The Committee recommends that the ASF make all players and clubs aware of the new FIFA Regulations.*

The Government supports this recommendation.

Soccer Australia has dealt with this matter at the Board Meeting of 26 November 1995. Clubs and players will now be advised of the new FIFA Regulations, and Soccer Australia has undertaken to carry out an education program in conjunction with the ASPA.

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## Second Report (November 1995)

### *Recommendation 12*

*The Committee recommends that the ASF should urgently discuss with FIFA the need for genuine and effective cooperation from overseas clubs in dealing with allegations of improprieties relating to transfers of Australian players overseas.*

The Government supports this recommendation.

Soccer Australia advises that its Chairman, Mr David Hill, communicates regularly with the most senior representatives of FIFA to discuss this issue. The ASC will monitor developments in this area.

### *Recommendation 13*

*The Committee recommends that discussions should continue between women's soccer representatives and the ASF to ensure that women's soccer interests are adequately represented at national level and are effectively incorporated within the new administrative arrangements.*

The Government supports this recommendation.

Soccer Australia has advised that it is pursuing the objective of integration at both national and state level, and that progress is being made. The Australian Women's Soccer Association believes that recent cooperative work by both bodies has indicated a better relationship than ever before and advises that the two meet regularly and are holding workshops and strategic planning sessions to guide future work.

The ASC will actively monitor and encourage the incorporation of women's soccer interests into the administrative arrangements of Soccer Australia.

### *Recommendation 14*

*The Committee recommends that the Australian Institute of Sport insert a conflict of interest clause in all contracts for soccer coaches preventing them acting for or on behalf of or assisting players' managers or agents in overseas transfers of AIS players or former players.*

The Government supports this recommendation.

AIS contracts currently incorporate a conflict of interest clause relating to paid services. Soccer Australia considers that this prevents coaches from receiving a reward for acting on behalf of players, but that coaches should not be prevented from providing advice where they are not, as a consequence, rewarded.

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The ASC recognises that coaches have a responsibility to advise players when asked and to inform players of the availability of independent counselling. However, coaches need also to be made aware that they should not be seen to create a conflict of interest by directly influencing players.

The AIS is currently working with legal advisers to write a conflict of interest clause in contracts which directly addresses this recommendation.