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# SPORTS AND PHYSICAL RECREATION SERVICES

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## CONTENTS

	<i>page</i>
Notes .....	2
List of tables .....	3

### CHAPTERS

1 Overview .....	4
2 Sports and physical recreation services summary of operations .....	6
3 Horse and dog racing .....	11
4 Sports and physical recreation venues .....	19
5 Sports and services to sport .....	27
6 Government organisations .....	39

### ADDITIONAL INFORMATION

Explanatory Notes .....	42
Glossary .....	48

## INQUIRIES

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Sophie Vassiliou on Melbourne (03) 9615 7442.

# NOTES

## INTRODUCTION

This publication presents results from an Australian Bureau of Statistics (ABS) survey of businesses/organisations engaged in sports and physical recreation services. The survey was conducted in respect of the 2004–05 financial year. This is the third ABS survey of sports and physical recreation services. Previous collections were conducted in respect of the 1994–95 and 2000–01 financial years.

## COMPARISON WITH PREVIOUS SURVEY RESULTS

While comparisons are made between the 2004–05 and 2000–01 survey results, it should be noted that the 2004–05 survey was not designed to provide highly accurate estimates of change, so any comparison made to the previous survey should be used with caution. For further information, see paragraphs 22–23 of the Explanatory Notes.

## MORE INFORMATION ON ABS SERVICE INDUSTRIES STATISTICS

Information about ABS activities in the field of service industries is available from the Service Industries Statistics theme page on the ABS web site <[www.abs.gov.au](http://www.abs.gov.au)>. To access the theme page, select 'Themes' from the menu on the home page.

## COMMENTS

The ABS welcomes comments and suggestions from users regarding future surveys of Service Industries. These comments should be addressed to the Director, Service Industries National Statistics Centre, Australian Bureau of Statistics, Locked Bag 10, Belconnen, ACT 2616.

## ROUNDING

Where figures have been rounded, discrepancies may occur between the sum of the component items and the total.



## ABBREVIATIONS

\$m	million dollars
ABN	Australian Business Number
ABS	Australian Bureau of Statistics
ACLIC	Australian Culture and Leisure Classifications
ANZSIC	Australian and New Zealand Standard Industrial Classification
ATO	Australian Taxation Office
GST	goods and services tax
IVA	industry value added
RSE	relative standard error
SE	standard error
SISCA	Standard Institutional Sector Classification of Australia
TAB	Totalizator Agency Board
TAU	type of activity unit

Susan Linacre  
Acting Australian Statistician



**LIST OF TABLES** .....

*page*

LIST OF TABLES

**SPORTS AND PHYSICAL RECREATION SERVICES SUMMARY OF OPERATIONS**

**2.1** Summary of operations by reference period ..... 8  
**2.2** Summary of operations by sector ..... 9  
**2.3** Summary of operations by service ..... 10

**HORSE AND DOG RACING**

**3.1** Sources of income ..... 13  
**3.2** Items of expenditure ..... 14  
**3.3** Characteristics of employment and volunteers ..... 16  
**3.4** States and territories ..... 17  
**3.5** Summary of operations by employment size ..... 18

**SPORTS AND PHYSICAL RECREATION VENUES**

**4.1** Sources of income ..... 22  
**4.2** Items of expenditure ..... 23  
**4.3** Characteristics of employment and volunteers ..... 24  
**4.4** States and territories ..... 25  
**4.5** Summary of operations by employment size ..... 26

**SPORTS AND SERVICES TO SPORT**

**5.1** Sources of income ..... 31  
**5.2** Items of expenditure ..... 33  
**5.3** Characteristics of employment and volunteers ..... 35  
**5.4** States and territories ..... 37  
**5.5** Summary of operations by employment size ..... 38

**GOVERNMENT ORGANISATIONS**

**6.1** Key data for government organisations involved in provision of sports services ..... 41

## OVERVIEW

This publication presents results from an Australian Bureau of Statistics (ABS) survey of businesses/organisations engaged in sports and physical recreation services. The survey was conducted in respect of the 2004–05 financial year. This survey is conducted periodically by the ABS to provide detailed measures of the performance, structure and activity of sports and physical recreation businesses/organisations operating in Australia. It includes aspects such as: the composition of income earned, details of expenses incurred and the structure of the workforce. A state/territory dimension is also presented.

The survey scope included all employing and significant non-employing businesses/organisations that generated income predominantly from the provision of sports and physical recreation services. These businesses/organisations are classified according to Group 931 (Sport) of the 1993 edition of the Australian and New Zealand Standard Industrial Classification (ANZSIC). Group 931 covers activities in the following three classes:

- 9311 – HORSE AND DOG RACING
- 9312 – SPORTS GROUNDS AND FACILITIES N.E.C.
- 9319 – SPORTS AND SERVICES TO SPORT N.E.C.

In addition, the survey included government organisations (ANZSIC Group 811) involved in the provision of sports and physical recreation services.

This publication also presents statistics based on the Australian Culture and Leisure Classifications (ACLC). These classifications were released in 2001 and details are available in *Australian Culture and Leisure Classifications* (cat. no. 4902.0). For the purposes of this publication, statistics are presented for the following ACLC classes:

- 311 – HORSE AND DOG RACING
- 321 – HEALTH AND FITNESS CENTRES AND GYMNASIA
- 322 – OTHER SPORTS AND PHYSICAL RECREATION VENUES, GROUNDS AND FACILITIES
- 331 – SPORTS AND PHYSICAL RECREATION ADMINISTRATIVE ORGANISATIONS
- 332 – SPORTS AND PHYSICAL RECREATION CLUBS, TEAMS AND SPORTS PROFESSIONALS
- 334 – SPORTS AND PHYSICAL RECREATION SUPPORT SERVICES (part).

Definitions of these ACLC classes are shown in paragraph 6 of the Explanatory Notes. Users should note that organisations mainly engaged in operating licensed hospitality clubs are not included within the scope of this survey. These organisations were also surveyed in respect of the 2004–05 reference year and estimates are presented in *Clubs, Pubs, Taverns and Bars, Australia, 2004–05* (cat. no. 8687.0).

This publication has six chapters. Chapter 2 provides a summary of operations of sports and physical recreation activities by reference period, sector and service. The remaining chapters contain detailed statistics for: Horse and Dog Racing (ACLC Class 311) in Chapter 3; Sports and Physical Recreation Venues (ACLC Classes 321 and 322) in Chapter

OVERVIEW *continued*

4; Sports and Services to Sport (ACLIC Classes 331, 332 and 334) in Chapter 5; and Government Organisations in Chapter 6.

## CHAPTER 2

### SPORTS AND PHYSICAL RECREATION SERVICES SUMMARY OF OPERATIONS .....

#### SUMMARY OF FINDINGS

At the end of June 2005, there were 9,256 businesses/organisations operating in Australia whose main activity was the provision of sports and physical recreation services. This included 600 government organisations. 'For profit' businesses accounted for 54.1% of the total businesses/organisations, while 'not for profit' and government organisations accounted for 39.4% and 6.5% respectively. Non-employed businesses/organisations comprised 11.5% of the total.

During 2004–05, income generated by businesses/organisations engaged in sports and physical recreation services was \$8,820.5m. The highest income was recorded by sports and physical recreation clubs, teams and sports professionals (\$1,884.1m or 21.4% of total income), horse and dog racing businesses/organisations (\$1,556.3m or 17.6% of total income) and sports and physical recreation administrative organisations (\$1,531m or 17.4% of total income).

Total expenses incurred for the same period were \$8,416.5m. The total industry value added by sports and physical recreation services was \$2,349.6m, which is the equivalent of 0.3% of Australia's gross domestic product for 2004–05.

In 2004–05, sports and physical recreation services recorded an operating profit/surplus before tax of \$388.8m and an operating profit margin of 6.9%.

#### SOURCES OF INCOME

During 2004–05, the total income generated by businesses/organisations engaged in sports and physical recreation services was \$8,820.5m. The highest single income items were government funding (\$1,563.6m or 17.7% of total income), sports membership and competition fees (\$1,305.7m or 14.8% of total income) and sponsorship and fundraising (\$806m or 9.1% of total income).

#### EXPENDITURE

Businesses/organisations engaged in sports and physical recreation services incurred \$8,416.5m in expenses during 2004–05. Overall, labour costs were the highest single item contributing to total expenses, accounting for 29.3% (\$2,464.5m) of total expenses, followed by grants, distributions and affiliation fees (10.4% or \$872.7m) and prizemoney and trophies (6.9% or \$581.8m).

#### EMPLOYMENT AND VOLUNTEERS

At the end of June 2005, total employment in sports and physical recreation services was 111,519 persons. In addition, there were 181,832 volunteers during the month of June 2005.

GOVERNMENT  
ORGANISATIONS

During 2004–05, \$1,477.9m in income was received by government organisations for the provision of sports and physical recreation services. The majority of this income (\$1,175.9m or 80%) was received as operational and capital funding from government or as council reimbursements. The 600 government organisations employed 11,051 persons.

HISTORICAL  
COMPARISONS

Comparisons with results from earlier surveys are useful as an indication of the extent of change over time. However, the survey was not designed to provide highly accurate estimates of change, so any comparisons with results from previous surveys should be made with caution. Estimates of change can be subject to changes to scope and coverage or question wording, or high levels of sampling error. Further information can be found in paragraphs 22–23 of the Explanatory Notes.

Taking into consideration these limitations, the 2004–05 survey results indicate that sports and physical recreation services provided by employing businesses/organisations experienced growth between 2000–01 and 2004–05. Income grew by 11.7% per annum since 2000–01 (from \$5,490.9m to \$8,552.3m), while expenditure grew at the slightly lower rate of 9.9% per annum (from \$5,632.8m to \$8,206.6m) for this same period. Expenses related to the rent, leasing and hiring of sports venues, facilities and equipment recorded the highest growth rate of all selected expenses, rising by 16.2% per annum (from \$159.6m to \$290.9m).

Employment increased by 3.1% per annum, from 98,267 persons at the end of June 2001 to 111,201 persons at the end of June 2005.

The inclusion of significant non-employing businesses/organisations in the 2004–05 Sports and Physical Recreation Services Survey is estimated to have contributed an additional 13% to business/organisation counts and 3.1% to financial estimates.

It should be noted that the sports and physical recreation services estimates presented in the 2000–01 issue of this publication were heavily impacted by the conduct of the Sydney Olympic Games and Paralympic Games. The main data contributed by the Sydney Organising Committee for the Olympic Games and the Sydney Paralympic Organising Committee Limited for 2000–01 were:

- \$1,137m of income from television and other broadcasting rights
- \$737m of income from sponsorship and fundraising
- \$642m of admission income
- \$110m of government grants
- \$7m of income from players/participants playing fees
- \$422m for labour costs.

To enable more meaningful comparisons to 2004–05 data, the 2000–01 estimates presented in this publication do not include the contribution of the Sydney Organising Committee for the Olympic Games and Sydney Paralympic Organising Committee Limited.

## 2.1 SPORTS AND PHYSICAL RECREATION SERVICES, Summary of operations by reference period

		2000-01(a)		2004-05		Average annual percentage change 2000-01 to 2004-05(b)
		Employing	Non-employing	Employing	Non-employing	
Businesses/organisations at end June	no.	7 147	8 191	1 064	9 256	3.5
Employment at end June	no.	98 267	111 201	^ 319	111 519	3.1
Volunteers during the month of June	no.	178 837	163 706	^ 18 126	181 832	-2.2
<b>Income</b>						
Government funding	\$m	622.2	1 555.6	*7.9	1 563.6	25.8
Other grants, distributions and affiliation fees	\$m	255.5	385.1	^ 10.2	395.3	10.8
Sponsorship and fundraising	\$m	483.8	753.8	52.2	806.0	11.7
Casual playing fees	\$m	526.1	437.7	*7.8	445.5	-4.5
Sports membership and competition fees	\$m	553.7	1 251.6	54.2	1 305.7	22.6
Admissions to sporting events	\$m	497.6	586.2	16.0	602.2	4.2
Rent, leasing and hiring of sports grounds and facilities	\$m	186.4	205.1	^ 9.3	214.5	2.4
Television and other broadcasting rights	\$m	^ 212.6	292.6	. .	292.6	8.3
Other	\$m	2 153.0	3 084.5	110.5	3 195.0	9.4
<b>Total(c)</b>	<b>\$m</b>	<b>5 490.9</b>	<b>8 552.3</b>	<b>268.2</b>	<b>8 820.5</b>	<b>11.7</b>
<b>Expenses</b>						
Labour costs(d)	\$m	1 725.5	2 459.2	5.3	2 464.5	9.3
Grants, distributions and affiliation fees	\$m	^ 495.2	854.5	^ 18.1	872.7	14.6
Repair and maintenance	\$m	346.5	401.6	8.7	410.3	3.8
Rent, leasing and hiring of sports venues, facilities and equipment	\$m	159.6	290.9	^ 11.5	302.4	16.2
Gambling taxes and levies(e)	\$m	^ 8.6	10.8	**0.1	10.9	5.9
Other	\$m	2 897.4	4 193.8	166.3	4 360.1	9.7
<b>Total(f)</b>	<b>\$m</b>	<b>5 632.8</b>	<b>8 206.6</b>	<b>210.0</b>	<b>8 416.5</b>	<b>9.9</b>

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

\* estimate has a relative standard error of 25% to 50% and should be used with caution

\*\* estimate has a relative standard error greater than 50% and is considered too unreliable for general use

. . not applicable

(a) Estimates for 2000-01 do not include data for the Sydney Organising Committee for the Olympic Games and the Sydney Paralympic Organising Committee Limited.

(b) For employing businesses/organisations.

(c) Includes capital funding.

(d) For government organisations, labour costs include wages and salaries only.

(e) Includes GST paid on gambling products.

(f) As total expenses do not include the GST paid on gambling products, total expenses will not be equal to the sum of the components.



**2.2**

**SPORTS AND PHYSICAL RECREATION SERVICES, Summary of operations by sector**

		<i>For profit</i>	<i>Not for profit</i>	<i>Government organisations</i>	<i>Total</i>
Businesses/organisations at end June	no.	5 007	3 649	600	9 256
Employment at end June	no.	53 917	46 552	11 051	111 519
Volunteers during the month of June	no.	*7 480	174 351	. .	181 832
<b>Income</b>					
Government funding	\$m	45.9	341.8	1 175.9	1 563.6
Other grants, distributions and affiliation fees	\$m	^ 33.1	362.1	. .	395.3
Sponsorship and fundraising	\$m	^ 251.4	548.0	6.6	806.0
Casual playing fees	\$m	330.5	^ 115.0	. .	445.5
Sports membership and competition fees	\$m	702.8	603.0	. .	1 305.7
Admissions to sporting events	\$m	^ 52.6	357.7	191.9	602.2
Rent, leasing and hiring of sports grounds and facilities	\$m	78.5	^ 85.4	50.6	214.5
Television and other broadcasting rights	\$m	. .	292.6	. .	292.6
Other	\$m	1 239.4	1 902.8	52.8	3 195.0
<i>Total(a)</i>	\$m	<i>2 734.1</i>	<i>4 608.5</i>	<i>1 477.9</i>	<i>8 820.5</i>
<b>Expenses</b>					
Labour costs(b)	\$m	916.3	1 229.4	318.8	2 464.5
Grants, distributions and affiliation fees	\$m	28.1	340.9	503.7	872.7
Repair and maintenance	\$m	90.6	147.1	172.6	410.3
Rent, leasing and hiring of sports venues, facilities and equipment	\$m	221.2	81.2	. .	302.4
Gambling taxes and levies(c)	\$m	2.7	8.2	. .	10.9
Other	\$m	1 312.7	2 584.7	462.7	4 360.1
<i>Total(d)</i>	\$m	<i>2 570.3</i>	<i>4 388.4</i>	<i>1 457.8</i>	<i>8 416.5</i>

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

\* estimate has a relative standard error of 25% to 50% and should be used with caution

. . not applicable

(a) Includes capital funding.

(b) For government organisations, labour costs include wages and salaries only.

(c) Includes GST paid on gambling products.

(d) As total expenses do not include the GST paid on gambling products, total expenses will not be equal to the sum of the components.

**2.3** SPORTS AND PHYSICAL RECREATION SERVICES, Summary of operations by service

		Horse and dog racing	Health and fitness centres and gymnasias	Other sports and physical recreation venues, grounds and facilities	Sports and physical recreation administrative organisations	Sports and physical recreation clubs, teams and sports professionals	Sports and physical recreation support services	Government organisations	Total
<b>Businesses/organisations</b>									
For profit	no.	759	^ 777	872	..	825	1 774	..	5 007
Not for profit	no.	359	47	145	1 147	1 824	^ 127	..	3 649
Government	no.	..	..	..	..	..	..	600	600
<b>Total</b>	<b>no.</b>	<b>1 119</b>	<b>^ 824</b>	<b>1 016</b>	<b>1 147</b>	<b>2 649</b>	<b>1 900</b>	<b>600</b>	<b>9 256</b>
<b>Locations at end June</b>									
Capital cities and suburbs	no.	na	664	763	957	1 764	1 663	na	..
Other	no.	na	^ 370	424	525	1 100	^ 609	na	..
<b>Total</b>	<b>no.</b>	<b>na</b>	<b>1 034</b>	<b>1 186</b>	<b>1 483</b>	<b>2 865</b>	<b>2 272</b>	<b>na</b>	<b>..</b>
Employment at end June	no.	16 544	16 871	19 314	10 619	22 216	14 904	11 051	111 519
Volunteers during the month of June	no.	3 457	^ 343	^ 2 031	^ 65 131	54 342	56 527	..	181 832
<b>Income</b>									
Net industry and TAB distributions	\$m	689.0	..	..	..	..	..	..	689.0
Casual playing fees	\$m	..	^ 46.4	216.1	..	92.5	90.6	..	445.5
Sports membership and competition fees	\$m	..	532.7	178.2	238.6	346.3	^ 10.0	..	1 305.7
Admissions to sporting events	\$m	36.2	0.8	29.8	165.8	177.4	0.2	191.9	602.2
Government funding	\$m	np	np	np	^ 188.1	25.2	17.1	1 175.9	1 563.6
Other	\$m	np	np	np	938.6	1 242.7	464.1	110.0	4 214.4
<b>Total(a)</b>	<b>\$m</b>	<b>1 556.3</b>	<b>679.4</b>	<b>1 109.8</b>	<b>1 531.0</b>	<b>1 884.1</b>	<b>582.0</b>	<b>1 477.9</b>	<b>8 820.5</b>
<b>Expenses</b>									
Labour costs(b)	\$m	315.3	270.5	321.2	352.4	688.2	198.1	318.8	2 464.5
Prizemoney and trophies	\$m	491.8	0.3	6.6	^ 61.0	20.0	2.1	..	581.8
Grants, distributions and affiliation fees	\$m	np	np	np	310.9	31.8	21.6	503.7	872.7
Repair and maintenance	\$m	np	np	np	9.9	^ 67.6	^ 16.9	172.6	410.3
Other	\$m	640.1	360.7	630.8	727.6	1 007.4	258.0	462.7	4 087.2
<b>Total</b>	<b>\$m</b>	<b>1 515.5</b>	<b>649.4</b>	<b>1 020.3</b>	<b>1 461.7</b>	<b>1 815.1</b>	<b>496.6</b>	<b>1 457.8</b>	<b>8 416.5</b>
Operating profit/surplus before tax(a)	\$m	^ 41.3	^ 30.3	90.1	^ 70.9	70.6	^ 85.7	..	388.8
Operating profit/surplus margin(a)	%	^ 5.2	^ 4.6	9.9	^ 6.4	^ 4.4	16.0	..	6.9
Industry value added	\$m	285.3	373.5	424.7	469.4	705.2	329.7	..	2 587.8
Capitalised expenditure on sports venues and equipment	\$m	na	^ 38.1	408.3	25.9	^ 140.3	13.2	^ 299.3	925.1

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

.. not applicable

na not available

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Includes capital funding.

(b) For government organisations, labour costs include wages and salaries only.

**SUMMARY OF FINDINGS**

This chapter presents data for businesses/organisations mainly involved in horse and dog racing activities. It includes all employing and significant non-employing businesses/organisations whose main activity was thoroughbred horse racing, harness horse racing or greyhound racing, such as racing boards, racing clubs and horse and dog racing trainers.

At the end of June 2005, there were 1,119 businesses/organisations involved in horse and dog racing activities, comprising 814 thoroughbred racing, 225 harness racing and 80 greyhound racing businesses/organisations. The total industry value added by these businesses was \$285.3m.

In 2004–05, horse and dog racing activities recorded an operating profit/surplus before tax of \$41.3m and an operating profit margin of 5.2%.

**SOURCES OF INCOME**

During 2004–05, businesses/organisations engaged in horse and dog racing activities generated a total income of \$1,556.3m. The main income item was net industry and TAB distributions (\$689m) which represented 44.3% of total income.

The other major source of income was income from training fees (\$211.5m) which represented 13.6% of total income.

Other sources of income included sales of liquor and other beverages (\$95.4m), sponsorship, fundraising and donations (\$53.5m), takings from meals and food sales (\$49.7m), commissions from on-course totalisator/ TAB operations (\$46m), television and other broadcasting rights (\$37.6m), nomination, acceptance and scratching fees (\$36m) and income from poker/gaming machines and other gambling activity (\$31.2m).

**EXPENDITURE**

Horse and dog racing businesses/organisations incurred a total of \$1,515.5m in expenses during 2004–05. The major expense items were prizemoney and trophy expenses (\$491.8m) and labour costs (\$315.3m), which represented 32.4% and 20.8% of total expenditure respectively. The average labour cost per employee for 2004–05 was \$19,900.

Other expenditure included depreciation and amortisation (\$58.3m), advertising, marketing and promotion expenses (\$47.9m), purchases of animal feed (\$30.8m) and rent, leasing and hiring expenses (\$28.4m).

**EMPLOYMENT**

At the end of June 2005, total employment in horse and dog racing activities was 16,544 persons, comprising 731 working proprietors and partners, 3,978 permanent full-time employees, 858 permanent part-time employees and 10,977 casual employees. The majority of employed persons were male (9,826 or 59.4%), of whom 62.9% (6,179) were employed on a casual basis.

## STATES AND TERRITORIES

New South Wales and Victoria accounted for the majority of horse and dog racing businesses/organisations (59%), with 291 and 369 businesses respectively. New South Wales businesses/organisations accounted for 27.3% of employment and 27.5% of income. Businesses/organisations operating in Victoria accounted for 39.4% of employment and 41.2% of income. The 93 businesses/organisations involved in horse and dog racing activities in South Australia accounted for 4.4% of total employment and 5.5% of total income.

SIZE OF BUSINESS/  
ORGANISATION

The majority of horse and dog racing businesses/organisations (674 or 60.2%) were small with employment of nine persons or fewer. However, these small businesses/organisations accounted for only 13.3% of total employment, 12.2% of wages and salaries, 12.3% of total income and 12% of total expenses. There were 25 businesses/organisations with employment of 100 persons or more (2.3% of all businesses/organisations), which accounted for 41.6% of total employment, 48.2% of wages and salaries, 51.3% of total income and 51.7% of total expenses. Non-employed businesses/organisations contributed 13% to total business/organisation counts and 1.9% to total income.

### 3.1 HORSE AND DOG RACING, Sources of income

	THOROUGHBRED RACING		HARNESS RACING		GREYHOUND RACING		TOTAL	
	Proportion of total income		Proportion of total income		Proportion of total income		Proportion of total income	
	Income	%	Income	%	Income	%	Income	%
	\$m	%	\$m	%	\$m	%	\$m	%
Net industry and TAB distributions	495.1	39.4	106.6	58.6	87.3	73.5	689.0	44.3
Registration and licensing fees	3.7	0.3	np	np	np	np	7.7	0.5
Commissions from totalisator/TAB operations	35.6	2.8	^ 5.0	2.7	^ 5.4	4.6	46.0	3.0
Gate takings/admissions	32.1	2.6	^ 2.3	1.2	^ 1.9	1.6	36.2	2.3
Membership fees	26.1	2.1	* 1.2	0.7	* 0.1	0.1	27.4	1.8
Nomination, acceptance and scratching fees	32.5	2.6	2.4	1.3	* 1.1	0.9	36.0	2.3
Bookmakers' fees (including turnover levy)	15.1	1.2	* 0.6	0.3	^ 0.6	0.5	16.2	1.0
Poker/gaming machines and other gambling activity	24.3	1.9	* 5.4	3.0	* 1.5	1.2	31.2	2.0
Sponsorship, fundraising and donations	44.3	3.5	^ 6.6	3.6	* 2.6	2.2	53.5	3.4
Advertising	np	np	np	np	np	np	np	np
Sale of liquor and other beverages	87.2	6.9	^ 4.5	2.5	3.7	3.1	95.4	6.1
Takings from meals and food sales	40.9	3.3	^ 4.3	2.4	^ 4.5	3.8	49.7	3.2
Other sales of goods	5.0	0.4	1.9	1.1	^ 0.4	0.3	7.3	0.5
Training fees	194.7	15.5	np	np	np	np	211.5	13.6
Harness racing drivers' fees	. .	. .	* 1.0	0.5	. .	. .	* 1.0	0.1
Prizemoney	^ 28.7	2.3	np	np	np	np	^ 32.9	2.1
Rent, leasing and hiring								
Track, stable and kennel rentals	7.7	0.6	* 0.2	0.1	** 2.0	1.7	^ 9.9	0.6
Other	22.3	1.8	^ 2.0	1.1	^ 1.0	0.9	25.4	1.6
Total	30.1	2.4	^ 2.2	1.2	* 3.0	2.5	35.2	2.3
Television and other broadcasting rights	35.9	2.9	0.8	0.4	^ 0.9	0.7	37.6	2.4
Interest	13.5	1.1	1.4	0.8	1.7	1.5	16.6	1.1
Other	np	np	np	np	np	np	np	np
<b>Total (a)</b>	<b>1 255.7</b>	<b>100.0</b>	<b>181.8</b>	<b>100.0</b>	<b>118.7</b>	<b>100.0</b>	<b>1 556.3</b>	<b>100.0</b>

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

\* estimate has a relative standard error of 25% to 50% and should be used with caution

\*\* estimate has a relative standard error greater than 50% and is considered too unreliable for general use

. . not applicable

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Includes capital funding.

## 3.2 HORSE AND DOG RACING, Items of expenditure

	THOROUGHBRED RACING		HARNESS RACING		GREYHOUND RACING		TOTAL	
	Expense	Proportion of total expenses	Expense	Proportion of total expenses	Expense	Proportion of total expenses	Expense	Proportion of total expenses
		\$m		%		\$m		%
<b>Labour costs</b>								
Wages and salaries	217.8	17.9	27.6	15.6	^ 21.5	17.5	266.9	17.6
Employer contributions to superannuation funds(a)	17.5	1.4	^ 2.5	1.4	^ 1.8	1.5	21.9	1.4
Workers' compensation costs	11.0	0.9	^ 0.7	0.4	^ 0.5	0.4	12.2	0.8
Fringe benefits tax	3.1	0.3	0.3	0.2	0.4	0.3	3.8	0.3
Payroll tax	9.1	0.7	^ 0.8	0.5	0.7	0.6	10.6	0.7
<b>Total</b>	<b>258.5</b>	<b>21.3</b>	<b>32.0</b>	<b>18.1</b>	<b>^ 24.8</b>	<b>20.2</b>	<b>315.3</b>	<b>20.8</b>
<b>Purchases</b>								
Liquor and other beverages	28.2	2.3	^ 2.1	1.2	1.7	1.4	32.1	2.1
Foodstuffs for use in preparing meals	17.4	1.4	^ 2.5	1.4	^ 1.9	1.5	21.8	1.4
Animal feed	26.4	2.2	np	np	np	np	30.8	2.0
Animal medicines and additives	^ 2.7	0.2	np	np	np	np	^ 4.0	0.3
Other	*17.4	1.4	np	np	np	np	*19.6	1.3
<b>Total</b>	<b>^ 92.3</b>	<b>7.6</b>	<b>^ 11.9</b>	<b>6.7</b>	<b>4.1</b>	<b>3.4</b>	<b>108.3</b>	<b>7.1</b>
<b>Prizemoney and trophies</b>	<b>362.5</b>	<b>29.8</b>	<b>71.1</b>	<b>40.2</b>	<b>58.1</b>	<b>47.4</b>	<b>491.8</b>	<b>32.4</b>
Payments for broadcasting	12.1	1.0	3.8	2.1	3.6	2.9	19.5	1.3
Advertising, marketing and promotion	38.0	3.1	6.5	3.6	^ 3.5	2.8	47.9	3.2
Sponsorship	7.8	0.6	0.7	0.4	^ 0.2	0.2	8.7	0.6
Poker/gaming machine and other gambling taxes and levies(b)	np	np	np	np	np	np	np	np
Repair and maintenance	np	np	np	np	np	np	np	np
<b>Rent, leasing and hiring</b>								
Track, stable and kennel rentals	^ 11.2	0.9	*1.1	0.6	2.2	1.8	^ 14.5	1.0
Other	11.6	1.0	^ 1.3	0.7	^ 1.0	0.8	13.9	0.9
<b>Total</b>	<b>22.7</b>	<b>1.9</b>	<b>^ 2.4</b>	<b>1.3</b>	<b>3.3</b>	<b>2.7</b>	<b>28.4</b>	<b>1.9</b>

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

\* estimate has a relative standard error of 25% to 50% and should be used with caution

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Includes salary sacrifice that is paid as employer contributions to superannuation funds. Other salary sacrifice is included with the relevant expense item.

(b) Includes GST paid on gambling products.

**3.2**HORSE AND DOG RACING, Items of expenditure *continued*

	THOROUGHBRED RACING		HARNESS RACING		GREYHOUND RACING		TOTAL	
	Expense	Proportion of total expenses	Expense	Proportion of total expenses	Expense	Proportion of total expenses	Expense	Proportion of total expenses
		\$m		%		\$m		%
Nomination and acceptance fees	*12.3	1.0	np	np	np	np	^ 13.0	0.9
Horsebreaking/farrier services	^ 11.3	0.9	*1.3	0.7	. .	. .	^ 12.6	0.8
Veterinary services	^ 13.7	1.1	np	np	np	np	^ 14.8	1.0
Float charges	^ 7.8	0.6	*0.3	0.2	. .	. .	^ 8.1	0.5
Motor vehicle running expenses	7.6	0.6	np	np	np	np	9.6	0.6
Payments to employment agencies for staff	3.6	0.3	**0.1	—	—	—	3.7	0.2
Other contract, subcontract and commission expenses	^ 64.5	5.3	9.5	5.4	2.1	1.7	^ 76.1	5.0
Electricity, gas and water	12.0	1.0	^ 2.0	1.1	^ 1.2	1.0	15.3	1.0
Telecommunication services	4.9	0.4	0.5	0.3	^ 0.6	0.5	6.0	0.4
Interest	7.3	0.6	^ 1.7	1.0	^ 0.3	0.3	9.3	0.6
Insurance premiums								
Professional indemnity	^ 1.7	0.1	^ 0.5	0.3	—	—	^ 2.2	0.1
Public liability	5.2	0.4	^ 0.9	0.5	0.6	0.5	6.8	0.4
Other	9.2	0.8	*1.1	0.6	0.7	0.6	11.1	0.7
Total	16.1	1.3	^ 2.5	1.4	1.4	1.2	20.1	1.3
Depreciation and amortisation	48.8	4.0	^ 5.9	3.3	^ 3.6	3.0	58.3	3.8
Other	147.4	12.1	16.1	9.1	12.7	10.4	176.2	11.6
<b>Total (a)</b>	<b>1 215.8</b>	<b>100.0</b>	<b>177.1</b>	<b>100.0</b>	<b>122.6</b>	<b>100.0</b>	<b>1 515.5</b>	<b>100.0</b>

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

\* estimate has a relative standard error of 25% to 50% and should be used with caution

\*\* estimate has a relative standard error greater than 50% and is considered too unreliable for general use

. . not applicable

— nil or rounded to zero (including null cells)

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) As total expenses do not include the GST paid on gambling products, total expenses will not be equal to the sum of the components.

### 3.3 HORSE AND DOG RACING, Characteristics of employment and volunteers

	<u>Males</u>		<u>Females</u>		<u>Persons</u>	
	no.	%	no.	%	no.	%
THOROUGHBRED RACING						
Working proprietors and partners of unincorporated businesses	^ 374	4.9	^ 195	3.7	^ 569	4.4
Employees						
Permanent full-time	2 297	30.1	^ 1 085	20.6	3 383	26.2
Permanent part-time	^ 325	4.3	^ 304	5.8	^ 629	4.9
Casuals	* 4 640	60.8	3 692	70.0	^ 8 332	64.5
Total	^ 7 262	95.1	5 082	96.3	^ 12 344	95.6
Employment at end						
June 2005(a)	^ 7 636	100.0	5 277	100.0	^ 12 913	100.0
March 2005(a)	na	na	na	na	9 715	..
December 2004(a)	na	na	na	na	9 297	..
September 2004(a)	na	na	na	na	7 561	..
Volunteers during the month of June	na	na	na	na	2 087	..
HARNESS RACING						
Working proprietors and partners of unincorporated businesses	np	np	np	np	np	np
Employees						
Permanent full-time	230	19.9	^ 139	19.1	369	19.6
Permanent part-time	np	np	np	np	np	np
Casuals	^ 702	60.7	^ 470	64.5	^ 1 173	62.1
Total	np	np	np	np	np	np
Employment at end						
June 2005(a)	^ 1 158	100.0	^ 729	100.0	^ 1 887	100.0
March 2005(a)	na	na	na	na	^ 1 067	..
December 2004(a)	na	na	na	na	^ 984	..
September 2004(a)	na	na	na	na	* 1 335	..
Volunteers during the month of June	na	na	na	na	* 739	..
GREYHOUND RACING						
Working proprietors and partners of unincorporated businesses	np	np	np	np	np	np
Employees						
Permanent full-time	^ 170	16.4	^ 57	8.0	^ 227	13.0
Permanent part-time	np	np	np	np	np	np
Casuals	^ 837	81.1	^ 635	89.1	^ 1 472	84.4
Total	np	np	np	np	np	np
Employment at end						
June 2005(a)	^ 1 032	100.0	^ 712	100.0	^ 1 744	100.0
March 2005(a)	na	na	na	na	^ 1 847	..
December 2004(a)	na	na	na	na	^ 1 890	..
September 2004(a)	na	na	na	na	^ 1 833	..
Volunteers during the month of June	na	na	na	na	^ 631	..
^	estimate has a relative standard error of 10% to less than 25% and should be used with caution	na	not available			
*	estimate has a relative standard error of 25% to 50% and should be used with caution	np	not available for publication but included in totals where applicable, unless otherwise indicated			
..	not applicable	(a)	During the last pay period ending month indicated.			



## HORSE AND DOG RACING, Characteristics of employment and volunteers

**3.3***continued*

	<u>Males</u>		<u>Females</u>		<u>Persons</u>	
	no.	%	no.	%	no.	%
TOTAL						
Working proprietors and partners of unincorporated businesses	495	5.0	^ 236	3.5	731	4.4
Employees						
Permanent full-time	2 697	27.4	1 282	19.1	3 978	24.0
Permanent part-time	455	4.6	^ 404	6.0	^ 858	5.2
Casuals	^ 6 179	62.9	4 797	71.4	^ 10 977	66.3
<i>Total</i>	^ 9 331	95.0	6 483	96.5	^ 15 813	95.6
Employment at end						
June 2005(a)	^ 9 826	100.0	6 719	100.0	^ 16 544	100.0
March 2005(a)	na	na	na	na	12 630	..
December 2004(a)	na	na	na	na	12 172	..
September 2004(a)	na	na	na	na	10 729	..
Volunteers during the month of June	na	na	na	na	3 457	..

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

na not available

(a) During the last pay period ending month indicated.

.. not applicable

**3.4**

## HORSE AND DOG RACING, States and territories

	<u>Businesses/organisations at end June(a)</u>		<u>Employment at end June</u>		<u>Wages and salaries</u>		<u>Total income</u>	
	no.	%	no.	%	\$m	%	\$m	%
New South Wales	^ 291	26.0	^ 4 525	27.3	81.0	30.3	428.6	27.5
Victoria	369	33.0	^ 6 516	39.4	106.0	39.7	640.7	41.2
Queensland	^ 198	17.7	2 793	16.9	38.6	14.5	227.4	14.6
South Australia	93	8.3	726	4.4	16.1	6.1	85.4	5.5
Western Australia	117	10.5	1 471	8.9	18.3	6.9	121.1	7.8
Tasmania	30	2.7	^ 328	2.0	3.1	1.2	23.6	1.5
Northern Territory	8	0.7	79	0.5	np	np	np	np
Australian Capital Territory	13	1.2	^ 106	0.6	np	np	np	np
<b>Australia</b>	<b>1 119</b>	<b>100.0</b>	<b>16 544</b>	<b>100.0</b>	<b>266.9</b>	<b>100.0</b>	<b>1 556.3</b>	<b>100.0</b>

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

(a) Data for multi-state businesses/organisations have been assigned to the state or territory in which the business/organisation's Australian head office resides, known as state of head office.

np not available for publication but included in totals where applicable, unless otherwise indicated

**3.5** HORSE AND DOG RACING, Summary of operations by employment size .....

## EMPLOYING UNITS

		0-9 persons	10-19 persons	20-99 persons	100 persons or more	Non- employing units	Total
Businesses/organisations at end June	no.	^ 674	144	^ 130	25	145	1 119
	%	60.2	12.9	11.6	2.3	13.0	100.0
Employment at end June	no.	^ 2 195	2 071	*5 287	6 879	^ 112	16 544
	%	13.3	12.5	32.0	41.6	0.7	100.0
Wages and salaries	\$m	^ 32.7	31.5	74.1	128.6	—	266.9
	%	12.2	11.8	27.8	48.2	—	100.0
Total income(a)	\$m	^ 192.2	^ 138.9	398.5	797.6	29.1	1 556.3
	%	12.3	8.9	25.6	51.3	1.9	100.0
Total expenses	\$m	^ 182.2	^ 137.8	391.0	784.1	^ 20.5	1 515.5
	%	12.0	9.1	25.8	51.7	1.3	100.0
Operating profit/surplus before tax(a)	\$m	**10.1	**1.2	**7.7	13.7	*8.6	^ 41.3
	%	24.5	2.9	18.6	33.2	20.8	100.0

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\* estimate has a relative standard error of 25% to 50% and should be used with caution

\*\* estimate has a relative standard error greater than 50% and is considered too unreliable for general use

— nil or rounded to zero (including null cells)

(a) Includes capital funding.

SUMMARY OF FINDINGS

This chapter presents data relating to businesses/organisations mainly involved in the operation of sports and physical recreation venues. Estimates are presented for the following ACLC classes:

- 321 – HEALTH AND FITNESS CENTRES AND GYMNASIA
- 322 – OTHER SPORTS AND PHYSICAL RECREATION VENUES, GROUNDS AND FACILITIES.

At the end of June 2005, there were 1,841 businesses/organisations operating sports and physical recreation venues. These comprised 824 businesses/organisations operating health and fitness centres and gymnasias and 1,016 businesses/organisations operating other sports and recreation venues, grounds and facilities.

During 2004–05, income generated by sports and physical recreation venues was \$1,789.2m. Total expenses incurred for the same period were \$1,669.7m. The total industry value added by health and fitness centres and gymnasias and businesses/organisations operating other sports and recreation venues was \$373.5m and \$424.7m respectively.

In 2004–05, health and fitness centres and gymnasias recorded an operating profit/surplus before tax of \$30.3m and an operating profit/surplus margin of 4.6%. Other sports and recreation venues recorded an operating profit/surplus before tax of \$90.1m and an operating profit/surplus margin of 9.9%.

SOURCES OF INCOME

*Health and fitness centres and gymnasias*

During 2004–05, businesses/organisations operating health and fitness centres and gymnasias generated a total income of \$679.4m, which represented 38% of total income for sports and physical recreation venues.

The main income item was takings from membership and competition fees (\$535.1m) which represented 78.8% of total income. Another major source of income was casual playing fees (\$46.4m) which represented 6.8% of total income.

Other sources of income included rent, leasing and hiring income (\$16.5m), takings from meals and food sales (\$9m), sales of other goods (\$8m) and income from the sale of liquor and other beverages (\$6.8m).

*Other sports and physical recreation venues, grounds and facilities*

Businesses/organisations operating other sports and physical recreation venues, grounds and facilities generated a total income of \$1,109.8m in 2004–05, which represented 62% of total income for sports and physical recreation venues.

Casual playing fees (\$216.1m) was the main income item, generating 19.5% of total income.

*Other sports and physical recreation venues, grounds and facilities continued*

Other sources of income for these businesses/organisations included membership and competition fees (\$185.8m), rent, leasing and hiring income (\$104.9m), sale of liquor and other beverages (\$76.3m), sponsorship, fundraising and donations (\$61.4m), takings from meals and food sales (\$56.2m) and income from other sales of goods (\$25.8m).

Sponsorship and other fundraising comprised a greater proportion (5.5%) of income for businesses/organisations operating other sports and physical recreation venues than for health and fitness centres and gymnasias (0.3%).

**EXPENDITURE**

*Health and fitness centres and gymnasias*

The total expenditure for health and fitness centres and gymnasias was \$649.4m during 2004–05. The major expense items were labour costs (\$270.5m) and rent, leasing and hiring (\$110.6m), which represented 41.7% and 17% respectively of total expenditure.

Other expense items included depreciation and amortisation (\$36.1m), other contract, subcontract and commission expenses (\$30.6m), advertising, marketing and promotion expenses (\$25.3m), electricity, gas and water charges (\$20.8m), interest expenses (\$17.2m), purchases of goods for resale (\$11.6m) and insurance premiums (\$10.3m).

*Other sports and physical recreation venues, grounds and facilities*

During 2004–05, total expenditure for other sports and physical recreation venues was \$1,020.3m. Labour costs (\$321.2m) was the major expense item, accounting for 31.5% of total expenses.

Other major expense items included rent, leasing and hiring expenses (\$114.7m), depreciation and amortisation (\$84.2m), other contract, subcontract and commission expenses (\$55.4m), interest expenses (\$41m), purchases of liquor and other beverages (\$36.4m) and electricity, gas and water charges (\$35.6m).

**EMPLOYMENT**

*Health and fitness centres and gymnasias*

At the end of June 2005, health and fitness centres and gymnasias recorded total employment of 16,871 persons, of whom 67.3% were female.

Casual employees (11,387 persons) accounted for 67.5% of total employment. There were 301 working proprietors and partners (1.8% of total employment), 3,112 permanent full-time employees (18.4% of total employment) and 2,070 permanent part-time employees (12.3% of total employment).

*Other sports and physical recreation venues, grounds and facilities*

There were 19,314 persons working in other sports and physical recreation venues, grounds and facilities at the end of June 2005.

Casual employees (13,796 persons) accounted for 71.4% of employment. In addition, there were 308 working proprietors (1.6% of total employment), 3,846 permanent full-time employees (19.9% of total employment) and 1,364 permanent part-time employees (7.1% of total employment).

Just over half (51.8%) the employed persons were female (10,005 persons), of whom 14.3% were employed on a permanent full-time basis and 78% on a casual basis. There were 9,309 males employed, of whom 26% were employed on a permanent full-time basis and 64.4% on a casual basis.

<p>STATES AND TERRITORIES</p> <p><i>Health and fitness centres and gymnasia</i></p>	<p>New South Wales, Queensland and Victoria accounted for the majority of businesses/organisations (80.3%), with 306, 185 and 171 businesses/organisations respectively. New South Wales businesses/organisations accounted for 47.5% of total employment and 50% of total income. Businesses/organisations in Queensland accounted for 15.2% of employment and 15.7% of income. The 171 health and fitness centres and gymnasia in Victoria accounted for 17.4% of employment and 17.6% of income.</p>
<p><i>Other sports and physical recreation venues, grounds and facilities</i></p>	<p>Victoria, Queensland and New South Wales accounted for the majority of businesses/organisations (79.2%), with 318, 285 and 202 businesses/organisations respectively. Victoria accounted for 28.4% of employment and 33.3% of income. Queensland businesses/organisations accounted for 19.2% of employment and 21.6% of income. Other sports and physical recreation venues, grounds and facilities in New South Wales accounted for 36.3% of employment and 32.1% of total income.</p>
<p>SIZE OF BUSINESS/ ORGANISATION</p> <p><i>Health and fitness centres and gymnasia</i></p>	<p>The majority (75.7%) of health and fitness centres and gymnasia had employment of fewer than 20 persons at the end of June 2005. These 624 businesses/organisations accounted for 30.8% of total income. There were 16 large businesses/organisations with employment of 100 persons or more (2% of all businesses/organisations), which accounted for 35.7% of total employment and 39.4% of total income.</p>
<p><i>Other sports and physical recreation venues, grounds and facilities</i></p>	<p>At the end of June 2005, there were 21 large businesses/organisations operating sports and physical recreation venues, grounds and facilities employing 100 persons or more (2.1% of all businesses/organisations). These large businesses/organisations accounted for 44.1% of total employment and 51.4% of total income. The majority (75.7%) of businesses/organisations operating sports and physical recreation venues, grounds and facilities employed fewer than 20 persons. These small businesses/organisations accounted for 22% of total income.</p>

## 4.1 SPORTS AND PHYSICAL RECREATION VENUES, Sources of income .....

	HEALTH AND FITNESS CENTRES AND GYMNASIA		OTHER SPORTS AND PHYSICAL RECREATION VENUES, GROUNDS AND FACILITIES		TOTAL	
	<i>Proportion of total income</i>		<i>Proportion of total income</i>		<i>Proportion of total income</i>	
	<i>Income</i>	<i>%</i>	<i>Income</i>	<i>%</i>	<i>Income</i>	<i>%</i>
	\$m	%	\$m	%	\$m	%
Membership and competition fees						
Sports and physical recreation	532.7	78.4	178.2	16.1	710.9	39.7
Other	*2.4	0.4	7.6	0.7	10.0	0.6
Total	535.1	78.8	185.8	16.7	720.9	40.3
Casual playing fees	^ 46.4	6.8	216.1	19.5	262.5	14.7
Spectator admissions to sporting events	0.8	0.1	29.8	2.7	30.7	1.7
Rent, leasing and hiring						
Sports venues and facilities	^ 12.0	1.8	^ 83.4	7.5	^ 95.3	5.3
Other	4.6	0.7	21.5	1.9	26.1	1.5
Total	^ 16.5	2.4	^ 104.9	9.4	^ 121.4	6.8
Sale of liquor and other beverages	^ 6.8	1.0	76.3	6.9	83.1	4.6
Takings from meals and food sales	9.0	1.3	^ 56.2	5.1	^ 65.2	3.6
Other sales of goods	8.0	1.2	^ 25.8	2.3	^ 33.9	1.9
Poker/gaming machines	..	..	3.0	—	3.0	—
Commissions from TAB and Keno	..	..	0.1	—	0.1	—
Advertising	^ 0.5	0.1	14.1	1.3	14.6	0.8
Government funding	np	np	np	np	^ 157.2	8.8
Sponsorship, fundraising and donations	2.0	0.3	61.4	5.5	63.4	3.5
Other grants, distributions and affiliation fees(a)	**3.9	0.6	21.8	2.0	^ 25.8	1.4
Interest	^ 2.1	0.3	7.0	0.6	9.1	0.5
Other	np	np	np	np	198.4	11.1
<b>Total(b)</b>	<b>679.4</b>	<b>100.0</b>	<b>1 109.8</b>	<b>100.0</b>	<b>1 789.2</b>	<b>100.0</b>

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

\* estimate has a relative standard error of 25% to 50% and should be used with caution

\*\* estimate has a relative standard error greater than 50% and is considered too unreliable for general use

.. not applicable

— nil or rounded to zero (including null cells)

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) In some instances, income from grants and distributions may be duplicated as different tiers of affiliated organisations receive the income.

(b) Includes capital funding.

## 4.2 SPORTS AND PHYSICAL RECREATION VENUES, Items of expenditure .....

	HEALTH AND FITNESS CENTRES AND GYMNASIA .....		OTHER SPORTS AND PHYSICAL RECREATION VENUES, GROUNDS AND FACILITIES .....		TOTAL .....	
	<i>Proportion of total expenses</i>		<i>Proportion of total expenses</i>		<i>Proportion of total expenses</i>	
	<i>Expense</i>	<i>%</i>	<i>Expense</i>	<i>%</i>	<i>Expense</i>	<i>%</i>
	\$m	%	\$m	%	\$m	%
<b>Labour costs</b>						
Wages and salaries	237.9	36.6	278.7	27.3	516.6	30.9
Employer contributions to superannuation funds(a)	19.4	3.0	25.0	2.4	44.4	2.7
Workers' compensation premiums	5.2	0.8	6.3	0.6	11.5	0.7
Fringe benefits tax	^ 0.5	0.1	^ 2.2	0.2	^ 2.8	0.2
Payroll tax	7.4	1.1	^ 9.0	0.9	16.5	1.0
<b>Total</b>	<b>270.5</b>	<b>41.7</b>	<b>321.2</b>	<b>31.5</b>	<b>591.7</b>	<b>35.4</b>
Contract payments to professional sportspersons	^ 2.0	0.3	0.1	—	^ 2.1	0.1
<b>Purchases</b>						
Liquor and other beverages	^ 3.6	0.5	36.4	3.6	40.0	2.4
Foodstuffs for use in preparing meals	3.9	0.6	^ 26.4	2.6	30.3	1.8
Goods for resale	11.6	1.8	^ 23.1	2.3	^ 34.7	2.1
Other	*4.2	0.6	^ 11.7	1.2	16.0	1.0
<b>Total</b>	<b>23.3</b>	<b>3.6</b>	<b>97.6</b>	<b>9.6</b>	<b>120.9</b>	<b>7.2</b>
Rent, leasing and hiring	110.6	17.0	114.7	11.2	225.3	13.5
Land tax and land rates	^ 2.7	0.4	^ 6.7	0.7	9.3	0.6
<b>Insurance premiums</b>						
Professional liability	2.2	0.3	2.6	0.3	4.8	0.3
Public liability	^ 3.6	0.6	11.7	1.1	15.3	0.9
Other	4.5	0.7	9.1	0.9	13.7	0.8
<b>Total</b>	<b>10.3</b>	<b>1.6</b>	<b>23.4</b>	<b>2.3</b>	<b>33.8</b>	<b>2.0</b>
Interest	17.2	2.6	41.0	4.0	58.2	3.5
Depreciation and amortisation	36.1	5.6	84.2	8.3	120.3	7.2
Repair and maintenance	np	np	np	np	75.0	4.5
Grants, distributions and affiliation fees	np	np	np	np	*4.7	0.3
Advertising, marketing and promotion	^ 25.3	3.9	23.7	2.3	49.0	2.9
Sponsorship	^ 0.4	0.1	2.7	0.3	3.1	0.2
Electricity, gas and water	20.8	3.2	^ 35.6	3.5	^ 56.4	3.4
Travelling, accommodation and entertainment	3.8	0.6	8.0	0.8	11.8	0.7
Payments to employment agencies	0.7	0.1	0.6	0.1	1.4	0.1
Other contract, subcontract and commission expenses	^ 30.6	4.7	^ 55.4	5.4	86.0	5.2
Other	77.1	11.9	143.8	14.1	220.9	13.2
<b>Total</b>	<b>649.4</b>	<b>100.0</b>	<b>1 020.3</b>	<b>100.0</b>	<b>1 669.7</b>	<b>100.0</b>

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

\* estimate has a relative standard error of 25% to 50% and should be used with caution

— nil or rounded to zero (including null cells)

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Includes salary sacrifice that is paid as employer contributions to superannuation funds. Other salary sacrifice is included with the relevant expense item.

### 4.3 SPORTS AND PHYSICAL RECREATION VENUES, Characteristics of employment and volunteers

	<u>Males</u>		<u>Females</u>		<u>Persons</u>	
	no.	%	no.	%	no.	%
HEALTH AND FITNESS CENTRES AND GYMNASIA						
Working proprietors and partners of unincorporated businesses	^ 198	3.6	^ 103	0.9	301	1.8
Employees						
Permanent full-time	1 435	26.0	1 678	14.8	3 112	18.4
Permanent part-time	^ 734	13.3	1 336	11.8	2 070	12.3
Casuals	3 142	57.0	8 245	72.6	11 387	67.5
Total	5 311	96.4	11 259	99.1	16 569	98.2
Employment at end						
June 2005(a)	5 509	100.0	11 362	100.0	16 871	100.0
March 2005(a)	na	na	na	na	16 761	..
December 2004(a)	na	na	na	na	15 918	..
September 2004(a)	na	na	na	na	15 386	..
Volunteers assisting in operations						
June 2005	na	na	na	na	^ 343	..
March 2005	na	na	na	na	^ 261	..
December 2004	na	na	na	na	259	..
September 2004	na	na	na	na	^ 253	..
OTHER SPORTS AND PHYSICAL RECREATION VENUES, GROUNDS AND FACILITIES						
Working proprietors and partners of unincorporated businesses	^ 159	1.7	149	1.5	308	1.6
Employees						
Permanent full-time	2 418	26.0	1 428	14.3	3 846	19.9
Permanent part-time	^ 737	7.9	^ 627	6.3	^ 1 364	7.1
Casuals	^ 5 994	64.4	^ 7 801	78.0	^ 13 796	71.4
Total	9 150	98.3	9 856	98.5	19 006	98.4
Employment at end						
June 2005(a)	^ 9 309	100.0	10 005	100.0	19 314	100.0
March 2005(a)	na	na	na	na	18 746	..
December 2004(a)	na	na	na	na	18 038	..
September 2004(a)	na	na	na	na	18 471	..
Volunteers assisting in operations						
June 2005	na	na	na	na	^ 2 031	..
March 2005	na	na	na	na	2 549	..
December 2004	na	na	na	na	^ 2 089	..
September 2004	na	na	na	na	^ 2 132	..
TOTAL						
Working proprietors and partners of unincorporated businesses	357	2.4	^ 252	1.2	609	1.7
Employees						
Permanent full-time	3 853	26.0	3 106	14.5	6 959	19.2
Permanent part-time	1 471	9.9	1 963	9.2	3 434	9.5
Casuals	9 136	61.7	16 046	75.1	25 183	69.6
Total	14 461	97.6	21 115	98.8	35 576	98.3
Employment at end						
June 2005(a)	14 818	100.0	21 367	100.0	36 185	100.0
March 2005(a)	na	na	na	na	35 507	..
December 2004(a)	na	na	na	na	33 955	..
September 2004(a)	na	na	na	na	33 857	..
Volunteers assisting in operations						
June 2005	na	na	na	na	^ 2 374	..
March 2005	na	na	na	na	2 810	..
December 2004	na	na	na	na	^ 2 347	..
September 2004	na	na	na	na	^ 2 384	..

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

na not available

(a) During the last pay period ending month indicated.

.. not applicable



## 4.4 SPORTS AND PHYSICAL RECREATION VENUES, States and territories .....

	<i>Businesses/organisations at end June(a)</i>		<i>Employment at end June</i>		<i>Income from sports membership and competition fees</i>		<i>Total income</i>	
	no.	%	no.	%	\$m	%	\$m	%
HEALTH AND FITNESS CENTRES AND GYMNASIA								
New South Wales	^ 306	37.1	8 018	47.5	277.3	52.1	339.8	50.0
Victoria	171	20.7	2 932	17.4	*90.8	17.0	^ 119.3	17.6
Queensland	185	22.4	2 563	15.2	^ 90.2	16.9	106.9	15.7
South Australia	^ 54	6.6	1 100	6.5	^ 27.5	5.2	^ 41.1	6.0
Western Australia	^ 63	7.6	^ 1 030	6.1	^ 24.1	4.5	^ 32.3	4.8
Tasmania	*20	2.5	486	2.9	np	np	16.2	2.4
Northern Territory	^ 9	1.1	^ 77	0.5	np	np	3.2	0.5
Australian Capital Territory	17	2.1	665	3.9	11.0	2.1	20.7	3.0
<i>Australia</i>	^ 824	100.0	16 871	100.0	532.7	100.0	679.4	100.0
OTHER SPORTS AND PHYSICAL RECREATION VENUES, GROUNDS AND FACILITIES								
New South Wales	202	19.9	^ 7 005	36.3	^ 62.1	34.9	^ 356.6	32.1
Victoria	^ 318	31.3	5 485	28.4	^ 59.2	33.2	369.5	33.3
Queensland	285	28.1	^ 3 703	19.2	28.2	15.8	240.2	21.6
South Australia	*72	7.1	^ 679	3.5	^ 7.1	4.0	^ 31.4	2.8
Western Australia	85	8.4	^ 1 950	10.1	^ 16.8	9.4	77.9	7.0
Tasmania	^ 24	2.4	*88	0.5	np	np	**13.5	1.2
Northern Territory	^ 10	1.0	92	0.5	np	np	4.3	0.4
Australian Capital Territory	19	1.9	^ 312	1.6	^ 3.8	2.1	16.5	1.5
<i>Australia</i>	1 016	100.0	19 314	100.0	178.2	100.0	1 109.8	100.0
TOTAL								
New South Wales	^ 508	27.6	^ 15 023	41.5	339.4	47.7	696.4	38.9
Victoria	488	26.5	8 417	23.3	^ 150.0	21.1	488.8	27.3
Queensland	470	25.5	6 266	17.3	118.4	16.7	347.1	19.4
South Australia	126	6.9	1 779	4.9	34.5	4.9	72.4	4.0
Western Australia	148	8.0	2 980	8.2	40.9	5.7	110.2	6.2
Tasmania	45	2.4	574	1.6	10.6	1.5	*29.7	1.7
Northern Territory	19	1.0	169	0.5	2.3	0.3	7.5	0.4
Australian Capital Territory	36	2.0	977	2.7	14.7	2.1	37.1	2.1
<i>Australia</i>	1 841	100.0	36 185	100.0	710.9	100.0	1 789.2	100.0

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

\* estimate has a relative standard error of 25% to 50% and should be used with caution

\*\* estimate has a relative standard error greater than 50% and is considered too unreliable for general use

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Data for multi-state businesses/organisations have been assigned to the state or territory in which the business/organisation's Australian head office resides, known as state of head office.

## 4.5 SPORTS AND PHYSICAL RECREATION VENUES, Summary of operations by employment size

## EMPLOYING UNITS

		0-19 persons	20-49 persons	50-99 persons	100 persons or more	Non- employing units	Total
HEALTH AND FITNESS CENTRES AND GYMNASIA							
Businesses/organisations at end June	no.	^ 624	^ 142	^ 24	16	*19	^ 824
	%	75.7	17.2	2.9	2.0	2.3	100.0
Employment at end June	no.	np	4 271	^ 1 615	6 026	np	16 871
	%	np	25.3	9.6	35.7	np	100.0
Wages and salaries	\$m	65.1	57.8	20.7	94.3	—	237.9
	%	27.4	24.3	8.7	39.6	—	100.0
Income from sports membership and competition fees	\$m	^ 168.5	^ 124.7	29.6	207.3	*2.6	532.7
	%	31.6	23.4	5.5	38.9	0.5	100.0
Total income(a)	\$m	209.1	^ 148.0	47.4	267.7	^ 7.1	679.4
	%	30.8	21.8	7.0	39.4	1.1	100.0
Operating profit/surplus before tax(a)	\$m	*9.8	^ 9.0	0.6	10.3	**0.5	^ 30.3
	%	32.5	29.7	2.0	34.1	1.7	100.0
OTHER SPORTS AND PHYSICAL RECREATION VENUES, GROUNDS AND FACILITIES							
Businesses/organisations at end June	no.	769	^ 150	*27	*21	*50	1 016
	%	75.7	14.7	2.6	2.1	4.9	100.0
Employment at end June	no.	np	^ 4 341	*1 795	^ 8 517	np	19 314
	%	np	22.5	9.3	44.1	np	100.0
Wages and salaries	\$m	np	^ 71.4	^ 32.1	^ 116.3	np	278.7
	%	np	25.6	11.5	41.7	np	100.0
Income from sports membership and competition fees	\$m	^ 55.0	23.3	*16.0	82.5	**1.5	178.2
	%	30.9	13.1	9.0	46.3	0.8	100.0
Total income(a)	\$m	243.8	^ 194.9	^ 83.2	^ 570.5	^ 17.4	1 109.8
	%	22.0	17.6	7.5	51.4	1.6	100.0
Operating profit/surplus before tax(a)	\$m	*18.8	**0.8	^ 3.4	62.9	**4.2	90.1
	%	20.8	0.9	3.8	69.8	4.7	100.0
TOTAL							
Businesses/organisations at end June	no.	1 393	292	50	^ 38	^ 69	1 841
	%	75.7	15.8	2.7	2.0	3.7	100.0
Employment at end June	no.	9 593	8 612	^ 3 409	^ 14 542	*28	36 185
	%	26.5	23.8	9.4	40.2	0.1	100.0
Wages and salaries	\$m	np	129.2	52.8	^ 210.6	np	516.6
	%	np	25.0	10.2	40.8	np	100.0
Income from sports membership and competition fees	\$m	^ 223.6	^ 148.0	45.5	289.8	*4.0	710.9
	%	31.4	20.8	6.4	40.8	0.6	100.0
Total income(a)	\$m	452.8	343.0	130.6	838.2	^ 24.5	1 789.2
	%	25.3	19.2	7.3	46.8	1.4	100.0
Operating profit/surplus before tax(a)	\$m	28.6	^ 9.8	^ 4.0	73.2	*4.7	120.3
	%	23.8	8.1	3.3	60.8	3.9	100.0

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

\* estimate has a relative standard error of 25% to 50% and should be used with caution

\*\* estimate has a relative standard error greater than 50% and is considered too unreliable for general use

— nil or rounded to zero (including null cells)

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Includes capital funding.

SUMMARY OF FINDINGS

This chapter presents data relating to businesses/organisations mainly involved in the provision of sports and services to sport. Estimates are presented for the following ACLC classes:

- 331 – SPORTS AND PHYSICAL RECREATION ADMINISTRATIVE ORGANISATIONS
- 332 – SPORTS AND PHYSICAL RECREATION CLUBS, TEAMS AND SPORTS PROFESSIONALS
- 334 – SPORTS AND PHYSICAL RECREATION SUPPORT SERVICES (part).

For a description of the scope of these businesses/organisations, refer to paragraphs 2, 3 and 6 of the Explanatory Notes.

At the end of June 2005, there were 5,696 businesses/organisations operating in sports and services to sport. These comprised 1,147 sports and physical recreation administrative organisations, 2,649 sports and physical recreation clubs, teams and sports professionals and 1,900 businesses/organisations engaged in sports and physical recreation support services. Non-employed businesses/organisations comprised 14.9% of the total (851).

These 5,696 businesses/organisations generated income of \$3,997.2m during 2004–05, employed 47,739 persons at the end of June 2005 and had 176,000 volunteers during June 2005. Total expenses incurred for 2004–05 were \$3,773.5m. The total industry value added by these businesses/organisations was \$1,504.3m. In 2004–05, sports and services to sport recorded an operating profit/surplus before tax of \$227.2m.

SOURCES OF INCOME

*Sports and physical recreation administrative organisations*

During 2004–05, organisations operating in sports and physical recreation administration generated a total income of \$1,531m. Non-employed organisations contributed 5% to this total.

The major sources of income were television and other broadcasting rights, which generated \$255.1m (16.7% of total income), and income from sponsorship, fundraising and donations, which generated \$248.8m (16.2% of total income).

Other major sources of income were membership and competition fees (\$238.6m), funding from government (\$188.1m), other grants, distributions and affiliation fees (\$175.3m) and spectator admissions (\$165.8m).

*Sports and physical recreation clubs, teams and sports professionals*

Sports and physical recreation clubs, teams and sports professionals generated a total income of \$1,884.1m during 2004–05. Sponsorship, fundraising and donations accounted for \$422.4m, or 22.4% of total income.

Other major sources of income were membership and competition fees (\$360.2m or 19.1% of total), grants, distribution and affiliation fees (\$188.8m or 10% of total), spectator admissions (\$177.4m or 9.4% of total) and sale of liquor and other beverages (\$154.5m or 8.2% of total).

<i>Sports and physical recreation support services</i>	<p>During 2004–05, businesses/organisations which provided other sports support services generated total income of \$582m. The majority (55.9%) of this income was received from coaching, training and instructing (\$325.3m).</p> <p>Other sources of income included casual playing fees (\$90.6m), other sales of goods (\$20.2m), funding from government (\$17.1m), sponsorship, fundraising and donations (\$11.3m) and membership and competition fees (\$10.6m).</p>
<b>EXPENDITURE</b> <i>Sports and physical recreation administrative organisations</i>	<p>The total expenditure for organisations engaged in sports administration was \$1,461.7m during 2004–05. The major expense items were labour costs (\$352.4m) and grants, distributions and affiliation fees paid to other businesses/organisations (\$310.9m), which represented 24.1% and 21.3% respectively of total expenditure. Organisations engaged in sports administration also incurred \$9.4m in expenses for contract payments to professional sportspersons.</p> <p>Other expense items included contract, subcontract and commission expenses of \$91m, travelling, accommodation and entertainment expenses of \$74.8m, advertising, marketing and promotion expenses of \$69.3m and prizemoney and trophy expenses of \$61m.</p>
<i>Sports and physical recreation clubs, teams and sports professionals</i>	<p>During 2004–05, the total expenditure incurred by sporting clubs, teams and sports professionals was \$1,815.1m. Labour costs (\$688.2m) was the major expense item accounting for 37.9% of the total expenses. Contract payments to professional sportspersons accounted for \$41.1m of expenses.</p> <p>Other major expense items included depreciation and amortisation (\$92.2m), purchases of liquor and other beverages (\$76.6m), other contract, subcontract and commission expenses (\$74.7m), repair and maintenance (\$67.6m) and advertising, marketing and promotion expenses (\$63.4m).</p>
<i>Sports and physical recreation support services</i>	<p>Total expenditure for other sports support services was \$496.6m during 2004–05. The major expense item was labour costs of \$198.1m, or 39.9% of total expenses. Other expense items included rent, leasing and hiring expenses of \$48.8m, other contract, subcontract and commission expenses of \$38.1m and depreciation and amortisation of \$23.5m.</p>
<b>EMPLOYMENT</b> <i>Sports and physical recreation administrative organisations</i>	<p>At the end of June 2005, organisations engaged in sports administration employed 10,619 persons, comprising 3,870 permanent full-time, 1,154 permanent part-time and 5,594 casual employees.</p> <p>Male employees (6,084 persons) accounted for 57.3% of total employment in sports administration. Of the male employees, 2,252 (37%) were permanent full-time employees, 524 (8.6%) were employed on a permanent part-time basis and 3,308 (54.4%) were employed on a casual basis.</p> <p>Of all the sports and services to sport businesses/organisations, sports administration recorded the largest volunteer base with 65,131 volunteers working during the month of June 2005.</p>

*Sports and physical  
recreation clubs, teams  
and sports professionals*

There were 22,216 persons working in sports clubs and teams and as sports professionals at the end of June 2005. Casual employees accounted for 52.1% of total employment. Other categories of employment included 307 working proprietors and partners (1.4% of total employment), 8,382 permanent full-time employees (37.7% of total employment) and 1,958 permanent part-time employees (8.8% of total employment).

Males accounted for 58% of total employment. There were 12,890 males, of whom 48.4% were employed on a permanent full-time basis, 7.3% on a permanent part-time basis and 42.7% on a casual basis. There were 9,326 females, of whom 22.9% were employed on a permanent full-time basis, 10.9% were employed on a permanent part-time basis and 65% were employed on a casual basis.

There were 54,342 volunteers working for these businesses/organisations during the month of June 2005.

*Sports and physical  
recreation support  
services*

At the end of June 2005, businesses/organisations engaged in other sports support services employed 14,904 persons, comprising 1,054 working proprietors and 13,850 employees. Of these employees, 8,044 (58.1%) were female. Casual employees accounted for 62.9% of employment (9,372 persons), while permanent full-time employees and permanent part-time employees contributed 21.9% (3,257 persons) and 8.2% (1,221 persons) respectively.

In addition, there were 56,527 volunteers working for sports support services businesses/organisations during the month of June 2005.

STATES AND TERRITORIES

*Sports and physical  
recreation administrative  
organisations*

Over two-thirds (69.1%) of the organisations involved in sports administration were in New South Wales (28%), Victoria (21.9%) and Queensland (19.2%). However, the contribution to sports administration estimates varied between these three states. The 251 organisations in Victoria had the largest share of employment and income, accounting for 26.4% and 40.2% respectively.

Organisations in New South Wales accounted for 19.3% of employment and 30.2% of income, and in Queensland for 11.3% of employment and 10.8% of income. Western Australia comprised only 10% of organisations, but accounted for 16.9% of employment and 6.1% of income.

By way of comparison, New South Wales had 33.3% of Australia's population, Victoria had 24.7%, Queensland had 19.5% and Western Australia had 9.9%.

Sports administration organisations in the Australian Capital Territory also had a bigger share of employment (4.1%) and income (4.6%) than population (1.6%).

*Sports and physical  
recreation clubs, teams  
and sports professionals*

There were 2,649 businesses/organisations representing sports clubs, teams and sports professionals at the end of June 2005. New South Wales contributed 23.1% of businesses/organisations, 27.5% of employment and 27.2% of income. Victoria contributed 29% of businesses/organisations, 25.7% of employment and 32.7% of income.

*Sports and physical recreation support services*

At the end of June 2005, there were 1,900 businesses/organisations providing other sports support services in Australia. New South Wales accounted for 43.1% of businesses/organisations, 42.6% of employment and 50.4% of income. Victoria accounted for 23.6% of businesses/organisations, 27.5% of employment and 22.1% of income. South Australia accounted for 5.3% of businesses/organisations, 6.8% of employment and 4.4% of income.

SIZE OF BUSINESS/  
ORGANISATION

*Sports and physical recreation administrative organisations*

At the end of June 2005, the majority of organisations in sports administration (69.5%) recorded employment of fewer than 20 persons. These 798 organisations accounted for 26.8% of employment, 79.4% of volunteers during June 2005, 25.1% of income and 43.2% of government funding.

There were 17 organisations employing 100 persons or more (1.5% of all organisations), which accounted for almost half (44%) of employment and 41.9% of income. These large organisations accounted for 3.5% of volunteers during June 2005 and received an average income of \$37.7m.

*Sports and physical recreation clubs, teams and sports professionals*

At the end of June 2005, only 1% of sports clubs, teams and sports professionals employed 100 or more persons. They accounted for 22.2% of employment, 4.8% of volunteers and 23.4% of income. Each of these large businesses/organisations had an average income of \$17m.

There were 1,860 businesses/organisations (70.2%) with employment of fewer than 20 persons. These small businesses/organisations accounted for 33.1% of total employment, 68.4% of volunteers during June 2005 and 32.1% of total income. On average each of these small businesses/organisations had employment of four persons and income of \$325,300. These small businesses/organisations relied heavily on government funding, receiving 74.1% of the total for sports clubs, teams and sports professionals.

*Sports and physical recreation support services*

The majority of this activity was undertaken by small businesses/organisations. At the end of June 2005, 88.5% of businesses/organisations had employment of fewer than 20 persons and accounted for 53.7% of employment, 4.6% of volunteers, and 50.8% of income.

The 6.4% of businesses/organisations which employed between 20 and 49 persons accounted for 24.7% of employment and 16.4% of income.

There were three businesses/organisations with employment of 100 or more persons, accounting for 0.2% of all businesses and 26.4% of income.

## 5.1 SPORTS AND SERVICES TO SPORT, Sources of income

	SPORTS AND PHYSICAL RECREATION ADMINISTRATIVE ORGANISATIONS		SPORTS AND PHYSICAL RECREATION CLUBS, TEAMS AND SPORTS PROFESSIONALS		SPORTS AND PHYSICAL RECREATION SUPPORT SERVICES		TOTAL	
	Income	Proportion of total income	Income	Proportion of total income	Income	Proportion of total income	Income	Proportion of total income
		\$m		%		\$m		%
Government funding								
Federal government	56.9	3.7	*1.9	0.1	*0.8	0.1	59.7	1.5
State/territory government	^ 127.5	8.3	^ 17.6	0.9	15.9	2.7	161.0	4.0
Local government	**3.7	0.2	^ 5.8	0.3	*0.3	0.1	*9.8	0.2
Total	^ 188.1	12.3	25.2	1.3	17.1	2.9	230.5	5.8
Other grants, distributions and affiliation fees(a)	175.3	11.4	188.8	10.0	5.4	0.9	369.5	9.2
Rent, leasing and hiring Sports venues and facilities	^ 18.4	1.2	np	np	np	np	58.6	1.5
Other	4.6	0.3	np	np	np	np	30.3	0.8
Total	^ 23.0	1.5	^ 45.5	2.4	20.4	3.5	88.9	2.2
Membership and competition fees								
Sports and physical recreation	238.6	15.6	346.3	18.4	^ 10.0	1.7	594.9	14.9
Other	..	..	*13.9	0.7	**0.6	0.1	*14.4	0.4
Total	238.6	15.6	360.2	19.1	^ 10.6	1.8	609.3	15.2
Casual playing fees	..	..	92.5	4.9	90.6	15.6	183.1	4.6
Spectator admissions to sporting events	165.8	10.8	177.4	9.4	0.2	—	343.4	8.6
Sponsorship, fundraising and donations								
Financial sponsorships	219.2	14.3	^ 345.3	18.3	7.4	1.3	^ 571.8	14.3
In-kind sponsorships	16.8	1.1	np	np	np	np	^ 30.2	0.8
Donations/bequests	^ 3.7	0.2	np	np	np	np	*24.7	0.6
Other fundraising	9.1	0.6	46.5	2.5	*0.1	—	55.7	1.4
Total	248.8	16.2	^ 422.4	22.4	11.3	1.9	682.5	17.1
Gambling income								
Net takings from poker/gaming machines	..	..	np	np	np	np	^ 20.6	0.5
Commissions/venue share from poker/gaming machines	..	..	np	np	np	np	^ 15.0	0.4
Commissions from TAB	..	..	np	np	np	np	*0.6	—
Commissions from Keno	..	..	np	np	np	np	^ 0.8	—
Total	..	..	np	np	np	np	37.0	0.9

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

\* estimate has a relative standard error of 25% to 50% and should be used with caution

\*\* estimate has a relative standard error greater than 50% and is considered too unreliable for general use

.. not applicable

— nil or rounded to zero (including null cells)

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) In some instances, income from grants and distributions may be duplicated as different tiers of affiliated organisations receive the income.

**5.1** SPORTS AND SERVICES TO SPORT, Sources of income *continued*

	SPORTS AND PHYSICAL RECREATION ADMINISTRATIVE ORGANISATIONS		SPORTS AND PHYSICAL RECREATION CLUBS, TEAMS AND SPORTS PROFESSIONALS		SPORTS AND PHYSICAL RECREATION SUPPORT SERVICES		TOTAL	
	Income	Proportion of total income	Income	Proportion of total income	Income	Proportion of total income	Income	Proportion of total income
	\$m	%	\$m	%	\$m	%	\$m	%
Advertising	na	na	10.4	0.6	—	—	10.5	0.3
Television and other broadcasting rights	255.1	16.7	..	..	..	..	255.1	6.4
Takings from meals and food sales	17.4	1.1	87.1	4.6	10.6	1.8	115.1	2.9
Sale of liquor and other beverages	16.3	1.1	154.5	8.2	7.5	1.3	178.3	4.5
Other sales of goods	45.1	2.9	67.5	3.6	^ 20.2	3.5	132.8	3.3
Takings from accommodation	..	..	3.8	0.2	8.9	1.5	12.7	0.3
Income received by professional sportspersons	..	..	^ 44.0	2.3	**0.1	—	^ 44.1	1.1
Sports and physical recreation coaching, training or instructing	..	..	^ 31.2	1.7	^ 325.3	55.9	^ 356.5	8.9
Prizemoney received by sports clubs and teams	2.0	0.1	*10.4	0.6	*3.8	0.7	^ 16.1	0.4
Interest	22.8	1.5	np	np	np	np	44.5	1.1
Other	132.9	8.7	^ 112.3	6.0	^ 42.1	7.2	287.4	7.2
<b>Total (a)</b>	<b>1 531.0</b>	<b>100.0</b>	<b>1 884.1</b>	<b>100.0</b>	<b>582.0</b>	<b>100.0</b>	<b>3 997.2</b>	<b>100.0</b>

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

\* estimate has a relative standard error of 25% to 50% and should be used with caution

\*\* estimate has a relative standard error greater than 50% and is considered too unreliable for general use

.. not applicable

— nil or rounded to zero (including null cells)

na not available

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Includes capital funding.



## 5.2 SPORTS AND SERVICES TO SPORT, Items of expenditure

	SPORTS AND PHYSICAL RECREATION ADMINISTRATIVE ORGANISATIONS		SPORTS AND PHYSICAL RECREATION CLUBS, TEAMS AND SPORTS PROFESSIONALS		SPORTS AND PHYSICAL RECREATION SUPPORT SERVICES		TOTAL	
	Expense	Proportion of total expenses	Expense	Proportion of total expenses	Expense	Proportion of total expenses	Expense	Proportion of total expenses
	\$m	%	\$m	%	\$m	%	\$m	%
<b>Labour costs</b>								
Wages and salaries	310.8	21.3	594.5	32.8	171.3	34.5	1 076.6	28.5
Employer contributions to superannuation funds(a)	22.9	1.6	48.2	2.7	16.8	3.4	87.9	2.3
Workers' compensation costs	4.8	0.3	9.5	0.5	5.6	1.1	19.9	0.5
Fringe benefits tax	4.8	0.3	12.5	0.7	0.4	0.1	17.7	0.5
Payroll tax	9.1	0.6	23.6	1.3	3.9	0.8	36.6	1.0
<i>Total</i>	352.4	24.1	688.2	37.9	198.1	39.9	1 238.7	32.8
<b>Grants, distributions and affiliation fees paid to other organisations</b>								
	310.9	21.3	31.8	1.8	21.6	4.3	364.2	9.7
<b>Payments of sporting scholarships</b>								
	4.3	0.3	..	..	..	..	4.3	0.1
<b>Contract payments to professional sportspersons</b>								
	9.4	0.6	^ 41.1	2.3	**0.6	0.1	^ 51.1	1.4
<b>Other contract, subcontract and commission expenses</b>								
	91.0	6.2	^ 74.7	4.1	^ 38.1	7.7	203.8	5.4
<b>Repair and maintenance</b>								
	9.9	0.7	^ 67.6	3.7	^ 16.9	3.4	94.4	2.5
<b>Rent, leasing and hiring</b>								
<b>Sports venues, facilities and equipment</b>								
	34.0	2.3	^ 43.8	2.4	^ 35.5	7.1	113.2	3.0
<b>Other</b>								
	15.0	1.0	13.5	0.7	13.3	2.7	41.8	1.1
<i>Total</i>	49.0	3.3	^ 57.3	3.2	^ 48.8	9.8	155.0	4.1
<b>Poker and gaming machine and other gambling taxes/levies(b)</b>								
	..	..	np	np	np	np	^ 4.1	0.1
<b>Prizemoney and trophies</b>								
	^ 61.0	4.2	20.0	1.1	2.1	0.4	83.1	2.2
<b>Advertising, marketing and promotion</b>								
	69.3	4.7	*63.4	3.5	^ 15.6	3.1	^ 148.3	3.9
<b>Sponsorship</b>								
	25.4	1.7	^ 42.8	2.4	0.6	0.1	68.9	1.8
<b>Travelling, accommodation and entertainment</b>								
	74.8	5.1	34.9	1.9	8.1	1.6	117.8	3.1
<b>Payments to employment agencies for staff</b>								
	^ 1.4	0.1	**4.6	0.3	*0.2	—	*6.2	0.2
<b>Purchases</b>								
<b>Liquor and other beverages</b>								
	6.6	0.5	76.6	4.2	2.8	0.6	86.1	2.3
<b>Foodstuffs for use in preparing meals</b>								
	8.4	0.6	43.6	2.4	4.4	0.9	56.5	1.5
<b>Goods for resale</b>								
	21.4	1.5	41.4	2.3	^ 15.7	3.2	78.5	2.1
<b>Other</b>								
	12.8	0.9	*46.6	2.6	6.2	1.2	*65.6	1.7
<i>Total</i>	49.2	3.4	^ 208.3	11.5	^ 29.1	5.9	286.7	7.6

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

\* estimate has a relative standard error of 25% to 50% and should be used with caution

\*\* estimate has a relative standard error greater than 50% and is considered too unreliable for general use

.. not applicable

— nil or rounded to zero (including null cells)

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(a) Includes salary sacrifice that is paid as employer contributions to superannuation funds. Other salary sacrifice is included with the relevant expense item.

(b) Includes GST paid on gambling products.

## 5.2 SPORTS AND SERVICES TO SPORT, Items of expenditure *continued*

	SPORTS AND PHYSICAL RECREATION ADMINISTRATIVE ORGANISATIONS		SPORTS AND PHYSICAL RECREATION CLUBS, TEAMS AND SPORTS PROFESSIONALS		SPORTS AND PHYSICAL RECREATION SUPPORT SERVICES		TOTAL	
	Expense	Proportion of total expenses	Expense	Proportion of total expenses	Expense	Proportion of total expenses	Expense	Proportion of total expenses
	\$m	%	\$m	%	\$m	%	\$m	%
Land tax and land rates	1.7	0.1	^ 10.1	0.6	^ 2.4	0.5	14.3	0.4
Insurance premiums								
Professional indemnity	..	..	^ 3.4	0.2	^ 1.1	0.2	^ 4.6	0.1
Public liability	21.0	1.4	^ 14.4	0.8	6.8	1.4	42.3	1.1
Other	19.1	1.3	15.9	0.9	3.5	0.7	38.5	1.0
Total	40.1	2.7	33.8	1.9	11.4	2.3	85.3	2.3
Interest	12.0	0.8	np	np	np	np	39.0	1.0
Depreciation and amortisation	45.0	3.1	92.2	5.1	23.5	4.7	160.6	4.3
Other	254.9	17.4	325.6	17.9	69.9	14.1	650.4	17.2
<b>Total (a)</b>	<b>1 461.7</b>	<b>100.0</b>	<b>1 815.1</b>	<b>100.0</b>	<b>496.6</b>	<b>100.0</b>	<b>3 773.5</b>	<b>100.0</b>

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

.. not applicable

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) As total expenses do not include the GST paid on gambling products, total expenses will not be equal to the sum of the components.

**5.3****SPORTS AND SERVICES TO SPORT, Characteristics of employment and volunteers**

	<u>Males</u>		<u>Females</u>		<u>Persons</u>	
	no.	%	no.	%	no.	%
SPORTS AND PHYSICAL RECREATION ADMINISTRATIVE ORGANISATIONS						
Working proprietors and partners of unincorporated businesses	na	na	na	na	na	na
Employees						
Permanent full-time	2 252	37.0	1 618	35.7	3 870	36.4
Permanent part-time	524	8.6	630	13.9	1 154	10.9
Casuals	3 308	54.4	^ 2 287	50.4	5 594	52.7
Total	6 084	100.0	4 535	100.0	10 619	100.0
Employment at end						
June 2005(a)	6 084	100.0	4 535	100.0	10 619	100.0
March 2005(a)	na	na	na	na	na	..
December 2004(a)	na	na	na	na	na	..
September 2004(a)	na	na	na	na	na	..
Volunteers assisting in operations						
June 2005	na	na	na	na	^ 65 131	..
March 2005	na	na	na	na	^ 97 726	..
December 2004	na	na	na	na	^ 90 742	..
September 2004	na	na	na	na	^ 104 535	..
SPORTS AND PHYSICAL RECREATION CLUBS, TEAMS AND SPORTS PROFESSIONALS						
Working proprietors and partners of unincorporated businesses	*205	1.6	^ 102	1.1	*307	1.4
Employees						
Permanent full-time	6 243	48.4	2 139	22.9	8 382	37.7
Permanent part-time	^ 940	7.3	1 019	10.9	1 958	8.8
Casuals	5 502	42.7	6 066	65.0	11 568	52.1
Total	12 685	98.4	9 223	98.9	21 909	98.6
Employment at end						
June 2005(a)	12 890	100.0	9 326	100.0	22 216	100.0
March 2005(a)	na	na	na	na	19 674	..
December 2004(a)	na	na	na	na	18 426	..
September 2004(a)	na	na	na	na	18 736	..
Volunteers assisting in operations						
June 2005	na	na	na	na	54 342	..
March 2005	na	na	na	na	54 353	..
December 2004	na	na	na	na	44 583	..
September 2004	na	na	na	na	48 492	..
^	estimate has a relative standard error of 10% to less than 25% and should be used with caution		..	not applicable		
			na	not available		
*	estimate has a relative standard error of 25% to 50% and should be used with caution		(a)	During the last pay period ending month indicated.		

### 5.3 SPORTS AND SERVICES TO SPORT, Characteristics of employment and volunteers

*continued*

	<u>Males</u>		<u>Females</u>		<u>Persons</u>	
	no.	%	no.	%	no.	%
SPORTS AND PHYSICAL RECREATION SUPPORT SERVICES						
Working proprietors and partners of unincorporated businesses	527	8.3	^ 527	6.1	1 054	7.1
Employees						
Permanent full-time	2 087	32.9	^ 1 170	13.7	3 257	21.9
Permanent part-time	399	6.3	822	9.6	1 221	8.2
Casuals	3 320	52.4	^ 6 052	70.6	9 372	62.9
Total	5 806	91.7	^ 8 044	93.9	13 850	92.9
Employment at end						
June 2005(a)	6 333	100.0	^ 8 571	100.0	14 904	100.0
March 2005(a)	na	na	na	na	^ 12 430	..
December 2004(a)	na	na	na	na	^ 12 007	..
September 2004(a)	na	na	na	na	^ 13 264	..
Volunteers assisting in operations						
June 2005	na	na	na	na	56 527	..
March 2005	na	na	na	na	56 394	..
December 2004	na	na	na	na	56 485	..
September 2004	na	na	na	na	56 272	..
TOTAL						
Working proprietors and partners of unincorporated businesses	^ 732	2.9	^ 629	2.8	^ 1 362	2.9
Employees						
Permanent full-time	10 582	41.8	4 927	22.0	15 509	32.5
Permanent part-time	1 863	7.4	2 471	11.0	4 334	9.1
Casuals	12 130	47.9	14 404	64.2	26 534	55.6
Total	24 575	97.1	21 802	97.2	46 377	97.1
Employment at end						
June 2005(a)	25 308	100.0	22 431	100.0	47 739	100.0
March 2005(a)	na	na	na	na	na	..
December 2004(a)	na	na	na	na	na	..
September 2004(a)	na	na	na	na	na	..
Volunteers assisting in operations						
June 2005	na	na	na	na	176 000	..
March 2005	na	na	na	na	208 473	..
December 2004	na	na	na	na	191 810	..
September 2004	na	na	na	na	209 300	..

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

na not available

(a) During the last pay period ending month indicated.

.. not applicable

## 5.4 SPORTS AND SERVICES TO SPORT, States and territories

	<i>Businesses/organisations at end June(a)</i>		<i>Employment at end June</i>		<i>Government funding</i>		<i>Total income</i>	
	no.	%	no.	%	\$m	%	\$m	%
SPORTS AND PHYSICAL RECREATION ADMINISTRATIVE ORGANISATIONS								
New South Wales	321	28.0	^ 2 047	19.3	31.6	16.8	462.2	30.2
Victoria	^ 251	21.9	2 802	26.4	^ 98.6	52.4	615.0	40.2
Queensland	220	19.2	1 195	11.3	^ 13.7	7.3	165.4	10.8
South Australia	116	10.1	1 860	17.5	7.5	4.0	86.2	5.6
Western Australia	115	10.0	^ 1 794	16.9	^ 10.8	5.7	^ 93.6	6.1
Tasmania	43	3.7	^ 312	2.9	4.6	2.5	26.6	1.7
Northern Territory	27	2.4	175	1.7	np	np	11.7	0.8
Australian Capital Territory	54	4.7	433	4.1	np	np	70.3	4.6
<i>Australia</i>	<i>1 147</i>	<i>100.0</i>	<i>10 619</i>	<i>100.0</i>	<i>^ 188.1</i>	<i>100.0</i>	<i>1 531.0</i>	<i>100.0</i>

### SPORTS AND PHYSICAL RECREATION CLUBS, TEAMS AND SPORTS PROFESSIONALS

New South Wales	611	23.1	^ 6 102	27.5	^ 5.3	21.1	^ 511.6	27.2
Victoria	767	29.0	^ 5 720	25.7	**3.8	15.0	616.7	32.7
Queensland	548	20.7	^ 5 120	23.0	np	np	^ 386.8	20.5
South Australia	228	8.6	^ 1 640	7.4	np	np	144.8	7.7
Western Australia	316	11.9	^ 2 235	10.1	np	np	183.4	9.7
Tasmania	116	4.4	^ 583	2.6	*0.3	1.3	16.7	0.9
Northern Territory	16	0.6	90	0.4	0.1	0.4	8.2	0.4
Australian Capital Territory	^ 47	1.8	*725	3.3	np	np	^ 15.9	0.8
<i>Australia</i>	<i>2 649</i>	<i>100.0</i>	<i>22 216</i>	<i>100.0</i>	<i>25.2</i>	<i>100.0</i>	<i>1 884.1</i>	<i>100.0</i>

### SPORTS AND PHYSICAL RECREATION SUPPORT SERVICES

New South Wales	^ 818	43.1	^ 6 344	42.6	1.0	5.6	^ 293.3	50.4
Victoria	^ 448	23.6	^ 4 103	27.5	*0.8	4.9	^ 128.9	22.1
Queensland	381	20.0	2 136	14.3	np	np	85.0	14.6
South Australia	101	5.3	1 016	6.8	np	np	25.6	4.4
Western Australia	^ 104	5.5	*951	6.4	np	np	*33.3	5.7
Tasmania	^ 17	0.9	113	0.8	—	—	2.7	0.5
Northern Territory	8	0.4	55	0.4	—	—	1.7	0.3
Australian Capital Territory	^ 24	1.3	^ 187	1.3	np	np	11.6	2.0
<i>Australia</i>	<i>1 900</i>	<i>100.0</i>	<i>14 904</i>	<i>100.0</i>	<i>17.1</i>	<i>100.0</i>	<i>582.0</i>	<i>100.0</i>

### TOTAL

New South Wales	1 751	30.7	14 493	30.4	37.9	16.4	1 267.2	31.7
Victoria	1 466	25.7	^ 12 625	26.4	^ 103.2	44.8	1 360.6	34.0
Queensland	1 149	20.2	8 452	17.7	^ 41.2	17.9	637.1	15.9
South Australia	445	7.8	4 516	9.5	10.0	4.4	256.6	6.4
Western Australia	535	9.4	^ 4 980	10.4	11.7	5.1	^ 310.4	7.8
Tasmania	175	3.1	^ 1 008	2.1	4.9	2.1	46.0	1.2
Northern Territory	51	0.9	321	0.7	2.8	1.2	21.6	0.5
Australian Capital Territory	125	2.2	^ 1 345	2.8	18.6	8.1	97.7	2.4
<i>Australia</i>	<i>5 696</i>	<i>100.0</i>	<i>47 739</i>	<i>100.0</i>	<i>230.5</i>	<i>100.0</i>	<i>3 997.2</i>	<i>100.0</i>

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

\* estimate has a relative standard error of 25% to 50% and should be used with caution

\*\* estimate has a relative standard error greater than 50% and is considered too unreliable for general use

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(a) Data for multi-state businesses/organisations have been assigned to the state or territory in which the business/organisation's Australian head office resides, known as state of head office.

## 5.5 SPORTS AND SERVICES TO SPORT, Summary of operations by employment size ..

## EMPLOYING UNITS

		0-19 persons	20-49 persons	50-99 persons	100 persons or more	Non- employing units	Total
SPORTS AND PHYSICAL RECREATION ADMINISTRATIVE ORGANISATIONS							
Businesses/organisations at end June	no.	798	^ 48	^ 23	17	^ 261	1 147
	%	69.5	4.2	2.0	1.5	22.8	100.0
Employment at end June	no.	2 841	^ 1 554	^ 1 546	4 678	—	10 619
	%	26.8	14.6	14.6	44.0	—	100.0
Volunteers during the month of June	no.	^ 51 690	** 3 988	^ 953	2 263	^ 6 238	^ 65 131
	%	79.4	6.1	1.5	3.5	9.6	100.0
Government funding	\$m	^ 81.3	24.7	np	np	* 5.7	^ 188.1
	%	43.2	13.2	np	np	3.0	100.0
Total income	\$m	385.1	162.4	264.7	641.7	77.3	1 531.0
	%	25.1	10.6	17.3	41.9	5.0	100.0
SPORTS AND PHYSICAL RECREATION CLUBS, TEAMS AND SPORTS PROFESSIONALS							
Businesses/organisations at end June	no.	1 860	^ 181	68	^ 26	514	2 649
	%	70.2	6.8	2.6	1.0	19.4	100.0
Employment at end June	no.	7 359	^ 5 379	4 454	4 921	** 103	22 216
	%	33.1	24.2	20.0	22.2	0.5	100.0
Volunteers during the month of June	no.	^ 37 158	^ 2 343	^ 1 849	2 608	^ 10 384	54 342
	%	68.4	4.3	3.4	4.8	19.1	100.0
Government funding	\$m	^ 18.7	* 0.6	np	np	np	25.2
	%	74.1	2.4	np	np	np	100.0
Total income	\$m	^ 605.0	^ 377.0	339.8	441.6	120.8	1 884.1
	%	32.1	20.0	18.0	23.4	6.4	100.0
SPORTS AND PHYSICAL RECREATION SUPPORT SERVICES							
Businesses/organisations at end June	no.	1 682	^ 121	^ 19	3	* 75	1 900
	%	88.5	6.4	1.0	0.2	4.0	100.0
Employment at end June	no.	8 009	^ 3 689	^ 1 252	1 879	** 75	14 904
	%	53.7	24.7	8.4	12.6	0.5	100.0
Volunteers during the month of June	no.	^ 2 583	53 741	—	—	203	56 527
	%	4.6	95.1	—	—	0.4	100.0
Government funding	\$m	16.3	* 0.2	np	np	np	17.1
	%	95.2	1.2	np	np	np	100.0
Total income	\$m	^ 295.4	95.3	^ 21.3	153.5	^ 16.5	582.0
	%	50.8	16.4	3.7	26.4	2.8	100.0
TOTAL							
Businesses/organisations at end June	no.	4 339	351	110	46	851	5 696
	%	76.2	6.2	1.9	0.8	14.9	100.0
Employment at end June	no.	18 209	10 622	7 252	11 478	** 178	47 739
	%	38.1	22.3	15.2	24.0	0.4	100.0
Volunteers during the month of June	no.	^ 91 431	60 073	2 802	4 871	^ 16 824	176 000
	%	51.9	34.1	1.6	2.8	9.6	100.0
Government funding	\$m	^ 116.3	25.5	9.7	71.7	* 7.3	230.5
	%	50.5	11.1	4.2	31.1	3.2	100.0
Total income	\$m	1 285.4	^ 634.7	625.7	1 236.9	214.5	3 997.2
	%	32.2	15.9	15.7	30.9	5.4	100.0

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

\* estimate has a relative standard error of 25% to 50% and should be used with caution

\*\* estimate has a relative standard error greater than 50% and is considered too unreliable for general use

— nil or rounded to zero (including null cells)

np not available for publication but included in totals where applicable, unless otherwise indicated

SUMMARY OF FINDINGS

This chapter presents data relating to government organisations involved in the provision of sports and physical recreation services. These government organisations were classified to ANZSIC Classes 8111– 8113. For a detailed description of the scope of these organisations, refer to paragraphs 4–5 of the Explanatory Notes.

At the end of June 2005, there were 600 government organisations involved in sports and physical recreation activities in Australia, comprising 13 federal and state/territory government organisations and 587 local government organisations. Total employment was 11,051 persons.

SOURCES OF INCOME

*All government organisations*

Total income received by government organisations from the provision of sports and physical recreation support services was \$1,477.9m during 2004–05. The major source of income was funding from government (\$1,175.9m), which accounted for 79.6% of total income. Another major income source was admissions to sports grounds and physical recreation facilities (\$191.9m or 13% of total income).

*Federal and state/territory government organisations*

During 2004–05, federal and state/territory government organisations received \$763.2m in income from the provision of sports and physical recreation support services. The majority of this income (\$695.1m or 91.1%) was sourced from government funding.

Other sources of income were rent, leasing and hiring of sports grounds and physical recreation facilities (\$7.4m or 1%) and sponsorship of sporting events (\$5.4m or 0.7%).

*Local government organisations*

Local government organisations received \$714.7m in income from the provision of sports and physical recreation support services during 2004–05. The major source of income was government funding (\$480.8m), which accounted for 67.3% of total income. Another major income source was rent, leasing and hiring of sports grounds and physical recreation facilities (\$43.3m,) which represented 6.1% of total income.

EXPENDITURE

*All government organisations*

Government organisations involved in the provision of sports and physical recreation services incurred \$1,457.8m in expenses during 2004–05. The major expense item was sporting subsidies and grants provided to clubs and other organisations (\$500.4m), which accounted for 34.3% of total expenditure.

Other major expenses incurred by government organisations were wages and salaries (\$318.8m or 21.9% of total expenditure), repair and maintenance of sports grounds and physical recreation facilities (\$172.6m or 11.8%) and depreciation of sports grounds and physical recreation facilities (\$159.1m or 10.9%).

*Federal and state/territory government organisations*

The total expenditure of federal and state/territory government organisations on the provision of sports and physical recreation services was \$753.5m during 2004–05. The major expense items incurred by these organisations were sporting subsidies and grants provided to clubs and other organisations of \$482.1m (64% of total expenditure) and wages and salaries (\$118.8m), which accounted for 15.8% of total expenditure.

*Local government organisations*

During 2004–05, the total expenditure of local government organisations on the provision of sports and physical recreation services was \$704.4m. The major expense item was wages and salaries (\$200m), which accounted for 28.4% of total expenditure.

Other major expenses incurred by local government organisations were repair and maintenance of sports grounds and physical recreation facilities of \$162m (23% of total expenditure), and depreciation of sports grounds and physical recreation facilities of \$137.8m (19.6% of total expenditure).

## EMPLOYMENT

*All government organisations*

At the end of June 2005, there were 11,051 government employees who spent the majority of their time working on sports and physical recreation related activities. The average wages and salaries per employee for 2004–05 was \$28,800.

*Federal and state/territory government organisations*

There were 1,931 federal and state/territory government employees who spent the majority of their time working on sports and physical recreation related activities at the end of June 2005.

*Local government organisations*

At the end of June 2005, there were 9,120 local government employees who spent the majority of their time working on sports and physical recreation related activities. The average wages and salaries per employee was \$21,900.



## 6.1 KEY DATA FOR GOVERNMENT ORGANISATIONS INVOLVED IN PROVISION OF SPORTS SERVICES

		Federal/state government organisations	Local government organisations	Total
Organisations at end June	no.	13	587	600
Employees who spent the majority of their time on sports and physical recreation related activities	no.	1 931	9 120	11 051
Sources of income from sports and physical recreation activities				
Rent, leasing and hiring of sports grounds and physical recreation facilities	\$m	7.4	43.3	50.6
Admissions to sports grounds and physical recreation facilities	\$m	np	np	191.9
Sponsorship of sporting events	\$m	5.4	^ 1.2	6.6
Advertising at sports and physical recreation events, grounds and facilities	\$m	np	np	1.8
Funding from other government organisations				
Federal, state and territory government	\$m	np	np	735.8
Local government(a)	\$m	np	np	440.1
Total	\$m	695.1	480.8	1 175.9
Other income from sports and physical recreation activities	\$m	np	np	51.0
Total(b)	\$m	763.2	714.7	1 477.9
Items of expenditure on sports and physical recreation activities				
Wages and salaries	\$m	118.8	200.0	318.8
Repair and maintenance of sports grounds and physical recreation facilities	\$m	10.7	162.0	172.6
Payments to contractors and lessees to operate sports grounds and physical recreation facilities	\$m	np	np	64.4
Sporting subsidies and grants provided to:				
Clubs and other organisations	\$m	482.1	^ 18.3	500.4
Individuals	\$m	2.8	0.5	3.3
Total	\$m	484.9	^ 18.8	503.7
Insurance premiums				
Public liability	\$m	1.0	63.1	64.1
Other	\$m	0.6	^ 15.0	^ 15.6
Total	\$m	1.6	78.1	79.7
Depreciation of sports grounds and physical recreation facilities	\$m	21.3	137.8	159.1
Other expenses related to sports and physical recreation activities	\$m	np	np	159.5
Total	\$m	753.5	704.4	1 457.8
Capitalised expenditure on sports and physical recreation venues, facilities and equipment	\$m	21.5	^ 277.8	^ 299.3

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Expenditure for local government organisations is often paid through council reimbursements rather than direct funding allocations. These reimbursements have been included in income from local government funding.

(b) Includes capital funding.

## EXPLANATORY NOTES .....

### INTRODUCTION

**1** This publication presents results from an Australian Bureau of Statistics (ABS) survey of businesses/organisations engaged in sports and physical recreation services for the reference year 2004–05. This is the third time the ABS has conducted this survey. Previous surveys were conducted in respect of the 1994–95 and 2000–01 financial years.

### SCOPE

**2** The scope of the 2004–05 Sports and Physical Recreation Services Survey was all employing and significant non-employing businesses/organisations on the ABS Business Register, classified to the following Australian and New Zealand Standard Industrial Classification (ANZSIC) classes:

- 9311 – HORSE AND DOG RACING. This class includes businesses/organisations mainly engaged in operating facilities designed and used for horse and dog racing. Examples of businesses/organisations in this class are thoroughbred, harness and greyhound training businesses/organisations.
- 9312 – SPORTS GROUNDS AND FACILITIES N.E.C. This class includes businesses/organisations mainly engaged in operating any kind of indoor or outdoor sporting facility other than horse and dog racing facilities. Examples of businesses/organisations in this class include those which operate gymnasia, squash courts, swimming pools, bowling alleys, basketball stadiums, football grounds, etc.
- 9319 – SPORTS AND SERVICES TO SPORTS N.E.C. This class includes businesses/organisations mainly engaged in providing sporting services not covered by Classes 9311 and 9312 above. Examples of businesses/organisations in this class include sporting associations, sporting administration businesses/organisations and sports coaching businesses.

**3** For the purposes of this survey significant non-employing units were defined as those with turnover in 2004–05 of \$135,000 or more. Non-employing units were excluded from previous surveys.

**4** The scope of the survey also included units classified to the general government sector of the ABS Standard Institutional Sector Classification of Australia (SISCA) with primary portfolio responsibility for sports or mainly involved in the provision of sports services. Local government authorities providing sports and physical recreation services were also included. These government organisations are classified to the following three ANZSIC classes:

- 8111–8112 – CENTRAL AND STATE GOVERNMENT ADMINISTRATION. These classes include organisations mainly engaged in formulating and administering federal and state government policy (except justice and defence). For the purposes of this survey the scope has been restricted to only general government organisations with primary portfolio responsibility for sports and/or mainly involved in the provision of sports and physical recreation services.
- 8113 – LOCAL GOVERNMENT ADMINISTRATION. This class consists of organisations mainly engaged in local government administration. For this survey the scope is only local government authorities providing sports and physical recreation services.

**5** More information on SISCA can be found in the ABS publication *Standard Economic Sector Classifications of Australia* (cat. no. 1218.0).

SCOPE *continued*

**6** This publication also presents statistics based on the Australian Culture and Leisure Classifications (ACLC). These classifications were released in 2001 and details are available in *Australian Culture and Leisure Classifications* (cat. no. 4902.0). Estimates are presented for the following ACLC classes:

- **311 – HORSE AND DOG RACING.** This class consists of businesses/organisations mainly engaged in operating facilities especially used and designed for thoroughbred horse racing, harness horse racing or greyhound racing. This class also includes the operation of racing stables and kennels and the provision of riding or harness driving services.
- **321 – HEALTH AND FITNESS CENTRES AND GYMNASIA.** This class consists of businesses/organisations mainly involved in operating health clubs, fitness centres and gymnasias. They may operate as participative exercise groups or allow individuals to use the available gymnasium equipment. Units in this class may contain squash courts, swimming pools and other sporting facilities provided their primary purpose is the provision of a range of fitness and exercise services.
- **322 – OTHER SPORTS AND PHYSICAL RECREATION VENUES, GROUNDS AND FACILITIES.** This class consists of businesses/organisations mainly engaged in operating any kind of indoor or outdoor sports or physical recreation facility other than for horse and dog racing. Included are sporting clubs which operate their own sports grounds or facilities. Units operating their own training facilities which are a main avenue to regular involvement in a sport (e.g. martial arts training facility) are also included in this class.
- **331 – SPORTS AND PHYSICAL RECREATION ADMINISTRATIVE ORGANISATIONS.** This class consists of organisations mainly engaged in the administration and/or control of sports or physical recreation disciplines and/or groups of clubs. These units may be responsible for the policies, rules and regulations governing the conduct of an individual sporting or physical recreation discipline, or may distribute funding to affiliated member organisations.
- **332 – SPORTS AND PHYSICAL RECREATION CLUBS, TEAMS AND SPORTS PROFESSIONALS.** This class consists of businesses/organisations mainly engaged in operating individual sports or physical recreation clubs or teams which predominantly provide opportunities for participants or entertainment for spectators. This class also includes freelance sports professionals.
- **334 – SPORTS AND PHYSICAL RECREATION SUPPORT SERVICES (part).** This class consists of businesses/organisations mainly engaged in providing support services to persons and organisations involved in sports and physical recreation. In this publication, estimates presented for support services include sports and physical recreation services, education and coaching services and personal fitness training services. Note that this is not the full scope of SPORTS AND PHYSICAL RECREATION SUPPORT SERVICES outlined in the ACLC. This class has been restricted to include only the above activities for the purposes of this survey.

STATISTICAL UNITS DEFINED  
ON THE ABS REGISTER

**7** The ABS uses an economic statistics units model on the ABS Business Register to describe the characteristics of businesses/organisations, and the structural relationships between related businesses/organisations. The units model is also used to break groups of related businesses/organisations into relatively homogeneous components that can provide data to the ABS.

**8** In mid-2002, to better use the information available as a result of The New Tax System, the ABS changed its economic statistics units model. The new units model allocates businesses/organisations to one of two sub-populations. The vast majority of businesses/organisations are in what is called the Australian Taxation Office (ATO) Maintained Population, while the remaining businesses/organisations are in the ABS

STATISTICAL UNITS DEFINED  
ON THE ABS REGISTER

*continued*

Maintained Population. Together, these two sub-populations make up the ABS Business Register population.

*ATO Maintained Population*

**9** Most businesses and organisations in Australia need to obtain an Australian Business Number (ABN), and are then included on the ATO Australian Business Register. Most of these businesses/organisations have simple structures; therefore the unit registered for an ABN satisfies ABS statistical requirements. For these businesses/organisations, the ABS has aligned its statistical units structure with the ABN unit. The businesses/organisations with simple structures constitute the ATO Maintained Population, and the ABN unit is used as the economic statistics unit for all economic collections.

*ABS Maintained Population*

**10** For the population of businesses/organisations where the ABN unit is not suitable for ABS statistical requirements, the ABS maintains its own units structure through direct contact with the business/organisation. These businesses/organisations constitute the ABS Maintained Population. This population consists typically of large, complex and diverse businesses/organisations. The new statistical units model described below has been introduced to cover such businesses/organisations:

- *Enterprise Group*: This is a unit covering all the operations in Australia of one or more legal entities under common ownership and/or control. It covers all the operations in Australia of legal entities which are related in terms of the current Corporations Law (as amended by the *Corporations Legislation Amendment Act 1991*), including legal entities such as companies, trusts, and partnerships. Majority ownership is not required for control to be exercised.
- *Enterprise*: The enterprise is an institutional unit comprising (i) a single legal entity or business entity, or (ii) more than one legal entity or business entity within the same Enterprise Group and in the same institutional subsector (i.e. they are all classified to a single Standard Institutional Sector Classification of Australia subsector).
- *Type of Activity Unit (TAU)*: The TAU is comprised of one or more business entities, sub-entities or branches of a business entity within an Enterprise Group that can report production and employment data for similar economic activities. When a minimum set of data items are available, a TAU is created which covers all the operations within an industry subdivision (and the TAU is classified to the relevant subdivision of the ANZSIC). Where a business cannot supply adequate data for each industry, a TAU is formed which contains activity in more than one industry subdivision.

**11** For more information on the impacts of the introduction of the new economic statistics units model, refer to *Information Paper: Improvements in ABS Economic Statistics [Arising from The New Tax System]* (cat. no. 1372.0).

*Comparison over time*

**12** Prior to the 2004–05 survey, the Sports and Physical Recreation Services Survey used the management unit as the statistical unit. The statistical unit in the 2004–05 survey was the ABN unit for businesses/organisations with simple structures, and the TAU for businesses/organisations with complex structures. In most cases, ABN/TAU units concord with the management units used in previous surveys.

COVERAGE

**13** The frame used for the Sports and Physical Recreation Services Survey, like most ABS economic surveys, was taken from the ABS Business Register. The ABS Business Register is updated monthly to take account of new businesses/organisations and businesses/organisations which have ceased employing.

IMPROVEMENTS TO  
COVERAGE

**14** Data in this publication have been adjusted to allow for lags in processing new businesses/organisations to the ABS Business Register, and the omission of some businesses/organisations from the register. The majority of businesses/organisations affected, and to which the adjustments apply, are small in size.

**15** Adjustments have been made to include new businesses/organisations in the estimates in the periods in which they commenced operations, rather than when they were processed to the ABS Business Register. Adjustments of this type will continue to be applied in future periods.

**16** For more information on these adjustments, please refer to the ABS publication *Information Paper: Improvements to ABS Economic Statistics, 1997* (cat. no. 1357.0).

COMPARISON WITH OTHER  
ABS STATISTICS

**17** Annual data for sports and physical recreation services are also published in *Australian Industry* (cat. no. 8155.0). There are important differences between the statistics published in the *Australian Industry* and *Sports and Physical Recreation Services* publications and users should exercise caution when making comparisons between the two sets of estimates.

**18** The *Australian Industry* publication presents annual summary statistics at the ANZSIC class level. It shows the relative performance of each industry class, and allows patterns of change or growth to be analysed across particular segments of the Australian economy. The industry estimates presented in *Australian Industry* are used in the compilation of the National Accounts, and in the derivation of economy-wide indicators such as gross domestic product.

**19** The *Sports and Physical Recreation Services* publication supplements the annual industry summary statistics with a detailed examination of the structure and performance of businesses/organisations involved in sporting operations for the reference year of the survey.

**20** One reason the two sets of estimates vary relates to the use of different industry coding practices. For the *Australian Industry* publication, businesses/organisations are coded to ANZSIC industry classes on the basis of the activity reported to the ATO when they registered for an ABN, or for more complex businesses/organisations, on the basis of information reported directly to the ABS (see Explanatory Notes paragraphs 7–11). On the other hand, *Sports and Physical Recreation Services* presents estimates for ANZSIC Classes 9311, 9312 and 9319 based on detailed financial data reported in the survey.

**21** Other differences in results relate to scope and coverage variations between the two surveys. All non-employed businesses/organisations were included in the scope of *Australian Industry*, however only employing and significant non-employed businesses/organisations were in scope of *Sports and Physical Recreation Services* (see paragraphs 2–6 of the Explanatory Notes).

HISTORICAL COMPARISONS

**22** While comparisons are made between the 2004–05 and 2000–01 survey results, the reader should bear in mind that the 2004–05 survey was not designed to support accurate estimates of change, and should exercise caution when comparing 2004–05 results to the 2000–01 results. The following changes were made to the 2004–05 survey:

- inclusion of non-employed units with a turnover greater than \$135,000. The inclusion of significant non-employed businesses in the 2004–05 Sports and Physical Recreation Services Survey is estimated to have contributed an additional 13% to business counts and 3.3% to financial estimates
- reclassification of some units. Ski field units were reclassified from ACLC 322 in the 2000–01 survey to ACLC 334 for the 2004–05 survey
- changes to data items. For the 2004–05 survey, membership income included competition fees, and a new item was added for income from coaching, training or instructing.

HISTORICAL COMPARISONS

*continued*

**23** In addition, the sports and physical recreation estimates for 2000–01 were heavily impacted by the conduct of the Sydney Olympic Games and Paralympic Games. Data for the Sydney Organising Committee for the Olympic Games and the Sydney Paralympic Organising Committee Limited were included in the summary sports and physical recreation estimates in the 2000–01 issue of this publication. These data have been omitted from historical estimates presented in this publication.

RELIABILITY OF DATA

**24** When interpreting the results of a survey it is important to take into account factors that may affect the reliability of estimates. Such factors can be classified as either sampling or non-sampling error.

**25** The estimates are based on information obtained from a randomly selected stratified sample of businesses/organisations engaged in the provision of sports and physical recreation services in the Australian business/organisation population. Consequently, the estimates in this publication are subject to sampling variability, that is, they may differ from the figures that would have been obtained if all units had been included in the survey (that is if a census was conducted). One measure of the likely difference is given by the standard error (SE), which indicates the extent to which an estimate might have varied by chance because only a sample of units was included.

**26** There are about two chances in three that a sample estimate will differ by less than one SE from the figure that would have been obtained if a census was conducted and approximately 19 chances in 20 that the difference will be less than two SEs.

**27** Sampling variability can also be measured by the relative standard error (RSE), which is obtained by expressing the SE as a percentage of the estimate to which it refers. The RSE is a useful measure in that it provides an immediate indication of the sampling error in percentage terms, and this avoids the need to refer also to the size of the estimate. The following table contains estimates of RSEs for a selection of the statistics presented in this publication.

RSES FOR TABLE 2.1 SPORTS AND PHYSICAL RECREATION SERVICES, Summary of operations

	<i>Total</i>
	%
Businesses/organisations at end June	1.4
Employment at end June	2.9
Volunteers during the month of June	6.4
Income	
Government funding	2.6
Other grants, distributions and affiliation fees	2.1
Sponsorship and fundraising	7.5
Casual playing fees	4.0
Sports membership and competition fees	6.1
Admissions to sporting events	3.9
Rent, leasing and hiring of sports grounds and facilities	6.9
Television and other broadcasting rights	0.2
Other	1.4
<i>Total</i>	2.1
Expenses	
Labour costs	2.1
Grants, distributions and affiliation fees	0.7
Repair and maintenance	2.5
Rent, leasing and hiring of sports venues, facilities and equipment	1.6
Gambling taxes and levies	6.6
Other	3.0
<i>Total</i>	2.3

## RELIABILITY OF DATA

*continued*

**28** As an example of the above, an estimate of total income for sports and physical recreation activities during 2004–05 was \$8,820.5m and the RSE was estimated to be 2.1%, giving a SE of approximately \$185.2m. Therefore, there would be two chances in three that, if all units had been included in the survey, a figure in the range of \$8,635.3m to \$9,005.7m would have been obtained, and 19 chances in 20 (i.e. a confidence interval of 95%) that the figure would have been within the range of \$8,450.1m to \$9,190.9m.

**29** It should be noted that the sampling variability for estimates at the state/territory level was higher than for Australian level aggregates. Survey estimates for states/territories should therefore be viewed with more caution than those for Australia as a whole.

**30** Errors other than those due to sampling may occur in any type of collection and are referred to as non-sampling error. For this survey, non-sampling error may result from such things as deficiencies in the register of businesses/organisations from which the sample was drawn, non-response, imperfections in reporting and/or errors made in compiling results. The extent to which non-sampling error affects the results of the survey is not precisely quantifiable. Every effort was made to minimise non-sampling error by careful design and testing of the questionnaire, efficient operating procedures and systems and the use of appropriate methodology. Survey estimates subject to a high level of non-sampling error have been suppressed or provided with relevant cautions.

**31** Estimates that have an estimated relative standard error between 10% and 25% are annotated with the symbol '^'. These estimates should be used with caution as they are subject to sampling variability too high for some purposes. Estimates with an RSE between 25% and 50% are annotated with the symbol '\*', indicating that the estimate should be used with caution as it is subject to sampling variability too high for most practical purposes. Estimates with an RSE greater than 50% are annotated with the symbol '\*\*' indicating that the sampling variability causes the estimates to be considered too unreliable for general use.

## ROUNDING

**32** Where figures have been rounded, discrepancies may occur between the sum of the components and the total. Similar discrepancies may occur between a proportion or ratio, and the ratio of separate components.

## REFERENCE PERIOD

**33** Data contained in the tables in this publication relate to sports and physical recreation businesses/organisations in Australia during the year ended June 2005. Financial estimates include the activity of any business or organisation that ceased or commenced operations during the year. Counts of businesses and organisations include only those that were operating at 30 June 2005. Employment includes only persons working for a sports or physical recreation business/organisation during the last pay period ending in June 2005.

## ACKNOWLEDGMENT

**34** ABS publications draw extensively on information provided freely by individuals, businesses, governments and other organisations. Their continued cooperation is appreciated; without it, the wide range of statistics published by the ABS would not be available. Information received by the ABS is treated in strict confidence as required by the *Census and Statistics Act 1905*.

## DATA AVAILABLE ON REQUEST

**35** Inquiries about these statistics and more detailed statistics than those presented in this publication should be made by telephoning the contact shown on the front page.

## GLOSSARY .....

<b>Admissions to sporting events</b>	Income from admissions is the revenue received, or takings, from admission of spectators to a sports venue or event.
<b>Advertising income</b>	This item includes income received by a business/organisation for promotional and publicity campaigns aimed at bringing the activities of the business/organisation to the attention of consumers for the purpose of increasing sales.
<b>Advertising, marketing and promotion expenses</b>	Advertising expenses include all costs incurred by the business/organisation for promotional and publicity campaigns aimed at bringing the activities and services of the business/organisation to the attention of consumers for the purpose of increasing sales. Marketing expenses are the costs incurred in the long-range promotion of the business/organisation and its goods or services. Promotion expenses are those costs associated with generating public awareness of the business/organisation and/or its products.
<b>Average annual percentage change</b>	<p>A percentage change, p, from 2000–01 to 2004–05 is converted into an average annual change, a, as follows:</p> $a = (1 + p)^{1/4} - 1$ <p>The average annual percentage change is not an arithmetic average of the actual percentage changes from year to year. It is labelled the 'average' change because if any value increases by a% every year for four years, then at the end of the four years it will have grown by a total p%.</p>
<b>Capital cities and suburbs</b>	Capital cities and suburbs are the metropolitan areas of Sydney, Melbourne, Brisbane, Adelaide, Perth, Hobart, Canberra and Darwin.
<b>Capitalised expenditure</b>	This data item covers expenditure on both produced fixed tangible assets and produced intangible assets.
<b>Casual employees</b>	This item refers to employees who are not entitled to take paid leave.
<b>Casual playing fees</b>	This item includes green fees and income from hire of equipment when charged as part of the playing fee. It excludes membership fees.
<b>Commissions from Keno</b>	This item includes commissions received by businesses/organisations acting as agents for the sale of Keno products.
<b>Commissions from on-course totalisator/TAB</b>	This item includes commissions received by businesses/organisations acting as agents for the sale of TAB products.
<b>Commission/venue share from poker/gaming machines</b>	This item includes income received by businesses/organisations for the operation of poker/gaming machines on their premises. Businesses/organisations receiving this commission are located in Victoria and Tasmania where the clubs, pubs, taverns or bars do not own the machines operated on their premises.
<b>Contract payments to professional sportspersons</b>	This expense item refers to payments made to a person in the return for the provision of sports related services. This item includes payments made to sportspersons by commission without a retainer.



<b>Depreciation and amortisation</b>	This item refers to regularly recurring financial charges made in the accounts to reflect that part of the value of the asset which may be regarded as having been used up in producing revenue in a particular accounting period. Depreciation generally refers to physical (tangible) non-current assets, and amortisation generally refers to intangible non-current assets.
<b>Electricity, gas and water charges</b>	These charges relate to the consumption of electricity, gas and/or water during the normal operations of the business/organisation.
<b>Employees</b>	This item represents all employees on the payroll for the last pay period ending in June 2005. Employees absent on paid or prepaid leave are included. Subcontractors and persons solely paid by commission without a retainer are excluded.
<b>Employer contributions to superannuation funds</b>	This item represents the cost of the employer's contributions during the reference period, made on behalf of employees, including salary sacrificed amounts.
<b>Employment at end June</b>	This item represents all working proprietors and partners and employees on the payroll of the business during the last pay period ending in June 2005. Permanent, temporary and casual employees and employees absent on paid or prepaid leave are included. Non-salaried directors, self-employed persons such as consultants and contractors, persons paid by commission only and volunteers are excluded.
<b>Float charges</b>	This item refers to the charges for transporting horses and dogs, usually to race meetings.
<b>For profit businesses</b>	This item refers to businesses which operate with the intention of returning profits to either the owners and/or shareholders of the business.
<b>Fringe benefits tax</b>	Fringe benefits tax is payable by employers when certain benefits in excess of normal wages or salaries (e.g. free or discounted goods or services) are received by their employees (or associated employees) in connection with their employment.
<b>Gambling income</b>	This item refers to income from poker/gaming machines, TAB and Keno commissions.
<b>Gambling taxes/levies</b>	This expense item includes all gambling taxes/levies paid to the government and funds transferred to government bodies.
<b>Gate takings/admissions</b>	Income from gate takings/admissions refers to the revenue received, or takings, from the admission of spectators to a venue or sports event. It also includes takings from the sale of season tickets.
<b>Government funding</b>	This item refers to project or program payments made by federal, state/territory or local government in the form of operational funds for ongoing operations and capital funds to purchase or improve equipment or property. It also includes council reimbursements.
<b>Grants, distributions and affiliation fees (expense)</b>	This item includes payments to in-house groups or clubs, affiliated sporting clubs, community groups in clubs and associations and peak bodies. It excludes sponsorship expenses and donations.
<b>Horse breaking/farrier expenses</b>	This item refers to the costs associated with breaking in and shoeing horses.
<b>Income from other gambling activity</b>	This item refers to income, net of payouts to players, from any gambling activity not separately specified.
<b>Income from poker/gaming machines</b>	This item includes takings (net of payouts to players) from poker/gaming machines in venues in all states/territories except Victoria and Tasmania. For businesses/organisations in Victoria and Tasmania, this item refers to venue share/commission from poker/gaming machines.
<b>Industry value added</b>	Industry value added (IVA) represents the value added by an industry to the intermediate inputs used by the industry. IVA is the measure of the contribution by businesses/organisations, in the selected industry, to gross domestic product.  The derivation of IVA for market producers is as follows:

<b>Industry value added</b>	sales and service income
<i>continued</i>	<i>plus</i> funding from federal, state and/or local government for operational costs
	<i>plus</i> capital work done for own use
	<i>plus</i> closing inventories
	<i>less</i> opening inventories
	<i>less</i> intermediate input expenses
	<i>less</i> capitalised purchases
	<i>equals</i> IVA.
	Wage and salary expenses and most other labour costs are not taken into account in its calculation and nor are most insurance premiums, interest expenses or depreciation and a number of lesser expenses including bad debts, computer software expensed and state gambling taxes.
	The derivation of IVA for non-market producers is as follows:
	labour costs
	<i>plus</i> depreciation
	<i>plus</i> land tax
	<i>plus</i> capital work done for own use
	<i>less</i> capitalised purchases
	<i>equals</i> IVA.
	However, it should be noted that IVA is not a measure of operating profit before tax.
<b>Insurance premiums</b>	Insurance premiums are expenses incurred by a business/organisation in respect of different types of insurance policies but excluding workers' compensation and compulsory third party motor vehicle insurance.
<b>Interest expenses</b>	These are outflows of funds related to the cost of borrowing money.
<b>Interest income</b>	This item represents income earned through the lending out of funds owned by the business/organisation.
<b>Labour costs</b>	These include staff related costs such as wages and salaries (including moneys paid directly to freelancers via the payroll), fringe benefits tax and payroll tax, employer contributions to superannuation funds, workers' compensation premiums, and provision expenses for employee entitlements.
<b>Land tax and land rates</b>	Land tax is an annual tax assessed to the owner of the land. Land rates are annual charges levied by local government for the provision of local government services. This is a combination of these two items.
<b>Motor vehicle running expenses</b>	This item refers to the costs incurred using 'on-road' motor vehicles owned by the business/organisation for business purposes. It excludes optional third party and comprehensive motor vehicle insurance premiums which are reported under Insurance premiums.
<b>Net industry and TAB distributions received</b>	This item refers to the industry and TAB distributions received by racing clubs and authorities/boards, net of amounts redistributed.
<b>Nomination, acceptance and scratching fees (income)</b>	This item includes the nomination, acceptance, non-acceptance fees, drivers' fees and barrier trial fees received by racing clubs.
<b>Nomination and acceptance fees (expenses)</b>	This item includes the nomination and acceptance fees paid by horse and dog trainers.

<b>Not for profit organisations</b>	Not for profit organisations are legal or social entities (formed for the purpose of producing goods or services) whose status does not permit them to be a source of income, profit or financial gain for the individuals or organisations that establish, control or finance them.
<b>Operating profit/surplus before tax</b>	This item is a measure of profit/surplus (or loss/deficit) during the reference period, taken before extraordinary items are brought to account and prior to the deduction of income tax and appropriations to owners (i.e. dividends paid, drawings). It is derived by subtracting total expenses from total income, and adding the difference between closing inventory and opening inventory for the period.
<b>Operating profit/surplus margin</b>	This represents the percentage of businesses' and organisations' sales of goods and services which becomes profit/surplus after all operating expenses have been deducted. It is derived by expressing total operating profit/surplus before tax as a percentage of total sales of goods and services.
<b>Other contract, subcontract and commission expenses</b>	This item includes payments to other businesses/organisations and self-employed persons for work done or sales made on a contract or commission basis and not elsewhere covered.
<b>Other grants, distributions and affiliation fees (income)</b>	This item includes affiliation fees received from related sporting clubs and organisations, payments from peak bodies and funding from international, national or state sporting bodies. It excludes funding from government, sponsorship and donations.
<b>Other membership fees</b>	This item includes income derived from membership fees other than for a sports club or venue.
<b>Other rent, leasing and hiring expenses</b>	This item refers to rent, leasing and hiring expenses other than for sporting venues, facilities and equipment, or track, stable and kennel rentals. It includes rent, leasing and hiring of motor vehicles, office equipment and amusement machines.
<b>Other sales of goods</b>	This item includes income from the sale of clothing, publications and sports equipment, as well as royalties received from the sale of merchandise. It excludes commissions/concessions received from merchandise outlets operated by other businesses/organisations.
<b>Other services income</b>	This item includes income from catering and other commissions/concessions, contract or subcontract services (such as management fees) and consulting services.
<b>Payments for broadcasting</b>	This item represents payments to radio and television businesses/organisations for the broadcasting of sporting events.
<b>Payments to employment agencies for staff</b>	This item includes payment to employment agencies for procuring the services of staff. This is commonly a temporary contract between the client and the employment agency.
<b>Payroll tax</b>	Payroll tax is a tax levied by state and territory governments upon the amount of wages and salaries paid by a business/organisation.
<b>Permanent full-time employees</b>	This item refers to permanent employees who work 35 hours or more per week and were entitled to paid leave.
<b>Permanent part-time employees</b>	This item refers to permanent employees who work less than 35 hours per week and were entitled to paid leave.
<b>Poker/gaming machine taxes and levies</b>	This expense item includes all taxes/levies paid to the government and funds transferred to government bodies in accordance with gambling regulations. These taxes and levies are paid by the owners of the poker/gaming machines and other gambling facilities.
<b>Prizemoney and trophy expenses</b>	This item refers to the expense associated with the paying of prizemoney and trophies.
<b>Purchases</b>	This includes purchases of liquor and other beverages, foodstuffs for use in preparing meals and takeaway food, merchandise/goods for resale and other non-capitalised purchases.

<b>Rent, leasing and hiring expenses</b>	Rent, leasing and hiring expenses are the costs for the rent, leasing (excluding finance leases) and hiring of land, buildings and other structures, sports venues, facilities and equipment, vehicles, machinery and any other property from other businesses/organisations or individuals.
<b>Rent, leasing and hiring income</b>	Rent, leasing and hiring income is revenue derived from the renting, leasing or hiring of assets such as sports equipment, stables and kennels, land, buildings, vehicles or machinery to other businesses/organisations or individuals.
<b>Repair and maintenance expenses</b>	This item includes costs associated with work undertaken on plant and machinery etc. to maintain normal business/organisation operations.
<b>Sale of liquor and other beverages</b>	This item includes takings from beer, wine, spirits, and other beverages sold for the consumption on the premises with or without meals, and for consumption off the premises.
<b>Sponsorship expenses</b>	Sponsorship expenses are the costs incurred in the public support/promotion of sports activities.
<b>Sponsorship, fundraising and donations income</b>	This item includes income received from sponsors either on a financial or on a value-in-kind basis. The item also includes donations and bequests received and income from other fundraising sources such as raffles.
<b>Sports membership and competition fees</b>	This item refers to the amount received in respect of participants and players' fees, competition fees and memberships to sports clubs or venues.
<b>Takings from accommodation</b>	This item refers to income received from the provision of short-term accommodation. All takings from meals are excluded, including the meals component where meals and accommodation are a combined charge.
<b>Takings from meals and food sales</b>	This item includes the total income derived from the provision of bistro/restaurant services and snack bars owned and operated by the business/organisation.
<b>Telecommunication services expenses</b>	This item refers to all payments (of a non-capital nature) for telecommunication services which engage wire, cable or radio transmission. It includes the cost of leased lines for computer and Internet services, but excludes installation costs and the cost of leasing telecommunication equipment.
<b>Television and other broadcasting rights income</b>	This item refers to the amount directly received by the business/organisation from television and radio businesses in return for the rights to broadcast sporting events.
<b>Travelling, accommodation and entertainment expenses</b>	This item refers to the costs of transport and accommodation for staff which are incurred when business activities occur away from the normal place of business. Entertainment expenses are the costs incurred by a business for the provision of entertainment activities.
<b>Veterinary expenses</b>	This item includes all veterinary expenses paid by the business/organisation.
<b>Volunteers</b>	This item refers to people who provide assistance, in the form of time, labour and/or skills, and receive no payment, either monetary or in kind, in return.
<b>Wages and salaries</b>	This item refers to the gross wages and salaries (including capitalised wages and salaries) of all employees of the business/organisation. It includes severance, termination and redundancy payments, salaries and fees of directors and executives, retainers and commissions of persons who received a retainer, bonuses, and annual and other types of leave. Provision expenses for employee entitlements (e.g. provisions for annual leave and leave bonus, long service leave, sick leave, and severance, termination and redundancy payments) are also included. Payments related to salary sacrifice and payments to self-employed persons such as consultants, contractors and persons paid solely by commission without a retainer, are excluded.
<b>Workers' compensation costs</b>	Workers' compensation is a compulsory insurance cover taken out by all employers, except for self-insured workers, according to legislative schemes to cover employees suffering injury or disease in the course of, or arising out of, employment.

**Working proprietors and partners of unincorporated businesses**

A working proprietor operates his or her own business (a sole proprietorship), while a partner, along with one or more other partners, operates a partnership. Working proprietors and partners are the owners of their business and as such, they are not considered to be employees of that business.





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