



THE LIFE OF THE BEACH

29 May 2009

Not for Profit Sector  
Productivity Commission  
GPO Box 1428  
Canberra City ACT 2601

**Submission to the Productivity Commission Study into the Contribution of the Not for Profit Sector**

Dear Sir/Madam,

Thank you for the opportunity to contribute to the above.

Please find outlined in this letter Surf Life Saving Australia's (SLSA) initial submission to the Productivity Commission's review into the Contribution of the Not for Profit (NFP) Sector in Australia. SLSA looks forward, at a later date, to submit further information that we see as relevant to the study of the Commission.

At the outset, SLSA acknowledges that it is one of thousands of NFP organisations in Australia. Whilst this submission particularly focuses on SLSA's position within Australian society and SLSA's contribution to Australia's social capital, the comments are meant to support a case for dramatically improving the understanding and appreciation for the previously ignored or underestimated economic and social contributions of the charity and NFP sector to Australia.

**Overview of Surf Life Saving in Australia**

SLSA is the peak national body representing Surf Life Saving organisations around Australia. It is representative of State and Territory Surf Life Saving Centres that operate in every jurisdiction, excluding the Australian Capital Territory, around the country.

Through these State and Territory Centres, SLSA represents 307 Surf Life Saving Clubs, 150, 000 members and in excess of 500, 000 registered supporters throughout Australia.

SLSA is the nation's peak body for coastal public safety, surf rescue and lifesaver training. Through the Australian Lifeguard Service, SLSA is also the country's largest provider of contracted/paid beach safety and rescue services.

With over 36, 000 kilometres of coastline the beach has, and continues to be, a part of growing up and living in Australia. Data shows that each and every year 4 in 5 Australians visit the beach, many more than once each year. Research undertaken in 2006 indicated that there were in excess of 80 million visits to Australia's beaches per year.

**WHATEVER IT TAKES**

WHAT'S IT TAKE TO KEEP US AFLOAT?

*Community donations. Corporate partners. Get onboard at [www.slsa.com.au](http://www.slsa.com.au)*

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The fact that our beaches are such a popular destination is influenced by a number of factors including the fact that 85% of our nation's population live "near" the beach. This trend in locating population centres close to the coastline has increased and can be seen through the amount of residential development currently being undertaken in coastal areas. This trend is not expected to change over the coming years.

With a great and growing focus on our coastal lifestyle Surf Life Saving has grown and changed to meet the community's needs. While Surf Life Saving's mission since the organisation was established over 100 years ago has always been to provide a safe beach and aquatic environment, the means and methods required to achieve this mission have changed.

Surf Life Saving in Australia started out as a small organisation providing limited patrols on surf beaches. It has now grown to a national network of community and lifesaving services. In addition to providing beach patrols, Surf Life Saving is involved in training, education, sports, youth and leadership development, advocacy, research and development, tourism and event management.

Measuring programs undertaken by SLSA against those included in Table 2 of the Commission's discussion paper, SLSA provides services under the following activities:

- Culture and Recreation
- Health
- Environment
- Volunteerism Promotion
- Education and Research
- Social Services
- Civic and Advocacy Organisations

This expansion reflects the increased demand for Surf Life Saving services as more people seek to enjoy and utilise our beaches and the use of our aquatic environment is expanded. It also reflects changing demands for services and programs by both the community at large and the various levels of Government. More detailed outlines of programs offered under each of these activities can be supplied upon request.

In order to provide the community with the above services Surf Life Saving has traditionally drawn financial support from three sources: Government funding by way of grants and funding agreements, corporate sponsorship and community fundraising.

Funding from Government for SLSA's water safety programs is currently supplied through a triennial funding agreement via the Department of Health and Ageing (DOHA). This funding is supplemented from time to time with various grant programs administered by different agencies for specific Government programs and initiatives - an example of this is the funding supplied through the Department of Environment, Water, Heritage and the Arts for the installation of water tanks or other water saving devices at Surf Life Saving Clubs.

Corporate sponsorship and community fundraising is sought by SLSA through local fundraising activities and the Surf Life Saving Foundation, which was established in 1996 to increase SLSA's effectiveness at seeking sources of revenue outside of traditional Government and corporate funding. Basically SLSA recognises the need to build its resiliency through having sustainable diversified revenue streams. Additional information about SLSA's fundraising activities is provided in later sections of this submission.

Government funding currently makes up approximately one third of SLSA's revenue each year. As a percentage of SLSA's revenue, Government funding for our core water safety/lifesaving activities has fallen for SLSA over the last decade. This reflects a reduction (in real economic terms) of the government's percentage of that expended by SLSA to support our 'saving lives in the water' agenda, i.e. our core water safety/safety services programs. Consequently, SLSA has had to become more aggressive in seeking corporate and community support to continue to operate and expand services as required.

Recent submissions to the Government through the annual budget process has seen some success in securing additional "special project" funding. However, while an extension to the base triennial funding agreement relied upon by SLSA has been achieved the extension does not provide for any additional funding. The agreement also contains no provision for base funding to be increased to meet increases in inflation.

Additional funding for water safety related programs has been secured, and has been provided in the form of a special grant of \$2 million per year over four years. This extra support is to be shared between SLSA, Royal Life Saving Society Australia and the Australian Council for the Teaching of Swimming and Water Safety, and unfortunately, no formal commitment has yet been given to SLSA, RLSSA or Austswim as to whether this money will be allocated amongst the organisations in forward years in accordance with previously agreed percentages or arrangements. Such uncertainty impacts on SLSA's planning and delivery programs.

During the most recent budget the Government also announced funding for a specific purpose grant for SLSA. This grant is for the development of a national ICT system. Whilst this special project funding is welcomed, SLSA is still faced with the challenge associated with securing re current funding to satisfy increasing demands on our water safety services.

Essentially, SLSA's ability to effectively plan for and deliver sustainable services (along with the proven benefits to the community and the national economy) are significantly and negatively impacted by both the levels and uncertainty of funding from the Commonwealth Government from one budget cycle to the next.

The bottom line is Government funding for water safety/rescue services has remained relatively static and fundraising through corporate and community sources is in decline. This decline is in direct response to the current economic climate. Early indications are that while the number of people donating to Surf Life Saving is remaining relatively steady, the quantum of their donations is reducing. It is expected that this situation will get worse as the global economy continues to decline. This will place an even greater importance on the funding secured from Government to continue enabling SLSA to provide the depth and breadth of services demanded.

### **The Economic and Social Contributions of Surf Lifesaving in Australia**

As referenced in the Commission's discussion paper, SLSA in 2005 commissioned the Allen Consulting Group to determine the economic and social contribution of Surf Life Saving in Australia.

The report showed that the savings to the Australian economy from the prevention of lives lost and injuries sustained was over \$1.4 billion per annum. This report found that if surf lifesaving services were not available there would be 485 drownings and 313 permanent incapacitations annually. This report also found that for each lifesaver on the beach, their personal contribution to the community and economy each year is worth approximately \$42, 000.

Based on this report's findings, the Commonwealth Government's financial support for SLSA's programs in 2007/2008 represented 0.00053% of the economic value of SLSA's activities and a 1890% return on investment.

While the report clearly outlines the economic impact of Surf Life Saving a much more difficult task was quantifying the social impacts. The report defines social capital as an umbrella term used to describe the institutions, relationships, attitudes and values that governs interactions among people and contributes to economic and social development. It outlines social capital as comprising three components - Norms, Networks and Trust.

The Report found that Surf Life Saving contributes to all three components of social capital and that these components generate benefits to the individual and broader community. Benefits to the individual include:

- Improved personal health
- Education
- Social participation
- Personal satisfaction

Benefits to the broader community include:

- Increased social networking
- Increased economic performance
- Safe natural environment
- Decreased mortality
- Decreased crime
- Increased tourism

A full copy of the report's findings are included in Attachment One to this document.

### **Response to Commission's Discussion Paper**

SLSA has reviewed the discussion paper released by the Productivity Commission and, while not wanting to limit its ability to comment on any matters included by the Commission in its draft report, SLSA would like to comment on a number of specific issues. These issues are outlined below and follow the order outlined in the discussion paper.

***Comments are invited on the extent to which general regulatory reform under the national reform agenda is benefiting not for profit organisations or whether more focussed reforms are needed to benefit the sector. If the latter, what specific reforms might be needed?***

Like many not for profits Surf Life Saving started in Australia as a simple service offered by a limited number of individuals. As SLSA grew and expanded, its place in the Australian community was cemented, unfortunately the regulatory underpinning of its operations was not.

SLSA operates across multiple jurisdictions and deals day to day with differing legislative frameworks underpinning its operations. While some jurisdictions see Surf Life Saving as an emergency service others see it as a sporting organisation.

This situation means there is no uniform legislative underpinning for water safety in a marine environment across Australia. While SLSA is seen as the nation's preeminent body for setting policies, standards and training for white water safety and rescue services, SLSA's position in many jurisdictions is only protected by historical precedent rather than a legislative underpinning.

This situation creates a number of difficulties for SLSA. These include the requirement for continuous engagement to ensure the ongoing operation of Surf Life Saving Clubs and where necessary the expansion of services to meet a community need and the cost burden this represents to the organisation.

A further detrimental effect for SLSA of this situation is in the retention and recruitment of active members. In many jurisdictions SLSA's active volunteer members only have common law protection should an injury to a member of the public occur whilst lifesavers are undertaking their duties. While some jurisdictions have moved to increase protection for volunteers undertaking community work, for example Queensland having enacted the *Personal Injuries Proceedings Act 2002*, many jurisdictions still provide only limited and varied protection. This has an adverse impact on our ability to recruit members to undertake active patrolling duties, and SLSA's ability to secure affordable insurance protection.

Outside of operations controlled by SLSA this lack of regulatory underpinning also has the potential to adversely affect the general public. As it stands there are no minimum standards or qualifications that can be enforced to ensure the highest standards of water safety are maintained. Whilst SLSA plays a leading role in setting and maintaining its own standards, other organisations are not required to be bound by these standards. This means that there is no guarantee that lifeguard services not operated by SLSA meet the minimum standards that we deem to be safe for the general public.

SLSA is seeking the establishment of a nationally consistent regulatory underpinning for our operations that includes:

- Recognition and enforcement of SLSA standards and qualifications;
- Recognition of SLSA's position as the preeminent White Water Safety authority in Australia; and
- Protection for volunteer members undertaking activities for which they are appropriately trained and accredited.

***To what extent are government agencies moving to 'lead provider' relationships – to the potential exclusion of smaller not for profit organisations – and is this compromising diversity of not for profit organisations and the effectiveness of their operations? What options might lessen the potential loss of provider diversity that such a trend might otherwise cause?***

SLSA has played a lead role in enhancing the water safety regime across Australia. As an organisation SLSA has sought out like minded not for profit organisations and has sought to collaborate and engage with them on approaches to Government and delivery of water safety programs. This approach can be seen by the joint Budget Submissions supplied to Government by SLSA, Royal Life Saving Society Australia and the Australian Council for the Teaching of Swimming and Water Safety. SLSA's collaborative efforts are also evidenced by the delivery of water safety programs and activities with a diverse range of organisations and agencies.

This approach has led to a more coordinated response from both the not for profit sector and Government around water safety initiatives. SLSA sees great benefit in the not for profit sector working more collaboratively together. This approach ensures not only a more holistic approach to issues of general concern but better targets support from Government.

SLSA believes there is a role for Government in assisting those organisations which have the capacities and results in working collaboratively with other organisations and believes Government support and funding could be partially conditional on demonstrating such collaborative efforts.

***Comments are invited on the efficiency and effectiveness of arrangements associated with the provision of government funded services...***

As outlined previously, support from Government for SLSA is provided through funding agreements and special grants. The overall quantum of funding has been static for a number of years while demand and costs for services has increased substantially.

The means of providing financial support for SLSA is of some concern. The focus on short term funding agreements makes it difficult for SLSA to adequately plan over the medium to longer term for service expansions while the ad hoc nature of special purpose grants ensures that no overall certainty of budget is possible.

A further issue is the method of allocating funding. At the end of each triennial agreement, SLSA is required to approach Government seeking ongoing funding support and there is no guarantee as to the base level of this support or how it will be provided. There also appears to be little correlation between the level of financial support and the work undertaken in the community.

SLSA supports the following initiatives to provide certainty for NFP organisations and satisfying Government's reasonable accountability/compliance obligations:

- Longer term agreements that provide certainty for NFP's to adequately plan future service expansions;
- Develop a standard formula that more fairly aligns levels of Government funding to the economic and social benefits provided by NFP organisations.
- Simplify and standardise funding agreements.

### **Conclusion**

Surf Life Saving holds a special place in the Australian community. Spread across the country, our volunteer members collectively give millions of hours of their time year in and year out in order to make sure our beaches are safe for all beach users, our lifesavers are trained, our youth/nippers are nurtured etc.

The commitment of so many provides a valuable service to the community and saves the Australian economy over \$1.4 billion per annum in lives saved and injuries prevented.

SLSA is committed to continuing the proud tradition of Surf Life Saving in Australia and is pleased to participate in the Productivity Commission's review into the Contribution of the Not for Profit Sector. SLSA looks forward to reviewing subsequent report(s) released by the Commission and will seek to make additional comments as required.

Productivity Commission Study into NFP Sector

Should you require any further information about the information contained in this submission please don't hesitate to contact me on ph: (02) 9300 4002 or by email [bwilliamson@slsa.asn.au](mailto:bwilliamson@slsa.asn.au).

Yours sincerely

A handwritten signature in black ink, appearing to read 'Brett Williamson', written over a circular stamp.

Brett Williamson OAM  
Chief Executive Officer

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