

A structure for sports accountability:

A comment on the Consultant's Report for
Culture, the Arts, Recreation and Sports Services
From the Sports Federation and Olympic Committee

April 12th 1999

We will confine this paper's discussion to sports and its probable fate after the end of term for the Urban and our deliberation to the issues that pertain to the Sports Federation and Olympic Committee.

The consultant's report published in late March basically argues for the status quo in sports structure. What changes it recommends are cosmetic and thus do not address the challenges facing sports in the coming years. The report is also far too general in areas where it should be specific and timid in areas where it must be bold.

Such a work, aimed to define the future of sports, is not satisfactory, for it does not tackle the fundamental problems of funding, distribution of resources, and differing priorities in management. Unless these contentions are resolved, then sports shall continue to be haunted, or worse, which would be a tragedy and a waste of an opportunity presented by the lapsing of the Municipal Councils.

The consultant suggests that the Sports Development Board, which he praises as being a total success without evidence to back up the claim, should enlarge its membership from 13 to 17. The Sports Federation and Olympic Committee, which has an elected mandate and representative of 71 affiliated National Sports Associations, is to have one more seats to take the total up to two.

The change, such as it is, does not increase but decrease the input, already token, of the SF&OC in the SDB. This is despite the SF&OC being the model of efficiency with no administrative costs to speak of, being the experts in sports and being fired by the Olympic spirit of volunteerism.

The SF&OC cannot accept membership in the SDB board inferior or subordinate to the Chairman of the SDB. The SF&OC, an independent body and the National Olympic Committee for Hong Kong, believes that its representatives on any SDB board should enjoy parity with the SDB.

The paper herein shall try to map out ways to make the sports scene more accountable, more open and more dynamic without altering the existing regime too much.

A more logical approach

For 50 years the SF&OC has held high the Olympic flame. The International Olympic Committee recognizes the SF&OC as a chartered member of the National Olympic Committee and deals with it but not with government agencies. This is not aloofness. This is rather a statement from the IOC that sports at the highest level must be the exclusive reserve of modern Olympic movement.

We also challenge the consultant's misinterpretation and narrow definition of its role. Our organization is a union of two entities - the Sports Federation (founded in 1949) and the Olympic Committee (founded in 1951) - and is not simply a group responsible for arranging Olympic, Asian and China Games alone. The Sports Federation, as an umbrella for 71 National Sports Association affiliates, is responsible for sports from the entry and grassroots levels right up to the top, to the Olympic level.

NOCs the world over are promoted as the body essence and guardian of the Olympic ideal. But not so in Hong Kong, which has the anomaly of a guango funding agency that generates publicity for itself. The irony is supreme in that the SDB does not need the publicity and the marketing machinery for in which it spends \$25 million a year. The SDB in itself has no product to sell and no message to disseminate. The money the agency spends on promotion and marketing actually does not equal the amount it now raises from corporate sponsors, according to the SDB in its testimony to the Legislative Council Home Affairs panel on March 8th. The SDB itself acknowledges losing \$37 million in tobacco sponsorship in 1997 when the ban on that source of income took effect. So far the SDB has not compensated for that loss despite all its publicity hoopla.

Any degradation of the SF&OC is not acceptable to its affiliates, whose members have dedicated many years, decades in many incidents, to the development of sports out of love for sports. These National Sports Associations cherish their independence and still wish to work through the SF&OC with other parties likewise interested in sports development rather than personal aggrandizement.

The SF&OC has that precise mission, sports development, but cannot pursue it for the lack of resources, which are controlled by the SDB. Ideally and sensibly the SDB should transfer its whole marketing, promotion section to the SF&OC for the benefit of the National Sports Associations, their sports and athletes. Since SF&OC has a tradition of frugality, it can guarantee that the resources shall be used for the maximum returns for the least administrative and staffing costs. The SDB, for example, spends half of every dollar it receives from the government (which amounts to \$200 million and which it wants to raise to \$300 million per annum) on administrative and staffing costs. The Arts Development Council, in contrast, spends 18 cents of every public dollar on such expenses. No one has explained the reasons for the wide

discrepancy. Nor has the SDB published its individual payroll, despite requests to do so from the media.

Fairness for the National Sports Associations

The NSAs are inadequately funded and, worse, the funding from the SDB seems to be arbitrary. Too often the NSAs get the impression that they are funded not according to their performances or the appeal of their sports but on SDB bias and also their ability to apply for funding in English, which is not the first language for most of those organizations.

The aggrieved associations also suspect that an inordinate amount of resources are channeled towards sports favored by the “expatriate community” rather than towards those preferred by locals. Right or wrong, this is the feeling that many of them have.

Hong Kong, being an international city, should develop as many sports as possible to cater for the widest possible diversity of sporting choices. This should be done on the basis of merit and on criteria, which must be fair and seen to be fair.

The SF&OC, as the representative of the NSAs, must therefore have great input into the SDB, especially over the criteria and the application of their criteria in sports development and the choosing of focus sports - or focus talents (more on this later). The NSAs can accept decisions, even those inimical to their sports, as long as they understand that the process for their inclusion or exclusion is transparent and fair.

The sports community cannot risk repeats of the controversy revolving around the earlier SDB decisions to add tennis but drop athletics and gymnastics as focus sports, which resulted in street demonstrations, a ream of negative press articles, and a protest outside the Legislative Council. Hong Kong needs to have sports project a healthy, cohesive and heartening image rather than one of dissension, resentment and recrimination. Sports should draw people, not repel them.

A role for the SDB

Right from the SDB’s inception in 1990, its role has never been entirely distinct. The confusion lasts to this day and has not been cleared up despite its taking over the Sports Institute in 1994.

The SI evolved from the Jubilee Center, which went bankrupt in 1987 as a result of the stock market crash. The Center, originally responsible for training elite athletes, reemerged subsequently as the Sports Institute to teach sports management and administration. The SI did not succeed in that mission and, instead, sent one person for a sports management and administration course in Australia. The SI then forsook its academic aspirations and returned to its Jubilee Center roots as a training institution for elite athletes.

The future role of the SDB is to advise the government on sports development and to take care of the administrative work of the SI, which should be left alone to concentrate on sports training as long as the focus sports regime lasts.

The SDB is not, and has not been designed to be the overseer of all sports, for which it has scant expertise and less passion. Any overreaching by the SDB would be unfortunately construed as interference by the NSAs, which are jealous about their autonomy.

The SDB could reduce its costs considerably were it to pass not only the promotion and marketing side but also some of the administrative duties to the cost conscious SF&OC. A leaner SDB would then concentrate on helping the government map out a sports policy.

The SDB has invited the NSAs to move into Sports House for exorbitant, above the market rents. This is disturbing for the cash strapped NSAs, which should get accommodation free of charge or for a token amount. Otherwise the situation would be that of the SDB funding the NSAs a modest amount with one hand and taking much of it back in rents with the other.

The only solution is to have the Sports House be designated Olympic House and be handed over to the SF&OC for the NSAs. The SF&OC and the NSAs do not have a permanent base whereas the SDB has two, one in town, at Sports House, and the other, a new outfit, in Shatin. What we have is a duality of extremes - with the SDB having an over abundance of facilities and amenities and the SF&OC having none.

The SDB has agreed to the forming of a subcommittee comprising three members from its ranks and three from the SF&OC with one seat for the Home Affairs Bureau. This subcommittee is asked by the SDB to look at the focus sports concept. The SF&OC would like the subcommittee's scope to be extended to cover all aspects of the SDB. The government should not act on the consultant's recommendations until it has listened to the views of this subcommittee.

The government's part

The Home Affairs Bureau, according to the consultant it hired, should take over the management of arts, culture, recreation and sports facilities from the expiring Municipal Councils. This is to be accomplished by the Home Affairs Bureau setting up the Department of Culture and Leisure Services.

We agree with the principle of the Home Affairs Bureau assuming those responsibilities rather than leave the management of \$2 billion worth of services a year in a lurch or in a vacuum. The government has a responsibility to ensure continuity of sorts, at least to avoid disruptions and inconvenience for the public.

We likewise second the consultant's advice that most of the 9,600 public employees in charge of these facilities should be kept on and that

millions of dollars can be, and should be saved through the pruning of redundant administrative posts.

We do, however, urge the future Department of Culture and Leisure Services to privatize or contract out the management and maintenance of facilities to companies with the proviso that they retain and retrain the present public employees. The privatizing or contracting out of management and maintenance of facilities is in vogue in many cities - and in most instances this has turned out to be better for the vast majority of end users.

Dealing with a legacy

The Urban and Regional Councils are to leave behind both good and bad legacies. One of the lesser vestiges is a rash of sports and recreation facilities that are designed without imagination and concern for the public. We have these days arts and sports facilities which are not easily accessible, which might be closed for holidays, and which do not encourage use and generate income.

The government, for its part, is considering the building of a multipurpose stadium and aquatic center on, we hope, an Olympic scale. We of the SF&OC, as end users, insist on having some influence over the design of these structures, bearing in mind the colossal mistakes made by officials over the Government Stadium.

The consultant's report has glossed over this point, which we think is a grievous omission because economically viable and aesthetically pleasing architecture matters a whole lot to the development of sports, arts, culture in Hong Kong.

Education in sports

We are not pleased with the superficial gaze placed on education in sports by the consultant. We applaud the Education Department's tacit commitment to introducing sports into its curriculum after so much dithering and we look forward to closer collaboration with the government in fostering sports in the schools.

But no one should underestimate the degree of neglect of sports at the schools. Of the 500 government funded or subsidized secondary schools, only about five have the use of proper gyms, pitches and tracks. The consultant refers to more sports in schools but does not touch on the core problem, which is access. We doubt that it is feasible for, say, a school to proclaim a sports program when, typically, a physical education class lasts less than an hour while commuting time between it and a football field may be half an hour by bus, much longer on foot.

There is simply no mention in the report for the future Department of Culture and Leisure Services to coordinate a plan whereby schools can get ready access to sports facilities.

Focus sports and focus athletes

The SDB and the SF&OC, together with the Home Affairs Bureau, are to form a committee of seven to look into criteria for assessing focus sports. We must stress that the whole focus sports concept, as raised in the Cooper and Lybrand survey, is dubious.

The current system, in choosing a dozen or so focus sports to nurture and denigrates the others, is contentious. Worse yet, the regime is not working. We have a system that pumps tens of millions of public dollars per annum into a sport, invariably never a team sport, for a period of four years. Such expenditure is not justified on financial grounds or on sporting ones. Four years can be an eternity for a budding sport in desperate need of support.

The taxpayer could pay for full scholarships for the 130 odd elite athletes overseas at the best universities. This would enable them to acquire an education and be trained with world champions at the same time. Swimmers would thus be sent, for example, to the University of Southern California, tennis players to Stanford and track starts to the University of Texas or any other sports keen varsities. Sometimes the whole present system seems predicated not on helping the athletes but on ensuring secure employment for select coaches, administrators and bureaucrats.

The sports scene would improve much if the focus is not certain favored sports but on some exceedingly talented individuals. This way a promising football player would get help to develop in one of the most competitive sports rather than be overlooked because his sport as played in Hong Kong is not up to World Cup standards. This way we can avoid the sham of pouring so much money into a whole sport when eventually only one athlete may become world class. The money so saved from phasing out focus sports and phasing in focus athletes would then be passed along to the NSAs to develop talents at the most basic level.

Conclusion

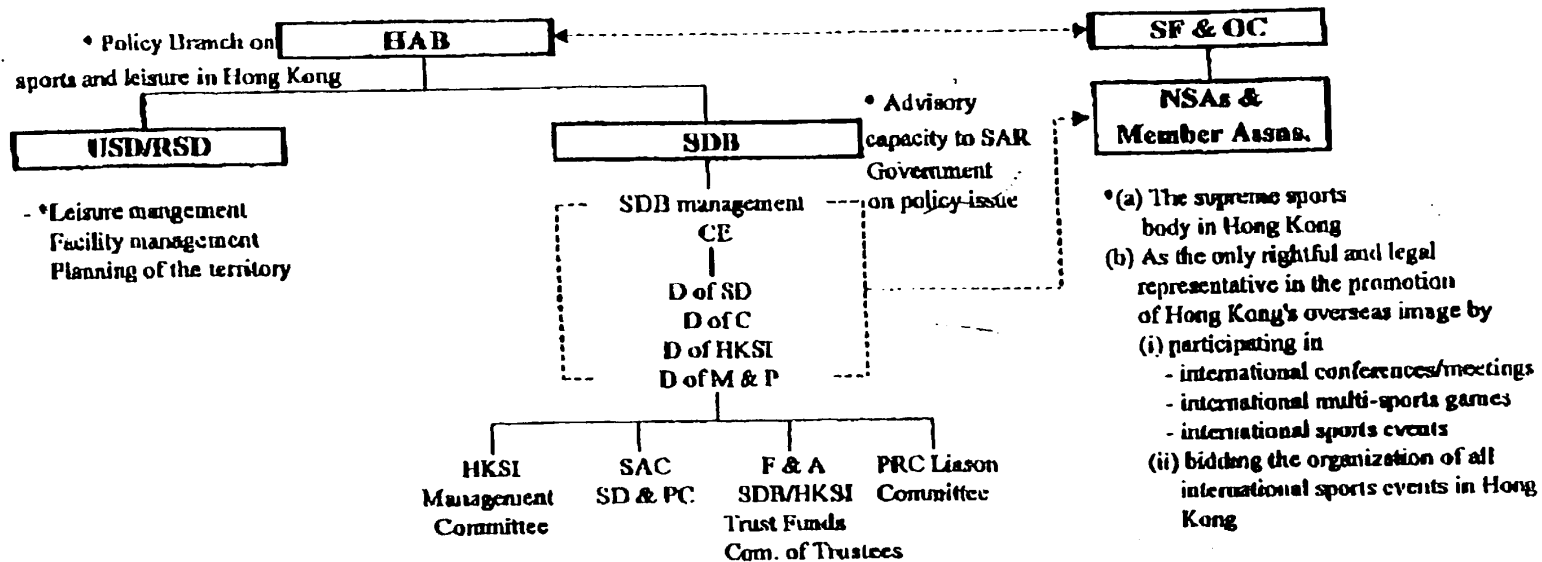
The government means well with the report that tries to envision a future of greater public involvement in sports, arts and culture without the Urban and Regional Councils. We are nevertheless disappointed that the report has not discerned the most complex and crucial factors why Hong Kong has not gone further with sports, arts and culture despite the increasing public funding and interest.

To repeat for emphasis, we feel strongly that the Cooper and Lybrand suggestion for focus sports rather than focus talents was wrong in conception and the facts have borne out our concern. Today we have team sports being neglected wholesale when team sports are by far the most popular sports on the planet. Recently cricket has set an example

by sending one promising individual for overseas training at a modest amount of \$30,000. The same logic can apply to football, basketball and volleyball. The turning of whole sport into a focus sport is prohibitive and discriminatory which, as events have shown, can only grate on athletes and garner poor publicity.

The response from the SF&OC to the report is not really a critique but rather an attempt by us to add to the report and to point out possible ways for dramatic improvement. The lapsing of the Urban and Regional Councils presents us with a once in a lifetime opportunity to lay out a course and it would be folly for us not to seize the chance to make an impact.

The same applies to the government, which must make use of the chance to steer sports, arts and culture in a general direction without too much overt interference. Sports, for sure, need cherishing but not suffocating control. We know how to proceed and would like the government's support without any compromise to our vaunted independence. The SF&OC members have proven through the group's almost half a century of existence that we are prudent and dedicated because we are volunteers and our love is for sports. Our future approach is to be more professional but what is perennial is our commitment to the athletes and to Hong Kong's glory for which we all sacrifice our time, money and the best years of our lives.



Functions

- (a) Grass root training
- (b) Provision of a feeder system to all NSAs & Sports Associations
- (c) Provision of training facilities to NSAs
- (d) Provision of competition facilities for International Competitions organized by NSAs
- (e) Planning & development of sports facilities

Functions

- (a) Elite training
- (b) Provision of administration and secretariat supports to SF & OC, NSAs and Members Associations in addition to its original support to the Board
- (c) funding support to (i) all Multi-sports Games, International Games; (ii) NSAs' participation in events organized by respective International Federations; (iii) fund raising, promotion & marketing of all international events participated or organized by SF & OC and NSAs

Functions

- (a) Promotion of Hong Kong Sports
- (b) Advice to SAR Government on all international and local sports affairs and policies
- (c) Control of organization of all international sports event in Hong Kong and Hong Kong sports at international level
- (d) Promotion of Hong Kong sports image internationally
- (e) Supervise part of the SDB management that comes under the Federation in offering the secretariat supports

Keys

• Primary duties
SF & OC Sports Federation and Olympic Committee
NSAs National Olympic Committee
HAB Home Affairs Bureau
USD/RSD Urban Services Department/Regional Services Department
SDB Sports Development Board
HKSI Hong Kong Sports Institute
CE Chief Executive
D of SD Director of Sports Development
D of C Director of Corporate Services
D of M & P Director of Market and Public Affairs
SD & PC Sports Development and Planning Committee
F & A Com. Finance and Administration Committee
PRC Public Relation Committee and Liason Committee
SAC Sports Aid Committee

SECRET - SUBJECT