

## **DO WE NEED A THIRD TIER COMPETITION?**

There are a number of reasons we need another level of competition:

- Give more players regular exposure to a higher level of competition than they experience in existing club competitions – this would improve their ability to step up to the next level of Super Rugby.
- Provide a higher level of competition for Super Rugby coaches to see the next level of top players competing against each other before signing them for a Super Rugby contract. I asked Laurie Fisher from the Brumbies his opinion on whether having such a competition would help our Super Rugby coaches make a decision on players to sign. His response - “Most definitely, would rather be spoilt for choice than take a punt.”
- Provide additional content to help attract broadcasters to our game.

My view is that the step up between existing club rugby competitions and Super Rugby is too great and that we need a third tier to bridge that gap.

The only reason I can think of for not having another level of competition, apart from cost which I’ll cover separately, is the perceived devaluation of the existing club competitions.

Most clubs in Australia are struggling as it is and if we add in another level would players, sponsors and supporters focus on that competition leaving club rugby to die?

Any solution has to address these positive and negative issues.

## **CAN WE AFFORD SUCH A COMPETITION?**

An alternative question is can we afford not to have such a competition?

There is an issue with the depth of players in Australia capable of making the next step up to Super Rugby. How big that issue is may be debatable but what is not is that there are very few pathways for good players at the club rugby level to develop into a genuine alternative to play Super Rugby.

It appears that there is no money available at the state levels to fund such a competition so the cost burden would largely fall on the ARU. Unlike the previous ARC, any competition cannot drain millions from the games coffers so I don’t believe we can justify such a competition regardless of costs.

### **IS IT ONLY YOUNG PLAYERS WHO NEED THIS EXPOSURE?**

We know that there is a significant drop out from the game with kids after they finish school. Numbers in club rugby are decreasing with some younger players simply leaving the game after school and many of those players with some potential switching to other codes who are better funded and therefore provide more opportunity.

At the moment it appears that the only way rugby can hold on to good young players is to sign them to some form of contract straight out of school. The ARU's National Academy program is heavily weighted to young players.

Whilst some young players are capable of stepping up to Super Rugby level at such a young age there are many, many more that need time to develop over a few years and will come into their prime in their mid twenties. We are offering very limited development paths for that type of player who may often be a better long term option than the teenage prodigy.

There is talk that the ARU may be planning a third tier competition at an Under 20 or Under 21 level. These are only rumours but if implemented it's likely that this competition would run in conjunction with matches between the Australian Super Rugby franchises. This would be a positive step but there is still room, and the need, for a more broadly based third tier competition which could be run at the same time as any ARU age level competition – in fact they would compliment each other nicely.

### **SHOULD WE EMBRACE PRIVATE OWNERSHIP TO HELP MAKE SUCH A COMPETITION WORK?**

If we are going to have a third tier which aims to be more professional than existing club rugby an injection of funds would be required to fund the costs of infrastructure, improved coaching, additional personnel and higher operating costs.

The most likely source of raising such funds is through some level of private ownership as the ARU will not have the funds required to fund that development nationally.

An injection of funds from investors would not only help provide the necessary funds but would also help establish a high performance mentality in an organisation due to the accountability to investors. Investors generally bring a more business minded approach to sport which would likely lead to improved marketing strategies and help drive performance and growth.

Private ownership, partial or full, may not be for everyone and indeed there are some clubs that would already have the financial and organisational resources to compete in a third tier competition today.

I think we therefore have to offer flexibility to any participants in a third tier competition. If a well funded and resourced existing club wants to compete on a stand alone basis, let's not attempt to force them to bring in an investor or become part of a joint venture. If a less well funded club can attract an investor that would help them compete with bigger clubs that should be encouraged. If a number of existing clubs want to form a joint venture with or without an investor we need to have a structure that would allow that too.

We should encourage the growth of the game through a market mechanism. To compete in a third tier competition a club/organisation would have to be professionally run and well resourced otherwise they won't be able to attract or develop players, which at the end of the day is the aim of having such a competition. How clubs/organisations achieve that should be flexible but there should be reward for those that do and incentives for those that don't to get better.

### **CAN A COMPETITION WORK OUTSIDE THE EXISTING CLUB STRUCTURES?**

Should any third tier competition involve existing clubs or a team/organisation representing a region which acts as a feeder for a number of clubs?

Both the ITM Cup and the Currie Cup feature teams representing regions or provinces. This model has worked well in both New Zealand and South Africa.

The previous ARC in 2007 featured teams from various regions and the support for these new teams was questionable. In Australia I think there are so many competing codes that it would take too long to establish new teams and attract the required level of support making this option not commercially viable.

It would be hard to attract support from existing clubs for any competition they are not an integral part of. Whilst such a competition could be run independently from clubs it would not succeed if clubs are against it and there would be clubs who would see such a competition as a threat that could eventually lead to their irrelevance and would therefore be anti any new teams. Rightly or wrongly, that's human nature and ramming a new competition down the throats of clubs is only going to make clubs unhappier.

I don't think we can afford to get into a battle over this concept so I think we need to establish a competition that involves existing clubs and gets their officials, players, supporters and sponsors on board.