

**INQUIRY INTO ALCOHOLIC BEVERAGES ADVERTISING  
PROHIBITION BILL 2015**

**Organisation:** National Rugby League Ltd  
**Date received:** 12 November 2017

---

Partially  
Confidential



# NATIONAL RUGBY LEAGUE

Submission to the Portfolio Committee No. 1 –  
Premier and Finance Inquiry Into The Alcoholic Beverages  
Advertising Prohibition Bill 2015-

12 November 2017



## INTRODUCTION

This submission to the Inquiry is made by the National Rugby League Limited (**NRL**) on behalf of the NRL and Australian Rugby League Commission Limited (**ARLC**).

NRL is also a member of the Coalition of Major Professional and Participation Sports (COMPPS) which has made a separate submission to the Inquiry with the support of the NRL.

The NRL is not a signatory to any of the Codes that regulate alcohol advertising, nor are we manufacturers, distributors or retailers of alcoholic beverages.

Our interest in the current inquiry arises from the fact alcohol providers sponsor sport, including rugby league, and that sport is a medium through which alcohol products are advertised.

### Rugby League in Australia

The ARLC is the governing body responsible for the game of rugby league in Australia. It conducts the NRL competition, one of the most popular professional sporting competitions in Australia through its wholly controlled subsidiary NRL.

The NRL competition is played between 16 clubs over a regular season comprising 25 rounds, followed by a finals series of eight matches and a Grand Final. In 2018 the NRL will stage a record number of double headers and regional matches, and have games staged in every mainland Australia capital as well as both the north and south Islands of New Zealand. NRL is one of the closest competitions in the world with 75% of our teams winning a premiership since 2000.

In addition to the NRL competition, the NRL is also responsible for the Australian Kangaroos (male) and Jillaroos (female) representative teams; the annual three-match Holden State of Origin series between New South Wales and Queensland; and the NRL Touch Football Australia affiliation.

Rugby League counts almost 1,500,000 participants nationally across the touch, tag and tackle forms of the game.



NRL is the most followed Australian sport on social media and our major events consistently dominate the annual list of highest rating TV programs with 4 of the top 5 rated programs on TV in 2016.

The game plays an important role in the life of the Australian community, with over 90,000 volunteers engaged nationally to help deliver the game at all levels. The NSW state leagues (being NSW Rugby League (NSWRL) and Country Rugby League (CRL)) accredit 7,000 coaches in NSW, and a further 9,500 trainers each year.

Through our relationships with international rugby league bodies (including ARLC's membership of the International Rugby League Federation, the **RLIF**) the NRL also plays a significant and growing role in fostering and developing the game throughout New Zealand and the Asia-Pacific region.

## **PROHIBITION ON ADVERTISING**

As a popular television sport, the majority of the game's revenue is derived from media rights and therefore our relationships with broadcast partners. The NRL holds long term broadcast arrangements with free-to-air and subscription television networks, as well as in relation to digital assets such as live-streaming with its partners. When our broadcast partners purchase the rights to the NRL, they then seek to recoup that payment and make a profit from the sale of advertising space on the broadcasts. The proposed prohibition on alcohol advertising would deny broadcasters a significant amount of advertising revenue, which would have a corresponding negative impact on sports' rights fees.

The revenue from our broadcast rights agreements is applied to funding the NRL's elite competitions, staging marquee events, administering and developing the game at the grassroots and community level, delivering community programs and investing in the game's future.

As a not-for-profit enterprise all revenue we derive is reinvested into the administration and growth of rugby league, therefore any reductions in revenue will have a negative impact on our ability to grow the sport.





## PROHIBITION ON SPONSORSHIP

The NRL acknowledges the NRL competition, as well as our other marquee events, draw considerable public attention from businesses and that translates to varying commercial opportunities.

The commercial relationships the NRL hold relevant to this Inquiry are with Carlton United Breweries (CUB), Treasury Wines, and Diageo.

The commercial fees paid by these companies support the cost of staging our marquee events, as well as our grassroots, development and community programs.

At the professional level, we have naming rights sponsorships as part of top-level matches on players' shorts but no longer on front of team jerseys.

The NRL has negotiated with our partners, both broadcast and commercial, to try and ensure the best outcome for the game, our partners and our supporters.

As part of our agreement with [redacted] for example, the "*sponsor acknowledges that ARLC places great importance on the responsible consumption of alcohol within the Game and has taken steps to encourage this through the wider rugby league community*".

With respect to protecting minors from inappropriate advertising, the ARLC has final approval rights of any usage of game related intellectual property (IP) or imagery. Should we deem a proposed piece of creative or promotion not be in the best interest of the game and society we will withhold approval.

Our commercial agreements contain limitations on marketing activities in order to protect persons under the age of 18 from exposure to advertising or promotions. We acknowledge the Bill's intent to promote responsible drinking, and as such have included

- Resource for existing Community and Welfare programs to deliver an Alcohol Management Strategy to all NRL players and officials; clubs within the NSW Rugby League and Queensland



Rugby League state leagues; Country Rugby League clubs; and clubs within the Affiliated State leagues and NRL junior representative squads;

- Dedicated branding assets within all ARLC controlled major events including State of Origin and Grand Final including dedicated lines of LED advertising dedicated to responsible consumption messaging;
- A dedicated responsible consumption of alcohol campaign each year funded by both parties; and
- DrinkWise representation at State of Origin through corner post branding and LED advertising.

Alcohol advertising around sports events shows alcohol being consumed in moderation and provides positive role models – it shows that alcohol can be consumed without drinkers becoming intoxicated and behaving poorly.

NRL acknowledges that the consumption of alcohol is a part of life in Australia. Whether it be at a sporting event, the local pub or club, or at home people consume alcohol. We support the consumption when it is done responsibly, and in the case of at an NRL game, done so without interfering on anyone else's enjoyment or safety.

With respect, we do not believe a prohibition on alcohol advertising or sponsorship, in particular during sports programs, will affect the rates of underage drinking. There is an abundance of other factors involved including parental influence, peer approval and cultural and societal behaviours that impact on underage drinking.

We understand from the Australian Institute of Health and Welfare's 2016 National Drug Strategy Household Survey that Australian's are drinking less than they once did and rates of underage drinking are also falling.

Sport in Australia is a mature industry and the sporting bodies should be trusted to act in the best interests of their stakeholders. The intent on sponsorship is to compete for share of market and customer loyalty rather than increase consumption.





Per our earlier examples, our sponsorship arrangements include restrictions on campaigns to protect minors from exposure; commitments to run responsible consumption messaging; and a contribution towards the delivery of rugby league's Alcohol Management Strategy to players and state leagues.

The sponsorship fees paid by alcohol companies to sporting organisations are critical to the ongoing viability of many sporting events and programs, including grassroots activities. If this sponsorship was not available it would have a detrimental impact on grassroots sporting clubs and subsequently reduce participation in sport, thereby having a negative impact on the overall health and wellbeing of the community.

It is for these reasons the NRL oppose the proposed prohibitions on alcohol sponsorship and advertising during sporting matches.

## **CONCLUSION**

As a not-for-profit community organisation, NRL supports proper public education on responsible alcohol consumption. The NRL strongly supports measures to educate on all aspects of drinking alcohol and the knock-on effects actions can have for individuals and their families.

We believe our approach with commercial and broadcast partners is in the best interests of our business, our fans and the broader community.

NRL thanks the Inquiry for the opportunity to make this submission and would be pleased to work with the Inquiry and with the government further on these issues.

**Jaymes Boland-Rudder**  
**Head of Government and Community Relations**  
**National Rugby League**