

The Value of Sport to Queensland

March 2012



Executive summary

Based upon existing research into the value of sport, this report seeks to provide a qualitative and quantitative assessment of the value of sport to Queensland in terms of the economic, productivity, health and civic benefits as well as the benefits of elite sport. The report also outlines the degree of participation in sport by Queenslanders.

ECONOMIC BENEFITS

Headline Figures	
Direct jobs created by sport	11,763
Direct and indirect jobs created by sport	97,633
Sports total contribution to Queensland's GSP	\$7.9 billion p.a.

Source: PKFCA analysis based upon Frontier Economics, 2010; Office for Recreation and Sport, 2011; Queensland Government, 2011; Department of Education, Training and the arts, 2006; ABS, 2011; Muller, Wadsley, Adams, Arthur, & Felmingham, 2010.

Sport has a considerable impact upon Queensland's economy, contributing a total of \$7.9 billion, or approximately 3% of Gross State Product ("GSP"), to the economy through direct and indirect economic activity. It is estimated that 11,763 Queenslanders had their main job in a sport related occupation, with an additional 85,870 jobs created indirectly.

PARTICIPATION IN SPORT IN QUEENSLAND

Queensland's participation rates in sport and recreation are broadly comparable to that of the Australian average. Encouragingly, the State's participation rate has been trending upwards over the past decade. There is some divergence between the male and female participation rates, with 43.9% of males whilst 50.2% of females being physically active at least three times a week or more.

The Australian Bureau of Statistics has reported that approximately 343,600, or 60.2%, of Queensland's children participated in organised sport (excluding dancing) outside of school hours. Given that health and physical education

classes are required in Queensland schools, it is likely that the participation rate of 5-15 year olds in organised sport (including during school hours) would be nearer to 100%.

PRODUCTIVITY BENEFITS

Headline Figures	
Productivity <i>benefits</i> due to physical <i>activity</i>	\$1.6 billion p.a.
Productivity <i>costs</i> due to physical <i>inactivity</i>	\$1.9 billion p.a.

Source: PKFCA analysis based upon Medibank Private, 2007; Medibank Private, 2008; ABS, 2011

Participation in sport provides significant benefits to both employees and employers by way of increased productivity. Numerous studies have identified a direct link between the health of an individual and their level of absenteeism and presenteeism.

Queensland's productivity benefits due to physical activity was estimated to be \$1,591 million in 2007/08. Conversely, Queensland's productivity loss due to physical inactivity was estimated to be \$1,883 million. This represents the amount that Queensland could increase its gross state product if all Queenslanders became physically active.

HEALTH BENEFITS

Headline Figures	
Total health benefits due to physical activity	\$775 million p.a.

Source: PKFCA analysis based upon Medibank Private, 2008; ABS, 2011.

There are numerous physical and mental health benefits associated with active participation in sport. It is estimated that Queensland's total health benefits due to physical activity was \$775 million per annum in 2007/08. This is made up of

\$123 million in savings in the healthcare system as well as \$652 million in benefits from decreased mortality.

CIVIC BENEFITS

Headline Figures	
Cost to replace Queensland's volunteers in sport	\$866 million p.a.
Full time equivalent jobs provided by volunteers	14,792
Criminal and social justice benefits of sport	\$177 million p.a.

Source: PKFCA analysis based upon Department of Communities, 2008; Muller, Wadsley, Adams, Arthur, & Felmingham, 2010.

Sport provides a number of civic benefits to Queensland and in doing so, relieves other civic bodies from having to provide those benefits. It is estimated that it would cost Queensland \$866 million to replace the volunteers in sporting organisations, who contribute the equivalent of approximately 14,792 full time jobs.

Sport delivers social benefits to the State by promoting social inclusion, a sense of connectedness and helping to build family and friendship networks through shared experiences and achievements. It also helps alleviate some antisocial behaviour among community members. Furthermore, Queensland's profile is heightened, both nationally and internationally, when it successfully hosts major sporting events.

BENEFITS OF ELITE SPORT

Headline Figures	
Value of elite sport to Queensland	\$944 million p.a.

Source: PKFCA analysis based on Muller, Wadsley, Adams, Arthur, & Felmingham, 2010; ABS, 2011.

Elite sport contributes to the wellbeing of Queenslanders through the heightened sense of satisfaction and national pride that comes as a result of success at the elite level. It is estimated that the value of elite sport to

Queensland is \$944 million, or \$562 per household per annum. This is well above the current level of \$167 million per year, or \$20 per household per year, currently being spent on elite sport in Australia.

