Being a leap year, 2012 will see the staging of the Olympic Games, this time in London. For Australia’s domestic sporting competitions, this means vying for media coverage with other sports.

But the National Rugby League (NRL) also faces competition in what it considers to be its heartland, namely Sydney’s Western Suburbs. This is due to the Australian Football League (AFL)’s 18th team, the Greater Western Sydney (GWS) Giants entering the 2012 AFL season.

While many may view this as the NRL’s greatest challenge yet from the AFL, a closer examination suggests otherwise.

**A large enough playing field**

Sydney is Australia’s largest city and so a sporting code needs a strong presence there if it is to be successful. Sydney is also, amongst other things, critical in terms of the all-important television ratings. From a population perspective Western Sydney, along with the Gold Coast, is one of the fastest growing areas of Australia. This is likely why the AFL’s latest two teams have been based in these areas.

However, when examining GWS’s seemingly head-on clash with rugby league in Western Sydney, it is best to first divide Sydney into four areas: North-East, North-West, South-East and South-West.

What then becomes interesting is the distribution of rugby league teams. With the exception of Manly-Warringah, they are essentially in the South-East and South-West. Manly is the only NRL team which can be considered to be north of the harbour.

This distribution has been noted by GWS which has targeted the North-West area, known locally as the Hills district, as it represents a chance to obtain strong membership without necessarily being in direct conflict with the NRL.

Since the Sydney Swans’ main membership is in the two eastern quadrants, it also neatly
splits the AFL support in Sydney. Thus, rugby league in mainly South-West and South-Eastern Sydney, and GWS in North-West Sydney, may co-exist better than most people think.

**Unexpected competition**

The NRL’s greater challenge from the AFL may in fact be on the Gold Coast. The Gold Coast has proven to be a bit of graveyard for professional team sports over the years, with a number of rugby league and basketball teams folding, and the A-League soccer team presently struggling on and off the field.

Both the Gold Coast AFL and NRL teams also finished last in the respective competitions in 2011, and 2012-13 may prove pivotal years for the AFL’s Suns and the NRL’s Titans.

However, in terms of present team development, they are poles apart, a reflection of the way the two leagues allowed their teams to be set up.

Under the NRL rules, the Titans were able to sign any uncontracted players, and was successful in immediately recruiting a good side of ready-made players that was able to make the finals in its earliest years. It was a side that, despite making the finals in 2010, was aging, and slid down the ladder in 2011.

The Suns, while limited by the stricter labour market that exists in the AFL, was also the beneficiary of special draft rules set up for its establishment which gave the Suns first access to many of the country’s best young players.

Thus, despite finishing last in 2011, the signs are that the Suns will be a talented young side, very much on the move up the AFL ladder in the coming years.

This may prove to be a problem to the NRL’s seemingly declining Titans in regard to retaining its supporter base on the Gold Coast.

**Saved by television**

The NRL’s strength is undoubtedly its television ratings, and without question the most significant single issue for the NRL is finalising its next television rights sometime in early 2012. While some within rugby league are suggesting the figure may be A$1.4 billion, A$1 billion is seen as a more realistic figure.

But even the lower figure will provide the NRL with enough money to raise the salary cap to a level where it may not lose stars like Karmichael Hunt and Israel Folau to the AFL, and Sonny Bill Williams to rugby union.

It is a deal that is linked to finalising the formation of an independent commission which will need to negotiate it.

**Pivotal year ahead**

In Australia’s crowded sporting market any year, particularly an Olympic year, can be considered a pivotal one for all professional sports.

However, the previous year’s television ratings have put the NRL in a strong position to negotiate a much better deal for television rights and help to protect the sport’s financial future. Despite competition from other codes, better financial security and a new independent commission starting in 2012 has meant the outlook remains good for the year ahead.

What do you think? Should the NRL be more worried about the new Greater Western Sydney side or competition on the Gold Coast? Leave your comments below.