Canadian Amateur Sport Health Check

2022

Understanding The Impact Of The Covid-19 Pandemic On The Canadian Amateur Sport Sector And Its Ongoing Recovery

A Study And Report From Capitis Consulting Inc.

Capitis CONSULTING

Services In And Around Your Sport Boardroom

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INTRODUCTION

Welcome to the 2022 Canadian Amateur Sport Health Check (CASHC) Report.

This report has been developed with the goal of providing as much quality information as possible about changes that have occurred in the Canadian amateur sport system since 2019. Through this knowledge, we hope that sport organizations in the industry, ranging from our largest governing bodies to our smallest volunteer-led community sport clubs, can navigate the difficult path back to full recovery to bring amateur sport, and its clear societal benefits, back for the betterment of all.

Analysing a wide range of measures to define the pandemic's impact, and the system's ongoing recovery from it, the 2022 CASHC Report cuts right to the heart of community sport to establish key diagnostic information for the industry to benchmark against, ranging from salary survey information, to sponsorship data and core participation rates.

The report is built on extensive outreach[1] undertaken by sport management consultancy Capitis Consulting to over 230 amateur sport clubs, associations and leagues across Canada in spring 2022.

Capitis Consulting sincerely thanks the many Canadian sport organizations, at provincial/territorial level, and at community club level, whose co-operation, feedback and opinions made this project possible.

We hope you find the results and findings in the report of help as we collectively work together to recover from the pandemic and rebuild a Canadian amateur sport system that we can all enjoy and benefit from.

Your sincerely,

PAUL VARIAN
President
Capitis Consulting Inc.

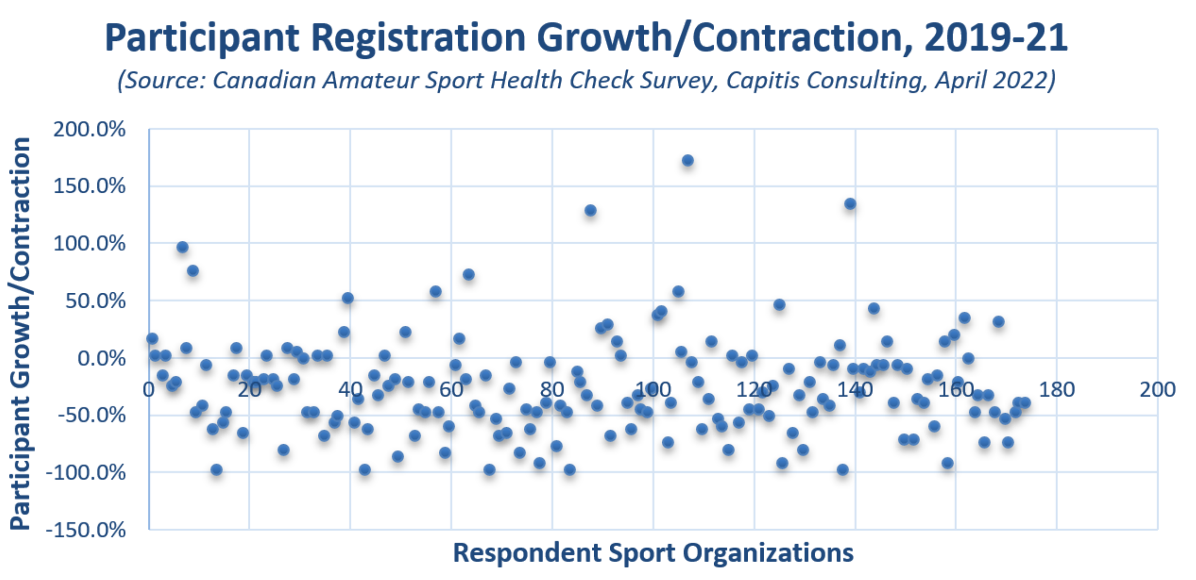
[1] *You can find more detail on the Canadian Amateur Sport Health Check Survey that underpins this report in the Appendix section.*

SECTION ONE
Participation

Registration Levels

Overall

Canada has experienced a substantial decline in participant registration in organized sports through the pandemic period of 2020 and 2021. Amateur sports organizations surveyed estimated their overall registration levels had reduced by an average of 25.7% from 2019 to 2021. While some organizations actually reported increases (23.3% of organizations surveyed), many also reported complete shutdowns over the pandemic period, with zero enrolment.

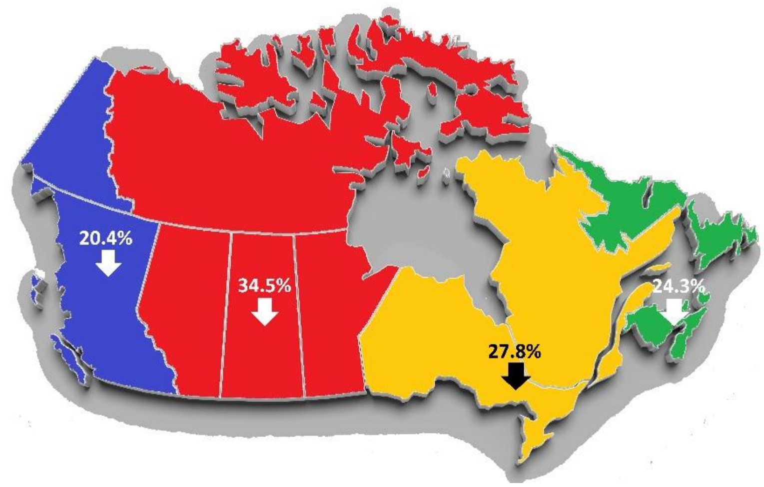


Amateur sport organizations that have experienced registration decline over this period are in little doubt that the Covid-19 global pandemic is the cause. On a 10-point scale that assesses how responsible the pandemic has been for registration declines, where 10 holds the pandemic fully responsible, respondent sport organizations judged the pandemic at 9.1. Within this, nearly 60% of respondent organizations cited the fear of Covid-19 infection and the modifications that were imposed on their sport programs as the main ways in which the pandemic specifically negatively impacted on their registration base.

Sport organizations who reported registration increases over the pandemic report only 5.5 on this same 10-point scale. Many of these organizations reported their ability to pivot and innovate programming, vigilant adherence to public health guidelines, strong relationships with their membership and a lack of other sporting options in their communities as chief reasons for their registration increase and relative success through this period.

Regional Analysis

When considered regionally, central Canada appears to have been impacted most heavily by the pandemic, in terms of empirical registration volumes from 2019 through 2021. These provinces and territories reported an average decline in registration of more than one-in-three (34.5%).



Registration Decline By Region (2019-2021)
(Source: Canadian Amateur Sport Health Check Survey, Capitis Consulting, April 2022)

Western Canada appears to have been least impacted, reporting an average registration decline of just over one-in-five (20.4%).

Atlantic Canada also faired better, with a 24.3% decline, while Ontario and Quebec reported an average registration decline of 27.8%.

This regional variance may be in part explained by the varying impact Covid-19 had on different parts of the country, and the varying associated public health measures that provincial/territorial governments imposed on the amateur sport system to contain the virus. eg. Parts of central Canada experienced significant Covid-19 infection rates that required strict curtailment of sporting activities. This was also the case in Ontario and Quebec. Western Canada and Atlantic Canada, on the other hand, had lower relative infection rates and were able to open up their amateur sport systems to facilitate greater participation more than elsewhere, particularly over the summer months.

Team vs Individual Sports

Analysis of survey responses by respondent sport organization's sport type (individual or team[2]) showed marginal variance in registration.

Amateur sport organizations in individual sports reported an average registration decline from 2019 to 2021 of 17.4%, compared to 20.2% in those running team sports programs.

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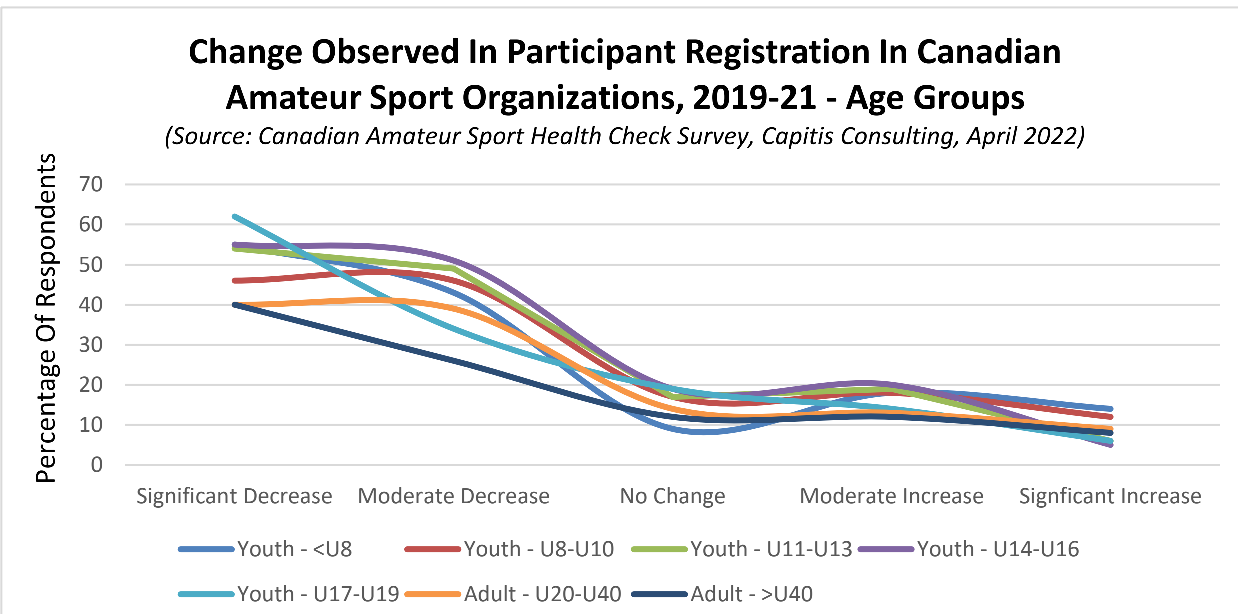
[2] Individual sports would be considered those where an athlete either competes alone (eg. golf, swimming, gymnastics), or against another athlete (or group of individual athletes (eg. athletics, tennis, skiing, judo)). Team sports would be considered those where a group of athletes competes as a collective unit (or team) against another (eg. soccer, rugby, lacrosse, hockey.) Some sports (such as rowing) can be both individual and team, depending on the event. In these instances, these sports were considered both individual and team for the purposes of this study.

Furthermore, of the 23.3% of amateur sport organizations who reported an increase in registration numbers from 2019 to 2021, 51.3% of them were involved in individual sports, with 48.7% involved in team sports.

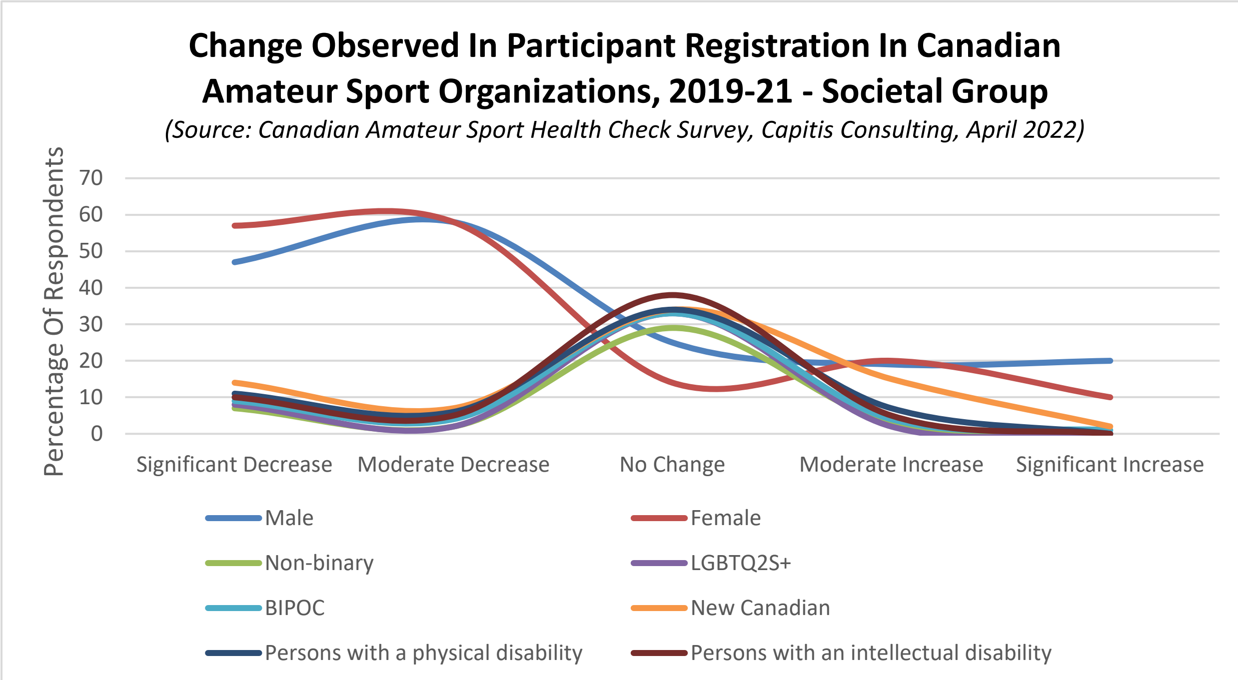
To that end, the assumption one would make that individuals sports present less of a risk of Covid-19 infection and, as such, would be presumed to have faired better over the pandemic period, is only marginally true according to our survey. That said, it should be noted that, although they were permitted for periods over 2020 and 2021 to register athletes, many team sports were required to heavily modify their sporting activities. At times, this meant complete removal of some forms of competition and the limitation of programs to modified training activities. To that end, although there is only marginal difference in empirical registration numbers between individual and teams sports, this does not necessarily mean that programming activities and participant experiences were the same, and certainly not what was experienced pre-pandemic in 2019.

Participant Type

When looking more carefully at demographics of sport participants and how they identify in particular sociological groups, the pandemic does not appear to have dramatically impacted any specific participant groups over others.



With respect to age, younger age groups appear more impacted that older adult participants (>40 years old). However, within youth age groups (<19 years old), the participant curves reported by respondent amateur sport organizations appears relatively consistent.



These trends are repeated with respect to male and female participation, where both genders report similarly high registration declines. Registration patterns take on a different but consistent trend, however, with respect to persons identifying as non-binary, LGBTQ2S+, BIPOC, New Canadian, or with a physical or intellectual disability. In these instances, organizations predominantly report no change in registration volumes.

Importantly, however, 53%-72% of respondent indicate that they do not know how their participants identify with respect to the societal groups surveyed.

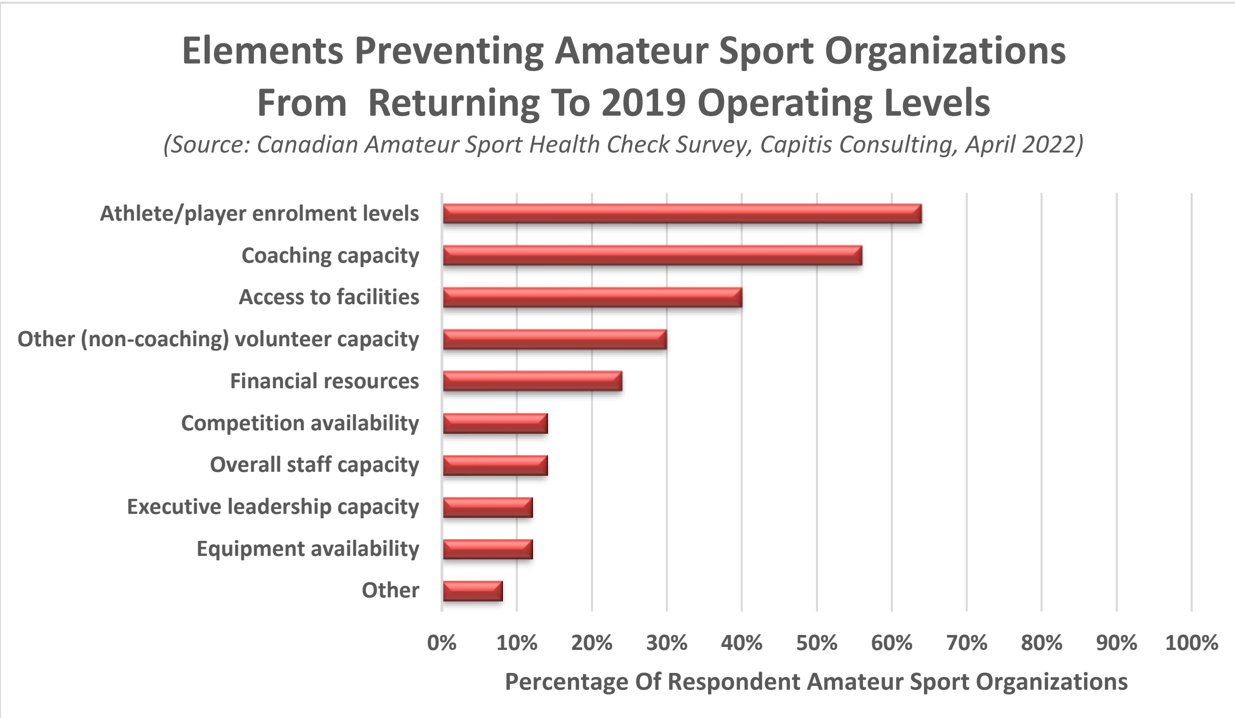
To that end, the comparative lack of data on identified societal groups within Canadian sport organizations makes it difficult to draw meaningful conclusions on how the pandemic affected these groups compared to the overall participant population.

What the high opt-out rate in this question does indicate, however, is an inherent lack of detail that currently exists in Canadian amateur sports organizations' participant data with respect to self-identification. This becomes important in the area of Equity, Diversity & Inclusion (EDI) in so far as making changes to create an amateur sport system that is genuinely for all is difficult if sports organizations do not fundamentally know who is playing in the first place (and, importantly, who is not). It also more broadly underscores a frailty in amateur sport organizations with respect to overall collection, management and application of participant data for customer relationship management (CRM) purposes, marketing purposes, or to drive the enhancement of sport program design.

Return-To-Play

Full return-to-play across all amateur sport in Canada is not possible to fully assess until 2023, when all winter sports have had an opportunity to return to restriction-free programming in full. Indeed, regional variances have continued to occur in 2022, as governments and public health officials in some provinces and territories (in particular Ontario) have been more cautious and conversative in their re-opening schedule than others in the first half of the year.

At the time of issuance of the Canadian Amateur Sport Health Check Survey in March/April 2022, Canadian amateur sport organizations indicated that the factor that was most likely to withhold their



re-opening and associated return-to-play was the availability and return of registered athletes and players to their programs. While there is anecdotal information that many of these registrants have indeed returned[3], this was not clear in the first half of the year, especially given polling of participants during the pandemic in 2021 indicated that between 20% and 30% were not likely to return[4].

Irrespective of registration return rates, respondent amateur sport organizations also expressed concern at the return of coaches (both professional and volunteer), other volunteers and access to the facilities upon which they depend to run sport programs.

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[3] Anecdotal information collected by Capitis Consulting over the course of 2022 to-date indicates that most summer sports have experienced registration levels for their summer programming that are close or equal to 2019 levels. In the case of soccer (Canada's largest participation organized sport), registration levels are being reported at approximately 10%-15% higher than 2019 levels.

[4] Surveying from Capitis Consulting, corroborated by other Provincial Sport Organization surveys of their membership.

While there has been no indication of continued closure of sports facilities in the wake of removal of pandemic-related public health measures through 2022, the availability of coaches has continued to be an issue for amateur sport organizations, as has availability of referees, umpires and officials[5].

This appears strongly linked to the broader human resource upheaval that has taken place during and after the pandemic commonly referred to as The Great Resignation, whereby an unprecedented volume of people have made significant career and life changes after reflecting during the pandemic lockdowns as to what is genuinely important in their life moving forward.

In many cases, the time that used to given to volunteer coaching or officiating has been replaced during the pandemic with other activities that people would prefer to continue with. Either way, sport governing bodies report these challenges to be potentially long-term and do not expect them to be resolved in a matter of weeks or months.

To that end, the amateur sport system is experiencing similar challenges to what the rest of the service economy in Canada is facing in 2022.

People have returned wanting to play as before. However, amateur sports organizations are not equipped or ready (particularly from a human resources standpoint) to service them all. This is not unlike the challenges many international airports are facing, whereby everyone wants to fly and travel again, but the manpower is simply not there to manage traveller volume.

[5] *Provincial amateur soccer governing bodies are reporting an approximate decline in the availability of match officials of 45%-50% compared to 2019, creating the largest challenge the sport has to fully re-opening all competitive soccer activities.*

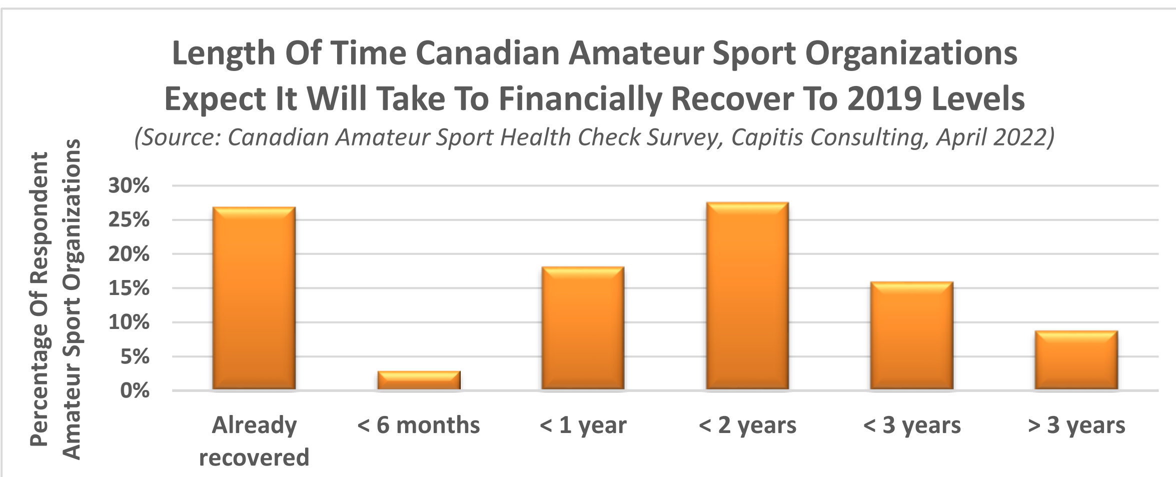
SECTION TWO
Amateur Sport Organizations

Financial Health

Naturally, the pandemic has had a substantial negative impact on the financial health and performance of most Canadian amateur sport organizations. However, there are some positive signs out of the surveying responses received and a clear indication that money invested by Canadian governments to protect industries like the Canadian amateur sport industry has been effective.

Coming out of the pandemic, Canadian amateur sport organizations on average rate their organizational financial health at 64.4%. Only 4.1% of organizations describe their financial state as being 'extremely healthy'.

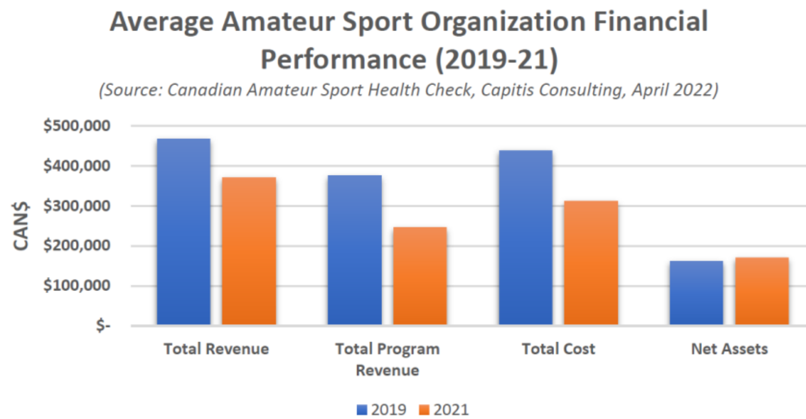
Encouragingly, over a quarter of all Canadian amateur sport organizations feel they have already recovered financially from the pandemic, and just under 30% in total have either recovered or feel they will have by the end of 2022. Three quarters of all sport organizations surveyed feel they will have fully recovered by early 2024.



Based on self-reporting data from the Canadian Amateur Sport Health Check Survey, Canadian amateur sport organizations' financial operations retracted significantly during the pandemic period, in line with the scaling back and, at times, complete shut-down of their core sport programming activities.

On average, sport organizations' revenue dropped by 20.7%, with revenue derived from fee-generating, registration-based programming reducing by 34.6%. In line with this, operating costs in these organizations dropped on average by 29%.

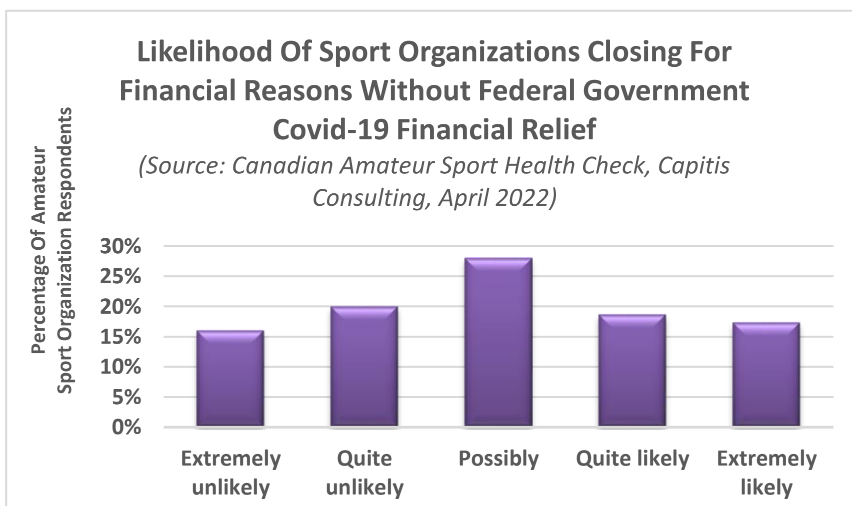
Interestingly, in spite of the contraction of their operations, Canadian amateur sport organizations on average grew their balance sheets with their net assets showing an average increase of 5.3%. This relative strengthening of Canadian amateur sport organizations is likely due to government subsidies and emergency relief grants that were issued to businesses (commercial and not-for-profit) by Canadian government at all levels in order to protect the employment and welfare of Canadians.



Support given in particular with respect to wage and rent[6] relief has proved particularly effective and appears to have left many Canadian amateur sport organizations in much better financial health than was feared would be the case during the pandemic.

<u>Grant Assistance & Covid-19 Emergency Relief Funding</u>

The Canadian amateur sport system was helped significantly during 2020 and 2021 with financial relief measures put in place by the Canadian federal government.



53.5% of Canadian amateur sport organizations surveyed stated that they availed of federal government Covid-19 financial support and this support has shown itself to be organizationally lifesaving in many instances. 36% of these organizations stated that in was quite or extremely likely that their sport organization would have closed for financial reasons if not for the financial assistance they received. Only 16% of sport organizations who received Covid-19 financial relief said it was extremely unlikely their organization would have closed without it.

[6] *This was particularly important for amateur sport organizations that have ownership of or operating lease agreements on sports facilities (particularly indoor facilities with higher operating costs), that would otherwise have presented significant financial exposure to these organizations. Many would have been challenged to meet loan or lease repayment obligations on the facilities without supporting rental revenues from sport user groups.*

Services In And Around Your Sport Boardroom

Corporate Sponsorship

Regardless of the effects of the pandemic on the Canadian sport sponsorship industry at large, our study highlights the fact that Canadian amateur sport organizations are not heavily engaged with the corporate sector in establishing, fulfilling and renewing sponsorship agreements[7].

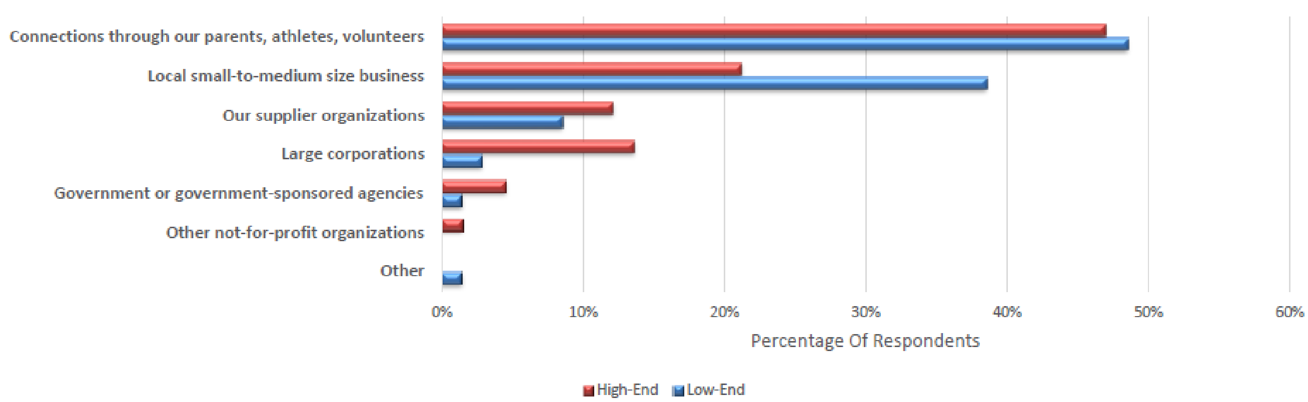
Only 42% of Canadian amateur sport organizations that were surveyed in the Canadian Amateur Sport Health Check Survey reported to have any corporate sponsors at all. In 2019 (pre-pandemic), almost two-thirds of those organizations who did harness sponsorship raised less than CAN$20,000 in that year.

Price and relative valuation of sponsorship assets in community sport is low. The average annual price of amateur sport organizations' low-end sponsorship offerings was CAN$564.39 in 2021, with their high-end assets being sold at an average annual price of CAN$13,061.54.[8]

Sponsors of all types are predominantly sourced by Canadian amateur sport organizations through connections they have with people within their organization, who may have a position of authority or influence within a prospective sponsor organization. This person may be a player, coach, official or volunteer. But in youth sports (that makes up approximately 80% of the entire Canadian amateur sport sector), they are often the parent of an athlete. Almost half of all sponsors, according to our survey, are sourced this way.

How Sponsors Are Sourced And Targeted By Amateur Sport Organizations

(Source: Canadian Amateur Sport Health Check Survey, Capitis Consulting, April 2022)



In these instances, given that the connection with the sponsor is primarily through an individual who has a personal interest in the property (sponsored sport organization), sponsorships such as these tend to be more aligned to philanthropic corporate citizenship, rather than transactional, business-driven,

[7] *According to the 15th Annual Canadian Sponsorship Landscape Study (2021), amateur sport's share of the overall Canadian sponsorship market has been relatively stagnant over the past ten years, compared to the significant growth of investment in professional sports. In 2020, amateur sports represented just 21.4% of the Canadian sponsorship market, compared to professional sports which generated 56.5% - over half of the entire market.*

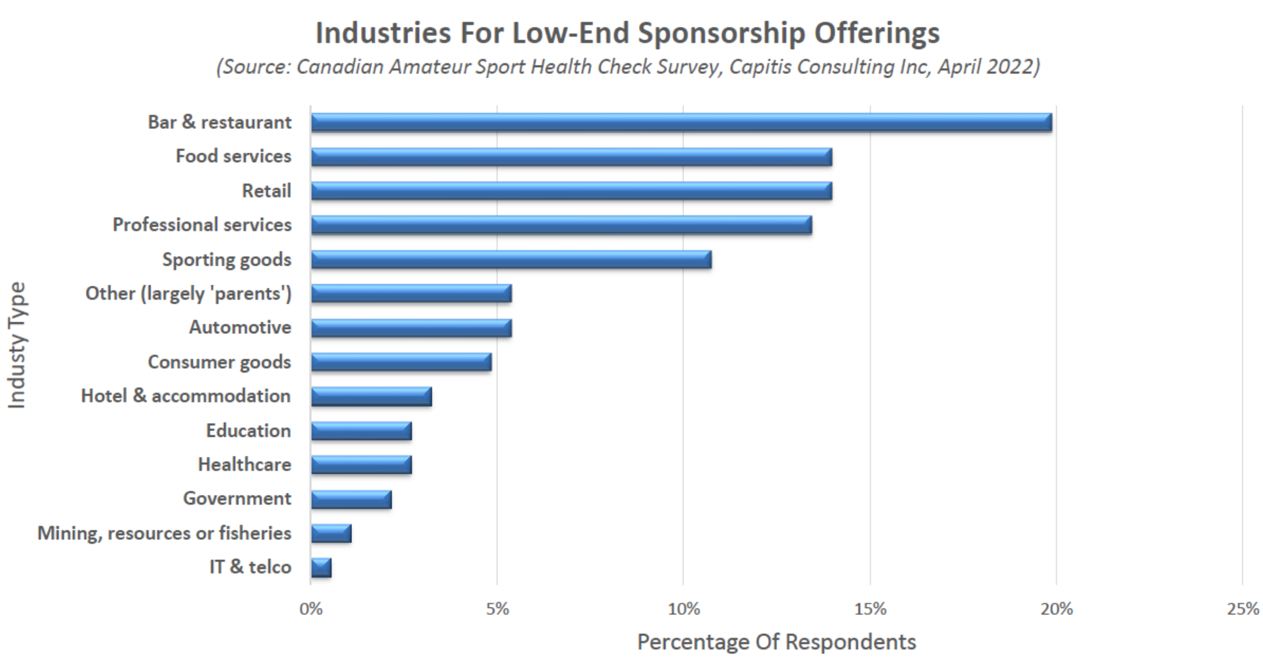
[8] *According to the 15th Annual Canadian Sponsorship Landscape Study (2021), sponsorship deals in 2020 ranged in value from CAN$10k to CAN$25m, with 81.25% of sponsorship revenue coming in cash (18.75% in value-in-kind).*

value-add. They are easier for amateur sport organizations to secure than traditional business-to-business sponsorships because there is no need to identify value for the prospective sponsor, and present it as a clear commercial opportunity. The prospect is already sold through their association with the sport organization (and maybe their child within it). This explains why many amateur sport organizations do not have sophisticated sponsorship capabilities either to raise corporate sponsorship or fulfill and renew it. Half of their sponsorship pretty much walks in the door anyway through people associated with the sport organization.

Amateur sport organizations tend to target small-to-medium enterprises in their local communities, particularly for lower-end sponsors. They also leverage their supply partnerships for sponsorship, particularly sporting goods, apparel and equipment providers (who often incorporate a sponsorship component, albeit heavily VIK-focused, as part of preferred supplier agreements amateur sports organizations commonly sign with this sector.) There is virtually no targeting of government or government-sponsored agencies (such as crown corporations, public utilities or public health agencies).

Sponsor Industry Types

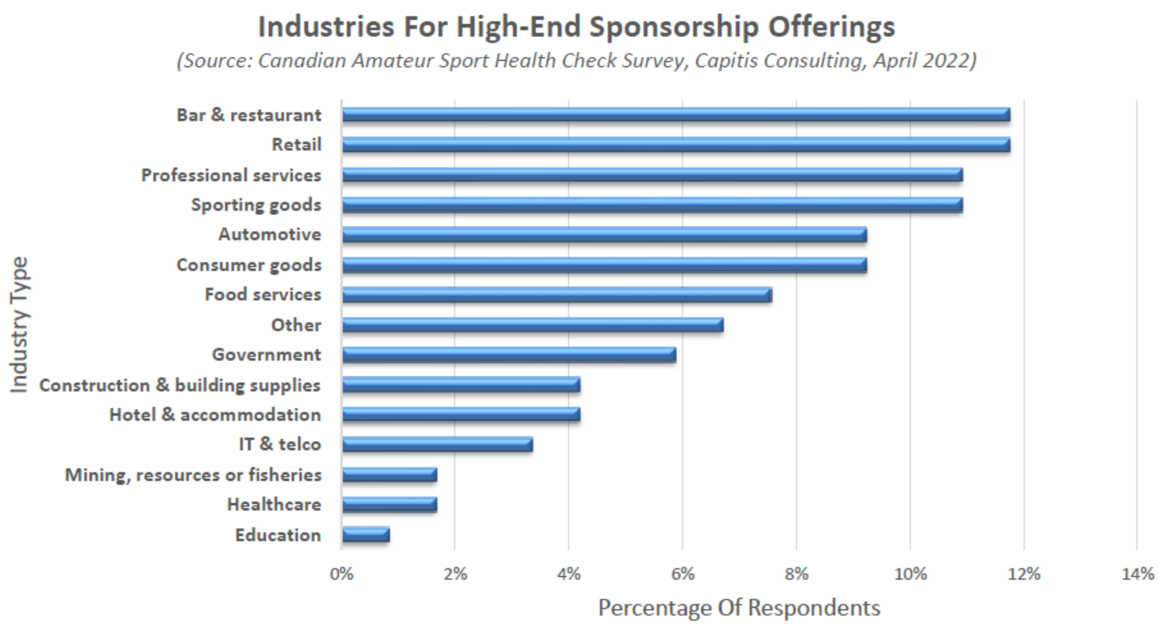
When examining the industries where Canadian amateur sport organizations commonly source their cheaper, lower-end sponsors, industries that tend to make up local small business in most Canadian communities are most prevalent.



In particular, businesses in bar/restaurant, food services, general retail and professional services (such as law and accounting firms) are in the top three industries for at least 13.4% of all sport organization respondents to the Canadian Amateur Sport Health Check Survey.

For Canadian amateur sport organizations' higher-end, more expensive sponsors, this trend towards industries that make up a significant component of local business communities continues, with sponsors most commonly sourced from the bar/restaurant, general retail, professional services and sporting goods industries.

There is, however, a higher presence from sectors like consumer goods and automotive, that would commonly be associated with larger sponsorship programs that are broader in scope than a given community. However, industries such as banking/financial services and IT/telco are poorly represented and clearly not being engaged by the Canadian amateur sport industry as one would expect.



Pandemic Impact

Amateur sport organizations that have raised corporate sponsorship appear to have been impacted by the pandemic in terms of declining sponsorships revenues. The percentage of sport organizations reporting under CAN$20,000 in annual sponsorship revenues rose from 63.2% to 78.8%, indicating more sport organizations raising minimal sums of money. Only 4.5% of sport organizations reported to raise over $80,000 in corporate sponsorship in 2021 (down almost half from 8.8% in 2021).

Annual Sponsorship Revenue Earned In Canadian Amateur Sport Organizations

Annual Revenue	Percentage Of Canadian Sport Organization Respondents	
CAN$	2021	2019
<$20,000	78.8%	63.2%
<$30,000	86.4%	73.5%
<$50,000	92.4%	83.8%
<$80,000	95.5%	91.2%

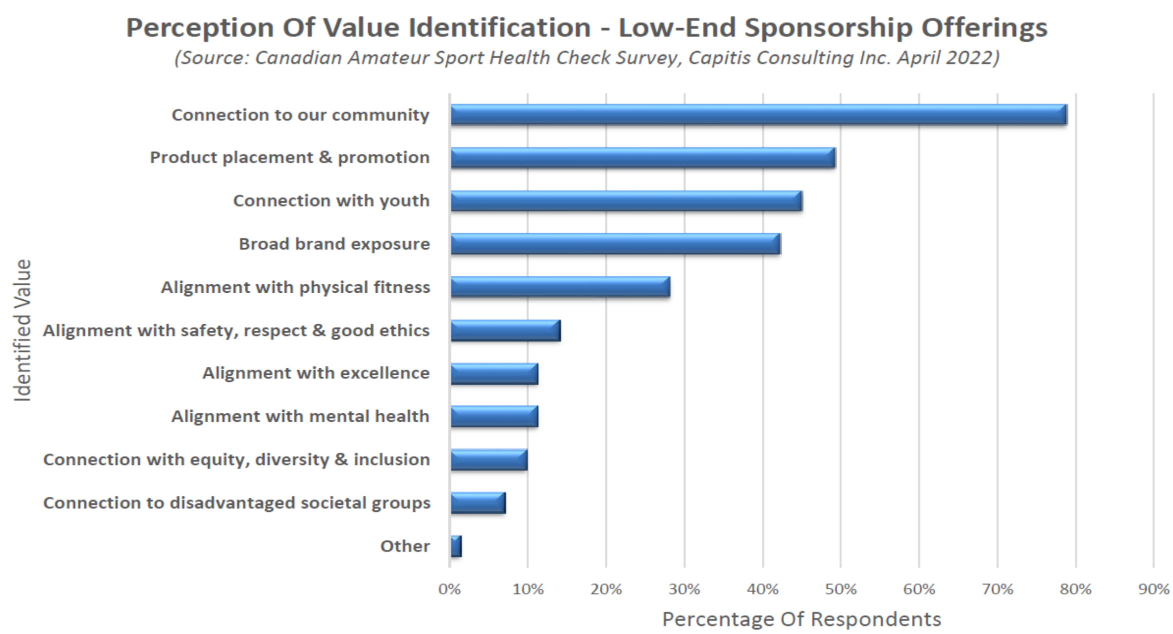
(Source: Canadian Amateur Sport Health Check Survey, Capitis Consulting, April 2022)

Whether these drops are related to sport organizations having reduced their programming over the pandemic and, as such, simply having fewer sponsorship assets to sell, or more due to corporate sponsors choosing to withdraw from sponsorship of the Canadian amateur sport sector is unclear. However, the size of the overall Canadian sponsorship industry dropped from CAN$3.14bn in 2019 to CAN$1.49bn in 2020 (in terms of aggregate rights fees and property activation)[9].

Some corporate sponsors were still active in the marketplace throughout the pandemic, particularly in relation to sponsorship properties that align with support for youth mental health, EDI and social justice. However, the Canadian amateur sport industry does not appear to be realigning its sponsorship offerings and associated value proposition to fit the new requirements of the corporate sector that have arisen during the pandemic, and remain in this early post-pandemic period.

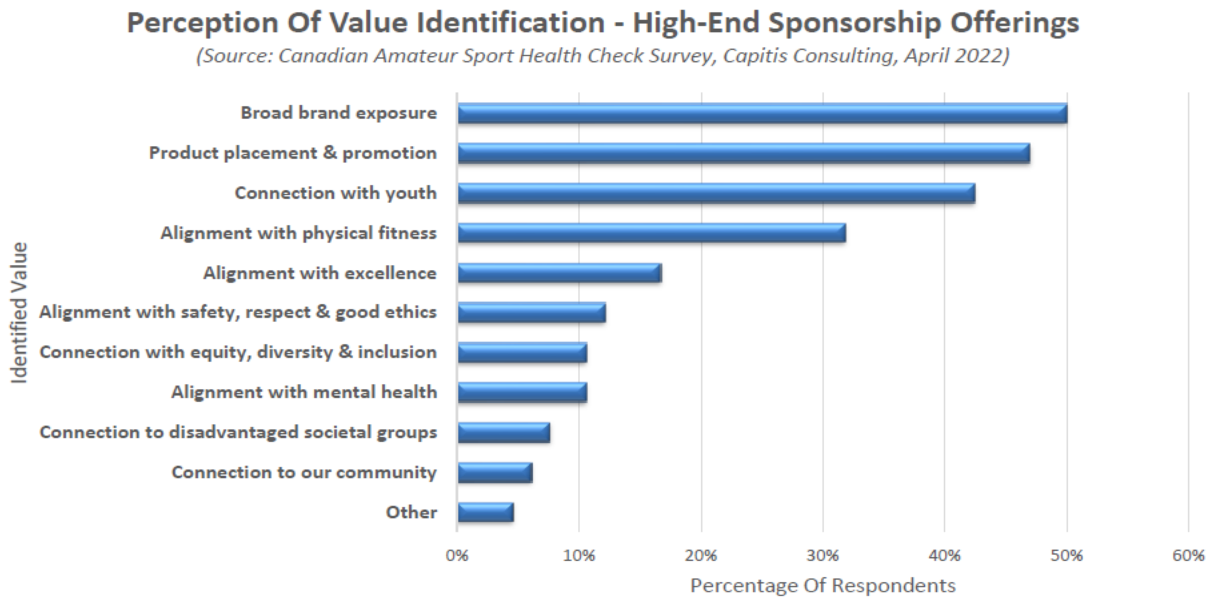
Survey results show that Canadian amateur sport organizations still see the value they provide to corporate sponsors as being the traditional value-adds associated with sport participation in pre-pandemic times (community connection, product and brand exposure, association with youth and physical fitness).

This may to true; clearly corporations will still be interested in the value that amateur sport has offered for decades, and arguably will into perpetuity. However, the societal issues that have become very important in 2020 and 2021 relating to mental health, affordability, EDI and social justice are not regarded by sport organization respondents as being particularly important to their sponsors. This, for the large part, is the case across both high-end and low-end sponsors that Canadian amateur sport organizations attract.[10]



[9] *Source: 15th Annual Canadian Sponsorship Landscape Study (2021)*

[10] *The one major variance in Canadian amateur sport organizations' perception of value between high-end and low-end sponsors is that of connection to community. Sport organizations regard this as the most important value they provide to low-end sponsors, but of least importance to their high-end sponsors.*



Donations & Fundraising

Only 21.98% of amateur sport organizations claim to have a structured donation (fundraising) program in place, according to the Canadian Amateur Sport Health Check Survey. Of those that do, the average donation revenue raised in 2021 was CAN$5,368.42. However, 45.7% of respondents in our survey reported fundraising under CAN$1,000 in that year, with only 11.4% raising over CAN$10,000.

In spite of this relative lack of performance with respect to fundraising[11], 70.3% of amateur sport organizations with donation programs currently in place say they have plans to enhance donations as an established source of revenue, post-pandemic.

Recovery Outlook

Notwithstanding the human resource challenges that the system continues to face in Canada, most amateur sport organizations seem well prepared to recover from the pandemic sooner than later. Importantly, amateur sport participants have returned (in some cases more strongly than before the pandemic) and availability of facilities has ceased to be a problem once public health measures restricting their use have been relaxed.

[11] *Not-for-profits (NFPs) in the arts and the charitable sectors, by comparison, often see donations and fundraising as one of their most important lines of revenue. Given many do not have suites of programs to offer users on a fee-for-service basis as amateur sport does, many NFPs have built large, sophisticated fundraising capabilities and associated donation programs that allow them to cultivate and retain many donors, including high-end donors that can issue donations and gifts of six and seven digit sums.*

The Canadian Amateur Sport Health Check Survey indicates that 37.4% of amateur sport organizations have experienced some or a lot of logistics and/or supply chain issues that have impacted on their ability to run programs. Anecdotally, this appears to have impacted organizations involved with summer sports the most, on account of global supply chain issues coming out the pandemic in the spring of 2022 impacting on the availability of equipment (particularly technical equipment) in their partner sports rental stores. However, these issues appear to be being resolved as the global economy and associated supply chain gets back on its feet.

50.98% of Canadian amateur sport organizations in our survey reported having to downsize their staff teams during the pandemic. However, Canadian amateur sport organizations feel 88.7% capable of delivering sport programs as they did in 2019, if public health restrictions allow.

This suggests we can be bullish about the outlook for Canadian amateur sport for 2023, assuming no relapse in recovery from the pandemic or new variant that triggers public health restrictions that impact as the system as was experienced in 2020 and 2021.

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SECTION THREE
Sport Staff & Volunteers

Staff

Volume

Traditionally, amateur sport in Canada has been heavily volunteer led and managed. It has only been in the last 30 years or so that staff have been brought into community-level amateur sport organizations in any meaningful way. Genuine professional leadership roles have only become normalized in the past 10 to 15 years or so and are, to this day, largely confined to larger amateur sport organizations.

According to the Canadian Amateur Sport Health Check Survey, 41.9% of amateur sport organizations have no staff at all and are 100% volunteer managed.

Of those amateur sport organizations that have staff, half had a staff team of five or less in 2019. This dropped to 44.2% in 2022 following the pandemic.[12]

Overall, the Canadian amateur sport system has seen a drop in average staff head count over the pandemic period from an average of 9.0 staff per sport organization in 2019 to 8.5 in 2022. With respect to fulltime staff (as opposed to part-time, contract or casual), staff head count has declined from an average of 3.6 per sport organization in 2019 to 3.2 in 2022.

Staff Salaries[13]

Salary surveys conducted as part of the Canadian Amateur Sport Health Check Survey indicate that salaries in amateur sport still lag well behind salaries offered in the commercial sector, particularly with respect to comparable roles in executive management, administration and marketing/communications.

That said, in administrative job functions, most average salary levels in amateur sports organizations have risen from 2019 to 2022. Of notable increase are positions of Finance Manager (up from CAN$52,750.00 in 2019 to CAN$67,142.95 in 2022 (+27.3%)), Program Co-ordinator (up from CAN$42,279.41 in 2019 to CAN$49,659.09 in 2022 (+17.5%)) and Operations/General Manager (up from CAN$54,100.00 in 2019 to CAN$61,667.67 in 2022 (+14.0%)). Only Accounts Assistants are being paid less (down from CAN$28,888.89 in 2019 to CAN$28,000.00 in 2022 (-3.1%)).

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[12] *This reduction was due to more organizations reporting no staff coming out of the pandemic, rather than organizations reporting more than five staff.*

[13] *In average salary surveys listed, the median point of each salary band listed in the Canadian Amateur Sport Health Check Survey has been assumed. Where n < 10 across both 2019 and 2022 data categories, sample sizes have been considered to small to include resultant data.*

In technical job functions[14], the job market has swung heavily to hands-on technical personnel who can deliver technical programs in challenging circumstances, as have been demanded by the pandemic.

The role of Staff Coach increased in average salary by 34.7% from 2019 to 2022, rising from CAN$40,937.50 to CAN$55,131.58. Head Coaches also saw their average salary increase by 9.1% from 2019 to 2022 (CAN$51,416.67 to CAN$56,526.09).

Head Referees/Umpires[15] are also in demand, in light of extremely challenging circumstances amateur sport is currently facing in a lack of return-to-play from officials post-pandemic. Average salary for personnel who lead and run officials assignment and development programs in amateur sports clubs rose from CAN$22,291.67 in 2019 to CAN$27,083.33 in 2022 (+21.5%).

Salaries in technical leadership, however, declined marginally by 1.2%, possibly due to the suppression of many sports organizations' overall sport program rendering strategic technical leadership somewhat obsolete compared to the need for the execution of modified sport programs from hands-on coaches.

Average Staff Salaries, Canadian Amateur Sport Organizations (2019-22)

(Source: Canadian Amateur Sport Health Check Survey, Capitis Consulting, April 2022)

	2019		2022		% Change
	CAN$	n	CAN$	n	
Administrative					
Chief Executive / Executive Director	$ 79,285.71	35	$ 84,375.00	31	6.4%
Operations Manager / General Manager	$ 54,100.00	25	$ 61,666.67	20	14.0%
Finance Manager	$ 52,750.00	10	$ 67,142.86	8	27.3%
Marketing / Communications Manager	$ 51,750.00	10	$ 54,000.00	11	4.3%
Office Manager / Snr Administrator	$ 45,370.37	27	$ 48,250.00	20	6.3%
Program Co-ordinator	$ 42,279.41	34	$ 49,659.09	23	17.5%
Accounts Assistant	$ 28,888.89	9	$ 28,000.00	10	-3.1%
Technical					
Technical Director / Director of Coaching	$ 68,653.85	39	$ 67,836.67	32	-1.2%
Head Coach	$ 51,416.67	30	$ 56,526.09	24	9.9%
High Performance Manager	$ 54,230.77	13	$ 55,909.09	11	3.1%
Technical Development Manager	$ 57,500.00	9	$ 54,250.00	10	-5.7%
Head Referee / Head Umpire	$ 22,291.67	12	$ 27,083.33	12	21.5%
Staff Coach	$ 40,937.50	24	$ 55,131.58	19	34.7%

[14] *Note that the position of Coach Development Manager was surveyed but, on account of it being a relatively specialized and in some cases new position title, only four responses were received. As such, it fell beneath our levels of acceptability in response volume. However, given there is very little information regarding this position title's market salary, we will advise that the average of the responses we received produced a salary level of CAN$62,500 in 2019, dropping slightly to CAN$61,500 in 2022.*

[15] *These roles are all part-time.*

Small vs Large Amateur Sport Organizations

When examining survey data from Canadian amateur sport organizations that have six staff or more (and, as such, are inherently 'larger'), salaries are (with a few notable exceptions) higher than those with fewer staff (and ostensibly a less complex human resource function to manage). Patterns of relative increase or decrease in respective job roles remain similar to overall figures. However, staff in Canadian amateur sport organizations are generally better paid in larger organizations.

Average Staff Salaries, Canadian Amateur Sport Organizations (2019-22)
Organizations With 6 Or More Staff
(Source: Canadian Amateur Sport Health Check Survey, Capitis Consulting, April 2022)

	2019		2022		% Change
	CAN$	n	CAN$	n	
Administrative					
Chief Executive / Executive Director	$84,880.95	21	$88,421.05	19	6.4%
Operations Manager / General Manager	$57,666.67	15	$63,863.64	11	14.0%
Marketing / Communications Manager	$51,750.00	10	$54,000.00	10	4.3%
Office Manager / Snr Administrator	$45,781.25	16	$42,857.14	14	6.3%
Program Co-ordinator	$45,909.09	22	$48,472.22	18	17.5%
Technical					
Technical Director / Director of Coaching	$81,818.18	22	$78,676.47	17	-1.2%
Head Coach	$51,250.00	20	$56,833.33	15	9.9%
High Performance Manager	$56,818.18	11	$55,000.00	9	3.1%
Staff Coach	$45,000.00	20	$50,000.00	17	34.7%

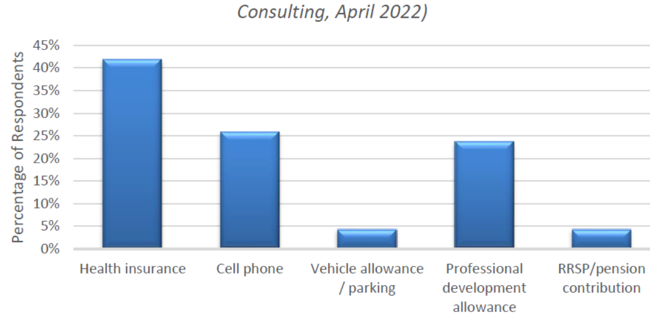
Of particular note is the position of Technical Director/Director of Coaching, which earns an average salary that is 16% higher in larger amateur sport organizations, compared to smaller ones. Executive leadership and operational management positions are also paid more in larger organizations.

However, some positions are better paid in smaller sport organizations than larger ones, namely Office Managers, Program Co-ordinators, High Performance Managers and Staff Coaches.

Employee Benefits

The Canadian Amateur Sport Health Check Survey indicates that 40.9% of Canadian amateur sport organizations offer benefits of some sort to their staff. These benefits are largely in the form of private health insurance, but approximately a quarter are offering professional development allowance and/or cell phone. Some also offer pension plan contributions or parking.

Employee Benefits Offered By Amateur Sport Organizations
(Source: Canadian Amateur Sport Health Check Survey, Capitis Consulting, April 2022)



Employment Market & Workplace

Given many Canadian amateur sport organizations did not have significant or any office space before the pandemic[16], the decision with respect to workplace post-pandemic has not been the complex and even cultural decision that it has been for large corporations.

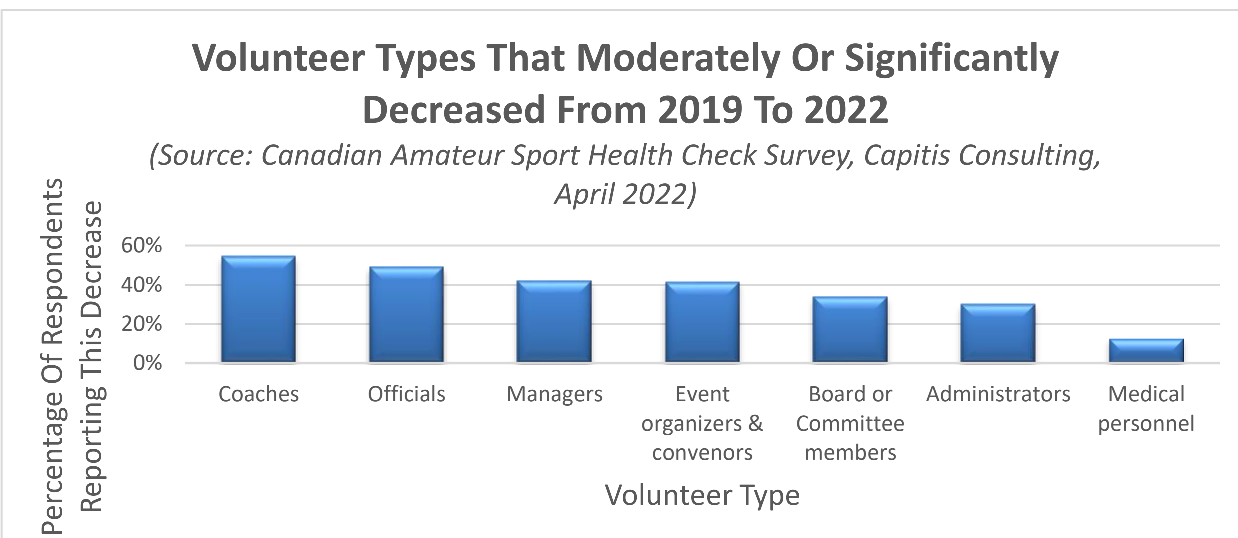
43.4% of sport organizations say they will be returning to their pre-pandemic office-based workplace arrangements, with 25.3% moving to a 'hybrid' home-and-office model. Only 4% of sport organizations have decided to work fully remotely (when previously they didn't).

Amateur sport organizations see the employment market as an employees' market right now. On a scale of 1 to 100, where 100 is a strong employers' market, sport organizations scored the market at an average of 27.7. Nearly half (47.1%) of them reported to be recruiting a staff position (or positions) of some kind at the time of the survey (March/April 2022).

Volunteers

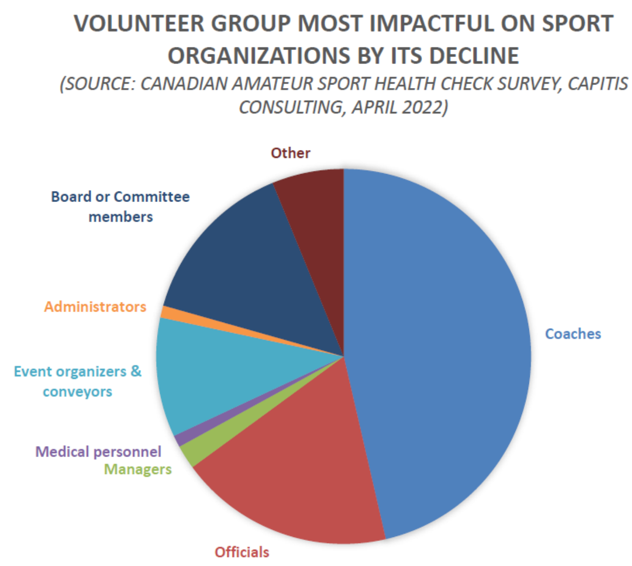
Pandemic Impact

73.5% of Canadian amateur sport organizations reported a decline in volunteers from 2019 to 2021. However, when asked about specific volunteer types that are most heavily impacted, respondents point to coaches, officials, managers and event organizers / convenors. In the case of coaches, 54.3% of amateur sport organizations reported a moderate or significant decrease over the pandemic. Decline of officials was reported this way by 49.2% of sport organization respondents.



[16] 17.1% of Canadian amateur sport organizations will remain working from home after the pandemic, as they dd before it struck in 2020.

Not only are these volunteer groups declining the most in terms of volume, but they are regarded by Canadian amateur sport organizations as among having the greatest impact on their organizations in the event of their absence. Without coaches, officials and event organizers, amateur sport literally cannot function and sport organizations are well aware of this existential reality.



As noted earlier in this report, the return of these groups (particularly coaches) is the single biggest threat to the full recovery of the Canadian amateur sport system in the coming months and years.

Reasons For Decline

As expected, safety concerns with respect to the pandemic is cited as the main reason sport organization give to explain volunteer decline (offered by 44.8% of respondents). Other pandemic-related reasons (such as pandemic-induced fatigue, isolation, eroded mental health or lack of time) are also given by approximately one third of all respondents.

However, a large reason, given by 41.7% of respondents, has nothing to do with the pandemic and relates to a lack of engagement of new, young volunteers by the amateur sport system over time. Broader societal trends away from volunteerism in general is also cited by 33% of respondents.

Importantly, these survey results show that, although the pandemic has had a dramatic and obvious impact on volunteerism in the short term, there are longer term issues in relation to sport volunteerism in play that are not un-noticed by the amateur sport system itself. Some of these issues are clearly systemic – in particular, not enough young people are being attracted to volunteerism and the survey results appear to question whether or not the system is doing enough to effectively target them.

Volunteer Management

In spite of volunteers being highlighted as fundamentally essential to the execution of programs and operations at amateur sports organizations in Canada, only 37.1% of these organizations who have staff have volunteer manegement assigned as a staff responsibility.

As with the harnessing of corporate sponsors, Canadian amateur sport organizations tend to look inward to their own internal stakeholders as a primary means to get volunteers involved. 67.2% of amateur sport organizations source volunteers through the parents of their youth athletes or players. 52.7%

search via general word-of-mouth. 21.4% wait for volunteers to approach them, while 19.9% actively require volunteer participation as a condition of program involvement[17].

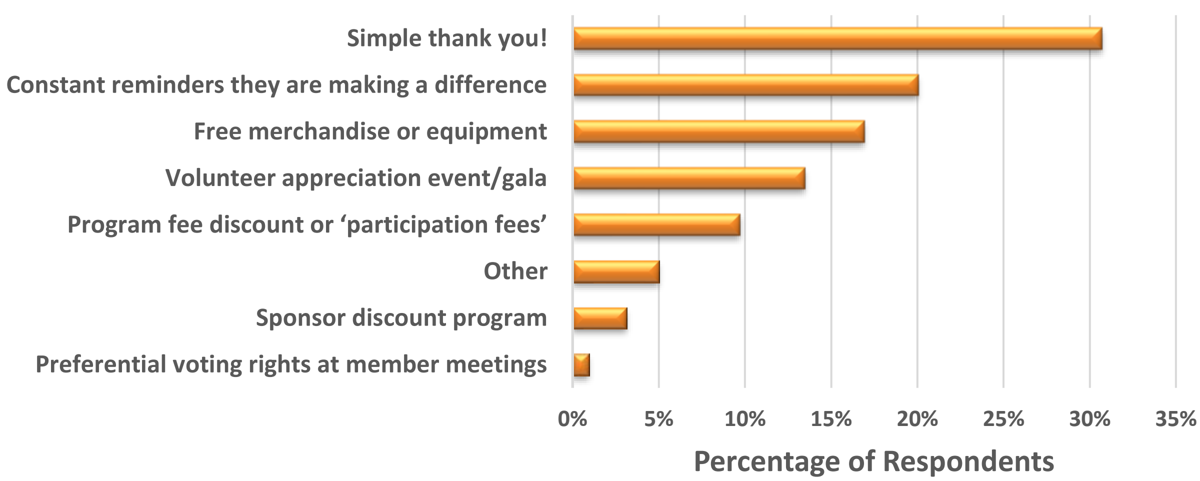
When it comes to more advanced, structured volunteer recruitment tactics, 38.9% have the option to apply online to volunteer on their website, while only 26.7% actually actively promote the benefits of volunteering at their sports organization.

With respect to training and development of sport volunteers, 38.9% of Canadian amateur sport organizations report to have a volunteer induction or structured onboarding process in place. 34.6% say they have an ongoing development program for their volunteers.

The incidence of defined strategies to recognize and show appreciation for sport volunteers is relatively low. 30.7% of Canadian amateur sport organizations appreciate their volunteers with a simple word of 'thanks'. 20.1% try to constantly remind their volunteers that they are making a difference. 16.9% of sport organizations reward their volunteers with free merchandise or equipment, while 13.5% thank them with a gala/appreciation event. 9.7% have fee discount or participation fee programs in place, while 3.1% offer their volunteers discount with their sponsors. Only 0.9% of Canadian amateurs sport organizations reward their volunteers by giving them preferential voting rights at member meetings.

Sport Organizations' Preferred Methods Of Volunteer Appreciation/Thanks

(Source: Canadian Amateur Sport Health Check Survey, Capitis Consulting April 2022)



[17] *Sometimes referred to as 'voluntoldism', this form of volunteer recruitment is commonplace in smaller, individual athlete sports, where large constituencies of parents are not readily available to tap into to cover volunteer needs. While parents are not always 'told' they must volunteer, they are penalized an extra fee (a 'participation fee') on top of their child's registration fee if they do not volunteer. This fee is waived if they duly participate in assigned volunteer activities. While this policy can be effective in covering volunteer hours, its skeptics claim that it erodes the true spirit of volunteerism as it moves the incentive to volunteer to be financial rather than altruistic. They claim such volunteers are effectively being paid through fee avoidance and, as such, are not truly volunteering at all.*

The Future Of Volunteerism

According to the Canadian Amateur Sport Health Check Survey, Canadian amateur sport organizations are aware that fundamental change needs to happen with respect to sport volunteerism and that the traditional model of reliance on volunteer resources - assuming volunteers will just turn up to offer their services - is not sustainable.

Sport organizations seem to agree that volunteerism can no longer just ‘take care of itself’. 73% of sport organizations agree that dedicated resources are required for proper recruitment, development and management of volunteer resources. (However, only 38.2% of these organizations report to be actually doing this right now).

There is also skepticism about the viability of the fundamental concept of volunteerism among sport organizations. Two thirds (66.6%) agree that volunteers can no longer be relied upon as amateur sport’s chief source of manpower and 65.9% believe some sort of compensation is needed to attract modern sport volunteers.

Whether this means turning to a staff-driven model or looking more carefully at participation fees and variations of it, amateur sport organizations appear to be deciding the concept of volunteering time for free with no strings attached is either outdated, or not robust enough to fuel the manpower needs of modern amateur sport.

Finally, amateur sport organizations agrees that the pandemic has largely been detrimental to sport volunteerism at large. 71.2% of sport organizations feel the pandemic made people less interested in volunteering, while only 51.5% felt it improved the flexibility of sport volunteers. 62% of sport organizations feel, however, that the pandemic improved the technologcal capability of sport volunteers, through the movement of many volunteer activities online during lockdown periods.

SECTION FOUR
Affordability

Registration Fees

Traditionally, registration fees in amateur sport have been difficult to measure, on account of the fact that amateur sports program vary so greatly in their nature, scope, length and technicality, such that establishing an overall 'cost' across even one particular sport is nigh impossible.

An entry-level house league soccer program for a four year old, where the coach is a volunteer and the program is nothing more than fun with the ball for one hour every weekend, is totally different from a competitive development program for a thirteen year old skater whose goal is the Olympics (and has the potential to get there). Accordingly, associated fees for each of these two amateur sport program examples differ ten-fold or more.

For the purposes of this study, the Canadian Amateur Sport Health Check Survey has not considered competitive or advanced development sport programs for youth and instead focused on basic participation programming that fundamentally is geared at giving everyone the chance to play. Anecdotally, we know this level of sport programming covers around 80%-90% of all organized amateur sport activities.

According to our survey, through self-reporting approximations[18], the average registration fee for participation of a child in an age group of U12 or younger in an amateur sports program in Canada in 2019 was CAN$211.86. This dropped slightly (2.5%) in 2021 to CAN$206.58.

Average Registration Fee (CAN$)
(For Basic Participation Sport Program)
(Source: Canadian Amateur Sport Health Check Survey, Capitis Consulting, April 2022)

Age Group	2019	2021	% Change
<U12	$ 211.86	$ 206.58	-2.5%
U12-U18	$ 276.96	$ 274.74	-0.8%
>U18	$ 272.99	$ 225.00	-17.6%

Sports programming for older youth age groups (U12-U18) averaged as more expensive than for <U12, at CAN$276.96 in 2019, with a very small reduction in 2021 (0.8%) to CAN$274.74.

Finally, at adult age groups, the average registration was CAN$272.99 in 2019, reducing more heavily than in youth age levels (17.6%) to CAN$225.00 in 2021.

[18] *In average registration fees listed, the median point of each fee band listed in the Canadian Amateur Sport Health Check Survey has been assumed.*

To that end, the pandemic does not appear to have significantly impacted program fee levels (particularly at youth level). The greater impact has been whether or not the programs could run at all and, if so, in what modified form.

When examined by individual sport, there is variance across different sports, with average fees in 2019 ranging from CAN$875 (cycling) to CAN$58.33 (field hockey).

While these figures should be treated with some caution, given how small sub-sets of data[19] can get when broken out to this level of detail, it is notable that many of the more expensive sports to participate in (from a registration fee standpoint) are individual sports (such as cycling, swimming, gymnastics and athletics). Team sports (such as baseball, basketball, field hockey and softball) are relatively cheaper.

Average Registration Fee By Sport in 2019 (CAN$)
(For Basic Participation Sport Program)
(Source: Canadian Amateur Sport Health Check Survey, Capitis Consulting, April 2022)

<12 years old		12-18 years old		>18 years old	
Sport	**Reg' Fee**	**Sport**	**Reg' Fee**	**Sport**	**Reg' Fee**
Cycling	$ 825.00	Volleyball	$ 575.00	Rowing	$ 515.00
Swimming	$ 443.75	Cycling	$ 525.00	Football	$ 483.33
Gymnastics	$ 275.00	Swimming	$ 468.75	Swimming	$ 400.00
Football	$ 275.00	Rowing	$ 462.50	Gymnastics	$ 393.75
Athletics	$ 256.82	Football	$ 425.00	Athletics	$ 390.00
Soccer	$ 226.47	Gymnastics	$ 333.33	Cycling	$ 375.00
Rugby	$ 155.36	Athletics	$ 325.00	Rugby	$ 261.18
Softball	$ 135.00	Soccer	$ 289.71	Soccer	$ 251.92
Golf	$ 125.00	Rugby	$ 201.92	Softball	$ 225.00
Curling	$ 100.00	Softball	$ 195.00	Golf	$ 200.00
Baseball	$ 62.50	Golf	$ 175.00	Curling	$ 175.00
Field Hockey	$ 58.33	Curling	$ 150.00	Baseball	$ 150.00
		Basketball	$ 100.00	Basketball	$ 150.00
		Field Hockey	$ 83.33	Field Hockey	$ 108.33
		Baseball	$ 75.00		

Non-Fee Participation Cost

Of course, as is widely reported, the true cost of participation in organized amateur sports is not limited to the registration fee. Other 'non-fee' costs that go into an individual participating, such as equipment and uniform purchase, travel, etc, are significant and in some sports much more than the registration fee alone.

[19] *Sample sizes for each individual sport ranged from 2 to 36. Sports that reported only one or no responses were excluded from this component of the report.*

The Canadian Amateur Sport Health Check Survey reports the average annual non-fee participation cost that a sport participant must pay over and above the program registration fee to be CAN$266.67[20]

This puts the combined average annual cost for basic participation in amateur sports (registration and non-fee costs combined) to be between CAN$478 and CAN$540, depending on the participant's age.

Financial Assistance Programs

Although it is not widely reported, or even known, many Canadian amateur sport organizations have substantial financial relief programs set up within their own organizations to assist financially-disadvantaged families or individuals participate in their sport programs.

According to the Canadian Amateur Sport Health Check Survey, 56.2% of all amateur sport organizations run their own financial assistance program to improve program accessibility for all. These organizations subsidize an average annual program fee sum of CAN$21,663.38 per organization, with some organizations reporting to cover as much as CAN$850k of program fees annually.

Cost Of Sport Program Delivery

Canadian amateur sport organizations report costs of delivering sport programs as ranging from CAN$257.58 (<12 year old age groups) to CAN$337.09 (U12-U18 age groups) in 2019. Marginal decrease was reported in costs from 2019 to 2021 (although programming activity clearly dropped significantly during this pandemic period).

Tellingly, when cross referenced with average fees charges, as reported earlier, the Canadian amateur sport sector as a whole, on average, takes structural losses on the running of their programs against what they charge.

Average Program Cost Per Athlete
(For Basic Participation Sport Program)
(Source: Canadian Amateur Sport Health Check Survey, Capitis Consulting, April 2022)

Age Group	2019	2021	% Change
<U12	$ 257.58	$ 252.65	-1.9%
U12-U18	$ 337.09	$ 337.20	0.0%
>U18	$ 322.29	$ 307.50	-4.6%

Average Program Surplus/Deficit Per Athlete
(For Basic Participation Sport Program)
(Source: Canadian Amateur Sport Health Check Survey, Capitis Consulting, April 2022)

Age Group	2019	2021	% Change
<U12	-$ 45.73	-$ 46.07	0.7%
U12-U18	-$ 60.13	-$ 62.47	3.9%
>U18	-$ 49.30	-$ 82.50	67.3%

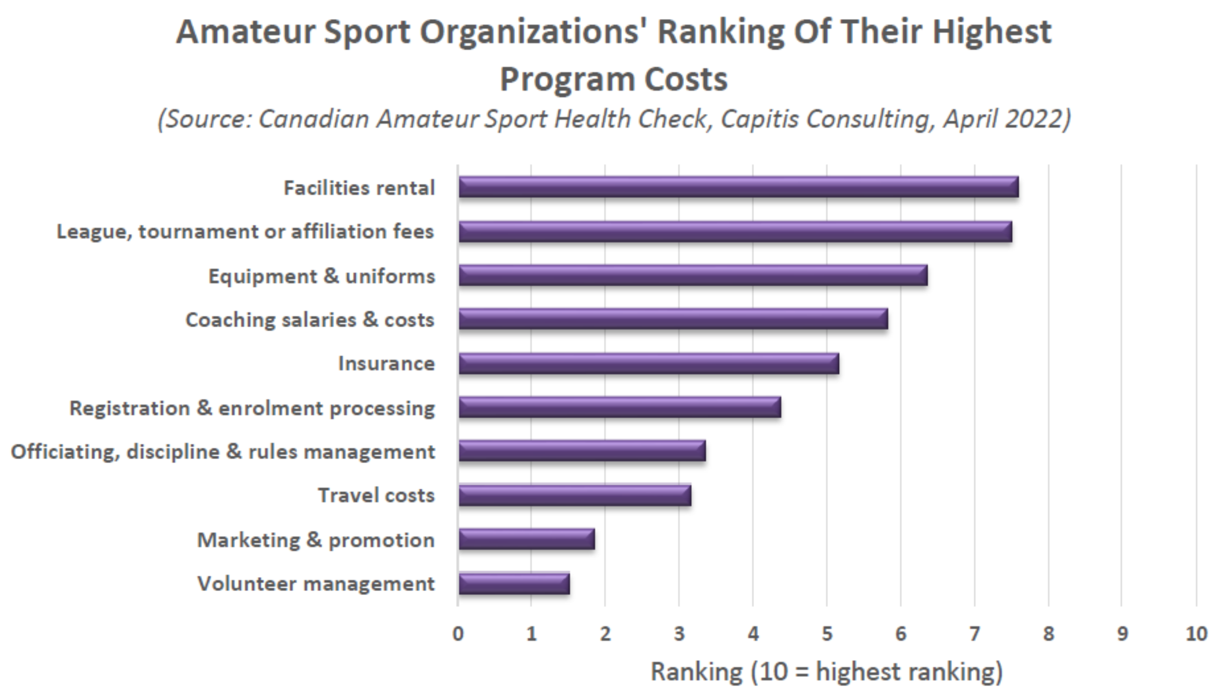
[20] *There is considerable variance in the data comprising this average. Over half (52.3%) of all survey respondents estimate these non-fee participation costs to be between CAN$75 and CAN$175 per year, but 7.2% estimate these costs to be +CAN$1,000 per year.*

Within this system average, almost exactly two thirds (66.8%) of amateur sport organizations report to running their programs either at a deficit or at breakeven. Only a third report to run them at a surplus.

This means that other, third party revenue is supporting these revenue gaps to keep these sport organizations financially viable. Such revenue items are likely discretionary revenue from other surplus-generating programs within the sports organization, or government grants. Granting programs such as Ontario's Trillium Foundation, British Columbia's Gaming Grants and Saskatchewan's MAP Grants deploy millions of dollars annually in the Canadian amateur sport system that help amateur sport organizations make program fees as affordable as possible and not pass the full costs of program delivery on to the sport participant.

When examining what specific costs make up the overall cost of delivering amateur sport programs, Canadian amateur sport organizations rank the cost of sport facilities as their largest cost item.

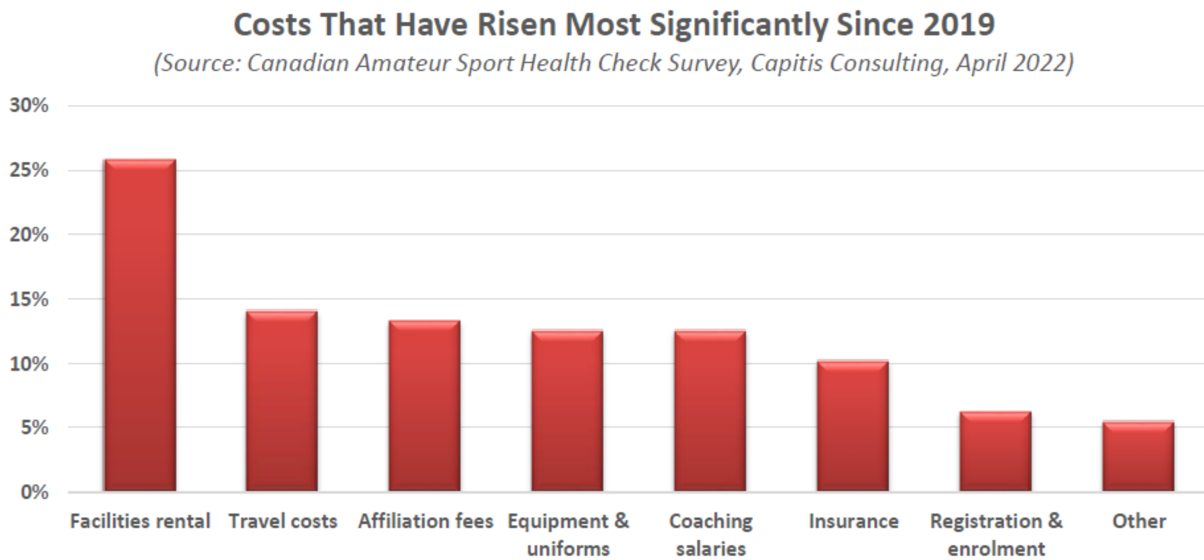
Fees that amateur sport organizations must pay to affiliate to their governing bodies (be they at district, regional, provincial / territorial or national level) and also to participate in leagues, competitions and other tournaments rank second.



Equipment and uniform costs rank third, with the organizations' staff cost coming in as their highest overhead cost item. Amateur sport organizations appear to spend least on their volunteer management, and marketing / promotion.

Over 80% of respondents in the Canadian Amateur Sport Health Check Survey report that they feel their operating costs have either not gone up much or only gone up a moderate amount. Only 13.7% say their costs have gone up quite a lot or a lot.

Of the costs items that have increased, facilities cost is singled out as the largest inflationary item, noted by over 25% of respondents as the cost item that is rising the most.



Outlook

It should be noted that the above data is self-reported data from Canadian amateur sport organizations and based off their estimates, rather than the collection and analysis of hard data. However, if what has been reported by sport organizations above is accurate, then the amateur sports sector appears to already be stretching itself very far to attempt to minimize the cost of participation in amateur organized sport, and to break down the societal barriers that come hand-in-hand with this.

Two thirds of the system is either breaking even or taking structural deficits on its participation-focused programs and, as such, should not be accused of setting unreasonably high registration fees and attempting to 'profiteer' off ordinary Canadian families.

Moreover, there are clearly financial assistance programs baked into the Canadian amateur sport system at grassroots level in community sport organizations, that are literally subsidizing participation fees to the tune of millions of dollars every year.

In spite of what they are already doing, Canadian amateur sport organizations still feel they can do more. When asked in the Canadian Amateur Sport Health Check Survey if they felt they could do more to make sport participation more affordable, 44.6% said they probably or definitely could. Only 3.1% said they definitely could not.

Conclusion

The Canadian Amateur Sport Health Check Survey is by no means conclusive in its findings and, as noted, some data reported is useful but not statistically significant.

To that end, we must take the findings here as part of a broader and ongoing effort to fully understand how the pandemic has affected the Canadian amateur sport industry, and how it is recovering from it.

Some of this information is not yet fully available, as some change phenomena related to the pandemic have not yet fully unfolded (eg. all signs are that The Great Resignation has not fully washed through the Canadian workforce and it is unclear where organizations will land on the long term with respect to acceptable workplace and work-from-home policy).

That said, there are some notable trends and conclusions we can reach from the data we have collected:

1. *The pandemic has caused a contraction in the Canadian amateur sport system in 2020 and 2021.*
   Registration levels and financial operations in many Canadian amateur sport organizations contracted through 2020 and 2021, with these changes being clearly associated with the pandemic and associated public health restrictions limiting what amateur sport activities could be engaged in.

2. *The Canadian amateur sport system has recovered well in 2022 and will continue to into 2023.*
   Although definitive registration data for 2022 is not yet in and cannot fully validate this, it appears from feedback from Canadian amateur sport organizations that recovery has gone well over 2022. Organizations appear to be in a position to recover from the financial impact of the pandemic more quickly than initially feared, most likely due to the protections offered and availed of by government emergency financial relief measures during 2020 and 2021.

3. *Human resources challenges remain the core lingering threat to full system recovery.*
   The Canadian amateur sport industry remains concerned about the return of and dependability of its workforce (paid and voluntary) post-pandemic. This relates mostly to coaches and officials. As noted above, these risks are difficult to assess and mitigate, as it is not clear if the HRM challenges that are being faced across the entire economy (particularly the service sector) are temporary or here to stay and part of a new reality of how, when and where people are prepared to work or volunteer.

4. *Staffing capacity in most Canadian amateur sport organizations has not been significantly impacted by the pandemic.*
   Staffing levels have not dropped significantly over the pandemic period and staff salaries have (on average) increased over the pandemic period[21]. It appears that most Canadian amateur sport

[21] *It should be noted that many salary increases identified in this report have not matched the unprecedented levels of inflation Canada has experienced over the course of 2022.*

organizations have managed to get through the pandemic without losing significant volumes of their paid human capital.

5. *Volunteerism remains essential to Canadian amateur sport, but little investment or genuine innovation exists in sport volunteer management.*
   The Canadian amateur sport system continues to do very little to invest in its volunteer function, nor innovate how it operates. Instead, there appears to be a growing sentiment to abandon volunteerism in its purest form and look to other ways to fuel the system, as opposed to looking for different ways to attract and retain the modern sport volunteer.

6. *Canadian amateur sport organizations' levels of sophistication with respect to revenue generation in corporate sponsorship and donation-based fundraising is low.*
   Sponsorship levels are consistently very low across Canadian amateur sport organizations. It is sourced through and largely focused around people who are connected to the organization through their involvement in it (eg. parents of youth athletes), rather than through the creation of value-driven business transactions.

7. *The cost of registration for consumers of Canadian amateur sport has not increased significantly during the pandemic, but total costs of participation likely have through 2022.*
   The average cost of registration in basic participation-driven sports programs in Canada appears relatively low and has shown a minor decrease over the pandemic period. That said, there is significant variance in base level entry costs from sport-to-sport and non-fee costs relating to participation (equipment, uniforms, travel, competition fees, etc) at a minimum double the participation costs of many sports. As such, total cost of participation in amateur sport has likely increased in 2022, given the inflation levels that these non-fee costs will have been exposed to (particularly travel).

8. *Amateur sport is already committing heavily to combatting affordability challenges relating to participation for all.*
   Although it is acknowledged that the overall cost of participation in amateur sport is high (and can be extremely high), amateur sport organizations appear to be working very hard to keep the cost of participation as low as possible. Aside from the financial assistance programs many sport organizations run, registration fees on the majority of sport programs are set at levels that do not return any surplus to the sport organization and even sometimes produce financial deficits. This may be risk putting amateur sport organizations into financial distress over time.

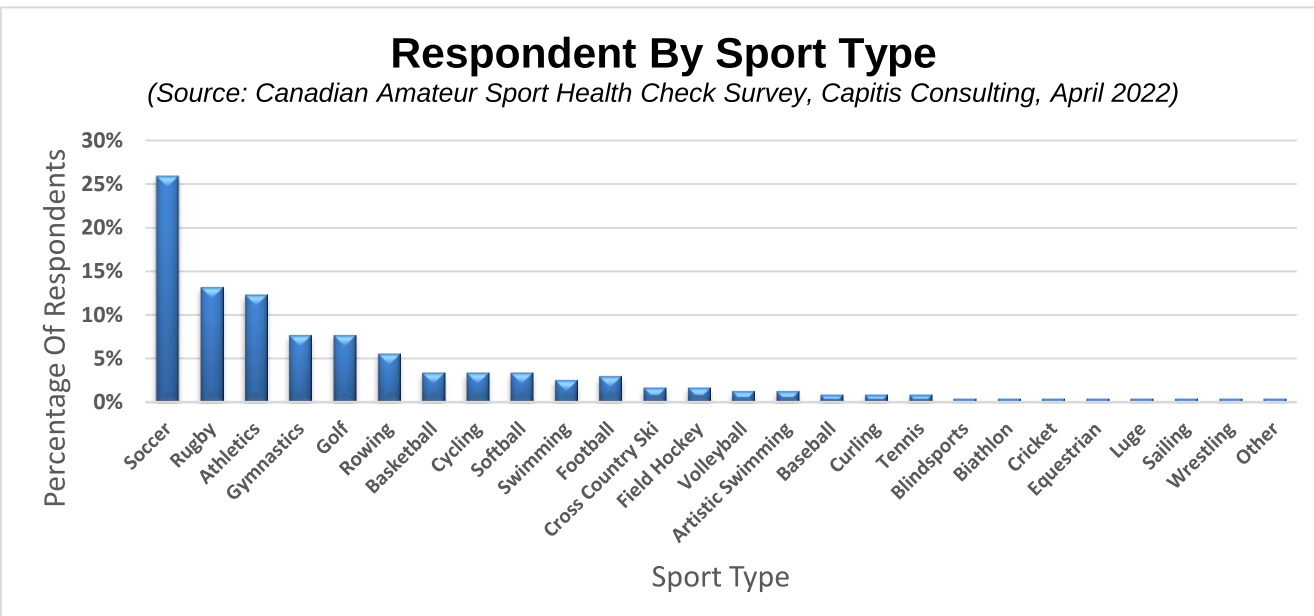
APPENDIX

About The Canadian Amateur Sport Health Check Survey

This report was informed by the Canadian Amateur Sport Health Check Survey. Conducted between February and April 2022, in collaboration with 55 Canadian Provincial Sport Organizations (PSOs)[22] located in eight Canadian provinces[23], the survey targeted community-level sport organizations who are affiliated with their provincial/territorial (and national) governing sport organizations.

Capitis Consulting collected 235 survey responses from Canadian amateur sport organizations, resulting in survey data with a calculated error rate of 6%[24], with a confidence margin of 95%.

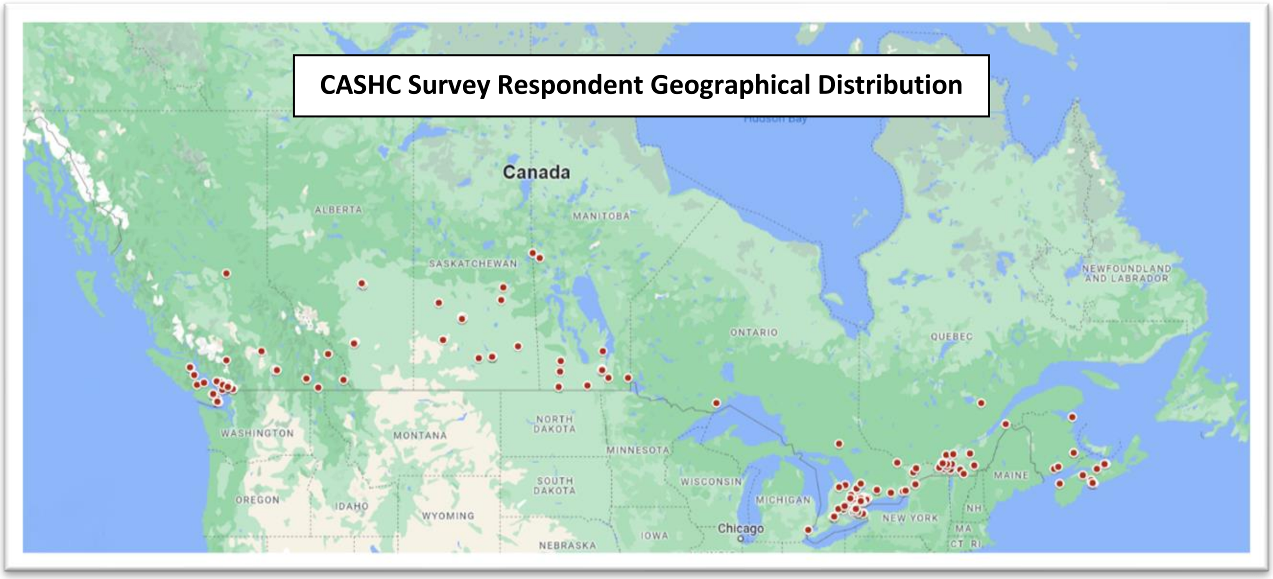
Respondents represented a total of 26 sports, with the highest volumes of respondents coming from Canada's large, high-participation sports like soccer, rugby, gymnastics, athletes and golf.

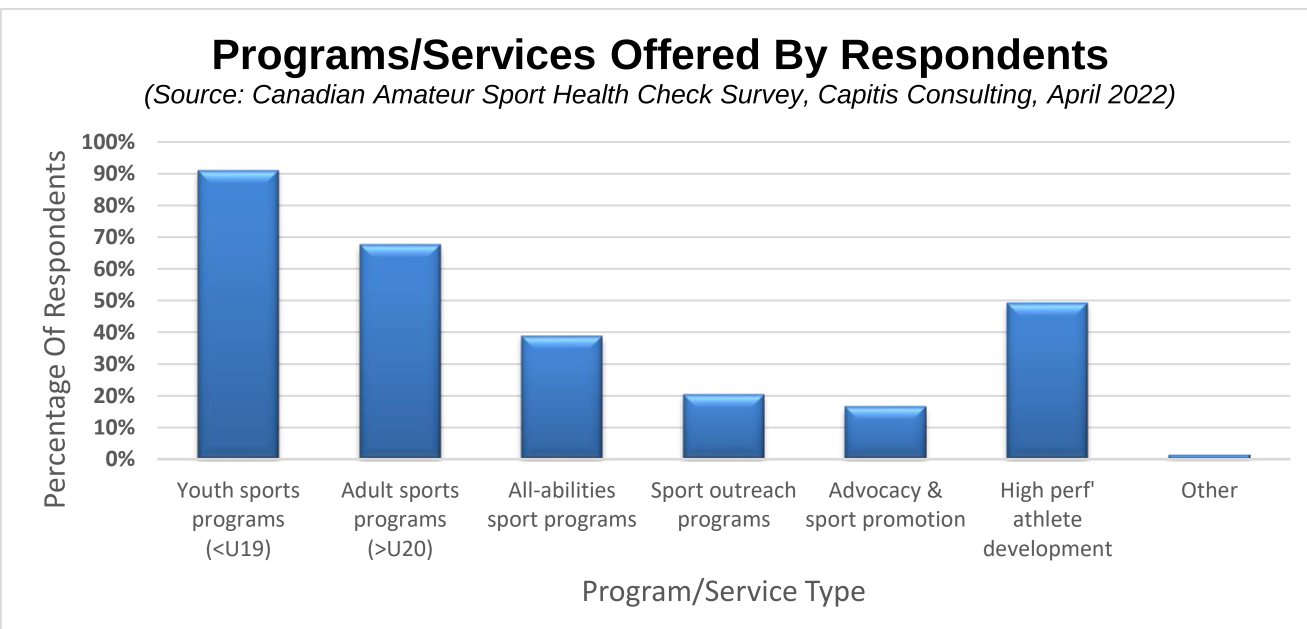


Respondents are located all across Canada, from Vancouver Island to Nova Scotia, both in rural communities and large metropolitan centres. 98.1% of respondents are affiliated to their provincial/territorial governing PSO, with 92.2% stating they directly run sport programs in their local

[22] Provincial Sport Organizations (PSOs) are the organizations responsible for governing and developing their respective sports within Canadian provincial/territorial jurisdictions.
[23] British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia. No PSOs from the provinces of Prince Edward Island and Newfoundland & Labrador or the territories of Yukon, Northwest Territories and Nunavut responded to our invitation to participate in the project.
[24] To estimate total population size for amateur sport organizations in Canada, Capitis Consulting used results gathered from the 2021 Canadian Industry Statistics, NAICS Code 7112.

communities. Programs respondents run are predominantly youth and adult sports, but some are involved in high performance sport programming, all-abilities and sport promotion and outreach.





capitisconsulting.ca
info@capitisconsulting.ca
1 905 466 7412