

April 29, 2020

The Honourable Jason Kenney
Premier of Alberta
Office of the Premier
307 Legislature Building
10800 - 97 Avenue
Edmonton, Alberta T5K 2B6

Dear Premier Kenney,

The Sport, Physical Activity, and Recreation (SPAR) sector appreciates the unprecedented fiscal and social challenges that the Government of Alberta is currently facing. As part of the solution, we want to share how our sector can contribute to our province's economic, social and community recovery from the COVID-19 pandemic and the resulting economic downturn.

We deeply appreciate the efforts the Honorable Leela Aheer, Minister of Culture, Multiculturalism, and Status of Women has made to engage with our sector and carry our message forward. Her openness to listen and her positivity make her a great asset to your leadership team. Recognizing the broad impact the SPAR sector has, we feel it is important to also include other Ministries and the Premier's office in our COVID-19 recovery recommendations.

The SPAR sector has proven itself to be exceptionally adept at leveraging its resources and is ready to work with the Government of Alberta to help with our province's economic and community recovery.

With \$27.5M in government investment in the sector at the time, amateur sport (only one component of the overall sector) created **\$1.1 Billion in GDP** and supported almost **17,000 jobs** in the Calgary region alone in 2018.

We share the following summary recommendations, with details in the addendum, for consideration.

Infrastructure

As already expressed by your Government, shovel ready projects which create employment are critical to recovery. Alberta has a long-standing recreation facility infrastructure deficit.

Recommendation:

1. That additional investment be made in community recreation facilities to address deficiencies and upgrades.
2. That barriers to the Community Facility Enhancement Program (CFEP) be reduced

Events

Events are another version of shovel ready projects which produce significant economic and community benefit.

Recommendations

1. That an aggressive event hosting strategy be established
2. That existing grant programs in support of event hosting be expanded to secure more events for Alberta and include a risk reduction mechanism

Getting Families and Communities Back in the Game

A high number of Albertans facing financial hardship will be a barrier to accessing sport and recreation programs. Reduced participation will negatively impact the economy, health and other outcomes.

Recommendations:

1. That a SPAR Accessibility Support Program be created.
2. That a Sport and Recreation Tax Incentive Program be provided.

Local and Provincial Organization Sustainability

Now is the time to sustain this sector to enable it to play a critical role in Alberta's recovery from COVID 19. To leverage any of these initiatives and continue to bring the net benefits to Alberta, it is imperative the provincial and local organizations can continue operations.

Recommendations:

1. That relief be provided to offset rental costs for local organizations
2. That a tax incentive for corporate Alberta to invest in SPAR organizations be created
3. That SPAR funding remains at the same level as the 2019-2020 fiscal year
4. That the decision on the 2020-2021 fiscal year be made now

Thank you for considering these recommendations. Supporting information and further details related to these items can be found in the attachments.

As a sector, we are eager to partner with Ministers and representatives to support the economic and social recovery. Leaders in the SPAR sector stand ready to meet with you and our government to discuss these recommendations. We look forward to contributing to getting Alberta back on its financial feet and supporting healthy, productive and vibrant communities across our province.

Sincerely,

Alberta 55 plus
Alberta Alpine
Alberta Amateur Baseball Council

Be Fit for Life, Lakeland College
Be Fit for Life, Lethbridge College
Be Fit for Life, Medicine Hat College

Alberta Amateur Wrestling Association	Be Fit for Life, Portage College
Alberta Artistic Swimming	Be Fit for Life, Red Deer College
Alberta Basketball	Be Fit for Life, University of Alberta
Alberta Baton Twirling Association	Be Fit for Life, University of Calgary
Alberta Bicycle Association	Bowling Federation of Alberta
Alberta Bobsleigh	Bowls Alberta
Alberta Cerebral Palsy Sports Association	Boxing Alberta
Alberta Colleges Athletic Conference	Canadian Sport Institute Calgary
Alberta Curling Federation	Cross Country Alberta
Alberta Diving	Darts Alberta
Alberta Equestrian	Edmonton Sport Council
Alberta Federation of Shooting Sports	Ever Active Schools
Alberta Fencing Association	Field Hockey Alberta
Alberta Fitness Leadership Certification Association	Football Alberta
Alberta Golf	Freestyle Alberta
Alberta Gymnastics Federation	FunTeam Alberta
Alberta Horseshoe Pitchers Association	Health and Fitness Program of Alberta
Alberta Lacrosse	Hockey Alberta
Alberta Luge Association	Indigenous Sport Council (Alberta)
Alberta Orienteering Association	InMotion Network
Alberta Recreations and Parks Association	Judo Alberta
Alberta Rowing Association	Karate Alberta
Alberta Schools' Athletic Association	KidSport Alberta
Alberta Ski Jumping and Nordic Combined	Kidsport Alberta
Alberta Snowboarding	Medicine Hat College Be Fit for Life
Alberta Snowmobile Association	Netball Alberta
Alberta Soccer	Paddle Alberta
Alberta Speed Skating	Paralympic Sports Association
Alberta Sport Development Centre Calgary Region	Physical Culture
Alberta Sport Development Centre Capital Region	Rhythmic Gymnastics Alberta
Alberta Sport Development Centre Central	Ringette Alberta
Alberta Sport Development Centre Northwest	Rugby Alberta
Alberta Sport Development Centre Southeast	Safe Healthy Active People Everywhere
Alberta Sport Development Centre Southwest	Skate Canada: Alberta-NWT/Nunavut
Alberta Sport Parachuting Association	Softball Alberta
Alberta Sports Hall of Fame and Museum Society	Sport Calgary
Alberta Taekwondo Association	Sport Medicine Council of Alberta
Alberta Team Handball Federation	Squash Alberta
Alberta Water Polo	Steadward Centre
Alberta Whitewater Association	Swim Alberta
Athletics Alberta	Tennis Alberta
Badminton Alberta	Triathlon Alberta
Be Fit for Life, Grande Prairie Regional College	Ultimate Wheelchair Sports Association

Be Fit for Life, Keyano College
Biathlon Alberta

Volleyball Alberta
Water Ski Wakeboard Alberta
Wheelchair Sports Alberta

cc.

The Honourable Rebecca Schulz, Minister of Children Services
The Honourable Adriana LaGrange, Minister of Education
The Honourable Demetrios Nicolaides
The Honourable Devin Dreesen, Minister of Agriculture and Forestry
The Honourable Doug Schweitzer, Minister of Justice and Solicitor General
The Honourable Jason Nixon, Minister of Environment and Parks
The Honourable Kaycee Madu, Minister of Municipal Affairs
The Honourable Leela Aheer, Minister of Culture, Multiculturalism and Status of Women
The Honourable Prasad Panda, Minister of Infrastructure
The Honourable Rajan Sawhney, Minister of Community and Social Services
The Honourable Tanya Fir, Minister of Economic Development, Trade and Tourism
The Honourable Travis Toews, President of Treasury Board and Minister of Finance
The Honourable Tyler Shandro, Minister of Health
The Honourable Rick Wilson, Minister of Indigenous Relations
Jamie Huckabay, Chief of Staff, Office of the Premier

Attachments:

- Recommendations Details
- [Infographic on SPAR Sector Investment](#)
- Benefits of Sport, Physical Activity and Recreation

RECOMMENDATIONS DETAILS

Infrastructure

Alberta has a long-standing community recreation facility infrastructure deficit.

Although not as recent as we would like, the 2006 study by the Alberta Parks and Recreation Association (ARPA) showed addressing the facility deficiencies will take an estimated \$327 million for remedial upgrades and more than \$2.8 billion in replacement cost (2006 dollars).

With aging SPAR facilities, particularly in rural Alberta, an infusion of facility enhancement dollars will aid in economic recovery and address some of the long unaddressed facility deficiencies at the same time. This could be considered similar to the investment in addressing the orphaned oil well sites.

The SPAR sector is ready to work with the Government of Alberta, and other organizations, to provide meaningful solutions to address this initiative and are recommending the following:

Recommendation:

1. That additional investment be made in community recreation facilities to address deficiencies and upgrades. This could be achieved through appropriate funding mechanisms such as the Municipal Sustainability Initiative (MSI) funding for municipal operated recreation facilities and a modified Community Facility Enhancement Program (CFEP) for facilities operated by non-profit organizations in Alberta.
2. That barriers to access CFEP funding for community recreation facility projects be reduced including removing application deadlines and move to a first come first serve basis for a COVID-19 recovery program, removing the matching fund requirements and replacing it with an interest-free/deferred loan option.

Events

Events are another version of shovel ready projects which produce significant economic and community benefit. Prior to the COVID-19 pandemic, sport was the fastest growing segment of the tourism industry in over the past 10 years. The industry plays a significant part in the economic recovery for sport facilities, hotels, restaurants and transportation, in both the day to day participation and major competitions.

Today, sport organizations are either abandoning plans to pursue event hosting (post COVID-19) or are contemplating seeking a release from previous commitments to host events due to emerging financial risk primarily due to expected reduction in corporate sponsorship.

Recommendations

1. That an aggressive event hosting strategy be established

A streamlined and aggressive events hosting strategy for those scheduled for a time when health measures allow will produce a net economic benefit for Alberta. Our sector is ready

to work with our partners in tourism today to quickly develop an aggressive event hosting strategy for Alberta which will bring the associated economic activity to our Province. This work needs to begin immediately so that we can activate the strategy and start the bid and planning processes which can take 1-5 years prior to the event being held.

2. That existing grant programs in support of event hosting be expanded to secure more events for Alberta and include a risk reduction mechanism

In order to ease the decision to pursue these events, the non-profit, volunteer run organizations will need to have new sources of stable revenues to infill the possible loss of corporate sponsorship revenues. An Event Support Grant Program that is application based would help provide these organizations with access to such funding.

Getting Families and Communities Back in the Game

A high number of Albertans facing financial hardship will be a barrier to accessing sport and recreation programs. Reduced participation will negatively impact the economy, mental and physical health and other outcomes. The benefit of SPAR to the mental, social and physical health of Albertans, which underpin their capacity to quickly return to productivity, cannot be understated. This includes individual health and the overall health and strength of the community.

Recommendations:

1. That a SPAR Accessibility Support Program be created to provide funds to organizations and municipalities to subsidize low/no cost opportunities.
2. That a Sport and Recreation Tax Incentive Program be provided.

Local and Provincial Organization Sustainability

There is a real threat to the viability of SPAR organizations as a result of COVID-19 and the resulting economic impact.

Local Organizations

In a recent survey by Sport Calgary, "about half of all sport organizations (in Calgary) feel they can only sustain operations for 6 months or less without further assistance" with rent being the number one financial concern.

It is reasonable to expect a decrease in registration and sponsorship revenue which offsets the majority of program costs, including fixed costs regardless of registration volume. Lost revenue means some organizations will close permanently and others will offer fewer opportunities for participation. This will mean a negative impact on jobs and the economy and lasting consequences on health, community and other outcomes.

Provincial Organizations

The provincial organizations in the SPAR sector need to understand their financial position to move forward effectively, to support the thousands of local organizations across the province

and lead the work that provides such a significant return on investment for the Government of Alberta.

While Alberta faces a unique situation in Canada due to the currently depressed price of oil, we note that most jurisdictions in the country have already confirmed the base operational funding for the sector for the 2020-21 fiscal year.

Budget preparation for Alberta's SPAR organizations has been delayed and the lack of information around 2020-21 provincial funding has resulted in considerable anxiety and uncertainty right down to the local organizations the provincial organizations support.

It is imperative that the Government of Alberta provide clarity on these fundamental elements, as they significantly impact the operational capacity and long-term sustainability of thousands of organizations province wide.

Recommendations:

1. That relief be provided to offset rental costs for local organizations
2. That a tax incentive for corporate Alberta to invest in SPAR organizations be created
3. That SPAR funding remains at the same level as the 2019-2020 fiscal year
4. That the decision on the 2020-2021 fiscal year be made now to allow planning to commence