

## Section 6

# Contributing to Canada's Economy

Sport plays a significant role in the economic and social life of communities by providing jobs, boosting tourism in large and small communities alike, contributing to neighbourhood economic renewal, and enhancing skills and productivity in the workplace.



According to Statistics Canada, the operating revenue of spectator sports, event promoters, artists and related industries rose 6.9% to \$10.5 billion in 2019.<sup>293</sup> Revenue from spectator sports accounted for the largest share of total operating revenue (36.4%), totalling \$3.8 billion, an 8.7% increase from 2018.<sup>294</sup> By the end of 2019, occupations in art, culture, recreation and sport employed over 200,000 full-time employees and over 120,000 part-time employees.<sup>295</sup> Household spending on recreation in 2019 totalled an average of \$4,624 nationally.<sup>296</sup>

## Enhancing Tourism Through Sport Travel and Events

Sport tourism makes a significant contribution to the Canadian economy. A 2018 report conducted by the Canadian Sport Tourism Alliance and Statistics Canada reported that Canada maintained a historical high in the value of sport tourism, with \$6.8 billion in total spending.<sup>297</sup> This included \$4.4 billion in spending by domestic visitors as well as \$2.5 billion by international visitors.

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In recent years, Canada has been the host of multiple national and international tournaments, including the 2010 Winter Olympics (Vancouver, BC), the 2015 FIFA Women's World Cup (hosted by multiple cities across the country), and the HSBC World Rugby Sevens Series in 2015 (Vancouver, BC).

In 2015, Toronto hosted the Pan American and Parapan American Games. The Games included 6,132 athletes competing in 364 events across 36 sports.<sup>298</sup> In addition to the revenue brought in by the games directly, including over 1 million tickets sold, Ontario invested in infrastructure necessary to support an event of this size. This included the Union Pearson Express (a direct rail line between Union Station and Toronto Pearson International Airport), and other transit options for connecting previously

disparate communities. Further, the games helped fund the completion of a 250-kilometre stretch of the Great Trail (formerly named the Trans Canada Trail), connecting Windsor to Ottawa and Fort Erie to North Bay.<sup>299</sup> The province also saw an economic boost in the hospitality industry, including a 260.3% increase in foreign tourist spending on entertainment in the city compared to the same time the previous year.<sup>300</sup> The surrounding cities that hosted large events also saw a significant spending bump, including Hamilton (where men's and women's soccer was hosted), Milton (where cycling was hosted), and Ajax (where baseball was featured).<sup>301</sup>

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## Contributing to Local Development

In addition to the immediate impact of hosting international sporting events, the investment in sport and related infrastructure provides long-term benefits to both local and national communities. For example, Tennis Canada has used the revenues from both the Rogers Cup and Coupe Rogers to invest in development programs and facilities for junior athletes in Toronto, Montreal and Vancouver.<sup>302</sup> Over 328,000 fans attended the two tournaments in 2017, producing a surplus of \$22 million.<sup>303</sup> Local employment also benefited: 75% of the officials working the events were Canadian.<sup>304</sup> In 2018, 70 organizers and over 5,000 players were involved in Rogers Community Team Tennis, one of the initiatives that continues to be funded largely off revenues from the yearly tournaments.<sup>305</sup>



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## Enhancing Workplace Skills and Productivity

Sport participation — and physical activity levels more broadly — have important implications for economic productivity. Employers place a high value on the transferable skills acquired by sport participants and volunteers because these skills improve workplace performance. Evidence indicates that sport participation in childhood has been linked to better educational and employment outcomes later in life, particularly for women and girls. Increased participation in school sport during childhood has been shown to lead to higher earnings and job quality.<sup>306, 307</sup>

Employers are increasingly turning to sport and physical activity as a means to improve productivity in their workplaces. Evidence suggests that being more physically active can help concentration, and participation in team sport contributes to the development of useful skills like teamwork and communication.<sup>308</sup>

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Employees participating in sport are significantly less likely to take sick leave than their colleagues who don't participate, and the sick leaves that they do take tend to be shorter; a difference of approximately 20 days over a four-year period.<sup>309</sup> These effects are largest for those participating in sedentary work. A 2013 report found that back pain and non-work-related mental health conditions are major contributors to both short- and long-term absences from work; both of these conditions are known to be prevented or alleviated through physical activity.<sup>310</sup> The financial savings associated with reducing employee absenteeism are significant: one manufacturer found that a 1 percentage point reduction in absenteeism rates over a three-year period produced an estimated gross cost savings of £11 million (approximately C\$18 million).<sup>311</sup>

Company policies to support employee fitness include flexible work hours, incentive plans for employees to join athletic/recreational clubs or work out individually, company sponsored recreational sport teams, and workplace facilities to accommodate active employees such as showers and bike racks.