

Measuring Impact of Sport, Physical Activity and Recreation (SPAR) in Canada

Key Messaging & Evidence 2023

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Overarching Story

The sport, physical activity and recreation sector¹ (“SPAR”) plays a crucial role in fostering healthy individuals, inclusive communities, and a thriving economy. SPAR includes things like team sports, athletics, walking and movement, hobbies, parks and community infrastructure, hiking and other outdoor activities.

Until now, economic assessments on the impact of SPAR in Canada, have been limited, dated or disparate.

The [Canadian Fitness and Lifestyle Research Institute](#) (CFLRI) and the [Canadian Parks and Recreation Association](#) (CPRA) have partnered to provide innovative new research, tools and resources that demonstrate the multifaceted impact and value of the SPAR sector.

New research shows that investing in the sector creates a ripple effect that leads to improved physical and mental health outcomes, helps mitigate the effects of climate change, generates revenue, creates jobs and encourages social cohesion and community engagement.

SPAR is an essential sector providing the building blocks for a healthier, happier, sustainable, and more resilient Canada, critical to shaping our nation's future. Decision makers at all levels of government can significantly enhance the social, health, economic and environmental wellbeing of Canadians through strategic SPAR investment that provide significant positive returns.

Research report: [*"The Price of inactivity: Measuring the powerful impact of sport, physical activity and recreation in Canada \(SPAR\)"*](#)

Please visit www.Measuring-Impact.ca for updates, resources and tool relating to this initiative and [contact us](#) if you have research on SPAR to share.

Canadian Fitness and Lifestyle Research Institute

CFLRI was established in 1980. It is the leading national research organization dedicated specifically to research and surveillance on physical activity, sport, and recreation. The fundamental objective of the CFLRI is to provide credible data for policy- and decision-makers, practitioners and researchers through knowledge creation, translation, and exchange to inform and affect evidence-based policy and practice across Canada. www.CFLRI.ca

Canadian Parks and Recreation Association

The Canadian Parks and Recreation Association (CPRA) is a national nonprofit dedicated to fostering healthy, vibrant, and resilient communities in Canada by supporting the recreation and parks sector. CPRA convenes a national network, provides resources to the sector, and serves as a national voice on recreation and parks. By uniting the 13 provincial and territorial parks and recreation associations and their networks, CPRA reaches over 90% of Canadian municipalities. www.CPRA.ca

¹ Recreation includes parks.

Summary of Research Findings

Sport, physical activity and recreation significantly impact social, health, economic, and environmental factors associated with the wellbeing of Canadians and their communities. The sector generates substantial returns for all three levels of government.

NOTE: Findings reflect our best efforts and will be continually updated as more data sources become available to help refine the impact, value and benefits of SPAR.

Some findings are based on best estimations. There are acknowledged gaps in the research, especially concerning health and environmental impacts of SPAR. Given this, results are likely to be underestimates, and more research is needed for a fuller understanding. However, the research provides an important emerging picture on the powerful return on investment opportunities in the SPAR sector. Please see [FAQs](#) for more information on the research.

- **Volunteering Value:** The financial equivalent of volunteer work contributed to society through SPAR in 2020 was estimated at \$13.6 billion.
- **Inclusion and Wellbeing:** 76% of Canadians feel welcomed and included through SPAR activities, helping to reduce loneliness and improve social cohesion.
- **Health Care Savings:** Physical inactivity accounts for \$3.9 billion of annual health care expenditures. A 10-percentage point decrease in physical inactivity could save Canada approximately \$629 million a year.
- **Economic Contribution:** SPAR contributes \$37.2 billion annually to Canada's gross domestic product (GDP) covering recreation, amusement, sport sectors, and retail sales.
- **Tourism:** SPAR-related tourism injects an estimated \$7.4 billion into the economy each year.
- **Community Infrastructure:** The replacement value of SPAR infrastructure including active transportation infrastructure that is in very poor, poor or fair condition is estimated at \$42.5 billion.
- **Climate Resilience:** Protecting and expanding green spaces and SPAR facilities contributes to climate resilience and biodiversity goals.
- **Active Transportation:** If 1% of Canadians switched from cars to active transportation, it could save roughly \$564 million annually by reducing greenhouse gas emissions.
- **Government Investment:** Canadian governments invested approximately \$2 billion in SPAR infrastructure in 2022, with \$1.5 billion coming from municipalities.

How to use the Research

Inform policy and programming: Utilize the research to shape policy and program development and strategic planning. Emphasize SPAR's vital role in enhancing public health, climate resilience, urban development and community building.

Justify increased SPAR budget allocations: Having data available supporting linkages between SPAR investment and significant social, health, economic and environmental impacts, provide opportunities

for joint planning and action on innovative funding mechanisms and investments that have multi-faceted positive impacts at a local and national scale.

Maximize economic and social benefits: Highlight the economic returns and social cohesion benefits of SPAR to make the case for public and private investment, including alignment with Canada's national goals and private sector Corporate Social Responsibility (CSR) initiatives (e.g., volunteer days, corporate donation matching programs)

Enhance public health initiatives: Leverage findings to support public health initiatives and community health programs, demonstrating the significant cost savings and wellness benefits linked to increased SPAR investment.

Drive engagement and advocacy: Community and business leaders can use this research to promote and advocate for more SPAR activities, emphasizing its positive impact on physical and mental health and community resiliency.

Key Messaging & Evidence: The Impact of SPAR in Canada

The following sections provide key messages and evidence on the impact SPAR has on social, health, economic and environmental factors in Canada.

NOTE: Total amounts for social, health, economic, and environmental impacts of SPAR cannot be combined, as they represent different constructs and concepts like cost, benefits, and value.

Social Impact

Sport, physical activity, and recreation are powerful agents of social transformation, contributing an estimated \$13.6 billion annually through volunteerism alone.

Volunteering

Volunteering is a robust contributor to Canada's social fabric and economy. In 2020, Canadians contributed the financial equivalent of \$13.6 billion of volunteer work to society through SPAR. Volunteering is essential for the sector's survival and prosperity.

- 27% of Canadian adults actively volunteer in sport-related activities, ranking third in volunteer hours contributed annually behind hospitals and religious organizations.
- The SPAR sector significantly benefits from the dedication of volunteers, many of whom are motivated by social networking, community contribution, and a passion for sport.

Connection and Inclusion

SPAR facilitates a sense of belonging through social connection and inclusion and combats loneliness. This is particularly important for welcoming and integrating new Canadians into communities across the country and supporting inclusion of marginalized groups.

- 76% of Canadians feel welcomed and included through SPAR activities.
- Community-based SPAR programs, especially those engaging older adults, have the potential to reduce loneliness and improve social cohesion.

Safe Neighbourhoods

SPAR can contribute to creating safer neighbourhoods – especially when part of well-planned communities – by promoting pro-social behaviours that have the potential to reduce crime.

- The perception of safety is a crucial factor influencing physical activity levels. SPAR initiatives have the potential to enhance community safety.
- SPAR involvement may reduce antisocial and risky behaviors in youth. 69% of Canadians agreed that SPAR contributes to reductions in harmful behaviors such as suicide ideation.

Individual Development

SPAR can impact individuals, potentially contributing to academic achievement, employment, and life skills development.

- The discipline, teamwork, and leadership skills honed through participation in SPAR has the potential to translate into personal growth and professional development.
- One study on income-related benefits of SPAR found that regular participation in physical activity resulted in a 6% to 10% increase in earnings.

Health Impact

Physical inactivity accounts for \$3.9 billion of annual health care expenditures. Integrating SPAR into daily life boosts public health, improves physical and mental well-being, and reduces the economic burden of physical inactivity.

Impact on Health Care System

SPAR leads to better health outcomes, reduces chronic diseases, and enhances Canadians' longevity and quality of life. Investing in SPAR can ease financial and operational pressures on health care systems.

- Based on calculations, physical inactivity costs the health care system \$3.9 billion per year. This includes treatment costs of certain chronic diseases and the economic impact of income loss due to early mortality.
- Engaging in SPAR lowers the risk of heart disease, stroke, depression and type 2 diabetes, leading to substantial health care savings and improved productivity.
- 51% of Canadian adults and 72% of children and youth do not meet physical activity guidelines. A 10-percentage point decrease in physical inactivity across the population could reduce health care spending by about \$629 million per year.

- Costs related to seven chronic conditions could be reduced by 16% (from \$3.5 billion to \$2.9 billion).
- Costs relating to depression could be reduced by 17.3% (from \$409 million to \$338 million).
- 38% of Canadian adults have at least one chronic condition, and 13% have at least two, with hypertension and osteoarthritis being the most prevalent.
- Certain conditions like heart disease, diabetes, obesity, anxiety, and depression disproportionately affect equity-seeking populations, such as women, older adults, Indigenous persons, those with disabilities and individuals from the LGBTQ2S+ community.

Mental Wellbeing

Regular participation in SPAR activities can improve mental health and well-being, particularly for conditions like depression and anxiety. The sector's offerings support healthier lifestyles and foster resilience against health challenges.

- Physical inactivity is a risk factor for mental illness. The cost associated with treating depression in Canada is approximately \$409 million annually. A 10-percentage point decrease in physical inactivity can reduce this cost by 17.3%.
- SPAR has the potential to enhance cognitive function and overall mental health, which is crucial for quality of life and community prosperity.

Economic Impact

The SPAR sector plays a vital role in Canada's economy, contributing \$37.2 billion annually, offering direct and indirect economic benefits.

Contributions to Canada's Gross Domestic Product

The SPAR sector contributes directly and indirectly to Canada's GDP.

- SPAR contributes \$37.2 billion annually to Canada's GDP, covering recreation, amusement, sport sectors, and retail sales.
 - In 2022, amusement and recreation GDP was \$8.8 billion, while sport GDP reached \$6.9 billion.

Sector Sales and Profits

Despite the sector's strong economic performance and substantial government investments, public support for increased funding for SPAR initiatives remains high.

- Retail sales of SPAR products reached \$23.3 billion in 2022, a 7% increase from the previous year, contributing \$21.5 billion to GDP.

- In 2021, the "other amusement and recreation" sector reported a 7.7% profit margin, a 4.8% increase from the previous year, demonstrating resilience and growth.

Employment

SPAR supports hundreds of thousands of jobs throughout Canada. The sector also supports green jobs and youth employment, contributing to skills development and a sustainable future.

- The sector provided roughly 260,000 jobs in 2022, an increase from 2021, indicating a recovery towards pre-pandemic levels. This is likely an underestimate as the analysis was unable to incorporate public sector employment in SPAR.
- The amusement, recreation, and sport sector added 42,728 jobs in 2022 compared to 2021.

Tourism

SPAR-related tourism is a significant economic driver in Canada, with international travellers playing a substantial role.

- Sport and recreation-related tourism injects \$7.4 billion into the Canadian economy annually.
 - This is driven by 16 million visitors, including 14.4 million domestic travellers (\$4.1 billion), and 1.4 million international visitors (\$3.3 billion).
 - International visitors, while only 10% of total visitors, account for 45% of SPAR-related tourism spending.
- Recreation and entertainment make up 7.8% of Canada's total tourism activities, contributing over \$3.4 billion to the country's tourism GDP.
- Despite the challenges of the COVID-19 pandemic, expenditures on recreation and entertainment increased from 2019 to 2022, along with a rise in outdoor activities like hiking, backpacking and visiting parks from 2019 to 2022.

Government Investment in SPAR

Government investments in infrastructure support the sector's contribution to national economic stability and growth.

- Canadian governments invested \$2 billion in SPAR infrastructure in 2022, with \$1.5 billion coming from municipalities. Some municipal investment could be from federal or provincial/territorial funding (e.g., through grants and contributions).
 - Benefits from municipal investment in SPAR infrastructure can be seen and felt at the federal and provincial levels.
- Despite this investment, 61% of Canadians favour increased government funding for SPAR.

- Investment levels are not keeping pace with the need to address aging infrastructure.
 - A coordinated effort amongst all three levels of government and the private sector is needed to develop a long-term, evidence-based investment strategy that maximizes the positive impacts of SPAR.

Environmental Impact

SPAR can help build climate-resilient communities. The replacement value of aging SPAR infrastructure is estimated at \$42.5 billion. This underscores the essential role the physical and built environment plays in promoting health and reducing pollution, while highlighting the significant benefits derived from maintaining and upgrading aging community infrastructure amid a growing climate crisis.

Parks and Outdoor Spaces

Parks and outdoor spaces are not just recreational areas but vital for resilient communities, contributing to ecological balance and better public health outcomes.

- The availability, satisfaction, and usage of parks, green spaces, and trails are high among Canadians, indicating a strong public appreciation for these environments.
 - 76% of Canadians live within one kilometer of parks, green spaces, natural environments or waterways, with 80% using them at least sometimes. 68% of adults are highly satisfied with the quality of these facilities.
- Strategic integration of SPAR facilities into urban landscapes reduce air pollution, facilitate urban cooling and enhance overall wellbeing of citizens.

Climate Resilience

SPAR can help build climate-resilient communities, aligning with national and global goals to combat the effects of climate change. SPAR-related efforts to improve air quality has the potential to help prevent premature death and reduce spending.

- Protecting and expanding green spaces contributes to climate resilience and biodiversity goals.
- Air pollution is among the top environmental risks for premature death and disability.
 - Air pollution costs approximately \$120 billion and causes 15,000 premature deaths in Canada each year.
 - Wildfire-related health care in Ontario between June 4 and 8, 2023 was estimated to be \$1.28 billion.
- The Government of Canada states that every \$1 invested in climate adaptation saves \$13 to \$15 across the economy globally (not SPAR specific).

Community SPAR Infrastructure

Community sport, physical activity and recreation infrastructure is a cornerstone for active living and environmental stewardship. These facilities also become vital response centres in times of crisis, providing refuge, support, and essential services.

- The replacement value of SPAR infrastructure including sport and recreation facilities and active transportation infrastructure that is in very poor, poor or fair condition is estimated at \$42.5 billion.
- Improving aging SPAR infrastructure can result in benefits that span across the economy, like job creation, climate resilience, energy efficiency, and longevity of community assets. Climate-smart SPAR initiatives are essential for our collective future.

Active Transportation

Active transportation – that is, movement by human activity or human-powered aids – increases physical activity, reduces greenhouse gasses and enhances community health.

- 78% of Canadians have access to public transit, but only 14% use it frequently, and 48% never use it.
 - Canadian households with access, can save \$10,000 per year by using public transit.
- Canada's public transit ridership has not fully rebounded post-COVID-19.
 - Public transit ridership in Canada dropped from 2 million commuters in 2016 to 1 million in May 2021 and increased only slightly to 1.2 million in May 2022.
- If 1% of Canadians switched from private car use to active transportation, an estimated \$564 million could be saved annually in reduced greenhouse gas emissions.
- Federal investments in active transit infrastructure are crucial for emission reduction and promoting physical activity.
- Traffic congestion and a lack of transit alternatives costs \$15 billion in lost productivity annually.
- A 2% increase in bicycle infrastructure investment can prevent up to 18 premature deaths and reduce carbon emissions by up to 142,000 tonnes over 10 years.

Research Methods

- Until now, economic assessments on the impact of SPAR in Canada, have been limited, dated or disparate.
- CFLRI and CPRA utilized a comprehensive framework of 77 indicators across social, health, economic, and environmental pillars, derived from various national and international sources, literature, and internal sources.

- The project involved a detailed analysis and synthesis of data, including monetary conversions by a contracted firm (Raymond Chabot Grant Thornton). A rigorous validation process ensured the integrity and accuracy of the data and calculations.
- The research initiative is designed to incorporate new data over time, ensuring ongoing relevance and accuracy.
- There are noted challenges with data gaps, especially in healthcare and environmental costs, leading to the use of estimation techniques for a more accurate reflection of the current context.
 - For example, health care cost analysis relied on the 2010 Economic Burden of Illness in Canada (EBIC) tool, which excludes indirect costs like wages lost due to disability. For this reason, the true health costs associated with physical inactivity are likely quite underestimated.
- A more detailed description of the methodology and references is available in the [full report](#).