



# TENNIS CANADA'S ROLE IN CANADA'S RECOVERY: ENCOURAGING AND INSPIRING CANADIANS OF ALL AGES AND BACKGROUNDS TO GET ACTIVE



## Budget 2021 - Pre-Budget Submission

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# **Tennis Canada Proposal: Inspiring Canadians to Get Active Post COVID-19**

## **Summary of Recommendations**

Tennis Canada is requesting that the federal government implement the following recommendations in Budget 2021 to support tennis development and the sports sector in Canada recover from the COVID-19 crisis and in the long-term. These include:

- **Recommendation 1**

That the Government of Canada dedicate additional funding for NSO's through the Department of Canadian Heritage to sustain sports development and participation across Canada.

- **Recommendation 2**

That the Government of Canada develop flexible, multiyear program funding to support self-sustaining NSO's like Tennis Canada that have been impacted by the pandemic and seen their annual revenues lost due to events being canceled or postponed.

- **Recommendation 3**

That the Government of Canada invest \$12.5M over 3 years as part of Canada's Recovery Plan to mobilize Canadians of all ages and backgrounds and get them active through tennis programs delivered under Tennis Canada's leadership.

- **Recommendation 4**

That the Government of Canada immediately invest \$6M to build/cover 10 seasonal bubbled 6-court public tennis sites through a public-private partnership model led by Tennis Canada to increase opportunities for Canadians of all ages across the country to play year-round tennis, pickleball and badminton.

## Introduction

Tennis Canada, the NSO responsible for encouraging and inspiring Canadians to get active through tennis, funds 90% of its community, grassroots, and high-performance investments through successful recurring Rogers Cup events in Montreal and Toronto.

Given that the majority of revenues depend on these two events, Tennis Canada will incur a \$60M loss in revenue as a result of their cancellation due to the pandemic. Mitigation measures were immediately put in place as Tennis Canada made deep cuts in programs, while also accessing the Canada Emergency Wage Subsidy to maintain 60% of staff on payroll. We are also in discussions with our financial institution to increase our line of credit fourfold to \$16M. As a result, the loss was reduced to \$17M but its effects have decimated our efforts to develop tennis within Canada for years to come. This means grassroots tennis development and the continuation of our junior high-performance program for next-gen athletes are in jeopardy over the next few years without federal assistance.

At the same time, as Canada enters its post-pandemic recovery stage, tennis can be part of a safe and healthy solution to help Canadians adjust to a “new normal”. Tennis is played by 7 million Canadians of all ages and backgrounds, and we’ve seen many newcomers take up our sport this summer in a safe return to activity.

# 1.

## Invest further in sustaining sports development and participation

More than ever, and especially in today's COVID context, the role of NSO's is crucial to driving sport participation across the country among kids, adults, seniors, and persons with disabilities. Through Sport Canada, we believe that Department of Canadian Heritage should be provided with the means to better support NSO's in their mission, which is why **we recommend that additional annual funding be dedicated to sustaining sports development and participation in the country.**

We believe that sport can play an important role in Canada's recovery plan given its sustained health and social impacts on the well-being of Canadians of all ages, backgrounds and abilities.



The mandate of NSO's is to provide opportunities to participate in safe and quality sport, at every level of the game and in every community across Canada. It is also our role to develop and support the sport system, from grassroots to high performance, aiming to achieve world-class results for teams and athletes who in turn will make Canada proud on the international stage.

Additionally, NSO's that have the opportunity to host established sporting events of the calibre of the Rogers Cup tournaments contribute to Canada's tourism economy in two ways. First, by attracting domestic and international tourists to the destination and

also by bringing Canada to the world through international broadcast and media coverage. The Rogers Cup events attract 400,000 spectators on site annually, provide more than 600 employment opportunities, generate an economic and tourism impact of \$70 million for Canada, while reaching 60 million viewers in over 175 countries.

In addition to providing funds to NSO's and competitive opportunities for Canadian athletes at home, these events also contribute to Canada's reputation in sports leadership around the world while locally, they are remarkable tools to promote the benefits of sports and physical activity to Canadian fans and tennis players.

## 2.

### Support unique NSO's to recover from the pandemic

The viability of NSO's like Tennis Canada is important to ensure the integrity of the Canadian sport system. NSO's will need support to regain their financial sustainability which is why **we recommend that flexible multiyear funding mechanisms or programs be developed to support normally self-sustaining NSO's that have been impacted by the health crisis and seen their annual revenues lost due to canceled or postponed funding activities.**

Larger NSO's like Tennis Canada can invest more heavily in developing their sport thanks to a business model that includes revenues from major events and other activities that are then reinvested in participation, grassroots, and high-performance programs.

With 90% of revenues lost due to event cancellations, the impact is significant and will be felt for years on tennis development in Canada and our performance as a leading tennis nation. The effects of lost revenue will impact the grassroots and club level, and our existing infrastructure that continues to benefit communities of all sizes across the country. As sport governing bodies, NSO's have responsibility for delivering sport programming that spans community grassroots to high-performance sport. The ongoing challenges of COVID-19 have led to the loss of local economic development, employment, including volunteering opportunities and, by extension, will create further barriers to participation in quality sport activities.

Before the pandemic, tennis in Canada was experiencing unprecedented growth through Tennis Canada's business model that was able to support increasing demand in both recreational and high-performance tennis. With the establishment of a National Training Centre in 2007, Tennis Canada ramped up its investments in a high-performance system that has since created Canadian champions like Milos Raonic, Genie Bouchard and Vasek Pospisil among the first graduates of the program. Today, they are followed by rising stars like Félix Auger-Aliassime, who has made tennis history more than once since the age of 14, and Bianca Andreescu, who, in 2019, became the first Canadian to win the Rogers Cup in 50 years and the first Canadian to bring home a Grand Slam singles trophy.



The success of our athletes and the inspiration they bring to tens of thousands of young Canadians each year is the driving force behind 10 years of continued growth in recreational participation.

### 3.

## GoC to invest \$12.5M over 3 years in programs to get Canadians active through tennis

Tennis Canada is looking for support to help get Canadians active as part of Canada's recovery plan, from kids to women to families to seniors. Our programs target all Canadians regardless of their background, including accessible community programs for kids and underserved community activities, development programs that empower women and girls, tennis and pickleball development initiatives for healthy seniors, and inclusive wheelchair tennis programs for persons with disabilities. On the high-performance side, our training structure needs to be protected and we must continue investing in our next gen athletes to avoid the risk of wiping out an entire generation of high potential talent.

A key to our success is the truly national scope of these programs - delivered in partnership with our regional training centres, the provincial associations, as well as local community and tennis clubs in municipalities across the country - ensuring all Canadians have an opportunity to try tennis.

The consequences of the pandemic are financially disastrous and have forced Tennis Canada to reduce investments in tennis development by nearly 50%. Without support, we will need to remain at this level of investment for years. **We are therefore asking for program support over the next three years, for a total of \$12.5M, to help us relaunch development programs that had to be cut to ensure our survival. More specifically, we are requesting an initial incremental support of \$6.5M, followed by \$3M in years 2 and 3, providing us time to fill the gap with corporate support.** These programs directly benefit Canadians of all ages and backgrounds.

### Tennis, a sport on the rise

#### 7 million Canadians of all ages play annually<sup>1</sup>

- ✓ Continuous nationwide recreational level growth over 10 years
- ✓ An inclusive sport, played by kids, adults, seniors, persons with disabilities and equally by men and women
- ✓ One of the fastest growing sports for children (250,000 play frequently in the summer)
- ✓ Very popular among new Canadians
- ✓ Low injury rate sport
- ✓ An affordable sport – free or very low-cost access to public courts; all you need is a racket, balls and shoes

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<sup>1</sup> Charlton Insights, 2018.



6 - 11 years old



12 - 17 years old



18 - 34 years old



35 - 49 years old



50+ years old



#### 4.

### Invest \$6M to cover 10 existing tennis sites, resulting in 600,000 more year-round opportunities for Canadians to participate in racket sports

Tennis Canada's strategy for participation growth includes increasing Canada's covered court capacity in municipalities across the country to support year-round play. **Our covered court program proposes to build bubbles over existing courts, one of the most cost-effective investments in recreation sports infrastructure with a modest \$1.2M cost per 6-court bubble project.** As municipalities begin to resume sports activities, we have an opportunity to inspire Canadians of all ages to get active again.



of Canadians would play more tennis if there was a covered court nearby.



of tennis players would play more tennis if there was a covered court nearby.

<sup>2</sup>

#### Breakdown of funding per project:

Funding Source	Investment
Government of Canada	\$600,000
Participating municipality or operator	\$400,000
Private seed investment pool (Rogers and The Farley Group, Canada's only bubble manufacturer)	\$200,000
<b>Cost per project :</b>	<b>\$1,200,000</b>

Tennis Canada's covered courts program supports healthy and active community strategies through racket sports and provides community members with year-round low-cost access to safe sport and physical activity. After an initial investment in infrastructure, each facility will be financially self sustainable and generate direct and lasting economic and social impact in the local community through employment and volunteering opportunities and sports development.

#### Benefits of 10 year-round facilities:

- Provide 600,000 year-round opportunities for Canadians to participate in racket sports including tennis, pickleball and badminton.
- Seasonal bubbles can accommodate free outdoor play in the summer.
- Benefit the well-being of kids, adults, seniors and persons with disabilities.
- Create up to 150 new employment and leadership opportunities in operation and program delivery.
- Generate sustained economic benefits for municipalities with new opportunities for year-round sporting events and tourism (ex. Winter tennis tournament).

**Tennis Canada is requesting \$6M in federal investment to join a public-private partnership model to jumpstart projects that will benefit the well-being of Canadians and the economic growth in 10 municipalities across the country.**

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<sup>2</sup> Charlton Insights, 2018.

## Conclusion

As Canada plans its recovery stage and looks for safe and healthy ways to **get Canadians active**, tennis is an important asset as the country emerges from social isolation.

Tennis Canada will deliver a return on the Government of Canada's support through:

- Healthy and active Canadians as well as economic stimulus;
- Regional economic development and job creation;
- Significant tourism value through the Rogers Cup;
- Visibility and recognition at each bubbled-court project;
- Contributing to national pride for Canadian tennis on the international stage and millions of Canadians who will continue to be inspired by our home-grown athletes.

Thank you for considering our recommendations. Tennis Canada would welcome the opportunity to appear before the Finance Committee or speak to any Members or officials at any time.

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