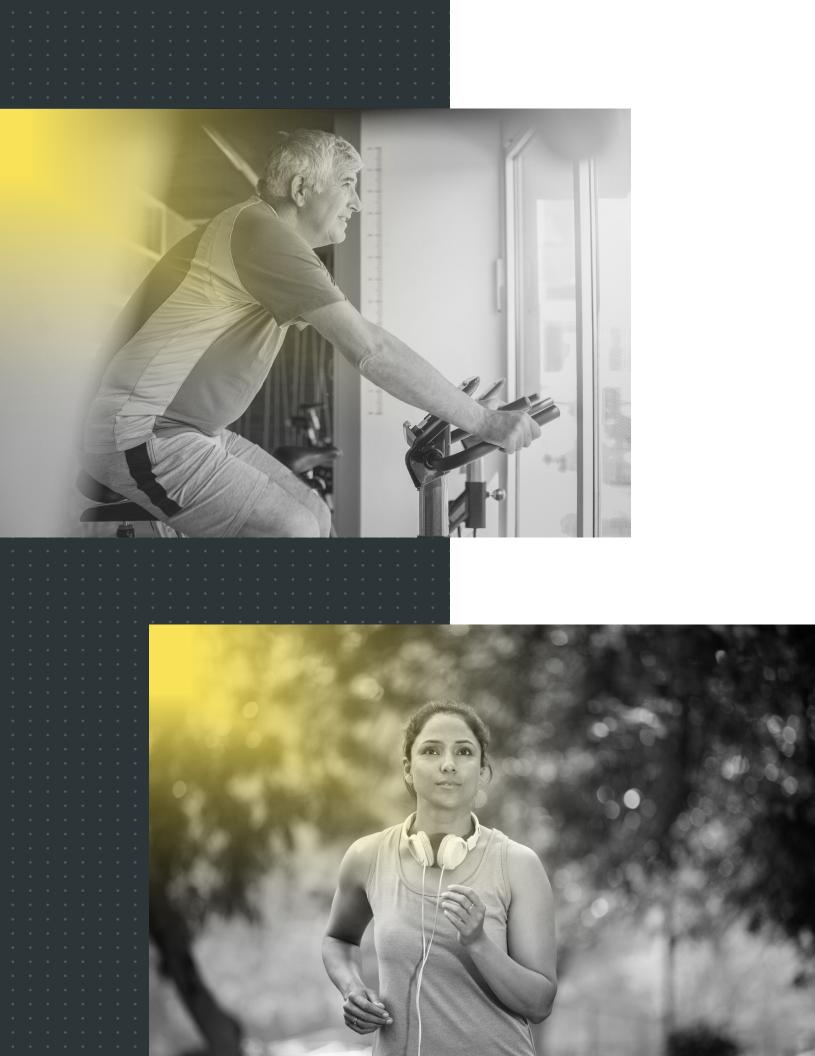


Prioritizing physical activity:

Moving Canada forward to better health and prosperity

2025 Budget Submission to The Department of Finance Canada



Submitted by:

Elio Antunes President and CEO ParticipACTION eantunes@participACTION.com 416-913-1567

On behalf of the Physical Activity Collective:

The Collective of national sport, physical activity, and recreation (SPAR) organizations submitting this budget proposal have expertise and proven impact in physical activity promotion, program development, policy advancement and change, research and evaluation, education, community and stakeholder engagement, equity, diversity and inclusion, and strategic planning and governance.

The Collective is widely endorsed by key organizations within the SPAR sector, and there is opportunity and intent to expand the Collective to include additional organizations to help achieve our vision of an active Canada.

| ParticipACTION Aboriginal Sport Circle Active Aging Canada | Canadian Parks and Recreation Association | | |
|--|--|--|--|
| | Canadian Society for Exercise Physiology | | |
| Active Living Alliance for Canadians with a Disability | Physical and Health Education Canada | | |
| - | Réseau Accès Participation | | |
| Canadian Academy of Sport and Exercise Medicine | Sport for Life Society | | |
| Canadian Fitness & Lifestyle Research Institute | Sport Information Resource Centre | | |



Let's get moving toward a healthier, more active Canada

Canadians know that physical activity is good for them, but **only 49% of adults**ⁱ **and 39% of children and youth**ⁱⁱ **meet recommended physical activity guidelines**. This raises a critical question for Canada: Why are Canadians not moving enough?

The demands and conveniences associated with our modern lifestyle have accelerated at an alarming rate and have contributed to physical activity being socially engineered out of our daily lives. In addition to social pressures and priorities, individual and systemic barriers ranging from costs and financial commitments to lack of access to public play areas and active transportation are among the many obstacles preventing people from getting and staying active.

Physical inactivity is a **significant public health issue in Canada**. Low levels of physical activity are associated with increased risk of chronic disease, anxiety and depression, and premature mortality. Physical inactivity is also an **economic**, **social**, and **environmental issue** with low levels of physical activity contributing to high healthcare costs, poorer social connection within communities, and higher greenhouse gas emissions and air pollution.

When it comes to improving physical activity levels in Canada, progress has been slow and arguably stagnant in recent decades. But now, Canada has an opportunity to get Canadians moving and to do it quickly. As a country, we need to rethink and redesign our approach to promoting physical activity — we need to *change the pace* towards a healthier, more active Canada.

Avoiding the critical consequences of physical inactivity requires urgent coordinated action, strategic leadership, intentionality, and adequate investments.

A **collective**, **systems-based approach** is needed to make meaningful change at the individual and population levels and fully realize the positive impacts increased physical activity levels could have on Canada now and in the future. Let's choose to keep Canada moving forward, for all Canadians.



THE CURRENT SITUATION

Physical inactivity is costing Canada billions.

Each year, physical inactivity and the resulting medical conditions conservatively account for **\$3.9 billion** of annual healthcare expenditures.^{IIII}

Canada is facing a mental health crisis.

Physical activity is recognized as a critical mental health support, but by the time Canadians reach 40 years of age, one in two have — or have had — a mental illness^{iv} and treating or managing depression alone is costing Canada **\$409 million annually**.ⁱⁱⁱ

Canadians are idling and are less productive.

Traffic congestion and a lack of transit and active transportation alternatives costs Canada **\$15 billion** in lost productivity annually and contributes to greenhouse gas emissions.ⁱⁱⁱ

Health inequities and barriers to getting active in Canada's communities are clear.

Racially diverse groups, women and girls, newcomers to Canada, persons with disabilities, the aging population, and members of the 2SLGBTQIA+ and Indigenous communities report even lower rates of physical activity participation, placing these **equity-denied groups at greater risk** for poor health outcomes, social isolation, and premature death.^{v,vi,vii}

Physical inactivity is a pressing global issue.

On a global scale, insufficient physical activity stands as the **4th leading risk factor for premature death and mortality**, estimating 3.2 million deaths globally attributable to inactivity.^{viii} Such statistics underscore the critical need for lifestyle changes worldwide.

National organizations are ready to collaborate and create change.

Sport, Physical Activity and Recreation (SPAR) organizations are committed to working in partnership with the Government of Canada on a coordinated and aligned mechanism for the delivery of physical activity supports in Canada. There is no single policy, government, or organization that can effect change alone and SPAR organizations are ready and able to make meaningful, timely impact.

Together, we can change the pace and move Canada forward to better health and prosperity.

BUDGET 2025 RECOMMENDATIONS

Prioritizing physical activity for Ganada

Aligned with the World Health Organization's Global Action Plan on Physical Activity which strives for a 15% relative reduction in the global prevalence of physical inactivity by 2030,^{viii} our approach aims to:

Increase physical activity levels of people living in Canada by a relative 15% by 2030.

A 15% relative increase in physical activity among adults (18 years and older) and children and youth (5 to 17 years) would result in **56% of adults and 45% of children and youth meeting guidelines** and getting enough moderate-to-vigorous physical activity per week for improved health. This shift could have substantial, positive impacts while helping improve the health and well-being of approximately **16.6 million adults and 2.4 million children and youth** across the country.^{ix}

Current pan-Canadian physical activity, sport, and recreation policy frameworks lack dedicated action, leadership, and investment. Historically, the implementation of strategies and plans has taken too long, and the durations of Canada's investments in physical activity supports have not been long enough.

Positive change isn't just needed; it's possible. To achieve this vision, we ask that the Government of Canada improve the health and well-being of Canadians by supporting three critical recommendations:

8

That the Government of Canada engage with national physical activity organizations on the development of an Active Canada Action Plan, implemented through a Collective Impact Model with the goal of increasing physical activity levels of people living in Canada.

The following strategic areas of focus have been identified as the **key pillars of the Action Plan** (see Appendix A), focusing on individual behaviour as well as systems change. The action plan will be fully developed in collaboration with key stakeholders and partners, ensuring an equity, diversity, and inclusion lens is applied throughout.

- **Public Education**: Communicating and disseminating vital information about structured and unstructured physical activity, aiming to educate, change social norms, and promote behavioural change.
- **Public Engagement**: Providing inclusive active participation opportunities for individuals and communities in initiatives that promote and support a physically active lifestyle throughout the life course.
- Supportive Environments: Providing safe and accessible physical and social environments for everyone to get active, designing communities that reduce barriers and encourage physical activity, and promoting culturally relevant spaces for physical activity.
- Partnerships and Coordination: Developing essential partnerships and a coordinated mechanism for physical activity delivery to create an integrated, sustainable system of excellence for physical activity in Canada.
- Measurement and Evaluation: Using a combination of quantitative and qualitative evaluation methods, including consultation and feedback from partner organizations and equity-denied groups, to allow for evidence-informed decision making, accountability, and continuous improvement.

Based upon the understanding that no single policy, government entity, or organization can tackle or solve deeply entrenched social problems alone, the Active Canada Action Plan will be developed and implemented through a **Collective Impact Model** (see Appendix B). In partnership with the Government of Canada, multiple key organizations will be mobilized and coordinated to develop, implement, and measure efforts towards the collective vision and create population and systems-level change. Leadership and support for the Collective will be provided by ParticipACTION as the 'Backbone Organization' of the Collective.

Currently, SPAR organizations in Canada operate independently with little-to-no coordination and alignment between mandates. Improving physical activity levels in Canada by using a Collective Impact Model would avoid duplication of efforts, help identify and minimize critical gaps in programming, and maximize the reach and impact of funds and resources using cohesive and coordinated strategies. Collective impact calls for long-term commitment from organizations and could ensure that standards for program delivery would remain consistent throughout the country and allow organizations to evolve their initiatives over time to sustain impact. **RECOMMENDATION 2**

That the Minister of Sport and Physical Activity establish and chair a public-private-not-for-profit representative Active Canada Task Force to advise and monitor the progress toward increasing physical activity levels in Canada.

Having an active population benefits many areas of society but there is no mechanism to coordinate, align, and leverage opportunities at the federal level and between public and private sectors. We must also elevate the importance of physical activity across all facets of society, including government, and create a social climate that values and supports physical activity.

The Minister's **Task Force** would bring high-profile attention to the importance of advancing solutions and monitoring progress made towards achieving the vision, share information, discuss trends and issues, identify and leverage assets and investment, and work collectively to address challenges.

It would be comprised of public (federal, provincial, and territorial), private, and not-for-profit organizational representation. It would also include representation from a new **Interdepartmental Deputy Minister Committee** to coordinate efforts of federal ministries across Sport, Health, Mental Health and Addictions, Housing, Infrastructure and Communities, Environment and Climate Change, Transport, Indigenous and Northern Affairs, and others.



That the Government of Canada invest \$500 million over five years in an Active Canada Fund to support the development and implementation of strategies and initiatives to help people move more where they live, learn, work, and play.

Investments in physical activity are often made in short-term projects and insufficient to make meaningful change. Other social issues (i.e., recycling, smoking cessation) have benefited from implementing system-changing models and policies with significant investments and we can learn from them.

The Active Canada Fund (see Appendix C) would support the implementation of the Active Canada Action Plan with 80% of funds to be used programmatically, while 20% be placed in an endowment.

The Programmatic Funding portion would include two areas of support:

- **Core Funding** of key national and reputable organizations delivering foundational initiatives consistent with the Active Canada Action Plan.
- **Calls for Proposals** that would represent most of the programmatic funding for innovative initiatives delivered by national, provincial, territorial, and community organizations, with an emphasis on grassroots and underrepresented organizations, consistent with the Active Canada Action Plan.

An **Endowment Fund** (see Appendix D) would also be established to ensure sustainability beyond the initial fiveyear funding commitment and provide a mechanism to attract private sector investment in physical activity. The Endowment would be governed by a group of trustees (appointed by the Minister's Task Force) and structured to receive matched contributions from the private sector.

The benefits to Canada are clear Increasing physical activity levels would...

...make Canada healthier and wealthier.

- Regular physical activity is proven to help prevent and manage noncommunicable diseases such as heart disease, hypertension, stroke, diabetes and several cancers.^x
- There is approximately a 30% lower risk of depression and dementia for adults participating in daily physical activity.^{xi}
- Physically active employees in Canada take 27% less days of sick leave,^{xii} increasing productivity.
- The economic value of sport, physical activity and recreation has been estimated at \$37.2 billion.ⁱⁱⁱ

12

...contribute to Canada's response to climate change.

- If only 1% of people living in Canada switched from cars to active transportation (walking, cycling, etc.), it could save \$564 million annually by reducing greenhouse gas emissions.^{III}
- Public transit users walk an additional 8–33 minutes per day,^{xiii} and public transit in Canada reduces annual greenhouse gas emissions by 4.7 million tonnes annually.^{xiv}
- Most Canadians strongly support policies that address both physical inactivity and climate change.^{xv}

... help create connected and safer communities.

- 76% of adults in Canada feel welcomed and included through sport, physical activity, and recreation activities.^{III}
- Physical activity can be a connector among members of similar cultural or ethnic groups and is a great way for newcomers to integrate into their new communities.^{xvi}
- 69% of adults in Canada feel that physical activity, sport and recreation contribute to the reduction of anti-social, risky or deviant behaviours in the community.ⁱⁱⁱ

... support the United Nation's Sustainable Development Goals (SDGs).^{xvii}

- Physical activity is strongly linked to happiness and increased overall quality of life, reduction of chronic diseases, and influences how and what Canadians consume in their daily diets and could contribute to achieving SDG #3 (good health and well-being).
- Active transportation can contribute to reducing greenhouse gas emissions, which is linked to SDG #11 (sustainable cities & communities), SDG #12 (responsible consumption & production), and SDG #13 (climate action).
- Physical activity and sport participation can help improve cultural dimensions such as social inclusion and cultural identity, supporting with the needs and objectives outlined in SDG #4 (quality education), SDG #10 (reduced inequalities), SDG #11 (sustainable cities & communities), and SDG #16 (peace, justice & strong institutions).

13

The return on investment is indisputable

A 15% relative increase in physical activity among adults in Canada could:^{ix}



Reduce the economic burden of certain non-communicable diseases by 12%, taking costs from an estimated \$3.5 billion to \$3.1 billion annually and decreasing the number of cases of non-communicable diseases.

Reduce the economic burden of treating and managing depression by 13%, taking costs from \$409 million to \$356 million annually.



Reduce productivity lost in additional absenteeism associated with workers (18 to 64 years) not achieving physical activity guidelines by almost 1 million working days (a reduction from approximately 6.2 million to 5.2 million absenteeism days), taking costs from \$3.5 billion to roughly \$3 billion annually.

This results in **total annual costs savings of almost \$1 billion**^{*} from increased physical activity of adults alone. Therefore, an investment in the Active Canada Fund of \$500 million over five years would generate almost a 100% return on investment by year five and annually thereafter (see Appendix E).

For every \$1 invested through the Active Canada Fund, the Government of Canada would see an annual return of approximately \$2 on the initial investment.

Assessing an economic return calculation is not yet feasible when looking at the impacts of increased physical activity in children and youth due to required data being unavailable, but the benefits are clear. Physical activity is associated with improved physical, mental, cognitive, and social well-being for children and youth.

Strong, longstanding evidence also shows that physical activity habits track across the lifespan and developing active habits at a young age can positively impact an individual's attitude towards and participation in leading an active, healthy lifestyle into adulthood,^{xviii, xix} making investment in increasing opportunities to get active for all ages and abilities critical to ensuring that investments made in physical activity now will help define and strengthen Canada's future.

Changing the pace to keep Canada moving forward

Physical inactivity is a pervasive public health issue that must be urgently recognized as a **national priority**.

With 84% of Canadians agreeing that the Government of Canada should help improve the physical activity levels of everyone living in Canada and many Canadians seeing inactivity as a serious public health issue,^{xv} the federal government has an opportunity to change the pace in supporting a Canada where physical activity is a vital part of everyday life for everyone.

There are few areas in public health like physical activity where the evidence on required action is so convincing, cost effective, and practical. Avoiding the health and economic burdens of physical inactivity is not inevitable, but avoiding them requires coordinated action.





Appendices

- Appendix A Active Canada Action Plan
- Appendix B Collective Impact Model
- Appendix C Budget Overview
- Appendix D Active Canada Endowment Fund
- Appendix E Return on Investment Analysis

Active Canada Action Plan

The following details the strategy and approach for developing the **Active Canada Action Plan**, as outlined in **Recommendation 1** of the *Prioritizing Physical Activity: Moving Canada forward to better health and prosperity* budget proposal.

Strategy and Approach

Creating a comprehensive physical activity action plan involves several key steps to ensure its effectiveness and sustainability, including:

- Establishing clear goals and objectives for the action plan
- Confirming strategies and tactics for achieving the goals
- Identifying key stakeholders and partners who will be involved in its implementation and establishing mechanisms for collaboration and coordination among them
- Establishing clear timelines and milestones to track progress and ensure accountability
- Conducting ongoing monitoring and evaluation

The Active Canada Action Plan will be fully developed and finalized in collaboration with key stakeholders and partners, including the Government of Canada, ensuring an equity, diversity, inclusion, and accessibility approach is applied throughout, and implemented through a Collective Impact Model. In partnership with the Government of Canada, key organizations will be mobilized and coordinated to develop, implement, and measure efforts towards the collective vision. Leadership and support for the Collective will be provided by ParticipACTION as the 'Backbone Organization' of the Collective.

A comprehensive process for completing this work has been established and is currently underway and scheduled for completion by Spring 2025. Upon securing the necessary funding, we will be able to take immediate action toward our shared goal of increasing physical activity levels among Canadians by a relative 15% by 2030.

The plan is being built around **five strategic areas of focus**, which are essential for driving both individual behaviour change and systems-level transformation. These key pillars are:

- Public Education
- Public Engagement
- Supportive Environments
- Partnerships and Coordination
- Measurement and Evaluation

These areas of focus reflect commonalities across various pan-Canadian policy frameworks related to physical activity, including "A Common Vision for Increasing Physical Activity and Reducing Sedentary Living in Canada: Let's Get Moving", the Framework for Recreation in Canada, and the Canadian Sport Policy, as well as international policies including the World Health Organization's Global Action Plan on Physical Activity 2018 – 2030 and the Eight Investments that Work for Physical Activity developed by the International Society for Physical Activity and Health. The Active Canada Action Plan aims to capitalize on these existing policy frameworks and put them into action.

Areas of Focus

Public Education

Public education plays a crucial role in disseminating vital information about structured and unstructured physical activity at the population level, aiming to raise awareness and educate, change social norms and promote behavioural change. By investing in public education initiatives, we empower individuals with the knowledge and resources they need to make informed decisions about their health and well-being.

Public education efforts utilize a diverse range of mediums—including television, social media, partnerships, and community events—to effectively engage both mass and targeted audiences. Effective public education utilizing best practices and tailored to meet the needs of diverse target audiences can lead to better public engagement by ensuring that people are well-informed and prepared to participate.

Activities may include:

- Developing a national communication strategy for physical activity
- Coordinated national and local awareness campaigns utilizing mass media
- Digital content and resources such as articles, blogs, apps, and tools
- Incorporating physical activity information, including its benefits, into educational curriculums
- Dissemination and communication of movement guidelines for all ages
- Knowledge mobilization through community panels, expert talks, workshops, and seminars

Public Engagement

Public engagement encompasses creating inclusive opportunities for individuals and communities to actively participate in initiatives that encourage and support a physically active lifestyle at all stages of life. It emphasizes interactive and collaborative involvement, aiming to build relationships, solicit feedback, and achieve shared objectives through two-way communication and active participation.

Activities may include:

- Inclusive community programs and physical activity challenges
- Interactive events and festivals open to the public
- Subsidized programs that lower the cost barrier for participation
- Group activities such as free outdoor classes in public spaces
- Low-barrier recreational sports leagues or clubs
- School programs such as "physical activity days" or recreational sports clinics
- Active transportation initiatives such as "Bike-to-Work days"
- Volunteer-led programs like park clean up days
- Digital initiatives that incorporate game-like elements such as challenges, leaderboards, or rewards

Supportive Environments

Supportive environments play a crucial role in promoting and sustaining physical activity and can significantly influence an individual's ability and motivation to maintain active lifestyles. By integrating accessibility, safety, social support, policy, education, and economic considerations, communities can create environments that make physical activity a natural and enjoyable part of daily life for everyone.

Activities may include:

- Providing accessible and safe facilities and outdoor spaces
- Providing safe and convenient transportation options that encourage active commuting
- Facilitating planning in communities to create equitable opportunities for movement
- Community design and policy that reduce barriers and encourage physical activity
- Designing programs that are inclusive and cater to different abilities, ages, and backgrounds
- Creating connected trails and opportunities for unstructured outdoor activity in nature
- Facilitating social physical activity opportunities in community centres, retirement communities, workplaces, and schools

Partnerships and Coordination

Developing partnerships and a coordinated mechanism for physical activity delivery are essential for creating an integrated, sustainable system of excellence for physical activity in Canada. These efforts provide leadership and opportunities for learning, coordination, and alignment of various related policies, and alignment and coordination between Federal/Provincial/Territorial governments and community.

Activities may include:

- Development of a National Physical Activity Network that leverages collective expertise and resources
- Cross-sector collaborations including government and non-profit alliances, and working with educational institutions
- Hosting forums that provide ongoing communication, dialogue, supports, training, and reporting
- Engaging and collaborating with allied sectors, such as health and education
- Partnering with organizations representing equity-denied groups to ensure initiatives support and promote the representation and participation of different groups
- Providing physical activity expertise and representation to federal government policies such as the Disability Inclusion Action Plan
- Public-private partnerships, sponsorships, and philanthropy to support public education, public engagement, or supportive environment activities

Measurement and Evaluation

Measurement and evaluation are essential for monitoring progress toward goals and understanding the impact of our collective efforts. Measuring progress on an ongoing basis supports evidence-based decision-making, accountability, and continuous improvement in efforts to promote physical activity and improve population health.

Activities may include:

- Assessing movement behaviours, perceptions, and attitudes through quantitative and qualitative methods (e.g. wearable fitness trackers, population-level surveys, program evaluations)
- Consultation and feedback from partner organizations including equity-denied groups
- Identifying common indicators and consistent measurement questions to be used and reported by partners to ladder up to goals and objectives
- Coordinated national population-level research with disaggregated data supporting the needs of multiple partners
- Thought leadership initiatives and products (i.e., Report Cards, international comparisons, ROI analysis)

Active Canada Action Plan Framework

{----

Goal

Increase physical activity levels of people living in Canada by a relative 15% by 2030.

| Public Education | Public Engagement | Supportive Environments | | | | |
|--|--|--|--|--|--|--|
| Communicating and disseminating vital information about structured and unstructured physical activity, aiming to educate, change social norms, and promote behaviour change. | Providing inclusive active participation opportunities for individuals and communities in initiatives that promote and support a physically active lifestyle throughout the life course. | Providing safe and accessible physical and social environments for everyone to get active, designing communities that reduce barriers and encourage physical activity, and promoting culturally relevant spaces for physical activity. | | | | |
| | | | | | | |
| Partnerships & Coordination | | | | | | |
| Developing essential partnerships and a coordinated mechanism for physical activity delivery to create an | | | | | | |

Developing essential partnerships and a coordinated mechanism for physical activity delivery to create an integrated, sustainable system of excellence for physical activity in Canada.

Measurement & Evaluation

Using a combination of quantitative and qualitative evaluation methods, including consultation with and feedback from partner organizations and equity-denied groups, to allow for evidence-informed decision making, accountability, and continuous improvement.

Collective Impact Model

The following details the approach for implementing the Active Canada Action Plan through a **Collective Impact Model**, as outlined in **Recommendation 1** of the *Prioritizing Physical Activity: Moving Canada forward to better health and prosperity* budget proposal.

Collective impact is a network of community members, organizations, and institutions that utilize cohesive and coordinated strategies to achieve one common goal and create population and systems-level change. Guided by five key conditions, a collective impact model provides a mechanism through which organizations can address complex social issues efficiently and with sustained impact.

The Five Conditions of Collective Impact



Improving Physical Activity Levels Through Collective Impact

Recognizing the urgency to address the longstanding public health issue of physical inactivity, a group of influential sport, physical activity, and recreation organizations have formed a Collective to advance a common vision for physical activity in Canada.

Common Agenda

A common agenda requires collective members to establish a common understanding of physical inactivity and a mutual agreement on how to solve it. The Collective has a common agenda of increasing physical activity levels in Canada by a relative 15% by 2030, allowing them to consistently measure investment and program outcomes against a common benchmark and contribute to domestic and international goals.

Shared Measurement Systems

Collective members will collect data and measure results using a common set of key performance indicators and an appropriate evaluation strategy. This will allow for shared accountability and application of learnings throughout implementation of the Active Canada Action Plan.

Mutually Reinforcing Activities

Activities will be coordinated across the Collective through the mutually agreed upon and guiding Active Canada Action Plan. These activities advance the overall Collective's goal(s), avoid duplication, and maximize each organization's strengths, areas of expertise, and resources.

Continuous Communication

Continuous communication and reporting between the funded organizations and governing Collective will re-affirm trust and commitment. Continuous communication will be established through regular meetings as well as in between meetings via web-based tools and other modes of communication.

Backbone Support Organization

ParticipACTION will provide support and leadership to maximize effectiveness of collaboration to achieve the Collective's common goal.

Collective Impact in Canada

The collective impact model has a positive track record in Canada and around the world.

One strong example of positive social change made through collective impact is Vibrant Communities Canada (VCC) – a national collective impact initiative which aims to reduce poverty in communities across Canada.

Launched in 2002 by Tamarack and in partnership with the J.W. McConnell Family Foundation and Caledon Institute of Social Policy, the work began initially in five communities and expanded to a total of 13 cities across Canada. Each community embraced a multi-sector approach, forming local multi-sector teams to identify and address the specific needs of each community and develop a local plan to reduce poverty. The common agenda of VCC was to reduce poverty by 10% or more within the participating cities.^{xxi}

At the end of the first decade, the national network of local poverty reduction initiatives had together impacted more than 200,000 Canadian households and generated more than 50 substantive changes in government policies. The local projects acted as catalysts for more than 160 different poverty-reducing initiatives and mobilized an investment of \$22.8 million into local communities.^{xxi}

The Physical Activity Collective

The Collective of national sport, physical activity, and recreation (SPAR) organizations submitting this budget proposal have expertise and proven impact in physical activity promotion, program development, policy advancement and change, research and evaluation, education, community and stakeholder engagement, equity, diversity and inclusion, and strategic planning and governance.

The Collective is widely endorsed by key organizations within the SPAR sector, and there is opportunity and intent to expand the Collective to include additional organizations to help achieve our vision of an active Canada. Current Collective members include:

ParticipACTION

For over 50 years, ParticipACTION has been inspiring and supporting Canadians to make physical activity a vital part of their everyday lives. As Canada's leading physical activity organization, ParticipACTION works with its partners, which include organizations in the sport, physical activity and recreation sectors, alongside government and corporate sponsors, to develop inclusive physical activity programs that help create connected communities and reduce barriers and inequities.

Aboriginal Sport Circle (ASC)

The ASC is a not-for-profit organization that was created in response to the need for more accessible and equitable sport and recreation opportunities for Aboriginal peoples. This mandate has expanded to include physical activity, health, nutrition, physical education, and wellness. The ASC is Canada's national voice for Aboriginal sport, physical activity, and recreation bringing together the interests of First Nations, Inuit and Métis peoples.

Active Aging Canada

Active Aging Canada is a national not-for-profit organization committed to promoting and supporting healthy aging among older Canadian adults from coast to coast to coast through participation, education, research, and promotion.

Active Living Alliance for Canadians with a Disability (ALACD)

Active Living Alliance for Canadians with a Disability is an organization dedicated to creating a Canadian society where people with disabilities regularly participate in meaningful physical activity. The ALACD encourages people with disabilities to make physical activity a regular part of their lives and helps build the capacity of communities and organizations to make this possible.

Canadian Academy of Sport and Exercise Medicine (CASEM)

The CASEM was developed because of specific medical problems presented at the 1968 Summer Olympics in Mexico and became officially incorporated on June 8, 1970. Since that time, it has evolved from an organization providing medical care to elite athletes at international events to the leading source of information and expertise in the art and science of sport medicine.

Canadian Fitness & Lifestyle Research Institute (CFLRI)

The CFLRI examines physical activity and sport levels of Canadians, the factors that increase and decrease participation and the capacity of various systems and environments to support participation. The CFLRI is recognized as having one of the longest standing and most comprehensive monitoring systems in the world to inform public policy on physical activity and sport.

Canadian Parks and Recreation Association (CPRA)

CPRA is a national organization dedicated to realizing the full potential of recreation and parks as a major contributor to community health and vibrancy. Members include the 13 provincial and territorial recreation and parks associations and networks of service providers in over ninety per cent of Canadian communities.

Canadian Society for Exercise Physiology (CSEP)

CSEP is a national voluntary organization composed of professionals interested and involved in the scientific study of exercise physiology, exercise biochemistry, fitness, and health. CSEP champions excellence in the application, certification, and advancement of evidence informed exercise research and practice.

Physical and Health Education Canada (PHE Canada)

PHE Canada is a national charitable association and Canada's recognized leader in physical and health education. They provide the PHE Community with quality programs, professional development services, and community activations to ensure equitable access to the benefits of quality physical and health education and healthy learning environments. PHE Canada helps ensure each child and youth in Canada has the knowledge, skills, and attitudes to lead resilient, active, and healthy lives.

Réseau Accès Participation (RAP)

RAP is a non-profit organization that has been driving diverse and impactful initiatives in recreation, sport, and physical activity across Quebec and the Canadian Francophonie for over a decade. By fostering collaboration between provincial and national stakeholders through knowledge sharing, development opportunities, and content adaptation, RAP plays a pivotal role in advancing the vision of a more active and healthier population.

Sport for Life Society

Sport for Life Society is a nationally recognized not-for-profit organization consisting of sport and physical literacy experts. As a knowledge-based social enterprise, Sport for Life Society encourages governments, institutions, schools, and sport organizations to improve their programs and services in ways that will benefit everyone—not just the high achievers. They see a continuum through the stages of human and athletic development and aim to align their work with the UN's sustainable development goals.

Sport Information Resource Centre (SIRC)

SIRC is Canada's leader and most trusted partner in advancing sport through knowledge and evidence. As the leading sport knowledge and communication centre, SIRC is committed to engaging with organizations and individuals involved in the development of sport, recreation and physical education in Canada and around the world to enhance the capacity of our shared community to foster growth and the pursuit of excellence.

Budget Overview

The following details the **Active Canada Fund** as outlined in **Recommendation 3** of the *Prioritizing Physical Activity: Moving Canada forward to better health and prosperity* budget proposal.

Budget Overview

The Active Canada Fund of \$500 million over five years would support the implementation of the Active Canada Action Plan with 80% of funds to be used programmatically and 20% placed in an endowment.

The Programmatic Funding portion would include two areas of support:

- **Core Funding** of key national and reputable organizations delivering foundational initiatives consistent with the Active Canada Action Plan. The approximate amount of core funding would be **\$30 million annually**.
- Calls for Proposals that would represent most of the programmatic funding for innovative initiatives delivered by national, provincial, territorial, and community organizations, with an emphasis on grassroots and underrepresented organizations, consistent with the Active Canada Action Plan. The approximate amount for calls for proposals would be \$50 million annually.

The **Endowment Fund** would be established to ensure sustainability beyond the initial five-year funding commitment. The amount invested in the Endowment Fund would be **\$20 million annually**.

Overall, the allocation of the \$500 million Active Canada Fund would support the implementation of the Active Canada Action Plan (see Appendix A) as follows:

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Total |
|-------------------------------|--------|--------|--------|--------|--------|--------|
| Public Education | \$15M | \$15M | \$15M | \$15M | \$15M | \$75M |
| Public Engagement | \$25M | \$25M | \$25M | \$25M | \$25M | \$125M |
| Supportive Environments | \$30M | \$30M | \$30M | \$30M | \$30M | \$150M |
| Partnerships and Coordination | \$5M | \$5M | \$5M | \$5M | \$5M | \$25M |
| Measurement and Evaluation | \$5M | \$5M | \$5M | \$5M | \$5M | \$25M |
| Endowment Fund | \$20M | \$20M | \$20M | \$20M | \$20M | \$100M |
| TOTAL | \$100M | \$100M | \$100M | \$100M | \$100M | \$500M |

The Active Canada Fund does not include funding for community infrastructure. The Collective acknowledges that there is a significant public infrastructure deficit in Canada with aging community recreation and parks infrastructure.

The Collective supports strategies and budget recommendations related to improving community infrastructure in support of physical activity and is committed to working with partners such as the Canadian Parks and Recreation Association in this regard.

Active Canada Endowment Fund

The following details the **Active Canada Endowment Fund** as outlined in **Recommendation 3** of the *Prioritizing Physical Activity: Moving Canada forward to better health and prosperity* budget proposal.

An Endowment Fund would be established to ensure sustainability beyond the initial five-year funding commitment and provide a mechanism to attract private sector investment in physical activity supports. The Endowment Fund would be governed by a group of trustees (appointed by the Minister's Task Force) and structured to receive matched contributions from private sources.

Purpose

The purpose of the Endowment Fund will be to ensure core funding provided to national sport, physical activity, and recreation (SPAR) organizations can continue beyond the initial five-year funding commitment. This will create a strong, stable sector able to take strategic and longer-term approaches to planning and program development.

Contributions

Twenty per cent of the \$500 million federal government funding commitment will be invested into the Endowment Fund. This represents a total contribution of \$100 million over five years. This stable, multi-year investment is expected to enhance our Collective's ability to attract and generate matched contributions from private sources over 10 years. By the end of year five, the Fund is projected to grow to approximately \$176 million. This growth will enable significant withdrawals starting in year six while maintaining the Fund's principal.

Returns

A compound interest assumption of 8% annually reflects a balanced yet growth-oriented investment approach. While 8% annual returns are somewhat optimistic, they are not unrealistic, especially for a well-managed, diversified endowment fund.

Withdrawals and Utilization

Withdrawals will begin in the sixth year, strategically timed to allow the Fund to grow significantly before being utilized. Withdrawals are planned to be \$30 million annually from years six to 10, covering the core funding needs of sector organizations. This approach will increase the sector's operational stability, while alleviating pressure from future federal budgets.

Sustainability

Despite the planned withdrawals, the Fund's balance will remain robust. Even after substantial withdrawals totaling \$150 million from years six to 10, the Fund is projected to retain a balance of approximately \$144 million by the end of year 10. This indicates a sustainable model where the Fund can continue to support core funding needs of the sector without depleting the principal. It will be important to regularly review and adjust the investment strategy and utilization model to respond to changing market conditions, inflationary pressures, and ensure the Fund's long-term sustainability and growth.

Sample investment plan with annualized expected returns of 8%

| Asset class breakdown: | | | | |
|--------------------------|------|--|--|--|
| Cash or cash equivalents | 15% | | | |
| Fixed income | 20% | | | |
| Canadian Equities | 45% | | | |
| Foreign equities | 20% | | | |
| | 100% | | | |

| | | Contributions | | Returns | | | |
|----|------------|-----------------------|---------------|-----------------|--------------------------|---------------|--|
| | Year | Federal Government | Private | (withdrawals) | (compounded annually) | Total Balance | |
| 1 | FY 2025/26 | \$20,000,000 | \$5,000,000 | 0 | \$2,000,000 | \$27,000,000 | |
| 2 | FY 2026/27 | \$20,000,000 | \$5,000,000 | 0 | \$4,160,000 | \$56,160,000 | |
| 3 | FY 2027/28 | \$20,000,000 | \$10,000,000 | 0 | \$6,892,800 | \$93,052,800 | |
| 4 | FY 2028/29 | \$20,000,000 | \$10,000,000 | 0 | \$9,844,224 | \$132,897,024 | |
| 5 | FY 2029/30 | \$20,000,000 | \$10,000,000 | 0 | \$13,031,762 | \$175,928,786 | |
| 6 | FY 2030/31 | 0 | \$12,000,000 | (\$30,000,000) | \$12,634,303 | \$170,563,089 | |
| 7 | FY 2031/32 | 0 | \$12,000,000 | (\$30,000,000) | \$12,205,047 | \$164,768,136 | |
| 8 | FY 2032/33 | 0 | \$12,000,000 | (\$30,000,000) | \$11,741,451 | \$158,509,587 | |
| 9 | FY 2033/34 | 0 | \$12,000,000 | (\$30,000,000) | \$11,240,767 | \$151,750,354 | |
| 10 | FY 2034/35 | 0 | \$12,000,000 | (\$30,000,000) | \$10,700,028 | \$144,450,382 | |
| | Total | \$100,000,000 | \$100,000,000 | (\$150,000,000) | \$94,450,382 | \$144,450,382 | |

Return on Investment Analysis

The following details the **Return on Investment Analysis** as outlined in the *Prioritizing Physical Activity: Moving Canada forward to better health and prosperity* budget proposal.

The Vision

To change the pace and direction of physical activity levels in Canada, the Physical Activity Collective is calling on the Government of Canada to help **increase physical activity by a relative 15% by 2030**.

Currently, only 49% of adults (18 years and older)ⁱ and 39% of children and youth (5 to 17 years)ⁱⁱ in Canada are meeting national physical activity guidelines. If Canada were to make a 15% relative increase in physical activity among adults and children and youth (consistent with the WHO's target for reducing physical inactivity by 15% by 2030), it would result in **56% of adults and 45% of children and youth meeting guidelines** and getting enough moderate-to-vigorous physical activity per week for improved health.

This shift could have substantial, positive impacts while helping improve the health and well-being of approximately **16.6 million adults and 2.4 million children and youth across the country**.^{ix}

The Investment

To achieve this vision, **an investment of \$500 million over five years in an Active Canada Fund is required** to support the development and implementation of strategies and initiatives to help people move more where they live, learn, work, and play.

The Savings and Benefits

Physical inactivity contributes to a number of health conditions. It also contributes to a loss of productivity due to increased absenteeism. A 15% relative increase in physical activity among adults in Canada could:



Reduce the economic burden of certain non-communicable diseases by 12%, taking costs from an estimated **\$3.5 billion to \$3.1 billion annually**^{ix} and decreasing the number of cases of:

- Heart disease
- Hypertension
- Stroke

- Certain cancers (breast, colon)
- Type 2 diabetes
- Osteoporosis



Reduce the economic burden of treating and managing depression by 13%, taking costs from **\$409 million to \$356 million annually**.^{ix}

Reduce productivity lost in additional absenteeism associated with workers (18 to 64 years) not achieving physical activity guidelines by almost 1 million working days (a reduction from approximately 6.2 million to 5.2 million absenteeism days), taking costs from **\$3.5 billion to roughly \$3 billion annually**.^{ix}

Resulting in a total annual costs savings of almost \$1 billion.[™]

These projected savings would be realized once the relative 15% increase in physical activity levels of adults is achieved by 2030. However, there would also be incremental savings realized during 2025–2029 based on the year-over-year progress towards the relative 15% five-year goal.

Assessing an economic return calculation is not yet feasible when looking at the impacts of increased physical activity in children and youth due to required data being unavailable, but the benefits are clear. Physical activity is associated with improved physical, mental, cognitive, and social well-being for children and youth.

Strong, longstanding evidence also shows that physical activity habits track across the lifespan and that developing active habits at a young age can positively impact an individual's attitude towards and participation in leading an active, healthy lifestyle into adulthood. The same is true for the inverse; physical inactivity also persists across the lifespan, making the need to increase opportunities for kids to get active a critical need.^{xviii,xix}

Known benefits from regular physical activity for children and youth include:

Physical Health

Regular physical activity can help children and adolescents improve cardiorespiratory fitness, build strong bones and muscles, control weight, and reduce the risk of injury and developing chronic disease in later life (type 2 diabetes, heart disease).^{xxii}

Mental Health

Physical activity has routinely been linked to lower depression and anxiety and improved physical self-concept in children and youth.^{xxiii} These associations also apply to high-risk youth.^{xxiv}

Cognitive Health

Children who routinely participate in physical activity perform better across several cognitive health outcomes, including but not limited to attention and focus, thinking, language, learning, and memory. These children also typically display higher levels of cognitive and emotional functions as well.^{xxv}

Social Health

Physical activity provides opportunities for children to learn to develop positive social behaviours such as cooperation, sharing, and engaging in social conversation. Children also learn valuable communication skills such as negotiation, cooperation, sharing and problem-solving during physical activity and sport.^{xxvi} Again, these findings also apply to high-risk youth.^{xxvii}

The Return on Investment

The total investment of \$500 million over five years in the Active Canada Fund would generate annual costs savings of almost \$1 billion from increased physical activity of adults alone, representing an approximate **return on investment of almost 100% by year five, and annually thereafter**.

For every \$1 invested through the Active Canada Fund, the Government of Canada would see an annual return of approximately \$2 on the initial investment.

REFERENCES

- ⁱ Statistics Canada. Table 13-10-0821-01 Household population meeting/not meeting the 2020 Canadian physical activity guidelines. https://doi.org/10.25318/1310082101-eng
- ^a ParticipACTION. Rallying for Resilience: Keeping Children and Youth Active in a Changing Climate. The 2024 ParticipACTION Report Card on Physical Activity for Children and Youth. Toronto: ParticipACTION; 2024.
- ^{III} Canadian Fitness and Lifestyle Research Institute (CFLRI) and Canadian Parks and Recreation Association (CPRA). (2023). The Price of Inactivity: Measuring the Powerful Impact of Sport, Physical Activity, and Recreation in Canada. *CFLRI & CPRA*. Ottawa, ON, Canada. Retrieved from: https://measuring-impact.ca/wpcontent/uploads/2023/11/CFLRI-CPRA_Price-Inactivity-Full-Report-EN-FINAL.pdf
- ^{iv} Smetanin et al. (2011). The life and economic impact of major mental illnesses in Canada: 2011-2041. *Mental Health Commission of Canada*. Toronto: RiskAnalytica.
- ^v Bryan SN, Tremblay MS, Pérez CE, Ardern CI, Katzmarzyk PT. Physical activity and ethnicity: evidence from the Canadian Community Health Survey. *Can J Public Health*. 2006;97(4):271-6.
- ^{vi} Colley R, Watt J. The unequal impact of the COVID-19 pandemic on the physical activity habits of Canadians. *Statistics Canada*; 2022. Retrieved from: https://www150.statcan.gc.ca/n1/pub/82-003-x/2022005/ article/00003- eng.htm
- ^{vii} Doull M, Watson RJ, Smith A, Homma Y, Saewyc E. Are we leveling the playing field? Trends and disparities in sports participation among sexual minority youth in Canada. *Journal of Sport and Health Science*. 2018; 7(2):218-226.
- viii World Health Organization. (2018). Global action plan on physical activity 2018–2030: More active people for a healthier world. Geneva: World Health Organization. License: CC BY-NC-SA 3.0 IGO. Retrieved from: https://apps.who.int/iris/bitstream/handle/10665/272722/9789241514187-eng. pdf?sequence=1&isAllowed=y
- ^{ix} Canadian Fitness and Lifestyle Research Institute (CFLRI). 2024. Custom analysis.
- * World Health Organization (WHO). Health topics. Physical Activity. https://www.who.int/health-topics/ physical-activity#tab=tab_1
- ^{xi} World Health Organization. (2022). Physical activity: Impact. Geneva: World Health Organization. Retrieved from: https://www.who.int/health-topics/physicalactivity#tab=tab_2
- xii Public Health Agency of Canada. (2016). Business Case for Active Living at Work. *Public Health Agency of Canada*. Retrieved from: www.phac-aspc.gc.ca/pau-uap/fitness/work/
- xiii Rissel C, Curac N, Greenaway M, Bauman A. (2012). Physical Activity Associated with Public Transport Use
 A Review and Modelling of Potential Benefits. Int J Environ Res Public Health; 9(7):2454-2478.
- xiv Canadian Urban Transit Association. (2019). The Economic Impact of Transit Investment in Canada. Urban Mobility Issue Paper; 50. Retrieved from: https://cutaactu.ca/wp-content/uploads/2021/01/final_issue_ paper_50_cuta_v2.pdf
- ^{xv} Fagan, M.J., Vanderloo, L.M., Banerjee, A. et al. Re-assessing the social climate of physical (in)activity in Canada. *BMC Public Health*, 23, 2548 (2023). https://doi.org/10.1186/s12889-023-17436-3.
- ^{xvi} Gerber, M., Barker, D., & Pühse, U. (2012). Acculturation and physical activity among immigrants: A systematic review. *Journal of Public Health*, 20(3), 313–341. https://doi.org/10.1007/s10389-011-0443-1
- ^{xvii} Spence, J. C., Kim, Y.-B., Lee, E.-Y., Vanderloo, L. M., Faulkner, G., Tremblay, M. S., & Cameron, C. (2024). The relevance of the United Nations' Sustainable Development Goals in the promotion of sport, physical activity, and recreation in Canada. Manuscript accepted for publication.
- xviii van der Zee, M.D., van der Mee, D., Bartels, M. *et al.* Tracking of voluntary exercise behaviour over the lifespan. *Int J Behav Nutr Phys Act*, 16, 17 (2019). https://doi.org/10.1186/s12966-019-0779-4

- xix Malina RM. Tracking of physical activity and physical fitness across the lifespan. Res Q Exerc Sport. 1996;67(3 Suppl):S48-57. doi: 10.1080/02701367.1996.10608853.
- xx Kania, J. & Kramer, M. (2011). Collective Impact. Stanford Social Innovation Review, 9(1): 36–41.
- ^{xxi} Cheuy, Sylvia. Evolving the Practice of Collective Impact: Inspiration from the Field. Page 11. *Tamarack Institute*. Retrieved from: www.tamarackcommunity.ca/hubfs/Resources/Publications/PAPER%20%7C%20 Evolving%20the%20Practice%20of%20Collective%20Impact.pdf?hsCtaTracking=6742812e-2fab-4cb3a53b-9d4134e64f70%7Cf0e22f72-4d3d-430d-959e-9d505d5ad67e
- ^{xxii} Janssen, I., LeBlanc, A.G. Systematic review of the health benefits of physical activity and fitness in schoolaged children and youth. *Int J Behav Nutr Phys Act* 7, 40 (2010). https://doi.org/10.1186/1479-5868-7-40
- ^{xxiii} Pfaeffli Dale, L., Vanderloo, L.M., Moore, S. A., Faulkner, G. Physical activity and depression, anxiety, and self-esteem in children and youth: An umbrella systematic review, *Mental Health and Physical Activity*, 16, 2019, 66-79, https://doi.org/10.1016/j.mhpa.2018.12.001.
- xxiv Simpson, A., Teague, S., Kramer, B., Lin, A., Thornton, A. L., Budden, T., ... Jackson, B. (2024). Physical activity interventions for the promotion of mental health outcomes in at-risk children and adolescents: a systematic review. *Health Psychology Review*, 1–35. https://doi.org/10.1080/17437199.2024.2391787
- ^{xxx} Bidzan-Bluma I, Lipowska M. Physical Activity and Cognitive Functioning of Children: A Systematic Review. *Int J Environ Res Public Health*. 2018. 19;15(4):800. doi: 10.3390/ijerph15040800.
- ^{xxvi} Eime, R.M., Young, J.A., Harvey, J.T. et al. A systematic review of the psychological and social benefits of participation in sport for children and adolescents: informing development of a conceptual model of health through sport. *Int J Behav Nutr Phys Act* 10, 98 (2013). https://doi.org/10.1186/1479-5868-10-98
- ^{xxvii} Lubans DR, Plotnikoff RC, Lubans NJ. Review: A systematic review of the impact of physical activity programmes on social and emotional well-being in at-risk youth. *Child Adolesc Ment Health*. 2012. 17(1):2-13. doi: 10.1111/j.1475-3588.2011.00623.x

