

**Hockey NL**  
**Strategic Planning Document**  
**With**  
**Demographic and Market Analysis**  
**By**  
**Economic Zone**  
**February 2015**

## **Executive Summary:**

From a demand perspective Hockey NL is in good shape. Overall demand for its programs is steady in many areas and growing in others. At the same time, the overall participation rate /market penetration rate for minor hockey in NL is above the national average (10% across the island and 13% in the St. John's CMA versus the national average) and it is second only to minor soccer (15%) among children aged 5-17 in this province.

Unfortunately, there are a significant number of minor hockey associations (n=16 of 46) where the total number of registrants is considered to be below the minimum efficient size that is required to offer a quality program. Amalgamation, restructuring or reorganization activities may be required to help ensure the long-term viability of current programs in certain areas (economic zones). At the present time at least three (or four) groupings of associations would benefit from an amalgamation of some kind.

On a positive note, there at least three regions of the province where demand for minor hockey programs outstrips the supply of ice time, most notably in the St. John's, CBR, Clarenville and extended gander region. Once again, amalgamation, restructuring or reorganization may be required to ensure that all participants, parents, coaches, officials and volunteers have a 'good experience' in hockey. At the present time it would appear that an amalgamation of the various associations that operate in the St. John's Metropolitan Area (CMA) would like see the emergence of 6-7 associations, each with between 600 and 750 members.

An in-depth analysis of the current demand for (and supply) of ice time has revealed that in some regions (such as the St. John's CMA) there is a demand for as many as three additional ice rinks, while in other areas one additional rink may be required.

Overall the ratio of rinks per 1,000 persons in the population is better than the national average in many areas of NL, suggesting that many children are having relatively little difficulty getting access to ice time. However, in spite of the addition of 4 new rinks in the greater St. John's area, continued population growth and increasing participation levels have served to place additional pressure on existing facilities in this region. This fact, coupled with the unavailability of certain rinks in the area and the aging of a number of existing rinks, suggests that demand for additional hours will continue in the St. John's Metropolitan Area.

HNL has taken the required steps to identify these areas and has developed a presentation package that can now be used to highlight the areas that are in need, while also showing how it proposes to take action in other areas to ensure that activity levels are sustained so that increased participation in Canada's national game can help governments at all levels deliver on their stated objective of increasing activity levels among the nation's children.

**1.0 Perspective:** During the period June 2013 and December 2014 the Board of Directors of Hockey Newfoundland and Labrador (HNL) met on six occasions to establish their priorities for the next five years for HNL and to consider the current challenges facing the organization.

The participants at these sessions noted that, while there was a number of wide ranging organizational challenges, these may not necessarily be province-wide in scope, thus making planning for the future – at the provincial level - a particularly challenging prospect.

For example, challenges associated with the availability of ice time for minor hockey (at reasonable hours and prices) appears to be a problem in the major urban regions of the province – with some exceptions, while attracting sufficient numbers of children into minor hockey to sustain current program levels is of concern to the more remote and less densely populated regions of the province of Newfoundland and Labrador (NL).

In certain areas of the province of NL, one of the major issues appears to be the ability of local minor hockey associations to deliver a quality program. In particular, participants in the various strategic planning sessions appeared to be concerned about the consistency of the programs currently being offered, the level of competition and the quality of the participation experience for players and their guardians. Over the planning period numerous advocates have suggested that, at the present time, there is no consistency in the nature of the program(s) being offered. A number of participants noted that the challenges in one area of the province appear to be quite different than those in other areas, with some participants wondering (aloud) if it would ever be possible to deliver a consistent program of play at the provincial level.

Among the many specific examples that were mentioned during these sessions, three stand out as being particularly noteworthy:

- 1) Participants noted that at some levels of minor hockey there are as many as **240 teams participating** in a large number of A, B, C, D, E . . . level tournaments, **with great variations in the quality of play and the level of competition**. As a result, some of the individuals in the planning exercise called for a re-examination of the provincial tournament policy; and
- 2) A second and perhaps more profound challenge referenced the inability of certain associations (in fast growing areas of the province) to access the amount of ice time that is required to effectively deliver the desired program; and
- 3) A small group of planning session participants also noted the challenges currently being faced by those minor hockey associations (primarily located in rural and remote areas of NL) that have smaller than average membership levels and who operate in regions which have lower than average population growth.

Given these developments and concerns, the Board of Directors of HNL while recognizing that one its primary mandates is the delivery of the best possible program of play across all hockey associations within the province, (in a manner that is consistent with the Hockey Canada goal of an hour of play and two hours of practice per child per week), also realized that there may challenges associated with implementing such a plan province wide.

Subsequent to these early stage planning discussions, it was decided that the strategic planning facilitator would undertake an analysis of registration history, demographic trends and ice rink capacity and requirements of each of the 46 minor hockey associations currently operating in the province of Newfoundland and Labrador.

(Note 1: As minor hockey registrations account for more than 90 percent of all hockey registrations in NL, a decision was made to examine the current and projected demand for minor hockey as a first priority).

Note 2: It was suggested by the facilitator that the output of this analysis should be crafted so as to inform subsequent decisions in the areas of amalgamation of services and programs at the local minor hockey association level and at the regional and provincial level.

Note: Further to note 2 above, what follows is a province wide examination of the demographic and participation trends for minor hockey by Economic Zone, as defined by the Government of NL, Department of Finance Community Accounts Division (See Section 3.0). A narrower and more detailed analysis of the demographic and participation trends in smaller than average minor hockey associations is presented in Section 4.0 and the effective market penetration rate for minor hockey is presented in Section 5.0.

**2.0 Mandate:** Preliminary discussion of the mandate of HNL (actual or perceived), particularly with respect to Minor Hockey, saw the HNL planning group come to the following conclusions with respect to the mandate of HNL:

- 1) Participation is paramount;
- 2) Program quality, in particular program consistency in each age group is important;
- 3) Excellence in program delivery is also highly valued; and
- 4) Ensuring that we have the capacity (ice time, technical and training skills) to deliver the desired programs is central to our long-term development and sustainability.

Note: While all these points may not be included in the final version of the mandate, they do serve as a useful jumping off point for other aspects of the discussion about the long-term direction which the organization might take.

After a lengthy discussion pertaining to the availability of ice time in each region of the province, it was agreed that, while the lack of suitable ice time was not a universal problem, in those areas where the population had increased, or has been predicted to increase in the next few years, the problems associated with accessing quality, affordable ice time at a sensible time of day were significant and served to severely limit the ability of the minor hockey associations in such regions to meet the needs of existing members – never mind the talk of improved programs and increased ice time.

It was noted during the discussion that a number of ice time availability and utilization studies had been completed over the past 7 years. However, it was also noted that at least two of these studies were either: narrow in geographic scope (St. John's CMA only); or too old (2007) to be of much value at the present time. HNL President, Jack Lee, noted that HNL had been in discussions with the provincial and federal governments in an attempt to secure funding for a more detailed study of the supply and demand issues associated with ice hockey rinks in Newfoundland and Labrador and expected that some funding may be available for such a study over the next few months.

At this stage in the discussion the group stepped back a little and began the process of summarizing the strategic challenges they were facing at the present time. The facilitator asked them to consider these challenges in terms of their impact on the long term sustainability of the organization.

**Strategic Challenges:** Perhaps the most important factors that were perceived as most significantly influencing the long term sustainability of HNL are those associated with **ice time and participation in recreation activities (hockey)**. In particular, these include:

- 1) The magnitude of the **demand** for programs as presently designed and delivered;

- a. Based on present participation rates); and
  - b. Based on population growth projections: and
- 2) The magnitude of demand for programs if they are redesigned so as to align with current Hockey Canada Program Development Principles;
  - 3) The availability of **supply** of ice time presently;
  - 4) The availability of qualified coaches and on and off-ice officials

Demand in this instance is seen to be a function of a number of market factors, including: the number of individuals aged 5-19 in the province, their participation rate in sport and their interest in the hockey program that is presently being offered by HNL. It is also seen to be a function of the nature and type of the minor hockey program that might be offered in the future.

For example, it was noted that one programming option that is being considered by HNL is the move to alter the rules associated with body checking in minor hockey. It was also noted that in the lower age groups that presently allow checking, the removal of checking might have a positive effect on the number of players interested in participating in minor hockey, thereby increasing overall registration levels.

Another option that is being considered by HNL is the adoption of the Hockey Canada recommendation that each house league player be afforded one game and two practice sessions weekly – in effect a 50 percent increase over the present situation in NL.

To date, most minor hockey associations in NL (particularly those that are located in the more densely populated regions of this province), have been unable to consider this option because they do not have access to a sufficient number of hours of ice time to fully implement such a recommendation.

Conversely, those associations which operate in less densely populated areas appear capable of implementing such a program at any time, should HNL decide to implement the new Hockey Canada Minor Hockey Development Program.

Another challenge that has arisen in the past, in at least some minor hockey associations, has been the preoccupation with elite hockey programs and the corresponding effect that this preoccupation has had on the quality of some house league programs. At the present time HNL and most Minor Associations seem to have found a reasonable programming balance between these two competing forces. If anything HNL appears to go out of its way to make sure that all associations provide a balanced year-long house league experience, culminating with representation at a regional tournament – at as many competitive levels as is possible. Interestingly, some HNL representatives (who participated in the February 8<sup>th</sup> strategic planning) have expressed the opinion that HNL may offer too many provincial tournaments – noting

that not all parents and players appear interested in participating in those tournaments that are less competitive (i.e. at levels H, I, J . . .) or perhaps have less meaning than an A level or B level tournament.

At the present time there appears to be a number of areas within Newfoundland and Labrador where there is significant pressure to supply additional ice time and programming. These include but may not be limited to the following areas:

- 1) The Northeast Avalon;
- 2) Conception Bay Regional; and
- 3) Gander

While a number of ice rinks will be completed over the next two years, including two rinks in Paradise and one in C.B.S., the rate of population growth in this region, in particular, is such that the addition of these facilities will in all likelihood mean that the CBR Minor Association, in particular, will finally be able to retrench from its present operating plan, which includes utilizing available space in a variety of other rinks in multiple locations on the Avalon peninsula – including Bell Island.

The issues in St. John's and the surrounding areas are somewhat more complex, in that no new facilities have been planned and a number of the existing facilities, notably The St. Bon's Forum, The Capital Hyundai Arena and Feildian Gardens are all relatively old (55 years or older) by ice rink standards (Note: 35 years is the projected useful life of a hockey rink in Canada today).

While a 2007 study of ice rink utilization in the Census Metropolitan Area of St. John's identified a number of issues associated with ice rink capacity and long term supply, to date no action has been taken by the City of St. John's to rectify the present situation. In fact, the 2012-2018 Recreational Plan for the City of St. John's does not contemplate the establishment of any additional ice rink surfaces.

**Mandate (Draft):** The mandate of Hockey Newfoundland and Labrador is to provide our players, coaches, referees and program administrators with an opportunity **to achieve their personal goals in hockey** - at the local, provincial, regional and national level.

Wherever possible we will support participation in Hockey (at the recreational level) in a manner that is the objectives **of the Long-term Athlete Development** programs of the Departments of Fitness and Amateur Sport (Canada) and the Department of Tourism, Recreation and Culture (Newfoundland and Labrador), as well as the health & wellness and participation objectives of all levels of government.

We **recognize the important role that our sport plays in the culture of our province and our country** and we are **committed to supporting hockey** (at all levels), in order to ensure that an 'enjoyable' and 'high quality' experience is had by all participants.





### 3.0 Demographic Analysis: Minor Hockey Associations by Economic Zone

The first phase of the demographic profiling exercise that was used to inform the HNL strategic planning process involved the examination of the current HNL minor registration data (by individual Association). This analysis was conducted in a manner that is consistent with Government of Newfoundland and Labrador statistical analysis protocols. Minor hockey registration data was analyzed by Economic Zone (as defined by the Government of NL Community Accounts). The number of enclosed ice rink facilities (per economic zone) was also included. This was done so as to facilitate an ice rink capacity analysis on an Association-by-Association basis for subsequent planning and submission to various governments (Federal, Provincial and Municipal) as well as other support and funding agencies.

The results of this data collection and analysis process, as outlined in Table #1 below, allow for the calculation of:

- The current penetration rate for minor hockey in each economic zone;
- The ratio of the total population per rink in each economic zone; and
- The ratio of the number of children registered in minor hockey per economic zone.

The highlights of this analysis serve to illustrate the areas in Newfoundland and Labrador where demand for minor hockey is increasing or decreasing, while also serving to illustrate where capacity (as measured by the number of minor hockey registrants per enclosed ice rink facility) is at or near capacity.

As such, this is truest measure of HNL's ability to deliver on its stated objective of improved program quality; defined by Hockey Canada as a program that offers participants one game and two practices per week - per registrant.

The **highlights** of this analysis are as follows:

- 1) The area with the largest ratio of population to covered ice rinks is in the St. John's and Northeast Avalon region (Economic Zone # 19), with 16,400 persons per rink and 236 minor hockey players per rink - based on 12.5 available rinks. Note: However, this ratio is somewhat overstated, as at least some of the ice rinks in this area have not been available for minor hockey (on a consistent basis) for a number of years;
- 2) Other areas that are experiencing ice rink supply challenges include: Clarenville, the Conception Bay North area and to a lesser extent the Corner Brook. If the Corner Brook area had a higher penetration rate for minor hockey their challenges would be more pronounced. Increasing their current penetration rate from 7% to the NL average of 12% would have the effect of making the Corner Brook area the least well serviced area in the province;
- 3) Areas where there is below average demand include: St. Anthony, Harbour Breton, Port-Aux-Basques and Springdale.

Table 1, on page 4 presents the data from this analysis.

**Table #1: Population Density Analysis – Ice Rink Utilization - Children (5-19) by NL Economic Zone 2014**

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
Economic Zones: 1-20	Area Population	Children Aged 5-19	# in Minor Hockey	Penetration Rate for Minor Hockey	Number of Rinks: Zone	Ratio: Total Population to # of Rinks	Ratio: Kids in Minor Hockey to # of rinks
EZ # 1 Hopedale – Nain	3,120	955	54	6 %	2	(3,120/2 = 1,560) 1,560:1 ratio	27:1
EZ # 2 Lab West- Churchill	9,660	1,800	329	18 %	3	(9,660/3 = 3,220) 3,220:1 ratio	110:1
EZ # 3 Goose Bay	9,175	2,250	261	12 %	2	(9,175/2 = 9,175) 9,175:1 ratio	130:1
EZ # 4 Mary's Hr. & South	2,615	565	0	0%	0	2,615/0	0
EZ # 5 South Labrador	1,825	365	0	0	0	1,825/0	0
EZ # 6 St. Anthony – Roddickton	8,845	1,495	149	10 %	3	(8,845/3 = 2,948) 2,948:1 ratio	50:1
EZ # 7 Gros Morne Area	9,060	1,560	327	20 %	2	9,060/2 = 4,530 4,530:1 ratio	163:1
EZ # 8 Corner Brook - Deer Lake	40,970	7,715	541	7 %	3	(40,970/3= 8,195) 13,650:1 ratio	180:1
EZ # 9 Port Au Port Peninsula	21,830	3,880	221	6 %	2	(21,830/2) 10,915:1 ratio	110:1
EZ # 10 Port Aux Basques & Area	9,120	1,405	153	11%	2	9,120/2=4,560 4,560:1 ratio	77:1
EZ # 11 Springdale	14,250	2,475	332	13 %	4	14,250/4=3,560 3,560:1 ratio	83:1

EZ # 12 Grand Falls-Windsor	26,450	4,460	589	13 %	5	26,450/5=5,290 5,290:1 ratio	133:1
EZ # 13 Connaigre Pen. Hr. Breton	7,905	1,415	173	12 %	1	7,905/1= 7,905:1 ratio	97:1
EZ # 14 Gander & Gander Bay	46,850	7,590	887	12 %	7	46,850/7=6,690 6,690:1 ratio	113:1
EZ # 15 Clarenville – Bonavista	28,355	4,350	422	10 %	2	28,355/2= 14,177:1 ratio	211:1
EZ # 16 Burin Peninsula	21,600	3,960	398	10 %	2	21,600/2= 10,800:1 ratio	199:1
EZ # 17 Hr. Grace – Carbonear	39,850	6,625	615	9 %	3	39,850/3= 13,285:1 ratio	205:1
EZ # 18 Trinity Placentia	7,310	1,365	168	12 %	1	7,310/1= 7,310:1 ratio	168:1
EZ # 19 St. John's, Mt. Pearl & North East Avalon	205,000	33,950	2,931	8.6 %	12.5	205,000/12.5= 16,400:1 ratio	235:1
EZ # 20 Southern Shore	8,410	1,420	132	9 %	1	8,410/1 = 8,410:1 ratio	132:1
Provincial Totals	N & L	80,570	9,666	12 %	54	522,000/54=9,660:1	172:1

**Notes to Accompany Table 1:**

**Column 1:** Details in this column have been based on the Government of Newfoundland, Department of Finance (Community Accounts) Classification Parameters.

**Column 2:** Data in this column has been derived from the Government of Newfoundland, Department of Finance, (Community Accounts Population by Economic Zone).

**Column 3:** Data in this column has been derived from the Government of Newfoundland, Department of Finance, (Community Accounts Population by Economic Zone).

**Column 4:** Data in this column has been derived from the Hockey NL (Provincial Office) Registration Reports 2013-14 and 2014-15.

**Column 5:** Column 4 (# of individuals registered in Minor Hockey) divided by Column 3 (# of individuals aged 5-19) = Current Market Penetration Rate.

**Column 6:** The list of ice hockey rinks in NL is available on-line at a number of websites. The validity of this list has been confirmed by Mr. Arnold Kelly, Chair HNL Minor Council, in April 2014.

**Column 7:** Column 2 divided by Column 5 = Results for Column 6.

**Column 8:** Column 4 (# of individuals registered in Minor Hockey) divided by Column 6 (# of rinks in each Economic Zone) = MH Kids/Zone.

The analysis presented in Table #1 suggests that there are two developing trends that are worthy of further exploration: 1) the dramatic increase in demand versus supply of ice time in the Northeast Avalon region; and 2) the potential problem associated with the sustainability of smaller more remote minor hockey associations throughout Newfoundland and Labrador.

To help understand these two situations more clearly a more detailed analysis of each affected area was undertaken. The results, presented in Tables # 2 & #3 highlight those areas that are in need of additional ice time (see Table # 2) and those where an amalgamation of associations may be required so as to allow for the development and delivery of a quality minor hockey program.

**Table # 2: Detailed Breakout for Economic Zone # 19: St. John's & Northeast Avalon**

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
St. John's CMA Minor Associations	# Registered Per Association	Rinks used in each Association Coverage Area	Total # of Required Hours 2013-14 (actual)	Actual Hours Available to Associations In 2013-14: (Multiple rinks)	Deficit Hours Per Association 2013-14	Hours Required: New Hockey Canada Plan Adopted	Revised Deficit Hours 2014	Available MH hours per rink per week: 2013-14
North East Avalon	672	1	51	37	14	68	31	20-24
St. John's Minor	634	2	70 (Does not include 7 hours to Avalon)	77	0	24	24	70
Avalon Minor	378	3	42+	32	12	56	24	28
CBR	975	1	76+	24	52	102	78	20-24
Mt. Pearl	596	2	46	40-48	0	70	20 or so	40-48
Goulds Minor	214	1	40	40	0	60	10-20	40+
<b>Totals</b>	<b>3,464</b>	<b>8*</b>	<b>325</b>	<b>254</b>	<b>78</b>	<b>380</b>	<b>187-197</b>	<b>234</b>

**Note 1:** Column 3 total adds to greater than 8 because more than one Association rents certain rinks.

**Note 2:** At the present time only 8 rinks are available for Minor Hockey.

As can be observed in Table # 2 on page 13, as of the end of the 2013-2014 hockey season there was a significant gap in the number of hours of ice time that would be required to deliver on the desired objective of Hockey Canada (1 game and 2 practices per week per child) relative to the number of hours of ice time available in the greater St. John's/North East Avalon area.

#### Detailed Observations from Table 2:

1. While there are 12 rinks currently operating in the area, only 8 of the 12 rinks are presently being used regularly (i.e. on a consistent basis) by local area Minor Hockey Associations. As the Southern Shore Arena is located in Economic Zone # 20, it has not been included in the analysis that accompanies this Table.
2. Among these 12 rinks currently included in the Northeast Avalon (St. John's CMA) cluster that is known as Economic Zone # 19, 1 rink is over 90 years old; 2 rinks are almost 60 years old; and 1 rink operates at perhaps 50 - 60 percent rental capacity because it has a major tenant (The St. John's IceCaps) as well as other entertainment rental priorities during the hockey and entertainment seasons.
3. As per point # 2 (above), at this point we are using a figure of 12 rinks for the purpose of more detailed analysis. It should be noted that while Mile One Centre is not consistently available to Minor Hockey as its schedule varies by week, some Associations do use Mile One centre to meet overflow demand.
4. Once the new ice rinks in Paradise (2) and CBS (1) are complete, this ratio will have to be recalculated as follows:
  - a. In 2016-17 there will be 197,500 area residents (in EZ #19) and there will be 15 available rinks, as a result the ratio of people to rinks drops to 13,200:1 – or below the Canadian average of 14,250:1.
  - b. However, by that time the St. Bon's Forum (which was recently out of commission, will be almost 100 years old and two other rinks will have been in operation for almost 70 years. While one of these facilities has been well maintained in recent years, the operational status of the second facility is unknown.
  - c. The average useful life of a purpose-built minor hockey rink in Canada is estimated to be between 35 and 40 years.
5. If we divide the projected area population number (197,500) by 12 assuming the old rinks are de-commissioned in the near future, then our adjusted ratio increases to 16,450:1 and we are once again well above the average availability rate in Canada, and we continue to be in a deficit situation; unable to meet existing demand levels and certainly unable to deliver on any revised Hockey Canada mandate in St. John's, the Northeast Avalon, Clarenville or Gander.
6. If we divide the projected area population (197,500) by the number of **rinks** that are **actually available** to minor hockey on a consistent basis (11) then our coverage ratio rises to 17,950:1 – or 1.25 times the national average.
7. In order to bring the St. John's CMA back to the national average, at least 3 new rinks would have to be added in the region to bring the area within range of the Canadian ice rink to population coverage ratio ( $197,500/\text{current national coverage average of } 14,250 = 14$ ); ( $14 - 11 = 3$ ).

8. At the present time the CBR Minor Hockey Association has 1,002 registered players and Paradise (with approximately 400 children currently playing in the CBR Association, is interested in having its own association. If this initiative proceeds as is currently planned, then at that time the analysis for that area will have to be recalculated.
9. The ice rinks included in this analysis of Economic Zone # 19 include: 1) The Jack Byrne Arena; 2) The St. Bon's Forum; 3) Capital Hyundai Arena; 4) Feildian Gardens; 5) Twin Rinks #1; 6) Twin Rinks #2; 7) Rogers-Bussey Arena; 8) The Goulds Arena; 9) CBS Arena; 10) Mile One Centre; 11) Mt. Pearl Glacier #1; and 12) Mt. Pearl Glacier #2.

**Additional Data that may be used to inform our discussion is outlined below:**

10. **Current Canadian Ice Rink Availability Ratio: Population to # of Rinks:** 33,400,000 people/2,450 rinks (Ratio = **14,250** people per rink)
11. **Current Newfoundland & Labrador Availability Ratio:** 522,000 people/54 Rinks (Ratio = 9,660 people per rink; High is 16,400:1 low is 3,100:1).
12. **Current North East Avalon Availability Ratio:** 188,500 people/11 available rinks (Ratio = 17,100 people per rink).  
**Note 1:** If we divide the new area population number (197,500 by 11 available rinks (assuming the old rinks are de-commissioned) then our adjusted ratio is 17,950:1 and we are once again in a deficit situation and unable to deliver on any revised Hockey Canada mandate in St. John's, Clarenville or Gander. This revised deficit is 3 rinks short – at least.  
**Note 2:** It is also worthy of note that this analysis does not contemplate the additional demand placed on current facilities by such programs as: specialized or Elite Minor Hockey training; Elite Leagues and Programs; Learn to Skate; and Power Skating programs, which collectively account for dozens of hours of weekly demand in the Northeast Avalon region in particular.

#### **4.0 Demographic Analysis of Smaller Minor Hockey Associations:**

Conversely, the results presented in Table #3 suggest that as many as 16 of the province's 46 minor hockey associations (35 percent) may have to merge or be merged at some point in the near future in order to ensure a high quality, competitive, hockey playing experience for players in these associations. In particular, Baie Verte, Bay D'Espoir, Churchill Falls, Green Bay South, LaScie, Placentia and Port-Aux-Choix have all experienced a 10 percent or greater decline in registrations over the past number of years and currently have less than 100 individuals registered in minor hockey in their respective associations. A cursory examination of these areas suggests that at least three areas might benefit from an amalgamation of services. These include: the Grand falls-Windsor Botwood and Bishop's Falls area; the Baie Verte and LaScie area; and the Harbour Breton and Bay D'Espoir areas.

The following points have been drawn from the details presented in Table # 3:

- 1,095/9,500 or **11.5% of minor hockey registrants** are **currently registered** in Associations that have **100 or fewer members**;
- if we include the 337 registrants who are in Associations with slightly more than 100 members, then **1,432/9,500 or 15%** of all minor hockey players are registered in smaller than average sized associations;
- **1 in 7 children** currently registered in minor hockey in NL **are affected** by this development;
- **1 in 3** (35 percent) of all minor hockey associations (16 out of 46 total Associations) are having, or are projected to **have, membership/sustainability challenges in the next three to five years.**



**Table 3: Minor Hockey Associations with 100 or fewer members - (2013-14) Registrations**

Minor Hockey Association	Location	2012-13 Registrations	2013-14 Registrations	% Change	% Change in Area*
1. Baie Verte MHA	Baie Verte	80	95	-16%	-10%
2. Bay D'Espoir MHA	Bay D'Espoir – St. Albans	76	89	-12%	-10%
3. Bell Island MHA	Bell Island	61	60	0%	-3%
4. Beothic MHA	Lumsden	93	89	+21%	-4%
5. Bishop's Falls MHA (Btwd =167)	Bishop's Falls	64	83	-41%	-2%
6. Churchill Falls MHA	Churchill Falls (Lab)	70	60	+17%	-10%
7. Glover-town MHA	Glovertown	69	72	-30%	-4%
8. Green Bay South MHA	Pilley's Island	82	74	+8%	-10%
9. Gros Morne MHA	Rocky Harbour	54	79	-40%	-8%
10. Hr. Breton MHA	Hr. Breton	97	94	0%	-7.4%
11. La Scie MHA	La Scie	39	53	-32%	-10%
12. Placentia Inter Town MHA	Placentia	100	83	0%	-10%
13. Sheshatshui MHA	Sheshatshui	71	85	-16.4%	-1.5%
14. Torngat Mtns. MHA	Nain,	54	78	-48%	-3.1%
15. Twin Towns MHA	Port au Choix	78	90	-10%	-12.2%
16. United Towns MHA	Grand Bank Fortune	100	102	0%	-9%
Total Registrations		1,095			

**Note:** Minor Associations that are close to the 100 registration number include: Bonavista (106); Fogo Island (107); and Lewisporte (124).

The following Table highlights those Associations that are projected to have the most significant sustainability challenges in the near future.

**Table 4: Minor Hockey Associations < 75 members - (2013-14) Registrations**

Minor Association	Location	Registration	2013-14	2014-15	2015-16	% Change	Pop. decline in area %
<b>Less Remotely Located Associations</b>							
1. Baie Verte MHA	Baie Verte	Merge with La Scie?	80	95	95	-16%	-10%
2. La Scie MHA	La Scie	Merge with Baie Verte?	39	53	57	-32%	-10%
3. Bell Island MHA	Bell Island	Merge with CBR?	61	60	63	0%	-3%
4. Bishop's Falls MHA	Bishop's Falls	Merge with GFW; Botwood	64	83	108	-41%	-2%
5. Glovertown MHA	Glovertown	Merge with Gander?	69	72	99	-30%	-4%
6. Green Bay South MHA	Pilley's Island	Merge with Springdale?	82	74	76	+8%	-10%
7. Gros Morne MHA	Rocky Harbour	Merge with Twin Towns?	54	79	90	-40%	-8%
8. Twin Towns MHA	Port au Choix	Merge w Rocky Hr.	78	90	87	-10%	-12.2%
9. Sheshatshui MHA	Sheshatshui	Merge w Lake Melville	71	85	67	-16.4%	-1.5%
<b>Sub-total: &lt; Remote</b>			<b>598</b>				
<b>More Remotely Located Associations</b>							

10. Bay D'Espoir MHA	Bay D'Espoir – St. Albans	Is a merger possible?	76	89	86	-12%	-10%
11. Churchill Falls MHA	Churchill Falls (Lab)	Merger Challenging	70	60	60	+17%	-10%
12. Torngat Mountains MHA	Nain,	Merge not likely	54	78	104	-48%	-3.1%
<b>Sub-total: &gt; Remote</b>			<b>200</b>				
<b>Total Registrations</b>			<b>798</b>				

While it is tempting to argue that many of the Associations noted above have experienced registration declines that are at the 10% level or less, it also is important to consider the overall population changes in these regions. For example, in both Bishop's Falls and Botwood the number of children in the 5-9 age group continues to decline, as is evidenced in the number of children in these areas that are currently aged 0-4 (i.e. the basis of the next cohort of children aged 5-9).

When making amalgamation decisions in those areas of the province of NL that are experiencing population declines, it is also important to consider the concept of minimum efficient size. That is, to ask the question:

What is the minimum efficient size of a minor hockey association?

Alternatively, one might ask the question:

How many registrants does it take on a per age group basis to build an effective minor hockey association?

While responses to these questions may vary, the following basic principles would likely dominate the discussion:

- 1) For every two-year age group one would ideally like to see under (ideal circumstances) four teams of 16 players (64 players in total) so as to ensure the variety and competitiveness of play;

- 2) A three team division (48 players) would likely be seen by many as a compromise position that could be made to work;
- 3) An Association would likely require at least three divisions (Atom, Pee Wee and Bantam) to ensure a consistent player development standard, while also ensuring that players could play in their home town arena if possible);
- 4) Given this definition: three divisions; three teams per division; and 16 players per team it would appear reasonable to suggest that a properly functioning and effective minor hockey association would require approximately 192 players. Conversely, the absolute minimum efficient association size would be 144 (3 divisions times 3 teams times 16 players = 144).
- 5) If we accept these criteria as being the basis for association formation and sustainability, then any association with less than 100 member is clearly in decline and vulnerable to sustainability issues.

An example of how this analysis might affect our perception of the extended Grand Falls Windsor area including the towns of Bishop's Falls and Botwood is presented as below:

**Table 5: Hockey NL - GFW and Area - Demographic Analysis with Implications for Future Alignment**

2018 Age Groups	GFW Male	GFW Female	GFW Total	Bishop's Falls Male	Bishop's Falls Female	Bishop's Falls Total	Botwood Male	Botwood Female	Botwood Total
0-4	330	340	670	60	60	120	65	60	135
5-9	335	350	685	80	60	140	85	85	170
10-14	390	340	730	90	80	170	95	95	190
15-19	310	400	710	100	90	190	135	95	230
Total	1,365	1,430	2,795	330	290	620	340	335	725
5 year Average	341	357	699	82.5	72.5	155	85	84	181

Note: When the criteria for effective association size are used to define association status, both the Botwood and Bishop's Falls associations are suspect, with decisions on longer-term sustainability being required relatively soon.

If we include the three divisions Atom, Pee Wee and Bantam only, then these two smaller areas have only 310 and 360 kids (maximum to draw from).

With a 10 % penetration/participation rate then these areas have only 67 kids to populate these teams (310 + 360 = 670 X 0.10 = 67).

Conversely, these areas would need a 25 % penetration/participation rate in minor hockey in order to achieve 'sustainability' status in the three divisions noted above – a tall order given the current prevailing penetration/participation rate in minor hockey in the region. Additional details are outlined below.

**Observations: Town of GFW and GFW MHA**

- The total population in GFW has not dropped appreciably over the last 5 years (685 kids aged 5-9 compared to 670 kids aged 0-4).
- There was a 15 child decline in the population (aged 5-9 versus aged 0-4) in the GFW area over the last 5 years.
- As a result we have to conclude that the penetration rate for minor hockey has dropped – as the population has not dropped appreciably.

**Observations: Town of Bishop's Falls and Bishop's Falls MHA**

- The total child population in BF has dropped by 20 kids over the last five years.
- The base of incoming children to draw from is now quite small – no matter how high the participation rate.
- There are now 120 kids to draw from in Bishops and with a 10% participation rate in minor hockey (on average) this is 12 kids per year or 24 for every two year age grouping in hockey – or 1 ½ teams (maximum).
- The number of children aged 0-4 is approximately half the number that BF had in this age group 15 years earlier.

**Observations: Town of Botwood and Botwood MHA**

- The total population in Botwood has dropped by 35 kids over the last five years. The base of incoming children to draw from is quite small – no matter how high the participation rate.
- There are now 135 kids to draw from in Botwood and with a 10% participation rate in minor hockey (on average) this is 14 kids per year or 28 for every two year age grouping in hockey – or 1 ½ teams.
- The number of children aged 0-4 is approximately 60 percent of the number that Botwood had in this age group 15 years earlier.

#### **4.1 Conclusions and Implications – GFW A Smaller Than Average Association Example:**

- 1) It is clear from the above analysis that, in time, communities such as Bishop's Fall's and Botwood will no longer be able to sustain competitive minor hockey associations.
- 2) At this time consideration should be given to the amalgamation of at least two of the three associations in this area.
- 3) For simplicity and ease of travel, one might think that merging Bishop's falls with GFW would allow for the establishment of a stronger area association.
- 4) Given the relative size of the two smaller associations, it makes some sense to consider amalgamating all three sooner – as opposed to later.
- 5) There are at least 4 other regions across NL where a similar situation exists and where sister associations are located within a reasonable driving distance. These include: Baie Verte and LaScie; Rocky Harbour and Gros Morne; Glovertown and Gander; Port-Aux-Choix and Rocky Harbour.

A similar analysis to the one that has been applied to the GFW-Bishop's Fall-Botwood area, using the same criteria could be applied to these regions so as to prioritize the amalgamation decisions associated with these regions.

## 5.0 The Market Penetration (Participation) Rate for Minor Hockey in NL

Using the demographic data presented above and comparing to the national and provincial averages, we can now examine the current market penetration rate and participation rate for minor hockey relative to the national average and relative to other major direct competitors such as minor soccer.

- 1) There are 68,300 children aged 5 -17 in NL (Statistics Canada 051-0001- 2012)
- 2)  $68,300 \times .20$  (20% is the activity filter based on 3 times per week for 45 minutes) = 13,660 active kids @ 20%; and
- 3)  $68,300 \times 0.30 = 20,500$  active kids aged 5-17 in NL @ 30%

**Note:** Canadian Sport Policy Research suggests only 20% of Canadian youth are actively involved in physical activity on a weekly basis;

**Minor Hockey's NL penetration rate as a percent of the real or available market is:**

- 1) Minor Hockey Registrations in 2013-14 is 9,266 (incl. Midget);
- 2)  $9,266 \text{ players} / 13,665 \text{ active kids @ 20\%} = 67\%$  of active kids playing minor hockey @ 20%; or
- 3) 45% of active kids at 30% active level;

**Note:** 11.6% of all kids are playing Minor Hockey in NL; this compares to Canada wide at 10%.

**Note:** The market penetration rate for Minor Soccer = 15.6% (of all kids) in the same age groups. (Soccer age groups differ slightly so direct comparison are challenging). No other sport has a penetration rate that approximates the rates for hockey and soccer.

**Conclusion:** the overall market penetration rate for Minor Hockey in NL is strong; however it does vary greatly by region. As a result it is also prudent to examine those areas within the province where demand is at a higher than normal rate – most notably the Northeast Avalon region. See page 18 for additional detail and analysis.

### 5.1: The Market Penetration Rate for St. John's for Minor Hockey:

Approximately 188,500 people live in Economic Zone # 19 (St. John's Northeast Avalon) X .156 (the ratio of kids aged 5-17 in NL) = 29,400 kids (actual # is 28,637. Source: Government of Newfoundland: Community Accounts 2014)

29,400 kids in St. John's CMA and 4,099 = the number of active kids @ 20%; 8,820 @ 30% = the number of active kids

St. John's Minor Hockey Registration. #'s = 2,931/28,637 area kids aged 5-17 = (10.25% of all kids); Canada wide is 10%

**Note1:** This region has grown by 3,000 per year each year for the last 5 years (n=15,000)

With 20% of this number being aged 0-18; the population of kids in the region has thus grown by 3,000 (15,000 X .2);

With 20-30% being active in sports = 600-900 kids the demand will increase as these kids approach minor hockey registration ages. While we have not seen this yet in MH, we will start to see the impact on demand (increase) soon at the entry level.

**Conclusion(s) SJ 1:** Additional capacity (in the form of ice time) will be required to fulfill the demand that will arise as a function of population growth. Other initiatives such as the removal of body checking could have an exponential effect of demand in certain age groups.

**Conclusion(s) SJ 2:** With the current penetration rate for hockey being 10.25%, we should have added demand of 60 kids (or 3-4 teams) each year (600 X 0.1025 = 61/16 kids per team = 3.8 teams).

**Conclusion(s) SJ 3:** From Table #2 (page 7) and the ensuing discussion on Ice Rink Capacity and Demand (pages 8 & 9) it can be seen that the Northeast Avalon region likely requires at least 3 purpose built (enclosed) ice rink facilities



## **6.0 Demographic Analysis of Regions with Higher than Average Population Density and Market Penetration Rates:**

In previous sections of this report we have referenced data associated those regions of NL with higher than average population densities and correspondingly higher than average penetration rates for minor hockey but we did not deal with this issue in those sections as it was not central to our arguments and analysis of the primary issues in the aforementioned sections (see Table 1 page 5, Table 2 page 7 and section 4.1).

In this section of the report we will address those issues that arise when population densities increase relative to ice rink capacity and when (in some instances) there are too many players in a given region or economic zone. As most of the pressing issues associated with this aspect of Branch Planning occur in the Northeast Avalon/St. John's CMA area, we re-cast Table 2 in section 2.0 of this report so as to incorporate the addition of new ice rink facilities in the Paradise/CBS/CBR area as well as in Mt. Pearl.

On the Northeast Avalon a number of developments have conspired to make the current situation challenging for a number many of the Minor Hockey Associations that operate in this region of the province of Newfoundland and Labrador.

These include:

- 1) An increase in the total population in the region;
- 2) A stabilization in the birth rate and a slight increase in the total number of children aged 0-4;
- 3) An above average increase in personal and family income levels and by association the ability to participate in minor hockey;
- 4) Higher than average activity levels for children aged 5-17 compared to other regions of NL; and
- 5) An increase in the effectiveness of participation support programs such as the City of St. John's REAL Program and the Canadian Tire JumpStart program, which together have served make minor hockey available to more families, thereby increasing overall participation rates in minor hockey.

The net result of these developments has been an increase in registration numbers in a number of high population density regions of the Northeast Avalon and a corresponding increase in the demand for ice time for minor hockey. Table 6 on page 20 outlines the current distribution of children aged 0-19 and 5-17 in the Northeast Avalon region, while Table 7 outlines the current distribution of registrations by association in the region.

As can be seen from Table 6 the number of children aged 0-4 in this extended region has increased by 260 from and is projected to continue to increase as the rate of family formation in this area is above the NL average. All things being equal we would expect similar or increasing levels of participation in minor hockey until 2020.

**Table # 6: Children aged 5-17 St. John's CMA & Age Profile (0-19) and projections for Minor Hockey enrollment**

Age Group	NE/AV/190	St. John's	MB/191	PR/192	CB/193	194	Total
0-4	700	5,100	1,025	1,450	1,500	285	10,060
5-9	885	4,900	1,030	1,250	1,475	300	9,840
10-14	810	4,900	1,350	1,000	1,550	300	9,910
15-19	330	6,100	1,570	875	1,375	330	10,580
15-17	200	3,660	942	525	840	200	6,367

A closer look at the current registration levels for all of the Minor Hockey Associations in the region (Table 7, page 20) reveals the current levels of player concentration and the ice rink capacity levels in each area. The total number of children aged 5-17 in the extended St. John's Census Metropolitan Area region is 26,800. There are 3,524 children currently playing minor hockey in the same trading area – for a market penetration rate of approximately 13% - or **30% higher than either the national or provincial average(s)**. This is further evidence of both the increased demand and pressure facing many of the minor hockey associations in this region.

**Table # 7 Current Minor Hockey Registration Profiles – St. John's CMA**

Minor Hockey Association	2015	2017	Population	# of Ice Skating Rinks	Ratio of Players to # of Rinks
St. John's Minor	634	653			
Avalon Celtics	395	378			
Goulds Minor	234	213			
<b>Sub-total</b>	<b>1,263</b>	<b>1,244</b>	<b>106,000</b>	<b>8/7 SBF 5.5</b>	<b>13,250:1/15,100:1/ 19,275:1</b>
Mount Pearl	603	631	24,285	2	12,410:1
CBR	936	972	48,880	4	12,220:1
North east	668	677	13,210	1	13,210:1
<b>Total</b>	<b>3,470</b>	<b>3,524</b>	<b>192,915</b>	<b>15</b>	<b>12,861</b>

As can be seen from Table 7 above, there is quite a range in the registration levels in the various minor hockey associations that operate in this region – from a high of 972 in the CBR region to a low of 234 in the Goulds coverage area; the average number of registrants per association is 587.

As can also be seen from this table there is a significant disparity in the number of rinks (and the amount of available ice time) per association. In addition the ratio of the total population to the number of the rinks in each area also varies widely – from a high of 19,725:1 to a low of 12,220:1. The national average is 14,250:1.

Much like the discussion in Section 3.0 of this report (page10) where we dealt with issues associated with lower than average sized minor hockey associations, in this section we also need to consider issues associated with association size and efficiency as well as program quality and effectiveness, player experience, parent/guardian responsibilities and capabilities all being paramount.

As was also the case in Section 3.0 of this report, the presentation of the Northeast Avalon data also gives rise to two primary questions:

- 1) What is the maximum or optimum association size? and
- 2) How might the current coverage areas be re-configured so as to allow for a fair and equitable distribution of the available ice time – now and for the next five plus years?

At the present time there are 6 minor hockey associations operating in this region, with an average registration level of 587 and a range of 738 (972 – 234 = 738). In addition, any discussion of amalgamation in this area should also include areas and associations that are in close proximity to the Northeast Avalon. These include Southern Shore (132 registrants) and Bell Island (\_\_\_ registrants).

The answer to the question on optimum size appears to vary somewhat depending on the person (industry expert being asked). Those individuals with experience managing large associations in larger cities such as Toronto or even Halifax do not seem to be intimidated by association sizes that are well in excess of 1,000. Perhaps another way to look at this would be to ask the question:

If we were to offer a full range of program offerings in all age groups, what would be the minimum efficient size that would allow us to do so?

The answer to this question appears to range from 600 to 900 registrants – again depending on the industry expert one consults.

In each case industry experts suggest one consider rink capacity, current population dynamics and projections, generally suggesting some attempt to plan for the future, so as to not be faced with re-alignment again in a short period of time.

Given the results of the analysis presented in table 7, a couple of options emerge:

**Option 1: The 600-750 Member Association**

This option allows 6-7 associations to operate within the extended region and also allows for a complete range of program offerings in all age groups, while also serving to minimize the distance travelled to games.

Re-alignment options include the merging of the Goulds (n=234) and Southern Shore Associations (n=132) to form an Association of approximately 366 members, while separating the CBR association in to two associations including Paradise (n=400) and CBS to Marysvale (n=600), leaving Celtics (395), St. John's (634), Mt. Pearl (603) and Northeast (668) as they are presently.

The **advantages** associated with this option include:

- 1) The smaller average association size that arises from re-alignment allows for association growth to 750 before re-alignment might be required again.
- 2) This re-alignment appears to minimize or at least reduce travel times for many area participants;

There are a number of **challenges** associated with this option:

- 1) It allows for smaller than average associations with little growth potential to remain small;
- 2) It assumes that Paradise has the organizational capacity to run its own association having no demonstrated capacity to do so;
- 3) It does not take into account that a large portion of those children who are currently registered in Mt. Pearl actually live in Southlands and may in time have their own rink;
- 4) If developments outlined above in point 3 transpire, then Mt. Pearl will be left with a smaller than average association in a catchment area that has limited population growth potential;
- 5) It does little to address the higher than average growth rates in the most north easterly regions of the region (north of NL Drive and including Torbay and Area.

A second phase of this option for realignment might have a contingency built in that would allow for a further realignment of Goulds-Mt. Pearl-Southern Shore-Southlands area if an additional ice surface is built in the catchment area.

With Mt. Pearl having recently added a second ice rink that is purpose-built for minor hockey, it would appear that it presents itself as a centrally located option for a perhaps re-named St. John's South – Mt. Pearl Minor Hockey Association.

## **Option 2: The 900 Member Association**

This option allows 4 super associations to operate within the extended region and also allows for a complete range of house league and all-star program offerings in all age groups. It would likely serve to increase drive times and increase scheduling complexity. It would reduce the total governance requirements.

Re-alignment options include the merging of the St. John's (634) and Celtics (395) associations to form a 1,029 member association, merging the Goulds (n=234), Southern Shore (n=132) and Mt. Pearl (603) associations to form a 969 member association, leaving CBR as it is at 975-1,000) and leaving Northeast as it is at 677 and growing quickly.

The **advantages** associated with this option include:

- 1) The larger average association size that arises from re-alignment allows for administrative efficiencies;
- 2) This re-alignment allows for a full range of all-star and house league options with associated program quality enhancements;
- 3) It also spreads the cost of technical Directors and Administrators over a larger group.
- 4) It does address the higher than average growth rates in the most north easterly regions of the region (north of NL Drive and including Torbay and Area and allows for growth up to 900 members prior to any decision related to amalgamation (assuming they have the capacity to build an additional ice surface in the area).

There are a number of **challenges** associated with this option:

- 1) It does not allow for additional growth potential;
- 2) It assumes that each Association has the organizational capacity to run an association of this size, having no demonstrated capacity to have done so previously;
- 6) It does not take into account that a higher than average proportion of participants/children will likely have to travel longer average distances and may play fewer times in the rink that is closest to their residence;

In summary, it appears that a phased in approach to Option 1 above has the most merit at this time. While such amalgamation could take a number of forms, it appears that a move to 6 or 7 minor hockey associations within the region allows for less disruption and a more balanced approach to program delivery and management, including such key issues as competitiveness and program quality, whiel strin=ving to minimize the impact on parents and guardians.

**6.0 Vision (Draft):** Our vision, as a provincial sport governing body, is of an organization whose members enjoy the experience of developing their hockey skills in a manner that is consistent with players in other regions of Canada – regardless of ability.

Wherever possible, we will support those players, referees and coaches who qualify for regional, national and international competitions, by providing access to quality training and development programs that are appropriate for their level of play.

**7.0 Mission (Draft):** By 2018 we will have worked with federal, provincial and municipal governments to ensure a balanced supply of ice time – particularly in fast growing areas of NL and we will have worked with those associations that are experiencing declining registration levels to, where possible, amalgamate service delivery models – in a manner that is consistent with the needs of players, their guardians, coaches, and officials.

**Mission Action List: January, 2015**

Here is a list of some of the items that were discussed at various planning session meetings. Discussion items included the following topics:

- 1) The need to better understand the ice time supply and demand situation across Newfoundland and Labrador (**Status: Complete**);
- 2) The need to subdivide the analysis in point #1 (above) on a regional basis, so as to better understand where the pressure points are, along with the implications for program delivery province-wide (**Status: Complete**);
- 3) The need to work with ACOA and The Provincial Department of Tourism, Culture and Recreation to develop a business case for the establishment of additional ice surfaces as defined by the Needs Analysis Outlined in points 1 & 2 above (**Presentation files now available as of January 2015**);
- 4) The need to develop and deliver a more consistent minor hockey program on a province wide basis (**The template for proposed amalgamations and realignment are included herein**);
- 5) The need to re-examine the current system of provincial tournaments and championships to ensure that the program is meeting the needs of all participants at all levels of competition (**Status: Not yet addressed**);
- 6) The need to refine our approach to organizational governance - at the Minor Hockey and Provincial (HNL) level. (**Status: Not yet complete**).

## **8.0 S.W.O.T Analysis**

### **Strengths:**

- 1) High User Penetration rate – male and female (increasing). Well above national average, especially in high growth areas of NL
- 2) Overall program quality and competitiveness;
- 3) Coaching and Officials programs well developed;
- 4) 4 new rinks coming on stream in 2014-15

### **Weaknesses:**

- 1) Shortages in the supply of ice time in high growth areas remain;
- 2) 16 associations are smaller than average – amalgamation is required but not always possible or supported;
- 3) Amalgamation requires municipal support as well as community/parent support – a HNL statement of amalgamation principles is required for circulation;

### **Opportunities:**

- 1) We have the ability to have one of the fastest growing highest penetration sports in NL and Canada;
- 2) We have the ability to work with SJ CMA MH Associations to re-design and deliver a high quality regional minor hockey development program.

### **Threats:**

- 1) Continued resistance to the amalgamation of both smaller than average and larger than average associations will see the decline in quality or the demise of certain programs/associations in a number areas of NL
- 2) The continued increase in the cost of programs may lead to a decrease in overall market potential and penetration