



## Pickleball Canada (PC)

### Proposed By-law Changes

### Questions and Answers

## 1. MEMBERSHIP

### A. How did PC develop the proposal to change its membership?

A Pickleball Canada (PC) Task-Force, comprised of PC Board members and representatives from several affiliated provinces developed a series of recommendations pertaining to membership and governance.

The Task Force conducted an extensive review and consultation process leading up to the recommendations. The membership and governance structures of approximately 48 National Sport Organizations (NSO's) were reviewed, a number of senior officials in sports organizations were consulted about best practices within Canada's NSO's and legal advice and opinions were sought.

In 2019, a motion was approved by the Board of PC to change PC's membership and governance model. However, due to other priorities, this work was put on hold until 2021.

In 2021 a new By-law Task Force was struck, charged with taking the motions approved by the Board in 2019, drafting changes to the By-laws and developing consultation and communication materials. This Task Force was also asked to ensure the PC By-laws were consistent with the *Canada Not-for-profit Corporations Act* and proposed changes would support a strong membership and governance system into the future.

### B. What substantial By-law change is proposed regarding membership?

PC is proposing to change its membership from individuals (approx. 28,000 individuals) to a single class of membership, the Member Provinces and Territories.

A Member Province/Territory is the organization that is recognized as representing pickleball in their jurisdiction (e.g., Pickleball New Brunswick, Pickleball Manitoba) and has entered into an agreement with PC.

### **C. What is wrong with the current arrangement?**

Pickleball Canada, has historically had a low turn out at meetings of Members (usually under 25 people including Directors). With so few people participating this model did not do a good job of representing the needs of the approximately 28,000 PC Members across Canada.

There is also a risk with the current model that a small group of individuals, for example Members from one local club could organize, vote as a block and make decisions for PC that are in the club's self-interests but may not be in the interests of the majority of PC Members across Canada.

The proposed model is much more effective as every voting Member (e.g. Registered Participant or Provincial Zone Member) will have a voting Member, their P/T representative, participating and voting on their behalf at a meeting of PC Members.

### **D. Why is Pickleball Canada proposing these changes now?**

Our current membership model has over 28,000 voting Members and is not seen as providing good governance, logistically practical, nor in line with what almost all other NSO's have. In a recent consultation, PC was advised by Sport Law that they recommend against having individual Members as a class of Member and they view this proposed form of membership as the preferred model for sports organizations.

As Pickleball Canada continues to grow and evolve, the need for a sound governance structure has become more evident. A modern, clear set of rules for its operation and relationships with its Members will help PC achieve these ends.

### **E. What will happen to the current voting Members if the By-law changes are approved?**

The individuals who are currently entitled to vote at a meeting of Members (e.g., Athletes, Officials, Directors) would become "Registered Participants".

While Registered Participants would not have a direct vote at a PC meeting of Members, they will continue to be involved in and vote directly at their club level. Their P/T delegate will vote on behalf of all voting Members of their organization.

**F. Why can't the current Members (individuals) of PC continue to be referred to as "Members" rather than "Registered Participants"?**

By-laws are a legal document and need to be consistent with the *Canada Not-for-profit Corporations Act (CNFPCA)* the federal legislation that governs Pickleball Canada.

"Membership" under the *CNFPCA* comes with certain rights including the right to vote at a meeting of Members.

With the move to one class of voting Members, as recommended by Sport Law, A term other than "Member" needs to be used when referring to all the other individuals who participate in and contribute to pickleball in Canada but would not vote at a meeting of Members. The term Registered Participant is used by many NSO's.

**G. Who will represent "Registered Participants" at a PC meeting of Members?**

Registered Participants will be represented at PC by the representative delegated by their P/T pickleball organization, likely their P/T President. The delegate will vote on their behalf and take the needs and interests of all the voting Members in their P/T into account when doing so.

This representative style of governance, where delegates are elected to represent a large number of individuals is commonly used in National Sports Organizations, Labour Unions (e.g., Canadian Union of Public Employees), and many others including our own provincial and federal governments.

**H. What NSO's have a model similar to what PC is proposing where their P/T's sports organizations are their voting Members?**

There are approximately 27 NSO's who use this model. Some of these NSO's are Olympic recognized sports with a large number of Registered Participants, such as Ice Hockey, NSO's with a smaller number of Registered Participants such as Table Tennis and non-Olympic recognized sports like Racquetball.

Additionally, Pickleball Alberta has a similar approach to membership where elected Zones members from regions across the province vote at the Provincial meeting of Members.

## 2. BOARD COMPOSITION

### **A. What change is being proposed regarding the number of Directors on the Board of PC?**

A fundamental change proposed is to reduce the number of Directors from the current number of eighteen (18) to a range of nine (9) to thirteen (13).

The Canadian Sport Law Governance Code which all National Sports Organizations are encouraged to adopt recommends a minimum of five (5) Directors and a maximum of fifteen (15).

A smaller number of Directors supports a more efficient functioning of the Board with each Director having a defined role and portfolio, reflecting the skills and expertise they bring to the Board.

A range rather than a fixed number of Directors, allows PC to expand and contract the number of Directors based on the needs of the Organization at the time and is a common practice among NSO's.

### **B. Why is PC recommending gender equity on the Board?**

PC believes that a diverse Board with a range of perspectives, experiences and backgrounds supports optimal Board performance.

One of PC's Strategic Objectives is to take intentional actions to move towards Equity, Diversity and Inclusion in pickleball. Gender diversity on the Board supports PC moving in this direction.

Board Diversity is in line with the Canadian Sport Governance Code which recommends that an NSO does not have more than 60% of its directors of the same gender.

### **C. How will PC ensure gender diversity on the Board?**

A By-law will be added stating that not more than 60% of the Directors are of the same gender.

The Nominations Committee charged with overseeing the nomination and election processes will be accountable to the Board and Members for ensuring this by-law is upheld.

**D. What does it mean for a Director to be “Independent” and why does PC require all its Directors to be Independent?**

Independent means the Director is not on the Board of a member organization (a P/T pickleball organization). Determining whether an individual is considered “Independent” will be evaluated by the PC Nominations Committee.

PC strives to ensure there is no real or perceived conflicts of interest within the Board. A Director who also serves on a P/T Board may be perceived as voting in the interests of their P/T rather than the national/pan Canadian interests.

The caveat to this requirement is if an individual is on a P/T Board when elected to the Board of PC, they will have up to thirty (30) days to resign from the P/T Board.

**E. Would the Board of PC continue to have “Regional Representatives”?**

The role of Regional Representative was introduced at a time when not every P/T had a provincial organization or were in the very early stage of development. This role was a means for PC to engage with and get input from parts of the country where this may not have been possible otherwise. PC is in a very different environment now, with strong affiliated P/T’s in all jurisdictions except PEI, Nunavut and the Northwest Territories.

Under this proposed model, PC’s Nominations Committee will attempt to have representation from all regions of Canada on the Board. There will also be a number of opportunities for the P/T Members to have influence on the Board. It is expected there will be a strong linkage between the Board and the Members. The P/T’s Members will be voting Members and will play a significant role in shaping the direction of PC.

Additionally, the National Pickleball Advisory Council provides a forum for the P/T presidents or their delegate, along with some of the Officers and the Executive Director of PC to continue to collaborate on important initiatives.

**F. How will Directors be selected, what criteria will be applied?**

Job descriptions will be developed by the Board outlining in detail the skill set required. The Nominations Committee will confer with Members to ensure that all qualified and interested Registered Participants across Canada are considered for each position.

The Nominations Committee will then approach all interested and qualified Registered Participants to confirm their interest and ask for a submission outlining their platform. The Members of PC will then vote on the nominees.

### 3. VOTING

#### **A. Why did PC recommend this method of allocating votes?**

There are a number of approaches that NSO's may use to distribute votes proportionally between P/T's based on their number of Registered Participants. This method of allocating votes is most closely based on the model brought forth by the first by-law Task Force in 2019.

One of the advantages to this approach, is that it allows for a yearly adjustment of the number of votes for each P/T. Where for example, a P/T has experienced a significant growth in membership from the previous year, their number of votes could be increased. This will help in keeping a fair distribution of votes between the P/T's now and into the future.

#### **B. How will votes be allocated under this proposed model?**

There will 500 votes in total allocated to all the Members:

- 50% of the 500 votes would be an allotment of the same number of "base votes" to each Member and
- 50% of the 500 votes would be allocated based on the proportion that each Member has of the total number of Registered Participants as of

December 31 of the current calendar year.

To provide an example using this formula with the approximate number of current "Registered Participants", British Columbia, with the greatest number of Registered Participants, would have 25 base votes and 77 proportional votes for a total of 102. Yukon, with the fewest number of Registered Participants, would have 25 base votes and 1 proportional vote for a total of 26.

See Appendix I for vote allocation between the P/T's based on November 25, 2021 membership data.

#### **C. How did PC arrive at this recommendation?**

The PC Task Force charged with presenting recommendations to the Board on voting models reviewed voting allocation of a number of NSO's, consulted with experts in the sports community and sought legal opinions.

The advantage of this approach is that it provides every Member with some votes and prevents one or two of the Members with the greatest number of Registered Participants from dominating the voting process.

In 2021, the By-law Task Force that took up the work from the initial group, conducted research and consulted with experts to refine the recommendations for approval by the Board.

#### **D. Do other NSO's have system of voting like what PC is proposing?**

Many other NSO's have a voting system that awards more votes to Members who have a greater number of participants.

Fencing, Judo and Snowboard Canada are examples of NSO's who allocate base votes and additional votes to their Members based on the number of Registered Participants.

#### **E. Why is PC proposing to eliminate both Proxy and Absentee voting?**

Proxy voting is intended to allow for someone other than the Member to vote and is usually used when individuals, rather than organizations are Members. As the proposed model does not stipulate who from the P/T votes, the P/T can name whomever they wish to represent them up to 7 days in advance of the meeting. There is therefore no need for proxy voting.

#### **F. What is being recommended for a Quorum?**

The previous quorum for a meeting of Members was ten (10) Members and 40% of Directors at a Board meeting. A quorum for both meeting of Members and for Board meetings will be a majority of their respective membership.

## **4. Corporate Changes**

#### **A. Why does PC want to change its Corporate Name?**

Presently, PC's legal name registered with Corporations Canada is Pickleball Canada Organization and commonly referred to as PCO or Pickleball Canada. Changing the legal name to "Pickleball Canada", achieves multiple goals: it avoids confusion; it brings PC in line with a protocol widely used by other corporations, it is the name used in PC marketing and branding efforts, and it is bilingual. Simply put, it best reflects PC's identity.

Some examples of other corporations with simple and immediately understandable two-word names include, Hockey Canada, Tennis Canada, Pickleball France, Pickleball USA, Air Canada, McDonalds Canada.

### **B. Why does PC want to change the province of its registered office?**

Until 2021, PC did not have a dedicated office, so a Director's home address in Surrey, British Columbia was provided as PC's registered office. Now that PC has an Executive Director with dedicated office space at the R.A. House of Sport in Ottawa, it is a good time to make this change.

## 5. Other

### **A. What do these changes mean for me as a pickleball player?**

As an individual pickleball player, it is unlikely you will notice anything different. You will continue to play, participate and vote at your local club and at your Zone or Provincial organization. What will change is that instead of individuals casting a vote at a PC meeting of Members, the Provincial/Territorial delegate will vote on behalf of all its voting members.

Historically, and similar to other National Sport Organizations, turn out at PC meetings of Members has been low, ranging from approximately 10-75 individuals indicating that a very small number of Members have an interest in governance issues within PC. While these proposed changes are important for PC to function as a strong organization into the future, their impact on an individual player is negligible.

### **B. What is the process for making all these changes?**

Unless the proposed change is considered a "fundamental change", the process is for the PC Board to approve the changes, with an "Ordinary Resolution", that is a simple majority of the votes of the Directors. The Directors then submit the changes to the Members at the next meeting of Members and the Members may by a majority vote, confirm, reject or amend the By-law changes.

Information regarding these proposed amendments will be provided by a variety of communication methods to the affiliated P/T's and to the current Members as a whole. The proposed amendments will be presented at a Special meeting of Members for a vote. The changes must be approved by a majority of the Members present in order for



them to pass. If the amendments are approved, the next step would be to implement the changes which would be phased in over time.

For a “fundamental change”, the process described above is the same, except the motion to approve the amendments must be approved by at least 2/3 of the Members present.

**Appendix I – Allocation of Votes between Provinces and Territories**  
 (Based on November 25, 2021 PC membership numbers)

P/T	Registered Participants	Base Votes	% of all PCO Registered Participants	% of 250	Total Votes
British Columbia	8419	25	30.7%	77	<b>102</b>
Quebec	5205	25	19.0%	47	<b>72</b>
Alberta	5114	25	18.6%	47	<b>72</b>
Ontario	3800	25	13.8%	35	<b>60</b>
Saskatchewan	1874	25	6.8%	17	<b>42</b>
New Brunswick	1211	25	4.4%	11	<b>36</b>
Nova Scotia	1040	25	3.8%	9	<b>34</b>
Manitoba	519	25	1.9%	5	<b>30</b>
Newfoundland & Labrador	194	25	0.7%	2	<b>27</b>
Yukon	74	25	0.3%	1	<b>26</b>
<b>Total</b>	<b>27450</b>	<b>250</b>	<b>100.0%</b>	<b>250</b>	<b>500</b>