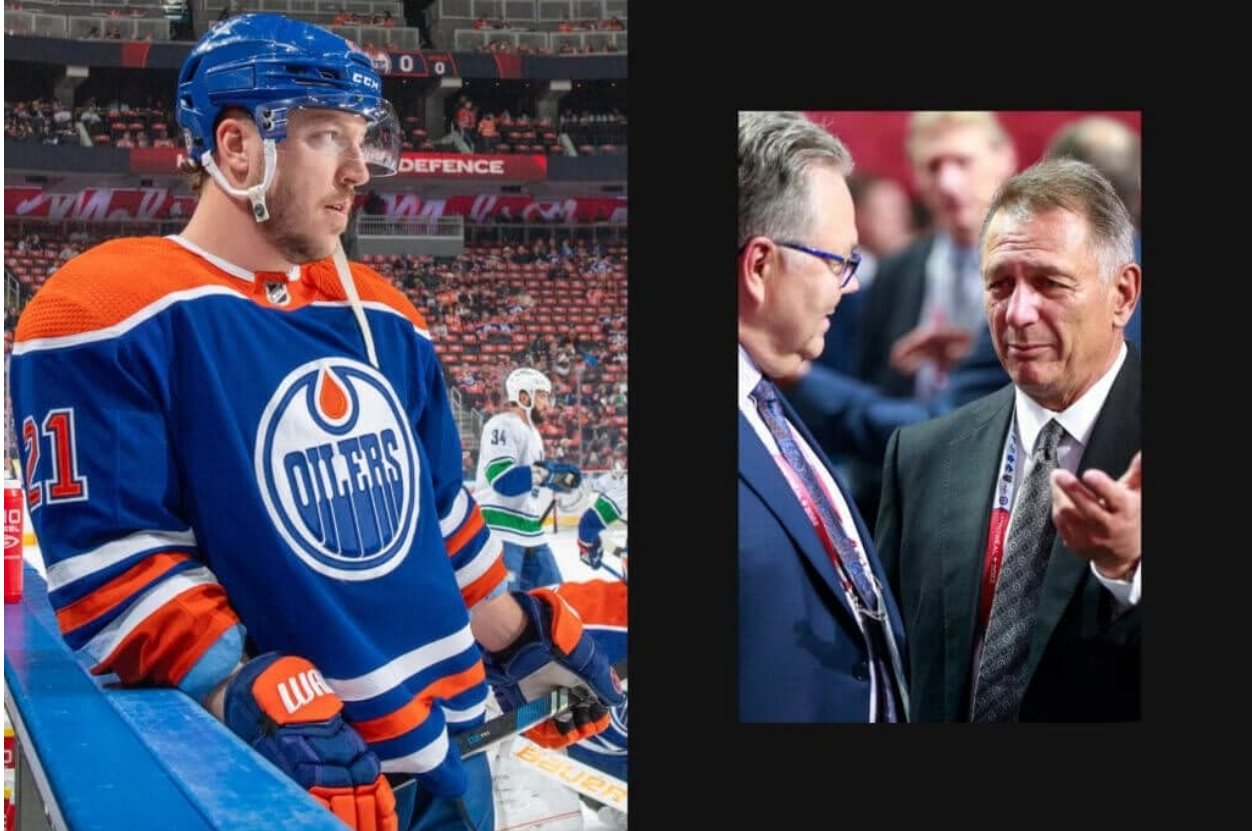


How the NHL's salary cap is squeezing teams and forcing players out of jobs



By [Daniel Nugent-Bowman](#)

7h ago

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It was a bad time for [Adam Erne](#) to hit the open market as a free agent for the first time in his career.

Under normal circumstances, at 28 years old and with 355 [NHL](#) games played between [Tampa Bay](#) and [Detroit](#), Erne would have been offered a modest one- or two-year deal by a handful of teams to serve as a depth winger.

Forget having a choice. Erne didn't get much interest in his services for weeks after July 1.

"A couple years ago, I think I would have got a deal fairly easily," Erne said. "But times have changed.

"Guys like me get squeezed a bit."

It took until Sept. 12, a week before training camps opened around the league, for the [Edmonton Oilers](#) to extend Erne an invitation to try out for a job. He was sold by the Oilers that he had the potential to be an important fourth-line option on a contending team.

Though Erne managed to earn a two-way contract with an [NHL](#) minimum salary of \$775,000, that he had to wait until a few days after the regular season commenced to sign it only further underscored a leaguewide problem.

The salary cap increased by just \$1 million to \$83.5 million for the 2023-24 season, representing the second straight increase of that amount after staying flat for the previous two offseasons.

That's made it challenging for NHL general managers to put together functional rosters since the pandemic.

"My first year here (in Edmonton) in '19-20, we did a 23-man roster — and we saved enough money for two call-ups," Oilers GM Ken Holland said. "So, let's call it a 25-man roster.

"When the cap doesn't move, you're forced to decide which player you want to keep. You have to let other players go. That's the downside. The upside is there's 10 to 15 teams that are in the same boat as we are."

Teams have had it rough, to be sure.

The Oilers were forced to start the season with a 21-man roster due to cap constraints and were required to have injured defensemen [Mattias Ekholm](#) and Markus Niemelainen on it. Erne had to wait for Niemelainen to be healthy enough to be waived for the purposes of a demotion to the minors before he could put pen to paper and officially join the Oilers.

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The Oilers were one of four teams — along with the [Vancouver Canucks](#), [Los Angeles Kings](#) and [Ottawa Senators](#) — that were unable to dress 18 skaters for their season-opening games.

Depth players are the most affected group. Twenty teams set their season-opening roster with fewer than 23 players on it, the maximum allowed under NHL rules. That's the highest total since the pandemic.

Eight of those teams had rosters of 21 players or even 20 — which has typically been the bare minimum teams could carry.

In all, that's 29 players out of the NHL who in the past would have been in it.

Last season, 15 teams submitted opening rosters with fewer than 23 players, resulting in 25 unfilled spots throughout the league.

Two years ago, that number was just 10 teams with only 15 vacancies.

“For the current CBA to not contemplate almost four years with a relatively flat cap, that teams would be in this situation shows a tremendous lack of foresight,” prominent player agent Allan Walsh said.

“I don't really think (NHL commissioner) Gary Bettman cares whether a team has 21 or 23 players on their roster. But the players care, and the NHLPA should care, and every agent should care. These are lost jobs.”

That's resulted in a substantial loss of income in a finite career for many of those 29 affected.

Players on one-way contracts make the same salary in the big leagues as they do in the minors. (Oddly enough, they actually take home more money in the lower level because there's no escrow deducted from their paycheques in the AHL.)

However, most players in this situation are on two-way deals, which carry a much lower salary when a player isn't in the NHL, resulting in a loss of hundreds of thousands of dollars each season.

“It's a huge issue — not just for (current) NHL players, but it's a huge issue for guys that played in the NHL the previous years and can't even find a job right now,” agent Phil Lecavalier said.

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It's impacting players of various ages and levels of experience this season.

There are those like Erne and former Oiler Jujhar Khaira who were once established bottom-of-the-lineup players. It took Khaira until Sept. 17 to sign a two-way deal with the [Minnesota Wild](#). He was waived and sent down to their minor-league affiliate before the season began, [dropping his salary from \\$775,000 to \\$300,000](#).

One of Lecavalier's clients is Raphael Lavoie, a 23-year-old winger in the Oilers organization. Lavoie completed his three-year, entry-level contract without having played a single game in the NHL but scored 21 of his 25 AHL goals last season in the second half.

Requiring waivers for the first time in his career, Lavoie was in the running for a spot on the big club in training camp. He [didn't make it](#).

The Oilers were planning to break camp with 12 forwards and 11 of the jobs were accounted for. Holland said he didn't feel Lavoie was ready to be an everyday player on a team with Stanley Cup aspirations and risked putting him on waivers because of it.

So Lavoie was waived, cleared and demoted to AHL Bakersfield.

“This is preventing him from playing in the NHL right now,” Lecavalier said. “He’s capable of it.”

Holland added that had the Oilers started the season with an extra forward or two — 14 forwards used to be the norm — Lavoie would have almost certainly been with the Oilers today. The ideal scenario would have been to work Lavoie into the lineup as merited while giving him the opportunity to practice and train with NHL superstars like [Connor McDavid](#) and [Leon Draisaitl](#).

In the offseason, Lavoie accepted his qualifying offer from the Oilers, which came with a higher NHL salary but a lower AHL stipend. Lavoie would have been pulling in \$874,125 in the NHL, almost \$100,000 more than the minimum. His minor-league salary, however, is just \$70,000 — substantially lower than if he had not taken his QO. Lavoie bet on himself that he’d be an NHLer with the Oilers or someone else.

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And being in the NHL has its perks.

“If I’m the 14th (forward), I would love that job,” journeyman forward Brad Malone said. “If they told me that I’m 14 all year and I just have to come and work hard and be here, bring a good attitude every day, I’d be like, ‘Yeah, sounds good.’”

Malone is a different type of player iced out of the league right now.

He’s Bakersfield’s captain and so synonymous with the AHL team that he has a house in the California city and has lived there for the past two summers with his wife, Bryelle, and two children Banks and Cali.

But Malone, 34, is more than a career minor leaguer. He’s played 217 NHL games, most recently with the Oilers last season. He even appeared in Edmonton’s final playoff game in the 2022 Western Conference final.

He is the first guy to step in to make sure a drill is completed properly in practice if someone needs to leave the ice. He's the ultimate dressing-room guy.

“There's a fine between being in the NHL and playing in the NHL,” Malone said. “I don't think there's much of a pecking order to change within the pecking order.

“But the last few years, I probably would have had an extra few hundred thousand dollars. That's something that I just can't control.

“It's so tight right now.”

Malone likes being in Bakersfield, but his NHL salary is \$762,500 whereas he has a \$300,000 guaranteed deal in the minors.

What players like him are also getting stripped of, however, is accrued time toward their pensions, Walsh noted.

It takes NHL players 10 full seasons of being on the roster for 80 games to secure a full pension. They're eligible to start receiving their pensions at age 62. Pensions are adjusted for inflation, so someone collecting in full got \$265,000 compared to \$245,000 last year, said Justin Noble — a senior wealth adviser at Gavin Hockey Wealth Specialists.

GAMES	CREDITS	BENEFITS (USD)
60	0.75	\$19,875
80	1.00	\$26,500
160	2.00	\$53,000
240	3.00	\$79,500

GAMES	CREDITS	BENEFITS (USD)
320	4.00	\$106,000
400	5.00	\$132,500
560	7.00	\$185,500
640	8.00	\$212,000
720	9.00	\$238,500
800	10.00	\$265,000

Noble advises more than 60 NHL players and their families. He noted that it takes 20 games on an NHL roster to earn a quarter pension credit. That’s even more notable to veterans.

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“It’s disappointing,” Noble said. “As someone who works with players, there are multiple guys who I couldn’t believe couldn’t find jobs this year.”

Teams feel the pinch of having a short roster, too. Starting a season undermanned, as was the case for the Oilers, Canucks, Kings and Senators, is far from ideal. However, the NHL put in a rule when the pandemic began that teams are eligible to add to their rosters with players making the league minimum plus \$100,000 — so \$875,000 this season — once they’ve played a game short-handed.

“That’s been a good rule change under the CBA to protect the health of the players and to protect the competitive balance of a team trying to compete,” Holland said.

But increasing the salary cap by an extra \$500,000 to \$84 million would have made a world of difference to so many teams and players, Walsh said.

The players' escrow debt from the pandemic is said to be around \$50 million compared to \$1.2 billion at its highest point, however, the CBA states that the cap can increase by 5 percent once that debt has been repaid. The NHLPA tried to get a bigger bump to the cap for the current season in June, but the NHL was unwilling to do so unless the players agreed to a higher escrow deduction than 6 percent, the cap for the last three years.

That was a non-starter for the union.

"It was presented to Gary that your own teams are choking with no cap space," Walsh said. "L.A., Vancouver, Ottawa and Edmonton were only able to dress 19 players for their first NHL game because they don't have the cap space to add in a player.

"That is a f—ing joke. And teams saw it coming."

Next summer, the salary cap is set to increase by more than \$2 million for the first time since 2018.

But while the cap should rise to \$87.6 million and \$92 million for 2024-25 and 2025-26, respectively, there are competitive teams like the Oilers that have already committed more money on their books and have big-name free agents to sign in the near future.

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Agents are worried teams have gotten used to this setup and won't go back to a 23-man roster ever again.

"Hopefully the people doing the business understand and see the situation that some people are put in," Malone said.

Holland still thinks a full roster is the best-case scenario, but he can see the merit of having a 22-man group — with one extra forward and one extra blueliner. That scenario can help teams accrue cap space — as long as they're not in long-term injured reserve — and some coaches even like a leaner roster because there are fewer players around to disappoint when they're told they won't be playing.

Lecavalier believes all lost jobs probably won't re-enter the workforce unless the NHL expands, a topic that appears to be gaining steam.

“I don't think it's going to be fixed — or it's going to take a long time,” he said.

For now, many decent NHL players are left on the outside looking in. Just six of the 47 players who attended NHL camps on tryout offers earned contracts this year, per CapFriendly. That's not even accounting for those with contracts that got bumped.

“Once a player is squeezed out of the league, for example, for cap reasons, it's very hard to find your way back,” Walsh said.

Erne, eventually, was one of the lucky ones to not suffer that fate.

He left his wife, Elodie, and their three young children — daughter, Riley 3; son, Tysen, 2; daughter, Lyla, 1 — in Connecticut until his future with the Oilers was determined. They moved to Edmonton once he signed last week and found a house to rent.

“It was a long waiting game,” Erne said.

At least he was rewarded. So many of his peers can't say the same thing.

*(Top photos of Adam Erne and Kelly McCrimmon and Ken Holland:
Andy Devlin and Jeff Vinnick / NHLI via Getty Images)*