

**GAMES,
YES**

NO TAX FOR PAN-AM '91

**TAKES,
NO!**

ISSUE NUMBER 3
JANUARY 1985

RESPONSIBILITY IN GOVERNMENT
NO-TAX FOR PAN-AM NEWSLETTER

P.O. BOX 2214, STATION A
LONDON, ONTARIO, N6A 4E3

**MONDAY, DECEMBER 3
NO-TAX FOR PAN-AM
SUPPORTERS PACK
CITY HALL!**

**TAXES FOR
ESSENTIAL
SERVICES
NOT
LUXURY
WHITE
ELEPHANTS**

It was a surprised city council that discovered a packed gallery of opponents to the tax-financed 1991 Pan-Am Games on December 3 at city hall. By forcing discussion on an issue that might otherwise have been treated as an incidental expenditure of the capital works budget, 'No-Tax' supporters who attended the council meeting are to be congratulated for their effort, tolerance, and good judgement exhibited during its long, dragged-out hours. The effects of your participation will be felt for some time to come!

Our presence at city hall on December 3 provided the first physical evidence to the media and public of a well-organized, *determined* effort to block tax-financing for Pan-Am 1991. Not only that, but it made the public aware that the issue was still very much alive, despite the ominous silence surrounding the Pan-Am Bid Committee's progress, and rumours circulating that London "didn't stand a chance" of hosting the event.

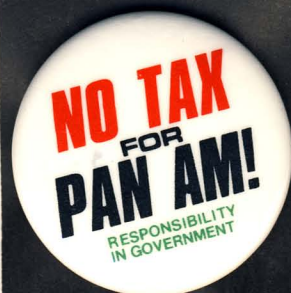
Make no mistake about it! Each and every one of you who are receiving this newsletter have played an important and measurable role in making the effort to save our tax dollars and protect our future a viable one. Whether you simply returned our post-paid card to register your support, or whether you committed yourself to one of the many volunteer options available, the fact that you *took action* is what has made a success of our effort to inform Londoners of the hazards and inappropriateness of hosting Pan-Am 1991 with tax dollars.

SPECIAL THANKS

Our sincere appreciation must be extended to all the 'No-Tax' volunteers whose contributions of effort and support have made our campaign a success. To all those who volunteered their time to act as ushers, phone solicitors, pamphlet deliverers, baby sitters, sorters, envelope stuffers, sign makers, etc., our many thanks!

Volunteers, supporters, and observers made good use of the free coffee supplied by the *No-Tax for Pan-Am Committee* at December 3rd's city council meeting, whose availability helped to ease the stress and boredom of having to wait hours for the Pan-Am issue to be discussed and voted on. We'll be sure to provide similar services (plus additional reading material) in the future, when political circumstances once again make it necessary for the taxpayer to stand up for his basic rights.

ZIGGY



**WEAR YOUR NO-TAX
FOR PAN-AM BUTTON
WITH PRIDE!**

**Show you care about
responsibility in local
government!**

Your free button enclosed

WHAT ARE WE TRYING TO ACCOMPLISH?

Our goal is to get London City Council to vote 'NO' to any tax support whatever for the 1991 Pan-Am Games, whether this is accomplished by a direct vote in council or by political pressure applied through a public referendum in the fall municipal elections.

Because if the Games are ever to be financed *privately* through corporate sponsorships, etc., there are many significant factors to consider:

(1) If over-runs, losses, etc., accrue directly to the Games Committee, they will have a much greater incentive to keep a lid on costs, and to select only justifiable, viable facilities.

(2) Without government subsidizing the pools, fieldhouses, or the stadium, they will have to be built, planned and organized to be self-sufficient. This will make them better, longer-lasting facilities, costing users less in the future.

(3) Only by seeking the *voluntary* support of a hundred different businesses and corporations (wherever they may be), will the Pan-AM Bid Committee be fulfilling its objective of getting 'community involvement and spirit.' When companies like *Labatts's*, *3M*, *London Life*, etc., have a vested interest in the Games success, they will make sure that all their employees will have an opportunity to get into the spirit, attend events, etc.

(4) Once the city commits tax funds to Pan-Am 1991, it will have set a precedent for *more* similar tax subsidies for the Games and the facilities. For example, once we end up with a new stadium that loses a lot of money due to underuse, talk will invariably surface about getting a Canadian Football League team to come to London to 'make use' of the stadium. In fact, the Mayor has *already* talked about the city contributing significantly to part-ownership in a football team. Then, when snow (or whatever) keeps attendance levels down, (you watch!) we'll hear the hue and cry for a 'dome' on our stadium.

(5) Once the taxpayer has been coerced into financially supporting Pan-Am, city council will only be encouraged to build more white elephants like 'Performing Arts Schools,' 'doming Reg Cooper Square,' (already in the discussion stage), etc.

(6) Once it is discovered that construction costs for all these white elephants are doubled (midway through construction, no doubt), the city will have no choice but to make up the difference. Where will the money come from? --- increased taxes, cuts in basic services, cancellation of sidewalk repairs, sewer improvements, etc. As the provincial and federal governments begin to cut back on grants and subsidies to municipalities, the city will be very hard-pressed to provide essential services to its citizens.

This battle is over more than just the supposed \$38 per person (or \$154 per family of four) it would cost to tax finance Pan-Am 1991. It is about responsible government, setting an example for ourselves (living within our means), setting an example for politicians of the future, and about preserving our essential services.

If the Bid Committee is refused any tax money, it will then have no choice but to find money to finance its scheme privately. Our *No-Tax for Pan-Am* campaign is not directed against the *Games*, per se (as some of the media would have us believe), but against *tax-financing*. We know that the Bid Committee could still go ahead with its project if it raised the money privately. We must strive for responsibility in government and for the preservation of our civic services in the future.

Get Cracking!

Big money in product endorsements by Canadian Olympic medallists

The *More-Tax* for Pan-Am Committee has in the past paraded Canadian Olympic medalists at its meetings to have them let us know how much they need us to pay for their facilities. The irony of the situation is highlighted when one considers that many of our amateur Olympic athletes now earn more money in a year than many of us will ever see in our lifetimes. As promoters for milk (Milk Marketing Board) or eggs (Egg Marketing Board), these people are giving us a clear illustration of *who* the beneficiaries of these sports extravaganzas are. But is anyone out there asking Alex Baumann to pay for our Olympic pool?

OUR MISTAKE:

Last newsletter, we stated that the Robarts School pool and the pool at the University of Western Ontario were 50-meter pools. We were incorrect. The only 50-meter pool in London is the outdoor pool at Thames Park. All the other pools (Robarts, U.W.O., Wolseley Barracks YMCA) are 25-meter pools. Nevertheless, they remain greatly underused.

More Olympic Pools Swimming in Debt!

According to an article in the February 3 1984 edition of the *London Free Press*:

"Winnipeg's Pan-Am pool runs up an annual deficit of \$700,000. The pool costs \$1.1 million to operate and takes in slightly less than \$400,000. Deficit \$700,000."

In the same revealing article (which was printed *before* *Free Press* president Peter White offered the Mayor "whatever support I can. Please let me know what you'd like me to do, and when, and I'll do my level best."), we are informed that Thunder Bay's Olympic pool facility (purchased for \$7.1 million for the 1981 Canada Games) generates \$400,000 of revenue annually, but *costs* \$1.3 million to operate for the same period of time. Net loss: \$900,000 per year!

This only tells half the story. The *interest* on the \$7.1 million spent in Thunder Bay would be about \$700,000 a year --- an annual interest cost (to the taxpayer) which is not recovered either.

Pan-Am Games could be held in London-southwestern Ontario without building expensive white elephants 3

The proposed sporting events for Pan-Am 1991 in London are listed below. What is particularly fascinating is that, of the 24 listed, 21 can be held in existing facilities in the London or St. Thomas area, requiring an investment of only \$3.5 million for the necessary upgrading.

It is only the *remaining three activities*, 50-meter swimming, athletics (track & field), and gymnastics that require a \$54 million capital investment and the \$10 million endowment fund.

Rather than build a new \$10 million aquatic facility, the 50-meter events could be held in Tillsonburg or Woodstock, or somewhere where a 50-meter pool is already underused. With a little imagination, the JW Little Stadium and other existing facilities could handle the athletics and gymnastic events. Synchronized swimming, waterpolo, and diving could be held at the University, Roberts Centre, Wolseley Barracks, and Thames Park pools.

By saving \$50 million in expenditures, the required number of spectators will proportionately drop, and would represent only a loss of \$2-\$3 million in revenues. In addition to that, an endowment fund would no longer be necessary, resulting in another \$10 million saving.

By eliminating \$60 million in costs from the originally estimated \$98 million expenditure, we are faced with a net projected cost of \$38 million to host Pan-Am 1991. These reduced costs could be met by the following possible sources of revenue: Sales, marketing, and licensing: \$10 million; Corporate sponsorships: \$10 million; Provincial lottery grants: \$18 million.

Londoners would therefore reap the advantages of upgraded *community facilities* (the ones that see *real* use) without having to cope with the burden of supporting another expensive 'white elephant.' Any additional non-tax revenue that might accrue could be used for special facilities where conditions and demand may warrant. To anyone interested, we have complete details on the Pan-Am bid in our office. Just give us a call or drop on in.

City of London Pan American Games Bid Committee

Suggested Program

<u>EVENTS</u>	<u>PARTICIPATION</u>	<u>SEATING</u>	<u>FACILITIES</u>
Aquatics (swimming diving, waterpolo, synchronized swim.)	M/F	6,000	Aquatics Centre, UWO, Roberts, Thames Park
Archery	M/F	1,000	Stronach/Kiwanis/Springbank
Athletics	M/F	35,000	Stadium
Baseball	M	8,000	Labatt Park/St. Thomas
Basketball	M/F	12,000	Fieldhouse/High Schools
Boxing	M	6,000	London Gardens
Canoeing	M/F	TBA	Fanshawe Lake
Cycling	M	TBA	City of London
Equestrian	OPEN	3,000	Thorndale Equestrian Centre
Fencing	M/F	1,000	Saunders Secondary School;
Field Hockey	M/F	5,000	J.W. Little, Roberts Stadium/UWO
Gymnastics	M/F	12,000	Fieldhouse
Judo	M/F	2,000	Earl Nicholls
Rowing	M/F	TBA	Fanshawe Lake
Shooting	M/F	1,000	Crumlin Gun Club
Soccer	M	35,000	Stadium/Clubs/J.W. Little Stadium
Softball	M/F	5,000	PUC Facilities/Stronach/Ted Early
Table Tennis	M/F	1,000	Medway Arena
Volleyball	M/F	3,500	All-Canadian Club, Greenhills
Weight Lifting	M	6,000	Thompson Building/Fieldhouse
Wrestling	M	2,000	Alumni Hall
Yachting	OPEN	TBA	Goderich Harbour

4 Promises, Promises...

What they said last election when they wanted your votes...

When you call or write your aldermen, it might be handy to have some of the promises these people made in their election literature and press releases during the last (1982) municipal election.

Quote them. They'll be shocked that you, or anyone else, remembered. Just say you kept a copy of the *Free Press* clipping or their election literature. Some of their statements are quite alarming, in view of their commitment to spend tax dollars on a risky venture like Pan-Am 1991.

For example, Controller Ron Annis' press release announcing his candidacy went like this:

"Governments should be run like businesses. You don't spend money you don't have."

"Annis said he believes Board of Control should exercise spending restraint."

And then there's Alderman Janet McEwen who promised that:

*"...holding the line on **spending** is her **first** priority," and that "there is a real need to establish clear spending priorities."*

In his election press release, Alderman Joe Fontana said *"I will ensure that Ward 3 tax dollars are returned to Ward 3."* Ironically, Ward 3's drainage remains the area's largest problem and it will be five to seven years, at the earliest, before anything can be expected to be done about the problem. Fontana added *"that with federal and provincial cutbacks in transfer payments to municipalities, Council must establish priorities based on **need** rather than desires."*

"Restraint is the road to economic recovery. It is not good enough any longer to go to the taxpayer's well for more dollars to develop programs which benefit but a few."

That last promise represents a perfect assessment of the Pan-Am Games and facilities, but it seems that the *promise* part is only good for getting elected.

And in his press release, Pat O'Brien made the point that *"Council has been **indecisive**... and there is a desire to get a solid group of aldermen to work together to get some **solid financial planning** at City Hall."*

But so far, Mr. O'Brien cannot seem to make up his mind on the issue. He tells his ward constituents that he won't vote for any money towards Pan-Am, but then does so the next day. He says he knows most of his ward is against taxation for the Games, but votes the other way anyway. **Decisive?**

Typically, O'Brien's election literature promised ***"Economic restraint: As a father of 3 with two mortgages, he, like you, knows the value of a buck. He will work to conserve your tax dollar."***

And then there's Grant Hopcroft, who, in his election press release said *"Since restraint is essential at this time, he is committed to holding down tax increases,"* while his election literature promised *"As your alderman I will work to keep city expenses at their present level and avoid tax increases."*

And what do you suppose that Robert Beccarea promised in his election release? --- *"Economic reality in a time of restraint requires that government organizations be run as **innovatively and cost efficient** as any company. ...His primary goal will be to keep costs and taxes down."*

The promises go on... Said Gord Jorgenson, *"Municipal spending restraints will be important for the next few years, and city's priorities should go towards transportation, road maintenance, and holding down property tax increases."*

John Irvine's election was most boastful of 'fiscal responsibilities,' and we quote:

"These days, we're all seeing our hard-earned tax dollars dwindle and disappear, some eaten up by inflation, others by unrealistic, sometimes unneeded, City Hall projects. As we move into the winter of '82, we'll need to scrutinize each and every expense to ensure our taxes are used efficiently and effectively."

"John's no-frills, business-like approach will provide the kind of realistic and justifiable programs and budgets that are needed. ...John will act for you, to bring about responsible budget restraint by supporting only those programs essential to maintaining an acceptable level of service at an acceptable cost to the taxpayer."

We'll have more famous quotes and promises for you in future issues. We have all this source material at our office, should any of them deny they ever made such commitments --- and we can supply copies.

**EXPO '86 - Another fine mess they've gotten us into...
Del Bell's support of Tax Games and criticism of
No-Tax Committee & Our reply on following pages...**



Even critics rally to support B.C.'s Expo 86

By Dan Smith Toronto Star

VANCOUVER — The B.C. government has drawn only muted criticism after finally admitting that its 1986 world trade fair will cost \$376 million in taxpayers' money.

"Expo will stand on its own, and maybe even make a small surplus," Premier Bill Bennett promised in April, 1982. "No tax dollars will be received (by Expo) from the provincial government, either this year or any other year."

As last Thursday's unveiling of the provincially controlled Expo 86 budget figures showed, Bennett's promise has evaporated. Even Expo's staunchest critics, however, seem prepared to accept the government's explanation that benefits from the \$1.5 billion extravaganza will still outweigh the public cost.

"It is simply not true that Expo will cost the taxpayers nothing," said an editorial in the Vancouver Sun. "Don't get us wrong: We want Expo to be a success. Because the fair loses money doesn't mean that it will fail."

Typical reaction

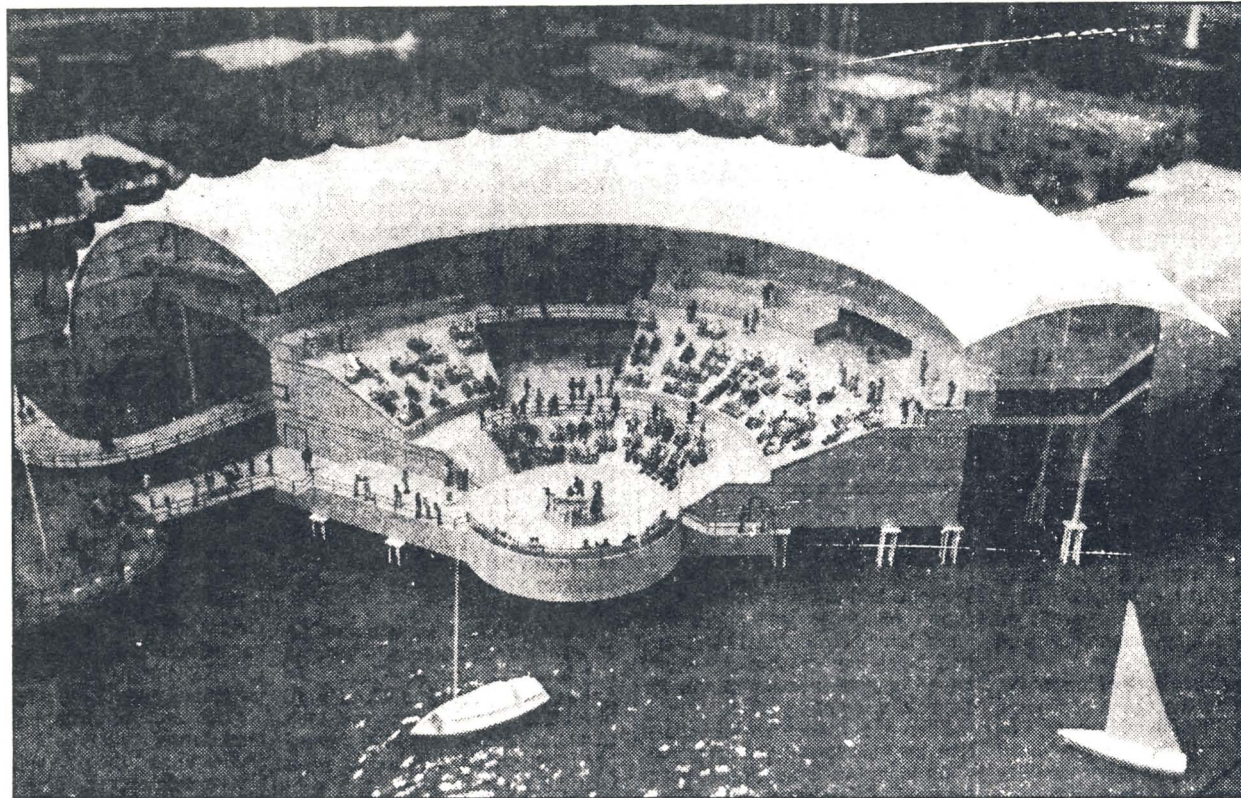
That was a typical reaction to the news that everyone familiar with Expo had long expected — after a two-month review of attendance and pricing projections, and at least \$120 million in spending cuts — the fair is still budgeted to lose \$311 million.

To cover that loss, Expo is counting on \$376 million, including a \$65 million safety margin, from the provincial government. Most of that, \$250 million, is to come from provincial lottery profits, with the rest, \$126 million, from the provincial treasury.

Expo's government-appointed directors and the government, however, still maintain publicly that Bennett's promise of "not one penny" in taxpayer's money remains unbroken. To back that claim, they say the extra \$126 million in government revenue represents the amount of corporate and personal income tax generated by the fair — money the province otherwise would never have seen.

Asked how he could claim that tax revenue isn't taxpayer's money, Expo budget committee director Peter Brown, a major figure on the Vancouver Stock Exchange, said, "You'll have to ask the minister of finance that question."

Later, however, Brown conceded, "It's a crown corporation. If it runs out of



BOBIS SPREMO/TORONTO STAR



DAN SMITH

View from B.C.

money, who do you think is going to pay for it?"

All this was expected, of course. From a relatively modest \$78 million celebration of Vancouver's 100th birthday, Expo has grown to one of the largest theme exhibitions ever held — with 34 countries already signed up, and \$1.5 billion in total spending expected.

As plans for the event expanded, however, so the bottom line shrank — as predicted by critics. First the fair was to break even or make money, as Bennett said in 1982. Then it was to return all but \$100 million of the Expo corporation's

Taking shape: This model shows the design of the Ontario pavilion to be constructed at Expo 86. Reaction has been muted to the B.C. government's admission that the world fair will cost \$376 million in taxpayers' money.

\$800 million budget. Now, after all the budget cuts ordered by Expo chairman and millionaire businessman Jim Pattison, the deficit is set at \$311 million.

A study by University of British Columbia economists last year, for example, noted that of the previous 18 world fairs, 15 had lost money. The economists said Expo was following an established pattern of gradually-inflated costs and deficits, and concluded that as an exercise in fiscal planning, Expo 86 would take \$500 million more out of the B.C. economy than it would add to it.

Expo officials and the government, however, continued to argue last week that Expo will be an international success that will add about \$4 billion in extra economic activity to the Canadian economy.

"We could go around and around forever," discussing whether the government had reneged on its no-tax-dollars promise, B.C. tourism minister Claude Richmond said. "The fact is Expo will be a great success, and the challenge is for every British Columbian to get behind it."

With such Expo boosterism apparently becoming the rule in B.C., the public seems willing to put its faith in the government's rosy projections.

The budgeted \$311 million loss will be higher unless Expo receives the 13.75 million visits it is counting on. Each million visits, for example, represents a \$20 million gain or loss to Expo.

"Nobody knows, in the final analysis, what our position will be," Pattison said. "This is a high-risk business."



DEL BELL

Time for London to go big league

It occurs, watching Al Gleeson lead the charge for the Pan-Am Games, that he is finally making a major bid to put his own stamp of leadership on the city.

And regardless of what happens, I applaud him for it. He is trying to drag this city kicking and screaming into the big leagues and I say it's about time.

That's the way I felt about the city's bid for the Pan-Am Games last February when the debate was still in the embryonic stage.

And it's still the way I feel. If anything, based on the exceptional job a blue-ribbon committee of volunteers has done making the case, my support is even stronger.

But the perception lingers. If one is to judge by letters to the editor and the claims of one Robert Metz, a member of the No Tax for Pan-Am Games committee, there is a substantial lump of opposition out there.

Metz earlier this month claimed the group has about 500 documented opponents.

Well, just a couple of points. It is always easier, particularly in this town, to organize the can't-do, won't-fly, anti-everything crowd.

And in a city of nearly 300,000, after months of debate, if they have only been able to find 500 opponents, that's a plus for the Games as far as I'm concerned.

Ah, you say, but what about that survey done by The Free Press last summer, the one that showed more than 80 per cent of the respondents were opposed to the games?

Beyond the fact that it was inappropriate to try to deal with a question of substance with a mail-in coupon, one has to appreciate a basic axiom of human nature; opponents respond, proponents yawn.

It was more than predictable; it was inevitable that the response would be overwhelmingly negative.

But one also has to put the reaction in perspective. Only about 1,400 people responded (1,171 opposed, 252 for) out of a potential 61,000 readers in the paper's city circulation area.

Now, what about the other side?

Gord Hume, chairman of the steering committee for the city's bid on the 1991 Games, went with other committee members to a public meeting in early September expecting the worst — one might reasonably assume if there was a major block of opposition, they'd pack the joint — but hardly anyone came.

There were about 50 people there and the majority were clearly onside.

The committee has also taken a more aggressive tack, taking the arguments for the Games to groups and individuals around town.

Hume says he has spoken to about 30 organizations — ranging from company executives to service groups — and in every instance has come away with a strong surge of backing.

And he says he has run into some hard-nosed questioners at these meetings who usually concede, after listening to the plus side, that there is a strong case for the Games.

At the same time, he has received anonymous phone calls at home from people who want to dump on him personally for his involvement with the Games.

That's the sad and ugly side of the town. Hume concedes wryly he is a large target, but there is no rationalization for that kind of sleazy attack.

Hume and the committee of 14 have put in thousands of hours of their time in preparation for the Games bid. They aren't looking for kudos or tea and sympathy; they just happen to be willing to put their talents where their commitments are.

On the most crucial question, finances, Ken Lemon, retired now from Clarkson Gordon, along with Bill Reddick and Jim Hardy of Price Waterhouse Associates, have provided the city with a detailed analysis that maintains London can host the Games for what amounts to peanuts for taxpayers.

And the return for a town with a growing reputation for losing company headquarters, a town spinning its wheels in the growth department, is immense.

As Hume points out, it is not just the tangible, short-term impact of construction jobs and employment on site and the tens of millions of tourism dollars that are at stake. And it isn't just the world-class athletic facilities that would be the Games' legacy to the city.

And it isn't just the spinoff impact, the major new hotel downtown and all the other amenities that will be triggered by a successful bid, amenities that

will stick around to generate new tourism and convention dollars.

And it isn't just the international exposure media coverage inevitably generates.

Nor is it all the other measurable benefits; it is the intangibles that are at least as significant. If we should get the Games, it will take thousands of volunteers to piece them together in the late '80s and don't worry about finding them.

If the deal is ever done, they'll come in droves, from school kids to corporation executives — and, for once, we might have the town pulling together in the same direction.

And if you have any doubts, remember the magnificent job city curlers did hosting the Silver Broom world championships a few years back. By comparison, there was only a handful of them.

It's the intangibles like spirit and pride and a sense of accomplishment that will be even more important legacies than the recreation facilities this town so badly needs.

And, Hume argues, there should also be pragmatic fringe benefits; that kind of commitment in a town rubs off on companies that are looking for the right place in a very competitive environment to settle down.

So yes, I'm convinced it's a mega-plus if a) the Games come to Canada and b) the committee's bid is accepted. Obviously, some heavy "ifs".

But even if it's a no-show, we are better off for the exercise. It has produced a substantial body of research that can be adapted to other major projects. It has provoked a debate both at the political and the personal level about where the town is going and how.

But most important, it has challenged the parochial mindset of a town that can but won't.

LETTERS TO THE EDITOR

Bell's Pan-Am bid support contemptuous of taxpayer

Sir: If there was one thing clearly illustrated by Del Bell in his column of Dec. 11, *Time for London to go big league*, it was the contempt with which he regards the London taxpayer.

Claiming that "it is always easier, particularly in this town, to organize the can't-do, won't-fly, anti-everything crowd," Bell saw London's tax-financed bid to host Pan-Am 1991 as a "challenge" to "the parochial mindset of a town that can but won't." To add injury to insult, he applauds Mayor Al Gleeson for "trying to drag this city kicking and screaming into the big leagues . . ."

If Bell can publicly support London's Pan-Am bid while admitting that the city has to be dragged "kicking and screaming" into the venture, then he's telling us that despite the fact Londoners oppose the idea, he knows what's best for them and where their priorities should lie.

By attempting to dismiss the strength and validity of our documented opposition to the city's bid (i.e. by trying to deny the reality of the situation), and in the clear absence of any objectively documented evidence to support his view, Bell predictably found himself resorting to mysticism — in this case, his "axiom of human nature," that "opponents respond, proponents yawn."

I'd like to see Bell apply his ridiculous "axiom" to other political issues. Since most people remain silent and inactive on the issue of abortion, does that make them "pro" or "anti"? How would he know? And what about those who didn't vote in the last election? Do we just assume that they "yawned" in support of the NDP, the political party with the least amount of documented evidence (i.e., votes) for support?

Naturally, Bell's "axiom" is merely a ruse to disguise a cleverly-orchestrated attempt to get at the taxpayer's pocket, an attempt whose success virtually depends on the average citizen having his guard down. Let him try to deny that those "intangibles like spirit and pride and a sense of accomplishment" require our very tangible dollars. Let him try to deny that the Pan-Am "bid" is, in reality, a "bid" for the involuntary expropriation of those dollars from our pockets.

The "axiom" to which Bell should have referred is really an axiom of politics, not one of human nature: namely, that all political issues are eventually determined by minorities — those minorities who choose to participate in the political process. I cannot imagine how, in this age of big government, lobby groups and special interests,

Bell possibly arrived at his conclusion that "proponents yawn." Nonsense! Everybody who's politically active is a "proponent" of something; the differences between various "proponents" lies not in whether they're "for" or "against" something, but in what they're "for" or "against," and in the methods they advocate to achieve their goals.

Let it be clearly understood that our group makes no claim to anyone's support who hasn't voluntarily and explicitly offered it to us and, as a consequence, we have no choice but to reject any claims of "support" based on any other criteria or imaginary "axioms" that always seem to suit the interests of those who promote them. As to the negative "anti-everything" image with which Bell would smear us, I can only respond that both myself and those associated with me through the Freedom Party of Ontario have for quite some time been earning a local reputation as "proponents," thank-you-very-much, of individual rights, responsibility and freedom. If Bell finds our opposition to the tax-financed Pan-Am Games to be inconsistent with these principles, I invite his challenge.

London

ROBERT METZ