

A new image of B.C. and the Games as an international tourist magnet remains unseen amidst a flurry of government dollars for local tourism promotion. And unlike previous Olympic Games-profiting cities such as Sydney, Australia, the B.C. private sector has taken no steps to make the economic benefit of the Games anything but a government enterprise. No firms have co-funded the government's Games-related business information program. And the rising concern among some economists is that government and private-sector strategies for skills development will fall far short of the Games' needs. A labour shortage guarantees higher labour costs and risks strikes that could play havoc with VANOC's construction schedule. "That's distinctly a possibility," Wayne Peppard, executive director of the B.C. and Yukon Territory Building and Construction Trades Council, warned in mid-February.

It is never too early to start talking about the 2010 Olympic Winter Games. It is already too late to assume the Games will pay off for B.C.

"It really is time now for us to focus on what we can do here," Ian Tait tells the New Westminster group of citizens as he gulps a second cup of coffee. Tait is a director of the provincial government team holding meetings across the province, urging communities

to prepare for the Games. The B.C. government has created committees and strategies for capturing the opportunities of the three-week Games spectacle built on \$2 billion in infrastructure projects and possibly 2.3 million visitors to B.C., Tait tells the early-morning meeting. "It's all about 2010 focus but 2020 vision – looking at the long-term benefits, the legacies."

The IOC's awarding of the 2010 Games to Vancouver and Whistler has created towering expectations for the province. Premier Gordon Campbell says preparing for the Games will be "a transforming event in the history of this province." The Games will leave "tourists feeling in awe of our extraordinary geography and culture," promises VANOC president John Furlong. It will make B.C. "the world's number one investment choice," predicts small business minister John Les.

The IOC decision has also created enormous risk. Emerging from a decade of economic stagnation, the province is groping for next-generation industries. Staging the Games is an artificial but potentially effective stimulus – if the Games make money to cover the provincial expenditures and spread substantial benefits. Barely breaking even will amount to failure, considering the opportunity cost involved. The conservative

B.C. Liberal government is now engaged in a \$2.89-billion spending spree according to the B.C. auditor-general, and is dedicating enormous political and bureaucratic capital to this mega-project – the equivalent of six fast-ferries projects.

Olympic Games don't always make money. The directly attributable cost of the Sydney 2000 Summer Games was US\$6.5 billion. The state auditor calculated the net cost to the New South Wales government at US\$1.5 billion. Spinoff benefits inevitably appear lucrative but are difficult to track. The state of Utah enjoyed only a 0.6 per cent rise in sales tax revenue during the Salt Lake City Olympics in 2002. However, eight months later the Utah ski resort industry reported a surge in visitors. Was it the weather or the afterglow of the Games? Olympic Games generate enormously expensive concrete entertainment and rec centres, along with sports-skill legacies, but these are not productive enterprises whose worth measurably re-circulates in the economy. The Games attract tourists and bestow lasting memories, but will those visitors remember to return or tell their friends?

What economic benefits of Olympic Games do accrue don't necessarily flow very