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The Federal Government and the financing of the Montreal Olympic Games 1976

Montreal's plans for the 1976 Olympic Games were approved by the International Olympic Committee in Lausanne on February 3.

Lord Killanin, president of the ICC, stated that, while all finals of the Games must be held in Montreal, the IOC would consider suggestions that preliminary events be held in other parts of Canada. Commentators have pointed out, however, that any other city that assumed this responsibility would encounter, on a smaller scale, the same problems of accommodation, expense and security as the City of Montreal.

Prime Minister Trudeau made the following statement to the House of Commons on February 2:

...More than four years ago, this Government has clearly defined its position, namely that we would not make any special financial contribution to these Games. In letters dating as far back as 1968 and since then, on the occasion of numerous public statements, Mayor Jean Drapeau (of Montreal) has indicated that besides certain current federal-provincial programs, no financing was required on the part of the Federal Government.

While the organization of the Games is the responsibility of the City of Montreal, the Federal Government has taken an interest in them by reason, on the one hand, of the international character of the undertaking and, on the other hand, of financing methods considered by the City of Montreal and the Olympic Games Organization Committee (COJO).

In fact, Honourable Members know that on announcing its \$310-million budget last week, COJO proposed that, except for the amount of \$18 million, the total revenue is expected to be provided through fund-raising programs.

Although such programs are intended for the Canadian and the foreign public at large rather than the federal taxpayer as such, nevertheless they require the approval of federal authorities.

Besides the expenses covered by the City of Montreal budget, we must also expect that the Canada Olympic Games will cause disbursements for

the various federal departments in the discharge of their usual responsibilities.

Deficit expected

We are considering two main points: First, the Government seriously wonders whether COJO can balance its budget. In November last, we received a copy of that budget and according to the appraisal conducted by federal officials, a deficit can be expected.

May I stress that this is our own point of view, I know that the Quebec government and the Montreal municipality probably hold different views, which I respect. As concerns the cost of an event that belongs to a still distant future, of course, a possibility of disagreement exists but, as I said, we fear that a deficit might occur and this is one reason among others why we have taken precautionary measures with which I will deal in a moment.

Secondly, we fear that some unexpected contingencies might cause a considerable increase in the cost of the Games, for this happened on the occasion of previous Olympic Games and of Expo 67, This is why we intend to do everything possible to help the Games' organizers maintain the cost at the lowest possible level, as they themselves have stated they will.

Such, then, are the main facts that led to my statement before the House last week, to the effect that we wanted assurance that, if there were a deficit, it would be made good by a body other