

Olympics Financing and Housing Crisis Shape Vancouver Election

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Vancouver's November 15 municipal election was a rout for the incumbent Non-Partisan Alliance, which is closely tied to right-wing parties in the provincial and federal governments. Former NDP MLA Gregor Robertson, the candidate of the Vision Vancouver party, was elected mayor, and Vision took seven seats on the ten-member city council. Its electoral allies, the Coalition of Progressive Electors, took two seats, leaving the NPA just one.

The electorate's lack of enthusiasm for either option was shown by a near record low 26% voter turnout.

This election campaign holds important lessons for independent working class politics across Canada.

Two key concerns emerged in Vancouver's 2008 municipal election: voter discontent with preparations for the 2010 Winter Olympic Games, and the city's worsening housing crisis.

The Winter Games have been enthusiastically supported by all major municipal and provincial parties, but from the get-go politicians and corporate promoters have had a tough time selling them to a skeptical population across the province of British Columbia and especially in Vancouver. Worries run high about the cost of hosting the games and the inevitable drain of public financial resources from pressing social and public transportation needs.

Indigenous activists are campaigning against the very idea of holding the Games because most of British Columbia is unceded Indigenous territory.

It took an extraordinary series of maneuvers in 2002 and 2003 to get the Games approved by a process bearing some semblance of public approval, including a plebiscite in Vancouver in February 2003.

Broken promises

The plebiscite passed in large part due to promises that the Games would not affect government spending on social programs. Among other promises: a portion of the units in the vast athlete village to be built in downtown Vancouver would be available for social housing after the Games are over, and real estate developers would not be allowed to displace low-income renters and homeless people in the desperately poor neighbourhood adjacent to Vancouver's downtown.

Social housing as part of the athlete village was tossed after the plebiscite passed. "Too costly," said the municipal and provincial governments. And in the past year, more than one thousand tenants have lost their dwellings as owners of single-room occupancy hotels prepare to cash in on the demand for room rentals by Games visitors or to profit from the escalation of land values in Vancouver's Olympics-fueled real estate market.

'Green' Games?

Boosters also claimed the Olympic Games would set lofty environmental objectives. That became laughable as plans were laid to spend hundreds of millions of dollars to widen the highway that links Vancouver to the resort of Whistler, where skiing events are to be held. The pristine area near Vancouver called Eagle Ridge was leveled to make room for the highway.

Other natural areas are being leveled or encroached on to make room for luxury housing projects that highway expansion will enable.

A new rapid transit line connecting Vancouver's downtown to the airport is to be a showpiece of a "green" Games. But the cost of that line — more than \$1.5 billion — is out of whack with the low number of riders who will use it once the Games are finished and is draining other parts of the metropolitan area of funding for desperately-needed transit expansion.

Meanwhile, federal and provincial governments are undertaking a vast expansion of roads and highways in the Vancouver region as part of a planned doubling of shipments in and out of the port of Vancouver.

Looming cloud of financial debacle

The biggest Games story of all was the looming financial crisis now looming. This will now dog the Vision-dominated council and dominate the provincial election campaign next May.

Construction cost overruns, falsified budgeting, ballooning security costs and the collapse of world financial markets are setting the stage for a deficit of hundreds of millions of dollars that taxpayers will be paying off for decades to come. The latest bombshell came on November 5 when the *Globe and Mail* reported details of an emergency meeting of Vancouver City Council on October 14 where politicians unanimously approved \$100 million in loan guarantees to Millennium Developments, the company building the \$1 billion-plus athlete village.

Millennium had already received a \$190 million loan guarantee from the city. Now it is reporting serious cost overruns as well as difficulty in financing the completion of construction.

The athlete village was supposed to pay for itself through sales of its units into Vancouver's high-priced condominium market once the Games are over. All that is evaporating as the cost of financing the completion of construction escalates and prices for condominiums decline.

Another recently revealed cost escalation is the cost of "security" for the Games. It was pegged at \$175 million in the original budget but is now "somewhere between 400 million and one billion dollars," according to federal Minister of Public Safety, Stockwell Day.

Housing protests on the rise

The looming financial debacle comes at a bad time for the cabal of corporate interests that fought to host the Games. Advocates of affordable housing for the poor and homeless in Vancouver are stepping up actions demanding effective and immediate measures by municipal, provincial and federal governments to tackle the city's growing housing crisis. Significant protest actions have taken place in recent months, and more are planned.

Homelessness in the city is on the rise, as is the cost of rental accommodation. For years, builders have cashed in on condominium construction and conversions and neglected the building of rental units. At the same time, successive federal and provincial governments have all but abandoned building social housing.

Another dimension of the housing crisis will soon emerge as Canada's version of the U.S. housing bubble bursts. House prices in Vancouver are dropping steadily — by 13 % so far this year — while the cost of re-financing is going up. Growing numbers of homeowners will not be able to afford their mortgages and will risk losing their homes.

The homeless fight back

The ruling class in British Columbia was thrown into a panic by an October 14 ruling of the provincial Supreme Court. Justice Carol Ross ruled that in the absence of adequate government shelter programs, homeless people in the provincial capital Victoria have the right to protect themselves from the elements by erecting tents or other shelters in public places. There are 104 shelter beds in the city, which has an estimated homeless population of 1,200.

After the ruling, tent cities immediately sprang up in several city parks. But the Victoria city council acted equally fast—it passed an emergency resolution banning tents or other structures in parks between 9 a.m. and 7 p.m. On October 17, police broke up some dozen tents in Beacon Hill Park, the city's oldest and largest park. They arrested five people who resisted the brazen police attack on the spirit of the court decision.

Despite the police attack, there is growing public sympathy for people who provide themselves with shelter by any means necessary.

Two candidates for mayor — no solutions

The housing crisis was a central issue in the Vancouver municipal election. The mayoral and city council candidates of the two leading parties—the incumbent Non-Partisan (sic) Alliance (NPA) and Vision Vancouver— were compelled to address the crisis at public debates and other campaign events.

The NPA is closely allied with the provincial and federal governments that have slashed funding for social housing over the past several decades. Vision, which carries the banner of concern about poverty and homelessness, is heavily funded by real estate and other corporate interests but is also supported and financed by most trade unions and municipal reformers in the city, including leaders of the New Democratic Party (NDP).

Vision promised to fund more emergency shelters for the homeless and apply the city's existing bylaw that obliges slum landlords to repair the worst conditions in their buildings. Enforcement of the bylaw has dropped to near-zero under the NPA regime. Vision mayoral candidate Gregor Robertson also said empty buildings could be used for temporary shelters.

The party made no statement about the court ruling concerning the right to temporary shelter. It did not defend those who erected tent cities in response to the ruling.

Advocates of affordable housing argue for much stronger measures than those offered by Vision. They want a city housing authority to oversee the expansion and upgrading of social housing stock by using the considerable resources at the city's disposal and by pressing other levels of government to act. Vision and the reformist Coalition of Progressive Electors (COPE) are both silent on the call to create a housing authority.

The Olympics financing debacle became the other key election issue in the closing days of the campaign. It degenerated into farce when, following the November 5 Globe and Mail report, the outgoing, lame-duck mayor called for a "police investigation" into the leak of the October 14 city council decision to extend the \$100 million loan bailout. Leading candidates of Vision and COPE

agreed to take lie detector tests (!) to prove that they abided by the council decision to keep its decision a secret from the pesky electorate.

Whatever happened to municipal reform in Vancouver?

COPE was formed in 1968 and was the voice for municipal reform in Vancouver in the decades that followed. But it went into decline after winning a majority of city council seats in 2002

A central issue in that election was whether a Vancouver city administration would support the provincial government's bid to host the 2010 Winter Olympics. Many in COPE opposed the bid. They saw the Olympics as a profit bonanza for engineering, construction and tourism companies with little benefit for ordinary citizens.

But the party was divided. Trade union leaders and the provincial NDP backed the bid. They lobbied for COPE to support a pro-Olympics mayoral candidate, former policeman Larry Campbell.

Campbell wanted the Olympics to be decided by a plebiscite. After he won the mayoralty, a plebiscite took place in early 2003. COPE was split down the middle and the "yes" side carried the day.

In 2005, three COPE councilors left the party and, with Campbell, formed Vision. They wanted closer ties to the capitalist interests that control the city of Vancouver. They saw COPE's reform program, timid though it was, and especially its activist member base, as obstacles to those plans.

In the 2005 election, the NPA retook the mayoralty and won a majority of city council seats. Vision elected four councilors, COPE only one. Popular disillusion with the passing of the Olympics bid and an uninspiring performance by the COPE-led city council saw voter participation drop to 32 per cent, down from 50 per cent in 2002.

To avoid vote splitting this year, COPE and Vision entered into a non-competition agreement. COPE supported Gregor Robertson for mayor. Other municipal candidacies were shared as follows: City Council — 8 Vision and 2 COPE; School Board — five COPE and four Vision; Parks Board — 4 Vision and 2 COPE. The municipal Green Party was also part of the agreement with one candidate for Parks Board.

The two COPE nominees for City Council were chosen at a meeting of more than three hundred party members on September 28. Two proponents of the agreement with Vision, David Cadman and Ellen Woodsworth, were selected in a bitter contest that saw former city councilor Tim Louis lose by a handful of votes. Louis is a voice of COPE's left wing and a critic of the agreement with Vision. He argued that the party should have achieved a better division of candidacies.

Needed: Independent working class political action

Working people in Vancouver need a different kind of politics than what we witnessed in the recent campaign.

The collapse of the capitalist financial order will hit the city with increasing ferocity. Working people need a party based on popular mobilization and empowerment that challenges the corporate interests currently dominating the city.

Such a party would fight for affordable housing and would enforce existing laws to protect standards in low-income housing. It would fight for effective public transit and confront the rise in police violence as exemplified by the death-by-taser of Polish visitor Robert Dziekanski at the Vancouver

airport in October 2007.

Unlike Vision and the NDP, a municipal working class party would fight for environmental protection and enhancement, including stopping the planned expansion of highways in the Vancouver region. It would not shy away from confronting the provincial and federal governments, which control much of the financial resources needed to make cities livable. In fact, an activist municipal party would be a force for political change at those levels of government, too.

P.S.

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