

# YOG budget estimate fell short due to inexperience

■ BY TEO WAN GEK

WITHIN one hour, Community Development, Youth and Sports Minister Vivian Balakrishnan admitted three times that he got it wrong when estimating the budget for the Youth Olympic Games (YOG).

He blamed it largely on his ministry's lack of experience in organising a sports extravaganza on such an Olympian scale.

But, he added, it was the first YOG and "both the International Olympic Committee and us were starting from scratch".

Still, there are no regrets.

Listing the benefits of holding the event, Dr Balakrishnan highlighted the huge gains for the economy as he urged Singaporeans to view the final cost in the context of the two recent Olympic Games held elsewhere.

The YOG has also laid a strong foundation for Singapore's sporting culture, especially in spectatorship, community involvement and volunteer engagement, he said in Parliament yesterday, replying to MP Irene Ng (Tampines GRC), MP Zaqy Mohamad (Hong Kah GRC) and Non-Constituency MP Sylvia Lim.

The initial YOG budget was \$104 million but was revised in July to \$387 million, three times the original sum.

The minister bluntly admitted the initial estimates were inaccurate, adding that he had "underestimated the requirements and consequential cost of several

major functional areas which were necessary to host these Games".

For instance, they did not foresee the need for costly world-class timing and information systems.

Earlier, Ms Lim had asked why the initial budget was so far off the mark when the total cost for technology and upgrading of sports venues, clearly big-ticket items, already amounted to \$173 million.

Was the Government "a bit naive in our initial estimates", as closest rival Moscow had a budget more than double that of Singapore's, she added.

Dr Balakrishnan replied: "Moscow has hosted Olympic Games before, it has hosted Youth Games before, they have the facilities and they know what they are doing."

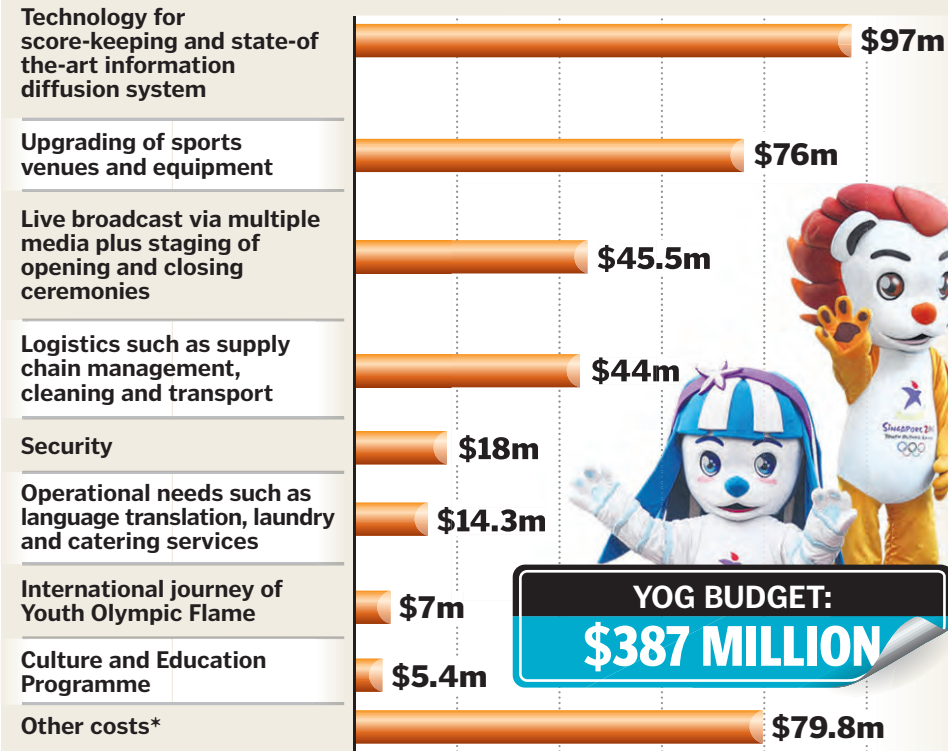
On top of that, the 26 International Federations representing each sport approved the final specifications and standards for the YOG very late, "after we won the bid to host the Games", he said. Singapore won the bid in 2008.

In urging Singaporeans to see the final cost in perspective, he cited the budgets for the 2008 Beijing Olympics and the 2010 Winter Olympics in Vancouver.

Although one-third the scale of the Beijing Olympics, Singapore's spending was just 10 per cent of China's \$3.9 billion.

As for the Winter Olympics, he noted the YOG had more athletes, "but our expenditure will likely amount to only

## ■ WHERE THE MONEY WENT



NOTE: \*Include office running costs and general administration, marketing and communications, volunteer training, legal and insurance, medical services and additional logistics such as power requirements.

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about 20 per cent of what Vancouver spent".

Elaborating on the gains from the YOG, he gave these figures: \$7 million expected from merchandise and ticket sales; an additional \$57 million in tourism receipts; \$60 million worth of sponsored products and services; and \$7.6 million in cash sponsorship.

Further, "all subsequent Olympic flags which are transferred to the host city, at the bottom right corner of that flag is embroidered 'Singapore 2010'".

It is a permanent legacy that helps ensure Singapore stays on the radar of future investors, said Dr Balakrishnan.

But the YOG was "not cheap", he acknowledged. And when it became clear the initial estimates were wrong, he was confronted with two questions.

"If we had known that it would cost \$387 million, would we still have bid for the Games? The second question - if we spend \$387 million, will we get value from that expenditure?"

The answer to both was an unequivocal "yes", he said, adding that had the budget been cut and a substandard YOG delivered, it would not have been the right decision.

However, he had kept faith with Singaporeans and revealed the numbers to them before the Games.

"So yes, we took heat for that but it's much better to take heat for being transparent rather than to present people with a fait accompli," he said.