

BACKGROUND - Municipal Spending

AUGUST 2018

City of Portage la Prairie

From 2008 to 2015, the City of Portage la Prairie grew its real operating spending beyond the sustainability benchmark¹. Over the study period, real operating spending increased by five percentage points above its level in 2008, while the City's population was nearly unchanged (see Figure 1).

It is important to note that real operating spending decreased by six percentage points from 2014 to 2015, while population remained roughly unchanged.

Unsustainable spending growth has cost Portage La Prairie's residents a combined \$13.1 million over eight years. This amounts to \$999 for each community member.

As a result, Portage la Prairie ranked 5th amongst Manitoba's 10 largest cities and towns on measures of sustainable spending growth. This is a two spot improvement from its previous position in the *Manitoba Municipal Spending Watch* 3rd Edition report.

However, it is concerning that the City's expenditure on labour has continued to grow, while its population has remained basically flat for eight years (see Figure 2). These spending trends are not sustainable.

About the Report:

CFIB's *Manitoba Municipal Spending Watch* 4th Edition report evaluates the ability of Manitoba's 27 largest local governments to hold real operating spending to the level of population growth.

This summary is based on the full report: [Manitoba Municipal Spending Watch: 4th Edition](#).

Figure 1:

Real Operating Spending Growth, 2008 – 2015

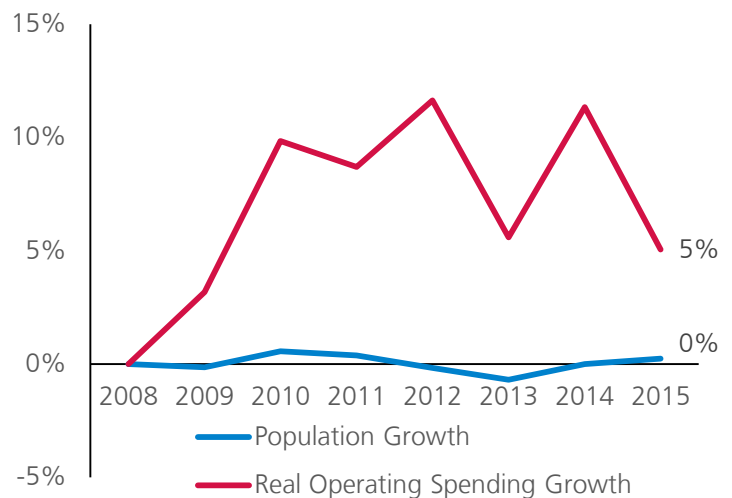
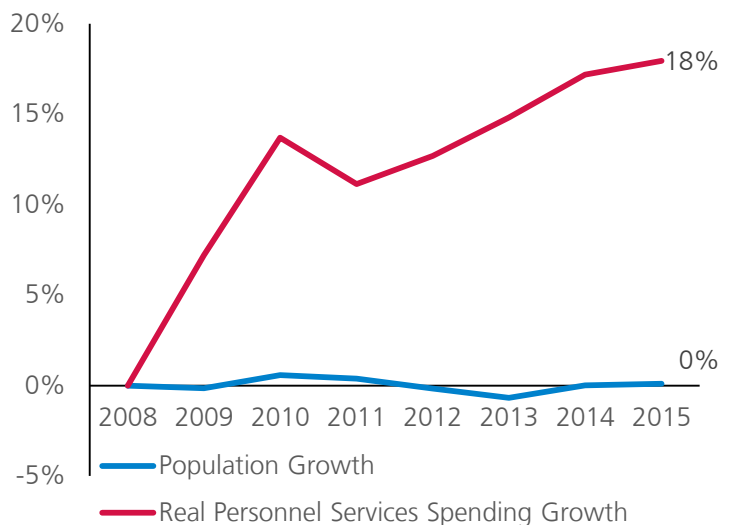


Figure 2:

Real Labour Spending Growth, 2008 - 2015



Source: City of Portage la Prairie Annual Audited Consolidated Financial Statements 2008-2015, Manitoba Municipal Population Estimates 2008-2015 Statistics Canada.

¹The **sustainability benchmark** allows for operating spending to grow at the level of inflation and population growth. Therefore direct comparisons can be made between real operating spending and population growth, as in Figures 1 and 2.