

BACKGROUNDER - Municipal Spending

AUGUST 2018

City of Dauphin

Between 2008 and 2015, the City of Dauphin has managed to bring the level of its operating spending growth closer to CFIB's sustainability benchmark¹. Over the study period, real operating spending declined by one per cent while population decreased by three per cent from 2008 levels (see Figure 1).

While Dauphin is certainly on the right track, there is still much work to be done to make up for the City's historical overspending and recently declining population.

Dauphin's operating spending growth beyond the sustainable benchmark has cost the residents a combined \$2.9 million over eight years. That amounts to roughly \$371 of unnecessary spending for each of Dauphin's 7,918 residents.

Dauphin has ranked 2nd amongst Manitoba's 10 largest cities and towns on measures of sustainable spending growth. This is a drop of one spot from the *Manitoba Municipal Spending Watch* 3rd Edition report.

The similarities between Figures 1 and 2 suggest that Dauphin's operating spending growth is driven in part by labour costs. The City has done a commendable job of reducing labour spending, but with a declining population, more must be done to ensure that Dauphin achieves sustainability going forward.

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

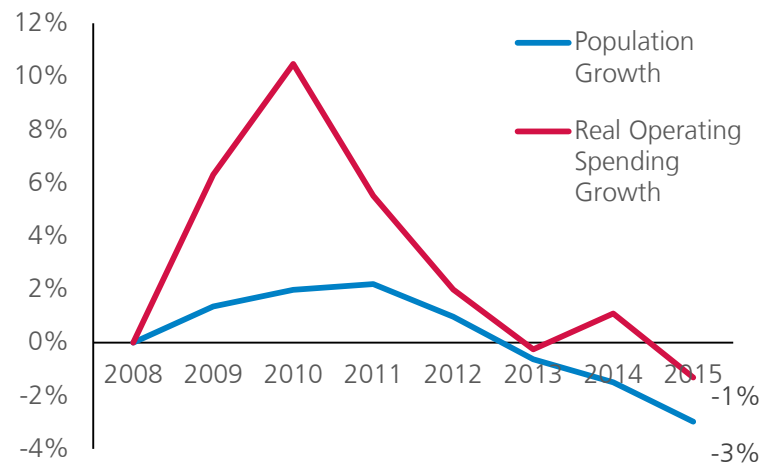
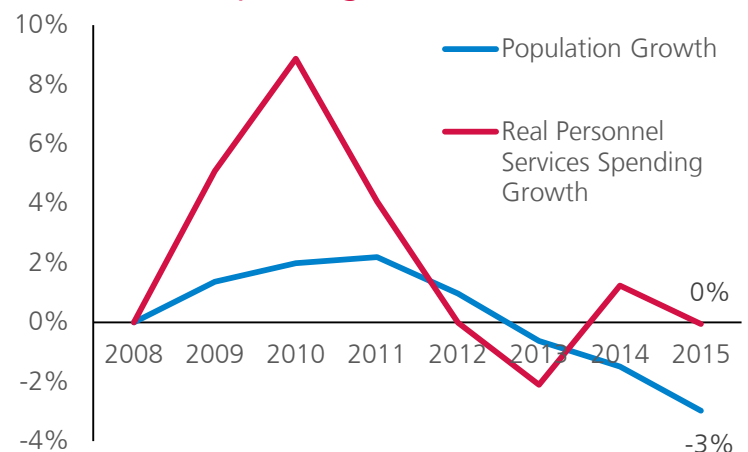


Figure 2:

Real Labour Spending Growth, 2008 - 2015



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

¹The **sustainability benchmark** allows operating spending to grow with population and inflation. The figures above are adjusted for inflation so the population growth curve represents the benchmark.