

BACKGROUNDER - Municipal Spending

AUGUST 2018

City of Flin Flon

The *Manitoba Municipal Spending Watch* 4th Edition report makes clear that Flin Flon desperately needs to spend more sustainably going forward.

However, the City did decrease its real operating expenditure growth for the first time since 2009. This reduction may be the signal of a welcome return to sustainable spending, although the City of Flin Flon must work harder than most to curb spending as its population has steadily declined.

As the City of Flin Flon managed to keep real operating spending below sustainable levels until 2013, there has been a cumulative net savings to each resident of roughly \$206 over the eight years studied.

Despite progress from 2014 to 2015, Flin Flon has held on to its last place ranking for the *Municipal Spending Watch* 4th Edition report.

Certainly rising labour costs have hampered the City's work to rein in operating expenditure growth. Inflation adjusted spending on personnel services by the City has increased 14 per cent, while its population has declined by 4 per cent from 2008 levels (see Figure 2).

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

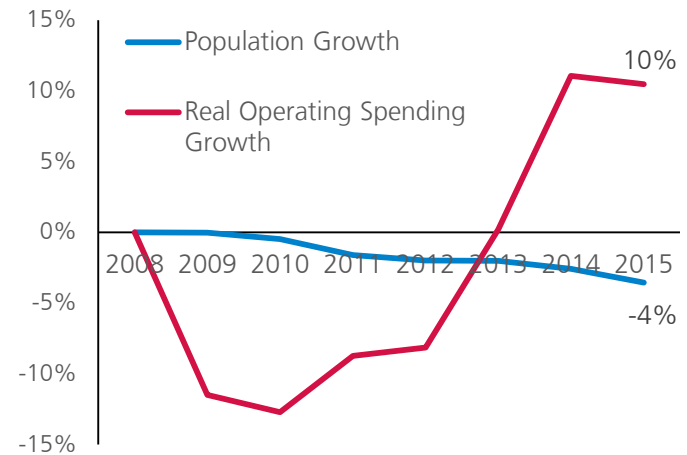
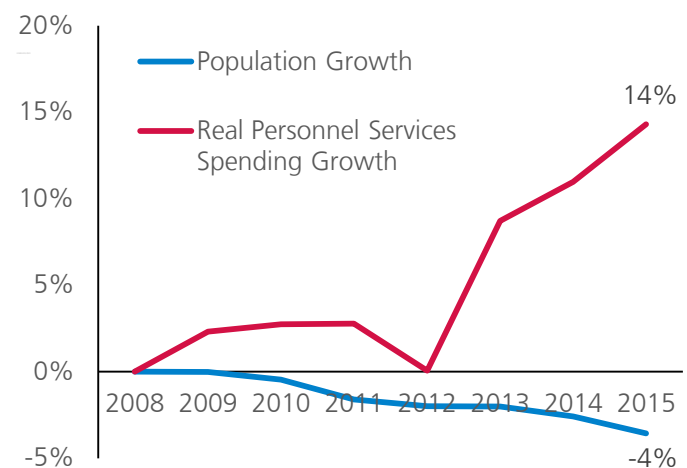


Figure 2:

Real Labour Spending Growth, 2008 - 2015



Source: City of Flin Flon 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.