

BACKGROUNDER - Municipal Spending

AUGUST 2018

City of Selkirk

From 2008 to 2015, the City of Selkirk grew its real operating spending beyond the sustainable spending growth benchmark of inflation and population growth, with the brief exception of 2010. Over the study period, real operating spending increased by 14 per cent while population increased by just seven per cent points above 2008 levels (see Figure 1).

More recently, the sustainability gap¹ has remained at around seven percentage points above population and inflation growth.

Unsustainable spending growth has cost taxpayers a combined \$6.6 million over the eight years. This amounts to \$635 for every person over that same period.

Selkirk, once again, ranked 4th amongst Manitoba's 10 largest cities and towns on measures of sustainable spending growth in the *Manitoba Municipal Spending Watch* 4th Edition report.

There is some good news to report, however, as real spending on personnel has declined (see Figure 2). The City of Selkirk's expenditure on labour dropped by 10 percentage points in 2015 from its peak in 2014. Personnel expenditures are now 19 percentage points above their level in 2008.

That said, more work must be done to curb operating expenditures generally as these historical 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

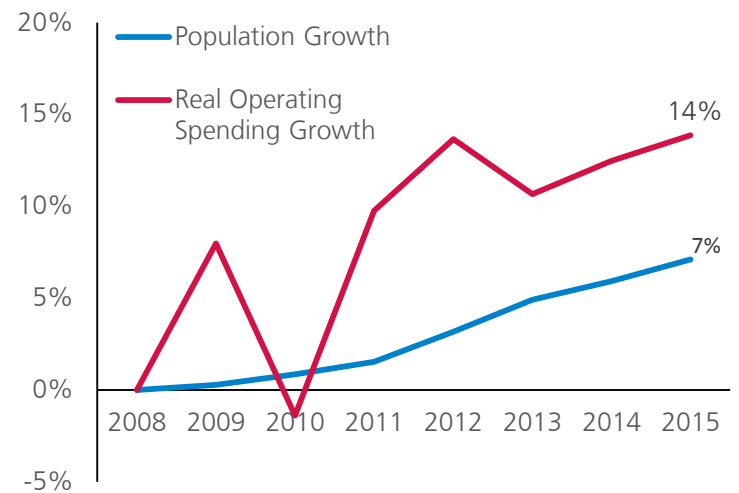
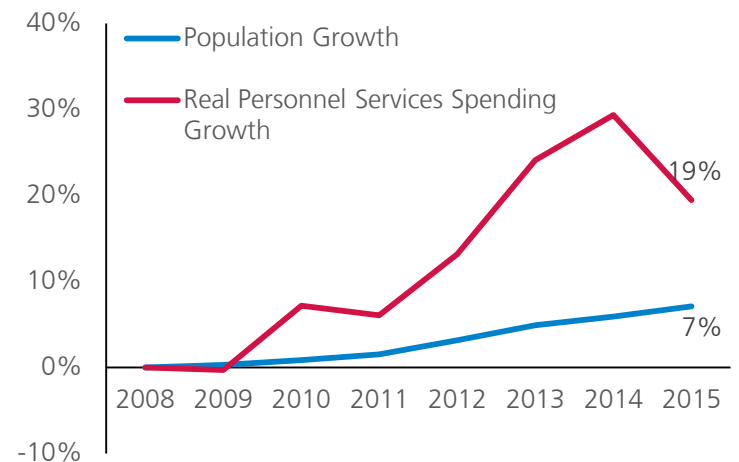


Figure 2:

Real Labour Spending Growth, 2008 - 2015



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

¹The **sustainability gap** is found by subtracting the percentage of population growth from the percentage of real operating spending growth above 2008 levels.