

BACKGROUND - Municipal Spending

AUGUST 2018

City of Thompson

From 2008 to 2015, the City of Thompson grew its real operating spending beyond CFIB’s sustainability benchmark¹. Over the study period, the City’s real operating spending has increased by 15 per cent, while population increased by just two per cent from 2008 levels (see Figure 1).

From 2014 to 2015, Thompson’s real operating spending increased by six percentage points, while the population grew by only one percentage point.

Unsustainable spending growth has cost Thompson residents a combined \$19.4 million over the eight years studied.

As a result, Thompson is now ranked 7th amongst Manitoba’s ten largest cities and towns on measures sustainable spending growth in this 4th Edition of the *Manitoba Municipal Spending Watch*. This is a two spot drop from 5th place and the 3rd Edition of the report, which covered the years between 2008 and 2014.

Ballooning labour costs make it very difficult for the City of Thompson to keep its real operating expenditures under control. The City’s spending on personnel services is well above the sustainability benchmark, and has created the largest labour sustainability gap² of all the Cities and Towns in our study (27%).

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

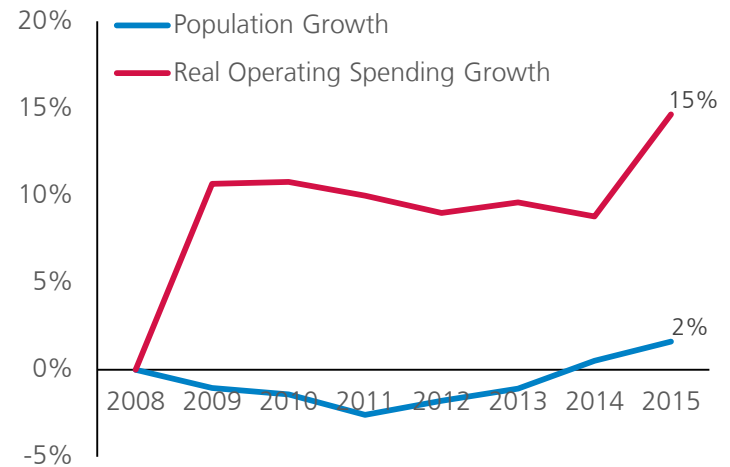
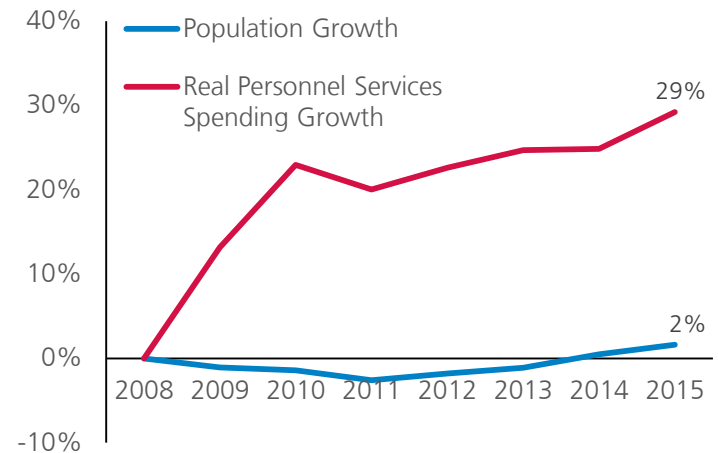


Figure 2:

Real Labour Spending Growth, 2008 - 2015



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

¹ The **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

² The **sustainability gap** is found by subtracting the percentage of population growth from the percentage of real operating spending growth above 2008 levels.