



## The public purse isn't bottomless

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She was born Margaret Roberts in 1925 and believed in hard work, achievement and that you paid for everything you bought.

If you didn't have the money, you didn't purchase it.

Later, as British Prime Minister Margaret Thatcher, she thought government was taking too much. "We should not expect the state to appear in the guise of an extravagant good fairy at every christening, a loquacious companion at every stage in life's journey and the unknown mourner at every funeral."

She aspired to replace the nanny state's cradle-to-grave coddling with a more bracing risk-and-reward enterprise culture. "Our workers cannot create wealth. We need the wealth-creating, job-creating entrepreneur and the wealth-creating, job-creating manager," she told a business crowd during her election campaign.

The Calgary Chamber of Commerce echoes Thatcher. Some of our members feel they are over-governed, over-taxed, over-borrowed and over-managed. Despite this, most thrive on the bracing risk-and-reward enterprise and can-do culture that earned Calgary its global reputation.

Most Calgary firms --from mom-and-pop shops to global corporations -- forfeit an average 26.3% of their revenue to the tax collector. They remit 30 to 49 different taxes yearly, covering about 200 levy obligations.

Some must be sent annually, others are calculated monthly or quarterly. And that's before they pay their business and property taxes to city hall. Or compensate their wealth-creating staff, suppliers and shareholders.

Last January, the members of the Calgary Chamber of Commerce identified fiscal management and accountability of city council as a top priority.

While few like to pay taxes, each understands the monies pay for valuable services and infrastructure. However, they neither need their money wasted on nanny state coddling nor their tax burden increased.

A well-managed, integrated and co-ordinated municipal decision-making process ensures the city is able to set clear priorities in a timely, effective manner.

In its pre-budget submission to city hall, the Chamber made these recommendations.

- Encourage the provincial government to establish an Office of Municipal Auditor General to undertake comprehensive auditing of municipal expenditures (verify compliance and value for money).



- Change the three-year binding budget to a three-year rolling budget introduced annually, so council can better respond to unanticipated events, like economic booms and busts and give opportunities for yearly robust public debate and discussion.
- Develop, implement and widely communicate a comprehensive expenditure management process to assess if existing programs achieve their intended results, are managed effectively and continue to be aligned with council's priorities.
- Limit annual spending hikes to population growth plus inflation or real GDP growth plus inflation. For 2010 the maximum increase should be 5.5% or lower.
- Increase efficiencies in how the city delivers its services (such as move to E-Government).
- Mandating budget training for council members.
- Make greater transparency and citizen engagement a priority and encourage more public input in the municipal decision-making process.

Thatcher was successful in transforming Britain because she was part politician, part intellectual and part entrepreneur of ideas. She had the enthusiast's belief that practical, resourceful yet invigorating ideas could solve political challenges.

As Thatcher was wont to say: "Government officials sometimes believe they have recourse to a bottomless public purse."

Companies and citizens beg to differ.