

## EMS switch frees up \$15M

### Debate over windfall funds: tax or spend?

**Kim Guttormson**

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City council will have another \$15 million a year to play with, thanks to the province's decision to take over EMS.

But whether that money is spent on other priorities or used to lower next year's tax increase will be part of heated budget talks this fall.

The \$15 million is the equivalent of about a two per cent tax decrease.

"In the past, history has shown a whole parade of spending requests come forward," Ald. Ric McIver said, who favours using the money to reduce any tax hike.

It costs about \$54 million a year to run Calgary's EMS system, with the city contributing \$15 million, the province \$17 million and the rest recouped through insurance.

Once the province takes over funding the service next spring, Calgary would no longer be paying.

Ald. Gord Lowe, chairman of the finance committee, said unless there is a deal by November, when the city finalizes its 2009-2011 budget, he'll recommend leaving the money there for EMS.

"It's prudent and the devil's in the details," he said, pointing to 2005 when the province was last going to assume responsibility for EMS and then backed away because of the cost.

However, an extra \$15 million is welcome news, Lowe added.

"We're facing some very significant issues this year," he said.

In April, council had its first look at the proposed three-year budget and sent it back for staff to shave down a wish list that would equal a 14 per cent tax increase next year.

Growing demands for police and fire, bylaw and Calgary Transit led the wish list.

The three-year budget included requests for 400 police officers, 138 firefighters, 23 animal and bylaw services officers, as well as 45 additional transit security officers and another 410,000 transit hours.

It also asked for another 140 paramedics. With the province on the verge of taking over the service, how EMS requests will be handled is one of many issues that will need to be worked out.

Mayor Dave Bronconnier said he's in favour of using the \$15 million to cover some of the other demands from emergency services.

"I've said this for quite some time, the protective services area needs to be strengthened," he said.

"And if there are any savings realized, that will just mean the future increases will be that much less."

Ald. Diane Colley-Urquhart said given the challenges posed by the city's growth and the next three-year budget, the province's announcement is timely.

"We sent the whole multi-year budget back to administration because we were not happy with the approximately 15 per cent tax increase," she said. "This alone, on the operating side, saves us about (two) per cent in the first year."

McIver said he'd like the money to reduce any proposed tax increase but isn't optimistic his colleagues will all agree.

"Go back in time: whenever we have achieved new money or savings . . . there seems to be a flurry of activity of people suggesting other ways to spend it," he said.

But there are so many necessary demands being made, it would be wrong not to address them, Ald. Bob Hawkesworth countered.

"There are many, many good uses that will be competing for that funding," he said.

Colley-Urquhart added that while the city will see annual savings because of the EMS transfer, in the long-run it should also help with the capital budget because there won't be a demand for ambulances and other equipment.

But because EMS shares facilities with the fire department, and in some cases the police service, how future capital demands will be dealt with still need to be worked out with the province.

kguttormson@theherald.canwest.com

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