



Working together to get
Minnesota working.

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#1 Spend Smart

Because we can't afford not to

The Coalition of Minnesota Businesses (CMB) - 11 employer groups representing more than 20,000 businesses across the state – urges candidates for elected office to **focus on spending tax dollars wisely and redesigning public programs – because we can't afford not to.**

✓ Fewer workers, less tax revenue

The global recession and an aging population slowed the growth of Minnesota's labor force from 1.5% a year in the 1990s to 1.1% annually over the past five years. That meant fewer people working and paying taxes – leading to state budget shortfalls. *Source: Minnesota State Demographer*

Retiring baby boomers will slow workforce growth even more, to 0.8% between now and 2015 and just 0.4% from 2015 to 2020. That means fewer people to replace retiring workers, restraining economic growth – and creating state budget challenges. *Source: Minnesota State Demographer*

✓ An aging population . . .

Pays fewer taxes. A couple earning \$65,000 will pay 58% less in income and sales taxes when they retire. *Source: Minnesota State Demographer*

Uses more services. Excluding long-term care, people age 65 and up spend nearly three times more per person on health care than the overall population. *Source: Center of Medicare and Medicaid Services*

Spend smarter before you ask taxpayers to spend more.

Spend Smart Principles

◆ Encourage private-sector jobs & opportunity, don't make it harder and more expensive.

In challenging economic times, people want government to help businesses grow and expand in Minnesota. A strong economy creating private-sector jobs is the foundation of Minnesota's high quality of life.

◆ Live within our means.

Government spending is growing faster than household income and the overall economy. That's not sustainable.

◆ Prioritize and redesign.

When times are tough and budgets are tight, people refocus on priorities, rethink what they do and how they do it, and take care of first things first. Government should too.

◆ Demand results.

Minnesotans support programs that work. But not every program works. And too often we don't even define "success" or measure cost effectiveness.

◆ Innovate.

Find better, faster, more effective, less expensive ways to do things. Don't say it can't be done. Government – like everyone else – is constantly innovating and evolving. The challenge is to lead, not follow. The more innovative our public sector is, the stronger our state will be.

◆ Ask yourself:

How will this program or expenditure help Minnesota create jobs and provide the people to fill them?

Does this program address a priority for Minnesotans - and deliver expected results?