

CORPORATION OF THE CITY OF LONDON, ONTARIO

Budget Discussions, February 13, 2013

WHAT IS THE PURPOSE OF A
CORPORATION?

Shareholder Primacy

The idea that corporations exist solely to maximize profit and by doing so, increase shareholder value.

WHO ARE THE
SHAREHOLDERS IN A CITY
CORPORATION?



CITIZENS OF LONDON

SO...

WHAT IS THE PURPOSE OF A
CITY CORPORATION?

CITIZEN PRIMACY

- 1) To deliver goods and services for the benefit of “shareholder” citizens
- 2) Provide value for money

GOLDEN BUSINESS RULE # 1

- The best way to make money is to spend money.

AKA “The Apple Rule”

APPLICATION TO CITY: INVEST

HEALTH

ECONOMY

HOUSING

INNOVATION

ENVIRONMENT

CULTURE

PUBLIC TRANSIT

GOLDEN BUSINESS RULE #2

Providing customers with **value** for
money

APPLICATION TO CITY



“Overall, the idea that fiscal austerity stimulates economic activity in the short term finds **little support in the data...**

A budget cut equal to 1 percent of GDP typically reduces domestic demand by about 1 percent and raises the unemployment rate by 0.3 percentage point.”

GOLDEN BUSINESS RULE #3

When it comes to corporate success, delivering **satisfaction** is key on all fronts.

APPLICATION TO CITY

- **What makes a city great?**
- Mayor Bloomberg of New York City:
- “I have long believed that talent attracts capital far more effectively and consistently than capital attracts talent. The most creative individuals want to live in places that protect personal freedoms, prize diversity and offer an abundance of cultural opportunities. A city that wants to attract creators must offer a fertile breeding ground for new ideas and innovations.”

“When people can find **inspiration** in a community that also offers great parks, safe streets and extensive mass transit, they **vote with their feet.**”

~Mayor Bloomberg

