#### Why It Happens

Deficits occur because the taxpayers are willing.

In 1911, revenue was over-estimated by \$148,925; in 1912 by \$119,038; in 1913 by \$269,449; and in 1914 by \$457,303. The taxpayers knew, or might have known these facts, as they have been published in the annual estimates and in the press. If they had wished a reversal of policy hard enough they could have enforced their will.

It is true that the reports available to the citizen, to the administrator, and to the Council have not been sufficiently clear, prompt, informative and issued at sufficiently frequent intervals to secure immediate and effective action. This need be true no longer if the accounting procedure recommended to the Mayor and Council on December 22nd, 1914, by the City Treasurer, the City Auditor and the Commissioner of Works is forthwith definitely adopted by the city.

Monthly, quarterly and yearly reports based on the accounts would enable citizens, heads of departments and the City Council to control the tax-rate by continuous study of the expenditures actual and proposed.

Citizen Control of the Citizen's Business

TORONTO'S CITIZENS CAN CONTROL TORONTO'S AFFAIRS ONLY THROUGH FREQUENT, PROMPT, ACCURATE AND PERTINENT INFORMATION WITH REGARD TO TORONTO'S BUSINESS.

ISSUED BY THE

#### BUREAU OF MUNICIPAL RESEARCH

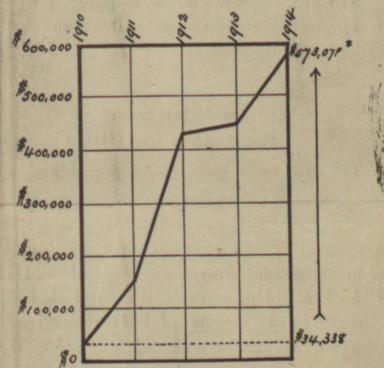
813-820 Traders Bank Building, Toronto Telephone: Main 3620.

White Paper Number One

April 12, 1915

#### Government by Deficit

1910	 34,338
1911	155,237
1912	432,997
1913	446,936
1914	573,078†



In the long run, deficits can be abolished and the tax-rate controlled only by controlling expenditure.

Please file for future reference

# HOW IT APPENS

#### Quotation from Estimates for 1911

"The rate of 17½ mills in the dollar imposed last year did not meet the requirements of the City. After the passage of the Estimates the Council found it necessary to make supplementary appropriations to the amount of \$78,718. This amount is reduced by a surplus in the revenue of 1910 amounting to \$44,380, making a net deficit of \$34,338."

—(Page 4)

# Quotation from Estimates for 1912

"The rate of 18 mills in the dollar imposed last year did not meet the requirements of the City. After the passage of the Estimates the Council found it necessary to make supplementary appropriations to the amount of \$6,312. This amount is increased by a deficit in the revenue of 1911 amounting to \$148,925, making a net deficit of \$155,237"—(Page 5)

### Quotation from Estimates for 1913

"The rate of 18½ mills in the dollar imposed last year did not meet the requirements of the City. After the passage of the Estimates the Council found it necessary to make supplementary appropriations to the amount of \$313,939. This amount is increased by a deficit in the revenue of 1912 amounting to \$119,038, making a net deficit of \$432,977"—(Page 3)

# Quotation from Estimates for 1914

"The rate of 19½ mills in the dollar imposed last year did not meet the requirements of the City. After the passage of the Estimates the Council found it necessary to make supplementary appropriations to the amount of \$177,487. This amount is increased by a deficit in the revenue of 1913 amounting to \$269,449, making a net deficit of \$446,936, or about a mill of the assessment."—(Page 3)