

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

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TO THE

CITIZENS AND TAXPAYERS OF TORONTO

REPRODUCED FOR THE INFORMATION OF THE
MEMBERS AND SUPPORTERS OF THE BUREAU

The Civic Legislation Committee, to which the question was referred, are reporting to the City Council in favour of applying for permissive legislation to empower the City to go into the business of purchasing and distributing gasoline. The proposal to go into the coal business seems to have fallen by the wayside, while milk prices and bread prices are to be investigated by a committee. In the meantime no special committee of Council—the members of which are elected to control the efficiency and costs, i.e., prices, of general civic services—seems to have been appointed to investigate the prices of these services as shown in the tax bills of citizens and to devise ways and means of bringing down these non-competitive prices to a point well within the means of the average taxpayer.

To the Citizens and Taxpayers of Toronto:

During the last few weeks proposals or suggestions have come from responsible quarters that the City of Toronto enter upon several more trading ventures. These are gasoline, milk and coal, with the possibility of bread also being considered as a field of municipal trading enterprise.

Does the City's past experience suggest the advisability of further civic undertakings in the competitive field?

The Bureau would like to raise the question whether the City's past experiences in operating the abattoir, buying and selling coal and building and selling houses have been of such a nature as to justify the City in embarking on any more competitive undertakings? For years past the City estimates have provided for deficits on the abattoir, and to this date the estimates include provision for deficits of the Toronto Housing Commission. The financial statements of the City show loss on hog-raising of nearly \$5,000 in 1922, and of over \$5,000 in 1921. The loss on emergency fuel in 1922 is shown as over \$22,000, and in 1923 as over \$5,000.

The operation of utilities of a non-competitive nature is in quite a different category. In these the City is in a position to avoid deficits, but if they were incurred, competitors would not have to step in and help pay them.

Is it desirable to increase further the proportion of municipal employees in the total electorate?

The Bureau would like also to raise the question as to whether citizens have considered the effect on them of a further addition to the number of citizens who are employed by the city. Are the citizens quite sure that an increase in the number of civic employees is desirable either in the interests of the citizens as a whole or of the greater number of the City's employees themselves? The so-called City Hall vote may be entirely mythical, but it would be difficult to prove that all candidates in municipal elections believe it to be negligible.

The effect on the taxpayer of the non-taxation of municipally owned utilities.

Do the citizens know how much is added to their tax burdens by the exemption, or partial exemption, from taxation of municipally-owned utilities? Do they know what the surpluses or deficits on public utilities would be if provision for taxes were made as in the case of similar private undertakings? Do all citizens give full weight to the value, from the standpoint of efficient operation, of requiring all public utilities to make full provisions for all elements of cost, including taxes?

When municipal trading in competitive field is carried to its logical conclusion who will pay the taxes?

When, however, the city goes into a business in competition with taxpayers, it is not merely a matter of making it self-sustaining or including taxes in the cost. Whenever a municipality enters the competitive field, it tends to narrow the basis of tax support, either by driving private enterprises out of business or diminishing their taxpaying ability. If the policy be carried to its logical conclusion, it not only may, but will, seriously increase the burdens of those who remain on the tax rolls. If the businesses of wholesaling or retailing gasoline, of distributing milk or other food products, of buying and selling coal, of building and selling houses are to pass into municipal hands, where is the line to be drawn? Are not cheap automobiles as important as cheap gas? Is good and cheap meat not important? Are not heavy shoes and warm clothing at low prices as necessary in our climate, at least as much so as good and cheap gasoline? In fine, would it not be difficult to discover anything in the line of food, clothing and shelter, for the municipal sale of which some arguments could not be found?

Why the sudden activity?

Is there any likelihood that, if legislative sanction is asked for the City's going into the gasoline business and the milk business, the request will be granted? Was there ever any expectation that it would be granted?

Is this not a case where the remedy might be worse than the disease?

Respectfully submitted,

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President.

HORACE L. BRITTAIN,
Managing Director.

The Bureau is all in favour of fair commodity prices, and there are governmental authorities which have jurisdiction in all such matters; but the Bureau believes that the first duty of our municipal government is to so control expenditures as to produce low prices for general civic services, i.e., low taxes. Other considerations should be given a secondary place. Let the cobbler stick to his last.