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The 1932 Budget Estimates of Current Revenues and Expenditures for the City of Toronto

Story No. 1

The total estimated **net** revenue from which the 1932 appropriations have been made is **\$36,501,364**, compared with the 1931 figure of

\$36,343,228

and the 1930 figure of

\$33,767,365

In February 1933 we shall know whether \$36,501,364 will be sufficient to cover the actual expenditures of the year. As for example no provision was made for 1932 "Exchange," for which a supplementary appropriation of \$175,000 has already been made, and only \$400,000 was appropriated for "Cost of Relief to unemployed citizens," upon which account \$889,646 (approximately) was spent last year, it would appear that the estimates were not based on probable expenditures throughout. If this were done intentionally or consciously, the city budgeted for a deficit which is contrary to the spirit though not the letter of the law. If unintentionally or unconsciously, the tax rate is based on a "guesstimate" rather than an estimate. Let us hope that there will be sufficient under expenditures to offset the overexpenditures, or that additional revenues accrue which do not appear in the estimates.

Both revenues and expenditures are set forth in estimated totals and their equivalent in mills on the taxable assessment as if all revenues available for taxation were raised through the tax rate and all net current expenditures were made from tax funds.

CITY OF TORONTO
Revenue Corresponding Mill Rate, Etc.
1932 - 1931
(Based on Official Estimates for Each Year)

PURPOSE	Amount of Levy		Mill Rate		Assessment Basis	
	1932	1931	1932	1931	1932	1931
Education in schools— Public school supporters.....	\$10,380,369	\$10,399,978	10.30	10.45	\$1,007,802,818	\$995,213,192
Separate school supporters.....	802,364	786,834	14.90	14.80	53,849,935	53,164,457
Total schools.....	11,182,733	11,186,812	23.60	23.15	1,061,652,753	1,048,377,649
General purposes.....	23,347,308	22,612,264			989,292,666	976,771,653
All purposes (gross).....	34,530,040	33,799,076	33.90 P*	33.60 P*		
			38.50 S*	37.95 S*		
Less reserve for taxes uncollectable, etc.....	487,646	379,824	.49	.39		
Total net taxation.....	34,042,394	33,419,252	33.41 P	33.21 P		
			38.01 S	37.56 S		
B.—REVENUE OTHER THAN TAXATION	Amount		Equivalent in mill rate on general assessment			
	1932	1931	1932	1931		
Surplus available for appropriation.....	**	\$ 361,378		.37		
Deferred expenditures reserves withdrawn.....	70,090		.07			
General revenue.....	1,579,250	1,675,751	1.60	1.72		
Waterworks surplus.....	809,630	886,847	.82	.91		
Total net revenue other than taxation.....	\$2,458,970	\$2,923,976	2.49	3.00		
Total revenue (including net taxation).....	\$36,501,364	\$36,343,228	35.90 P	36.21 P		
			40.50 S	40.56 S		

P.—Public School Supporters. S.—Separate School Supporters.
 **No surplus, but a deficit brought forward from 1931.

CITY OF TORONTO
The Equivalent of Expenditures in Mills on Assessment
(Based on Official Estimates)

Service	Amount of Expenditures		Equivalent in Mills	
	1932	1931	1932	1931
Education in schools				
Industrial.....	\$ 14,125	\$ 13,000	.013	.013
Secondary—				
Technical.....	1,316,816	1,230,765	1.24	1.17
Commercial.....	675,083	704,872	.64	.67
Collegiate.....	1,603,466	1,509,893	1.51	1.44
Elementary—				
Public.....	6,953,958	7,115,013	6.90 P.	7.15 P.
Separate.....	619,274	611,392	11.50 S.	11.50 S.
Total school expenditures.....	\$11,182,722	\$11,184,935	10.30 P.	10.45 P.
			14.90 S.	14.80 S.
Civic Departmental Services—				
Telephone Exchange.....	\$ 8,150	\$ 8,350	.008	.008
Court of Revision.....	5,000	5,000	.005	.005
Special Grants.....	36,750	38,050	.037	.039
Audit Department.....	110,084	109,935	.111	.113
Law Department.....	101,250	104,254	.102	.107
City Council.....	121,300	125,097	.123	.129
Architect's Dept.....	154,783	170,195	.157	.174
City Clerk's Dept.....	167,617	161,550	.169	.165
Courts, Inquests, etc.....	261,350	245,895	.264	.251
Assessment Department.....	309,758	324,230	.313	.332
City Planning Dept.....	58,815	65,304	.059	.067
Treasury Department.....	368,953	379,860	.373	.389
Public Libraries.....	507,225	507,225	.513	.519
Items at Large.....	972,237	1,129,650*	.983	1.157
Health Department.....	1,039,729	1,078,707*	1.051	1.104
Welfare Department.....	2,312,770	2,385,332*	2.338	2.442
Administration.....	143,600	99,913	.145	.102
Char. and Inst. Grants.....	122,670	115,419	.124	.118
House of Industry.....	95,000	108,000	.096	.111
Bowmanville Boys' Home.....	20,500	10,000	.021	.010
Unemployment Relief.....	400,000	400,000	.404	.410
Mothers' Allowance Com.....	295,000	275,000	.298	.282
Children's Aid Societies.....	245,000	179,000	.248	.183
Hospitals and Homes.....	888,000	888,000	.898	.909
Old Age Pensions.....	103,000	310,000	.104	.317
Property Department.....	1,344,857	1,335,730	1.359	1.367
Parks Department.....	1,262,509	1,335,794	1.276	1.368
Works Department.....	1,115,711	1,557,769	1.128	1.595
Street Cleaning Department.....	1,980,315	2,057,125	2.002	2.106
Police Department.....	2,484,738	2,522,834	2.512	2.583
Fire Department.....	2,641,324	2,643,710	2.670	2.707
Undistributed Debt Charges.....	5,224,130	5,241,330	5.281	5.366
Total Department Expend.....	\$22,589,355	\$23,532,926	22.834	24.093
Deficit bro't f'd from 1931.....	\$ 880,288		.890	
Housing.....	\$ 17,045	\$ 16,610	.018	.017
Abattoir.....	31,295	39,048	.032	.040
Island Ferry.....	35,000	40,000	.035	.041
Canadian Nat. Exhibition.....	133,543	115,590	.135	.118
Royal Winter Fair.....	84,965	84,513	.086	.087
Radials.....	271,534	271,354	.274	.278
Harbour Board.....	1,275,617	1,058,252	1.289	1.083
Total Deficit on Spec. Serv.....	1,848,999	1,625,367	1.869	1.664
Total General Expenditure.....	\$25,318,642	\$25,158,293	25.60	25.76
Total Expenditure.....	\$36,501,364	\$36,343,228	35.90 P.	36.21 P.
			40.50 S.	40.56 S.

P. Public School Supporters. S. Separate School Supporters.

*For the most part the figures in this column have been kept the same as in last year's White Paper, even where there were revisions during the year, for the sake of uniformity; but this was impossible under Public Health, Items at Large and Public Welfare owing to the re-arrangements due to the setting up the Welfare Department.

COMMENT

1. The amount to be raised is larger than the year before by over \$150,000, although many taxpayers had hoped for a reduction of \$1,500,000. Such a reduction would have been a great help to business and industry from which most taxpayers draw their taxpaying ability. It would also have been welcome to many property owners and householders who are unemployed, and to a still greater number who have greatly reduced incomes. The reduction could have been made without hardships to the civic employees, paid out of taxes, as great as those suffered by many who contribute the taxes out of which civic employees are paid. Contribution of one day's pay per month to civic relief funds is a generous action, but many taxpayers have had to accept a cut and in addition make heavy contributions to relief.
2. Is it not possible that, **without any cuts in rates of pay**, the total salary and wage bill might be reduced as a result of a thorough administrative and establishment study to ascertain just how many employees of each class and grade are necessary under the best possible organization? Should not such a study be in progress now in order that next year's budget might be based on the information made available by such a study?
3. There were reductions in school and civic departmental appropriations. The increase in taxation was due to an increase in deficits. The increase in special service deficits alone was \$223,632, an amount larger than the increase in the total estimated net expenditure. If the Harbour deficit had been paid from the beginning out of current taxation instead of out of proceeds of debentures, the current annual deficit on special services would probably have been some hundreds of thousands less. This would have provided for considerable relief work and exchange charges. Thus the sins of the fathers have been visited on the children and so will the sins of the present generation of fathers be visited on their children. It is easier and less expensive to avoid a mistake than correct it when once made.
4. In 1914 and for many years previous the introduction of the civic estimates contained this sentence. "The rate of . . . mills in the dollar imposed last year did not meet the requirements of the city." From 1915 on there was no current deficit until 1931 in which year a current deficit reappeared. It is to be hoped that a new era of deficits is not upon us. One thing is certain, viz., that the only sure way to prevent this is to budget against deficits which come with fatal facility, without any planning.
5. What Toronto needs, if her current and capital budgets are to be sound, is not fewer but more voters. The deprivation of civic employees of the vote in municipal corporation affairs is no more just than would be depriving a stockholder in a private corporation of his vote because he works for the corporation. If all those who should exercise the franchise did so there would be no fear of domination of the civic government by employees. The voters have it in their own hands. Depriving people who vote of the right to vote because a large part of the general public is too lazy or too uninterested to vote, would in any event have only a temporary effect. The real solution requires an interested, active and determined electorate.