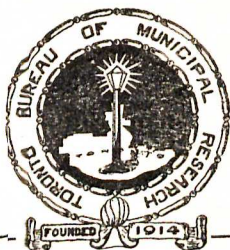


BUREAU OF MUNICIPAL RESEARCH

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

137 WELLINGTON ST. W.
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TORONTO
CANADA

White Paper No. 184

May 16th, 1933

The 1933 Budget Estimates of Current Revenues and Expenditures for the City of Toronto

Story No. 1

The total estimated net revenue from which the 1933 appropriations have been made is

\$35,601,727

In this is included no amount for the payment of unemployment relief expenditures in 1933. Neither is there any estimate of the net unemployment relief expenditure in 1933. Whatever these are, they are to be met by the issue of short term debentures. This method of financing, however, does not change the revenue character of the expenditures. As there is no official estimate of the amount of these, the Bureau in adding a figure for unemployment relief to the 1933 budget in order to make it comparable with the 1932 budget can use only the approximate net expenditures for 1932 as given in the 1933 estimates, viz. \$730,660 plus the contributions of the civic administration, civic employees and other public spirited citizens amounting to \$333,777, a total of \$1,064,437. It is to be presumed that having made an official cut in the payroll no fund will be raised by contributions from employees in 1933, but if such a fund is raised, its total will reduce the \$1,064,437 by an equivalent amount. The net expenditure on unemployment relief might be estimated conservatively at \$900,000. The total estimated expenditures from revenues, therefore, for 1933 approximate \$36,501,727 and the revenue \$35,601,727. The difference is to be raised by the sale of short term debentures. In 1932 the estimated revenues and expenditures were \$36,726,864.

CITY OF TORONTO
Revenue, Estimated Proceeds from Relief Debentures for Revenue Purposes, Corresponding Mill Rate, etc.
1933 - 1932
(Based on Official Estimates for Each Year)

PURPOSE	Amount of Levy		Mill Rate		Assessment Basis	
	1933	1932	1933	1932	1933	1932
A.—TAXATION (Current)						
1. Education in Schools—Total	\$11,039,415	\$11,182,733	10.30	10.30	\$1,048,279,655	\$1,061,652,753
Public School Supporters.....	10,249,152	10,380,369	14.85	14.90	995,033,302	1,007,802,818
Separate School Supporters.....	790,263	802,364	23.10	23.60	53,246,353	53,849,935
2. General Purposes—Total	\$22,580,652	\$23,347,307	33.40 P*	33.90 P*	977,517,405	989,292,666
1. General.....	19,405,585	21,543,309	37.95 S*	38.50 S*		
2. General Deficit.....	1,258,328	1,803,998	.45	.49		
Deficit—3. Special Services Deficit.....	1,916,739	1,803,998	32.95 P	33.41 P		
3. Total Taxation	\$33,620,067	\$34,530,040	37.50 S	38.01 S		
Gross.....	443,222	487,646				
Less Reserve for uncollectable taxes, etc.....	33,176,845	34,042,394				
B.—TAXATION PASSED ON TO SUCCEEDING YEARS						
Estimated proceeds from Relief Debentures for Revenue Purposes.....	\$900,000** (Approx.)		.92			
C.—REVENUE OTHER THAN TAXATION						
SOURCE						
Total Net Revenue Other than Taxation	\$2,424,882	2,684,470**	2.48	2.71		
1. Deferred Expend. Reserves withdrawn.....	1,625,250	1,700,750**	1.66	1.72		
2. General Revenue.....	799,632	913,630**	.82	.92		
3. Waterworks Surplus.....						
4. General Surplus Available for Appropriation.....						
Total Revenues from Taxation (net) and revenues other than taxation, together with proceeds from sale of relief debentures for revenue purposes	\$36,501,727	\$36,726,864**	36.35 P	36.12 P		
Less Proceeds of Relief Debenture.....	900,000 (Approx.)		.92			
Net Revenues for collection in current year	\$35,601,727	\$36,726,864**	35.43 P	36.12 P		

*Official Tax Rates for 1933 and 1932.

**No estimate for 1933 unemployment relief expenditure appearing in the official estimates and the best figure available to the Bureau is that of approximate actual expenditures in 1932 based on official figures and arrived at as follows:
 Net cost to City out of general revenues..... 730,060
 Contributions from civic employees and other public spirited citizens 333,777
 Total cost net locally... \$1,064,437
 Less est. adjustments 164,437
 \$ 900,000
 ***These figures differ from those in the Bureau's White Paper No. 175, owing to certain official adjustments made after the issue of the 1932 estimates and slight differences in classification. The total estimated revenues for 1932 were originally \$36,501,364.
 x No surplus since 1931, when the revenue carried forward for appropriation was \$361,378. This year the general deficit given above is \$1,258,328....

CITY OF TORONTO
Expenditure and the Equivalent in Mills on the Assessment
(Based on Official Estimates)

Services	Amount of Expenditures		Equivalent in Mills	
	1933	1932	1933	1932
A. Education in Schools (total)	\$11,038,062	\$11,182,722	10.30 P.	10.30 P.
			14.85 S.	14.90 S.
1. Industrial.....	14,000	14,125	.013	.013
2. Secondary.....	3,496,524	3,595,365	3.34	3.39
<i>Technical.....</i>	<i>1,257,059</i>	<i>1,316,816</i>	<i>1.20</i>	<i>1.24</i>
<i>Commercial.....</i>	<i>661,693</i>	<i>675,083</i>	<i>.63</i>	<i>.64</i>
<i>Collegiate.....</i>	<i>1,577,772</i>	<i>1,603,466</i>	<i>1.51</i>	<i>1.51</i>
3. Elementary.....	7,527,538	7,573,232		
<i>Public.....</i>	<i>6,915,550</i>	<i>6,953,958</i>	<i>6.94 P.</i>	<i>6.90 P.</i>
<i>Separate.....</i>	<i>611,988</i>	<i>619,274</i>	<i>11.50 S.</i>	<i>11.50 S.</i>
B. General Expenditures	22,288,598	22,814,855	22.801	23.062
1. Departmental				
Telephone Exchange.....	7,748	8,150	.008	.008
Court of Revision.....	4,813	5,000	.005	.005
Special Grants.....	31,968	36,750	.033	.037
Audit Department.....	100,640	110,084	.103	.111
Law Department.....	84,437	101,250	.086	.102
City Council.....	106,842	121,300	.109	.123
Dept. of Buildings.....	114,664	154,783	.117	.157
City Clerk's Dept.....	157,544	167,617	.161	.169
Courts, Inquests, etc.....	332,958	331,350	.341	.335
Assessment Department.....	272,922	309,758	.279	.313
City Planning Dept.....	49,265	58,815	.050	.059
Treasury Department.....	330,623	368,953	.338	.373
Public Libraries.....	467,933	507,225	.479	.513
Items at Large.....	1,260,636	972,237	1.290	.983
Health Department.....	932,012	1,039,729	.953	1.051
Property Department.....	1,275,289	1,396,357	1.305	1.411
Parks Department.....	991,976	1,262,509	1.015	1.276
Works Department.....	910,831	1,089,711	.932	1.102
Street Cleaning Dept.....	1,660,825	1,980,315	1.699	2.002
Police Department.....	2,269,956	2,484,738	2.322	2.512
Fire Department.....	2,531,346	2,641,324	2.590	2.670
Undistributed Debt Charges	5,328,889	5,354,130	5.451	5.412
Welfare Department.....	3,064,481	2,312,770		2.338
<i>Current Appropriations.....</i>	<i>2,164,481</i>	<i>2,312,770</i>	<i>2.214</i>	<i>2.338</i>
<i>To be met out of proceeds of sale of Debentures.....</i>	<i>900,000**</i>		<i>.921**</i>	
C. General Deficit	1,258,328	880,288	1.287	.890
D. Special Service Deficits	1,916,739	1,848,999	1.961	1.869
Housing.....	12,785	17,045	.013	.018
Abattoir.....	21,239	31,295	.022	.032
Island Ferry.....	50,000	35,000	.051	.035
Can. National Exhibition.....	153,960	133,543	.158	.135
Royal Winter Fair.....	88,344	84,965	.090	.086
Radials.....	223,104	271,534	.228	.274
Harbour Board.....	1,367,307	1,275,617	1.399	1.289
Total Revenue Expenditures	36,501,727	36,726,864	36.349 P.	36.12 P.
			40.899 S.	40.72 S.
Less Welfare expenditures out of proceeds from sale of debentures...	900,000**		.92**	
Total Expenditures to be charged to the current Year's revenues	35,601,727	36,726,864	35.43 P.	36.12 P.
			39.98 S.	40.72 S.

**As no estimate for unemployment relief appeared in the 1933 Estimates, in order to present an approximately correct comparison the Bureau can only use, as a basis, the approximate figure for actual net expenditure in 1932, before deduction of the contributions of civic employees and other public spirited citizens. The 1933 net expenditure of unemployment relief is to be financed by issuing five year debentures.

COMMENT

1. The 1933 civic budget is not balanced by the amount, unknown to the Bureau, of estimated expenditure for unemployment relief, as there is not a dollar under this head in the 1933 estimates. Leaving it out of the total estimated expenditure does not change its nature as expense. Neither does it remove the necessity of paying the bills.
2. Although not a capital expenditure leaving behind an available asset of equal value, "five year Serial Instalment Debentures" debentures are to be issued and sold to meet unemployment relief expense. This method decreases the taxes for 1933 but increases them in 1934, 1935, 1936, 1937 and 1938. Presumably the taxpayers will be better able to bear them in each of these years than we are at present.
3. New York exchange is provided for in 1933 at the substantial figure of \$545,000. There was no such provision in the 1932 estimates although approximately \$661,869 was spent under this head.
4. Hospital deficits are provided for this year at \$53,060, although no provision was made last year under this head which in approximate expenditures required \$73,743.
5. Capital expenditures have been reduced almost to the vanishing point.
6. In 20 of the 23 items of general expenditure listed within, there were reductions—some very substantial. The total net reduction under this head, including estimated unemployment relief expenditures, was \$526,257.
7. The school levies are down \$143,318.
8. The deficit, which appeared last year for the first time in years, increased 42.9%.
9. There was an increase in special service deficits.
10. The 1933 estimates were passed on March 14th, the 1932 estimates on March 3rd.
11. The estimates as passed supply evidence of care in preparation both on the revenue and expenditure side.