

# BUREAU OF MUNICIPAL RESEARCH

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

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TORONTO  
CANADA

White Paper No. 200

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## City of Toronto

Estimated Current Expenditures for 1934 out of (1) Taxation, (2) General Revenues, (3) Educational Grants, Surpluses, Credits, etc. (4) Proceeds of the Issue of Short Term Debentures for Current Net Expenditure on Direct Unemployment Relief.

### Budget Story No. 3.

#### Estimated Revenues Available for Appropriation

(1) Net Tax Revenue for 1934 after allowing for uncollectible taxes, etc.	\$31,972,100.06
(2) Other General Civic Revenues	2,430,009.85
(3) Educational Grants, Surpluses and Credits, etc.	1,383,646.35
	<u>\$35,785,756.26</u>
Reserve from 1933 Revenues Brought Forward	46,877.14
<b>Total Revenues available for appropriation</b>	<u><u>\$35,832,633.40</u></u>

#### Estimated Current Expenditures

Appropriation from 1934 revenues (other than debt charges on direct unemployment relief debentures)	\$35,465,490.51
Appropriations from Revenue Reserves Brought Forward from 1933	46,877.14
	<u>\$35,512,367.65x</u>
Appropriation for Debt Charges on Direct Unemployment Relief Debentures	320,265.75
<b>Total Appropriations out of Revenue</b>	<u><u>\$35,832,633.40</u></u>
Estimated Current Expenditures to be met out of (4) Proceeds of short term direct unemployment relief debentures	\$ 2,000,000.00
Less (for purposes of comparison with previous years) debt charges on direct unemployment debentures included above	320,265.75
	<u>\$ 1,679,734.25</u>
<b>Total Estimated Current Expenditures for 1934xx</b>	<u><u>\$37,512,367.65x</u></u>
<b>Net Estimated Deficit on Current Account for 1934</b>	<u><u>\$ 1,679,734.25</u></u>

xSee analysis within.

xxCurrent expenditures for 1934 = expenditures properly chargeable to 1934 revenue account, not necessarily paid out of 1934 revenues.



Estimated Current Expenditure out of Taxation, Grants, Surpluses, Credits, Other General Revenues and Proceeds from the Sale of Short Term Debentures issued to meet the net cost of Direct Unemployment Relief for the Years 1934, 1933, 1932, 1931 and 1930.

Analyzed according to the Objects of Expenditure Entering into the Cost of the General Functions of the Municipal Government (See Story No. 2 in this Series.)

OBJECTS OF EXPENDITURE	TOTAL					PER CAPITA				
	1934	1933	1932	1931	1930	1934*	1933**	1932	1931	1930
Salaries, Wages and Other Payments for Personal Services..	\$18,027,064.47	\$18,025,079.18	\$18,852,387	\$18,659,092	\$18,076,871	\$28.94	\$28.91	\$30.08	\$29.75	\$29.08
Other Services.....	1,746,204.00	1,750,096.00	1,558,361	1,926,521	1,558,028	2.80	2.81	2.49	3.07	2.51
Heat, Light and Power.....	979,048.62	959,000.00	966,069	995,928	985,655	1.57	1.54	1.54	1.59	1.59
Supplies other than H.L. and P.....	2,134,903.65	2,172,000.69	1,955,890	2,552,255	2,511,405	3.43	3.48	3.98	4.07	4.04
Upkeep of Structures and Equipment (not included above)...	1,199,232.18	1,055,922.00	1,514,156	1,814,716	1,768,310	1.92	1.69	2.42	2.89	2.84
Debt Service (Not including those on Special Services or, for 1934, on unemployment relief Debentures).....	7,785,661.12	7,464,741.68	7,355,757	7,411,177	6,662,214	12.50	11.97	11.74	11.81	10.72
Interest.....	4,236,447.29	4,244,443.69	4,139,629	4,122,266	3,888,667	6.80	6.81	6.61	6.57	6.26
Debt Retirement.....	3,549,213.83	3,220,297.99	3,216,128	3,288,911	2,773,547	5.70	5.16	5.13	5.24	4.46
Unclassified.....	5,640,253.61	7,468,061.52	4,647,443	3,913,333	3,152,880	9.05	11.98	7.42	6.24	5.07
Capital Outlay from Current Revenues.....	***	***	182,539	213,403	491,414	.....	.....	.29	.34	.79
<b>TOTAL.....</b>	<b>\$37,512,367.65</b>	<b>\$38,895,251.07</b>	<b>\$37,572,602</b>	<b>\$37,486,425</b>	<b>\$35,206,777</b>	<b>\$60.21</b>	<b>\$62.38</b>	<b>\$59.96</b>	<b>\$59.76</b>	<b>\$56.64</b>
Current Net Costs of Direct Unemployment Relief met or to be met from proceeds of Short Term Debentures.....	2,000,000.00	(Actual) 2,400,791.00	Nil	Nil	Nil	3.21	3.85	Nil	Nil	Nil
Current Expenditure to be met out of Current Revenues (not including 1934 debt charges on Unemployment Relief Debentures)	\$35,512,367.65	\$36,494,460.07	\$37,572,602	\$37,486,425	\$35,206,777	\$57.00	\$58.53	\$59.96	\$59.76	\$56.64

\*On estimated population of 623,000.

\*\*On actual population of 623,562.

\*\*\*It is possible that some items in unclassified should have been included under this head.

# COMMENT

1. These figures represent estimated and not actual expenditures except in the case of net direct unemployment relief expenditures in 1933. The totals are accurate as estimated totals. Within these estimated totals the classification made by the Bureau according to objects of expenditure is approximately correct, although there may be slight differences in detail in the various years.
2. As net expenditures on direct unemployment relief are current expenditures properly chargeable to revenue account and in former years paid out of revenue, these are included in the totals for 1934 and 1933, after deducting for the former year the debt charges on unemployment relief debentures. The approximate actual debt charges on unemployment relief debentures in 1933—\$12,239—are not deducted. In any event the amount is so small as not to justify recasting the 1933 figures used in preparing last year's series.
3. The total estimated current expenditure is less than that of 1933 by \$1,382,883 but greater than that of 1930 by over \$2,300,000; while that portion to be paid out of current revenue in 1934 is less than the corresponding total in 1933 by about \$982,000, but greater than that of 1930 by about \$305,000.

4. The estimated current expenditure of the City of Toronto per capita—man, woman and child—passed the \$60 mark for the first time in the history of the city (1933) at a time when the taxpayers have lost a great deal of their former ability to pay taxes.
5. The 1934 estimated debt charges, not including public utility and special service debt charges and those on unemployment relief debentures, exceed those of 1930 by \$1,123,447 and including the latter by \$1,443,712.
6. Per capita estimated debt charges have gone up from \$10.72 in 1930 to \$12.50 in 1934, or, if the debt charges on unemployment be included, to \$13.01.
7. Appropriations for upkeep of plant and equipment were larger for 1934 than for 1933 by \$143,310 but were less than those of 1930 by over \$569,000. This was retrenchment, but whether or not it was economy remains to be seen.
8. Appropriations for salaries, wages and other personal services are slightly on the increase, but there has been a decrease of \$49,807 on the 1930 estimated total of \$18,076,871, or a reduction in the total of .27 of one per cent. This is probably somewhat less than the decrease in the income of the average taxpayer since 1930. The bill of the City for salaries and wages and other personal services, not including those of public utilities and special services, is still over 50% of the total to be paid out of current revenues.



## QUERY

Does a careful examination of the facts herein presented give evidence of an anxious concern on the part of the public budget making bodies for the interests of the people who pay the bills or of any adequate conception on the part of members and employees of public bodies of the narrowed circumstances of many taxpayers who do not draw their incomes from public revenues?

If so, what is this evidence?

Is it not unfair to expect patrons of the Civic Services, who alone support their operations, and who in large numbers have suffered heavy losses in income during recent years, as shown by the annual reports of the Assessment Department and evidenced by the growth, until very recently, of tax arrears, to continue to pay civic salaries and wages, in most cases at only a slightly lower level than at the beginning of the depression and in some cases at a higher level than their own for comparable work?

The City Treasury Department and the Municipal Corporation are to be congratulated on the recent advantageous sale of Civic Debentures. This is an illustration of the advantages to the taxpayer of good civic credit. A rate of interest higher by one-half of one per cent. would have caused an additional annual interest charge of \$20,000 which would have to be met by taxation. In the long run, the preservation of this highly valuable credit position depends on the observance by the City year in and year out of sound financial policies.