

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
TELEPHONE EL 1904



TORONTO
CANADA

White Paper No. 201

December 14, 1934.

NOTWITHSTANDING

1. That the number of persons who had sufficient incomes to be eligible for the list of civic income taxpayers in Toronto had declined from 21,753 in 1931 to 13,952 in 1934,
2. That the total income assessment of these persons declined from \$79,933,958 in 1931 to \$50,111,227 in 1934,
3. That in Canada as a whole the national income declined from about \$4,750,000,000 in 1930 to less than \$3,000,000,000 in 1932,
4. That the amount of accumulated uncollected civic taxes at the first of the year increased from \$5,496,762 in 1930 to \$12,065,416* in 1934,
5. That, as indicated above, there has been a severe decline since 1931 in the average and total taxpaying ability of citizens,

* Present indications are that this amount may be somewhat reduced by January 1st, 1935.

Y E T

1. The net total tax levy both in per capita and total continued to increase from 1928 up to and including 1932 (why) and has decreased since by a little more than \$2,700,000, which is but 62% of the combined net costs of unemployment relief in 1933 and 1934, in which years these costs were funded and not paid out of the current tax levy and general revenues as in all preceding years.
2. The estimated current expenditure * in 1934 exceeds that in 1930 by over \$3,750,000 and in 1929 by \$4,500,000 (why?)
2,300,000
3. The City's estimated bill in 1934 for salaries, wages and other payments for personal services out of taxes and incidental general revenues is less than the corresponding figure in 1930 by only \$50,000 and greater than that of 1929, the year preceding the obvious depression, by almost \$1,000,000, (why?)

* Including Direct Unemployment Relief which is a revenue expenditure shown in the estimates for 1930, 31 and 32.

QUERIES

In the light of the Following

and other facts, the following questions, among others, present themselves to thoughtful taxpayers:

1. Could reductions have been made in current expenditures and taxation more in line with the reduced taxpaying ability of the citizens?
2. Does issuing bonds to meet current expenditures reduce current expenditures?
3. Should civic reports show all current expenditures as current expenditures, and should any resulting deficit be disclosed in such reports?
4. How can current expenditures be compared from year to year unless compiled on the same basis of classification of accounts?
5. How can the City, the City Council or the citizens and taxpayers know in what way the corporation is going unless civic reports disclose all the facts just as they are?
6. How can the current expenditure be properly controlled unless all concerned have all the pertinent facts in their true setting?

Eventually - why not now?

1. A thorough examination of all municipal and school departments supported by taxation as to the size of the staffs required, to the end that all may know that no departments are overstaffed and none understaffed.
2. Thorough Examinations of the administrative organization of the City and of the Board of Education to determine whether or not simple and more co-ordinated organizations for both are possible and if so what direct and indirect benefits would accrue to the citizen and taxpayer.

SOME PERTINENT FACTS

	1926	1927	1928	1929	1930	1931	1932	1933	1934
Population	556,691	569,899	585,628	606,370	621,596	627,231	626,674	623,562	62
Estimated Current Expenditures (e) (Annual Estimates)	\$ 28,190,117 (approx.)	\$ 30,126,925	\$ 31,363,450	\$ 33,009,077	\$ 35,206,777	\$ 37,486,425	\$ 37,572,602	\$ 38,895,251	\$ 37,51
Salaries & Wages of (Annual Estimates)	\$ 14,960,927	\$ 15,500,915	\$ 16,201,115	\$ 17,043,2	\$ 18,076,871	\$ 18,659,092	\$ 18,852,387 ^x	\$ 18,025,079 ^x	\$ 18,02
Debt Charges paid out of general revenue	\$ 6,062,100	\$ 6,195,804	\$ 6,236,927	\$ 6,048,920	\$ 6,662,214	\$ 7,411,177	\$ 7,355,757	\$ 7,464,742 Less Relief D.C. \$ 7,452,503	\$ 7,78 Less Relief \$ 7,46
Assessment	\$ 886,839,808	\$ 910,494,398	\$ 923,972,441	\$ 968,532,329	\$1,013,408,615	\$1,050,204,868	\$1,063,798,134	\$1,049,465,163	\$1,026,062
Municipal Income Assessment	\$ 71,648,289	\$ 74,140,164	\$ 61,010,388 ^{xx}	\$ 71,544,530	\$ 82,227,919 [#]	\$ 79,933,958	\$ 74,525,416	\$ 62,824,735	\$ 50,111
No. of Municipal Income taxpayers	42,228	43,494	20,922 ^{xx}	22,219	24,406 [#]	21,753	20,565	17,826	13
Net General Debenture Debt (Dec. 31st)	\$ 66,712,950	\$ 72,816,325	\$ 66,901,955	\$ 66,645,412	\$ 79,870,932	\$ 87,221,766	\$ 92,313,673	\$ 90,996,356	-
Net P.U. Debt	\$ 77,493,799	\$ 83,189,873	\$ 80,205,252	\$ 80,182,395	\$ 79,984,014	\$ 79,282,157	\$ 80,983,224	\$ 78,187,192	-
National Income	\$5,100,000,000	\$5,600,000,000	\$5,800,000,000	\$5,465,000,000	\$4,750,000,000	\$3,680,000,000	\$2,941,056,000	?	?
Cost of Living Index	157	157	158	160	151	135	125	March 122 Aug. 122 Dec. 123	March Aug. Oct.
Net (e) Total Tax Levy including Ratepayers' share of Local Improv's.	\$ 26,577,805	\$ 29,022,772	\$ 29,552,522	\$ 30,841,262	\$ 33,150,291	\$ 36,441,136	\$ 37,034,510	\$ 35,935,323 ^{xxx}	\$ 34,333
Average No. of em- ployees of City & School Boards paid out of Direct Civic Revenues	9,429 (Est)	?	?	?	10,995 (Est)	-	-	(Large Reductions)	

x About \$330,000, say, of this was refunded to the city for "Relief" contribution by civic employees, and these contributions were continued during the first three months in 1933.

xx Drop in this year due to increased exemptions of preceding year and caused by the amendment of the Municipal Act.

xxx This does not include relief costs aside from debt charges.

(e) Including net direct relief expenditures; general deficits and reserves for deferred expenditure.

In 1930 the Assessment Act was amended but the figures since that date are comparable.

ø Number of employees unknown to Bureau.

(.) After deducting reserve for uncollectible.

| Including debenture debt issued by the Separate School Board.

Populat

Estimate
Expenditure
(Annual)

Salaries
(Annual)

Debt
out of
revenue

Assess

Municipal

Assess

No. of
Income

Net
Debt

Net

National

Cost
Index

Net

Levy

Rate

of

of

Average

employment

School

of

of

x

xx

xxx

Reversion to the practice of including net unemployment relief expenditures and all other current expenditures in the civic current estimates, to the end that real balanced budgets may be re-established or the true estimated deficit on revenue expense (current) account disclosed.

Planning of capital expenditures and improvements at least five years ahead, subject to annual revision, and forecasting of current revenues and expenditures including debt charges and works projected in the five-year capital budget.

What Brings Out the Vote

Scandal? Then there ought to be a large vote on Jan. 1st, 1935. The use, or rather lack of use, of the municipal franchise in Toronto as well as elsewhere is a first-rate scandal.

Proposed Spectacular Expenditure? If so, there ought to be a huge vote on Jan. 1st, 1935. The proposed expenditure on current account out of taxes, incidental revenues, and the proceeds of debentures issued to pay for food and clothing may not fall far short of 37,000,000. This is 5 or 6 millions more than one-third of the total net general debt of the city or almost \$60 per person, man, woman and child, or \$300 for a family of five. This would buy a \$35 suit for everyone in a family of five, and possibly a radio and a washing machine every year. (What a sale!) Of course in taxes one buys services more essential and more valuable than these, but possibly this way of putting it may help one to get an idea of the expenditure on civic services. In any event, money saved in producing city services would enable citizens to buy more radios, washing machines, electric refrigerations, etc., etc., etc. That is, lighter taxes mean improved industry, more industry means more employment and more employment means more ability to pay taxes.

Fight? Well there should be a fight. No excuse is needed. There's a reason.

Out of almost 940,000 individual votes which might have been cast by controllers in 1934, less than 296,000 were cast.

Out of about 595,000 votes which might have been cast for aldermen only a few more than 176,000 were actually cast.

Out of about 209,000 votes which might have been cast for Mayor, less than 105,000 were actually cast.

It has been suggested that people do not vote because they do not know enough or because they know too much about the candidates. In any event, one begins to vote not when he gives his name and address to the polling clerk, but when he begins to assure himself long before the election day that there will be people standing for office to whom he can conscientiously and enthusiastically vote.

The Bureau of Municipal Research is an independent, non-partisan agency, carried on in the interests of all taxpayers and citizens by voluntary contributions of some citizens. Naturally it receives, and can receive no support from governmental or municipal sources. It ascertains facts as to municipal government, analyzes these facts, and presents the results to the general public, along with constructive suggestions based on the facts. It backs no candidates, recommends no one for civic appointment, and has no axe to grind other than that of those who use and directly or indirectly pay for the cost of municipal services.

Popula

Estimate
Expend
(Annual

Salary
(Annual

Debt
out of
revenue

Asses

Munic
Asses

No. of
Income

Net G
Debt

Net F

Natio

Cost
Index

Net
Levy
Rate
of L

Average
play
School
of D

x

xx

xxx



With acknowledgements and apologies to Gale,
of Los Angeles Times.