

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.

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THE MUNICIPAL CORPORATION OF TORONTO

(PART II.)

Taxation and Morality

Anyone who has watched carefully the spending of public money might be pardoned for coming to the conclusion that the realm of taxation and the realm of morality not only have no area in common but have no common boundary line. The observation of things as they are in practice seldom throws much light on things as they are in principle. In this case few—whether those spending the money or those supplying it—have seen any relation between the two fields. The relation, however, exists as an essential element in public affairs. What is the basis of this statement?

UNNECESSARY TAXATION IS IN EFFECT ROBBERY EVEN IF "BY DUE PROCESS OF LAW".

(Pages 2 and 3 from an address before the 35th annual convention of the Union of Canadian Municipalities, North Bay, Sept. 4th, 1935.)

First, taxation is a forced contribution and as such should not be for purposes relatively or absolutely unsound or in an amount greater than necessary for the desired purposes. To levy for unnecessary purposes, or for unnecessarily large amounts is appropriation by major forces. The essential nature of the act is not altered by the fact that constituted authority is the aggressor, or by the fact that the victim is so supine as to submit without protest to the loss of his property.

A Tax Racket is Morally no Better Than Other Rackets

Again it has so far been admitted in most countries that an individual had a right to spend his or her own earnings with only those subtractions made necessary for corporate social needs. To act otherwise is to violate a natural law which, until recently at least, has had universal acceptance except among the confidence fraternity, which believe that "one is born every minute" and that such "ones" are fair game, and the "strong arm men" who believe that the "world is their oyster". A governing body which violates this law is certainly morally no better than the confidence man who, with no pretensions of public spirit or private sanctity, preys upon the members of society.

Appointments and Promotions, except for Merit, Equivalent to Public Theft.

The politician who appoints or secures the appointment to public office or promotion in public office of himself or another on grounds other than the public welfare, is filching from the public purse. Anyone who causes the dismissal of an efficient public employee for reasons other than the public interest, helps to undermine the efficiency of the public service and therefore to increase its cost at the expense of public funds. In what way is such a politician superior to a private individual who by indirect means diminishes the resources of a trustful neighbour?

"Political" Purchasing Equivalent to Robbery

The politician who, other things being equal, purchases material or awards contracts for public use at a price higher than it may ethically be purchased is consuming public funds unnecessarily and is abstracting from fellow citizens resources, the use of which is their inviolable right. If this has no moral implication, what has?

A member of a public body who interferes, no matter how unobtrusively or discreetly, with the proper discharge of duty by a public employee, may think he is doing himself, his party or his faction a service. He is undoubtedly doing his fellow citizens a disservice.

Children and Underprivileged Chief Victims of Public Waste and Inefficiency.

While it is true that, as time goes on, more and more services come, often properly, within the domain of public expenditure, it is true also, at any particular time, that the amount of public money which may be forcibly extracted from private resources has a definite economic limit. This being true, the waste of money in building a highway, sidewalk, culvert, retaining wall, etc., limits the amount of funds available for education, housing, public health, public welfare, etc. In the long run public waste never did any good to anyone unless to the public waster—and even this is doubtful. Exploitation in public affairs is, in effect, conscious theft by indirection. Inefficiency

in public affairs has not the same motive but may have even worse results. Both are enemies of the taxpayer, and the second is not the less dangerous.

All Public Funds are Trust Funds.

Again public funds are trust funds. They are contributed for certain purposes, in the amounts necessary to effect these purposes. The inefficient or improper use of public funds is a breach of trust. If citizens do not rebuke such breach, they are accessories after the fact. Indeed if they have urged on governing bodies expenditure not in the general interest but in their own particular interest, they are accessories before the fact. Such an accessory indeed may be the main instigator and may be the most guilty party. Governing bodies have no money to spend except what they first take from the citizens. The primary responsibility is with

Some Citizens Accessories Before and Many After the Fact to Waste Trust Funds.

the citizens because they both choose the trustees of public funds and supply the funds which the public trustees are to spend. For citizens not to follow their funds beyond the tax wickets is not only unintelligent, it is immoral, because it implies lack of concern for the result of their acts. To waste public funds is wrong. To permit such waste is just as wrong, if not worse. It is bad for the exploiter that he should be allowed to exploit. The school, the family on relief, the family inadequately housed, etc., suffer when the taxpayer is exploited. For all such waste the citizen is responsible, at least the citizen who does nothing about it. Sins of omission may be worse in effect than sins of commission. If not giving a cup of cold water is a sound ground for condemnation, not considering the expenditure of public funds to which one contributes is an

Non-Combatant or Absentee Citizenship Immoral.

equally valid reason. Many modern cities are really governed by those who do not vote, who never concern themselves about candidates and who are less vitally and continuously concerned about public education, public health, public welfare, crime prevention, town planning, slum clearance, etc., than about matters of possibly less relative importance. In the past some countries and some cities are said to have suffered from absentee landlordism. At present many cities are suffering from absentee citizenship—absenteeism in mind rather than in body. It is said that in the next great war everyone will be a combatant. In the modern city, everyone who is "compos mentis" should be a combatant. To suffer in silence may be the mark of superior piety. In civic affairs it is more apt to be the mark of defect of intelligence or energy or both. Those who contribute public moneys should be at least as active and intelligent as those who receive public moneys and should equally appreciate their franchise. Power to use grows with use and disappears with disuse.

Tax Waste is Waste Human Life.

The money possessed by the average man represents work. It is not so much coined out of silver and gold as out of life. It is true that some have money they did not earn. If by force or indirection they took it from others, they took something from the lives of others. In the last analysis the money used for paying taxes represents the expenditure of human energy, human life. The appropriation of such money is therefore the appropriation of human values, and its waste is the waste of human life. An appreciation of this fact and conduct in the light of this fact, both by the people and their trustees is essential to sound government. At bottom, good government is a matter of fundamental morality.

SOME MUNICIPAL STATISTICS OF TORONTO

Number of names on Voting List Jan. 1st, 1935.....	318,841
Population (Present)	638,271
Estimated number of individual electors in this number Jan. 1st, 1935, say	280,000
Estimated number of civic employees Dec. 17th, 1934 (City and Civic Boards and Commissions)	15,000
Estimated number of votes which might be cast by civic employees and their relatives and friends	?
Number of families on relief Jan., 1935.....	30,797
Number of votes which might be cast by families on relief.....	?
Number of corporations and individual firms and their employees doing or desirous of doing business with the City.....	?
Number of votes which might be cast by this group.....	?
Number who voted for Mayor Jan. 1st, 1935 (largest vote on record)....	126,848
Estimated number of individuals who voted in the election for any office, Jan. 1st, 1935	130,000
Estimated number of electors who did not vote Jan. 1st, 1935.....	150,000

"There is no principle of government more thoroughly established by long experience than that capable men will not give their time to service on any public body unless it is sufficiently clothed with power".

—William Bennett Munro in the *Marfleet Lectures*.

Under the existing legislation, the City Council may not, without a two-thirds majority of Council—

1. Award a contract to a tenderer other than the one to whom the Board has awarded it (R.S.O. 233, Sec. 221, s.s. (5)), even to a lower tenderer however financially responsible, competent or ethical he may be.
2. Appoint a department head other than the one named by the Board of Control.
3. Reinstatement a department head dismissed by the Board of Control.

This means that even if 15 aldermen out of 18 wish to award a contract to a tenderer, even the lowest, other than the one selected by the Board of Control, or appoint a head of a department other than the Board nominee or reinstate a department head dismissed by the Board, they are helpless to enforce their will in face of a unanimous Board of Control. A majority of Council is sufficient to refer back, but Aldermen must vote 12 to 6 to refer back a question reported on by the Board of Control, unless some controller votes with them, in order to make their opinion prevail. And yet the taxpayers of Toronto are paying this year in aldermanic salaries \$21,272.

Could aldermen give better service if their opinions counted for more in deciding civic politics? If so, would more candidates and more capable candidates then offer their services?

Why not a small Council with equal voting power for its numbers?