

# 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. 212*

*January 30th, 1936*

## *To all Citizens and Taxpayers of Toronto We Wish For 1936:*

1. A really balanced civic budget, that is, one which keeps all expenditures which do not produce balance sheet assets within the revenue which can actually be raised.
2. A reduced tax levy more in line with the taxpayers' income and less destructive of the assessed values which form the basis of civic financing and credit.
3. Vigorous planning for the future as to—
  - a. Sewage Disposal,
  - b. Long term capital budget of civic improvements and capital expenditure,
  - c. Slum Clearance and Housing,

in order that the City may be prepared to meet future major needs as they arise.

It is not too late to make your influence felt in these directions. It is quite possible that the methods of financing direct unemployment relief and the failure adequately to reduce current expenditures during recent years have made it impossible to effect all these improvements in 1936, but the progress made in these directions will depend largely on the fixity of purpose of the people of Toronto that these ends shall be achieved and on the expression of this determination before and after the passage of the current estimates.

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## OPEN LETTER

January 30th, 1936.

To the Citizens and Taxpayers of Toronto:

The civic election has been over some weeks. The result so far as deciding who would serve on our Boards of Management is known to all. The results so far as the size of the tax levy, the size of the tax rate, whether the budget is to be balanced or not, are still unknown. What is to emerge from the budget making labours of the people's representatives cannot even be guessed. Presumably all those elected are in favour of a lighter levy, a lower tax rate and a more nearly balanced budget. So are we all, even the, say, 165,000 electors who did not vote on January first last. We are all also in favour of fine weather, though we cannot do much about it. Whether anything is done about lowering the tax levy, reducing the tax rate and balancing the budget, depends not only on the benevolent feelings of members of elective bodies toward the citizens and taxpayers, but a lively demonstration by the latter as to the vigor of their demand for economy and retrenchment. Unless the demand is insistent, widespread and vocal, the tax levy will be increased, the tax rate will be higher, and the budget will again be unbalanced. Good intentions may be excellent paving material in some jurisdictions, but in the field of budget making in Toronto, they are about as effective as would be a ceremonial umbrella in the Abyssinian "big rains".

What is really wanted is not movable fiscal dates or illusory tax rates, but actually reduced tax weights as a result of reduced expenditure.

For, say, the next three or four weeks, the citizens and taxpayers of Toronto may express their opinions as to a balanced budget and a lower tax levy for 1936 to the members of the City Council and of the Board of Education. Many of these will be glad of the moral support so offered, but even if there is no immediate result, citizens will at least be conscious of having discharged a duty.

Yours respectfully,

THOS. G. ROGERS,  
President.

HORACE L. BRITAIN,  
Managing Director.

## A FEW INDICATORS

### 1. HOME OWNERSHIP.

Assessment Report of Year	Houses Occupied by Owners	Houses Occupied by Renters
1929 .....	63,417 .....	41,695
1930 .....	64,372 .....	42,148
1931 .....	64,644 .....	42,053
1932 .....	63,860 .....	43,270
1933 .....	62,700 .....	43,664
1934 .....	61,572 .....	45,207
1935 .....	? .....	?

### 2. GENERAL AND EDUCATIONAL TAX LEVY.

Year	Total	Per Capita
1929 .....	\$29,189,590 .....	\$48.14
1930 .....	30,882,166 .....	49.68
1931 .....	33,799,076 .....	53.89
1932 .....	34,530,040 .....	55.10
1933 .....	33,620,067* .....	53.92
1934 .....	32,487,269 .....	51.63
1935 .....	33,224,833 .....	52.06
1936 .....	? .....	?

\*Funding of net direct relief expenditures began here.

### 3. ESTIMATED GENERAL AND EDUCATIONAL EXPENDITURE PROPERLY CHARGEABLE TO GENERAL REVENUES.

Including Net Direct Unemployment Relief, but not including N. D. U. Relief Debt Charges. Based on annual Estimates for each year.

Year	Total	Per Capita
1929 .....	\$33,009,077 .....	\$54.44
1930 .....	35,206,777 .....	56.64
1931 .....	37,486,425 .....	59.76
1932 .....	37,572,602 .....	59.96
1933 .....	38,895,251 .....	62.38
1934 .....	38,713,916 .....	61.52
1935 .....	38,750,524 .....	60.71
1936 .....	? .....	?

### 4. BORROWING MARGIN.

Dec. 31, 1929.....	\$ 15,217,719
" 1930.....	15,923,874
" 1931.....	14,012,901
" 1932.....	12,665,496
" 1933.....	9,882,545
" 1934.....	6,602,354
" 1935.....	3,000,000 (Est.)†
" 1936.....	2,635,000 (Est.)‡

† After allowing for 4 1-5 millions authorized and to be funded in 1936. Technically borrowing margin \$7,100,000.

‡ Really borrowing margin is wiped out owing to loss of income assessment. It is to be presumed the Legislature will rectify the effect of this loss on the legal borrowing margin.

### 5. ACCUMULATED TAX ARREARS.

Jan. 1st, 1929.....	\$ 5,420,980
" 1930.....	5,496,762
" 1931.....	6,518,842
" 1932.....	8,034,358
" 1933.....	10,134,166
" 1934.....	12,065,416
" 1935.....	11,487,591
" 1936.....	10,050,298

### 6. DIRECT UNEMPLOYMENT RELIEF.

	Maximum No. of Cases on Relief		Total No. of Families on Full Relief		Net Cost to the City	
	1934	1935	1934*	1935*	1934	1935
Jan.....	30,844	30,797	27,873	26,126	\$ 866,418	\$ 350,757
Feb.....	31,846	31,165	28,977	26,464		338,400
Mar.....	30,913	31,108	28,039	26,578		340,784
Apr.....	29,539	29,843	26,395	25,317	234,643	386,518
May.....	27,489	28,166	24,275	23,694	304,880	325,770
June.....	25,236	26,279	22,081	21,939	223,313	261,496
July.....	24,282	24,966	21,026	19,896	223,119	251,947
Aug.....	24,344	24,358	21,029	18,813	216,561	234,205
Sept.....	24,346	23,296	21,068	18,127	203,444	205,191
Oct.....	25,189	23,429	21,607	18,673	233,208	272,680
Nov.....	27,288	25,193	22,901	20,046	318,157	285,392
					\$2,823,743	\$3,253,140
Total for year					\$3,185,061\$	\$3,604,749\$

§ Approx.

\* Exclusive of families temporarily assigned to relief work who during this period are excluded from Food relief, but are eligible for all other services, where necessary.

### 7. MUNICIPAL INCOME TAX.

On Income Earned in	Assessment	Number Taxed
1929 .....	\$79,933,958	21,753
1930 .....	74,525,416	20,565
1931 .....	62,824,735	17,826
1932 .....	49,658,566	13,952
1933 .....	46,053,373*	11,708
1934 .....	49,200,000 (Est.)	12,891

(Municipal Income Tax to be discontinued and replaced by a graded provincial tax. Hence 1935 income not municipally assessed.)

\* Not used for income tax purposes owing to change in the Act.

#### THAT IS

- The number of houses occupied by owners has decreased and the number of houses occupied by renters has increased since 1931.
- The general tax levy has increased in total over four millions and per capita by over \$3.90 since 1929.
- Current expense has increased in total about 5% millions and per capita over \$6.25 since 1929.
- The statutory borrowing margin has declined 80% since 1929.
- The accumulated tax arrears increased from 5.4 millions on Jan. 1st, 1929 to a total of 12 millions and then declined to 10 millions.
- The number of families on relief increased and then began to decrease, but the increase in cost to the public has been maintained in 1935.
- The income assessment, the number of those with sufficient income to make them eligible for inclusion on the list of municipal income taxpayers and undoubtedly the income of the citizens as a whole declined until 1934, when there was a substantial increase (over 10% in the number of those taxed). The improvements in conditions should not be taken as a signal for resuming the former pace in capital and current expenditures. The taxpaying capacity of the citizens is certainly much lower than in 1929-1930, and their 1936 tax burdens should be made as light as possible in order to facilitate the permanent establishment of a prosperity which may now be peeping around the corner to see whether or not it is safe to return.