

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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WHAT DOES THE FINANCE COMMISSIONER'S REPORT FOR 1937 TELL THE STOCKHOLDERS IN THE CORPORATION?

1. The financial results of the current operations for 1937 (p. 7).
2. The financial results of funding direct relief expenditures since 1932 (pp. 18 and 19).
3. The record of tax collections since 1928 (p. 24).
4. The distribution of the taxpayer's dollar in 1937 (p. 25).
5. How much the Corporation owes (pp. 6, 39, 42 and 43).
6. How much the Corporation could legally borrow at the end of 1937 (pp. 11 and 44).

The interested reader will find other questions answered in "Uncontrollable Factors," pp. 8 and 9; "Sinking Fund and Reduction of Debt Before Maturity," p. 12; and "Comparative Statement of Current Expenditures, 1931-1937," with explanatory notes, pp. 14-15.

These are some of the topics in which the citizens of Toronto are interested. The report of the Commissioner of Finance answers these questions and many others completely and clearly. It is a text-book which no library or school in the city should be without. Its contents are of vital importance to every citizen and every potential future citizen in the schools.

In order to give some samples which may whet the interest of some readers, the Bureau lists the following questions, the answers to which are given in the report:

1. Q. What was the financial result of the city's current operations in 1937?

A. The city operated at a surplus in 1937 of \$216,211, made up of net under expenditures or appropriations of \$21,589, and revenues in excess of those estimated of \$194,622 (p. 7).

This is in itself an excellent record, particularly when it is borne in mind that, owing to the method of financing since 1932, the city's payments on account of direct unemployment relief in 1937 were greater than the actual 1937 costs (pp. 18 and 19.)

2. Q. What were the financial results of funding unemployment relief since 1932?

A. If there had been no funding, there would have been increases in the tax rates as follows (pp. 18 and 19):

Years	Mills
1933	2.44
1934	2.65
1935	2.34
1936 .....	.83

In 1937 the tax rate was greater than it would have been by .59 of a mill (p. 19).

In 1933, all current charges, including costs of office administration, were funded (p. 18).*

In 1934 current costs, including service charges, amounting to \$340,649*, were borne by taxation (p. 18).

In 1935 \$408,924* was borne by taxation (p. 18).

In 1936 \$955,741* was borne by taxation (p. 18).

In 1937 \$974,391* was borne by taxation (p. 18), and \$1,435,562 was, or was to be, funded, but the part of the cost of 1937 borne in 1937, plus the debt charges on relief debt, exceeded the 1937 costs by over \$575,943, almost 3/5 of a mill in the tax rate (pp. 18 and 19).

* The debt charges for these years were as follows: 1933, \$12,239; 1934, \$315,818; 1935, \$982,046; 1936, \$1,425,450; 1937, \$1,970,058.

3. Q. What has been the city's record of tax collections since 1928?

A. Page 24 shows:

Year	Gross Levy	Collections* of all years	Excess	Deficiency
1928.....	\$30,158,194	\$30,770,406**	\$ 612,212	.....
1929.....	31,449,922	31,374,140	.....	\$ 75,782
1930.....	33,634,838	32,612,758	.....	1,022,080
1931.....	36,820,958	35,305,442	.....	1,515,516
1932.....	37,522,157	35,442,349	.....	2,079,808
1933.....	36,378,545	34,447,295	.....	1,931,250
1934.....	34,903,843	35,505,534	601,691	.....
1935.....	35,521,338	36,936,674	1,415,336	.....
1936.....	34,618,721	35,782,906	1,164,185	.....
1937.....	35,215,926	36,331,653	1,115,727	.....

Previous to 1929 more taxes were collected in the current year than were levied in the year. For the five years of the deep depression the tax collections fell below the tax levies in each year. In 1934, and since, more taxes have been collected in the year than have been levied in the year. The amount outstanding has been reduced from \$12,065,416 at the end of 1933, to \$7,768,477. How much of this is due to the falling of property into "stronger hands" is not known. In any event, this result could not have been reached unless the tax collection division of the Treasury Department had been alert, resourceful and efficient.

4. Q. What service was the taxpayer's dollar spent on in 1937?

A. Education took	34.4 cents
Social Services took	15.1 "
Health and Sanitation took	9.9 "
Protection took	13.4 "
Highways took	7.5 "
Local Improvements, City's share, took	5.6 "
Deficits on Special Services took.....	4.1 "
General Administration took.....	3.4 "
Parks took	4.1 "
Sundry Services took	2.5 "

All Services \$1.00 or 100 cents

Education, Welfare and Health, all services to persons as persons, consumed 60 cents out of every 100 (p. 25).

* Including credits.
** From a previous report.

5. Q. How much does the Corporation owe?

A. The debenture debt, less accumulated sinking funds at the end of 1937 was (page 43):

\$139,686,540.91

This is over ten million dollars less than the corresponding figure in 1936.

6. Q. How much could the Corporation legally borrow at the end of 1937?

A. \$7,208,231. This is an increase of almost two million dollars over 1936. But the margin is less than half what it was in 1929, the year before the depression became apparent (pp. 11 and 44).

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For twenty-four years the Bureau of Municipal Research has maintained a service of independent fact-telling and suggestions to the citizens and taxpayers of Toronto. Under present conditions it is impossible for an individual, unaided, to devote the time necessary to keep in touch with the actual tendencies in municipal affairs. The Bureau offers a real opportunity to citizens to co-operate effectively in civic government by helping to maintain an independent fact-finding agency of constructive criticism which is so necessary for citizen control of the citizens' business.