

# 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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TORONTO  
CANADA

White Paper No. 260

May 20th, 1941

## THE 1941 CITY BUDGET

(In Comparison with those of 1930 and 1940)

STORY No. 1

### ESTIMATED REVENUES

	1930	1940	1941
Taxes on Business and Real Estate, Net .....	\$27,932,619 (approx.)	\$31,712,341	\$30,998,887
Income Tax .....	2,465,000† (approx.)	.....	.....
Provincial Subsidy .....	.....	883,296	875,719
Total Local Tax and Provincial Subsidy .....	\$30,397,619	\$32,595,637	\$31,874,606
Educational Provincial Subven- tions, etc .....	748,290	954,971	892,750
General Revenue .....	1,671,650	1,848,807	1,791,929
Surpluses from Special Services .....	899,966	173,474	216,226
<i>Abattoir*</i> .....	.....	** 16,384	6,933
<i>Water Works*</i> .....	899,966	157,090	209,293
Brought Forward from Previous Year .....	904,130	..... ‡	96,919
Reserve for Deferred Expenditures brought forward .....	585,122	5,000	.....
Total Current Revenue for Appropriation .....	\$35,206,777	\$35,577,889	\$34,872,430
<i>Note:</i> Ratepayers' Share of Local Improvement Taxes .....	2,649,745 (net)	1,268,379 (net)	838,993 (net)
Total Estimated Revenue .....	\$37,856,522	\$36,846,268	\$35,711,423

\* These pay no taxes to City. Real Deficits or Surplus not known to Bureau.

\*\* Estimated deficit \$28,368. ‡ Estimated deficit \$174,712.

† The actual amount (including corporation investment income) may have been as low as \$2,370,000—see White Paper No. 221.

## ESTIMATED EXPENDITURES

	1930	1940	1941
General Expense .....	\$ 8,514,759	\$ 8,001,382	\$ 7,790,975
Service Departments .....	13,087,890	11,397,577	11,434,592
Net Direct Unemployment Relief (Current Costs)** .....	150,000	1,511,300	696,536‡
Schools .....	11,327,674	12,052,105	11,900,466
Reserve for Deferred Expenditures brought forward .....	585,122	5,000	Nil
Deficits on Public Utilities and Special Services .....	1,541,332	1,195,869	920,180
<b>Total Estimated Current Expenditure</b> (other than ratepayers' share of local improvements) properly chargeable to current revenue .....	<u>\$35,206,777</u>	<u>\$34,163,233</u>	<u>\$32,742,749</u>
Surplus if current expense only is paid out of current revenues* .....	Nil	1,414,656	2,129,681
<b>Less:</b> Estimated Relief Debt Charges .....	Nil	1,958,656	2,129,681
<b>Actual Net Deficit met by funding a part of relief costs .....</b>	Nil	\$ 544,000	Nil
<b>Total expenditure (other than rate- payers' share of local improve- ments) paid out of current revenue</b>	<u>\$35,206,777</u>	<u>\$35,577,889</u>	<u>\$34,872,430</u>
<i>Note;</i>			
Ratepayers' Share of Local Improvement Costs .....	\$2,649,745 (net)	\$1,268,379 (net)	838,990 (net)
<b>Total Current Expenditures paid out of Current Revenues .....</b>	<u><u>\$37,856,522</u></u>	<u><u>\$36,846,268</u></u>	<u><u>\$35,711,423</u></u>

\*\* Total cost less government payments. Exclusive of debt charges on amounts funded in previous years.

‡ No debenture issues estimated for 1941 as it is hoped that decrease in unemployment will make it unnecessary. A small amount was issued against 1940 expenditures.

\* That is if relief expenditures were paid entirely each year out of current revenues without selling any direct unemployment relief debentures.

## REMARKS

1. Since 1930 there has been a reduction in estimated expenditures properly chargeable against current revenues of nearly \$2½ million.\* If the reduction in ratepayers' share of local improvements (\$1,810,752) is included, the total reduction in current expenditures properly chargeable against current revenues has been about \$4¼ million.\*
2. The general taxes on real estate and business have increased about \$3 million in these eleven years. This was due largely to the abolition of the municipal income tax. The provincial subsidy and assumption by the Province of certain welfare expenditures were not, in practice, sufficient to prevent the increase in taxation or to secure an equivalent reduction.
3. Other than direct unemployment relief, there has been in the eleven years a decrease in the estimated annual expenditures of service departments amounting to over \$1,650,000.
4. The estimated general expense (which includes undistributed debt charges) has decreased almost \$725 thousand in 11 years.
5. The estimated total cost of schools is greater in 1941 than in 1930 by over \$570 thousand.
6. Compared with 1940, estimated general expense, direct unemployment relief costs, school costs, and deficits on public utilities and special services have decreased.
7. From the standpoint of the current budget, in dollars and cents, the City of Toronto is in a better position than in any year since 1928; but this does not mean that the citizens of Toronto can afford the present budget as comfortably as they did the larger budget of 1930.

\* Of which approximately \$831,000 is due to a change in estimating charges for water supplied to the Fire Department in 1938 and subsequent years.



## SUGGESTIONS

1. That the proposed administrative civic survey be prosecuted with all diligence and thoroughness.
2. That in addition to any economies which may be effected, drastic retrenchment be made in services other than the upkeep of structures and pavements, appropriations for the latter of which have decreased in the eleven-year period and which have obviously been neglected in recent years with a resulting increase to the public of the cost of transportation, and indirectly, of living.
3. That comprehensive plans of delayed improvements be made ready to be implemented immediately at the close of hostilities, before the word "relief" is mentioned, in order to soften as far as possible the shock of the tremendous dislocation which will inevitably follow the war.

The best national services that the Corporation of the City of Toronto can offer are (1) to reduce to an absolute minimum its exactions from its citizens in order that they may have more funds available for war taxation and investment in war securities. (2) To plan its after-the-war expenditures, capital and current, so as to fit into the national picture and do its part in reconstruction.

Citizens of Toronto will contribute to the war effort even more cheerfully if they are certain that municipal taxation is at the lowest level possible.

**Toronto can set an example in civic leadership not only by expressing its determination in words, but in action**