

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. 261

June 20th, 1941

1941

City Budget Story No. 2

The total amount available for appropriation in 1941, including general and school taxes, general city revenues, surpluses from special services, amount brought forward from 1940, provincial subsidy, provincial educational subventions and incidental revenues is

\$34,872,430

This is a reduction of \$705,459 from 1940 and of \$1,653,187 from 1939. If no direct relief debentures had been issued during the period 1933-40, the estimated amount to be paid out of taxation and other revenues would have been

\$32,742,749

the amount of the estimated expenditure properly chargeable to 1941 revenues. How satisfactory it would have been now that we are at war, to have \$2,000,000 more which Toronto taxpayers could have contributed to the war effort!

Estimated Current Expenditures for the Years 1930 and 1932-1941 (both inclusive) Analyzed by Cost of Main Functions to be Met out of Taxation, Revenue other than Taxation, and in 1933 to 1940 inclusive of the Actual or Estimated Proceeds of Debentures Issued to Meet the Net Cost of Direct Unemployment Relief

| COMMUNITY SERVICES BY MAIN FUNCTIONS | TOTAL | | | | | | | | | | | PER CAPITA* | | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------------------|---------------------|---------------------|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 1941 | 1940 | 1939 | 1938 | 1937 | 1936 | 1935 | 1934 | 1933 | 1932 | 1930 | 1941* | 1940 | 1939 | 1938 | 1937 | 1936 | 1935 | 1934 | 1933 | 1932 | 1930 |
| General Government..... | \$ 4,201,703 | \$ 4,364,345 | \$ 4,244,626 | \$ 4,454,210 | \$ 4,377,636 | \$ 4,523,198 | \$ 4,535,174 | \$ 4,940,483 | \$ 4,800,260 | \$ 4,156,319 | \$ 3,637,223 | \$6.48 | \$6.73 | \$6.54 | \$6.88 | \$6.75 | \$7.01 | \$7.11 | \$7.85 | \$7.70 | \$6.63 | \$5.85 |
| Protection of Persons and Property..... | 4,868,701 | 4,851,358 | 4,997,764 | 5,016,355 | 5,773,381 | 5,659,197 | 5,752,584 | 5,753,640 | 5,730,269 | 6,152,768 | 6,218,191 | 7.51 | 7.48 | 7.70 | 7.74 | 8.91 | 8.77 | 9.01 | 9.14 | 9.19 | 9.82 | 10.00 |
| Health and Sanitation..... | 3,866,746 | 3,661,504 | 3,728,294 | 3,841,841 | 3,911,038 | 3,925,144 | 3,924,359 | 3,898,599 | 3,773,605 | 4,240,838 | 4,011,583 | 5.97 | 5.65 | 5.74 | 5.93 | 6.03 | 6.08 | 6.15 | 6.20 | 6.05 | 6.77 | 6.45 |
| Highways..... | 2,418,748 | 2,378,246 | 2,536,888 | 2,527,861 | 2,533,904 | 2,429,685 | 2,404,625 | 2,390,878 | 2,497,217 | 3,094,780 | 3,530,684 | 3.73 | 3.67 | 3.91 | 3.90 | 3.91 | 3.76 | 3.77 | 3.80 | 4.00 | 4.94 | 5.68 |
| Education†..... | 12,459,771 | 12,695,404 | 12,786,453 | 12,816,847 | 12,760,809 | 12,202,669 | 12,391,099 | 12,525,388 | 12,316,402 | 12,513,049 | 11,865,987 | 19.23 | 19.45 | 19.70 | 19.79 | 19.68 | 18.91 | 19.42 | 19.90 | 19.75 | 19.96 | 19.09 |
| Recreation..... | 1,377,506 | 1,464,209 | 1,518,770 | 1,576,604 | 1,665,246 | 1,547,659 | 1,576,106 | 1,556,567 | 1,576,220 | 1,918,150 | 1,923,013 | 2.13 | 2.26 | 2.34 | 2.43 | 2.57 | 2.40 | 2.47 | 2.47 | 2.53 | 3.06 | 3.10 |
| Welfare, Charities and Correction..... | 2,594,679 | 3,430,456 | 4,224,103 | 4,838,523 | 5,176,436 | 6,150,568 | 6,245,275 | 5,653,869 | 4,994,243 | 2,730,662 | 2,442,814 | 4.01 | 5.29 | 6.51 | 7.47 | 7.98 | 9.53 | 9.78 | 8.99 | 8.02 | 4.36 | 3.93 |
| To be met out of Revenue (less D.C. on Unemployment Relief Debentures)..... | 2,594,679 | 2,886,456 | 2,824,103 | 2,948,523 | 3,383,936 | 3,809,208 | 2,985,275 | 2,803,974 | 2,593,452 | 2,730,662 | 2,442,814 | 4.01 | 4.45 | 4.35 | 4.55 | 5.22 | 5.90 | 4.67 | 4.46 | 4.17 | 4.36 | 3.93 |
| To be met out of proceeds of Debenture Issues..... | — ** | 544,000 | 1,400,000 | 1,890,000 | 1,792,500 | 2,341,360 | 3,260,000 | 2,849,895 ^z | 2,400,791 | Nil | Nil | Nil | .84 | 2.16 | 2.92 | 2.76 | 3.63 | 5.11 | 4.53 | 3.85 | Nil | Nil |
| Special Grants..... | 34,715 | 37,130 | 53,585 | 66,029 | 62,879 | 61,379 | 71,481 | 64,900 | 31,968 | 36,750 | 35,950 | .05 | .06 | .08 | .10 | .10 | .09 | .10 | .10 | .05 | .06 | .06 |
| Combined Deficits on Public Utilities and Special Services..... | 920,180 | 1,195,869 | 1,253,596 | 1,302,748 | 1,408,745 | 1,633,191 | 1,723,549 | 1,742,958 | 1,916,739 | 1,848,998 | 1,541,332 | 1.42 | 1.85 | 1.93 | 2.01 | 2.17 | 2.53 | 2.70 | 2.77 | 3.07 | 2.95 | 2.48 |
| General Deficit brought forward from previous year..... | (Surplus)‡ | 174,712 | (Surplus)‡ | (Surplus)‡ | (Surplus)‡ | (Surplus)‡ | 126,272 | 186,634 | 1,258,328 | 880,288 | (Surplus) | (Surp.) | .27 | (Surp.) | (Surp.) | (Surp.) | (Surp.) | .20 | .30 | 2.02 | 1.40 | (Surp.) |
| Total Expenditure (not including debt charges on unemployment relief debentures)..... | \$32,742,749 | \$34,163,233 | \$35,344,079 | \$36,441,018 | \$37,670,074 | \$38,132,690 | \$38,750,524 | \$38,713,916 | \$38,895,251 | \$37,572,602 | \$35,206,777 | \$50.53 | \$52.71 | \$54.45 | \$56.25 | \$58.10 | \$59.08 | \$60.71 | \$61.52 | \$62.38 | \$59.95 | \$56.64 |
| Less to be met out of proceeds of sales of debentures..... | Nil | 544,000 | 1,400,000 | 1,890,000 | 1,792,500 | 2,341,360 | 3,260,000 | 2,849,895 ^z | 2,400,791 | Nil | Nil | Nil | .84 | 2.16 | 2.92 | 2.76 | 3.63 | 5.11 | 4.53 | 3.85 | Nil | Nil |
| Plus current debt charges on unemployment relief debentures..... | 2,129,681 | 1,958,656 | 2,581,538 | 2,495,182 | 2,011,505 | 1,440,324 | 1,017,124 | 320,266 ^z | 12,239 | Nil | Nil | 3.29 | 3.02 | 3.98 | 3.85 | 3.10 | 2.23 | 1.60 | .51 | .02 | Nil | Nil |
| Total Current Expenditure to be met out of current funds..... | \$34,872,430 | \$35,577,889 | \$36,525,617 | \$37,046,200 | \$37,889,079 | \$37,231,654 | \$36,507,648 | \$36,184,287 | \$36,506,699 | \$37,572,602 | \$35,206,777 | \$53.82 | \$54.89 | \$56.27 | \$57.18 | \$58.44 | \$57.68 | \$57.20 | \$57.50 | \$58.55 | \$59.95 | \$56.64 |
| Population (actual)..... | 648,000* | 648,098 | 649,123 | 647,803 | 648,309 | 645,462 | 638,271 | 629,285 | 623,562 | 626,674 | 621,596 | | | | | | | | | | | |

†The 1938 apparent reduction in estimated expenditure out of current revenues was not real, but was due almost entirely to the change in estimating charges for water to the Fire Department, by which both general revenue and general expenditure were reduced by the same amounts, about \$831,000. The change makes the figures of Fire costs more comparable with those of other cities, but of course, affects the comparability of Toronto figures of 1938, 1939, 1940, and 1941 with those of former years.

‡Current expenditures out of revenue from all sources, as with all main functions. Includes Public Schools, Separate Schools, Collegiate Institutes, Public Library, etc.

‡After borrowing over 2 million dollars for current expenditures on relief in 1936, \$1,792,500 in 1937, \$1,890,000 in 1938, \$1,400,000 in 1939, and \$544,000 in 1940.

*The 1941 population is the City's Estimate, and 1941 per capita are based thereon. In all other years the per capita are based on the actual populations.

yRelief debt charges of \$12,239 were included in the City expenditures for 1933. D.C.—Debt Charges.

zWhite Paper No. 199 used the \$2,000,000 Estimated Unemployment Relief total mentioned in the introduction to the 1934 Estimates, but not included in the Estimates proper. In order that one year might be comparable with the others, the approximate actual figures given in the 1935 Estimates were used in the White papers 206, 215, 235, 241, 251 and in this Paper.

**Relief Debentures:—Provision is made for issuing relief debentures amounting to \$19,295. This, however, forms part of the 1940 totals and was included in the Bureau's figures for that year.

COMMENT

1. 1941 is the first year since 1932 in which the estimates have not provided for short term debenture issues to meet part or the whole of the cost of direct unemployment relief. In 1933 no provision whatever was made in the current estimates to meet the cost of direct unemployment relief, apparently to show a reduction in the tax rate for that year. Even the salaries of those engaged in administering relief were paid out of borrowed funds.
2. The city's tax rate this year is larger by over 2.4 mills on the general assessment than it would have been, if the city had paid currently for all current expenditure on direct unemployment relief since 1932. Postponing the evil day often means later added burdens at an extremely inconvenient time.
3. For the first time in eleven years the estimated annual expenditure is lower than that of 1930. It is still \$1 $\frac{3}{4}$ million higher than in 1929. If the city did not have to meet debt charges on direct unemployment relief debt, the estimated expenditure of 1941 would be less than that of 1929 by over a quarter of a million dollars.

RECOMMENDATIONS

1. That the Board of Control establish a system of monthly allotment appropriations, subsidiary to the annual appropriations, within which the departments will be expected to keep, thus securing economies throughout the year the possibility of which could not be foreseen at the beginning of the year. The passing of an annual appropriation should not mean authorization to spend the whole amount appropriated. The building up of a substantial current surplus in 1941 should make possible a reduction of the tax levy for 1942 greatly to the benefit of war financing.
2. That nothing be allowed to interfere with a thorough study of departmentalization and personnel at the City Hall in order that the findings may be made available to citizens during 1942.

The Bureau of Municipal Research is, and has been from the first, supported by private subscriptions from public-spirited citizens. It has received no governmental or municipal grants, for the reason that its statements of facts, and suggestions as to policy must not only be independent and unbiased, but must be so considered by the general public. The value of the Bureau to the citizens of Toronto depends on its independence as an agency of constructive criticism and citizen co-operation.