

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. 262

September 13th, 1941

1941

City Budget, Story No. 3

\$32,742,749

of Toronto's 1941 appropriations were for current expenditures,

\$2,129,681

appropriations were for current expenditure of former years, being direct unemployment relief debt charges.

\$34,872,430

is therefore the total estimated expenditure for the current year.

While this is the lowest estimated expenditure since 1929, it is too much for this war year. It could be reduced if there were sufficient determination to reduce it. The 1941 estimated expenditures are still higher than those of 1929, a year of abounding "prosperity", by over \$1,783,000, to which should be added a sum of about \$831,000 to put the figures on a comparable basis.

CITY OF TORONTO

Estimated Current Expenditures out of Taxation, Grants, Surpluses, Credits, Other General Revenues, and Proceeds from the Sale of Short Term Debentures Issued to Meet the Net Cost of Direct Unemployment Relief for the Years 1930, 1931 and 1933 to 1941 (both inclusive)

Analyzed according to the Objects of Expenditure entering into the Cost of the General Functions of the Municipal Government.

OBJECT OF EXPENDITURE	TOTAL											PER CAPITA**										
	1941†	1940	1939	1938	1937	1936	1935	1934*	1933	1931z	1930	1941†	1940	1939	1938	1937	1936	1935	1934	1933	1931z	1930
Salaries and Wages and Other Payments for Personal Services	\$18,238,793	\$18,528,752	\$18,837,148	\$18,978,635	\$19,056,344	\$18,191,790	\$18,410,901	\$18,261,816	\$18,025,079	\$18,659,092	\$18,076,871	\$28.15	\$28.59	\$29.02	\$29.30	\$29.39	\$28.18	\$28.84	\$29.02	\$28.91	\$29.75	\$29.08
Other Expenses, including the total cost‡ of direct unemployment relief, less direct unemployment relief debt charges	5,373,831	6,580,123	6,557,441	7,562,143	9,126,739	11,171,128	11,926,606	12,666,439	13,405,430	11,295,324	9,976,278	8.29	10.15	10.10	11.67	14.08	17.30	18.68	20.13	21.50	18.01	16.05
Debt Service	9,130,125	9,054,358	9,949,490	9,900,240	9,486,991	8,769,772	8,413,017	7,785,661	7,464,742	7,318,606	6,662,214	14.09	13.97	15.33	15.28	14.63	13.60	13.19	12.37	11.97	11.66	10.72
(a) Interest	3,038,458	3,267,283	3,477,654	3,690,381	3,918,436	4,067,275	4,211,955	4,236,447	4,244,444	4,029,695	3,888,667	4.69	5.04	5.36	5.70	6.04	6.30	6.59	6.73	6.81	6.42	6.26
(b) Debt Retirement	6,091,667	5,787,075	6,471,836	6,209,859	5,568,555	4,702,497	4,201,062	3,549,214	3,220,298	3,288,911	2,773,547	9.40	8.93	9.97	9.58	8.59	7.30	6.60	5.64	5.16	5.24	4.46
Capital Outlay										213,403	491,414										.34	.79
TOTAL, if no Direct Unemployment Relief had been funded	\$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	\$37,486,425	\$35,206,777	\$50.53	52.71	\$54.45	\$56.25	\$58.10	\$59.08	\$60.71	\$61.52	\$62.38	\$59.76	\$56.64
Difference between current costs and current payments for Direct Unemployment Relief, being difference between annual amounts funded for Direct Unemployment Relief and amount of debt charges for Direct Unemployment Relief	2,129,661*	1,414,656†	1,181,538†	605,182†	219,005†	901,036	2,242,876	2,529,629	2,388,552	Nil	Nil	3.29*	2.18*	1.82†	.93†	.34†	1.40	3.51	4.02	3.83	Nil	Nil
Proceeds of Debentures	Nil	544,000	1,400,000	1,890,000	1,792,500	2,341,360	3,260,000	2,849,895	2,400,791	Nil	Nil	Nil	.84	2.16	2.92	2.76	3.63	5.11	4.53	3.85	Nil	Nil
Debt Charges on Direct 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	-12,239	Nil	Nil	3.29	3.02	3.98	3.85	3.10	2.23	1.60	.51	.02	Nil	Nil
Current Expenditure to be met out of Current Revenue	\$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	\$37,486,425	\$35,206,777	\$53.82	\$54.89	\$56.27	\$57.18	\$58.44	\$57.68	\$57.20	\$57.50	\$58.55	\$59.76	\$56.64
Population (actual)	648,000**	648,098	649,123	647,803	648,309	645,462	638,271	629,285	623,562	627,231	621,596											

* White Paper No. 200 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 for Direct Unemployment Relief were used in White Papers 208, 216, 233, 240, 250 and this paper.

† Of city's share.

** 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 population. (Note: The Assessor's figure of population for 1941 is given as 655,751.)

† To be added to total expenditure chargeable to current year—not to be subtracted therefrom as in preceding years.

z The distribution for 1931 has been slightly revised.

† 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.

COMMENT.

1. Estimated salaries and wages and other personal services are down for the fourth consecutive year. They make up 52.3% of the estimated total expenditure and 70.8% of the total estimated expenditure other than debt charges. Of the total estimated personal services \$9,699,419 were for the city and \$8,539,374 for the Board of Education and the Separate School Board. If the salaries and wages paid by the Water Works and City Abattoir were included, the City total would be still larger.
2. The debt charges are up over 1940 and are still higher than those of the 1930 estimates by \$2,467,911. It is to be noted, however, that interest charges are the lowest in the twelve-year period and that repayments of principal are the highest* except in two years.

QUERIES.

1. Can any significant reductions in total expenditures be made aside from the personnel?
2. What effect would better departmentalization have on pay rolls without any reduction whatever in scales of pay?
3. What effect would the temporary transfer of city personnel to war work have on current pay rolls?
4. What effect would a thorough-going personnel survey have on the size of departmental establishments and therefore on pay rolls?
5. What effect would retrenchment in services have on pay rolls?
6. What better time could there be than the present for an independent general administrative survey, a personnel survey and retrenchment in services?
7. Can it be claimed that Toronto is doing all it can in the war effort unless all possible means are taken to reduce local expenditures?
8. Is it safe to reduce just enough to get by and still be comfortable?
9. If we don't get by, who will make the surveys and retrenchments in expenditures for local services?

* Due at least in part to paying off short term relief debentures.

RECOMMENDATIONS.

1. That two or three year "staggered" terms be substituted for the present one-year term of members of City Council and elected boards. This would—
 - a. Promote planning in periods longer than one year,
 - b. Make it more worth-while for candidates with a desire for real public service to offer their services by cutting down election expenses and freeing a greater proportion of the term for actual service,
 - c. Tend to increase independence of judgment,
 - d. Make possible to the electors an annual expression of opinion on public affairs which would "register", not only on those whose term has expired, but on those still serving,
 - e. Make it easier to prepare the draft current budget for the year in December of the preceding year. This would make it possible for annual elections to turn on concrete proposals and not on general promises of economy.
2. That the number of wards be reduced, and that the majority of members of elective bodies be elected at large. This would tend to promote civic patriotism as against locality interest.
3. That Council order a detailed survey of civic administration and personnel by an independent "outside" body, and that the survey be prosecuted with vigour and dispatch.
4. That a permanent city planning commission be established with the duty of advising the city on:
street planning,
zoning,
housing,
and of preparing a city plan for the action of Council.
5. That the pool of postponed but necessary works be thoroughly planned in co-operation with this commission so that construction can proceed at once after the cessation of hostilities as a part of a national plan to cushion as far as possible the shock of after-the-war dislocation.
6. That the policy of debt reduction be continued for the present.