

# 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

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*White Paper No. 274*

*December 26th, 1942*

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1942

## City Budget Story No. 3

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### What will the 1943 City Budget Provide in Services and at what cost?

The time approaches when the 1943 Budget must be considered, but before this can be done intelligently there must be an analysis of the 1942 budget.

The previous white paper analyzed by main functions the total expenditure to be met out of current revenue. This white paper analyzes it according to main objects of expenditure such as salaries and wages, other expenses, and cost of servicing general debt.



# CITY OF TORONTO

## Estimated Current Expenditures out of Taxation, Grants, Surpluses, Credits, Other General Revenues, and Proceeds of Short Term Debentures Issued to Meet the Net Cost of Direct Unemployment Relief. Years 1930 and 1933 to 1942 (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**										
	1942	1941	1940	1939	1938	1937	1936	1935	1934*	1933	1930	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1930
Salaries, Wages and Other Payments for Personal Services .....	\$18,321,616	\$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	\$18,076,871	\$27.76	\$27.81	\$28.59	\$29.02	\$29.30	\$29.39	\$28.18	\$28.84	\$29.02	\$28.91	\$29.08
Other Expenses §.....	7,709,632	7,503,512	8,538,779	9,138,979	10,057,325	11,138,244	12,611,452	12,943,730	12,986,705	13,417,669	9,976,278	11.68	11.45	13.17	14.08	15.52	17.18	19.53	20.28	20.64	21.52	16.05
Debt Service.....	8,181,229	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	6,662,214	12.40	13.92	13.97	15.33	15.28	14.63	13.60	13.19	12.37	11.97	10.72
(a) Interest.....	2,734,564	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	3,888,667	4.14	4.63	5.04	5.36	5.70	6.04	6.30	6.59	6.73	6.81	6.26
(b) Debt Retirement.....	5,446,665	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	2,773,547	8.26	9.29	8.93	9.97	9.58	8.59	7.30	6.60	5.64	5.16	4.46
Capital Outlay §.....	—	—	—	—	—	—	—	—	—	—	491,414	—	—	—	—	—	—	—	—	—	—	.79
Total Expenditure §.....	\$34,212,477	\$34,872,430	\$36,121,889	\$37,925,617	\$38,936,200	\$39,681,579	\$39,573,014	\$39,767,648	\$39,034,182	\$38,907,490	\$35,206,777	\$51.84	\$53.18	\$55.73	\$58.43	\$60.10	\$61.20	\$61.31	\$62.31	\$62.03	\$62.40	\$56.64
Population (actual).....	660,000**	655,751	648,098	649,123	647,803	648,309	645,462	638,271	629,285	623,562	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, 262 and this paper.

§ Includes all of City's share of Direct Unemployment Relief whether funded or not. The amounts included each year are given in White Paper No. 273.

\*\*The 1942 population is the City's Estimate, and 1942 per capita are based thereon. In all other years the per capita are based on the actual population.

§In the 1930 City Budget the greater part of capital outlay out of current funds was for the police signal system. Since 1932 the Budget has not provided for capital expenditures from current revenues, but the City's debt has been steadily reduced.

‡The 1938 apparent reduction in estimated expenditure 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 and later years with those of former years.

Provision was made in 1941 and 1942 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. The estimated budgeted expenditure out of current revenues has decreased every year for five years and is now 86.22% of what it was in 1937.
2. The estimated total of salaries, wages, and other personal services has also decreased for five years and is now 96.14% of what it was in 1937.
3. The proportion of the total estimated expenditure paid for salaries, wages and personal services since 1933 has tended to increase. In the 1942 budget 53.55% was assigned to salaries and wages; in 1941, 52.30%; in 1937, 48.02%; in 1933, 46.33%; and in 1931, 49.77%. This proportion is now higher than in 1930 when it was 51.34%.

## QUERIES

1. Have all civic employees who could be more usefully employed — from the national standpoint — in war industry been transferred thereto for the duration?
2. Could better departmentalization make such transfers easier?
3. Might not an independent administrative survey show where personnel could be saved by a closer co-ordination of related departments?
4. While a properly conceived civic pension fund promotes the efficiency and esprit de corps of the service, and is, therefore, in the interests of the taxpayers, should vested interests in such a fund be created until every position is carefully studied, and unless entry into the service is carefully guarded?
5. Could further retrenchments in civic service be made without affecting the health of the public?
6. If further economies or retrenchments could be made than have already been made, how can we still our consciences?
7. If any considerations are allowed to affect the 1943 civic budget other than the best interests of the city and the nation, whose fault will it be?

## A City Budget

"Budgeting, if properly conceived and well administered, can probably contribute more than any other single factor toward assuring the efficient, economical performance of a well-balanced program of governmental services. A budget is something more than the balancing of income and expenditures. It is the plan of the government's work program—a program of services with a dollar sign."

Detroit Bureau of Governmental Research.  
Bulletin 453,  
December 10th, 1942.

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