

BUREAU OF MUNICIPAL RESEARCH

"TO PROMOTE THE MOVEMENT TOWARD EFFICIENT CITIZENSHIP"

Trust:

COL. A. E. GOODERHAM
GEOFFREY T. CLARKSON, F.C.A.
THOMAS BRADSHAW, F.I.A.

Council:

THOMAS G. ROGERS, PRESIDENT
A. H. C. BEAIRSTO, VICE-PRES.
MAJOR A. C. GALBRAITH, VICE-PRES.

J. P. HYNES, HON.TREAS.

MARK BREDIN

R. C. BERKINSHAW

R. H. CARDY

C. H. CARLISLE

DR. HAROLD CLARK

C. E. EDMONDS

JOHN FIRSTBROOK

W. H. HALL

F. BARRY HAYES

R. DAWSON HARLING

CHARLES J. HARVEY

J. B. LAIDLAW

GORDON C. LEITCH

BRIG.-GEN. C. H. MITCHELL

G. H. MUNTZ

MORDEN NEILSON

E. C. SCYTHES

H. M. SMITH

R. A. STAPELLS

WALTER D. STEELE

WM. STONE

JOHN I. SUTCLIFFE

C. F. BASIL TIPPET

W. G. WATSON

MELVILLE P. WHITE



OPEN LETTER

Managing Director and Secretary:
HORACE L. BRITAIN

Assistant Managing Director:
JOSEPH E. HOWES

1105 New Wellington Bldg.
137 Wellington St. West

TORONTO 2

Nov. 9th, 1935.

To His Worship Mayor William J. Stewart,
Controllers and Aldermen,

Gentlemen:

On financial grounds and without discussing the merits or demerits of the proposal as part of a future city-wide programme of capital expenditure, the Bureau feels bound to say that it learned with considerable misgiving that the Mount Pleasant Bridge proposal, in slightly revised form, has again been passed by the Civic Works Committee, after the defeat of the original proposal in Council, and that now the Board of Control recommends a return to the former plan at a price reduced to that of the second plan.

The Commissioner of Finance has informed Council that the current and outstanding taxes unpaid amounted on Oct. 23rd, 1935, to \$14,527,152 compared with \$11,715,781 at the same date in 1932 and that the percentage of unpaid taxes on total due was 27.21% in 1935 compared with 23.04% in 1932. He also points out that, aside from unemployment relief debentures, unfunded capital commitments amount to the impressive total of \$5,113,991. He further reminds Council that we will shortly be faced by a capital expenditure for the installation of the new Sewage Disposal System of from \$20,000,000 to \$25,000,000. The annual report of the Commissioner of Finance stated that the borrowing margin of the City was \$12,665,496 at the end of 1932. It is possibly now between \$11,000,000 and \$12,000,000. He also points out that the effect of funding all direct unemployment relief for a five year period will be to increase the cost to the taxpayers by \$1,180,000 on a possible expenditure of \$6,750,000. He also estimates a decrease in taxable assessment of \$22,000,000. The Commissioner states emphatically that "the time has not yet arrived to relax the City's well established policy of rigidly restricting all capital and current expenditure to absolute essentials. In view of these facts, and the depleted incomes of taxpayers reflected in the decrease of income assessments and the number of those still assessable for income, it is difficult for the ordinary citizen to comprehend why consideration of a proposal to spend on capital account \$219,000, presumably with the additional financial charges

involved, cannot be postponed until the whole capital budget is considered, as far as the Bureau knows, there may be many improvements of equal merit which might be suggested in different parts of the city.

The expenditure of over \$200,000 on the proposed Mount Pleasant bridge might possibly assist in the development and sale of some real estate and the stimulation of building in one section but it would constitute a mortgage on all the real estate in Toronto, already sufficiently mortgaged. It would also take a nibble out of Toronto's borrowing margin already sufficiently small after the funding of unemployment relief takes its bite. It will encourage a succession of small nibbles which will be as destructive as the carefully conserved debt margin as one large bite. Particularly in these difficult times and in most cases, should not all taxpayers whose property is "mortgaged" by civic debenture issues be given an opportunity to vote on proposed capital expenditures.

The Bureau again must protest against the piecemeal consideration of capital proposals and again urges a tentative capital five-year budget, subject to yearly revision, outlining proposals in order of importance and urgency and setting forth exactly how the money, and how much money and when, is to be provided in each case.

On Oct. 27th, 1921, the Bureau issued a White Paper entitled "Is Toronto's Public Hospital Accommodation Sufficient for Toronto's Needs?" One sentence from this paper reads, - "As is always the case, the community pays the bill for inadequate community bedding." The number of hospital beds, the proportions between types of existing hospital accommodation, the need for new hospital accommodation and what type the new accommodation should be - public or private, acute or chronic or convalescent - should be decided on the consideration of community needs as a whole and these only. The Bureau again brings this to public attention, because under a system of insufficiently co-ordinated public hospitals each with its Board, and in a City like Toronto, which will, or ought to, soon resume its growth, the City will again be faced with the necessity of making decisions involving public hospital policy.

Such matters, as all other matters involving capital expenditures, should be decided not individually but as a part of a community plan in the light of all the facts. Neither Toronto nor any other city is now or ever will be wealthy enough in justice to the taxpayers to operate without a long term community plan of capital improvements and expenditures.

Yours very respectfully,

"T. O. Rogers"
President

"Horace L. Brittain"
Managing Director