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### *Metro Toronto— Proposals for Reform*

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## Metro Toronto— Proposals for Reform

Inequalities in representation, in the burden of taxation and in the range and standards of certain services are symptomatic of any fast-growing metropolitan area and, as such, necessitate frequent adjustment to the political and administrative structure of government. Thus, Metro Toronto, ten years after its inception and with a 43% increase in population, was subjected to a major study of reform. The Royal Commission on Metropolitan Toronto was appointed in June 1963 for the purpose of evaluating the effectiveness of the existing form of metropolitan government and to make any recommendations that would improve the government of the region. Two years later, Mr. H. Carl Goldenberg, the Commissioner, presented his Report to the Prime Minister of Ontario. It is imperative that reform be enacted and it is likely that the provincial government will act upon many of the suggestions of the Goldenberg Report.

In this bulletin, the Bureau examines some of the recommendations proposed by the Commission. The scope of this study is confined to the more radical proposals of the Report and to those that the Bureau sees as requiring further attention.

### THE FOUR-CITY PROPOSAL

The Goldenberg Report recommends that the existing thirteen municipalities be consolidated into four cities; the largest of which would be an extended City of Toronto with 900,513 inhabitants (1964) or 51.7% of a total Metro population of 1,744,331 (1964). In accordance with representation by population, Toronto would be given 13 of the 26 seats on an enlarged Metro Council, while North York would receive five, and Scarborough and Etobicoke, four each. Critics of the Report argue that this configuration will perpetuate and encourage 'the city-suburban split' on the Metro Council, and prevent the effective conduct of Metro business. Such an argument tends to confuse potential dissimilarity of interest with actual bifactional conduct at the Metro Council table. There have indeed been instances when over 90% of the City representatives have voted for one side of an issue and over 90% of the suburban representatives have voted for the other. The wholesale water rate debates of 1954 and 1955,

and the more recent 1963 vote on the granting of an operating subsidy to the T.T.C. are cases in point. However, recent studies by Professor Harold Kaplan of York University have shown that in about two-thirds of the major issues before the Metro Council in 1963, a majority of both the City and suburban representatives have voted the same way. On only one-third of these major issues have a majority of the City representatives voted in opposition to a majority of their suburban counterparts. A similar survey, by Professor Kaplan, of all votes on public transit issues before the Metro Council from 1953 to 1964, revealed the same voting pattern. It must be noted that 'majority' here refers to 'over 50%' and many of these majorities were very little more than 50%. A breakdown of votes on all issues (major and minor) indicated that a majority of the City representatives voted against a majority of suburban representatives in as few as one sixth of the issues.<sup>1</sup> In other words, overt city-suburban conflict has occurred only on a minority of issues and even where it occurs, neither bloc has been able to main-

tain rigorously disciplined voting. In Professor Kaplan's words:

"Bifactionalism on the Council is only a tendency, not a clear-cut division of the body into two disciplined blocs."<sup>2</sup>

However, that there are differences in needs and priorities between the inner developed areas of Metro and the outer, yet developing sections, is equally clear. For example, despite their Metro-wide repercussions, urban renewal, public housing and certain welfare programmes are issues that are probably of greater urgency for the City of Toronto than for Etobicoke, North York or Scarborough. At the same time, these three outer municipalities do have their own problems related to rapid development. These differences of interest have been resolved in the past by reciprocal concessions at the urging of the Metro Chairman, as reflected in the judicious allocation of capital projects to the City and to the suburbs as a group, and also among the various individual suburban municipalities. Although the disappearance of the small inner suburbs could lead to a less flexible configuration, there is no reason why these bargaining processes should not continue to function reasonably effectively. An obvious example of what might be done in this context would be the provision of increased transportation and police services to Scarborough, North York and Etobicoke, in return for further urban renewal and public housing schemes in the interests of the inner core areas. It is possible that Goldenberg's proposal for directly elected Metro councillors to serve incidentally on their local councils, may result in a more 'Metro-minded' individual coming to the Metro Council. In this eventuality, the present situation, whereby over one half of the Metro representatives are the political leaders of their respective communities and all councillors tend to display a parochial attitude toward Metro, may undergo a noticeable degree of change and, consequently, the need for bargaining may be lessened. However, it is essential that the importance of this bargaining process be recognized, and that the inner area be represented on Metro Council in such a way that enables the protection of its own interests.

Mr. Goldenberg has given recognition to this problem in his recommendations, and on those grounds the Bureau supports the proposal for four cities, as opposed to a five or six borough system which would tend to fragment the inner core and weaken its legitimate claim to a strong voice on the Metro Council.

#### THE MUNICIPAL COUNCILS

A less important, but questionable feature of the recommendations regarding representation is the inflated size of the municipal councils of the cities of North York, Etobicoke and Scarborough. On the basis of the 1971 population projections employed by Goldenberg, the Toronto alderman would represent 78,600 constituents, while his counterparts in North York, Scarborough and Etobicoke would represent 29, 28, and 26 thousand respectively.

If one assumes that it is the aldermen and not the Metro councillors that are to be primarily responsible for attending to 'local' affairs, then this representation appears grossly unbalanced. To redress this situation, the removal of eight aldermen from the North York council and 6 from each of the Scarborough and Etobicoke councils would result in revised alderman per capita ratios of 1:58,000, 1:56,000, and 1:52,000 respectively. These representation ratios are much closer to the Toronto figure and at the same time the North York Council is reduced in size from 21 to 13 members, and the Scarborough and Etobicoke Councils from 16 to 10 members. Even if one does not accept the foregoing assumption that the Metro representatives will be concerned primarily with Metro affairs, the reduction in the number of councillors in the three outer cities is justified. The present proposal would result in a councillor per capita ratio of 1:37,000 in the City of Toronto, compared with only 1:22,100, 1:21,600 and 1:18,000 in North York, Scarborough and Etobicoke, respectively. If the previously mentioned re-

duction were effected, a councillor would represent approximately the same number of inhabitants in each of the four cities. The revised representation figures for councillors to population would be (1971 figures): 1:37,700 in the City of Toronto; 1:35,500 in the City of North York; 1:34,500 in the City of Scarborough; and 1:28,800 in the City of Etobicoke. The Bureau suggests that the size of the municipal councils, as recommended by the Royal Commission, be reduced in the interests of a more balanced representation at the local level throughout Metro. The reductions proposed in this bulletin would allow for some growth beyond 1971 before the situation was reached whereby Toronto citizens were better represented than those of the suburban cities. The Commission's proposal would appear to be making provision for equal representation by local aldermen (or even councillors) in the distant future. The Bureau sees nothing that would prevent a minor readjustment in ten years time, so avoiding the perpetuation of the situation that the present reform is attempting to remedy: inequalities in representation.

the issue and at the same time he should have an understanding of the bearing of any decision he might make upon other aspects of the administration of the municipality. This requires much time in becoming acquainted with facts and also in acquiring a thorough grounding in public administration and local finance. If councillors are to be knowledgeable in all aspects of municipal administration, then the time must be available to enable them to devote full attention to such matters. To enable elected local representatives to give their full attention to local politics, salaries should be increased to a point at which the politician is not reliant upon additional sources of income. At the same time, the number of politicians should be reduced. Fewer councillors, with the time to devote their full attention to the problems of running a city, would be far more effective than many ill-informed councillors working on a part-time basis. The Bureau suggests that the representation on the local councils, and perhaps on the Metro Council, should be reconsidered in these terms.

#### THE PROFESSIONAL POLITICIAN

Another aspect of representation, both at the Metro and local levels, is the question of the amount of time a councillor is expected to devote to his political career.

In many of Canada's rural communities where the population is stable and there are no growth problems, the municipal councillor does little more than maintain the status quo. However, urban centres, such as Metro Toronto, demand a very different attitude on the part of the municipal representative. Although the greater part of the work involved in city government is carried out by trained personnel and much of the policy-making can be left to these appointed officials, it is necessary that the municipal representatives vote on the policies recommended by these officials. In order to make a decision, a councillor must be fully equipped with all the available evidence relevant to

#### EDUCATION: FINANCE

The Report recommends a uniform mill rate for education in Metro, increased responsibilities for the Metro Board of Education, and replacement of the existing eleven Boards of Education by eleven District Councils whose jurisdictions would not be co-terminous with either existing or proposed municipal boundaries. For analytical purposes, the financial and organizational aspects of the recommendations will be considered separately, but such an approach should not hide the fact that the two are closely related. A uniform mill rate implies that ultimate budgetary control must rest with the Metro Board, which further implies that basic policy decisions on such matters as teachers' salaries, teacher-student ratios, plant standards, and quality of equipment would be made at the Metro level.

The uniform mill rate was suggested as

a means of measuring the optimum equalization of fiscal resources for education throughout Metro. The existing disparities in the fiscal capacities of the eleven Boards (as expressed in the differing assessment per pupil ratios) and in the standards of education provided (as reflected in the widely varying expenditures per pupil), are well documented in the Report and in a series of studies by the Metropolitan School Board.<sup>3</sup> It is also evident that the present scheme of equalization, employing Maintenance Assistance Payments made by the Metro Board to the eleven Area School Boards and the adoption by Metro of a ceiling-cost formula for school construction, has failed to correct this fiscal imbalance. As early as 1961, the Metro Board, after a study of several proposed adjustments to the equalization payments scheme, observed that equality of education could only be achieved by a uniform tax rate, and, after recent investigations into the possibilities of a foundation programme for the financing of education in Metro, the Board indicated, in its brief to the Commission, a preference for a uniform mill rate.<sup>4</sup>

Critics of the uniform mill rate, such as the North York Board of Education, and the Ontario Teachers' Federation, have argued that, while the uniform mill rate might be used to meet the costs of the greater part of providing a pre-determined average standard of education across Metro, a small part of the education costs should be met by a local levy. Furthermore, the local Boards should be given the power to raise additional taxes, over and above the requirements necessary to meet the average standards, in order to experiment with new techniques for the improvement of their own educational system and perhaps 'show the way' for the other Metro boards.

Such a foundation plan concept, however, provides for only partial equalization of fiscal resources among the various educational jurisdictions. Whether four, eleven, or some intermediate number of area boards were constituted, their fiscal capacities would vary considerably and the provision of a certain percentage of the cost of the pre-determined average standard through local taxation

would necessitate considerably higher mill rates in some jurisdictions than in others. For example, in a four city-board system, if only ten per cent of the average programme were provided through a local levy, Scarborough's rate would be 3 mills more than that of Toronto. Therefore, only certain of the boards would be able to tax in excess of the average standard. The remainder would provide only the average.

A more serious objection to a foundation-type plan described above is the political problem of defining it in detail, and also that of redefining it annually. The existing Maintenance Assistance Payments Programme involves substantial flows of funds from the wealthier jurisdictions to the less wealthy; this has resulted in the representatives of the 'have' areas, who outnumber the representatives of the 'have not' areas on the Metro Board, having refused to permit significant increases in these redistributive payments in the last several years. Admittedly, the refusal of certain suburban boards to agree to a mutually acceptable salary policy was an exacerbating factor, but the essential political configuration would exist even with uniform salary policies and a smaller number of boards. It would be in the fiscal interest of those local boards with higher than average assessments to minimize the number and quality of items to be included in the defined foundation programme financed through the uniform mill rate, and to support any increase in the financial share that the local board might carry. The less wealthy boards would employ the opposite tactic. Under such circumstances, annual agreement on the coverage of the foundation programme might well be difficult. It has been suggested that the foundation plan be closely defined in a provincial statute, thereby circumventing the political forum of the Metro School Board. While it might be possible to define statutorily the broad outlines of the plan, it would not be practicable, or desirable, to define it in sufficient detail, and on an annual basis, merely to avoid political controversy on the Metro Board.

In the interests of healthy diversification of educational programme and the education experimentation referred to above, and in

recognition of the fact that these activities might be encouraged substantially if the local boards were given discretionary fiscal powers, the Report recommended that each school district be allocated a fixed percentage of its total budget for purposes of special services or equipment or for educational experiments. If this allocation is thought of as a flat grant, then it can only be concluded that it is out of accord with every accepted canon of public finance. On the other hand, it may more properly be thought of as providing a margin of desirable flexibility in the configuration of the local board's expenditures. If, for example, a local board, through both its professional representatives on the Metro Advisory Council and its political representatives on the Metro Board of Education, should be unable to convince its associates that a particular innovation is desirable or practical, it may then use this marginal fund to take the initiative. Certainly, the school boards will have varying requirements arising from the marked differences in their socio-economic backgrounds and teaching equipment will not necessarily be uniform across Metro. Some arrangement should exist for educational experiments to be carried out in one or two districts if it is thought that those districts alone will benefit from the application of such techniques. However, it is questionable whether any experiment that did not meet with the approval of the professional educators of the Metro Advisory Council should be financed by funds that are drawn from across Metro. If approval were obtained from the Metro Advisory Council then the experiment could be financed from the same limited source as Goldenberg proposes. This modification would avoid the situation whereby these funds were being spent by the district boards merely because the money was available. Goldenberg's alternate proposal, that the local districts might at some future date be authorized to levy a school tax, is generally unacceptable because its implementation would, in effect, re-institute a foundation programme with its congenital defects of fiscal inequality and political stalemate on the Metro Board of Education.

#### EDUCATION: ORGANIZATION

The uniform mill rate assumes a centralization of basic policy decisions. While management and financial decisions have been centralized in the recommendations of the Commission, decision-making in areas directly affecting the teacher-student and superintendent-teacher relationships has been decentralized to eleven District Councils. Thus, most decisions relating to instructional supplies, curricula and courses of study, would be the responsibility of the District Councils. Criticism of the recommendations has been two-fold. First; the division of responsibility is said to deprive the District Councils of any real significance; and second, the physical configuration of the new jurisdictions is questioned, regarding both the large number of District Councils and the non-coincidence of their boundaries with municipal boundaries.

It is true that certain functions which presently occupy a substantial part of a school board's agenda would pass to the Metro Board. To this extent the Report envisages a change in the character of the local school board. The District Councils would be free to devote time and consideration to more properly educational problems — such as experimental use of new teaching techniques, teacher aids and course interpretation.

There are certain virtues in bigness, such as the ability to provide the indivisible and expensive services for atypical children. However, there are also certain considerations, such as those relating to director-superintendent, and superintendent-teacher communications, which appear to justify more than four District Councils. At the same time, the Districts must be large enough to offer the complete range of appropriate school alternatives. The application of this 'minimum size' concept, which entailed consideration of population projections to 1980 (particularly in the rapidly developing outer suburbs), resulted in the Commission proposing eleven Districts. To substantiate this proposal, the eleven Districts were also rationalized in geographical and socio-economic terms so resulting in a

non-alignment with the municipal boundaries. If revenues for financing education are to be obtained from a uniform levy by Metro Council, there is little need for local municipal boundaries to coincide with school district boundaries.

If the proposal for the general organizational structure of a Metro Board of Education and eleven Districts is accepted by the Province, the Bureau would seriously question the recommendation (p. 154), that "the District Superintendent will report directly to the Director of Education". This is hardly consistent with a previous assertion (p. 152), that the "local budgets would be prepared by the district superintendents and their staffs for consideration and adoption by the district education councils". More important, the proposal runs contrary to the basic 'horizontal organization theory' that underlies the general organizational structure of education. The District Superintendent must clearly be responsible to the District Council. At the same time, as a member of the Administrative Council, which consists of the eleven district superintendents and the Director of Education, he will formulate educational policy for the entire area, for submission to the Metro School Board.

However, consideration should be given to an alternative solution. The Bureau has previously suggested in this bulletin, that fewer politicians be employed full-time and if such a recommendation was to be adopted by the Province it would seem reasonable to apply the same principle to education. If all the financial powers were to be vested in the Metro Board, the local district councils would be advisory bodies only and with full-time trustees elected to the Metro Board there would be little justification for the existence of these local advisory councils. Indeed, even with this additional work-load, the Metro school trustee may find that he does have time for another permanent occupation. This suggestion would necessarily mean that the horizontal organization would apply solely to the administrative body rather than the decision-making body. The district administrative units, under District Superintendents, could remain as part of the administrative machinery of the Metro

Board of Education. The two virtues of the smaller educational unit (the maintenance of good superintendent-principal relations and a knowledge of local conditions on the part of the superintendent) would be maintained. The budget would be prepared by the Administrative Council and other members of the Metro Board of Education staff and presented by the Metro Board of Education to the Metro Council for approval.

#### FINANCE

The Report made three recommendations which directly affect the distribution of financial resources within Metro. These were: the creation of four cities; a uniform Metro-wide mill rate for education; and, the redistribution of the provincial unconditional grant to Metro to the four cities be on the basis of the ratio of city population to total Metro population, rather than on the basis of the ratio of city residential assessment to total Metro residential assessment, as is the current practice. The impact of each of these recommendations, in terms of expenditure per \$1,000 of Metro residential assessment, is shown below in Table I. Scarborough, for example, would profit very little from the redistribution of the unconditional grant, not at all from the four-city consolidation, but very substantially from the uniform mill rate for education. The present City of Toronto would benefit slightly from the redistribution of the unconditional grant; it would suffer slightly from the uniform mill rate for education, but it would gain significantly from the four-city consolidation because its higher than average expenditure per capita would be financed in part from the tax base of the 'inner ring' suburbs. The two major proposals (the uniform mill rate and the consolidation into four cities) are complementary in that together they reduce the fiscal burden of Scarborough and Toronto, the two municipalities which have consistently experienced the highest mill rates. If the three recommendations were made effective, the inter-

TABLE I

FINANCIAL IMPACT OF RECOMMENDATIONS<sup>1</sup>  
CHANGE IN NET EXPENDITURES PER \$1,000 METRO RESIDENTIAL ASSESSMENT<sup>2</sup>

	Net Expenditures <sup>3</sup>	Redistribution of Unconditional Grant	Uniform Mill Rate for Education	4-City Consolidation <sup>4</sup>
Toronto .....	\$63.75	—\$0.92	+\$0.72	—\$ 1.49
Leaside .....	46.84	+ 0.67	+ 4.16	+ 10.39
East York .....	59.19	— 0.30	— 2.23	+ 5.50
Forest Hill .....	54.13	+ 1.59	— 0.31	+ 6.65
Swansea .....	46.67	+ 0.64	— 3.38	+ 10.87
York .....	60.11	— 0.61	— 1.87	+ 4.53
Etobicoke .....	52.87	+ 0.62	+ 2.38	— 0.13
New Toronto .....	49.82	— 0.45	+ 2.74	+ 3.59
Mimico .....	53.41	— 0.04	+ 2.34	— 0.01
Long Branch .....	55.56	— 0.67	+ 2.40	— 1.59
North York .....	57.04	+ 0.66	— 1.76	+ 0.18
Weston .....	56.90	+ 0.05	+ 4.20	— 5.03
Scarborough .....	65.19	— 0.08	— 2.40	0.00

1. Calculated by the author from The Report of the Royal Commission on Metropolitan Toronto, p.185.
2. Expenditures of area municipalities, including respective shares of Metro expenditures, for general and education purposes. All data in this table are based on 1963 figures.
3. Figures adjusted for the assumption by Metro (April, 1964) of 20% of mandatory welfare costs. No adjustments have been made for possible savings in administrative costs, recommended changes in the partial exemption in Toronto and New Toronto and possible increased expenditures in certain inner-ring suburbs resulting from the merger with the City of Toronto.
4. These calculations assume the redistribution of the unconditional grant on the basis of population and the levy of a uniform mill rate for education.

municipal spread in expenditures per \$1,000 of assessment would be reduced from \$18.52 to \$7.01 (1963 figures).

Critics of the Report have often recommended five or six cities. From the point of view of equalization of financial resources, both a five borough system (with York township the fifth borough) and a six borough system (the additional boroughs being York and Forest Hill as one borough and East York, Leaside and the northern extremity of the City of Toronto forming another borough), would be somewhat inferior to the Goldenberg plan.

The Commission has also been criticized for not recommending the collection by Metro of the business tax and the real property tax from commercially and industrially assessed land and buildings. The revenues from these sources under the proposed four city system would, on the basis of 1962 figures, vary from \$34.30 per capita in Scar-

borough to \$98.52 in the City of Toronto. The centralized collection of these revenues would eliminate the present incentive for fiscal zoning on the part of the area municipalities. However, such revenues could not be used to finance those services now provided by Metro without seriously impairing the fiscal position of those municipalities whose major fiscal strength lies in their industrial assessment. Such a policy would be inequitable. The revenues would have to be redistributed to the municipalities on the basis of a formula which reflects both fiscal needs including needs of the commercial and industrial plant, standardized expenditure levels, and the necessity for maintaining some incentive for a community to harbour industry.<sup>5</sup> This latter stipulation might be removed if comprehensive planning and zoning controls were given to the Metro government. Such a formula would be easier to devise if the net profit yielded from a



commercial or industrial plant to a municipality were known. The elaborate techniques employed to determine the fiscal impact of a new plant upon a community might be applied to all industry in the Metro area.<sup>6</sup> Theoretically, it is possible to determine the net fiscal benefit (i.e. the revenues accruing from business and property taxes on the plant and the homes of its employees, less the municipal expenditures on account of the plant and the homes and families of its workers) of commerce and industry to each Metro municipality. Other than a marginal allowance to encourage the municipality to retain industry, the profits from the aforementioned taxes would then pass automatically to the common pool. These pooled profits would then be redistributed to the municipalities on a fiscal need basis, tailored to both assessment and standardized expenditure levels. However, the allocation of benefits of indivisible expenditure items, such as roads, the subjective valuations involved, and the sheer volume of data required, might make such an analysis impracticable. Another difficulty to be faced in any redistribution of these profits is the

dent that there is some need to make adjustments to the fiscal imbalance resulting from the uneven distribution of industrial and commercial assessment throughout Metro. The application of a uniform mill rate for certain services will tend to alleviate revenue disparities to some extent. However, basic to the issue is the necessity to eliminate the need for municipalities to zone for commercial and industrial assessment merely to provide a balanced tax base.

The Bureau maintains the attitude, adopted in its brief to the Commission, that some solution must be found to this problem. Since 1953 the tax base of the outer suburbs has become more balanced, with an increase in the percentage of non-residential assessment, as is shown in Table II.

Another factor that is likely to improve the tax base of the suburbs is the increase of the percentage of apartment dwellings in the suburbs. These permit a higher density of development and a concentration of services. This factor, coupled with the imposition, against developers, of a levy for the provision of services to apartments (and other developments), has tended to reduce

TABLE II

GROWTH OF NON-RESIDENTIAL ASSESSMENT  
THREE OUTER SUBURBS

	Percent Non-residential Assessment		Increase
	1954	1962	
Etobicoke .....	29%	42%	13%
North York .....	20%	31%	11%
Scarborough .....	28%	33%	5%

Source: "Metropolitan Toronto: 10 Years of Progress", Metro Toronto Council 1963.

fact that the area municipalities each levy different mill rates against the commercial and industrial assessment within their jurisdictions and the profit margin is affected accordingly. However, allowance for this could be built into the redistribution formula.

Whether or not it is possible to determine accurately the net profits derived from industrial and commercial taxation, it is evi-

the previous net out-go in municipal expenditures on the servicing of residential developments. A third factor that would contribute to a more balanced tax base is the proposal for four cities. Indeed, the fewer the administrative units there are, the more balanced the tax base becomes.

However, while the situation has been ameliorated by these factors, the situation is

by no means satisfactory. The 1959 draft plan for Metro aimed at producing assessment ratios of about 40% non-residential assessment for the outer suburbs and, as Table II shows, this has not been achieved. Also, Scarborough does not benefit by the creation of four cities. Either some form of sharing of commercial revenue must be devised or Metro must be made responsible for more services. The relevance of this factor to the development of Metro is given further consideration in an examination, later in this bulletin, of the extension of Metro's boundaries.

#### WELFARE

The Report does not recommend that Metro assume responsibility for any mandatory or optional welfare services that are presently the responsibility of the area municipalities. It argues that a levelling of the standards and the range of welfare services offered would be effected by the enlargement of the service areas and the spreading of the costs in those areas resulting from the consolidation of the thirteen municipalities into four cities. The Report recognizes that disparities among the services to be provided in the proposed four cities would exist, but maintains that these disparities would be justified in light of the different needs for welfare services in these four municipalities.

However, at the present time the identical welfare needs of the City of Toronto and the suburban municipalities meet with a very varied response from the area municipalities. Studies by the Social Planning Council have shown that the amount paid to a recipient of mandatory welfare assistance has changed substantially upon his moving from one area municipality to another, even when other resources and circumstances of the recipient remain constant.<sup>7</sup> There is little reason to suppose that the existing differences would be eliminated with the creation of the four cities. The outer municipalities would no doubt continue to lag behind the City of Toronto in standards

of the welfare services provided. Only with Metro playing a more active role can co-ordination and equalization of services be brought about. In 1964 Metro assumed financial responsibility for the area municipalities' share (20%) of mandatory welfare services. Administrative responsibility, and consequently the setting of standards, remained with the area municipalities. The Bureau has always maintained that Metro should be responsible for financing both mandatory and optional services and also be able to set the standards for these services. In giving Metro the power to set standards it would be reasonable to assume that Metro be made responsible for the total administration of all welfare services.

The case for total amalgamation of welfare services on a regional basis has also received support from the recommendations of the provincial study of the Municipal Act and Related Acts.<sup>8</sup> Such a proposal has met with much opposition locally on the grounds that this transfer of responsibility contributes further to the erosion of the powers of local government. The nature of this opposition was, however, made quite clear in the voting patterns, on this issue, in Metro Council in 1962 and 1963. It was the suburbs' fear of losing a substantial welfare surplus<sup>9</sup> (arising through inequitable redistribution by Metro of the provincial unconditional grant) and also of having to support financially the City's welfare cases that gave rise to the 'city-suburb' split in the voting.

The basic requirements of any reform in the provision of welfare services in Metro are that the financial burden be spread more equitably and that standards be equalized. This could be achieved to a large degree if Metro were to assume financial responsibility for the optional services, in addition to the present assumption of mandatory services, and be given powers to set uniform standards for these services. The administration could be the responsibility of the area municipalities. The suburbs would probably be less reluctant to provide optional services if financed from the Metro tax base. The unconditional grant would then remain with Metro (Goldenberg has suggested redistribution on a per capita basis). However, if

this arrangement for the division of responsibilities were to be adopted, the Bureau would suggest the formation of a Metropolitan Welfare Board, analogous to the Commission's proposed Metropolitan Board of Health Officers. The board would consist of the senior welfare officers of the four proposed area municipalities and the Metro Welfare Officer and would be responsible for co-ordination of policies and maintenance of standards. This alternative is, however, regarded as being inferior, in terms of uniformity of services, to the complete assumption by Metro of financial and administrative responsibility for welfare services.

#### PLANNING

The Planning Act<sup>10</sup> requires all planning boards in Ontario to produce an official plan. This Act defines the powers to be accorded a municipality for the purposes of carrying out its official plan but gives no stipulation regarding any definite period of time for the production of the plan or the form and scope of the plan. This legislation applies to all those municipalities within the Metropolitan Planning Area (M.T.P.A.) that have a planning board. The M.T.P.A., extending beyond the boundary of Metropolitan Toronto to encompass an area of 720 square miles, covers 26 municipalities, of which 23 have planning boards and 18 have official plans. Any co-ordination of the plans, of these subsidiary planning areas, is carried out by the Province at the time a plan is submitted to the Minister of Municipal Affairs for approval.

The Metro Act<sup>11</sup> accords the same planning powers to Metro Toronto but for those relating to redevelopment, subdivision control, zoning (except adjacent to metropolitan roads), and building by-laws. More important, the Metro Act defines the general scope of the plan and states that, upon the production of a Metro Official Plan, all plans

of the subsidiary planning areas must be amended to conform to the Metro Plan so providing a real element of co-ordination. However, no Metro Official Plan has been produced and although the second draft plan is now in the final stages of preparation, certain of Metro's planning powers have been non-applicable and its accomplishments to date have been based, to a large degree, on co-operation with the Province and with the area municipalities concerned.

The Commission makes the following recommendations with respect to planning in the M.T.P.A.:

1. The adoption, by Metro, of an official plan that would establish the general principles of the development of the area.
2. The joint production, by Metro and the area municipalities of more detailed district plans. These plans and the Metro Official Plan should be subjected to periodic review.
3. Additional powers should be given to Metro in zoning, redevelopment, the enactment of uniform building by-laws, the review of development applications, and the securing of the conformity of local official plans to the Metro Official Plan.
4. Municipalities should be permitted to transfer the powers now vested in local planning boards to a Planning Committee of Council with the power to co-opt.
5. Consideration of the inclusion of Brampton and Chinguacousy in the M.T.P.A.
6. Certain other recommendations were made but will not be commented on in this bulletin.

The Commission Report draws attention to the fact that Metro is not accorded recognition, by the Province, in the planning process of the metropolitan area. Only through the adoption of an official plan is it likely that this recognition will be given to the Metro Planning Board. However, it is also necessary that a time limit be given to Metro regarding the adoption of the plan and the Bureau would suggest that this production

date be written into the Metro Act. Likewise, the suggested periodic review of the Metro plan and the district plans should be made more specific. The British example of a quinquennial review, applied to all plans across the Province, might be followed, so enabling the Province to co-ordinate Province-wide planning. The Commission's suggestion that the production of the detailed district plans should be the joint responsibility of the Metro Planning Board and the area municipalities needs some clarification. No definition of a district plan has been given and the Bureau therefore assumes that a district plan is confined to a part of a local official plan (to which reference is made elsewhere in the Report). Whether Goldenberg conceived the district plan as being a plan for a very small area, such as the area covered by the appraisal districts used by the City of Toronto Planning Board, or for an area similar to that covered by the twenty-three planning districts employed by the Metro Toronto Planning Board, is not made clear. However, if both the Metro Plan outlining the broad policy of the M.T.P.A., and the more detailed plans of the area municipalities, are to be official plans that are binding, then there appears to be little need for a tertiary level official plan. Certainly, any plan that provides a further break-down of the official plan of a municipality should be regarded more as a 'working document' so providing some degree of flexibility in the planning process. There is little reason why the Metro Planning Board should be involved in producing these working documents. However, in light of the additional powers that the Commission suggests should be given to Metro, the Bureau recommends that much greater recognition be given to Metro in the presentation of local plans for approval by the Province. If Metro is to be responsible for securing the conformity of local official plans to the Metro Official Plan and is to establish basic zoning standards and is to be responsible for producing a revised official plan every five years as the Bureau suggests, then it would appear most satisfactory to give Metro the right to approve any local plan prior to its presentation to the Province.

Such an arrangement would not mean that the Metro Planning Board staff would prepare the local plans; this could be done by the local planning boards. If as the Commission suggests, municipalities are permitted to transfer the power now vested in planning boards to a planning committee of Council with the power to co-opt (which the Bureau would wish to have enacted) then the procedure for producing a local plan would be as follows:

1. The preparation, by the local planning staff, of a plan within the framework of the Metro Official Plan.
2. The presentation of the plan, by the planning committee, to the local municipal council for acceptance.
3. The staging of public hearings, followed by amendments and a second presentation to the local council.
4. The presentation of the plan, by the local council, to the Metro Planning Board and the inspection of the plan by the Metro planning staff for purposes of ensuring adequate provision of services for which Metro is responsible.
5. The presentation, by the Metro Planning Board, to the Metro Council for acceptance as the proposed official plan of one of the constituent municipalities of the M.T.P.A.
6. The presentation of the plan, by the area municipality, to the Province for official approval. At this stage the Metropolitan Council would have the right to assist in the presentation and to appeal any proposals for change that might be made by the local municipality, upon presentation, regarding any alterations to the plan that had been incorporated by Metro.

The local civic planning departments would be responsible for preparing the first drafts of the local official plans and for the administration of the plan, upon its becoming official, and the review of development applications (providing that these did not affect Metro property or services for which Metro was responsible). The local planning depart-

ments would also prepare the detailed district plans which would, in time, be incorporated into the revised versions of the local official plans. Eventually, therefore, Metro would be in a position to review more detailed local official plans and in this way bring about a more successful co-ordination of local planning policies.

The above proposal does give Metro much stronger powers in the control over local planning in that the plan, although presented by the local municipality, does incorporate revisions by Metro. Such revisions would be concerned only with the functions for which Metro would be responsible and there would not be as much time involved in this revision as might at first be supposed. The plan would have to go to the Metro Council since it is the Council and not the Planning Board that is responsible for providing Metro's services. However, there are certain virtues to having the plan presented by the local municipality to the Province for approval. Certain of the local municipalities within the M.T.P.A. are not within the jurisdiction of the Metro Council. However, since arrangements do exist, between Metro and the fringe municipalities, for the provision of certain services to the fringe, there seems to be every justification that Metro should approve the local plans of the fringe municipalities. Obviously, the need for Metro's approval of the local plans of the area municipalities within the jurisdiction of the Metro Council, is even greater. For it is within this area that Metro will have to ensure that due regard has been given to facilitating the provision of metropolitan services. In a later section of this bulletin the Bureau makes a proposal for the development of regional government across the Province. In the eventuality of regional government coming into being, the jurisdiction of the Metro Planning Board would have to be withdrawn to the confines of Metro's boundaries. This move would further clarify the present duality of Metro's planning responsibilities: the broad policy of strategic planning for an economic unit and the co-ordination of the physical planning of the constituent municipalities of the Metropolitan Corporation.

#### HOUSING AND DEVELOPMENT

Public housing should be regarded as one of those services for which Metro should bear complete responsibility. Since the role of the municipalities in providing public housing has been reduced to underwriting 7.5% of the annual operating losses, which the Commission suggests Metro should assume, it would seem rational to make Metro bear the entire municipal responsibility for public housing. In this way only two agencies would be involved in the provision of public housing: Metro and the Ontario Housing Corporation. However, to make Metro responsible for public housing would require that Metro be accorded the same powers, as are accorded other municipalities under the Planning Act, for purposes of redevelopment. To provide good public housing with sound planning it is necessary that Metro be given the power to redevelop not only residential areas but also industrial and commercial areas at the same time. The Commission has not suggested that Metro be granted the power of initiating its own redevelopment projects. The present legislation has caused some confusion as to Metro's powers in the fields of housing and redevelopment. Section 220 of the Municipality of Metro Toronto Act states those sections of the Planning Act for which Metro Toronto shall be deemed to be a municipality and reference to Section 20 of the Planning Act, which confers powers of redevelopment upon municipalities with official plans, is omitted. This omission has been interpreted as denying Metro the powers of redevelopment, even assuming the existence of an official plan. However, Section 217, subsection 1, of the Metro Act confers upon Metro the powers of a municipality as given under the Housing Development Act and Metro thus has powers to provide housing, subject to the agreement of the area municipalities (this stipulation being made in Section 217, subsection 2, of the Metro Act). Section 217, subsection 1, also gives Metro powers conferred under any other Act with respect to . . . redevelopment areas. . . . This subsection, although again subject to subsection 2, might be interpreted as giving full

powers of redevelopment to Metro under the Planning Act, Section 20. However, the repeated reference to housing in Section 217, subsection 1, of the Metro Act implies that the redevelopment powers are limited to housing and, as stated above, such limitations do not make for good redevelopment schemes. The Bureau recommends that Metro be given all powers of redevelopment and that this be made quite clear in the legislation.

Slum clearance, redevelopment, renewal and the relocation of displaced persons and businesses cannot be regarded as separate problems or as problems solely of the City of Toronto. The City cannot be expected to provide all the housing sites that are required to relocate persons displaced by slum clearance. These problems are metropolitan problems and Metro must be given the powers to deal with them effectively. Land is needed both in the fringe, where it is cheaper and in the central area where the labour is required. If the renewal of our downtown core is to be successful then Metro must be given the powers of redevelopment and similarly the powers to ensure that the local official plans give due consideration to the requirements arising from relocation of persons and businesses.

The validity of Metro being given stronger powers in planning is made more obvious when reviewing the question of Metro's boundaries.

#### **METRO OUTER BOUNDARIES**

The basic concern of any decision relating to the extension of Metro's boundaries is to solve the problems of servicing and controlling the growth of urban development in the fringe. This involves consideration of financial and administrative responsibilities and the implications for the political structure of the area.

The Commission advised against any immediate extension of Metro's outer boundaries. Additionally, while recognizing that such measures may be justified in the future, the Report recommended that prior con-

sideration be given to the municipal reorganization of the fringe areas to provide viable local governmental units suitable for either partnership in Metro or for an existence independent of Metro.

The critics of the Report advocate the extension of Metro's boundaries on the following grounds. The urbanization of the fringe is seen as being a product of Metro's economic growth and the residential developments that have appeared in the fringe are an integral part of the economic well-being of the metropolis. Since the property tax, which is the major source of revenue for expenditures on municipal services, is so structured as to place a greater burden on commercial and industrial property than on residential property, the establishment of a balanced tax base is of major concern to any municipality. The fringe municipalities, lacking in industrial and commercial assessment, are therefore entitled to their share of the wealth generated in downtown Toronto, created as it is, in part, by the commuting population from the fringe. Again, since the fringe area to the north, in being cut off from Lake Ontario by Metro, is incapable of providing adequate water supply and sewage disposal services to support growth, it is reasoned that such services should be provided by Metro. This financial and administrative involvement by Metro is seen as warranting the extension of Metro's boundaries to include the urbanized fringe, if not entire municipalities, within the political unit of Metro Toronto.

However, whilst this may appear to be a strong argument in favour of boundary extension, the Bureau believes the Commission was essentially correct in its decision. The case against any extension of boundaries is made clear if consideration is given to the present situation, the implications of extension, and the possibility of solving the present problems by other means.

#### *The Present Situation*

The present dependence of the fringe upon Metro for services is not very marked. Metro does have an agreement with the fringe municipalities to supply water, if needed, to those residential properties in the

fringe municipalities that were existing prior to January 1st, 1961. At the present time, however, the fringe is self-sufficient with regard to water supply. Metro's trunk sewers serve about 6,000 persons in the south-western part of Markham Township and a few properties in Malton; about 2,500 persons in Woodbridge will be served by Metro in the near future and this figure will rise to 8,000 at a later date.

Metro's dependence on the fringe is limited to the provision of certain roads and land for development and recreation. Ever since 1911 York County has received payments from, first the City of Toronto and then, Metropolitan Toronto, as contribution to the construction of County Highways. In 1962 Metro contributed \$455,260 to the Toronto and York Roads Association, this being 22.9% of the Association's total expenditure for the year.<sup>12</sup>

The service provided by the Association does not indicate that Metro should take over this responsibility. Metro's requirements for land in the fringe should presently be limited to the following uses: recreation; homes for the aged; reservoirs; and the siting of such low-intensive land uses as railway marshalling yards. Such demands do not warrant political integration. At the present time there is more than adequate land available in Metro for urban development. As the Report makes clear, as much as 47% of Scarborough, 33% of North York and 32% of Etobicoke, totalling 44,000 acres, was vacant or agricultural land in 1963. If the population of Metro continues to expand at a rate of 50,000 each year, this acreage alone, developed at an overall low density of 10 persons to the acre, would provide for adequate expansion until 1972. There is little reason why this development should be at such low densities. Indeed, the Metro draft plan indicates that new development in these vacant areas will be at densities that are far higher than 10 persons to the acre. The present population density of the City of Toronto is 29 persons to the acre and, although there is a high percentage of apartment dwellers in Toronto there is a correspondingly low percentage of residential to non-residential land. Even if such

high densities as this were seen as undesirable throughout Metro there is every possibility of at least increasing the density of future developments, and redevelopment schemes. The Goldenberg Report points out that Metro Toronto is unlikely to be developed at a density comparable with that of Greater London (about 20 persons to the acre). The Bureau would question this assumption. The development of Metro to a population of 2,685,000, the 'urban capacity' predicted by Metro's planners, would give an overall density of only 17.5 persons per acre. Thus, even at this density Metro can continue to grow for 18 years before requiring expansion into the fringe.

#### *Implications of Boundary Extensions*

Any major extension will inevitably result in the inclusion of extensive rural areas having little in common with Metro. Agricultural or vacant land makes up 85% of the northern fringe. Extensions to incorporate the urbanized developments of the fringe would be more acceptable but would result in immediate increases in the tax rates of these municipalities without any immediate increase in benefits. Metro would be committed to providing better services to the areas eventually but it would not be in the interests of sound planning to extend these services immediately. While fiscal problems arising from the severance of these urbanized areas from their respective counties could be solved by provincial grant adjustments it is unlikely that a very much larger Metro would be acceptable to the provincial government at the present time.

#### *The Alternative Solution*

The general principle to be applied to the development of the fringe should emphasize the most efficient use of municipal services. Fringe development is completely unnecessary at this time and may be so for the next eighteen or twenty years. Trends in the extension of leisure time and constant improvements in transportation are part of a changing way of urban living. Regional recreational facilities are taking on an increasingly important role in the social life of metropolitan dwellers and to facilitate access

to the regional parks the metropolis must be controlled in its outward spread. Living at higher densities is only acceptable if there are rural areas within easy reach of the city. Thus, if Metro is to be developed at higher densities it must be assured the availability of nearby rural areas.

The only way that this can be achieved is for Metro to control the development of the fringe. The present degree of control is not likely to be effective with the increasing pressures for development and the likelihood of the Ontario Water Resources Commission (O.W.R.C.) supplying water to the fringe in a manner similar to the proposed scheme for Peel County. However, adequate control by Metro can be instituted through the adoption of a planning process, as described earlier in this bulletin, whereby Metro becomes part of the machinery for producing local official plans. In this way Metro would be able to insist on complete control of development in the fringe and, at the same time, ensure that adequate provision is made in those areas for services, such as housing for the aged and recreation areas, for which Metro and other regional bodies are responsible. If Metro is to be given these powers each fringe municipality should be given the opportunity to be individually represented on the Metropolitan Planning Board on matters affecting the fringe. The restrictions imposed by Metro on the fringe will necessarily inhibit expansion of business assessment. This should be given recognition by the establishment of a scheme for further transfers of funds from urban areas to fringe municipalities across the Province. The Report has suggested that the Province make adjustments to the system of grants to municipalities and school districts, including unconditional grants. The Bureau would prefer to see part, if not all of this adjustment, effected through redistribution of the revenue derived from the taxation of commercial and industrial property within an economic region.

#### *The Role of the Province*

If Metro is to be successful in maintaining control of the fringe, support must be forthcoming from the Province. The Province

must ensure that money is available to provide good schools in the fringe without insisting on the development of fringe communities to justify those schools. The Province must co-ordinate the policies of such bodies as the O.W.R.C. with those of the Metro Planning Board. The O.W.R.C. is to issue a report on water supply to the area north of Metro in 1966 and the outcome of this report could radically change the development potential of the fringe. If the O.W.R.C. decides to supply water from the north to towns, such as Newmarket, it would be possible to maintain a rural area between Metro and a more northerly area of urban development. This will only be possible however if Metro is given full support of the Province in its planning policies. The same co-operation must be forthcoming from the Federal Government. At the present time the loans available under the National Housing Act result in mortgages on new houses being easier to obtain than those for old houses. The result is that there is always a ready market for the new house in the suburbs while any house not being sold for the first time is not subject to the same demand. The effect of this legislation is to encourage the development of any new housing but to discourage the most efficient use of housing units by inhibiting the mobility of families. Finally, the Province should lend greater consideration to the timing and co-ordination of future regional studies that are to be enacted across Ontario. The outcome of the Commission's study would have been of much greater value if the Peel and Halton Counties study and the aforementioned O.W.R.C. Report had been so timed as to report concurrently with the study on Metro Toronto. Each of these reports, and the recently established study of the Niagara peninsula, will have some bearing on changes in provincial legislation. To facilitate the enactment of these changes and to ensure a sound and viable system of provincial administration across Ontario a province-wide study on the applicability of regional government for the whole of Ontario should be instituted without further delay.

Pending such a study the Bureau advo-



cates the implementation of the Goldenberg Report but for the reservations stated above. In summary: Metro has reached the stage at which it must involve itself with the provision of the 'softer' services of welfare, housing, renewal and redevelopment and full powers should be given to Metro for the provision of these services. Where present legislation is somewhat ambiguous, as with the case of Metro's present powers of redevelopment, clarification should be given. Most important, if Metro is to be successful in providing these additional services, it must have the power to plan for their provision.

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## BUREAU OF MUNICIPAL RESEARCH

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