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A POPULATION AND FISCAL PROFILE OF THE NEW METRO

How will the City of Toronto and the five boroughs compare with each other under the Metro restructuring brought about by Bill 81? A fairly accurate answer can be provided by analysing the most recently completed figures for assessed population, land area, taxable assessment, revenues, expenditures, and net debt on a consolidated basis--i.e. by assuming that the 13 municipalities had been amalgamated into six in 1965.*

It becomes clear that although inter-municipal variations will continue to exist, these variations in population, area, and fiscal resources will be narrowed considerably. Thus a major objective of Bill 81 will be realized. This News Brief examines the new ranges and distribution in these important aspects.

EXAMPLES OF THE NEW INTER-MUNICIPAL RANGE

- * Population Density (persons per acre)--from a low of 5.9 (Scarborough) to a high of 27.9 (Toronto) with a Metro average of 11.5.
- * Per Capita Taxable Assessment--from \$1,872 (York) and \$1,892 (Scarborough) to \$2,962 (Toronto) with an average of \$2,540.
- * Per Capita Revenues--from \$152 (York) to \$285 (Toronto) with an average of \$229.
- * Per Capita Expenditures--from \$151 (York) to \$283 (Toronto) with an average of \$227.
- * Per Capita Net Debt--from \$98 (East York) and \$101 (York) to \$219 (Toronto) with an average of \$176.

* Although the term "amalgamation" has been employed frequently in Metro to describe the total consolidation of all 13 municipalities into one, it also applies when two or more municipalities are joined as equals. If they do not join as equals (i.e. if the by-laws and other regulations of one municipality take precedence rather than all remaining in force until new regulations are passed) then "annexation" is involved. Bill 81 amalgamates Etobicoke, New Toronto, Long Branch, and Mimico; Toronto, Forest Hill, and Swansea; York and Weston; and East York and Leaside. North York and Scarborough are not involved in amalgamations.

PERCENTAGE DISTRIBUTION BY MUNICIPALITY
OF ASSESSMENT, REVENUES, EXPENDITURE AND NET DEBT

Of interest is the share of Metro totals (i.e. percentage distribution) which each municipality has in the important areas of assessment, revenues, expenditure, and net debt. These figures are:

- * Toronto--between 44 and 48% in all four instances.
- * North York--about 19%, excepting net debt of less than 18%.
- * Scarborough--between 11 and 12%, excepting net debt of 15%.
- * Etobicoke--about 13%, excepting assessment of 15%.
- * York--between 5 and 6%, excepting net debt of 4.5%.
- * East York--between 4 and 5%, excepting net debt of less than 3%.

In terms of assessment/net debt ratios, East York is in the most enviable position with 4.7% of total assessment and only 2.9% of total net debt; Scarborough has 11% of total assessment but 15% of total net debt. Compared on a per capita revenue/net debt basis, the same two municipalities represent the extremes--East York again benefits from a ratio of \$180 per capita revenues to only \$98 per capita net debt; Scarborough's ratio is \$181/\$179.

AMALGAMATION CONSIDERATIONS RELATING TO PER CAPITA ASSESSMENT & NET DEBT

Because amalgamation will have unfavourable fiscal consequences for some of the 7 municipalities to be amalgamated, Bill 81 provides that prevailing lower tax rates in Swansea, Weston, and Leaside are to be equalized over a 5-year period to those of Toronto, York, and East York respectively. Similar adjustments will not be made to compensate for such important variations as per capita assessment or net debt.

- * New Toronto, Long Branch, and Mimico have a combined per capita assessment somewhat less than Etobicoke's BUT considerably less per capita net debt (an average of \$83 for the three, with Mimico having only \$31, compared to \$176 for Etobicoke).
- * Forest Hill and Swansea bring slightly higher per capita assessments as a dowry for their marriage with Toronto PLUS a combined per capita net debt of only \$47 compared to Toronto's \$227.
- * Weston will favour York with an assessment of \$269 per capita to York's \$181 AND a per capita net debt of \$95 to York's \$101.
- * Leaside's much higher per capita assessment of \$409 compared to East York's \$181 is partly OFFSET by per capita net debt figures of \$126 for Leaside and \$91 for East York.

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It is important to keep in mind that 1965 figures were used as the basis for the above calculations and observations. Thus any change during 1966 would influence the results. Possibly the best example is with respect to net debt. Any major issue of new debentures during 1966 would alter these comparative data.

Following is a table which shows the detailed 6-municipality breakdown of Metro had Bill 81 been in effect in 1965.

	<u>TORONTO</u>	<u>NORTH YORK</u>	<u>SCAR- BOROUGH</u>	<u>ETOB- COKE</u>	<u>YORK</u>	<u>EAST YORK</u>	<u>TOTALS or AVERAGES</u>
ASSESSED POPULATION	675,219	360,904	262,491	248,532	139,657	91,667	1,778,470
LAND AREA (ACRES)	24,192	43,584	44,800	30,656	5,760	5,312	154,304
POPULATION PER ACRE	27.9	8.3	5.9	8.1	24.3	17.3	11.5 ave.
TAXABLE ASSESSMENT (\$ Millions)							
Land & Bldgs.	\$1,679.5	\$791.5	\$453.8	\$601.2	\$237.0	\$191.4	\$3,954.4
Business	+ 320.1	+ 74.5	+ 42.9	+ 82.3	+ 24.6	+ 19.8	+ 564.2
Total	\$1,999.6	\$866.0	\$496.7	\$685.5	\$261.6	\$211.2	\$4,518.6
REVENUES (\$ Millions)	\$ 192.7	\$ 77.2	\$ 47.4	\$ 52.2	\$ 21.3	\$ 16.5	\$ 407.3*
EXPENDITURES (\$ Millions)	\$ 191.4	\$ 75.6	\$ 47.1	\$ 51.7	\$ 21.1	\$ 16.3	\$ 403.2**
NET DEBT (\$ Millions)	\$ 147.7	\$ 55.7	\$ 47.0	\$ 39.9	\$ 14.1	\$ 9.0	\$ 313.4
% DISTRIBUTION							
Population	38.0%	20.3%	14.8%	14.0%	7.9%	5.2%	100.2%
Land Area	15.7%	28.2%	29.0%	19.9%	3.7%	3.4%	99.9%
Assessment	44.3%	19.2%	11.0%	15.1%	5.8%	4.7%	100.1%
Revenues	47.3%	19.0%	11.6%	12.8%	5.2%	4.1%	100.0%
Expenditures	47.5%	18.8%	11.7%	12.8%	5.2%	4.0%	100.0%
Net Debt	47.1%	17.8%	15.0%	12.7%	4.5%	2.9%	100.0%
PER CAPITA***							
Assessment							
Land & Bldgs.	\$2,488	\$2,193	\$1,729	\$2,419	\$1,696	\$2,088	\$2,223 ave.
Business	+ 474	+ 206	+ 163	+ 331	+ 176	+ 216	+ 317 ave.
Total	\$2,962	\$2,399	\$1,892	\$2,750	\$1,872	\$2,304	\$2,540 ave.
Revenues	\$ 285	\$ 214	\$ 181	\$ 210	\$ 152	\$ 180	\$ 229 ave.
Expenditures	\$ 283	\$ 209	\$ 179	\$ 208	\$ 151	\$ 178	\$ 227 ave.
Net Debt	\$ 219	\$ 154	\$ 179	\$ 161	\$ 101	\$ 98	\$ 176 ave.

* Exclusive of non-apportioned Metro revenues of \$28.4 million.

** Exclusive of non-apportioned Metro expenditures of \$24.3 million.

*** Since a substantial portion of assessment is business and industrial, per capita assessment, revenues, and net debt figures should be treated with caution.

Sources: Department of Municipal Affairs, 1965 Annual Report of Municipal Statistics, and Metro Treasury Department.