

# Citizen Control of the Citizen's Business

TORONTO'S CITIZENS CAN CONTROL TORONTO'S AFFAIRS ONLY  
THROUGH FREQUENT, PROMPT, ACCURATE AND PERTINENT INFOR-  
MATION WITH REGARD TO TORONTO'S BUSINESS.

ISSUED BY THE  
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## If

The Bureau of Municipal Research  
were to assert that on a certain date

# \$10,000

disappeared from the funds of the  
City of Toronto

Considerable interest would be  
stirred up and many would  
want to know who was respon-  
sible and what steps were being  
taken to prevent a recurrence.

## But

## IF--BUT

**BUT** when the Bureau asserts, as it has repeatedly in the past eight years, that the City as a Corporation has suffered serious losses certainly amounting to many tens of thousands of dollars, and perhaps to many hundreds of thousands of dollars, through failing to pass the estimates within the first six weeks of the year, the assertion until recently, has awakened but mild interest.

**IF** this City were to lose in a spectacular way, \$10,000 a day for twenty or thirty days, there would be "wigs on the green" and excited demands would be made that the leak be stopped immediately.

**BUT** former Finance Commissioner Bradshaw and Finance Commissioner Ross have consistently urged the policy of earlier estimates and earlier collection of taxes, and have pointed out the loss arising from delay. Some progress has been made during the last five years in advancing the passing of the estimates and the collecting of the first tax instalments, but much remains to be done. Commissioner Ross pointed out that last year at the peak, the City was paying out \$1,200 per day for interest on current loans made in anticipation of taxes.

In his recent letter to the Mayor and City Council, he wrote that temporary borrowings, pending the first payment of taxes, cost \$120,800 in 1921.

In his inaugural address, Mayor Maguire stated:—"Progress has been made in recent years in obtaining earlier consideration of the Estimates—with a corresponding earlier collection of taxes—and it is very desirable that the progress already made in this direction should be continued." This pronouncement is being followed by definite action.

## What Does Delay in Passing Estimates Mean ?

1. It means operating the City for a portion of the year without a definite plan of work and expenditure, based on the needs of the City for the current year and of the previous year.

The City Budget corresponds to the ship's compass. It should be installed at the beginning of the trip, not when the trip is one-third or one-half over. Operating without a proper plan may leave one unconscious of loss, but it cannot be done without loss. **How much?**

2. When the passing of the estimates is delayed three, four or five months, any cut in the estimates would have to fall on the remaining nine, eight or seven months. In fact, it might be impossible, late in the year, to make any cuts without crippling necessary city services, or to make any increases from which services could be expected in the remaining months of the year. **Either way there is serious loss. How much?**
3. A delay in passing the estimates means a delay in the receipt of the first instalment of taxes, increased borrowings on current account and increased interest charges. Why should the City's revenue year vary so widely from the City's expenditure year? Private business acts on the principle that payments should begin as soon as possible after service begins. In many cases, payment in advance is required. When the payments are unreasonably delayed, service is stopped. In Civic business, water or electric light service may be cut off for non-payment. General City services cannot be discontinued in this way, but that is no reason why first payments for service should not be considered as due when the service begins, and actually collected as soon as feasible after passing the estimates.

Looseness with regard to the time of passing the estimates and the date of first payment of taxes tends to create looseness in all departments of City's business. Business-like current financing creates a good impression on the lending public, improves the City's credit, and therefore tends to decrease debt charges.



It may make a difference to the nervous system whether a man is "black-jacked" out of \$10,000, "flim-flamed" out of \$10,000, or absentmindedly lets it slip through his fingers. But what difference does it make in his balance sheet?

The Commissioner of Finance has recommended that the first instalment of taxes be payable on or about the first of April. Why not strengthen his hands by getting in touch with your alderman?