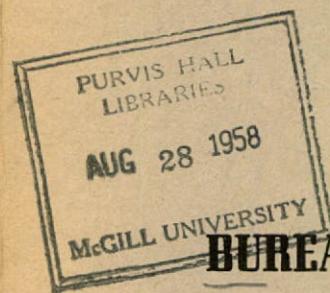


Clark

Forty-third

Annual Report

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BUREAU of MUNICIPAL RESEARCH
TORONTO

BUREAU of MUNICIPAL RESEARCH

Annual Report

For the Year ended February 28, 1957



An independent fact-finding organization
reporting to the public on civic affairs.

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Foreword

Shortly after the last annual meeting the president of the Bureau, Mr. D. W. Lang, was asked to stand for Deputy Reeve in Forest Hill Village. The office had become vacant as a result of the appointment of the Reeve to the chairmanship of the Metropolitan Board of Commissioners of Police. Mr. Lang felt called upon to accept, although it meant resigning for the Bureau Council at the end of a single year in the presidency. At the same time, he made it clear that he would not be prepared to continue in municipal office beyond the next election.

It was in these circumstances that I agreed to stand for president of the Bureau in our elections last May. It has afforded me an opportunity to see at closer range the work that our staff carries on so well on behalf of the membership and to play a fuller part in the policy decisions that come before the board.

I have greatly enjoyed the associations of this past year. The other members of the governing Council have been most generous in their support of the president and the director and his staff have been very much on the job. The year-end reports in themselves indicate that the combined efforts of all these people have met with no little success. What they do not tell you is the perseverance, the imagination and the judgment that has to be brought to bear upon civic problems in order to speak constructively, to be forthright where necessary, and yet to retain for the Bureau the high opinion which it has built for itself over the years.

Throughout the past twelve months, a number of changes have occurred in the membership of the Bureau Council. Four members who felt unable to give sufficient time to this voluntary undertaking retired and three of them were replaced by other representatives from the same companies. Two members, Mr. George Davis and Mr. G. A. Marshall, found it necessary to resign for reasons of health. We regret the circumstances that required their retirement. We thank them for their service and wish for them a return to full vigour. It is also my sad duty to note the passing of Mr. Lewis A. Winter, a member of our Council for twenty years and a diligent supporter and friend of our organization.

In January Mr. Lang was re-established on the Bureau Council by his fellow board members. I am sure you will all approve of that action and share with me the desire that he may again serve us at the Bureau's head.

COURTLAND ELLIOTT
President

Director's Report

The publication of this booklet denotes the completion of the forty-third year in the life-span of our Bureau. It is also the tenth occasion on which I have been privileged to report to the membership and tell of continuing progress. The research programme has been actively maintained. Published statements and speeches on the Bureau's behalf have been well received by the local governments concerned and favourably viewed by public groups. Once again, press coverage has been generous and the Bureau's opinions have stimulated considerable editorial comment, most of it well-disposed. During the year, also, several developments that your Bureau, among others, has been advocating have come to pass.

A recapitulation of the Bureau's own position shows that the improvement in its numerical and financial strength has been continuing. Subscription revenues were up by more than six per cent from the previous year-end, while total revenues were over nine per cent higher. An eight per cent increase was realized in the number of subscribers. Since my first report to you in the spring of 1948, income from subscriptions has almost doubled and total revenues have been boosted by 145 per cent. A year-end surplus of more than \$1,200 takes us another step towards the objective of building a suitable reserve fund to serve for seasonal financing and as a hedge against future fluctuations in income.

The past year has also witnessed staff changes. In September, Dr. Hougham resigned to take a more responsible position with the University of Toronto and, at the end of December, Mr. Nolan retired after no less than thirty-eight years in our employ. Both served us extremely well. Mr. Nolan in particular had become so closely identified with the Bureau's work that his departure came as quite a wrench to us. While some time was required to secure suitable replacements, appointments have been made which are proving eminently satisfactory.

As before, the Bureau has worked closely with a number of organizations that interest themselves in a civic affairs and share our desire to improve community services. In addition to ratepayers organizations, service clubs and the like, the Bureau has been giving much time to the work of the Metropolitan Toronto Civic Conference. We assisted materially in preparing for and carrying through the first such conference last May and we are involved somewhat similarly with the conference this April. The sponsors of this civic conference have succeeded in generating considerable enthusiasm for civic improvement. I should like, however, to see more attention given to developing some logical plan of organization and membership and to formulating an expression of the conference's continuing objectives.

Sizable blocks of time have again been given to the work of the Toronto Welfare Council and the Community Chest. Support

has also been accorded to the merging of the Chest in the United Fund and to replacement of the Welfare Council by a Social Planning Council. These important developments are in line with the Bureau's early interest in elimination of the multiplicity of campaigns for voluntary causes and the creation of a suitable framework within which to co-ordinate all metropolitan health, welfare and recreational undertakings.

For nearly six years, the Bureau has been working towards a satisfactory solution of the emergency housing problem of the City. From time to time, we have exchanged information and ideas with the Association of Women Electors who have expressed similar concern at the unsatisfactory situation that existed. Last summer the City Council completed arrangements for the transfer of the remaining units to the Housing Authority of Toronto, a proposal initiated by the Women Electors and endorsed by the Bureau.

Five years ago, the Bureau proposed to the provincial government that consideration should be given to widening the municipal franchise throughout Ontario. The Association of Women Electors was again interested. Last year they were largely instrumental in getting a city referendum on the question. The Bureau came out in support of the wider franchise and its statement setting out the arguments for and against the change aided the public's understanding of what was involved. As you know, the vote was two-to-one in favour of removing the present property qualifications except for votes on money by-laws. It remains for the province to implement the change.

On two other matters, your Bureau has worked along with the Board of Trade, with mutually desired results. The Bureau's bulletin on the development of the civic square and the subsequent stand taken by the Board of Trade have in combination created quite a furore. As a result, the whole idea behind the civic square is being debated anew. Whether or not sufficient decisions are revised, the discussions are helping to ensure that none of the important possibilities of the square development will be unwittingly overlooked. Again, both the Board of Trade and the Bureau backed Metro's adoption of the special two-mill levy for capital purposes. While it will mean more in taxes this year, that action will permit the Municipality of Metropolitan Toronto to proceed with its necessary programme of capital works without imperilling the good name that Toronto has gained over the years for prudent financial management.

Increasing public interest has been shown of late in the whole broad subject of metropolitan government, its achievements, problems and prospects. As part of our educational function, your director is continually meeting requests to speak on this topic. That we should go on giving considerable time to the study of metropolitan government appears no more than a realistic recognition of our responsibilities. Yet, we have no intention of ignoring the local councils and school boards and their related bodies. By way of illustration, a questionnaire issued some time ago was the means

of bringing up to date our file of information on the organization of the local governments in each of the twelve suburban municipalities.

Because of its size, the City proper has always been looked upon as a particularly important field for Bureau study. Moreover, some tendency exists for the growing suburbs to borrow from the City's experience. And, in the event of amalgamation, the structure of the new municipality would be greatly influenced by what Toronto has built up. The Metropolitan Municipality has already modelled much of its government on the City pattern. For all these reasons, the recent survey of civic administration within the City of Toronto by a firm of management consultants, J. D. Woods and Gordon Limited, is, in my opinion, a significant subject. I propose, therefore, to devote the remainder of this report to some observations on this four-hundred page document.

CITY ADMINISTRATION SURVEY

The idea of undertaking a survey of the civic administration was put forward by the Mayor nearly two years ago. It was followed up energetically by the Association of Women Electors which reminded the Council that they had advocated such a study ten years earlier. The plan as proposed by the Board of Control was supported in principle by the Council in July, 1955. Terms of reference were drawn by the Board and adopted by the Council on the 7th of November. It was agreed that sealed tenders for the work should be received up to February 1, 1956. Ten resulting tenders were summarized by the City Treasurer and, on that basis, the firm of J. D. Woods and Gordon Limited was awarded the contract at daily rates of \$100 per consultant, an estimated total cost of \$50,000 to \$75,000, and an undertaking to obtain supplementary authorization from the City Council for any expenditure above \$50,000.

The work was completed within the suggested period of not over ten months. Meanwhile, on the fifth of November, the first supplementary appropriation, in the amount of \$10,000 was approved by City Council and, on December 12th, a second supplementary authorization was put through for the remaining \$15,000. The account since rendered by the consultants indicates that, on the basis of their per diem rates, and expenditure of more than \$75,000 was incurred. The cost to the City was set and accepted at an even \$75,000.

Among the ten firms which tendered, the contract was not awarded to the lowest bidder, yet I find no grounds for criticism on that score. For the type of work that was proposed, the aim could hardly be to spend the least possible money. The decision which the Council had to make was the selection, without favouritism, of a competent consultant firm whose charges were regarded as reasonable and in whom the members of Council had full confidence.

Why Employ Consultants?

To the electorate, the announcement that the City proposed calling in an outside consultant to survey the civic administration might have seemed to suggest that something was seriously wrong. The City of Toronto pays out more than \$30 million yearly for salaries and wages. Surely, it could be argued, within such a budget enough money can be found to pay for competent top officials who are themselves quite capable of maintaining peak efficiency all down the line.

Let me suggest some of the reasons for engaging a consultant. Both the elected representatives and the heads of departments can become so caught up in detail work as to lose the proper perspective from which to weigh the strong and weak points of their governmental operations. Again, an alert civic administrator with constructive ideas may not be too adept at selling his suggestions to the elected representatives. From what he might conscientiously wish to propose, the members of council could obtain the impression that he was seeking only his own advancement. Fear of being labelled an empire builder might keep him from speaking his mind. Or, again, some of the elected representatives may feel that certain changes are likely to be beneficial without being sure enough of their position to push the changes through. They may be opposed in their views by certain officials; or they may not be entirely confident that officials who are sympathetic are competent to decide between the merits of the old familiar practices and different techniques that have been employed successfully elsewhere. Finally, the elected representatives may be afraid of the public's reaction to certain changes that they personally believe would be highly desirable. Hence they may turn to a qualified independent source for endorsement of their proposals.

Actually the staff of your Bureau have themselves a good deal of experience as municipal consultants, although this is not our primary function. Under the auspices of our companion national organization we have taken on major assignments during my time as director in seven Canadian provinces. We have been employed by three provincial governments, six municipalities, five non-profit organizations and two profit-making concerns. From what we have found, I have become convinced that there is a role for the outside consultant which makes such services necessary or desirable from time to time to the great majority of our larger urban municipalities.

Yet the reinforcement of plans by a consultant brought in from outside will not necessarily help a situation. To earn his money, a consultant must have intelligence, training and organizing capacity. And he must know his own limitations. He has to be both forthright and tactful. If he is generally familiar with the problem under study, he can discover a great deal merely by reviewing what has been happening—which means more than anything else eliciting and weighing the opinions of people who are directly involved in the work concerned. Often by questioning procedures and performance, he can stimulate the people charged with administrative responsibi-

lities to consider alternative ways of doing things. Consequently, to achieve the best result a consultant must first win the confidence of the men on the job. He must be frankly tentative about a good deal of what he finally proposes. And before he retires from the scene he must thoroughly convince the elected representatives and the continuing staff of the soundness of his ideas and then school such people in the methods to be followed in carrying them into effect.

It is against this background that the recent survey of Toronto's civic administration should, as I see it, be assessed. My purpose is not to recount each problem that has been studied and go over the recommendations in detail. All I hope to do at this time is to indicate the scope of the enquiry, touch upon some of the more important recommendations and indicate certain of the survey's limitations.

Terms of Reference

It is unfortunate that the terms of reference for the survey were drawn up before a consultant was selected or given an opportunity to confer with the Board of Control. Any properly qualified consultant—and probably all or most of the tendering firms would come in this category—should be able to improve upon terms of reference for an administrative survey that a municipality can draw up for itself. There is, moreover, some indication that the Board of Control solicited less than the maximum amount of help from heads of departments before settling the question.

1) In general the firm of management consultants was asked to review and report upon the routines, procedures, duties and responsibilities of departments coming under the City Council. The more specific directions contained in the terms of reference, however, indicated in part the views held by the Board of Control before the study began. 2) The consultants were instructed to examine the City's accounting to ensure that complete centralization is in effect for all departments. 3) They were to develop recommendations for standardization of forms and letterheads, for the establishment of a central registry of information, and for a completely centralized purchasing system including full control over all stores. 4) They were to report on the advisability of providing for the payment of taxes and water rates through local banks or trust companies, of creating a centralized pay division, and or amalgamating departments, creating new departments of transferring responsibilities to or from local boards, commissions or authorities outside the direct control of Council.

Whatever firm was granted the contract was not to be given a full opportunity to study and report upon the operations of the separate boards or commissions in detail. Hence, from the outset, it was quite improbable that transfers of responsibilities to or from such bodies would in fact be recommended. Nor in fact were any such proposals contained in the report as finally submitted.

The management consultants had no authority to consider the overall organization and functioning of the City Council and its standing committees or the policy responsibilities of the Board of Control. It was necessary to give some thought to the Board's administrative duties and this was done. In addition, the proposed reorganization of departments did require two changes in the responsibilities of the standing committees. After noting that the responsibilities of such committees had not been reviewed generally, changes were proposed which represented the required minimum. Concern as to the pattern of administration within the Fire Department also led to the suggestion that a committee of fire protection services might be established. Again, the proposal was cautiously worded. It said only that the establishment of such a committee should be considered either as a separate or joint committee.

In my opinion, the limitations imposed by the terms of reference developed by the Board of Control and ratified by the City Council had the effect of reducing appreciably the potential value of the civic survey.

Resulting Savings

Concluding its summary of recommendations affecting all departments, the Woods and Gordon report stated: "Our estimate of savings which would result from specific recommendations in individual departments, less the cost of providing for specific additional services, exceeds \$600,000 per annum." Then at the end of the full summary, the report suggested "that the Committee of Implementation maintain a record of achievement setting out the actual savings that were realized."

Perhaps this emphasis upon monetary savings was considered a necessary inducement to City Council, or perhaps to the electorate, to press forward with the adoption of the various recommendations. Whatever the reason, my opinion is that by drawing such attention to potential dollar savings the summary distorted the real significance of the survey and sold short the quality of the recommendations.

Tracing through the body of the report, I have been able to locate eight definite recommendations for changes. The amounts total \$599,550. They arise from two sources. A total of \$300,000 could be saved by the installation and proper application of punched card equipment for accounting, payroll and record systems. The remaining saving is anticipated as the result of changes in staff requirements and wage costs for the fire department under a revised method of operation.

In addition to these definite amounts, proposed changes in the equipment for asphalt paving were calculated to save between \$30,000 and \$40,000. The report also suggested that reduction of some unspecified amount could be achieved in the costs of temporary cut repairs on pavements from the present expenditure of \$200,000 a year.

Now, admittedly, the report stated in the summary, that besides the \$600,000 further savings were in prospect which it was impossible to evaluate. The reduction in the cost of temporary cut repairs would be one example. Another would be anticipated through a proposed reduction in the size of the welfare department's clerical staff. And, at another point, it was suggested that a capital outlay of at least \$1 million for renovation of the fire alarm box system could be avoided if it were found that this system could be dispensed with. Such action would also bring a drop of \$20,000 annually in current expenditures for maintenance linemen.

On the other side of the ledger, the survey report notes that officials of the roadway section of the Works Department hold that the annual expenditure on road maintenance should be increased by at least fifty per cent or an increase of \$1 million annually. The report supports this higher level of road maintenance expenditures but does not bring that point forward into the summary. But what I regard as more serious is the absence of any reference to the financial repercussions of suggested changes in the internal organization of departments which would obviously call for a sizable increase in the total salary commitment for senior management personnel.

If the Committee on Implementation is to try to record the financial savings resulting from the adoption of the report, they should be expected to keep just as precise an accounting of the increased expenditures on management salaries and for other purposes. They will find, I am convinced, that they cannot make a neat bookkeeping record of either savings or increased expenditures. The fact is that the City's work load is constantly changing; that the quality as well as quantity of work performed is likely to alter; that the transition to new administrative procedures will push expenditures up temporarily above the level at which they may later be expected to settle; and therefore that the precise financial effects of the survey recommendations cannot possibly be separated from other shifts in the on-going operations.

If the survey report is practical, its end result should be to ensure better value for each dollar expended and to avoid suggestions that involve extravagant new outlay or, alternatively, that cut dollar costs at too great a sacrifice in service standards. It would seem to me that the report has been conscientiously directed toward that result. If I am correct, there ought to be no need for window-dressing.

The Tenor of the Recommendations

In general, how do the survey recommendations stack up against the terms of reference given to the firm of management consultants? To begin with, it is obvious that a great deal of attention has been centred upon the first main objective—a thorough study of the routines, procedures, duties and responsibilities of the administrative departments coming directly under the City Council. Many fruitful ideas have been advanced which, if acted upon intel-

ligently, should enable improved and more efficient administration to result. To obtain the best returns, however, the civic administration must, I suggest, avoid a completely literal interpretation of the various recommendations. I think the consultants themselves might agree. It is in the stages of implementation that the more intimate knowledge of the City's own senior officials should prove its worth.

Turning to the other more detailed instructions, which constitute the remainder of the terms of reference, let me indicate briefly the action recommended with respect to each. 1) If complete centralization of accounting has not already been in effect, implementation of the proposals would certainly ensure that result. 2) The management consultants have made quite specific and reasonable proposals for the standardization of forms and letter-heads, for the creation of a central registry of information and for a completely centralized purchasing system including full control over all stores. 3) The consultants have supported the idea of a centralized pay division and have outlined a form of organization for it. 4) On the relatively minor question as to whether taxes and water rates should be payable through banks and trust companies, the consultants saw no apparent disadvantage in permitting this procedure. At the same time, they expressed little enthusiasm for it and cautioned that the banks and trust companies should be allowed to accept only payments in full as shown on all bills presented, while in the case of tax bills, no payment offered after the due date should be accepted. 5) The report laid considerable stress upon certain shifts in departmental responsibilities, in the amalgamation of certain departmental functions and in the creation of one new department, namely, a Development Department.

The suggested changes in departmental organization warrant some further discussion. At present there are thirteen civic departments coming under the direct control of City Council, including the Municipal Abattoir whose chief, like the heads of the regular departments, holds the rank of Commissioner. In addition, there are five divisions which report separately to the Board of Control and enjoy partial or full independence from the departments. For example, the personnel division is attached to the City Clerk's Department only for pay purposes. With some re-shuffling, which on the face of it appears reasonable, the survey recommends that all divisions be brought under the full control of departments and that the number of departments be reduced to eleven by means of certain consolidations and transfers. The changes indicated so far are relatively conservative. They would leave five overhead departments and six operating departments. For the latter, the consultants proposed that a single person should be appointed with the necessary powers to co-ordinate all their activities and to act as their intermediary with the Board of Control. The idea represents a sort of halfway house towards the city manager system of government. And it seems to me the striking understatement in the report when it says: "Obtaining the services of a fully qualified individual to hold this position may not prove to be easy."

Features Worth Nothing

Some further comments should help to indicate more accurately the report's significance.

Fire Department—Mention has been made of the suggested reorganization of the Fire Department's platoon system. Already, the proposal has been opposed on the grounds that the change would prejudice the ability of the firemen to work together in smoothly operating teams. Obviously there is some substance to this criticism but whether or not it carries sufficient weight to justify foregoing the opportunity of a \$300,000 annual saving is much more debatable. I am inclined to the view that the change should be tried out by some tentative reorganization of firefighting teams in a small way. Should the results be demonstrably unfavourable, the suggested major change could then be dropped. The greater likelihood is that they can be carried through successfully.

Centralized Accounting and Records—Replacement of the City's present addressograph equipment, other accounting or tabulating machines and hand bookkeeping practices by a complete punched card system appears to be a logical development for these times. The eventual objective of the Woods and Gordon report is to move on to the use of electronic computers—a system that has been set up fairly recently for the City of Edmonton. The punched card system would be introduced first to make the re-education of present employees easier. Both the punched card and computer equipment can be rented and therefore involve no capital investment. The punched card system has the advantage that the equipment can be procured unit by unit thereby minimizing the high cost period of the changeover from the old system to the new.

I have heard doubts expressed about the wisdom of adopting even the punched card system for the purpose of centralizing the operation of all financial transactions and property and similar records within a single department of the civic administration. It has been suggested that errors may be multiplied in the process and that carelessness or dishonesty may more easily go unchecked. Personally, I am much more alarmed at the proposal that the pre-payment audit of expenditures by the City Auditor be dropped as soon as he is satisfied that the new system in itself ensures sufficient internal control.

In private business, petty errors due to carelessness or even dishonesty can be tolerated if the overall result is increased efficiency. The people responsible can be rooted out and dismissed from a company's employ. It is axiomatic, on the other hand, that public servants are not subject to such ready dismissal. Moreover, entire accuracy and honesty is more important objective of government than of business. People cannot readily measure the productive efficiency of their governments. But they will lose confidence in their elected representatives, if petty carelessness or possible dishonesty comes to light frequently. Rather than a definite recommendation to do away eventually with the prepayment audit, I

believe the stand should be that it will only be dispensed with if and when it can be shown quite clearly, on examination, that the new accounting system provides a fully satisfactory alternative.

Departmental Organization—In spite of the implicit requirement that the City increase the number of its competent administrators, I see much merit in a more definite structuring of departmental operations such as the survey proposes. Similarly, the modest reduction in the number of departments and the placing of all divisions under departments would give effect to a long-term Bureau objective. Yet the reason for requiring these two major recommendations should not be overlooked. In the Metropolitan Municipality, the combining of the works and roads portfolios made a lot of sense in theory but proved a failure in practice. For much the same reasons at the City Hall several divisions have become separated from departments while, within departments, senior administrative establishments have been held to an undesirable minimum. In both instances it has been a problem of personnel.

One further comment on the suggested departmental arrangement is that no present function of the civic administration is suggested for transfer or elimination other than the laboratory in the Department of Public Health which, it is said, might be closed and the work shifted to the province. Nevertheless, the need in modern times for our civic abattoir cannot in my opinion be substantiated and evidence keeps cropping up that the abattoir operation does the City no great credit.

Board of Control—One of the most important objectives of the survey recommendations is to relieve the Board of Control of responsibilities which it is having difficulty in handling effectively. Here, the fact that the consultant firm is not engaged full time in municipal work has proven a disadvantage.

In the fall of 1947, the then mayor advocated the appointment by the City of a co-ordinator of civic services while in January, 1950, another mayor promoted the same idea using the name director of services. Both proposals were flatly opposed by the Bureau and both were subsequently abandoned. Writing on the subject in 1950, we made the point that such an office would be meaningless so long as there was a Board of Control because the law says quite clearly that the Board's statutory responsibilities "shall be discharged exclusively by the Board". In the Woods and Gordon report this legal problem has not apparently been recognized. A manager of operations would in effect have to be made commissioner of the six operating departments and the heads of each such department reduced to the rank of deputy commissioner. Moreover, in the main the responsibility of the Department of Health to the Board of Control rests upon only a courtesy arrangement and, in this one instance, the appointment of a go-between person might conceivably imperil the good will that has been maintained throughout the years. Equally important is the fact that the manager's post cannot be extended to embrace any overhead de-

partments since they all come under statutory officers who must by law deal directly with the Board of Control and Council.

In speaking about the need for a regular system of reporting, the management consultants make the statement: "Thus there are no periodic and automatic reports either as to routine departmental achievements or as to progress, or lack of progress, in the implementation of resolutions passed in Council." If what they say requires no qualification, the Board of Control has been breaking the law and should have been so advised. For the Board is required "to inspect and report to the Council monthly or oftener on all municipal works being carried on or in progress".

Where a lack of understanding of the Board of Control's position affects the Woods and Gordon report most adversely is in its proposal with respect to tenders. A Tender Opening Committee is suggested composed of one member of the Board of Control (either the mayor or a controller), the commissioner of finance, the city solicitor, the head of the department or division concerned and the city clerk.

Among all the duties assigned to Boards of Control under the Municipal Act, their responsibilities with respect to the calling of tenders and the awarding of contracts are spelled out in probably the greatest detail. Such a Board is made responsible for opening tenders and the wording of the legislation makes it clear that the whole Board is intended to be involved and that a quorum of the Board must be in attendance. Since the Council shall not reverse action of its Board on tenders without a two-thirds vote it would be quite unfair to delegate the tender opening function to a single member.

My purpose in raising all these questions about the Board of Control is neither to detract from the survey recommendations nor to attempt to thwart their adoption. My objective is quite straightforward. I can think of no better way of marking the end of sixty-one years under the board of control system than by abandoning that system. I maintain, moreover, that the present survey of civic administration lends support to this contention. In addition, there is reason to expect that the province would go along with the idea if Toronto was itself whole-heartedly in favour. Throughout this province, all cities of 100,000 population and over are expected to follow the Board of Control system. The province has not, however, required the three suburban townships which have passed the 100,000 mark to institute boards of control. The Municipality of Metropolitan Toronto has no board of control. It was at first suggested that its Executive Committee should assume that role but the decision was otherwise. Last year the City of London passed the 100,000 mark. It had tried out a board of control voluntarily many years ago and found the system wanting. And today London is taking refuge in the terms of its private act to cling to a different scheme or organization. So it has no board of control and the province has not challenged it on the subject. Finally, only a few weeks ago, the City of Windsor secured new legislation which will

allow it to abandon the board of control system. The citizens of Windsor have voted for such action and we can expect their board of control to bow out of existence before very long.

Personnel—Although it occupies only a relatively small amount of space, the section of the survey report on personnel services is to my mind the most important of all. If personnel selection had not become an increasing problem, the present weaknesses in procedures and routines would not exist to anything like the same extent. Moreover, the constructive recommendations that run throughout the entire report can only bring results matching the strength of the men charged with effecting the achievements and holding them.

As a completely new branch of government, the report recommends an organization and methods division within the personnel services department. The idea that governments and for that matter businesses should set up their own internal management consultant services on a continuing basis is relatively new. Such an organization and methods service was established within the Government of Canada under its civil service commission as recently as 1948. The Province of Saskatchewan assigned the same responsibility to its budget bureau, also about nine years ago. I am very much in favour of this proposal for our own city.

To my mind there is a great deal of merit in all the suggestions on personnel, including revision of the job classification plan and the examination system, introduction of in-service training opportunities and development of new channels for recruitment of potential administrators. I am disappointed that the report has failed to comment adversely upon the large number of closed competitions that exist, restricting promotions to people within the present service. If such personnel are adequately qualified, they need not fear competition from outside. If they are not, the higher openings are being filled by inferior people. I regret even more that the complete lack of formal appointment safeguards in the naming of heads of departments, deputies and people of similar rank has not even been mentioned. Here, it may be the restrictive nature of the terms of reference that has led the management consultants to remain silent.

How We Feel About it

From what I have already said, it will be quite plain to Bureau members of long-standing that the recent survey of civic administration underlines and spells out in detail recommendations that the Bureau has itself put forward previously and attitudes that have been consistently expounded by its staff. For example, the report recommends pre-election budgeting—a procedure which your Bureau has recommended frequently. Some years ago, it looked as though the idea might be accepted but then the enthusiasm waned. Similarly, the report has stressed the importance of more full-fledged capital budgeting than is now in effect. A definite running forecast for at least five years ahead has been our constant aim.

We have stood for a reduction in the number of departments and a simplification of the relationships between elected representatives and appointed officials. We have come out in favour of centralized library facilities and improved information services. A statement we issued in September 1953 on the City's Personnel Department is generally corroborated by the Woods and Gordon report. And so I could go on.

With the advantage of a two-year term, it should be possible for much progress to be made towards implementation of the civic survey recommendations without the risk of undue haste. A Committee of Implementation has been named in accordance with the suggestion of the management consultants. The organization and management staff, which would eventually become part of the personnel services department, is to serve in the first instance as the staff of the Committee of Implementation. It seems an excellent way to begin. I believe the Bureau should promote the adoption of many recommendations from the survey and, with that in mind, should offer full co-operation.

Before launching into this sizable undertaking, however, I recommend most strongly that the Council pause long enough to reconsider the role of the elected representatives. The combination of a Board of Control and a number of standing committees on which rotation of offices has been foolishly encouraged plays havoc with good government. We see far too many instances of fumbling, buck passing and referring back. Questions should be studied thoroughly the first time and then processed with due despatch. I am not sure that a firm of management consultants is the proper authority to solve this problem for our City. While the Bureau is itself outside the ranks of civic government, it has followed the affairs of government in this area for no less than forty-three years. I think that this is a subject on which we could be of some help and I gladly offer my co-operation. To define and provide for the best exercise of the elected representatives' responsibilities seems to me the first priority.

ERIC HARDY
Director

BALANCE SHEET

As at 28th February 1957
(with 1956 figures for purpose of comparison)

	Assets	
Current Assets	1957	1956
Cash	\$ 1,634.42	\$ 273.79
Accounts receivable	25.00	—
Equipment and Library	\$3,616.95	
Less accumulated depreciation	2,829.05	
	787.90	846.07
	<u>\$ 2,447.32</u>	<u>\$ 1,119.86</u>
	Liabilities	
Current Liabilities		
Accounts payable		
Citizens Research Institute of Canada	\$ 100.65	\$ 121.31
Other	287.04	168.30
	387.69	289.61
Surplus		
Balance 1st March 1956	\$ 830.25	
Add: Excess of Revenue over Expenditure for the year ended 28th February 1957.....	1,229.38	
	2,059.63	830.25
	<u>\$ 2,447.32</u>	<u>\$ 1,119.86</u>

STATEMENT OF REVENUE AND EXPENDITURE

For the year ended 28th February 1957
(with 1956 figures for purpose of comparison)

	Revenue	1957	1956
Subscriptions		\$12,765.00	\$12,032.00
Service revenue		3,945.00	3,272.50
Sundry revenue		40.50	52,90
		<u>\$16,750.50</u>	<u>\$15,357.40</u>
	Expenditure		
Personal services		\$11,805.92	\$11,186.56
Printing and mailing expense		1,043.15	1,074.86
General and office expense		2,487.15	2,231.63
Provision for depreciation		58.17	62.55
Unemployment insurance		41.74	41.34
Bank charges		84.99	154.73
Balance, being excess of revenue over expenditure for the year		1,229.38	605.73
		<u>\$16,750.50</u>	<u>\$15,357.40</u>

AUDITORS' REPORT

To the Bureau of Municipal Research,
Toronto, Ontario.

We have examined the Balance Sheet of the Bureau of Municipal Research as at 28th February 1957 and the Statement of Revenue and Expenditure for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the accompanying Balance Sheet and Statement of Revenue and Expenditure present fairly the financial position of the Bureau as at 28th February 1957 and the results of its operations for the year ended on that date.

Dated at Toronto, Ontario,
12th March 1957.

GEORGE A. TOUCHE & CO.
Chartered Accountants.

Subscribers

Abbs, Chas. E.
Abitibi Power & Paper Co. Ltd.
Acme Paper Products Co. Ltd.
Aikenhead Hardware Ltd.
Aluminum Goods Ltd.
American Standard Products (Canada) Ltd.
Ames, A. E. & Co. Ltd.
Anchor Cap & Closure Corp'n. of Canada Ltd.
Andras, Hatch & McCarthy
Association of Women Electors
Atwell Fleming Printing Co. Ltd.
Ault & Wiborg Co. of Canada Ltd.
Austin Motor Co. (Canada) Ltd., The
Auto Electric Service Co. Ltd.
Automatic Paper Box Co. Ltd.
Baker Advertising Agency Ltd., The
Bank of Canada
Bank of Montreal
Bank of Nova Scotia
Barber-Ellis of Canada Ltd.
Beatty, Miss Mary H.
Bell Telephone Co. of Canada
Birks, Henry Sons (Ontario) Ltd.
Blake, Cassels & Graydon, Messrs.
Board of Trade of the City of Toronto, The
Book Match Manufacturers Ltd., The
Bosley, W. H. & Co.
Bradshaw, A. & Son Ltd.
Brazilian Traction Light & Power Co. Ltd.
British-American Oil Co. Ltd., The
Brittain, Dr. H. L.
Brown Brothers Ltd., The
Brunswick-Balke-Collender Co., of Canada Ltd.
Bryant Press Ltd., The
Builders Flooring & Millwork Ltd.
Business Systems Ltd.
Calvin, C. C., Q.C.
Campbell, Hon. G. Peter, Q.C.
Canada Bread Co. Ltd.
Canada Coal Ltd.
Canada Dry Ginger Ale Ltd.
Canada Life Assurance Co.
Canada Malting Co. Ltd.
Canada Packers Ltd.
Canada Permanent Mortgage Corp'n.
Canada Printing Ink Co. Ltd.
Canadian Acme Screw & Gear Ltd.
Canadian Bank of Commerce, The
Canadian Breweries Limited
Canadian Comstock Co. Ltd.
Canadian Credit Men's Trust Assoc.
Canadian Ice Machine Co. Ltd.
Canadian Industries Ltd.
Canadian Kodak Co. Ltd.
Canadian Manufacturers Association
Canadian Pacific Express Co.
Canadian Pacific Railway Co.
Canadian Pad & Paper Co. Ltd.
Canadian Pittsburg Industries Ltd.
Carrick, Donald D.
Carter Construction Co. Ltd., The
Cassels, Brock & Kelley, Messrs.
Cassels, Defries, Des Brisay & Gunn, Messrs.
Chambers & Merediith Ltd.
Chartered Trust Co.
Christie, Brown & Co. Ltd.
Clarke, A. R. & Co. Ltd.
Coleman Lamp & Stove Co. Ltd., The
Confederation Life Association
Consolidated Sand & Gravel Ltd.
Consumers' Gas Co. of Toronto
Cooksville Co. Ltd., The
Cooper-Weeks Limited
Cornell University Library
Corson, Ralph R.
Coulter Copper & Brass. Co Ltd.
Coutts, William E., Co. Ltd.
Crown Cork & Seal Co. Ltd.
Currie, E. & S., Ltd.
Daltons (1834) Ltd.
Daly, R. A., Co. Ltd.
Daly, Thistle, Judson & McTaggart, Messrs.
Dart Union Co. Ltd.
Davis, George D.
Davis & Henderson Co. Ltd.
Debenture & Securities Corp'n of Canada, The
Delany & Pettit Ltd.
Dodds Medicine Co. Ltd.
Dominion of Canada General Insurance Co.

Dominion Electric Protection Co. Ltd.
 Dominion Stores Ltd.
 Donovan, Geo. R.
 Drug Trading Co. Ltd.
 Dun & Bradstreet of Canada, Ltd.
 Dunham, C. A., Co. Ltd.
 Dunlop Canada Ltd.
 Easy Washing Machine Co. Ltd.
 Eaton, T., Co. Ltd., The
 Elder, Robert, Ltd.
 Engineering Industries Co. Limited
 Etobicoke Civic Advisory Committee
 Excelsior Life Insurance Co.
 Falkner, (Mrs.) Theresa G.
 Famous Players Canadian Corp'n Ltd.
 Ford Motor Co. of Canada Ltd.
 Frankel Steel Construction Ltd.
 Fremes, S., & Co. Ltd.
 General Steel Wares Ltd.
 Glendinning, Jarrett & Campbell,
 Messrs.
 Globe Envelopes Ltd.
 Glover, Henry, & Co.
 Gooderham & Worts Ltd.
 Goodyear Tire & Rubber Co. of
 Canada Ltd.
 Gordon, Mackay & Co. Ltd.
 Gore & Storrie, Messrs.
 Graham Nail & Wire Products Ltd.
 Grand & Toy Ltd.
 Gunn, Roberts & Co.
 Hargraft, Geo. R., & Co. Ltd.
 Haugh, J. A., Mfg. Co. Ltd.
 Hinde & Dauch Paper Co. of Canada
 Ltd.
 Honeywell Controls Ltd.
 Household Finance Corp'n of Canada
 Hutchison, T. A., F.C.A.
 Imperial Bank of Canada
 Imperial Flo-Glaze Paints Ltd.
 Imperial Life Assurance Co. of Canada
 Imperial Oil Ltd.
 Imperial Optical Co. Ltd.
 Independent Order of Foresters, The
 International Business Machines Co.
 Ltd.
 Kernaghan & Co. Ltd.
 Kilbourn, Kenneth M.
 Kimball A., Ltd.
 Kirkpatrick, Geo. D.
 Kresge, S. S., Co. Ltd.
 Laidlaw, W. C.
 Lake Simcoe Ice & Fuel Ltd.
 Lang, Daniel W., Q.C.
 LePage, A. E.
 Lever Bros. Ltd.
 Linde Air Products Co.
 Link-Belt Ltd.
 Lloyd Bros.
 Loblaw Grocerterias Co. Ltd.
 London & Lancashire Insurance Co.
 Ltd., The
 Lyon & Harvey, Ltd.
 Macintosh, H. K.
 MacKelcan, Fred R.
 Maclean-Hunter Publishing Co. Ltd.
 MacMillan Co. of Canada Ltd., The
 Maltby, W. M.
 Manufacturers Life Insurance Co., The
 Maple Leaf Milling Co. Ltd.
 Mapp, K. A., F.C.A.
 Marsh & McLennan Ltd.
 Mason, G. W., Q.C.
 Massey-Harris-Ferguson Co. Ltd.
 Mayo, Prof. H. B.
 McDonald, Currie & Co.
 McLeod, Young, Weir & Co. Ltd.
 McNamara Construction Co. Ltd.
 Miller Paving Ltd.
 Mining Corporation of Canada Ltd.,
 The
 Mitchell, W. G., & Co.
 Monarch Construction & Realty Ltd.
 Moore Corporation Ltd.
 Mortimer, Clark, Gray, Baird &
 Cawthorne, Messrs.
 Morton, N. L., C.A.
 Muntz & Beatty, Ltd.
 National Carbon Co.
 National House Builders' Association
 Inc.
 National Life Assurance Co. of
 Canada
 National Trust Co. Ltd.
 Neilson, Wm., Ltd.
 Neptune Meters Ltd.
 Noranda Mines Ltd.
 North American Life Assurance Co.
 Northway, John, & Son, Ltd.
 Osler, Hoskin & Harcourt, Messrs.
 Parkin, John B., Associates
 Page-Hersey Tubes Ltd.
 Perry, Gordon F.
 Photo Engravers & Electrotypers Ltd.
 Pilkington Bros. (Canada) Ltd.
 Planters Nut & Chocolate Co. Ltd.

Playfair, Stuart B.
Price, Waterhouse & Company
Procter & Gamble Co. of Canada Ltd.,
 The
Rathbone, Geo., Lumber Co. Ltd.
Reed, Shaw & McNaught, Messrs.
Reid, Stanley G.
Renabie Mines Ltd.
Rexall Drug Co. Ltd.
Riddell, Stead, Graham & Hutchinson,
 Messrs.
Ridout Real Estate Ltd.
Robertson, Lane, Perrett & Frankish,
 Messrs.
Robertson, Stark & Holland Ltd.
Robinson Cotton Mills Ltd.
Rogers, Thomas G.
Rosco Metal & Roofing Products
Rowley, Phillip
Royal Bank of Canada
Ruddy, E. L., Co. Ltd.
Salada Tea Co. of Canada Ltd.
Samuel, Son & Co.
Shaw & Begg Ltd.
Shell Oil Co. of Canada Ltd.
Shier, Dr. R. V. B.
Shuttleworth, E. B., Ltd.
Simpson, Robert, Co. Ltd., The
Sinclair & Valentine Co. of Canada
 Ltd.
Smith, Chas. Albert, Ltd.
Smith, John B., & Sons Ltd.
Sonograph Ltd.
Spaulding, Mrs. M. H.
Stedman Bros. Ltd.
Stewart, J. F. M., & Co. Ltd.
Strathy, Gerard B., Q.C.
Stuart, D. A., Oil Co. Ltd.
Sun Oil Co. Ltd.
Swift Canadian Co. Ltd.
Tamblyn, G. Ltd.
Taylor Instrument Companies of
 Canada Ltd.
Theatre Holding Corp'n Ltd.
Thorne, Mulholland, Howson &
 McPherson
Tippet-Richardson Ltd.
Toronto Brick Co. Ltd.
Toronto Carpet Mfg. Co. Ltd.
Toronto Dominion Bank, The
Toronto Elevators Ltd.
Toronto General Trusts Corp'n, The
Toronto Iron Works Ltd., The
Touche, Geo. A., & Co.
Traders Finance Corp'n Ltd.
Turnbull Elevator Co. Ltd.
Underwood Ltd.
Union Carbide Canada Ltd.
United Church Publishing House
University of Toronto Library
Victoria Paper & Twine Co. Ltd.
Volkswagen Canada Ltd.
Walker, E. C., & Sons, Ltd.
Wallace, Carruthers & Associates
Walsh, Geo. T., Q.C.
White Motor Co. of Canada Ltd.
Wickett & Craig Ltd.
Wills, Bickle & Co.
Wilson-Munro Co. Ltd., The
Winter, Lewis A., O.B.E.
Wood, Gundy & Co. Ltd.
Woolworth, F. W., Co. Ltd.



