Forty-second Annual Report

1956

BUREAU of MUNICIPAL RESEARCH

TORONTO

BUREAU of MUNICIPAL RESEARCH

Annual Report

For the Year ended February 29, 1956

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

OFFICES: 32 ISABELLA STREET, TORONTO

Foreword

Our municipal government is the one that most closely affects us. It enacts our local laws, administers the affairs of our municipality and collects the taxes necessary for the purpose. How well it functions from time to time depends primarily on the men and women who are elected to office and thereby take the responsibility of governing our municipality.

Only a few can be elected to public office, but every ratepayer should be well informed on civic affairs. As its name implies, the Bureau of Municipal Research is a research organization. It endeavours to promote good local government by systematic fact finding, by sound analysis of methods and programs, and by objective comment on civic problems and their solution. It supplies its members and the public at large with facts about civic business. Copies of its bulletin, "Civic Affairs", go to all subscribers, to elected and appointed representatives, to senior civic officials and to the press.

The establishment of the Municipality of Metropolitan Toronto has increased the demand for the service the Bureau provides. I am pleased to report that the growth in subscriptions by members has enabled the Bureau to take care of its expanding services, and to end the year in a satisfactory financial position. This evidence of continued and increasing support is most encouraging.

On behalf of the Bureau Council I wish to record our appreciation of the excellent services rendered by our director, Mr. Eric Hardy, and by his assistant, Dr. George Hougham, and the Bureau staff.

D. W. LANG
President

Council

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Director's Report

Ample scope for a statement on the work and accomplishments of your Bureau of Municipal Research is available in the happenings of the past year.

During the twelve months, the Bureau actively concerned itself with such local civic questions as emergency housing, municipal elections, unification of police and fire services, public transit, traffic and parking, municipal financing, the two-year term and the city's survey of civic departments. These subjects were taken up in a number of ways including Bureau bulletins, representations to public bodies and informal discussions with elected representatives and civic officials.

The Bureau's staff has continued to give service on various committees of the Toronto Welfare Council, the Community Chest and the Board of Trade. Nearly a year ago we agreed to act in an advisory capacity on a co-ordinating committee of Toronto ratepayer associations. As a result, our assistant director has become very much involved throughout the last six months in plans for a conference which it is hoped will serve to launch a new organization linking ratepayer and similar groups throughout the whole metropolitan area.

Members of staff again filled a considerable number of speaking engagements and, with the re-establishment by the University of Toronto of a graduate course in town planning, your director has resumed regular part-time lecturing. Then too, the Bureau has responded to a growing volume of requests for information and primarily to improve that service added a second telephone line.

The past year has also witnessed the realization of several important objectives that have been energetically pursued by the Bureau and promoted as well by other community-minded organizations and individuals. The appointment, last June, of a metropolitan parks commissioner was followed by the introduction of a long-term plan of park land purchases and development. In December, approval by the electors in the City of Toronto and the Townships of York and North York brought to seven the number of metropolitan municipalities with a two-year term. Subsequently, the provincial government passed legislation to lengthen the term to two years in the remaining six suburbs and to fix a uniform day for local elections throughout all thirteen municipalities. In the same legislation, provision was made for the transfer of policing services to the metropolitan level on the first of January, 1957.

A continuing improvement in the Bureau's own finances brought the subscription revenues above $12,000, or about double the total from the same source eleven years earlier. The Bureau's total income was boosted further by new services revenues. Payments for university teaching and for the services we render the Ontario Municipal Association grossed well over $3,000. When applicable to a complete fiscal year, the two sources should bring in more than $4,000.

My intention has been to say just enough about our programme to signify how we have been occupying our time and to indicate that the Bureau has been continuing to gain ground. I propose to devote the major portion of this report to the general problem of local government financing and its particular application today to our metropolitan form of government. Before I do so, however, I want to say something about the City of Toronto's twelve-year-old "emergency" housing undertaking.

Emergency Housing

The latest contract for the operation of emergency housing units under private management will expire at the end of April. While the Board of Control has been giving some study to the future course that should be followed, the question of a new contract remains unsettled at the time of writing.

Quite recently the Association of Women Electors submitted a proposal to the Board of Control which I am convinced is constructive and which would appear to offer the best prospects for a speedy and satisfactory termination of the emergency housing operation.

The Association "urges that at that time (April 30th) the final arrangements for closing the remaining units be put in the hands of the Toronto Housing Authority" which, they point out, has the necessary enabling power from the province so that only a local by-law would be required. They suggest that this plan would offer the best solution since the Housing Authority's "manager and staff are particularly qualified to work out plans for the rehabilitation of those families which present special problems".

Since June, when your Bureau made representations to the Board of Control on the subject, some further units have been closed out. Yet the progress has been painfully slow. Admittedly, the elected representatives have been up against a disagreeable situation. As long as any shortage of low-rental housing exists, the job of closing out the emergency units is likely to prove quite unpopular. Advocacy of an aggressive policy is not calculated to win votes. It should also be said that the original transfer to private management represented an attempt to overcome difficulties that had developed when the full responsibility rested with civic departments.

Nevertheless, I can discover no evidence that the switch from municipal to private management resulted in any improvement over-all. In my opinion, there never has been a satisfactory contract with the city's agent for emergency housing management. The emphasis has always been placed on the financial side—hoped for savings by the taxpayers and virtually assured income for the contractor. Frequent reports on the conditions in some of the emergency housing units suggest to me that human values have never been adequately considered. Personally, I am flatly opposed, in all the circumstances, to any further extension of the private management contract.

During the same years in which the emergency housing has come in for persistent censure, the housing Authority has in my view been building a reputation for capable management. The problems to be overcome were of course less but they have by no means been non-existent. Consequently, the proposal of the Association of Women Electors looks to me like the obvious way out of the immediate dilemma confronting the Board of Control and City Council.

WHAT'S BACK OF THE BUDGET

This is the season when our municipal councils and school boards are in the throes of annual budget-making. Finance committees are at work on departmental submissions and the pruning shears are, as usual, much in evidence. Nevertheless, tax increases are being predicted for most, if not all, local municipalities throughout the metropolitan area.

A particular controversy has developed over the capital sums requested for new school construction. School authorities, on the one hand, are seized with the importance of ensuring sufficient satisfactory accommodation and facilities to keep abreast of the mushrooming school-age populations, especially in the larger suburban townships. Council representatives, for their part, are alarmed by a greater than anticipated increase in the burgeoning school programme which they must consider in relation to a mounting debt load and competing demands for future capital borrowing. The established policy of the provincial government—to restrict its construction grants to "ordinary classrooms and essential administrative and service facilities" — has proven a further complicating factor.

Although I am not without an opinion on the subject, I have no intention of attempting to rule on this question. A decision will come in due course from our elected representatives. By then, they should be conversant with the facts of the situation and alive also to what the public wants and will be prepared to support.

On capital financing of school services, the Metropolitan Council and School Board are the final local authorities concerned. On the face of it, the Council holds the stronger position. Nevertheless, until the whole problem has been aired to the full, the Council would, as I see it, be making a mistake to take a stand from which it is not prepared to depart. The best way to arrive at a decision involving two public bodies, both of whom are elected, is by as frank and full discussions as possible between them, commencing at as early a stage in the budgeting process as can be arranged.

What I have in mind for this report is to describe first the rather special conditions that govern the financing of municipal and school services generally and then to indicate the nature and general proportions of the problems facing metropolitan Toronto today.

A Singular Setting

What municipal councils and school boards are forced to contend with in bringing down their budgets can be illustrated most dramatically by comparison with provincial and federal budgeting.

Local bodies throughout Canada are expected to obtain the bulk of the funds they raise for themselves from taxes on real property. In Ontario, where this source includes the required use of a standard form of real property business tax, access to supplementary forms of taxation is decidedly limited. By contrast, even where they have relinquished major taxing rights temporarily under the tax agreements the provinces have retained a variety of revenue sources. And the federal government is restricted only by the practical necessity of leaving some elbow room for the provinces and municipalities in their permitted fields.

At the higher levels of government, it is taken for granted that any tax will be continued in force unless changes are announced. Although provincial gasoline and liquor taxes are considered to be forms of direct taxation, people are often not conscious of the amounts they pay. Again, few voters are fully aware of the extent of provincial levies on mining and forest operations or of the sizable provincial profits from liquor sales. Similarly, it is easy to lose sight altogether of the indirect taxes levied by the federal government. But the real property tax is billed directly to all owners and, to continue in force, must be re-imposed year by year. As a result, the local taxpayers have every reason to be decidedly tax conscious.

At an earlier time, the service responsibilities of Ontario's municipal councils and school boards were narrower that they are today whereas their taxing powers were broader. Once senior governments came to realize the potential scope and the advantages for themselves of the income tax field, the municipalities were barred from it. And they can no longer levy personal property taxes. Yet the local authorities are expected to continue their traditional responsibilities and at the same time to support an increasing range and extent of health, welfare and other community services. Schooling, which they must provide, is required to work towards continually higher standards. It has often been suggested that the real property tax is an inappropriate source of financing for a goodly portion of the services that councils and school boards are now called upon to perform. And, in spite of substantial grants-in-aid, many people still contend that the property tax is overloaded.

Like the local authorities, provincial governments are the recipients of grants and payments which total a substantial amount. Nevertheless, the position of the two is decidedly different. The provinces have considerable bargaining power in negotiating the tax agreement payments which account for most of the outside money they receive. Local governments, by contrast, can do no more than petition for the very large grants-in-aid which they require to supplement their own limited sources of revenue.

Municipal councils and school boards are required by provincial law to set the tax rate high enough each year to cover all current expenditures of the year, including debt charges. Any surpluses that develop are supposed to be used as income to reduce the tax rate in the succeeding year. Similarly, deficits that may arise are to be treated as a first charge upon the taxation of the next year. Neither the federal nor provincial governments are so restricted. Their right to accumulate surpluses or to engage in deficit financing enables them to time tax adjustments strategically and to avoid thereby frequent fluctuations in rates.

Because real property taxes constitute by far the largest and, at the same time, the residual source from which municipal and local school expenditures must be met, the annual levy has become the focal point of the public's interest in the whole budgeting process. When the mill rate is announced, each individual taxpayer can immediately determine what his taxes will be by applying the figure to his own assessment. Yet the mill rate figure alone, rather than a full report on the relative tax load, is what makes good press. At the higher levels of government, no single tax provokes a similar concentration of interest.

The emphasis given locally to the mill rate discourages local authorities from proceeding with the periodic revaluations of property that are required in order to maintain a reasonably constant relationship between assessment valuations and the present actual values of the assessed properties. For example, within the City of Toronto the level of values was last revised in the re-assessment which was completed seven years ago. At the time, a 1940 level of values was adopted as the base. A house and lot similar to one which was assessed then at $10,000 should certainly be assessed at for more than that today. When assessments become frozen at outdated levels, the full requirements for increased revenues have to be put through in the form of increases in the tax rate for which the elected representatives are held responsible. Local taxpayers can gain the impression that their taxes are being pushed up repeatedly when, in fact, the increases are doing no more than to maintain a constant level of taxation in relation to the real value of the tax base.

By contrast, taxes on personal or corporate income are levied as percentages of income. The result is that, as salaries, wages and corporation profits increase during an inflationary period, the government obtains larger tax revenues automatically. Indeed, the graded rates on personal incomes, which tie particular rates to specific amounts of earnings, has meant that inflation actually adds to the return from income taxation. Even a provincial tax like the gasoline tax, which is set at so many cents per gallon, will yield more in revenues as a result of increasing consumption under buoyant economic conditions without any change in rates.

Then local representatives suffer another disadvantage. In this province they are elected for much shorter terms than their provincial or federal colleagues and, with a definite term, the date of the next election can never be a surprise. Even a two-year term may cause some representatives to adopt a short-sighted attitude to municipal or school financing. A one-year term is far worse. Its effect has frequently been to encourage municipal representatives to attempt to hold down taxes year by year at almost any cost. What is more, annual elections have resulted in their postponing any serious consideration of the budget until the fiscal year in question is well under way. From January 1st until the budget is finalized, money is necessarily being spent under temporary authorizations. Conversely, the longer term served by provincial and federal members permits budgets to be prepared and brought down earlier and eliminates a good deal of the pressure to indulge in false economies, except perhaps in an election year.

Again, at the higher levels of government a party in power has the opportunity to develop a definite budget policy. If its majority is secure, it should be able to put through necessary increases in taxation knowing that it can fend off opposition criticism successfully. At the local level, representatives are drawn together on committees, yet they need not work together as a team. There is always the possibility that some members will succumb to the attraction of campaigning for a lower mill rate where to the initiated the need for an increased expenditure is obvious and urgent.

Unlike the legislators at Queen's Park or in Ottawa, local elected representatives must carry out their budget discussions in the home community. Lacking the party caucus or the closed session, the debates are carried on in public and widely reported in the press. The taxpayer who cares to take an interest has a ringside seat. While the result, in balance, may not be a bad one, the local representative has little freedom from interruptions and pressures while he is engaged in budget work.

Under provincial legislation, one further limitation has been placed upon municipal and local school financing to which the senior governments are not themselves subjected. It concerns the capital side of the budgetary operation. Local governments are required to maintain a clear distinction in their accounting between expenditures for current and capital purchases. In financing the former, they are as already noted prohibited from carrying over any part of the cost beyond the immediate taxation year. The permission granted certain municipalities during the depression to fund some of their relief costs constituted an exception to this general rule. While revenue-earning enterprises do have the privilege of accumulating surpluses, other local authorities have little opportunity or incentive to build up balances for later spending on capital purposes. The only avenue open to them is the creation of special reserve funds for earmarked purposes which must be invested in designated forms of securities. On occasion, municipalities or school boards succeed in paying some part of their capital costs out of current revenues. But the pressure to hold down the mill rate has discouraged any widespread use of that particular power.

I should not want to convey the impression that the conditions imposed upon municipal councils and school boards lack any constructive purpose. By and large I believe them to be reasonable checks upon a level of government which enjoys only a delegated authority.

There are, nevertheless, at least three significant points to be noted. First, in relation to the best budgetary procedures, the obvious tendency is for our local authorities to under-spend year by year—to adopt a short-term outlook on local government financing. Second, local governments seldom achieve any appreciable extent of pay-as-you-go capital financing; they are naturally disposed to finance their operations through debenture borrowing wherever possible. As a result, annual debt charges constitute a particularly large proportion of their customary current expenditures and interest instalments add considerably to the cost of our local public services. Thirdly, the budgetary responsibilities of local elected representatives are regularly much more arduous than the corresponding obligations falling upon provincial and federal members.

Against this background, let me put before you quite briefly some of the more important points as I see them in the immediate situation in the Toronto metropolitan area.

Our Immediate Circumstances

While the local governments within this area have financial problems, it would be quite foolish to suggest that any one of them is on the verge of bankruptcy or even in serious financial straits. Before the metropolitan federation was formed, the City of Toronto had gained a long-standing reputation for conservative financial management. While local government financing was then becoming increasingly difficult for some of the suburbs, in none had a major point of crisis been reached. The federation set-up brought some relief. It gave greater combined financial strength to the whole area and, on the average, secured for the citizens lower interest rates on debenture borrowing. The metropolis in which we live is one of the wealthiest areas throughout all Canada. It should be able to afford the local public services that it requires.

By virtue of its size and density, metropolitan Toronto has need of a comparatively costly brand of local government services. Because of its rapid rate of growth, additional service facilities have to be added quickly if municipal services are to be kept at a high standard. What is more, both these factors have served to highlight the problem of attempting to rely heavily on the real property tax as a municipal revenue source.

While the introduction of a $10 automobile tax would not cut the total load falling upon residents and business concerns within the metropolitan municipality, it would be a way of redistributing the burden, perhaps somewhat more equitably. On the other hand, increased provincial subsidies would not only redistribute the burden but would probably add to it. The reason is that the province would presumably be expected to make such grants-in-aid generally available and, to do so, unless the grants were weighted, would draw more from this area in provincial taxation than would be returned in the form of additional subsidies.

In the years immediately before the Municipality of Metropolitan Toronto came into being, a number of highly desirable capital expenditures were postponed because the thirteen municipalities were then living in a straight-jacket of divided jurisdiction. Already, a good deal of capital has been invested towards reducing the backlog. But we cannot expect merely to open the floodgates. A careful timing of future capital undertakings is most essential and the metropolitan representatives do well to call our attention to this necessity.

The metropolitan municipality began operations before overall planning had reached any degree of real effectiveness. Even now only four of the thirteen municipalities have official plans—Toronto, East York, Etobicoke and North York. East York's plan covers only part of the township while the other three plans are certainly less than ideal. Scarborough hopes to bring in its official plan within a few months. Long Branch is working on the preparation of such a plan. Apparently the remaining seven municipalities are not making much progress. The metropolitan municipality itself will require probably a full eighteen months before it can produce its broad plan embracing the thirteen municipalities and the five surrounding townships. In the meantime, it is difficult to ensure that capital expenditures are wisely directed and that desirable well-ordered developments are not negated by other haphazard or undesirable changes.

Creation of a metropolitan municipality has only gone part way towards eliminating inequalities in taxing strength among the thirteen municipalities in relation to their service requirements. We have prepared two tables which make the position quite plain. The first lists the mill rates that were struck in each of the thirteen municipalities during the first and second year of the federation's operations. The second sets out the position on debenture debt as at December 31, 1955. While a number of minor qualifications should be recognized with respect to the tabular information, the general position is fairly shown. In relation to the new uniform basis of assessments, both tax rates and debt loads still vary quite considerably.

I should point out that neither Toronto's nor New Toronto's mill rates are fully comparable with the others because both grant partial exemption from taxation to dwelling units carrying low assessments. Without this partial exemption, the City's rate in 1955 would have stood at 43.50 mills instead of 44.75 mills. I should say, also, that we have not taken separate school debt into account in the table on debt and we have distributed the remaining school

TAX RATES OF AREA MUNICIPALITIES

Municipality		Local Rate			Metro Rate			Total Rate		
		General Rate	Public School Rate Incl. Secondary	Total	General Rate	Public School Rate Incl. Secondary	Total	General Rate	Public School Rate Incl. Secondary	Total
City of Toronto	1954	22.47	5.99	28.46	4.93	10.11	15.04	27.40	16.10	43.50
	1955	22.98	7.55	30.53	5.22	9.00	14.22	28.20	16.55	44.75
Etobicoke	1954	13.87	6.00	19.87	4.73	10.00	14.73	18.60	16.00	34.60
	1955	15.19	6.23	21.42	5.05	8.93	13.98	20.24	15.16	35.40
East York	1954	16.79	7.05	23.84	4.67	9.99	14.66	21.46	17.04	38.50
	1955	16.86	7.95	24.81	4.91	8.78	13.69	21.77	16.73	38.50
Forest Hill	1954	15.56	7.69	23.25	4.64	9.91	14.55	20.20	17.60	37.80
	1955	15.28	8.59	23.87	4.92	8.81	13.73	20.20	17.40	37.60
Leaside	1954	10.59	6.89	17.48	4.63	9.89	14.52	15.22	16.78	32.00
	1955	8.37	6.80	15.17	4.94	8.89	13.83	13.31	15.69	29.00
Long Branch	1954	15.896	5.568	21.464	4.634	9.902	14.536	20.530	15.47	36.00
	1955	15.083	6.699	21.782	4.91	8.808	13.718	19.993	15.507	35.50
Mimico	1954	17.234	5.224	22.458	4.636	9.906	14.542	21.87	15.13	37.00
	1955	15.437	6.802	22.239	4.916	8.845	13.761	20.353	15.647	36.00
New Toronto	1954	16.30	5.75	22.05	4.89	10.06	14.95	21.19	15.81	37.00
	1955	14.861	6.918	21.779	5.159	8.912	14.071	20.02	15.83	35.85
North York	1954	12.30	9.50	21.80	4.72	10.20	14.92	17.02	19.70	36.72
	1955	13.75	11.36	25.11	4.90	9.07	13.97	18.65	20.43	39.08
Scarborough	1954	23.34	10.564	33.904	4.635	9.926	14.561	27.975	20.49	48.465
	1955	21.9	10.62	32.52	4.90	8.78	13.68	26.80	19.40	46.20
Swansea	1954	12.050	8.195	20.245	4.63	9.895	14.525	16.68	18.09	34.77
	1955	11.98	7.11	19.09	4.90	8.78	13.680	16.88	15.89	32.77
Weston	1954	21.99	3.49	25.48	4.63	9.89	14.52	26.62	13.38	40.00
	1955	22.17	3.75	25.92	4.90	8.78	13.68	27.07	12.53	39.60
York	1954	14.35	7.67	22.02	4.63	9.89	14.52	18.98	17.56	36.54
	1955	15.49	8.32	23.81	4.92	8.81	13.73	20.41	17.13	37.54

DEBENTURE DEBT OF THE METROPOLITAN AND LOCAL AREA MUNICIPALITIES

As at December 31, 1955

Municipality Directly Liable	Total for General and School Services	Amount per $10,000 of General Taxable Assessment	Total, Including Revenue-Producing, and Specially Rated Debt	Amount Per Capita
	$,000	$	$,000	$
City of Toronto	42,906	272.81	60,292	88.42
East York	4,444	430.70	5,680	82.01
Etobicoke	5,293	207.42	12,839	136.59
Forest Hill	1,232	216.64	1,641	86.92
Leaside	1,559	258.50	1,647	98.17
Long Branch	572	383.04	591	61.48
Mimico	356	161.60	475	36.42
New Toronto	643	184.92	643	65.41
North York	6,591	195.42	13,661	92.14
Scarborough	4,343	198.28	12,904	117.01
Swansea	307	161.94	496	58.22
Weston	604	312.51	968	105.89
York	7,373	404.26	7,983	70.47
SUB TOTAL	76,223	263.11	119,821	91.97
Metropolitan Toronto	99,769	344.39	195,012	149.69
GRAND TOTAL	175,992	607.50	314,833	241.66

debt against all assessments instead of against the assessments of public school supporters only. The differences are not too significant. Another point is that part of the school debt is recoverable from the province. The latter pays out its school construction grants as instalments of principle come due for repayment.

The table on mill rates indicates the tax increases that occurred between metro's first and second years. Within the City of Toronto, the assessment base was not changed as a result of the metropolitan development. Consequently, we can get some idea from Toronto's rate in 1953 as to the trend of events during the first two years under the federation plan. In 1953, the tax rate in Toronto stood at 41.30 mills. The City's total rate increased by 2.2 mills in the first year of Metro and in 1955 another 1.25 mills were added.

The debt table shows that the total debenture debt for general and school services averaged $608 per $10,000 of general taxable assessment and ranged from a low of $506 in Mimico and Swansea to a high of $775 in East York. Another column shows the full debenture obligations, including the owner's shares of local improvement debt and the debt contracted for revenue-earning and special enterprises, most of which are expected to be fully self-supporting. Since only part of this total debt constitutes an obligation upon property taxpayers as such, the combined figure has been expressed as a per capita load instead of in terms of taxable assessment. The average such load stood at $242 per person.

A comparison of Metropolitan Toronto's 1955 dept position with that of seventeen other major Canadian cities at the end of 1954 suggests that our debt obligations are relatively high. There is no doubt in my mind that future capital commitments should be approached with considerable caution. We must always make sure that they do not run too far ahead of the additional assessments which are the by-product of growth. At the same time, I feel that our position is still essentially sound and can be kept so. Public understanding of the budget-maker's problem will help us to hold to such an objective.

ERIC HARDY
Director

BALANCE SHEET

As at the 29th. February, 1956
(with 1955 figures for purpose of comparison)

Assets

		1956	1955
Currents Assets			
Cash		$ 273.79	$ 50.00
Accounts Receivable			
Citizens Research Institute of Canada		—	722.24
Sundry		—	25.00
		$ 273.79	$ 797.24
Equipment and Library	$3,616.95		
Less: Reserve for Depreciation	2,770.88	846.07	728.12
		$ 1,119.86	$ 1,525.36

Liabilities

		1956	1955
Current Liabilities			
Bank Overdraft		—	$ 1,300.84
Accounts Payable			
Citizens Research Institute of Canada	$121.31		
Sundry	168.30	289.61	—
		$ 289.61	$ 1,300.84
Surplus			
Balance 1st. March, 1955	224.52		
Add: Excess of Revenue over Expenditure for the year ended 29th. February, 1956	605.73	830.25	224.52
		$ 1,119.86	$ 1,525.36

STATEMENT OF REVENUE AND EXPENDITURE

For the Year ended 29th. February, 1956
(with 1955 figures for purpose of comparison)

Revenue	1956	1955
Subscriptions	$12,032.00	$11,637.00
Service Revenue	3,272.50	350.00
Sundry Revenue	52.90	62.65
	$15,357.40	$12,049.65

Expenditure	1956	1955
Personal Services	$11,186.56	$ 8,799.32
Printing and Mailing Expense	1,074.86	1,007.56
General and Office Expense	2,231.63	1,853.14
Provision for Depreciation	62.55	53.68
Unemployment Insurance	41.34	50.75
Bank Charges	154.73	143.15
Balance, being excess of Revenue over Expenditure for the year	605.73	142.05
	$15,357.40	$12,049.65

AUDITORS' REPORT

To the Bureau of Municipal Research,
Toronto, Ontario.

We have examined the Balance Sheet of the Bureau of Municipal Research as at 29th February 1956 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 above Balance Sheet and Statement of Revenue and Expenditure present fairly the financial position of the Bureau as at 29th February 1956 and the results of its operations for the year ended on that date.

Dated at Toronto, Ontario,
21st March 1956.

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.
Ames, A. E. & Co. Ltd.
Anchor Cap & Closure Corporation of Canada Ltd.
Andras, Hatch & McCarthy
Atwell Fleming Printing Co. Ltd.
Ault & Wiborg Co. of Canada Ltd.
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.
Book Match Manufacturers Ltd., The
Bosley, W. H. & Co.
Bradshaw, A. & Son Ltd.
Brazillian Traction Light & Power Co. Limited
British-American Oil Co. Ltd., The
Brittain, Dr. H. L.
Bromo-Seltzer Ltd.
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 Manufacturers Association
Canadian Pacific Express Co.
Canadian Pacific Railway Co.
Canadian Pad & Paper Co. Ltd.
Canadian Pittsburg Industries Ltd.
Cannon Electric Canada Ltd.
Carrick, Donald D.
Cassels, Brock & Kelley, Messrs.
Cassels, Defries, Des Brisay & Gunn, Messrs.
Chambers & Meredith 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, Rolph R.
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.

Drummond, McCall & 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 Bros.
Fremes, S., & Co. Ltd.
Gage, W. J., & Co. Ltd.
Gair Company of Canada Ltd.
General Accident Assurance Co. of Canada
General Steel Wares Ltd.
Glendinning, Jarrett & Campbell Messrs.
Globe Envelopes Ltd.
Glover, Henry, & Co.
Gooderham & Worts Ltd.
Goodyear Tire & Rubber Co. of Canada 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.
Household Finance Corp'n. of Canada.
Howard Furnace & Foundries Ltd.
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 Groceterias 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
Minneapolis-Honeywell Regulator Co. Ltd.
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 Cash Register Co. of Canada Ltd.

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.

Oakley, Jackson & Farewell Ltd.
Osler, Hoskin & Harcourt, Messrs.

Page-Hersey Tubes Ltd.
Perry, Gordon F.
Pilkington Bros. (Canada) Ltd.
Planters Nut & Chocolate Co. Ltd.
Playfair, Stuart B.
Price, Waterhouse & Company
Proctor & Gamble Co. of Canada Ltd., The

Rathbone, Geo., Lumber Co. Ltd.
Reed, Shaw & McNaught, Messrs.
Reid, Stanley G.
Renabie Mines Ltd.
Riddell, Stead, Graham & Hutchinson, Messrs.
Ritcey, E. E.
Robertson, Lane, Perrett & Frankish, Messrs.
Robertson, Stark & Holland Ltd.
Robinson Cotton Mills Ltd.
Rogers, Thomas G.
Rosco Metal & Roofing Products
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 Can. Ltd.
Smith, Chas. Albert, Ltd.
Smith, John B., & Sons Ltd.
Sonograph Ltd.
Spaulding, Mrs. M. H.
Standard Sanitary & Dominion Radiator Ltd.
Stedman Bros. Ltd.
Stewart, J. F. M., & Co. Ltd.
Strathy, Gerard B., Q.C.
Sun Oil Co. Ltd.
Swift Canadian Co. Ltd.

Tamblyn, G. Ltd.
Taylor Instrument Companies of Canada Ltd.
Theatre Holding Corp'n Ltd.
Tippet-Richardson Ltd.
Toronto Board of Trade
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.
Turnbull Elevator Co. Ltd.

Underwood Ltd.
United Church Publishing House
University of Alberta
University of Toronto Library

Victoria Paper & Twine Co. Ltd.

Walker, E.C., & Sons Ltd.
Wallace, Carruthers & Associates
Walsh, Geo. T., Q.C.
White Hardware Ltd.
Wickett & Craig Ltd.
Willard Storage Battery Co. of Canada Ltd.
Wills, Bickle & Co.
Windeler Electric Co. Ltd., The
Winter, Lewis A., O.B.E.
Women Electors, Association of
Wood, Gundy & Co. Ltd.
Woolworth, F. W., Co. Ltd.