CIVIC AFFAIRS

Understanding The Impact Of Section 63 On Commercial Property Taxes

BMR

Bureau of Municipal Research

Better Government Through Research

Understanding The Impact Of Section 63 On Commercial Property Taxes

June 1983

Canadian Cataloguing in Publication Data

Main entry under title:
Understanding the impact of Section 63 on commercial property taxes

(Civic affairs, ISSN 0045-7027 ; 1983)
Includes index.
ISBN 0-919066-36-4

1. Ontario. The Assessment Act. Section 63.
2. Assessment - Ontario. 3. Real property tax - Ontario. I. Bureau of Municipal Research (Toronto, Ont.). II. Series.

KE01025.5U53 343.71305'42'02633 C83-098545-X

UNDERSTANDING THE IMPACT OF SECTION 63 ON COMMERCIAL PROPERTY TAXES

TABLES

I INTRODUCTION

Property assessment continues to be one of the most controversial issues in Ontario. Since 1970, when the Province took over the assessment function, debates have centred on determining the best method to reform the current assessment process.

Full market value was promoted initially. Under this system, all properties are assessed at market value (their selling price at a specific date) and one standard mill rate is applied to determine taxes. When this is done, a residential property assessed at $100,000 would pay the same taxes as an industry assessed at $100,000.

The rapid increase in residential property values made this option unviable, however. The major shifts in taxes from industrial and commercial property to the residential sector which would have resulted were seen to be unwarranted and unwise. Full market value was postponed.

The Province has now adopted Section 63 of the Assessment Act. This Section is aimed at basing assessment on market value but not allowing shifts in the tax burden between residential, commercial and industrial taxes. The reform, in effect, is a half measure which standarizes assessment procedures but does not result in taxes being equal between types of properties.

Lack of information has characterized the whole assessment debate for decades. Few people understand the assessment process and the changes that are taking place. Little information is made available to assist them. As hundreds of municipalities choose to reassess under Section 63, the ramifications of such reassessment are not being studied or understood.

The purpose of this report is to clarify the impact of Section 63. Commercial taxes are the focus of the report, although some conclusions are common to both commercial and residential properties. Current commercial and industrial assessment and taxes are outlined to clarify the existing tax advantages and disadvantages under the current assessments. The total changes in commercial, residential and total property assessments are compared for reassessed municipalities to indicate any overall patterns of change under Section 63. The breakdown of tax shifts by business category for six sample municipalities estimates the repercussions of reassessment by type of business. Finally, the simulated effects of Section 63 reassessment on a regional basis are outlined for commercial and industrial classes in each of the six municipalities in Metropolitan Toronto.

II WHAT IS SECTION 63?

The assessment process across the Province has been so varied that even within a municipality, properties of equal value are not always assessed equally. A need for greater standardization and control over the assessment process exists. The Province took over the assessment function in 1970 with the intention of completely reassessing all properties in Ontario using a standard method. This method was based on determining the market value or current selling price of a property.

In the last ten years the Province has had difficulty in implementing this "market value assessment". When all the properties were brought up to full market value and one mill rate was charged, substantial shifts in taxes occurred. Sharp tax increases for single family and small multiple unit residential buildings resulted. Some industries, commercial properties and large multiple unit residential buildings received tax breaks. Many people felt that these shifts were not warranted and had negative impacts, particularly on the poor.

The Province has now adopted Section 63 (formerly Section 86) of the Assessment Act which is aimed at standardizing the assessment process but not shifting tax burdens between different types of property. Presently, all municipal property must be categorized into one of 10 classes:

1. residential - 1 and 2 units
2. residential - 3 to 6 units
3. residential - 7 or more units
4. commercial and professional
5. industrial and manufacturing
6. other rateable realty
7. institutional
8. farms
9. pipelines
10. recreational

Full market value would have reassessed each of these classes and applied one mill rate. The result would have been shifts in amounts of taxes paid between each class. The purpose of the property is not relevant - only its selling price. Section 63, on the other hand, treats each class separately and thus, in essence, takes into account its current purpose.

Section 63 allows properties within each of these ten classes to be reassessed to market value for a particular base year. This principle is the same as with full market value.

Section 63 differs from full market value, however, since it does not allow the proportion of the overall taxes which each class pays to change. If residential - 1 and 2 units - currently pays 20% of the overall property taxes, under Section 63 it will continue to pay a 20% share at the time of reassessment.

For example, a single family house assessed at $100,000 in one part of a municipality would pay the same tax as a single family house assessed the same in another section. An industry assessed at $100,000 would not pay the same as the residential, however. With Section 63 the inequities within each class are solved, but the inequalities between classes are not addressed. If industry is paying more than its share based on value of property, this cannot be changed to shift the burden.

Municipalities can apply to the Province to have property reassessed by class under Section 63. Several hundred have already done so and many others will follow. As reassessment and the ensuing assessment appeals are a sensitive local issue, the Province is anxious not to appear to be forcing the reassessments. They, therefore, have placed the onus on the municipalities to initiate the process.

Two conditions are put on the reassessments:

1. the previous level of total assessment for each property class must not be altered, and
2. the proportion of property taxes attributed to each property class must not be altered.

These two concepts will be explained further.

III CURRENT COMMERCIAL TAX DISPARITIES AND MARKET VALUE ASSESSMENT

An Overview of Commercial Tax Rates

Municipalities levy two separate taxes on commercial and industrial premises: a realty or property tax on property owners and a business tax on the occupants of business premises. Each of these are based on the assessed value. The commercial property tax varies according to the municipal mill rate (1 mill = $1 tax per $1,000 assessment). In Ontario, the commercial mill rate is 15% higher than the residential mill rate.

Business tax rates are determined by the type of business. These rates are applied as a percentage of the assessed value of the space occupied by a business, and are based loosely on an assumed ability to pay or as a penalty because of the nature of the business (e.g. distillery). Property class is not relevant here as the tax is levied on the occupant. The business rates are as follows (from Section 7 of The Assessment Act):

Business Category	Business Tax Rate (percent of assessed value)	Types of Businesses
Parking lot	25%	parking lots
Small businesses & other businesses otherwise uncategorized	30%	small non-chain retail outlets: corner store, restaurant, pharmacy, etc.; telephone company; transportation system
Professional businesses Retail	50%	chain outlets; professional offices: doctors, lawyers, accountants, etc.; broadcasting stations; publishers; printers; department stores
Financial businesses	75%	insurance, loan, trust companies; banks and land companies
Manufacturing	60%	manufacturing plants
Wholesale and Brewery	75%	brewery; wholesale merchant; warehouse
Distillery	140%	distillery for alcohol for consumption

Total commercial property tax is the sum of the realty and business taxes. For example, a brewery with a taxable assessment of $10,000 in Hamilton (1981 commercial mill rate = 220.397) pays commercial realty and business taxes as follows:

$10,000 x .220397	= $2,203.97	realty tax
$10,000 x 75% x .220397	= $1,652.98	business tax

total commercial property tax = $3,856.95

Tax Disparities

Section 63 is not intended to rectify tax disparities between municipalities. The assumption is that relative tax advantages of one area over another will remain the same. To confirm this, tax disparities before and after Section 63 need to be analyzed.

In municipalities which have not been reassessed under Section 63, the assessed values of properties vary, quite dramatically in some cases, from their market value. Some properties have not been updated for 30 years. Others have had assessment updates due to improvements or changes. The Ministry of Revenue takes samples of property sales for each class of property each year to determine the relationship or ratio of assessed value to market value. The overall variance of assessed value for all classes to total market value for all classes within a municipality is called its equalization factor. This overall factor expressed as a percentage is used by the Province to calculate municipal grants and the factors for all municipalities are published each year in the Ontario Gazette.

This overall municipal equalization factor only indicates on a general basis the variation, however. Substantial differences can exist between ratios for various types of properties. For example, an equalization factor for a municipality might be 18.0, meaning that assessed values as an overall basis are 18% of what the market value would be for all the properties. However, when broken down, the single family houses might be 6% and the industrial 25%. Class ratios are, therefore, calculated for each of the 10 individual property classes (residential 1 - 2 unit, commercial, industrial, etc.) as well.

The class ratios are essential in determining typical taxes in municipalities without Section 63. The Ministry of Revenue will not supply these class ratios to the public, however, because they fear assessment appeals. The Ministry supplies the municipalities with their own class ratios and leaves it up to each municipality to form its own policy regarding public access to this information. Most municipalities are reluctant to give out the class ratios, although their basis for concern is not clear. The Ministry's concern over assessment appeals is not justified as assessment appeals are based on property values only within the vicinity of the property in question, not on a municipal-wide basis.

This secrecy of information by the Province and some municipalities is a recurrent problem. In 1966 the Bureau published a report entitled "Assessment - The Recurrent Controversy" which stated,

> Information should be made available so that ratepayers can understand current assessment levels and the methods of arriving at them. This would help to pinpoint differential assessment and to reduce the sense of injustice and arbitrariness now existing.

The same recommendation is applicable today. Some Ministry officials will not even give information such as the total assessment base for a municipality. This secrecy contributes to the current antagonism over property tax reform, and to the misapprehensions about it.

Without this information, we were limited in our ability to demonstrate the current tax disparities in municipalities not yet reassessed and to compare shifts in relative disparities before and after Section 63. Despite this, the overall disparities between municipalities can still be examined, however.

Table 3.1 estimates the typical tax on $100,000 market assessment for commercial and industrial classes before Section 63 in Metro Toronto in 1981. These taxes are approximated by multiplying the $100,000 market assessment by either the commercial or industrial class ratio to obtain an equalized assessment. This is then multiplied by the mill rate to obtain the taxes.

Table 3.1

Estimated Typical Tax per $100,000 Market Value Assessment in Metro (1981)

Municipality	Mill Rate	Commercial Assessment*	Tax	Industrial Assessment	Tax
Toronto	238.878	$15,891	$3,796	$20,055	$4,791
North York	217.720	15,357	3,344	14,152	3,081
Etobicoke	217.880	13,020	2,837	16,904	3,683
Scarborough	229.380	11,520	2,642	15,117	3,468
York	241.170	13,884	3,348	18,251	4,402
East York	224.000	11,711	2,623	17,691	3,963

* 100,000 X class ratio = equalized assessment

Source: Hypothetical Regional 86 Apportionment Study, Municipality of Metropolitan Toronto, August 1981

When a municipality converts to Section 63, all properties in the municipality are assessed at market value for a specific base year. The total assessment for each class is then compared to what the total assessment was for that class before reassessment. This relationship between market value and the assessment base is expressed as the class factor, pertaining to the base year of market value. An individual property owner can multiply this factor times the market value of his property to estimate its assessed value for tax purposes. The Province publishes these Section 63 class factors at the time of reassessment.

Table 3.2 shows the estimated typical tax for 1981 on $100,000 market value assessment in 19 reassessed municipalities.

Table 3.2 confirms that large disparities continue to exist after Section 63. Tax advantages and disadvantages between municipalities continue on the same basis as before Section 63. In general, older and larger industrial cities tend towards higher commercial and industrial tax rates (e.g. Toronto, Hamilton, Ottawa, Belleville), although often market values may be significantly higher in these cities.

The lowest taxes tend to be in smaller centres or municipalities which have a rapidly expanding tax base (Nanticoke, Flamborough, Milton, Stoney Creek, Brampton).

Municipalities who currently have a big tax advantage will maintain their position and be able to use this in attracting development. Any overall changes which occur are due to sudden increase or decrease in activity, not in the change of tax structure. Municipalities will not be able to shift the burden of taxes from industry to residential as an incentive to attracting economic development.

Table 3.2

Estimated Typical Commercial Tax for 1981 per $100,000 Market Assessment Using Section 63 Class Factors

Municipality	Mill Rate	Equalized Assessment	Commercial Tax	Equalized Assessment	Industrial Tax
Year of Reassessment					
1979					
Hamilton	220.396	$16,889	$3,722	$19,367	$4,268
Kitchener	185.056	18,709	3,462	22,633	4,194
Cambridge	130.231	23,305	3,035	28,576	4,106
Timmins	161.750	20,288	3,282	22,316	3,610
1980					
Nepean	502.700	7,478	3,759	11,036	5,548
Nanticoke	209.639	9,409	1,972	8,801	1,845
Flamborough	243.620	9,933	2,420	9,226	2,248
Milton	186.690	12,044	2,248	13,604	2,540
Vanier	280.980	14,646	4,115	14,646	4,115
Peterborough	216.520	16,469	3,566	20,802	4,504
Chatham	196.205	17,197	3,374	23,772	4,664
Ottawa	215.310	17,567	3,782	17,567	3,782
Brantford	166.350	18,225	3,032	23,499	4,144
London	172.650	18,464	3,188	21,486	3,710
Stoney Creek	165.520	19,701	2,690	29,751	4,062
Belleville	110.000	34,111	3,752	43,017	4,732
1981					
Guelph	68.520	43,738	2,997	50,140	3,436
Hearst	47.731	43,950	2,098	52,178	2,491
Brampton	45.250	57,652	2,337	53,446	2,418

Base year of market value for each is 1975.

Source: Municipal Analysis and Retrieval System, Ministry of Municipal Affairs and Ministry of Revenue

IV COMMERCIAL TAX SHIFTS AFTER SECTION 63

Overall Effects

The local assessment base should not grow as the result of Section 63 and the share of assessment between classes should not change. These two assumptions are the basis of the current reassessments. Nevertheless, many people fear that municipalities will take advantage of the reassessment and raise assessments more than necessary as a way to raise revenue. Comparing the growth in the residential, commercial, industrial and business, and total assessment bases shows whether significant changes are taking place.

Table 4.1 identifies the percent change in the taxable assessment for six sample municipalities reassessed under Section 63. These municipalities were chosen on the basis of three criteria: size, location and non-merged area. The six municipalities are large enough that rapid growth of one property class, dominance by one property class or a critical level of business change is less influential than in a smaller municipality. As well, a range of size indicates differing adjustments after reassessment due to size. The location of the municipalities reflects various regions of Ontario, except Northern and Northwestern Ontario where no larger reassessed municipalities exist. Each of the sample municipalities is categorized by the Province as a non-merged area meaning no boundaries were altered after reassessment.

Table 4.1 indicates that, as intended, the pattern of assessment growth has not been significantly altered by Section 63. The changes in the local assessment base will reflect supplemental assessments due to growth and reclassification of properties that have changed use. As well, vacant land, previously under-assessed, has been included in the assessment base. The Province allows a leeway of 1/2 to 1-1/2% of the total assessment for losses due to assessment appeals and another 2% for general assessment adjustments. Allowing for these adjustments, it is evident that reassessment under Section 63 is not affecting the overall assessment between classes.

Table 4.1

Percent Change in Assessment for Six Municipalities
Reassessed Under Section 63

	Residential	Commercial & Industrial (including business tax)	Total
Hamilton			
1977-78	3.6%	1.1%	2.5%
1978-79*	1.6%	0.2%	1.0%
1979-80	-0.9%	2.0%	0.3%
1980-81	-0.3%	0.7%	0.1%
1981-82	2.4%	4.0%	3.2%
Ottawa			
1977-78	1.9%	1.9%	1.9%
1978-79	3.2%	1.9%	2.7%
1979-80*	1.1%	3.4%	1.9%
1980-81	0	-2.7%	-1.0%
1981-82	1.3%	2.2%	1.6%
Chatham			
1977-78	4.9%	2.5%	3.9%
1978-79	5.3%	3.9%	4.7%
1979-80*	1.7%	4.7%	2.9%
1980-81	1.8%	-2.4%	0
1981-82	1.4%	3.6%	2.3%
London			
1977-78	3.4%	4.6%	3.8%
1978-79	4.8%	2.0%	3.9%
1979-80*	3.8%	2.4%	3.6%
1980-81	2.6%	0.2%	2.0%
1981-82	2.3%	4.0%	2.8%
Peterborough			
1977-78	2.3%	0.1%	1.5%
1978-79	2.5%	1.5%	2.1%
1979-80*	0	-2.5	-0.9%
1980-81	0.4%	8.7%	+3.6%
1981-82	1.2	-1.2	0.3%
Cornwall			
1977-78	2.7%	4.1%	3.3%
1978-79	3.5%	2.5%	2.7%
1979-80	0.9%	11.0%	5.1%
1980-81*	1.5%	0.4%	1.9%
1981-82	0.5%	0.4%	0.5%

Commercial Tax Shifts by Business Type

Section 63 does affect the assessment within classes. Shifts in assessment and tax will occur between business categories (i.e. parking lots, small businesses, professional, etc.) for a variety of reasons: supplementary assessments due to growth of business or loss of assessment due to business failure; assessment appeals; change in classification, for example from commercial to residential; and change in business category, for example a corner store which turns into a lawyer's office. An increase in the mill rate will affect all businesses equally.

By comparing the percentage of assessment attributable to each business category, overall shifts between business types can be determined. Any large shift in assessment share which occurs in the year of reassessment will indicate some impact of Section 63. Table 4.2 identifies these shifts for five business types in the six sample municipalities. The seven categories identified in Section 3 are altered so the industrial category includes manufacturing, wholesale/brewery and distillery. Further analysis will estimate assessment and tax per business for all seven categories.

Although numerous observations can be made for each category in each of the sample municipalities, the aim is to discern any general assessment share patterns for each business category.

In general, parking lots in all municipalities are increasing in commercial assessment share after reassessment. For example, in Hamilton the assessment share increased from 3.4% to 4.9% following reassessment. In Ottawa, the share doubled from 4.4% to 8.9%. In Chatham, the share also doubled from .6% to 1.3%. In London it increased from 3.6% to 4.7%, and in Cornwall the share increased from 1.9% to 3.5%.

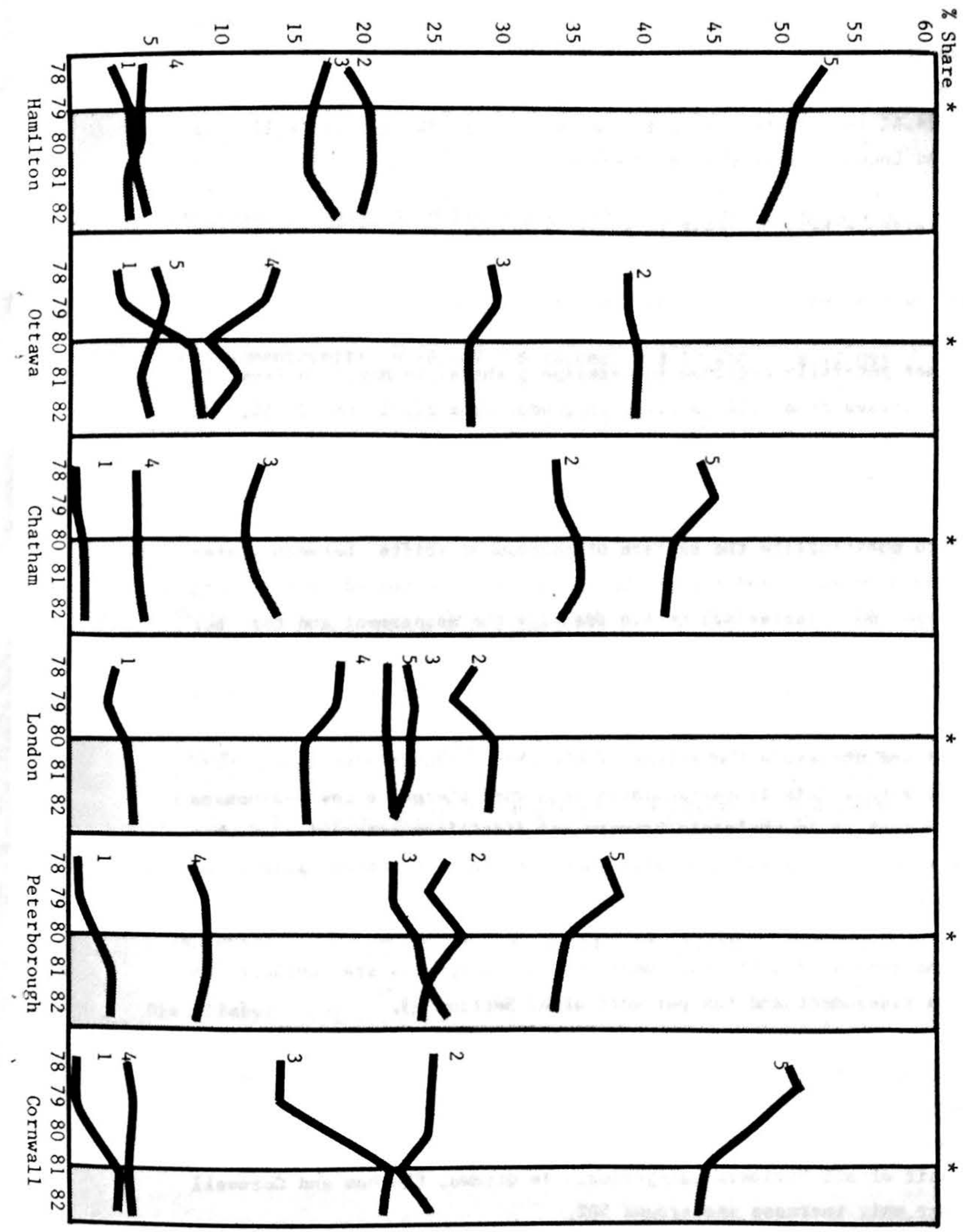
The general pattern with small businesses is an increase in the percentage assessment share following Section 63. The increases are fairly modest: Hamilton from 19.8 to 21.9%, Chatham 35.1% to 36.8%, London 27% to 30%, Ottawa 39.4% to 40.8% and Peterborough from 25.6% to 26.9%. In Cornwall the share declined from 25.6% to 23.5%.

Table 4.2

Percentage Assessment Share by Business Category 1978-82

1. Parking lots 2. Small business 3. Professional and large retail 4. Financial 5. Industrial

* Year of Reassessment



Professional businesses and large retail outlets do not indicate an overall pattern. In Hamilton and Ottawa the share declined following reassessment (from 17.6% to 16.8% in Hamilton and from 30% to 28% in Ottawa) while in Peterborough and Cornwall the share increased (from 23.2% to 24.4% in Peterborough and from 18.8% to 22.8% in Cornwall). In Chatham and London little change occurred.

Financial offices have declined in share in Ottawa (from 14.3% to 10.1%) and London (from 18.6% to 17%), declined very slightly in Hamilton and Cornwall and changed little in Chatham and Peterborough.

Industry has generally declined in assessment share: in Hamilton from 53% to 51%, in Ottawa from 7.5% to 7.2%, in London from 22.7% to 22.5%, in Chatham from 45.9% to 43.6%, in Peterborough from 38.7% to 35.5% and in Cornwall from 45.5% to 44.7%.

In order to substantiate the pattern of assessment shifts between categories, the assessment and tax per business must be compared before and after Section 63. Tables 4.3 to 4.8 identify the assessment and tax per business for the defined seven business categories from 1978 to 1982 in the six sample municipalities. Change in business units identifies a change in number of businesses. The size of the businesses cannot be determined and therefore the extent of the change cannot always be accurately estimated. This is particularly true when there are few businesses to compare such as in wholesale/brewery and distillery categories or when business size may vary substantially such as in the three industrial categories.

Overall the same shifts in assessment between categories are evident in changes in assessment and tax per unit after Section 63.

Assessment per parking lot has increased substantially in all municipalities except London where reassessment has not affected a pattern of gradual assessment decline. Parking lots have seen the largest jump in tax per unit of all business categories. In Ottawa, Chatham and Cornwall the tax per unit increase was around 50%.

Table 4.3

Assessment and Tax Per Business Unit - Hamilton

	1978	1979*	1980	1981	1982
Parking lots:					
Units:	1,243	1,237	1,272	1,333	1,545
Assessment/unit:	$ 9,715	$ 14,178	$ 14,202	$ 13,933	$ 14,473
Tax/unit:	$ 1,659	$ 2,692	$ 2,872	$ 3,071	$ 3,499
Small Business:					
Units:	4,365	4,320	4,507	4,559	4,573
Assessment/unit:	$ 16,047	$ 18,082	$ 17,438	$ 17,091	$ 17,165
Tax/unit:	$ 2,740	$ 3,433	$ 3,526	$ 3,767	$ 4,148
Professional					
Units:	2,869	2,785	2,621	2,566	2,748
Assessment/unit:	$ 21,694	$ 21,451	$ 23,122	$ 24,367	$ 26,029
Tax/unit:	$ 3,704	$ 4,073	$ 4,675	$ 5,370	$ 6,292
Financial:					
Units:	542	524	512	480	468
Assessment/unit:	$ 38,904	$ 36,165	$ 36,661	$ 38,309	$ 38,454
Tax/unit:	$ 6,643	$ 6,867	$ 7,413	$ 8,443	$ 9,295
Manufacturing:					
Units:	627	616	612	618	615
Assessment/unit:	$301,010	$294,399	$295,747	$293,006	$294,677
Tax/unit:	$ 51,396	$ 55,928	$ 59,797	$ 64,478	$ 71,231
Wholesale/brewery:					
Units:	3	5	6	9	12
Assessment/unit:	$ 31,496	$ 46,938	$ 41,538	$ 45,945	$ 52,979
Tax/unit:	$ 5,378	$ 8,912	$ 8,399	$ 10,126	$ 12,806
Distillery:					
Units:	3	3	2	2	2
Assessment/unit:	$ 9,214	$ 6,417	$ 6,167	6,167	$ 6,167
Tax/unit:	$ 1,573	$ 1,218	$ 1,247	1,360	$ 1,490

* Year of Reassessment

Source: Municipal Analysis and Retrieval System

Table 4.4

Assessment and Tax Per Business Unit - Ottawa

	1978	1979	1980*	1981	1982
Parking lots:					
Units:	1,131	1,115	1,109	1,089	1,342
Assessment/unit:	$10,620	$11,890	$ 22,897	$19,961	$21,713
Tax/unit:	$ 1,778	$ 1,887	$ 4,274	$ 5,372	$ 5,164
Small Business:					
Units:	4,175	4,365	4,508	4,533	4,636
Assessment/unit:	$25,034	$24,783	$ 25,756	$25,636	$25,517
Tax/unit:	$ 4,190	$ 4,294	$ 4,808	$ 5,520	$ 6,068
Professional					
Units:	2,881	2,930	2,938	2,924	3,054
Assessment/unit:	$27,708	$28,354	$ 27,118	$27,679	$27,612
Tax/unit:	$ 4,637	$ 4,912	$ 5,062	$ 5,857	$ 6,567
Financial:					
Units:	554	576	547	509	471
Assessment/unit:	$70,822	$68,283	$ 67,365	$71,345	$65,465
Tax/unit:	$11,853	$11,830	$ 12,576	$15,361	$15,568
Manufacturing:					
Units:	273	275	229	236	245
Assessment/unit:	$63,791	$66,914	$ 63,173	$58,149	$56,402
Tax/unit:	$10,677	$11,593	$ 11,793	$12,520	$13,413
Wholesale/brewery:					
Units:	24	45	54	57	99
Assessment/unit:	$56,363	$49,759	$110,932	$57,148	$71,613
Tax/unit:	$ 9,433	$ 8,621	$ 20,709	$12,304	$17,030
Distillery:					
Units:	2	1	1	1	1
Assessment/unit:	$ 9,562	$ 8,445	$ 11,615	$11,615	$ 6,379
Tax/unit:	$ 1,600	$ 1,463	$ 2,169	$ 2,501	$ 1,517

* Year of Reassessment

Source: Municipal Analysis and Retrieval System

Table 4.5

Assessment and Tax Per Business Unit - Chatham

	1978	1979	1980*	1981	1982
Parking lots:					
Units:	115	115	120	118	138
Assessment/unit:	$ 1,690	$ 1,784	$ 3,982	$ 4,113	$ 3,740
Tax/unit:	$ 246	$ 292	$ 698	$ 807	$ 793
Small Business:					
Units:	714	696	711	695	717
Assessment/unit:	$ 16,370	$ 17,758	$ 19,126	$ 19,329	$ 18,401
Tax/unit:	$ 2,561	$ 2,910	$ 3,353	$ 3,792	$ 3,904
Professional					
Units:	336	337	331	342	354
Assessment/unit:	$ 14,245	$ 13,662	$ 14,378	$ 14,313	$ 15,837
Tax/unit:	$ 2,229	$ 2,239	$ 2,521	$ 2,808	$ 3,360
Financial:					
Units:	55	55	57	57	53
Assessment/unit:	$ 34,573	$ 34,988	$ 34,534	$ 35,313	$ 43,071
Tax/unit:	$ 5,409	$ 5,734	$ 6,055	$ 6,929	$ 9,137
Manufacturing:					
Units:	66	70	70	68	67
Assessment/unit:	$232,294	$231,072	$229,896	$253,342	$301,044
Tax/unit:	$ 36,344	$ 37,866	$ 40,308	$ 44,213	$ 50,018
Wholesale/brewery:					
Units:	1	1	1	1	1
Assessment/unit:	$ 18,320	$ 18,320	$ 31,410	$ 22,718	$ 22,718
Tax/unit:	$ 2,866	$ 3,002	$ 5,507	$ 4,457	$ 4,819

* Year of Reassessment

Source: Municipal Analysis and Retrieval System

Table 4.6

Assessment and Tax Per Business Unit - London

	1978	1979	1980*	1981	1982
Parking lots:					
Units:	1,163	1,241	1,715	1,799	1,947
Assessment/unit:	$ 6,993	$ 6,465	$ 6,084	$ 5,985	$ 5,455
Tax/unit:	$ 998	$ 959	$ 976	$ 1,033	$ 1,024
Small Business:					
Units:	3,512	3,525	3,666	3,673	3,699
Assessment/unit:	$ 17,390	$ 17,071	$ 18,403	$ 18,510	$ 18,928
Tax/unit:	$ 2,483	$ 2,532	$ 2,953	$ 3,196	$ 3,554
Professional					
Units:	2,141	2,202	2,144	2,135	2,231
Assessment/unit:	$ 24,822	$ 24,895	$ 25,217	$ 25,462	$ 25,113
Tax/unit:	$ 3,544	$ 3,693	$ 4,047	$ 4,396	$ 4,716
Financial:					
Units:	479	495	502	489	494
Assessment/unit:	$ 85,066	$ 83,801	$ 75,308	$ 78,260	$ 79,677
Tax/unit:	$ 12,145	$ 12,431	$ 12,085	$ 13,512	$ 14,962
Manufacturing:					
Units:	419	419	415	421	443
Assessment/unit:	$117,842	$120,695	$120,889	$117,527	$121,597
Tax/unit:	$ 16,824	$ 17,904	$ 19,400	$ 20,291	$ 22,833
Wholesale/brewery:					
Units:	1	1	1	1	2
Assessment/unit:	$ 20,175	$ 20,175	$ 16,920	$ 16,920	$ 20,303
Tax/unit:	$ 2,880	$ 2,993	$ 2,715	$ 2,922	$ 3,812

* Year of Reassessment

Source: Municipal Analysis and Retrieval System

Table 4.7

Assessment and Tax Per Business Unit - Peterborough

	1978	1979	1980*	1981	1982
Parking lots:					
Units:	240	246	328	417	461
Assessment/unit:	$ 3,168	$ 3,265	$ 4,103	$ 4,223	$ 3,978
Tax/unit:	$ 526	$ 599	$ 904	$ 914	$ 964
Small Business:					
Units:	917	948	949	960	927
Assessment/unit:	$ 15,449	$ 14,461	$ 14,937	$ 15,347	$ 15,635
Tax/unit:	$ 2,566	$ 2,604	$ 2,929	$ 3,323	$ 3,788
Professional					
Units:	505	521	508	535	540
Assessment/unit:	$ 24,204	$ 23,829	$ 25,336	$ 26,470	$ 26,836
Tax/unit:	$ 4,019	$ 4,292	$ 4,967	$ 5,731	$ 6,502
Financial:					
Units:	119	128	135	138	138
Assessment/unit:	$ 39,716	$ 40,379	$ 37,436	$ 39,097	$ 39,940
Tax/unit:	$ 6,595	$ 7,273	$ 7,340	$ 8,467	$ 9,697
Manufacturing:					
Units:	111	120	120	117	114
Assessment/unit:	$183,008	$172,702	$155,676	$163,762	$169,206
Tax/unit:	$ 30,390	$ 31,105	$ 30,522	$ 35,458	$ 40,995

* Year of Assessment

Source: Municipal Analysis and Retrieval System

Table 4.8

Assessment and Tax Per Business Unit - Cornwall

	1978	1979	1980	1981*	1982
Parking lots:					
Units:	121	120	174	173	209
Assessment/unit:	$ 2,780	$ 2,749	$ 4,670	$ 9,129	$ 7,409
Tax/unit:	$ 502	$ 545	$ 994	$ 2,097	$ 1,940
Small Business:					
Units:	820	794	801	742	762
Assessment/unit:	$ 12,403	$ 12,938	$ 13,724	$ 14,070	$ 14,535
Tax/unit:	$ 2,237	$ 2,564	$ 2,922	$ 3,232	$ 3,806
Professional					
Units:	370	396	435	433	429
Assessment/unit:	$ 15,737	$ 15,088	$ 18,552	$ 23,370	$ 22,998
Tax/unit:	$ 2,839	$ 2,991	$ 3,950	$ 5,368	$ 6,023
Financial:					
Units:	79	85	89	75	73
Assessment/unit:	$ 21,433	$ 22,325	$ 23,167	$ 24,461	$ 26,216
Tax/unit:	$ 3,866	$ 4,425	$ 4,932	$ 5,661	$ 6,865
Manufacturing:					
Units:	96	101	94	94	98
Assessment/unit:	$202,191	$202,070	$218,646	$214,717	$203,485
Tax/unit:	$ 36,473	$ 40,052	$ 46,552	$ 49,325	$ 53,289

* Year of Reassessment

Source: Municipal Analysis and Retrieval System

Assessment for small businesses has also increased after reassessment. Tax increases per unit range from 20% in Hamilton to 9% in Cornwall. As substantiated by the shift in assessment share, these increases indicate a modest tax shift onto small business.

Professional offices and large retail outlets follow the same pattern of assessment per unit change as for overall percentage share. Hamilton and Ottawa decreased moderately, Peterborough and Cornwall increased more substantially and Chatham and London indicated little change. Taxes per unit increased by 13% in Peterborough and by 26% in Cornwall. This mixed pattern indicates some definite tax shifts occurring in this category, however, each municipality appears to be unique.

Financial businesses have generally declined in assessment per unit, especially in Hamilton, Ottawa, London and Peterborough. In Cornwall, assessment per unit increased slightly. Again this pattern parallels the shift in assessment share indicating a general decrease in proportional tax burden for these businesses.

The industrial categories are more difficult to discern. Although a substantial decrease in assessment share was evident in all six municipalities, the pattern of assessment per business unit of manufacturing, wholesale/brewery and distillery is not as clear. The variations in business unit size have likely distorted the estimates of assessment and tax per unit.

Manufacturing assessment per unit declined in Hamilton, Ottawa, Chatham, Peterborough and Cornwall and increased very slightly in London. However, tax per unit declined only in Peterborough by a modest 1%.

Wholesale/brewery assessment per unit increased substantially in Hamilton, Ottawa and Chatham and declined in London. Tax per unit increases ranged from 45% in Chatham to 58% in Hamilton. Tax per unit decreased by 9% in London. Peterborough and Cornwall have no businesses in this category.

Distilleries decreased in assessment per unit in Hamilton and increased in Ottawa. The other municipalities do not have distilleries. Tax per unit decreased by 22% in Hamilton and increased by 32% in Ottawa but declined close to their 1979 level in 1982.

The Incidence of Commercial Taxes

Unlike residential property taxes, where the property owner must bear the full weight of the tax, the incidence or final resting place of commercial property taxes is more complicated. Unfortunately, no empirical evidence exists on the incidence of commercial taxes. Most views are the result of assumptions and educated guesses. The effects of commercial taxes on locational decisions are largely dependent on the ability of commercial enterprises to pass on a portion of the tax increase to either employees through lower wages or to customers through price increases. In general, the more the tax is able to be passed on, the less impact commercial tax changes will have on the business.

The incidence of commercial property taxes can be generalized for each business category: parking lots; small business and retail; professional offices and large retail outlets; financial offices; and industry.

The ability of commercial parking lot operators to pass tax increases on to the consumer will depend basically on the type of facility (e.g. underground garage, vacant lot), the competition (central location or low demand area) and the duration of stay. Since commercial parking facilities in central locations tend to be very competitive and in suburban areas tend to be free, tax increases are borne to a great extent by the operators and owners. However, in high demand areas, rates will likely increase, if they can. Due to the increase in tax share on parking facilities, parking uses will become less attractive and profitable; developing the site or leaving it as a vacant non-taxable lot, more attractive. If taxes are passed on, parking is discouraged with negative effects on local businesses and positive effects on public transit use. Of the sample municipalities, Ottawa has experienced the greatest tax share increase on to parking lots.

Small businesses vary in regard to the incidence of commercial taxes, relative to the mobility of consumers, employees and retail firms themselves. John Bossons, in a study on the incidence of property taxes, indicates that:

> . . . . . it is likely that in most Ontario municipalities, a substantial part of property taxes in excess of the property-specific benefits of municipal expenditure are shifted to consumers in the form of higher prices on consumer goods.[1]

In times of slow economic growth, many retail business owners, especially in older downtown locations, will bear more of the tax increase. In general, the smaller the retail firm, the greater the mobility of consumers, employees and retail firms and the greater the impact of tax increases on small business. Tax shifts on to this category were small in the sample municipalities, however, possible business closings or relocation from the centre to outlying areas, even outside the municipality, could result.

Large retail outlets are more able to pass tax increases on to consumers and employees. As well, professional offices are also able to pass tax increases on to their customers. As the pattern in the six sample municipalities is mixed, no obvious impact to tax shifts in this business category can be deduced.

In the case of financial businesses, commercial tax increases are less apt to be passed on to employees and more likely to be passed on to customers,

> . . . . . assuming a lesser locational mobility of prime office users and a relatively inelastic supply of professional and managerial employees.[2]

Generally, commercial taxes are charged to the occupant as a surcharge over and above the net rent. Thus commercial tax increases will not provide much of a disincentive to commercial office location decisions.

---

[1] John Bossons, "Property Tax Reform: What is Desirable", in Municipal Fiscal Reform in Ontario, Toronto: Ontario Economic Council, 1981, p.36.

[2] Ibid., p.36.

In older downtown office districts where competition is fierce, tax increases could cause a business to relocate to a lower rent area. As the shifts are generally decreasing in the sample municipalities, it is likely that these tax breaks could spur office development.

For industry, the probable consequences of a tax increase have been outlined by John Bossons:

> Where an individual municipality levies taxes on industrial uses which are higher than in neighbouring municipalities, such taxes will tend to depress local wages by causing some firms to relocate elsewhere or by discouraging new firms from establishing plants in the municipality.[1]

In the case of industry, employees bear part of the tax increase through limited wage increases, whereas lower commercial tax rates are likely to be a locational incentive. Tax shift decreases in Hamilton, Chatham, Peterborough and Cornwall may be translated into improved wages and will likely improve the possibilities of attracting new industry.

A variety of other factors will alter the incidence of commercial taxes on business and industry in different ways. However, the mobility of capital and labour and the conditions in the local and national economies are the prime determinants.

With the introduction of Section 63, municipalities must be aware of these shifts and monitor them. Tax increases to small businesses have a detrimental effect if they are already squeezed by the economy. Programs for economic development and downtown revitalization are also affected by these shifts. Being aware of the changes does not give municipalities the ability to solve problems which might arise, however.

A distinction must be made between the assessment process and the taxation process. Assessment must represent an objective and standardized method for determining the value of a property. The question of who pays the most taxes or the ability to pay should not be considered. Equality

---

[1] Ibid., p.35.

of assessment is the goal and is one which the Province can best acheive across all municipalities.

Taxation, on the other hand, is a political process. Once fair and equal assessments are developed, then the tax burden and mill rates are set to reflect municipal policies and requirements. If a municipality determines that industries should pay a higher tax than residential, then this is a taxation decision, not an assessment decision.

Under Section 63, municipalities have no flexibility to change any of the weighting between classes or the business tax rates imposed on the occupants. This means that any negative or positive results of reassessment on either business or residential properties, cannot be controlled at the local level. The result is that reassessment will cause benefits and hardships at the local level, with no recourse at that level.

For this reason, the assessment and taxation functions should be separated. The Province should confine its role to the responsibility of assessing all properties in Ontario at market value. This will establish horizontal equity across the Province and ensure Provincial grants to municipalities are fair.

Municipalities should be given flexibility by the Province to determine their own class weighting factors in response to their own land use policies, revenue needs and evolving tax shifts within classes. As well, municipalities should be given control over their business tax rates, the additional property tax levied on the occupant of a business premise. This process will enable municipalities to respond to adverse tax shifts between business categories or within commercial and residential classes. As well, local politicians will become more accountable for their actions.

V REGIONAL REFORM UNDER SECTION 63

In a final overview of the effects of Section 63 on commercial taxes, the proposal to implement Section 63 on a regional basis is considered.

The purpose of a region-wide (i.e. county or regional municipality) Section 63 is to update the assessment base in each municipality and establish equal assessed values based on market value within each property class across the region. Unlike Section 63 implemented in one municipality, a regional 63 would result in shifts between property classes. This happens since all the assessed values for a particular class from each of the member municipalities are combined and related back to the overall assessment base for that class before Section 63. Thus, one municipality's share may go up, another may go down, but the overall regional figure remains the same. A uniform mill rate is established for the regional and school portion of costs and each municipality levies a tax rate for its own purpose.

The Association of Municipalities of Ontario studied the feasibility of implementing Section 63 on a regional basis in May 1982. The working group concluded that three general situations exist in terms of current assessments within a region.

1. All municipalities in the region have assessments referenced to a common base year.
2. All municipalities have concluded local Section 63's, however, there is no common base year.
3. Some municipalities have concluded local Section 63's, some have not, and no common base years exist.[1]

The study group simulated the steps necessary for a regional Section 63 for each situation and outlined summaries including general tax shifts. AMO is in full support of the aims of a Regional 63 but have concerns regarding the short-term impact of tax shifts.

---

[1] The Association of Municipalities of Ontario, AMO Reports: Report of the Section 86 Working Group, May 1982, pp. 2-4.

The advantages of a regional 63 can be summarized as:

1. Regional equity of the tax burden throughout all municipalities in the region; properties of equal value pay equal taxes for the benefits of all regional services.
2. Potentially a one-step property tax reform, equalizing property taxes through market value assessments and equalizing regional municipal contributions.
3. Readjusting the assessment wealth for the benefit of the whole region by equally sharing the richness of the commercial and industrial wealth concentrated in certain local municipalities.

The disadvantages of a regional 63 are:

1. Short term tax shifts across classes in each local municipality dramatically increasing taxes for some and decreasing taxes for others. Each class of property in each municipality will stand to gain or lose. Residential homeowners facing significant tax increases will pay the heaviest price for this equalization, causing a change in character in some neighbourhoods.
2. Political infighting between local municipalities in the region as some local municipalities will stand to gain from lower overall tax contributions while others will stand to lose as they contribute more. Certain municipalities will be penalized in this system.
3. Loss of local municipal control and increased regional control. Consequences of the equal sharing will upset the local status quo and, at least in the short run, damage (or enhance) the local tax bases to the extent that local services and programs may be effected.

A.M.O. studied Metropolitan Toronto as an example of a region presently referenced to a common base year. As this situation is the least complex, the study group concluded that a regional 63 was desirable and could be accomplished in one step by a complete reassessment to market value of all properties by class across the region. All six municipalities currently have a uniform property classification system.

The working group's summary for Metro Toronto outlined the general shifts in property tax burden: residential taxes would increase in the City of

Toronto, decrease in the other five municipalities and a general shift from residential to commercial would occur in all municipalities except the City of Toronto, where the shift would be in the opposite direction.[1]

Metro Toronto requested that the Province undertake a complete study of the impact of a regional 63. Although the report is completed, it will probably never be released due to the political debate it has caused.

In order to further clarify these shifts for commercial and industrial property, we have compared the existing taxes in Metro (Table 3.1) to the taxes equalized after a regional Section 63. Equalizing the taxes involves determining a regional ratio of assessment to market value for commercial and industrial property and estimating a uniform upper tier government and school purpose mill rate. Tax rates for local purposes for this simulation will be uniform in order to estimate tax shifts, although they would vary slightly after a regional 63.

Table 5.1 estimates the typical taxes on $100,000 market assessment after a Metro Section 63 and compares these taxes to the presently determined taxes per $100,000 market assessment from Table 3.1. The regional tax rates are calculated by multiplying the uniform commercial mill rate by the assessed value equalized by the commercial and industrial ratios of assessment to market value for the whole region. These two ratios are determined from totals of assessments and comparable market values for all the municipalities in Metro combined. From these estimates, the tax differentials are calculated for each municipality.

In the City of Toronto, taxes on a typical commercial property would decline moderately and on a typical industrial property, they would decline substantially. Commercial taxes would generally increase in all other municipalities except North York and York where they would decline marginally. Industrial taxes on a typical property would decline moderately in York and East York and would increase moderately in North York and Scarborough and decrease marginally in Etobicoke.

---

[1] Ibid., p. 9.

Table 5.1

Estimated Commercial and Industrial Tax Shifts After Metro Regional 63 (1981)

Municipality	Mill Rate	Commercial				Industrial			
		Ratio	Old Tax	New Tax	Shift	Ratio	Old Tax	New Tax	Shift
Toronto	225.0	.14772	$3,796	$3,324	-$472	.16270	$4,791	$3,661	-$1,130
North York	225.0	.14772	3,344	3,324	-20	.16270	3,081	3,661	+580
Etobicoke	225.0	.14772	2,837	3,324	+487	.16270	3,683	3,661	-22
Scarborough	225.0	.14772	2,642	3,324	+682	.16270	3,468	3,661	+193
York	225.0	.14772	3,348	3,324	-24	.16270	4,402	3,661	-741
East York	225.0	.14772	2,623	3,324	+701	.16270	3,963	3,661	-302

Source: The Hypothetical Regional Section 86 Apportionment Study, Municipality of Metropolitan Toronto, August 1981

As these estimates calculate tax shifts on a "typical" property, the present inconsistency in Metro assessments indicate that actual commercial and industrial tax shifts may vary considerably. However, the overall effects for each class in each municipality would likely follow the pattern outlined in Table 5.1.

The real effects in Metro cannot be assessed without the release of the Provincial study. However, the tax shifts across classes would have potentially the same consequences as the previously proposed full market value reassessment from which the Province has shied away over the last decade. Regional 63s are a far more dramatic move than local 63s - with more impact.

Because of the impact, Regional 63s must not be imposed on municipalities by either the Province or the region. The effects of any regional 63 must be studied carefully to assess the true benefits and costs. Since local municipalities would lose more control over assessments, the effects must be known before a decision is made. It is questionable whether Regional 63s as presently proposed are warranted.

Reassessment within classes within municipalities is equitable, is proceeding and is politically viable (although we have strong reservations over the lack of information and defensiveness on the part of the Province). The regional answer must lie in local control over the ratios of assessed value to market value. The Provincial role in assessment, as stated previously, should be to do a continual update of all properties in the Province to market value using the same techniques. The contributions made by each property class should be the responsibility of each local municipality. In a region, the contribution of each municipality to the region can be determined equitably based on the total market value assessment bases in each municipality. Each local municipality then decides how that contribution is to be made up from each property class. Should Toronto wish to favour residential property owners, then a low ratio of assessed value will be applied to residential properties but a relatively high ratio must then be applied to commercial and industrial properties. In this way, property class tax rates are a local issue and a potential planning tool. Such a system is now in operation in British Columbia.

VI CONCLUSIONS AND RECOMMENDATIONS

1. This report demonstrates the impact of Section 63 on commercial and industrial taxes. A need exists to assess in detail the shifts in the residential sector as well. Many of the same concerns and patterns are evident in both residential and commercial, as the two sectors and the relative tax burden are inter-related. As such, many of the conclusions and recommendations in this study apply to both commercial/industrial and residential sectors.

2. Section 63 of the Assessment Act is a limited tax reform aimed at equalizing property assessments within each property class in each municipality. Taxpayers and municipal officials must recognize that reassessment under Section 63 will have no discernable affect on alleviating the tax disparities between property classes or municipalities.

3. <u>The secrecy of assessment information is not justifiable. We believe that overall assessment information such as class ratios of taxable assessment to market value and the basis for assessment techniques must be public information</u>. The current secrecy only leads to misunderstanding and antagonism. Taxpayers, as well as municipalities, must better understand the current process of reassessments and the impacts of Section 63 to alleviate many of the current problems.

4. <u>We recommend that municipalities undertaking Section 63 monitor the changes within all classes and categories to determine whether one group is being adversely affected or whether the resulting tax shifts contradict local policy.</u> In municipalities reassessed under Section 63, tax shifts are occurring between business categories within commercial and industrial property classes. These tax shifts vary from municipality to municipality with some patterns emerging:
   - (a) an increase in the tax share of parking lots;
   - (b) a slight increase in tax share on to small businesses and small retail outlets;
   - (c) a mixed tax shift pattern for professional offices and large retail outlets;

(d) a slight decline in tax share by financial businesses;

(e) a distinct decline in the tax share for industrial uses, primarily manufacturing.

The impact of these shifts on the local economy is detrimental if local policy is to encourage small businesses or retail establishments. Programs for economic development and downtown revitalization are also affected.

5. We recommend that the Province confine its role to the responsibility of assessing all properties in Ontario at 100% market value. This will ensure that assessments and assessment procedures are equitable and that Provincial grants to municipalities are fair. As well, the Province should be responsible for standardizing the number and type of property classes and business categories across the Province.

6. The municipal role is to set the rate of taxation. This involves determining the contribution by each property class and setting the mill rate. We therefore recommend that municipalities be given flexibility by the Province to set their own class weighting factors and business tax rates in response to their own land use policies, revenue needs and evolving tax shifts. This step should be incorporated into the present class reassessment under Section 63. This process will give municipalities greater control over their own taxation and make local politicians more accountable for their actions.

7. Regional Section 63s will create tax shifts across property classes that can be detrimental. Although impact studies can be carried out to determine the effects, we do not believe regional Section 63s are the answer to solving regional tax inequalities. The reactions to the recent study on the impact of a regional 63 on Metro Toronto substantiate this. We therefore recommend that regional governments receive proportional contributions from each local municipality according to each local market value assessment base, but that each local municipality be allowed to determine how that contribution will be raised through adjustments to their class weighting factors.

Glossary

municipal equalization factor - applies to the relationship of assessed value to market value for all properties in a municipality. Its primary purpose is to assist in calculation of municipal grants. These factors are published annually in the Ontario Gazette.

property class - all assessments are divided into 10 types of properties or classes. They are as follows:

1. residential - 1 and 2 units
2. residential - 3 to 6 units
3. residential - 7 or more units
4. commercial and professional
5. industrial and manufacturing
6. other rateable realty
7. institutional
8. farms
9. pipelines
10. recreational

class ratios - applies to the relationship of assessed value to market value for specific classes of property (see property class) in a municipality. A survey is done annually by the Ministry of Revenue for all Ontario municipalities by taking samples of property sales and equating these values to their assessed values. The ratio estimates the present weighting of that property class.

class factor or Section 63 factor - for reassessed municipalities, this represents the relationship of total market value assessments for a class to the total assessments in that class after Section 63. These factors are published in the Ontario Gazette when a municipality is reassessed under Section 63. These factors accurately determine the property weighting at the time of reassessment.

class weighting factors - the proportional contribution to tax assessment base that each property class makes to tax assessment base relative to total market value. For example, residential - 1 and 2 units, may be weighted at 10% of market value, while commercial and professional may be weighted at 25%. Surveys which calculate the class ratio for each type of property estimate this weighting.

Mary Lynch, Executive Director
* Robert Ferguson, Research Associate

* Principal Author

Contributors

CORPORATE

Bank of Montreal
Bank of Nova Scotia
Bell Canada
Board of Trade of Metropolitan Toronto
Brascan Limited
Canadian Imperial Bank of Commerce
Canadian Reinsurance Company
Canadian Tire Corporation, Limited
Confederation Life Insurance Company
Consumers' Gas Company
Crown Life Insurance Co.
Dominion of Canada General Insurance Co.
Group R
Guaranty Trust Company of Canada
The Imperial Life Assurance Co. of Canada
The Independent Order of Foresters
Jackman Foundation
Kodak Canada Inc.
Labatts Ontario Breweries
A.E. LePage Limited
Lever Brothers Ltd.
London Life Insurance Company
Maclean-Hunter Limited
Manufacturers Life Insurance Company
Marathon Realty Company Limited
Misener Properties
The Molson Companies Limited
The National Life Assurance Company of Canada
Nestlé Enterprises Ltd.
Noranda Mines Limited
Northern Telecom Canada Limited
Olympia & York Developments Limited
Parking Authority of Toronto
The Royal Bank of Canada
Southam Inc
Stelco Inc.
Sun Life Assurance Company of Canada
Sunoco Inc
Texaco Canada Inc.
Toronto Star Limited
The Toronto-Dominion Bank
TransCanada Pipelines Limited
Union Gas Limited
Hiram Walker-Gooderham and Worts Limited
George Weston Limited

PROFESSIONAL

H.H. Angus & Associates Ltd.
Ernest Annau, Architect
Armstrong and Molesworth
John Bousfield Associates
F.H. Deacon Hodgson Inc.
Gardiner, Roberts
Eric Hardy Consulting Limited
IBI Group
Judicial Valuation
Marsh & McLennan Limited
Marshall Macklin and Monaghan
Russell J. Morrison
Osler, Hoskin & Harcourt
Price Waterhouse and Co
The Proctor and Redfern Group Ltd.
Resources Management Consultants Ltd.
Smith, Auld & Associates Ltd
Thorne Stevenson & Kellogg
Touche Ross & Partners
Truman & Jennings
Vaughan, Willms
Weir & Foulds

GOVERNMENTAL

City of Burlington
Canada Mortgage and Housing Corporation
City of Chatham
Regional Municipality of Durham
Borough of Etobicoke
City of Gloucester
City of Hamilton
Regional Municipality of Hamilton-Wentworth
City of Kingston
Metropolitan Separate School Board
Municipality of Metropolitan Toronto
City of Mississauga
Ministry of Municipal Affairs & Housing
City of Nepean
Regional Municipality of Niagara
City of North York
City of Oshawa
City of Ottawa
Regional Municipality of Ottawa-Carleton
Town of Richmond Hill
City of St. Catharines
City of Sarnia
City of Sudbury
City of Toronto
Town of Vaughan
Borough of York
Regional Municipality of York

LABOUR

Ontario Federation of Labour
Sudbury and District Labour Council

200 Personal/Academic Memberships
including Libraries

Founded in 1914 as a non-profit research agency, the Bureau of Municipal Research undertakes a wide range of studies into the problems facing municipalities in Ontario.

An advocate of responsive and responsible government, the Bureau has gained wide recognition for the high calibre of its *Civic Affairs*, its *BMR Comment/Topic*, its information and the participation of its staff in the public discussion of issues.

The Bureau is an independent agency supported by a broad cross-section of business and professional firms, organizations, governments, and individuals.

Recent Publications Include:

Civic Affairs

Street Prostitution in Our Cities, *February 1983*
Industrial Development: The Municipal Role, *December 1982*
Decentralization in Metro Toronto: Is It Being Threatened? *October 1982*
Questions for Electors 1982, *October 1982*
A Case for Bachelorettes, *February 1982*
Work-Related Day Care — Helping to Close the Gap, *September 1981*
Directory of Governments in Metropolitan Toronto 1981 - 82, *June 1981*
The Benefits and Costs of Recreation, *April 1981*
Providing Municipal Services — Methods, Costs and Trade-Offs, *February 1981*
School Closures: Are They the Solution? *November 1980*
Questions for Electors, *October 1980*
Cost Saving Innovations in Canadian Local Government: A More in-Depth Look, *June 1980*
Cost Saving Innovations in Canadian Local Government *September 1979*
Directory of Governments in Metropolitan Toronto, *1979/1980, March 1979*
Teaching Local Government: A Responsibility of the Educational System, *May 1978*
Should the Island be an Airport?, *November 1977*
Food for the Cities, *June 1977*
Directory of Governments of Metropolitan Toronto, *1977/78, May 1977*
Be it Ever So Humble: The Need for Rental Housing in the City of Toronto, *March 1977*
Legislative Attempts to Control Urban Growth in Canada, *November 1976*
The News Media and Local Government, *August 1976*
Pet Control in Urban Ontario: The Municipal Role, *May 1976*
*Fire Protection Services in Metro: Is Unification the Answer?, *November 1975*
Metro Toronto Under Review: What are the Issues?, *June 1975*
Directory of Governments in Metropolitan Toronto 1975/76, *June 1975*
*Citizen Participation in Metro Toronto Climate; for Cooperation?, *January 1975*
The Development of New Communities in Ontario, *September 1974*
*Property Taxation and Land Development, *No. 2, 1973*
*Land Banking: Investment in the Future, *No. 1, 1973*
*The Toronto Region's Privately Developed New Communities, *No. 2, 1972*
*Reorganizing Local Government: A Brief Look at Four Provinces, *No. 1, 1972*
Landlord-Tenant Relationships: Time for Another Look, *Autumn 1971*
*Urban Open Space: Parks, People and Planning, *Summer 1981*

**Out of print but available in the Bureau's Library.*

Topics

13 Municipal Services: Who Should Pay?, *February 1980*
12 Productivity and Quality of Working Life —Two Sides of the Same Coin, *November 1979*
11 Understanding Metro's Transit Problems *July 1979*
10 Proceedings Governmental Research Association Conference, *June 1979*
*9 The Public Interest and the Right to Know, *March 1979*
8 Transportation Planning in London: Can London Catch the Bus?, *December 1978*
7 Should the Province Help Save Ontario's Downtowns?, *November 1978*
6 Questions for Electors, *October 1978*
5 What Can Municipalities do About Energy? *March 1978*
4 The Public Library as Community Information Centre: the Case of the London Urban Resource Centre, *January 1978*
3 Changing the Planning Act: Risks and Responsibilities, *November 1977*
2 In Response to the Robarts Report, *October 1977*
1 School Vandalism: An Emerging Concern, *September 1977*

BMR Comment

166 Design for Development: Where Are You? *March 1977*
165 Disappearing Farmland: So What?, *March 1977*
164 Is Metroplan A Gamble Worth Taking? *February 1977*
163 Restraint Without Hardship: How Do We Know? *November 1976*
162 Questions for Electors, 1976, *October 1976*
161 The Federation of Canadian Municipalities: In Search of Credibility, *October 1976*
160 Is Policing the Public's Business? *July 1976*
159 The Role of the Municipal Auditor, *July 1976*
158 The News Media and the Metro Toronto Teacher's Strike, *April 1976*
157 Low Voter Turnout in Municipal Elections— No Easy Solutions, *February 1976*
156 Country Schools: The Effects of the County School Takeover on One Ontario Township, *December 1975*
155 The Teaching of Local Government in Our Schools, *October 1975*
154 Report on Leisure Time Patterns of Apartment Dwellers in the City of London, *July 1975*
153 Metro Toronto Under Review: What Are The Issues? *March 1975*
152 Should the Metro Toronto Chairman be Directly Elected? *January 1975*
151 The Politics of Waste Management, *January 1975*

your inquiries are invited:

BMR

BUREAU OF MUNICIPAL RESEARCH
73 Richmond St. West #404, Toronto, Canada M5H 2A1
Telephone ....(Area Code 416) 363-9265