



2002 Capital Region

Residential Property Taxes and Utility Charges Survey



[News Release](#)

2002 Capital Region Residential Property Taxes and Utility Charges Survey

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Acknowledgements

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Contents

Introduction	2
Survey Terms of Reference	3
Findings	5
Final Comments	7
Map of the Manitoba Capital Region	8
Chart 1: Average Annual Residential Property Taxes	9
Table 1: Average Annual Residential Property Taxes	10
Chart 2: Property Tax Break Down	11
Table 2: Property Tax Break Down	12
Chart 3: Average Annual Utility Charges	13
Table 3: Average Annual Utility Charges	14
Chart 4: Combined Utility Charges and Property Taxes	15
Table 4: Combined Utility Charges and Property Taxes	16

Introduction

The *2002 Capital Region Residential Property Tax and Utility Charges Survey* is the second annual survey to track and record the basic living costs for residential property owners in the Manitoba Capital Region.

The question on the minds of many individuals and families in the real estate market is how Winnipeg compares with its neighbouring communities in terms of the cost of residential property taxes and utility charges. This survey attempts to answer this question alone. It does not explore other variables that influence a home-buyer's decision to relocate outside city limits, such as the crime rate, real estate prices and access to large property lots and monster-sized houses.

The property tax survey serves a useful measurement of the comparative tax burden.

The survey is not intended to measure the benefits accrued to homeowners in return for their property taxes. Rather it registers the price that is paid for a product: local government. It is not a reflection of the quality of the product or value for tax dollars. The survey should neither be used to compare management efficiency among local governments, nor to compare “value for services” offered by individual municipalities.

Although property tax differences can be partially attributable to management efficiency, the latter does not pre-determine the former. Other factors affect property tax rates, such as the sources of operating revenue and the extent and cost of municipal services provided.

Survey Terms of Reference

The Province divides the Manitoba Capital Region into 16 municipalities: Winnipeg, Selkirk, Stonewall, East St. Paul, West St. Paul, St. Clements, St. Andrews, Rockwood, Rosser, Headingly, St. Francois Xavier, Cartier, Macdonald, Richot, Tache, Springfield.

For the purposes of this survey, the following communities in the Capital Region were selected for comparison:

- Winnipeg
- Stonewall
- Rivercrest (West St. Paul)
- East St. Paul
- Lorette (Tache)
- La Salle (Macdonald)
- Selkirk
- Ste. Agathe (Richot)
- Headingly
- St. Francois Xavier
- Elie (Cartier)

Where possible, the survey selected high-density residential communities in the Capital Region that share the same utilities in common. The RMs of Rockwood, St. Andrews, Springfield, St. Clements and Rosser were excluded from the survey given that comparisons were inconsistent with the other communities.

The survey is divided into four parts. The first section compares residential property taxes levied in the Capital Region in 2002 for single-detached properties assessed at \$100,000, \$150,000 and \$200,000. Assessment and tax calculations are based on 2002 values. The property tax survey includes the general municipal tax, the provincial education support levy and the special school levy, but does not include local improvement levies or the Manitoba Education / Property Tax Credit advance.

Section two breaks down residential property taxes into three components: the general municipal tax, the provincial education support levy and the special school levy for single-detached residential properties assessed at \$100,000. In cases where a municipality borders on more than one school division, the largest school division was selected for comparison. For example, the special school levy for the City of Winnipeg was based on values derived from Winnipeg School Division Number One, the largest division in the city.

The third section of the survey compares the cost of average annual utility charges for a single-family house in the Capital Region in 2002. Utility charges include telephone, power, gas, water and sewer.

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Telephone

Base residential telephone rates range from \$24.20 to \$25 per month, and include GST and PST.

Hydro

Power rates are based on 750KWH per month of consumption at a rate of \$46.04 per month. Rates shown include GST and PST and a \$12.50 basic monthly charge. The City of Winnipeg tacks on another 2.5 % hydro tax.

Natural Gas

The natural gas rate is based on 90 cubic meters per month of consumption at a rate of \$56.90 per month. Rates shown include the GST, a 1.4 % Provincial Utility Tax and a \$10 basic monthly charge. The City of Winnipeg tacks on another 2.5 % natural gas tax.

Water and Waste

Water and sewer rates are based on 82 cubic meters per month of consumption. Rates vary from one community to another.

In section four, the annual utility charges are added to the residential property taxes for a house assessed at \$100,000 for a rounded comparison of estimated living costs in the Capital Region in 2002.

Findings

Residential Property Taxes

- Winnipeg's total residential property tax of \$2,860, for a house assessed at \$100,000 ranked the highest among the eleven municipalities surveyed in 2002.
- East St. Paul charged the lowest tax levy at \$1,771, followed by Ste. Agathe (Richot) at \$1,825.
- Winnipeg's total tax was \$814 higher than the Region average of \$2,046 (Table 1).

Property Tax Breakdown

- Winnipeg's general municipal levy of \$1,336, for a house assessed at \$100,000 exceeded the costs of the other ten municipal governments.
- Rivercrest (West. St. Paul) charged the lowest general municipal levy at \$421, followed by East St. Paul at \$447.
- The provincial education support levy was constant.
- The highest special school levy in the region was charged in Rivercrest at \$1,262, followed by Winnipeg, at \$1,224.
- The lowest special school levy was charged in Headingley, at \$788 (Table 2).

Utility Charges

- Winnipeg's total average annual utility charges of \$2,219 for a single-family house ranked the fourth highest in the Capital Region.
- Lorette posted the lowest utility charges at \$1,743, followed closely by Stonewall at \$1,765.
- Elie's utility charges ranked the highest at \$2,505, on account of relatively high water and sewer charges.
- Winnipeg's total utility charges were \$129 higher than the Region average of \$2,090 (Table 3).
- Winnipeg's base annual telephone charge of \$342 was \$5 higher than the Region average of \$337.
- Winnipeg's annual power charge of \$644 for 750 KWH per month of consumption was \$13 higher than the Region average of \$631.
- Winnipeg's annual natural gas charge of \$549 for 90 cubic meters per month of consumption was \$11 higher than the Region average of \$538.
- And Winnipeg's annual water and sewer charge of \$684 for 82 cubic meters per month of consumption was \$101 higher than the Region average of \$583 (Table 3).

Combined Residential Property Tax and Utility Charges

- For a house assessed at \$100,000, Winnipeg's combined annual property taxes and utility charges of \$5,079 ranked the highest among the eleven municipalities surveyed.
- East St. Paul levied the lowest combined property tax and utility charges at \$3,675, followed closely by Stonewall at \$3,683.
- Winnipeg's total combined cost was \$946 higher than the Region average of \$4,133 (Table 4).

Final Comments

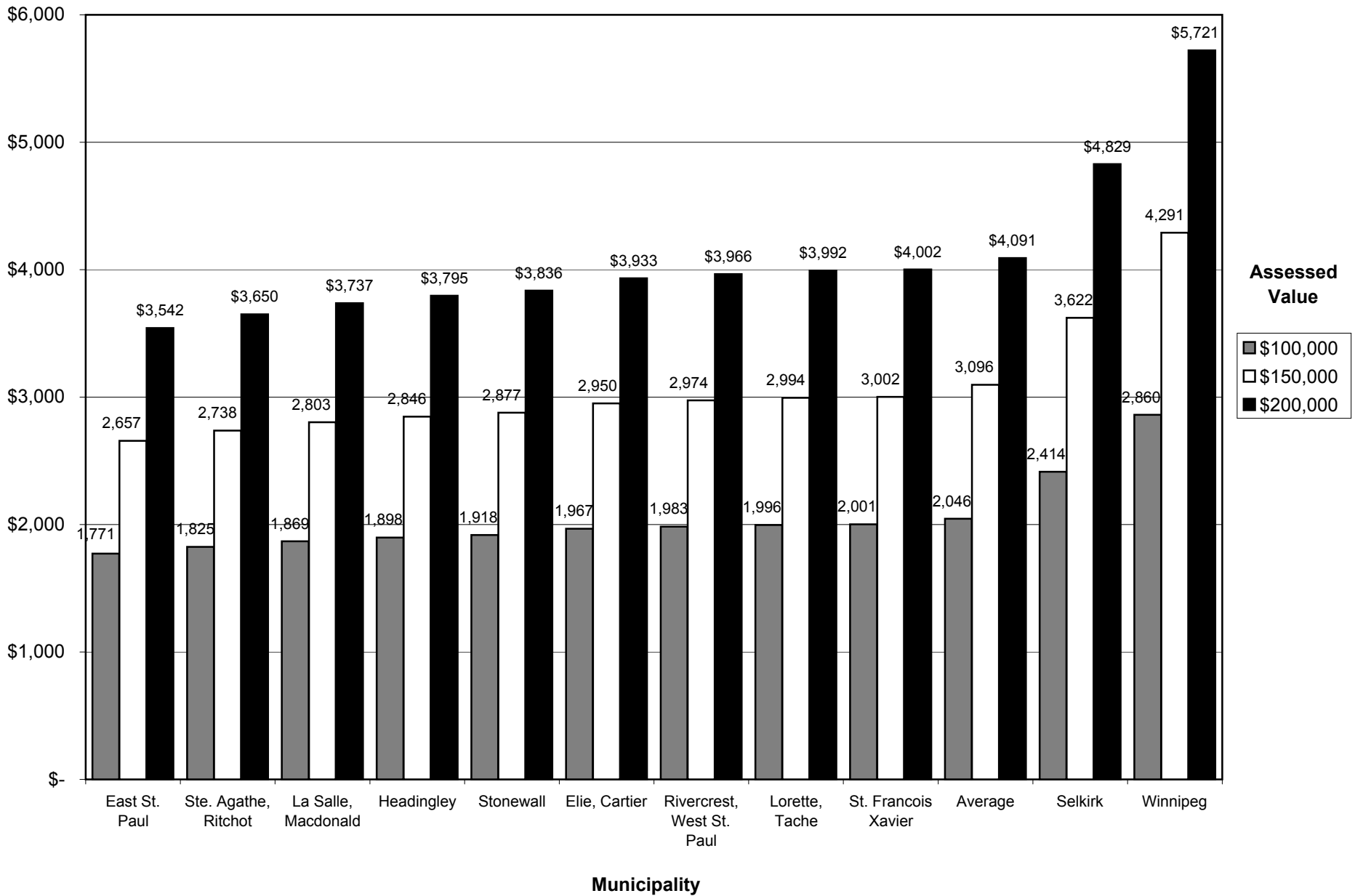
At \$3,675, East St. Paul topped the survey as the least expensive community in the Manitoba Capital Region to own a home in terms of property taxes and utility charges for a detached residential property assessed at \$100,000. Stonewall came within a hair, placing second at \$3,683 while Lorette came in a close third at \$3,739.

Winnipeg, at \$5,079, rounded off the survey as the most expensive location to own the same house in the Region. Inter-regional rivalry to lure homebuyers into a residential community should inspire the municipalities that fared poorly in this survey to levy competitive residential property taxes.

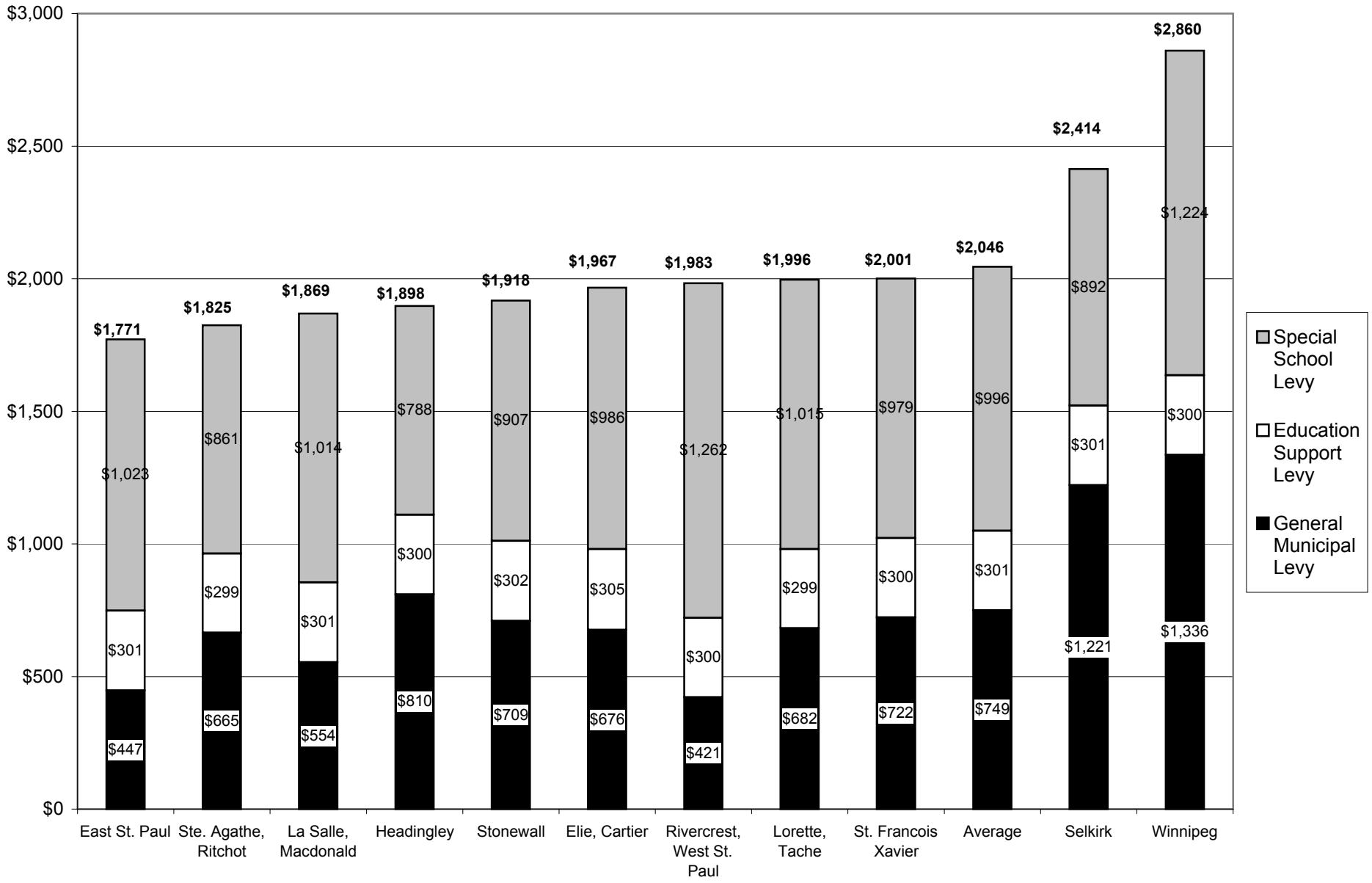
Variations in residential property taxes and utility charges among communities should not be taken as an invitation to harmonize costs for ratepayers, known as "tax sharing." Nor should it invite recommendations from planners to legislate residential and commercial developments inside city limits.

The competitive tax structure among Capital Region communities should be encouraged as a model that inspires municipalities to curb the property tax burden. The municipal governments that have succeeded in setting competitive property tax rates should be credited for expanding their communities and raising the quality of life of its residents.

**Chart 1: Average Annual Residential Property Taxes for Assessed Houses in 2002
Capital Region**

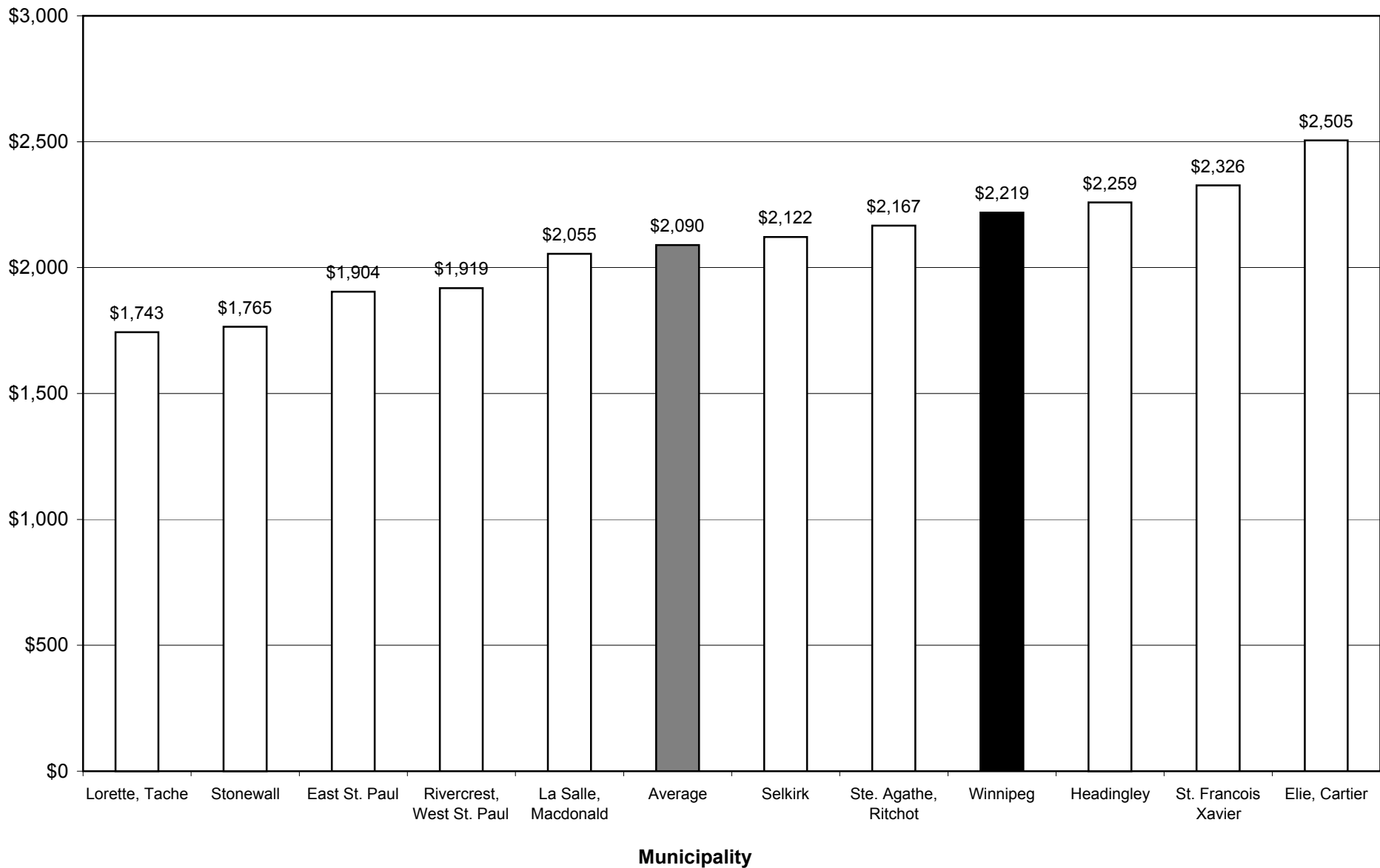


**Chart 2: Breakdown of Property Taxes on a \$100,000 House in 2002
Capital Region**



Municipality

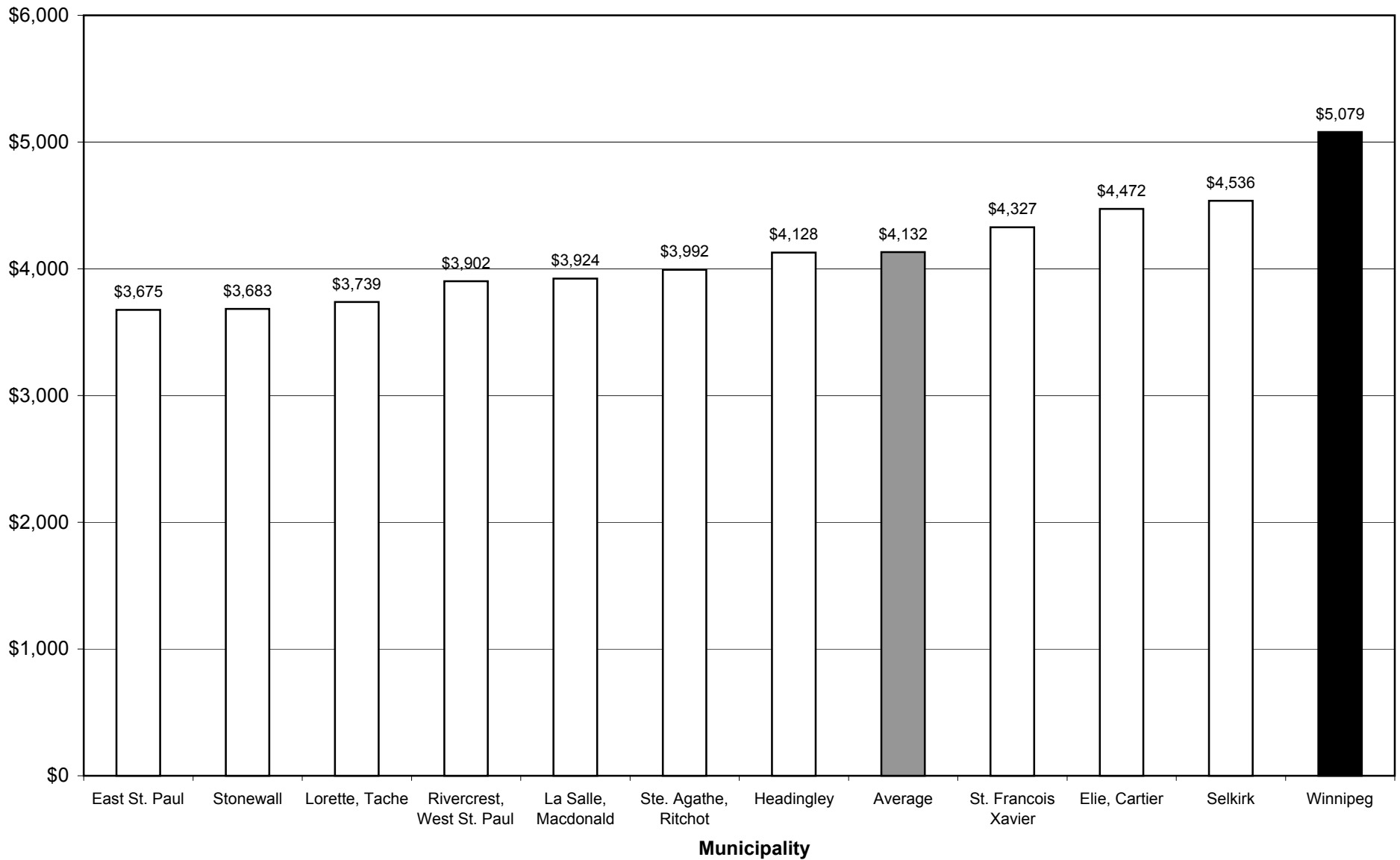
**Chart 3: Average Annual Utility Charges for a Single-Family House in 2002
Capital Region**



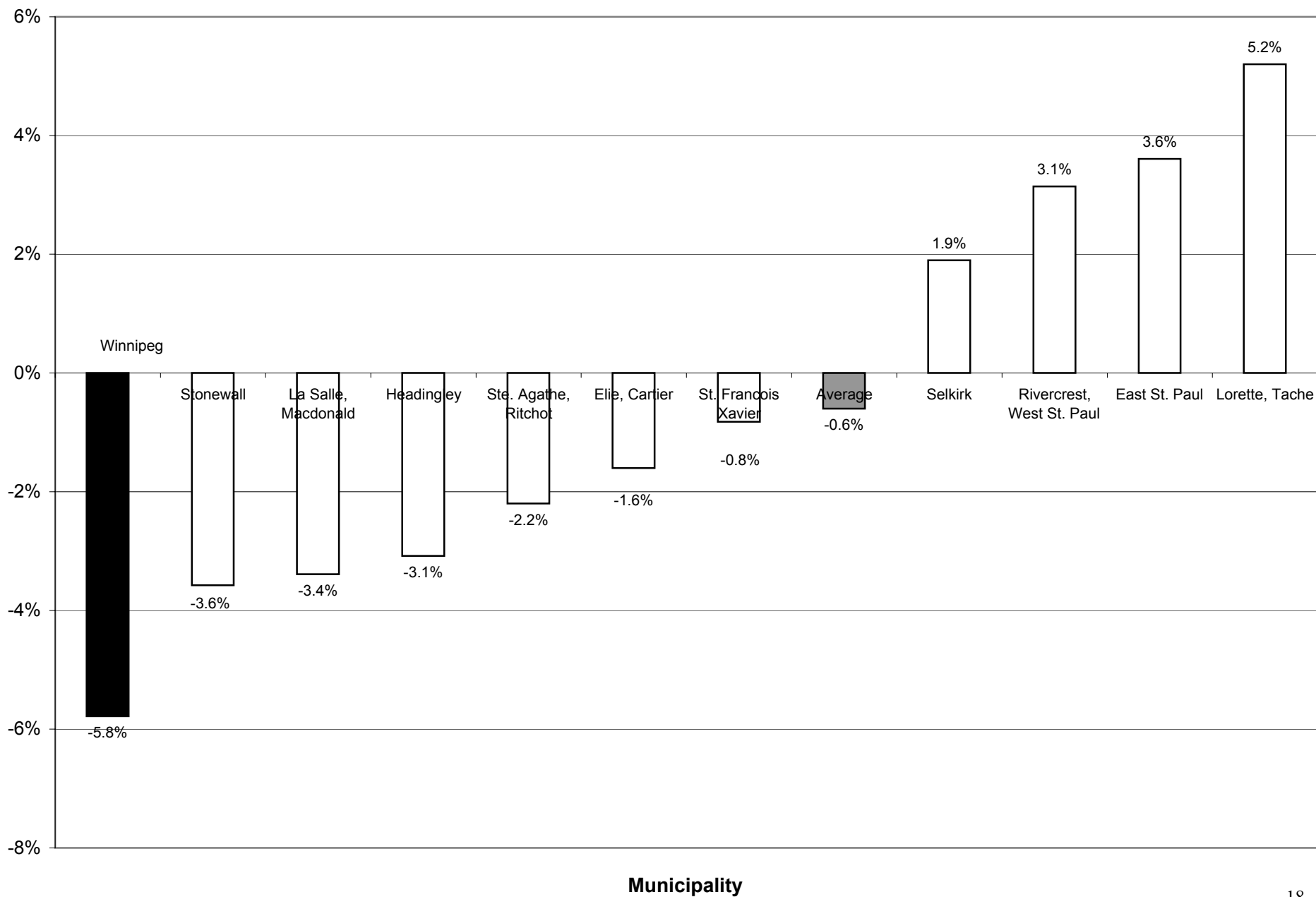
Note:

- Figures include average annual utility charges for telephone, power, gas, water and sewer for a single detached and single family residential property.

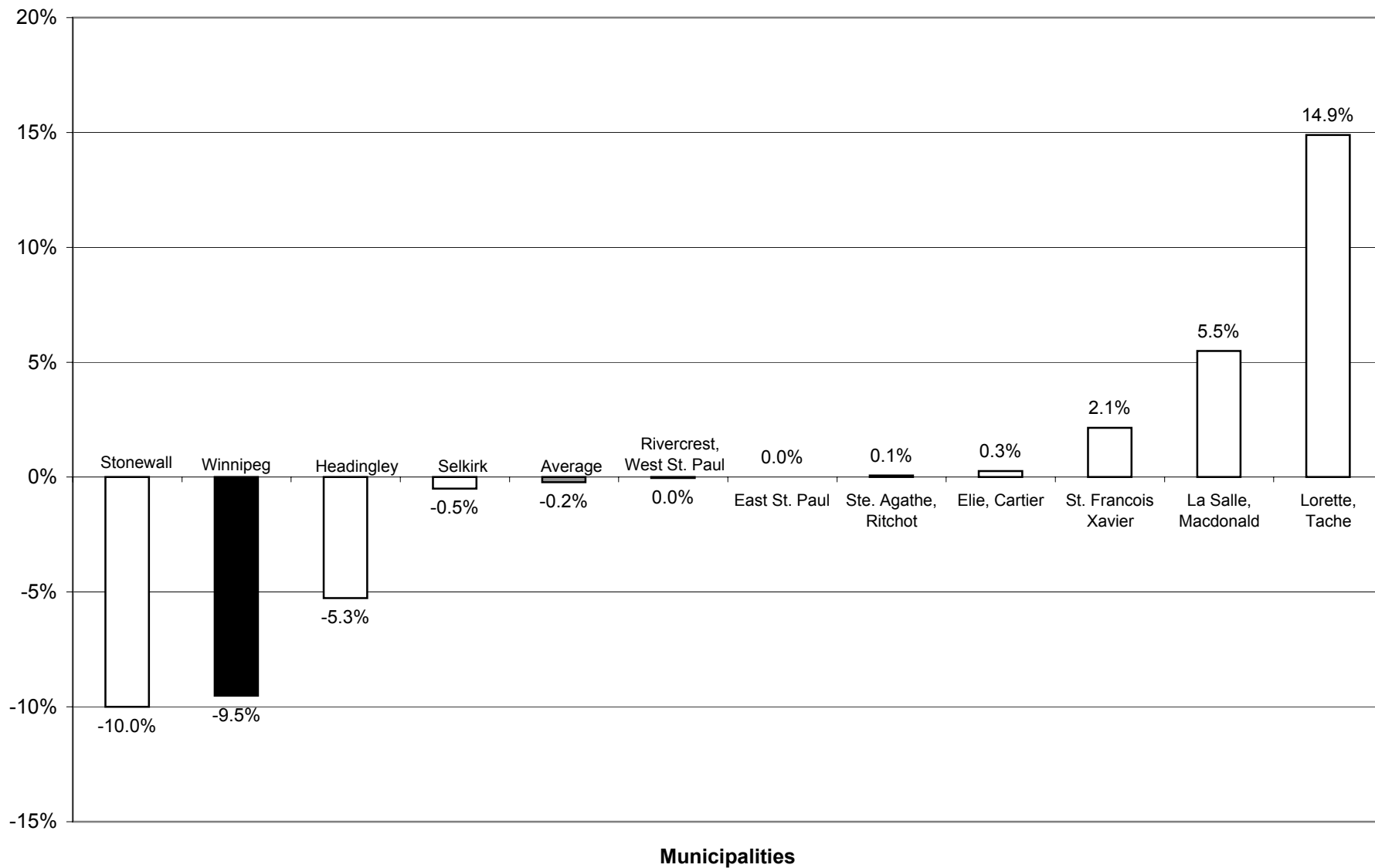
**Chart 4: Combined Average Annual Utility Charges and Property Taxes
for a \$100,000 House in 2002
Capital Region**



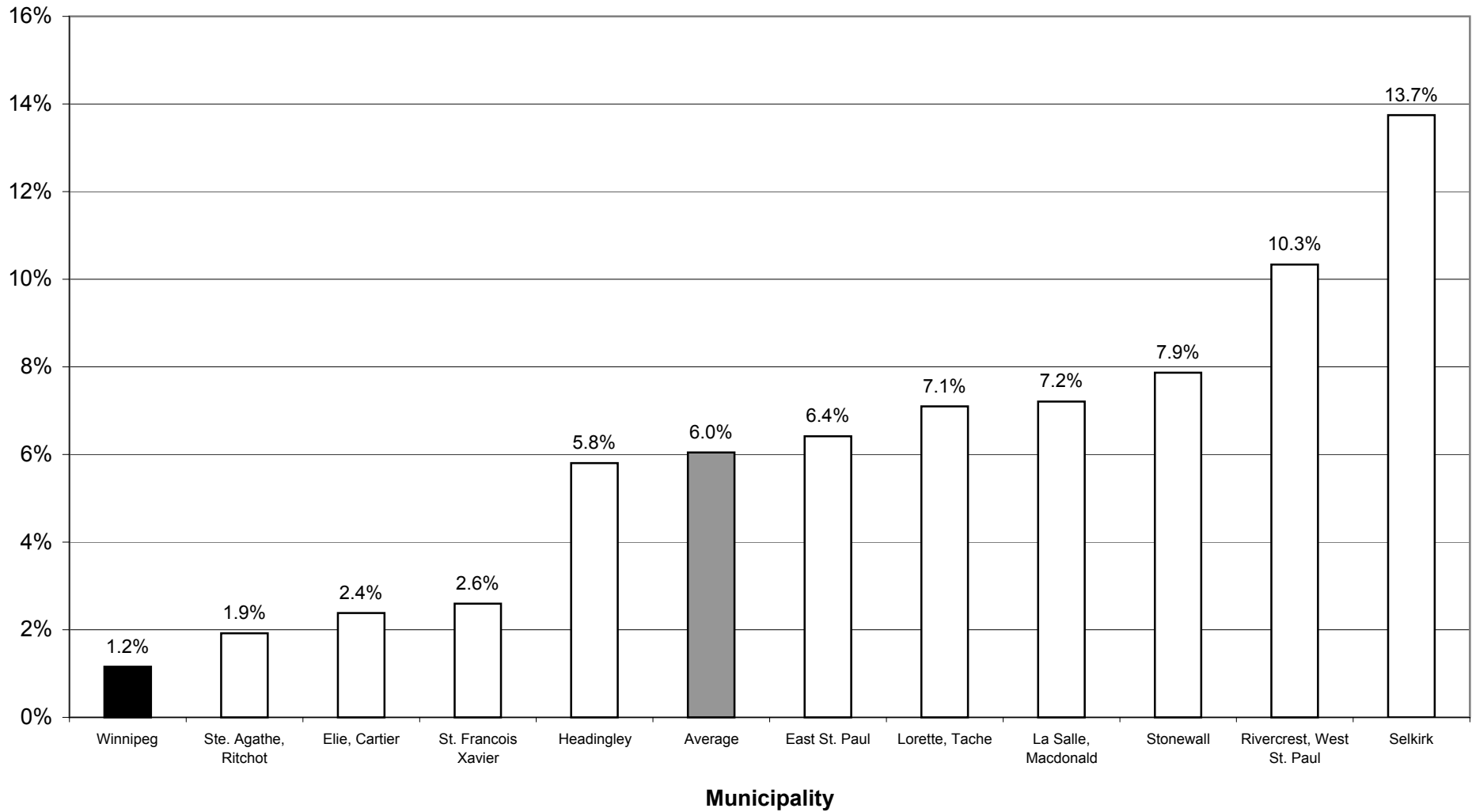
**Chart 5: Average Annual Property Tax Change 2000 - 2002 (%): \$100,000 House
Capital Region**



**Chart 6: Average Annual General Municipal Tax Change
2000 - 2002 (%): \$100,000 House
Capital Region**



**Chart 7: Average Annual School Division Tax
2000 - 2002 Change (%): \$100,000 House
Capital Region**



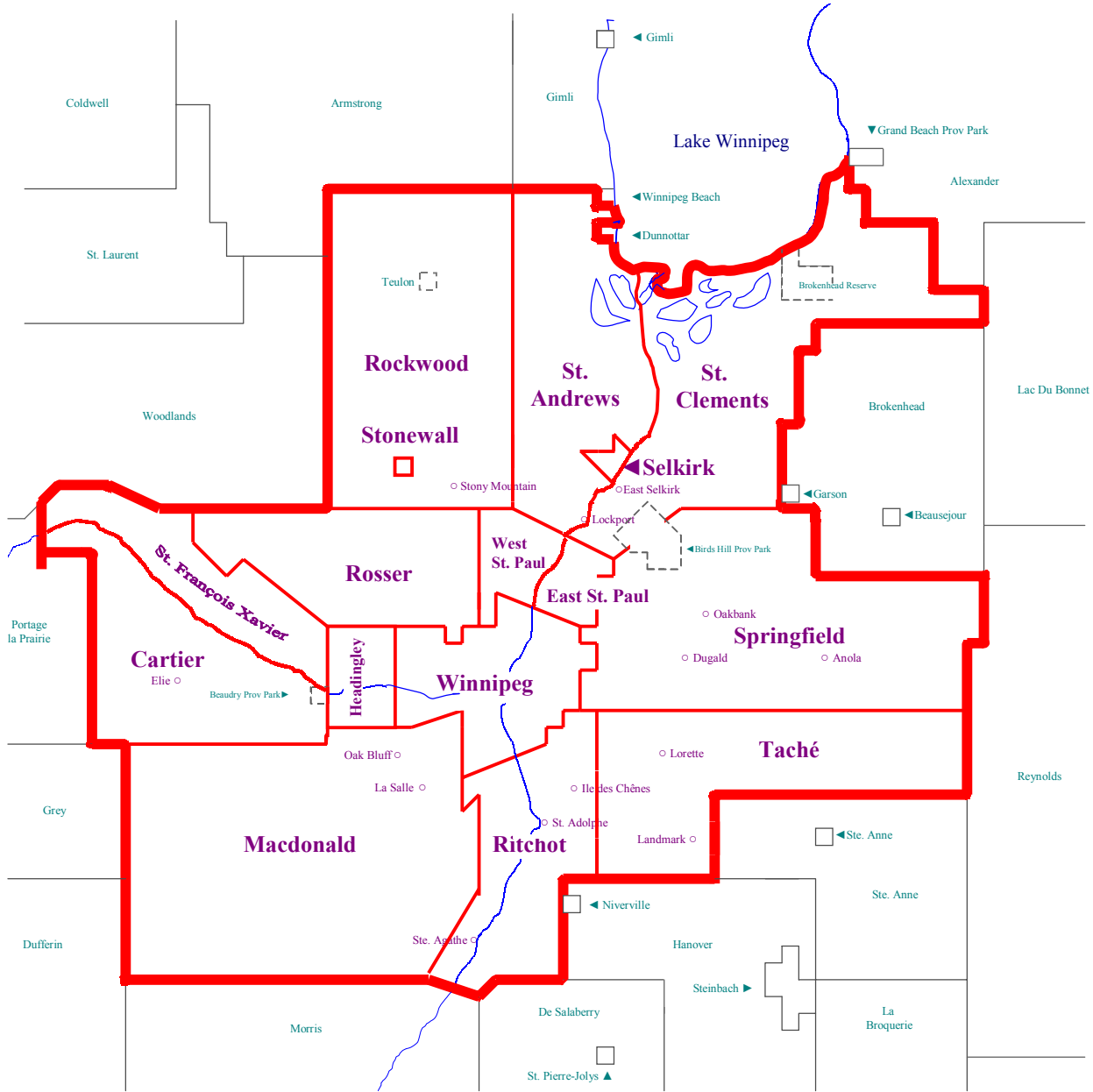
Note:

[1] School division tax refers to the special levy. It does not include the Provincial Education Support Levy.

APPENDIX B

MAP OF THE CAPITAL REGION

PLANNING MANITOBA'S CAPITAL REGION: NEXT STEPS - APPENDIX B



CAPITAL REGION

