

2001 Capital Region

Residential Property Taxes and Utility Charges Survey



[News Release](#)

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Acknowledgements

This survey is indebted to the research conducted by Jong Huang, Chief Economist for the City of Edmonton, who pioneered property tax and utility charge surveys in the Edmonton Region and among large urban centres in Canada.

We thank the staff at Manitoba Intergovernmental Affairs, the Public Utilities Board, the municipal and utility offices of the Capital Region communities, Manitoba Hydro, Centra Gas and Manitoba Telecom Services for sharing information on property tax rates and utility charges.

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Introduction

To complement the work of the Regional Planning Advisory Committee - recently created to advise the province on the drafting of a new Capital Region policy plan - the Canadian Taxpayers Federation conducted a survey of residential property taxes and utility charges.

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 the other variables that influence a homeowner's decision to relocate outside city limits, such as the crime factor, real estate prices and access to large property lots.

The property tax survey serves a useful measurement of the comparative tax burden. It should not, however, be strictly used to compare management efficiency among local governments. Although property tax differences can be partially attributable to management efficiency, the latter does not pre-determined 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 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 (Rockwood)
- Rivercrest (West St. Paul)
- East St. Paul
- Lorette (Tache)
- La Salle (Macdonald)
- Selkirk (St. Andrews)
- 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 Springfield, St. Clements and Rosser were excluded from the survey given that water and sewer comparisons were inconsistent with the other communities.

The survey is divided into three parts. The first part compares residential property taxes levied in the Capital Region for properties assessed at \$100,000, \$150,000 and \$200,000. Assessment and tax calculations are based on 2000 values - the latest year statistics were made available by the Government of Manitoba. The property tax survey includes the municipal tax and the education tax but does not include special or local improvement levies or the Manitoba Education Tax Credit advance.

The second part of the survey compares the cost of average annual utility charges for a single-family house in the Capital Region in 2001. Utility charges include telephone, power, gas, water and sewer.

Base residential telephone rates include the GST and the PST. Power rates are based on 750KWH per month of consumption and include the GST and the PST. The City of Winnipeg tacks on another 2.5% hydro tax. The

natural gas rate is based on 90 cubic meters per month of consumption. It includes the GST and a 1.7% Provincial Utility Tax. Water and sewer rates are based on 82 cubic meters per month of consumption.

In the third and final part of the survey, 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.

Findings

Residential Property Taxes

- Winnipeg's total residential property tax of \$2,774, including municipal and school taxes for a house assessed at \$100,000 ranked the highest among the eleven municipalities surveyed in 2000. Lorette charged the lowest tax levy at \$1,449. Winnipeg's total tax was \$758 higher than the Region average of \$2,016 (Table 1).

Utility Charges

- Winnipeg's total average annual utility charges of \$2,189 for a single-family house ranked the fourth highest in the Capital Region. Stonewall posted the lowest utility charges at \$1,772 while Elie had the highest charges at \$2,504. Winnipeg's total utility charges were \$73 higher than the Region average of \$2,116 (Table 2).
- 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 \$21 lower than the Region average of \$665. Winnipeg's annual natural gas charge of \$520 for 90 cubic meters per month of consumption was \$12 higher than the Region average of \$508. And Winnipeg's annual water and sewer charge of \$684 for 82 cubic meters per month of consumption was \$77 higher than the Region average of \$607 (Table 2).

Combined Residential Property Tax and Utility Charges

- Winnipeg's combined cost of annual property taxes and utility charges at \$4,964 for a single-family house assessed at \$100,000 ranked the highest among the eleven municipalities surveyed. Lorette had the lowest combined cost at \$3,438. Winnipeg's total combined cost was \$831 higher than the Region average of \$4,133 (Table 3).

Final Comments

Lorette in the RM of Tache stands out as the least expensive community in the Capital Region in terms of property taxes and utility charges for a single-family house assessed at \$100,000. Followed by East St. Paul, Stonewall (Rockwood) and Rivercrest (West. St. Paul), in that order.

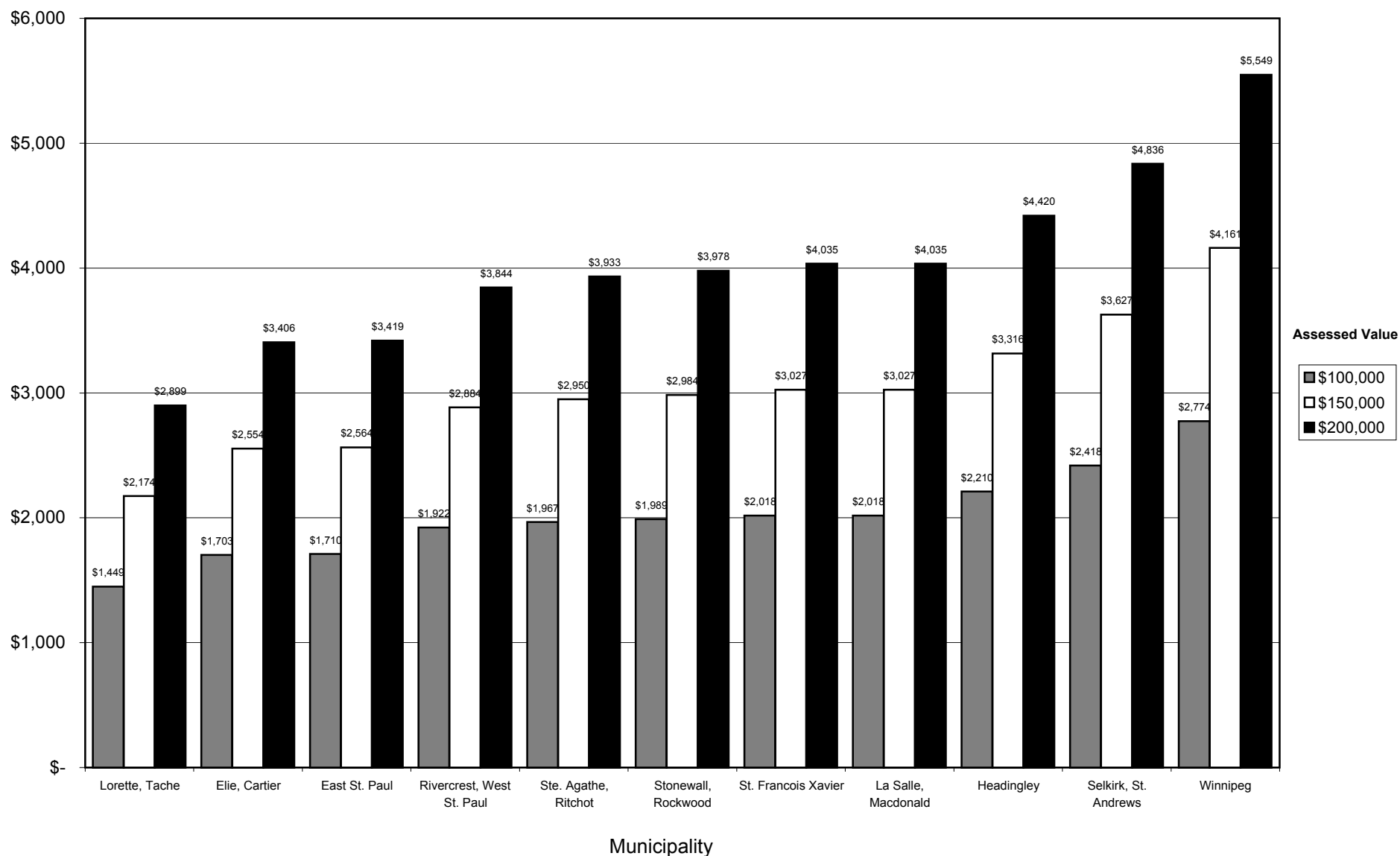
The most costly location to keep the same house is Winnipeg, which helps to explain the city's motivation to reduce its reliance on property taxes as a revenue source.

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." The latest capital region report recommends that "the Province will work with municipalities in the Capital Region towards developing tax sharing models that are mutually beneficial."¹

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

¹ *Planning Manitoba's Capital Region: Next Steps*, Manitoba Intergovernmental Affairs, <http://www.gov.mb.ca/ia/pdf/summary.pdf>, January 2001, P. 10

**Chart 1: Average Annual Residential Property Taxes for Assessed Houses in 2000
Capital Region**



Note:

[1] Assessment and tax calculations for residential properties are based on 2000 values. Property taxes (including the municipal tax and school tax) are approximated and do not include special or local improvement levies or the Manitoba Education Property Tax Credit Advance.

**Table 1: Average Annual Residential Property Taxes for
Assessed Houses in 2000
Capital Region**

Municipality	Estimated Property Taxes^[1]			Rank
	\$100,000	\$150,000	\$200,000	
Winnipeg	\$2,774	\$4,161	\$5,549	10
Lorette, Tache	1,449	2,174	2,899	1
Elie, Cartier	1,703	2,554	3,406	2
East St. Paul	1,710	2,564	3,419	3
Rivercrest, West St. Paul	1,922	2,884	3,844	4
Ste. Agathe, Ritchot	1,967	2,950	3,933	5
Stonewall, Rockwood	1,989	2,984	3,978	6
St. Francois Xavier	2,018	3,027	4,035	7
La Salle, Macdonald	2,018	3,027	4,035	7
Headingley	2,210	3,316	4,420	8
Selkirk, St. Andrews	2,418	3,627	4,836	9
Average	\$2,016	\$3,024	\$4,032	-

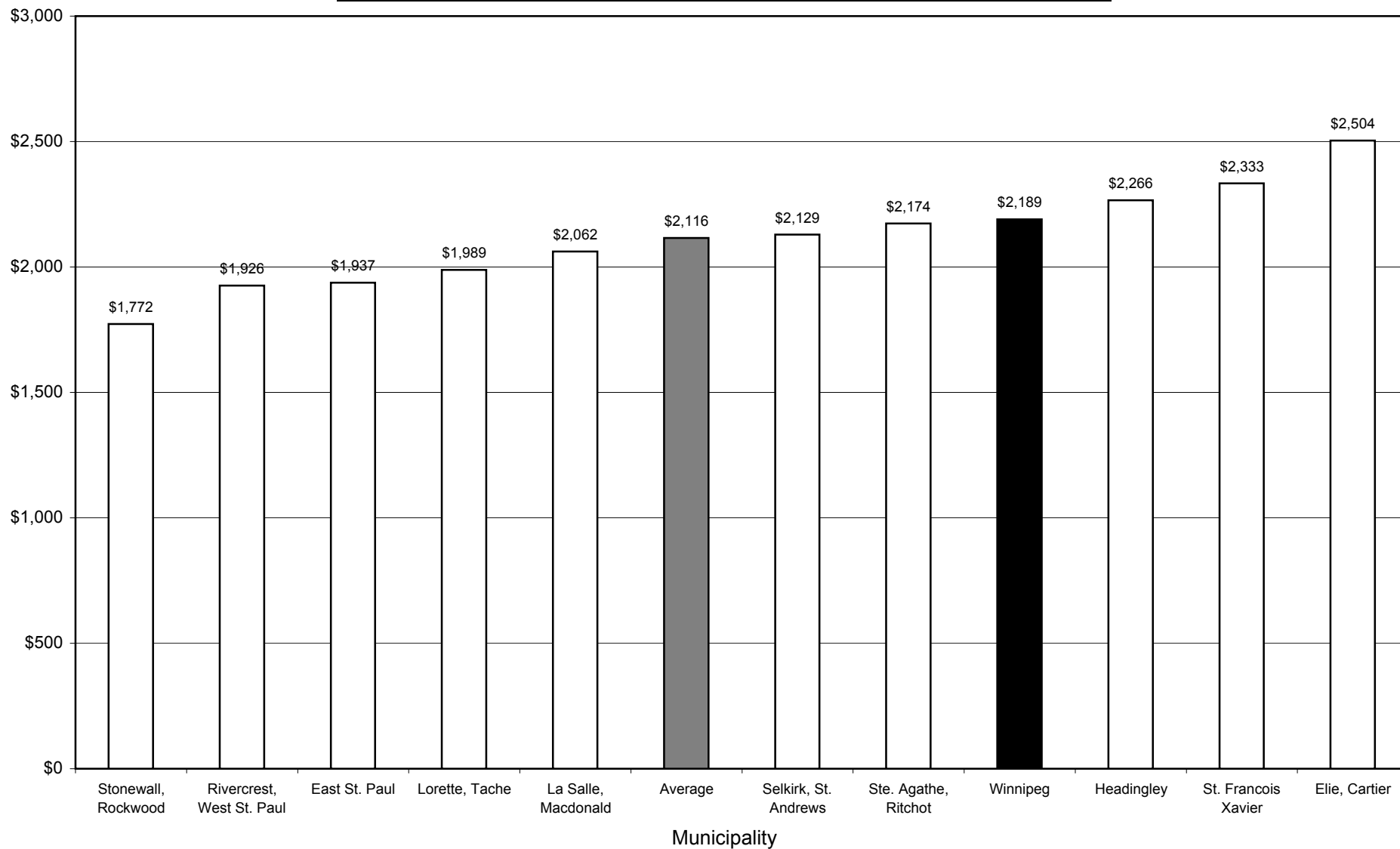
Note:

[1] Assessment and tax calculations for residential properties are based on 2000 values. Property taxes (including the municipal tax and school tax) are approximated and do not include special or local improvement levies or the Manitoba Education / Property Tax Credit Advance.

Sources:

- Government of Manitoba Website: www.communityprofiles.mb.ca

**Chart 2: Average Annual Utility Charges for a Single-Family House
Capital Region**



Note:

- Figures include average annual utility charges for telephone, power, gas, water and sewer.

**Table 2: Average Annual Utility Charges for a Single-Family House
Capital Region**

Municipality	Telephone ^[1]	Power ^[2]	Gas ^[3]	Water & Sewer Charges ^[4]	Total	Rank
Winnipeg	\$342	\$644	\$520	\$684	\$2,189	8
Stonewall, Rockwood	331	667	507	268	\$1,772	1
Rivercrest, West St. Paul	342	667	507	410	\$1,926	2
East St. Paul	342	667	507	422	\$1,937	3
Lorette, Tache	331	667	507	484	\$1,989	4
La Salle, Macdonald	342	667	507	546	\$2,062	5
Selkirk, St. Andrews	342	667	507	614	\$2,129	6
Ste. Agathe, Ritchot	331	667	507	669	\$2,174	7
Headingley	342	667	507	750	\$2,266	9
St. Francois Xavier	331	667	507	829	\$2,333	10
Elie, Cartier	331	667	507	1,000	\$2,504	11
Average	\$337	\$665	\$508	\$607	\$2,116	-

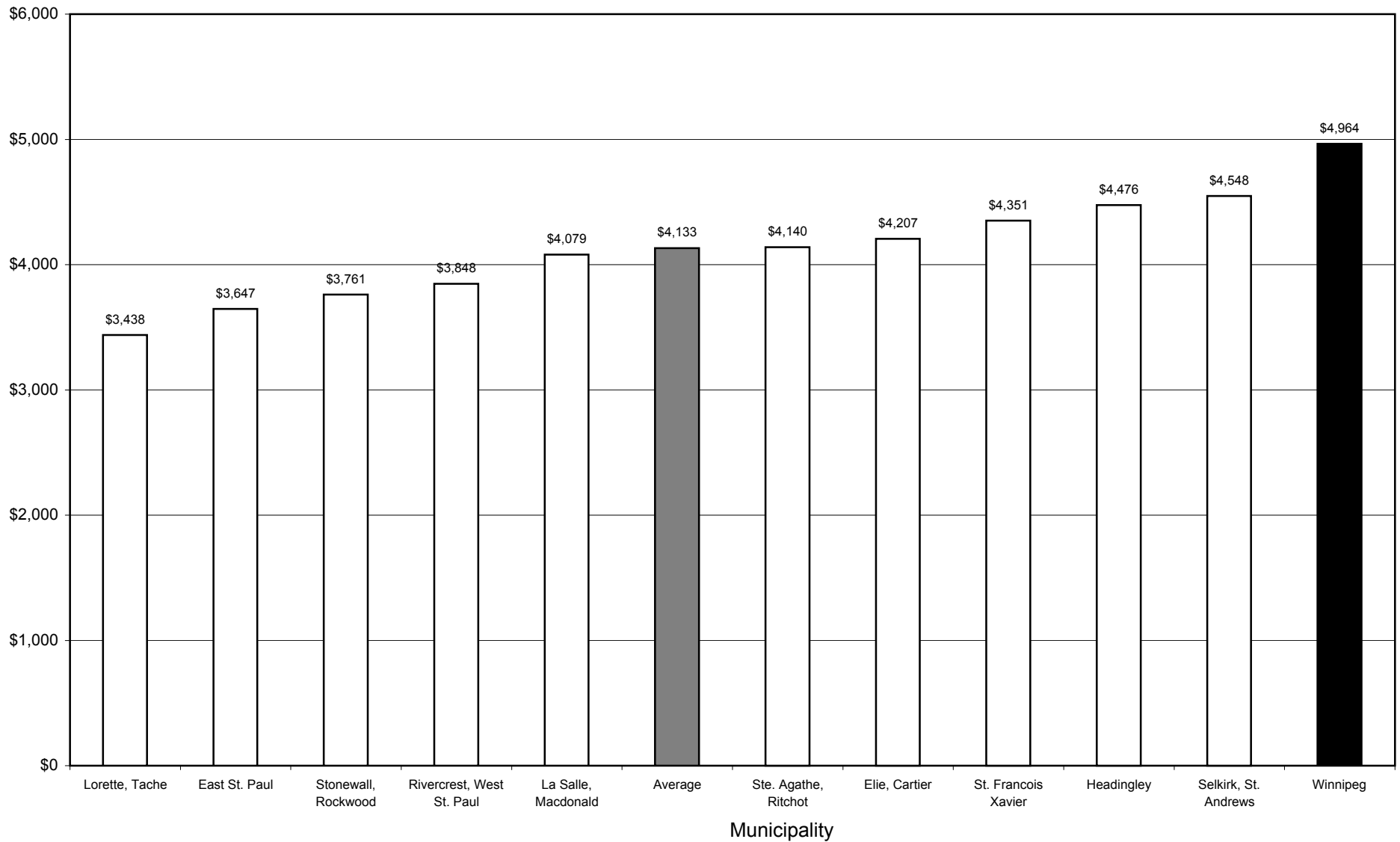
Note:

- 1 Telephone rates range from \$24.20 to \$25 per month, and include GST and PST.
- 2 Power based on 750 KWH/month of consumption for zone 1 (Winnipeg legal boundary) at a rate of \$46.04 per month, and zone 2 (medium density) at a rate of \$56.15 per month. Rates shown include GST and PST. City of Winnipeg (zone 1) includes 2.5% hydro tax.
- 3 Natural gas based on 90m³/month of consumption at \$0.3479/m³; includes 7% GST, 1.7% Provincial Utility Tax, and \$10 basic monthly charge. City of Winnipeg includes a 2.5% city tax.
- 4 Based on monthly consumption of 82m³. Rates vary from one community to another.

Sources:

- Government of Manitoba Website: www.communityprofiles.mb.ca
- Manitoba Hydro/Centra Gas
- Manitoba Telecom Services
- City of Winnipeg Water and Waste Department
- Public Utilities Board
- Municipal Offices of St. Francois Xavier, Cartier, Headingley, East St. Paul, Rockwood, Ritchot, Macdonald, Tache, West St. Paul, and St. Andrews

**Chart 3: Average Annual Utility Charges and Property Taxes for a \$100,000 House
Capital Region**



**Table 3: Average Annual Utility Charges and
Property Taxes for a \$100,000 House
Capital Region**

Municipality	Total Utility Charges ^[1]	Property Taxes on a \$100,000 Home ^[2]		Rank
		Total		
Winnipeg	\$2,189	\$2,774	\$4,964	11
Lorette, Tache	1,989	1,449	3,438	1
East St. Paul	1,937	1,710	3,647	2
Stonewall, Rockwood	1,772	1,989	3,761	3
Rivercrest, West St. Paul	1,926	1,922	3,848	4
La Salle, Macdonald	2,062	2,018	4,079	5
Ste. Agathe, Ritchot	2,174	1,967	4,140	6
Elie, Cartier	2,504	1,703	4,207	7
St. Francois Xavier	2,333	2,018	4,351	8
Headingley	2,266	2,210	4,476	9
Selkirk, St. Andrews	2,129	2,418	4,548	10
Average	\$2,116	\$2,016	\$4,133	-

Notes:

- 1 Utility charges include telephones, hydro, gas, water and sewer.
- 2 Property taxes (including the municipal tax and school tax) are approximated and do not include special or local improvement levies or the Manitoba Education / Property Tax Credit Advance.

Sources:

- Government of Manitoba Website: www.communityprofiles.mb.ca
- Manitoba Hydro/Centra Gas
- Manitoba Telecom Services
- City of Winnipeg Water and Waste Department
- Public Utilities Board
- Municipal Offices of St. Francois Xavier, Cartier, Headingley, East St. Paul, Rockwood, Ritchot, Macdonald, Tache, West St. Paul, and St. Andrews