

at .5 of 1 per cent; wild land at 3 per cent; coal land at 2 per cent non-operating or 7 per cent operating; and timber land at 1.5 per cent. In unorganized (non-municipal) areas, Ontario levies a property tax of 1.5 per cent of assessed value; the minimum annual tax in respect of any land in that province is \$6. Nova Scotia and New Brunswick also have property taxes of limited application.

Municipal Taxation

The municipalities in Canada levy taxes on the owners of property situated within their jurisdiction according to the assessed value of such property. Methods of determining assessed value vary widely but, for taxation purposes, it is generally considered to be a percentage of the actual value. The revenues from such taxes are used to pay for street maintenance, schools, police and fire protection and other community services. Special levies are sometimes made on the basis of street frontage to pay for local improvements to the property such as sidewalks, roads, and sewers. Not only is there a widespread difference in the bases used for property tax but there is also a wide variety of rates applied depending on the municipality.

In addition to the taxes described above, municipalities usually impose a charge for the water consumption of each property-holder or a water tax based upon the rental value of the property occupied. There are no municipal income taxes though certain localities have retained the use of a poll tax. In Newfoundland, Quebec and Saskatchewan municipalities are empowered to levy a tax on the admission of persons to places of amusement. This practice differs from that of the other provinces, where the amusement tax is generally a provincial preserve. Electricity and gas are taxed at the consumer level in some Western municipalities, while coal and fuel oil for heating purposes are chargeable in urban areas of Newfoundland. Telephone subscribers are subject to a special levy in Montreal, while certain Ontario municipalities impose a tax on the gross receipts of telephone companies.

In most municipalities, a tax is levied directly on the tenant or the operator of a business. In general, business tax rates are lower than those applying to property. Three bases of assessment are in use: a fraction of the property assessment, the annual rental value of the premises, or the area of the premises. Certain municipalities may charge a licence fee instead of a business tax, while others will charge both a licence fee and business tax. In Nova Scotia, all but one of the municipalities tax personal property (stocks in trade, equipment, etc.) the same as real property.

Miscellaneous Levies

These are not generally referred to as taxes but they are similar to taxes in many ways.

Canada and Quebec Pension Plans

In 1966, a compulsory government-operated pension programme was introduced in Canada whereby each contributor builds up a right to a graduated pension the amount of which is related to his earnings up to a certain level.

