

LOWERING VALUATIONS.

A recent decision in the Law Courts of Montreal may have a very far-reaching effect upon the municipal valuation of property in these times of uncertainty as to what values really are.

In a case heard before Judge Mercier, as reported in the Montreal Gazette, St. Aubin asked that certain assessments on his property made by the City of Maisonneuve be reduced.

The Judge ordered the reduction asked for, ruling that the valuation must be made on the actual value at the time of assessing.

This, of course, is correct when values are normal. But can anyone say what is the actual value of property at the present time?

The business of an assessor is the most difficult one in all public work in ordinary times, for he has to enquire as to sales of property, in order to find a basis for value. And even current sales do not fully establish the real values, for a sale may be forced through circumstances which govern the owner, but have nothing to do with the property. Or someone may, for some reason, strongly desire to get hold of a certain property, and may be willing to give more than an ordinary purchaser would do. So the Assessor's "life is not a happy one" even in normal times.

But how is he to find out the actual value of property while reconstruction is on, and the only transfers are abnormal ones, giving very little clue to actual values?

Apparently, valuations have been left undisturbed at the figures that were accepted before the war. But if many proprietors follow the example of Mr. St. Aubin, and succeed in getting decisions for the lowering of valuations, the Assessors will have to re-value all the property, making a general reduction all round, so that all may be fairly treated. This will, naturally, lead to a revision of the tax rate, for the income of the municipality has to be kept up, whether by a low tax on a high valuation, or by a high rate on a low valuation.

But justice can only be handed out to all proprietors by either maintaining the accepted valuation, or lowering all values to meet the demands of a few, who would try to escape paying their share of the public expenses.

That there should be some uniform system of valuations, is admitted by all who have studied the present irregular and unfair plans which vary widely in different places.

For, while in some municipalities, the valuation is based upon as low as twenty-five per cent of actual values—and this in spite of the oath of the assessors, or valuers, that they will assess "at the real value," yet in many places a very full market value is imposed. The consequence is that when any general tax has to be levied upon the municipalities, such as a County or Parish tax, the places that have perjured assessors, who have deliberately undervalued the property, escape lightly, while those where full values are imposed, have to pay an extra share.

This is an injustice, and offers a premium to false valuations, and should be stopped. Presumably, when all the Provinces have adopted a Municipal Minister, it may be handled properly.

An instance of how far the injustice goes is found in the grant given in the Province of Quebec to the Protestant Schools. One factor in determining the grant is the tax rate which the School Commission levies. But as the Commission has nothing to do with the valuation, but accepts the roll made by the municipal authorities, it can only base its tax rate upon the valuation handed to it. If the municipality has a fictitious valuation, based upon one quarter of the actual value (and there are places that do this), the school rate must be high. But if the municipal valuation be at full value, then the School Commissioners must have a low tax rate. And the Commission with a low tax rate does not get as much of the grant as does its neighbour where the assessment is unfairly low. There are some School Commissions in the Province of Quebec that are levying a tax rate of over ten mills, —and this because of a fictitious valuation; while others have as low or less than four mills, because of high valuation. And yet the former gets the lion's share of the grant.

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