

## FOR IMMEDIATE RELEASE

### **Budget Fails Toronto Small Business**

**TORONTO March 22, 2007** – Lionel Miskin, TABIA Vice-President and Tax Committee Chair expressed disappointment that the Ontario Budget, once again, fails to address the dilemma of Toronto's small retailers. "While the government has recognized that the huge disparities in education tax rates across the province need to be addressed, the Budget proposal will have no significant effect on Toronto's small retailers for years to come," he states.

"The Provincial Government taxes Toronto's commercial property to the hilt, with education levies that it uses elsewhere in the Province. This overloads our membership, most of which is comprised of small retailers, with tens of millions of dollars in property taxes. Ever since the Provincial Government introduced Current Value Assessment, most of these retailers have seen their property taxes increasing annually at rates which are double and triple the inflation rate. Between the annual assessment increases, usually five percent, plus the City's rate increases, one and a half percent, many of these retailers are struggling to stay afloat.

"The provincial levy is hurting Toronto very badly," adds Mr. Miskin. "It is contributing to the erosion of the City's commercial base, making it more and more difficult for the City to raise the revenues it needs. The taxation of Toronto businesses at rates well in excess of those in other parts of the GTA is most counter-productive. It makes it harder for Toronto business to be competitive, forcing a lot of commercial enterprise to leave the City. Those who can't leave are called on to shoulder a rapidly increasing burden. All across the City, prime commercial neighbourhoods are being replaced by street townhouses and high-rise condominiums. By the time the full effect of the budget proposal is realized, a lot more of Toronto's commercial neighbourhoods will have deteriorated.

"Every neighbourhood needs a shopping district," says Miskin. "A healthy shopping neighbourhood provides vital amenities to the surrounding residential neighbourhood, enhances its value and enables people to shop with a minimum of driving. And many of these neighbourhoods make a substantial contribution to the quality of life in Toronto in other ways, with their street festivals and special events. It is a narrow view to ignore this sector of Toronto's economy."

#### **About TABIA**

TABIA (Toronto Association of Business Improvement Areas) is an umbrella organization for all Toronto Business Improvement Areas (BIA's), with an aggregate membership of over 25,000 businesses, most of which are small retailers, boutiques, restaurants or cafes.

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#### **For Further Information:**

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