



**CANADIAN FEDERATION
OF INDEPENDENT BUSINESS**

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A Small Business Vision for Halifax

Presentation to the North West Community Council

October 26, 2015

Nick Langley, Director of Provincial Affairs, Nova Scotia

About CFIB

- ▶ Mandate: Big voice for small business
- ▶ Promote and protect Canada's free-enterprise economy
- ▶ Result of tax protest over 44 years ago
- ▶ 109,000 members nationally, over 5,200 in Nova Scotia, and 1,800 in HRM
- ▶ Non-partisan; 100% member funded
- ▶ One member, one vote policy

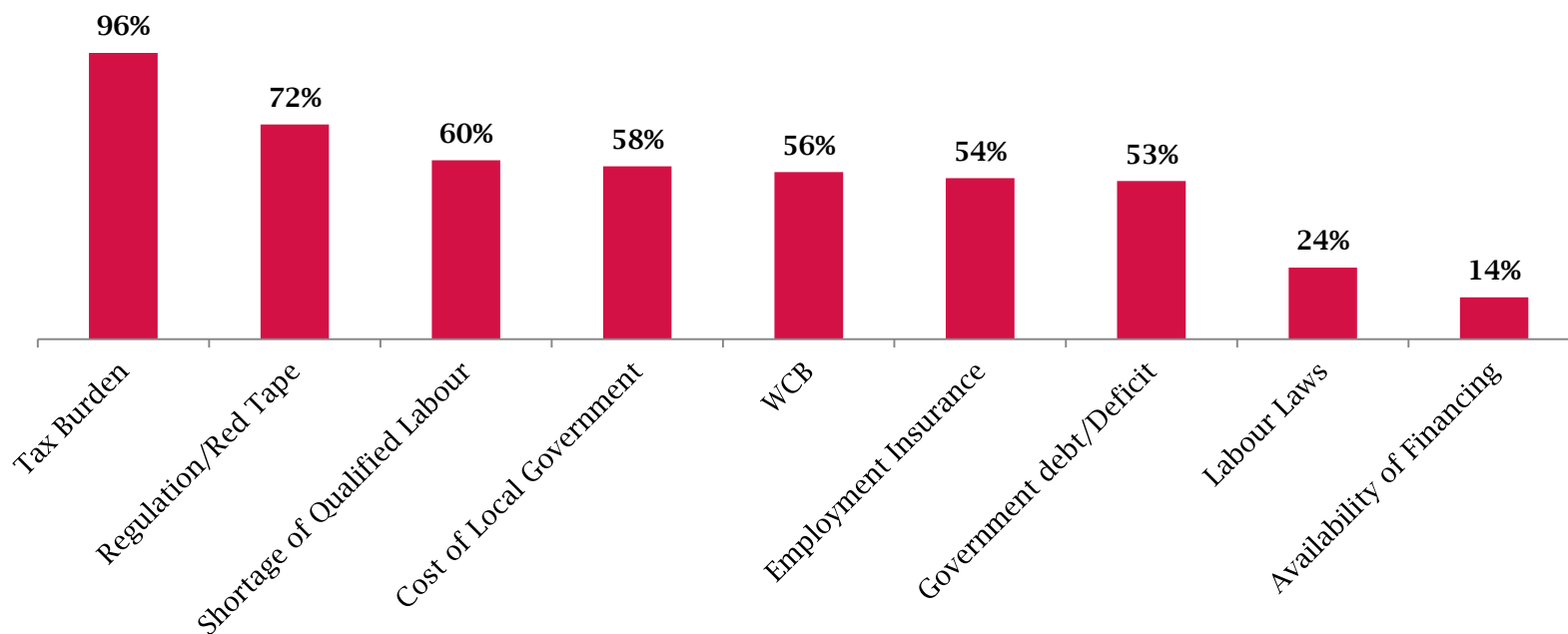
Tax Review - Motion

- On April 28, 2015, Councillors Wayne Mason and Tim Outhit proposed a motion relating to commercial taxation and assessment in HRM.
- *Request a staff report and recommendations for changes to the commercial tax structure and for implementation approaches that shall:*
 - ▶ *address concerns regarding small and independent businesses in the central business district and main street & commercial corridors*
 - ▶ *outline options to address these issues*
 - ▶ *contain pros and cons of various courses of action*
 - ▶ *be returned for Council consideration no later than October 2015 so consideration can be given by Council prior to the 2016/2017 budget.*

Business issues in Halifax

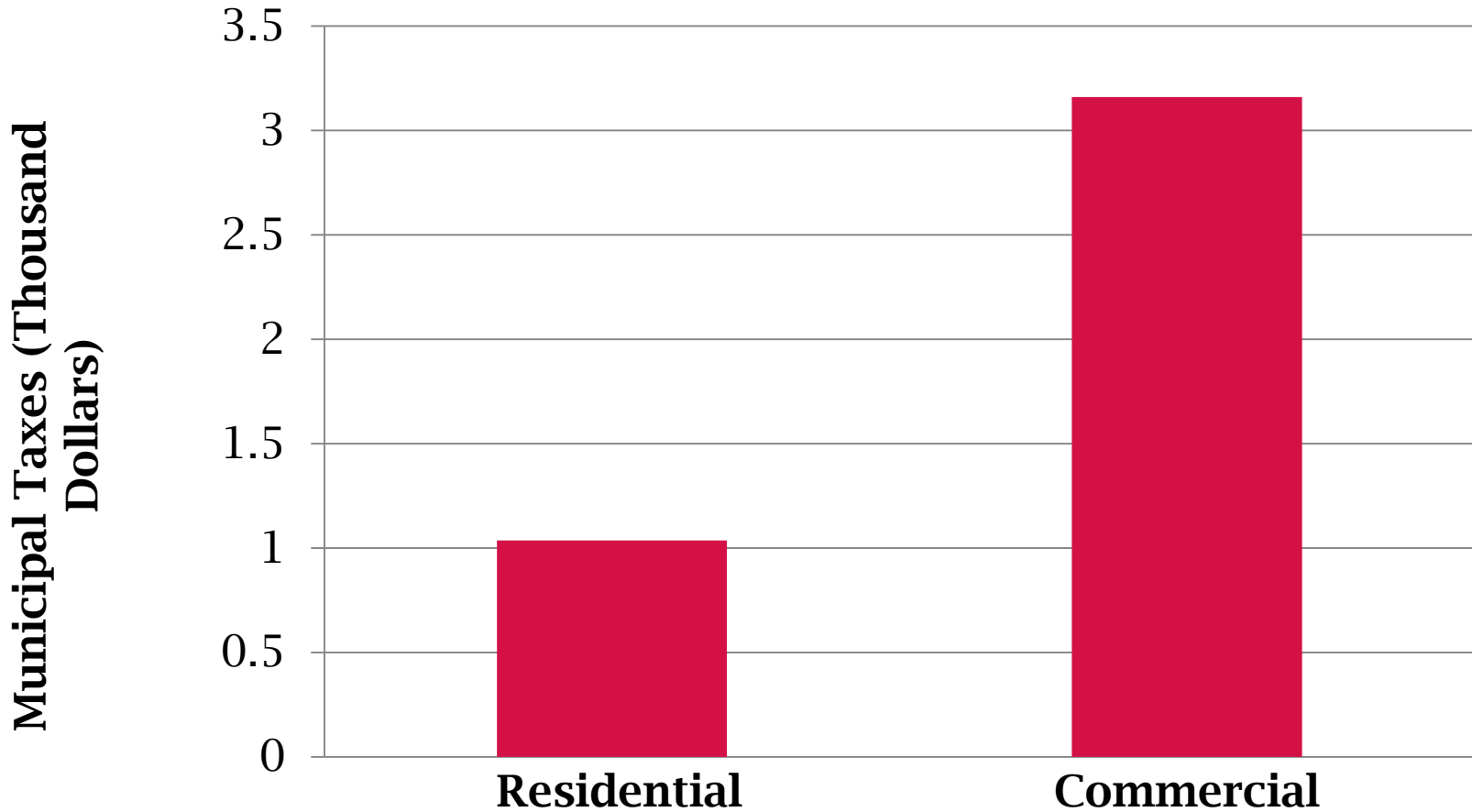
- Commercial Property Taxes
 - ▶ Tax burden is prohibitive to business growth, new investment, and development.
- Red Tape
 - ▶ Red Tape is excessive regulations that offers no benefit or purpose.
 - ▶ Red Tape in Halifax is a cost pressure and a barrier to business success.
 - ▶ The Nova Scotia government has created a new Office of Regulatory Affairs and Service Effectiveness.

What issues are serious concerns to your business in HRM?

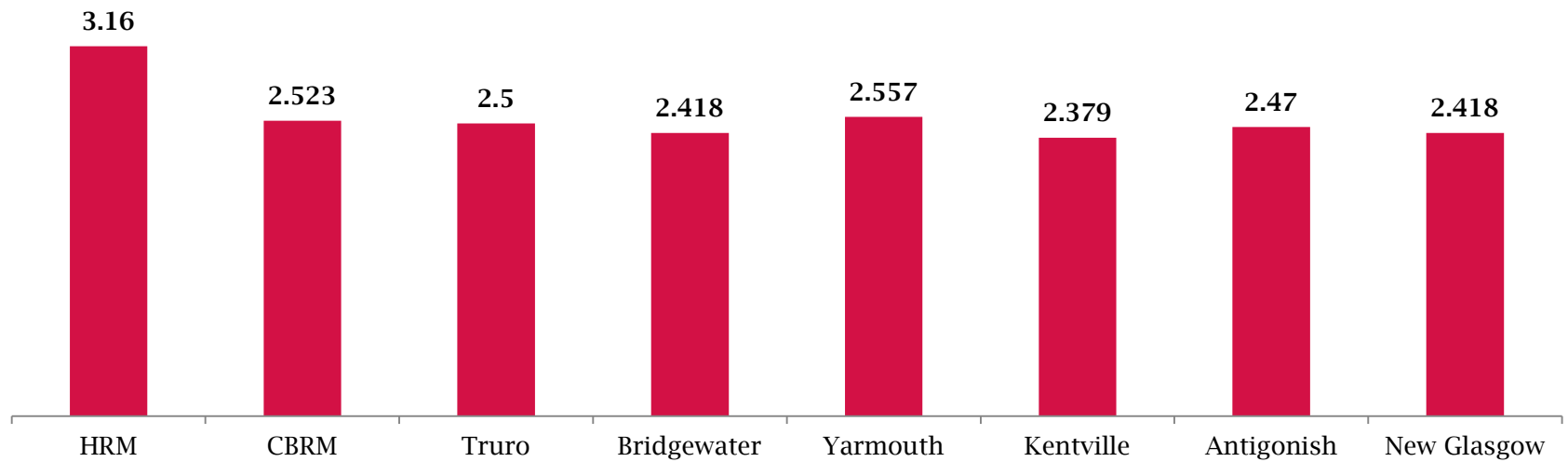


Source: CFIB, *Our Members' Opinion*, July – December 2014, n=110

Halifax's tax gap



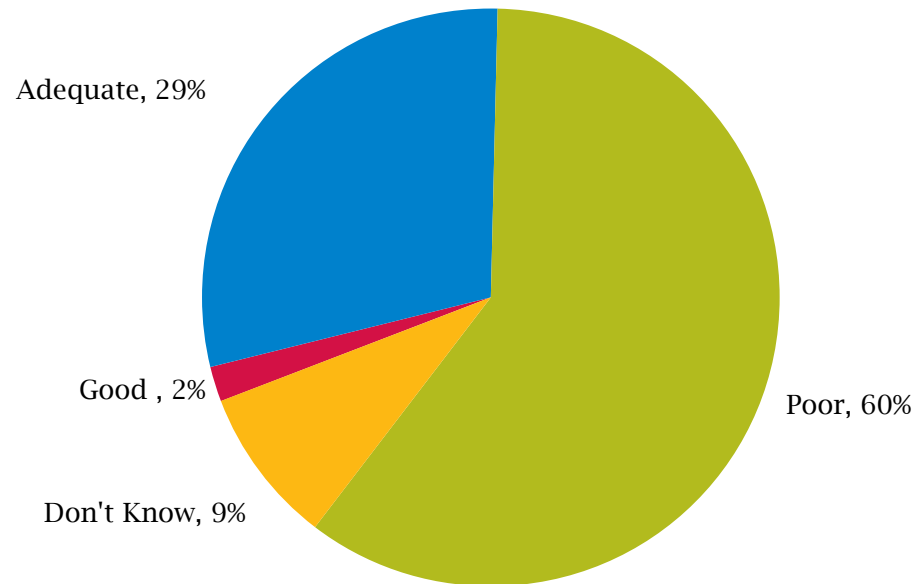
Tax Gaps - How Halifax compares



Source: CFIB analysis of 2014 data obtained from Nova Scotia municipal websites

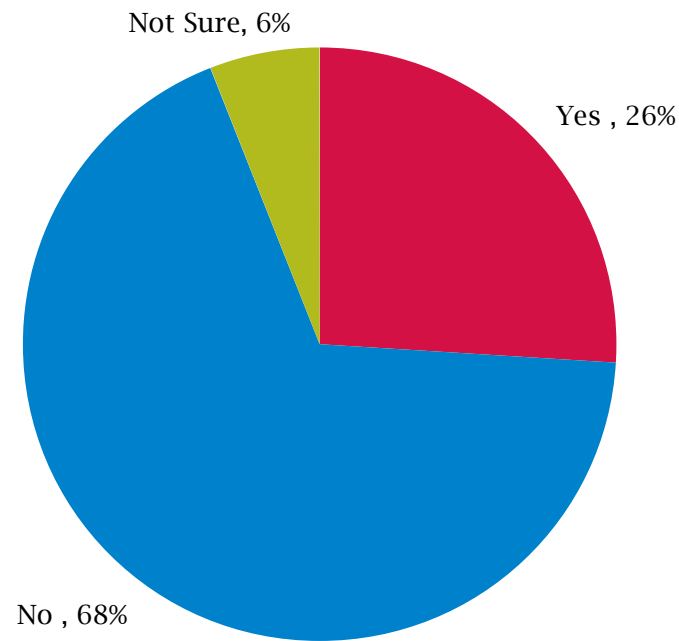
HRM reasonable tax levels

How would you rate HRM for reasonable property tax levels?



Source: CFIB Internal Data, Our Members' Opinion Survey, Nos. 73-74, July 2013-June 2014: Results for Halifax, n=205

Does Halifax do a good job on fairness of taxes?

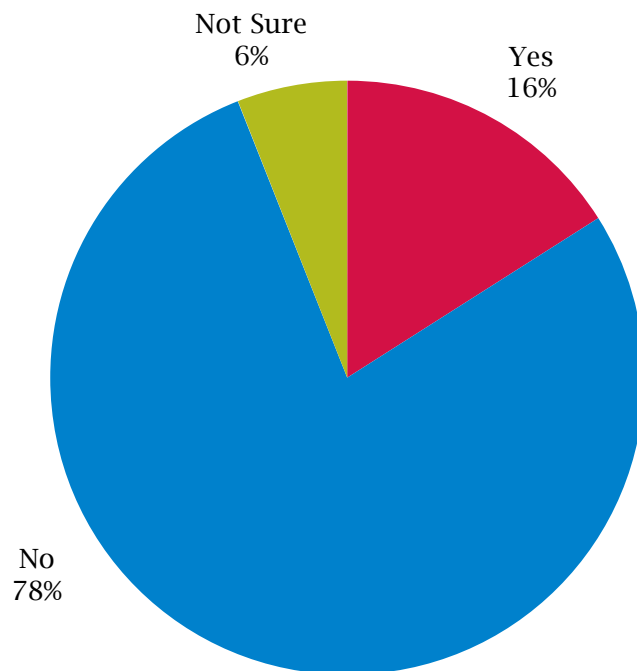


Source: CFIB, *Our Members' Opinion*, July – December 2014, n=31

CFIB's tax proposal

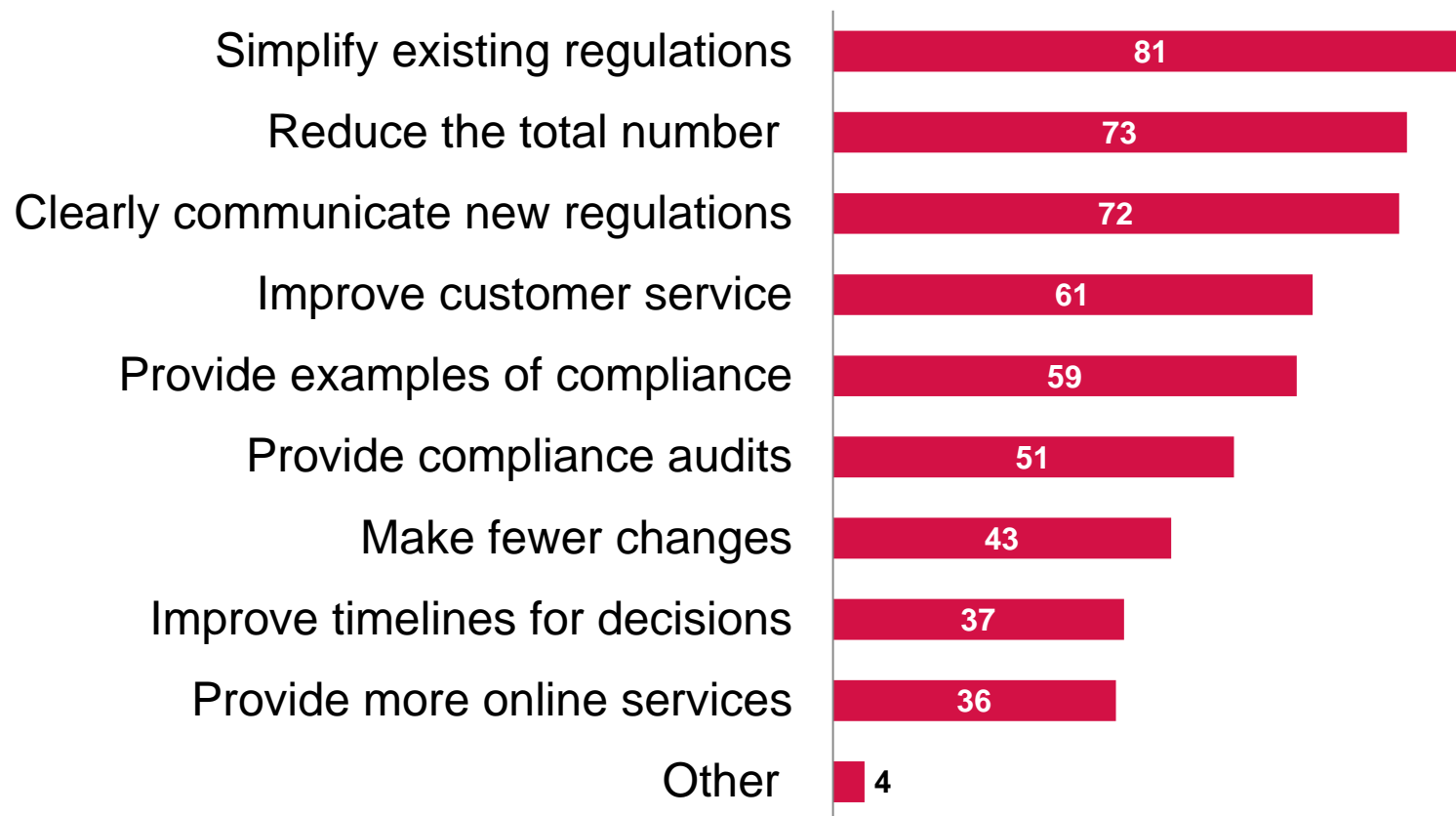
- ▶ To improve fairness, a cap on the gap between residential and commercial property taxes should be imposed at both the provincial and municipal level at a maximum of 2 to 1.
- ▶ Examine alternative ways to assess property values such as assessments based on the value of the building rather than the land.
- ▶ Continue to focus on controlled spending to ensure core responsibilities can be provided in a sustainable and quality manner.

Red Tape - Does HRM do a good job on fair by-laws and regulations?



Source: CFIB, *Our Members' Opinion, July – December 2014*, n=31

What would help your business better comply with regulations?



Source: CFIB, Paper burden and Regulation Survey, 2008. N=10,566

Red Tape - How can Halifax change?

- ▶ Create a red tape advisory panel with membership from different private sectors, two councillors, and the CAO or Deputy CAO.
- ▶ Create a Chief Regulatory Officer for HRM to monitor and manage regulatory and red tape issues for the municipality.
- ▶ Create a plain language policy for regulations and by-laws for better adherence.
- ▶ Measure, record, and report red tape on an annual basis to gauge improvement of the red tape burden in HRM.
- ▶ Reduce subjectivity levels from inspectors and by-law officials in order to create fairness and predictability for small businesses.
- ▶ Adopt a construction mitigation policy that not only reduces dirt and noise, but consults with local business improvement districts (BIDs) on issues that could affect them during a prolonged construction project.
- ▶ Reform nuisance by-laws such as E-200.

Thank you

Nick Langley

Director of Provincial Affairs, Nova Scotia

Canadian Federation of Independent Business

Nick.langley@cfib.ca