



Atlantic Municipal Report

September 2025

CFIB

**CANADIAN FEDERATION
OF INDEPENDENT BUSINESS**

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Author



Ian Scott

Public Policy and Advocacy Intern

Introduction

Municipalities in Atlantic Canada control many impactful policies for small businesses. This includes municipal finances, regulations, and business resources. In the third iteration of CFIB's *Atlantic Municipal Report*, major Atlantic municipalities are evaluated based on indicators of small business friendliness.

This report compares the performance across six of Atlantic Canada's largest municipalities and provides recommendations on how these municipalities can make doing business easier in their jurisdiction. Small business confidence is at historic lows,¹ and local governments can make changes to improve their business environment and business conditions.

Small business owners continue to report that property taxes are the municipal issue with the biggest impact on their business (58.2%). However, other issues have increased in impact since last year's report. These include infrastructure (+7.4%), congestion (+5.1%), and public construction projects (+1.8%). See Figure 11 for more details.

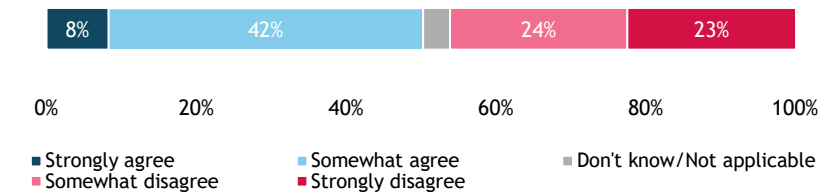
Only half (50%) of small businesses agree their municipality is small business friendly, which is roughly the same result as last year. A greater proportion agreed (50%) than disagreed (48%) (Figure 1), but the results indicate that municipalities still have work to do and should strive to have a large majority agree they are small business friendly.

¹ Monthly Business Barometer, July 2025.

Figure 1

Only half of small businesses agree that their municipality is small business friendly

Question: "Please indicate the extent to which you agree or disagree with the following statement: Our municipality is small business friendly"

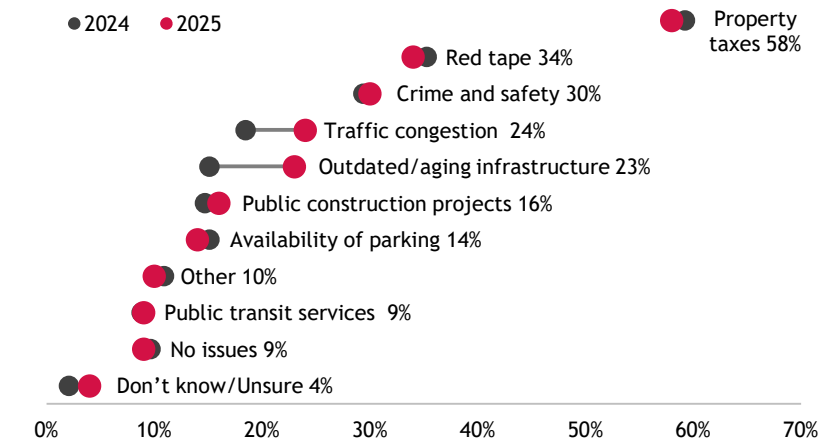


Source: Atlantic Municipal Survey 2025, n = 186.

Figure 2

Property taxes are the biggest issue for small businesses

Question: "Which of the following issues have the biggest impact on your business? (Select all that apply)"



Source: Atlantic Municipal Survey 2025, n = 186, changes from 2024 on p. 11.

Municipal finances

Municipal finances are consequential for businesses. Every year, municipalities decide tax rates, fees, and how to spend taxpayer money. These decisions have real impacts on costs and resources for small businesses.

Municipal operating budgets are set annually and show the council's priorities. They provide detailed information on municipal commitments by showing where money is being allocated, how tax rates are being set, and listing programming changes.

This report evaluates municipal finances by looking at how transparent budgets are, and how their components have changed over time (Table 1). Large increases in spending or debt costs necessitate tax increases, which put a heavier burden on businesses because commercial property tax rates are higher than residential rates. This report also examines whether taxes and fees create uncertainty for businesses.

Transparent budgets

Transparent budgets are essential for showing where taxpayer money will be spent and assessing the responsibility of municipal councils. This report considers budgets transparent when they include information on planned spending at the sub-departmental level.

All municipalities apart from the CBRM and Moncton received points for having detailed finances.

The CBRM posts a budget that includes only department-level spending plans. It is generally only two pages long and does not provide a transparent view of municipal spending.

Moncton does not post budget documents on its budget page, but it posts audited financial statements a year later.

CFIB calls on municipalities to release detailed budgets on their municipal budget website when the budget is approved. Businesses and residents deserve to know where municipalities are allocating their tax dollars.

Table 1

Does the municipality release a transparent budget?

	St. John's	Charlottetown	HRM	CBRM	Moncton	Fredericton
Detailed finances released	✓	✓	✓	-	-	✓

A budget is considered detailed when it includes allocations below the department level. This was determined from the budget documents available on each municipal website's budget page.

Revenues

Municipalities rely on property taxes and government grants for most of their revenue. Property taxes are the only tax municipalities can levy to generate significant revenue. Taxation, which is mostly property taxes, represents at least 70% of revenues in most Atlantic municipalities (Figure 3).

Provincial grants vary from province to province. The Maritime provinces give municipalities equalization grants, designed to ensure they can offer similar levels of service. Newfoundland and Labrador's municipalities receive grants based on population and remoteness.² Some grants are attached to specific programs, but many can be spent freely.

Provinces can and should play a key role in limiting the property tax burden for small businesses. As provinces create municipalities and determine their authority to raise revenues, they should play a role in ensuring municipalities can tax fairly and responsibly. Close to 9 in 10 small businesses (87%) believe provinces should work with municipalities to reduce the rising cost of property taxes.³

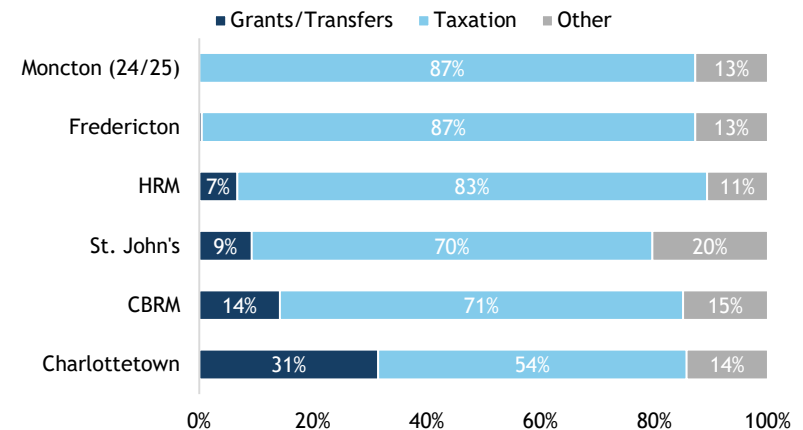
A majority (59%) of businesses disagree that changes in municipal costs are easy to predict, with very few (4%) strongly agreeing. Uncertainty lowers investment, hurting the growth plans and productivity of businesses. Municipalities should commit to predictable tax rates to reduce the uncertainty facing businesses.

² "Provincial-Local Equalization in Canada: Time for a Change?", IMFG, 2021.

Figure 3

Large municipalities in NB are more reliant on taxes than other large municipalities in Atlantic Canada

Composition of municipal revenues by municipality (2025/26 budgets)

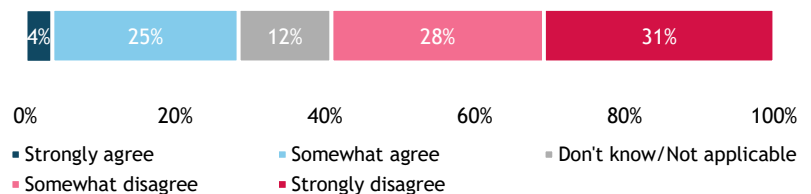


Author calculations from municipal budget documents. Moncton 2024/25 budget used because of data restrictions. Grants include grants in lieu of taxes.

Figure 4

Municipal costs are a source of uncertainty for businesses

Question: "Please indicate the extent to which you agree or disagree: It is easy for us to predict how much municipal costs will change each year (e.g., property taxes and fees)"



Source: Atlantic Municipal Survey 2025, n = 183.

³ Your Voice Survey, June 2024.

The property tax gap

Property taxes are the top municipal issue facing businesses in Atlantic Canada, with 58% saying it is a priority. Property taxes have caused 57% of small businesses in Atlantic Canada to raise prices, and 40% to reconsider expanding their business.⁴ Nearly 6 in 10 (59%) small businesses in the region do not feel they are treated fairly by their municipalities, and 63% do not believe they receive good value for the amount of property taxes they pay.⁵

Commercial properties are charged higher property tax rates than residential properties. The difference between these rates is the tax gap. The relative size difference of commercial to residential rates is the tax multiplier.

Only the HRM and the CBRM made changes to their property tax gaps. The HRM closed the property tax gaps across all its

tiers and area rates by an average of \$0.06. The CBRM increased the gap by \$0.13 by raising the commercial tax rate, which was already the highest in Atlantic Canada.

This report compares residential and commercial property tax bills for a \$372,500 property.⁶ This is an average of the average sale prices for houses in St. John's, NS, NB, and PEI. It is a representative property in Atlantic Canada for which property tax bills can be compared. A commercial property assessed at that value would be billed between \$7,539 (St. John's) and \$11,566 (CBRM) more than a residential property of the same value. CFIB calls on all municipalities to reduce the property tax gap. This will increase tax fairness and provide relief to small businesses struggling with the high costs of property taxes. Read our *2025 Atlantic Property Tax Gap Report* for more details.

Table 2

Property tax gap by municipality

	Property Tax Rate per \$100 of Assessed Value				Tax Bill on a \$372,500 Property		Annual Change
	Residential \$	Commercial \$	Tax Gap \$	Multiplier X	Residential \$	Commercial \$	Tax Gap \$
St. John's	0.81	2.85	2.04	3.52	2,993	10,532	0
Charlottetown	1.67	3.86	2.19	2.31	6,171	14,264	0
HRM	0.64	2.75	2.12	4.34	2,365	10,162	-0.06
CBRM	1.94	5.07	3.13	2.61	7,169	18,735	+0.13
Moncton	1.36	4.17	2.81	3.06	5,026	15,410	+0.01
Fredericton	1.31	4.08	2.77	3.12	4,841	15,077	-0.01

Author's calculations and figures from municipal websites.

⁴ Your Voice Survey, June 2024.

⁵ Atlantic Municipal Survey 2025.

⁶ See Methodology for more details.

Municipal spending growth

Municipalities in many provinces are limited in the amount of debt they can take on and the deficits they can run. This should encourage municipalities to spend within their revenue and avoid taking on debt.

Any increases in spending must be financed by debt or increased taxes. Because commercial property tax rates are higher than residential rates, spending can lead to higher tax bills for businesses without delivering value. A majority (76%) of businesses disagree that increases in their taxes have provided good value for money (Figure 6).

Spending, controlling for population and inflation, has increased in Charlottetown (+6.5%) and Fredericton (+5.5%) above pre-pandemic (2019) levels. All other municipalities have lowered their spending. The HRM's spending fell most, since 2019 (Figure 5).

Charlottetown has had five budgeted deficits since 2019 and is the only Atlantic Canadian municipality with consistent deficits from 2019 to 2025. The CBRM was the only other municipality to have a deficit in that time.⁷ Charlottetown must show fiscal restraint and avoid increasing its debt load.

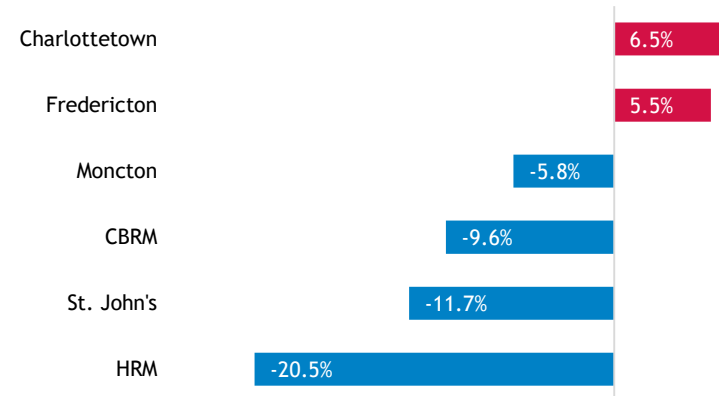
CFIB calls on Moncton and Fredericton to significantly reduce spending, to be in line with CPI and population growth. Municipalities should not increase the tax burden on businesses to pay for initiatives that will not benefit them.

⁷ See Methodology for more details.

Figure 5

Charlottetown and Fredericton's spending has outpaced inflation and population growth

Change in spending from 2019 to 2024, controlling for population and CPI

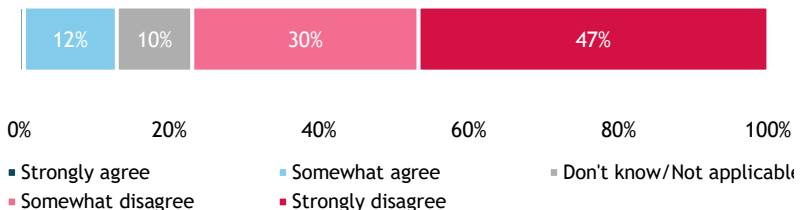


Source: Author's calculations from municipal budgets and Statistics Canada data.

Figure 6

Most businesses disagree that property tax increases have provided good value for money

Question: "Please indicate to what extent you agree: Increases in property taxes in our municipality have provided good value for money"



Source: Atlantic Municipal Survey 2025.

Debt servicing costs

When used responsibly, debt spreads the cost of a large capital project over time. Because the cost is spread out, taxes can remain stable, rather than spiking when a large project gets billed. However, adding to municipal debt increases servicing costs, which means more of each tax dollar goes to paying for interest rather than providing value.

A municipality's debt servicing costs should be low relative to own-source revenue, to ensure it has the capacity to pay down the debt as well as paying the interest on it.

The CBRM has irresponsibly high debt servicing costs relative to the amount of revenue the municipality generates. Debt servicing is equivalent to 18.2% of own-source revenue (Figure 7). This is nearly double the next highest debt-to-cost ratio. The CBRM should act to pay off debt, delivering more value for money. Further, debt servicing costs have increased in Fredericton and Charlottetown, meaning more tax dollars are going to liabilities than to real services for small businesses.

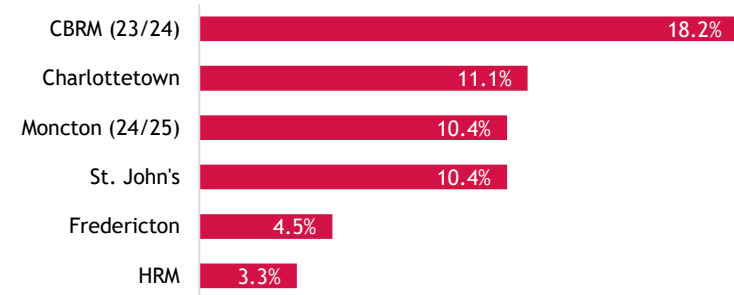
Municipalities should constrain spending to pay down debt. This should be a crisis-level priority for the CBRM. Municipalities should aim for servicing costs to be at most 10% of own-source revenue.⁸ This would ensure they can pay down their debts. It would also reduce expenditures, giving them the opportunity to lower property taxes.

⁸ Financial Conditions Index developed by the Government of Nova Scotia, Union of Nova Scotia Municipalities, and Association of Municipal Administrators of Nova Scotia.

Figure 7

The CBRM has oversized debt servicing costs

Debt servicing costs as a share of own-source revenue by municipality (2025, unless otherwise stated)

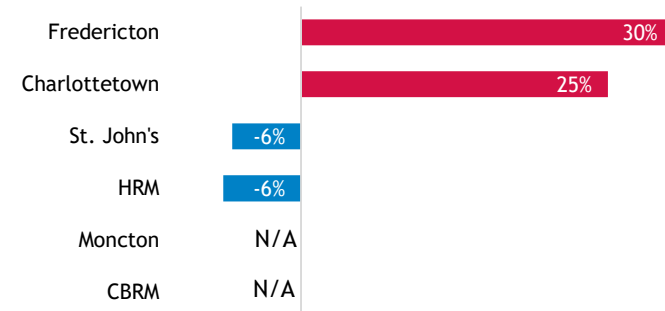


Author calculations from municipal budget documents. CBRM value taken from the municipality's CFO report on the financial year 23/24.

Figure 8

Charlottetown and Fredericton's debt servicing costs have ballooned

Change in debt servicing costs between budgets 2019/20 and 2025/26



Author calculations from municipal budget documents. N/A indicates that the municipality's budget does not include sufficient information to calculate the change.

Regulations and small business policies

Municipalities control regulatory policies such as permitting and business policies construction mitigation. Municipalities can create barriers such as red tape, long wait times, complex processes, or high permitting fees, which make doing business harder.

Municipalities can also set policies to minimize impacts on small businesses. Requiring construction mitigation plans or providing resources to prevent or recover from crime can lower the impact of external factors on small businesses.

Small businesses interact with their municipality when they need permits, support, or information about regulations. Two-thirds (66%) of municipalities in Atlantic Canada reported interacting with their municipality in the last three years. A third (33%) of those small businesses described these interactions as negative.⁹

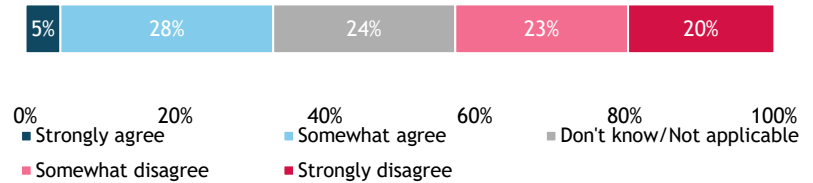
While most (54%) small businesses found their interactions accessible (Figure 10), over half did not believe their interactions with their municipality were fast (52%) or transparent (53%). Municipalities should find ways to accelerate processes and make them more efficient. Even for indicators where municipalities are doing comparatively well, they should strive to improve. For example, the proportion of small businesses (19%) reporting that their interactions were inaccessible is far too high.

⁹ Atlantic Municipal Survey 2025.

Figure 9

Only a third of businesses found it easy to access resources

Question “Please indicate the extent to which you agree or disagree: It is easy to access relevant business resources on our municipal website”

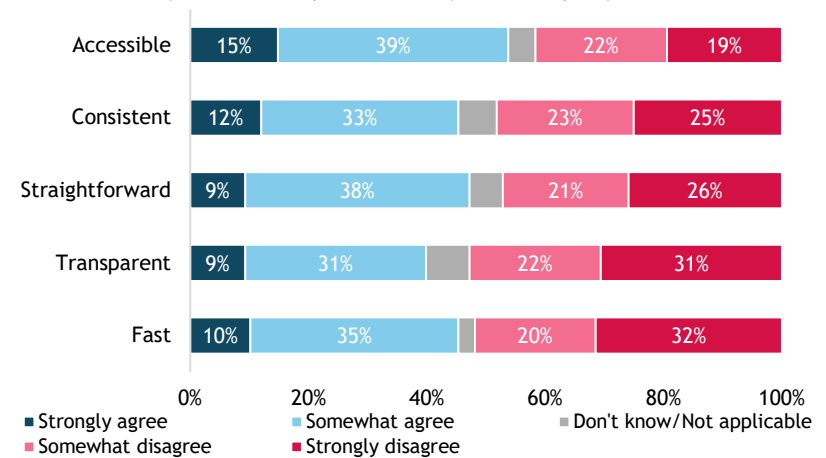


Source: Atlantic Municipal Report 2025.

Figure 10

Small businesses have had mixed experiences with municipalities

Question: “To what extent do you agree or disagree that each of the following words describes your overall experience with your municipality?”



Source: Atlantic Municipal Survey 2025, n = 182.

Patio fees

Sidewalk patios allow small businesses in the hospitality industry to increase potential revenue by temporarily expanding their footprint. They are a draw for customers, 44% of whom say they are more likely to visit a restaurant when outdoor seating is available.¹⁰ This is a benefit to businesses at a time when over half (52%) cite insufficient demand as a major challenge.¹¹

Most patios take away space from sidewalks or parking, but they are a far more productive use of land. Patios in Toronto's CaféTO pilot generated 49x the revenue for restaurants than would have been generated in parking fees. This shows that patios benefit communities. However, businesses can face barriers to providing these in-demand spaces.

The permitting fees for a patio, and the additional documents required, are a burden. They are an upfront cost for businesses who often have trouble accessing capital and

Table 3

Municipal patio fees and documents required

	St. John's	Charlottetown	HRM	CBRM	Moncton	Fredericton
Cost in 2025 (\$)	320	750	1,000	50	350	750
Change in cost since 2024 (\$)	-2,445	0	+30	N/A	0	+250
Additional documents required	3	3	4	3	2	4

Collected from municipal websites. Estimated fees for a patio the size of one parking space (11.89 m² or 127.98 ft²). The CBRM's fee was directly communicated by the municipality's permitting office. Charlottetown does not post its patio fee online, and did not respond to inquiries. The number of additional documents required was determined from permitting application forms found on municipal websites.

will also have to pay for parts and labour to build their patio. Once built, financial returns can take weeks to materialize.

Fees have increased since our last report in the HRM (+\$30) and Fredericton (+\$250). This does not support businesses and should be reversed, with a plan to further reduce fees (Table 3). St. John's has significantly reduced its patio fees (-88%) since the 2024 iteration of this report. CFIB encourages all Atlantic Canadian municipalities to follow its lead by eliminating, or at least reducing, patio fees so businesses and consumers can enjoy the summer.

CFIB recommends municipalities reduce fees and red tape related to patio applications. Businesses could benefit from increased revenues while providing a hot commodity for customers in the summer months. Overall, municipalities will see an increase in foot traffic and business. Some cities in Canada have no fee to build patios.¹² Atlantic Canadian municipalities should work to eliminate patio permit fees.

¹⁰ CGA On Premise Pulse Report, 2022.

¹¹ Monthly Business Barometer, June 2025.

¹² Atlantic Municipal Report 2024.

Dedicated business page

Dedicated business pages are a simple way for municipalities to show support for local businesses. These pages can include ongoing projects, resources, and directories that help business owners by increasing the accessibility of resources. This can save businesses time and money.

Amid labour shortages, small business owners in Atlantic Canada work on average between 54 and 60 hours a week. They need quick and easy access to relevant information.¹³ Only a third (33%) of businesses say it is easy to access relevant business resources on their municipality's website (Figure 9). Municipalities need to act to make their business pages more accessible, to save small business owners' time.

While all municipalities in Atlantic Canada have a dedicated business page, they should focus on making them easier to use. Additional recommendations to improve existing municipal business pages in this report include providing permitting timelines and a red tape feedback mechanism.

Red tape feedback mechanism

Businesses cite red tape as their second-biggest municipal issue.¹⁴ Red tape costs businesses time and resources that could be used for more productive tasks. Feedback portals are effective ways to determine where red tape exists, and for businesses to give their feedback. The HRM had a red tape portal in the past, and Toronto's City Council recently passed a motion to adopt one.¹⁵ Toronto's feedback mechanism will be a phone line but could be improved with an online portal. An online portal would provide business owners with 24/7 access and they could receive email updates when their feedback has been reviewed.

CFIB recommends municipalities create a portal directly on their website for businesses to report red tape. They should also respond to submissions promptly, transparently, and show how the concern was addressed. Feedback mechanisms should be available 24/7, straightforward to use, and accessible for a wide range of small business owners.

Table 4

Does the municipality have a dedicated business page and red tape feedback mechanism?

	St. John's	Charlottetown	HRM	CBRM	Moncton	Fredericton
Dedicated business page	✓	✓	✓	✓	✓	✓
Red tape feedback mechanism	-	-	-	-	-	-

We searched municipal websites for keywords such as "business page," "feedback portal," and "report red tape" to determine if municipalities met these criteria.

¹³ Your Voice Survey, September 2022.

¹⁴ Atlantic Municipal Survey 2025.

¹⁵ Toronto City Council Motion 2025.MM3.24, 2025.

Online permitting

Being able to apply for, pay, and track permits online can reduce costs and save time for businesses. Providing permit timelines in advance is even better and helps business owners plan their projects and reduce uncertainty. This streamlining can also accelerate essential projects such as housing.

The Fraser Institute estimates that every six-month delay in approvals increases housing costs by 3.7%.¹⁶ Online permitting can also save money for municipalities. As a case study, Ventura, California, saved over 6x what it spent on online permitting in six years, despite increased applications, according to Clariti Software.¹⁷ This shows the clear productivity improvements online permitting offers municipalities.

Municipalities are also encouraged to use artificial intelligence (AI) to help businesses access resources. Kelowna, BC, has developed a chatbot to answer business

questions. This kind of innovation is supported by a third (33%) of businesses.¹⁸

Only some municipalities accept online payments and applications for permitting. Moncton also accepts payments as well as applications for licences and event permits online. Other municipalities should adopt this system to make doing business easier.

While all municipalities have online permit tracking, the HRM is the only one with public timelines for permit approval. Other municipalities should adopt the HRM's approach to make planning projects easier and reduce uncertainty for businesses.

CFIB calls on all municipalities to provide timelines in advance of applications, and to process applications and payments online. These have been proven to increase the productivity of municipalities and reduce barriers for small businesses.

Table 5

Does the municipality have a red tape feedback mechanism?

	St. John's	Charlottetown	HRM	CBRM	Moncton	Fredericton
Online payment	-	-	✓	-	✓	✓
Permit tracking	✓	✓	✓	✓	✓	✓
Public timeline	-	-	✓	-	-	-

We searched municipal websites for keywords such as "permit application," "permitting fees," "permit timelines," and "application timeline" to determine whether municipalities met these criteria.

¹⁶ Fraser Institute, The Impact of Land Use Regulation on Housing Supply in Canada, 2016.

¹⁷ Clariti Software, Why Government Should Invest in Building Permit Software, 2021.

¹⁸ Atlantic Municipal Survey, 2024.

Construction mitigation

The share of businesses reporting challenges related to construction mitigation has increased since the last iteration of CFIB's *Atlantic Municipal Report*. A larger share reported challenges with infrastructure (+7.4%), congestion (+5.1%), and construction (+1.7%).

While addressing infrastructure concerns, municipalities will need to manage the impacts on nearby small businesses. Construction projects can reduce foot traffic, increase noise, and limit access to businesses. These effects lead to a reduction in revenue for businesses. This loss of revenue is out of the control of businesses, a third (33%) of whom have been affected by construction projects with no notice.¹⁹

CFIB recommends Atlantic municipalities develop construction mitigation plans to minimize the effects of construction on businesses. In more dire cases, municipalities can go a step further by offering direct compensation, as done in Montréal, Québec, and Calgary. These are not new policies; other municipalities in Canada are an example.

Table 6

Does the municipality help businesses impacted by construction?

	St. John's	Charlottetown	HRM	CBRM	Moncton	Fredericton
Construction mitigation plan	-	-	✓	-	-	-
Subsidies	-	-	-	-	-	-

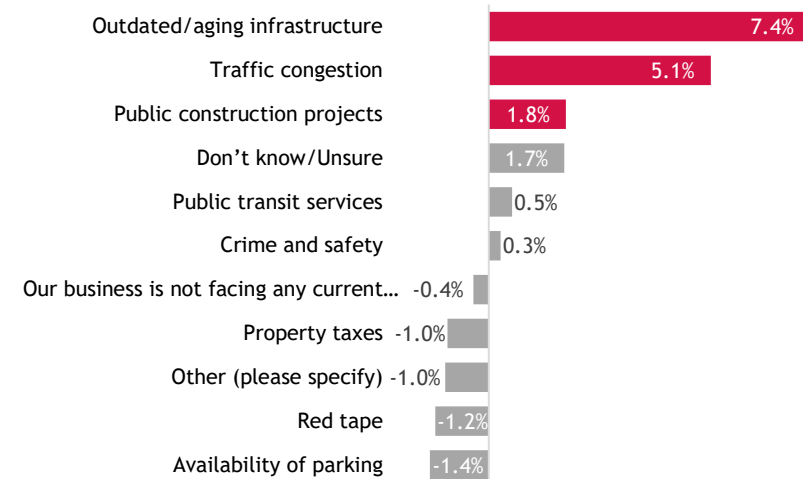
Municipal websites were searched to determine if they had a construction mitigation subsidies or plans program. We searched municipal websites for keywords and phrases such as "construction mitigation," "public project relief," and "project mitigation." If no results were found, we determined municipalities did not have the relevant program.

¹⁹ CFIB Crime and Community Safety Survey, 2024.

Figure 11

Construction and related issues are becoming more important

Changes to municipal issues facing small businesses between 2024 and 2025 (YoY)



Source: Author's calculations from Atlantic Municipal Surveys 2024 & 2025.

CFIB is disappointed to see the lack of progress on construction mitigation in Atlantic Canadian municipalities and calls on them to implement construction mitigation policies to support businesses.

Crime prevention and reparative subsidies

Businesses say crime is the third most impactful municipal issue affecting them in Atlantic Canada.²⁰ Nearly half (47%) say they were affected by crime in the last 12 months.²¹ That includes an estimated \$9.1 billion in thefts nationwide, according to the Retail Council of Canada.²² CFIB recommends municipalities help businesses invest in preventative and reparation measures.

Most businesses (81%) also want government to clean public spaces faster (e.g., graffiti removal, sidewalk cleaning), and 78% support investment in community safety infrastructure.²³

As a case study, the City of Parksville, BC, offered a security camera rebate program providing businesses a \$100 rebate per application to have security cameras installed. This kind of program helps businesses deter crime and have better records for insurance applications and police reports. As such programs also benefit local police services, subsidies are warranted so businesses do not have to shoulder costs alone.

Some business improvement areas/districts have stepped up to offer security grants to members where municipalities have not. This is positive, but the areas/districts do not cover all businesses in a municipality. Municipalities should act to make similar grants available to all businesses.

Enforcement is essential, but preventing crime and compensating victims can reduce the challenges that persist after crime has taken place. However, only one third (33%) of businesses are satisfied with the response from police.²³

Businesses also need accessible support for the immediate challenges associated with crime. Only 15% always file insurance claims. Non-filers are concerned about increased premiums (82%) as well as the time (40%) and complexity (29%) of filing claims.²³ Municipalities must offer programs to help these businesses prevent and address damages from crime. For more details on the impact crime is having on SMEs, read CFIB's 2024 report *Broken Windows & Broken Trust: The Impact of Rising Crime on Small Business*.

Table 7

Does the municipality help businesses impacted by crime?

	St. John's	Charlottetown	HRM	CBRM	Moncton	Fredericton
Crime subsidies	-	-	-	-	-	-
Reparation grants	-	-	-	-	-	-

Municipal websites were searched to determine if they had crime prevention/subsidy programs. We searched municipal websites for keywords and phrases such as "crime subsidies," "crime damage," and "crime prevention." If no programs were found, we considered the municipality did not have the relevant program.

²⁰ Atlantic Municipal Survey 2025.

²¹ CFIB Crime and Community Safety Survey, 2024.

²² The Globe and Mail, Retailers are facing a \$9.1 billion theft problem, 2025.

Recommendations

Fiscal responsibility

- Reduce the property tax gap through restraint in spending to make the system fairer and less distortionary.
- Restrain spending to pay off debt and lower servicing costs, increasing the value businesses receive for their taxes.
- Ensure spending and levies are increased in a predictable way and deviate through transparent democratic processes.

Red tape

- Make permit processing timelines publicly available to ensure businesses have the information they need.
- Provide feedback mechanisms for businesses to report red tape, improving the municipality and business conditions.
- Expand online permitting and payment to make applying and paying for permits easier and faster.

Small business friendliness

- Make processes more consistent, transparent, and timely by finding internal efficiencies.
- Provide resources to businesses to prevent and recover from crime.
- Implement construction mitigation programs, such as a “no surprise rule,” provide compensation for lost revenue, and incentivize projects to finish on time.
- Reduce the costs of sidewalk patio permits and streamline the application process.

Sources

The Canadian Federation of Independent Business (CFIB) is a non-partisan organization that represents the interests of more than 100,000 small and medium-sized enterprises (SMEs) across Canada. Entirely funded by its members, CFIB relies on regular surveys to gather their perspectives on various issues, ensuring its direction is member-driven. CFIB advocates vigorously on behalf of SME owners, recognizing their critical role as entrepreneurs.

CFIB's research capabilities are unparalleled, as it can swiftly collect concrete information from its members regarding issues that impact their daily operations.

In this capacity, CFIB serves as a valuable resource for governments to consult when formulating policies for Canada's SME community. A significant portion of the data presented in this report has been sourced from the respective websites of various municipalities.

- The *2025 Atlantic Municipal Survey* period was from June 5 to July 26, 2025. The number of respondents was 183. For comparison purposes, the margin of error for a probability sample of the same size is +/-6.5 percentage points, 19 times out of 20.
- The *2024 Atlantic Municipal Survey* period was from June 20 to July 11, 2024. The number of respondents was 238. For comparison purposes, the margin of error for a probability sample of the same size is +/-6.35 percentage points, 19 times out of 20.
- The *Your Voice Survey* period was from June 4 to June 19, 2024. The number of respondents was 2,035. For comparison purposes, the margin of error for a probability sample of the same size is +/-2.2 percentage points, 19 times out of 20.
- The *Monthly Business Barometer* period was from June 3 to June 9, 2025. The number of respondents was 412. For comparison purposes, the margin of error for a probability sample of the same size is +/-4.8 percentage points, 19 times out of 20.
- The *Crime and Community Safety Survey* period was from July 25 to September 6, 2024. The number of respondents was 1,666. For comparison purposes, the margin of error for a probability sample of the same size is +/-2.4 percentage points, 19 times out of 20.

Outside data was also used in certain areas for a more rounded view of issues.

- Canadian Real Estate Association Multiple Listing Service Home Price Index. Accessed through the National Price Map.
- Statistics Canada Tables 17-10-0148-01 (population) and 18-10-0005-01 (CPI). Accessed through Statistics Canada.

Methodology

Municipal spending: Index

We index spending to CPI and population growth using Statistics Canada data on population and CPI. We use provincial data, but where available, we use data specific to the municipality (identified by Census Area or Census Metropolitan Area). We divide spending by an index of CPI (2019 = 1) and population (2019 = 1).

Revenues: Own-source revenue

Own-source revenue is generated by the municipality and excludes grants and transfers from other governments. We calculate own-source revenue by subtracting the value of grants and transfers listed from total revenues.

Property tax gap: Property value

To compare property tax rates in Atlantic Canada, we took a simple average of provincial house prices from the Canadian Real Estate Association's MLS Home Price Index from April 2025. We used the values for Prince Edward Island, Nova Scotia, and New Brunswick. We used St. John's in place of Newfoundland and Labrador because province-level data was not available.

Debt costs

Because of differences in accounting standards, we use listings in budgets for "Debt servicing" or "Fiscal services" to find debt servicing costs. We include interest and principal for long- and short-term debts in our definition of debt costs.

Appendix A: Summary of results

Table A1

Summary of numerical indicators

	St. John's	Charlottetown	HRM	CBRM	Moncton	Fredericton
Municipal finances						
Index of spending 2019 to 2024*	0.88	1.06	0.79	0.90	0.94	1.06
Debt servicing as a share of revenue (%)	10.4	20.0	3.3	7.6	10.4	4.5
Indexed debt servicing costs, 2019 to 2024*	0.94	2.26	0.94	0.41	N/A	1.3
Tax gap						
Tax gap multiplier	3.52	2.31	4.34	2.61	3.06	3.12
Patio fees						
Cost in 2025 (\$)	320	750	1,000	50	350	750
Change in cost since 2024 (\$)	-2,445	0	+30	N/A	0	+250
Additional documents required	3	3	4	3	2	4

*Controlling for population and CPI.

Table A2

Summary of binary results

	St. John's	Charlottetown	HRM	CBRM	Moncton	Fredericton
Municipal finances						
Detailed budgets released	✓	✓	✓	-	-	✓
Small business resources						
Dedicated business page	✓	✓	✓	✓	✓	✓
Red tape feedback mechanism	-	-	-	-	-	-
Permitting						
Online permit payment	-	-	✓	-	✓	✓
Permit tracking	✓	✓	✓	✓	✓	✓
Public permitting timeline	-	-	✓	-	-	-
Construction						
Construction mitigation plan	-	-	✓	-	-	-
Construction mitigation subsidies	-	-	-	-	-	-
Crime						
Crime subsidies	-	-	-	-	-	-
Reparation grants	-	-	-	-	-	-
Total positives (10 possible)	3	3	6	2	3	4

Appendix B: Results by municipality

St. John's

Municipal finances

- The municipality releases detailed budgets and has not irresponsibly increased spending or debt servicing costs.
- The municipality should restrain spending to pay down debt, lowering servicing costs to below 5% of own-source revenue.
- Close the property tax gap by lowering the property tax rate on commercial properties.

Regulation and red tape

- The municipality provides permit tracking, but CFIB calls on it to begin posting regularly updated permitting timelines and allow permits to be paid and submitted online.
- The municipality should introduce a red tape feedback mechanism to help businesses reduce unnecessary regulatory burdens.
- CFIB commends the municipality for the significant reduction in its patio fees since our last report.

Small business friendliness

- The municipality should introduce required plans to minimize the impact of public and private construction projects on businesses. CFIB also recommends that the municipality introduce financial compensation for businesses that lose revenue due to construction projects.
- The municipality should support crime prevention and mitigation by providing resources and funds to small businesses. These funds should cover prevention (such as additional security measures) and mitigation (such as reparations for damage).

Charlottetown

Municipal finances

- The municipality releases detailed budgets, but it needs to significantly reduce spending, which has ballooned since 2019.
- The municipality needs to pay down debt, lowering servicing costs to below 5% of own-source revenue.
- Close the property tax gap by lowering the property tax rate on commercial properties.

Regulation and red tape

- The municipality provides permit tracking, but CFIB calls on it to begin posting regularly updated permitting timelines and allow permits to be paid and submitted online.
- The municipality should introduce a red tape feedback mechanism to help businesses reduce unnecessary regulatory burdens.
- CFIB recommends the municipality clearly indicate the cost of patio permits for businesses in its schedule of permits.

Small business friendliness

- The municipality should introduce required plans to minimize the impact of public and private construction projects on businesses. CFIB also recommends that the municipality introduce financial compensation for businesses that lose revenue due to construction projects.
- The municipality should support crime prevention and mitigation by providing resources and funds to small businesses. These funds should cover prevention (such as additional security measures) and mitigation (such as reparations for damage).

Halifax Regional Municipality

Municipal finances

- The municipality releases detailed budgets and has not irresponsibly increased spending or debt servicing costs.
- The municipality has a healthy level of debt servicing costs relative to its own-source revenue.
- The municipality should close the property tax gap by lowering commercial property tax rates. Additional comments on the HRM's tax structure are included in our 2025 *Atlantic Property Tax Gap Report*.

Regulation and red tape

- The municipality provides permit tracking, public timelines, and the ability to pay and apply for permits online.
- The municipality should introduce a red tape feedback mechanism to help businesses reduce unnecessary regulatory burdens.
- CFIB calls on the municipality to reduce the cost of patio permits to help businesses.

Small business friendliness

- The municipality has plans to minimize the impact of public and private construction projects on businesses. CFIB also recommends that the municipality introduce financial compensation for businesses that lose revenue due to construction projects.
- The municipality should support crime prevention and mitigation by providing resources and funds to small businesses. These funds should cover prevention (such as additional security measures) and mitigation (such as reparations for damage).

Cape Breton Regional Municipality

Municipal finances

- CFIB calls on the municipality to release timely and detailed budgets which show spending below the department level.
- The municipality has not irresponsibly increased spending or debt servicing costs.
- The municipality needs to pay down debt, lowering servicing costs to below 5% of own-source revenue.
- Close the property tax gap by lowering the property tax rate on commercial properties.

Regulation and red tape

- The municipality provides permit tracking, but CFIB calls on it to begin posting regularly updated permitting timelines and allow permits to be paid and submitted online.
- The municipality should introduce a red tape feedback mechanism to help businesses reduce unnecessary regulatory burdens.
- CFIB calls on the municipality to provide more details on the costs and the requirement of patio applications on its website.

Small business friendliness

- The municipality should introduce required plans to minimize the impact of public and private construction projects on businesses. CFIB also recommends that the municipality introduce financial compensation for businesses that lose revenue due to construction projects.
- The municipality should support crime prevention and mitigation by providing resources and funds to small businesses. These funds should cover prevention (such as additional security measures) and mitigation (such as reparations for damage).

Moncton

Municipal finances

- CFIB calls on the municipality to release timely and detailed budgets which show spending below the department level.
- The municipality has not irresponsibly increased spending or debt servicing costs.
- The municipality needs to pay down debt, lowering servicing costs to below 5% of own-source revenue.
- Close the property tax gap by lowering the property tax rate on commercial properties.

Regulation and red tape

- The municipality provides permit tracking and the ability for permits to be applied for and paid online, but CFIB calls on it to begin posting regularly updated permitting timelines.
- The municipality should introduce a red tape feedback mechanism to help businesses reduce unnecessary regulatory burdens.

Small business friendliness

- The municipality should introduce required plans to minimize the impact of public and private construction projects on businesses. CFIB also recommends that the municipality introduce financial compensation for businesses that lose revenue due to construction projects.
- The municipality should support crime prevention and mitigation by providing resources and funds to small businesses. These funds should cover prevention (such as additional security measures) and mitigation (such as reparations for damage).

Fredericton

Municipal finances

- The municipality releases detailed budgets, but it needs to significantly reduce spending, which has ballooned since 2019.
- CFIB recommends the municipality avoid taking on debt and increasing debt servicing costs above 10%.
- Close the property tax gap by lowering the property tax rate on commercial properties.

Regulation and red tape

- The municipality provides permit tracking and the ability for permits to be applied for and paid online, but CFIB calls on it to begin posting regularly updated permitting timelines.
- The municipality should introduce a red tape feedback mechanism to help businesses reduce unnecessary regulatory burdens.

Small business friendliness

- The municipality should introduce required plans to minimize the impact of public and private construction projects on businesses. CFIB also recommends that the municipality introduce financial compensation for businesses that lose revenue due to construction projects.
- The municipality should support crime prevention and mitigation by providing resources and funds to small businesses. These funds should cover prevention (such as additional security measures) and mitigation (such as reparations for damage).

