



NOVA SCOTIA FEDERATION
OF MUNICIPALITIES

For Immediate Release
January 29, 2020

HALIFAX - An All-Party Committee to review the Capped Assessment Program gets underway this morning at 9 a.m. in the Westin Nova Scotian Hotel.

Three half-day sessions (Wednesday, Thursday and Monday) are set aside to hear more than a dozen presenters and review NSFM's proposal to phase out the program.

Members of the committee represent all three provincial parties. As all political parties supported the introduction of the program in 2005, it makes sense that any future changes to the program are agreed upon by all parties.

The committee will be chaired by NSFM President Pam Mood and include Keith Irving (Liberal MLA), Tim Houston (Conservative Leader) and Gary Burrill (NDP Leader), along with Department of Municipal Affairs critics Elizabeth Smith-McCrossin (Conservative) and Lisa Roberts (NDP).

The findings of the committee will be delivered in a report to Municipal Affairs and Housing Minister Chuck Porter before the Feb. 20 return of the Legislature.

Throughout 2019, staff and board members of Nova Scotia Federation of Municipalities have worked to get all-party support for a resolution to remove the CAP.

"A tremendous amount of work has been done on this and we are now gaining traction. As a reflection of just how important this issue is, all parties have agreed to sit at the same table to discuss it," says NSFM President Pam Mood.

"Our proposal meets the original intent of the CAP, and that's to address rapid increases in assessments and to help low-income people stay in their homes," says Mood.

The CAP was introduced in 2005 to protect Nova Scotians who were experiencing sudden and dramatic increases to their property tax bills.

Over time, distortion in the system has led to a majority of Nova Scotians (54%) overpaying and subsidizing others.

It's also creating hardship for first-time home buyers, including new immigrants, newly-assigned military personnel and low-income Nova Scotians because the CAP comes off when a property sells.

The CAP has outlived its purpose because it no longer protects the people it was supposed to protect, says NSFAM CEO Juanita Spencer.

It disproportionately benefits high value homes, and many homeowners are paying more under the CAP than they would without it.

The proposal includes a multi-year (13 year) phase out to gradually even out any increases in the return to a more equitable system, says Spencer.

“We know that this will have impact on some people. The phase out is over a long period of time so that there’s not significant hardship for homeowners in any given year.”

NSFAM opposed the CAP before it was implemented. Eliminating the CAP has been a focus for NSFAM members – the 379 mayors, wardens and councillors elected to municipal councils across Nova Scotia -- for 15 years.

In January 2019, a committee was established with membership including representatives from *Association of Municipal Administrators of Nova Scotia* and elected and executive members of NSFAM.

The committee met with all three party caucuses, made presentations to members and individual councils, and met with almost a dozen stakeholders.

During 2019, there were more than 60 meetings and presentations throughout the province.

For a detailed list of meetings and the membership of the CAP committee, see:
<https://www.nsfm.ca/capped-assessment-program.html>

Note: The committee will meet 9-12 p.m. January 29 in *Commonwealth B*, 1-4 p.m. January 30 in *Lunenburg Room* and 1-4 p.m. February 3 in *Harbour Suite B*. There will be space for Media.

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