

NEWS RELEASE

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City meets with Finance Minister over Speculation Tax concerns

Mayor Bill McKay and City staff members met with the Minister of Finance, Honourable Carole James, on Thursday, July 12, 2018 to address concerns of including the City of Nanaimo in BC's new Speculation Tax as well as to provide detailed and accurate information that doesn't appear to have been reflected in the current decision making process. The City's position on this new tax is that it will adversely affect Nanaimo's housing market and local economy.

"The BC speculation tax works against the Regional District of Nanaimo's growth strategy which aims to encourage growth in urban nodes over sprawl in the region's rural areas," said Amrit Manhas, Economic Development Officer, "It also works against many other initiatives the City has introduced over the years to increase housing supply."

The City believes the effect of a speculation tax will drive developers out of the City to nearby markets not subject to the speculation tax. Reduced developments will mean loss of vital revenue from Development Cost Charges for the City. It also means the City could lose out on new affordable housing being built by developers.

"During our meeting, we received a clear signal that, while the Minister intended to take our information 'under advisement', the government would be proceeding with the legislation as is, and would monitor the impacts upon enactment," said Mayor Bill McKay.

Along with the meeting, a letter detailing the City of Nanaimo's concerns was delivered to Minister James.

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