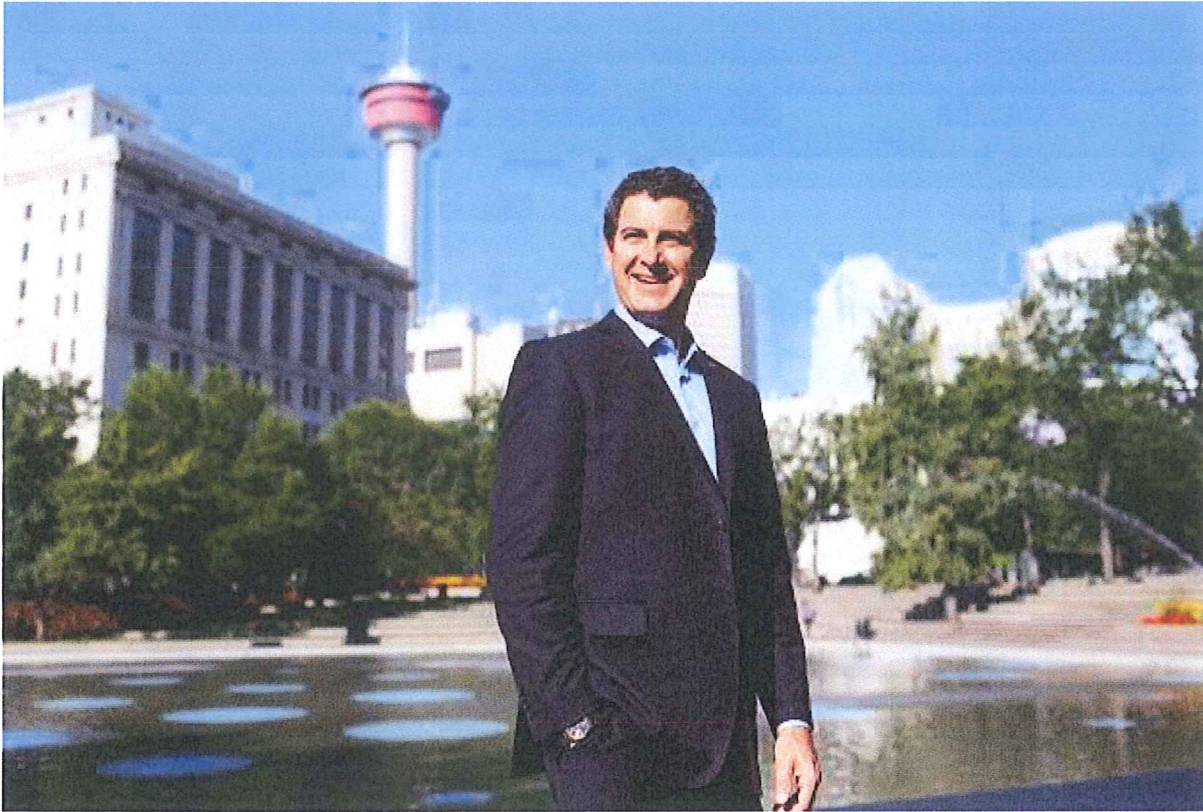
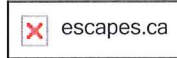


Which B.C. communities are keeping municipal spending in check — and which aren't

Wages are the big culprit in most property-tax increases

BY IAN AUSTIN, THE PROVINCE OCTOBER 22, 2014 11:59 AM



Richard Truscott, B.C. director of the Canadian Federation of Independent Business, believes municipalities can work together to slow the growth in taxation. (Leah Hennel/Calgary Herald)

Photograph by: Leah Hennel, PROVINCE

Do you think your municipal tax bill is out of control?

Do your property-tax bills seem to keep going up and up and up?

The Canadian Federation of Independent Business believes you're on to something. They've studied B.C. municipalities and come up with a ranking of how well communities stack up on spending.

According to the CFIB's B.C. Municipal Spending Watch 2014, the Top 10 spending-control communities in order are Lake Cowichan, Armstrong, Qualicum Beach, Fruitvale, Salmo, Parksville, Coldstream, Spallumcheen, Kaslo and Rossland.

The ranking measures two key factors: the amount of tax payable per capita in 2012, and the growth of taxes assessed from 2000 to 2012.

The results are a mixed bag — the winner, Lake Cowichan, is by no means the lowest-taxed community. The CFIB calculates taxes at \$945 for each man, woman and child. Lake Cowichan, however, gets full marks for controlling spending — over that 12-year period, spending per capita actually decreased three per cent.

Of the 10 leading communities, Coldstream offers the lowest taxes per capita — just \$593. But Coldstream only qualifies as the seventh-best city on the list, because even with that low number, taxes have risen 35 per cent per capita over that 12-year stretch.

The same principle applies for communities at the other end of the spectrum — high spending per capita and/or high spending growth put them on the dreaded Bottom-10 list.

Rock bottom was Stewart, followed by Whistler, Fort Nelson, Silverton, Sooke, Wells, Valemount, Masset, Tahsis and Granisle.

Stewart finished bottom of the list for its tax spending per capita of \$5,771 as well as a 12-year tax hike of 141 per cent.

Again, among the bottom 10, there's one community with a relatively low tax per capita — Sooke, at \$758 — but that low tax bill doesn't look so attractive when you throw in the fact that figure represents an increase of 260 per cent over 12 years.

Richard Truscott, B.C. director of the Canadian Federation of Independent Business, believes municipalities can work together to slow the growth in taxation.

"Like any organization of a certain size, there should be economies of scale," Truscott said.

"Communities now allow bills to be paid by a credit card — which is great, because people want options — but there is a cost.

"Those communities should work together to strike a better deal with the credit-card companies or explain to the public how paying by debit card can save on their tax bill.

"There are technologies available to avoid costs, or reduce costs."

Truscott said the biggest cost to municipalities is wages, so he suggests that communities band together to negotiate settlements, rather than have every other community's workers try to follow suit if one municipality hands its workers a big wage hike.

"It's a race to the top," said Truscott. "and that's the biggest line item in a municipal budget."

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