The City of Saint John

Mayor Donna Noade Reardon
Mayor's Office/Bureau de la mairesse

December 11, 2025

The Honourable Susan Holt
Premier of New Brunswick
Chancery Place
675 King Street
Fredericton, New Brunswick
E3B 1E9

Subject: Keeping heavy industrial property tax revenues in the communities where they are generated

Dear Premier Holt,

As Mayor of the City of Saint John, I am writing to respectfully request that the Province of New Brunswick transfer the heavy industrial provincial property tax revenues generated in host communities back to those same communities. This proposal does not create any new tax burden on industry. Rather, it redirects a portion of taxes already collected so they can be re-invested locally for the benefit of all stakeholders: residents, businesses, and industry. For Saint John and for communities across New Brunswick, this change would deliver tangible benefits in a fair and transparent way. It would keep a modest share of provincial property tax revenue generated specifically by heavy industry where it can most directly address infrastructure pressures that come with industry while also balancing quality-of-life improvements with industrial activity. Province-wide, 33 municipalities and rural districts would directly benefit, with an estimated $24 million remaining in local hands, representing about 4.4% of provincial property tax revenue and approximately 0.18% of the provincial budget.

New Brunswick has a long record of expert analysis calling for modernized municipal finance and clearer local tax room. Recommendations from the Finn Report (2008), Slack & Kitchen (2017), the 2022 Expert Panel on Provincial Fiscal Arrangements, and the FCM's 2024 roadmap all point toward reforms that better align resources with responsibilities on the ground. Aligning heavy industrial tax revenues with host communities is a practical step that advances these principles and strengthens the foundation for growth at a critical time when global dynamics are rapidly shifting and creating generational opportunities for New Brunswick.

This proposal has strong support within the Saint John region. Saint John Common Council has unanimously endorsed this approach. The Fundy Region Service Commission and the Southwest Service Commission have expressed support, and many communities across New Brunswick agree that this is an essential component of property tax reform. Major industry stakeholders have also shown support for a solution that does not raise taxes on industry but improves predictability, competitiveness, and community confidence. Municipal leaders across New Brunswick recognize the change this would bring, and there is clear momentum and support behind the proposal.

I respectfully ask the Government of New Brunswick to create and implement as part of property tax reform a mechanism where heavy industrial property tax that is generated in a municipality or rural district receives money by means of a transfer-of-funds model.

The City of Saint John is fully supportive of a collaborative discussion on how best to allocate these locally generated funds to maximize benefits for residents, whether for recreation amenities, core infrastructure, fire and emergency response or other capital projects that enhance livability and quality of life. We also support practical accountability measures, such as annual public reporting on outcomes, to ensure transparency and trust.

This change is timely and constructive. It advances fiscal modernization identified by multiple studies, supports a stable business climate with no new tax burden on industry, and equips host communities to address the real and recurring impacts of industrial operations today and over the long term, while more directly realizing the benefits industry brings to a community. It is a modest provincial adjustment with meaningful local impact; one that strengthens the partnership among municipalities, industry, and the Province: a true win-win-win.

We discussed this issue during your campaign, and I appreciated your support at that time. I would welcome the opportunity to meet with you and your officials again to discuss design options and implementation timing.

Thank you for your ongoing commitment to strong, sustainable communities across New Brunswick.

Respectfully,

Donna Noade Reardon
Mayor, City of Saint John

cc:
Hon. René Legacy, Minister of Finance and Treasury Board
Hon. Aaron Kennedy, Minister of Local Government