

Item 10.3.1

Construction Mitigation

Duncan Robertson, Director, Legislative
Affairs (Nova Scotia)

June 26th, 2025



**CANADIAN FEDERATION
OF INDEPENDENT BUSINESS**

In business for your business™

The Canadian Federation of Independent Business



- 100,000 members across Canada
- Over 4,200 members in Nova Scotia
 - 1,450+ in HRM
- Represents independent business
- Non-partisan, not-for-profit organization
- Federal, provincial, and municipal issues
- Represents all sectors, all regions
- One member = one vote

// For over 50 years, CFIB has been at the centre of small business politics, effectively fighting for your rights and livelihood. Our informal motto is we never give up and we never go away. //

- Dan Kelly, President, CEO and Chair

State of Small Business

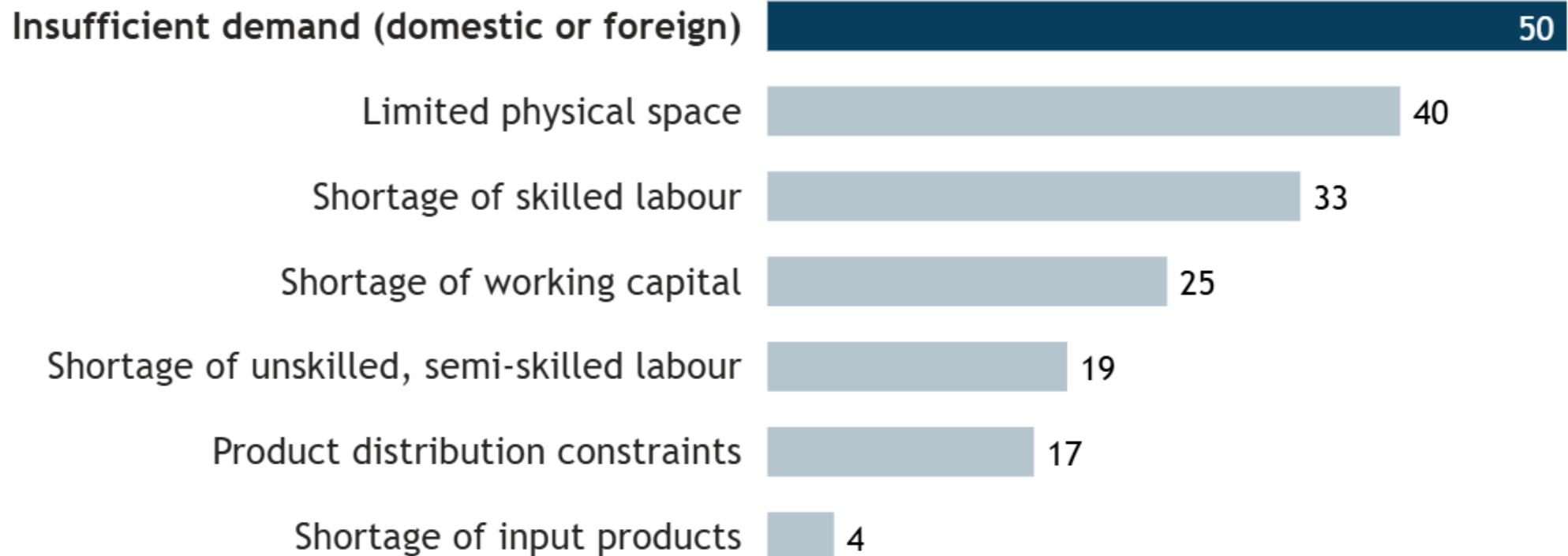
Long-term (12 month) confidence still below pandemic levels in Nova Scotia



CFIB, based on 719 responses received from May 6 to 12 from a stratified random sample of CFIB members to a controlled-access web survey. Findings are statistically accurate to +/- 3.7 per cent 19 times in 20. Every new month, the entire series of indicators is recalculated for the previous month to include all survey responses received in that previous month. Measured on a scale between 0 and 100, an index below 50 means owners expecting their business's performance to be weaker over the next three or 12 months outnumber those expecting stronger performance.

Insufficient demand impacting half of NS small businesses

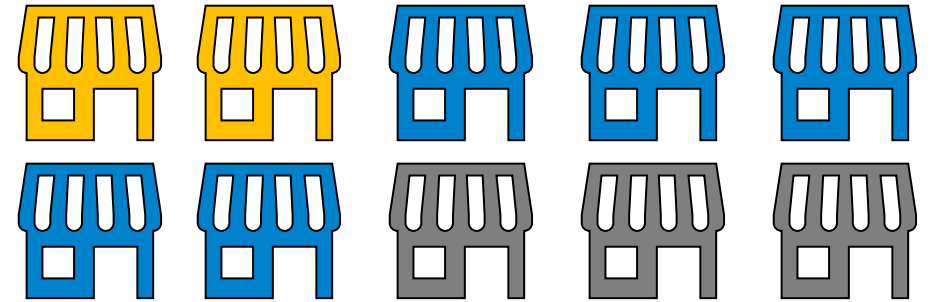
Limitations on sales or production growth



Construction Mitigation

Majority of Businesses Impacted by Construction

- Over 7 in 10 (72%) SMEs have been impacted by construction in some way
- In 2018 CFIB found only 4 in 10 were impacted in some way
- Over the past 5 years over three quarters (76%) SMEs have experienced multiple disruptions
- Construction projects have caused significant stress for nearly a quarter (22%) of small businesses
- **More than 2 in 3 (68%) of SMEs believe government should provide financial aid to small businesses impacted by public construction projects**



■ Major impact (22%) ■ Moderate or minor impact (46%) ■ No impact (30%)

Operational and Financial Impact of Construction



“

Construction is usually for the better of the community, but during already hard times, it has a significant impact on the operations of small businesses.

- NS, Hospitality

”

“

Reasonable compensation and acknowledgement of effects from construction and delays in completing the jobs would be appreciated.

- NS, Hospitality

”

“

Considering the last few years with the pandemic and economy. these projects also take place during the very busiest times of the year, which greatly impact business.”

- NS, Retail

”

“

I doubt anyone in a government office thought of the impact on businesses in the neighbourhood. certainly, no one made any attempt to discuss it.

- NS, Retail

”

Existing Construction Mitigation Fund Programs

Montreal

- **Financial assistance** - Up to a maximum of \$40,000 per fiscal year. The subsidy is calculated based on the reduction in the business's gross profit.
 - 5 percent loss in gross profit
 - Located in eligible area
 - Must be a major public infrastructure project carried out by Montréal
- **Flat rate subsidy** - \$5,000 lump sum for businesses that sell retail goods, rent products or provide consumer services impacted by a major project lasting longer than 6 months
 - The subsidy can be paid at the beginning of a construction project.
 - It is not necessary to prove a loss of profits to get the subsidy.
 - 3-year pilot



Financial assistance: businesses in areas affected by major construction work

Source: Financial Assistance Program - <https://montreal.ca/en/programs/financial-assistance-businesses-areas-affected-major-construction-work>

Flat Rate Subsidy - <https://montreal.ca/en/programs/flat-rate-subsidy-businesses-areas-affected-major-construction>

Calgary

- **The Main Streets Business Support Grant Pilot:**
Provides a one-time grant to eligible businesses in Marda Loop and Bridgeland.
- Eligible businesses must provide in-person retail sales, product rentals or consumer services
- Operate with a physical storefront location within one city block of 2024 planned construction activities for Marda Loop and/or Bridgeland Main Streets projects
- Eligible businesses in two communities with \$5,000 to help mitigate the financial impacts of construction on businesses.



The Main Streets Business Support Grant pilot

The City launched a new pilot in 2024 to help business prepare for planned Main Streets construction.

Source: <https://www.calgary.ca/planning/community/main-streets/main-streets-business-support-grant-pilot.html#:~:text=the%20grant%20pilot.-,In%202024%2C%20at%20the%20direction%20of%20City%20Council%2C%20The%20City,encourage%20business%20patronage%20during%20construction.>

Hard hats and hard times: Public construction impacts on small businesses

The Issue

- 72% have been impacted by construction in the past 5 years
- Over 3 in 4 have been impacted multiple times
- CFIB estimates Canadian businesses lost 22% of revenues in the last five years averaging nearly \$53,000 per business

Solutions

- Request a feasibility study/report from staff on an establishment of a construction mitigation fund
- Resubmit February 25th, 2020, request with the province to provide the authority to establish a construction mitigation fund





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