

## NEWS RELEASE

### **CHAMBER URGES PREMIER SELINGER TO MOVE FORWARD WITH HARMONIZED SALES TAX**

November 17, 2009 – Winnipeg Chamber of Commerce President and CEO Dave Angus is concerned about the potential impact on Manitoba businesses and families and is calling on Premier Selinger to follow the lead of Ontario and British Columbia in moving to a Harmonized Sales Tax (HST).

“We believe that Premier Selinger has no choice but to move forward on this issue,” said Angus. “Failure to take action will put Manitoba businesses at a tremendous disadvantage with companies in other provinces when it comes to encouraging investment and job creation in the province.”

By July 2010, close to 94 per cent of Canada will have adopted an HST model and The Winnipeg Chamber of Commerce believes the risk of standing alone in the country with two separate rates that add cost to business is not one Manitoba can afford to take in a competitive global business environment. The Chamber urges the provincial government to learn from the approach of both B.C. and Ontario to ensure a smooth transition and take the following steps towards implementation:

1. The Provincial government should immediately commit to harmonizing the PST and GST with implementation to take place July 1, 2010 to be in line with both Ontario and British Columbia.
2. An all-party committee of the legislature be established to conduct a series of public consultations to ensure that the details of implementation are fully discussed and greater awareness of the impacts, both positive and negative can be assessed. Confirm details of a "Made in Manitoba" solution for harmonization that will include a small but comprehensive list of exemptions.
3. Look at the protection of low income consumers through the following measures:
  - HST Tax Credit
  - Potential Tax Reductions
4. Areas of relief that should be considered are as follows
  - Consumer products in support of families on items such as children's clothing and footwear, diapers, books, etc.
  - New Housing Rebate
  - Financial Services Credit (Mutual Funds)
  - Municipalities, Academics, Schools and Hospitals
  - Charities and Not for Profits

Angus added that The Winnipeg Chamber of Commerce is committed to playing a significant role in working with Premier Selinger to ensure it is done in a collaborative manner which will inevitably lead to the best system for all Manitobans.

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