

Most don't like tax harmonization

pointofview

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No matter how the provincial Liberal party tries to spin its planned tax harmonization scheme, it is obvious taxpayers aren't buying the pitch.

That was made clear in countless letters to the editor, opinion pieces and talk show comments in recent weeks, and further ratified in the latest Nanos national poll.

The province of Ontario wants to 'harmonize' its provincial sales tax with the federal GST. While some people see this as a positive move because it will reduce administrative costs for businesses and government, others think it is a negative move because consumers will pay more taxes on some services and products.

Research has indicated most Canadians are wary of sales tax harmonization, and Ontarians especially so. Would it have anything to do with Dalton McGuinty's promise of "no new taxes" shortly after being elected for the first time in 2003, just prior to implementing the health tax? We have reason to feel a little jaded in this province, and the results of the Nanos poll show our lack of faith in the provincial government's best intentions.

Two-thirds of Ontarians (67 per cent) felt the proposed tax harmonization would be a negative move, and we are pretty sure the shaky condition of the economy at the present time played a role in people's reluctance to accept a new tax scheme. That, and the government's track record of not being entirely forthcoming about its plans to collect and spend our tax dollars.

As part of the poll, respondents were asked whether they felt this harmonization would have a positive or negative effect on the Ontario economy and the response was divided. A third (32 per cent) said it would be somewhat negative or negative, and 28 per cent said it would be somewhat positive or positive. Ontarians were significantly more likely to believe the impact will be negative.

This poll was national in scope, and the reaction to harmonization was not as severe elsewhere as it was in this province, although 48 per cent overall felt it would be a negative move, as opposed to 34 per cent which were supportive of the initiative.

As the legislative process moves forward on this harmonization plan, it might be a good idea for the provincial government to fully understand its ramifications before burdening taxpayers with another bill they can't handle.

The Nanos poll was conducted between April 25 and 30, 2009 in a random telephone survey of 1,001 Canadians, 18 years of age and older. The survey is accurate to within 3.1 percentage points, 19 times in 20.