

Can HST flip-flop boost the Liberals?

Opposing tax may not be right, but it's smart

John Ivison, National Post

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Could opposition to an unpopular tax do for Michael Ignatieff what it did for Jean Chretien? Even though his party has so far supported that very tax?

The Liberal leader is fast becoming the Sir Galahad of Canadian politics, noted for fighting wrongdoers on the government side of the House of Commons with the simple sword of truth and the trusty shield of fair play.

From the Omar Khadr affair to the detainees issue, he has tried to stake the moral high ground and portray the Conservatives as unscrupulous.

Unfortunately for him, the polls suggest people don't vote for virtue. The polls have the Liberals well behind Stephen Harper's Conservatives. But people do vote for politicians who appear to care about them and their issues, and Mr. Ignatieff has been less adept at finding a simple policy that resonates on Main Street.

Luckily for the Liberal leader, there is one potential game-changing issue out there that is becoming of increasing concern to a growing number of Canadians -- the harmonized sales tax that will be introduced in British Columbia and Ontario next July.

The idea was introduced by Jean Chretien's Liberals as the blended sales tax, quickly changed to the HST after its opponents dubbed it the B.S. Tax. Next year, it will add 8% to the cost of gasoline, home heating and such professional and personal services as hair cuts, as governments shift taxation from business investment to previously exempt consumer goods and services.

Its effects are already being felt in provincial politics, where the governments of both Gordon Campbell in B.C. and Dalton McGuinty in Ontario are seeing their popularity plunge.

A Nanos Research poll last week suggested that Mr. McGuinty's personal popularity has plummeted and his Liberal party is now neck and neck with Tim Hudak's Progressive Conservatives, who yesterday walked out of the provincial legislature during Question Period in protest at the HST. No one expects Mr. McGuinty's prospects to improve any time soon, as the HST introduction date moves closer.

It appears that Mr. Ignatieff may have just awoken to the potential of the federal Liberals forming an unholy alliance with the Ontario Conservatives, in opposition to their provincial cousins and the federal Tories. He will have noted that the NDP's robust showing federally and provincially has coincided with that party's vocal denunciation of the HST.

Liberal caucus members were set to debate the new tax last night, but it certainly appears as if the party is backtracking from the favourable reception it has given the HST in the past.

John McCallum, the federal Liberal finance critic, used to be a cheerleader for the tax.

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