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## Tory hopeful Klees would cut sales tax

**Progressive Conservative leadership candidates attack Liberals' new blended tax, but no one at first debate says they'll scrap it**

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**ROB FERGUSON**  
QUEEN'S PARK BUREAU

LONDON, Ont.—He wouldn't scrap Premier Dalton McGuinty's planned 13 per cent harmonized sales tax but Progressive Conservative leadership candidate Frank Klees is promising to lower the rate.

While Klees and his three rivals vying for ousted leader John Tory's job said they would fight the tax, none vowed last night at the party's first leadership debate to scrap it.

Given the recession, it's "the wrong tax at the wrong time" but what might happen to the tax if Progressive Conservatives are elected in the 2011 provincial election is "pure speculation" now, said candidate Christine Elliott, MPP for Whitby-Ajax. Her husband, federal Finance Minister Jim Flaherty, worked with McGuinty to bring in the blended tax.

Klees said lowering the rate is the best way to "alleviate" the damage that will be done to consumers' pocketbooks once the HST – a blend of the 8 per cent provincial sales tax and 5 per cent goods and services tax – takes effect July 1, 2010.

"There isn't anything that we touch or moves that won't be taxed," he said of the planned tax, which was unveiled in March's provincial budget.

Klees, MPP for Newmarket-Aurora, didn't detail how much he would cut the provincial portion of the tax but urged the Liberals to consider the option.

"That is still available to Dalton McGuinty to do," he told a crowd of about 400 people at the University of Western Ontario, in the first debate leading to the June 27 leadership vote in Markham.

Candidate Tim Hudak, MPP for Niagara West-Glanbrook, said the best tactic for the Conservatives now is to continue their "full-court press" to get McGuinty to back down on the tax, which will extend the PST to hundreds of items, including gasoline.

A recent poll for the *Star* by Nanos Research found 67 per cent of respondents had a negative view of the tax, with 23 per cent saw it as positive and 10 per cent were unsure.

After the debate, Klees said it would be "futile" to figure out his proposed PST cut now because the amount will have to be determined.

"I'll bring it down by the amount of pain Mr. McGuinty has inflicted," he said.

Candidate Randy Hillier, MPP for Lanark-Frontenac-Lennox and Addington, told reporters he would like to see the provincial portion of the HST cut to 5 per cent.

Hudak said he wants to have a "healthy and positive debate" about his proposal to abolish the Ontario Human Rights Commission.

He was alluding to comments made Wednesday by Elliott that described his plan to abolish the commission as "a gift to the Liberals."

Earlier yesterday, Deputy Premier George Smitherman said the plan proposed by Hudak and Hillier would be a backward step in a modern, multicultural province.

"My first thought on this is that I am pretty sure it was the (Progressive Conservative) Bill Davis government that brought it to life," Smitherman told reporters in Toronto.

Debates will also be held in Toronto, Sudbury and Ottawa.

*With files from Tanya Talaga*

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