



SCRAP THE \$2.9B HEALTH PREMIUM AND ELIMINATE THE \$3.0B HST “TAX GRAB”

A FREEDOM PARTY OF ONTARIO 2011 ELECTION PLANK

In 2003, Dalton McGuinty and his Liberal Party campaigned on the promise that a Liberal government would not increase taxes at all. Shortly after the voters trusted him with a majority government, Dalton McGuinty announced that his Liberal government would be imposing a Health “Premium” (to pretend that he was not breaking his promise, he refused to call it a tax).

According to the 2010-2011 Ontario Budget, the Health Premium is expected to continue bringing in annual revenues of approximately \$2.9B.

In 2007, the voters trusted that Dalton McGuinty would not again violate their trust with respect to taxes. After being trusted with another majority government, McGuinty announced that his government would replace the GST and the Provincial Sales Tax (PST) on goods, with a 13% “Harmonized Sales Tax” (HST) on both goods and services. He told Ontario that the switch would be “revenue neutral” (in other words, he told Ontario that the HST would

not give the government more of your money). That was another lie. Just a short while before the July 1, 2010 launch of the HST, Dalton McGuinty admitted that, contrary to what he told us when introducing the HST legislation, the HST would actually take more of your money than the GST and PST combined. According to the 2010-2011 Ontario Budget, the switch from the GST/PST to the HST is expected to take an additional \$3B from the pockets of Ontarians every year.

Dalton McGuinty’s imposition of the health premium constituted a broken promise. The \$3B HST “tax grab” was another broken tax promise. It fueled widespread taxpayer outrage because Dalton McGuinty had lied to us all again. **A Freedom government will make things right.** We will eliminate the \$3.0B HST Tax Grab almost entirely by eliminating the \$2.9B Health Premium. Scrapping the Health Premium will make the HST almost revenue neutral. The remaining \$0.1B difference will be eliminated with small reductions of income taxes.

“Confronted with an NDP study that suggests the harmonized sales tax will cost the average family an additional \$792 annually, McGuinty conceded consumers’ costs will go up July 1.”

- **“HST will hit household budgets, Dalton McGuinty admits”, Robert Benzie, *Toronto Star*, May 4, 2010**

“[Progressive Conservative Party leader, Tim] Hudak did not provide many specifics on what he would do if elected — not committing yet to rolling back the HST or keeping coal plants open despite his criticism of the government’s tax and energy policies.”

- **“McGuinty’s summer of temptations”, Antonella Artuso, *Toronto Sun*, September 12, 2010**

“When they would ask the [Tim Hudak] Conservatives and the NDP well, if you were in would you do away with it? They wouldn’t answer. Would you lower the rate? They wouldn’t answer.”

“...the parliamentary opposition [the Progressive Conservative party] was utterly unwilling to offer any alternatives.”

“McGuinty was left with...an opposition which wouldn’t answer questions leading people to believe; well you know if these other people got elected, we’d probably have the HST anyway.”

- **John Tory, previous leader of Ontario’s Progressive Conservative Party, radio 1010 AM CFRB, November 3, 2010.**