
NEWS RELEASE

Mintz Report: HST to Create Investment and Jobs

FOR IMMEDIATE RELEASE

March 8, 2010 – A report released today on Harmonized Sales Tax by public economic expert Jack Mintz states that the HST will have an unequivocal benefit for the province by attracting \$11.5 billion in capital investment and creating 113,000 jobs by the end of the decade.

“This report is further evidence that the HST is essential for creating jobs and attracting new investment in British Columbia”, said John Winter, President and CEO of the BC Chamber of Commerce. “The HST will further contribute to BC being one of the best investment climates in the world and make our businesses more competitive.”

The Mintz Report, commissioned by the Provincial Government, states that every industrial sector in British Columbia will benefit from the implementation of the HST. Effective tax rates for businesses will decline by 30 percent, putting them below the G20 average. The report estimates that the same tax rate for small businesses will drop by 60 percent. With the introduction of HST, the tax burden on small business investment will be virtually eliminated by 2012.

“There has been much discussion about the increased prices facing consumers with the implementation of HST,” continued Winter. “Making businesses more competitive, and eliminating the layers of imbedded PST on consumer products, will mean lower prices on a wide range of goods. We saw this when the Atlantic Provinces adopted HST. Savings passed on to consumers means that household incomes will have increased purchasing power, and that too will strengthen BC’s economy.”

Jack Mintz, a noted tax expert, states that by 2020 the combined effect of the corporate tax cuts and HST will be to increase capital stocks by more than \$14 billion, which translates into an increase of 141,000 jobs.

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