

## How Ontario's HST Will Affect Seniors

All Ontario Seniors should be aware that the proposed blending of the GST and PST will result in higher end costs for most, if not all, goods and services purchased by them in Ontario. It will, however, be deeply felt in paying for services that were previously exempt from the PST.

It will increase taxes on every day services we use, including hydro, natural gas, heating fuels, water, gasoline, house and auto insurances, telephone, internet and cable services, and the like. These items are almost a total necessity, especially heating and hydro, because we live in the Northern Hemisphere with a cold climate. To add a new HST to these bills could create severe economic hardship on our lower income earners and pensioners. (The HST would amount to a 13 percent tax).

The senior homeowner already will be required to purchase an energy audit on the home one proposes to sell, and already pays an added health care premium on Provincial income taxes, and most have seen a large increase in their Provincial property assessments. Now by adding the increased taxes by blending the GST and PST into a HST, will result in many seniors being unable to cope financially. Most have already seen retirement savings drop significantly if one invested their RRSP's and RRIF's in the stock markets, and other investment instruments.

Does Premier McGuinty and his cabinet not realize the strain this will put onto seniors financial positions at this time of an economic downturn? How many seniors have already cut back in travel, recreational memberships, healthy food purchases, meals out, theatre events, etc? These purchasing cut backs already are being felt in those industries that supply such services. As an example, massage therapy and vitamin supplements will now be taxed under this HST, a service that seniors especially need for a healthy life style. If seniors have to purchase any of these services with an added HST, they may boycott doing so at the expense of their health. There will be more hardships in those industry suppliers. The proposed 2 year rebate of up to \$1000 for a married couple will simply not be enough. And once it phases out, there will be no rebates. While the province proposes new tax relief in some services, it is not enough.

It is difficult to understand the support the HST tax is receiving from businesses and corporate sectors. They feel the accounting system with a blended tax will be much easier and save them money. But, they forget that the purchasing power of seniors will reduce, which is very large in Ontario, will simply result in less of their products and services being sold.

**This program should be a major advocacy initiative for Ontario FSNA members.** I encourage all seniors, especially our FSNA members, to carefully analyse these implications and to pressure their MPP's, the Premier, and the Finance Minister to rethink the HST. This could be our opportunity to help reverse this ill fated decision, or at least to have the taxed items scaled back on most services **seniors must rely on**. Also, I will strongly propose the FSNA must lobby with our other senior advocacy groups to give more strength to our concerns.

**Remember, you only get this opportunity once to object** . Once it becomes law, tax programs hardly ever get reversed.

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