



For Immediate Release

Government HST predictions full of holes: Madahbee

TORONTO (April 22, 2010) – The proposed Canada-Ontario Harmonized Sales Tax will cost each Anishinabek Nation community about \$100,000 in funding for community projects because of the direct impact of the HST on operations of Casino Rama.

Speaking on behalf of the 40 member Anishinabek Nation communities, Grand Council Chief Patrick Madahbee scoffed at federal and provincial predictions that the planned July 1st merger of Ontario's 8 per cent Provincial Sales tax and the 5 per cent Federal Goods and Services Tax would be "revenue-neutral".

"The Ontario Lottery and Gaming Corporation – a provincial government agency – tells us the HST will reduce Casino Rama's net revenues by \$13 million in its first year," said Madahbee. "That's an average \$100,000 less that each First Nation in this province will have to buy computers for students, or build cultural and recreational facilities for their community members," he said. "Is this what Prime Minister Harper meant when he talked about 'a new beginning' in his residential school apology?"

"Just yesterday First Nations in Ontario released an HST analysis by York University economist Dr. Fred Lazar which predicts a first-year impact on the 50,000 Anishinabek Nation citizens in Ontario of between \$28 and \$38 million," said the Grand Council Chief. "This confirms our original estimates that the HST will cost the average Anishinabek family in the neighbourhood of \$100 more a week to meet household expenses. Dr. Lazar's report says it makes no sense to raise taxes for First Nations."

"In the face of all this evidence, Ontario and Canada tell us that the HST won't have any negative impacts. But the HST will now be charged on electricity and home heating bills, and another provincial agency – Ontario Power Generation – has announced that monthly hydro bills will go up by about \$350 this year – *before* the new tax is applied.

"It doesn't sound like finance ministers are talking to anybody outside their own private offices. Their stories have more holes in them than a box of Tim Horton doughnuts!"

This is bad enough for most Ontario residents to deal with, said Madahbee, but intolerable for the Anishinabek and other First Nation citizens.

"The Canadian Centre for Policy Alternatives says our people – along with the homeless and other disadvantaged citizens – will bear most of the brunt of this tax. Ontario says there will be a 'transition benefit' grant to ease the pain of paying 13 cents more on the dollar for more goods and services, but many of our citizens are too poor to file tax returns and not eligible to claim any relief."



The Grand Council Chief said the economic hardship that would be caused in First Nations by the proposed new tax almost overshadow the fact that the HST would be a breach of treaty and aboriginal rights.

“First Nations have been staunch allies of the Crown in Canada, and helped defend her against foreign invaders and those who threaten her security. We agreed to share our lands and their resources with Canada, but we have never agreed to be taxed by any other nation.”

The Anishinabek Nation established the Union of Ontario Indians as its secretariat in 1949. The UOI is a political advocate for 40 member communities across Ontario, representing approximately 55,000 people. The Union of Ontario Indians is the oldest political organization in Ontario and can trace its roots back to the Confederacy of Three Fires, which existed long before European contact.

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