



THE PREMIER
GOVERNMENT OF
NEWFOUNDLAND AND LABRADOR

December 4, 2024

Standing Senate Committee on National Finance
The Senate of Canada
Ottawa, Ontario
Canada, K1A 0A4
Andrea.Mugny@sen.parl.gc.ca

Dear Committee Members,

I am writing to express my support for Bill C-78, the Tax Break for All Canadians Act, passed by the House of Commons on November 28, 2024. This bill, amending the Excise Tax Act to implement a temporary GST/HST holiday from December 14, 2024, to February 15, 2025, is a timely and necessary response to the rising cost of living and inflation, particularly in Newfoundland and Labrador. Our Government is supporting this Bill which provides provincial tax relief on essentials as part of a suite of affordability measures we have introduced in recent years.

As you are aware, the inflation rate in Newfoundland and Labrador has been a significant concern for many residents. Although the overall inflation rate is easing, essential items such as food and shelter have seen higher increases, with food prices rising by 3 percent and shelter costs by 3.4 per cent between October 2023 and October 2024. These increases have placed a considerable financial burden on families and individuals across the province.

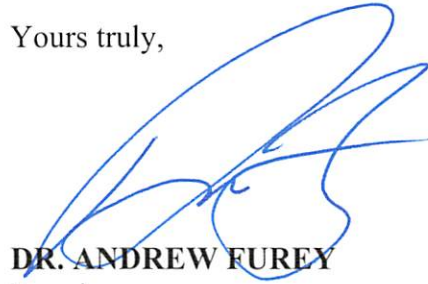
The GST holiday will provide much-needed relief by reducing the cost of essential goods and services during the holiday season, a period when expenses typically rise. By eliminating the GST/HST on items such as food, children's clothing, and toys, the federal government is taking a proactive step to ease the financial strain on households. This measure will be particularly beneficial for lower-income families, who are disproportionately affected by inflation.

Furthermore, the collaboration between federal, provincial, and territorial governments is crucial for the success of this initiative. I commend the efforts of the federal government in introducing this bill and urge all orders of government to work together to ensure its effective implementation. The temporary tax relief provided by Bill C-78 will help mitigate the impact of inflation and support the well-being of Canadians during a challenging economic period.

In conclusion, I support Bill C-78 and believe it is a positive step towards addressing the cost of living challenges faced by residents of Newfoundland and Labrador. I encourage the federal government to continue exploring and implementing measures that provide financial relief to Canadians.

Thank you for your attention to this important matter.

Yours truly,



DR. ANDREW FUREY
Premier

cc: Honourable Siobhán Coady, Deputy Premier and Minister of Finance