

positive effects of the tax and to understand its negative implications, it is essential that information be available months before the proposed implementation date for the tax. The Committee therefore recommends that:

The GST Consumer Information Office provide general information on the price impact of the GST for broad categories of products and services, well in advance of the implementation of the tax.

The Committee heard evidence from several companies whose products are now subject to the FST—household appliance manufacturers, automobile and automobile parts manufacturers, housewares manufacturers, and telecommunications suppliers, among others. We also heard from representatives of large and small retailers. All these witnesses informed the Committee that, where possible, they would pass on the FST savings to consumers. Given the difficulty associated with determining the amount of FST in the price of most products, the Committee feels that it is incumbent upon individual businesses and trade associations, who would possess the most accurate information of this nature, to inform consumers how the GST will affect prices. Indeed, some manufacturers have already made public announcements in this regard. Also, we would urge these businesses to provide this information voluntarily to the CIO and ensure that the Office's information about particular industries is correct.

The CAC called on consumers, retailers and businesses to work together to ensure that consumers receive adequate information and are protected from unwarranted price increases. A number of industry groups have already indicated that they would be providing information to consumers. The Canadian Chamber of Commerce felt that business had an important role to play in informing the public about the impact of the GST on prices and is encouraging its members to participate in the education process. Sears indicated that it is committed to providing its customers with “an explanation of the FST/GST impact...”. The Retail Council of Canada told the Committee that it is developing a public information program to help consumers understand the GST and to inform them of what to expect at the retail level. We believe that all major trade associations and businesses should be involved in this effort. The Committee therefore recommends that:

The GST Consumer Information Office actively encourage trade associations and businesses to provide consumers with information on the anticipated price effects of the GST, and deal promptly with consumer inquiries.