



Finance

Freedom of Information and Protection of Privacy
910-386 Broadway, Winnipeg, Manitoba R3C 3R6
T 204 945-0823 F 204 948-3558
www.manitoba.ca

August 8, 2013

Colin Craig
1881 Portage Ave
PO Box 42123
Winnipeg MB R3J 3X7

Dear Mr. Craig:

Re: Application for Access under The Freedom of Information and Protection of Privacy Act (FIPPA) – (Our File Number 83-13)

The following FIPPA application was received by Manitoba Finance on June 28, 2013 and seeks access to the following records:

FIPPA Request 83-13

“Please provide any reports or analysis on the impact a 1% increase to the PST would have on Manitobans, businesses in the province or the provincial economy. The time frame for this request is from April 1, 2012 – June 28, 2013.”

Manitoba Finance has located records that are responsive to your request and we are pleased to grant your request in part. Enclosed is the copy of an email regarding the PST increase, as well as briefing notes.

You will notice that some of the information in the enclosed documents has been removed, along with reference to specific exceptions to disclosure provisions found in the legislation, with rationale found below.

In our search we did locate other records, however, they are also subject to specific exceptions to disclosure provisions found in the legislation. Below is a list of the exceptions to disclosure provisions that apply to the information located within Manitoba Finance, which has been severed and that we will not be disclosing:

Subsection 19(1)

The department is prohibited from disclosing information pertaining to cabinet confidences, as per subsection 19(1)(b)(c)(e) of FIPPA. Records of this nature are intended as confidential advice for Cabinet in order to inform the decision-making process with respect to government policy. Disclosure would reveal the substance of deliberations of Cabinet and could undermine the policy making abilities of the government.

Subsection 20 & 21

Manitoba Finance is prohibited from disclosing information to an applicant if it could reasonably be expected to reveal information explicitly or implicitly provided in confidence by the government of

Canada and government of another province or territory of Canada subsection 20(1)(a)(b) of FIPPA. Staff within Manitoba Finance consult regularly with their federal and/or provincial/territorial counterparts on many tax issues/laws on the condition that the Province maintain the confidentiality of the information. Finance staff use this information for several purposes, the most important being the development of tax and fiscal policy.

This information is further protected by subsection 21(1)(a)(b) of FIPPA, where the disclosure of information to an applicant could reasonably be expected to harm relations between the Government of Manitoba and the government of another province or territory and the government of Canada. The harm in disclosing confidential information of this nature would undermine Manitoba's on-going working relationship with the federal government and the government of another province or territory of Canada.

Subsection 23(1)

These records are also protected by subsection 23(1)(a)(b) of FIPPA, which allows for the discretionary exception to disclosure to be applied where providing access could reveal analysis developed by Manitoba Finance about policy decisions. Release of such information could also be reasonably expected to harm the ongoing free flow of analysis and consultation between employees of the department, and between employees and decision-makers.

Subsection 28(1)

The department is further prohibited from disclosing information that could potentially harm the economic and financial interests of the Government of Manitoba as per section 28(1)(b) of FIPPA. Disclosure of information such as financial information, including projections, could result in financial loss to the public body.

Accordingly, your request for access to the information that fall within these exceptions is refused.

Section 59(1) of FIPPA states that you may make a complaint about this decision respecting your application for access to the Manitoba Ombudsman. You have 60 days from the receipt of this letter to make a complaint on the prescribed form to:

Manitoba Ombudsman
750 – 500 Portage Avenue
Winnipeg MB R3C 3X1
(204) 982-9130
1-800-665-0531

Please contact me at 204-945-0823 should you have any questions regarding this response.

Sincerely,



Jennifer Penner
Access and Privacy Coordinator
Manitoba Finance

Enc.

BRIEFING NOTE
INCREASE SALES TAX RATE – SUMMARY ✓

s. 28(1)(b)

ISSUE:

Increase the Retail Sales Tax (RST) rate [REDACTED] ✓

PROPOSAL:

[REDACTED]

*s. 28(1)
(b)*

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

An increased sales tax rate would require either a referendum under *The Balanced Budget Act* or a notwithstanding clause overriding the referendum requirement, which would require committee hearings into the amendment. The referendum must be held, or the notwithstanding clause enacted, before a rate increase could take effect. A notwithstanding clause enacted during the normal legislative agenda could receive royal assent as early as June of 2013 as part of the *Budget Implementation and Tax Statutes Amendment Act (BITSA)*, which means the rate increase could take effect July 1 [REDACTED]

s.28(1)(b)

BACKGROUND:

Among provinces that levy a sales tax, Manitoba has the second lowest (7%), tied with BC, behind SK (5%). AB has no general sales tax. Other provinces have adopted the federal HST which is administered alongside the GST. The HST and GST exempt most business inputs from tax but apply tax to a broader array of consumer/household purchases. If Manitoba harmonized, consumers would pay an additional \$405 million in sales tax and businesses would save over \$500 million.

[REDACTED]

s.23(1)(a)

[REDACTED]

s.23(1)(a)

[REDACTED]

s.23(1)(a)

Prepared by: Richard Groen Kristine Seier
Contact Number: (204-945-1476) (204-799-2987) (204-945-1864) (204-805-4200)