

MEDIA RELEASE

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Four Key Ontario Chambers of Commerce Join Forces to Support Travel Rebate Incentive Program (TRIP)

Windsor, ON – Four key Ontario chambers of commerce - the Windsor-Essex Regional, the Greater Niagara, the Sarnia Lambton and the Sault Ste. Marie Chambers of Commerce have joined forces in supporting the Frontier Duty Free Association's proposal to create a pilot project for a Road Travel Rebate Incentive Program (Road TRIP) as part of the 2015 federal budget.

Road TRIP is a proposed tax rebate that would encourage U.S. tourists to shop in Canada. American visitors travelling into and out of Canada through a land border crossing would be eligible for a rebate of 5% (equal to the GST) on purchases made during their trip. Applications for this rebate would be available at participating Canadian duty free stores, located at land border crossings across the country.

The Chambers have collectively penned a letter to The Hon. Joe Oliver, PC, MP, Minister of Finance, to show support for the initiative.

An economic study suggests that even under adverse conditions, the program would be revenue neutral and would likely be revenue positive – up to \$40 million.

In the past decade, the annual number of U.S. travellers to Canada decreased by 23.9%, with a particularly alarming decline of 14% in the number of travellers crossing the border by car between 2008 and 2013. In the same period of time, generally lower U.S. sales taxes and the continuing parity between the U.S. and Canadian dollars have contributed to a reduction of 32.7% in the total amount spent by U.S. visitors to Canada.

“TRIP would provide a boost to the Ontario economy and encourage additional spending from U.S. travellers,” said Windsor-Essex Regional Chamber of Commerce President & CEO Matt Marchand. “This, combined with a falling dollar makes it an opportune time to do a pilot project as it gives our retailers an extra competitive edge – something they haven’t had in a while,” added Marchand.

“TRIP would be an important step forward in leveling the playing field while enhancing the option of Canadian retail spending for consumers,” said Kithio Mwanzia Interim CEO for the Greater Niagara Chamber of Commerce.

“As a business community, we need to look at all possible strategies to attract spending into our community. The research indicates this program is an investment that we can’t afford to NOT make,” said Mark Barsanti, 2014-2015 Sault Ste. Marie Chamber of Commerce President.

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