



Thunder Bay  
Chamber  
of Commerce

# MEDIA RELEASE

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## CHAMBERS OF COMMERCE PARTNER TO URGE GOVERNMENT TO KEEP THE DE MINIMIS THRESHOLD LOW

**THUNDER BAY, ON: January 26, 2018** – The Thunder Bay, Windsor-Essex Regional, Sarnia Lambton, Greater Niagara and Sault Ste. Marie Chambers are calling for the Federal Government to keep the de minimis threshold (DMT) low to ensure retailers in Canada and U.S. have a level playing field.

On December 14, 2017, PricewaterhouseCoopers LLP released the Retail Council of Canada-commissioned study: [Rise in Canada's de minimis threshold: Economic Impact Assessment](#), concluding that raising the DMT would drastically impact on retailers in Canada, their employees and the overall economy.

The DMT is the maximum value of goods that can be shipped into Canada by post or courier without having to pay sales tax or duties. At the outset of current NAFTA renegotiations, the U.S. stated its position that Canada's current DMT of \$20 should be raised to \$800 U.S., allowing big American online vendors to offer Canadian consumers "duty-free and tax-free online shopping" for any product shipped from the U.S. with a value up to \$800 U.S. Raising the DMT to \$800 U.S. would result in a loss of up to 300,000 jobs by 2020 and a loss of labour income of up to \$9.2 billion.

According to the economic impact assessment, U.S. online retailers are trying to gain an unfair competitive advantage over their Canadian counterparts – in short, they want the Canadian government to give them a special exemption to ship goods directly to Canadian customers without having to charge the sales taxes and duties that Canadian retailers face.

In May 2017, the Chambers voiced concern by passing a resolution to Protect Canadian Business by Keeping the De Minimis Threshold Low at the Ontario Chamber of Commerce Annual General Meeting in Sarnia.

"We are urging the Federal Government to maintain the current Canadian DMT level of \$20 to prevent granting an unfair advantage to foreign online retail sellers operating in the Canadian marketplace," says Charla Robinson, Thunder Bay Chamber President.

Raising the DMT would have a negative economic impact in Canada, leading to major job losses in Canada's largest private employment sector, billions in foregone government revenues, and losses of tens of billions both in retail sales and Canadian GDP.

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**stronger business together:** *it's the creed that drives everything we do. Our Chamber is a voluntary, Member-driven organization of individuals and businesses working together to advance the commercial, financial, and civic interests of our community. Whether we're pooling resources to offer Member learning opportunities, raising our voices together on a policy issue or facilitating connections between members of our business community, we know that businesses that work together are stronger.*