

Ringling in the New Year with a Cactus Club Boycott

by Stephen Elliott-Buckley - Tuesday, December 28, 2010

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Truly, it's hard to figure out who to boycott among the supporters of BC's ugly, regressive HST listed at SupportHST.ca. Most of the supporters are with businesses I've never heard of as a consumer, so I'm ignoring them. Nurse Next Door I oppose because I like my public healthcare delivered publicly and I'm currently not in need of home care nursing. But Cactus Club, that's something worth boycotting for several reasons.

I know a number of people who wouldn't eat there because of how they package their female employees. I know a number of people who refuse to embrace their style and prices. But if you would like a further reason to not contribute to their profits, it's their vacant support of the HST.

Firstly, just a few things wrong with the HST:

1. It's a regressive tax as it punishes lower income earners by dingling them for a larger percentage of their take home income than higher income earners.
2. It's designed to be revenue-neutral, meaning it is a new tax designed to bring in no new revenue to the provincial government. Combine that with the removal of the PST and you get a \$2b tax cut for corporations. But going back to revenue neutrality means that \$2b will have to come from someone's pockets. And while the government's literature is happy with how businesses can pass on their process tax savings to customers, there is no law requiring that and if you know the goal of corporations, maximizing shareholder wealth, you can guess where that savings will end up.
3. The government lied about bringing in the tax.

Now let's watch the short video presentation by the Chief Operating Officer of Cactus Club Restaurants describing why he likes the HST, despite the fact that the Cactus Club is a...restaurant, a kind of business that is hurting because of this new bottom line tax: [Support HST : Andrew Latchford : COO : Cactus](#)

[Club Restaurants](#)



A few things about the argument-free talking points blindly supporting the HST in this video clip:

1. What are the alternatives Latchford looked at? The HST replaced the PST which taxed business

- inputs, thereby reducing profits. With those taxes gone, the HST increases profitability. What other alternatives did he explore, and why were they less effective than the HST, and what are the criteria he used to evaluate the alternatives? No answers there.
2. Why doesn't he actually mention the added benefits that come with the HST? Failing to do so means I'm left to conclude that it's just a tax shift from his business to his customers.
 3. It would be nice that upon coming to the conclusion that the HST is good, he would actually share that rationale, beyond just more money in his pockets.
 4. It is already improving the economic outlook of global shareholders investing in businesses in the province because businesses have a lower tax bill, which the government is recouping from citizens. Many of those now more profitable businesses [like all the global corporations operating in BC] will send their increased profits out of the province to these foreign shareholders. How is this wealth sucking out of our province good for the province? It's not. It's good for the global corporations and their compradors the BC Liberal government works for.
 5. An improved outlook as a province is a truly vague statement with no defined statement of the economic good being pursued or the means for measuring that. How that [whatever that is] will magically translate into more people eating at Cactus Club is another argument he doesn't bother to explain. All I know now is that many citizens with a higher tax bill are eating in restaurants less and along the way tipping their servers less. Ask around.
 6. Sadly, his goal is to reduce confusion about the HST. He's quite failed at that, sending out further talking points with no meat to back them up.
 7. Being finance minister for a day, oh how I wish. The finance minister of the BC Liberal government is tasked with privatizing all public services, reducing all burdens on corporations and marketizing as much as possible as fast as possible. One way to do that is to collect little or no tax from corporations, increase taxes and user fees on citizens and reduce public services as much as possible. This is a massive failure of a finance minister would is actually accountable to the citizens of the province. It is not surprising that the Cactus Club management likes this model so much.
 8. Sadly, his advice to understand the alternatives is pretty empty. He hasn't demonstrated he understands any of the alternatives, rationales or consequences of this regressive tax.

But if I were finance minister for a day, my goal would be to encourage people to be happy paying taxes because they are how we buy things together as a society, like high quality, universal education and healthcare, water, sewage, transportation, social services, sexual abuse hotlines, elder care, hospice care for people to die with dignity, hot lunches for school kids living in poverty, environmental protection, an environmentally sustainable transition economy that puts our citizens and the planet first, treatment for people with addictions, reclaiming toxic soils, pursuing bioregional food security, cleaning our polluted waters, protecting endangered species and enhancing biodiversity, settling generations-long land claims with victimized citizens, pursuing justice for victims of residential schools, encouraging scientific and artistic and philosophical exploration, and a few hundred other things.

These things we cannot do if we defund our government of a revenue base and impoverish our vulnerable citizenry while allowing global corporations to embark on a new era of operations in BC, the world's newest tax haven!

Seriously, those who truly support the HST, I challenge you to explain just how this magical HST will accomplish any of these good things and explain why all my criticisms are incorrect.