

PRESS RELEASE: Liberals Pledge to Eliminate Swipe Fees on Sales Tax a Win for Canadian Convenience Stores

OTTAWA, ONTARIO (September 13th, 2019) – The Convenience Industry Council of Canada (CICC) is encouraged by the campaign commitment made today by the Liberal Party to eliminate the “swipe fees” paid on sales tax for processing credit cards payments.

“Today’s announcement constitutes a significant win for small business in Canada, and something that the convenience industry has long been advocating for,” said Anne Kothawala, President & CEO of the Convenience Industry Council of Canada.

“We encourage all federal parties to recognize the importance of small businesses, like convenience stores, to the Canadian economy and adopt similar proposals to mitigate the damage caused by spiraling credit card fees.”

The convenience industry is unique in that we are key revenue collectors for governments. In 2018, the convenience industry collected more than \$22 billion in taxes on heavily taxed products such as fuel, lottery, tobacco and alcohol. The CICC estimates that their members paid interchange fees of \$73 million in total, or \$6,888 per store that sells gas on the GST portion of sales alone. As the taxes charged on these products increases, so too does the cost of processing their payment. “This is money that small business owners would have otherwise used to reinvest in their business, hire new employees, or save for their family’s future,” continued Kothawala.

“There is no retail sector dealing with as many products that have multiple layers of taxes added before the addition of GST and PST than the convenience industry,” said Kothawala.

Kothawala concluded by stating, “Convenience store owners should not be out of pocket because they are required to collect taxes for the government. The CICC will continue to advocate for prudent fiscal policies to prevent the unintended consequences of excessive tax on products consumers buy, and the cost to our members of collecting the tax paid on those products.”

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About the Convenience Industry Council in Canada

The Convenience Industry Council of Canada (CICC) is a national association that brings together retailers, distributors and manufacturers that sell a variety of products in convenience stores across the country. Our mission is to advance the interests of the convenience industry through effective advocacy and education. We are proud to represent an industry that contributes over \$22 billion in taxes, employs over 250,000 Canadians and brings convenience to communities from coast to coast. We reflect the communities we serve and offer opportunity to new Canadians.

CONTACT INFORMATION

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