



**Coalition for Culture and Media
CONTINUITY – FAIRNESS – SUPPORT**

Taxation of Digital Goods and Services: A Budget that Disadvantages Canadian Businesses

MONTREAL, February 27, 2018 - In response to the tabling of the federal budget, the Coalition for Culture and Media deploras Ottawa's inaction on the taxation of digital goods and services sold in Canada by foreign companies. The Coalition is all the more disappointed as it has been making appeals on this issue for several months, has collected thousands of signatures in support of said demands, and unfortunately finds itself faced with the government's complete insensitivity to arguments for tax fairness.

The Coalition, like many players in the Quebec and Canadian economy, finds it inconceivable that the Canadian government should maintain an unfair taxation system that favours foreign companies doing business here using the Internet. This two-tier system exempts these foreign entities from having to collect sales taxes on the goods and services sold here, unlike Quebec and Canadian companies. Federal tax policy needs to be updated to level the playing field for companies competing online. The digital economy is no longer on the fringe of our national economy—it is a key segment of it.

The Coalition for Culture and Media will continue to pressure the Trudeau government on this issue and expects Quebec Finance Minister Carlos Leitão to make good, in his next budget, on his promise to require the collection of QST in any online transaction conducted in Quebec, regardless of the origin of the good or service.

In its *Declaration for the sustainability and the vitality of national culture and media in the digital era*, published in September, the Coalition raised the issue of fairness in the taxation of e-commerce, a problem that is profoundly impacting the cultural and media industry. The Coalition calls on governments to restore fiscal and regulatory fairness, to act with continuity, and to implement effective measures to support national culture and media.

About the Coalition for Culture and Media

The Coalition is a group of citizens' groups or organizations active in the cultural and media sectors, which represent thousands of people in Quebec and across Canada. Their declaration can be found on the website Standingforculture.info.

These are the Coalition members that can be contacted on this issue:

Alliance des producteurs francophones du Canada (APFC)
Alliance of Canadian Cinema, Television and Radio Artists (ACTRA)
Alliance québécoise des techniciens de l'image et du son (AQTIS)
ARTISTI
Association des professionnels de l'édition musicale (APEM)
Association des propriétaires de cinémas du Québec (APCQ)
Association des réalisateurs et réalisatrices du Québec (ARRQ)
Association nationale des éditeurs de livres (ANEL)
Association québécoise de la production médiatique (AQPM)
Association québécoise de l'industrie du disque, du spectacle et de la vidéo (ADISQ)
Association québécoise des cinémas d'art et d'essai (AQCAE)
Canadian union of public employees (CUPE) and its communications sector (CPSC)

Conseil québécois des arts médiatiques (CQAM)
Copibec
Directors Guild of Canada (DGC)
Documentary Organization of Canada and its Québec Chapter
Fédération culturelle canadienne-française (FCCF)
Fédération des travailleurs et travailleuses du Québec (FTQ)
Fédération nationale des communications (FNC-CSN)
Friends of Canadian Broadcasting
Front des réalisateurs indépendants du Canada (FRIC)
Forum for Research and Policy in Communications (FRPC)
Gilde des musiciens et musiciennes du Québec (GMMQ)
L'Observatoire du documentaire
Michèle Rioux, directrice du Centre d'études sur l'intégration et la mondialisation (CEIM)
Observatoire des réseaux et interconnexions de la société numérique (ORISON) - UQAM
On Screen Manitoba
Performers' Rights Society (PRS)
Québec Cinéma
Quebec English-language Production Council (QEPC)
Regroupement des artisans de la musique (RAM)
SOCAN
Société civile des auteurs multimédia (SCAM)
Société de gestion collective des droits des producteurs de phonogrammes et de vidéogrammes du Québec (SOPROQ)
Société des auteurs de radio, télévision et cinéma (SARTEC)
Société des auteurs et compositeurs dramatiques (SACD)
Société du droit de reproduction des auteurs compositeurs et éditeurs au Canada (SODRAC)
Internet Society Québec (ISOC – Québec)
Société professionnelle des auteurs et compositeurs du Québec (SPACQ)
Syndicat des employées et employés professionnels-les et de bureau (SEPB)
Table de concertation de l'industrie du cinéma et de la télévision de la Capitale-Nationale
Unifor
Union des artistes (UDA)
Union des écrivaines et des écrivains québécois (UNEQ)

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