

Question #7: Should government intervene in any way in the market?

YES 26.2%

NO 73.8%

COMMENTS

1. The only way the government should intervene is in reducing the costs of doing business in Canada.
2. Leave the market and consumer reaction regulate responses.
3. They should explain to Canadians that our prices are not just reflected by the strength of our dollar, but rather also reflect greater shipping costs, smaller markets, etc.
4. This is not an issue of government on the Canadian side, more a correction in the US money market.
5. Things will work out over time. Buyers usually buy 6-12 months ahead of time. So you can't expect changes over a short month or two.
6. For small businesses cross-border shopping will make or break many businesses this season. The gov't has to enforce the duty, daily shopping allotment and collecting GST on imports. I think this will deter a lot of cross border shopping.
7. In what way?
8. They could review duties on items that are much higher than the USA
9. Lower interest rates to take some of the upward pressure off. Dollar is overvalued right now anyway due to speculation.
10. The government has no place in a free market.
11. If "Jim" would tell the truth, and not blame the Retailers. What is he new...
12. Stop the high excise tax as our merchandise enters Canada so our wholesalers can offer better prices.
13. Free trade--not allow agreements preventing retailer from buying product from a USA vendors if Canadian supplier is too high priced
14. They should not play politics like Flaherty

15. FOR THE SAME REASONS THEY DIDN,T WHEN THE SWING WAS THE OTHER WAY.

16. The rise has been too quick. They need to reduce the interest rate so that we do not continue to escalate against the USD.

17. What can they do that will change things?

18. But with suppliers, not retailers. We are caught in the middle.

19. I think they should explain to the consumer why our costs are higher than those of the Americans, ie. taxes, shipping...

20. I am not sure.

21. It is not a government issue.

22. Government should be controlling the quality of product coming into Canada. We have seen problems in pet food, toys and now hearing problems with food items. What quality controls and controls on pesticides and fertilizers are there in these other countries?

23. GOVERNMENT MEDDLING WILL ONLY CAUSE PROBLEMS. LET THE MARKET PLACE WORK OUT THEIR OWN PROBLEMS.

24. I don't think it's up to the government, interest rates always go up and down - since the majority of our product comes from Europe we initially had problems because of the Euro but eventually consumers understood and accept paying more money for European products.

25. Once they impose their will...most, if not all, governments will be hesitant to change that decision should the dollars flip flop in the future.

26. Stop Meddling! I think all they are doing is increasing any consumer questions and making demands that are unrealistic. If I bought a book or gift line from a U.S. vendor and paid an exchange rate of \$1.35, how can I afford to mark that down?

27. Market evolution and consumers will dictate and influence before the gov't can dictate.

28. Let the market sort itself out.

29. Demand US suppliers adjust their pricing.

- 30.** They could lower interest rates.
- 31.** The government should press suppliers to lower costs to retailers.
- 32.** The government should be able to apply pressure on the auto makers to make the playing field more level for both Canadian and American buyers.
- 33.** The government should apply heavier duties on items being brought across the US border by consumers.
- 34.** They have already, by spreading false information.
- 35.** Drop their import tax to the level of USA import tax.
- 36.** Not sure, how they can.
- 37.** They are only trying to side with the consumer to obtain votes. Their efforts are nothing more than photo ops, as they fully realize the reality of the situation from the suppliers' perspective as well.
- 38.** I don't know what this would mean. Clearly the Conservative government is not on the side of independent retailers. They have done significant harm to our industry and our local economies. Perhaps independent retailers need to make this an election issue. Their lack of understanding is bound to wipe out many independents. This is the equivalent of wiping out our middle class. How dare they.
- 39.** A reduction in duty taxes on American product would really have a huge influence on the prices we set for our customers.
- 40.** Rebates to lower prices
- 41.** The government should stay out of it including voicing an opinion as the "information" to the consumer thus far has been mostly incorrect. It's politicians feeding sound bites to the media who twist the truth even more.
- 42.** I think the CND dollar should hover at about 95cents to the US dollar
- 43.** This is why we live in a free market economy (or quasi-free market!)
- 44.** They do not have to tell us how to make our business.
- 45.** A low Canadian dollar is good for some sections of the economy and a high dollar is good for others. We will all adjust if the media stop talking about lowering prices. Prices will drop as time goes by and stocks are used up but not

everything comes through the USA. It is the US dollar that is low and it is low to other currencies as well.

- 46.** Our finance minister has already done his worst and most politicians don't seem to have a clue how our business is affected by the strong Loonie. Over time things will even out.
- 47.** It never goes well, when gov't intervenes, it is too narrow-minded in its views, it would isolate some problems and hurt others.
- 48.** I'm not sure what the Canadian gov't can do in this regard. It's the US gov't that is having problems with their country.
- 49.** Bring parity with US prices especially on items such as cards, books, magazines etc. that are marked with US and Canadian Prices - also on larger items like appliances, electronics and vehicles and trailers.
- 50.** They are not likely to get it right anyway - see "Flaherty's recent comments."
- 51.** Government intervention always brings with it, increased bureaucracy and great frustration with their attempted "shotgun" approach.
- 52.** Too slow and bound to be more trouble. We need to react as required in a timely way.
- 53.** It should be easier to bring items in from the US. The customs charges, regulations, etc. are ridiculous and unnecessary.
- 54.** I don't think there is anything they can do.
- 55.** Unless the government is willing to reduce the cost of duty, taxes and costs affecting the total product cost, then they should not be telling others to decrease their prices. The cost of doing business in Canada is still more expensive than in the US.
- 56.** Specially for products in provenance of United States
- 57.** Enough of big brothers let the market adjust.
- 58.** Unless they are willing to assist Canadian by lowering duties, and costs of doing business, it is unfair of them to take a position as they have been insisting that retailers/suppliers lower their prices.
- 59.** It is not their business.

60. This rush south is temporary, in my opinion. After the initial thrill of a strong Canadian dollar has subsided, the majority of shoppers will return.

61. Keep their mouths shut if they want to keep blaming retailers.

62. The market will do what it has to do. The strange thing is that purchasing power parity pegs the \$CAN at under \$US 1.00. PPP, if you don't know, directly compares the value of work that it takes to purchase the same item in both countries. If government gets involved ~ it will be purely political, as when the Minister of Finance last week said he was going to meet with major retailers and tell them to lower their prices. My letter to the editor which was published in the Vancouver SUN read: So Finance Minister Jim Flaherty is instructing retailers to lower their prices because of the stronger Canadian dollar. Mr. Flaherty is apparently unaware that goods cost more in Canada because of much higher transportation costs due to Canada's immense size, and much higher Federal Gas Taxes. Taxes that his department sets. He is apparently unaware that the Canadian government charges much higher duty rates than does the United States. Duty rates that his department sets. He is apparently unaware that minimum wages (set by government) are higher in many parts of Canada than in many parts of the USA He is apparently unaware that stores are selling goods that they bought months ago when the dollar was weaker. He is apparently unaware that the USA market is more than eleven times the size of the Canadian market. California by itself is bigger than Canada. He is apparently unaware that economies of scale are very powerful. Perhaps he missed that lecture in bookkeeper school. Given all these fundamentals, Mr. Flaherty seems to be catastrophically incompetent to be the minister in charge of finance.

63. Pin our dollar to US at \$0.80

64. If the government wants to force businesses to lower prices - they are being shortsighted of the inner workings of the import business. I doubt the government will try and force stores to lower prices, they understand how business works.

65. LET THE MARKET TAKE CARE OF ITSELF

66. Government and business rarely make good bedfellows.

67. The government can't tell retailers how to set their prices.

68. Nooooooo Waaaaaayyyyyy!!!!!!

69. Let the market find its own level. Circumstances are always changing
Nothing stays the same forever.

70. Hands off. Retail Council, etc.

71. Do something to bring the \$ back down, so Canada will be attractive to tourists. Canada needs Tourist \$\$\$