



ASB Committee <asbprovcommittee@gmail.com>

RE: 510587 - Resolution Response Request: Alberta Agricultural Service Boards

Chrystia Freeland <Chrystia.Freeland@fin.gc.ca>
To: ASB Committee <asbprovcommittee@gmail.com>

Fri, Jun 10, 2022 at 12:37 PM

Dear Mr. Dutrisac:

Thank you for your correspondence of February 1, 2022, written on behalf of the Alberta Agricultural Service Boards (ASBs) Provincial Committee, regarding the federal carbon pricing system as it relates to farmers.

I know that our economy and the quality of life we have in Canada is deeply connected to the health of our environment. Carbon pollution is not free. Canadians pay the price when extreme weather threatens their safety, their health, their communities and their livelihoods. That is why the Government of Canada has taken action to ensure that there is a price on carbon pollution across Canada, as of 2019.

The purpose of the *Greenhouse Gas Pollution Pricing Act* (GGPPA) is to reduce greenhouse gas emissions by ensuring that carbon pollution pricing applies broadly throughout Canada. The GGPPA is comprised of a regulatory charge on fossil fuels (the "fuel charge") and an output-based pricing system for large final emitters.

As you noted, the GGPPA provides targeted up-front relief for farmers from the fuel charge. Notably, the GGPPA provides farmers with relief from the fuel charge for gasoline and light fuel oil (e.g., diesel) used in tractors and other farm machinery. The relief is provided through the use of exemption certificates when certain conditions are met.

Recognizing that many farmers also use natural gas and propane in their operations, our Government has proposed a refundable tax credit for farm businesses operating in backstop jurisdictions, starting in 2021-22. It is estimated that farmers would receive \$100 million in the first year with this amount expected to increase as the price on carbon pollution rises.

This initiative will help farmers transition to lower-carbon ways of farming by providing support to farmers while also maintaining the price signal to reduce emissions.

Thank you for writing on behalf of ASB Provincial Committee.

Sincerely,

The Honourable Chrystia Freeland, P.C., M.P.

Deputy Prime Minister and Minister of Finance

From: ASB Committee <asbprovcommittee@gmail.com>
Sent: Tuesday, February 1, 2022 7:29 PM
To: Chrystia Freeland <Chrystia.Freeland@fin.gc.ca>
Subject: 510587 - Resolution Response Request: Alberta Agricultural Service Boards

Dear Minister Freeland,

The 69 Alberta Agricultural Service Boards (ASBs) held their Provincial Conference January 26-27 2022, and the assembly passed a resolution regarding exempting propane and natural gas from the carbon tax.

A letter is attached with the request from the ASB assembly and a copy of the resolution for your consideration. We would appreciate a response by April 8th, 2022.

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Linda Hunt

Executive Assistant

Agricultural Service Board Provincial Committee

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