

Honourable Senator
Senate of Canada
Ottawa, ON K1A 0A4

June 24, 2021

RE: Agriculture Carbon Alliance's Support for Bill C-206

Dear Senator,

On behalf of the Agriculture Carbon Alliance (ACA), a national coalition of 14 cross-commodity farm organizations from across Canada, we are writing to express our support for the general intent of Bill C-206, An Act to amend the Greenhouse Gas Pollution Pricing Act (qualifying farming fuel). The Act amends the Greenhouse Gas Pollution Pricing Act to extend the exemption for qualifying farming fuel to marketable natural gas and propane.

Our membership encompasses all major agriculture commodities and represents more than 190,000 farm businesses generating more than \$70 billion in farm cash receipts in 2020. We are in strong agreement that qualifying farming fuels, such as marketable natural gas and propane, should be exempt from a national carbon price when used in farming operations.

The ACA believes further exemptions are needed to reflect the realities of the entire Canadian agriculture industry. The currently proposed exemptions do not address the undue financial burden the carbon tax places on all the necessary practices undertaken by the farmers and ranchers our members represent. For example, livestock producers across Canada require specific equipment to heat and cool animal infrastructure, horticulture growers are required to power greenhouses, and crop farmers need properly functioning irrigation and grain-drying processes. Since no alternative fuel sources are viably available, these necessary practices should all be exempted; as they are unfairly penalized by any increase in the price of carbon, without achieving the desired reductions in emissions.

Farmers have a history as environmental stewards and innovators. They have adopted new technologies and proven their ability to soften their environmental footprint, while increasing production and maintaining their competitiveness. We know that you understand the importance of our industry to Canada's economy. Canada's farmers sit at the heart of an agri-food system contributing more than \$140 billion annually and providing 1 in 8 Canadian jobs. Agriculture is a national success story in terms of productivity and innovation, but we need a policy environment that enables our farms to thrive.

We ask that you lend your support to Bill C-206 at second reading for it to be moved to a committee stage and seek additional ways to expand exemptions to ensure practices that are required by farmers, where no viable alternative fuel source exists, are not penalized. Please do not hesitate to reach out for more information.

Sincerely,

Dave Carey

Co-Chair, Agriculture Carbon Alliance
Vice President, Government and Industry Relations
Canadian Canola Growers Association

Scott Ross

Co-Chair, Agriculture Carbon Alliance
Assistant Executive Director
Canadian Federation of Agriculture

