



November 17, 2023

Members of the Senate
Senate of Canada
Ottawa, Ontario K1A 0A4

Re: Bill C-234: An Act to Amend the Greenhouse Gas Pollution Pricing Act

Dear Senators,

We are writing today to encourage the swift passing of Bill C-234, without amendment, in order to give Canadian farmers the financial relief they need. Passing Bill C-234 will also provide relief to Canadians who are struggling to cope with high inflation at the grocery store and strengthen our national food security.

As Canada's largest business association, representing over 200,000 business across the country, we recognize the vital role Canadian farmers play in our communities, our society and economy. Canada's agri-food sector contributes over \$130 billion to our national GDP each year and supports the jobs of approximately one in nine Canadians. In the face of unprecedented disruptions such as the COVID-19 pandemic, the invasion of Ukraine, and now decades-high inflation and rising input costs, Canadian farmers have been working hard to produce quality, affordable food to feed Canadians and the world.

Furthermore, no sector better understands the need to be responsible stewards of our environment than our agri-food industry. Indeed, Canada's agri-food industry ranks as one of the most sustainable in the world, and for decades, Canadian farmers have been leading the fight on climate change by voluntarily adopting beneficial management practices to mitigate GHG emissions. Farmers have also invested heavily in on-farm innovations that increase their productivity and further reduce their environmental impact, allowing them to sustainably feed the growing Canadian and global populations.

The reality, however, is that there simply are not, nor are there likely to be for the foreseeable future, any effective alternatives to non-renewable energies for certain on-farm use cases. Farmers simply do not have access to the technology, or the working capital needed for the massive investments that would be needed to eliminate emissions overnight. In this way, the carbon tax punishes farmers for practices they are unable to change.

Bill C-234, as it was passed by the House of Commons, adequately addressed the concerns of Canadian farmers by exempting them from the carbon tax for on-farm use of propane and natural gas. The Parliamentary Budget Office estimates that these measures would collectively save Canadian farmers as nearly \$1 billion by 2030. These savings will be especially critical as rising input costs and interest rates squeeze farm profitability across the country. Ensuring our farmers are able to continue to invest, grow, and feed Canadians and the world should be paramount amidst growing food security concerns.

While we recognize the Senate of Canada's important role of "sober second thought" in the legislative process, we are concerned with recent efforts to delay the Bill and emphasize that it was passed by a wide margin in the House of Commons – and by MPs from all parties. We therefore urge the Senate of Canada to swiftly adopt Bill C-234 – without amendments – and give Canadian farmers and consumers the relief they urgently need.



Sincerely,

Robin Guy
Vice-President, Government Relations
Canadian Chamber of Commerce

Liam MacDonald
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