



Legislation Text

File #: App 21-048, **Version:** 1

10:30 a.m. Appointment - Agricultural Service Board

Resolution to the Northwest Regional Agricultural Service Board Conference, Exemption of Natural Gas and Propane for Agriculture under the Greenhouse Gas Pollution Pricing Act
(Susan Schafers, Chairperson Parkland County Agricultural Service Board)

Proposed Motion

That Council supports the Agricultural Service Board Resolution to the Northwest Region Agricultural Service Board Conference: Exemption of Natural Gas and Propane for Agriculture under the *Greenhouse Gas Pollution Pricing Act*.

Administration Recommendation

Administration and the Agricultural Service Board supports the motion.

Purpose

To receive the support from Council to bring forward the resolution to the Northwest Regional Agricultural Service Board Conference on behalf of Parkland County and the Agricultural Service Board.

The *Agricultural Service Board Act* Section 2 indicates the duties of the Agricultural Service Board include but are not limited to:

- To act as an advisory body and to assist the Council and Minister of matters of mutual concern.
- To promoting, enhancing and protecting viable and sustainable agriculture with a view to improve the economic viability of the agricultural producers.

Summary

The *Greenhouse Gas Pricing Act* currently does not exempt the use of natural gas and propane for agriculture uses. In Parkland County the farmers are impacted with more costs each year, which they are not able to pass to pass those costs on to consumers. The past 2 years have been very wet and drying of grain has become more prevalent. As a result, the use of natural gas has increased which is subject to fuel charges. The fuel charges on natural gas and propane used in the agriculture sector in Alberta, Saskatchewan, Manitoba and Ontario is estimated from 2020-2025 is to cause a loss of \$235 Million dollars in revenue for farmers.

RESOLUTION FOR THE NORTHWEST REGIONAL AGRICULTURAL SERVICE BOARD CONFERENCE: EXEMPTION OF NATURAL GAS AND PROPANE FOR AGRICULTURE UNDER THE GREENHOUSE GAS POLLUTION PRICING ACT

WHEREAS The *Greenhouse Gas Pollution Pricing Act* applies fuel charges to natural gas and propane used in agriculture operations, with the exception of greenhouses; and

WHEREAS The cost to Canadian farmers of the fuel charges for natural gas and propane are estimated to be \$235 Million dollars by 2024

WHEREAS The Private Members Bill C-206 An Act to Amend the *Greenhouse Gas Pollution Pricing Act* to provide relief for the fuel charge passed the House of Commons and did not receive third reading in the Senate to pass into law prior to the 2021 Federal Election; and

WHEREAS Federal programs such as the Agricultural CLean Technology Program were to provide relief to farmers from the fuel surcharges for natural gas and propane, however, these programs are currently closed to applications until spring 2022; and

WHEREAS The fuel charges to natural gas and propane put Canadian farmers at a competitive disadvantage

to international competitors that are not subject to fuel charges.

**THEREFORE BE IT RESOLVED
THAT THE ALBERTA'S AGRICULTURAL SERVICE BOARDS REQUEST**

That the Government of Canada Minister of Finance, with support from Agriculture and Agri-Food Canada, amend the *Greenhouse Gas Pollution Pricing Act* to include natural gas and propane as exempted fuels for agriculture production.

Strategic Plan/Policy/Legal/Staff Implications:

Pillar 2: Strategic Economic Diversification: Recognizing and championing the importance of agriculture for its economic, environmental and community contributions and the commitment to ensuring its long-term viability in Parkland County. As well as supporting the local economy including agricultural, tourism, entrepreneurial and industrial sectors.

Financial Impact:

N/A