

December 6, 2023

Honourable Chrystia Freeland
Minister of Finance Canada
Department of Finance Canada
chrystia.freeland@parl.gc.ca

Honourable Jonathan Wilkinson
Minister of Energy and Natural Resources
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Honourable Steven Guilbeault
Minister of Environment and Climate Change
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House of Commons
Ottawa, Ontario
Canada
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Dear Minister Freeland, Wilkinson and Guilbeault:

On behalf of the Medicine Hat & District Chamber of Commerce and our members, we want to extend our gratitude for your continued service to our Country as elected representatives and for your roles within your respective Ministries. As a Chamber of Commerce, a key tenet of our organization is to contribute to the responsible economic growth of our region – we help build the businesses that support our families and our communities. We are proud that the businesses in our region are among the most environmentally responsible in the province and country.

It's no secret that businesses and individuals are struggling in this economic climate. The fallout from the COVID-19 pandemic continues, which coupled with the high cost of goods, inflation, and interest rates creates a problematic environment for businesses to succeed. This, unfortunately, is compounded by the Greenhouse Gas Pollution Pricing Act (GGPPA).

Our community is located at a distance from any trade ports for our goods and services, which, given the increasing price on carbon emissions, puts our businesses at a disadvantage to those in communities closer to coasts and international border crossings. Furthermore, our region has relied on natural gas to generate our energy. Historically, this was considered to be a more environmentally friendly alternative compared to other methods utilizing fossil fuels. Unfortunately, our community

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does not have a reliable and consistent alternative to natural gas, which increases the cost disadvantage businesses face.

Our Chamber recognizes the importance of protecting the environment and supports responsible, innovative approaches toward doing this. Additionally, as each province has unique circumstances, we also believe that programs can more effectively be managed at the Provincial and Territorial government level in order to work more closely with industry leaders to implement and incentivize efficiencies and emissions reduction programs.

We are recommending that the federal government provide pathways for tax incentives for emerging carbon reduction technologies to allow consumers and businesses the opportunity to choose lower carbon options. Additionally, we request the implementation of options that measure net carbon impact and only apply carbon pricing to the net amount, taking into account the measures used to mitigate total carbon footprint, including absorption of carbon dioxide and technologies such as green carbon capture. In situations where there are no less carbon-intensive solutions available, we are also recommending the federal government refrain from implementing the additional cost on carbon emissions.

We appreciate that your government introduced the Fuel Charge Proceeds Return Program (FCPRP) as a part of the GGPPA in an effort to support small and medium-sized enterprises in the country. Agriculture and manufacturing are strong drivers of the economy in our region, and both feel the burden of the price on carbon. It would be extremely helpful to our businesses to see an expedited rollout of the FCPRP and its associated cost pressure relief early in 2024.

Thank you for your time and attention to the important needs of Southeast Alberta. We would welcome the opportunity to connect with you to discuss some of our recommendations, as well as to find out about the ongoing work within the Ministry related to our region. We can be reached at our office at 403.527.5214 ext 227 or by email at industry@medicinehatchamber.com to arrange a meeting or discussion.

Sincerely,



Steve Heid
2023-2024 President
Board of Directors



Lisa Dressler
Executive Director
Medicine Hat & District Chamber of Commerce



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Cc: Prime Minister Justin Trudeau,
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Parliamentary Secretary Adam van Koeverden
Premier of Alberta, MLA Brooks-Medicine Hat, Danielle Smith
Minister of Environment and Protected Areas, Government of Alberta
MLA Cypress-Medicine Hat, Justin Wright
President and CEO, Canadian Chamber of Commerce, Perrin Beatty,
Senior Vice President, Chamber Network Relations & Advocacy, Canadian Chamber of Commerce, Ian Faris
President and CEO, Alberta Chambers of Commerce, Shauna Feth