



The Right Honourable Justin Trudeau
Prime Minister of Canada
Office of the Prime Minister
80 Wellington Street
Ottawa, ON K1A 0A2
email: justin.trudeau@parl.gc.ca

March 26, 2024

Dear Prime Minister Justin Trudeau,

On behalf of our members at the Fruit and Vegetable Growers of Canada (FVGC) and the over 14,000 farms across the Canada growing fruit and vegetables with a farm gate value of \$6.8 billion in 2022, we are urgently requesting an emergency meeting of the House of Commons Standing Committee on Agriculture and Agri-Food to hear from Canadian farmers on the impacts of the scheduled increase on April 1st.

The April 1st carbon tax increase marks a crucial turning point for Canadian agriculture. While research and initiatives are promising, at present, there are very limited alternative energy solutions or operational changes that these carbon costs can influence.

The April 1st increase to \$80 per tonne carbon dioxide equivalent (\$/T CO₂e) is a 23% increase in carbon tax. The carbon tax affects greenhouse vegetable growers disproportionately because current exemptions do not extend to natural gas and propane, nor do they recognize the supply of carbon dioxide (CO₂) from these fuels as a crop production input.

As Budget 2024 approaches, we urge Parliamentarians to ensure carbon tax policy finds effective ways to support both Canadian environmental goals and the sustainability of Canadian food production. A prompt response is critical in the face of the harsh economic realities facing Canadian farmers, and to support consumers trying to stretch their grocery dollars.

Canadian fruit and vegetable farmers are committed to and invested in sustainable practices that reduce greenhouse gas emissions. We are part of the solution. However, the rising carbon tax already imposes a heavy financial burden that stifles innovation, displaces investment and jobs, and hampers our global competitiveness – not to mention the affordability of groceries. The rising cost of production influenced by the carbon tax inevitably translates into higher grocery prices for consumers. This not only affects the affordability of fresh produce but also has broader implications for food security and nutrition, especially among lower-income populations.



FVGC is well positioned to share a unique perspective with the committee, offering insights into the current realities on farms, the potential effects of the carbon tax increase scheduled for April 1st on our growers, and the importance of the exemptions in the original version of Bill C-234. We believe this information can assist the committee in understanding the essential role these exemptions play in supporting farmers' success, their capacity for investment, and their ongoing enhancement of sustainability practices.

Thank you, and we look forward to your earliest response on this matter.

Sincerely,

Marcus Janzen
President
Fruit and Vegetable Growers of Canada

cc: The Honourable Lawrence MacAulay, Minister of Agriculture and Agri-Food
MP Kody Blois, Chair Standing House Committee on Agriculture and Agri-Food
MP John Barlow, Vice-Chair Standing House Committee on Agriculture and Agri-Food
MP Yves Perron, Vice-Chair Standing House Committee on Agriculture and Agri-Food