

January 4, 2017

Right Honourable Justin Trudeau
Prime Minister of Canada
House of Commons
Ottawa, ON
K1A 0A6

Dear Prime Minister Trudeau:

The Government of Canada's decision to implement a pan-Canadian carbon pricing plan will have a profound impact on Saskatchewan businesses. To effectively advocate for our membership on this important issue, the Saskatchewan Chamber of Commerce conducted a survey on carbon pricing in December 2016. We wanted to share these results with you and hope they will help inform your future actions as well (see enclosed).

Our membership agrees that reducing carbon emissions is important, but only 29% support the pricing of carbon as a tactic to reduce emissions, with 71% clearly opposed. Our membership is very concerned with the implementation of a price on carbon and the impact it will have on our ability to export competitively. The Saskatchewan Chamber of Commerce has long argued that Canada should not be acting alone on carbon pricing. Our position has been that, as an exporting nation, Canada needs its key trading partners to also commit to an equitable carbon pricing system to preserve the competitiveness of our country's exports. Our membership continues to support this position and we have been given a mandate to assist the provincial government in its fight against the imposition of carbon pricing.

The implementation of carbon pricing through either a carbon tax or cap-and-trade system is too blunt of a tool to significantly reduce greenhouse gas emissions without having a substantial negative impact on the economy and many of our province's vital industries. Additionally, the actual impact carbon pricing has on reducing greenhouse gas emissions remains debatable at best. Our membership instead supports technological investments and incentives for programs/operations to reduce emissions as more attractive, stable, and truly impactful alternatives to facilitate greenhouse gas emission reductions.

To move forward on generating tangible greenhouse gas reductions without the introduction of carbon pricing, the Saskatchewan Chamber has launched the *Energy Efficiency Program - 100 Day Task Force*. This Task Force will draw on the expertise of a variety of industry stakeholders to determine the program supports necessary to advance the implementation of energy efficiency as

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the first approach to greenhouse gas emissions reduction in Saskatchewan. The recommendations generated by this Task Force will be shared with your government after its completion in April.

We understand your government's desire to enhance Canada's environmental sustainability, but believe there are better options available. We hope to work with you to build a more effective, and more economically viable program for Saskatchewan.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve McLellan". The signature is fluid and cursive, with a large loop at the end of the last name.

Steve McLellan
Chief Executive Officer

Cc: Premier Brad Wall, Government of Saskatchewan
Hon. Ralph Goodale, Member of Parliament - Wascana