

We applaud the Canadian government for announcing a national price on carbon, uniting all provinces and territories with a minimum and rising fee. This is an important step to help Canada in its transition to a clean energy economy.

In its Pan-Canadian Clean Growth and Climate Plan, the government recognizes that this transition can result in a strong, diverse and competitive economy.

However, the Federal government has committed to increasing the fee for only five years. Not knowing if the fee will continue to rise beyond 2022 makes planning difficult for Canadian businesses that need to take a longer view. Also a five year commitment is not enough to meet Canada's goal of reducing greenhouse gas emissions to 30 percent below 2005 levels by 2030.

We call on the Canadian government to extend the rising fee to year 2030.

In addition, there must be clarity from the federal government on the comprehensiveness of the national carbon price plan. Excluding some sectors from a carbon tax unfairly burdens certain industries more than others, and undermines Canada's climate commitments. A comprehensive fee applied at the wellhead and point of entry for import in all provinces will most effectively reduce Canada's greenhouse gas emissions while providing powerful incentives to invest in the clean energy economy.

We also urge our government to impose border tax adjustments. Such a measure would affect change by incentivizing non-carbon-taxing jurisdictions to become more environmentally responsible while helping our national economy establish an equal footing in the global market.

Canada can significantly reduce greenhouse gas emissions by becoming a world leader in the clean energy economy. Extending the rising fee to 2030, ensuring comprehensive coverage, and imposing border tax adjustments will help ensure a strong, diverse and competitive economy inspiring other countries to take Canada's lead.

Sincerely,

For a list of the undersigned, visit: <u>canada.citizensclimatelobby.org/open-letter-lettre-ouverte</u>