

Standing Committee on Finance (FINA)

Pre-budget consultations 2012

Canadian Propane Association

Responses

1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

Driven by a unique combination of organizations, every year the propane industry makes a \$10 billion dollar impact on the Canadian economy, generates over \$900 million in taxes and royalties, and supports the livelihood of more than 20,000 Canadians. The industry is dominated by small and medium sized businesses that handle the wholesaling, retailing, marketing and transportation sides of the business. The largest industry players are some of Canada's best known energy companies, and they are concentrated on the production side of the business. Canada's sustained economic recovery and growth is an important matter to our members and we offer the following recommendations. • Offer credits for hiring and support for the manufacturing and process sector. • Reduce inter-provincial trade barriers and standardize regulatory requirements. • Collaborate with the private sector to establish incentives to promote increased research and development investment opportunities for the innovation of propane uses. A good example is the recent collaboration between Transport Canada and ROUSH under the ecoTECHNOLOGY for Vehicles (eTV) program. • Improve Canada's regulatory regime by streamlining regulations. • Encourage entrepreneurship and promote growth in small and mid-size companies by expanding their access to credit and capital and streamlining processes to open and close businesses. This will facilitate and encourage entrepreneurs to pursue the creation of new businesses. • Foster and encourage a culture of global thinking and competitiveness.

2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

• Invest in the research and development of new technologies using clean fuel such as propane. • Encourage industries to develop a skilled and educated workforce. • Increase the focus on quality secondary education as well as apprenticeship programs (see answer to question 3). • Improve relationships between industries and academia. This could be achieved through the involvement of the private sector in curriculum development. • Establish new solutions and practices in the clean energy sector. • Provide incentives for the use of propane and related technologies. • Establish a propane infrastructure in remote communities (see answer to question 5). • Encourage the growth of value-added processes and industries in addition to commodity based industries.

3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

• Invest in high-quality early childhood care and education to improve children's capacity to learn and develop, and increase their chances to succeed at school and in life. • Take the necessary steps to ensure that students have access to an affordable and high-quality education system that is sustainable

for future generations. • Strengthen student aid to improve access to colleges and universities. • Support active learning (such as internships and co-op programs) to better prepare students for the workforce and provide them with a variety of relevant experience. • Help unemployed workers and those who need to upgrade their skills, learn a new trade or gain apprenticeship or literacy skills. • Establish and promote projects like the Temporary Foreign Worker pilot project in Alberta that helps employers in Alberta to hire foreign workers on a temporary basis to fill short-term skills and labour needs when Canadians or permanent residents are unavailable.

4. Productivity

With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

Over 300 isolated communities across Canada depend on diesel to generate electricity. Almost half of them are in Canada's northern regions. As the government looks at replacing the use of diesel with cleaner energy, we believe that propane can be an energy solution for these communities. Clean-burning, Canadian-made, and cost efficient, propane can assist the Canadian federal and provincial governments achieve multiple public policy objectives including meeting the responsibility to provide basic services to all Canadians, real reductions in emissions and pollution, and significant cost reductions. Propane technology is established, reliable and available for immediate implementation. The propane industry has serviced the commercial and residential needs of northern Canadians in cold climates for decades. The industry has met the challenges of delivering fuel to northern locations through an established and extensive transport infrastructure including pipeline, roads and rail. In areas where gasification is impossible, or not yet available due to remoteness and geography, the propane industry has worked closely with all levels of government to build and design propane heating and energy systems. When looking at solutions to meet the energy needs of northern and remote communities, we ask that the Government considers propane as an option.