

## Biofuels Hold Much Potential for Future of Agriculture

Canada's Government has been making a concerted effort to promote the development of a new bio-fuels strategy that will assist farmers and rural communities seize new market opportunities in the agricultural bioproducts sector.

On December 20th, 2006, the Government announced two key pieces to a biofuel strategy. First, a regulation was introduced that will ensure that gasoline contains an annual average renewable content of 5% by 2010 and that diesel fuel and heating oil contain 2% renewable fuels content by 2012. Subsequent to this, \$345 million in program spending was announced to help spur producer participation and ownership in biofuel facilities.

Of the \$345 million, \$145 million will be directed through the Agricultural Bioproducts Innovation Program that will provide support for research networks conducting scientific research and development related to the advancement of the bio-based economy. Furthermore, \$200 million will be provided for the Capital Formation Assistance Program for Renewable Fuels Production that will offer producers incentives for investing in the renewable fuels industry.

The Capital Formation Assistance Program will provide repayable capital funding arrangements to renewable fuels projects based on producers' contributions to biofuel facilities. Funding arrangements will be based on the level of producers' contributions to eligible project costs capped at the lesser 25% of a project's total cost or a

maximum of \$25 million per project. While this is a significant measure that will help increase the production of renewable fuels in Canada, many feel that there is a third critical piece to the biofuels strategy that is integral to seeing the biofuels industry succeed here at home. This piece would involve the creation of a tax instrument allowing for tax credits that would be offered for biofuel production.

Industry experts have advocated strongly for the need to implement a refundable tax credit of 10 cents/litre for ethanol production and 20 cents/litre for diesel production. This measure would place Canada on a more equal playing field with their counterparts in countries like the United States, who already enjoy these special tax measures.

Along with others in our caucus, I have spoken to and lobbied the Minister of Natural Resources, the Minister of Agriculture and Agri-Food, the Minister of Environment, as well as the Minister of Finance, urging them to move forward on this third leg to ensure that the biofuels industry can establish itself in the prairies.

With a Spring budget around the corner, these are important initiatives that must be considered. Nonetheless, one thing is certain and that is that the Government is recognizing the importance of investing in renewable fuel initiatives. Not only do investments in this area have a positive impact on the environment by lowering emissions and reducing greenhouse gases, but they also put hope back into the farming industry.



### Constituent Visit to Ottawa

Barry Harris, from North Portal, while visiting Ottawa was fortunate to meet and speak with the Honourable Gary Lunn, Minister of Natural Resources, as well as the Honourable Rona Ambrose, Minister of Intergovernmental Affairs and Western Economic Diversification. Barry was able to bring some local development initiatives to the attention of the Ministers. (See Left) Barry Harris, Ed and Minister Gary Lunn.

### Biofuel Initiatives

Representatives from the Saskatchewan Canola Development Commission (SCDC) visited my office specifically to encourage the Government to implement a refundable tax credit on the production of biofuels. (See Right) Ed, Laurie Hayes, Executive Director, Jim Caughlin, Chairman, John Serhienko, Director, and Tim Wiens, Director.



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## Souris–Moose Mountain Update

**Ed Komarnicki**  
Member of Parliament

### Barley Plebiscite Gives a Voice to Western Farmers

Canada's New Government believes Western grain farmers should have the choice on how they market their grain while preserving a strong, viable, yet voluntary Wheat Board. Farmers have told us that they want to be consulted on this issue – and that is exactly what this plebiscite is about.

The Minister of Agriculture looks forward to what farmers have to say so I encourage all of you that are eligible to vote to do so.

The question on the ballot will be:

- The Canadian Wheat Board should retain the single desk for the marketing of barley into domestic human consumption and export markets.



Ed with the Honourable Chuck Strahl, Minister of Agriculture and Agri-food and Minister for the Canadian Wheat Board.

- I would like the option to market my barley to the Canadian Wheat Board or any other domestic or foreign buyer.

- The Canadian Wheat Board should not have a role in the marketing of barley.

Canada's Government

believes that Western grain farmers take all the risks and make all the investments and therefore deserve the chance to seek out the best possible return that makes good business sense to them – whether selling to the Board or outside of it.

In order to be eligible to vote, farmers must have produced grain in 2006 and must have produced barley in at least one of the past five years (2002-2006).

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## Barley Plebiscite Gives a Voice to Western Farmers

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Farmers who do not meet this first criterion but who are active farmers will be able to be included on the voters' list upon declaration of their extenuating circumstances if they had planned to produce a grain crop in 2006 but were unable to do so.

Those eligible farmers who have not received a ballot by February 15, 2007 should contact the election coordinator, KPMG at 1-888-3BARLEY (1-888-322-7539) and arrangements will be made to send them a declaration form and ballot.

To help producers make an informed decision, three independent specialists in the field; Dr. Murray Fulton, from the University of Saskatchewan; Rolf Penner, from the Frontier Centre for

Public Policy; and Dr. Barry Cooper, from the University of Calgary; have been retained to write a short, objective description of each question, which will be provided in the package sent to producers.

Each farm in the CWB-designated zone, whether a single producer, a partnership or a corporation, will be eligible for one vote. KPMG will commence mailing ballots to eligible producers on February 7 and the last day for return ballots to be postmarked will be March 13.

For more information on the plebiscite, please visit [www.2007barleyvote.ca](http://www.2007barleyvote.ca). For more information on marketing choice, please visit [www.agr.gc.ca/cwb](http://www.agr.gc.ca/cwb).

### Getting Things Done: ecoENERGY Efficiency Plan

At the beginning of this year, the Government introduced a series of practical measures to promote sustainable development and smarter energy use. These initiatives will help Canadians use energy more efficiently, boost renewable energy supplies and develop cleaner energy technologies. In total, \$2 billion dollars of investment has been announced in the Government's recently unveiled ecoENERGY efficiency plan.

- \$230-million in funding for the ecoENERGY Technology Initiative for research, development and demonstration of clean energy technologies such as tidal and wind power;
- \$1.5 billion in funding for the ecoENERGY Renewable Initiative to boost Canada's renewable clean energy supplies from sources like wind, biomass, small hydro, and ocean energy;
- \$300-million towards the ecoENERGY Efficiency Initiative provides financial incentives for retrofitting existing houses, buildings and industrial processes. It will also raise the bar for new construction and spur industry on to greater energy efficiency.

## BARLEY PLEBISCITE: IT'S YOUR CHOICE!

### Points to Consider?

If you are taking all the risks and making all the investments, should you have the option to pursue opportunities outside the Wheat Board that make good business sense to you?

Should you have the freedom to choose what you want to do with the products you grow and be on the same level of other Canadian farmers who sell canola, cattle, or other farm products?

What affect will the freedom to choose have on the Canadian Wheat Board and will it have any negative impact?

You have the Government's commitment that no changes will be made in the Canadian Wheat Board's role in the marketing of barley until after this vote is held. Contrary to what others may tell you, this plebiscite is on the marketing of barley only. We are committed to holding a plebiscite on wheat at an appropriate time. No changes will be made in the CWB's role in the marketing of wheat without a plebiscite.

### Who's Eligible?

Each "active farming entity" that has produced grain during the past year and has produced barley in at least one of the last five years, if that is you, then you are eligible to vote. Each farming entity, whether a single producer, partnership, or corporation will be eligible for one vote.

### What's the Question?

You will have three options in which you will select the one that best represents how you feel:

1. **"The CWB should retain its exclusive monopoly over the marketing of barley into export and domestic human consumption."**

- If you are satisfied with the status quo and are happy with the returns the CWB gives.

2. **"I would like the option to market my barley to the CWB or any other domestic or foreign buyer."**

- If you would like the choice, based on what is best for your operation, to have the option to sell either to the CWB or seize opportunities outside the Wheat Board. This ensures that the CWB will be there for you when you need it or if you would like to continue with the Board but do not want to hinder someone else that has a good opportunity.

3. **"The CWB should not have a role in the marketing of Barley."**

- This is assuming you want the CWB to "close shop" and have an open market. The CWB will not be an option.

### What's the Best Choice?

If you select the second option, this will allow you to sell outside the CWB but still have the option to do business with the Board. By selecting the first or third option, you will either keep the status quo or go to a fully open market. Participate and mail in your ballot today. The final decision is up to you.

### Need More Information?

For more information on the plebiscite, please visit: [www.2007barleyvote.ca](http://www.2007barleyvote.ca)

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