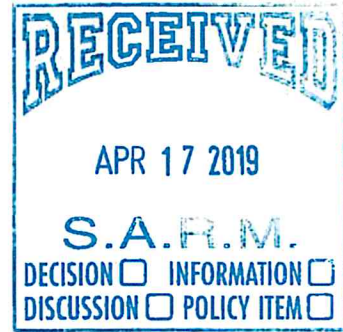




Government
of
Saskatchewan
Minister of Agriculture
Legislative Building
Regina, Canada S4S 0B3



April 15, 2019

Ray Orb, President
Saskatchewan Association of Rural Municipalities
2301 Windsor Park Road
REGINA SK S4V 3A4



Dear Ray Orb:

Thank you for the opportunity to respond to resolutions passed at the Saskatchewan Association of Rural Municipalities (SARM) 2019 Annual Convention. Please see the following responses to resolutions directed to the Ministry of Agriculture.

Resolution 6-19A: Stray Animals

Our Government continues to work towards regulatory modernization. Officials at the Ministry of Agriculture will take your comments into consideration regarding *The Stray Animals Act* as our government continues to update legislation in the province.

The Ministry of Agriculture will continue to provide guidance and work with municipalities when dealing with stray animals.

Resolution POP 3-19A: Carbon Tax Farm Fuels Exemption

Our Government is opposed to the federal carbon tax and is not involved in its implementation.

Mr. Ray Orb
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April 15, 2019

The federal government has exempt fuel used for farm purposes from the tax. Initially, the exemption only applied to fuel delivered to the farm leaving fuel purchased at cardlocks subject to the tax. However, the federal government's 2019 Budget noted that legislation would be amended to exempt fuel used for on-farm purposes that is purchased at cardlocks. Background information provided by the federal Department of Finance indicates that these changes are "deemed to come into force on April 1, 2019". Farmers will need to complete the Canada Revenue Agency form L402 E – *Fuel Charge Exemption Certificate for Farmers* – and provide the completed form to their fuel dealer in order to receive the exemption.

Thank you again for the opportunity to respond to resolutions passed by SARM delegates.

Sincerely,

A handwritten signature in blue ink that reads "David Marit". The signature is written in a cursive style with a large, looping initial "D".

David Marit
Minister of Agriculture



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APR 11 2019

Our File: 2019-70

Mr. Ray Orb, President
Saskatchewan Association of Rural Municipalities
2301 Windsor Park Road
REGINA SK S4V 3A4
sarm@sarm.ca

Dear Mr. Orb:

Thank you for your recent letter informing me of the resolution relating to marked diesel fuel in municipalities that was passed at the 2019 Annual Convention of the Saskatchewan Association of Rural Municipalities.

With respect to that resolution, I would note that the Farm Fuel Program and the marked fuel program are intended to reduce fuel costs for farmers and other primary producers (commercial loggers, fishers and trappers). Marking fuel deters farmers from diverting farm fuel to diesel equipment used for ineligible activities (road work, commercial construction, etc.). It is a valuable tool, aiding Finance in its enforcement and compliance efforts. Extending this fuel tax exemption to municipalities, but not to other sectors for similar construction and maintenance activities, would cause inequalities between sectors, would be difficult to enforce and would also dramatically increase the cost of the program.

At this time, I feel that our Government has achieved a good balance between necessary changes to our revenue base and fairness to our taxpayers.

Now that we have achieved our goal of returning to fiscal balance, we want to ensure that this fiscal position is sustainable into the future, at which time we will be able to take a fresh look at our entire range of tax policies, to determine whether we might be able to provide some tax relief to our residents in areas where it is most needed and would have the greatest economic impact.

... 2

Mr. Ray Orb
Page 2

Thank you for providing me with the opportunity to comment on this resolution.

Sincerely,

A handwritten signature in cursive script that reads "Donna Harpauer".

Donna Harpauer
Minister of Finance