Written Submission for the Pre-Budget Consultations in Advance of the Upcoming Federal Budget

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RECOMMENDATIONS

Building one Canadian economy

Recommendation 1: Accelerate the adoption of the national Red Seal Certification for licensed gas fitters and collaborate with provinces on outstanding code alignments thus ensuring that qualified tradespeople can work anywhere in Canada without re-certification.

Recommendation 2: Standardize propane worker training with federally accepted training provisions such as for bulk delivery, heater setup, and plant operations, so workers can operate interprovincially without separate provincial licenses.

Recommendation 3: Encourage integrated permitting processes (e.g., single permits for gas and boiler systems) to reduce delays for construction timelines and enable propane to support large builds efficiently.

Recommendation 4: Ensure that Canadian Registration Numbers (CRNs) are respected across jurisdictions without redundant provincial inspections.

Bringing down energy costs for all Canadians

Recommendation 5: Ensure propane is part of the energy choice for Indigenous, rural, and remote communities looking to transition from diesel or heating oil to affordable, lower-carbon energy sources.

Strengthening our collaboration with reliable trading partners and allies around the world.

Recommendation 6: Develop and enhance policies and programs that expand Canada's propane export capacity, ensuring access to growing global markets. This includes investing in transportation and terminal infrastructure, streamlining regulatory processes, and fostering trade agreements that open new opportunities for Canadian propane abroad.

Supporting Canadian renewable energies

Recommendation 7: Reduce regulatory barriers to fuel innovation and deployment by streamlining and modernizing federal fuel regulations, like the Clean Fuel Standard, to support Canadian-made lower-carbon fuels.

Recommendation 8: Implement competitive, universal incentives for biofuels and develop enabling regulatory programs to recognize renewable propane.

Submission Details

Recommendation 1: Accelerate Red Seal adoption and provincial code alignment for licensed gas fitters, ensuring that qualified tradespeople can work anywhere in Canada without re-certification.

Many infrastructure and energy projects, particularly in rural, northern, and Indigenous communities, depend on the timely availability of skilled gas fitters and propane professionals. **We recommend accelerating the implementation of the national Red Seal certification for Gas Fitters – Class A or B, following the models used in long-standing Red Seal programs for electricians, heavy duty equipment operators, and welders**. Although already established, there are a few outstanding provincial code alignments needed to nationally adopt Red Seal Certification for gas fitters. Gas fitters play a critical role in delivering the housing, energy, agricultural, and industrial infrastructure that Canadians depend on, yet their mobility remains constrained by a fragmented provincial licensing system.

The Federal government can play an important role in collaborating with provinces to address these code discrepancies and accelerate the adoption of this national certification. This initiative would directly contribute to your government's vision of building a stronger, more secure, and more productive Canada. We urge your government to champion early and harmonized adoption of codes and standards through formalized Gas Fitters Reconciliation Agreements. Together, these steps will unlock labour mobility, ensure public safety, and strengthen national economic competitiveness.

The propane sector is uniquely affected by these barriers due to its role in serving diverse regions, including remote and Indigenous communities where energy security and rapid deployment of skilled labour are critical. These barriers are especially problematic when urgent needs arise, such as in the construction sector, in response to emergencies, or in the roll out of decarbonization initiatives (e.g., replacing diesel with propane for cleaner heating and backup power).

Recommendation 2: Standardize propane worker training, such as for bulk delivery, heater setup, and plant operations by approving nationally accepted training, so workers can operate interprovincially without separate provincial licenses.

Currently, propane workers face significant barriers when seeking to work in different provinces or territories. Each jurisdiction requires its own license for workers to operate. However, the training needed for that license is identical across jurisdictions. The licence is essentially an administrative and financial burden that does not provide any additional provincial-specific training.

All of which means that even experienced and qualified workers must pay and wait to obtain new licenses to operate in each individual province. This fragmentation creates unnecessary

delays, increases costs for employers and workers, and limits the ability of the propane industry to quickly respond to opportunities and urgent needs.

Having provinces recognize the existing, national standardized propane worker training across Canada would address these challenges by approving consistent federal requirements and competencies applicable across all provinces and territories. With a national standard, a worker trained and certified in one part of the country would be able to safely and legally perform their duties anywhere in Canada without having to repeat training or navigate additional licensing processes.

This approach would enhance labour mobility and flexibility, allowing the propane industry to efficiently deploy skilled workers where they are needed most. It would improve project timelines, support the timely delivery of energy solutions for housing and infrastructure, and help remote and Indigenous communities access qualified professionals for critical energy services.

We encourage close work with provincial counterparts on removing barriers to worker mobility by standardizing worker training or accepting various training licensing.

Recommendation 3: Encourage integrated permitting processes (e.g., single permits for gas and boiler systems) to reduce delays for construction timelines and enable propane to support large builds efficiently.

The delivery of construction projects in Canada often requires complex permitting procedures that can involve multiple, overlapping applications for different systems, including gas and boiler installations. For the propane industry and its customers, this means that a project may be delayed as companies seek separate approvals from various regulatory bodies, even when the work is closely related and could be assessed together.

These fragmented permitting processes contribute to increased costs, administrative burden, and unnecessary delays that can impact the timely completion of housing, infrastructure, and industrial projects. Such delays are particularly challenging for projects in remote, rural, and Indigenous communities where access to skilled trades and resources is already limited.

Encouraging a nationally standardized integrated permitting process, such as allowing a single streamlined permit for gas that integrates boiler system information, would simplify the regulatory process for both industry and regulators. This change would help construction projects proceed more quickly and efficiently by reducing paperwork, minimizing wait times, and cutting down on redundant inspections. **This will help unlock the full value of propane for large builds and critical projects across the country.**

Recommendation 4: Ensure that Canadian Registration Numbers (CRNs) are respected across jurisdictions without redundant provincial inspections.

The Canadian Registration Number (CRN) system is designed to ensure that pressure equipment, such as propane tanks and related components, meet rigorous safety and engineering standards. Once a piece of equipment receives a CRN, it has been reviewed and approved according to established technical criteria. However, despite the existence of this national system, many provinces and territories require their own additional inspections or registrations, even for equipment that has already been certified with a CRN elsewhere in Canada.

This lack of mutual recognition creates unnecessary administrative hurdles and costs for manufacturers, suppliers, and end users. It can slow down the delivery of essential propane equipment, delay construction schedules, and raise project expenses. These inefficiencies are especially problematic for large-scale projects and for the timely deployment of energy solutions in rural, remote, or fast-growing regions.

Respecting CRNs across all jurisdictions would streamline the approval process and eliminate redundant inspections for equipment that has already met national safety standards. This approach would improve the efficiency of the supply chain, reduce delays, and lower costs, all while maintaining the highest levels of safety and reliability.

We encourage close collaboration with provincial counterparts on this issue.

Recommendation 5: Ensure propane is part of the energy choice for Indigenous, rural, and remote communities looking to transition from diesel or heating oil to affordable, lower-carbon energy sources.

Many Indigenous and remote communities in Canada continue to rely on diesel for heating and power generation. This presents a variety of health, environmental, economic, technical, and social challenges, including air, land, water, and noise pollution, the risks of fuel spills/leaks, high cost of energy and land remediation, supply issues, and capacity constraints.

There is a critical and immediate opportunity to support Indigenous and rural communities in transitioning to cleaner, more sustainable energy systems. Propane—already widely available across Canada—is a lower-emission, affordable, and reliable alternative to diesel. For communities seeking to integrate renewable energy, propane is also the most dependable and cost-effective backup fuel, ensuring energy continuity when solar, wind, or hydro systems are unavailable due to weather or grid limitations. In a 2022 report on Energy Poverty Rates commissioned by Natural Resources Canada, Statistics Canada found that affordable energy choice is not available equally to all Canadians. In fact, in areas of Canada that are off the natural gas grid, governments have been slow to encourage more affordable and lower emission energy options such as propane.

Among the findings in the study, Statistics Canada reported that, “The 2021 Census showed that 822,000 households in Canada (5.6%) were energy poor, and this was more prevalent in the Atlantic provinces (ranging from 10.7% to 13.7%).”

While Atlantic Canada and Indigenous communities are more likely to endure energy poverty than other communities in Canada, the same lack of affordable energy choice applies to any part of any province that does not have access to the natural gas grid.

As an extension of the natural gas grid, propane offers a comparable lower-emission energy solution and is significantly more affordable than heating oil. Unlike the volatile price fluctuations associated with heating oil, propane provides a more stable and predictable cost for consumers.

Environmentally, propane is a cleaner energy source when compared to heating oil, diesel, and gasoline. It stands as a vital component of Canada’s diverse energy portfolio, playing a critical role as the country transitions toward a low-carbon economy, especially in extending affordable energy choices to areas not serviced by natural gas. Propane is a pillar in the path to affordability for many Canadians.

Recommendation 6: Develop and strengthen policies and programs that support the export of propane to global markets who are actively seeking the resource from Canada (South Korea and Japan).

The federal government should develop and strengthen targeted policies and programs that support the growth of Canadian propane exports to key international markets—particularly Japan and South Korea, which are among the largest global consumers of propane and have demonstrated strong interest in securing Canadian supply.

Canada holds a unique geographic and geopolitical advantage in serving the Asia-Pacific region. Export terminals on the Pacific Coast allow for significantly shorter shipping times to East Asia compared to U.S. Gulf Coast exporters. Combined with Canada’s stable political environment, high production standards, and growing output of natural gas liquids, this makes Canadian propane highly attractive to global buyers seeking both reliability and lower-emission fuels.

To capitalize on this opportunity and maximize export growth, the federal government should:

- **Enhance regulatory certainty and streamline permitting** for propane export infrastructure and terminals, ensuring timelines are predictable and supportive of private-sector investment.
- **Negotiate and maintain trade agreements** that remove barriers and secure long-term access to strategic markets in the Asia-Pacific region.
- **Promote Canadian propane abroad** through federal export promotion agencies, emphasizing its environmental advantages, such as lower life-cycle emissions and high efficiency in heating, transportation, and industrial use.

By advancing these measures, the federal government can help Canada diversify its energy export portfolio, reduce reliance on the U.S. market, increase national trade revenues, and support economic development across the propane supply chain. This will also enhance Canada's standing as a trusted global partner in the transition to cleaner energy.

Recommendation 7: Implement competitive, universal incentives for biofuels, including a Production Tax Credit (PTC) and infrastructure support, so that renewable propane production can be scaled up to prevent investment from shifting to the U.S. and advance equitable decarbonization for diesel-dependent communities.

Canada's potential to become a leader in renewable fuel production is undermined by a lack of competitive incentives. This investment climate risks a continued outflow of Canadian projects, feedstocks, and capital to the U.S. where more attractive incentives are available.

This situation means that the economic benefits, job creation, and energy security associated with a domestic biofuels industry are being lost. Furthermore, it slows progress on decarbonization, disproportionately affecting Indigenous and remote communities that rely on high-carbon diesel and need affordable, lower-emission alternatives.

Establishing competitive, universal incentives, aligned with those for other low-carbon fuels, would level the playing field. A policy framework including a universal, non-repayable Production Tax Credit (PTC) and an infrastructure upgrade incentive would provide the financial certainty needed to scale up Canadian production. This would result in significant economic benefits for Canadian products and facilities, strengthen rural economies, and advance an equitable energy transition for communities currently dependent on diesel.

Recommendation 8: Reduce regulatory barriers to fuel innovation and deployment by streamlining and modernizing federal fuel regulations, like the Clean Fuel Standard, to support Canadian-made low-carbon fuels.

The current federal fuel regulatory framework, including mechanisms like the Clean Fuel Standard, can be overly complex and slow to adapt to new energy innovations. For producers of renewable propane and other biofuels, navigating these regulations creates significant administrative burdens and uncertainties and as such remains often unused. The process for compliance and credit generation is convoluted, which can act as a barrier to market entry, particularly for smaller producers or novel technologies. This regulatory friction delays the commercialization of clean fuels developed right here in Canada.

Streamlining and modernizing these federal fuel regulations is a necessary step to support the energy transition. This involves simplifying the Clean Fuel Standard's processes to make them more accessible and predictable for biofuel producers. By creating a clearer, more efficient

regulatory pathway, the government can remove unnecessary obstacles and foster a more dynamic market for clean fuels.

A modernized regulatory system would cut red tape, improve industry access to credit generation, and support the rapid deployment of Canadian-made low-carbon fuels. This change would help ensure that innovative energy solutions can reach the market quickly, providing Canadians with more sustainable energy choices and strengthening the country's position as a leader in the clean fuel sector.

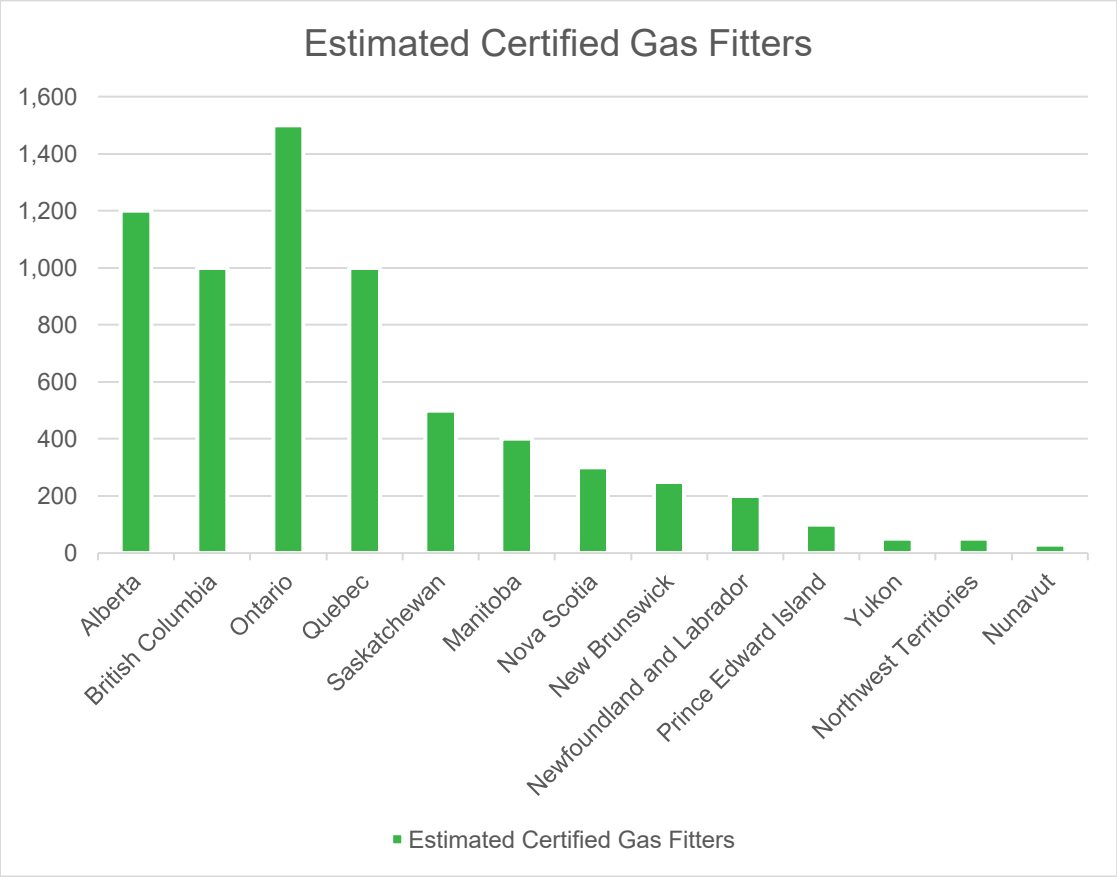
Canada’s propane industry

Canada’s propane industry supports about 21,000 well-paying jobs in every region of the country. Canadians are employed in the propane industry in many roles, including extraction, production and refining, transportation and distribution, equipment manufacturing, sales, and marketing. Find out more: www.propane.ca

APPENDIX

Recommendation 1

As of the latest available data, specific numbers of certified gas fitters by province in Canada are not comprehensively published. However, estimates based on various sources provide the following approximate figures:



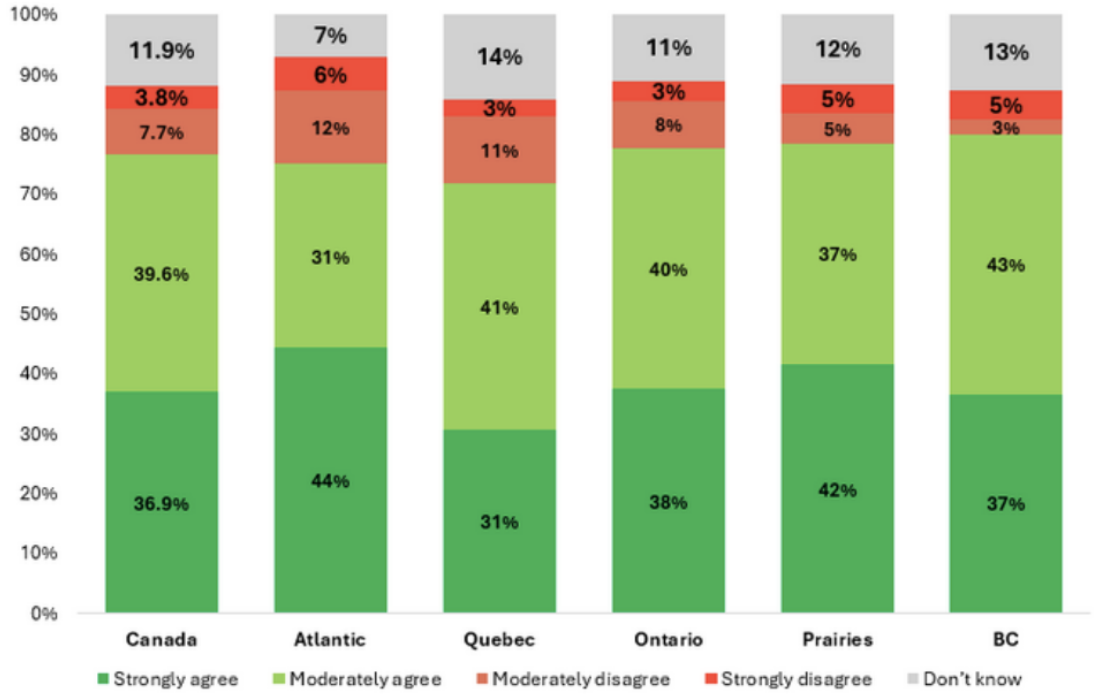
Sources:

- Job Bank Canada provides general information on gas fitter occupations, including job prospects and requirements, but does not specify numbers by province. ab.jobbank.gc.ca+6jobbank.gc.ca+6on.jobbank.gc.ca+6
- The Red Seal Program outlines the standards for tradespeople in Canada, including gas fitters, but does not publish provincial certification numbers. en.wikipedia.org+1en.wikipedia.org+1
- Provincial regulatory bodies, such as Technical Safety BC and the Technical Standards and Safety Authority (TSSA) in Ontario, oversee certification but do not publicly release detailed statistics.jobbank.gc.ca+4on.jobbank.gc.ca+4skilledtradesbc.ca+4

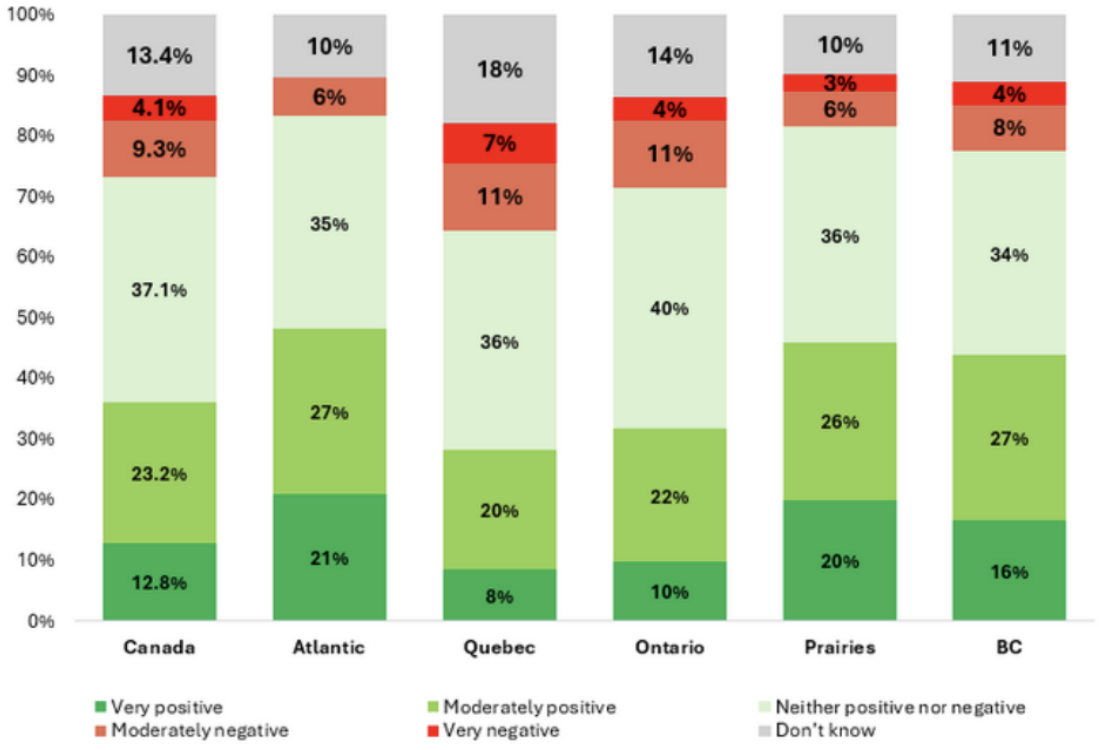
Note: These figures are estimates and may vary

2024 National Polling

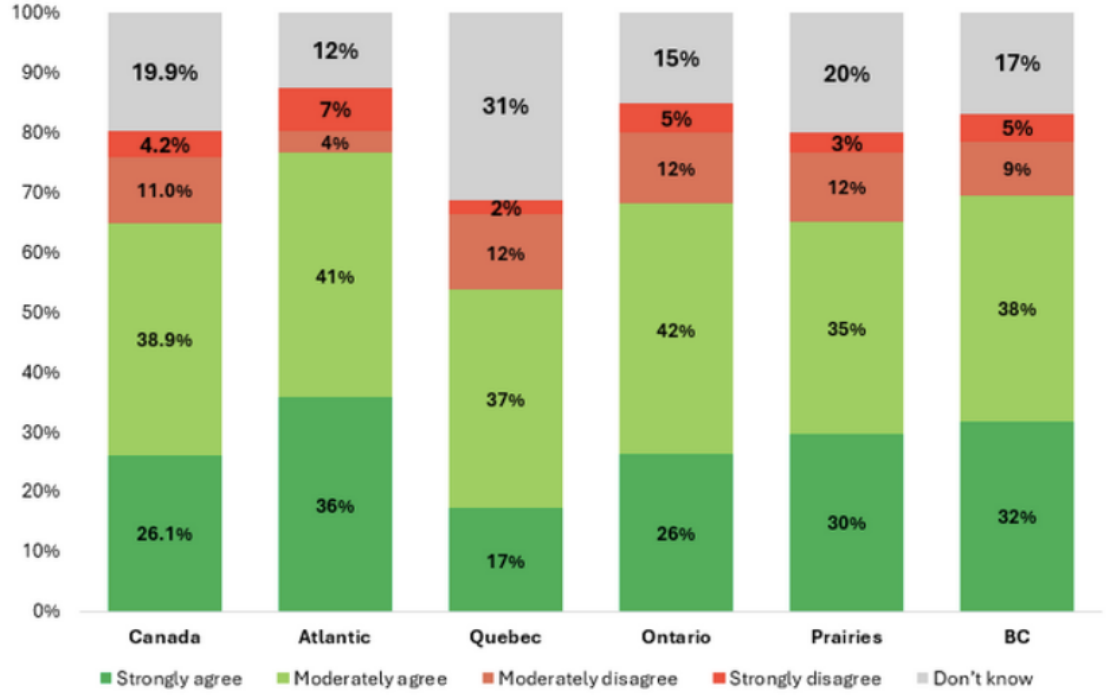
Significant support for access to affordable energy choices including low-emission propane



If a Canadian has an impression of propane, it's far more likely to be positive than negative



Majority in all regions support programs to transition from heating oil to propane



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