

Bill C-234

Enabling farmers and ranchers to unleash their full potential as climate solutions providers

Canadian farmers and ranchers drive our economy, produce the food that feeds Canadians and a growing world population, and provide meaningful climate solutions as stewards of 159 million acres of land across Canada.

To remain competitive and environmentally sustainable, farmers increasingly need capital to invest in innovations that drive efficiencies, reduce fuel use, and implement best management practices in their operations.

To support farmers in these efforts, **Bill C-234** seeks to amend the *Greenhouse Gas Pollution Pricing Act* to extend the exemption for qualifying farming fuel to marketable natural gas and propane.

Currently, farmers pay a carbon price for utilizing natural gas and propane for essential farming activities such as grain drying, irrigating their land, steam flaking and heating or cooling barns. With no viable alternatives, pricing these activities does not provide the adequate signal to lower emissions from these energy sources.

Bill C-234 allows farmers the capital to make the investments on-farm that will drive energy efficiencies and support practices that will help the environment, including energy efficient grain dryers, precision agriculture technologies, anaerobic digesters, and solar panels.

Investments in these technologies can cost hundreds of thousands of dollars and, when no alternative exists, carbon surcharges pull capital away from these critical investments that would augment the sector's potential to further reduce emissions.



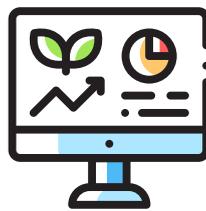
An exemption is the best solution

Unfortunately, the carbon price rebates for farmers outlined in Bill C-8 do not adequately respond to the breadth and variety of carbon surcharges applied to farms. C-234 would provide a complete exemption for essential activities that lack viable alternatives and leave the money in farmers' pockets to make timely investments in their operations.

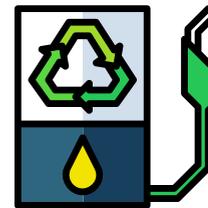
Farmers and ranchers are climate solutions providers:

- ✓ sequestering millions of tonnes of carbon;
- ✓ protecting biodiversity and grasslands;
- ✓ utilizing the latest technologies to reduce fuel and water use.

Agricultural production has increased significantly while total emissions from the sector have been relatively stable for 20 years, resulting in a decrease of GHG emission intensity of 50% from 1997 to 2017.



Competitiveness is critical to Canadian and global food security.



No viable alternative fuel sources.



Input costs are the greatest expense to farmers. **Carbon surcharges on natural gas and propane limit farmers' ability to invest in efficiencies which would reduce emissions.**



ACA is a national coalition of farm organizations committed to meaningful and collaborative dialogue with the federal government around carbon pricing and related environmental policy.