

UNDERSTANDING

THE IMPACT OF CARBON PRICING ON FARMERS, GROWERS AND RANCHERS

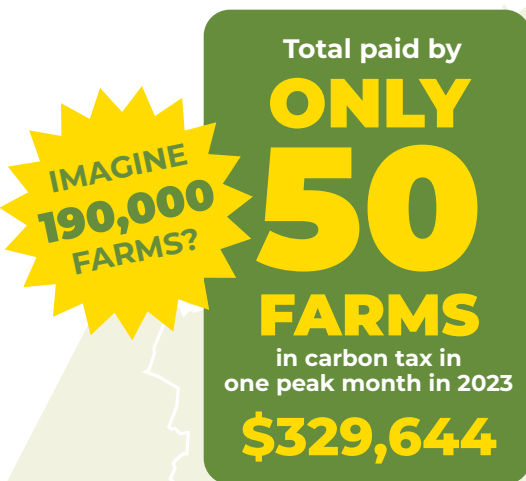
On-farm innovations and efficiencies such as energy-efficient grain dryers, precision agriculture technology, anaerobic digesters and solar panels can cost hundreds of thousands, if not millions, of dollars.

With no viable fuel alternatives, carbon surcharges pull capital from critical investments that would otherwise augment the sector's potential to reduce emissions further and support food security. We recently asked farmers from across Canada to **#ShowYourReceipts** and demonstrate the real cost of the carbon tax on Canadian farmers, growers and ranchers.

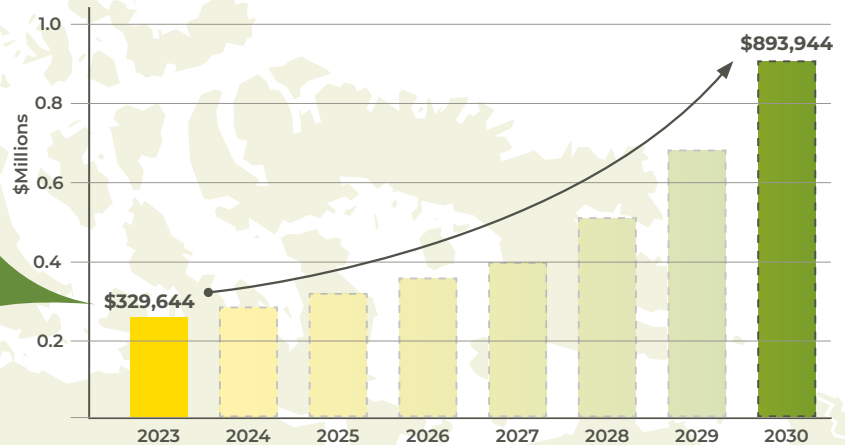


HERE'S WHAT WE FOUND:

After analyzing the data, we collated the highest carbon tax receipt from each farm for one single month, providing a clear snapshot of the peak burden faced by farmers. **50 sample farm operations** paid a total of **\$329,644** for one month in 2023 in carbon tax.



Carbon tax projection



That total figure is projected to nearly triple over the next seven years to an imposing **\$893,944 by 2030**, illustrating the compounding financial pressure as carbon tax rates increase over time.

These numbers are only from the farmers who sent in their receipts. If you expand to the **190,000** farmers across Canada, the impact on those who feed us really hits home.

HOW THE CARBON TAX HITS HOME . . .

Neighbouring this farm, another Ontario grower cultivating tomatoes, strawberries, and mini cucumbers on 39 acres faced a carbon tax of **\$31,480²** in December 2023 alone.

Moving to Manitoba, a diverse 6000-acre farm planting wheat, canola, soybeans, and corn navigated through October 2023 with a carbon tax bill amounting to **\$8,670³**, which was about 35% of the total bill for that period.

Back in Ontario, a poultry farmer rearing 60,000 kilograms of chicken every nine weeks shouldered a carbon tax of **\$3,909⁴** in 2023, with their total expenses reaching **\$31,571** for that year.

In Ontario, a sweet bell pepper farm stretches across 152 acres, where November 2023 saw the farmer paying a hefty carbon tax of **\$61,933¹**, contributing to an annual total of **\$458,827** from January to November 2023.

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CARBON PRICE PROJECTIONS FOR 2030 FOR SAMPLE FARMS ABOVE

¹ Projected to grow to **\$161,956**. ² Projected to grow to **\$82,320**. ³ Projected to grow to **\$22,671**. ⁴ Projected to grow to **\$11,252**.

UNDERSTANDING THE IMPACT OF CARBON PRICING ON FARMERS, GROWERS AND RANCHERS (CONT.)

WHAT IS THE SECTOR-SPECIFIC IMPACT FOR CANADIAN AGRICULTURE?

National carbon tax average on farms for one month in 2023



Livestock Farming

\$726.52

Max: \$2018.75
Min: \$172.97

Livestock incurs significant carbon tax costs, particularly for heating barns. Poultry farms, regardless of province, are affected by carbon tax costs due to the essential need for regulated temperatures to maintain animal welfare standards.

In livestock farming, the carbon tax can account for up to 27.8% of total energy bills in British Columbia and 27% in Ontario, underscoring the financial strain during colder months.



Crop Farming

\$2024.50

Max: \$17,938.74
Min: \$83.88

Carbon tax is a significant cost on grain farmers during key operational periods such as harvest time when grain drying is essential (tied to operational demands).

For crop farming, Alberta's grain farmers notably face a carbon tax that comprises around 40% of their energy bills, highlighting a major expense during essential operations like grain drying.



Greenhouse Operations

\$17,173.32

Max: \$61,933.00
Min: \$828.73

There is a clear seasonal pattern, with the highest carbon tax percentage in the colder months and the lowest in the warmer months.

Greenhouse operations in Ontario experience up to 40% of their energy costs as carbon tax, with a BC greenhouse showcasing variability from 12% to 37%.

WE NEED YOUR SUPPORT

This is why farmers, growers and ranchers need Bill C-234. To support farmers in their efforts, Bill C-234 would provide a much-needed exemption for qualifying farming fuel to marketable natural gas and propane.

**A vote for
Bill C-234 is
a vote for:**



**Canadian
farmers, growers
and ranchers**



**Rural
communities**



**Sustainable
farming practices**



**Food
security**

ACA is a national coalition of 17 national farm organizations committed to meaningful and collaborative dialogue with the federal government around carbon pricing and related environmental policy. Our members include Canadian Canola Growers Association, Canadian Federation of Agriculture, Canadian Cattle Association, Grain Growers of Canada, Canadian Pork Council, Chicken Farmers of Canada, Turkey Farmers of Canada, Fruit and Vegetable Growers of Canada, Canadian Hatching Egg Producers, Canadian Forage and Grassland Association, National Sheep Network, National Cattle Feeders' Association, Dairy Farmers of Canada, Canadian Seed Growers' Association, Mushrooms Canada, Canadian Nursery Landscape Association and Canadian Ornamental Horticulture Alliance.

ACA Agriculture
Carbon Alliance

agcarbonalliance.ca