

Agriculture is Everyone's Business

APAS releases submission on Federal Carbon Pricing Backstop; prepares for Carbon Summit

July 5, 2017 – For Immediate Release - The Agricultural Producers Association of Saskatchewan has asked the Federal Government to recognize the Ag Industry's efforts to combat climate change and reconsider the financial effects a Carbon Tax would have on the province's farmers.

APAS submitted their comments to the Federal Government consultation on their proposed Carbon Pricing Backstop policy that would apply to provinces that did not sign on to the Pan Canadian Framework.

"Carbon taxes do not work for agriculture," says APAS President Todd Lewis. "Producers cannot pass along added costs through the value chain to their customers. There is no effective price signal in current carbon policy that will achieve the intended results. Agricultural producers do not set the prices for their products, operate on very thin profit margins, and endure high levels of risk from market prices and growing conditions."

The backstop policy contains few details about the proposed application of carbon pricing to agriculture, except for a pricing exemption for farm fuel, which Lewis says is not enough to shelter agriculture from negative impacts.

"When you add in the impact of all inputs, costs could go up between \$15-\$20 an acre at \$50 per tonne," Lewis explains. "Because energy and input costs are such a large factor in farm profitability and can't be passed along the value chain, producers already have a lot of incentive to reduce operating costs by operating as efficiently as possible. When more efficient technologies, crops and management practices are available, they are quickly adopted. More crops and livestock are now being produced than ever before, with a lower energy footprint."

The APAS submission also stresses the importance of agriculture as a solution to carbon emissions and the key role Saskatchewan producers play in Canada's land use and carbon cycle management as the stewards of 40% of the country's cultivated land and 35% of Canada's pasture land.

"Saskatchewan crop producers currently sequester an additional 8.5 megatonnes of carbon through improved management practices every year, and Prairie pastures sequester over two billion tonnes," Lewis says. "With new advances in plant genetics and land management, the future possibilities are for even greater contribution to sequestration."

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In recognition of the importance of the Carbon Pricing issue, APAS is holding a Carbon Summit July 13 and 14 in Saskatoon. The intent is to bring together agricultural producers, researchers, government policy makers and society at large to discuss the role that agricultural practices play in the Green House Gas balance and explore how public policy can recognize these contributions.

For more information and to register for the APAS Carbon Summit, visit <u>http://www.apascarbonsummit.com</u>.

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For further information or to arrange an interview, please contact Colleen Hennan Communications and Community Relations Agricultural Producers Association of Saskatchewan 306-789-7774 chennan@apas.ca

Background:

APAS is Saskatchewan's general farm organization – formed to provide farmers and ranchers with a democratically elected, grassroots, non-partisan, producer-run organization based on rural municipal boundaries. As the united voice of thousands of agricultural producers and ranchers in Saskatchewan, we strive to represent the views of a wide variety of agricultural stakeholders in order to form comprehensive policies that can benefit all sectors of society.

APAS Carbon Summit

July 13 and 14, 2017 Saskatoon Inn and Conference Centre 2002 Airport Drive, Saskatoon http://www.apascarbonsummit.com