

# GRAIN GROWING & CARBON STORAGE

## What We Think You Should Know...

### About Grain Growing & Carbon Storage:

Using the Government of Canada's calculations, both on the emission side (NIR) and the grain production side (StatsCan), Canadian grain growers are net-negative carbon emitters. The Western Canadian Wheat Growers and other agriculture organizations are now sharing this message with elected officials and bureaucrats. The calculation is straightforward using the 2019 NIR:

- Ag sector emissions are 60Mt CO<sub>2</sub>e (carbon dioxide equivalent)
- Ag/fishing and forestry fuels are 14Mt CO<sub>2</sub>e (from the Energy Sector)
- LULUCF – Cropland sequestered -7Mt CO<sub>2</sub>e
- Net farm emissions are then 67Mt CO<sub>2</sub>e

Within the agriculture sector we also capture more than 100Mt CO<sub>2</sub>e in the grain we grow, which means that in 2019 the AG sector stored 33Mt CO<sub>2</sub>e more than we emitted. This means that when our products leave our farm gate, they are net negative. Farmers want to offset their farm emissions with the carbon they capture, the same way that other industries do.

Farmers are starting to ask the question: "if our products are net-negative, then why are we being targeted with an unfair carbon tax that we cannot pass on?" Why should we be taking a 12% net income reduction in 2022 and when will the carbon tax yearly increases stop? In addition, farmers are learning more about the NIR, based on the passed KAP resolution, farmers would like to see two changes to the NIR:

1. LULUCF – Cropland, be applied against ag sector emissions, to reward farmers for storing carbon in the soil. Currently the NIR reports this number but then omits this from national totals.
2. When farmers choose to use enhanced efficiency fertilizers like Super U, ESN and Agrotain to name just a few, we do not get an Ag Soils GHG reduction in the NIR. The NIR simply uses the N content of the fertilizer sold to determine the N<sub>2</sub>O emissions, not the type of product. These products are marketed as having reduced N<sub>2</sub>O emissions, but they cost more. If farmers are going to pay more, we should see a net benefit as positive feedback in the NIR as GHG emission reduction in the AG Soils category in our sector.

It would be appropriate for the Minister of Agriculture and Agri-Food as well as the Standing Committee on Agriculture and Agri-Food to study the following issues:

1. The real impact and costs of the carbon tax on Canadian small business that are price takers, such as farms.
2. Not only the direct taxes like heating fuels, but also the indirect taxes on rail, truck transport, fertilizer production and the carbon inflation of many of the retail items that we buy to grow food should be accounted for.
3. How much carbon do farmers store in ag products in our sector other than grain, such as meat, vegetables, dairy and honey.

*Thank you to F. McPhee for his calculations and descriptions on this issue.*

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