

The Day After the Election: What Will Happen to Soil Carbon?

By John Bennett

At the deadline for this submission, **the impact of the January election result is unclear.** Policy addressing the Kyoto Protocol, climate change, and carbon offset market design could change depending on which party or combinations of parties form government.

The Liberal policy is the clearest. Their plan would appropriate a significant portion of the carbon offsets farmers create. There are a variety of mechanisms that can be used, the most obvious is Business-as-usual (BAU) and Liberal policy is clear that a Liberal government expects 10 Mt (million tonnes) of offsets as a contribution from Agriculture. While it is unclear how this contribution will be calculated, the bulk of these tonnes will come from Saskatchewan. SSCA has protested. The Soil Conservation Council of Canada (SCCC), Agricultural Producers Association of Saskatchewan (APAS), Canadian Federation of Agriculture (CFA) as well as our Provincial government have all challenged this offset grab to little avail.

Regarding the NDP policy position, carbon offset trading was part of their policy platform but there was no change in BAU. To the best of our knowledge, NDP Ag policy made no mention of offset trading. When questioned at an All Candidates Forum, the problem of BAU was recognized but, other than broad statements, no specifics were offered.

The Conservatives had nothing in official Ag policy relative to carbon offset trading. At the All Candidates Debates, Conservatives flagged the unfairness of BAU and promised a “policy review”. Late in the election, Stephen Harper suggested Canada would withdraw from the Kyoto Protocol, later amending it to a “Made in Canada” solution and seeking target changes.

Farmers need to understand that credit buyers like the Large Final Emitters (LFEs) want cheap offsets and have a very well financed and organized lobby. These buyers want only permanent offset credits and view Agriculture as a cheap supplier. The buyers are starting to recognize that there is a limited supply of offsets. It has been pointed out to the buyers, that their demand for cheap credits may limit supply.

All political parties recognize that Agriculture has a very important role to play. Failure to engage the Ag sector will require greater dependence on offshore offsets. This dependence will be very costly for Canadian taxpayers.

As farmers, we need to pay attention to this issue and engage our elected representatives to see our contribution is recognized and policies and markets are constructed that will return the value to the Farm gate.