**MEMBER BULLETIN**

March 22, 2024

**What You Need to Know About the April 1 Carbon Tax Increase**

As you have heard, the federal carbon tax is set to increase by 23% on April 1st, 2024. The carbon tax is presently set $65/tonne and will jump to $80/tonne. Its important to note that this is the first in an annual set of rate increases on April 1 of $15/tonne until 2030, when the carbon tax will reach $180/tonne.

This tax is largely focussed on the burning of fossil fuels (gasoline, diesel, natural gas, etc.), so you are likely to notice this tax on fuel consumption. To help put this into a more practical context, burning one litre of gasoline in your vehicle produces about 0.0023 tonnes of CO2. As such, the price of gasoline will become higher to reflect the increased cost associated with producing and emitting carbon.

According to government figures, the carbon tax on gasoline is set to increase from $0.1431/litre to $0.1761/litre, meaning you can expect to pay 3.3 cents more per litre after April 1. A similar jump will be observed in the price of natural gas, which will increase from $0.1239/cubic metre to $0.1535/cubic metre, or an increase of 2.96 cents per cube.

If you have any questions, please contact Patrick McManus (905-629-7766 ext. 229 or patrick.mcmanus@oswca.org).