



Propane Industry Expected to Grow More Than 20 Per Cent

OTTAWA, June 6, 2018 – Canada’s propane industry is expected to grow by more than 20 per cent between 2017 and 2025, according to a CPA-commissioned market study completed by The Conference Board of Canada. Carlos A. Murillo, Senior Research Associate with the Conference Board, presented an overview of the report’s main findings at the CPA’s 2018 Leadership Summit held June 6.

Propane is a versatile fuel with multiple end-use markets both at home and abroad. With the extensive activities covered by the industry’s supply-chain, the industry’s economic footprint across Canada is significant said Murillo.

It is estimated the industry will support \$4.4 billion in economic activity (or GDP) per year across Canada, close to 21,000 jobs annually, all while generating over \$1.1 billion per year in various forms of government revenues.

The Canadian Propane Association (CPA) welcomed the findings from the Conference Board of Canada. “They are very much in line with what we’ve been seeing in the market place. Low-emission, accessible and affordable propane will continue to be an important contributor to Canada’s economy,” said CPA President & CEO Nathalie St-Pierre.

The petrochemical industry and the industrial sector are Canada’s largest user of propane, followed by commercial and residential end-use sectors. Growth in propane use has been particularly strong across health care facilities and education institutions.

Population growth, especially in Alberta and Ontario, which are expected to rise faster than the national average, will keep residential propane demand growth steady in the coming years. Propane use in the agriculture sector increased at the fastest pace among all end-users. Above-average growth of propane use was also found in the transportation sector.

St-Pierre said she found subsidies that are provided to electric vehicles concerning because of the price premium. There are also some technological challenges and for now, the fact remains that not all electricity has zero emission and reductions should depend on the life-cycle analysis. “Lower-emission propane vehicles are available to consumers at a much smaller initial premium than electric vehicles and governments should move forward on reshaping transportation options and develop more complete and perhaps more rational incentives.” This should include vehicle and fuel infrastructure funding based on life cycle abatement costs and that reflects the purchase preferences of a broader range of consumers.

“For our industry, the report shows that propane has a vital role to play as governments develop policies that will result in a low carbon future,” concluded St-Pierre.

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About the Canadian Propane Association

With over 400 members, the Canadian Propane Association (CPA) is the national association for a growing, multi-billion-dollar industry that impacts the livelihood of tens of thousands of Canadians. Our mission is to promote a safe and thriving propane industry that plays a vital role in Canada’s energy sector. To achieve this, we champion propane and the propane industry in Canada and facilitate best practices, safety and a favourable business environment through advocacy, training and emergency response.

For further information, contact: Tammy Hirsch, Sr. Director, Comms & Marketing e. media@propane.ca p. 587-349-5876