

Canada, farmers and payment for ecological goods and services

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It's been a long time coming, but there are signs that paying farmers to care for the environment is an idea whose time has come.

Pilot projects across the country are being expanded; the Senate's standing committee on agriculture and forestry has officially endorsed the concept; and this spring the PEI government became the first in Canada to offer every farmer on the island the chance to earn a bit of cash for things such as grassing waterways or preserving wildlife habitat on their farms.

But perhaps the most positive sign that the concept of ecological goods and services is catching on came at this fall's Norfolk County Fair & Horse Show in Simcoe, Ont. Normally, the buzz at the show is about events such as the Canadian Idol concert or that always quixotic showing of Clydesdale and miniature horses. But this year - among farmers anyways - the hot topic was something called ALUS.

"I was walking around the fair with my kids this fall and farmers were stopping me every few feet," says Bryan Gilvesy, chair of a pilot ALUS project in Norfolk County, Ont. "It's amazing, really. I mean it's not like farmers are going to get rich off of this, but there is a huge interest."

Norfolk County was a natural choice for an ALUS (short for Alternative Land Use Services) pilot project. Its sandy soil is highly erodible and with its once-dominant tobacco-growing industry now being wound down, farmers were open to setting aside a little land even if the cash for doing so wasn't all that much. It took a lot of calls and lobbying to drum up the couple of million needed to fund about 30 small-scale pilot projects. But once farmers were able to get their hands dirty establishing riparian zones, planting trees, and creating ponds, they really got into it.

"We started off with a program that was very much the kind of thing you get when it's designed by bureaucrats, but it's become very organic and very alive," says Gilvesy.

"We have these twilight tours where ALUS farmers get together and go to various sites, and the energy and creativity are just amazing. You give farmers an incentive - and it doesn't have to be very much - and they'll run with it."

It's too early to say where that run will lead to, but Gilvesy, a former tobacco farmer who now raises longhorn cattle, predicts that giving farmers a hand in preserving the environment will have significant economic implications for rural Canada, and benefits for the whole country in the years and decades ahead.

"For instance, when we started planting tall-grass prairie we had this rather narrow focus of re-establishing a native eco-system and creating a wildlife habitat," he says. "But it was only when we started talking among ourselves and to others in the environmental community as we were showing off these demonstration sites, that we realized that we're looking at one of the greatest carbon sequestration tools known to man.

"Then we started thinking about what we were going to do with the top growth and we realized we could use it for cellulosic ethanol or pelletized bio-energy, or even something as simple as drought-season feed for the cattle. All of these things reduce our need to burn fossil fuels on the farm. So you start off with a pretty simple environmental goal in mind and then it just grows from there."

All this is music to the ears of Manitoba farmer Ian Wishart, who dreamed up ALUS (pronounced Alice) in the 1990s during long days in his tractor on his grain and potato farm near Portage la Prairie. In 1999, he presented his concept to the Senate's agriculture committee and his passion for the concept spurred him to become more involved in farm politics - a decision that ultimately led him to the presidency of Keystone Agricultural Producers, Manitoba's largest farm group.

"It would have been nice to have seen more progress on this," says Wishart. "But we've raised the level of debate on this issue from almost nothing to something that is being talked about all the time right across this country."

Wishart's idea was an immediate hit with groups like Delta Waterfowl, which was trying to find ways to preserve wetlands, and with farmers frustrated by traditional top-down regulatory approach.

"Most farmers are good stewards of the land, it's something many of us had drilled into us at our father's knee," says Wishart. "What they were looking for was a program that gave them some level of engagement - where it wasn't just a case of some official driving into their yard and saying, 'You shall do this and you shall not do that.'"

The desire to be actively involved in protecting the environment came out loud and clear when the Senate's agriculture committee toured the country before issuing its landmark study on the rural economy, according to Senator Joyce Fairbairn, the committee's chair.

Although the committee's main focus was to find ways to combat rural poverty, it recommended that payment for ecological goods and services be a standard part of federal agricultural policy. But Fairbairn says that alone won't be enough if Ottawa follows its usual practice of having "people from urban Canada look at things from a distance and then make all the decisions."

"We need to have people who are on their land - on their own land and who understand it - to be in the centre of this process," says Fairbairn. "Rural Canada should not be just off on the sidelines on issues like this. If we go this way, it can be hugely beneficial for all of Canada."

"This is the other side of this, it's not just about preserving land but also about the benefits of active stewardship," adds Wishart. "Take Ducks Unlimited, which is the biggest landowner in Western Canada. It has about half a million acres but it cost it about \$7 an acre per year to manage that land. That's a big chunk of the money we would need to manage it for them."

Managing is not a concept that springs to mind when talking about saving the environment - after all, Mother Nature did OK on her own before humans came along. But in the modern world, things are more complicated, and active stewardship makes a difference. One example of this is using riparian zones to remove nutrient overloading in waterways. Initially, it was thought that grasses and other vegetation along waterways would suck up nutrients and thereby help purify the water. And that does happen, but when the vegetation dies and decays, the nutrients are released back into the water.

"So what we've learned is that having livestock graze (the vegetation) actually removes the nutrients from those areas," says Wishart. The simple fact is that more needs to be done to protect the environment, and farmers are both willing and capable of doing just that, says Gilvesy. "You don't have to give farmers much of an incentive and he'll go crazy doing stuff," he says. "You want more bald eagles? Give farmers a small payment to encourage bald eagles to nest on their farms and we'd have all kinds of them."

There's one final dynamic at play: Environmental protection and direct marketing are a match made in heaven.

The biggest chunk of Gilvesy's ALUS project was seeding about 25 of his 350 acres to tallgrass prairie. Go to his website, www.yuranch.com, and the first thing you'll see is a picture of half a dozen of his cattle standing in tallgrass that reaches to their bellies. Go to his farm and you might get a tour of some of his other ALUS work, such as the nesting boxes he put out for Eastern bluebirds and tree stumps he's drilled holes into in order to create habitat for wild bees.

Those efforts have earned him a Local Food Plus seal of approval, a designation given farmers who practise environmentalism and wildlife

enhancement along with sustainable production methods. It's not hard to guess how the buying public reacts to that. "All I have to do is take someone across the farm and show them what we're doing for the environment, the first thing out of their mouth is, 'What a beautiful place. Where can I place my order?'" says Gilvesy.

"Having a reputation of taking care of the environment is an absolutely vital part of our marketing effort. People want to trust the people who produce the food they put on their table. So when they see what we do, it makes a connection in their mind: If we're doing all this to care for the environment, then surely our beef is wonderful, natural and everything it should be."

The fact that ALUS resonates with the non-farming public illustrates the strength of the ecological goods and services concept, says Wishart. Average Canadians instantly grasp that small-scale efforts adapted to local conditions - done with the active participation of farmers - is a winning formula, he says.

So while it's taken longer than he hoped, Wishart says there's no turning back.

"The concept of putting an economic value on environmental benefits is one that is here to stay," says Wishart. "It's only a matter of time before it becomes embraced by government and moves ahead."