

Alternative Land Use Services (ALUS)

(Payments for Environmental Goods and Services)

A Policy Statement of the Christian Farmers Federation

1. CFFO's Vision for a Permanent New Source of Income for Farming and the Countryside

Society wants clean water, clean air, healthy soils and biodiversity. Farmers have always wanted these same things, and in the past shouldered most of the responsibility of environmental stewardship. However, achieving these priorities can be costly, and farmers can no longer afford to bear the total costs themselves. Many farmers have gone as far as they can but society wants more and more.

ALUS is the farmer's voluntary stewardship plan: designed by farmers and delivered by farmers. ALUS is designed both to conserve environmentally sensitive areas and enhance environmental goods and services, such as cleaner water and air, abundant wildlife and an attractive rural environment that are a benefit to all. This proposal is not a replacement for addressing the problems that result in low commodity prices.

CFFO Vision Action #2: A permanent new source of income for farming and the countryside

- The establishment of a small charge on the retail sale of food in Ontario to pay for environmental services and joint farmer/consumer initiatives.
- The negotiation of a "Green Book" of annual environmental payments for identified societal environmental benefits to be funded by a small charge on food at retail.

2. The Basic Concept

- 2.1 Good stewardship of the environment is a personal responsibility and a public responsibility.
- 2.2 A monetary value is established for the delivery of specific ecological goods and services that provide environmental benefit to society from private land.
- 2.3 Typical environmental goods and services include: planting of trees, setting aside of land for marshes, grassland for songbirds, forest cover, natural and healthy wildlife habitat, clean air and clean water.
- 2.4 Participation will be voluntary and payments will be made on a whole property basis and include both environmental services already provided and new ones.
- 2.5 Payments will be made to farmland owners.

3. The Rationale

- 3.1 Payments for ecological services recognizes the valuable environmental services provided on farmland by farmland¹ owners.
- 3.2 ALUS builds on the stewardship values and commitments of many farm families.
- 3.3 ALUS will reposition the farmland owner's role with respect to the environment as proactive and will increase the farmland owner's control of the environmental agenda.
- 3.4 Requiring farmland owners to maintain the public environmental values by regulation is expensive to enforce because of the diversity of environments. This will have mediocre results as farmland owners only comply with the minimum required by the law.
- 3.5 Regulating farmland owners to maintain public goods will result in many regulations that are hard to enforce because the environmental science is just not that precise. ALUS will reduce the public's reliance on environmental regulations.
- 3.6 Regulating farmers by requiring them to take precautionary actions and requiring them to prove that they have taken precautionary actions turns justice on its head by making them guilty until they prove themselves innocent.
- 3.7 ALUS converts environmental risk into a business opportunity.
- 3.8 Farmers will feel less pressure to be the low cost producers of commodities for the world on every acre of productive land as they can choose to produce these alternative land use services. Low returns tend to put pressure on the environment.
- 3.9 Payments for ecological services will create a new source of income for the countryside.
- 3.10 Society is demanding these environmental goods and services as evidenced by the creation of the Golden Horseshoe Greenbelt.

4. The Principles Necessary to Make Environmental Payments a Success

- 4.1 A stewardship plan for privately owned farmland driven by farmland owners.
- 4.2 Targeted on long-term changes in environmental sustainability.
- 4.3 Avoid quick fixes that disguise emerging environmental problems.
- 4.4 Conservation and enhancement of natural capital and the recognition of the environment as an asset.
- 4.5 An annual fee for service. Payments are for real goods and services delivered.
- 4.6 Recognition that when farmland owners produce public goods on private farmlands the existing marketplace for food does not provide payment.
- 4.7 Provincial enabling legislation to establish the framework with full support from the federal government and municipalities.
- 4.8 Farmland owners making the decisions on the priorities for their farm businesses and private farmland based on the value that society has offered for various environmental goods and services.
- 4.9 A voluntary program in which farmland owners take the initiative to decide on the stewardship priorities on their private land.

¹ Farmland according to Canada Land Inventory Classes 1 to 4.

- 4.10 Participation in an environmental risk and opportunity assessment process (Environmental Farm Plan, Nutrient Management Planning, Source Water Protection Planning).
- 4.11 Public agencies or not-for-profit groups buying specific parcels of land for conservation purposes should not look to this program for funding (boutique projects).
- 4.12 No linkage to safety net programs.

5. Deliverable Environmental Goods and Services

- 5.1 Clean our air by planting and managing trees and grasses, which reduce levels of greenhouse gases and other pollutants.
- 5.2 Enhance the beauty of our countryside by increasing healthy green spaces.
- 5.3 Increase opportunities for hunting, fishing, bird watching and other outdoor activities.
- 5.4 Increase biodiversity in the countryside.
- 5.5 Enhance healthy habitat for native wildlife, including fish, game, songbirds and endangered species.
- 5.6 Increase the tree cover in the province by planting heritage plants, native plants and windbreaks; expanding and managing woodlots and connecting woodlots for wildlife corridors.
- 5.7 Replenish and purify water supplies by enhancing wetlands, planting vegetation along streams and fencing livestock out of at-risk water supplies.

6. Delivery

- 6.1 Consider delivery through Agricorp.
- 6.2 Integrate current delivery programs if possible.
- 6.3 This will result in the creation of a database of farmland owners.

7. Funding

- 7.1 Initial funding for pilot projects and startups should come from the environmental pillar of the federal Agriculture Policy Framework (60% federal, 40% provincial).
- 7.2 For medium-term funding, all federal, provincial and municipal resource-related departments should support the funding needed.
- 7.3 The environmental pillar of APF II should be redirected as payments for ALUS.
- 7.4 For long-term funding, consumers should pay directly through a "Thank You Countryside" program that is a consumption levy on food at retail.

*Adopted September 28, 2005
Provincial Council
Christian Farmers Federation*