While the current drought situation is unfortunate, and many farmers are suffering its economic effects, it does provide the opportunity for the Government and the community to implement some long term improvements to land care.

In those areas hardest hit by drought, the Government (and farmers) should take a long, hard, realistic look at the economic and environmental benefits of continued farming. Perhaps the Government should be trying to persuade farmers in marginal areas to stop farming and the opportunity should be taken to return the land to native vegetation, rather than propping up unsustainable enterprises. If necessary, farmers should be offered money to leave the land, not to stay on it. Before they leave, they should be asked (and paid if necessary) to return at least some portion of the farm to native vegetation to near original condition. Payment to undertake such works could be considered drought or unemployment assistance,

Indeed, I believe drought assistance offered to farmers should be conditional on the farmer permanently reserving a portion of any remnant vegetation on their land, say 10%, as native vegetation in pristine condition. This would include fencing as a minimum. A conservation covenant should then be placed on that portion of their land. If there is no uncleared remnant vegetation on the property, a portion of the drought assistance should be used to establish (by revegetation) native vegetation that was once local to the area.

There would (or could) be considerable value to farmers in conserving or restoring remnant native vegetation. Native vegetation provides many environmental services, including the following:

- ... recycling nutrients
- ... cleaning water
- ... controlling the timing and volume of water flows
- ... providing oxygen to the atmosphere
- ... dust and top soil control
- ... rainfall stimulation
- ... carbon dioxide assimilation
- ... preventing water erosion and downstream sedimentation
- ... flood prevention
- ... weed control
- ... insect control (through providing habitat for birds)
- ... salinity control
- ... water table control.

Farmers could perhaps be paid for allowing the remnant or re-planted vegetation on their land to provide these services. These services are in increasingly short supply in the agricultural area, and those farmers who provide these services would be assisting their neighbours as well as themselves. Payment for such services (for example from a central government pool funded by a levy on other farmers) may be able to sustain an agricultural enterprise, especially under drought conditions, and improve the quality of remaining traditional Western agricultural production.

The World Bank is working with several countries to develop systems to pay for environmental services that could help substitute for the absence of markets and promote the maintenance of environmental services, especially in Central and South America. World Banksupported operational work includes The Ecomarkets Project in Costa Rica, which includes a loan to help the government ensure current levels of environmental service contracts and to assist the program's conservation of biodiversity. The Regional Integrated Silvopastoral Ecosystem Management Project is piloting the use of payment for environmental services as a means of encouraging a shift from unsustainable agricultural practices to sustainable silvopastoral practices.

I trust that these suggestions are productive.

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