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# Invest in Nature for Massive Returns Forever

By Bob Barnett

**W**ho knew that nature brings \$84 billion dollars a year to our economy here in southern Ontario? Ontario's Ministry of Natural Resources and Forestry has reported in *Estimating EcoSystem Services in Southern Ontario* that an acre of rural forest gives us back \$1,798 dollars a year. This includes \$982 for biodiversity, \$402 for air quality including carbon sequestration, \$208 for water cleaning, and \$213 for tourism and recreation. It may seem a bit alien to think of biodiversity as having a value, but people will pay to protect rare species and for nature that provides new medicine and products that improve our lives. Similar well-researched results have come from "Ontario's Wealth" by Friends of the Greenbelt.

We should be paying rural landowners to leave nature alone. Every time we lose an acre of rural forest, we lose \$1,798 dollars every year thereafter. Lost wetland costs us \$6,142 a year. We're losing 300 acres every day to development in southern Ontario. Most of that conversion to development is from farmland, while we increasingly import food from other countries, thus creating more carbon dioxide and exporting our jobs.

## The Loss of the Commons

Most people think of nature as natural resources like trees, water, gravel and oil. Exploiting these resources makes some people money. How many of us own shares in oil and mining companies? An ounce of gold or a barrel of oil brings returns to the

shareholder. But all of us pay the cost when we lose trees and wetlands to housing projects, roads and mines. This is the old tragedy of the commons. We all pay so that those who exploit the commons can add value to their own portfolios.

Nature doesn't have a voice, unlike the sick who demand hospitals and the parents of our children who demand schools. Only 4.37 per cent of southern Ontario is protected as a park, conservation area or nature reserve. The worldwide average is more like 10 per cent. Governments around the world, including Canada and Ontario, have agreed it should be 17 per cent, concentrated in areas of high biodiversity. Yet pretty much the only group currently protecting nature is charitable land trusts.

Ontario is a leader in land use regulation, hoping to direct development away from rural areas and into cities and towns. Regulation is still only a partial solution as governments change and development like the government's GTA West Highway continues in regulated areas. Despite regulation slowly shifting development away from forests we're still losing 300 acres a day. Government must expand the tools to protect nature by re-introducing funding to acquire natural areas, reward landowners who protect their land from development and shield municipalities from property tax losses as land is protected.

## One Solution

Escarpment Biosphere Conservancy (EBC) is offering investors the opportunity to add \$30 of nature's services to their returns for every dollar spent protecting nature.



▲ For every one dollar spent protecting nature, we all get \$30 worth of nature's services like clean water, air, biodiversity and recreational space. PHOTO BY BOB BARNETT

- EBC uses donated funds to accept donations of land (and pay for appraisals and legals).
- This reduces the cost of acquiring land to only about five per cent of the land's value or \$100 per acre.
- Such rural land protects \$1,798 per acre in services: society gets \$18 in services for every dollar spent.
- After the income tax receipt for your donation to EBC, your community gets \$30 for every dollar out of your pocket: that's a 3,000 per cent annual return.
- 3,000 per cent returns far outweigh the six, 12 or 20 per cent investors hope to gain in stocks or bonds.

But the benefits come to the whole community, not the individual investor. Right now an investor gets a tax receipt worth about 40 per cent of what they invest in nature. Maybe government's best investment in our economy is through nature. Enhancing those tax benefits would encourage

more altruistic investing.

Would you rather have increased your investments by \$30,000 at the end of the year or earn \$29,000 plus **\$30,000 of nature's services?** This could be \$300 vs \$290 earned and \$300 worth of services.

Most charitable donations last a year or the life of a building or even the lifetime of the person who is cured or educated. Investments in nature generate massive returns for not just seven generations, but forever. Those returns are in the improved health and education we all get from visiting nature and the cleaner air and water we need to survive here on earth. Where else can you "invest" \$1,000 and see \$1,500,000 as a return over 50 years?

If just a few investors allocated three per cent of their investment profits to nature we'd all be better off. **NEV**

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