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Spring. An optimistic season. Perhaps time to bring readers up to speed on some of the ongoing opportunities arising in the "bridge-building" category. Then on to other opportunities that just might be popping up in the policy category. But first, the bridges...

Downstream Benefits

A few weeks ago, following the AGM of Rivers Canada (*A Society for the Preservation of Rivers and Lakes in Canada*), I and other newly-elected Directors participated in a half day facilitated Board discussion of "where to from here."

Among the issues identified as short-term communication priorities was supporting a call on the feds to invite the U.S. to join Canada in a joint reference to the International Joint Commission to "value more accurately the full measure of benefits flowing to Americans under the Columbia Treaty." (*sound familiar?*)

By the time this column appears, I will have addressed two public meetings in the Kootenays to explain why partnering with farmers in their call for an IJC reference makes plain strategic sense for communities.

The intent of the IJC Reference would not be to unbundle the Treaty but simply to hold public hearings so that Columbia Basin stakeholders on both sides of the border might approach agreement on measuring and valuing Treaty benefits over the next thirty years.

Benefits beyond hydro — such as transportation, fisheries, environment, tourism, recreation and irrigation — which arise as a result of B.C.'s operation of the Treaty dams in accordance with U.S. directions.

Benefits which politicians all too readily ignored in the "sustainability-wadda-'ya-mean-sustainability-is-that-anything-like-electability?" era of the sixties when visions of jobs-thru-mega-projects danced in their heads. (We now understand that settling for hydro benefits is somewhat akin to selling the family home based on the square footage of the kitchen. There are many more "rooms" of benefits to be accounted for.)

During the summer of 1992, when B.C.'s reservoirs on the Columbia were dangerously low and B.C. Hydro was forced to rely on power from Alberta and the coal-fired Burrard plant to meet this province's electricity needs, downstream reservoirs on the U.S. portion of the Columbia were full. So full, in fact, that Americans were spilling water over the Grand Coulee dam as part of a nightly laser light show for tourists. There's no question that regional tourism has an economic value to Americans. But water has an economic value too — \$2,000 U.S. per acre foot in some regions — money that would go a long way to redress some of the economic costs borne by British Columbians as a result of the Treaty.

We are going to go down the road side by side with the Americans under the Treaty for another 30 years in any event. Like the battered wife of an international marriage of convenience, British Columbia needs more respect and a renegotiation of some of the fundamental expectations of the relationship. Like the value of the benefits package. (What a great idea! Why not put union bosses to work at the trade negotiating table? Perhaps keeping them out of credit union Board elections to boot? But I digress...)

It's time to count up and charge for all the benefits under the Treaty. The International Joint Commission has both the power and the responsibility to do it.

Harnessing Positive Externalities

The term externalities refers to events which occur outside of (and generally beyond the control of) your operation.

Externalities — particularly those arising as a result of conflicting public policy objectives — can have a negative effect on farm costs. An example might be crop damage resulting from an increase in deer populations. Never mind that the deer population may be increasing in response to increased forage supplies which, in turn, have increased as a result of forestry clear cuts. The cost of fencing remains the responsibility of the farmer. A similar example might be urban shadow costs — largely unaccounted for because it's farmers, not developers, who foot the bill.

Tourism offers another example. The link between bringing people to idyllic agricultural communities and their subsequent desire to live there is not rocket science — it creates a lifestyle-driven demand for agricultural land that inevitably raises the cost of doing business for area farmers. Yet such costs are never acknowledged in tourism budgets.

Enter the concept of positive externalities: recognizing that remuneration (*payments*, not *subsidies*) to farmers may be appropriate in order to encourage privately-owned farms to continue to:

- i. bear costs arising as a result of the public priorities of other sectors and/or
- ii. provide non-traded goods — e.g. ecological stewardship, retention of bio-diversity, farmscapes — valued by the general public

The fact that Bonneville Power repudiated their agreement with B.C. Hydro on valuing the next thirty years of downstream benefits under the Treaty is yet another example of harnessing positive externalities, opening the door for a very timely IJC call and building bridges between farmers and communities.

If we only have the strategic sense to handle it right.