

# Stories

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## WA farmers analyse their natural capital



Markets are beginning to exert pressure on producers to show how their food is produced and demonstrate that this can be done with minimal damage to the environment. This case study gives us the opportunity to put some values on how we interact with nature.

**Tom Mitchell, WA farmer**

In a market garden 90km north of Perth, farmer Tom Mitchell is looking very closely at his cover crop and citrus orchard and trying to calculate its impact on aspects of the natural environment, from soil health to the native bees that pollinate his pumpkins and a pair of Whistling Kites nesting on a nearby hill.



WA farmer Tom Mitchell is testing ways to measure the impact of his practices on the natural environment.

He acknowledges he's a 'guinea pig', one of only five WA producers taking part in the first stage of Perth NRM's Measuring On-farm Natural Capital project, looking at how to assess elements like soil, carbon and biodiversity that form the basis of sustainable food production.

Like financial accounting, natural capital accounts have an agreed set of standards and can be tracked over time to demonstrate

the value of nature to investors, buyers and consumers of agricultural products.

The project is developing a structure to account for natural capital across a range of farming types such as irrigated horticulture, low rainfall broadacre agriculture, high rainfall vineyards and pasture.

"The metrics vary depending on what you're doing and how you farm, so we have to tailor the accounting process to individuals rather than being broad brush," says Tom.

Stage Two of the project will spread the circle wider, establishing a cost-effective Natural Capital Accounting framework with 30 farmers and industry stakeholders to collect data on soil conditions, biodiversity status, farming practices, nutrient exports and metrics from food produced. This will be analysed to measure the farm's stock of Natural Capital.

Perth NRM's Chief Executive Officer Keith Pekin says measuring Natural Capital will allow for more informed public and private investment in managing the farmland Australia needs to feed a growing population.

Perth NRM is proud to be breaking new ground in calculating the value of on-farm natural capital to ensure more informed investment in Australia's farmland.

Funded by: Stage 1: Commonland, farmers and Perth NRM; Stage 2: WA State Government, Commonland, farmers and Perth NRM.

### LEARN MORE

- ➔ [www.perthnrm.com/project/measuring-on-farm-natural-capital](http://www.perthnrm.com/project/measuring-on-farm-natural-capital)
- ➔ [www.bcg.org.au/valuing-your-farm-natural-capital](http://www.bcg.org.au/valuing-your-farm-natural-capital)
- ➔ [www.commonland.com](http://www.commonland.com)