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Natural Capital Accounting in the Rangelands

Abstract:

Australia's vast tropical savannas cover 1.9 million square kilometres. Much of northern Australia's rangelands are relatively intact and provide habitat for thousands of native species. Extensive cattle grazing is the dominant land use and contributes hundreds of millions of dollars to regional economies across the north.

The case study property is a typical remote cattle farm of the north. The climate consists of a dramatic annual shift between flooding wet season rains and the arid dry season. In this sort of country cattle grazing business needs to be carefully managed so that there is enough palatable grass produced during the wet season to get the stock through the dry season. If the pastoralist gets the balance right the cattle and environment prosper; if things go wrong, the soils can be eroded, preferred perennial grasses killed off and replaced with grasses of low feed value. Recovery can take many years.

Overgrazing can produce short-term profits that look good on a financial balance sheet. However, the financial balance sheet doesn't show change in condition of the rangeland, the natural capital that will generate future production if kept in good condition.

This project will apply rangelands science, remote sensing, and the SEEA experimental ecosystem accounting principles to report on the performance of a cattle station and then to express this in meaningful financial terms.