

# Pasture Association Grazing Policy

## Agricultural Crown Land

July 2021

### A. Purpose

The purpose is to provide a method for allocating grazing within pasture grazing associations including grazing co-ops, former Prairie Farm Rehabilitation Administration (PFRA) Community Pastures, former Saskatchewan Pastures Program (SPP) pastures; and a framework for assigning allocations, issuing a new lease to an existing lessee and land sales.

### B. Application

This policy applies to pastures operated by a group of pasture users as a cooperative, corporation, or some other legal entity, including those formerly operated as PFRA community pastures and SPP pastures.

### C. Eligibility

1. Applicants must:
  - be at least 18 years of age;
  - actively manage and operate the farm;
  - be a Canadian citizen or permanent resident;
  - be 100 per cent Canadian-owned and not publicly traded (corporations and membership-based organizations only);
  - own the cattle they graze in the association;
  - have any existing accounts with the Ministry of Agriculture (Ministry) in an acceptable status;
  - complete the required application form and submit any supporting documentation that the Ministry requests; and
  - have a Premises Identification Number for the cattle wintering location.
2. The association will be responsible to report changes of eligibility of members to the Lands Branch.

### D. Lease term

1. Leases with former PFRA or SPP pastures will be for a term of up to 15 years.
2. Leases with grazing co-ops will be for a term of 33 years.

## E. Conditions

1. Allocation of grazing
  - Application for Agricultural Lease Forms are available from Regional Offices or [saskatchewan.ca/crownlands](http://saskatchewan.ca/crownlands).
  - Each application will be reviewed by the Ministry and all applicants will be advised on the status of their applications. The association will also be notified.
  - Associations are responsible to select qualified applicants, approved by the Ministry, to fill vacancies within their pastures.
  - Associations may allocate extra space to existing members who do not exceed the limit for grazing allocations.
2. Issuing a new lease to an existing lessee
  - An association may receive a new lease where the association meets the conditions of the Lease Policy.
  - Associations requesting a new lease must have their organization registered with Information Services Corporation (ISC). Associations not registered with ISC will not receive a new lease and their existing lease may be subject to cancellation.
3. Sale of land
  - Land may be sold to existing associations where the lands are eligible for sale under the Sale to Lessees Policy.
  - The sale will be to the association only and must be consistent with association bylaws.

## F. Improvements - former PFRA and SPP pastures

1. The Ministry will value improvements as outlined in the Valuing Community Pasture Infrastructure Guidelines. The improvements will be re-valued when a new lease is issued, renewed, or at the time of purchase.
2. The Ministry will provide a 30 per cent discount off the appraised value of the improvements if purchased in the first year of the lease when there are significant improvements associated with a parcel of land (i.e. yard sites, corrals, major well water distribution systems). The discount will decline by two per cent per year thereafter until the end of the lease term. This discount does not apply to renewed leases.
3. Pasture improvements: fences, dugouts, corrals, wells, etc. (excluding yard sites)
  - Former PFRA and SPP pastures who lease the land will be entitled to use the improvements at no cost during the term of their lease, provided they can demonstrate that the improvements are being adequately maintained.
  - Adequate maintenance requires that the improvements are maintained in the same condition as when the former PFRA and SPP pastures received them. An Improvement Maintenance Form detailing the location and schedule of all

maintenance is to be completed annually. This will be monitored through one or all of the following:

- o An audited Maintenance Expenditures Statement for fixed assets to be submitted with receipts;
- o Documentation of an improvement account that has been set up by the association to maintain the fixed assets;
- o Improvements may be inspected by the Ministry at any time to ensure that maintenance is being kept up.
- It will be considered a violation of the terms and conditions of the lease if improvements are not adequately maintained. A Lease Utilization Plan will be developed to bring the maintenance up to standard.
- Former PFRA and SPP pastures who lease the land can purchase the improvements at any point during the term of their lease. The annual purchase payment will be interest-free and the amortization period may be up to the balance of the term of their lease. The value of the improvements will be determined by the Ministry using the Valuing Community Pasture Infrastructure Guidelines.
- New improvements may be added to the pasture with the prior permission of the Ministry. New improvements added to the pasture will be owned by the lessees. If infrastructure is replaced, such as an old fence completely replaced with a new fence, the lessees will own the new infrastructure. Upon surrender of the lease, the Ministry will purchase the improvements at a depreciated replacement cost.

#### 4. Yard sites

- Former PFRA and SPP pastures will have three options if they wish to retain the yard sites:
  - o Former PFRA and SPP pastures will be allowed to use the yard sites at no cost provided they demonstrate adequate investment in maintenance of the improvements. This will be monitored as per D.1.
  - o Former PFRA and SPP pastures who lease the land can purchase the improvements at any point during the term of their lease. The annual purchase payment will be interest-free and the amortization period may be up to the balance of the term of their lease. The value of the improvements will be determined by the Ministry using the Valuing Community Pasture Infrastructure Guidelines.
  - o Former PFRA and SPP pastures that purchase the yard site and the associated land must purchase the improvements associated with the yard site. When the land and improvements associated with the yard site are purchased, the Ministry will provide a discount as outlined in D.2.
- The Ministry will initiate the sale of the quarter section with the yard site (home quarter), in the event a patron group does not want the improvements associated with a yard site. The Ministry may consider offering additional land for lease or sale in order to make the sale of the home quarter attractive to potential purchasers.

- The Ministry may consider providing the current pasture manager with the first opportunity to purchase the home quarter without an option to lease or purchase any additional land at the recommendation of the association. Ministry sale programs will not apply to sales of this type.
- The former PFRA and SPP pastures may choose to sublease the headquarters to a third party with approval from the Ministry of Agriculture. The former PFRA and SPP pastures are responsible to decide who occupies the house at the headquarters.

## **G. Reporting**

1. The following reports will be required to be submitted by December 31 annually:
  - Detailed grazing report;
  - Invasive species report;
  - List of members;
  - Livestock grazing allocations; and
  - Schedule of maintenance and additions to infrastructure (Improvement Maintenance Form).

## **H. Monitoring**

1. Utilization and/or range health surveys may be conducted at any time during the grazing season to monitor stocking and management of the pasture.
2. Ministry staff may enter onto the pasture at any time to monitor the maintenance of improvements, compliance with lease conditions, and appropriate management of the pasture.

## **I. Headquarters: wintering of livestock**

1. Bulls owned by the association and members of the association can be overwintered on the headquarters.
2. Pasture manager-owned livestock can be overwintered on the headquarters with the consent of the association and is not to exceed the maximum outlined in this policy.
3. The consent of the Ministry is required to overwinter any other livestock on the leased lands.

## **J. General**

1. Long-term grazing allocations are limited to a maximum of 120 head per individual in each pasture association.
2. An individual may hold more than one allocation in association pastures provided they

are on different pastures.

3. An association may apply to have the maximum allocation increased above 120 head per individual for a three-year period where an association has:
  - Insufficient demand on an ongoing basis;
  - Made reasonable attempts to attract new members;
  - Each individual in the association is at the 120 head maximum, or their requested allocation; and
  - All eligible new applicants have been accepted.Allocations exceeding the maximum of 120 head per individual will be reviewed by the Ministry after three years and may be adjusted based on demand.

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