



NEWS RELEASE – October 16, 2019

Minister of Environment and Parks, Jason Nixon, tabled Bill 16 the *Public Lands Modernization (Grazing Lease and Obsolete Provisions) Amendment Act* yesterday in session. Bill 16 includes much-needed modernizations to the rent and fees for grazing dispositions on Crown land.

The modernization proposal, as developed by industry working with government, arose in response to risks and pressures the current system leaves us exposed to. It is justifiable and backed by data from a provincial lease cost survey. The proposal fundamentally shifts the rate calculation from Ministerial discretion to a transparent methodology based on profitability. The proposal does not represent a rental rate increase. Assignment fees will be shifted from an arbitrary tax that varies 2000% across the province to a straight forward administration fee, thus removing this significant barrier to succession.

“We started this conversation in the late 1990s when the government first began to freeze rental rates. As you could imagine, we are so happy and relieved to see this proposed modernization finally move to the point of legislative change necessary for implementation. The proposed bill represents unparalleled industry- and province-wide collaboration between all the grazing disposition stakeholder groups. We have been urging government to table the necessary legislative changes since we finalized the proposal nearly two years ago,” says Kyle Forbes, Chairman of AGLA.

If passed, these changes would be phased in over five years to ensure there is no sudden change in cost to grazing disposition holders. Government is proposing a flat-rate fee of \$3,150 for the assignment fees, which is consistent with assignment fees for other dispositions on Crown land. Bill 16 will also see the creation of a Range Sustainability Fund where thirty per cent of the revenue from the grazing rental over and above \$2.5 million will be moved to a dedicated revenue stream that will be used towards rangeland sustainability initiatives. The other 70 per cent will go into general revenue.

“Ranchers play an important role in Alberta – they support our economy and are responsible for protecting some of the province’s important grasslands and wetlands. It’s important that we work with ranchers to modernize our legislation so that the ranching industry can continue to grow and thrive for generations,” says Jason Nixon, Minister of Environment and Parks.

The current grazing fee framework has been frozen since 1994, and is built on outdated assumptions and data. The proposed framework would better reflect the current economic reality faced by ranchers. If passed, the provisions in Bill 16 will come into force in January 2020.

Media Inquiries:

Kyle Forbes, AGLA Chairman, 403-548-3183

Lindsye Dunbar, AGLA Manager, 587-435-4072