

Alberta Grazing Leaseholders Association Newsletter

#### January 2021

### PLEASE RENEW YOUR MEMBERSHIP

AGLA as an organization represents the interests of Crown land grazing leaseholders to government, bureaucrats and stakeholders. The work we do is critical because the value of the leaseholder to the continued stewardship and management of Crown lands is far too often diminished and dismissed. This needs to be a continual conversation with policy and decision makers or our value will be lost in the shuffle.

What we ask of you is actually not that much.

- 1) Support us by sending in your membership fee. \$50 per year is the best deal around for advocacy. Your membership fee pays for administration and expenses necessary for AGLA to be successful. We run as tight a budget as humanly possible but funds are still required.
- 2) Once a year attend a meeting. We have been holding regional meetings in addition to our annual meetings—so take your pick for what one works for you. This is our chance to make sure what we are advocating on and what leaseholder issues are line up. The 2021 meetings may be a little different to accommodate COVID restrictions but we are still hoping to schedule at lease one meeting but it may be virtual.

### ALBERTA'S NEW 'CROWN LAND VISION'

Recently the Government of Alberta's Ministry of Environment and Parks released the new "Crown Land Vision" to revamp how the government manages Crown land. The five-page document, available on the AGLA website, is pretty general as is the information we have been able to get from department representatives. It states that the government 'promised Albertans a common-sense conservation plan to protect the environment while recognizing that recreation, economic use and conservation can and should support each other'. In order to do this, the government will 'update legislation, work with partners, support sustainable use of trails and backcountry land and consider socio-economic and environmental impacts when reviewing major proposals'.

While early indications from the government are that they will focus on parks and public land use zones, there is little doubt this will impact leaseholders as we are legislatively required to allow reasonable recreation access. The Crown land vision document has a heavy emphasis on improving outdoor recreation opportunities with little acknowledgement of the value of dispositions, especially agricultural dispositions. We are also told the government will be developing a Trails Act to regulate OHV activity on Crown lands. One of the goals is 'untangling the many classifications, rules and regulations so they are easier to understand'. While clarity is important, the danger is that grazing leases will get lumped in with other Crown lands and the unique economic and environmental importance of the grazing lease instrument (and other dispositions on Crown land) will be downplayed.

We ask you as our membership to stay apprised of developments in this rollout and participate in the public consultations as they come up. All too often in these things the rural voice and especially the leaseholder voice is in danger of being drowned out by the urban majority who want somewhere pristine to go play and no responsibility for their actions. We will keep our Facebook page updated with consultation opportunities and send e-bulletins to our membership as this policy progresses.

The first consultation in the implementation of this Crown land vision is 'Sustainable Recreation' with an online survey available to the public until January 15. Please take the time to complete the survey at: <a href="https://www.alberta.ca/sustainable-outdoor-recreation-engagement.aspx">https://www.alberta.ca/sustainable-outdoor-recreation-engagement.aspx</a>

# **CHAIRMAN'S REPORT**

This year seems to have been a year of challenges. Challenges that we, as an industry, have faced and overcame remarkably well. As the year draws to a close, I'm hopeful and optimistic that the light at the end of the tunnel is getting brighter.

2020 quickly became a very busy year for our organization. With the undertaking and release of our Serecon Valuation study, we were able to establish that leaseholders provide the province "boots on the ground management" to the tune of \$70 Million dollars annually. A clear indication of the success and value that the grazing lease system has for the province in terms of management and stewardship. This study utilized data from the MNP cost study done during the grazing lease modernization and also surveyed leaseholders throughout the province to establish values and costs associated with managing other uses on the landscape such as recreation and industrial activity. This study has already been a valuable tool for our advocacy and I would like to extend a thank you from our board to those who graciously donated to see this project completed.

Fall 2019 brought announcements from AEP that they were working on a new plan to reduce the backlog in renewals and transfers, as an association we applauded this effort to streamline the process. However, what we were unaware of was in order to achieve this goal, the department had undertaken a complete rewrite of the grazing lease contract we are all familiar with. This contract is based on decades of litigation and contains crucial legal components which establish our standing in the eyes of the courts. To see the contract become something so vastly different, without any notice or consultation, was very alarming for industry, eroded trust with the department and was something we did not take lightly. We worked with legal counsel to verify our concerns, fine tune our position and with collaboration from other grazing industry stakeholder groups after 10 months of meetings and negotiations we were able to achieve what we feel is a workable document. A document that protects rights and investments of leaseholders but would also be able to be streamlined to achieve the departments goal of reducing the backlog. Renewals and transfer are again being processed and the backlog, we have been assured, will be cleared prior to summer 2021. With some renewals and transfers taking close to 3 years or more to be completed this is welcome news. We will continue to work with the department to iron out some details and monitor the progress into the new year.

On the horizon we have the province's recent announcement of a "Crown land vision" and development of a Trails Act. Details are sparse so far on what this could mean for the province's 5,700 grazing leases. Our hope is that it will lead to better education and enforcement on something that we've seen, especially this year, continue be a growing issue for not just grazing leases but deeded land as well. Managing users and the impacts of additional dispositions on grazing leases is a time consuming task undertaken by leaseholders but it is something we are legislated to do. It is our hope that the province's vision does not directly or indirectly negatively impact leaseholders or agricultural producers in any way. We look forward to finding out more about what these plans entail and will be involved in the consultations when the time comes.

With the current restrictions it is unclear, at this time, if we are going to be able to hold an in-person AGM this year. It is our hope that it will become a possibility, but a virtual option may be necessary. As a board we will be weighing the options and will do what's best for our membership.

Thank you for your continued support and on behalf of the board, we look forward to continue advocating on your behalf.



AGLA Chairman Kyle Forbes

#### 2021 RENTAL RATES

Zone 1: \$2.95 / AUM Zone 2: \$1.74 / AUM

The annual rental rates are calculated based on the market prices, recognizing costs of production, and ensuring that rates are fair to producers.

The modernized rental rate framework is founded on a two-zone system with a boundary based on the transition to the boreal region of the province – an area that incurs higher capital costs on grazing leases. These zones have different rental rates to reflect these differences in capital costs.

Respectfully submitted, Kyle Forbes

## Revisiting the Grazing and Timber Integration Policy

With the government pushing to increase allocation of timber in Alberta, the overlap of grazing and timber dispositions will become an even more common occurrence. The *Grazing Timber Integration Manual* was last updated in 2011 but the policy still applies. The manual was developed to have a solid plan for minimizing impact—that timber and silviculture operations would minimize impact on existing infrastructure, improvements and grazing capacity and, conversely, that grazing operations would minimize impact on regeneration and maintenance of timber productivity. The manual outlines the requirements, with examples, to guide beef producers, the timber industry and the government in areas of overlapping dispositions in the green and white areas. The manual details the requirement for a Grazing Timber Agreement (an provides an example of such), contains operating standards for overlapping dispositions and processes for dispute resolution.

The Grazing Timber Integration Manual and other resources can be found at https:// www.alberta.ca/grazing-and-timber-integration.aspx

## A few words on security of tenure

Grazing leaseholders are responsible for maintaining rangeland health and serve to both protect and maintain environmental values. The extensive experience and knowledge of grazing disposition holders is an important resource in ensuring the health of the rangelands. Crown lands under grazing disposition have benefitted from the intergenerational knowledge of its stewards, and the succession of those stewards depends on security of tenure.

Security of tenure builds a level of confidence for the leaseholder that a return of investment into the land will be realized. This builds true incentive for good stewardship into the system with very little capital investment on the part of government.

Tenure for stewardship fosters a commitment to sustainable working landscapes that is lost if leaseholders are concerned the grazing disposition will be rescinded or not renewed. With a confidence brought about by security of tenure, leaseholders are empowered to make better operational decisions that will improve the management and profitability of their ranches. And by default, the health of the rangeland ecosystem benefits.

### Grazing Leaseholders provide upwards of \$70 million to province annually

AGLA contracted Serecon Inc as a respected and objective company to research into assigning economic values to the costs borne by leaseholders by their stewardship on the land. It was a bit of a gamble on our part that the results would be in our favour but we felt the information was important enough to know so we took the risk.

The cost data in the report illustrates that when the full scope of the costs are considered, there is significant economic value above and beyond the grazing fee provided by grazing leaseholders. Only the costs that are legislatively mandated have been included in the report.

The Value Estimate Report concludes that \$69.88 million in value is provided to the province of Alberta on an annual basis by leaseholders managing grazing on Crown land. This number is further split into North (\$19,170,668) and South (\$33,321,483) grazing zones and Special Areas (\$17,383,830).

The report, which is available on the AGLA website, was developed as an objective assessment through careful background research and stakeholder consultations with a methodology that ensures the results are sound and replicable

# YOUR 2020-2021 AGLA BOARD OF DIRECTORS

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Pat Rutledge	Zone E Director	403-577-2382	prutledge@netago.ca	Monitor

\* indicates term expires in 2021

# **CALL FOR RESOLUTIONS**

Do you have an issue AGLA should be working on? Submit it in the form of a resolution.

Send in your resolution to albertagrazinglease@gmail.com or 587-435-4072 or contact the director for your area

Your resolution committee will present to the membership at the AGM



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