

EXECUTIVE SUMMARY

Changes announced by the Government of Canada in 2012 and implemented at the beginning of the 2014 grazing season are profoundly changing the way Crown lands that were formerly part of Agriculture and Agri-Food Canada's (AAFC's) Community Pasture Program (CPP) will be managed in the future. These changes affect 85 pastures including 24 in Manitoba with a combined area of approximately 162,000 ha, 62 in Saskatchewan with an area of 718,000 ha, and one in southeastern Alberta with an area of 41,000 ha.

The Government of Canada's announcement that this program would be discontinued after 75 years of operation triggered immediate concern from the patrons who have been using these pastures for grazing and from conservationists who see irreplaceable conservation value in the native grasslands that are under threat from possible sale or abuse. Discontinuation of the CPP program has meant that the pastures are being returned to the provincial governments of Manitoba and Saskatchewan which had committed these fragile lands to stewardship by the federal government during the great droughts and depression of the 1930's. The most recent estimates place the current value of public benefits from these lands at \$18.42/ha/year.

At the time of AAFC's announcement in 2012, the Government of Saskatchewan had already been assessing how the province could withdraw from ownership and management of the existing provincial community pastures operated under the Saskatchewan Provincial Pastures (SPP) program. The additional reversionary Crown lands moving back to Saskatchewan from the federal pasture program increased and complicated the challenge Saskatchewan Agriculture already faced in achieving government's desire to wind down the SPP program.

The policy environments have been fundamentally different in Manitoba and Saskatchewan from the outset of the federal pasture divestiture process. While the Government of Saskatchewan was already moving to withdraw from public ownership and management of agricultural Crown lands, Manitoba preferred public ownership to protect the ecological benefits from such lands. As a consequence of these very different policy foundations, Saskatchewan has pursued a pasture-by-pasture approach to transitioning federal pastures providing financial assistance to individual pastures and rejecting province-wide approaches proposed by patron organizations. In contrast, Manitoba has provided financial support and direct assistance to develop a provincial association of community pastures. More active involvement and support for a provincial association is needed here in Saskatchewan.

The approach Saskatchewan is using to manage this transition has exposed the province and pasture patron groups to higher total costs for business entity designs, administration systems,

and range management plans. It also foregoes the opportunity to develop provincial or regional associations of community pastures to work with government more effectively or access funding support from other government program sources. Such a provincial association would have the potential to receive and manage both the federal pasture lands that are now transitioning back to Saskatchewan and the SPP community pasture lands from which the provincial government would prefer to withdraw.

Saskatchewan's current policies are largely aimed at generating a financial return to the province from the patrons for their future use of the transitioning land and making sure there is a common lease rental rate for both pasture association leases and other (private) Crown grazing lessees. Manitoba has different policies that recognize both the public benefits generated from the transitioning lands and the business efficiencies that are available from a provincial community pastures association. Past patrons of AAFC's community pasture program and other concerned parties are asking government to rethink the fundamentals and design a new approach to guide the transition of the remaining 52 federal pastures in Saskatchewan.

Government's rental rates and lease provisions are generally consistent between the transitioning federal pastures and existing (private) Crown grazing leases in Saskatchewan but there are two important differences. Firstly, pasture association lease provisions give lessees access control during the grazing season but require their lands to be open for hunting outside the grazing season (April 1 to October 31) while other Crown grazing leases give complete access control throughout the year. The public value of this hunting access is substantial (\$4.75/ha/year). Secondly, pasture association leases require annual reporting of grazing activities, invasive species management, membership, grazing allocations and infrastructure maintenance with onsite provincial audits of range condition on a six-year cycle. Other Crown grazing leases do not require annual reporting and onsite audits only take place at 33 year intervals coinciding with lease anniversaries or upon complaints.

Past patrons of AAFC's community pasture program and other concerned parties are asking for a more equitable lease that discounts pasture association lease rates to account for these differences and recognizes the costs of the public benefits that lessees are being obligated to sustain. Such a discounted pasture association lease rate would position costs in the new patron-run business entities to be more closely parallel to those charged in the Saskatchewan Provincial Pasture Program, the Association of Manitoba Community Pastures, and Alberta Crown land grazing leases.

Approximately half of the patrons have dropped out of the first ten federal pastures to transition to provincial government control in Saskatchewan during 2014. Projected over the total patron population of 2,500 producers, this rate of attrition is likely to cause a loss of 1,250 cattle producers from the system by 2018 when all of the remaining 52 pastures have gone through this transition. This attrition is triggered by the business uncertainties, system inefficiencies and excessive time demands on patrons that result from government's pasture-by-pasture approach to transition. Saskatchewan's unwillingness to support a coordinated provincial management approach stands in stark contrast to Manitoba where the provincial government has enabled and given financial support to establish a provincial Association of Manitoba Community Pastures. More active involvement from the Government of Saskatchewan and support for a comparable provincial or regional associations are being sought by the past patrons of AAFC's community pasture program and other concerned parties as a means to help save the province money and reduce further attrition.

Saskatchewan's policy since 2012 has been to offer the Crown lands transitioning back to the province for sale to pasture patrons as a block, at market value and subject to "no-break, no-drain easements". More recently an alternative 15-year lease option has been offered to patron groups in response to significant public opposition to the sale of these public lands and the inability of patron groups to afford the costs of land purchase. While none of the lands in the first ten transitioning federal pastures have been purchased to date, all remain open to future purchase at any time by the lessees with the attendant risk that once sold any of the leased lands will no longer be kept open for future hunting access. The past patrons of AAFC's community pasture program and other concerned parties are asking government to abandon the idea of selling these lands and commit instead to long term Crown ownership to mitigate this risk.

The former PFRA community pasture system is known to include lands with some of the highest ecological value in southern Saskatchewan, particularly those lands supporting native grassland communities. The 718,000 ha in this system constitute a large and critical fraction of the lands making up Saskatchewan's Representative Areas Network in southern parts of the province for example accounting for close to half (46%) of the total designated representative lands in the Moist Mixed Grasslands Ecoregion. Special protection of the transitioning pasture lands is warranted given that there are no alternative lands available to replace them in the RAN system. These lands are critically important remnants of the once extensive prairie grasslands of Saskatchewan that should remain in Crown ownership to preserve their ecological and heritage values as natural working ecosystems.

Over the past 75 years AAFC's specialized range monitoring and management programs have assessed, documented and reported on the range conditions and grassland habitat quality on the 718,000 ha of public land in Saskatchewan's federal pastures. As these lands transition back to the provincial government there have been repeated assurances their ecological integrity will be sustained in the future and claims that ranchers are the best stewards of grass resources. This may be the case but there are no apparent performance measures in place to track and report on the future ecological integrity of the transitioning lands. As well there is no research documenting and valuating the important role that livestock grazing plays in sustaining this integrity and the public benefits provided. The provincial government is being urged to commit to ongoing reporting of range and habitat conditions within the transitioning pastures and to support new research into the relationship between ranchers' management of grassland ecosystems for livestock production and the provision of ecosystem services.

The common concerns of past patrons of AAFC's community pasture program, agricultural producers, wildlife conservationists and grassland naturalists and a series of specific requests for change in the government's direction are detailed in the "PFRA Pastures Transition Study" report. These groups share the common belief that over the long term, management of the transitioning federal pasture lands must be based on the principles that:

1. conserving native grasslands is critically important;
2. land use should reinforce the economic viability of our livestock sector;
3. natural working ecosystems must be preserved for the long term;
4. business and governance systems must be efficient and effective ; and,
5. producers should not be expected to pay for public benefits.

It is hoped the report will establish a fresh launch point for discussions with the Government of Saskatchewan, the people of Saskatchewan and the media based on these principles. This new conversation is critical to define the actions that need to be taken now to ensure the historic public benefits of the CPP system are not sacrificed as these CPP lands transition into a new management system for the future.