TERM LENGTH AND TENURE OF AN AGRICULTURAL LEASE OR PERMIT

I. Objective
To provide farmers with the length and tenure of terms, and renewability of agricultural leases and permits on agricultural Crown lands (ACL).

This policy replaces Policy 202-1: Length and Tenure of Forage Leases and Permits.

II. Authority
The Crown Lands Act
The Agricultural Crown Lands Leases and Permits Regulation

III. Description
The tenure of an agricultural lease or permit is dependent upon variables, such as type of disposition and type of agricultural activity.

Eligibility must be maintained to hold an agricultural lease or permit on ACL, or to make changes, to renew, or to transfer an agricultural lease or permit.

IV. Background

The regulations stipulate the maximum length of the term based on disposition type.

Forage or Cropping Leases
The maximum term of a croppings lease or forage lease is 15 years.

Hay or Grazing Permits
The term of a hay or grazing permit must not exceed one year, expiring on December 31 in the year of issuance. Renewable permits must not be renewed for a period longer than 15 years.

Special Leases
The term of a special lease must not exceed 21 years.

V. Length of Tenure

The length of term is associated with the type of lease or permit on the ACL. Shorter term leases are for cropping dispositions where the investment in improvements to use the ACL is limited. Longer term leases are for forage dispositions where there are obligated improvements and maintenance to be able to use the land (e.g., fencing, water development, etc.).

Cropping Lease
A cropping lease is issued for a term of up to five years in length.

Forage Lease
A forage lease is issued for a term of up to 15 years in length.

Renewable Haying or Grazing Permit
A renewable permit is issued for a term of up to one year in length, expiring on December 31 in the year of issuance.

The permit is renewable for up to 14 consecutive terms (maximum 15 terms to align with forage leases), provided the land is still available for agricultural use, and the permit holder has
complied with the terms and conditions of the permit. Terms and conditions of the permit are subject to change at renewal.

**Casual Permit**
A casual permit is issued for a term up to one year in length, expiring on December 31 in the year of issuance, and is not eligible for renewal.

**Special Lease**
A special lease may be issued for the purpose of research, stewardship, or other needs as determined by the department, for a term of up to 21 years in length, at the discretion of the minister. Terms and conditions of a special lease may vary from a standard lease agreement.

### VI. Exceptions

**Land subject to a sales application** (applications to purchase ACL)
Where there is a sales application under review for ACL, the terms of the disposition will be extended in one-year intervals, until such time there is a government decision made regarding the sales application.

- If the sales application is approved, and the applicant proceeds with the purchase of the agricultural Crown land, the land is no longer available for allocation in the ACL program.
- If the sales approval is in relation to only part of the disposition, only the approved lands are no longer available for allocation in the ACL program.
- If the sales application is denied, or there are other ACL within the disposition that are not approved, or the applicant does not proceed with the purchase of the ACL, the land returns to the ACL program for allocation via auction at the end of the term.

**Director’s Discretion**
There may be instances where terms are modified or extended, as required in relation to:

- alternate resource use (e.g. pending use or development by government)
- administrative efficiencies (e.g. regional grouping of ACL available at local auction)

### VII. Transitional measures
For forage leases and renewable permits in effect prior to the 2019 amendment of the regulations:

- Existing forage leases remain in place until the expiry of the forage lease. If a forage lease should expire prior to December 31, 2034, the lease may be renewed for an additional term, not to exceed December 31, 2034. This provision aligns with the new tenure for a forage term, from the date of coming into force (i.e., January 1, 2020 leases expire December 31, 2034).
- Existing renewable haying or grazing permits may be renewed for additional terms not to exceed December 31, 2034. This provision aligns with the new tenure for a forage term from the date of coming into force.

**EFFECTIVE 01 OCTOBER 2019 UNTIL RESCINDED OR AMENDED**

*Original signed by*

HONOURABLE RALPH EICHLER
MINISTER OF AGRICULTURE