

Grazing Contracts



Benefits

Grazing contracts are mutually beneficial legal agreements made between livestock owners and land owners, where the livestock are permitted to graze on the specified land of the land owner. The contracts may be referred to as grazing agreements or grazing leases. The agreements allow animals to graze on open land; this leads to various benefits for the welfare of the animals and the pasture fields.

Benefits to livestock owners

Allowing animals to graze on open fields has many benefits for the overall welfare of livestock. Field grazing permits the livestock to engage in their natural behaviours, which when controlled improves the health, reproduction rates and quality of life of the permitted livestock. These benefits to the animals lead to benefits for their consumption; healthy animals can translate to higher nutritional value and quality in their meat, eggs, fat and milk. Benefits can also be significant for the livestock owner: lower feed costs, healthier animals which can increase profitability and less labour requirements.

Benefits to land owners

Grazing contracts benefit both parties, including the pasture owner, livestock grazing on farm fields can have significant health improvements for the fields grazed which can have strong financial benefits. Grazing aids the land in a variety of ways, especially in soil health. When livestock enter fields, their weight and movements push weeds and other plants into the ground. The plants decompose and add organic matter to the soil, which can increase crop yields, improve quality and lower weeds. Other benefits include fresh manure being spread regularly on the fields, lower labour costs and a new market the farmers are able to enter.

How to find your pairing

Finding the correct farmer for your needs can be a challenge, but luckily there exist a variety of resources and techniques to find the right farmer for your needs.

Networking

A great technique to find livestock / pasture that works well for you is through networking! Joining farming groups in your area via facebook or a local organisation is a great way to start. Look at participating in farm tours around the province, farm clubs, attending trade shows and participating in workshops. Meeting other farmers can connect you with a larger community, because even if you don't meet someone meeting your needs, they could connect you with someone who does.

Grazing Exchange Canada

The Grazing Exchange app was designed to help farmers with this exact problem. The website directly connects livestock owners who are looking for pasture with pasture owners who are open to livestock grazing on their land. Any type of farmer can make an account and create their listing, connecting them with farmers across the province. The app also allows you to filter farms to find exactly what you are looking for; cattle, sheep, goat or pasture, native grass, crops or cover crops and much more. The listings also provide more information; such as water and fencing needs.

Advertise

Another easy option is finding advertising opportunities in your region. This could be as simple as making posters and putting them up in local community spots. You could also join community groups on facebook and post what you are looking for, or take advertisements out in your local paper. This method has endless opportunities and ways to go about it.

Key Points to Consider Prior to Making a Deal

Landowners

Before entering into a grazing agreement, it is important to evaluate your property beforehand and also understand what you hope to gain from the agreement. The type of livestock you allow on your property affects various parts of your local environment; the soil, vegetation and the infrastructure needed will all be different for the various types of livestock. Evaluate the land you have; is your soil health satisfactory to handle this type of livestock, do you have the water availability to support the animals and can your fencing protect the animals from escaping and prevent harm to your neighbours property? Land owners should consider these factors prior to animals coming on their property. They should also consider the potential benefits: soil health, weed control, tillage costs, etc. All of the benefits added up could lead to financial gain, however one should also consider the potential costs, such as insurance and infrastructure to ensure a beneficial deal is made.

Livestock Owners

Grazing can offer various benefits for your livestock as stated above, however there are some important factors to consider prior to making an agreement. The market you sell to will affect the type of pasture you are able to use; certified organic livestock will need to graze on certified organic land, grass fed and regenerative agriculture markets will also expect certain standards. The welfare of your livestock is also very important when considering grazing on another pasture; fencing, shelter, protection and adequate feed is crucial when choosing a pasture. Biosecurity concerns should be addressed to ensure the safety and health of your animals. The transportation costs should be evaluated, as transporting livestock can become expensive quickly if the location is not close.

The Contract

What to include your contract and questions to ask

Contracts can be formally written or informally spoken, this depends on the deal you are making and the trust you have in the party you are making an agreement with. The contract should be fair for both parties involved, ensuring adequate pay for the land owner as well as not overcharging for the land use. Following this will allow for better future agreements and long-term arrangements.

- What land it being grazed and the size
- What type of animal is grazing and their average weight (could use animal units)
- The length of the grazing period
- Price being paid per animal per day (could be based on AU, weight or head)
- Services provided by the land owner; have explicit expectations
- Have the contract clear and simple, however ensure the contract to be flexible for any unexpected adjustments
- Responsibility for processing costs, branding, dehorning, castrations, medications, vaccinations, etc. (GOV MB)
- The right to inspect livestock at any time by the owner
- Insurance costs, veterinarian costs, medication costs, and death responsibility



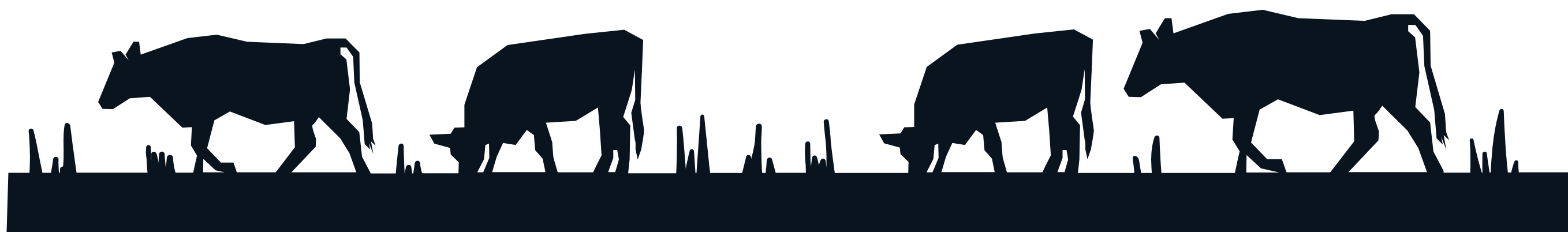
How to make the contract

When creating a custom grazing contract between two farmers, open and honest communication is the first step. Both parties should discuss the level of formality they are comfortable with, whether that means a simple handshake agreement, formal contract, or even contacting a lawyer. Whichever approach you choose to take, it is important to discuss the points previously outlined to ensure a flexible and clear agreement is made. Before entering discussions, each farmer should have a clear idea of their price target, supported by research into reasonable rates in the local area. Each farmer should take down important notes during the discussion, this will ensure that a reliable record exists if disagreements arise down the line. Once the agreement is finalized, it is best to conclude with a formally written agreement; handshake agreements can still be legally binding, so it is best to have something in writing to ensure everyone is on the same page.

Legal ramifications

Various legal ramifications on the land owner and/or the livestock owner could arise during a custom grazing agreement. To avoid these difficulties down the road it is important to create a clear contract and discuss all possible issues that may arise prior to the start of the grazing period. The following list explains various legal issues that may arise during your grazing contract:

- Liability for animals: if the animals grazing enter another property, you may be liable financially for any damages. This unusual circumstance should be discussed prior to avoid disputes.
- Breaching the contract: breaches of contract could occur from either party
- Damage to landowner's property: the animals grazing could incur damage to the property during the contract or cause problems concerning environmental or agricultural laws.
- Animal welfare: per the animal care act in Manitoba, the individual who has possession of the animals is responsible for the welfare of the animal, this includes: medical care, water and food access, temperature, etc. Animal welfare legally falls to the landowner, therefore expenses that may be incurred due to this should be discussed in the contract.
- Insurance: insurance may become more complicated, therefore speaking to your insurance company prior to the grazing contract is important
- Contract termination: termination can occur for a variety of reasons; a fair and reasonable agreement should be made if this occurs for both parties



Created by Manitoba Organics with support from Farmers from Climate Solutions



**MANITOBA
ORGANICS**



**FaRM
Resilience
Mentorship**

A Farmers for Climate Solutions Program