



KEYSTONE AGRICULTURAL PRODUCERS

December 9, 2025

Agricultural Crown Lands Leasing Program

Keystone Agricultural Producers (KAP) is Manitoba's general farm policy organization, providing a unified voice for farmers on issues that affect agriculture. KAP represents and promotes the interests of all Manitoba farmers and 20 commodity associations.

The Agricultural Crown Lands Leasing program is an integral tool for producers, particularly cattle producers, in ensuring the growth and stability of Manitoba agriculture. Affordability, efficiency, and effectiveness should represent key parts of any ACL policy. KAP is pleased to provide comments to the Department of Agriculture regarding proposed changes to the Agricultural Crown Lands Leasing program.

Lease Allocation Process

The lease allocation process requires improvements. While the province's decision to freeze land rental rates has provided temporary leaseholder relief—particularly under the context of rising input costs and challenging conditions such as drought—other issues remain. Producers need an allocation system that is not only efficient but also effective while considering the needs of new entrants and long-term lease holders. KAP recognizes that no allocation process will be perfect. But government can improve the allocation process in a thoughtful, forward-thinking way. Rather than committing to a single allocation system outright, KAP recommends that the department create a regulatory sandbox to test different allocation systems. The approach provides many advantages. (1) Less risk: government can simultaneously test each allocation system out on a temporary basis. (2) Better data: government can collect feedback directly from producers about the process. (3) Better outcomes: based on real-world feedback, government can decide which allocation system to permanently implement. By testing allocation options in a controlled environment, government can determine what works and what does not, minimizing long-term risk and leading to a better-informed, final decision.

Lease Term

Amendments in 2019 reduced lease terms from 50 to 15 years. The change created a disincentive for producers to bid on leases or for producers to invest in infrastructure. The recent five-year extension has provided some relief, but producers require longer periods. Comparable programs in Alberta, British Columbia, and Saskatchewan provide long-term leases. And KAP recommends adding 15-year renewals, ideally performance-based, to increase stability and long-term planning for Manitoba producers.

Rental Rate

Introducing the new forage rent formula has created sharp rental rate increases. Consequently, government has frozen forage rental rates. Freezing rent rates has provided temporary relief for producers, but producers also require consistency and predictability with the program. KAP recommends adjusting the rental rate formula, particularly the \$3.66 per animal unit month value.

Enforcement and Monitoring

An effective Agricultural Crown Lands Leasing partly depends on monitoring and enforcement. Crown land leases must be used for their intended purpose—e.g., forage leases for forages and cropping leases for annual crops. Unfortunately, program misuse occurs that negatively affects those who value and enjoy the program. And public misuse also occurs (e.g., unlocked livestock gates, illegal camping and hunting, littering, and damages to forages). Adequate resources should be allocated toward key activities (e.g., monitoring, enforcement, and public education) that will ensure ACL parcels remain an attractive option for livestock producers for many years.

Thank you for the opportunity to provide feedback on the Agricultural Crown Lands Leasing program. We look forward to hearing about future improvements to the program that will benefit both government and Manitoba producers. If you have any questions about this submission, please contact KAP policy manager, Neil Van Overloop, at neil.vanoverloop@kap.ca.

Sincerely,

A handwritten signature in black ink, appearing to read 'Colin Hornby', with a large, stylized flourish at the end.

Colin Hornby

General Manager, Keystone Agricultural Producers Inc.