

Background Information

Agricultural Crown Lands Program Review

Agricultural Crown Lands Program Review

Background Information

Manitoba's Agricultural Crown Lands (ACL) Program manages provincial lands designated for agricultural purposes, supporting activities such as grazing, haying, and cropping. These lands provide critical resources for approximately 1,750 leaseholders with 11,000 active parcels of land sustaining nearly 90,000 cattle during the grazing season. ACL plays a vital role in Manitoba's agriculture industry by supporting the livestock herd, maintaining ecological benefits, and sustaining ecosystem resilience.

To be eligible to acquire ACL, an individual must be at least 18 years of age and be a Canadian citizen or permanent resident of Canada within the meaning of the Immigration and Refugee Protection Act (Canada). Corporations, forage cooperatives, partnerships, Hutterite colonies, bands and non-profit organizations, as defined in the Income Tax Act (Canada), that principally represents the interests of one or more bands, individuals of Métis descent or holders of Aboriginal or treaty rights are also eligible to acquire an ACL lease. To continue to hold the lease, the lessee must be actively involved in the day-to-day management of the farm operation.

In 2019, Manitoba implemented substantial changes to the ACL Program (the program). Amendments to the Agricultural Crown Lands Leases and Permits Regulation enabled the use of a public auction to allocate agricultural Crown land leases and permits, introduced market-based rent formulas, and replaced long-term renewable leases with fixed terms.

In January of 2024, a five-year extension was added to the lease terms in the modern lease system to expand eligibility and restore the right to transfer modern leases to any eligible party. While leaseholders acknowledged the 2024 changes, concerns persist that current lease terms continue to challenge the long-term financial sustainability of existing operations, and the allocation method may limit access to agricultural Crown lands for new and young producers.

As per the [Minister's Mandate Letter](#) Manitoba Agriculture (Manitoba) commenced a review of the ACL Program in 2024 to ensure alignment with government's priorities, those interested and affected needs, and reconciliation commitments.

Manitoba is committed to enhancing the ACL Program to support sustainable agricultural practices and align with the new provincial mandates on affordability and reconciliation.

Manitoba concluded phase one of its review of the program with a mandate to evaluate how potential changes affect producers, and to explore future opportunities to ensure the program supports young and new farmers into the future.

What is the purpose of this engagement?

Manitoba aims to refine the program by focusing on options for three key areas:

- 1) Redesigning the lease allocation process;**
- 2) Implementing restrictions on leaseholder limits; and**
- 3) Revisiting the right of renewal for modern leases.**

The ACL Program Review will assess the impact of recent changes on producers, and other interested and affected parties, and explore future opportunities to support sustainable agricultural land use, respect Indigenous rights and assist new and emerging farmers. Through this engagement process, Manitoba will gather input on proposed options and preferences to inform decision-making and to refine the ACL program to better support Manitoba's agricultural community.

Overview of Engagement Topics

While these topics guide the engagement process, no decisions have been made regarding the final design or implementation of the ACL program changes. These concepts are still in the discussion phase and are intended to spark dialogue and gather feedback.

Given the varied interests among interested and affected parties—including the rights of Indigenous peoples, sustainable land use for producers, and the economic growth of the livestock industry—Manitoba will engage broadly with all interested and affected parties. This includes reaching out to existing leaseholders, Indigenous communities, young farmers, and industry associations to understand their perspectives on proposed changes.

By collecting and analyzing feedback, Manitoba aims to ensure that the revised ACL Program reflects Manitoba's commitment to supporting sustainable agriculture, Indigenous rights, and the next generation of farmers.

Manitoba is committed to building a framework for the program that aligns with provincial priorities for sustainable land management, respects the rights and contributions of Indigenous communities, and supports the diverse needs of Manitoba's agricultural sector. By fostering a collaborative approach with those interested and affected, Manitoba aims to refine a program that ensures transparent lease processes, equitable access, and long-term environmental and economic benefits for Manitoba's agricultural lands.

What are the Options?

Area of focus	2017-2020	2024	2025 Options
Allocation Method	Point-based allocation system changed to an auction-based allocation system.	Manitoba conducted a review of the Agricultural Crown Lands (ACL) Program and paused the scheduled ACL auction allocation process.	<p>ACL Program Lease Allocation Options:</p> <p>Option A: Modified Auction System (Tiered): A two-stage public auction process that begins with a targeted auction open only to new entrants, followed by a general auction where all eligible participants may bid on any remaining parcels.</p> <p>Option B: Tender System: A confidential Request for Proposal (RFP) process where bids are submitted privately, making the allocation process less visible.</p> <p>Option C: Points-Based System: A transparent system that allocates leases based on a points system, giving priority to young and new producers.</p>
Restrictions on leaseholders limits	Prior to 2019, lease agreements under the program imposed a 4,800 Animal Unit Month (AUM) cap on forage leases per leaseholder, including both ACL parcels and privately owned lands. These limits restricted the total amount of ACL a producer could hold for forage purposes. The 2019 regulatory changes removed this cap entirely, eliminating any formal limit on the amount of ACL forage land a leaseholder could hold, regardless of their private	No changes	<p>Reintroduction of restrictions on the total amount of ACL that a single leaseholder can hold Options.</p> <p>Option A: Yes. Tie the AUM Cap to the Allocation Process: Re-introduce a cap on the total number of Animal Unit Months (AUMs) that a single leaseholder can hold. This cap would apply exclusively to ACL parcels and not privately owned lands—unlike the pre-2019 system—and would</p>

	land holding.		determine a leaseholder's placement within Manitoba's ACL allocation tiers. Option B: No. Maintain Current System.
Revisiting the right of renewal for modern leases	<p>Terms for new leases were reduced to 15 years under the Modern Lease System.</p> <p>Legacy leases remained for leaseholders that entered their lease prior to October 1, 2019. These leases are in place until age 65 and can be renewed in perpetuity after that age.</p>	Leaseholders of 15-year term leases can extend terms to 20 years if they have implemented a forage management plan for the last 5 years of their lease.	<p>Should a leaseholder have the ability to renew their Modern ACL leases for a series of 15-year terms?</p> <p>Option A: Yes. Add Ability to Renew Modern Leases for a Series of 15 Year Terms: This option provides long-term stability for leaseholders but may reduce flexibility for reallocating land.</p> <p>Option B: No. Maintain the current system having no renewal options and a reallocation process at the end of the lease term.</p>

Implementation

Once feedback has been received, Manitoba is proposing a phased approach to implementing changes to the ACL Program. Draft regulations, factoring in what we heard will focus on areas such as lease allocation, leaseholder limits, and the right of renewal and will be circulated for further public feedback. This two-phase engagement approach is intended to gather input from leaseholders, Indigenous communities, and other interested and affected parties early in the process, ensuring all voices are considered before drafting the final regulation proposals.

Questions?

For more information, or if you require this document in an alternate format, please contact: Manitoba Agriculture at agcrownlands@gov.mb.ca