

## **Agricultural Crown Lands**

POLICY TITLE Fligibility

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BRANCH	Land Use and Ecosystems Resilience
DIVISION	Agriculture Production and Resilience
Policy Number	ACL 23-03
Effective Date	January 1, 2024, until rescinded or amended
<b>Replaces Policy</b>	#ACL-01-02
ADM/Director	Patti Rothenburger/Andrea McLean
Approved By	Å
	April 2, 2024 - Original signed by
	Brenda DeSerranno, Deputy Minister-MB Agriculture

#### **Policy Objective:**

To outline who is eligible to acquire or hold a lease or permit. It further details criteria set out in Section 3 of the Agricultural Crown Land Leases and Permits Regulation under The Crown Lands Act. It describes requirements in obtaining a lease or permit via public auction, application, nomination, or transfer.

#### Relevant Legislation, Regulation, and Agreements:

Section 3(1) and 3(2), and section 18.1 of the Agricultural Crown Lands Leases and Permits Regulation, M.R. 99/2023 outlines lease and permit eligibility.

- 3(1) describes eligibility to hold a lease or permit.
- 3(2) indicates that only those eligible to hold a lease or permit may participate in an auction or submit an application to acquire one through transfer or nomination.
- 18.1 describes restrictions placed on lease or permit holders and the prohibitions that may activate these restrictions.

Section 30(1) of The Crown Lands Act describes restrictions and authorizations related to the holding of a lease or permit by an employee of ACL, senior department officials, and Ministers of the Manitoba government.

### Policy

- 1) A lease or permit holder must substantiate that they meet eligibility requirements at time of allocation, or at any time during the term of a lease or permit if requested by the Director.
- 2) A single individual with signing authority for partnerships, forage cooperatives, corporations, or organizations (including non-profit organizations), may declare that the business entity meets the eligibility requirements.



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- 3) All lease and permit holders, and owners and operators of premises with livestock must complete a premises identification application. Confirmation of premises identification may be requested at application, auction, or at any time during the term of the lease or permit.
- 4) Manitoba Agriculture may request, at any time, a lease or permit holder to demonstrate appropriate management and utilization of the Crown land for sustainable agricultural production. This may include, but is not limited to
  - a) inspection by department employees of the Crown land to assess utilization;
  - b) inspection of the lease or permit holder's documentation related to lease or permit management;
  - c) inspection of forage (e.g., for evidence of overgrazing or brush encroachment) and livestock present on an ACL forage lease or permit; and
  - d) inspection of crops present on an ACL cropping lease.
- 5) A lease or permit holder may be requested to substantiate that they are performing the obligated duties to maintain the lease or permit and to substantiate that they are not participating in activities prohibited by the regulation or the lease or permit agreement. The lease or permit holder is required to provide any information requested by Manitoba Agriculture, including but not limited to
  - a) the number and species of animal units grazed and maintained on the leased or permitted lands, including grazing days on the leased or permitted lands;
  - b) the number of tonnes of hay harvested on the leased or permitted lands;
  - c) the acreage cultivated on the leased or permitted lands including the kinds of annual crops, if any, grown on the leased or permitted land;
  - d) any agreement between the holder and a third party relating to usage of leased or permitted lands;
  - e) the number of livestock owned by the lease or permit holder.
- 6) The Crown Lands Act obligates individuals to declare if they hold an office under The Crown Lands Act, or are an employee, or a family member of a current employee of the departments of Agriculture or Finance. Individuals that declare they hold office in these circumstances require additional approvals that must be obtained prior to finalizing the lease agreement.
- 7) Applicants must be in good standing with the Agricultural Crown Land Program in order to
  - a) participate in the allocation process;
  - b) obtain a new lease or permit (including nomination, transfer, or renewal of a lease or permit); and
  - c) have their name added to a lease or permit.



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- 8) For partnerships, cooperatives, corporations, First Nations bands, religious communities, and non-profit Indigenous organizations
  - a) a partnership is considered a business relationship and not a legal entity. As such, compliance issues associated with any individual member of the partnership may impact the eligibility of the partnership of which the individual is a part, and vice versa;
  - b) a lease or permit held by a band (First Nation), Hutterite colony, similar organization, or a non-profit Indigenous organization has an authorized member, which enables the community or organization to be eligible to hold a lease or permit. Compliance issues associated with the authorized member may impact the eligibility of the community which the individual represents, and vice versa; and
  - c) a forage cooperative or a corporation is considered to be a separate legal entity. Compliance issues associated with any individual member or shareholder does not impact on the eligibility of a forage cooperative or corporation of which the individual is a member or shareholder. However, if an individual is ineligible to participate in an allocation process, it renders the forage cooperative or corporation of which the individual is a part ineligible to participate in an allocation process.

### Exceptions

- Upon written request of a lease or permit holder from the Director, a grace period may be granted for up to a three-year period to wave the requirement for a lease or permit holder to be actively involved in the haying, grazing, or cropping on the ACL lease or permit. Manitoba Agriculture will determine the appropriate period to allow for the establishment or expansion of a farm operation, construct or install improvements (e.g., fencing, water development, etc.), or facilitate accommodation under extenuating circumstances (e.g., illness). This provision is intended as a temporary accommodation measure and is not intended to afford any financial benefit to the lease or permit holder.
- 2) If a lease or permit holder is found to be non-compliant in respect to eligibility, the lease or permit is subject to cancellation. However, in some instances, the lease or permit holder may submit a written request for permission to extend a grace period, where the lease or permit holder can re-establish eligibility. These considerations are discretionary, and may only be applied where
  - a) the noncompliance is not a result of fraud;
  - b) the noncompliance is not part of a pattern for the lease or permit holder; or
  - c) the noncompliance does not introduce risk to ACL or the general public.