FREQUENTLY ASKED QUESTIONS

Q How is agricultural Crown land administered?
A The Crown Lands Act and the Agricultural Crown Lands Leases and Permits Regulation are the authorities under which the Agricultural Crown Lands (ACL) Program operates. Changes are underway to enable public auction of available ACL parcels.

Q Why auction for allocation and rent?
A In response to feedback from consultation in the spring, the ACL program is making a shift to auction for allocation and rent for cropping and forage (haying and grazing) leases and permits.
A public auction will improve the efficiency and transparency of the allocation of leases and permits to producers, while letting producers determine the value of these allocations.
An auction system will also avoid the delay and uncertainty of appeal hearing outcomes.

Q What does this mean for existing leaseholders?
A Existing leases will remain in place, and as previously announced, changes to rental rates for existing forage leases and permits will start in 2020.

Q What does this mean for available ACL parcels?
A Auction will be used to allocate and set rent for available ACL parcels.
As changes are pending, there will be no advertisement of ACL parcels in fall 2018.
Provided the necessary changes to the regulation are made in time, the first auction could be held as early as fall 2019.

Q What policy decisions are pending?
A The ACL program is weighing options for regulatory and policy instruments, basing decisions on government and program objectives, and stakeholder input.
• Term lengths and renewals: We need to find a balance between retaining longevity and making lands available to new, potential clients.
• Minimum bids: We need to find a balance between market value and government fiscal responsibility.
• Applicability of bid rent: We need to find a balance between rent security and market relevance, and how rent might be adjusted over time.
• Rent for pre-existing leases: We need to determine an appropriate method to set rent for leases that were not part of an auction process.
• Auction notification: We need to determine the appropriate location and duration of advertising.
• Auction process: We need to determine the appropriate auction process that affords access to potential clients and is fiscally responsible.

Q What about Community Pastures?
A Community Pastures are now protected for agricultural use and ecosystem integrity by legislation. Agreements between the Manitoba government, owners and administrators will need to be in place.
At this time, community pastures will continue to be managed by the Association of Manitoba Community Pastures.

Q Why is there a suspension of sales and unit transfers?
A There is a temporary suspension of all applications for the purchase of Crown land or property (not just agricultural Crown land), as the process is under review. The unit transfer process for agricultural Crown land leases is also under review, as the unit transfer process was developed, in part, to address lessee concerns around the challenges to purchasing Crown lands.
The outcome of the sales review may influence how unit transfers proceed in the future. Consideration of both sales and unit transfers will continue into 2019.

Q What does a suspension mean for sales and unit transfers in progress?
A Any applications that are currently in progress will continue under the existing policies and procedures.

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