

## **Agricultural Crown Lands**

# **POLICY TITLE** Subletting and Temporary Modification of Use

BRANCH Sustainable Agriculture

DIVISION Agriculture Production, Innovation and Resilience

Policy Number ACL 23-10

Effective Date January 1, 2024, until rescinded or amended

Replaces Policy 211-1

ADM/Director Patti Rothenburger/Andrea McLean

July 29, 2024 - Original signed by

Approved by

Brenda DeSerranno, Deputy Minister - MB Agriculture

#### **Policy Objective:**

To allow agricultural Crown land lease and permit holders to modify how their leased or permitted land is used and to sublet under certain conditions.

#### **Relevant Legislation and Regulation:**

Section 16(1) of the Agricultural Crown Lands Leases and Permits Regulation, M.R. 99/2023 requires lease holders to be actively involved in cultivating crops, grazing livestock, or haying the leased or permitted lands.

Section 8.5 of the Agricultural Crown Lands Leases and Permits Regulation, M.R. 99/2023 allows a lease or permit holder that is subletting to be issued a nomination certificate. The lease or permit will be cancelled if they nomination certificate expires without being activated.

Section 7b of the Forage Lease Agreement prohibits the lease or permit holder from subletting, underletting or assigning the lease agreement without prior consent of the Director.

### **Policy**

- 1) The Forage Lease Agreement, in part, prohibits a lease or permit holder from subletting the leased or permitted lands, without written consent of the Director. The Director may provide consent to a lease or permit holder to sublet leased or permitted lands under special circumstances. These circumstances may include:
  - a) loss of herd through disease or weather;
  - b) temporary liquidation of herd to benefit from livestock market conditions;
  - c) natural disasters causing loss of hay supplies, forcing full or partial herd liquidation;
  - d) herd establishment or reestablishment;



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- e) change in livestock enterprise;
- f) lease or permit holder's health condition;
- g) lease or permit holder's enrollment in education or training;
- h) exceptional production year(s) with overabundance of grazing and/or hay;
- i) current leases with a nomination certificate or for which a nomination application has been accepted by the Director; or
- j) other circumstances at the Director's discretion.
- 2) A lease or permit holder wishing to sublet must request permission, state their intentions, and, in circumstances where they are temporarily reducing their herd size, indicate a date when they plan to be back in full operation.
- 3) Upon written approval from the Director, the lease or permit holder may sublet all or a portion of their leased or permitted lands. The lease or permit holder must pay full rent and taxes, and the amount charged for subletting must not exceed the combined amount.
- 4) In all circumstances where subletting has been authorized, the lease or permit holder shall not be eligible to purchase any of the leased or permitted lands.
- 5) Annual crops produced for sale on forage leases:
  - a) A lease or permit holder wishing to grow annual crops may do so with permission of the Director.
  - b) An adjustment in the rental rate will be made. The applicable cropping lease rates for the current year will be substituted for the forage rental rate normally charged on the cropped acres.
  - c) In circumstances where an annual crop is being grown for the purpose of re-establishing a forage stand, the cropping lease rates shall not apply providing a forage crop is underseeded.
- 6) A lease or permit holder that:
  - a) sublets leased or permitted lands, or
  - b) grows cereal or special crops on forage leases or permits

without written consent from the Director, may have the lease or permit cancelled at the discretion of the Director.

7) In relation to section 8.5 of the regulation, a holder of a lease or renewable permit issued before October 1, 2019, that is subletting the lease or renewable permit may do so if an application for nomination is made between January 1, 2024, and December 31, 2025. A lease or renewable permit holder known to be subletting that does not apply for nomination on or before December 31, 2025, will have their lease or renewable permit cancelled under section 18(1)(a) of the regulation.