

Agricultural Land Consolidation Review Committee

Annual Performance Report 2020-21



Chairperson's Message

The Honourable Derrick Bragg
Minister of Fisheries, Forestry and Agriculture
Petten Building
P.O. Box 8700
St. John's, NL A1B 4J6

Dear Minister Bragg:

I am pleased to submit the Annual Performance Report for the Agricultural Land Consolidation Review Committee for the period of April 1, 2020 to March 31, 2021. This report meets the requirements of the **Transparency and Accountability Act** for a Category 3 entity.

The Agricultural Land Consolidation Review Committee was successful in achieving its annual objective as outlined in the Committee's 2020-23 Activity Plan. The commitments of the Provincial Government related to the Department of Fisheries, Forestry and Agriculture were considered in the preparation of this report. Specifically, the work undertaken will assist in reaching the target to increase Newfoundland and Labrador's food self-sufficiency from its current 10 per cent to at least 20 per cent by 2022.

My signature below is on behalf of the Agricultural Land Consolidation Review Committee and is indicative of its accountability for the reported results of its activities for 2020-21.



Richard Carey
Chairperson

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Overview

The Agricultural Land Consolidation Review Committee (the Committee) administers the Agricultural Land Consolidation Program (the Program) designed to provide the opportunity for non-farmer landowners and retiring farmers to sell their granted land to the Provincial Government and facilitates this process based on the guidelines of the Program. In turn, the Department of Fisheries, Forestry and Agriculture (FFA) makes this land available to existing commercial farmers, part-time farmers and new entrants who are in need of additional lands.

Promotion of the Program is through direct contact by FFA officials and the Departmental website, <https://www.gov.nl.ca/ffa/>. Applications were reviewed by the Committee to determine whether the land was suitable for agricultural purposes and free of zoning issues. Applicants wishing to sell land were invited to commence negotiations for a purchase and sale agreement. A number of third parties are involved in the process, such as land appraisers, land surveyors and lawyers. An environmental assessment may also be required.

The members of the Committee as of March 31, 2021, were as follows:

Name	Position	Term
Richard Carey	Chairperson, Department of Fisheries, Forestry and Agriculture	At Pleasure
Deanne McCarthy	Secretary, Department of Fisheries, Forestry and Agriculture	At Pleasure
Jeremy Short	Member, Department of Fisheries, Forestry and Agriculture	At Pleasure
Coolene Brake	Member, Department of Fisheries, Forestry and Agriculture	At Pleasure

FFA provides secretariat support to the Committee. WPH Law provided legal services to the committee during 2020-21 which included responsibilities with negotiations for landowners interested in selling their land to the Province.

The Committee received extensive operational support from FFA. Employees of FFA performed many of the day-to-day administrative functions. In 2020-21, the Program was funded by FFA based on a \$1,301,900 budget, which includes program funding of \$1,100,000 for land purchases, \$104,000 for professional services and \$97,900 for purchase services. For more information, please see the Financial Information section (page 5) of this report. Professional services included, but were not limited to, surveys and consultant fees, Purchase services included, but were not limited to, costs associated with surveys and mapping equipment, construction services and land development.

Since the inception of the Program in 1985, and its expansion in 2006, the Program is well known for providing an opportunity for the sale of private agricultural land, resulting in this land being made available to farmers as long-term agricultural leases through the Crown.

This report is available in alternate formats. For further information, contact Ms. Deanne McCarthy at: (709) 945-3007 or email at: DMcCarthy@gov.nl.ca.

Mandate:

The Agricultural Land Consolidation Review Committee is mandated to:

- (a) Ensure public awareness of Government's Agricultural Land Consolidation Program;
- (b) Evaluate applications for land acquisition under the Agricultural Land Consolidation Program based on established guidelines; and
- (c) Facilitate and conclude negotiations for a land purchase and sale agreement for applications that meet criteria.

The Committee has not identified separate lines of business as they would be repetitive of its mandate described above.

Through its evaluation of applications for land acquisition, the Committee contributes to FFA's vision of sustainable renewable resources that are responsibly developed for the social, cultural, ecological, and economic well-being of the province.

Highlights and Partnerships

The Committee is dedicated to fulfilling its objective of preserving and increasing the province's agricultural land base. Through the work of the Committee, we will continue to promote the sustainability of the agriculture and agrifoods industry in Newfoundland and Labrador.

In 2020-21, FFA negotiated purchase and sale agreements for over 185 acres of land. Expenditures for the Program vary from year to year depending on availability of land for purchase. Land is then advertised as available for a Crown Land agricultural lease. Crown Land is no longer allocated to farmers in the form of a grant or private land.

With the current emphasis on agricultural lands and goals to increase food self-sufficiency, the Committee's negotiations to purchase private land for agriculture is of the utmost importance. Applications submitted in the 2020-21 fiscal year to the Committee were reviewed, finalized, purchased and/or refused by the Committee.

Agriculture communities, such as the Town of Cormack, which is located on the west coast of the province, as well as sections of St. John's such as Goulds and Kilbride, which is located on the east coast, are limited in the amount of available agricultural lands. Therefore, the purchase of lands negotiated through the Committee enables land availability for future farming expansion or new entrants. Once a land purchase is finalized by the Committee, FFA begins the allocation process.

Report on Performance

As the focus of the Committee will remain the same for the duration of the 2020-23 planning period, it will report on the same objective and indicators each year as outlined in its 2020-23 Activity Plan.

Committee activities in 2020-21 were consistent with the Provincial Government's commitment toward agriculture and agrifoods sustainability. The Committee contributes to that commitment by acquiring granted agricultural land from retiring farmers and non-farmer landowners and making it available for acquisition by new and existing farmers as agricultural leases, thereby increasing the amount of agricultural land development. Increased development provides for the growth of primary production and opportunities for diversification, which will encourage growth in the area of value added and secondary processing activities. Securing additional land reduces farm costs and provides farmers with access to capital which can be used to further grow their operations.

Typically, applications received are evaluated for land use and soil suitability. Once evaluated, negotiations commence and can take considerable time. If an agreement is reached and a purchase and sale Agreement is signed between the Government of Newfoundland and Labrador and the applicant, funds are deducted from the budget for the fiscal year and transferred to a trust account with the legal consultant. The funds remain in the trust account until a survey is completed to confirm size and boundaries of the land in question. If any legal issues arise, this can delay the process. For this reason, the process can often go beyond one fiscal year.

Objective 2020-21:

By March 31, 2021, the Agricultural Land Consolidation Review Committee will have administered the Agricultural Land Consolidation Program in an effort to preserve and/or increase the province's agricultural land-base.

Indicators:

- **Evaluated applications for land acquisition by the Government of Newfoundland and Labrador under the Agricultural Land Consolidation Program based on established guidelines and policies.**
 - The Committee met on 12 occasions during fiscal 2020-21. The Committee evaluated two new applications submitted in 2020-21 and 11 applications that were carried forward from previous fiscal years to sell land to the Government of Newfoundland and Labrador for agricultural purposes. As per normal procedure, applications are reviewed on a “first come, first served” basis with consideration given to prioritizing properties of high agricultural importance.
 - Of the two new applications that were submitted in 2020-21, one is waiting for committee review and assessment and one was turned down based on the grounds that the land was not suitable for agricultural development.
 - The status update on the other eleven applications from previous fiscal years is as follows:
 - Two applications were rejected based on the grounds that the land was not suitable for agricultural development;
 - Three were negotiated, with purchase and sale agreements signed;
 - Three purchases were finalized from the previous fiscal year’s budget;
 - Two were withdrawn by the applicants; and
 - One is still in negotiations with the Government of Newfoundland and Labrador.
- **Recommended potential purchases to the Minister.**
 - During fiscal 2020-21, the Committee prepared briefing notes recommending the purchase of five properties for the Ministers review. Three properties were purchased, one property offer was declined by the applicant and one property offer will be addressed in the 2021-22 fiscal.
- **Facilitated and concluded negotiations for a land purchase and sale agreement for applications that meet program criteria.**
 - During fiscal 2020-21, the Committee negotiated purchase and sale agreements for three properties, totalling 186.81 acres.

- **Publicly communicated the opportunity to private landowners to sell private, agriculturally suited land through the Agricultural Land Consolidation Program.**
 - Information and applications for the Program can be found on the FFA website and, upon request, are sent to interested individuals through email.

Opportunities and Challenges

The committee's ability to conduct meetings was not affected by COVID-19, as the majority of meetings were held via Skype and teleconference.

The availability of suitable farmland is one of the more critical challenges facing the agriculture and agrifoods industry. In order to position this industry to take advantage of the tremendous growth opportunities, farmland has to be made available. The expansion and development of the land base will provide the root crop sector with the means to increase local production and create opportunities to increase the consumption of locally grown foods. With respect to the livestock sector, access to additional farmland will increase the ability to produce forage for animal feed. The Program has developed into a vital component of the Province's land protection and development objectives, and is consistent with government's commitments to increase Newfoundland and Labrador's food self-sufficiency.

A challenge with the Program is that receiving an application and completing the legal process of purchase of land, within one fiscal year is not always possible.

Financial Information

The Committee does not have a stand-alone administration budget, and as a result, audited statements are not required. The following table outlines FFA Expenditures for the Land Consolidation Program. Committee expenses are funded through FFA.

Fiscal 2020-21 Expenditures	
	Expenditures
Property	\$650,946.00
Professional Services	\$32,135.50
Purchased Services	\$0
Total	\$683,081.50