

Agricultural Land Consolidation Review Committee

Annual Performance Report 2021-22



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, 2021 to March 31, 2022. This report meets the requirements of the **Transparency and Accountability Act** for a category three 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 have been considered in the preparation of this report. More specifically, the work undertaken will support Government in increasing Newfoundland and Labrador's food self-sufficiency.

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 2021-22.



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 FFA's 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, 2022, 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
Coolene Brake	Member, Department of Fisheries, Forestry and Agriculture	At Pleasure
Jeremy Short	Member, Department of Fisheries, Forestry and Agriculture	At Pleasure

FFA provides secretariat support to the Committee. Mr. Chris Peddigrew, Peddigrew & Wade Law, began his role as the Committee's solicitor for 2021-22. Mr. Peddigrew's responsibilities included negotiations with 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 2021-22, 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 has become 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, please contact Ms. Deanne McCarthy at (709) 945-3007 or email at DMcCarthy@gov.nl.ca.

Mandate

The Agricultural Land Consolidation Review Committee has a mandate 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 committed 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 2021-22, FFA negotiated purchase and sale agreements for approximately 149.83 acres of land. Expenditures for the Program vary from year-to-year depending on the availability of land for purchase. This land is then advertised as land 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 commitments to increase food self-sufficiency, the Committee's negotiations to purchase private land for agriculture is of the utmost importance. Applications submitted in the 2021-22 fiscal year to the Committee were reviewed, finalized, purchased and/or refused by the Committee.

Agriculture communities, such as the Town of Cormack on the west coast and the community of the Goulds 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 has been 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, the Committee will report on the same objective and indicators each year as outlined in its 2020-23 Activity Plan.

Committee activities in 2021-22 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 that 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 can be reached and a purchase and sale agreement is signed between the Government of Newfoundland and Labrador and the applicant, funds are deducted from the Committee's 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 the size and boundaries of the land in question. If any legal issues arise, the process may be delayed. For this reason, the process can often go beyond one fiscal year.

Objective 2021-22

By March 31, 2022, 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 six occasions during fiscal 2021-22. The Committee evaluated four new applications and four 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 were reviewed on a “first come, first served” basis with consideration given to prioritizing properties of high agricultural importance.
- The status update on the four applications from previous fiscal years is as follows:
 - One application was negotiated, with a purchase and sale agreement signed; and
 - Three purchases were finalized from the previous fiscal year’s budget.
- The status update on the four new applications submitted in the 2021-22 fiscal year is as follows:
 - One application is currently being reviewed and assessed by the committee;
 - One application was turned down because the land was determined not suitable for agricultural development; and
 - Two applications were negotiated, with purchase and sale agreements signed.
- **Recommended potential purchases to the Minister.**
 - During fiscal 2021-22, the Committee prepared briefing notes and recommended the purchase of two properties to the Minister.
- **Facilitated and concluded negotiations for a land purchase and sale agreement for applications that meet program criteria.**
 - During fiscal 2021-22, the Committee negotiated purchase and sale agreements for three properties, including one that had been approved for purchase in fiscal 2020-21 for a total of 149.83 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 are sent to interested individuals upon request.

Opportunities and Challenges

The Committee will continue to accept and review applications for potential opportunities to increase the amount of land available to farmers in the Province.

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. Furthermore, the process of completing the soil suitability analysis and legal land surveys, which are seasonal activities, can contribute to time delays throughout the purchase process.

Financial Information

The Committee does not have a stand-alone administration budget and, as a result, audited financial statements are not required. The following table outlines FFA expenditures for the Program. All Committee expenses in fiscal 2021-22 were funded through FFA.

Fiscal 2021-22 Expenditures	
	Expenditures
Property	\$451,166.79
Professional Services	\$24,851.52
Purchased Services	\$89,025.87
Total	\$565,044.18