

Agricultural Land Consolidation Review Committee

Annual Performance Report

April 1, 2019 to March 31, 2020



Chairperson's Message

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

Dear Minister Loveless:

I am pleased to submit the Annual Performance Report for the Agricultural Land Consolidation Review Committee (the Committee) for April 1, 2019 to March 31, 2020. This report meets the requirements of the **Transparency and Accountability Act** for a Category 3 entity.

The Committee was successful in achieving its annual objective as outlined in the Committee's Activity Plan of 2017-2020. The commitments of Government related to the Department of Fisheries Forestry and Agriculture (FFA) (Formerly Fisheries and Land Resources) have been 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.

My signature below is on behalf of the Committee and is indicative of the Committee's accountability for the reported results of its activities for 2019-20.



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 FFA 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, 2020 were as follows:

Name	Position	Term
Richard Carey	Chairperson, Department of Fisheries, Forestry and Agriculture	At Pleasure
Deanne McCarthy	Member, 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. Mr. John Hogan, WPH Law, continued his role as the Committee's solicitor for 2019-20. Mr. Hogan's responsibilities include negotiations with landowners interested in selling their land to the Province.

In 2019-20, total expenditures were \$1,025,777. Detailed information regarding Program budget and expenditures for 2019-20 can be found in the Financial Information section (page 5) of this report.

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 long-term as agricultural leases through the Crown.

This report is available in alternate format. For further information, contact Ms. Deanne McCarthy at (709) 945-3007.

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.

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 2019-20, FFA negotiated purchase and sale agreements for approximately 206 acres of land. Expenditures for the Program vary from year-to-year depending on availability of land for purchase. This land is then advertised as land available for agricultural lease. Grants are not an option.

With the current emphasis on agriculture lands and goals to increase food self-sufficiency, the Committee's negotiations to purchase private land for agriculture is of the utmost importance. In 2019-20, 12 new applications were submitted to the Committee for review.

Agriculture communities, such as Cormack and Goulds, are limited in the amount of available agriculture lands, thus 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 entire plan, the committee will report on the same objective and indicators in all three years.

Outcome of Objective

Committee activities in 2019-20 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 on 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. Then 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 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 the fiscal year.

Objective: By March 31, 2020, 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 10 occasions during 2019-20. The Committee evaluated 12 new applications and 11 applications, which 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 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. Five were negotiated, with Purchase and Sale agreements signed. Two purchases were finalized from the previous fiscal year’s budget and two are still in negotiations with the Government of Newfoundland and Labrador.
 - Twelve new applications were submitted in the 2019-20 fiscal year. Six are under committee review and assessment, five were turned down based on the grounds that the land was not suitable for agricultural development and one purchase and sale agreement was signed.
- Facilitated and concluded negotiations for a land Purchase and Sale agreement for applications that meet program criteria;
 - The Committee negotiated Purchase and Sale Agreements for six properties totalling 206 acres in the 2019-20 fiscal year.
 - Allocated properties purchased as Agricultural Crown Land Leases;
 - Properties purchased under the Land Consolidation Program are allocated to farmers as agriculture leases through a public call for proposals. Due to legal processes, beyond the control of FFA, no properties were offered as agricultural leases in 2019-20.
 - 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.

Opportunities and Challenges

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 goods. For the livestock sector, it will mean having access to more land for forage production. The Program has developed into a vital component of the Province's land protection and development objectives, consistent with provincial government's commitment 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 is a Table of 2019-20 Budget and Expenditures for the Land Consolidation Program. Committee expenses were funded through FFA.

Table of 2019-20 Budget and Expenditures		
	Budget	Expenditures
Land Purchase and Sale Agreements	\$1,100,000	\$914,656
Professional Services	\$104,000	\$111,121
Purchased Services	\$97,900	\$0
Total	\$1,301,900	\$1,025,777

In addition to Committee expenses, the Department of Justice and Public Safety has a contract for independent legal services with respect to purchase negotiations as well as expenses related to environmental assessments and legal land surveys. These associated expenses are included in the professional services above.