

**Agricultural Land Consolidation Review Committee**

**Annual Performance Report**

**April 1, 2012 to March 31, 2013**



## Chairperson's Message

Honourable Thomas Marshall  
Minister of Natural Resources and Minister Responsible  
for the Forestry and Agrifoods Agency  
P.O. Box 8700  
St. John's, NL  
A1B 4J6

Dear Minister:

In accordance with the provisions of the *Transparency and Accountability Act* for category 3 public bodies, I am pleased to submit the Annual Performance Report for the Agricultural Land Consolidation Review Committee for April 1, 2012 to March 31, 2013.

The Agricultural Land Consolidation Review Committee was successful in achieving its annual objective and in contributing to its mission, as outlined in the Committee's Activity Plan of 2011-14. Through its actions, the Committee supported sustainable resource development through the acquisition of land which will contribute to an expanded agricultural land base.

My signature below is on behalf of the Agricultural Land Consolidation Review Committee and is indicative of the Committee's accountability for the results of this Report and for the results reported on its activities for 2012-13.

Respectfully submitted,



**Robert Walsh**  
Chairperson

## Table of Contents

Overview.....	1
Mandate.....	2
Values.....	2
Clients.....	2
Vision.....	2
Mission.....	2
Activities.....	3
Outcome of Objective.....	4
Activities for 2013-14.....	5
Opportunities and Challenges.....	5
Financial Information.....	6
Conclusion.....	6



## Overview

The Agricultural Land Consolidation Review Committee administers the Agricultural Land Consolidation 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, government 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 done through periodic public notices explaining the Program and application procedure through newspaper publications as well as directly by Department officials. Applications are reviewed by the Committee to determine whether the land is suitable for agricultural purposes and is free of zoning issues. Applicants wishing to sell land are 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 be required.

The Agricultural Land Consolidation Review Committee has one member from the Forestry and Agrifoods Agency (FAA), Department of Natural Resources; one member from the Department of Transportation and Works, one member from the Department of Environment and Conservation, and a chairperson from the public at large. The members for 2012-2013 fiscal year were: Richard Carey (FAA); Martin Balodis (Department of Transportation & Works); and Robert Walsh (Chairperson). Raymond Tucker (FAA) was the Committee's secretary, researcher/assessor who maintains the files and Andrew Pike (Department of Environment and Conservation, Lands Branch) joined the Committee as Technical Liaison in 2012-2013. Mr. Thomas Fraize, QC, continued in his role as the Committee's solicitor with responsibilities for negotiations with landowners interested in selling their land to the province under the terms of the Agricultural Land Consolidation Program.

The Agricultural Land Consolidation Review Committee receives extensive operational support from the Forestry and Agrifoods Agency. Employees of the Agency perform many of the day to day administrative functions. In 2012-2013, the Agricultural Land Consolidation Program was funded by the Agency based on a \$2,100,000 annual budget including \$1,950,000 for land purchases and \$150,000 for professional services. Since the inception of the Program in 1985 and its expansion in 2006, the Program has become well known, resulting in new offers to sell land to the province.

## **Mandate**

The Agricultural Land Consolidation Review Committee was established by Government to:

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

## **Values**

The Agricultural Land Consolidation Review Committee performs its duties within the following core values: integrity, respect and professionalism, timeliness, collaboration and innovation.

## **Clients**

The clients of the Agricultural Land Consolidation Review Committee are members of the public who wish to sell or relinquish arable land to the Government of Newfoundland and Labrador for agricultural purposes.

## **Vision**

As outlined in its 2011-14 Activity Plan, the vision of the Agricultural Land Consolidation Review Committee is of a province that realizes the full benefit from the sustainable development of its natural resources.

## **Mission**

To prepare the mission of the Agricultural Land Consolidation Review Committee, the Committee considered that the province has many opportunities for expansion of agricultural and agrifoods production. The consolidation of agricultural land will help achieve adequate economies of scale in operation. This is needed to sustain current operations and make agricultural production more feasible for new entrants.

As such, the Agricultural Land Consolidation Review Committee developed the following as its mission for the 2011-17 period.

### *Mission Statement:*

By March 31, 2017, the Agricultural Land Consolidation Review Committee will have contributed to the preservation and expansion of land for agriculture purposes.



*Measure:* Contributed to the preservation and expansion of agricultural land.

In working to achieve its mission, the Agricultural Land Consolidation Review Committee will contribute to the Provincial Government's overall strategic directions toward agriculture and agrifoods sustainability, as well as the agriculture and agrifoods sectors innovation, promotion and development.

## **Activities:**

The Mission's indicators, as stated in the 2011-14 Activity Plan include the following:

- Properties purchased and made available for allocation as Agricultural Crown Land Leases;
- Supported Provincial agriculture zoning policies.

The Secretary of the Agricultural Land Consolidation Review Committee maintains files and statistics of all applications received by the Committee. Since 2011, the Committee processed and assessed 22 applications to sell land to the Government. Applications were received from the Northeast Avalon (9), Cormack/Reidville (8), Eastport (1), Green Bay, (1), Codroy Valley (2) and Crabbes River (1).

The Agricultural Land Consolidation Review Committee maintains statistics related to the location of purchased properties, acreage, to whom allocated, allocation date and the Crown Land Lease/application number. Since 2011, the province fully completed the purchase of 7 properties totaling 404.6 acres. The province advertised 10 public Calls for Proposals. The remaining proposals being considered are in various stages of evaluation and once sales are final, Calls for Proposals will be issued.

The Agricultural Land Consolidation Review Committee has contributed to the sustainability of agriculture in the province through the protection of agriculture land and by providing the opportunity for farms and new entrants to consolidate and expand their land base. These properties, which are strategically located, have enhanced the efficiency of their farms.

Awareness of the Land Consolidation Program has been accomplished through advertising the program and most importantly by explaining the benefits of the program to non farmer property owners and farmers. The effectiveness of the program to consolidate the agricultural land base and at the same time by providing an option to sell land for future agriculture use, has generated interest in the Program.

## Outcome of Objective

The activities of the Agricultural Land Consolidation Review Committee, 2012-13, were consistent with the Provincial Government's overall strategic directions toward agriculture and agrifoods sustainability, as well as the agriculture and agrifoods sectors innovation, promotion and development.. The Agricultural Land Consolidation Review Committee contributes to those strategic directions 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.

**2012-13 Objective:** By March 31, 2013, 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 landbase.

**Measure:** Administered program

### Indicators

- **Completed Communication Activities Regarding the Agricultural Land Consolidation Program**  
Public advertising was conducted through posting on the Department of Natural Resources' website ([www.gov.nl.ca/nr](http://www.gov.nl.ca/nr)); in addition departmental staff who were aware of potentially interested individuals were directed to ensure those individuals were fully informed of the program.
- **Assessed Applications and Prioritized Purchase Opportunities**  
The Land Consolidation Review Committee met on 12 occasions during 2012-13. The Committee assessed 9 applications 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.

In 2012-2013, one application was rejected based on the grounds that the land was not suitable for agricultural development.



- **Carried Out Negotiations for Land Purchase(s)**

The Agricultural Land Consolidation Review Committee initiated and concluded negotiations and Purchase and Sale Agreements for the purchase of three properties totalling 180.9 acres in 2012-13 based on the guidelines for land purchase. Negotiations for 11 other properties were on-going into the 2013-14 fiscal year. Following purchase, the properties were advertised by the Forestry and Agrifoods Agency in a Public Call for Proposals for allocation as agricultural leases. The Committee has had support from Financial Operations Division of the Department of Natural Resources in financial transactions; as well as some in house training for staff.

## **Activities for 2013-14**

As communicated in the Committee's 2011-14 Activity Plan, work for 2013-14 will be based on the same objective, measure and indicators as noted above. The Activity Plan is available on the Department of Natural Resources' website ([www.gov.nl.ca/nr](http://www.gov.nl.ca/nr)).

## **Opportunities and Challenges**

There are significant growth opportunities in the agriculture sector in Newfoundland and Labrador. Only 3% of beef and 15% of root crops consumed by Newfoundlanders and Labradorians are produced here. Furthermore, as a result of an additional 31 million litres in industrial milk quota negotiated in 2001 and to be developed by 2016 specifically for the production of such dairy products as cheeses and ice cream/yogurts, there is an opportunity to increase the province's total milk production.

The availability of suitable farm land 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 dairy sector, it will mean having access to more land for forage production. The Agricultural Land Consolidation Program has developed into a vital component of the province's land protection and development objectives, consistent with the Strategic Direction of Government.

The Agricultural Land Consolidation Review Committee anticipates a busy year in 2013-14 as there are many properties which have been offered for sale pursuant to the terms of the Program.



## **Financial Information**

The Agricultural Land Consolidation Review Committee does not have a stand-alone budget and as a result, audited statements are not required. Committee Member expenses are funded through the Forestry and Agrifoods Agency and totaled \$1,440.00 for the 2012-13 fiscal year. In addition to Committee Member expenses, the Forestry and Agrifoods Agency also has a contract for independent legal services in respect to purchase negotiations. The Department also pays for environmental assessments and legal land surveys. These associated expenses are covered in the Department's budget as well.

In 2012-13 the Committee negotiated Purchase and Sale Agreements for, and subsequently purchased, three properties totaling 180.9 acres for \$313,846.00. The remaining \$845,310 has been allocated in trust for the remaining properties where a Purchase and Sale Agreement has been finalized, but conditions of sale are in the process of being met. It is anticipated that the purchase of these properties will be completed in the 2013-14 fiscal year. The administration of Purchase and Sale Agreements and the handling of funds in trust are directed by Mr. Fraize, QC, the Committees solicitor.

### Budget Spent:

Professional Services:	\$ 98,597.56
Property:	\$ 1,159,156.00
<b>Total</b>	<b>\$ 1,257,756.56</b>

## **Conclusion**

The Agricultural Land Consolidation Review Committee is committed to fulfilling its mission of contributing to the preservation and expansion of land for agriculture purposes by consolidating land to strengthen the agriculture sector and protect land for the future. Through the work of the Committee, the strategic directions of the Provincial Government will continue to be supported to promote the sustainability of the agriculture and agrifoods industry in Newfoundland and Labrador.