

COR/2019/0449

September 30, 2019

Ms. Sandra Barnes  
Clerk of the House of Assembly  
House of Assembly  
P.O. Box 8700  
St. John's, NL A1B 4J6

Dear Ms. Barnes:

In accordance with Section 16 of the **Transparency and Accountability Act**, I wish to advise you that the 2018-19 Annual Report for the Agricultural Land Consolidation Review Committee has not been signed by the Chairperson of the Committee. As Minister responsible for the committee, my signature indicates the Committee's accountability for the results reported on its activities.

I trust this is satisfactory.

Sincerely,



**HONOURABLE GERRY BYRNE, MHA**  
District of Corner Brook  
Minister

# **Agricultural Land Consolidation Review Committee**

Annual Performance Report

April 1, 2018 to March 31, 2019



## Minister's Message

I am pleased to submit the Annual Performance Report for the Agricultural Land Consolidation Review Committee (the Committee) for April 1, 2018 to March 31, 2019. This report meets the requirements of the **Transparency and Accountability Act** for a Category 3 entity.

I hereby express my gratitude and sincere thanks to each of them for their devoted service to the Land Consolidation Program. Their respective contributions of knowledge, skill, and experience 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.

The Committee was successful in achieving its annual objective as outlined in the Committee's Activity Plan of 2017-2020. The strategic directions of this government related to the Department of Fisheries and Land Resources (FLR), including those outlined in The Way Forward, have been considered in the preparation of this report.

As Minister, I accept responsibility for the preparation of this report and the achievement of its objective. My signature signifies accountability for the reported results of activities for 2018-19.

A handwritten signature in blue ink, appearing to read 'Gerry Byrne', with a long horizontal stroke extending to the right.

**HONOURABLE GERRY BYRNE, MHA**  
Minister of Fisheries and Land Resources

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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 and Land Resources (FLR) 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 FLR officials and the FLR website, <http://www.flr.gov.nl.ca/>. Applications were 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 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, 2019 were as follows:

Name	Position	Term
Robert Walsh	Chairperson, Dairy farmer, St. John's, NL	At Pleasure
Richard Carey	Member, Dept. of Fisheries & Land Resources	At Pleasure
Jonathan Grandy	Member, Dept. of Fisheries & Land Resources	At Pleasure

FLR provides secretariat support to the Committee. Mr. John Hogan, WPH Law, continued his role as the Committee's solicitor for 2018-19. Mr. Hogan's responsibilities include negotiations with landowners interested in selling their land to the Province.

The Committee received extensive operational support from FLR. Employees of FLR performed many of the day-to-day administrative functions. In 2018-19, the Program was funded by FLR based on a \$1,303,000 budget, which includes program funding of \$1,100,100 for land purchases, \$104,000 for professional services and \$97,700 for purchase services. Information regarding program expenditures for 2018-19 can be found in the Financial Information Section (page 4) of this report. Professional services included but were not limited to surveys, consultant fees, appraisals and environmental 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 farmer's 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 2018-19, FLR purchased approximately 162 acres of land at a value of \$368,687. Expenditures for the Program varies 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 of the current Government to increase food self-sufficiency, the importance of the Committee to negotiate purchase of private land for agriculture is of the utmost importance. The eight new applications submitted in the 2018-19 fiscal year to the Committee were reviewed, finalized, purchased and/or refused by the Committee.

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 the land purchase has been finalized by the Committee, FLR begins the allocation process.

## Report on Performance

As the focus of Agricultural Land Consolidation Review 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 2018-19 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. Negotiations then commence and can take considerable time. If an agreement can be reached and a Purchase and Sale Agreement is signed by 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, 2019, 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 seven occasions during 2018-19. The Committee evaluated eight new applications and seven 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 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; and one was withdrawn because of another offer. Two were negotiated with Purchase and Sale agreements signed and two are still in negotiations with the Government of Newfoundland and Labrador.
- Eight new applications were submitted in the 2018-19 fiscal year. Six are waiting for committee review and assessment and two were turned down based on the grounds that the land was not suitable for agricultural development.
- 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 two properties totalling 162 acres in the 2018-19 fiscal year.
- Allocated properties purchased as Agricultural Crown Land Leases;
  - Following purchase, seven properties were advertised by FLR in 2018-19 through a Public call for Proposal on the FLR website and issued as agricultural leases.
- 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 FLR website and featured in advertisements and news releases

## 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 The Way Forward commitment to increase Newfoundland and Labrador's food self-sufficiency from its current 10 per cent to at least 20 per cent by 2022.

A challenge with the program is receiving applications and completing the legal process of purchase of land, within a fiscal year.



## 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 Expenditures of FLR for the Land Consolidation Program. Committee expenses were funded through FLR. The expenditures for reimbursement of travel expenses and remuneration of Committee members are very similar from year to year and in the 2018-19 fiscal year totaled \$190.00.

<b>Table of 2018-19 Expenditures</b>	
	<b>Expenditures</b>
<b>Property</b>	\$368,687
<b>Professional Services</b>	\$41,379
<b>Purchase Services</b>	\$64,810
<b>Travel Expenses</b>	\$190
<b>Total</b>	\$475,066

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 covered in the professional services above.