

Agricultural Land Consolidation Review Committee

Annual Performance Report

April 1, 2007 to March 31, 2008



September 11, 2008

Honourable Kathy Dunderdale
Minister of Natural Resources
Natural Resources Building
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 Activity Report for the Agricultural Land Consolidation Review Committee based on its Activity Plan for April 1, 2007 to March 31, 2008.

The Land Consolidation Review Committee was successful in achieving all indicators of the goal outlined in the Activity Plan. The Committee was also successful in furthering the strategic directions of the Minister of Natural Resources to improve 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 Land Consolidation Review Committee and is indicative of the Committee's accountability for the preparation of this Report and for the results reported on its activities for 2007/08.

Respectfully submitted,



Brian Murphy
Chairperson

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Overview

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 over the next 8 years, specifically for the production of such dairy products as cheeses and yogurts, there is an opportunity to double 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 Review Committee administers the land consolidation program designed to provide the opportunity for non-farmer landowners and retiring farmers to sell their granted land to the provincial government. In turn, government makes this land available to existing commercial farmers, part-time farmers and new entrants who are in need of additional lands.

The Agricultural Land Consolidation Review Committee has one member from the Department of Natural Resources, one member from the Department of Transportation and Works, a representative from industry and a chairperson from the public at large.

The current members are: Randy Ricketts (Department of Natural Resources); Martin Balodis (Department of Transportation and Works); Robert Walsh (industry); and Brian Murphy (Chairperson). Raymond Tucker (Department of Natural Resources) is the Committee's secretary, researcher/assessor and maintains the files. Mr. Tucker may be contacted at 729-6599.

The Agricultural Land Consolidation Program is currently operating based on a \$17.5 million, five-year budget covering the period April 1, 2005 until March 31, 2010.

The 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 on behalf of the Committee. Budgetary support for operations is provided through the Agency.



Mandate:

The Agricultural Land Consolidation Review Committee has a mandate to:

- (a) Ensure public awareness of government's Land Consolidation Program;
- (b) Evaluate applications for land acquisition by the Government of Newfoundland and Labrador under the 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.



Vision:

In consideration of its mandate to assess applications to sell land to the province, the Land Consolidation Review Committee has established a vision to guide its activities as follows:

“The vision of the Land Consolidation Review Committee is of a province that is realizing the full benefit from its agrifood resources in a sustainable manner.”

Mission:

The Land Consolidation Review Committee promotes and facilitates the sustainable development of the province’s agriculture resources through sustainable land consolidation activities for the overall benefit of the citizens and Newfoundland and Labrador.

By March 31, 2011, the Land Consolidation Review Committee will have identified and facilitated opportunities for sustainable agriculture and agrifoods resource development through land consolidation.

Through development of its Activity Plan for 2008 to 2011, the Land Consolidation Review Committee amended aspects of its mission statement. The 2008/11 Activity Plan is available at www.nr.gov.nl.ca/nr.

Activities

The Land Consolidation Review Committee facilitates the purchase of land by the Government of Newfoundland and Labrador for resale to farmers based on guidelines for the Land Consolidation Program. The process involves a periodic public notice explaining the application process. 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.

Given that the Land Consolidation Review Committee is required to purchase and sell land based on guidelines to ensure that all transactions are consistent with agriculture development, the activities of the Committee are consistent with the Strategic Direction of the Minister of Natural Resources to sustain agriculture and agrifoods development.

Goal: By March 31, 2008, the Land Consolidation Review Committee will have processed applications and purchased acreages under the Land Consolidation Program

Measure: Processed applications and purchased acreage

Assessed applications for eligibility based on guidelines

The Land Consolidation Review Committee met on nine occasions during 2007/08. The Committee assessed 20 applications to sell land to the Government of Newfoundland and Labrador for agricultural purposes.

By March 31, 2008, the Committee rejected ten applications for the sale of land on the grounds that the land was not suitable for agricultural development. The remaining applications were in various stages of the assessment process.

Initiated negotiations with eligible applicants

Purchased properties for allocation as Crown Land Leases

The Land Consolidation Review Committee initiated negotiations for the purchase of six properties in 2007/08 based on the guidelines for land purchase. A purchase price totalling \$1,425,647 for 503 acres with an average price of \$2,834.85 per acre was negotiated. The price per acre was significantly higher in urban parts of the province.

Many details to conclude the purchases have to be arranged. Once the properties are purchased, they will be advertised in a Public Call For Proposals

Opportunities and Challenges

The Land Consolidation Review Committee anticipates a busy year in 2008/09 as there are many properties which have been offered for sale pursuant to the terms of the Program. Furthermore, it is possible that once the review of the boundaries of the St. John's Urban Agriculture Development Area is released, landowners may consider selling their land to the Province in cases where their land remains in the Agriculture Development Area.

The Land Consolidation Review Committee will determine if there are alternatives to ensuring that legal land surveys are done according to Crown Lands standards at the time of purchase. There have been some delays in allocating land as surveys, although acceptable for purchase, have not met Crown Lands standards.

Conclusion

The Agriculture Land Consolidation Review Committee is committed to fulfilling its mandate in support of its vision and mission, thereby strengthening the agriculture sector and protecting land for the future.