

# **Agricultural Land Consolidation Review Committee**

## **Annual Performance Report**

**April 1, 2015 to March 31, 2016**



## Chairperson's Message

The Honourable Steve Crocker  
Department of Fisheries, Forestry and Agrifoods  
Petten Building  
30 Strawberry Marsh Road  
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, 2015 to March 31, 2016.

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 2014-17. Through its actions, the Committee supported governments commitments regarding agriculture and agrifoods sustainability 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 reported results of its activities for 2015-16.

Respectfully submitted,



**Robert Walsh**  
Chairperson

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## 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.

For the 2015-2016 fiscal year, the Agricultural Land Consolidation Review Committee included one member from the Forestry and Agrifoods Agency (FAA), as well as a chairperson from the public at large. The members for 2015-2016 fiscal year were: Richard Carey (FAA); and Robert Walsh (Chairperson). Deanne McCarthy, Megan Nichols and Raymond Tucker (FAA) were the Committee's secretaries, researchers/assessors who maintain the files and Andrew Pike (Department of Municipal Affairs, Lands Branch) continued in his role as the Committee's Technical Liaison. Mr. Thomas Fraize, QC, continued in his role as the Committee's solicitor for the whole of 2015-2016 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 received extensive operational support from the Forestry and Agrifoods Agency. Employees of the Agency performed many of the day to day administrative functions. In 2015-2016, the Agricultural Land Consolidation Program was funded by the Agency based on a \$2,200,000 annual budget which includes program funding of \$1,550,000 for land purchases and \$150,000 for professional services. Information regarding program expenditures for the 2015-2016 can be found in the Financial Information Section (page 6) 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 this land being made available to producers long term as agricultural leases through the Crown.

**Mandate:**

The Agricultural Land Consolidation Review Committee was established by the Government of Newfoundland and Labrador 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 2014-17 Activity Plan, the Agricultural Land Consolidation Review Committee contributes to the goals and objectives of government by supporting the realization of full benefit from 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 2014-17 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 commitment toward agriculture and agrifoods sustainability.

## **Activities**

### **Outcome of Objective:**

The activities of the Agricultural Land Consolidation Review Committee were consistent with the Provincial Government's commitment toward agriculture and agrifoods sustainability. The Agricultural Land Consolidation Review 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.

**Objective:** By March 31, 2016, 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 Forestry and Agrifoods Agency website; in addition staff that 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 14 occasions during 2015-16. The Committee assessed 14 new applications and 11 old applications that 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.

In 2015-2016, four applications were rejected based on the grounds that the land was not suitable for agricultural development. The remaining 21 applications were reviewed and considered for purchase.

- **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 four properties totalling 250 acres in 2015-16 based on the guidelines for land purchase. Six applications have Purchase of Sale Agreements signed and waiting on legal documentation totalling 125 acres. Five applications were negotiated and the applicants withdrew the application before the final stages. Negotiations for six other properties were on-going into the 2016-17 fiscal year. Following purchase, the properties will be advertised through in a Public Call for Proposals for allocation as agricultural leases in 2016-17.

### **Activities for 2016-17:**

As communicated in the Committee’s 2014-17 Activity Plan, work for 2016-17 will be based on the same objective, measure and indicators as noted above, however will have an increased focus on communication of the Program to potential applicants as a means to increase awareness.

### **Opportunities and Challenges:**

There are significant growth opportunities in the agriculture sector in Newfoundland and Labrador. A very small amount 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 goals and objectives of Government.

The Agricultural Land Consolidation Review Committee anticipates a similar year in 2016-17 however will make effort to elevate awareness of the program through an increased focus on communication activities to landowners, other government agencies and the public.

## **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 were funded through the Forestry and Agrifoods Agency and totaled \$1,520.00 for the 2015-16 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 Agency also pays for environmental assessments and legal land surveys. These associated expenses are covered in the Agency's budget as well.

In 2015-16 the Committee negotiated Purchase and Sale Agreements for, and subsequently purchased, one property totaling 2 acres. Where a Purchase and Sale Agreement has been finalized, but conditions of sale are in the process of being met, funds have been allocated in trust. It is anticipated that the purchase of these properties will be completed in the 2016-17 fiscal year. The administration of Purchase and Sale Agreements and the handling of funds in trust are directed by Mr. Fraize, QC, the Committee's solicitor.

### Budget Spent:

Professional Services:	\$ 99,060.15
Property:	\$ 1,512,084.15
<b>Total</b>	<b>\$ 1,611,144.30</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 goals and objectives of the Provincial Government will continue to be supported to promote the sustainability of the agriculture and agrifoods industry in Newfoundland and Labrador.