

# Land : A Resource for Agriculture

Land Advisory Committee Presentation

February 23, 2021



Prince Edward Island Apple Growers



Buy LOCAL and SUPPORT your ISLAND



PEI Certified  
**Organic Producers**  
Co-operative



# Introduction

- **PEIFA sought broad consultation with Members**
  - Survey – 140 responses
  - Individual meeting with commodity organizations
- **PEIFA Support the Lands Protection Act**
- **Need the LPA for viable agriculture industry**
- **Imperfect legislation that needs improvement**



# History – Land Legislation

- **Absentee Landlord issues remain important**
  - 1875 Compulsory Land Purchase Act limited land holdings to 500 acres
  - Issues remain consistent
- **Charter of Rights does not include Land Rights for a reason**
- **Enforcement of the laws around land protection have always been inconsistent**

# Resource Land



- **Land is the Island's most important resource**
  - No oil or other natural resources
  - 572,000 acres of farmland produces the greatest economic impact within the PEI economy
- **Planning Act needs to be opened up**
  - Deem agriculture land as "Resource Land"
  - Protect farmland
- **Planning Act classify land in the Province**
  - Make a rigorous process to reclassify
- **Land Use can be considered within Resource Land**
  - Protecting land means more than just ownership

# Main Issues - Themes

**1. Affordability**

**2. Ownership of Farmland**

**3. Land Limits**

**4. Enforcement of the LPA**



- Land is scarce – making is valuable
  - Between 2010 – 2019 land values grew average 8.2% a year
  - Between 2001-2009 land values were on a decline of -2.1% a year
  - Issue never been more serious
- Land once \$\$2,500 - \$3,500 now going as high as \$6000 in some areas
  - Mortgaging next generation
  - Acts as a barrier to young farmers, new entrants and those wishing to expand

# Affordability - Solutions

- **Classify the land as Resource Land**
  - Eliminates potential bidders
  - Focus on farmland only
- **Incentive Mechanisms.**
  - Lease-to-own models
  - Finance PEI absorb tax implications for buyer/seller
  - Tax incentives
  - Interest free loans for young farmers and new entrants
  - Combination of all of the above





# Ownership of Farmland

- LPA designed to ensure land was accessible and available to Islanders first
- LPA been challenged over time
  - Speculators
  - Large Corporations
  - Common Entities
- Led to circumventing of the LPA
  - Land limits get pushed
  - In come cases – farmland growing weeds



# Ownership - Solutions

- **Classify farmland as Resource Land**
  - Regulations around resource land should stipulate that land stay in production
  - Some are demanding farms be farmed a certain way – capacity is not there and growing up in weeds.
- **Land Ownership Transparency Act**
  - Have Government table this right away
  - Follow the money and identify the main benefactor. If over their limits - divest

# Land Limits

- No consensus on lifting land limits
  - Priority – keep it in production
  - Fear of effecting affordability
- Reality is – farms will get bigger out of necessity
- Scalability an issue that will remain as time moves on
- **Need a Review of limits every 5 years**
  - **Today's farm is 425 acres**
  - **What happens when the average farm is 500 acres?**



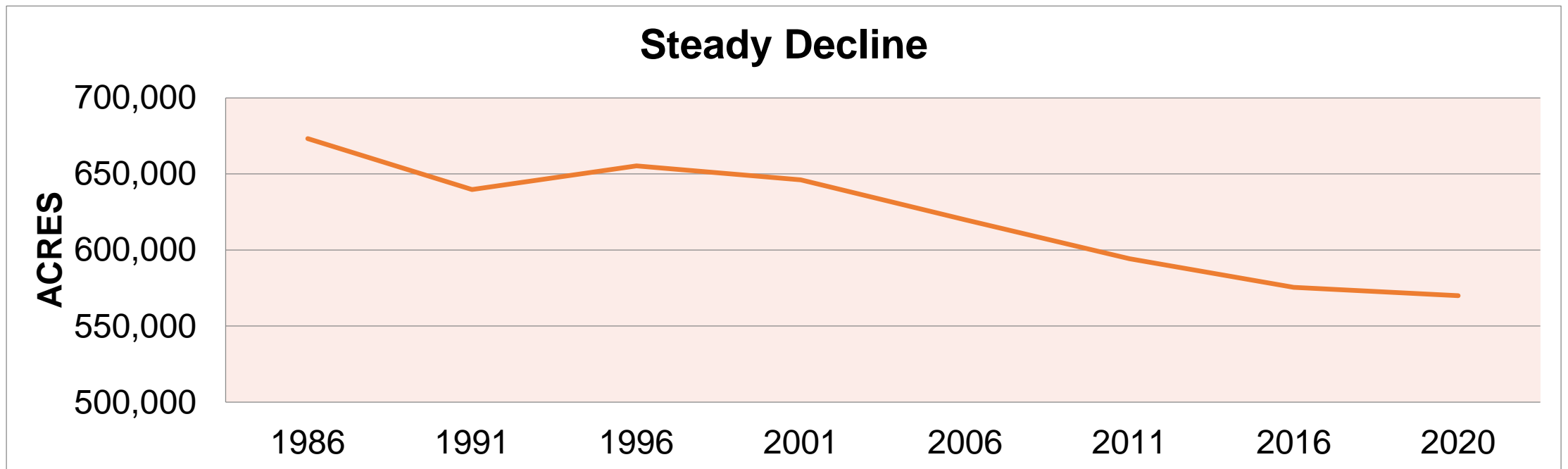
# Enforcement

- Compliance problems since the 1800's – needs to change
- Executive Council able to override IRAC
- Brendel Farms latest example of circumventing the LPA
- Law should not be seen as a set of guidelines – but the law

# Enforcement - Solutions

- **Enforce the letter of the law within the Lands Protection Act**
- **Classify agriculture and forestry as Resource Land**
  - Tailor the regulations to ensure agricultural land stays in production – an agriculture “lens”
  - A set of regulations with rigour for farmland to come out of production
- **Executive Council no longer the final deciders**
  - A quasi-judicial body made up of IRAC, Supreme Court of PEI and Government
  - Make final decisions on Resource Land

# TOTAL FARM ACRES 1986-2020





PRINCE EDWARD ISLAND  
**FEDERATION** OF  
**AGRICULTURE**

