



Legislative Assembly of Alberta

The 30th Legislature
Third Session

Standing Committee
on
Private Bills and Private Members' Public Bills

Bill 206, Prohibiting Ownership of Agricultural Lands
(Pension Plans and Trust Corporations) Act

Wednesday, May 4, 2022
6:15 p.m.

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Standing Committee on Private Bills and Private Members' Public Bills

Rutherford, Brad, Leduc-Beaumont (UC), Chair
Nixon, Jeremy P., Calgary-Klein (UC), Deputy Chair

Amery, Mickey K., Calgary-Cross (UC)
Irwin, Janis, Edmonton-Highlands-Norwood (NDP)
Long, Martin M., West Yellowhead (UC)
Nielsen, Christian E., Edmonton-Decore (NDP)
Rehn, Pat, Lesser Slave Lake (UC)
Rosin, Miranda D., Banff-Kananaskis (UC)
Sigurdson, Lori, Edmonton-Riverview (NDP)
Singh, Peter, Calgary-East (UC)
Sweet, Heather, Edmonton-Manning (NDP)

Also in Attendance

van Dijken, Glenn, Athabasca-Barrhead-Westlock (UC)

Bill 206 Sponsor

van Dijken, Glenn, Athabasca-Barrhead-Westlock (UC)

Support Staff

Trafton Koenig	Senior Parliamentary Counsel
Nancy Robert	Clerk of <i>Journals</i> and Committees
Warren Huffman	Committee Clerk
Janet Schwegel	Director of Parliamentary Programs
Amanda LeBlanc	Deputy Editor of <i>Alberta Hansard</i>

Standing Committee on Private Bills and Private Members' Public Bills

Participants

Ministry of Agriculture, Forestry and Rural Economic Development

Ronda Goulden, Assistant Deputy Minister, Consumer, Registry and Strategic Services

Jamie Wuite, Executive Director, Irrigation and Farm Water

6:15 p.m.

Wednesday, May 4, 2022

[Mr. Rutherford in the chair]

The Chair: All right. I'd like to call this meeting to order, the meeting of the Standing Committee on Private Bills and Private Members' Public Bills, and welcome everyone in attendance.

My name is Brad Rutherford, MLA for Leduc-Beaumont and chair of the committee. I'd ask the members and those joining the committee at the table to introduce themselves for the record, and then I'll call on those joining by videoconference. I will begin to my right.

Mr. Jeremy Nixon: Jeremy Nixon, Calgary-Klein.

Mr. Rehn: Pat Rehn, Lesser Slave Lake.

Mr. Amery: Mickey Amery, Calgary-Cross.

Ms Rosin: Miranda Rosin, Banff-Kananaskis.

Mr. Long: Martin Long, West Yellowhead.

Mr. Singh: Peter Singh, MLA, Calgary-East.

Mr. van Dijken: Glenn van Dijken, MLA for Athabasca-Barrhead-Westlock.

Member Irwin: Janis Irwin, Edmonton-Highlands-Norwood.

Ms Sigurdson: Lori Sigurdson, Edmonton-Riverview.

Mr. Koenig: Good evening. I'm Trafton Koenig with the Parliamentary Counsel office.

Ms Robert: Good evening. Nancy Robert, clerk of *Journals* and committees.

Mr. Huffman: Warren Huffman, committee clerk.

The Chair: Thank you.
Now going online.

Mr. Nielsen: Good evening, everyone. Chris Nielsen, MLA for Edmonton-Decore.

Ms Sweet: Good evening, everyone. Heather Sweet, MLA, Edmonton-Manning.

The Chair: Thank you.

We'll introduce our other guests a little bit later on that are online.

A few housekeeping items to address before we turn to the business at hand. The microphones are operated by *Hansard* staff. Committee proceedings are live streamed on the Internet and broadcast on Alberta Assembly TV. The audio- and videostream and the transcripts of the meetings can be accessed via the Legislative Assembly website.

Members participating remotely are encouraged to have their camera on while speaking and be muted when they are not, and remote participants who wish to be placed on the speakers list are asked to e-mail or send a message in the group chat to the committee clerk. Members in the room are just asked to flag down the chair or the committee clerk. Please set your cellphones and other devices to silent for the duration of the meeting.

We are now on to the approval of the agenda. Are there any changes or additions to the draft agenda?

If not, can I get a motion to approve the agenda? MLA Nixon has moved that the agenda for the May 4, 2022, meeting of the Standing

Committee on Private Bills and Private Members' Public Bills be adopted as distributed. Any comments or questions?

Hearing none, we'll call the question. All those in favour in the room, please say aye. Anyone in the room opposed, please say no. Moving online, all those in favour, please say aye. And anyone online opposed, please say no. That motion is carried.

On to the approval of the minutes. We have two sets of minutes to approve this evening, the first from our April 21, 2022, meeting. Are there any errors or omissions to note for those minutes?

Hearing none, would somebody like to make a motion? MLA Singh has moved that the minutes of the April 21, 2022, meeting of the Standing Committee on Private Bills and Private Members' Public Bills be approved as distributed. Any comments or questions to that?

Hearing none, I'll call the question. All those in favour of the motion in the room, please say aye. Anyone in the room opposed, please say no. Going online, all those in favour, please say aye. Anyone online opposed, please say no. That motion is carried.

The second set of minutes are from the April 25, 2022, meeting. Are there any errors or omissions to note from those minutes?

Could I get a member to move a motion to adopt those minutes? MLA Nixon has moved that the minutes of the April 25, 2022, meeting of the Standing Committee on Private Bills and Private Members' Public Bills be approved as distributed. Any comments or questions to that?

Hearing none, all those in favour in the room, please say aye. Anyone in the room opposed, please say no. Going online, all those in favour online, please say aye. Anyone online opposed, please say no. The motion is carried. Thank you very much.

We will now turn to the main business at hand, the review of Bill 206. Hon. members, Bill 206, Prohibiting Ownership of Agricultural Lands (Pension Plans and Trust Corporations) Act, was referred to the committee on Thursday, April 28, 2022, in accordance with Standing Order 74.11. The report on the bill is due to be presented in the Assembly on May 12, 2022.

I would now like to invite Mr. Glenn van Dijken to provide a five-minute presentation on the bill. Then I will open up the floor to the committee members for questions.

MLA van Dijken, your timer starts when you do. Please go ahead.

Mr. van Dijken: Okay. Thank you, Chair, and thank you, committee. As I stated in my introduction of Bill 206, Prohibiting Ownership of Agricultural Lands (Pension Plans and Trust Corporations) Act, the availability and ownership of agricultural land for use by individual farmers and ranchers is important and is the foundation of our sustainable food production industry. As well, ownership of agricultural land by individuals is crucial in keeping our Alberta rural communities and culture strong.

Under Canada's Constitution provinces are responsible for legislation regarding matters of farmland ownership. Alberta agriculture priorities should be the preservation of arable land for agriculture use to maintain food security and to preserve agricultural land for future generations. Although foreign ownership of land is addressed with Alberta's foreign ownership of land regulations, which prohibit and limit non-Canadian citizens, nonpermanent residents of Canada, and foreign-controlled corporations from acquiring large parcels of controlled land, the current Agricultural and Recreational Land Ownership Act and the Loan and Trust Corporations Act do not address ownership of agricultural lands by pension plans and corporate trust funds.

As the title suggests, Bill 206 seeks to prohibit pension plans and trust corporations, institutions with access to large pools of capital, from acquiring agricultural land going forward. Any pension plans or trusts which are currently holders of agricultural land may

continue to own, transfer, or dispose of that land but will be prohibited from purchasing or registering any additional farmland when this act comes into force.

The concerns that this bill addresses have been raised by constituents in my riding. Farmers and ranchers are concerned about the future generations' ability to be involved in the agriculture industry. This topic comes up on a regular basis, and Albertans I talk with are concerned about agricultural land being bought up by institutionalized investors and the effect that this will have on rural communities, especially if it is allowed to accelerate and grow.

With a growing concern over the issue of land-grabbing by institutionalized investors and the threat this may have on the availability of farmland for ownership by individuals, agricultural communities and farmer groups have been advocating for legislation in provinces across Canada. In 2015 our neighbouring province Saskatchewan put in place similar prohibitions as Bill 206, responding to concerns of their citizens when the Canada Pension Plan Investment Board acquired 115,000 acres of farmland in a single purchase by purchasing the assets of Assiniboia Farmland Limited Partnership. Amendments made to the Saskatchewan Farm Security Act now prohibit organizations, including pension plans and large trusts, from purchasing parcels of farmland in Saskatchewan.

Other forms of legislation to protect farmland, preserving arable land for local farmers and ranchers, exist in other provinces as well. In Manitoba, under the Farm Lands Ownership Act, Canadian citizens and permanent residents of Canada as well as corporations controlled by Canadian citizens and permanent residents may acquire farmland of any size, but non-Canadian citizens or nonpermanent residents of Canada as well as corporations that are not controlled by Canadian citizens and permanent residents of Canada cannot generally acquire Manitoba farmland.

In Quebec nonresidents and any corporations not controlled by Quebec residents are prohibited from acquiring farmland without the authorization of the commission for the protection of agricultural territory of Quebec. The commission must take into consideration several criteria prior to the authorization and may not authorize the acquisition of more than 1,000 hectares of farmlands to any nonresident of Quebec or any corporation not controlled by Quebec residents.

In Prince Edward Island no individual can own more than 1,000 acres of land in the province, and a corporation cannot own more than 3,000 acres.

Institutionalized ownership of farmland poses a significant risk to the sustainability and culture of rural Alberta communities and how they exist today. Bill 206 will help ensure the long-term sustainability of rural Alberta communities and the agricultural industry through the protection of individuals owning available arable lands for the use by farmers and ranchers. I expect we will continue to see similar legislation being introduced across Canada and in provinces that have not already done so.

With that, that closes my remarks, Mr. Chair.

The Chair: Thank you, MLA van Dijken. You're just right on time.

I'll now open up the floor to 20 minutes of questions. We're going to be starting just online with MLA Sweet. Please go ahead with a question and follow-up.

Ms Sweet: Thank you, Mr. Chair, and thank you, MLA van Dijken, for your presentation. I agree with you that ensuring that we have generational access to farmland is important to the industry of agriculture in Alberta. I recognize that you have identified other jurisdictions that have done this. Something that happened which I think your bill is mirroring is what happened with the government

of Saskatchewan. I know you and I have spoken about this. I'm just wondering. In regard to the consultation piece, just to make sure that when this is implemented or if this is implemented, it's done correctly, are you willing or have you looked at expanding that consultation piece to ensure that there is a broad spectrum of Albertans that are engaged in this process?

6:25

Mr. van Dijken: Good. Thank you for the question, MLA Sweet. A very good question. I believe that the introduction of Bill 206 was largely, from my perspective, an opportunity to open the conversation within Alberta. I believe it's a conversation that's necessary, and I believe that it's a conversation that's important.

We as government have an obligation to the social well-being of our communities throughout the province. We also have an obligation to ensure the future sustainability and success of our agricultural industry. With both of those things in mind, I think it's important that we also hear back from Albertans.

I do not believe that any of us around the table, especially myself, have the lion's share of information on what Albertans are thinking, but I do know that Saskatchewan went to public consultations in the summer of 2015 and received a lot of good return feedback and found that 75 per cent of Saskatchewan residents were in favour of limiting agricultural land or prohibiting agricultural land being purchased by pension plans and trusts, large corporate trusts, and they also found in that consultation that there was over 80 per cent – well over 85 per cent, I believe – that were also in favour of limiting foreign ownership. We already cover that in Alberta, but I think it's important that we have the opportunity to open the discussion and then, if we're able to, move it into a general consultation throughout the province.

The Chair: Thank you.

Do you have a follow-up, MLA Sweet?

Ms Sweet: I do. I agree with you, Mr. van Dijken. I think it's important that we have that conversation. I think one of the barriers that maybe we can agree on is that it's the entry into agriculture that's a big barrier for our up-and-coming agriculture industry, like those who are looking at getting into farming or ranching. Do you have, in your research or consultation that you've done so far, any recommendations or suggestions provided to you in how we support young farmers in getting access into the industry? Obviously, part of the reason why this is an issue is that the price of real estate, the access to land, is a barrier. Just wondering if you've heard anything in this process, because I don't see it necessarily in your bill.

Mr. van Dijken: Yeah. Thank you for the question. The bill does not address that type of discussion. I believe that the programs that might be put in place around barriers for beginning farmers and such need to be addressed by another piece of legislation.

When I first became an MLA – it wasn't a month in – I had an elderly gentleman come into my constituency office with concerns about the future of agriculture and what that would look like in a couple of decades if we allowed the continual absorption of land by institutionalized investors. He did highlight that he was concerned for his grandchildren and their ability to stay involved in the agricultural industry if we moved further and further down the road in the direction where institutionalized investors became the lion's share of ownership within any area.

You know, there's a lot to be said for programs that can be developed to try and help beginning farmers, but this bill does not address any of those areas. You're correct.

The Chair: Thank you for that.

MLA Amery, you're up for a question and a follow-up, please.

Mr. Amery: Thank you very much, Chair, and thank you, MLA van Dijken, for being here this evening and presenting to us on your bill. You know, you've talked a little bit about this, and for a city boy here that wants a little bit more information, I'm hoping that you can help provide a little more information about your proposed Bill 206. You talked about, quote, the future of agriculture, unquote, and you touched on this in your presentation just earlier in your initial summary and in your answer to MLA Sweet.

I understand that, as always, our time is limited, but I would personally like for you to help me understand by elaborating on what you perceive the impact is of corporate-held farmland in rural communities. If you can provide to this committee real-time examples of what you perceive to be that concern or perhaps some information on what you perceive a threat might be going forward in the future, that would be helpful. With that, perhaps in your answer provide us with a comparison of what prompted our neighbours in Saskatchewan to take action to introduce similar legislation.

Thank you.

Mr. van Dijken: Good. Thank you, MLA Amery, for the questions. I think the general understanding and perception would be that ownership by individuals of agricultural property would lead to more of a sense of importance for the preservation of farmlands. Owning the land in the long run allows for farmers – and this speaks to the threat to the agricultural industry if individual ownership is not in place. It's not always roses on the farm, so when times get tough, farmers rely heavily on the equity that they have within their operation. You know, the roller-coaster ride of commodities can play a role in whether a farm will survive or not. I have experienced that myself, to understand the importance of equity built up in a farm, being able to ride out the lows of the agricultural commodity cycle.

So I think the future of agriculture – if we move in a direction where more and more institutionalized investment happens, we get into a situation where the farms will be farmed when times are good, but the concern would be that when times turn sour, whether or not there are going to be farmers to farm those properties. If we move in a direction – you know, like, I'm not saying that there's the threat that the entire province becomes controlled by institutionalized investors, but if we continue to allow the direction that we're starting to see accelerate, it soon gets outside the control of ourselves to ensure that we have long-term sustainability within our agricultural industry.

You spoke with regard to Saskatchewan and asked the question about what prompted Saskatchewan to move in this direction. It was largely when the purchase happened by the Canada Pension Plan Investment Board to purchase 115,000 acres in one single purchase. It really alerted the community within Saskatchewan to the potential of a rapid transition away from individual ownership. So the government heard the concerns from the rural communities and saw a need to go to consultation. They put a moratorium on purchases. I don't propose that in my legislation, but they put a moratorium on purchases by institutionalized investors and went on a province-wide consultation to see what they could learn. That's what prompted it. That one single purchase really alerted the communities of the threat of how fast this can go.

The Chair: Did you have a follow-up, MLA Amery?

Mr. Amery: Certainly. It goes along the lines of what you were talking about earlier with respect to highlighting the importance of individual preservation. I think you mentioned that – you suggested

that both community and culture might be impacted by corporate land takeovers. This is probably more of a subjective analysis than an objective one for you, MLA van Dijken, but I'd like for you to provide this committee, if you could, with a little bit of information about how individual- or family-owned farmland might serve the community better than corporate owners.

6:35

Mr. van Dijken: Yeah. If we take a look at the establishment of our rural communities throughout the province, the settlers came into our province a little over a hundred years ago and started to take up quarter sections that were offered and started to improve and develop the agricultural industry. At the same time as developing the agricultural industry, they were developing communities, communities that were helping each other. Farmland ownership, I believe, by individuals plays a huge role in ensuring that you have local community and strong local communities where families come in. They have individual ownership of farmland. They set down roots often for generations, several generations, and those farmers typically are huge supporters and pillars in their local communities and supporting their rural businesses. I believe that that's a strong foundation that our rural communities are built on, and I believe it's worth protecting.

The Chair: Thank you for that.

Next on our list is MLA Singh.

Mr. Singh: Thank you, Mr. Chair. First of all, I would like to applaud the hon. member for a wonderful presentation about his private member's bill, Bill 206. I'm interested to know the idea of how the member had this bill created.

Mr. van Dijken: Yeah. Like I said in my speech, the idea largely came from the first individual that came to my office when I first became an MLA and the concern that he raised. It was right at the time that Saskatchewan was beginning their consultation on farmland ownership in Saskatchewan and whether or not they would continue allowing institutionalized investors to take up farmland. But it wasn't just that one individual that raised that. I've heard it. You know, almost every month someone's going to come to me and say, like: "This is a concern. This will impact how our rural communities actually operate, and this could have a significant impact on our agricultural industry going forward and on our rural communities." So that's kind of the start of it all.

With that, I will also say that I believe that it is important to recognize that now that that door has been closed in Saskatchewan, they will go to the next jurisdiction where the door is open, so Alberta is the target right now with 31 per cent of the agricultural land in Canada. They will continue to move in that direction, and I believe it's worth having the discussion to see if Albertans are okay with that.

The Chair: Thank you.

Do you have a follow-up, MLA Singh? Go ahead.

Mr. Singh: I do, Mr. Chair. What stakeholder consultations did you do prior to tabling this bill? What feedback, if you did, did you hear from them?

Mr. van Dijken: Largely my consultation is done within my constituency. It's within my constituency. I'm not going to say that all counties have raised this, but I've had this concern raised by five of my counties out of the nine that I represent, people within those counties.

I also believe that in general coffee talk, when you go around throughout the constituency, it comes up on a regular basis. I know

that if that talk is happening within my constituency, it's happening throughout Alberta. I think it needs to be elevated to the point where we as legislators recognize that that discussion is happening and take the effort to try and understand the direction that we should go in this province.

Mr. Singh: Thank you, Member, for answering my questions. I appreciate you taking time to be with us today and having Bill 206. Thank you, Mr. Chair.

The Chair: Thank you, MLA Singh.

We're going to go back online now. MLA Sweet for a question and a follow-up.

Ms Sweet: Thank you, Mr. Chair, and again thank you, Mr. van Dijken, for answering the questions. I am curious if in those coffee chats that you've been having, you're talking to some of our farmers that are looking at retirement and ensuring their financial prosperity when it comes to land transfer. If we're looking at limiting investments through this bill with pensions specifically, have you heard any concerns about the financial prosperity of those who are looking at exiting out of the agriculture industry?

Mr. van Dijken: Good. Thank you, MLA Sweet, for that question. That's a very relevant question. I would suggest that it is the question that is asked almost immediately by those that are concerned that this is going to have a negative influence on the farmland values within Alberta. And they should be asking those questions.

One thing I will highlight for the committee is that in the *Country Guide* last month, in April 2022's edition, they did a story called *The Story of High Prices*. In that document the Bonnefield Financial CEO, Tom Eisenhauer – now, Bonnefield is Canada's largest farmland investment management and property management firm and has a billion dollars in assets under management, comprised of 134,000 acres through 120 lease relationships throughout the country, a number of them within Alberta – made the comment that

it is simply not credible to assert that investor purchases of farmland – which we estimate constitute ... [about] 0.5 to 1 per cent of total farmland transactions in any given year – could drive prices in a market that may be as large as half a trillion dollars.

Eisenhauer told the committee that.

The institutionalized investor community does not believe that their investment is actually driving up prices because they're such a small part of it. So I take a little bit of comfort in knowing – maybe not knowing but getting that perspective – that likely the prices that we're seeing today are largely driven by the agricultural industry.

My concern would be that going forward, the nest egg that some of the retiring farmers that do not have a transition plan into the next generation or so, that do not have another generation wanting to continue their farm, might be more at threat in allowing more institutionalized investment going forward. When we get into, like, large holdings of land within a region, controlling that land, we drive out any competition for the remaining land. I don't think it's healthy to continue to move in a direction that would put us in that situation. Right now I don't believe that the institutionalized investment is having a material effect on farmland prices and that this will cause a negative impact on those retiring farmers, but I do believe that we have to have that discussion to understand if we will put ourselves in a bad position going forward.

The Chair: Thank you.

MLA Sweet, do you have a follow-up? There are 35 seconds.

Ms Sweet: Just real quick, I'm wondering if you happen to know if there were any issues around the agrifood industry investment when the changes were made in Saskatchewan. Did we see it impacting any of that expansion at all, or is it just related to land value?

Mr. van Dijken: Yeah. I have no research on that. If we take a look at the agrifood investment that is going on within Saskatchewan, I believe it's actually proving that it doesn't impact it at all, that it actually encourages it, recognizing that it's a very solid investment in there and it's regulated properly.

The Chair: Thank you. That concludes the 20 minutes for questions.

MLA van Dijken, thank you for your presentation and taking the time to answer the committee's questions. You're welcome to stay if you like.

We are now going to move on to the technical briefing. The committee has invited the ministries of Agriculture, Forestry and Rural Economic Development and Service Alberta and also extended an invite to Treasury Board and Finance to provide technical briefings on Bill 206 today. The Ministry of Treasury Board and Finance was unable to present and respectfully declined. We do have representatives joining us online from the ministries of Agriculture, Forestry and Rural Economic Development and Service Alberta. Mr. James Wuite is the executive director of the natural resource management branch with Agriculture, Forestry and Rural Economic Development, and Ms Ronda Goulden is the assistant deputy minister for consumer and registry and strategic services within Service Alberta.

I'm going to ask that you both have a five-minute presentation. I will start with Mr. Wuite, five minutes, then we'll go to Ms Goulden for another five, and then together we'll do 20 minutes of Q and A.

Mr. Wuite, please start. Your timer will start when you do.

6:45

Mr. Wuite: Thank you, Mr. Chairman, and thank you for the opportunity to provide the committee with some background and context to aid in your consideration of Bill 206. The focus of my presentation this evening will be on the ownership of agricultural land in Alberta, the trends and drivers of the value of our agricultural land, and how Alberta compares to jurisdictions who do restrict corporate ownership.

On the price of farmland, farmland values have been trending upwards right across Canada. Based on the 2021 farmland values report from Farm Credit Canada, the national average of Canadian farmland increased 8.3 per cent in 2021. This is after a year of gain of 5.4 per cent in 2020. By comparison, the average value of farmland in Alberta rose by only 3.6 per cent in 2021. This is on top of the previous year, 2020, a gain of 6 per cent. Compared to the national average, Alberta farm value increases were well below the national average in 2021 and slightly above in 2020.

Alberta had the lowest increase in 2021 among provinces with available data, with New Brunswick being the next lowest, at 5.2 per cent. Our neighbours in British Columbia showed the second-highest increase in farmland values, at 18.1 per cent, second only to Ontario. Their gain in 2021 was 22.2 per cent. The average value of farmland for our neighbours to the east in Saskatchewan rose by 7.4 per cent in 2021, more than double the percentage increase we saw here in Alberta.

These national and neighbouring provincial values demonstrate that increasing farmland values are not unique in Alberta, and Alberta's increases have been just below the national average for about a decade.

So, on the ownership of farmland, let's consider who owns farmland in Alberta. This is a little more difficult to demonstrate in the context of Bill 206. Precise data on institutional ownership of farmland, so pension funds, trusts, and banks, is not readily accessible in Alberta. Our analysis is based on the census data up to 2016 and using a category in the data of nonfamily corporations, or NFCs, as a proxy for institutional buyers. Admittedly, this proxy will overestimate the presence of the institutional buyers because that category includes other nonfamily farming corporations.

The department's analysis found that nonfamily corporations made up 1.9 per cent of all farms in Alberta, accounting for about 3.3 per cent of farmland in Alberta. The share of farmland managed by NFCs has exhibited some fluctuations over the previous six census years and has a minimum upward trend overall. NFCs accounted for 2.8 per cent of farmland in Alberta in 1991. That fell to 2.2 per cent in 2006, then rose to 3.9 in 2011, which was its highest. It has fallen now to 3.3 per cent in the 2016 census.

On the topic of drivers of land values, while corporate investment in farmland in Alberta is considered a contributing factor in increasing land values, there are many other drivers to consider. Three that are likely to be more significant include revenue generated from farming. For example, over the past 10 years Alberta's farm cash receipts have been growing by around 6 per cent on average per year. Another driver is low interest rates, enabling relatively easy access to capital in various loan incentive programs. A third driver is the consolidation in the farm sector, so the move towards fewer but larger farms.

Other factors that come into play in some regions include urban and industrial activities and overall population growth in the province, which can encroach on agricultural lands – as cities expand, surrounding agricultural lands may be purchased speculatively at a large premium, which can inflate farmland prices in close proximity to cities – and an overall increased demand in land even from competing farm operations throughout the province, with a relatively fixed supply of land available.

In a comparison of jurisdictions, aside from the drivers that we just mentioned, we do hear concerns from producers and other stakeholders about the impact of corporate ownership on farmland. There have been six provinces and one territory that have chosen to address these concerns by adopting legislative measures aimed at prohibiting or limiting land acquisition by nonresidents or corporations. Most notably, as mentioned already . . .

The Chair: If you want to just finish up your final thought there, Mr. Wuite.

Mr. Wuite: Sure. I've got a few more final thoughts, but that's as good a place as any to end up.

The Chair: I appreciate that. Thank you for the presentation.

We'll now go to Ms Goulden for a five-minute presentation.

Ms Goulden: Thank you, Mr. Chair, and thank you for the opportunity to present today. Service Alberta is responsible for the Agricultural and Recreational Land Ownership Act and its regulation, which is the foreign ownership of land regulation. First, I would like to just outline the current process regarding foreign ownership so you can see how the Bill 206 new rule would fit in. Pursuant to the foreign ownership of land regulation and the Land Titles Act any and all acquisitions of interest in controlled land by Canadian or foreign individuals, corporations, pension plans, trust corporations must pass through our office that examines for foreignness. Applications have to identify themselves as foreign or Canadian, and we truth test that assertion of Canadian.

If a corporation or entity is Canadian, it has no restrictions on the kind or amount of land it can purchase. If a corporation or entity is foreign, it is prohibited from buying controlled land, but there are many exceptions to this prohibition in recognition of investment and economic activity. Exceptions exist, for example, for smaller parcels of land, medium-sized parcels of land for certain purposes, like industrial processing or sand and gravel, and there are no acreage limits. There is an exception. Foreign companies can own controlled land if the purpose is a pipeline processing plant, things like that. We do allow foreign ownership of controlled land for those purposes.

Regarding pension plans and trust corporations, sometimes the pension plan or the trust corporation is a corporation acquiring title although rarely. More often we see pension plans and trust corporations as a primary shareholder or the largest controlling party of a different corporation, and it's the different corporation that would take title. We do not track or classify the purchasers after the land title is registered, so we do not collect data about how much property is owned by such corporations.

Should Bill 206 become law, because we were asked to tell you what would be the administrative or practical implications of that, it would be land titles who is called to operationalize Bill 206 and its new rule. Bill 206 is operationally feasible in that we have a unit to review titles and that this new rule would capture. However, there will be no agility or exceptions for pension plans or trust corporations as Bill 206 is drafted currently. For foreign ownership, there are exemptions, and there's also a catch, sort of a backdoor exemption, that says that it can go to cabinet and an order in council could allow the purchase of land if there's a reasonable economic reason to do so. None of those exceptions would be available for pension plans and trust corporations.

In this sense a Canadian-owned pension plan would have more restrictions than a foreign non pension plan corporation. Pension plans and trust corporations who are only shareholders in a corporation – sorry. Pension plans and trust corporations who are only shareholders in the corporation that would take title would not be prevented by Bill 206's new rule. That's our assessment of what the practical implications would be of implementing.

The Chair: Thank you for that presentation.

We will now turn to committee members for up to 20 minutes of questions. I was flagged down first by MLA Sigurdson. If you'd like to go ahead with a question and follow-up, please.

Ms Sigurdson: Yeah. Thank you so much. I appreciate your presentation. I think this is to perhaps Mr. Wuite. I know that it sounds like sometimes there isn't the information – I think you referred to this – so that we do not know what percentage of the pension plans own agricultural land in Alberta now. Is that correct?

Mr. Wuite: That's correct.

Ms Sigurdson: Okay. Is that something that you are looking at tracking or this bill perhaps would move forward?

6:55

Mr. Wuite: Right now the data that we get is from, essentially, the federal census. So unless that changed to allow that granularity of information, we don't have a way to collect that currently.

Ms Sigurdson: Okay.

The Chair: A follow-up?

Ms Sigurdson: Yeah. Do other provinces collect that data? Like, would Saskatchewan or Manitoba, which seems to also have, you know, a little bit ahead of us in terms of this kind of legislation?

Mr. Wuite: Not that I'm aware of. They could, but if they're relying on the census as well, then they would have the same information that we do.

Ms Sigurdson: Okay. Thank you.

The Chair: Thank you for that.

MLA Long for a question and a follow-up.

Mr. Long: Yeah. Thanks for your presentation. I'll confess that I'm not sure how all this works. I never grew up on a farm here. But I know that I've seen a lot of farmland around the outskirts of Edmonton, for instance, get turned into development, and I'm curious: if this private member's bill went forward, would it simply limit foreign ownership and pension plans from buying farmland for farmland, or would they possibly still be able to buy farmland and then develop it into high-rises and that sort of thing?

Mr. Wuite: I don't have an answer to that, sir.

Mr. Long: Okay. A follow-up would be – you know, I love our tagline about being open for business in our province. I know it's a minimal amount of investment already, but would this potentially lead more investment to believe that Alberta would be gatekeeping on agricultural land specifically?

Mr. Wuite: I don't have a direct answer for you. What I can say is that when we compare the changes in land prices amongst the jurisdictions across Canada, some who have similar legislation to Bill 206 and others that do not, we don't see a discernible difference in the changes in land value.

Mr. Long: Thank you.

The Chair: Thank you for that.

We're now going online to MLA Sweet.

Ms Sweet: Thank you, Mr. Chair, and thank you for the presentation. I do have a question in regard to cross-jurisdictional analysis when it comes to the implementation of the registration of pension plans. This legislation does exist in Saskatchewan, so they must have a way that they're tracking the registration of the land title. I guess my question is that hearing the way that the current bill is drafted, Bill 206, there wouldn't be a capacity to do that. Is there a recommendation of a function or ability that would enable this bill to do what the member is intending it to do? Like, is there something that we should be exploring through the Saskatchewan model or something that would support what the member's intent is?

Ms Goulden: Maybe I'll take a first crack at that, and then, Mr. Wuite, if you have anything to add. The question about the tracking of land titles: in general land titles, for all sorts of privacy reasons, is not actually tracking different types of ownership, right? Land titles is simply a registry. You send in your title, we do the registration, and you get a title back. We don't track who's transferring land. We don't track statistics around it. That's why Mr. Wuite was saying that he's going to the federal census, where people are answering that question in a census format. They know why their information is being collected. We don't track the ownership of land. I can't speak to what Saskatchewan does in that regard. That would be – like, there would be operational issues to doing that such as IT systems and how you gather that data in particular. I'm just saying that we don't do it right now.

The Chair: Thank you.

Do you have a follow-up, MLA Sweet? You're muted.

Ms Sweet: Sorry.

The Chair: It's all right.

Ms Sweet: I guess what I'm trying to understand, then, is sort of whether or not – because I agree with the member's presentation in the sense that this is a dialogue that is happening in Alberta and it is a concern around the future of agriculture. I'm just wondering if there's a way to ensure that the data that is required to support the industry is being collected. I'm wondering if you have recommendations or thoughts about how to support the intent of the member's bill if this isn't going to be able to do that, I guess.

Ms Goulden: We just haven't had any chance to do any kind of analysis about what it would take to track data, right? I mean, it's a fair question, but we haven't had a chance. I don't know what it would take.

The other part of my presentation is that the Bill 206 rule is only going to capture pension plans or trust corporations who actually take title. It is not going to capture other corporations who take title but have a pension plan that is the controlling interest in that corporation. So if you're looking at intent, that is probably potentially the bigger issue than the tracking of data. The tracking of data is a separate issue, and ultimately recommendations maybe could be developed in that regard, but we don't have those at the moment.

The Chair: Thank you.

I currently don't have anybody else on the list. I'll just look to the committee room and online to see if there are any other questions. Mr. van Dijken?

Mr. van Dijken: Yeah. If I may, I can offer a little bit of insight on how it's tracked in Saskatchewan. They have set up a farm security board, Farm Land Security Board, that helps to track it. They're charged with ensuring that their act – our act: we don't have a specific legislation, and that's why we had to dive into the two pieces of legislation here. But they have what's called the Farm Security Act, and a lot of that type of work is done by Farm Land Security Board.

The Chair: Any other questions from the committee?

Hearing none, I would like to thank Mr. Wuite for taking the time, Ms Goulden as well for the presentation and answering questions. I hope you enjoy the rest of your evening.

We are now moving on, members, to the review of Bill 206. We now have to decide how to conduct the review of Bill 206. In accordance with our approved process, the committee may choose to invite additional feedback from up to six stakeholders, three from each caucus. Alternatively, the committee may also choose to expedite this review and proceed to deliberations. Does anybody have any thoughts on this? MLA Nixon.

Mr. Jeremy Nixon: Yes. I'd like to move that this proceed to the Chamber.

The Chair: All right. Right to the point. Let's get a motion up on the screen, and then you can read some wording into the record. Coming momentarily.

Okay. If you want to read through that wording, MLA Nixon, and then we'll go from there.

Mr. Jeremy Nixon: Excellent. I move that the Standing Committee on Private Bills and Private Members' Public Bills recommend that Bill 206, Prohibiting Ownership of Agricultural Lands (Pension Plans and Trust Corporations) Act, proceed.

The Chair: Thank you. Any other comments to that?

Mr. Jeremy Nixon: Yeah. I think that what's been outlined here is a very big concern for rural communities in preserving the family farm. You know, obviously, moving forward with this would also help preserve rural communities and the beautiful culture that exists in our rural communities. I also don't think that we're breaking ground here. We're following what's already being done successfully in other provinces. So, with that, I recommend we proceed.

The Chair: Thank you for that.
MLA Sweet.

Ms Sweet: Thank you, Mr. Chair. I would also support moving to concurrence into the Legislature. My comments would be that we do look at expanding and ensuring that there is some significant consultation that is occurring while the debate does move forward and that we do take in the considerations that our presenters have provided to the committee in regard to ensuring that the intent that the member has presented to committee is actually going to achieve the outcome that he is intending it to. But I do believe that having that debate in the Legislature and maybe looking at consultation or amendments would be appropriate.

7:05

The Chair: Thank you for those comments.
Member Irwin, you have a comment?

Member Irwin: Yeah. I haven't had a chance to get on the record yet tonight, but I did want to just weigh in and echo some of my colleague from Edmonton-Manning's comments.

Of course, the Member for Athabasca-Barrhead-Westlock knows very much my hometown of Barrhead. I know he's a farmer himself, and we have a lot of shared connections with folks out there who are farmers. I appreciate the work and the consultation that he's done, but as my colleague from Edmonton-Manning stated, you know, we want to dig a little bit more into this.

Obviously, I can't not get on the record to point out that, again, we have a UCP-dominated committee that is supporting UCP private members' bills moving forward but not our bills on the

opposition side, and that is incredibly disappointing. But that's an aside from the bill at hand. I just needed to get that on the record.

Thank you, Chair.

The Chair: Thank you.

Anybody else with a comment or question?

Hearing none, we will call the question. On the motion as moved by MLA Nixon, all those in the room in favour, please say aye. Anyone opposed in the room, please say no. Moving online, all those in favour online, please say aye. Anyone opposed, please say no. Hearing none,

that motion is carried.

Members, the committee has concluded its deliberations on Bill 206 and now should consider directing research services to prepare a draft report including the committee's recommendations. Would a member move a motion to direct research services to prepare the committee's draft report? MLA Nixon will move that. It's up on the screen, MLA Nixon, if you want to read it into the record, please.

Mr. Jeremy Nixon: Excellent. I move that the Standing Committee on Private Bills and Private Members' Public Bills (a) direct research services to prepare a draft report on the committee's review of Bill 206, Prohibiting Ownership of Agricultural Lands (Pension Plans and Trust Corporations) Act, which includes the committee's recommendations and (b) authorize the chair to approve the committee's final report to the Assembly on or before noon on Monday, May 9, 2022.

The Chair: Thank you for that.

Any comments to that motion? Okay.

Hearing none, I will call the question on it. All those in favour in the room, please say aye. Anyone in the room opposed, please say no. And online. All those in favour online, please say aye. Anyone online opposed, please say no.

That motion is carried.

Before we move on to the next agenda item, I would note that any minority reports should be in to the committee clerk by noon on Tuesday, May 10, 2022.

Is there any other business to raise?

Hearing none, the date of the next meeting will be at the call of the chair.

Can I get a motion to adjourn? MLA Singh has moved that the meeting be adjourned. All those in favour online and in the room, please say aye. Anyone opposed, please say no. That motion is carried. The meeting is adjourned. Thank you very much.

[The committee adjourned at 7:08 p.m.]

