AGRICULTURAL LAND TRUST RESEARCH PROJECT

FINAL REPORT

December, 2004

Prepared for the

Triple R Community Futures Development Corporation

By

Blair Hamilton

Dungannon Consulting Services
Box 83, Arnaud, MB
1.204.427.3132
blair@dunagannon.ca

Research Funded by:

The Manitoba Research Alliance on Community Economic Development in the New Economy.

Table of Contents

Continued Next Page

Table of Contents (continued)

Continued Next Page

Table of Contents (continued)

1.0 PROJECT OVERVIEW

Dungannon Consulting Services, in partnership with the Triple R Community Futures Development Corporation, has conducted this research project. They are happy to acknowledge the generous financial support of the Initiative on the New Economy of the Social Sciences and Humanities Research Council; via the Manitoba Research Alliance on Community Economic Development in the New Economy.
For further information please see: http://www.brandonu.ca/organizations/rdi/MRA.html

The research examines the suitability of an agricultural land trust as a community economic development intervention for use in the Rural Municipality of Franklin. Such a trust might provide the access to land for low and moderate income families that is necessary to preserve the small scale family farm as part of a preferred lifestyle and an overall livelihood strategy.

Part of the research process was to seek information from community members about how they are experiencing changes in the rural agricultural economy, and whether a land trust might address their concerns.

1.1 Acknowledgments

The principal researcher on the project was Blair Hamilton of Dungannon Consulting Services. As the principal researcher, he has final responsibility for the research methods, the data analysis and the conclusions contained in this report, as well as for any errors therein. He would like to offer thanks for the following assistance:

The project was overseen by a Steering Committee, which was comprised of Ian Goodall-George of Triple R CFDC, Bev Berrington, Mitzi Borodenko, and Brian Nicholls. They provided local insight into the research issues. Triple R CFDC also administered the project funding.

Student researchers were Matt Bialek of Beausejour and Suzie Martin of Arnaud. Matt contributed much of the research behind sections 2 and 3 of the report. Suzie compiled the data for section 5 and assisted in the analysis. She also provided assistance in organizing the community meetings. Professor Jerry Buckland of Menno Simons College provided guidance and assistance in obtaining ethics approval, which was graciously granted by the University of Winnipeg.

The Rural Municipality of Franklin provided access to the property tax assessment data. Several councillors also attended community meetings and participated in the process. As well, a number of the good citizens of Franklin came out to the community meetings and provided their insights and their comments.

1.2 Research Questions

The research project started from the assumption that the general trend in agriculture towards increased size, higher capital investment and larger farms was occurring in the Rural Municipality of Franklin. As a resident of Franklin, the principal researcher was intrigued by his observations that despite many of the negative impacts of globalization on rural communities, most people seemed to cling to a free market ideology. This led to speculation about how people might react to a model that placed importance on non-economic dimensions of farming, and took an alternative view of property rights.
In framing the project, the research questions became clear.

1. Was the trend towards larger farm size and greater capital occurring in Franklin, and how extensive was corporate agriculture?

2. How were citizens of Franklin faring in the new approach to Agriculture?

3. How concentrated was land ownership in Franklin and was the small family farm truly in danger of disappearing?

4. Had the concept of community land trusts or conservation trusts been applied to agriculture, and if so, what had been learned from the experience?

5. If the people of Franklin were presented with this information, what would they say? Would an approach rooted in community economic development principles and a different view of property rights resonate? Would people benefit?

6. If people in Franklin were receptive to the model, what would be the key issues to address, and would the model be a good fit?

The following report strives to give insight into these questions.

1.3 Nature of The Report

This report seeks to strike a balance between a work of academic inquiry and a practical assessment to be applied in a community context. This point of praxis, where theory and practice intersect, is elusive at the best of times and compromises were certainly required.

The challenge was to find a theoretical framework, place reliable data within this framework, and assess the data, all in a way that was reasonably concise but adequately documented. All this had to occur within the project budget. It was necessary to be comprehensive, but these constraints did require prioritization and not all elements of the model are fully explored.

The objective was to provide a piece of research that would be useful to the community of Franklin, or to communities like it. Contributing in some way to the body of knowledge in community economic development was certainly a goal, but making a bit of that knowledge accessible to the broader community was the higher priority. Academics will likely find the literature review and statistical analysis a little thin; community practitioners and residents will probably wonder why it takes so many charts and graphs to establish something that everyone already knows....

The research report is organized into nine sections. The first section introduces the research project and outlines the approach taken. Sections 2 through 4 relied on previously published or publicly available data. Section 2 looks at some general trends in modern agriculture drawing on economic data. Section 3 gives a brief demographic overview of Franklin, the subject community. Section 4 drew on the Agricultural Census for specific information on farming, although most data was limited to the Census Division level.

Section 5 of the report describes some analysis of land ownership data, using data from the municipal government assessment rolls and manually re-constituting it in a different format.

Section 6 and 7 focus on the land trust model, with section 6 describing the theoretical underpinnings, and section 7 profiling a range of existing land trusts, chosen to illustrate some of the different possible configurations.

Section 8 describes the process of presenting this information to community meetings in summary form, and gathering community opinion on the model under discussion.

Lastly, section 9 discusses some of the issues around a possible application of the land trust model in Franklin, synthesizing hard data, theoretical frameworks, and community responses.

2.0 GENERAL TRENDS IN AGRICULTURE

Agriculture has played a significant role in the development of modern Canadian society. From early development during the 1800's to modern farming practice, Canada's history is inseparable from agricultural innovation. This section of the report outlines some general trends in Canadian agriculture, and highlights some data which reflects where Manitoba fits in the national trend. Section 4 takes a more detailed look at agriculture in the Rural Municipality of Franklin. The RM of Franklin is located in southern Manitoba, east of the Red River, and is the subject community for the research project. Demographic data for Franklin is presented in Section 3.

In Manitoba, agriculture makes an important contribution to the provincial economy. According to the Manitoba Agricultural Review, agriculture and related industries composed nearly 11% of provincial Gross Domestic Product between 1997 and 2002. Furthermore, for every dollar of farm-earned income generated in Manitoba, almost two dollars is generated through provincial economic linkages. Consider, for example, the notion that one Manitoba job in eleven depends on agricultural production.[1]

2.1 Number of Farms and Farmers

Since 1941, Manitoba's agricultural industry has been subject to significant farm consolidation. Over the past sixty years, fewer and fewer families have relied on the family farm as as their principal residence or a source of primary income. This trend was exacerbated with the reporting of the 2001 primary census data. According to this data, the decline in farm numbers from 1996 to 2001 was the greatest decline experienced over a five-year period (13.6%). In Manitoba, the following trend could be seen:

Table I - Number of Manitoba Farms by Type, 1996 & 2001 [2]

Type of Farm	1996 Census	2001 Census	Difference
Individual/Family	24,383	21,071	(3,312)
Partnership	6,847	6,394	(453)
Corporation	2,091	2,292	201
Other	105	63	(42)

Although corporately owned farms posted positive growth within this period, the increase in the number of corporate farms was a small fraction of the decrease in the number of family farms. The increase in the number of corporate farms likely represents the conversion of privately held family farms to a corporate form of ownership. This does not necessarily mean that the farms actually left the control of the family.

In terms of physical landholdings, the average size of Manitoba farms rose from 317 hectares (784 acres) to 361 hectares (891 acres) between 1996 and 2001. While the bulk of agricultural land in use was operator owned, approximately 38% of holdings were rented. Smaller farms, classified by census officials as operations with "annual sales under $50,000"[3] comprised 46% of all farms.

From a population perspective, statistical trends in Manitoba vary from national aggregate patterns. Between 1991 and 1996, the national farm population decreased 1.8%.[4] This trend reflects a continuation of urban consolidation. The Manitoba farm population for the same period was essentially flat, registering a small increase from 79,280 to 79,840.

A possible explanation for the Manitoba trend may be the exodus of retirees and commuters from Winnipeg. Some of these residents may engage in hobby-farm operations, potentially skewing census results. Although the Manitoba farm population figures increased slightly relative to the 1996 census, this trend is highly unusual. This growth represents the first population increase on Manitoba farms within the last 60 years, and should be viewed with caution.

The following table examines rural versus urban residency for Manitoba, and shows that the balance between the two categories remained largely unchanged between 2001 and 1996.

Table II - Comparison of Rural and Urban Residency (Manitoba) [5]

Residency Class	1996 Census	2001 Census	% Change
Rural	313,835	314,262	0.001%
Urban	800,065	805,321	0.007%
TOTALS	1,113,900	1,119,583	0.005%

To summarize, despite a relatively stable level of rural population, the number of farms continues to decrease within the province of Manitoba.

2.2 Age of Farm Operators

The demographic characteristics of farm operators continue to change. Recent census data supporting this observation is presented below:

Table III - Manitoba Farmers by Age Group, 1991 & 1996[6]

Population Sub-Group	1991 Census	As %	1996 Census	As %
Under Age 35	7,190	21%	5,905	18%
35-54 Years of Age	16,290	47%	17,015	51%
55 Years of Age +	11,300	32%	10,330	31%
Total Farm Operators	34,780	100%	33,255	100%
Average Age of Operators	47.4 Years	---	47.7 Years	---

The average age of farm operators is only slightly higher in the 1996 census, but there is a relatively large decrease in the "Under Age 35" population sub-group.
This may reflect a decreasing ability for young potential farmers to accumulate the capital required to farm in Manitoba. It may also indicate a lack of interest in farming, insufficient income levels to attract new entrants, or other barriers.

It is clear that the proportion of new entrants into the industry appears to be declining. Should this trend continue, two shortcomings are possible: First, the presence of family-operated farms will likely decline. With a lack of interest in agricultural pursuits, farm offspring will gravitate to new areas of study. The previous "generational" structure of farm inheritance could be interrupted, furthering rural depopulation. Secondly, as the elders of agriculture plan retirement strategies, large parcels of land could become available to established farms, contributing to further consolidation into large-scale, capital-intensive, agriculture.

2.3 Farm Income

In analyzing farm income, it will be useful to separate the analysis into two component themes: source of income and level of agricultural income.

Based on the latest figures released by Agriculture and Agri-Food Canada, it would appear that the "full-time farmer" is rapidly disappearing in Canada. Today, large numbers of farm operators in every province rely on off-farm income sources for the greatest portion of their earnings. While farmers have very little control over the prices they receive for most of the commodities produced on the farm, the presence of off-season employment provides a guaranteed paycheque. In addition, changing production costs, dependence on the weather, and varying yield and quality factors make farming an increasingly risky business.

According to the Manitoba Agricultural Review conducted in 2000, approximately 54% of farm operators worked on the farm operation for more than 40 hours per week. However, 46% of operators secured paid non-farm work on a seasonal or part-time basis during this period. Looking to historical data, it is revealed that the number of farm operators securing non-farm work has escalated over the past five years, from 10,680 operators in 1995, to 13,170 operators in 2000. [7]

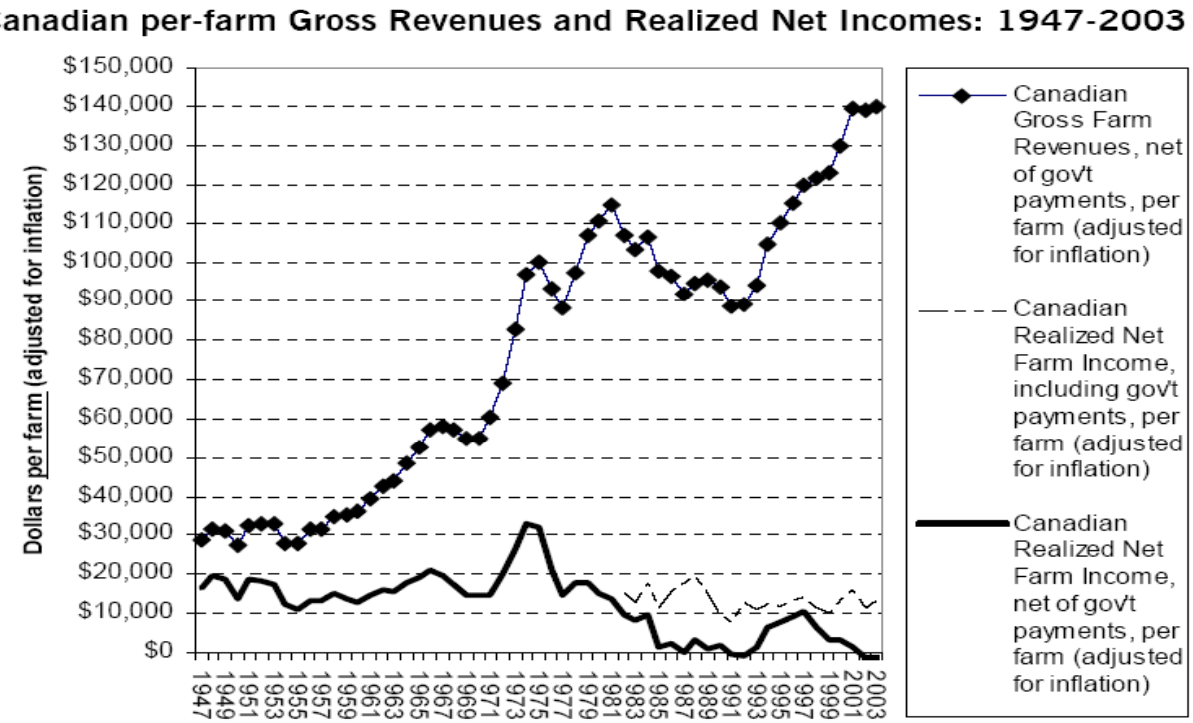
The average family farm income for Canada, is shown in the following chart. Although the portion of earnings collected via farm operations varies, a clear trend in non-farm income has emerged. Since 1990, Canadian farm operations have been relying on off-farm revenue for a greater portion of annual income. According to the 2000 Taxfiler Farm Family Dataset, less than half of today's farm income is derived from traditional agricultural sources.

Table IV - Canadian Average Family Farm Income by Source 1990-2000 [8]

Year	Farm Income	Off-Farm Income	Total	% Farm	% Off-Farm
1990	$15,212	$32,214	$47,426	32.08%	67.92%
1991	$16,081	$33,313	$49,394	32.56%	67.44%
1992	$16,511	$33,470	$49,981	33.03%	66.97%
1993	$17,181	$34,258	$51,439	33.40%	66.60%
1994	$16,924	$36,350	$53,274	31.77%	68.23%
1995	$18,417	$38,213	$56,630	32.52%	67.48%
1996	$17,658	$39,131	$56,789	31.09%	68.91%
1997	$18,029	$41,165	$59,194	30.46%	69.54%
1998	$17,432	$43,677	$61,109	28.53%	71.47%
1999	$16,803	$45,419	$62,222	27.00%	73.00%
2000	$17,588	$48,682	$66,270	26.54%	73.46%

Recently, the National Farmers Union (NFU), a grassroots organization dedicated to sustainable agricultural practices, examined the long-term feasibility of Canadian agriculture. The organization analyzed the present industry structure, performing a trend analysis with respect to farm income streams. The real income (net of inflation) accruing to farm operators has remained relatively constant over the past 50 years. Although there have been substantial variations (both positive and negative) in annual income, a general mean between $10,000 and $20,000 is evident.

The solid line in the following diagram poses a more realistic version of the incomes earned by Canadian agricultural producers. This line represents the true net income resulting from agricultural operations, and is net of government payments. Without these government transfer payments or increased commodity prices, the NFU argues that Canadian agriculture as currently structured cannot successfully compete on a global scale.



(see end note #9 for chart A source)

Thus, government support, combined with the previously mentioned off-farm income supplement, has become the mainstay of modern Canadian agriculture. Without these sources of additional income, the feasibility of present-day agriculture is severely constrained.

2.4 Agricultural Expenditures

At a time in which the real incomes earned by farm operators continues to dwindle, associated agricultural expenses continue to increase. Local farmers have substantial operating expenses for such items as feed, pesticides, fertilizer, and fuel. In 1997, agricultural expenses within the province of Manitoba totalled $2.65 billion. Five years later, the 2002 tally of farm expenses increased 16.4% to $3.09 billion. Manitoba Agriculture and Food estimates that 2003 farm expenses could total upwards of $3.10 billion.[10]

The increasing expenditures of agricultural operations will undoubtedly affect the long-term viability of the industry. Farm operators will find credit increasingly necessary, as large purchases of annual requirements (fertilizer, pesticides, etc.) precede the cash flows that follow harvest. Small operators will likely be at a disadvantage in accessing such credit, as the potential collateral security of smaller operators is limited.

Since small operators are likely to utilize credit for annual expenditures, they are more financially vulnerable in the event the credit is withdrawn. One or two years with poor crops could subject the small operator to financial ruin. The cause for a poor year is just as likely to be due to factors beyond the farmer's control (BSE, drought, floods) as it is to decisions around farm practices or crop selection.

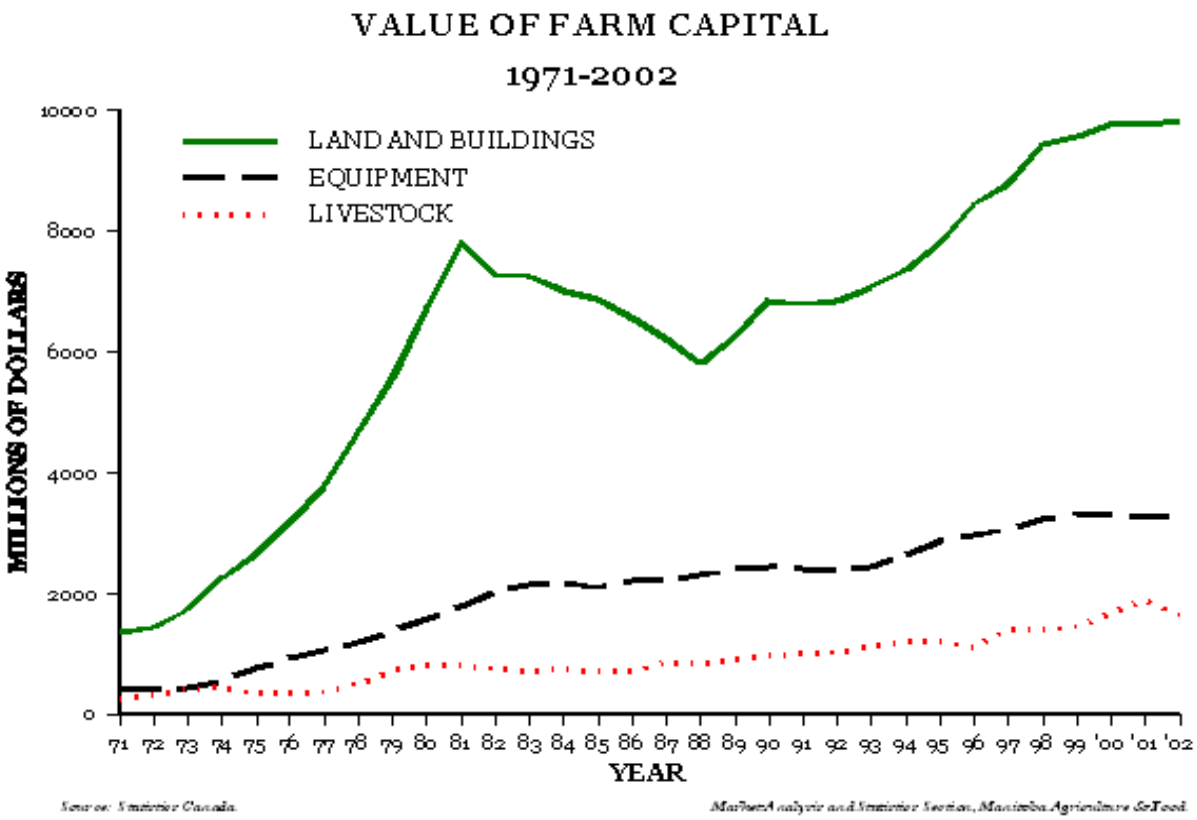
2.5 Capital Requirements of Agriculture

The capital requirements of agriculture have increased consistently since 1999. In 2002, the total value of capital in use by Manitoba farmers was about $14.7 billion, or approximately $702,000 per farm operation. [11] Although Manitoba's per-farm value of capital investment remains less than the national average of $1,092,000 per farm, operational investment represents a significant undertaking. According to recent statistical surveys, approximately 67% of agricultural investment is comprised of land and building acquisition, while the remaining 33% is dedicated to machinery and equipment expenditures, and livestock inventory.

Historically, the value of agricultural capital tends to be highly cyclical. Factors such as interest rates and commodity prices have had great impacts on land and building values. For example, between 1971 and 1981, rising demand for agricultural land caused inflationary price pressures. During this period, price increases caused the value of Manitoba farmland to double every five years.

Between 1981 and 1988, however, high interest rates and low commodity prices affected land and building prices. During this seven-year period, the average value of farm holdings decreased by about 14%. Closer to the present date, statistics show that the value of agricultural capital has once again escalated. Since 1991, the Province of Manitoba has reported a 44% increase in the value of farmland and associated structures.

Chart B [12]



Source: Statistics Canada. Market Analysis and Statistics Section, Manitoba Agriculture & Food.

The most recent capital expenditures data (2001) collected by Manitoba Agriculture shows the following characteristics:

Table V - Assets & Liabilities of Manitoba Farms, 2001 [13]

Average Value of Farmland and Buildings	$1,230 / hectare
Average Farm Assets	$841,000
Average Farm Liabilities	$168,800
Average Farm Net Worth	$672,200
Return on Assets	6.8%
Ratio of Farm Equity to Total Assets	75%

With farm startup and/or acquisition costs escalating over the past number of years, potential young farmers with low personal equity face a more daunting challenge. Although organizations such as the Manitoba Agricultural Credit Corporation have been developed to aid promising industry newcomers, established farmers wield a significant advantage. According to Agriculture Manitoba:

> *Established farmers, who own their land and have low debt-to-asset ratios, are better equipped to survive the variability of agricultural profitability, particularly during periods of low commodity prices… New operators may have limited finances and their low equity makes them a high risk to lending institutions.*[14]

The capital requirements of agriculture, therefore, appear to favor existing agricultural operations or corporate entities. Smaller operators are highly dependant on annual crop yields and commodity quality. Longstanding operations and corporately owned operations, on the other hand, may have access to significant capital reserves through shareholder investment or retained earnings.

2.6 Summary of General Trends

Based on the data presented above, it is possible to identify some emerging themes within Canadian and Manitoba agriculture. These are:

(a) The number of farms is falling, and the average size of remaining farms is growing.

(b) There is a farm income crisis, forcing more and more farmers to rely on off-farm income.

(c) Capital investment levels and the cost of inputs appear to be acting as barriers to the entry of young farmers into the industry.

Over the past number of years, the face of agriculture has changed in Manitoba. An industry formerly characterized by a production model centered on the family unit now faces the reality of consolidation and industrialization. Qualman & Wiebe argue that these changes are a result of

the structural adjustment of Canadian agriculture to replace traditional crop production with an export-oriented strategy.[15]

The focus of modern agriculture aims to increase efficiencies though economies of size. Where previously multiple small, independent, farm operators worked within the confines of a delicate social structure, today's agricultural practices reflect a declining emphasis on these traditional principles. Rather, there is an emphasis on external investment, increasing use of wage labour, and a reliance on a small number of transnational agri-businesses.

The question before most rural communities in Manitoba is whether the small to medium sized family-operated farm is doomed to disappear. Sections 3 and 4 of this report will looks to see if there is evidence that these general trends are present in the R.M. of Franklin.

3.0 RURAL MUNICIPALITY OF FRANKLIN

The RM of Franklin is located in south-central Manitoba. With a land area of 953 square kilometers, the RM of Franklin has a population of 1,724 persons. Franklin's largest center is the community of Dominion City, with Arnaud, Carlowrie, Fredensthal, Green Ridge, Ridgeville, Rosa, Roseau River, Tolstoi, and Woodmore forming other population clusters. Many residents are employed within agriculture.

This section of the report describes the general demographics within Franklin, comparing this to both the provincial average and to Census Division #2. This provides not only a regional comparison, but also provides the context necessary to evaluate the Agricultural Census data in section 4.

Census Division #2 is comprised of the rural municipalities of Franklin, DeSalaberry, Hanover, LaBroquerie, Ste. Anne, Tache and Richot. This covers an area of Manitoba stretching from immediately adjacent to the city of Winnipeg, to the Canada-U.S. border. The area includes individuals who not only commute to Winnipeg on a daily basis, but also into Steinbach, a major regional center.

Census Division #2 straddles an escarpment which represents a defining topographical characteristic. The escarpment marks a visible end of the tree line, and the start of the Red River Valley. Land east of the escarpment tends to have more trees, rocks and bush, with a sandy quality. Land west of the escarpment is flatter, with fewer trees and a higher clay content. This influences the type of agriculture practiced, as discussed in Section 4.

Agricultural Census data was only available at the Census Division level. Except where noted differently, all data in section 3 is drawn from the 2001 Community Profiles portion of the Statistics Canada website.[16]

3.1 General Demographics

As noted above, Franklin's population in 2001 was 1,724 persons. Although the population has shown growth over the past five years, population expansion has been minimal, at slightly over 3%. Correspondingly, housing growth has been minimal, with the total number of dwellings amounting to 710 in 2001. The breakdown of population by age for the region is depicted below:

Table VI - 2001 Population by Age, R.M. of Franklin and Manitoba

AGE	FRANKLIN POP.	% of pop.	MANITOBA POP.	% of pop.
Total	1,780	100.00%	1,119,580	100.00%
0 to 4	130	7.30%	70,670	6.31%
5 to 14	295	16.57%	163,045	14.56%
15 to 19	140	7.87%	80,425	7.18%
20 to 24	65	3.65%	72,850	6.51%
25 to 44	445	25.00%	320,305	28.61%
45 to 54	215	12.08%	155,710	13.91%
55 to 64	200	11.24%	100,155	8.95%
65 to 74	150	8.43%	78,560	7.02%
75 to 84	100	5.62%	56,875	5.08%
85+	40	2.25%	20,975	1.87%
Median Age	38.1 Years			

While the population distribution of Franklin resembles that of the Province of Manitoba, a few key differences should be noted. First, the proportion of Franklin's population above 55 years of age greatly exceeds the provincial average. Whereas approximately 22.92% of Manitoba's population falls into this stratum, over 27.54% of Franklin residents form this subgroup. Second, Franklin boasts a proportionally larger youth population than found across the Province of Manitoba. The population distribution is such that over 50% of residents are under the age of 44.

3.2 Education

The educational attainment of young adults residing in Franklin falls below that of the provincial average. In terms of high school graduation, 50% of Franklin residents have attained less than a high school graduation certificate, higher than the provincial average of 22.5%. College education and trade diplomas appear to prevail among the educated, with high proportions of residents entering these learning streams**.**

Table VII - Franklin Population Age 20-34, Educational Attainment, 2001 Census

Highest Level of Schooling	Franklin	Census Div. #2	Manitoba
% of population aged 20-34 with less than a high school graduation certificate	50.0%	29.4%	22.5%
% of population aged 20-34 with a high school graduation certificate and/or some post-secondary	19.6%	34.7%	33.1%
% of population aged 20-34 with college certificate or diploma	17.4%	13.4%	15.7%
% of population aged 20-34 with a university certificate, diploma, or degree.	4.3%	11.4%	18.4%

As a general statement, educational attainment in Census Division #2 tends to be better than in Franklin, but lower than the provincial average. These trends are true across all age groups. See tables in Appendix B for full data.

3.3 Earnings

Earnings in the RM of Franklin reflect the level of education possessed by area residents. The average wage earned by the residents of Franklin is lower than the provincial average. According to the comparative earnings statistics information for the 2001 Census, the average earnings of Franklin residents was $19,450, whereas provincial earnings averaged $27,178 per year. Census Division #2 reported average earnings of $24,277.

Franklin earnings, if expressed as a percentage of provincial earnings, were 71.6% for all earnings (the comparable figure for Census Division #2 was 89.3%. If only full-time earners are included, Franklin full-time earners received 64.3% of the provincial average while Census Division #2 full-time earners received 89.7%.

The gender gap in earnings was pronounced in Franklin. Women in Franklin only earned 48.6% of what men in Franklin earned. This figure only improved slightly when comparing full-time

earners, so that women employed full-time earned 55.7% of full-time male earnings. For Census Division #2, these figures were 61.4% for all earners and 72.6% for full-time earners. For Manitoba, the figures were 66.5% for all earners and 74.0% for full-time earners. While the entire province has some distance to go in closing the gender gap, Franklin appears to have a larger challenge. See tables in Appendix B for more detail.

However, earnings potential is impacted by factors other than education and gender. One could hypothesize that Franklin's dependence on agriculture may have an adverse earnings effect. Although prime growing years could produce lucrative producer yields, poor years could have an opposite effect. Traditional gender roles on the farm may be evolving without being reflected in earnings as measured by the census.

3.4 Labour Force Indicators

Occupations within Franklin are linked to agriculture. Occupations "unique to primary industry" (including agriculture) represent 30.7% of the workforce. This figure is 13.0% for Census Division #2 and 7.0% for Manitoba. These figures closely mirror the Industry of Employment figures, which indicate that 33.3% of Franklin workers are employed in agriculture or other resource-based industries. It should be noted that among Census Division #2 municipalities, Franklin is the furthest from Winnipeg, and likely has a lower proportion of residents commuting to the city.

Franklin's labor participation rate of 65.9% falls slightly below that of the provincial average (67.3%), and substantially below that of Census Division #2 (72.3%). Franklin's unemployment rate for 2001 was reported as 0%, compared to 2.9% for Census Division #2 and 6.1% for Manitoba. Detailed data for employment, occupational and labour force indicators can be found in the tables of Appendix B.

3.5 Demographic Summary

The preceding data allows some general conclusions. Franklin appears to have difficulty in retaining its young adult population, and where young people do stay, they are less likely to have educational credentials. While Franklin residents tend to have success in securing employment, they earn less than others, and the gap between male and female earners is greater than in other regions.

On the demographic indicators noted above, Franklin residents are not faring as well as other residents of Census Division #2. Although some of these differences can be explained by the greater prevalence of agricultural employment in Franklin, it is an open question whether a range of barriers and market pressures are preventing young people from pursuing a traditional livelihood on their own family farm.

4.0 AGRICULTURAL CENSUS DATA

This section of the report presents information on agriculture in the Census Division #2 area, derived from the 2001 Agricultural Census. As noted earlier, the Agricultural Census did not have publicly available data at the municipal level. Census #2 data is offered as the closest statistical profile of farming in the Franklin area.

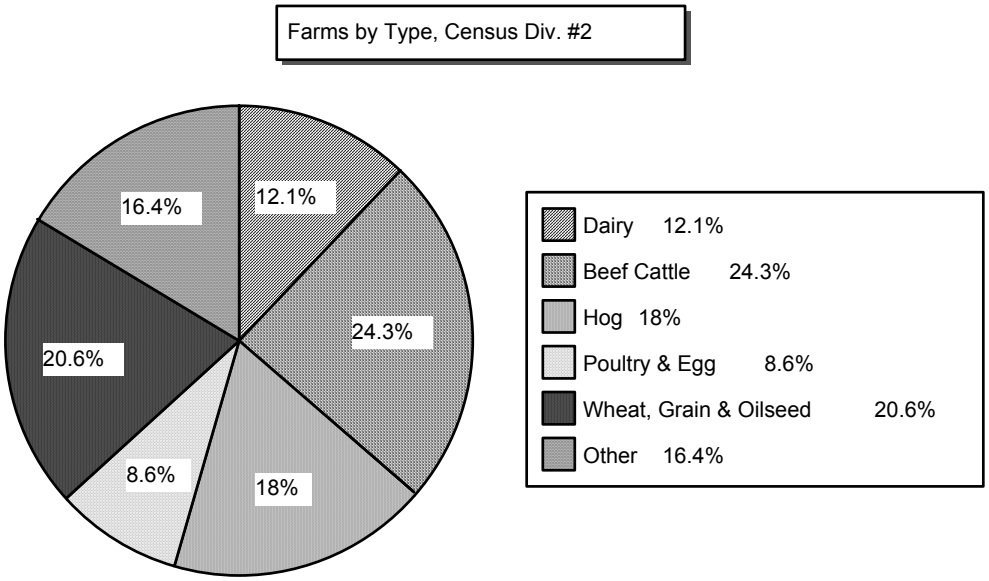
While much of the farming in the region is similar, there are some distinctions to be made. As described in section 3, Franklin differs from other parts of Census Division #2 in land type and in proximity to Winnipeg. Each of these factors suggest that averages for the Census Division #2 area will not necessarily be exact in describing the state of agriculture in Franklin, although it should give a fair approximation. The data should therefore be viewed in this light.

Unless otherwise noted, all of the data presented in Section 4 is derived from tables contained in the 2001 Agricultural Census, initial release, Statistics Canada catalogue # 95F0301XIE. Relevant data detail is contained in Appendix C.

4.1 Type and Size of Farms

The Agricultural Census asks respondents to describe their farm by historical type, i.e. - the type of farm it has traditionally been. In Census Division #2, beef farms were the most prevalent, with grain, wheat and oilseed being a close second. Hog farms were the third most common type. The distribution is shown in the following chart.

Chart C



This distribution of farm types is markedly different from the Manitoba average. Manitoba farms see more beef farms (36%) , more wheat, grain and oilseeds (37%) and much fewer hog farms (5%). The municipalities of Hanover, LaBroquerie and DeSalaberry are known to have high concentrations of intensive hog operations.

The different land types in Franklin mean that this distribution of farm types may be somewhat different than the Census Division #2 average. The land east of the escarpment would be typical of Census Division #2 with dairy, hogs, and beef cattle being fairly prevalent. West of the escarpment is flat grain land, with almost all the farms historically being grain, wheat or oilseed. About two-thirds of the land mass in Franklin is west of the escarpment, so it is likely that the actual distribution of farm type would be more heavily weighted to grain, wheat and oilseed.

The average size of a farm varies widely across Canada, depending on land type, and on the type of agriculture. Comparing potato farms in P.E.I., orchards in Southern Ontario, grain farms in Manitoba, and ranches in Alberta solely on the number of acres is not necessarily meaningful. Although some of the same variations occur within Manitoba, it is useful to compare Census Division #2 with the Manitoba average.

The average farm in Manitoba was 891 acres in 2001, up from less than 800 acres in 1996. Manitoba has the third highest average farm size in Canada. Within Census Division #2, the average farm is 495 acres with 74% of farms being smaller than 560 acres, compared to the Manitoba average, where only 51% of farms are smaller than 560 acres. Conversely, only 6.3% of Census Division #2 farms are 1600 acres or larger, a much smaller figure than the Manitoba average, where 15.6% of farms are 1600 acres are larger.

This differential in farm size might be explained by several factors. Again, most (but not all) of Census Division #2 is located east of the escarpment, characterized by rocks, sandy soil, and poplar trees. This is more suited to livestock operations than to the sprawling grain farms found further west. Secondly, as noted above, several municipalities in Census Division #2 have attracted high concentrations of intensive hog operations, which use relatively little land. Thirdly, virtually all of Census Division #2 is within commuting distance of Winnipeg, ranging from just outside the Perimeter Highway to 50 miles away. This has resulted in a higher proportion of small hobby farmers than in other parts of the province.

4.2 Land Tenure and Operating Arrangement

Land tenure is the term used to describe whether the land in a farm is owned, leased, rented, sharecropped or under some other arrangement. Many farms use a combination of owned, rented, or leased land. The Agricultural Census asks farmers to list how many acres they have under various tenure arrangements.

About 40% of Census Division #2 farmers report renting or leasing some land, a figure that is lower than the 51% of Manitoba farmers who rent or lease some land. When rented or leased land is looked at in more detail, it becomes clear that fewer Census Division #2 farmers have access to farmland through government leases (9% versus the MB average of 21%). The average Census Division #2 farmer rents or leases 31% of his acreage, and owns 69%. The average Manitoba farmer rents 38% and owns 62%.

Operating arrangement describes the form of legal ownership that operates the farm. In Census Division #2, farmers are less likely than their Manitoba counterparts to use sole proprietorship, but more likely to use every other form, including written and unwritten partnerships, family corporations, and non-family corporations. This is illustrated in the following table.

Table VIII - Manitoba and Census Division #2 Farms by Operating Arrangement

Operating Arrangement	Manitoba	C. Division #2
Sole Proprietorship	58.48%	45.02%
Partnership (written)	26.07%	30.03%
Partnership (unwritten)	4.27%	6.77%
Family Corporation	9.19%	14.98%
Non-Family Corporation	1.69%	3.02%
Other	0.30%	0.18%

Even though sole proprietorships were less popular in Census Division #2 than in Manitoba as a whole, they were still the most prevalent operating arrangement. The small percentage of non-family corporations appears to contradict some fears that large agri-business is swallowing up the family farm, and that intensive livestock operations are driven by outside investors. The truth probably lies in the middle. While overt non-family corporate ownership of farms is not as prevalent as feared, the presence of corporate agri-business and outside investors is vested in control of the supply chain, and in the financing of both inventory and capital facilities.

4.3 Gross Farm Receipts & Operating Expenses

Another way to measure the scale of agriculture in the region is to examine gross farm receipts. The 2001 Agricultural Census indicates that the 1,655 Census Division #2 farms reported $554.8 million in gross receipts, for an average of $333,438 per farm. This is substantially higher than both the Manitoba average of $167,492 per farm, or the Canadian average of $155,104. Across Canada, only 2% of farms have gross annual receipts over $1 million, but these large farms account for 35% of all farm receipts.[17]

The distribution of farms by level of gross receipts indicates that Census Division #2 has a greater proportion of both small hobby farms and large grossing farms than the Manitoba and Canadian averages. Farms with annual gross receipts of less than $2,500 constitute 9% of the farms in Census Division #2 as compared to 6% for Manitoba and 6.6% for Canada. At the other end of the spectrum, farms with gross receipts of $250,000 or more constituted 28% of Census Division #2 farms, compared to 15% for Manitoba and 13.8% for Canada. A more detailed breakdown is available in the tables of Appendix C.

The Agricultural Census also provides quite detailed data on expenditures within a variety of categories. While this provides a sense of overall averages, these averages do not necessarily provide an illustration of a typical farm. For instance, in Census Division #2 the “average” farm purchases about $114,600 in feed annually. Of course a straight grain farm would purchase no feed, and by inference a livestock operation would purchase considerably more. The following figures should be viewed in this context.

The average Census Division #2 farm incurred $280,406 in operating expenses in 2001. (excluding depreciation). The two largest expense categories were feed & supplements at 28% of expenditures, and livestock & poultry purchases at 24.7% of expenditures. No other expense

category exceeded 10% of operating expenses. The average Census Division #2 farm reported spending $43,664 on wages and salaries, of which $26,222 was paid to family.

With the information on gross farm receipts and operating expenses, an approximate cash income (exclusive of depreciation expense and capital purchases) can be estimated. In the case of Census Division #2, average gross receipts of $333,438 less $280,406 would see a positive cash income of $53,032. The corresponding figure for Manitoba would be $21,815 and for Canada $20,596. This would suggest that agriculture in Census Division #2 is relatively prosperous. It must be emphasized that the above figures are exclusive of depreciation and capital expense, and therefore do not represent net farm income.

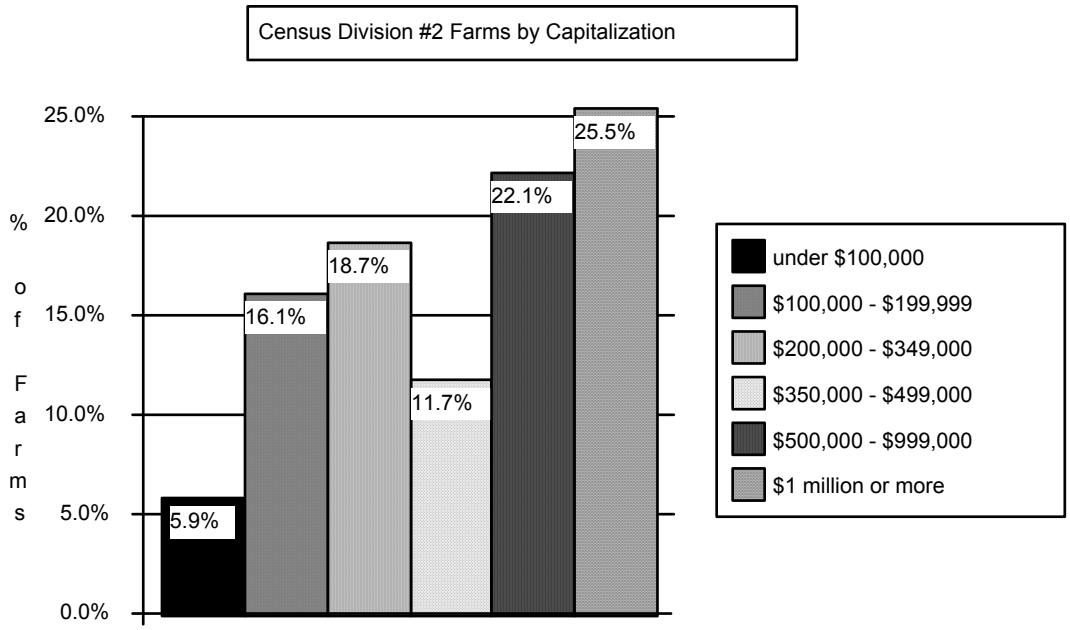
4.4 Farm Capital & Farm Machinery

Farm machinery includes tractors, combines, balers, seeders, trucks and basically all equipment with wheels. It also includes irrigation equipment and workshop equipment. It does not include buildings, grain bins, or other fixtures. The average Census Division #2 farm had $144,819 in machinery, which was lower than the Manitoba average ($162,811) but higher than the Canadian average ($134,125).

About 91% of Census Division #2 farms reported having one or more tractors with an average total value of $56,280. Truck ownership was also reported at 91% with an average total value of $25,757. Census Division #2 farms reported that 35.9% own combines, with an average value of $55,866 per reporting farm.

Total farm capital represents the value of land, buildings, fixtures, machinery and equipment in the operation. Just under half (47.6%) of the farms in Census Division #2 are capitalized at $500,000 or more. The distribution of farms by level of capitalization are shown in the following chart. This distribution is very similar to the distribution for both Manitoba and Canada. A detailed table is included in Appendix C.

Chart D



4.5 Paid Work

Of the 1,655 Census Division #2 farms, 817 (or 49.4%) reported providing paid work. About 29% provided year-round work, while an equal percentage provided seasonal work. Obviously, some farms provided both year-round and seasonal work.

The farms providing year round work provided an average of 129.6 weeks per year, the equivalent of 2.5 positions per farm. Seasonal work represented an average of 24.6 weeks per reporting farm.

Examining the number of year round weeks of paid work as a percentage of total weeks of paid work indicates that 83.6% of paid work weeks were on a year round basis. This is higher than the Manitoba figure of 69.6% or the Canadian figure of 64.8%. This means more of the work in Census Division #2 was on a year-round basis. This may be in part due to the concentration of intensive hog operations which require year round employees.

4.6 Summary of Agricultural Census Data

Farms in the Census Division #2 area tend to be smaller in size than the Manitoba average, and to have less rented land as part of the operation. These farms have higher gross farm receipts than the Manitoba average, leading to a greater gross margin before depreciation. It appears that farming may be relatively more prosperous than in other parts of Manitoba.

Census Division #2 farms tend to require significant levels of capital, and machinery alone is likely to require capital investment in excess of $140,000. These farms are more likely to provide year-round employment to agricultural workers.

Many of these averages or tendencies are heavily influenced by the type of farming operation. While the figures outlined here may apply to farming in the R.M. of Franklin in a general way, the greater prevalence of grain farming likely means that the precise profile of farming in Franklin is somewhat different than Census Division #2.

5.0 ASSESSMENT ROLL DATA

The research project wanted to examine land use in the rural municipality of Franklin, to see if there was any particular trend over time in the amount of land owned, and the type of landowner. This data could then be viewed to see whether it was consistent with some of the general trends towards concentration of ownership and larger sized farms. Data tables are included in Appendix D.

5.1 Methodology & Limitations of Data

The research project received permission from the Rural Municipality of Franklin to examine assessment roll data for the entire municipality, for the years 1982 and 2002. The assessment roll data provides the size of a land parcel in acres, the name of the registered owner(s), and the assessed value of the land/buildings. For purposes of this project, the assessed value of the land was not relevant and therefore not examined. The researchers did not have access to information about taxes owing or the status of a landowner's tax account, which is recorded in a separate data base.

The research started with the assumption that any parcel of land less than 20 acres was not primarily agricultural, but residential in nature. These parcels were excluded from the analysis. Also excluded were land parcels known to have non-agricultural use, such as the park in Dominion City, the railway right-of-way, or the Wildlife Management Area.

For all of the remaining parcels, the parcel size and the registered owner were recorded on a piece of paper. These bits of paper were then sorted by owner name, to produce a list of all the parcels that any given owner had in the municipality. The total acreage for each owner was then listed.

The sorting of this information was not an exact process. Assessment rolls contain information provided by various family members and recorded by various municipal employees over long periods of time. As a result, there are different spellings of both surnames and given names, and the varying use of initials. There are also some fairly common family names in the area, sometimes making it difficult to distinguish different owners. Further complicating the process was the issue of joint ownership of land, where spouses, siblings, parents or children may be co-owners of different parcels.

The researchers tried to sort through these issues using a "common-sense" approach, and maintaining a more-or-less consistent criteria. The guidelines they used were:

a) variations in spelling or initials were ignored if there was a reasonable probability that it was one party, considering such factors as how common the name was and the proximity of parcels.

b) husbands and wives were considered a single landowner.

c) where siblings or family members co-owned multiple parcels, the family group was considered a single owner.

d) where two siblings co-owned one or two parcels, but each had sole title to other parcels, the acreage of the joint parcel was "split" evenly.

e) no attempt was made to identify the directors of corporate landowners, or to identify where a person may own some land as an individual and some as part of a corporation. Each corporation were treated as a single landowner.

While the researchers freely confess that this process was probably not error free, they remain confident that the sorting process was accurate enough, and the sample size large enough, to establish a general pattern.

It should be noted that the assessment roll data has certain structural limitations as well. This is only a record of land ownership, and only for land in Franklin. It does not reflect which landowners are renting their land to others, or who is renting additional land. It also does not reflect landowners or renters whose operations straddle inter-municipal lines. Many of the landowners own and/or rent land in more than one municipality. Therefore, the numbers of acres cited below do not correspond to the actual size of a given farming operation (the Agricultural Census is more accurate in this regard).

What the number of acres do represent is control over agricultural land in Franklin, and the data is best used to give the reader a sense of proportion rather than an accurate acre count. Since the approach used for 1982 and 2002 data was the same, the data should provide a sense of whether there is a trend towards concentration of land ownership over the last 20 years.

5.2 Overview

The 1982 records showed that there were 213,706 acres of agricultural land in parcels of 20 acres or greater. By 2002, this was reported as 214,726 acres, suggesting that either some very small parcels were incorporated into larger parcels, or that there was less land excluded as an "non-agricultural use" as described in the methodology above.

There were 631 separate owners in 1982, of which 16 were corporate entities. By 2002 the number of separate owners declined 4.9% to 600. The number of corporate owners had more than doubled to 42. The average number of acres per landowner was 338.7 in 1982, and had climbed to 357.9 by 2002.

The landowners were grouped by the size of their total holdings into landowners who owned one section or less (640 acres), landowners who owned 1-2 sections (640-1280 acres), and those who owned more than 2 sections.

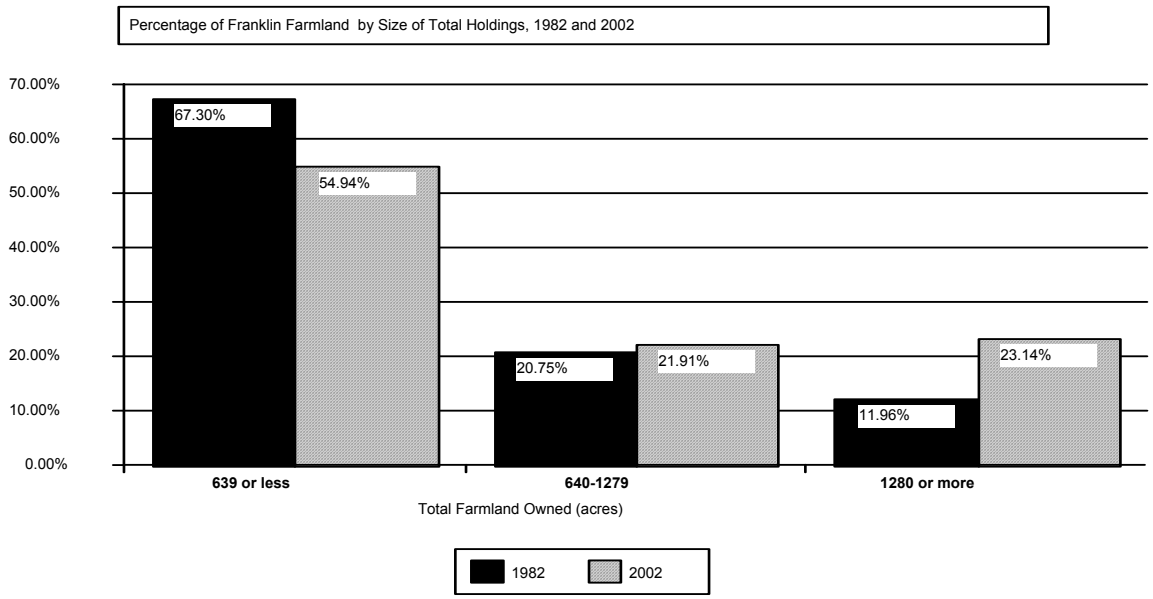
As the following table indicates, in 1982, 90% of landowners owned one section or less and by 2002, this had dropped to 87%. The number of landowners who owned more than 2 sections more than doubled from 1.4% to 3.7% The number of landowners who owned between 1 and 2 sections of land also increased.

Table IX
Percentage of Franklin Land Owners by Size of Holding, 1982 & 2002

	639 acres or less	*640 - 1279 acres*	*1280 acres or more*
1982	90.2%	8.4%	1.4%
2002	87.2%	9.2%	3.7%

The vast majority of landowners continue to own less than 1 section of land, although there seems to be a noticeable move towards larger holdings. This trend is more apparent, when the number of acres is taken into consideration. The chart below shows that in 1982, 67% of the land was owned by people who owned less than 1 section. By 2002, only 55% of the land was owned in smaller holdings. While the amount of land in holdings between 640 and 1279 acres stayed fairly constant, the amount of land owned as part of larger holdings almost doubled.

Chart E



5.3 Concentration of Land Ownership

As indicated above, there seems a clear trend towards concentration of land ownership in Franklin over the last 20 years. Anecdotally, local people report that shifts in land ownership patterns were much more dramatic from the 1960's to the 1970's, but verification of this was beyond the scope of the current project. Nonetheless, the more recent shift seems unmistakable. By 2002, 13% of the landowners owned 45% of the land.

The notion of concentration of land ownership evokes images of huge and sprawling corporate farms. A more detailed look at the assessment data for holdings over 1,280 acres indicates that this is not necessarily an accurate picture in Franklin. According to the data viewed both as percentage of owners and percentage of acreage, the increase in size of holdings did not occur among the very largest landowners. In 1982 there were 3 landowners with 3,200 acres or more (5 sections), and this number did not change by 2002. This category of landowner only increased their acres owned by a total of 529 acres. Similarly, there was only one landowner with holdings between 4 and 5 sections (2560 acres and 3,199 acres), and this landowner's owned acreage was virtually unchanged.

The increase occurred among landowners who owned between 2 and 4 sections of land, as illustrated by the table below. Grain farmers in particular seemed to be scaling up as a response to the elimination of the Crow Rate, which made the 1,000 acre grain farm a less viable operation.

Table X
Franklin Land Ownership by Size of Holding, 1982 and 2002

Size of Holding (in acres)		639 or less	640-1279	1280-1919	1920-2599	2560-3199	3200+
number of owners in category	**1982**	569	53	4	1	1	3
	2002	523	55	12	6	1	3
total acres in category	**1982**	143,817	44,340	6,256	2,526	2,781	13,988
	2002	117,975	47,055	19,007	13,390	2,784	14,517
percentage of total acreage	**1982**	67.3%	20.8%	2.9%	1.2%	1.3%	6.6%
	2002	54.9%	21.9%	8.9%	6.2%	1.3%	6.8%

It becomes apparent that between 1982 and 2002 a number of small landowners sold some or all of their land. The net impact was to increase the number of landowners who owned between 2 and 4 sections of land. As noted above, these ownership figures do not reflect changes in land rental that may have occurred over the same period.

5.4 Small Farm Ownership

The research project is posing the question of whether the small farm can hope to survive as both a way of life and a meaningful source of income. Consequently, a closer examination of how small acreage ownership may have changed in Franklin from 1982 to 2002 is warranted.

It has already been demonstrated that there was a decline in holdings of less than 1 section or 640 acres. This change did not occur evenly across all sub-categories. The holdings of less than 640 acres were broken down further into smaller increments (159 acres or less, 160-319 acres, 320-639 acres). This is reflected in the following table.

Table XI Franklin Small Parcel Ownership, 1982 & 2002
by Total Acres and Number of Landowners

Total Acres	**159 or less**	**160 - 319**	**320 - 639**	**TOTAL**
1982	17,863	44,762	81,192	143,817
2002	22,233	36,965	58,778	117,975
% increase	24.5%	(17.4%)	(27.6%)	(18.0%)
Landowners				
1982	180	202	187	569
2002	224	172	127	523
% increase	24.4%	(14.9%)	(32.1%)	(8.1%)

We can see that from 1982 to 2002 there was a large drop in the number of acres owned in small holdings.(from 143,817 to 117,975 acres). The number of small holdings also decreased, although by a lesser percentage.

The number of holdings less than 160 acres increased though, by 24.5% , with an almost identical percentage increase in the number of acres in holding less than 160 acres. Conversely, there were large decreases in both the numbers and acres of small holdings in the 160-319 acres and 319-639 acres ranges. The decrease was more dramatic in the latter category.

This would appear to mean that while a number of small farmers with 160-640 acres sold land to bigger operators, some of the land was subdivided into smaller hobby farms or residential parcels of 20-159 acres. It is not clear whether this was driven by farmers retiring, going bankrupt, or simply changing occupations. (or some combination of the three).

If it is assumed that these small farmers were also renting land in rough proportion to the Agricultural Census figures, a 600 acre holding may have represented a 900 acre functioning farm. These appear to be the operations most seriously impacted over the last 20 years.

5.5 Summary of Assessment Roll Data

The original research on assessment roll data seems to confirm that the rural municipality of Franklin is experiencing the same trends in agricultural land ownership as other parts of Manitoba and Canada. Although the limitations of the data and the methodology preclude any conclusions as to the number of acres actually farmed, the last 20 years seem to have produced an identifiable pattern.

The following findings are supported by the comparison of assessment roll data from 1982 and 2002:

i) the total number of landowners is decreasing

ii) the average size of holdings is getting larger

iii) corporate ownership is increasing

iv) the very largest landowners (2,560 acres plus) seem to have been static over the last 20 years.

v) the number of very small rural acreages (159 acres or less) has gone up, suggesting an increase in hobby farms.

vi) the number of holdings from 320-639 acres has seen a sharp decline. Despite this, fully half of the agricultural landowners in Franklin own between 160 - 639 acres.

When viewed in conjunction with demographic information and Agricultural Census data, it seems fair to conclude that the small family farm is under serious pressure in Franklin. It would also seem that there is still a critical mass of smaller holdings, and strategies to maintain small family farms may still be possible.

6.0 THE LAND TRUST MODEL

The first step to understanding the land trust model is to understand the motivations for creating a land trust. The Institute for Community Economics (ICE) is an acknowledged leader in developing community land trusts, and suggests that land trusts are created in response to land speculation, concentration of ownership, absentee ownership, housing shortages, or agricultural land shortages.[18] A Canadian-based Aboriginal organization, Turtle Island Earth Stewards, suggest that trusts are made necessary because the European approach to subjugate land to private use (and misuse) conflicts with traditional Aboriginal uses and concepts of stewardship.[19] Marcia Nozick states the issue another way, suggesting that land trusts are necessary to mitigate the negative impacts of market forces on land use.[20]

More specifically to the question of land trusts in a rural setting, Greg Lawless conducted an evaluation of the Wisconsin Farmland Conservancy, stating that his motivation to do so was driven by both a concern for the declining number of family farms, and a need to mitigate the negative environmental impacts of some agriculture on rural communities.[21]

All of these proponents of the land trust model identify a few common themes underlying the motivation behind land trusts. These include the affordability of land, access to land, sustainable use of land, and a belief in some broader community interest in how the land is used. The land trust is seen as a way to balance the legitimate rights of the individual with the interests of the larger community. The land trust is a vehicle to assemble land that is literally "held in trust" for community benefit in perpetuity.

The land trust assembles both donated and purchased land to include in the trust. Funds to purchase land are typically provided by individuals, foundations and government. Land trusts are usually charitable organizations which can issue tax receipts for donated land or money. The trust then makes the land available for specified uses which vary according to the type of trust. These uses are ones that have a perceived community benefit, but that cannot generate sufficient revenues to compete for land in an unrestricted market.

To better understand how the land trust model seeks to address these needs, it is necessary to grasp some key concepts related to land trusts. The following subsections first outline some basic concepts related to property rights. Secondly, they define the various types of land trust, as well as some elements common to all land trusts. Thirdly, there is a review of legal mechanisms which might be used to adjust property rights satisfactorily. Lastly, there is a more specific definition of an agricultural land trust, one specific application of the land trust model.

6.1 Property Rights Issues

The average person usually thinks of property as a tangible, physical object such as land, an automobile, a painting, etc. Lawless gives a comprehensive overview of property rights and the related terminology.[22] He describes property rights as a form of "social relation" that defines who has a right to the physical object, and how others must respect that right.

The term "right" is not entirely accurate, as the concept of property usually bestows a "bundle of rights", which may be enjoyed. In the case of land, most people would be aware that the bundle of rights might include water rights, timber rights, mineral rights, etc. These rights can be separated from each other and transferred to others, and different individuals can hold different rights to the same land.

Lawless also describes 7 essential elements of property rights, summarized below:

a) Right to Possess. (exclusive physical control of the object).

b) Right to Use. (owner can use and enjoy the object).

c) Right to Manage. (right to allow use and contract over benefits)

d) Right to Income. (the right to earn income from the object).

e) Right to Capital. (the right to sell, consume, or destroy the object).

f) Right to Security. (ownership in perpetuity with protection from arbitrary appropriation).

g) Transmissibility. (the right to transfer the object to another through sale or inheritance

So to use an example, a landowner in Franklin might have a bundle of rights to a quarter section of land. That landowner could sell the mineral rights to a gravel pit on the land to another party. He might simultaneously rent 40 acres out to a neighbour for hay production, and allow a sawmill operator to harvest timber from the land. He might then choose to exercise his right to use, and ride his horse around the land as recreation. Of course if the original owner tries to harvest hay, extract gravel or chop wood, he will then be violating the property rights of those other parties.

While the common view is to see private property rights as absolute, in reality, society does place constraints on property owners. Municipal zoning restricts how land may be developed, and many jurisdictions legislate against converting farmland to non-agricultural uses. Certain land is subject to right-of-way provisions, allowing for necessary access to utility structures or for roads. These curtailment of certain property rights are seen as justified in light of a common societal benefit.

In some instances, land or property is central enough to the common interest that it is made state property. Examples would be provincial parks, public waterways, roads, etc. Government exercises the property rights for the common benefit of all. In other instances, there is a general common interest in a certain land or property among some community members, but not society at large. An example of this kind of common property is the community pasture. In this example, community members who own livestock have a common interest in having access to additional pasture. They all agree to abide by certain rules (and perhaps fees) in order to preserve the value of the pasture and continue to have access to a useful resource. In this sense, members of a common property arrangement are interdependent.

Lawless, citing Bromley, reviews the state, common and private forms of property, and concludes that the land trust does not fit neatly into any of these categories.[23] While sharing some elements of common property, land trusts also rely on a modification of private property rights to achieve their aims. It is in fact a hybrid type of property arrangement. The Institute for Community Economics suggests that land trusts are a way of arranging property rights to balance individual and community interests. The following table is derived from an ICE publication[24.]

Table XII - Individual and Community Interests in Land and Property

Legitimate Interest of Individual	Legitimate Interest of Communities
Security of Use and Tenure.	Ongoing Community Access to Land
Earned Equity in Asset	Community Equity in Asset
Reasonable Legacy. (able to pass on use and/or equity to heirs).	Community Legacy. (protected environment, preservation of way-of-life or community character).

source: Institute for Community Economics

The ability to recognize and articulate different property rights, and different interests in property use, is fundamental to defining the various types of land trust.

6.2 Types of Land Trust

As the preceding summary of property rights issues demonstrates, there are many possible combinations of property rights and interests, and consequently, there are different types of land trusts. In general though, there are some elements common to almost all land trusts:

i) The land trust is incorporated as a non-profit corporation, separate from government.

ii) The land trust is democratic in nature, one member, one vote.

iii) The land trust membership is open to all within a given community, balancing memberships between land users and the community at large.

iv) The land trust exists to restrict land use in some defined way.

In cases where the land in the land trust is intended to have ongoing human use and economic activity resulting in buildings or improvements, there are usually two additional features. These are:

v) There is often split ownership of the land and the improvements to the land. The trust owns the land and the lessee or the user owns the improvement.

vi) The trust usually has first option to purchase any improvements, and the price is usually set by a formula that prevents windfall gains.

These common characteristics are recognized by ICE and Lawless, among others.[25]

There is not quite so much agreement on the various types of land trust and the terminology used to describe them. Community Land Trust (CLT), Farmland Trust, Agricultural Land Trust, Heritage Land Trust, Conservation Land Trust, Land Stewardship Trusts are all common terms. The term Community Land Trust is almost always used to refer to a trust that develops affordable housing, although all land trusts are community-driven in nature, and rooted in a given geographic community.

Probably the most useful categorization of land trust types is offered by Lawless,[26] who categorizes them as follows:

A. CONSERVANCE.	These trusts aim at prohibiting development in order to conserve habitat or sensitive ecological land. Wetlands or the Tall Grass Prairie Preserve are examples. Sometimes trusts conserving local historical sites are included in this category.
B. STEWARDSHIP	These trusts are structured to provide for "principled management" of land. This would include trusts that stipulate organic agricultural production or sustainable forestry practices as a condition of using the land.
C. ECONOMIC	These trusts are structured at achieving certain social and economic goals such as affordable housing, preserving family farms, or local economic development.

Since land trusts are conceived, designed, implemented and governed on a local level, there are many different incarnations and hybrids of these types. For instance, some conservation trusts allow limited harvesting of hay from land adjacent to wetland areas, which is an element of stewardship. Depending on the type of farming, an agricultural trust might have elements of both stewardship and economic trusts. The Turtle Island Earth Stewards are advocating the concept of "Land Stewardship Trusts" an attempt to include all 3 elements in a comprehensive land use agreement.[27] It is unclear how widely this approach has been adopted.

In Canada, the greatest number of land trusts are conservation type trusts. There is a growing interest in housing trusts (CLT's) which are much more common in the U.S. Agricultural land trusts are a more recent phenomenon, with relatively few models available in either Canada or the U.S. Section 7 of this report profiles some relevant examples of land trusts.

For purposes of this research project, the Agricultural Land Trust is conceived as a primarily economic form of land trust, intended to address some of the adverse economic impacts of modern agriculture. It may or may not include land with residential buildings and improvements related to the farm operation. An overview of the legal mechanisms used by land trusts will illustrate some of the issues defined by the type of trust.

6.3 Legal Mechanisms

Land trusts use several legal mechanisms to purse their goals, depending on their particular strategy. The simplest approach is for the land trust to acquire clear title to a piece of land. This may be through purchase or donation, or a combination of the two. In a conservation trust, the land is then simply left in an undeveloped state. In stewardship or economic trusts (including agricultural trusts) the land is usually leased to a party who agrees to the conditions under which the land may be used. In economic trusts that are intended to assist low income families, the lessee may also need to meet other criteria. Length of the lease, restrictions on use, and any lease payments vary depending on the specific trust.

The second basic approach involves the use of easements.[28] In this strategy, the land trust secures an easement on a given piece of property. An easement is a legal right related to a specific use of the property, that is otherwise owned by someone else. The owner retains title to the property, but must comply with the easement which is registered against the title of the property in question. The easement transfers with the title of the property, and may impact the market value of the property.

For instance, in Franklin, the municipality has an easement that allows the use of a footpath across a certain parcel of private land. This footpath connected a footbridge with a local schoolhouse, and had been historically used by children traveling to school. This is a “positive easement”, in that it gives the holder of the easement the right to enter on the land to do a certain thing. There are also “negative easements”, which prohibit the property owner from doing certain things with the property. For example, a conservation organization could secure an easement with a farmer that prohibits the farmer from draining wetlands used as duck habitat. Easements are sometimes purchased from the land owner, but in some cases the land owner grants an easement for free, where the restrictive nature of the easement is consistent with the landowner’s long term desire for how the land is to be used.

The third basic strategy is used primarily in economic land trusts which focus on housing or other improvement-based development. In these situations, the land trust frequently owns the land itself, and leases it to a lessee-tenant. The tenant owns the house which sits upon the land. This allows the land trust to keep affordable land as a community asset, and allows the lessee to be a homeowner and build equity rather than simply renting. Use of this strategy requires an extensive ground lease, which is usually for 99 years. The ground lease stipulates payments and restrictions on use, and provides first option to the land trust to purchase the building (usually at a price set by a formula in the ground lease).

The development of ground leases is a complex technical matter, in which the land trust movement has invested considerable resources. The option to purchase and the resale formula are critical to the long-term success of a housing-based land trust. These elements have to protect the land trust against inflationary pressures brought on by land speculation, gentrification or other market pressures. At the same time, it needs to allow homeowners to accumulate and recover equity in their home.

Whether a ground lease kind of approach is applicable to an agricultural land trust depends on whether or not the farm house and buildings are on land owned by the trust. There are examples of both. Similarly, whether an agricultural land trust uses easements or outright purchases depends on the trust and their objectives. Again, there are examples of both approaches.

6.4 The Agricultural Land Trust Model

As noted above, many land trusts have an agricultural use in conjunction with a primary purpose of conservation or stewardship. These hybrids are somewhat more common that land trusts whose primary focus is agricultural land. The development of agricultural land trusts is a relatively new phenomenon, and most of these are designed to address the issue of farmland loss to urban sprawl and ex-urban development. An even less common innovation is the use of the agricultural land trust models to address land access issues created by agriculture itself.

Specific examples of various land trusts are reviewed later in section 7. This current portion of the report relies on the work of Lawless to more closely define a framework for assessing agricultural land trusts. Lawless's work draws heavily on Ostrom's Theory of Appropriator Organizations, originally developed to deal with the "tragedy of the commons" a classic economic problem around use of community assets.[29]

Consideration of an agricultural land trust assumes that the broader community has a legitimate interest in land as a resource, and how it is used. Lawless indicates that an agricultural land trust should define that interest in its stated goals, and goes on to suggest that an agricultural land trust should address 4 fundamental goals:

Goal #1 - Promote the economic stability of family farming.

Goal #2 - Increase the ability of new generations to enter farming.

Goal #3 - Preserve the quality of farmland by minimizing negative environmental impacts.

Goal #4 - Minimize the negative impacts of some agriculture on rural communities.

Through these goals, there is a presumption that smaller family farms who are able to make a living and pass that livelihood on to their children, will be less likely to use farming techniques that impact negatively on the land and environment. It also assumes that smaller family farms will have a greater motivation to mitigate nuisance impacts on their neighbours.

It is clear that the definition of what constitutes a family farm, and what weight to give each of these goals, will vary from local community to local community. At a minimum, a proposed agricultural land trust must engage these goal issues in a meaningful way in order to develop a common understanding of the project.

Of course these goals, and the values that underlie them, do not exist in a vacuum. For a land trust to emerge, there are 3 preconditions that need to be met. These are:

Precondition #1 The community must have a common identity, and be bound by common issues or think of themselves as a community.

Precondition #2 There must be a critical mass of interested people and potentially available land.

Precondition #3 The defined community must be small enough that the land trust will be viewed as a local, grassroots effort.

If these preconditions are met, it is possible to form a land trust. In order to actually launch and operate the land trust, there are 4 "necessary conditions". These are:

N. Condition #1 **Membership:** The land trust must be able to define who is a member. This might include defining a catchment area and other criteria such as income level or asset base.

N. Condition #2 **Land Use:** The land trust must have a definition of how land is accessed and what acceptable uses are. In an agricultural context this might mean non-intensive livestock only, zero tillage practices or a requirement to reside on the land. It also means deciding whether to use easements or an "own-and-lease" approach.

N. Condition #3 **Decision-Making Process:** The land trust must have an agreed process by which to make planning and use decisions potentially including how leases are granted.

N. Condition #4 **Conflict Resolution Process:** The land trust must have an agreed process for resolving conflict over land use, production practices, interpretation of policy, and other issues.

If both the precondition and the necessary conditions are in place, a community can generally overcome the organizational and logistical challenges and successfully launch a land trust. Land trusts are intended to become permanent community institutions, spanning across generations. It is therefore imperative to consider the long-term survival prospects of the land trust. Applying Ostrom's theory, there are 6 "keys to survival" for a land trust. These are:

Key #1 - **Small and Simple Set of Rules.** The more complex the rules around land use, the less likely they will be complied with, or the less likely people will be to participate.

Key #2 - **Shared Enforcement**. All members and users of the land should have a shared responsibility for enforcement of these rules. The more these rules are based on common community values, the more likely this is.

Key #3 - **Internal Adaptability**. The land trust must have the internal ability to adapt to changing conditions by altering plans, strategies, and the tools it uses. It may also mean refining definitions of acceptable use.

Key #4 - **Capacity to Sustain Legal Claims**. The land trust must have the capacity to sustain legal claims. This can mean having the trust use the courts to enforce its rules (if necessary) or to defend the trust's practices against a disgruntled tenant or land user.

Key #5 - **Organizational Connections.** The land trust is more likely to survive if it is connected to, or affiliated with, larger organizations that share similar or related purposes.

Key #6 - **Stability.** The land trust must not be subjected to rapid change as a result of external forces. Although the trust should be able to adapt, as a democratic community organization, it will have less ability to react to dramatic and sudden changes in circumstances.

The number of agricultural land trusts are small, and they are a recent innovation, especially compared to village commons or community pastures. Evaluating the accuracy of these 6 keys as indicators of likely survival will take some years. In the meantime, they appear to be logical and thoughtful caveats to be considered by any group planning an agricultural land trust.

7.0 EXAMPLES OF AGRICULTURAL LAND TRUSTS

This section of the report provides a brief overview of 5 land trusts currently operating. The examples were selected to illustrate several different approaches involving both easements and leased land. Canadian examples were specifically sought (and included) but three American examples were also profiled, each illustrative of a land trust feature that would be instructive in designing a possible agricultural land trust in Franklin.

The first example is the Wisconsin Farm Conservancy, which was subject of a thorough evaluation and case study by Lawless (cited earlier). This is probably the most detailed analysis of an agricultural land trust, and dates back to the early 1990's.

The second example is that of Genesis Land Conservancy in Saskatchewan. This is the example that is the closest approximation of agriculture as it is practiced in Franklin, and would have many issues in common.

The third example is the Southern Alberta Land Trust Society, which conserves ranch land in Alberta through use of easements. This organization has a strong articulation of the non-economic reasons to preserve agricultural land.

The fourth example is the Ozark Regional Land Trust, which includes some agricultural activity in a broader conservancy and stewardship trust. It illustrates how to concentrate technical assistance on a regional level, while maintaining a local focus on creating the actual land trusts.

The fifth example is the Vermont Housing and Conservation Board, which is an umbrella organization for a large number of housing, stewardship, conservancy, heritage and agricultural land trusts throughout the State of Vermont. It is included to illustrate how powerful the land trust model can become with government support.

7.1 Wisconsin Farm Conservancy

The Wisconsin Farm Conservancy was launched in 1988, and became operational by about 1990. It was the subject of study for Greg Lawless's thesis[30], which gave a thorough evaluation of governance and land trust design issues. Since that evaluation, the Wisconsin Farm Conservancy has changed its name to the West Wisconsin Land Trust and expanded its mandate to include conservation and stewardship trusts.

The original Wisconsin Farm Conservancy has as its goals the promotion of family farming, and the preservation of quality farmland through sustainable agricultural practices. The organization had a state-wide mandate, and was initially intended to be governed by a board of 12 directors. Four of these would be "trust farmers", four community representatives, and four would be elected on the strength of professional or technical expertise.

The Conservancy started off in 1990 by purchasing 4 dairy farms totaling about 1,000 acres with the objective of leasing these farms (land and buildings) to families interested in farming, but without the equity to purchase a farm. The terms of the lease would prevent sub-letting and would ensure the agricultural practices complied with the intended use. The original purchase of the farms was financed by loans from the Institute for Community Economics.

The plan quickly ran into difficulty. Farming has low margins at the best of times, and in the current context, farmers can only turn a profit if they have significant levels of equity in their operation. The trust farm families had difficulty making the lease payments on the low margins, and despite farm management support from the Conservancy, two of the farms had to be liquidated and sold on the open market. Since the Conservancy had purchased the farms with borrowed money, re-structuring the lease payments was not a feasible option.

The Conservancy quickly moved to a different model, using easements. They sought to locate retiring farmers who were motivated to assist young families to take over their farm. The retiring farmer would take part of the payment for the farm in the form of a charitable tax receipt which the Conservancy could issue. This created "instant equity" for the purchaser, and made payments more affordable. The Conservancy, with its ability to issue tax receipts, could require the farm families to grant easements that met the original goals of the organization. The retiring farmer's donation value was usually less than capital gains tax owing on the farm, so their net proceeds from the sale were the same as if they sold on the open market.

This approach requires much less capital from the Conservancy, and created an invisible government subsidy through the charitable tax receipt process. This approach also simplified the legal process, as the easements were much simpler than the complex lease agreements originally used. It also gave the farm families equity, and title to their farms.

The new incarnation of the Conservancy, West Wisconsin Land Trust, continues to be active in agricultural/farmland preservation primarily through the use of easements. According to a recent newletter the Trust has created easements on 10,000 acres, of which approximately 2,000 acres relate to farms.[31] It seems clear that farmland preservation is no longer the primary activity of the Trust, and that conservation and stewardship related to natural environment have become the dominant theme. This can be seen both as an indicator of the significant challenges associated with agricultural land trusts, and as a way to make the best use of the technical capacity to create effective land trusts for multiple purposes.

7.2 Genesis Land Conservancy

The Genesis Land Conservancy is an agricultural land trust based in Saskatchewan, and is dedicated specifically to assisting beginning farmers to earn a livelihood and farm in a sustainable way.[32] It is a faith-based initiative, originally conceived and incubated by local religious orders as a way to pursue Christian principles of justice and stewardship. Genesis generally takes title to trust land and leases it to eligible farmers, rather than using easements. In early 2004, Genesis had 7 parcels in the trust totaling 2,800 acres, but since that time has increased to over 3,000 acres. The land is located in mid-Saskatchewan, both east and west of Saskatoon, with the majority of parcels being slightly north-east of Saskatoon.

Farmers wanting to lease Genesis land must be "beginning farmers" defined as having net worth less than $250,000 and a net farm income of $20,000 or less. There is a "softer" second criteria around commitment to sustainable farming practices. Genesis strongly encourages organic agriculture, and at the time of interview, 3 of the 7 parcels were fully organic, with another in the transition process. Genesis recognizes that insistence on organic-only farming would reduce the pool of potential farmers significantly, potentially lessening both overall impact and viability.

Genesis trust land generally forms only a portion of the farming operation for the leasing farmer, who will have personal ownership of other land in the local area. The Genesis land is therefore an incremental addition to the farmer's operation, improving viability. At the time of interview, only one of the Genesis parcels included a residence, although 2 more parcels of land with residences were scheduled to come on-stream soon.

Genesis Land Conservancy is governed by a board of eight, with 4 appointees from the founding religious orders, 2 elected from among the general membership (including leasing farmers) and 2 elected from among major donors. Major donors are those who have given a gift of a quarter section of land or $50,000 at some point in the last 5 years. The Conservancy is "nested" within Earthcare Connections which operates other programs supporting sustainable agricultural and sound environmental practice. This organizational affiliation would appear consistent with one of the "keys to survival" described earlier in section 6.4.

Genesis receives no direct government funding of any significance. They do have the ability to issue charitable tax receipts, which can be viewed as an indirect source of government support. Virtually all of the land has been assembled through donations, suggesting this organization has important things to say about how to solicit major donations.

The strength of the Genesis land assembly strategy is threefold. Firstly, they offer a number of mechanisms by which to donate land. This includes a direct gift, bequest through a will, preferred sale, joint ownership, and retained life interest. Preferred sale means sale at less than market price, with the seller receiving a tax receipt for the difference (similar to the Wisconsin model). The joint ownership and retained life interest are each options which allow the land donor to remain on the land, to remove the land from their taxable estate, and to give Genesis a legal interest in the property.

The second strength of the Genesis land assembly strategy is in communications. The organization does an excellent job of "putting a human face" on the land trust, by showcasing individual donors and explaining their motives, and how the land trust fit with these motives. Genesis staff indicated that this approach goes a long way to legitimating the concept with potential donors who can see that someone else has already done it. The initial donations took the longest, but now that the precedent exists, the sense is that momentum is gathering, as Genesis strives for a critical mass of land within the trust. The organization's website is an excellent illustration of this approach and can be found at:
www.earthcare.sk.ca/Genesis/index.html

The third strength of the Genesis strategy is that the organization takes the long view in planning. The estate planning and retained life interest approach reflect the view that the organization must plant "seeds of interest" with the donor, and be prepared to wait years in order to realize the incorporation of the land into the trust. The communications strategy also emphasizes past history of the land parcels and links this to future use. The overall tone reinforces the concept that the land trust is intended to be a permanent community institution, spanning generations.

There are several features of the Genesis model that do raise questions or concerns. It would be presumptuous to characterize these as shortcomings, but they are issues that should be viewed over time to assess impact. These critiques include:

a) Governance Model. It would appear that the tenants/lessees of the trust land are under-represented in the governance model compared to other land trusts.

b) Geographic Scope. The Genesis land is spread over a large area, making it less likely to be viewed as a local initiative (one of the preconditions from section 6.4). The dispersed nature of the land base is linked to the high value of donated land, meaning willing donors are somewhat rare, and therefore dispersed. Genesis might be seen more as a regional land trust, and as it secures more land, may be able to evolve a more locally rooted structure.

c) Lack of Easements. The granting or purchase of appropriate easements involves much lower economic values than donating or purchasing outright title. If Genesis were to adopt a complementary strategy using easements, they may be able to impact a larger number of acres.

These observations notwithstanding, the Genesis Land Conservancy is seen as a strong agricultural land trust model, with the most direct relevance to any land trusts that may be contemplated in the Red River Valley.

7.3 Southern Alberta Land Trust Society

The Southern Alberta Land Trust Society (SALTS) is an agricultural land trust described as "rancher-driven conservation". The purpose of the organization is to preserve the land base and agricultural livelihood involved in cattle ranching.[33] It is based in southwestern Alberta, and came about as a result of intense development pressures created by the expansion of Calgary.

SALTS tends to use the term "conservation" extensively in describing its activities and purpose. In terms of the categories of land trust outlined in section 6.2, it is probably more accurate to describe it as a stewardship trust. In fact, the affected users of land are called "stewards" within the SALTS nomenclature. The organization uses conservation easements to preserve existing cattle ranches and prevent future owners from changing the use of ranch lands. The organization appears to hold 7 easements, affecting 3,800 acres.

SALTS does not aim at providing access to new farmers, but to facilitate the intergenerational transfer of existing ranches to new ownership without jeopardizing their status as working cattle ranches. This makes the use of easements particularly appropriate. In pursuit of this specific emphasis, SALTS undertakes broad educational initiatives on the danger of fragmenting or losing ranch land, and provides extensive tax, estate, and succession planning resources to current ranch owners. This includes publication of a number of booklets, guides and workbooks for land owners to use. They do not appear to acquire direct ownership of any ranch land as part of their strategy.

The organization describes itself as "rancher-driven" and this is reflected in the governance structure where steward/ranchers hold 50% of the 8 director positions. The other directors are drawn from the community at large, and have experience or expertise in the conservation, environment, or non-profit sectors.

SALTS appears to have a diverse range of funders and in-kind support. It is not clear if there is direct funding by government, although Alberta Agriculture, Food & Rural Development, British Columbia Ministry of Agriculture, Fisheries and Food, and the Saskatchewan Department of Agriculture and Food are listed as partners. There is also a long list of corporations and foundations included in their list of funders and partners. There is a list of almost 60 Charter Supporters, who donated in the early stages of development. The organization has also

established an endowment fund, the proceeds of which will underwrite the operational costs of the organization on a long term basis.

The SALTS organization appears to have two major strengths as an agricultural land trust model. The first of these is the diversity of their funders and their fundraising strategy, as described above. They appear to have been able to build impressive levels of support among government, foundations, the corporate sector and individual donors.

The second major strength to the SALTS land trust is the articulation of the reasons to preserve ranch land. On their website, SALTS states they are:

> "...*dedicated to preserving the ecological, productive, scenic and cultural values of Alberta's Eastern Slopes, prairie and foothill regions.* [34]

This statement explicitly recognizes that the linkage between land, the natural environment, human use, economic activity, and food production cannot simply be reduced to an economic calculation. Rather, these interconnected concepts represent a way of life and livelihood that is as much cultural and historical as it is economic. Communicating this concept is central to enlisting support for the development of any land trust.

The principled shortcomings of the SALTS model is that it focuses exclusively on cattle ranching, and it does not address how new farmers might gain access to land. Of course from a local perspective, these are not shortcomings but merely evidence that SALTS has been locally designed for a specific purpose. Even given these apparent limitations, SALTS would appear to be a significant potential resource for any future land trust that contemplated using easements in southern Manitoba.

7.4 Ozark Regional Land Trust

The Ozark Regional Land Trust (ORLT) is a regional land trust that spans parts of four different U.S. states. The organization acts as an umbrella organization to conservation and stewardship activities throughout the region. Despite the multiple jurisdictions involved, the land trust is bound together as part of an interconnected eco-system.

ORLT is not a primarily agricultural land trust, but focuses on the conservation and principled stewardship of a variety of land. Some of the land is farmland, but the organization's mandate includes preserving sensitive ecological features, historic sites, and local natural features.[35] Staff of ORLT have indicated that it is fair to characterize ORLT's main thrust as ecological conservation, with agricultural and residential uses being important secondary goals. Put another way, ORLT allows agricultural or residential use that is sustainable and compatible with a holistic conservation plan for the site.

Two examples will illustrate the broad range of conservation activity.[36] The Sweetwater Community Land Trust is 480 acres combining 14 residential "homesteads", a number of hayfields, fields to grow Christmas trees, and 80 acres of completely protected conservation area. The second example is the Sarcoxie Cave Project, which is only 3 acres in size. The site has a stream flowing from wetland area into a cave, where it serves as habitat for the endangered Ozark cavefish and the rare Arkansas Darter. The site also has local historical value as a former home to Sarcoxie, a chief of the Turtle band of the Delaware tribe of American Indians.

According to website data originating in June of 2003, ORLT has created 19 ecological preserves totaling 3,300 acres, holds 14 easements of 4,500 acres, and oversees 4 community land trusts which are residential in nature (1,300 acres). Each preserve, easement or residential land trust is a project identified and animated at the local level. By serving as a linkage between many smaller local land trust projects, ORLT is able to develop greater capacity and technical expertise that small community projects would have difficulty in locating. ORLT uses a range of methods, including outright ownership (fee simple title), conservation easements, CLT's with split title, and partnerships with landowners.

ORLT assembles land primarily through donations from landowners and the public, and is able to offer charitable tax receipts for these donations. They are governed by a board elected from the membership of the organization. Unlike some of the other examples cited, the governance structure does not allocate board seats to various membership classes such as tenants or donors, but relies on a board nominating committee to present qualified candidates to the annual general meeting of the members.

The structure and functions of ORLT appear to be fairly similar to the West Wisconsin Land Trust, the more recent incarnation of the original Wisconsin Farmland Conservancy. The Ozark Regional Land Trust is not an exclusively agricultural land trust, but is included here as an example for the following reasons:

i) The model is a good example of how to merge local planning and priorities with a regional structure that allows a critical mass of land, money and technical assistance in order to have an active land trust model.

ii) The regional nature of the trust (active in 4 states) suggests that a rural municipality might be too small a scale on which to consider a land trust.

iii) The model shows that agricultural, economic and conservation-related goals are not mutually exclusive, but can be interwoven.

These would all be important considerations in evaluating the potential of a land trust for Southern Manitoba.

7.5 Vermont Housing & Conservation Board

The Vermont Housing & Conservation Board (VHCB) is not a land trust as such, but an independent state-supported funding agency that flows grants, loans and technical assistance to local projects and land trust initiatives.[37] Vermont, as a New England state, experienced extremely high development pressure on its rural land base. After experimenting with the land trust model, the state government undertook a comprehensive land trust strategy to address these issues.

The VHCB flows state funds to the preservation of farmlands, stewardship of natural areas and recreational lands, and for the conservation of historic properties. They also have extensive involvement in housing-based land trusts, creating affordable housing. In all program areas, local groups identify priorities and make application to the VCHB which sets general criteria and

provides technical oversight. The natural areas and recreational lands impacted total approximately 241,000 acres. In the case of farmland preservation, the VHCB oversees conservation easements on over 300 farms totaling over 100,000 acres of farmland. Eligible farmers can apply to have local conservation organizations pay for easements on their property, helping to offset some of the financial sacrifice in maintaining farmland rather than developing it. Data from 1997 suggests it was not unusual for farms of 500 acres to receive $200,000 for granting a conservation easement, of which the VHCB would contribute two-thirds.[38]

More recently the portfolio page of the VHCB website lists two examples of how conservation easements work in an agricultural setting, reproduced below:

"The Christiansen Farm has been conserved by the Vermont Land Trust with $75,000 in VHCB funds, private foundation funds, a commitment from the East Montpelier Conservation Fund, and thanks to the owner's willingness to sell development rights at less then development value. The 90-cow dairy owned by Stanley Christiansen and operated by his son, Peter, is located on a scenic hilltop and abuts another conserved farm. On this third generation family farm, the Christiansens raise corn and hay to feed their dairy herd and young cattle. With more than a mile and a half of road frontage on four different roads, conservation of the farm will maintain the scenic integrity of the area."

"MILTON - A VHCB challenge grant to the Vermont Land Trust will assist with an effort to conserve and consolidate under new ownership 137 acres of farmland. The Vermont Land Trust will purchase conservation easements on 105 acres of farmland and accept a donation on an additional 31 acres. A young farmer who has been renting the farmland from two owners will purchase the 137 acres restricted to agricultural use, lowering the purchase price."

A policy position on the funding of farmland conservation by the VHCB is reproduced in Appendix E of this report.

The VHCB was initially launched with a $3 million appropriation from the state budget, later followed by a $20 million appropriation. The state government then looked to create ongoing funding streams.

One of these was the creation of a surcharge on the state land transfer tax. Whenever someone files a change in ownership with the Vermont equivalent of Land Titles, they pay a fee. A portion of that fee was then directed towards funding VHCB. The state government also introduced Act 250 an off-site mitigation plan. This required any real estate developer who proposed to take farmland out of agricultural use, to contribute to a fund that would preserve farmland in another part of the state. Both of these funding streams are linked to development - the faster the pace of development, the more resources are available for land trust and conservation purposes. More recently, the VHCB issued a press release announcing that they will be administering $2.9 million in federal funds from the Farm and Ranchland Protection Program.[39]

It must be acknowledged that land values, urban sprawl and the loss of farmland are significantly different issues in Vermont, on the highly populated east coast of the U.S. The scale of development and the level of pressure on individual rural landowners is much higher in this context. While the level of resources committed to land trust activity in Vermont may not be realistically achievable in Manitoba, the VHCB model does show how the land trust concept can become much more powerful with government support.

8.0 COMMUNITY RESPONSE TO THE LAND TRUST MODEL

A critical stage to the research process was to introduce the land trust concept to residents of Franklin and seek their reaction to its suitability for Franklin. To do this, the research project coordinated three community meetings during March of 2004.

The community meetings were scheduled for the towns of Dominion City, Rosa and Tolstoi, ensuring that virtually any resident of Franklin was within a 10-12 minute drive of a meeting. The meetings were promoted by advertising in two local weekly papers, the Scratching River Post and the Southeast Journal, which are distributed widely in the municipality. A public service announcement was aired by CFAM radio, and about 10 posters were placed on bulletin boards and rural mailboxes throughout the municipality. Copies of the advertisements and posters are contained in Appendix F.

A total of 23 residents attended the meetings, which started with a presentation that included general trends in agricultural economics, some specific data on agriculture and land ownership in Franklin, an introduction to the land trust concept, and two examples of land trust models operating in Canada. Most of the presentation was a summary version of the information contained in this report. Copies of the presentation overheads and meeting materials are also contained in Appendix F. The discussion guides and meeting process were streamlined after the first meeting to improve the flow of discussion.

During the second half of the meeting, community members in attendance were asked to comment on various aspects of the presentation and to give feedback on the local applicability of a land trust model. (see discussion guide in Appendix F). Responses were recorded on a flip chart and subsequently analyzed by the researchers. The following subsections describe the community response along a number of themes.

8.1 Accuracy of Secondary Data

There was a general consensus among Franklin residents that the data derived from the agricultural census was consistent with their experience. In general, participants observed that farms are getting larger, land ownership is getting more concentrated, and the capital requirements to farm are increasing. Some felt that these trends are a reflection of competition within the global agricultural sector.

Participants did make some observation on the income and demographic information. Some suggested that income statistics seemed lower than they would have expected. Another person suggested that net income does not necessarily give a clear picture of disposable cash - farmers often have their net income reduced significantly by a depreciation expense which is a non-cash item. Another participant said farmers often have the ability to place revenue/income in one year or another depending on when they take grain to the elevator, so that the census data may not reflect a true average.
The local reliance on the agricultural sector was confirmed, and one participant with experience in municipal government observed that farmland forms 30% of the property tax assessment base in Franklin, compared to 7% for the province as a whole.

8.2 Land Ownership, Farm Size and Land Use

Participants generally agreed that farm size has been getting larger. As one person said, "30 years ago, you could make a living off of 50 cows, today you need 200". People said that while changes in land ownership had occurred between 1982 and 2002, the changes from the 1960's to the 1980's was more dramatic. While there used to be many half-section farms, these are no longer seen as viable.

Most felt there was an imperative for farms to get bigger, or they won't survive. There was some discussion about what number of acres were required to have a feasible operation, but this varied greatly depending on the type of operation.

In all three meetings it was pointed out that Franklin is divided into two distinct regions. The portion east of the escarpment (which runs north-south, roughly parallel to Highway 59) has trees, rocks, sandy soil, and is used largely for beef or dairy cattle. West of the escarpment the land is flat, has few trees, and the soil is described as Red River gumbo good for growing grain. The aquifers west of the escarpment are largely saline, requiring most residences and farms to truck water, while the eastern portion is able to sustain multiple wells. The price of land varies greatly from one part of the municipality to another. Eastern land good for cattle might sell for one third of the price of good grain land.

Meeting participants felt that the data presented on land ownership did not give the full picture as most active farmers are renting some of their land. There are also a lot of landowners who are not farming, but merely renting their land to active farmers. It was felt that the concentration of land ownership was more prevalent in the western part of the municipality.

There were a number of participants who commented that land did not come up for sale very often. Different participants attributed this to competition from Hutterite colonies, a local First Nation through treaty land entitlement, and a conservation organization referred to as "Tall Grass Prairie". Interestingly, while people were aware that farmers living outside the municipality bought or rented land for their operation, they were not identified as a competitive concern in the same way as the other 3 three entities.

There was some recognition that there was subdivision activity going on, particularly in the eastern portion of the municipality, near Highway 59. Some of this was attributed to retiring or exiting farmers who were subdividing to retain the home quarter while selling the balance. Other subdivision activity seemed to aim at hobby farm/rural acreage buyers who either commute to a job or work at home.

8.3 Concerns About the Trends

Participants were concerned about the trends in agriculture, but seemed to express the concerns as unavoidable eventualities or things that could not be stopped. They seemed somewhat resigned to the inevitable impacts.

People were concerned about rural depopulation and the impact that has on retaining businesses, services and infrastructure. People are having to drive farther and farther for less and less choice in suppliers, retailers, tradespeople, health care, and education.

There was some concern that continued growth in the size of farm operations may result in both absentee landowners and a group of agricultural labourers who commute into the municipality. Neither of these would be active in community institutions in the same way residents are.

Any discussion of depopulation eventually led to discussion of the question of funding public education with property taxes, and how the relatively high cost of maintaining schools in a sparsely populated area places a large economic burden on farmers. Since the research was conducted, the Manitoba government has implemented steps to address this issue with respect to farmland.

While there is some hobby farm/rural acreage development occurring in the municipality, participants did not feel this would lead to conflict with farming operations as it does closer to the city. As one person put it " anyone living this far from Winnipeg probably grew up on a farm anyway", implying that they would be more tolerant of noise, odour or other nuisances than people raised in the city.

One participant said while the land trust may provide an alternative, a model that helps 10-20 people is not enough to reverse these trends.

Some participants felt that the size and scale of current agricultural practice led to more monoculture, which is economically riskier and not as environmentally sound.
There are constant issues around drainage and land management in rural areas, so these topics came up, but were not necessarily linked to the idea of land trusts.

People acknowledged that owning wetlands or being subject to flooding means that land is taken out of production in an unpredictable cycle. This results in economic stress.

People generally felt that issues of sustainability and environment were hard to promote, as it was so hard to make a profit in farming. More education (formal and informal-extension style) on sustainability for producers was felt to be important.

8.4 Should Small Scale Farming be Preserved?

People were very clear in stating that someone choosing to farm on a small scale had to be prepared to have outside employment or to have a very modest standard of living. While the quality of life is good, there is a minimum below which it is not practical to go.

Some people felt that you could scratch a living out of a mixed farm of 640 acres, but that it would be simple living. A straight grain operation was not seen to be viable on 640 acres.

Some participants felt it was impossible to preserve the small farm unless hobby farms were the goal. This begs the question of distinguishing between part-time income that forms part of a rural livelihood, and a hobby that has little or no need for farm income to contribute to the livelihood.

One participant strongly emphasized that the thing that must be preserved is the choice to be able to farm on a small scale.

Another participant felt that the more different farms there are, the more diversity you have (in people and operations), and they are less susceptible as a community to booms and busts.

Other participants felt that it was worth preserving the value base behind small scale farming, bartering with your neighbours, a "do-it-yourself" approach to life.

Participants also said that even if one was prepared to work out or take less income, there are other pressures against remaining small. Firstly, suppliers of feed, machinery, and inputs have less time for small producers, and offer higher per unit prices. The need to comply with food safety and environmental regulations are also more burdensome on the smaller operator.

Another participant identified a social disincentive to the traditional small mixed farm. If you choose to raise your own food (i.e. small flock of chickens, a few pigs, a couple of cows, etc.) these animals are a potential risk to the bio-security of the intensive livestock confinement operations. In the climate of BSE, hoof-and-mouth, or avian flu, large operators are keen aware of risks to their operation. It becomes an issue that impacts which neighbours you can visit (or will visit you) or where your kids might work. Patterns of social relationships are influenced as a result.

8.5 Good Features of Land Trust Concept

Meeting participants were asked to identify what they felt were the good features of the land trust concept. These included:

- Permanent nature of the trust as a community institution
- Removal from the political cycle was seen as a positive feature.
- Trusts that use longer leases make it more practical to improve land and plan (which you can't do with rented land).
- Trusts that help new /young farmers start up would be a good feature.
- People like the principle of sustainability.
- The trust model lends itself to co-operative and neighbourly collaboration
- The model leaves open the possibility of provincial and municipal government assistance.
- People really liked the idea of professionals, non-farmers, external people to sit on the board for a more objective opinion. (i.e. SALTS or Genesis models). This will help insulate against jealousy, scandal, gossip, etc.
- Several people felt it was key that the model have a local design to meet local needs.

8.6 Negative or Ambivalent Features

Meeting participants were asked to identify which features of the land trust model concerned them, or that they would see as potentially negative. Responses included:

- Successful applicants to lease land may be the subject of jealousy or resentment by unsuccessful applicants, leading to damaged social relations.
- There was concern the trust board would place unreasonable restrictions on land use.
- Conservation easements were not generally seen as a popular feature, or an approach that focused on access to land.

- Model likely requires off-farm employment.

- Only addresses land issues, but doesn't address equipment or stock needs.

There were also a number of features that were not in and of themselves positive or negative, but would depend on how the land trust was implemented. This resulted in people identifying some questions they would like to see addressed in the planning stages. These included:

- Will the process to grant leases be transparent and fair?

- Will starting farmers who become successful be required to relinquish leases when they no longer need the land?

- Model requires very affluent and generous donors.

- Can leased land be used as collateral for an operating loan the way owned land can?

8.7 Would People Lease?

Meeting participants were asked whether they thought local people would lease land from a land trust. They felt smaller farms are more likely to lease, depending on the amount of land available. Grain farms are not generally made viable by an extra quarter section of land, but the same amount could make a positive impact on a cow and calf operation.

It was felt people would lease, depending on the criteria and the restrictions on land use not being too onerous. There was a question raised as to whether there were enough young farmers around. One person suggested that it may be necessary to recruit from among university Agriculture graduates.

Participants questioned whether making leased land available to agricultural labourers would be feasible, as it would not solve the equipment problem these people would have. (agricultural employees often don't own any equipment).

Participants felt that for some starting farmers there would be a demand for additional land, even if their parents have been farming as well. These farmers can't always get land from their parents, as the parents use land rent as retirement income and strive to avoid capital gains tax.

Participants also pointed out that leasing farmers still need to come with some equity. A quarter section of leased land will not put them in business if they have to borrow operating money and finance equipment.

8.8 Would People Donate?

Meeting participants were asked if they thought local landowners might donate land. People felt that it would be a real challenge to get people to donate land. The idea of a permanent legacy would have to be featured with a clear explanation of all the benefits. Putting a human face on the project (similar to the Genesis approach) would be key.

Participants felt that on a limited basis, farmers with no heirs may donate, or retiring farmers may give a portion of their land. Some participants felt that land owners offering land for sale at a preferred price would be more likely to happen. Some participants felt some landowners might offer easements, but would need to know how the easement affected land value and assessment for taxation.

Participants indicated that donors would need to be satisfied with any dissolution formula to be applied in the event the land trust failed or ceased operating.

One participant suggested that the municipality may have capacity to grant land taken in tax sales to the land trust, as this would get taxes paid on the land again.

Participants indicated that the application of capital gains tax and charitable receipts are key issues to define.

8.9 Possible Characteristics of a Land Trust

Meeting participants were asked to rate certain possible features of a land trust related to the overall purpose of such a trust. Possible features included:

- families living on the trust land,
- preserving heritage sites/farms,
- chemical free farms,
- limiting land use to non-intensive livestock use only,
- having trust farms preserve wildlife habitat,
- an "other" category.

The rating slips used did not include helping beginning farmers as a feature, but in light of the discussion, participants were instructed to include this under "other" if they felt it was important. They were asked to rate each feature from 1 to 5. The sample size was not large enough to make calculation of response averages meaningful, but researchers assessed the ratings for general themes and handwritten notations.

Most participants were ambivalent as to whether the leasing family lived on the farm or not. This might recognize that the leased land may only be part of the farmer's operation. It was generally felt that it was most important to aim a land trust to assist beginning farmers.

Local heritage preservation was seen as highly important by about half of the respondents, and of middle importance to the other half.

Chemical free lease land was a high priority for some respondents, but it was clear that this has the potential to be a divisive issue. Some respondents were very skeptical on this, feeling organic standards were too strict, and this would likely reduce the number of people willing to lease land dramatically.

In contrast, there was general support for the idea of requiring lease families to use non-intensive, traditional production techniques.

There was general support for using the land trust as a means to conserve natural features and wildlife habitat, but this was not an over-riding principle. This preservation was seen as a secondary goal to that of promoting small scale sustainable farms.

9.0 SUITABILITY FOR LOCAL APPLICATION

The primary objective of the research project was to inquire into whether a land trust model would be suitable for local application in the Rural Municipality of Franklin. Preceding sections have demonstrated that there is no single template for a land trust, and that the model embraces a wide range of activity that included both agricultural and non-agricultural purposes. Assessing suitability depends on both the existing context and what one hopes to either preserve or create.

In this case, the researchers use a two-step approach to assessing the suitability of the model. The first step is to determine whether the goals of an agricultural land trust (as outlined by Lawless and described in section 6.4) are appropriate to Franklin, and how they might be interpreted in a local context. The second step is to determine if the necessary pre-conditions exist (also defined in section 6.4), or can be made to exist. If there is a general match in the goals, and the pre-conditions are present, then it can be said that a land trust might be suitable for Franklin. The specific strategy for planning and implementing the land trust, including meeting the necessary conditions, would of course be determined by the group of citizens undertaking the initiative.

The following 8 subsections of this report draws on the preceding sections of this report to examine each of the four goals and three pre-conditions in order, in the context of the Rural Municipality of Franklin, and ends with some concluding comments on the findings of the project.

9.1 Promoting the Economic Stability of Family Farming

One goal for an agricultural land trust would be to promote the economic stability of family farming. It is clear that residents of Franklin are more dependent on the agricultural economy than many other parts of Manitoba. It is also clear that Franklin experiences a loss of young adults, particularly educated young adults, and this may be related to the lack of economic stability in farming. There is also evidence of a growing class of agricultural labourers who do not necessarily have access to land and who earn relatively low wages. All of these factors indicate that an agricultural land trust that was designed to lower the cost of accessing farmland could have a beneficial impact.

Farm ownership and land ownership in Franklin continues to be overwhelmingly rooted in the individual or family, as opposed to corporations, although corporate ownership is increasing. It is fair to conclude that family farming is a still a reasonable economic proposition for some families in the area, but this is a shrinking number of families. The amount of land and capital per family is rising. It may not be the family farm that is in jeopardy so much as the small family farm.

These indicators, along with others, give clear evidence of the changing face of agriculture in Franklin, and local response indicates that some of the impacts of globalization or structural adjustment are of concern to local residents. At the same time, there seems to be an implicit assumption that these forces are beyond the control of local residents and must be adapted to rather than resisted. Discussion of the land trust model invariably measured the potential benefits using conventional agriculture as the yardstick. Most respondents still seemed to assess the land trust model from its ability to provide a full-time living, and saw a livelihood approach that centered on different income sources (with farming as one) as less desirable. “Working out” (off-farm) was perceived as a necessary but undesirable option. In this sense, there was little evidence of a desire to explore an alternative economy.

Local response to the land trust model demonstrated clearly the “rural paradox”. On the one hand, farmers and rural residents have a deeply ingrained sense of their interconnectedness, the importance of neighbours and the value of collaboration. These aspects of the land trust model appeared attractive. On the other hand, farmers and rural residents have an equally ingrained value for independence and self-reliance. Farmers do not like to have someone else tell them how to use land or raise an animal. In this sense, many aspects of the land trust model were unattractive as it meant relinquishing some freedom of action, or a different level of accountability to others.

Area residents pointed out, correctly, that land trusts may help some farm families economically, but that they were not a general solution for the problems facing agriculture and rural populations. This seems consistent with the land trust examples, where the numbers of impacted farmers tends to be fairly small. In fact, the early experience of the Wisconsin Farmland Conservancy shows that the trust model itself does not necessarily change the economics of farming. Land trusts may contribute to solutions, and may make a significant difference to some individual families, but they are probably only a very small part of a more general solution that will be required to stabilize the economics of family farming.

9.2 Help New Generations Enter Farming

The second goal for an agricultural land trust is to assist new generations to enter farming. As noted earlier, Franklin does not appear to be retaining young adults, and this may be as a result of barriers to entering farming. Local residents identified that even where parents had farmland, that did not mean that it would necessarily be available to the younger generation, as parents may rely on renting out the land for their retirement income.

The data reviewed seems to indicate that concentration of land ownership and the average size of farm operations is growing. Certainly, the amount of capital required to farm is significant, and the margins in farming dictate that most of that capital needs to be in equity rather than debt if the farm is to have a fighting chance. All of these serve as barriers to younger generations entering farming as a vocation.

In this sense, the land trust was seen as an imperfect solution. An approach like that employed by the Genesis Land Conservancy can make a tangible difference in the cost of accessing incremental land (i.e.- presuming the farmer has other land as well). It does not address the issues related to machinery, equipment, stock, or working capital. It also does not address the difficulties brought about by the fact that larger scale operations are assumed to be the norm both upstream and downstream in the value chain. Whether buying inputs or selling outputs, a certain scale of operation is implicit in prices, delivery and minimum orders.

Nonetheless, Franklin residents did see the land trust concept as at least a step in the right direction, and the most favourably viewed characteristic of the land trust model seemed to be its ability to assist beginning farmers, and any proposed agricultural land trust in Franklin would likely need to embrace this as a central feature.

9.3 Preserving Quality of Farmland

As stated earlier in section 6.4, Lawless suggests the third goal for an agricultural land trust is to preserve the quality of farmland by minimizing negative environmental impacts. This is essentially a plea in favour of sustainable agriculture, recognizing that this may mean different things to different people. This could include organic agriculture, zero-tillage practices, reduced chemical use, non-intensive livestock management, expanded use of shelter belts, or any combination of these.

There seemed to be some qualified support for sustainable agriculture among community respondents. This was expressed as a favourable rating for trust farms that use "traditional non-intensive techniques" but stopped well short of recommending organic agriculture. The concept of having chemical free trust land was seen as too restrictive on farmers and it was perceived as undermining the ability of the farmer to make income from the land. This is consistent with the practice of the Genesis Land Conservancy, which strongly encourages sustainable and organic agriculture on trust land, but stops short of making it mandatory.

This is not to say that there are not environmentalists in Franklin who would support an organic or chemical free approach. The issue does appear to be somewhat polarized though, with the divisive potential to de-rail a possible land trust. In the context of Franklin, a proposed land trust might take a "best practices" approach that encourages sustainable agriculture and seeks to minimize environmental harm. Such an approach could allow for the possibility of organic acreage without requiring the same standard for all affected land.

9.4 Minimizing Negative Impacts on Rural Communities

The fourth goal of an agricultural land trust would be to seek to minimize the negative impacts of certain agriculture on rural communities. The most apparent example of this would be the nuisance effect of intensive livestock operations, particularly hog barns. The goal area could also be extended to include strained social relationships resulting from certain agricultural practices and differing land uses. It might also include the loss of small scale farming as a way of life, a social and cultural practice that forms part of the rural identity.

Aside from any possible environmental impacts of intensive hog operations, any casual observer of life in rural Manitoba can attest to how these operations have polarized rural communities. The odor nuisance, heavy demand on road infrastructure, and unresponsiveness of absentee owners have all been named as non-environmental impacts of this industry. Franklin has experienced its share of controversy and social strain in this area. The creation of a land trust that excluded such operations (as would almost certainly be the case) would not necessarily do anything to directly resolve this issue. At best, it might incrementally add to the pool of non-intensive livestock operators in the area.

Another potential negative impact on rural communities occurs when ex-urban development and hobby farmers buy small acreages, fragmenting the agricultural land base. This can lead to higher land prices, loss of productive acreage, and conflict over nuisances. For a lifelong city dweller suddenly in the countryside, even non-intensive agricultural uses can seem bothersome, and farmers are legitimately concerned about undue restriction on normal agricultural practices. While Franklin does not have the same development pressure as municipalities closer to Winnipeg, there are some indications that the portion of the municipality adjacent to Highway 59 is experiencing some growth in commuter-residents.

Both “corporate”/intensive agriculture and ex-urban development are squeezing out the small farm. As the proponents of the Southern Alberta Land Trust suggest, this is a scenic, cultural and historical loss. In Franklin, it is possible to detect this sense of loss, even if many of the residents feel somewhat resigned about it.

A potential agricultural land trust could have several positive impacts in these areas. Firstly, it is seen to be an effective tool in preventing or mitigating the loss of productive farmland to residential or commercial development. Secondly, even though agricultural trust lands are typically small holdings, they operate as farms, and lower the potential conflict between farming and non-farming residents. Thirdly, the agricultural land trust can help preserve small, traditionally-run farms as a form of living heritage for rural communities.

Of course in meeting the goal of minimizing some of these negative impacts on rural communities, agricultural land trusts would be more effective if the holdings are in close proximity to each other. The creation of such a community of interest, within a larger community, has potential to increase social cohesion and develop a cumulative impact. As the examples in section 7 show however, it is a significant challenge to achieve this.

9.5 Common Identity and Issues

One of the necessary pre-conditions for the development of an agricultural land trust is the existence of a common identity or sense of community, and a set of common issues. According to various census data, Franklin is both similar and dissimilar to other municipalities in southern Manitoba.

While it is true that people in Franklin have similar issues and a common municipal government, it is equally true that parts of the municipality are markedly distinct. Based on the observations of residents, echoes of the topographic distinction made by the escarpment appear to ripple through income levels, net worth, linguistic/cultural heritage, type of agriculture, and where people shop.

This is not to say that the residents of Franklin could not collaborate on a land trust project or other community initiative, but that the design of an agricultural land trust should reflect the needs of the local farmers. It appears that the situation of farmers, and their needs, would be very different from one part of the municipality to another. Farmers in the east would tend to have more in common with their counterparts in the Rural Municipalities of Stuartburn or De Salaberry, while those in the west would have more in common with neighbours in the Rural Municipalities of Morris or Montcalm.

9.6 Critical Mass of Land & People

The second necessary pre-condition for the establishment of an agricultural land trust is a critical mass of land and people. There is certainly no shortage of farmers or former farmers in the area. The evidence also indicates that there is plenty of agricultural land, and much of it is in small holdings, and owned by people with an historical linkage to the community.

The more critical question is whether there is a critical mass of supporters and potential land donors. Among the supporters key to the long term survival of any proposed land trust would be one or more community organizations that could bring supportive capacity to the development process.

It is difficult to gauge the number of potential donors to a proposed land trust. This can only truly be tested by a group of citizens promoting the concept over time. Based on the other examples of land trusts, and Genesis Land Conservancy in particular, it is possible to identify and attract these donors and involve them in such an initiative. In doing this in Franklin, it would be imperative to show people that this is being done and that it involves real people. The people of Franklin have a healthy skepticism about people giving away land, and a face to face meeting with land donors from Saskatchewan might be an effective tool to building local support.

In terms of supportive organizations, both the Triple R CFDC and the local Franklin Community Development Corporation have some potential to play this role. Depending on the specific nature of the land trust goals, other allies might include the Nature Conservancy of Canada and the Crow Wing Trail Association, both of which have a regional presence. The West Wisconsin Land Trust and the Ozark Regional Land Trust each take the same approach - combining their agricultural activity with their strong environmental programs to achieve the critical mass of activity and supporters that form a strong organizational foundation.

Based on local response to the research project community meetings, and on comments in these meetings, there seems to be lots of potential support among individual community residents for the core objectives of a land trust. Turning this potential support into active support would mean overcoming a certain sense of resignation and inevitability that seems to permeate discussions about rural depopulation and the future of agriculture. This implies the emergence of small group of activist community leaders to build and promote the vision for such an initiative. This is not an insignificant challenge.

9.7 Defining Local Community

The third precondition for establishing an agricultural land trust is that the defined community must be small enough for the initiative to be conceived of as a local, grassroots effort. This precondition runs counter to the need to cast a wider geographic net in order to assemble the critical mass of people, land and technical expertise to run a solid land trust.

In the U.S. examples profiled, the evolution of the Wisconsin Farm Conservancy into the West Wisconsin Land Trust, and the operations of the Ozark Regional Land Trust, and Vermont Housing & Conservation Board all suggest that a regional land trust vested with expertise, supporting locally defined and initiated projects, is a sustainable approach.

The Genesis Land Conservancy takes a different approach, covering a large geographic area with a single structure. This may be due to the lower population density in Saskatchewan relative to these other jurisdictions. As well, the Genesis model is still fairly young, and may evolve in structure as it grows.

In the case of Franklin, there is no doubt that a local land trust initiative would be small enough to be seen as local, although the polarized nature of that locality would be problematic (see above). Use of a regional land trust structure with locally defined projects would allow different approaches to be taken in different parts of the municipality. It would also imply collaborating with a wider regional community to operate an effective land trust organization. While regional cooperation is not without precedent (Triple R CFDC being a case in point), neither is it necessarily easy.

It is clear from all the examples offered, that one key element in establishing a local, grassroots nature to the land trust is that it cannot be a creature of government. Vermont Housing & Conservation Board shows that strong government support in policy and resources can have dramatic impact, but local initiative and an arms-length relationship remain central to achieving quality results.

9.8 Concluding Comments

The research project started out to answer whether an agricultural land trust would be a suitable community economic development intervention for the Rural Municipality of Franklin. It looked for evidence that globalization and the structural adjustment of Canadian agriculture were impacting Franklin, and whether the small family farm was in jeopardy. It went on to ask local residents if they were concerned about the fate of the small family farm, and whether an agricultural land trust might be an appropriate strategy. Along the way, it examined how other jurisdictions have used the model and what might be applicable to the local context.

There seems little doubt that changes to Canadian agriculture are impacting Franklin, and there is sufficient evidence to suggest that the small family farm is disappearing in the face of high capitalization requirements and the concentration of land ownership. It is also apparent from land ownership data that there remains a window of opportunity to preserve smaller size farms, at least in the eastern portion of the municipality. Based on comparative earnings, there is also an implicit need for supplemental income for many families in Franklin.

Objectively speaking then, the conditions appear to exist that would make the agricultural land trust model a suitable strategy for Franklin. The other part of determining suitability of course, is whether local people feel they want or need such a strategy. The research project has found that there are people in Franklin who would like to see some smaller family farms preserved, and who are sympathetic to the goals of agricultural land trusts. The project also found that people sensed the changes to agriculture and the loss of the small family farm were inevitable, and that the economics of the industry would dictate this outcome. The distinguishing feature of community economic development is that it recognizes that market forces alone are not sufficient to address human needs. In this respect, Franklin participants seem receptive to such a “c.e.d. message” but have not yet internalized this way of thinking.

People in Franklin who participated in the research project offered true insight into how the model might be applied in Franklin and where potential difficulties lay. An agricultural land trust is not a panacea for everything ailing rural communities, and in order to get broad support would likely have to focus on reducing the barriers for beginning farmers. Sustainable agriculture principles may be incorporated into such a trust, but rigid adherence to a chemical-free regimen would generally be viewed as too restrictive. The economic features of the trust would be important in Franklin.

In examining the interplay of the necessary preconditions revolving around community identity, critical mass of people and land, and maintaining a local character, it seems likely that Franklin citizens would have to collaborate with residents of other municipalities to create a land trust. It appears that a regional land trust organization with the flexibility for various local projects would be a viable approach to achieving the right balance between local control and critical mass of resources.

The implementation of an agricultural land trust in Franklin, or variations on the theme in other areas, will have to grapple with the issue of vision and leadership. The land trust concept is built on the belief that alternative approaches to land management, and to the economy in general, are both possible and desirable. Bringing this to fruition will require leadership that can articulate the non-economic value of family farms as a way of life and part of a community heritage. It will require leadership that can inspire local residents to look to other jurisdictions and say *"We have something worth preserving. We can do that here."*

APPENDIX A - ENDNOTES & BIBLIOGRAPHY

Endnotes

Section 2

1. Manitoba Agricultural Review. published by Manitoba Agriculture, Food, and Rural Initiatives, November 2003. *http://www.gov.mb.ca/agriculture/statistics/aac01s01.html*

2. Statistics Fact Sheet. published by Manitoba Agriculture, Food, and Rural Initiatives. *http://www.gov.mb.ca/agriculture/statistics/aac10s00.html*

3. Manitoba Agricultural Review. Op cit.

4. Manitoba Agriculture in Perspective-Relationship to Canadian Agriculture, published by Manitoba Agriculture, Food, and Rural Initiatives, November 2003. http://www.gov.mb.ca/agriculture/statistics/aac15s00.html

5. Statistics Fact Sheet. published by Manitoba Agriculture, Food, and Rural Initiatives *http://www.gov.mb.ca/agriculture/statistics/aac10s01.html*

6. Ibid.

7. Manitoba Agricultural Review. Op cit.

8. Profile of the 1998 Taxfiler Farm Family Data, published by Agriculture and Agri-Food Canada, July 2001.

9. Recent Income Data Highlights Market Failure, National Farmers Union, December 11, 2003. *http://www.nfu.ca/Releases/Market_failure.rel.pdf*

10. Manitoba Agricultural Review. Op cit.

11. Ibid.

12. Ibid.

13. Ibid.

14. Ibid.

15. Qualman, Darren and Nettie Wiebe. The Structural Adjustment of Canadian Agriculture, published by the Canadian Center for Policy Alternatives, November 2002. pg. 4.

Section 3

16. Statistics Canada; 2001 Community Profiles. Population Statistics for Franklin, Manitoba. Internet resource: *http://www12.statcan.ca/english/profil01/PlaceSearchForm1.cfm*

Section 4

17. Farming Facts. published by Statistics Canada, April 2003. page 17.

Section 6

18. The Community Land Trust Handbook, Institute for Community Economics (ICE), Rochdale Press, 1982. page 3.

19. "No-One Owns the Earth: Land Trust Basics", Turtle Island Earth Stewards (TIES), published in Making Waves, vol. 3., no. 2. April 1992.

20. "Community Land Trusts: Addressing the Urban Land Question", Marcia Nozick, published in City Magazine, vol. 13, no. 1, Winter 1991/92. page 18.

21. The Community Land Trust Model Applied to Farmland: A Case Study of the Wisconsin Farmland Conservancy. by Greg Lawless. A Master's Degree Thesis at the University of Wisconsin-Madison, 1994. Chapter 1. This source was downloaded in a format without consecutive pagination, so footnotes only cite chapters. Located on website: *www.wisc.edu/uwcc/staff/lawless/thesis/thesis.html*

22. Ibid. Chapter 1.

23. Lawless, op cit, Chapter 2.

24. ICE, op cit, pages 6-8.

25. ICE, op cit, page 34 and Lawless, op cit, Chapter 2.

26. Lawless, op cit, Chapter 2.

27. TIES, op cit, pg 53.

28. Lawless, op cit, Chapter 2.

29. Lawless, op cit. Chapters 3 and 5. The researchers on this project have not read the original work of Ostrom, relying on Lawless who cites his source for Ostrom's theory as: Ostrom, E. "The Rudiments of a Theory of the Origins, Survivial, and Performance of Common Property Institutions." appearing in Bromley, D.W. (ed) Making the Commons Work. San Francisco: Institute for Contemporary Studies, 1992.

30. Lawless. op cit.

Section 7

31. Two articles from the WWLT newsletter, one by Michelle Dingwall "Family Farms" another by Rick Gauger "A Catalyst for Conservation", both appearing in Open Spaces, vol. 7, no. 2 , Fall of 2003. Available at: *http://www.wwlt.org/newsletters/open_spaces_fall2003.pdf*

32. Information on Genesis Land Conservancy was derived from their website, and supplemented by a telephone interview with staff. The website is available at: *www.earthcare.sk.ca/Genesis/index.html*

33. Profile of SALTS from their website, *www.salts-landtrust.org*

34. Quotation from mission statement portion of website *www.salts-;andtrust.org/whoweare.html#1*

35. Profile of ORLT from their website: *www.orlt.org* and supplemented by e-mail correspondence with staff.

36. Suzanne Wilson, "Putting the Land in Trust" in Missouri Conservation Online published by the Conservation Commission of Missouri, 1997. Available at: *www.conservation.state.mo.us/conmag/1997/11/20.htm*, accessed in December 2004.

37. Profile derived from website *www.vhcb.org/Mission.html* which has a mission statement and organizational history. Portfolio information can be found by clicking the "portfolio" button.

38. Report to the General Assembly, Vermont Housing & Conservation Board, 1997. pages 25-27.

39. Press release of May 28, 2004 available at: *www.vhcb.org/news.html#nrcs*

BIBLIOGRAPHY

Agriculture and Agri-Food Canada – 2003 Farm Financial Survey – Highlights. Webpage resource: http://www.agr.gc.ca/spb/fiapdpraa/publications/frmfinsrv/2003ffs/2003ffs_hlt/03ffs_hlt_e.php.

Agriculture and Agri-Food Canada – Profile of the 1998 Taxfiler Farm Family Data, July 2001.

Dingwall, Michelle. "Family Farms" Open Spaces, vol. 7, no. 2 , Fall of 2003.
Available at: *http://www.wwlt.org/newsletters/open_spaces_fall2003.pdf*

Gauger, Rick "A Catalyst for Conservation", Open Spaces, vol. 7, no. 2 , Fall of 2003.
Available at: *http://www.wwlt.org/newsletters/open_spaces_fall2003.pdf*

Genesis Land Conservancy.
Organizational website: *www.earthcare.sk.ca/Genesis/index.html*

Government of Manitoba – Manitoba Community Profiles: RM of Franklin.
Webpage resource: *http://www.communityprofiles.mb.ca.*

Institute for Community Economics (ICE), The Community Land Trust Handbook, Rochdale Press, 1982.

Lawless, Greg. The Community Land Trust Model Applied to Farmland: A Case Study of the Wisconsin Farmland Conservancy. A Master's Degree Thesis at the University of Wisconsin-Madison, 1994.
Located on website: *www.wisc.edu/uwcc/staff/lawless/thesis/thesis.html*

Manitoba Agriculture, Food, and Rural Initiatives – Manitoba Agricultural Review, November, 2003.
Webpage resource: *http://www.gov.mb.ca/agriculture/statistics/aac01s01.html.*

Manitoba Agriculture, Food, and Rural Initiatives – Manitoba Agriculture in Perspective – Relationship to Canadian Agriculture, November, 2003.
Webpage resource: *http://www.gov.mb.ca/agriculture/statistics/aac15s00.html.*

Manitoba Agriculture, Food, and Rural Initiatives – Statistics Factsheet.
Webpage resource: http://www.gov.mb.ca/agriculture/statistics.

National Farmers Union – Sustainable Agriculture. Webpage Resource: *www.nfu.ca/sustag.html*

National Farmers Union – Recent Income Data Highlights Market Failure, December 11
Webpage Resource: http://www.nfu.ca/Releases/Market_failure.rel.pdf.

National Farmers Union – The Farm Crisis, Bigger Farms, and the Myths of "*Competition*" and "*Efficiency*". Webpage Resource: *http://www.nfu.ca/briefs/Myths_PREP_PDF_TWO.bri.pdf*

Nozick, Marcia. "Community Land Trusts: Addressing the Urban Land Question", published in City Magazine, vol. 13, no. 1, Winter 1991/92. page 18.

Ozark Regional Land Trust. Organizational website: *www.orlt.org*

Qualman, Darren and Nettie Wiebe. The Structural Adjustment of Canadian Agriculture, published by the Canadian Center for Policy Alternatives, November 2002.

Bibliography (continued)

Southern Alberta Land Trust Society.
Organizational website: *www.salts-landtrust.org*

Statistics Canada – 2001 Community Profiles: RM of Franklin.
Webpage Resource: http://www12.statcan.ca/english/profil01/PlaceSearchForm1.cfm

Statistics Canada 2001 Agricultural Census - Initial Release. catalogue #95F0301XIE

Statistics Canada. Farming Facts. April, 2003. catalogue # 21-522-XIE.

Turtle Island Earth Stewards (TIES)"No-One Owns the Earth: Land Trust Basics", published in Making Waves, vol. 3., no. 2. April 1992.

Vermont Housing & Conservation Board. Report to the General Assembly, 1997.

Vermont Housing & Conservation Board. Organizational website: *www.vhcb.org*

Wilson, Suzanne. "Putting the Land in Trust" in Missouri Conservation Online published by the Conservation Commission of Missouri, 1997. Accessed in December 2004.
Available at: *www.conservation.state.mo.us/conmag/1997/11/20.htm*

APPENDIX B - DEMOGRAPHIC TABLES

2001 Highest Level of Schooling
2001 Industry of Employment
2001 Occupation
2001 Earnings
2001 Labour Force Indicators

2001 Highest Level of Schooling
Manitoba, Census Division #2, &R.M. of Franklin

	Franklin			Census Division #2			Manitoba		
	Total	*Male*	*Female*	*Total*	*Male*	*Female*	*Total*	*Male*	*Female*
Total population aged 20-34	**230**	**120**	**110**	**9595**	**4805**	**4790**	**214530**	**106545**	**107985**
% with less than high school	50.00%	54.20%	45.50%	29.40%	31.60%	27.30%	22.50%	25.10%	20.00%
% with high school and/or some postsecondary	19.60%	20.80%	18.20%	34.70%	36.20%	33.30%	33.10%	34.60%	31.60%
% with a trades certificate/diploma	10.90%	8.30%	9.10%	10.90%	12.80%	8.90%	10.30%	12.00%	8.60%
% with college certificate/diploma	17.40%	8.30%	22.70%	13.40%	10.30%	16.70%	15.70%	12.60%	18.80%
% with university certificate/diploma/degree	4.30%	8.30%	9.10%	11.40%	9.10%	13.80%	18.40%	15.70%	21.00%
Total population aged 35-44	**315**	**160**	**155**	**8190**	**4280**	**3915**	**175780**	**87180**	**88600**
% with less than high school	47.60%	50.00%	41.90%	33.90%	39.00%	28.40%	25.60%	28.30%	23.10%
% with high school and/or some postsecondary	28.60%	25.00%	29.00%	22.30%	18.50%	26.40%	23.70%	22.10%	25.30%
% with a trades certificate/diploma	15.90%	21.90%	9.70%	16.10%	20.30%	11.50%	14.10%	17.80%	10.50%
% with college certificate/diploma	4.80%	0.00%	9.70%	14.30%	11.30%	17.60%	17.70%	14.20%	21.10%
% with university certificate/diploma/degree	4.80%	6.30%	6.50%	13.40%	10.70%	16.00%	18.90%	17.70%	20.10%
Total population aged 45-64	**375**	**200**	**175**	**10220**	**5160**	**5055**	**253605**	**125015**	**128590**
% with less than high school	57.30%	62.50%	54.30%	45.80%	48.10%	43.50%	34.30%	34.80%	33.80%
% with high school and/or some postsecondary	1.60%	22.50%	8.60%	16.50%	15.20%	17.70%	18.90%	17.30%	20.50%
% with a trades certificate/diploma	9.30%	5.00%	11.40%	13.60%	15.80%	11.40%	13.00%	16.90%	9.20%
% with college certificate/diploma	5.30%	5.00%	5.70%	11.40%	8.40%	14.20%	14.60%	11.10%	18.10%
% with university certificate/diploma/degree	12.00%	5.00%	22.90%	12.80%	12.50%	13.10%	19.10%	19.90%	18.40%

source: 2001 Community Profiles, Statistics Canada
http://www12.statcan.ca/english/profil01/PlaceSearchForm1.cfm

2001 Industry of Employment
Manitoba, Census Division #2, &R.M. of Franklin

	Franklin			Census Division #2			Manitoba		
Industry (42)	total	male	female	total	male	female	total	male	female
Total - Experienced labour force (41)	900	500	400	26635	14960	11670	577340	307465	269875
Agriculture and other resource-based industries	300	200	100	3730	2805	925	48700	36350	12350
Manufacturing and construction industries	140	130	10	5920	4605	1310	96660	74340	22315
Wholesale and retail trade	65	35	30	3510	1885	1630	84185	44790	39400
Finance and real estate	25	0	25	940	330	610	28780	11140	17635
Health and education	145	20	125	4705	1150	3560	114265	28220	86050
Business services	90	50	40	3475	2305	1175	87955	55825	32135
Other services	135	65	70	4350	1885	2465	116800	56800	60005

	Franklin			Census Division #2			Manitoba		
Industry (42)	total	male	female	total	male	female	total	male	female
Agriculture and other resource-based industries	33.3%	40.0%	25.0%	14.0%	18.8%	7.9%	8.4%	11.8%	4.6%
Manufacturing and construction industries	15.6%	26.0%	2.5%	22.2%	30.8%	11.2%	16.7%	24.2%	8.3%
Wholesale and retail trade	7.2%	7.0%	7.5%	13.2%	12.6%	14.0%	14.6%	14.6%	14.6%
Finance and real estate	2.8%	0.0%	6.3%	3.5%	2.2%	5.2%	5.0%	3.6%	6.5%
Health and education	16.1%	4.0%	31.3%	17.7%	7.7%	30.5%	19.8%	9.2%	31.9%
Business services	10.0%	10.0%	10.0%	13.0%	15.4%	10.1%	15.2%	18.2%	11.9%
Other services	15.0%	13.0%	17.5%	16.3%	12.6%	21.1%	20.2%	18.5%	22.2%

source: 2001 Community Profiles, Statistics Canada
http://www12.statcan.ca/english/profil01/PlaceSearchForm1.cfm

2001 Occupation
Manitoba, Census Division #2 & R.M. of Franklin

	Franklin			Census Division #2			Manitoba		
Occupation (Counts)	*total*	*male*	*female*	*total*	*male*	*female*	*total*	*male*	*female*
Total - Experienced labour force (41)	895	500	395	26630	14965	11670	577340	307470	269875
Management occupations	40	0	35	2060	1350	710	50850	33200	17655
Business, finance and administration occupations	70	10	60	4110	895	3215	101940	37765	74180
Natural and applied sciences and related occupations	10	15	0	875	700	175	36695	21370	5320
Health occupations	25	0	25	1060	160	900	36690	7410	29280
Social science, education, government service and religion	30	10	20	1720	610	1110	45890	15810	30075
Art, culture, recreation and sport	0	0	0	315	110	205	12170	5710	6465
Sales and service occupations	175	45	135	5510	1950	3560	139940	59050	80895
Trades, transport and equipment operators and related occupations	190	185	0	5490	5160	325	85640	80535	5105
Occupations unique to primary industry	275	180	95	3455	2675	775	40580	31295	9290
Occupations unique to processing, manufacturing and utilities	70	45	25	2045	1345	690	36950	25330	11620

	Franklin			Census Division #2			Manitoba		
Occupation (as % of labour force)	*total*	*male*	*female*	*total*	*male*	*female*	*total*	*male*	*female*
Management	4.5%	0.0%	8.9%	7.7%	9.0%	6.1%	8.8%	10.8%	6.5%
Business & finance	7.8%	2.0%	15.2%	15.4%	6.0%	27.5%	17.7%	12.3%	27.5%
Natural/applied science	1.1%	3.0%	0.0%	3.3%	4.7%	1.5%	6.4%	7.0%	2.0%
Health	2.8%	0.0%	6.3%	4.0%	1.1%	7.7%	6.4%	2.4%	10.8%
Social Sci/Govt/Education	3.4%	2.0%	5.1%	6.5%	4.1%	9.5%	7.9%	5.1%	11.1%
Art, Culture & Recreation	0.0%	0.0%	0.0%	1.2%	0.7%	1.8%	2.1%	1.9%	2.4%
Sales and Service	19.6%	9.0%	34.2%	20.7%	13.0%	30.5%	24.2%	19.2%	30.0%
Trades, transport & equipment	21.2%	37.0%	0.0%	20.6%	34.5%	2.8%	14.8%	26.2%	1.9%
Primary Industry	30.7%	36.0%	24.1%	13.0%	17.9%	6.6%	7.0%	10.2%	3.4%
Manufacturing, Processing, Utilities	7.8%	9.0%	6.3%	7.7%	9.0%	5.9%	6.4%	8.2%	4.3%

source: 2001 Community Profiles, Statistics Canada
http://www12.statcan.ca/english/profil01/PlaceSearchForm1.cfm

2001 Earnings
Manitoba, Census Division #2 & R.M. of Franklin

	FRANKLIN			CENSUS DIVISION #2			MANITOBA		
	Total	*Male*	*Female*	*Total*	*Male*	*Female*	*Total*	*Male*	*Female*
All persons with earnings (counts)	895	480	410	27680	15360	12325	609575	320670	288900
Average earnings (all persons with earnings ($))	19450	25506	12386	24277	29310	18006	27178	32312	21480
Worked full year, full time (counts)	480	330	150	14995	9760	5235	337100	197990	139115
Average earnings (worked full year, full time ($))	23616	27432	15285	32934	36413	26448	36729	41153	30433
Avg. Earnings as % of MB Avg.	71.57%	78.94%	57.66%	89.33%	90.71%	83.83%			
Full-time Earnings as % of MB Avg.	64.30%	66.66%	50.23%	89.67%	88.48%	86.91%			
Female Earnings as % of Male Earnings (all earnings)			48.56%			61.43%			66.48%
Female Earnings as % of Male Earnings (full-time)			55.72%			72.63%			73.95%
Full-time Earners as % of All Earners	53.63%	68.75%	36.59%	54.17%	63.54%	42.47%	55.30%	61.74%	48.15%

Definition of Earnings: Refers to total income received by a persons 15 years of age and over who received wages and salaries, net income from a non-farm unincorporated business and/or professional practice, and/or net farm self-employment income during calendar year 2000, who reported non-zero earnings.

Definition of Full-Time Employment: The term full-year full-time workers refers to persons 15 years of age and over (excluding institutional residents) who worked 49-52 weeks (mostly full time) in 2000 for pay or in self-employment

source: 2001 Community Profiles, Statistics Canada
http://www12.statcan.ca/english/profil01/PlaceSearchForm1.cfm

2001 Labour Force Indicators
Manitoba, Census Division #2, & R.M. of Franklin

	Franklin			Census Division #2			Manitoba		
Labour Force Indicators	*Total*	*Male*	*Female*	*Total*	*Male*	*Female*	*Total*	*Male*	*Female*
Participation rate (1)	65.9	75.2	56.8	72.3	80.5	63.9	67.3	73.6	61.4
Employment rate (2)	65.6	74.4	57.6	69.5	77.4	61.5	63.3	69.0	57.9
Unemployment rate (3)	0.0	0.0	0.0	3.9	3.9	3.9	6.1	6.3	5.7

Definitions:

1. Participation Rate — Persons 15 years of age or older who are part of the labour force, expressed as percentage of total population
2. Employment Rate — Persons 15 years of age or older who are employed, expressed as percentage of total population
3. Unemployment Rate — Persons 15 years of age who are unemployed, expressed as percentage of the labour force

source: 2001 Community Profiles, Statistics Canada
http://www12.statcan.ca/english/profil01/PlaceSearchForm1.cfm

APPENDIX C - AGRICULTURAL CENSUS DATA TABLES

2001 Historical Farm Type
2001 Farms by Total Farm Area
2001 Land Tenure
2001 Total Farm Capital
2001 Paid Agricultural Work
2001 Value of Farm Machinery
2001 Farms by Operating Arrangement
2001 Farms by Gross Farm Receipts
2001 Farm Business Operating Expenses
2001 Census Divisions and Census Consolidated Subdivisions (map & list)

2001 Historical Farm Type
Canada, Manitoba, Census Division #2

Historical Farm Type

	Canada	MB	CD#2	Canada	MB	CD#2
All Farms	230,540	19,818	1,506	100.00%	100.00%	100.00%
Dairy	18,574	600	182	8.06%	3.03%	12.08%
Beef Cattle	67,814	7,232	366	29.42%	36.49%	24.30%
Hog	7,148	968	271	3.10%	4.88%	17.99%
Poultry & Egg	4,394	284	130	1.91%	1.43%	8.63%
Wheat	15,249	2,007	104	6.61%	10.13%	6.91%
Grain & Oilseed	52,648	5,325	206	22.84%	26.87%	13.68%
Field Crop	17,286	1,276	63	7.50%	6.44%	4.18%
Fruit	6,560	72	9	2.85%	0.36%	0.60%
Misc. Speciality	28,315	1,318	125	12.28%	6.65%	8.30%
Livestock Combination	4,991	355	24	2.16%	1.79%	1.59%
Vegetable	2,890	62	9	1.25%	0.31%	0.60%
Other Combination	4,671	319	17	2.03%	1.61%	1.13%

note - farms reporting gross receipts greater than $2499

source: Table 1 - Farm Type (historical)
2001 Agricultural Census, initial release
Statistics Canada, catalogue # 95F0301XIE

2001 Farms by Total Farm Area
Canada, Manitoba, & Census Division #2

	Number of Farms			Percentage			Cumulative Percentage		
	CANADA	**MB**	**CD#2**	**CANADA**	**MB**	**CD#2**	**CANADA**	**MB**	**CD#2**
Total number of farms	24,6923	21,071	1,655	100.00%	100.00%	100.00%			
under 10 acres	12,600	509	84	5.10%	2.42%	5.08%	5.10%	2.42%	5.08%
10-69 acres	33,586	1,614	291	13.60%	7.66%	17.58%	18.70%	10.08%	22.66%
70-129 acres	28,006	1,264	186	11.34%	6.00%	11.24%	30.05%	16.07%	33.90%
130-179 acres	29,283	2,121	190	11.86%	10.07%	11.48%	41.91%	26.14%	45.38%
180-239 acres	14,511	663	79	5.88%	3.15%	4.77%	47.78%	29.29%	50.15%
240-399 acres	33,118	2,609	227	13.41%	12.38%	13.72%	61.19%	41.67%	63.87%
400-559 acres	19,543	1,989	174	7.91%	9.44%	10.51%	69.11%	51.11%	74.38%
560-759 acres	16,020	2,074	124	6.49%	9.84%	7.49%	75.60%	60.95%	81.87%
760-1119 acres	18,949	2,748	118	7.67%	13.04%	7.13%	83.27%	73.99%	89.00%
1120-1599 acres	15,281	2,198	78	6.19%	10.43%	4.71%	89.46%	84.42%	93.72%
1600-2239 acres	11,128	1,468	47	4.51%	6.97%	2.84%	93.97%	91.39%	96.56%
2240-2879 acres	5,546	755	24	2.25%	3.58%	1.45%	96.21%	94.97%	98.01%
2880-3519 acres	3,197	417	12	1.29%	1.98%	0.73%	97.51%	96.95%	98.73%
3520 acres & over	6,155	642	21	2.49%	3.05%	1.27%	100.00%	100.00%	100.00%

source: Table 3.1 - Farms by Total Farm Area
2001 Agricultural Census, initial release
Statistics Canada, catalogue # 95F0301XIE

2001 Land Tenure
Canada, Manitoba, & Census Division #2

	# of Farms Reporting			Total Acres			Avg. Acres/Farm		
	CANADA	***MB***	***CD#2***	***CANADA***	***MB***	***CD#2***	***CANADA***	***MB***	***CD#2***
Total Area	24,6923	21,071	1,655	166,802,197	18,784,407	818,707	675.5	891.5	494.7
Area Owned	23,5131	20,031	1,607	104,440,847	11,730,210	562,508	423.0	556.7	339.9
Total Rented, leased, shared	10,3484	10,708	656	62,361,350	7,054,197	256,199	252.6	334.8	154.8
Area of Govt leases	21,530	2,495	60	23,227,757	2,067,789	16,553	94.1	98.1	10.0
Area of Other leases or rentals	81,107	8,695	609	30,488,790	4,447,979	230,822	123.5	211.1	139.5
Area crop shared	19,891	1,602	52	8,644,803	538,429	8,824	35.0	25.6	5.3

	Percentage of Farms Reporting			Percentage of Acres		
	CANADA	***MB***	***CD#2***	***CANADA***	***MB***	***CD#2***
Total Area	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Area Owned	95.22%	95.06%	97.10%	62.61%	62.45%	68.71%
Total Rented, leased, shared	41.91%	50.82%	39.64%	37.39%	37.55%	31.29%
Area of Govt leases	20.81%	23.30%	9.15%	13.93%	11.01%	2.02%
Area of Other leases or rentals	78.38%	81.20%	92.84%	18.28%	23.68%	28.19%
Area crop shared	19.22%	14.96%	7.93%	5.18%	2.87%	1.08%

source: Table 3.1 - Land Tenure
2001 Agricultural Census, initial release
Statistics Canada, catalogue # 95F0301XIE

2001 Total Farm Capital
Canada, Manitoba & Census Division #2

	Number of Farms			Percentage of Farms		
	CANADA	***MB***	***CD#2***	***CANADA***	***MB***	***CD#2***
All Farms	24,6923	21,071	1,655	100.00%	100.00%	100.00%
under $50,000	3,461	361	20	1.40%	1.71%	1.21%
$50,000 - $99,999	9,425	1,130	77	3.82%	5.36%	4.65%
$100,000 - $199,999	32,263	3,521	267	13.07%	16.71%	16.13%
$200,000 - $349,000	51,288	4,072	309	20.77%	19.33%	18.67%
$350,000 - $499,000	36,079	2,752	194	14.61%	13.06%	11.72%
$500,000 - $999,000	61,357	5,056	366	24.85%	24.00%	22.11%
$1 m. - $1.49 m	24,207	1,940	180	9.80%	9.21%	10.88%
$1.5 m. - $1.99 m.	11,079	946	95	4.49%	4.49%	5.74%
$2 m. plus	17,764	1,293	147	7.19%	6.14%	8.88%

source: Table 28.1- Total Farm Capital
2001 Agricultural Census, initial release
Statistics Canada, catalogue # 95F0301XIE

2001 Paid Agricultural Work
Canada, Manitoba, & Census Division #2

	All Paid Work*	Year round**	Seasonal***
Farms Reporting			
CANADA	103,280	47,900	71,465
MANITOBA	8,669	3,864	6,106
C.Div.#2	817	478	494
Number of Weeks			
CANADA	7,101,252	4,597,758	2,503,494
MANITOBA	493,462	343,346	150,116
C.Div.#2	74,128	61,951	12,177
Avg. Weeks per reporting farm			
CANADA	68.8	96.0	35.0
MANITOBA	56.9	88.9	24.6
C.Div.#2	90.7	129.6	24.6
Percentage total weeks			
CANADA	100.00%	64.75%	35.25%
MANITOBA	100.00%	69.58%	30.42%
C.Div.#2	100.00%	83.57%	16.43%

	*	all paid work, year round or seasonal
	**	paid work, year round
	***	paid work, seasonal or temporary

source:		Table 35 - Paid Agricultural Work
		2001 Agricultural Census, initial release
		Statistics Canada, catalogue #95F0301XIE

2001 Value of Farm Machinery
Canada,Manitoba & Census Division # 2

	Avg. $ per farm			# of farms		
	CANADA	**MB**	**C. DIV. #2**	**CANADA**	**MB**	**C.D. #2**
All Machinery	$134,125	$162,811	$144,819	246,923	21,071	1,655
Tractors	$47,257	$54,183	$51,384	225,622	19,665	1,511
Tractors under 100 hp	$18,953	$15,084	$19,347	204,929	17,662	1,409
Tractors 100-149 hp	$12,905	$14,666	$13,386	93,282	10,242	642
tractors 150 hp+	$15,399	$24,433	$18,651	58,039	7,222	384
all farm trucks	$20,427	$24,838	$23,438	213,389	19,831	1,506
pick-ups and vans	$13,720	$14,848	$14,795	206,181	19,117	1,441
other farm trucks	$6,707	$9,989	$8,643	94,806	12,067	758
cars and passenger vehicles	$5,861	$6,411	$6,830	120,159	12,171	965
combines	$15,522	$25,178	$20,051	96,835	11,813	594
swathers/mowers	$5,699	$9,596	$7,901	133,196	14,730	875
balers	$4,062	$4,784	$3,801	116,081	10,622	611
forage/harvesters	$1,145	$760	$1,527	26,006	1,193	136
tillage, cultivation, seeding equip.	$13,400	$16,137	$11,356	166,488	15,261	972
Irrigation equip.	$2,764	$1,653	$353	19,685	541	58
office, workshop & other equip.	$17,988	$19,271	$18,178	183,661	16,442	1,218
	Aggregate $			**% Reporting**		
	CANADA	**MB**	**C. DIV. #2**	**CANADA**	**MB**	**C.D. #2**
All Machinery	$33,118,602,124	$3,430,591,638	$239,674,974	100.00%	100.00%	100.00%
Tractors	$11,668,962,325	$1,141,698,458	$85,040,099	91.37%	93.33%	91.30%
Tractors under 100 hp	$4,679,970,912	$317,839,870	$32,019,080	82.99%	83.82%	85.14%
Tractors 100-149 hp	$3,186,652,421	$309,030,099	$22,153,538	37.78%	48.61%	38.79%
tractors 150 hp+	$3,802,339,001	$514,828,489	$30,867,841	23.50%	34.27%	23.20%
all farm trucks	$5,043,822,091	$523,351,816	$38,790,437	86.42%	94.12%	91.00%
pick-ups and vans	$3,387,702,288	$312,863,409	$24,486,237	83.50%	90.73%	87.07%
other farm trucks	$1,656,119,803	$210,488,407	$14,304,200	38.39%	57.27%	45.80%
cars and passenger vehicles	$1,447,297,509	$135,085,087	$11,303,075	48.66%	57.76%	58.31%
combines	$3,832,775,272	$530,515,661	$33,184,578	39.22%	56.06%	35.89%
swathers/mowers	$2,407,182,185	$202,198,231	$13,075,677	53.94%	69.91%	52.87%
balers	$1,002,894,886	$100,813,284	$6,289,904	47.01%	50.41%	36.92%
forage/harvesters	$282,632,399	$16,016,415	$2,527,053	10.53%	5.66%	8.22%
tillage, cultivation, seeding equip.	$3,308,723,068	$340,018,272	$18,794,977	67.43%	72.43%	58.73%
Irrigation equip.	$682,583,391	$34,838,713	$584,148	7.97%	2.57%	3.50%
office, workshop & other equip.	$4,441,728,998	$406,055,701	$30,085,026	74.38%	78.03%	73.60%

source: Table 31.1 - Value of Farm Machinery

2001 Agricultural Census, inital release

Statistics Canada, catalogue #95F0301XIE

2001 Farms by Operating Arrangement
Canada, Manitoba, & Census Division#2

	CANADA	MB	CD#2	CANADA	MB	CD#2
Total number of farms	246,923	21,071	1,655	100.00%	100.00%	100.00%
Sole Proprietorship	142,915	12,322	745	57.88%	58.48%	45.02%
Partnership (written)	54,091	5,494	497	21.91%	26.07%	30.03%
Partnership (unwritten)	16,081	900	112	6.51%	4.27%	6.77%
Family Corporation	28,854	1,936	248	11.69%	9.19%	14.98%
Non-Family Corporation	4,151	356	50	1.68%	1.69%	3.02%
Other	831	63	3	0.34%	0.30%	0.18%

source: Table 26.1 - Farms by Operating Arrangement
2001 Agricultural Census, initial release
Statistics Canada, catalogue # 95F0301XIE

2001 Farms by Gross Farm Receipts
Canada, MB, & Census Division #2

Gross Farm Receipts	Number of Farms			Percentage of Farms		
	CANADA	MB	CD#2	CANADA	MB	CD#2
TOTAL	246923	21071	1655	100.00%	100.00%	100.00%
under $2500	16383	1253	149	6.63%	5.95%	9.00%
$2500-$4999	14912	935	80	6.04%	4.44%	4.83%
$5000-$9999	22871	1557	132	9.26%	7.39%	7.98%
$10,000-$24,999	42139	3096	193	17.07%	14.69%	11.66%
$25,000-$49,999	34145	2955	177	13.83%	14.02%	10.69%
$50,000-$99,999	35255	3527	182	14.28%	16.74%	11.00%
$100,000-$249,000	47079	4584	280	19.07%	21.76%	16.92%
$250,000-$499,999	21396	1963	252	8.67%	9.32%	15.23%
$500,000 and over	12743	1201	210	5.16%	5.70%	12.69%

source: Table 32 - Farms Classified by Gross Farm Receipts
2001 Agricultural Census, initial release
Statistics Canada, catalogue # 95F0301XIE

2001 Farm Business Operating Expenses – Canada, MB & Census Division #2

	Number of Farms			Amount spent in $			% of farms reporting		
	CANADA	**MB**	**CD#2**	**CANADA**	**MB**	**CD#2**	**CANADA**	**MB**	**CD#2**
TOTAL	246,923	21,071	1,655	$33,213,077,917	$3,069,555,199	$464,071,498	100.00%	100.00%	100.00%
Fertilizer & lime	158,499	14,098	892	$2,069,703,004	$291,214,275	$15,589,067	64.19%	66.91%	53.90%
Herbicides, insecticides, etc.	137,962	12,937	824	$1,549,618,896	$231,052,066	$11,406,755	55.87%	61.40%	49.79%
Seed and plant purchases	150,901	13,465	893	$1,157,514,056	$114,039,962	$5,816,612	61.11%	63.90%	53.96%
Feed & supplements	147,546	12,694	1,132	$4,554,412,530	$401,898,052	$129,707,292	59.75%	60.24%	68.40%
Feed from other farmers	52,614	4,962	425	$760,933,533	$51,080,180	$7,541,231	21.31%	23.55%	25.68%
Livestock & poultry	99,395	8,947	843	$6,384,037,876	$454,092,872	$114,661,623	40.25%	42.46%	50.94%
Vet services & drugs	142,614	12,731	993	$572,908,674	$45,256,126	$8,960,439	57.76%	60.42%	60.00%
Custom & contract work	138,977	12,614	869	$1,359,903,463	$116,592,430	$15,725,068	56.28%	59.86%	52.51%
Total Wages & salaries	103,280	8,669	817	$3,324,607,934	$215,965,795	$35,673,730	41.83%	41.14%	49.37%
Wages & salaries to family	70,220	6,032	587	$1,420,570,653	$105,971,325	$15,392,572	28.44%	28.63%	35.47%
Wages & salaries to others	60,899	5,096	511	$1,904,037,281	$109,994,470	$20,281,158	24.66%	24.18%	30.88%
Fuel Expenses	236,513	20513	1,586	$1,908,825,580	$200,624,798	$15,501,790	95.78%	97.35%	95.83%
Equipment repairs & main.	230,322	20,161	1,542	$1,828,621,636	$193,833,825	$15,511,176	93.28%	95.68%	93.17%
Rental/leasing of mach. & equip.	48,169	4,632	388	$311,959,369	$41,160,154	$3,588,978	19.51%	21.98%	23.44%
Repairs to buildings & fences	192,754	16,726	1,299	$679,352,548	$53,051,029	$7,057,794	78.06%	79.38%	78.49%
Rent/Leasing of land & bldgs	84,166	9,505	609	$805,175,403	$113,466,138	$8,225,132	34.09%	45.11%	36.80%
Electricity and phone	225,546	19,746	1,550	$816,537,436	$78,300,726	$10,230,271	91.34%	93.71%	93.66%
Farm interest expense	157,938	15,006	1,145	$2,216,663,787	$196,407,117	$26,903,324	63.96%	71.22%	69.18%
All other expenses (except dep'n)	231,549	20,055	1,568	$3,673,235,725	$322,599,834	$39,492,447	93.77%	95.18%	94.74%

	% of $ spent			Avg. $ per reporting farm		
	CANADA	**MB**	**CD#2**	**CANADA**	**MB**	**CD#2**
TOTAL	100.00%	100.00%	100.00%	$134,508	$145,677	$280,406
Fertilizer & lime	6.23%	9.49%	3.36%	$13,058	$20,656	$17,477
Herbicides, insecticides, etc.	4.67%	7.53%	2.46%	$11,232	$17,860	$13,843
Seed and plant purchases	3.49%	3.72%	1.25%	$7,671	$8,469	$6,514
Feed & supplements	13.71%	13.09%	27.95%	$30,868	$31,660	$114,582
Feed from other farmers	2.29%	1.66%	1.63%	$14,463	$10,294	$17,744
Livestock & poultry	19.22%	14.79%	24.71%	$64,229	$50,754	$136,016
Vet services & drugs	1.72%	1.47%	1.93%	$4,017	$3,555	$9,024
Custom & contract work	4.09%	3.80%	3.39%	$9,785	$9,243	$18,096
Total Wages & salaries	10.01%	7.04%	7.69%	$32,190	$24,912	$43,664
Wages & salaries to family	4.28%	3.45%	3.32%	$20,230	$17,568	$26,222
Wages & salaries to others	5.73%	3.58%	4.37%	$31,265	$21,584	$39,689
Fuel Expenses	5.75%	6.54%	3.34%	$8,071	$9,780	$9,774
Equipment repairs & main.	5.51%	6.31%	3.34%	$7,939	$9,614	$10,059
Rental/leasing of mach. & equip.	0.94%	1.34%	0.77%	$6,476	$8,886	$9,250
Repairs to buildings & fences	2.05%	1.73%	1.52%	$3,524	$3,172	$5,433
Rent/Leasing of land & bldgs	2.42%	3.70%	1.77%	$9,567	$11,938	$13,506
Electricity and phone	2.46%	2.55%	2.20%	$3,620	$3,965	$6,600
Farm interest expense	6.67%	6.40%	5.80%	$14,035	$13,089	$23,496
All other expenses (except dep'n)	11.06%	10.51%	8.51%	$15,864	$16,086	$25,187

source: Table 34
Farm Business
Operating Expenses

2001 Agric. Census
Initial Release
Statistics Canada
Catalogue #:
95F0301XIE

MAP 2

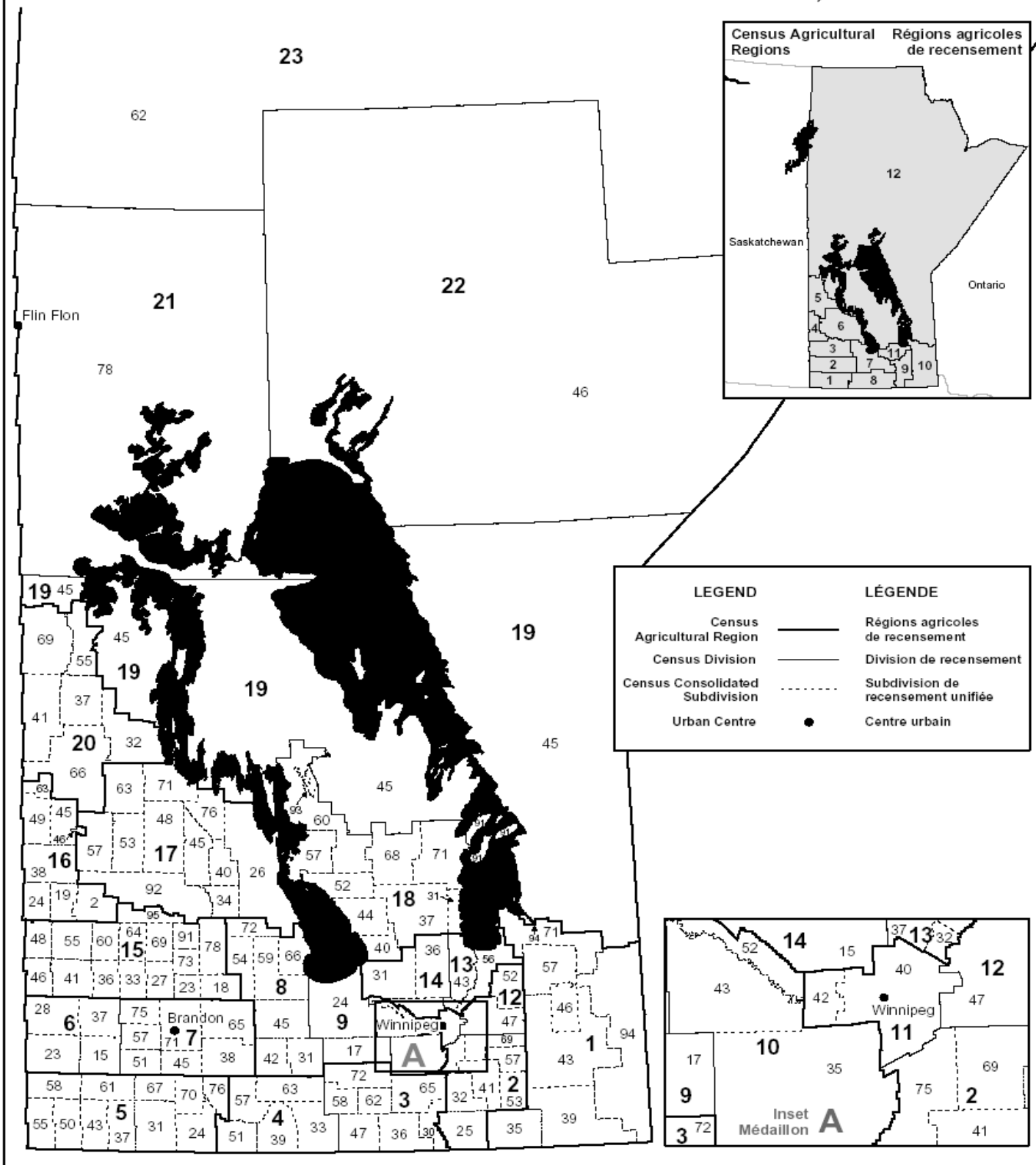
CARTE 2

Manitoba

2001 Census Divisions and Census Consolidated Subdivisions

Manitoba

Divisions de recensement et subdivisions de recensement unifiées, 2001



Source: 2001 Census of Agriculture, Agriculture Division, Statistics Canada

Map produced by Spatial Analysis and Geomatics Applications (SAGA), Agriculture Division, Statistics Canada, 2002

Source: Recensement de l'agriculture de 2001, Division de l'agriculture, Statistique Canada

Carte créée par Analyse spatiale et applications géomatiques (ASAG), Division de l'agriculture, Statistique Canada, 2002

Manitoba

Map 2 / Carte 2

2001 Census Divisions and Census Consolidated Subdivisions
Divisions de recensement et subdivisions de recensement unifiées, 2001

1 Division No. 1*
- 35 Stuartburn
- 39 Piney
- 43 Reynolds
- 46 Whitemouth
- 57 Lac du Bonnet
- 71 Alexander
- 94 Division No. 1, Unorganized

2 Division No. 2
- 25 Franklin
- 32 De Salaberry
- 41 Hanover
- 53 La Broquerie
- 57 Ste. Anne
- 69 Taché
- 75 Ritchot

3 Division No. 3
- 30 Montcalm
- 36 Rhineland
- 47 Stanley
- 58 Thompson
- 62 Roland
- 65 Morris
- 72 Dufferin

4 Division No. 4
- 33 Pembina
- 39 Louise
- 51 Roblin
- 57 Argyle
- 63 Lorne

5 Division No. 5
- 24 Turtle Mountain
- 31 Morton
- 37 Winchester
- 43 Brenda
- 50 Arthur
- 55 Edward
- 58 Albert
- 61 Cameron
- 67 Whitewater
- 70 Riverside
- 76 Strathcona

6 Division No. 6
- 15 Sifton
- 23 Pipestone
- 28 Wallace
- 37 Woodworth

7 Division No. 7
- 38 South Cypress
- 45 Oakland
- 51 Glenwood
- 57 Whitehead
- 65 North Cypress
- 71 Elton
- 75 Daly

8 Division No. 8
- 31 South Norfolk
- 42 Victoria
- 45 North Norfolk
- 54 Lansdowne
- 59 Westbourne
- 66 Lakeview
- 72 Glenella

9 Division No. 9
- 17 Grey
- 24 Portage la Prairie

10 Division No. 10
- 35 Macdonald
- 43 Cartier
- 52 St. François Xavier

11 Division No. 11
- 40 Winnipeg
- 42 Headingley

12 Division No. 12
- 47 Springfield
- 52 Brokenhead

13 Division No. 13
- 32 East St. Paul
- 37 West St. Paul
- 43 St. Andrews
- 56 St. Clements

14 Division No. 14
- 15 Rosser
- 31 Woodlands
- 36 Rockwood

15 Division No. 15
- 18 Langford
- 23 Odanah
- 27 Saskatchewan
- 33 Blanshard
- 36 Hamiota
- 41 Miniota
- 46 Archie
- 48 Ellice
- 55 Birtle
- 60 Shoal Lake
- 64 Strathclair
- 69 Harrison
- 73 Minto
- 78 Rosedale
- 91 Clanwilliam
- 95 Park (South)

16 Division No. 16
- 2 Rossburn
- 19 Silver Creek
- 24 Russell
- 38 Shellmouth-Boulton
- 45 Hillsburg
- *46 Valley River 63A*
- 49 Shell River
- 63 Park (North)

* Due to confidentiality constraints, the data for some or all of the geographic areas in this Census Division have been combined. See Geographic area amalgamations at the end of each data table for details.

* En raison des contraintes qu'impose le respect de la confidentialité, les données relatives à certaines ou toutes les régions géographiques pour cette division de recensement ont été combinées. Pour des renseignements détaillés, voir les Régions géographiques combinées qui apparaissent à la fin de chaque tableau.

All Census Consolidated Subdivisions in italics had no farms in 2001.
Toutes les subdivisions de recensement unifiées qui n'avaient pas de fermes en 2001 sont indiquées en italiques.

Manitoba

Map 2 / Carte 2

2001 Census Divisions and Census Consolidated Subdivisions
Divisions de recensement et subdivisions de recensement unifiées, 2001

17 Division No. 17*
- 26 Alonsa
- 34 McCreary
- 40 Ste. Rose
- 45 Ochre River
- 48 Dauphin
- 53 Gilbert Plains
- 57 Grandview
- 63 Ethelbert
- 71 Mossey River
- 76 Lawrence
- 92 Division No. 17, Unorganized

18 Division No. 18
- 31 Gimli
- 37 Armstrong
- 40 St. Laurent
- 44 Coldwell
- 52 Eriksdale
- 57 Siglunes
- 60 Grahamdale
- 68 Fisher
- 71 Bifrost
- *91 Division No. 18, Unorganized, East Part*
- *93 Division No. 18, Unorganized, West Part*

19 Division No. 19*
- 45 Division No. 19, Unorganized

20 Division No. 20*
- 32 Mountain (South)
- 37 Minitonas
- 41 Swan River
- 55 Mountain (North)
- 66 Division No. 20, Unorganized, South Part
- 69 Division No. 20, Unorganized, North Part

21 Division No. 21
- 78 Division No. 21, Unorganized

22 Division No. 22*
- 46 Division No. 22, Unorganized

23 Division No. 23*
- 62 Division No. 23, Unorganized

* Due to confidentiality constraints, the data for some or all of the geographic areas in this Census Division have been combined. See Geographic area amalgamations at the end of each data table for details.

* En raison des contraintes qu'impose le respect de la confidentialité, les données relatives à certaines ou toutes les régions géographiques pour cette division de recensement ont été combinées. Pour des renseignements détaillés, voir les Régions géographiques combinées qui apparaissent à la fin de chaque tableau.

All Census Consolidated Subdivisions in italics had no farms in 2001.
Toutes les subdivisions de recensement unifiées qui n'avaient pas de fermes en 2001 sont indiquées en italiques.

Appendix D - Assessment Roll Data Tables

1982 Assessment Roll Data, R.M. of Franklin
2002 Assessment Roll Data, R.M. of Franklin

1982 Assessment Roll Data, R.M. of Franklin

holding size	**159 or less**	**160 - 319**	**320 - 639**	**TOTAL**
total acres	17,863	44,762	81,192	143,817
n=	180	202	187	569
c=	2	4	4	10
avg.	99.2	221.6	434.2	252.8

holding size	**639 or less**	**640-1279**	**1280-1919**	**1920-2559**	**2560-3199**	**3200+**	**TOTAL**
total acres	143,817	44,340	6,256	2,526	2,781	13,988	213,706
n=	569	53	4	1	1	3	631
c=	10	2	1	1	1	1	16
avg.	252.8	836.6	1,563.9	2,525.5	2,781.0	4,662.5	338.7
% landowners	90.17%	8.40%	0.63%	0.16%	0.16%	0.48%	
% land	67.30%	20.75%	2.93%	1.18%	1.30%	6.55%	

n= total number of land owners in category

c= number of corporate land owners included in "n"

source: Municipal Assessment Rolls, Rural Municipality of Franklin

2002 Assessment Roll Data, R.M. of Franklin

holding size	**159 or less**	**160 - 319**	**320 – 639**	**TOTAL**
total acres	22,233	36,965	58,778	117,975
n=	224	172	127	523
c=	7	4	12	23
avg.	99.3	214.9	462.8	225.6

holding size	**639 or less**	**640-1279**	**1280-1919**	**1920-2559**	**2560-3199**	**3200+**	**TOTAL**
total acres	117,975	47,055	19,007	13,390	2,784	14,517	214,727
n=	523	55	12	6	1	3	600
c=	23	11	1	4	1	2	42
avg.	225.6	855.5	1,583.9	2,231.6	2,783.5	4,838.8	357.9
% landowners	87.17%	9.17%	2.00%	1.00%	0.17%	0.50%	
% land	54.94%	21.91%	8.85%	6.24%	1.30%	6.76%	

n= total number of land owners in category

c= number of corporate land owners included in "n"

source: Municipal Assessment Rolls, Rural Municipality of Franklin

APPENDIX E

Vermont Housing & Conservation Board
Policy Position Paper
"Funding Conservation of Agricultural Land"

"Source: www.vhcb.org/agricultpolicy.html"

Policy Position

Funding Conservation of Agricultural Land

9/17/2004

Goal

It is the intent of the State of Vermont to perpetually protect and preserve agricultural lands, encourage sound soil management practices in accordance with generally accepted agricultural practices, preserve natural resources, maintain land in active agricultural use and make reasonable efforts to assure that conserved farmland is accessible and affordable to future generations of farmers. To accomplish this goal, and to promote a strong agricultural economy, VHCB will give priority to farmland conservation projects in strong farming communities, support agricultural innovation and diversification, and encourage projects that facilitate intergenerational transfers.

VHCB FARMLAND CONSERVATION ACTIVITIES

The Vermont Housing and Conservation Board preserves farmland by:

1. Awarding grants to eligible applicants (non-profit conservation organizations, municipalities, and qualified state agencies) for the purchase of development rights;
2. Building the capacity of eligible applicants to do farmland conservation projects through capacity grants, and payment of costs associated with projects;
3. Providing loans to eligible applicants for farmland acquisition or protection.

The Board will fund a variety of preservation methods including, but not limited to, conservation easements, purchases, direct non-profit ownership with a lease, or resale, to the farmers, and land swaps, as long as the result is the perpetual conservation and protection of agricultural land.

The primary farmland preservation activity of the Board is funding the purchase of development rights and placement of conservation restrictions on farmland. The conservation easement ensures that the land will not be developed, while providing for uses compatible with farming.

PROJECT SELECTION AND CONFIGURATION

Minimum eligibility criteria for statewide farm projects:

In order to qualify for VHCB agricultural funds, the land to be conserved must meet the following criteria:

1. The farm or farmland must generally contain at least 50% prime and/or statewide soils, and be actively farmed for income-producing purposes, or have a sound plan for getting into operation. The property:

    a. must be a viable farm unit, or

    b. must be an addition to a conserved farm which adjoins, or is in close proximity to, the property, or,

    c. if farmland without associated infrastructure, must rank high enough in terms of soil resource, location, and management, as to indicate long-term, continued, active agricultural use.

2. The project must conform to adopted regional and/or municipal plans.

3. The sale price of the development rights must not exceed the value as determined by an appraisal acceptable to VHCB staff.

4. The request to the Board (not including the value of the Option to Purchase at Agricultural Value or any other mechanism to achieve future affordability) shall not exceed One Thousand Seven Hundred Dollars ($1700) per acre for the development rights value on farmland unless there is substantial leverage and Four Hundred Thousand Dollars ($400,000) per project unless the farm is an Outstanding Statewide Agricultural Resource as defined below. The VHCB limits are not project caps. (See Appendix II on VHCB per acre and per project caps for more information.)

Except for criteria #4 above, this policy applies to all statewide and local farm projects. Locally Important farms must meet minimum eligibility criteria 1 – 3 above and comply with VHCB policy on Local Conservation Projects.

Projects meeting these minimum criteria will be reviewed by a Board Committee advised by an Agricultural Advisory Committee based on the priorities listed below.

SELECTION CRITERIA (listed in order of importance)
FOR STATEWIDE AND LOCALLY IMPORTANT FARM PROJECTS

Primary Considerations:

1. **Land Resource:**
    a. Soils: Generally, all farm conservation projects will have at least 50% prime and/or statewide soils.
    b. Farmability: consideration will be given to the configuration and ease of farming the land, including access, drainage, topography, location of excluded parcels, etc

c. Potential for diversification: a higher priority will be given to land that has a greater potential for diversified agricultural use, such as: ability of the soil to sustain a variety of agricultural uses, presence of a plentiful water supply, drainage, accessibility relative to direct marketing and transportation of products, and evidence of existing diversified uses.

2. Location: (this criteria is not emphasized for Locally Important Farm projects)

a. Adds to block of conserved land: higher priority will be given to farms and farmland that adjoin or are in close proximity to other conserved farmland.

b. Strong farming community: factors such as the number of working farms, availability of agricultural support services, and the extent to which local planning or other municipal programs support farming will help to assess this factor.

c. Development threat: the program will assess the degree of threat of the conversion of the farmland to non-farm use. Factors include: development opportunity (amount of road frontage and access, soil drainage, topography, and flood hazard, views, and proximity to utilities, and municipal water and sewer), and current market pressure.

d. Suitability of the type of farming to the surrounding community will be assessed (e.g.. a market garden in a niche market area or a Community-Supported Agriculture (CSA) operation in a suburban area.)

Secondary Considerations:

3. Resource management: Sound resource management practices that maximize the long-term productivity of farmland will be assessed, including: drainage, erosion control, manure handling, crop rotation, stream bank improvement, wetlands protection, and woodland management.

4. **Farm Infrastructure:** Condition and suitability of buildings for current or proposed farm operation: even when farm buildings are to be excluded from an easement, the buildings may play an important role in the viability of the farm operation, and will be evaluated in that context.

PROJECT CONFIGURATION

Goal:
The configuration of agricultural conservation projects shall maximize the protection of important agricultural soils, promote the long term, economically viable use of the land for agriculture, and include mechanisms that address and mitigate concerns over the affordability of the property to farmers in the future. (Tools to address future affordability are discussed below.)

For farms that have buildings associated with them, particularly residences, VHCB will favor the "Farmland" configuration (i.e., excluding the infrastructure), unless the "Whole Farm" configuration includes an appropriate affordability mechanism.

General Categories:

Whole farms – projects that include existing residences and farm infrastructure or reserved residential rights. Whole farms generally include at least 50% prime and/or statewide agricultural soils. Projects may be configured as Whole Farms when:

- Allowing separate conveyance of the farmland and farmstead will make it unlikely that the farm will be owned and operated by a farmer in the future, (such as a farm that is not located in a strong farming community) or

- The farmstead is in the middle of a tract of farmland, and excluding it would invite possible right-to-farm issues in the future, orThe farmstead includes historic or cultural resources important to the community.

- The farmstead is uniquely related to the agricultural operation, such as a winery on a vineyard.

Add-ons to conserved farmland – projects that add parcels of farmland to previously conserved farms or farmland. These projects will generally include at least 50% prime and/or statewide agricultural soils, and must be in close proximity to the previously conserved farmland.

Farmland –projects that either exclude an existing farmstead (house and farm buildings) from the easement, or have no existing residential rights and little or no infrastructure associated with the property. Farmland projects do not include any residential rights in the easement. Farmland projects generally include at least 50% prime or statewide agricultural soils and a high level of farmability, which increase the likelihood of the land being farmed well into the future, even without any associated residential rights or infrastructure. Farmland projects are also typically located in strong farming communities, where the long term need for productive land is more certain. Farmland parcels without nearby access to infrastructure will generally have a higher percentage of prime and/or statewide soils.

High "Estate" Risk Projects - the particular site characteristics, residential and farm improvements, or location of certain farms and farmland projects greatly increase the likelihood of estate conversion (views, the surrounding neighborhood, the proximity to other protected lands or enhancing natural features such as surface water, or the market where the property is located). These farms, even as conserved, may be sought after as "gentleman's farms" by non-farm buyers. In cases where the appraised highest and best use of the conserved property is sale into the estate market, the Board will likely require an Option to Purchase at Agricultural Value or another affordability mechanism (see below) on either the Whole Farm (as defined above) or Farmland as a condition of funding.

FUTURE AFFORDABILITY OF CONSERVED FARMLAND

Goal: The Board has adopted a policy goal that includes making reasonable efforts to assure that conserved farmland is accessible and affordable to future generations of farmers. In addition, the Board's goal encourages intergenerational transfers that support owner/operated farm projects. This goal will be furthered through the appropriate application of the following tools during the configuration stage of each project.

Affordability Tools:

Exclusion of Infrastructure – structural improvements on farm properties, especially residences, may contribute disproportionately to the market value of the farm, and therefore will generally be excluded from the easement and made severable from the conserved land in the interest of preserving the future affordability of the protected property. See Configuration Guidelines below for specific guidance on establishing farmstead exclusions.

Option to Purchase at Agricultural Value – in instances where infrastructure is included or where the removal of infrastructure alone will not control affordability, an Option to Purchase the protected property at Agricultural Value may be appropriate. All farm projects will be appraised both with and without the Option to Purchase at Agricultural Value unless specifically waived by VHCB staff. Farmers may then choose whether or not to accept an easement that includes the Option.

Where the farmer chooses to accept it, the Board will usually approve the use of the Option. Furthermore, for projects with a high potential for estate conversion, as discussed above, the Board will usually require an Option or other suitable affordability mechanism as a condition of funding.

Shared Appreciation Agreement – Similar to the model developed by community land trusts, the farmer and the Holders agree that, upon resale of the protected property, the farmer and the Holders would share any appreciation in the farm's value, according to an agreed-upon formula. The Holders would then "reinvest" their share of the proceeds to reduce the sale price to the next buyer.

Nonprofit ownership of conserved farm with CLT approach to house - In some cases nonprofit conservation organizations may decide to purchase whole farms or farmland, convey a conservation easement to a qualified holder and lease the land and buildings to a farmer. In such a case, sustainable farming and affordability mechanisms can be built into the lease to insure affordable farming (perpetual access to the farmland by farmers) and resales of houses, if any, which are affordable to future farm households of moderate incomes.

Design Controls – for some projects, the Board may choose to include houses or rights for house sites, but condition the improvements (by limiting size, scale and location) to make the protected property more affordable for future farmers.
Grantees are encouraged to consider some or all of these mechanisms, alone or in combination, to further multiple goals and objectives. Grantees are also encouraged to work with VHCB staff to identify variations on these particular tools, or to develop new mechanisms that can address farm affordability effectively.

CONFIGURATION GUIDELINES:

Applicant procedure - Because existing and future housing and other reserved rights in the easement for farmland conservation projects affect easement value, it is the applicant's responsibility to obtain approval from VHCB staff for all exclusions, reserved house sites, and farm labor housing prior to the time that an appraiser is engaged. The size and location of all proposed excluded and reserved subdividable parcels and the location of all proposed farm labor house sites shall be clearly marked on an ortho-based 1:5000 scale map that is subject to VHCB staff review and approval prior to contracting with an appraiser. Once an appraisal map has been approved, no change of configuration shall be permitted without the consent of VHCB staff or Board.

The applicant shall furnish a copy of the approved map to the appraiser, who shall include it in the appraisal report. The applicant shall also attach a copy of the map to the application form, and if the project is funded by the Board, the map shall become the basis of the farm plan approved by VHCB staff prior to disbursement of VHCB funds. Approval of an appraisal map by the staff should not be regarded by the applicant as pre-approval by the Board of any specific project configuration. If the Board asks for a reconfiguration as a condition of funding, additional appraisal work may be necessary.

1. **Excluding farmstead complexes**:

In determining the size of an excluded farmstead complex, consideration will be given to:

a. Town zoning

b. Future plans of the farmer (including farm labor housing needs)

c. Soil quality (located to minimize impact on prime and statewide soils)

d. Road frontage and access (may not include excessive road frontage, and may not prevent access to the conserved farmland).

e. Ease of conducting a legal survey in the future

f. Factors relating to the landscape and its use.

2. **Non-subdividable Farmstead Exclusions**:

In rare cases, the Board may want to focus conservation restrictions on the farmland, but restrict the separate conveyance of the farmstead. This configuration will only be chosen when it appears to be the best option for conserving the farmland while meeting VHCB's goals of maximizing protection of agricultural lands and addressing future affordability concerns. (For example, a good farm resource in a community with few remaining farms, where the future use of the land by a farmer without an associated house site and farm buildings may be unlikely.)

3. Exclusions/reservations other than farmsteads*:*

a. **Future and existing house site exclusions:** are excluded entirely from the easement, and subdividable from the protected property. These sites are generally no larger than 2 acres, or the minimum allowed by zoning, and are located:

i. to avoid interruption of and minimize impact on farm fields, especially those with prime and/or statewide soils, and to avoid interference with agricultural operations; and

ii. to maximize the agricultural potential and scenic and/or historic features of the protected property; and

iii. in a cluster, rather than in a linear pattern along a roadway; and

iv. close to or utilizing existing roads, drives, services and utilities.

b. **Future House site reserved exclusions:** A designated future building area is identified ahead of time on the Farm Plan, and valued as such in the appraisal. When the landowner wants to exercise his/her right to build, the area is surveyed and released from the easement. (See above, 3.(a) 1 – 4 for location criteria.)

c. **House Site Buy-Back**: This agreement would allow a farmer to buy-back the right to build one, single-family house of a limited size in the future, if the conserved property did not include any housing, and the farmer could demonstrate that a house was necessary to operate a "stand alone" farm enterprise on the land. This right would be appraised at the time of the sale of development rights, and the appraisal would establish the value of the right, with a cost-of-living index adjustment. The future house, if built, would be non-subdividable, and would trigger an Option to Purchase at Agricultural Value on the whole farm, if one was not already in place. (See above, 3.(a) 1 – 4 for location criteria.

d**. Non-Agricultural land**: Lands without prime and/or statewide soils, that do not contribute to the economic viability of the farm operation and do not contain significant other values, may be excluded, provided that:

1. potential development of land excluded from the easement will have little or no negative impact on the conserved farming operation; and

2. the excluded portion is clearly depicted on the farm plan and reviewed and approved by VHCB staff.

e. **Land in close proximity to a town or village center**: Land that is near a village center and existing municipal services, may be excluded from an easement to accommodate future growth needs of the municipality.

4. Linkage/Pre-approval of Subdivision

Physically discrete parcels of land, that either already have unique tax identification codes, or are geographically separated by a road, river, or other permanent boundary, that could be equally efficiently used independent of each other in the future, may be conserved under one easement that includes the future right to subdivide and convey the conserved parcels separately (with approval from the Holders) if:

a. the parcels are located a distance from each other, and neither is dependent on the other for access, infrastructure, resource management, or other reasons; or

b. either parcel qualifies as "bareland", representing a valuable soils resource; or

c. there is intention of future separation, at the time of conservation (such as to facilitate a planned inter-generational transfer).

In such cases, the appraisal will include the valuation of the likely future subdivision.

FUNDING PRIORITY

The best projects recommended will be eligible for full review by the Board based on the above mentioned priorities.

In addition, because the Board is charged with achieving the dual goals of creating affordable housing and preserving the state's agricultural land, funding priority will be given to projects that combine the conservation of farmland with the development of affordable housing. These dual goals do not necessarily have to be on the same site. Also, farmland conservation projects which achieve VHCB's other goals of preserving natural areas and historic sites and providing or maintaining recreational opportunities may attain a higher relative ranking for funding.

LEVERAGE FOR FARMLAND CONSERVATION PROJECTS

The Board will seek to maximize the use of its limited funds by leveraging other resources for a project. The Board recommends that applicants attempt to secure leverage with all VHCB farm projects. Once a farm project has been analyzed and ranked under the four Farmland Conservation Priorities (Land Resource, Location, Farm Infrastructure, Management) as determined by the Agricultural Advisory Committee and the Board

Agricultural Committee, the amount and type of leverage may affect the relative ranking of the project. However, the Board may consider quality farm applications which were ranked highly by the Agricultural Advisory Committee but do not contain leverage.
(See Appendix II for leverage criteria and definitions.)

APPENDIX 1: SUMMARY OF APPLICATION PROCEDURES

VHCB's Purchase of Development Rights on Farmland program involves a two-step application process: a pre-application and a full application. The Board accepts pre-applications twice a year, and full applications several times a year, according to a schedule established each spring. Application deadline dates may be obtained by contacting VHCB staff.

Pre-application forms are to be completed primarily by the landowner, with assistance from an "eligible applicant" (see below). The pre-application assesses the farm resource, farm community and threat of development. It also asks for preliminary information on the other goals of the Board such as natural habitat protection, public outdoor recreation, historic preservation and affordable housing.

The eligible applicant must also submit a cover letter with the pre-application that highlights notable facts about the property or further details other VHCB goals which may be included in the project. Since the Board will seek to maximize the use of its limited funds by leveraging other resources for a project, preliminary information on leveraging, if available, may also be included in the letter.

Pre-Applications must be sponsored and submitted to the VHCB by an eligible applicant. An eligible applicant is a municipality, qualified department of state government, or non-profit conservation organization with an IRS 501(c)(3) status. Eligible applicants for farm projects include the Vermont Agency of Agriculture (828-2500), the Vermont Land Trust (1-800-639-1709), a statewide non-profit land conservation organization, and towns. Other eligible applicants include local or regional land trusts, such as the Addison County Community Land Trust, the Hinesburg Land Trust, the Middlebury Area Land Trust, and the Upper Valley Land Trust.

Eligible applicants may submit to the VHCB all pre-applications that meet the Board's Minimum Criteria and that are consistent with the Board’s Farmland Conservation Priorities.

The VHCB has established an Agricultural Advisory Committee (the "Advisory Committee") to assist the Board in choosing farms for conservation at the pre-application stage. The Advisory Committee consists of two farmers, one of whom has sold development rights, and one representative each from the UVM Extension Service, Natural Resources Conservation Service, Farm Service Agency, and one representative of a farm lending organization. Advisory Committee members are appointed by the Secretary of Agriculture with VHCB approval and subject to term limits set by the Board.

The Advisory Committee makes recommendations to the VHCB Agricultural Committee (the "Board Committee"), prioritizing the farm pre-applications for funding. The Board Committee decides which projects advance to full applications and which do not. Projects which receive an affirmative vote of the Board Committee are also eligible for a VHCB grant of 50% of the cost of an appraisal of a conservation easement on the property.

Applicants will utilize an appraiser whose work conforms to the Board's adopted appraisal standards to determine the fair market value of the development rights. Applicants will negotiate a price acceptable to the landowner, and the Board's contribution will not exceed the appraised value or the Board cap (see last section, below).

Applicants will also work with landowners to explore the other goals of the Board that may exist on the farm, and the potential for leverage.

Farm pre-applications that are not approved by the Board Committee are eligible to return as pre-applications and may be considered by the Advisory Committee in the next pre-application round. However, a pre-application that returns in this manner and is not approved a second time is not eligible to return again in the next pre-application round. A pre-application in this category may return after waiting out one round of the Advisory Committee.

To be considered by the full Board, approved pre-applications must be submitted as full applications by the date set by VHCB staff. If an approved pre-application is not submitted as a full application within two years of being approved as a pre-application, the project must return to the pre-application process and be reviewed by the Advisory Committee. If staff determines that extenuating circumstances prevented the timely submission of a full application, VHCB staff may grant an exception to this procedure. To receive such an extension, the applicant organization must have received written approval from VHCB staff prior to the last application deadline for which the project would have been submitted if an extension had not been granted.

Full applications will be reviewed by the full Board with a final decision made based upon the recommendations of the Board Committee, price/acre, leverage and the multiple benefits of the project.

A full application that the Board has voted not to fund is eligible to return as a full application at the next Board meeting. If the application is not submitted in time for consideration at that meeting or if the Board again votes not to fund the full application, the project must return to the normal pre-application process.
The VHCB staff may waive these procedures if the applicant and landowner demonstrate extenuating circumstances in support of a waiver.

APPENDIX II: VHCB FUNDING CAPS

VHCB PER PROJECT CAP

VHCB will not pay more than One Thousand Seven Hundred Dollars ($1700) per acre for the development rights value on farmland unless there is substantial leverage and Four Hundred Thousand Dollars ($400,000) per project. This cap does not apply to the Option to Purchase at Agricultural Value, or other affordability mechanism.

To be eligible for consideration as an "Outstanding Statewide Agricultural Resource", a farm must fulfill the following requirements:

1. As compared to other farms in the same funding round and farms previously conserved by VHCB, the farm ranks high under the "Land Resource", "Farm Infrastructure" and "Management" criteria of the Farmland Conservation Priorities.
2. Conservation of the farm would make a significant contribution to the local and/or regional farm community.

3. Conservation of the farm would serve multiple goals because the project includes one or more substantial enhancements within the following categories:

    a. an outstanding historical or archeological resource

    b. public access meaningful to the community

    c. significant natural habitats or ecological resources

    d. donation of conservation easements or lands into public ownership with significant non-agricultural natural resource, public recreation, or historic values

    e. the farm adjoins and/or would significantly enhance an existing public investment in other non-agricultural natural resource lands owned or conserved by a public or non-profit entity

    f. a buffer provision that complies with VHCB Buffer Policy in the easement would conserve the quality of significant state surface waters.

    g. inter-generational transfer of the farm

VHCB staff and Board may use the above criteria to determine if a farm is eligible for funding moderately beyond the stated cap. However, large projects which exceed the cap substantially will continue to need to be conceived of and funded in stages.

VHCB PER ACRE CAP

The Board will not pay more than $1400/acre for development rights on farmland (not including the Option to Purchase at Agricultural Value, or other affordability mechanism) unless there is substantial leverage, in which case the Board may at its discretion pay more than $1400/acre.

Substantial leverage is defined as follows:

- Meets at least two of the criteria in the "High" category
- More than 40% of the total project costs contributed by a town, other state or federal programs, private fundraising or bargain sale
- Meets one criteria in the "High" category and two criteria in the "Medium" category
- Leverage in the "Low" category will not be considered eligible for meeting the substantial category
- The Board will evaluate leverage based on the following list, and may consider other forms of leverage not on the list at its discretion. A project must meet at least one criterion in a category to be eligible for the designated category.

High

- Matching funds of more than 15% of the total project costs contributed by a town
- Matching funds of more than 20% of the total project costs contributed by a state or federal programs or private fundraising
- More than 20% of the total project costs matched with the donation of land or conservation easements on adjoining or nearby lands that would enhance the purpose of the project
- The donation of land on an appropriate site in the town for affordable housing where the need has been identified and an appropriate eligible applicant has expressed an interest in developing the site sometime in the future
- A bargain sale by the landowner of more than 20% of the value of the conservation easement by an appraisal or the value set by the Farmland Investment Program
- Project meets at least two of the medium criteria

Medium

- Matching funds of 8%-15% of the total project costs contributed by a town
- Matching funds of 10%-20% of the total project costs contributed by a state or federal programs or private fundraising
- 10%-20% of the total project costs matched with the donation of land or conservation easements on adjoining or nearby lands that would enhance the purpose of the project

- A bargain sale by the landowner of 10%-20% of the value of the conservation easement
- The donation of an easement for public recreational access to water (if not compensated for in the conservation easement value)
- A 50% bargain sale of an appropriate site in the town for affordable housing where the need has been identified and an appropriate eligible applicant has expressed an interest in developing the site sometime in the future
- The donation of appropriate land in town for a natural area protection, public recreation or historic preservation purposes
- The donation of a public access trail easement (if not compensated for in the conservation easement value) if it is part of a community/regional trail network
- Project meets at least three of the low criteria

Low

- 3%-8% of the total project costs contributed by the town
- 5%-10% of the total project costs contributed by the town, other state or federal programs or private contributions
- 5%-10% of the total project costs matched with the donation of land or conservation easements on adjoining or nearby lands that would enhance the purpose of the project
- A bargain sale by the landowner of 5%-10% of the value of the conservation easement
- The substantial donation of in-kind professional services.
- The donation of a public access trail easement (if not compensated for in the conservation easement value)
- The donation of an historic preservation covenant (Outstanding Historic Resources Clause) requiring landowner notification prior to demolishing or altering an outstanding historic resource or an historic resource on or eligible for the National Register of Historic Place.

[In some farmland conservation projects that contain a building on or eligible for the National Register of Historic Places or is considered an outstanding historic resource, the Board may require that an historic preservation notification provision be incorporated into the conservation easement. Such a provision will require that the landowner notify the Grantees 30 days prior to destroying or altering the exterior of the building. In determining whether a building is an outstanding resource, the Board shall give serious consideration to the recommendation of the Division for Historic Preservation.]

Appendix F - Community Meeting Materials

Format for Community Meetings
Poster for Community Meetings
What is a Land Trust? (overhead)
How Does A Land Trust Work? (overhead)
A Few Facts on Franklin Farmland (overhead & handout)
Franklin Assessment Data (overhead)
A Few Facts on Agriculture in Franklin, Manitoba & Canada (overhead & handout)
Conclusions (overhead)
Genesis Land Conservancy (overhead)
Southern Alberta Land Trust Society (overhead)
Possible Benefits from an Agricultural Community Land Trust

Format for Community Meetings

7:00-7:10	Check-in	People attending check in at the table, where they are asked if they are resident of Franklin, given handouts.
7:10-7:20	Introduction	Researcher introduces purpose of the meeting, reads disclosure/consent. Indicates process by which people can get research results.
7:20-7:30	Summary of Trends	A short presentation on economic trends in agriculture (capital, labour, etc.)
7:30-7:40	Land Ownership Data	A short presentation on land ownership patterns, using data from Franklin and Agric. Census Div. #2
7:40-7:50	Land Trust Concept	A review of what a land trust is, what purpose it serves, and some examples.
7:50-8:00	Questions	Chance to answer questions on the land trust model, to ensure a basic understanding.
8:00-8:10	Break	
8:10 -8:55	Discussion	Small group discussions with facilitators, following discussion guides. (about 4 minutes per question).
8:55 - 9:00	Wrap-up	Thank yous, reminder of how to get results, etc.

Concerned About the Future of the Small Family Farm?

come find out about the

Agricultural Community Land Trust Project

Triple R Community Futures Development Corporation, in co-operation with the Franklin Community Development Corporation and the Rural Municipality of Franklin, is sponsoring a research project to examine whether a Community Land Trust might be suitable for the Franklin area.

The Research Project will present information on Community Land Trusts and ask for feedback from the community. Your participation will be part of the research process. Three community meetings will be held on:

Wednesday, March 3rd, 7 :00 pm at the Shevchenko Ukrainian Center, Rosa

Monday, March 8th, 7:00 pm at the Community Hall, Dominion City .

Thursday, March 11th, 7:00 pm at the Tolstoi Seniors Hall, Tolstoi .

For more information on these meetings, or on the project, call:
Blair Hamilton, Dungannon Consulting Services at **427-3132**
or visit:
www.mts.net/~blairh1/landtrust.html

Research Project funded by the Manitoba Research Alliance on Community Economic Development in the New Economy

What is a Land Trust?

A Land Trust removes Land from the open market and places it under community control for a specified and permanent purpose. Some purposes can include:

Creating Affordable Housing

Protecting Sensitive Environmental Areas

Preserving Wildlife Habitat

Conserving Historical and Heritage Sites

Maintaining Public Access to Land for Recreation

Providing Land for certain Agricultural Uses

Some land trusts combine several of the purposes. An Agricultural Land Trust might be dedicated to helping beginning farmers, supporting the traditional methods of family farm production, or encouraging methods with low environmental impacts.

The Land Trust is a non-profit corporation with membership open to community members who support its goals. A Board of Directors sets policy within the guidelines of the founding principles of the Land Trust.

As a permanent community institution, the Land Trust is at arm's length from the political cycle and does not have its purpose altered with a change in government.

How Does A Land Trust Work?

Land Trusts use two main tools to achieve their purpose. These are:

1) Take Ownership of Land and Lease it to Families for Use.

2) Purchase a Conservation Easement that limits how the land is used.

In both cases, the land trust sets out conditions on how the land can be used. It also monitors the land to ensure the conditions are being met.

How Does the Land Trust Get Land?

In situations where the land trust owns the land and leases it back, the land is usually donated. In Agricultural Land Trusts, the donors are often retiring farm families that want to see another family farm the land. Land Trusts can normally give charitable receipts for such donations.

In conservation easements, the land trust raises cash donations and pays the current landowner a fee for granting the easement. In some cases, the landowner may grant the easement for free.

In the State of Vermont, the leading area for Land Trusts, the government has set aside block grants and revenue streams to support the development of Land Trusts throughout the state.

A Few Facts on Franklin Farmland

Agricultural Census Data

Source for these facts are from various tables, 2001 Agricultural Census, initial release, Statistics Canada, catalogue # 95F0301XIE Census Division No. 2. includes Franklin, DeSalaberry, Hanover, LaBroquerie, Ste. Anne, Tache and Richot.

The **average Manitoba farm was 891 acres** in 2001, up from less than 800 in 1996. Manitoba has the 3rd highest average farm size in Canada.

74% of farms in Census Division #2 are smaller than 560 acres. This is more than the provincial average where only 51% of all Manitoba farms are smaller than 560 acres.

Only **6.3%** of the farms in Census Division #2 are **1600 acres or greater**.

Census Division. #2 Farms reported than, **31% of their acreage was rented,** leased or crop-shared. (MB average was 37%).

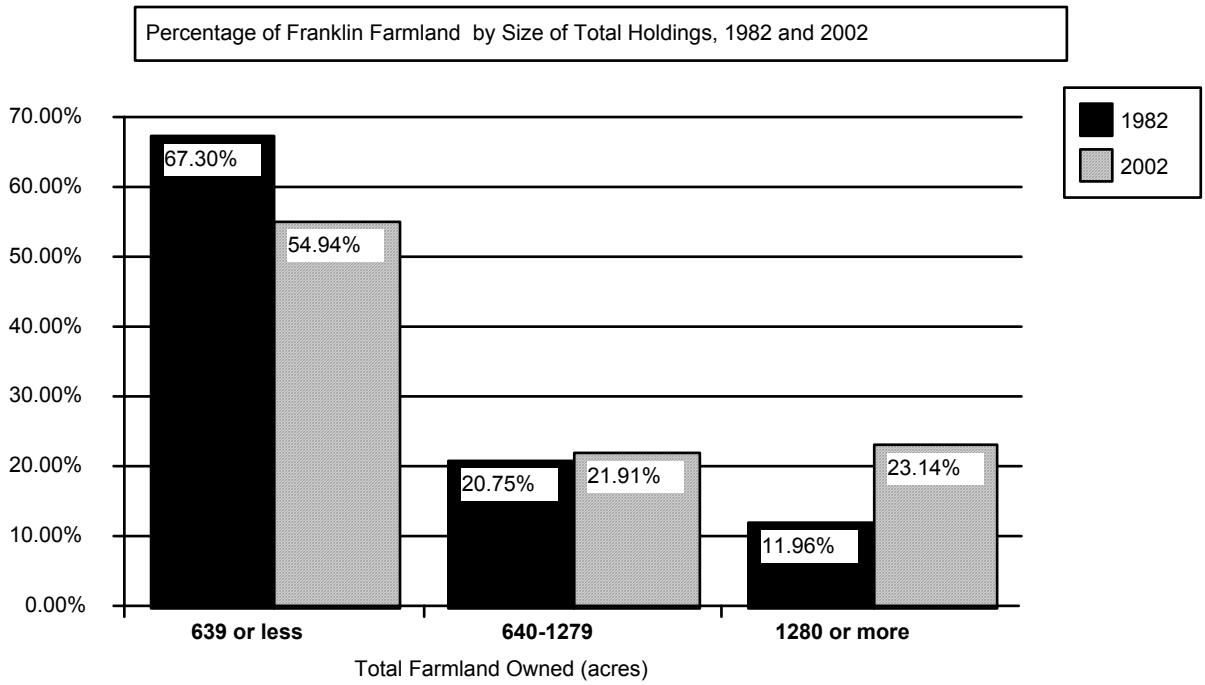
Franklin Assessment Data

Source for these facts was the R.M. of Franklin Assessment Rolls. Land parcels of 20 acres or more were included in the sample, and a total was calculated for each separate owner (individual, couple or corporation). This data has some limitations and should not be cited until the final research report is produced.

There are approximately **217,000 acres** of agricultural land in Franklin. There were 600 different landowners, with an average total holding of 358 acres.

Between 1982 and 2002, the number of small holdings (less than 640 acres) decreased, while the number of large holdings (1280 acres or larger) increased.

In 2001, the largest **13%** of landowners owned **45%** of the agricultural land in Franklin.



A Few Facts on Agriculture in Franklin, Manitoba and Canada

Some of the following facts are specific to the R.M. of Franklin. Other statistics were only available for the Census Division No. 2. This Division includes Franklin, DeSalaberry, Hanover, LaBroquerie, Ste. Anne, Tache and Richot.

* the **Average Earnings** for full-time year-round work in Franklin was **$23,616** only 64% of the Manitoba average. Census Division #2 was 90% of the Manitoba Average. (note 1)

* **Agriculture** & other resource-based industries was the industry of **employment** for **33%** of the Franklin workforce. This was 2 times the average for C.D. #2, and 4 times higher than the Manitoba average. (note 1).

* The **number of farms** in Manitoba **decreased 14%** between 1996 and 2001, the province with the second largest decline. (note 2)

* **60%** of the farms in Census Division #2 have **$350,000** or more invested in **capital assets**. (note 3)

* The average farm in Census Division #2 has **$144,819** invested in **farm machinery** alone. (note 3)

* **28%** of farms in Census Division #2 have **gross farm receipts** of **$250,000** or more (note 3).

* Only **2%** of Canadian farms have gross receipts **over $1 million**, but they account for **35% of the total farm receipts.** (note 2)

* Farms in Census Division #2 are much more likely to be owned by a non-family corporation than in the rest of Manitoba (3.0% versus 1.69%). (note 3)

---

note 1 - source, 2001 Community Profiles, Statistics Canada.
http://www12.statcan.ca/english/profil01/PlaceSearchForm1.cfm?LANG=E

note 2 - source, "Farming Facts 2002" published by Statistics Canada, Ministry of Industry, April 2003.
catalogue #21-522-XPE

note 3- source, various tables, 2001 Agricultural Census, initial release, Statistics Canada,
catalogue # 95F0301XIE

Conclusions

1. Farms are getting larger. This is true for Franklin, Census Division #2, Manitoba and Canada.

2. The amount of capital required to farm is large, and getting larger.

3. There is still a large number of small farms and smaller acreages in Franklin.

4. Leasing or renting agricultural land is a common local practice.

5. Income data suggests many Franklin residents would benefit from opportunities for supplemental income.

Canadian Example #1

Genesis Land Conservancy

Primary Goal:	Assist beginning farmers to earn a livelihood and farm in a sustainable way.
Location:	Throughout Saskatchewan
Method:	Trust owns land, leases to eligible farmers
Criteria:	Prefer beginning farmers, less than $250,000 in net worth and less than $20,000 in net farm income.
# of parcels:	7 leased parcels to 6 different leaseholders. One
# of acres:	2800 acres in total
Governance:	Board is made up of 4 appointees from religious orders, 2 elected from major donors, 2 elected from the general membership.
Farm Type:	Most leases are added to the farmer's existing land and operations. 3 of the 7 parcels are fully organic, with one in transition.
Other:	Organization is faith-based, founded on Christian principles of stewardship and justice.
Website:	***www.earthcare.sk.ca***

Canadian Example #2

Southern Alberta Land Trust Society (SALTS)

Primary Goal:	To preserve rangeland and the ability to earn a livelihood through cattle ranching.
Location:	Southern Alberta
Method:	Conservation Easements on existing ranches.
Criteria:	SALTS attracts ranchers who wish to preserve rangeland for the next generation. It focuses on the transfer of ranches from one generation to the next, and deals with existing ranchers rather than new entrants to the field.
# of parcels:	7 conservation easements.
# of acres:	3800 acres in total
Governance:	Current Board of Directors is 50% active ranchers (called "stewards) and 50% recruited from universities, conservation organizations, etc. Described as "rancher-driven".

Farm Type: Appears to be exclusively cattle ranching.

Other:	SALTS sees the land as having agricultural, scenic, historical and cultural value. They see their trust as preserving a way of life and an eco-system at the same time. They have created an endowment fund to help pay for their operating costs.
Website:	***www.salts-landtrust.org***

Possible Benefits
from an
Agricultural Community Land Trust

* **Assist beginning farmers** or young farm families to become viable through low cost access to land

* Smaller farms have a **higher proportion of residents**, increasing the tax base and creating users for various services

* **Protect land** from market development for future generations

* Potential source of **extra income** for local agricultural workers

* Preserve part of Franklin's **social and cultural history.**