

# Rural Paradox

*The agricultural land trust looks tailor-made for CED. But is it?*

BY BLAIR HAMILTON

*A former city-dwelling CED practitioner, now transplanted to bucolic southern Manitoba, I find myself in a dilemma. I seem to reside in a community that, while it cherishes the way of life of the family farm, is resigned to its deterioration and eventual disappearance.*

*Canadian agriculture, farming communities, and in particular the family farm, have been getting the bejezus kicked out of them by the globalization of the market economy. Many of my neighbours are happy to tell me about the struggles of farming, and to reflect ruefully on rural depopulation. But very few seem to link these troubles to forces that they (or anyone) can really do anything about.*

*Surely, I thought, I can contribute something here. I thought about the community land trust model, used to develop affordable housing in urban areas. Could this model be adapted to support small-scale family farming?*

With the sponsorship of Triple R Community Futures Development Corporation (Morris, Man.), I applied to the Manitoba Research Alliance for funding to examine this question relative to the Rural Municipality of Franklin. The subsequent research project became an exploration of an exciting CED tool that was potentially at odds with the people closest to the land.

## **Franklin, Manitoba**

Franklin is an hour south of Winnipeg, right at the Canada-U.S. border. There are about 1700 people here, mostly farmers and former farmers. The area has lower income and lower educational attainment than the provincial average. There is a greater than normal gender gap in earnings, and young people tend to move away. The small towns are experiencing loss of businesses and all the other stresses of rural depopulation.

The research project had four steps. Firstly, we sought out statistical data that would tell us whether agriculture in Franklin was experiencing the same trends that were being reported nationally. Secondly, we looked for evidence that the small family



(this page and page 11) Franklin County, Manitoba. Photos courtesy of Ian Goodall-George.

farm was in jeopardy in Franklin. Our third goal was to see if the land trust model had been adapted for agricultural use, and to document this. Lastly, we wanted to put this information in front of some Franklin residents and see what they had to say about it.

In Manitoba, the average farm size has been increasing steadily. Some 44% of Manitoba farms are capitalized at \$500,000 or more. There has been a widely reported farm income crisis well before the BSE fiasco. Almost half of farmers have off-farm employment, and the average farm family receives 74% of their income from off-farm sources. The statistics available for Franklin confirm that these trends are occurring locally. Farming is capital intensive and scaling up. Unless someone inherits a farm or wins the lottery, it is very difficult to get a start in farming.

We gathered local data from the property assessment rolls, and looked to see if there was a concentration of land ownership occurring, which would place pressure on the small family farm. There were a number of interesting findings. The number of landowners was decreasing and the average size of their holdings increasing, so that 13% of the landowners own 45% of the land. Despite this, half of the agricultural landowners own between 160 and 639 acres.

Although the small family farm is under pressure, there is still a critical mass of small holdings existing in Franklin.

## Land Trust Model

Our review of land trust literature quickly revealed that there is not a standard language around describing trusts or their purpose. A land trust is both a legal entity and a nonprofit organization that either owns property or holds certain property rights. The trust is a sort of compromise between totally private ownership of land and ownership by the state (like a provincial park). A land trust allows private use of the land, but provides a form of community ownership that makes sure the land is used for the public good.

Land trusts are a protection against the market-based development of land, ensuring that certain land uses don't get pushed aside simply because they do not generate the highest economic return. In this sense they are a true CED strategy, recognizing that market forces alone are insufficient to meet human needs.

Land trusts come in three basic categories; conservation, stewardship, and economic. Conservation trusts seek to preserve the land in a natural, undisturbed state. This is the most common form of land trust in Canada, especially in B.C. Stewardship trusts permit human activity on the land, but they limit the type and extent of the activity in order to preserve the essential nature of the land. A land trust that allowed ecologically sustainable logging might be an example of a stewardship trust.

Economic land trusts are designed to preserve the affordability of land, so that low- or middle-income people may still have some

access to land, usually through a long-term lease. Urban housing land trusts are an economic trust. Of course, many land trusts are hybrid models, combining different elements of these basic trust types.

Agricultural land trusts are primarily economic in nature, and have different characteristics depending on local conditions. Near large cities, agricultural land trusts seek to preserve the agricultural nature of surrounding communities against the development pressure of urban sprawl. In other instances, they are used as a vehicle to provide affordable land to beginning farmers who cannot compete with large established farmers for rental land. In some cases, agricultural land trusts are hybrids that seek to maintain traditional farming activity but also to preserve a historical or natural feature on the farmland.

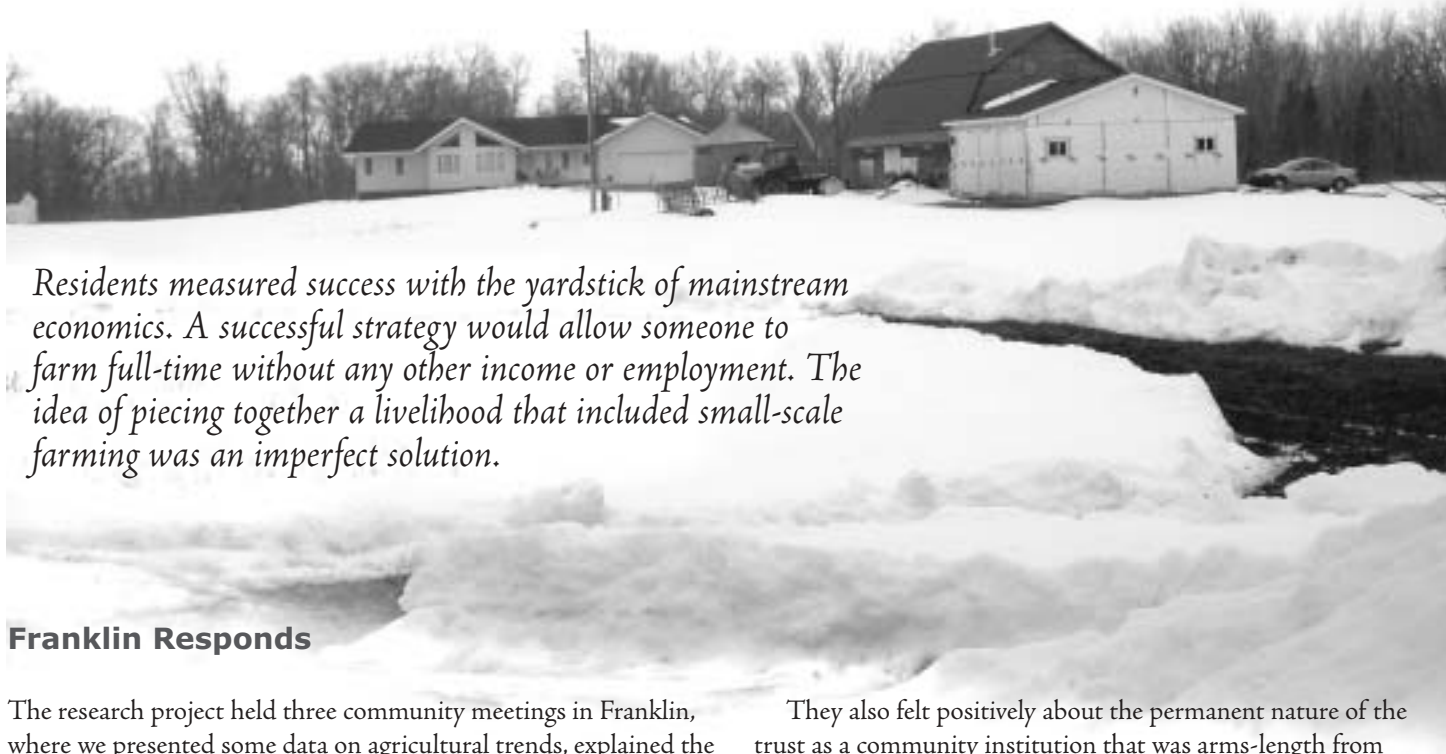
## Land Trust Examples

The research project looked at a number of examples of land trusts with agricultural application in both Canada and the U.S. For purposes of illustrating the model to residents of Franklin, we identified two Canadian examples with different features.

The Genesis Land Conservancy is based in Saskatchewan, and at the time of the study had 2,800 acres in the trust. A faith-based initiative, Genesis uses a justice perspective to assist beginning farmers by providing affordable access to cropland. Competitors for the land tend to be large farm operations. The trust land is either bought or donated to Genesis, and then leased to farmers who have a net worth less than \$250,000 and a farm income below \$20,000. The land is usually in addition to some other land that the farmer owns outright. Genesis encourages environmentally sustainable practices, but does not make these a hard condition of the lease.

The Southern Alberta Land Trust Society is located in southwest Alberta, and arose as a response to development pressures from the expansion of Calgary. The goal is not to assist beginning farmers, but to help existing ranchers with the intergenerational transfer of land in a way that preserves the land as a working cattle ranch. The landowner continues to hold title to the land, but using a legal device called an easement, the trust ensures that any future owners must maintain it as a ranch. The trust sees the land as having "ecological, productive, scenic, and cultural values," and want to preserve ranches as a way of life and form of living heritage.

Both these examples are fairly new, and in the big scheme of things, affect fairly small amounts of land. While it is hard to predict how things will unfold, the longer American experience suggests that most agricultural land trust activity is incorporated with other types of trusts in umbrella organizations. Often these umbrellas organizations are regional trusts that provide centralized technical assistance to a variety of local trust projects.



*Residents measured success with the yardstick of mainstream economics. A successful strategy would allow someone to farm full-time without any other income or employment. The idea of piecing together a livelihood that included small-scale farming was an imperfect solution.*

## **Franklin Responds**

The research project held three community meetings in Franklin, where we presented some data on agricultural trends, explained the land trust model, gave examples, and then asked people what they thought. Those who attended the meetings confirmed that the statistics reflected their own experience. Farms were getting larger, capital requirements increasing, and it was harder to make a living on a small farm. As one fellow put it, “thirty years ago you could make a living off of 50 cows. Now you need 200.”

Folks in Franklin are pretty conservative, and the greatest difficulty they had with the land trust model was believing that someone would donate perfectly good land. There was, to put it mildly, healthy skepticism about how much land might be donated to a local trust. Fortunately, they were able to put aside this skepticism and evaluate the various characteristics of the land trust model.

Aside from the likelihood of donations, people identified a number of concerns or shortcomings about the land trust model. They correctly suggested that the land trust is not an overall solution for the farm income crisis, but more of a “niche” solution, which may require off-farm employment. They pointed out that while the trust helps with land costs, it doesn’t do anything to address machinery, building, or input costs. They were concerned that a land trust might place unreasonable conditions on land use. Lastly, they were concerned with how a land trust might affect social relations. Would the allocation of leases be transparent and fair? Would there be jealousy and resentment towards successful applicants for leased land?

The meeting participants were also able to identify a number of core features of the land trust that they liked. They saw it as a neighbourly and co-operative approach consistent with rural values. The length of the leases gave more stability than renting land year to year. They felt that anything that helped young, beginning farmers get a start was a good thing.

They also felt positively about the permanent nature of the trust as a community institution that was arms-length from government. They liked that the model could be tailored to local conditions, but also thought it was important that the trust board had some external professionals and non-farmers who could provide objective opinions.

We then asked residents about some optional features of a land trust, related to secondary goals. They were ambivalent on whether a family lived on the leased land or lived elsewhere. Some liked the idea of keeping leased land chemical-free, but most of the farmers were opposed to such a condition. There was general support for a condition that required leasing families to use traditional, non-intensive production techniques. Using the trust to preserve wildlife habitat or as a form of local heritage protection were seen as positive features, but would clearly be secondary to the economic goals of the trust. Again, participants stressed that using the trust to help beginning farmers was very attractive.

## **Implications**

The research project had some important findings about the potential for an agricultural land trust in the Franklin area. The statistics on agriculture, earnings, employment, land ownership, and other factors all appear to be “objective” evidence that the area might benefit from a land trust. As well, the research identified a number of necessary pre-conditions and technical details that would have to be addressed in planning and structuring such a land trust. These are all findings that are more local in nature, or specific to the model itself.

However, there are also some lessons for broader CED practice. What do the research findings tell us about values and attitudes, about how people might react to such a CED

intervention? What does it indicate about the ideological work that needs to be done, and how the community might be organized?

Firstly, Franklin residents were able to describe a real fondness, and even nostalgia, for the small-scale family farm. A smaller mixed farm that ran on traditional practices (as opposed to industrial principles) was a desirable thing. Yet the tone was that this simply was not possible, that the unavoidable laws of economics could not be challenged, and that the disappearance of these farms was inevitable.

In discussing smaller farms and off-farm employment, it was clear that local residents measured success with the yardstick of mainstream economics. The test of whether a strategy was successful was whether it would allow someone to farm full-time without any other income or employment. This “full-time job” mentality saw the idea of piecing together a livelihood that included small-scale farming as an imperfect solution. There is a struggle between the quality of farm life and the desire for the middle class standard of living enjoyed by urban counterparts.

In their discussions, residents also exhibited what I think of as the “rural paradox.” On the one hand, they demonstrate a strong sense of their interconnectedness, the importance of neighbours, and the value of collaboration. At the same time, the value of

independence is seen as a virtue, and deeply ingrained. No one wants to be told how they can use land or raise animals.

Lastly, people identified the value in environmental sustainability, wildlife habitat, local heritage, and building local community institutions that bind them together. Yet all these seemed to be subordinate to the harsh realities of agricultural markets, and the demands they make on local communities. The “double bottom line” is not front and center in people’s minds.

All this suggests to me that many farm families have internalized the priorities of the globalized market economy, whether or not it reflects the value people place on their communities and way of life. It would appear that, in this context, the challenge for CED practitioners is not so much to devise the structures and models of an effective intervention, but to engage in a values-based dialogue that confronts the realities of global market forces with the possibility of collective action in defence of a better way of life.



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