



**THE ISLAND REGULATORY AND
APPEALS COMMISSION**
Prince Edward Island
Île-du-Prince-Édouard
CANADA

**Docket LP11-109
Order LP11-009**

IN THE MATTER of an alleged
contravention of subsection 5.(1) of the
Prince Edward Island Lands Protection Act
by Atlantic Roasted Products Inc.

BEFORE THE COMMISSION
On Thursday, the 18th day of August, 2011

Allan Rankin, Vice-Chair
John Broderick, Commissioner
Ferne MacPhail, Commissioner
Jean Tingley, Commissioner

Order

IN THE MATTER of an alleged contravention of subsection 5.(1) of the Prince Edward Island Lands Protection Act (the Act) by Atlantic Roasted Products Inc. (the Corporation).

Order

WHEREAS, subsection 5.(1) of the Act reads as follows:

A corporation shall not have an aggregate land holding in excess of five acres or having a shore frontage in excess of one hundred and sixty-five feet unless it first receives permission to do so from the Lieutenant Governor in Council.

AND WHEREAS, subsection 5.3(1) of the Act reads as follows:

(1) Where a person or corporation intends to acquire by lease a land holding for which permission is required pursuant to section 4 or section 5, the person or corporation shall

(a) apply pursuant to section 4 or 5 for permission to acquire by lease that specific land holding; or

(b) apply for permission pursuant to this section to acquire by lease and to continue to hold a certain number of acres of land as part of the applicant's aggregate land holding.

AND WHEREAS, on November 26, 2010, the Corporation filed two applications with the Commission to acquire four provincial parcels. The applications reported that the Corporation leased in a 40.00 acre parcel. However, there was no record of the Corporation making application to Executive Council for approval pursuant to the Act to lease such land;

AND WHEREAS, by email dated December 3, 2010, Commission staff advised the Corporation's legal counsel that the Corporation is required to obtain approval to hold land by way of lease, either pursuant to Section 5 or Section 5.3 of the Act;

AND WHEREAS Executive Council approved the applications on December 14, 2010 (Executive Council Order No. EC2010-677 – EC2010-680);

AND WHEREAS, on January 7, 2011, the Corporation filed an application with the Commission to acquire three provincial parcels. The application again reported that the Corporation leased in a 40.00 acre parcel. However, the Corporation still had not made application to Executive Council for approval pursuant to the Act to lease such land;

AND WHEREAS Executive Council approved the application on February 3, 2011 (Executive Council Order No. EC2011-38);

AND WHEREAS the Corporation's legal counsel was again informed that the Corporation is required to obtain approval to hold land by way of lease, either pursuant to Section 5 or Section 5.3 of the Act;

AND WHEREAS, by Notice of Intention dated April 21, 2011, the Corporation was advised of the apparent contravention and provided with an opportunity to respond;

AND WHEREAS, on May 9, 2011, the Commission received a response to the Notice of Intention from the Corporation. The Corporation's legal counsel advised that upon further review with the Corporation and the Corporation's accountant, the inclusion of the 40 acre parcel of leased lands was in error and should not have been included;

AND WHEREAS, on May 11, 2011, Commission staff contacted the Corporation's legal counsel and accountant to obtain further information;

AND WHEREAS, by way of email dated June 28, 2011, the Corporation's accountant confirmed that the Corporation was in control of 40 acres of leased land and was therefore not in compliance with the Act;

AND WHEREAS, on July 8, 2011, the Commission received an application from the Corporation to obtain approval to hold 2,500.00 acres of land by way of lease, pursuant to section 5.3 of the Act. The application indicated that the Corporation was leasing in 1,833.46 acres of land;

AND WHEREAS Executive Council approved the application on July 26, 2011 (Executive Council Order No. EC2011-373);

AND WHEREAS the Commission has fully considered the original application, the Notice of Intention and the Corporation's legal counsel's response to the Notice of Intention and other relevant material before it;

THE COMMISSION HEREBY FINDS that the Corporation has contravened the Act by leasing in 1,833.46 acres of land prior to receiving Executive Council approval pursuant to the Act;

THE COMMISSION HEREBY IMPOSES, pursuant to clause 15.1(1)(a) of the Act, a penalty in the form of \$600.00 for the aforementioned contravention of the Act;

THE COMMISSION HEREBY FIXES September 30, 2011 as the date by which the Corporation must pay the \$600.00 penalty.

DATED at Charlottetown, Prince Edward Island, this 18th day of August, 2011.

BY THE COMMISSION:

Allan Rankin, Vice-Chair

John Broderick, Commissioner

Ferne MacPhail, Commissioner

Jean Tingley, Commissioner

TAKE NOTICE that any person or corporation that has contravened section 2, 4, 5, 5.3, 6.1 or 6.2 is liable to a penalty, pursuant to subsection 15.1(1) of the Act, of not more than \$10,000;

Subsection 15.1(3) reads as follows:

If any person or corporation fails to pay any penalty imposed by the Commission within the time fixed by the Commission for the payment of the penalty, the Commission may make application, without notice to the person or corporation, to a judge of the Supreme Court for an order that judgment for the amount of the penalty or any unpaid portion of the penalty may be entered in the court against the person or corporation.

AND FURTHER TAKE NOTICE that section 12 of the *Island Regulatory and Appeals Commission Act* reads as follows:

12. The Commission may, in its absolute discretion, review, rescind or vary any order or decision made by it or rehear any application before deciding it.

Parties to this proceeding seeking a review of the Commission's decision or order in this matter may do so by filing with the Commission, at the earliest date, a written Request for Review, which clearly states the reasons for the review and the nature of the relief sought.

Sections 13(1) and 13(2) of the **Act** provide as follows:

13.(1) An appeal lies from a decision or order of the Commission to the Court of Appeal upon a question of law or jurisdiction.

(2) The appeal shall be made by filing a notice of appeal in the Court of Appeal within twenty days after the decision or order appealed from and the rules of court respecting appeals apply with the necessary changes.

NOTICE: IRAC File Retention

In accordance with the Commission's Records Retention and Disposition Schedule, the material contained in the official file regarding this matter will be retained by the Commission for a period of 2 years.