

Co-ops and Farmer Ownership in Canadian Agriculture



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Co-ops...

Serving Canadian farmers for over 100 years

- ◆ First agricultural co-ops formed as early as the 1880s – in the Prairies and in eastern Canada
- ◆ Most started with marketing of grain, dairy, livestock and other commodities – to ensure a fair price for farmers
- ◆ Farm supply co-ops soon arose – to help reduce input costs
- ◆ Co-ops continued to evolve to meet farmer needs



Co-op Benefits for Members

- ◆ Allows independent producers to compete in the marketplace – through collective purchasing and marketing
- ◆ Members pool resources and risk
- ◆ Members benefit according to use of the co-op
- ◆ One member – one vote



Co-op Benefits for Communities

- ◆ Provides local jobs and economic opportunities
- ◆ Retains local wealth through distribution of patronage dividends
- ◆ Retains local ownership and control
- ◆ Builds local leadership and business skills
- ◆ Promotes community sustainability



Co-ops in Agriculture

Farm Supply	Marketing	Production	Service
Agri-supply	Dairy	Grazing	Soil Conservation
Feed Mill	Grains & Oilseeds	Farming	Seed Cleaning
Farm Petroleum	Fruits & Vegetables	Machinery	Farmer's Market
	Cattle & Hogs	Animal Reproduction	Research
	Poultry & Eggs	Milling	
	Honey & Maple	Other Value-added processing	

Source: Co-operatives Secretariat, Government of Canada



Co-ops in Agriculture

- ◆ B.C. Fruit Growers
- ◆ B.C. Livestock Producers
- ◆ United Farmers of Alberta
- ◆ Bee Maid Honey (AB, SK, MB, ON Honey Producers)
- ◆ Federated Co-operatives Ltd.
- ◆ Western Co-op Fertilizer
- ◆ Granny's Poultry Co-op
- ◆ GROWMARK Inc.
- ◆ Ontario Natural Foods Co-op
- ◆ Co-operative Research Farms
- ◆ Gaylea Foods Co-operative
- ◆ Georgian Bay Fruit Growers
- ◆ Coopérative Fédérée de Québec
- ◆ Agropur
- ◆ Exceldor
- ◆ Co-op Atlantic
- ◆ Scotsburn Co-operative
- ◆ Farmer's Co-operative Dairy Ltd.
- ◆ ACA Poultry / Eden Valley Farms
- ◆ Atlantic Beef Producers
- ◆ Scotian Gold Co-operative



Impact of Co-ops

In 2004...

- ◆ 1143 active agricultural co-ops
- ◆ 362,841 members
- ◆ \$14.3 billion in annual revenue
- ◆ Over \$2 billion in member investment
- ◆ More than \$222 million returned in patronage dividends



Source: Co-operatives Secretariat, Government of Canada

Key Success Factors for Co-ops

- ◆ Organizational Structure
- ◆ Shared Vision and Commitment – among Managers, Directors and Members
- ◆ Member Training and Education
- ◆ Capitalization Tools
- ◆ A Culture of Innovation and Adaptation



Innovation and Opportunity

Some Recent Co-op Innovations ...

- ◆ New Generation Co-ops and Other Structural Models
- ◆ Machinery and Farm Labor Co-ops
- ◆ New Co-op Ventures in Organics and Niche Markets
- ◆ Existing Co-ops Expanding Services to Members
- ◆ New Development Models



New Opportunities for Co-ops

- ◆ Biofuels and other Renewables
- ◆ Organics and Specialty Foods
- ◆ Livestock Facilities
- ◆ Packing Plants
- ◆ Agri-tourism
- ◆ Environmental Management



Development Supports Required

- ◆ Co-ops have served farmers for over 100 years – in supply, marketing and production
- ◆ They have proved to be an effective tool to move farmers up the value chain
- ◆ Co-ops have some unique development needs... and they require support in the start-up phase



Development Supports Required

- ◆ Policy commitment to farmer and community ownership in the industry
- ◆ Access to information and research
- ◆ Funding for feasibility studies and business plans
- ◆ Co-op technical assistance – such as Ag-CDI
- ◆ Capital tools



Co-ops in the Developing World ... sharing what we know



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