Global food prices reached new highs in February, a United Nations food agency said Thursday, warning that oil price spikes could provoke further increases.

Skyrocketing food prices have been among the triggers for protests in Egypt, Tunisia and elsewhere and raised fears of a repeat of the food price crises in 2007 and 2008.
The global food crisis: The reckoning we unwisely ignore

March 02, 2011
David Olive

Worldwide, poor or non-existent harvests have driven world corn prices up 87 per cent over the past year. Wheat prices have jumped 74 per cent. The escalating price of corn, used in everything from cooking oil to cattle feed, is pushing up prices across the board — for beef and poultry along with baked goods.

In the main, this is a climate-related crisis, traced to drought in major grain exporting nations Russia, China and Argentina, and to epic flooding in Australia and Canada.

The traders have seen the value of their food-related investments triple in value, to $5.7 billion, in the three months to Dec. 31 over the previous quarter.
Skyrocketing global food prices are about to hit home.

George Weston Ltd., WN-T the baked goods giant, will raise prices by an average of 5 per cent starting April 1, as it grapples with mounting costs due to soaring prices of commodities such as wheat, sugar and oil. More price increases could be in the offing later this year if commodity costs continue to climb.

George Weston's fourth-quarter profit rose 23 per cent to $101-million, or 70 cents a share, from $82-million, or 52 cents, a year earlier.
Share of Farm Revenue
(Canada: 1985 to 2009)

99.6%

0.4%
Farmers’ Share of Food $
Top Canadian Food Retailers (2010)

- Loblaw
- Sobeys
- Metro
- Costco
- Safeway
- Walmart
- Co-ops
- Overwaitea
- Couche-Tard
- Shoppers
An agriculture based upon intensive work, local energies, care, and long-living communities – that is, to state the matter from a consumer’s point of view: a dependable, long-term food supply.

Wendell Berry, *The Unsettling of America* (1977)

In the future we shall need extensive long-range democratic planning, co-operatives, and for the most part relatively small or mid-sized mixed organic farms that receive significant public support and are encouraged to support each other through various types of co-operative arrangement.

The Future is Here!
Co-ops Around the World

- One billion people
- Driven by principles and values
- 100 million jobs
Co-operatives are democratically controlled businesses that serve members not solely in economic terms, but also in the larger social, cultural and environmental scope.
Co-operative Membership in Canada

Percentage of Population
Co-operatives in Canada

- 10,000 co-operatives
- 40% of Canadians are members
- $160 billion in assets
- Employ 160,000 people
• **Ecology** – from the Greek *oikos* or house. The natural world that humans share with all creatures.

• Human **Society** – from the Latin *socius* or companion. The sum of human activity and conditions that function as an interconnected whole.

• Human **Economy** – from the Greek *oikonomia* or household management. The wealth and resources of a community and how they are organized to meet peoples’ needs.
Co-operative Advantage

1. Motivations:
   - Health & Environment
   - Organic/Sustainable
   - Local connections
   - Fair Trade

2. 2-3 times the survival rate of regular business

3. Co-operation with other Co-ops

4. Pool Resources & Knowledge

5. Shared Values
Ontario’s Local Organic Food Co-ops

<table>
<thead>
<tr>
<th>Development Stage</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-feasibility</td>
<td>7</td>
<td>3</td>
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<tr>
<td>Feasibility</td>
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<td>4</td>
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<tr>
<td>Start-up phase</td>
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<td>8</td>
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<tr>
<td>Established &amp; stable</td>
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<td>7</td>
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<td>Co-op Succession</td>
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<td>1</td>
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<tr>
<td>More than food</td>
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<tr>
<td>Incorporated Co-ops</td>
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<td>15</td>
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<tr>
<td><strong>Total Number</strong></td>
<td>45</td>
<td>23</td>
</tr>
</tbody>
</table>
Local Organic Food Co-ops

1. Bringing local farmers and eaters together directly.
2. Growing and supplying fresh, healthy food locally.
3. Keeping money in the community.
4. Trading fairly.
5. Saving energy, building the soil, and protecting water.
6. Celebrating good food, culture and community.
## Local Organic Food Co-ops

### Financial Forecast Benchmarks

<table>
<thead>
<tr>
<th>% of Sales Benchmarks</th>
<th>Local Organic Food Co-ops 2012-2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Best Case</td>
</tr>
<tr>
<td>Estimated Gross Margin</td>
<td>30.0%</td>
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<tr>
<td>Estimated Net Income</td>
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<tr>
<td>LOFC Estimated Annual ROI</td>
<td>7.9%</td>
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<tr>
<td>ONFC Estimated Annual ROI</td>
<td>9.5%</td>
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<tr>
<td>ONFC's LOFC Investment ROI</td>
<td>3.8%</td>
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<tr>
<td>Food Hubs Estimated ROI</td>
<td>4.2%</td>
</tr>
</tbody>
</table>

CPI September 2011: 3.2%
Local Organic Food Co-ops

Established Co-ops

• $65 million in sales
• 175 farmers, 220 workers
• Hundreds of thousands of eaters