

Agricultural Co-operation in the U.K.

A STATISTICAL BACKGROUND

by

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Among the 555 agricultural Co-operatives counted in the 1980 statistics was the oldest society together with the largest, and both come from the same county. Aspatria Agricultural Society was formed in 1870, a requisite society dealing in feedingstuffs, fertiliser, and seeds. In 1929 the society had over 300 members, and a turnover of £28,000. By 1980 their turnover had grown to £725,000 and the membership was 370.

Down the road in Carlisle is the headquarters of West Cumberland Farmers Ltd., the largest of the multi-purpose societies. WCF was formed in 1911 and by 1929 the number of members had reached 1300, and their turnover was slightly under £300,000. Today the society's trading area extends over a large part of two countries, membership exceeds 20,000 and turnover runs to nine figures; an increasing number of subsidiaries undertake most of the marketing viz. - cereals, potatoes, fruit and vegetables, eggs, poultry, and a wide range of frozen produce.

Development in England

The development of Co-operation in Britain was slow, and in many respects differed from that in Europe where the ideals of such as Raiffeisen led to a burgeoning of Co-operative activity in the 1880's and 90's, and in Ireland where the influence of Horace Plunkett was mainly responsible for the expansion and growth in dairy societies towards the

end of the century. Those countries had their own national organisations to safeguard and progress the aims and interests of Co-operation, whereas societies such as Aspatria had no such representation until the formation of the (English) Agricultural Organisation Society (AOS) in 1901. The AOS lasted for over 20 years and during that time the number of agricultural Co-operatives went from 19 (1901) to 114 (1908), and from 200 (1914) to a peak of 381 in 1920. The harsh economic conditions of the 1920's and 30's hit agriculture particularly hard while the collapse of the AOS left the Co-operative Movement leaderless, and resulted in a sharp decline in the number of societies. By 1947 there were 205 societies in England. In 1980 there are 193 Co-operative societies and 158 Co-operative companies having a total membership of 201,791 and a combined turnover of £1,383 million.

Scotland - Wales - Northern Ireland

The Scottish AOS was founded in 1905, and the Welsh and Northern Irish both followed in 1922. The spread of agricultural Co-operation in each part of the United Kingdom was virtually independent of each other, and continued so until after the second world war. A picture of Co-operative progress over twenty years can be seen in the Table 2 and the position in 1980 is given below in Table 1.

Table 1

	SCOTLAND	WALES	NORTHERN IRELAND
NUMBER OF CO-OPERATIVES	111	77	43*
NUMBER OF MEMBERS	51,883	44,757	29,952
SHARE CAPITAL (£ million)	5.5	4.2	4.0
TURNOVER (£ million)	325.8	99.6	130.4

*includes 26 fishery societies in Scotland and one in Northern Ireland

Agricultural Co-operative Statistics

The official collection of statistics did not commence until the early nineteen fifties, and was carried out by Agricultural Co-operative Association (ACA). The results were published in the booklet - "Statistical Survey of the English Agricultural Co-operative Movement" which appeared annually up to 1967. Prior to 1950 certain statistical data was published in the annual reports of the AOS of Scotland, Wales, and Northern Ireland, while the Year Book published by the Plunkett Foundation consistently carried articles on the state of agricultural Co-operation in England. Indeed, these articles were virtually the only statistical source of information on English Co-operatives to be published since the collapse of the AOS in 1924 till the arrival of ACA in 1945.

The extension of statistics gathering to cover the whole of the UK occurred in 1969 when the Plunkett Foundation was commissioned to do so on behalf of the Central Council for Agricultural and Horticultural Co-operation and the Federation of Agricultural Co-operatives (FAC).

In their first annual report FAC included a summary on societies in the UK and Ireland, part of which is reproduced overleaf and a comparison is made with the Plunkett figures for 1968.

Table 2

	<u>ENGLAND</u>		<u>WALES</u>		<u>SCOTLAND</u>		<u>NORTHERN IRELAND</u>	
	<u>1949</u>	<u>1968</u>	<u>1949</u>	<u>1968</u>	<u>1949</u>	<u>1968</u>	<u>1949</u>	<u>1968</u>
NUMBER OF SOCIETIES	201	276	82	82	64	69	39	49
NUMBER OF MEMBERS	142,227	247,560	42,978	60,590	24,882	48,156	7,830	23,300
SHARE CAPITAL (£ million)	2.9	17.8	0.5	1.4	0.3	1.6	0.1	0.8
TURNOVER (£ million)	47.3	222.9	5.4	19.8	4.8	57.5	4.4	15.5

Over the twenty year period there was an average of 5 new societies each year, number of members increased by 75% while the figures for share capital and turnover were between 5 and 6 times their 1949 figures. The differences would be greater but for the exclusion of the Rabbit Clearance Societies of which there were 731 with over 55,000 members in 1968. Formed in the late 1950's, they expanded rapidly over the next dozen years or so and their decline was just as rapid until today they number less than 200.

Co-operative Companies: Statistics on companies were collected for the first time in 1971, and were published in 1973. One of the problems with company statistics is that the companies themselves are not obliged by law to declare themselves as being a Co-operative, though the advantages of so declaring are such that the general view is that there are very few who do not avail themselves of the status. Integration of society with company statistics took place over the years 1977-78 and aggregate figures of both are now published covering the years 1975 and after.

Marketing Boards: The marketing boards are a form of producer controlled Co-operative; and details of these were included for the first time in the 1980 statistics.

Agricultural Co-operation in the 1980's

While the great debate of "to enter or not to enter" the EEC was taking place in the 1960's there occurred towards the close of the decade a certain amount of amalgamations and rationalisation among agricultural Co-operatives. This process was carried on through the succeeding decade, and with the coming of the EEC a new emphasis was placed on

marketing. This was translated into the growth of specialist marketing groups which were a feature of livestock, and Co-operatives marketing certain horticultural crops, and later extended into potato and grain. As back-up operations the emphasis firmly pointed to improved grading, storage, packaging etc. The federal committed to marketing only became also a major development as the 1970's progressed. The marketing activities of requisite Co-operatives particularly in cereals, and to a lesser extent in potatoes and frozen produce manifested itself in a sizeable extension of multi-purpose operations.

In 1980 there were 555 active agricultural and horticultural Co-operatives in the United Kingdom, and their breakdown by category and other details is as set out in Table 3.

In brief, one in five co-operatives today is involved in supplies, and slightly over 70% are engaged in marketing where the principal activities are in the meat and livestock sector, and the horticulture and grain areas.

The EEC has presented export opportunities which have been availed of by many Co-operatives, examples are - lambs and calves to France and Italy, cow beef to Germany, breeder pigs to Italy, bulbs to Holland, and onions, potatoes and cucumbers.

In conclusion, the table would suggest that agricultural Co-operation in Britain at the start of the 1980's is in a sound state.

Table 3

NUMBER OF CO-OPS.	MEMBERS	TURNOVER	NET PROFIT	SHARE CAPITAL	FIXED ASSETS
		←	£ million		→
SUPPLY AND REQUISITE	144	974.8	19.6	41.4	49.8
DAIRY	16	91.3	3.2	1.7	14.4
EGG & POULTRY	18	88.3	4.0	1.3	3.3
LIVESTOCK	101	279.8	1.5	1.5	4.4
MEAT & BACON	12	155.3	2.8	5.0	10.8
HORTICULTURE	144	153.0	2.7	9.7	17.6
POTATO	26	23.6	0.3	0.2	2.6
GRAIN	45	92.9	1.0	0.1	7.7
WOOL	7	27.1	1.3	2.0	1.5
MISC. MARKETING	42	21.8	0.6	0.1	1.1
SERVICE	30	2.6	0.1	0.1	2.0
TOTAL	555	1910.5	37.1	63.1	115.2

Source Material

- Plunkett Statistics: 1968/69 and 1980/81
- Annual Report 1950 - British Isles Federation
of Agricultural Co-operatives
- Annual Reports of Scottish, Welsh, Northern Irish
AOS's
- Plunkett Year Books for 1926, and 1930
- "Analysis of Agricultural Co-operation in England"
by Joseph G. Knapp
- "The Compilation and Use of Agricultural Co-
operative Statistical Data". A paper from CCAHC.

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