



DECEMBER 2018

# MANITOBA COMMODITY ORGANIZATION AMALGAMATION KEY QUESTIONS AND ANSWERS

---

The following are a few questions that were considered by the Steering Committee:

## ***What will change?***

- The Crop Committee delegate structure will maintain farmer member involvement in the organization
- The organization will also remain administratively efficient with the same number of staff. Streamlining of key operations will occur, including one set of financial statements (not 5), one payroll (not 5), one Annual General Meeting (not 5), and a cohesive communication strategy that would replace multiple newsletters and e-newsletters currently distributed by the five organizations. Those administrative savings will be invested in research, communication and market development initiatives.

## ***Will an amalgamation mean higher administration costs to run the organization?***

- No, administration costs will not increase. The proposed budget of the new organization in year 1 shows general administration costs at 16% of the overall budget.
- The new organization will create efficiency with time and staff, so more time and energy will be spent on research, communication and market development activities.

## ***Will the levy amount change?***

- No, the levy amount deducted by crop type will not change when this new organization is established.

## ***Will smaller acreage crops get lost in a bigger organization?***

- No, the Crop Committee delegate structure and linkage to the Board will ensure that all crops involved in the new organization will receive investment and support.
- The smaller acreage crops will have greater access to shared resources that currently are not available to them.

## ***What if I only grow 1 or 2 of the 5 crops? How will this impact me?***

- Research, communication and market development investments will continue for all crops involved in the new organization. The new structure will allow for more of a whole-farm or cropping system approach to benefit all members.

***How will decisions on research investment for each crop be made?***

- Each of the 4 Crop Committees will determine research priorities for that specific crop. The Board of Directors comprised of farmers will approve the annual research budget.

***Can the Crop Committee structure be changed?***

- The Crop Committee structure will be included into the by-laws to ensure that it stays in place but there will be flexibility to add crops or re-structure the mix of crops and committee size, if needed in the future.

***Can other crops be added in the future?***

- Yes, the design of a new organization will be structured so that other research-focused field crop organizations or new crop types can join in the future.

***How will a Board of 11 farmer Directors do the work of what is currently over 30 farmer Directors for the five organizations?***

- The number of farmers involved in the governance structure organization will be similar to today. Currently there are 35 directors in the five organizations. In the proposed organization there will be 34 farmers Delegates elected to the Crop Committees.
- Both the Board of Directors and Crop Committee Delegates will “share the load” when it comes to committee work and being involved in national groups.
- The Board members will be more focused on governance, overseeing and directing the organization.
- Crop Committee Delegates will focus more on specific issues for each crop.

***Did the Steering Committee consider other options for collaboration other than merging?***

- Several options were discussed during this process, which started in 2016.
- A service model for staff was explored. However, the structure was complex, and no efficiencies would be gained as there would still be five organizations with their respective legal obligations.
- A legal amalgamation of the organizations was determined to be the best option to bring forward to membership for a vote.
- The organizations are already collaborating in many ways such as shared office space and shared staff. This amalgamation is the next logical step to increase efficiency even more.

***Some of the current groups have relationships with national organizations. Will this change?***

- Relationships with national organization will remain in place if there continues to be value for Manitoba farmers in being part of these groups.

***Will the reduction in commodity groups lessen the voice of farmers?***

- The Steering Committee believes we are stronger together and can make members' levy dollars go farther. With a unified and cohesive message, the voice of farmers in Manitoba will be stronger.

***The final vote will occur at the 2020 AGMs of the five associations. Can I still vote if I can't attend in person?***

- No. Legal Counsel obtained by the Steering Committee has indicated that members must vote in-person at the annual general meeting.

***What if one of the organizations does not vote in favour of the resolution at the 2020 AGM?***

- The vote will be "all or nothing". If one or more of the five organizations does not vote to amalgamate, the vote will not be binding. Collaborations already in place, such as shared office space and shared staff positions, will continue.

***If a farmer requests a levy refund for one crop but not their other crops, will that farmer still be a member in good standing of the new organization?***

- No. As with any of the current associations, requesting a refund in part or in whole of the levy contributed to an organization will remove that farmer from the organization's membership.