

## Presentation

The Québec Federation of Forestry Cooperatives gather and represent, in shared interest areas, the totality of forest workers cooperatives, worker-shareholder cooperatives and solidarity cooperatives present in the forest sector of Québec.

Its mission is to create favourable conditions to cooperative development in order to furnish, ensure and create stable and rewarding jobs to the members of the forest cooperatives' network and facilitate the maintenance and development of the enterprises and the network of Québec's forestry cooperatives, in all the province's regions. Its being realized through the following actions:

- Act as representative and exchange forum (consensus building, representation and leadership);
- Support the development of its members in formulating and implementing enabling projects, strategies and action plans, all intended to improve the operating of the cooperatives (cooperative life, certification, capitalization, human resources development, benchmarking, etc.);
- Supply services to members (information, training, professional services, grouped supply, strategic watch, etc.).

To best ensure dialog amongst members and in a fashion to know well their needs, FQCF gathers cooperative representatives in different working groups on recurring or ad hoc specific topics. It also represents forest cooperatives in a numerous boards or committees of forest communities and cooperatives.

Also, through its newspaper, Le Monde forestier, its members are offered a source of information addressing forest cooperatives issues, both in the forest or the cooperative sectors.

At present, with its 40 members, FQCF makes up the majority of forest cooperatives operating in Québec, in all the province's regions. Indeed, Federation's members account for approximately 98% of the total business of forest cooperatives excluding minority shareholders. In 2009, these cooperatives pooled 2,700 members, created jobs for approximately 3,500 individuals and generated revenue totalling over \$250 million.

An 11-member board of directors sets the direction for the FQCF. It is composed of cooperative representatives throughout Québec and from every sector of cooperative activity. FQCF holds an annual meeting that provides a source of motivation for the movement and the opportunity to publicize its existence.



## History

The history of forestry cooperatives is the story of regional empowerment. An integral part of Québec's forestry industry, cooperatives have been in existence for over 65 years. But in the last 25 years there has been a veritable explosion in their activities.

### The birth of forest cooperatives

Forestry cooperatives have a history that the outline and the characteristics match well the history of forest regions' settlement where they are omnipresent. The forestry cooperatives movement appeared at the end of the 1930's. Closely associated with the farmers unions, forestry cooperatives were created to organize work force of the settlers who offered their services in the woods during winter season. During this era, forest cooperatives permitted to improve the fate of these workers who were constrained to earn their living in very difficult conditions. They have constituted an original answer from the local populations who were looking at obtaining a better share of the forestry prosperity.

The very first forestry operations cooperative or syndicate was formed in Grande-Vallée, located in the Gaspé Peninsula, in 1938. The early cooperatives were run to saw and sell lumber for profit. Most of them owned their sawmill. In the following two decades, cooperatives spread throughout Gaspésie and the Saguenay-Lac-Saint-Jean area. By 1946 there were a total of 21.

Woodlot operator cooperatives, another form of organization in the forest sector, appeared in Québec's Northwest. By 1946, there were 20 cooperatives felling timber and transporting logs for major forestry companies.

The number of cooperatives grew at a rapid pace. By 1970, 167 forestry cooperatives had been set up, although only about sixty are still in operation. In general, the main difficulty for forestry cooperatives came from the system of cutting rights which had been extended to major industrial firms, limiting the autonomy of the cooperatives.

### Consolidation

A turning point in the history of forestry cooperatives in Québec came in 1977 with the government's policy for their development. Consolidation of forestry cooperatives was the aim, in order to limit their number to a single cooperative per management unit on public land. The government recognized the importance of forestry cooperatives and their role in recruiting and training needed forestry workers, a situation that has not changed.

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The government also adopted an approach that encouraged reserving a portion of the supply contracts from certain sawmills to the benefit of forestry cooperatives.

Towards the end of the 1970s and the start of the 1980s, forestry cooperatives in Québec established a basis for further joint efforts. This led to the creation of a legal entity, in the form of a cooperative, the CCFQ, the Québec Conference of Forestry Cooperatives in 1985.

From 1980 to 1985, the government, in line with its policy of support for forestry cooperatives and their role in forestry development, granted the cooperatives the chance to negotiate directly with the government in each management unit for as much as 50% of the work undertaken on public lands. This government decision was renewed for an additional five years in 1985.

### **Diversification and development of forestry cooperatives**

In the middle of the 1980s, the government undertook a major reforestation program. With their expertise, forestry cooperatives benefited from these government initiatives becoming involved in producing seedlings for reforestation and intensifying their silviculture operations. In 2005, the coops have collectively reached the level of one billion seedlings planted on Québec's public lands. These new activities were added to their main activity of timber harvesting.

Since 1990 and the coming into force of provisions of the Forestry Act, government policies have changed but cooperatives continue to carry out a significant part of the silviculture contracts on public lands.

Evolution in forestry practices means that Québec currently depends more on natural regeneration of forests. As a result, reforestation efforts are being scaled down. Forestry cooperatives that produce seedlings have therefore cut back on production.

Also, at the end of the 1990's and in the beginning of the new millennium, forestry cooperatives, while strengthening their harvesting efforts, have also invested more than ever in processing facilities. New sawmills have been built, existing sawmills modernized. Construction of new sawmilling plants, upgrading of existing facilities, acquisitions and partnerships have seen the day for forestry cooperatives and industries during this phase of economic growth.

From 1990 to 1998, lumber produced by sawmills owned in part or in full by forestry cooperatives rose from 170 to 500 million board feet. Other initiatives related to value added processing to create jobs also took place during the last boom period.

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However, due to the crisis of the sector in the last years, mostly due to the softwood lumber conflict and the diminishing margins of profitability, coops have experienced a severe slowdown in the processing activities. Capitalization difficulties and a growth sometimes badly controlled resulted in that some coops were not able to maintain the property of the assets and many mills of the ownership of cooperatives closed down or were cedes to other interests. Notwithstanding, business partnerships between coops and forest industries continue to favour the sustainable involvement of coops in the processing file.

In focussing the activities around forest management, forestry cooperatives are nowadays developing expertise in forestry methods and techniques since they play an increasingly important role in forestry planning. They are also involved in joint management encompassing various resources as they are involved in inhabited forest projects and cooperate with other users of forest resources. They are exploring environmental certification for best forestry practices.

Thanks to government programs, as presently with the support of Emploi-Québec, they are also training, on-the-job, numerous new forest workers.

In recent years, in a close cooperation with SOCODEVI (Society for International Development Cooperation), their experience has benefited to cooperative international forestry development projects.

Forestry cooperatives are an important part of the forest sector in Québec. Their involvement in their region and their years of experience mean the future can be envisioned with confidence. The phenomenal growth of the last decades has not altered the fact that forest cooperatives remain organizations that are controlled by their members and whose main goal is to contribute fully to sustainable development in their own region based on the range of forest resources.

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