

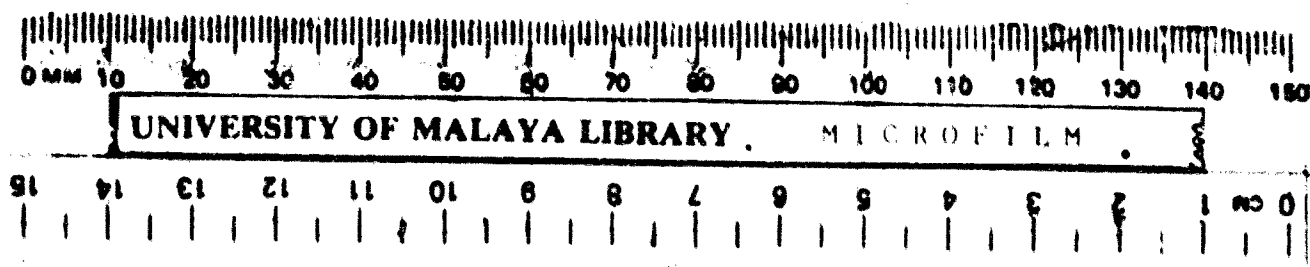


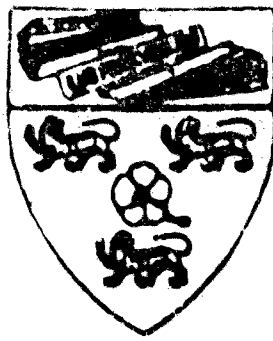
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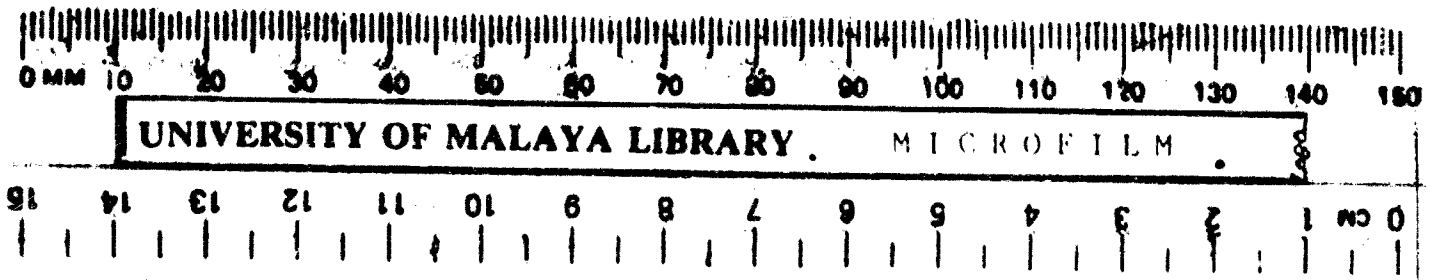
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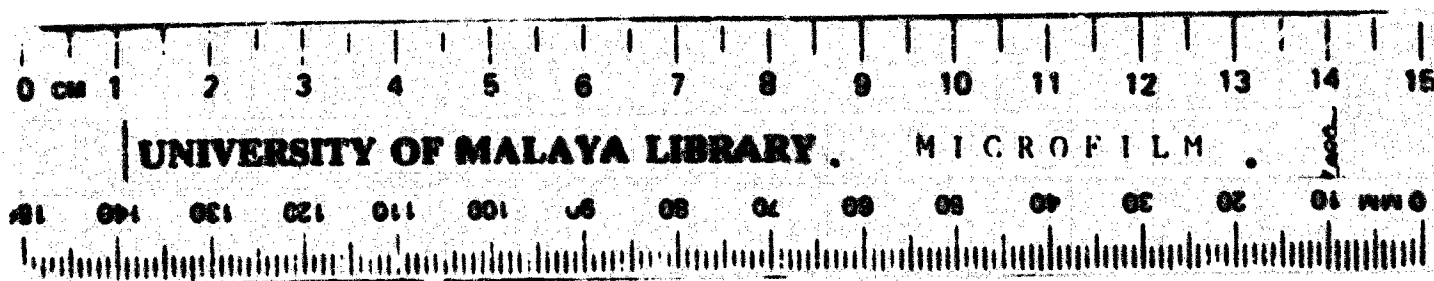


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ASPECTS OF MARKETING FROM PRODUCERS' PERSPECTIVE
IN BLOCK 83 OF SEMENAN

by

TENOKU ALI B. TENOKU YUSOF



SYNOPSIS

Study

This exercise is divided into six chapters. The first introductory chapter is devoted to the description of the area under study, together with the crops grown by the farmers of Block S3 in Sekinchan. In the following two chapters, the various off-season crops grown prior to the implementation of double cropping are dealt with. Topics discussed are mainly on the various aspects of marketing. Maize, being the major off-season crop, is discussed in greater detail, the emphasis being on marketing channels, marketing services and facilities, and pricing. In the following chapter, the other off-season crops namely, sweet potatoes, chillies, long beans and yams are dealt from the same angles as maize. For long beans and yams, the description is very brief due to the lack of information, especially on prices.

done in the month of 10/11/1961

The three chapters on padi is discussed from many aspects, namely harvesting, storage, marketing channels and structure of market. Pricing of padi have also been included and emphasis have been given to the manner by which a farmer is paid for his produce. A comparison is made between the prices paid by co-operatives and private dealers together with the circumstances which have led to the sale of padi to unlicensed private dealers.

Finally, a brief note is made on double cropping with padi. Problems of double cropping are discussed. The basis of discussion is mainly on the total income obtained by the farmer before and after double cropping.

10/11/1961

ACKNOWLEDGEMENTS

I should like to express my sincere thanks to my supervisor, Dr. M.C. Agarwal for all his helpful advice and criticism during the course of the field work. Much of the difficulty in working on a subject without a ready access to literature has been overcome by the thoughtful consideration of my friends who have helped me in finalising this exercise. To them I owe a special debt of gratitude.

Special acknowledgements are due to the typists (Che Jaliah and Inche Noran) who have sacrificed their time and energy in typing this exercise.

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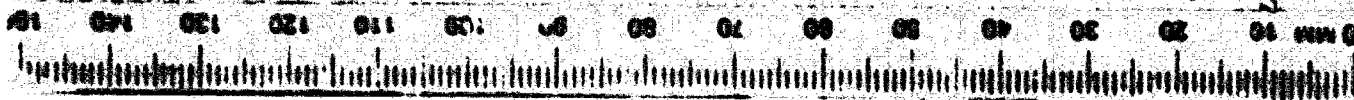
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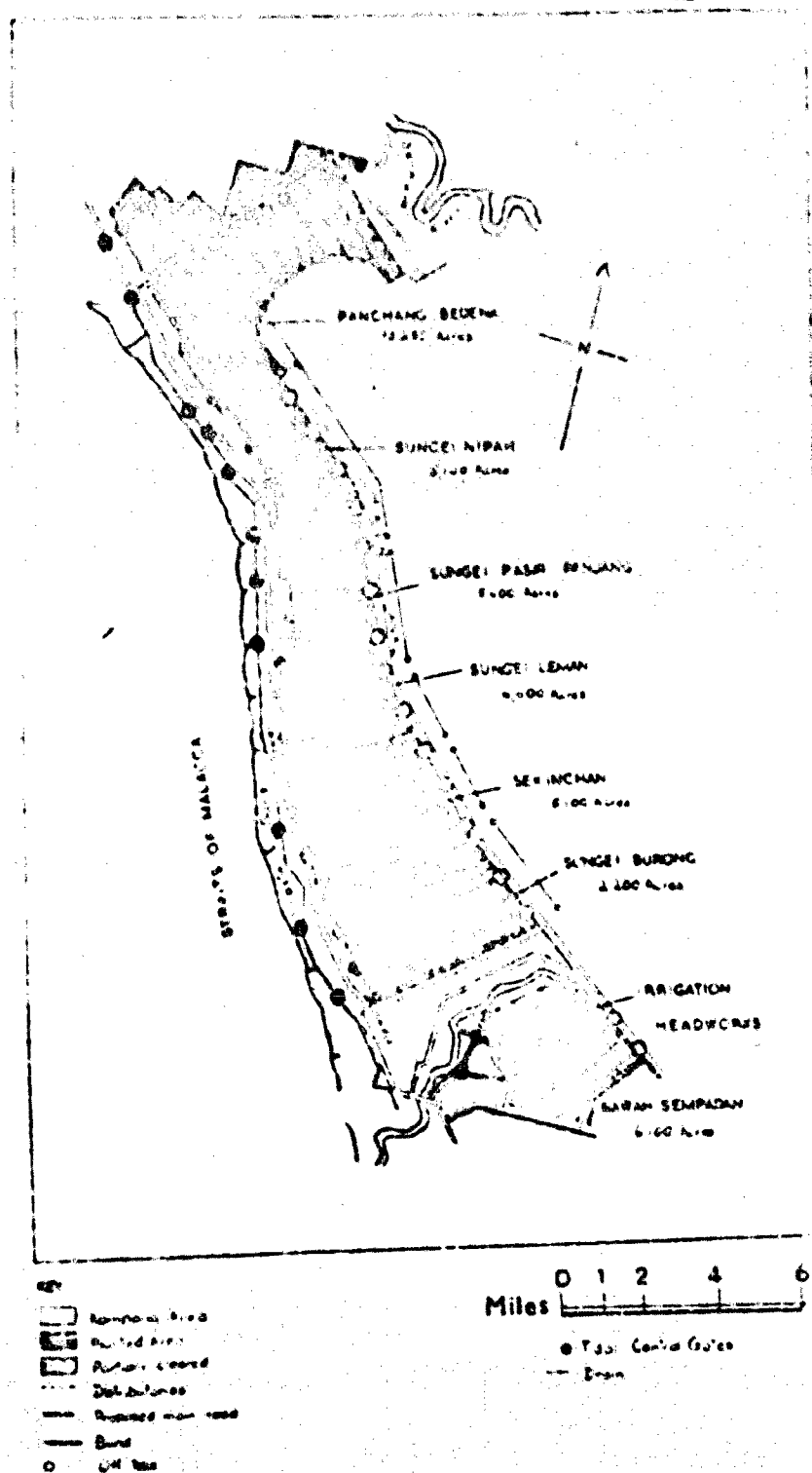
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MAP 1
THE TANJONG KARANG IRRIGATION SCHEME



Source:

Elena M. Cooke,
Rice Cultivation in Malaya,
Page: 29.

CHAPTER I

INTRODUCTORY

There are several ways by which a student can study the various aspects of marketing. The most popular among them is to go through a number of text-books and try to picture this wide subject from the inner walls of classrooms or libraries. However, this will give a distorted picture and the student may lose his bearing in this broad and changing field. This is true in the case of agricultural marketing which embraces a variety of products, most of which are national in scope. As such it would be advisable for a student to approach this subject from two angles. Firstly, he should be familiar with the fundamental outline of marketing which are readily available in books and secondly, proceed to see it occur in real life. This means that the student should conduct field work under the close supervision of competent hands. It is interesting to note that the field work would reveal the true nature of agricultural marketing in a particular area of study. In other words, the knowledge and practical experience achieved during the field work will help the student to understand this subject of agricultural marketing.

Objective of Study

The prime purpose of this exercise is to briefly outline the various aspects of marketing of padi and other crops grown in Block S3 of Sukinchan. While emphasis is given on the marketing of padi, other off-season crops such as maize, sweet potatoes, chillies, yam and long beans are dealt with.

Since the introduction of double cropping, the position of the farmers have changed considerably. Patterns of cultivation of crops have changed too. As such, this exercise is an attempt to find out how far the farmers have oriented themselves to this new way of life. They have now switched over to double-cropping of padi and it would be interesting to find out the benefits that they have attained, and if any, the difficulties that they have to face.

In the second and third chapter, the various off-season crops grown prior to the introduction of double cropping are dealt with. The marketing channels, services and facilities for all the off season crops are discussed, together with pricing.

An outline of the aspects of marketing of padi in Block S3 would be dealt with in the following 2 chapters. Fundamentally this study aims to present the facts of marketing of padi and then give

a comparison of the position of the farmers before and after the introduction of double cropping.

Area of Study

The survey on which this exercise is based was conducted in Sekinchan. This town is in the district of Kuala Selangor which is regarded as one of the chief padi-producing areas of Malaya. The coastal region which stretches from Telok Anson to Tanjung Karang was once covered with mangrove swamps. It was opened up in the late nineteen-thirties.

Sekinchan has a population of about 10,000 people, the majority of which are Chinese. They are made up of several dialect groups and the break up is as follows:-

TABLE 1.1
POPULATION OF SEKINCHAN

Dialect-Groups	% of Total Population
Cantonese	41.5
Hokkien	33.0
Teeohew	12.0
Hakkas	10.0
Hainanese	3.0
Indians & Malays	0.5
Total	100.0

Historically, the Chinese migrated to this area in small numbers from near-by towns and districts in the early thirties and forties. However, there are also those who came direct from China, their trip being sponsored by relatives and friends who were already living in Sekinchan. During the survey the writer came across "fresh" arrivals from China who refused to utter a word when questioned.

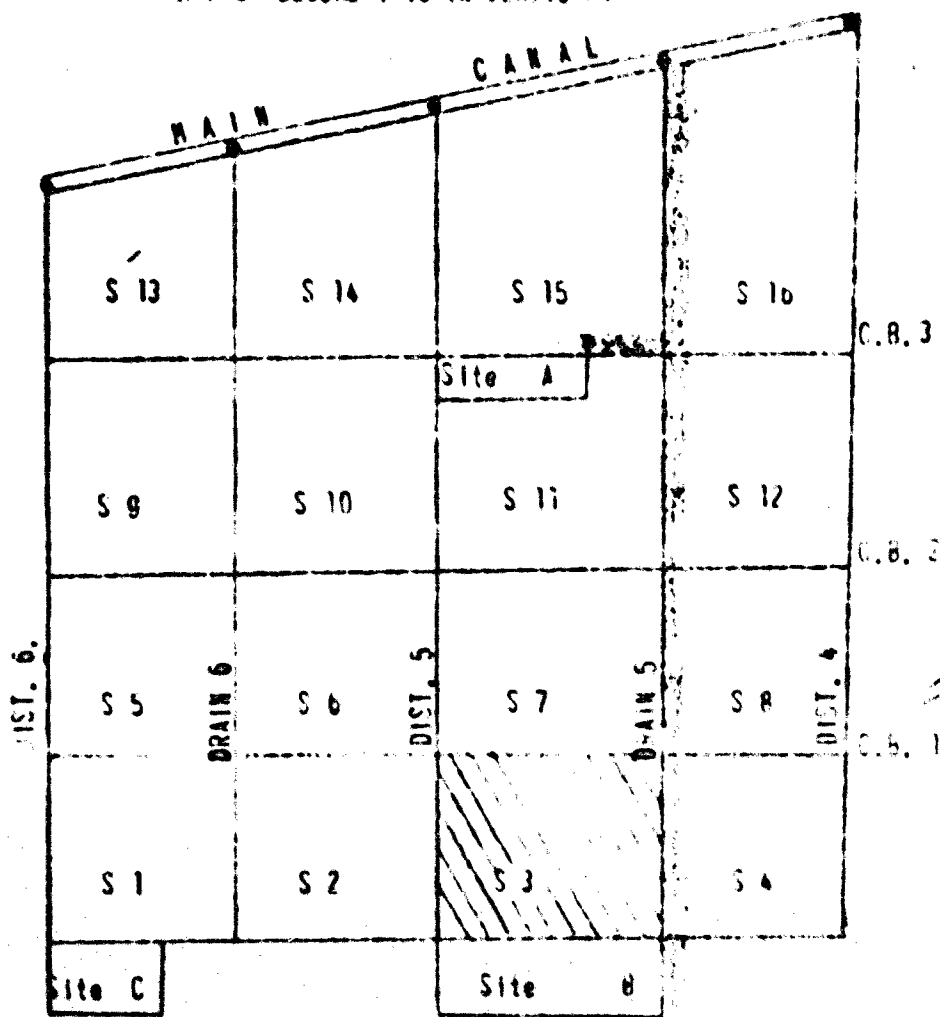
Ninety-five per cent of the Chinese population in Sekinchan is engaged in agriculture. The land that they work on may be their own or belong to a land lord. The land lord rents out the land to a tenant either on an annual basis or on a seasonal basis. It has been found out that there is no uniform rate of rent for a lot of three acres. It varies from \$400/- to \$600/- per year. In some case the lot is rented out for only a period of six months; hence, the tenant is able to cultivate one crop of padi only. Such a relationship is rare because the tenant would not be able to recover his losses if his only crop of padi or vegetables or maize turn out to be below expectation. As such to be on the safe side the tenant rents the

land for at least a period of one year.

Another notable feature of this tenant-landlord relationship is that the tenants and the landlords are related to each other either by birth or by marriage. This has some effect in the rent that is paid out to the landlord. A certain degree of flexibility is present when the subject of rent is determined. It is agreed upon only after the harvest of each crop is based on the nature of the harvest. If the harvest is good a bigger amount of rent (never exceeds \$600/- per annum for a lot of three acres) is paid to the landlord and vice versa. We can come to the conclusion that the rent for a piece of land of three acres is a little lower if the tenant and the landlord are related to each other.

The total cultivated area in Sekinchan under the Tanjung Karang Irrigation Scheme is 5,100 acres which is further sub-divided into sixteen blocks, called S1 to S16. Each block is divided into lots of 3 acres each and is separated from each other by bunds and drains as shown in the sketch-map.

MAP 2
MAP OF BLOCKS 1-16 IN SEKINCHAN



Main Road

C.B. = Cross Band

DIST. = Distributary

The main communication within the blocks is the first class metalled road which acts as boundary between blocks S3 & S4, S7 & S8, S11 & S12 and, S15 & S16, as shown in the map above. Besides that bunds have been built parallel to the drains and distributaries which can only be used by bicycles. /line

Three 'camps' or villages have been established for the farmers to stay. They are called Sites A, B and C/are located to the south of the blocks S3 and S1 respectively while Site C is situated in Block S11. Besides these three villages, there is another village called Kampong Bagan which is situated very close to the sea. This village is mainly populated by the Chinese too, but their main occupation is fishing. Some of them own a few pieces of land in the blocks. /which

Block S3

The particular block chosen for this study is Block S3. This block has a total area of 240 acres and is sub-divided into lots of three acres each. A total of 26 lots have been chosen for sampling and the owners of which have been interviewed. The samples were based on availability of the farmers. In some instances, it was very difficult to contact the farmers due to the fact that most of them were not at home or unco-operative. As such the only possible way was to go to the field and choose the lots whose owners or operators were present in the field. Interviews were held on the spot and it should be remembered that it was conducted in both the Malay and Chinese languages. Due to this language difficulty, an 'interpreter' used to accompany me on my visits to the farms.

Immediately to the south of Block S3, is the village called Site B. The majority of the owners and operators of the lots chosen were living in this village. Thus, the distance between the farms and the houses of the farmers can be considered as being quite close since the maximum distance between these two areas is less than a mile. However, three of the farmers were, at the time of the survey, living in Kampong Bagan.

The owners and operators of the 26 pieces of land chosen are from different Chinese dialect groups. On page 5 is a table showing the number of farmers together with the dialect spoken by them. Almost half of them are Teochews. This can be explained by the fact that the 'interpreter' who was together with me is a Teochew. Of the twelve Teochews, nine of them are strictly farmers while the other three who stay in Kampong Bagan are fishermen. These three do, however, possess their own pieces of land and plant padi. But before the introduction of double cropping their land were left fallow after the harvest of the main crop that is padi.

Each of the twenty-six farmers own a plot of 3 acres. Therefore, the total acreage owned by the twenty-six farmers is 78 acres. The absence of a farmer owning more than three acres can be

explained by the fact that the government restricts the acreage of land that can be owned by a farmer. However, there was a farmer who claimed that he owned a total area of 60 acres (20 lots) and no action was taken against him. These sixty acres happen to be dispersed all over the blocks and in Block S3, he owned a total area of 12 acres. Now he managed to get these 60 acres was something that he was unwilling to explain. But he pointed out that he got it through direct purchase and through the settlements of debts due to him.

TABLE 1.2
DIALECT-GROUP OF FARMERS

Dialect Group	No. of Farmers
Teochews	12
Hokkien	5
Cantonese	8
Khak	1
Total	26

Table 1.3 shows the acreage of land owned by each dialect group. All the farmers cultivated padi as the main crop and before the introduction of double-cropping, the majority of the farmers planted, maize, sweet potatoes, yam, long beans and chillies as the off-season crop. But when double cropping was introduced in March 1965, all the farmers have been forced to plant padi twice a year. This is applicable to all the blocks with the exception of Blocks S13 to S16 because of the 'infertile' nature of these four blocks.

As has been stated, the fall wing crops were grown before the introduction of double cropping as off-season crops. They are maize, sweet potatoes, yams chillies, and long beans in order of importance. It should be noted that each farmer need not necessarily plant one off-season crop only. There are some who planted more than one and the maximum number of off season crops grown by each farmer was three. Three farmers did not plant any off season crop because during that period, they go out fishing.

TABLE 1.3
ACREAGE OF LAND OWNED BY EACH DIALECT-GROUP

Dialect Group	No. of Acres
Teochew	36
Cantonese	24
Hokkien	15
Khak	3
Total	78

Maize was the most important off-season crop grown by the farmers. Out of a total of 78 acres, $31\frac{1}{2}$ acres have been planted with that crop. This is clearly shown by Table 1.3. Next in importance is sweet potatoes which covered an area of 4 acres while yam is next with 3 acres. Chillies and Pachang Panjang were planted over an area of $2\frac{1}{2}$ and 2 acres respectively. When added, the total cultivated area for the off season would be 56 acres. The remaining 22 acres were left fallow. Each crop will be dealt with individually in Chapter 2 and 3.

TABLE 1.4

ACREAGE OF OFF-SEASON CROPS

Crop	No. of Acres
Maize	$31\frac{1}{2}$
Sweet Potatoes	17
Yam	3
Chillies	$2\frac{1}{2}$
Long beans	2
Total	56

The above description is a general outline of the various crops grown after each padi harvest before March 1965. After that date every farmer was forced to cultivate padi twice a year. This was done in view of the fact that the present government policy is to reduce the import of rice and perhaps in years to come, Malaysia would be self-sufficient in rice. During the course of the survey, every farmer have had experienced the advantages and the drawbacks of double cropping. This will be discussed in greater detail in Chapter 4, 5 & 6, and the emphasis would be on the aspects of marketing padi.

MAIZE

Before the introduction of double-cropping of padi, maize has been one of the main off-season crops grown by the farmers of Sekinchan. This off-season crop is grown mainly for the purpose of supplementing their income. Although it is not the staple food, maize is widely consumed by the Malayan public and as such there is a market for it. Besides this maize is used for feeding poultry and pigs.

The question arises as to why the farmer chooses maize for his off-season crop. In making the decision, a farmer is strongly motivated by the amount of profit that he can make. As the farm manager, he considers the efficient organisation and skilful operation of a farm for the purpose of securing the maximum continuous profit consistent with the welfare of the farm family.¹ Furthermore, the soil is conducive for the cultivation of maize. But the most important factor is that there is a ready market for the crop.

Production

Harvesting of padi usually starts in the middle of March and continue until early April. Within a period of about three weeks the farmers would have completed harvesting. The remaining stalks of padi are cleared with a "changkol" or hoe. It is then dried in the sun for a day or two and when there is no moisture left, the stalks which have been up-rooted are burnt. This adds a certain amount of manure to the soil.

When the field is cleared, the maize trees are planted at a distance of about 2½ feet to 3 feet apart. It should be noted here that the farmers try to plant as early as possible because an early plucking season would mean that a higher price would be paid for his produce. As such, as far as possible each one is trying to outwit the other so that they could sell the maize when supply is limited.

Usually, the planting season for maize starts as early as the first weeks of April and by the end of May, the field would be covered with the off-season crop whatever it may be. But in Block S3 of Sekinchan, the majority of the farmers plant maize. Out of the total number of 26 farmers interviewed, 16 of them planted maize as the main off-season crop as shown in table 2.1. The total acreage under maize was 3½ acres.

¹H. C. M. Case & P. E. Johnston: Principles of Farm Management: p. 3.

TABLE 2.1

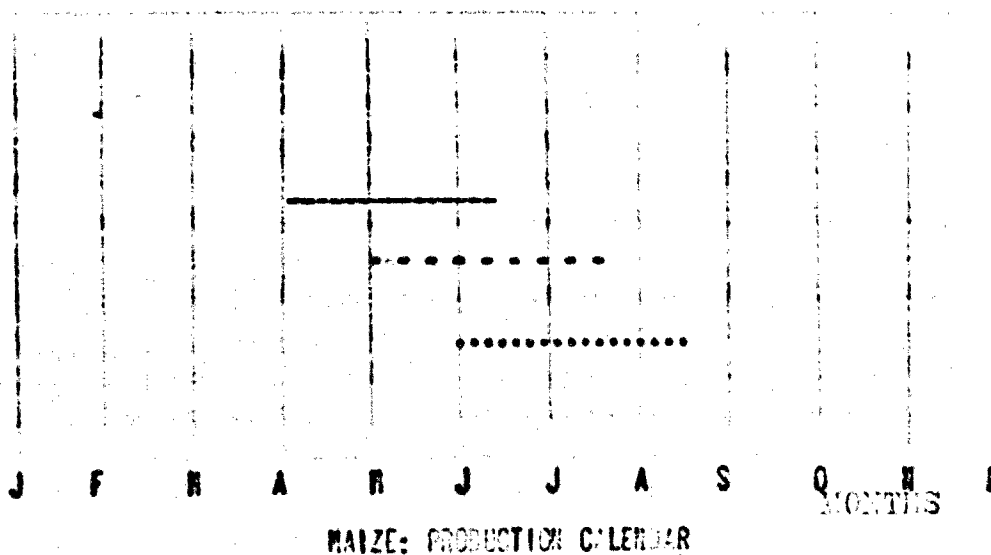
ACREAGE OF MAIZE GROWN BY THE FARMERS

Acres	No. of farmers
0 but less than $\frac{1}{2}$	0
$\frac{1}{2}$ " " " 1	0
1 " " " $1\frac{1}{2}$	5
$1\frac{1}{2}$ " " " 2	1
2 " " " $2\frac{1}{2}$	5
$2\frac{1}{2}$ " " " 3	0
3 or more "	5
Total	16

From the above table, several deductions can be made. Firstly, a total of ten farmers did not cultivate any maize at all. They have invariably chosen the other alternative crops such as sweet potatoes and vegetables. Secondly, most of the farmers cultivated less than $2\frac{1}{2}$ acres of maize and the remaining farmers fully utilized their 3-acre plots for maize.

The 11 farmers who cultivated less than 3 acres of maize, have in fact used the remaining plot of land to cultivate another crop. For examples, if a farmer have planted 1 acre of maize only, the other two acres have been devoted to vegetables or sweet potatoes. This apparently shows that the farmer who planted more than two off-season crops in his plot, have to do more work. He has to prepare his plot for two crops and if he did not have the manpower, his planting period would have been delayed.

CHART 1



Normally, a farmer would start planting in early April. However, there is some flexibility to this rule. It has been found out that there are 3 planting periods namely in early April, early May and early June as shown in Chart 1. The absence of uniformity in the planting period of off-season crops is due to several factors. It is possible that a farmer did not complete his harvest according to schedule. The delay may have been 'cumulative'. A delayed trans-plantation of padi have caused a late harvest which in turn leads to a slow start in the cultivation of the off-season crop. It has also been discovered that the farmer who cultivates more than one off-season crop usually takes more time to prepare his field. As he is planting two crops, he is forced to divide his plot into two and make the necessary preparations for the two respective crops. For example, if he were to plant 1 acre of maize and 1 acre sweet potatoes, more time and labour would be devoted to sweet potatoes because he has to prepare ridges for the crop.

After the planting period is over, the farmers have to wait for about 70 - 75 days before the maize are ready for plucking. During that time, he would either engage himself in another part-time job or spend most of the time looking after his maize plot. Most of the farmers apply fertilizers to their crop and the fertilizer used is sulphate of ammonia. Those who are not engaged in any part-time job usually have to spend their time looking after their poultry and pigs.

Marketing Function

Basically, there are 3 marketing functions namely that of assembly, preparation for consumption and distribution. The first step in the sequence of operations which comprise agricultural marketing is the collection of produce from individual farms². The produce is then collected at a convenient place to attract buyers and permit the use of transport and processing facilities on a larger and economical scale. The function of assembly may also include some preliminary processing and packing to facilitate transport to more distant markets.

It has been noted that there are three phases of planting maize in Sekinchan. However, there are also three separate harvesting periods which stretches from early June to mid-August. Thus, the farmers are not in a position to assemble their produce at a convenient place and dispose them at the farm or their houses. They may do so individually, if their collection of maize is large enough. For example, if a farmer has 4 sacks and an adjoining farmer has another four, then a lorry would be sent by a transport agent or a merchant to take the produce. However, this is not usually done in view of the fact that there is no uniformity in the harvesting period.

² Federation of Malaya Agricultural Census 1960 define "A farm as the total area of land used by a farmer for farming operations such as growing crops or keeping livestock.

The only alternative open to the farmer is to put the maize in gunny sacks and carry them on bicycles to their houses. Fortunately, the distance between the farm and houses where the farmers live is only about three quarters of a mile and the presence of the metalled road besides the farm makes the task easier.

Strickly speaking, the only assembly point for maize is in the town of Sokinchon itself where there are two transport companies. Both are transport agents whose function is to carry the produce to other towns for a payment of an nominal sum based on the number of sacks of maize. However, being a transport agent is not their only function. They also merchants who buy directly from the farmer. This transaction between the transport agent/merchant and the farmer will be dealt with in greater detail.

The other two marketing functions namely preparation for consumption and distribution are left in the hands of the transport agent/merchant. The producer does not in any way tamper with the original nature and characteristic of the produce.

Marketing services: Grading & Storage

In the process of marketing, a number of subsidiary services are required. These services are needed in order to facilitate the concentration at convenient points of products originating from farms which are scattered. These products are then converted into a convenient form and then distributed to the consumers.

Grading, according to J.C. Abbot,³ "means the sorting of produce into different lots, each with a substantially the same characteristics with respect to market quality and each bearing its own label or name". The characteristics mentioned above may be size, flavour, degree of ripeness, length of staple or other measurable feature affecting the commercial nature of the product. The primary purpose of grading is to help buyers to select the most suitable produce for the uses they have in mind so that the goods command higher prices than they otherwise would.

When the maize are collected from the farm, the farmers sorted them out into two basic categories. This classification is based not on any scientific criteria but on size. Size is chosen because it is the simplest method of grading the produce.

³Abbot, J.C. Marketing Problems and Improvement Programmes:
FAO Marketing Guide No. 1 p.17.

The first category of maize is that which measures more than 6 inches in length from end to end. They are called the 'big' ones while the second category are those which are less than six inches in length. All sales and transactions are therefore based on size.

When the farmers have separated these two categories, they are placed in different gunny sacks. An average-size gunny sack can hold about 400 pieces of the big ones or five hundred pieces of small ones. These sacks of maize can easily be carried by placing it on the carrier of a bicycle. It is the usual way of carrying the sacks of maize from one place to another.

Storage

Storage of farm products is another essential service which must be performed. This may vary from a few days while a product is awaiting sale, to more than a year when the surpluses of a good crop are carried over to another year. Storage facilities are strongly determined by the character of the product and the climatic environment of place. For example, grains require protection from damp and animal pests. Other products are stored under various specialized conditions.

In Block S3 of Sekinchan, storage of maize for more than a week is never done by the farmers. As far as possible, the farmers dispose it to a transport agent or a dealer, the day following the harvest. Since the harvest is spread over a number of days, the farmers are forced to make regular visits to the place of sale or disposal. For example, if the farmer sends his maize to the transport agent, the person concerned will take note of the amount of maize that has been sent to him.

Although storage facilities (mainly used for storing padi) are available in the majority of the houses of the farmers, they are seldom used for storing maize. This is because of the fact that maize cannot be stored for long periods. If it is stored for a long period the loss of moisture or 'jitime' in the grains decreases the quality of the maize. As such, this requires an early sale or disposal. The usual amount of storage period imposed by the farmers is a night or two after which the produce is sent to the respective dealers or transport agents. When the dealer or agent collects it, he would send it to a near-by town on the same day or the following day depending on the availability of transport. The towns to which the produce is sent include Klang and Kuala Lumpur.

Marketing Agencies

Marketing agencies perform marketing functions and offer marketing services. There is a wide variety of intermediaries and organisations which have found a place in the marketing channels. Each agency is distinguished by the functions and services undertaken, rather than by nature of ownerships.

(a) Country buyers

The first type of marketing agency which undertake the initial work of assembling the product from farmers is the country buyers. In fact, the word 'country' here can be referred as local buyers because they are local men living in the same district as the farmers. There were two main country buyers who dealt not only in maize but also in the other farm products of Sekinchan.

Normally, the country buyers buy from the farmers what ever produce that is brought to him at the prevailing market price. The farmers do not receive his cash immediately after each sale but receives a credit note from the dealer. Any further sales by the farmers to him will be added to previous sales and then a lump sum would be paid to the farmers. Payment of cash is made a few days after each sale, or when all the maize have been harvested and sent to the dealer.

What ever arrangement a farmer and a dealer makes, the time lag between each sale and the payment of cash for the produce always occur. A country buyer pays only when he has enough cash and this delay would certainly cause some hardship to the farmer. A farmer usually looks forward to a good harvest because when he receives the cash payment he would be able to purchase provision for home consumption and farm implements.

(b) Transport agent and merchant

The second marketing agency that provides services to the farmers is a transport agent. In this case there is no outright sale of the maize to the agent. But he is responsible for marketing it to wholesalers in Kuala Lumpur (central wholesale Market). For this, the agent is paid a nominal sum as transport charges by the farmer and a commission paid by the wholesaler. The sum paid for transporting maize from Sekinchan to Kuala Lumpur is \$1/- per sack.

It should be noted here that the duty of the transport agent is twofold. One is to provide the transport and secondly, to find a buyer for the product. The sale to wholesalers in Kuala Lumpur is made by the agent with the consent of the producer, though the price at which it is sold has to be determined by the agent. This is one of the disadvantages that the farmer faces because through lack of information he is not able to instruct the agent the price at

which his product is to be sold. As such, the agent has to make this vital decision. In doing so, the farmers interest should be kept in mind because once the reliability of the agent is questioned or doubted, his business would be at stake. This means that the farmers would no longer sent their produce to him for the purpose of transporting it to any town.

Besides charging the farmer one dollar for every sack of maize, the transport agent is paid by the wholesaler to whom the produce is sold or sent, a commission of three dollars for every sack of maize.

(c) Private dealers

Private dealers are middlemen who do not reside in the town of Sekinchan. Through their own initiative, they come to Sekinchan to purchase maize. These private dealers are usually from Klang or Kuala Selangor. However, their business visits to Sekinchan is not a daily affair. They come and go as they wish depending on the price and availability of the product.

Pricing

As have been described above, the market for maize is made up of a large number of sellers and a few buyers. The sellers are scattered and inorganized while the buyers combine their forces to their own advantage. Thus the farmers sell to a relatively perfect market or to an organized group of middlemen. These combined forces of the buyers reduce the farmers' bargaining power. Such a situation is mainly due to the absence of adequate and inexpensive transport facilities, the lack of market news or prior obligations to dealers.

Prices of maize vary according to the demand and supply of the product. When supply is low the price is higher and when there is an influx in the market, the price would go down.

Basically, there are 3 distinct periods of the rise and fall in the price of maize. As has been stated in the early parts of the chapter, the production calender for maize begins in early April and ends in the middle of August. This does not only apply to the particular Block under study but also to the other Blocks in Sekinchan.

During the first collection of maize which begins in mid-June, the supply is at its lowest because most of the lots which have been planted with maize are not ready for harvesting. This is the time when the farmers would fetch a reasonably higher price in view of the fact that most of the farmers have not started plucking the maize. So during the period from mid-June to the end of June, the price of maize sold to country buyers and private dealers would be around \$24/- per sack⁴ for the bigger maize. This is the best price that a farmer can get for his produce.

⁴One sack can hold 400 pieces of the larger maize. Therefore the price for a piece of maize would be 6 cents.

However for the smaller maize the price for each sack differs greatly. For the period between mid-June to the end of June, the maximum price that a sack of small maize can be sold is \$15/-5. So, the price of maize not only depends on the individual size but also the time at which the sale is made. To those farmers who planted the crop in early April (that is immediately after the harvest of padi), they would be able to sell their produce at the maximum price. However the number of farmers who could do so is very limited. Out of the total of the 16 farmers only 3 of them managed to obtain the maximum price. Another interesting point is that, all of them planted less than 2 acres. From this we can conclude that due to the smaller acreage, a farmer is able to plant his crop earlier than his neighbours and by doing so he could sell his produce at the maximum price of \$24/- per sack of the larger maize and \$15/- per sack for the smaller ones. These quoted prices are for the transactions between the farmer and the country buyers, private dealer or middlemen.

The maximum price does not prevail throughout the season. When the month of July appears, the majority of the farmers would start plucking the maize. Consequently, the supply would gradually increase, the resulting effect would be a fall in the price. So between early July and the middle of July, the price would fall from \$24/- to \$8/- for the larger maize. This sudden fall of \$16/- is a terrible blow to the farmers. But he has no control over it. He does not have the storage facilities nor the means to transport it to a place where he could fetch a higher price. The only available transport facility is from the town of Sekinchan to as far as Kuala Lumpur or Klang and beyond that the farmer has no contacts for transporting it further.

For the smaller maize, the price would fall to as low as \$5/- per sack, that is about one cent per piece.

The rise and fall in the price of maize would end up with a higher price being paid to the late producers who planted the crop in early June. When harvest begins in August, the dealers would be prepared to pay the maximum price of \$24/- and \$15/- per sack for the larger and smaller maize respectively.

The prices of maize can be clearly shown with the help of the two diagrams on the next page. For the bigger and smaller sizes of maize, the trend is for the price to be at the maximum in the period between mid-June and the end of June after which there is a steep fall which occurs between early July and mid-July. When production decreases the prices shoot up again to maximum level.

⁵One sack can hold about 500 pieces of 'small' maize.

It should be noted that there is a time lag between the rise and fall of prices. For example, when the price is at its maximum in the middle to the end of June and before it falls in early July, a 'normal' price is paid for every sack of maize. This has been indicated by the dotted lines in Chart 1 and 2.

CHART: 2

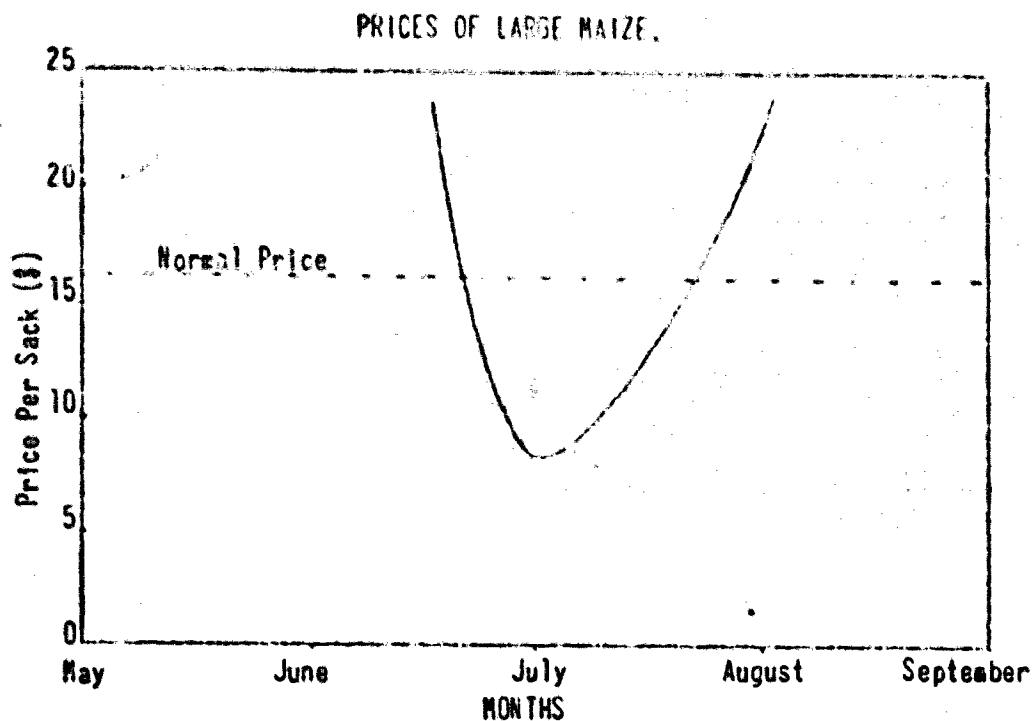
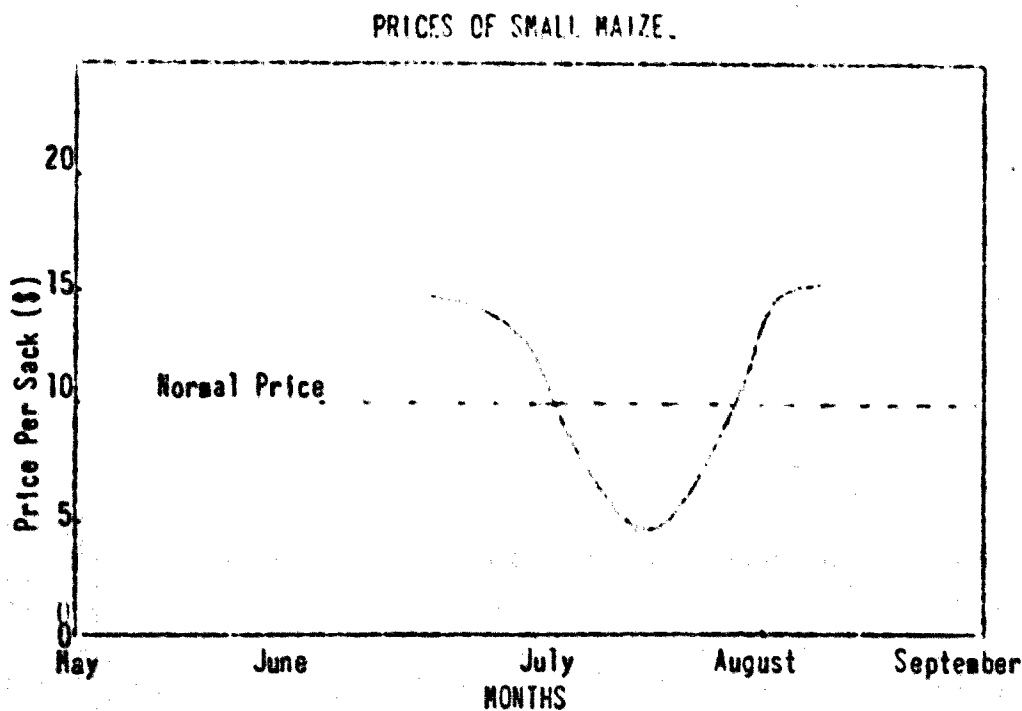


CHART: 3



OTHER OFF-SEASON CROPS

This chapter will be devoted to the various off season crops which were grown prior to the introduction of double cropping.

Sweet Potatoes.

The total acreage which was planted with this crop was 17 acres. This crop will take about 60 to 100 days to mature depending on the variety chosen for cultivation. Two main varieties were grown by the farmers of Block 83 namely: The Red and White Sweet Potatoes. However, the majority of the farmers favoured the cultivation of the red ones because of the time taken for it to mature would be around 60 to 70 days. The second variety would normally take 100 days.

Of the eleven farmers who planted sweet potatoes, only two of them fully utilised his three acre plot for the particular crop. Three of them had two acres each while four had one acre each. The remaining farmers cultivated $\frac{1}{2}$ an acre only. This is shown by table 3.1.

TABLE 3.1

NUMBER OF FARMERS WHO CULTIVATED SWEET POTATOES

No. of Acres	No. of Farmers
3	2
2 $\frac{1}{2}$	0
2	3
1 $\frac{1}{2}$	0
1	4
$\frac{1}{2}$	2
Total	11

From the above table, it is clearly seen that more than half of them cultivated one or less than one acre. This can be explained by the fact that most of the farmers prefer to plant maize because this crop would be able to fetch a better price. Furthermore, it has been discovered that the farmers who planted more than one acre had poultry and pigs. As such, the primary purpose of planting this crop is not to sell it for cash but to feed the pigs. The leaves as well as the potatoe itself is very

suitable for feeding pigs.

Between the white and the red sweet potatoes, the difference lies in the quality and the quantity that each one can produce. The red ones if planted can produce a larger amount of potatoes than the white ones and is believed to be more tasty. But the disadvantage lies in the price at which it can be sold. For a kati of red ones a farmer would be able to sell it at 2 - 4 cents while a kati of red sweet potatoes would fetch a price of 5 cents. The choice between these two, therefore, depends on whether a farmer wants cash for his crop or for the purpose of feeding pigs. If it is grown mainly for sale in the market then the decision is based on his experience. Normally he would plant both the varieties, giving a larger acreage for the red ones.

Grading, Packing, and Storage.

Grading of the two varieties of sweet potatoes is done at the farm. This is not a difficult task because the two varieties were planted separately. When the two varieties have been separated, the farmers choose the larger ones which have not been spoilt and place them in a sack. The smaller size together with the 'rotten' ones are placed in another basket. Those which have been placed in the sacks are sent to the market for sale while the rotten and smaller ones are used for feeding pigs. The sale of sweet potatoes is done by katis and the weight of a large sweet potato would vary from 4 to 8 tahils.

Before the sweet potatoes are placed in the sacks (gunny), the soil which usually sticks to the skin of the sweet potatoes are removed by hand. This is done because there is a possibility that insects may be present in the soil. If it is not removed, the insects will cause considerable damage to the potato and if this is the case, the produce will not be fit for sale. Even if it is sold, it would fetch a lower price.

These sacks and baskets of sweet potatoes are transported to the houses of the farmers by bicycles. They are placed on the carrier at the back of the bicycle. No other form of transport is employed by the farmer to transport the produce to their houses. In the house, the produce is kept for a night before it is sent to the dealer the following day. There is no need for the farmer to store it for more than that period because for each man day, a farmer would be able to collect about 1½ sacks of sweet potatoes.

Pricing.

The sweet potatoes are sent to the dealer in Sekinchan town by the farmers themselves. They transport it by bicycles.

At this point, the farmers will sell to the dealers who will in turn sell it to a wholesaler in Kuala Lumpur or Klang. Prices for the produce depends on the prevailing market conditions. A normal price of 4 cents and 5 cents per kati prevails throughout the market for the white and red sweet potatoes respectively. However, during the period when padi is planted a maximum price of 35 cents to 40 cents is paid for a kati of sweet potatoes. But during the off-season, the price would be high in the month of June after which it falls to its minimum in August. At the end of August the price rises again and will remain to be so until Mid-September.

PRICES OF SWEET POTATOES

Month	Price per Kati (in cents)
Early June to End of June	35 to 40
Early August to Mid-August	4 to 5
Late August to Mid-September	35 to 40
Other Months	20 to 40

Chillies.

A total of 2¹/₂ acres were planted with this crop and the number of farmers who planted was 5. From this, it is clearly seen that each farmer had a half-an-acre plot of chillies. This reflects the fact that chillies is not a very popular off-season crop among the farmers of Block 23.

This crop will take a period of 3 months before the chillies are plucked. The farmers normally wait for the chillies to be fully riped. However, some of them do pluck the green ones for making a kind of sauce. But the quantity is not significant. The plucking season for chillies is spread over a long period of one and a half month to two months. As many as 25 harvests could be made from a 3-acre plot of chillies. The reason is obvious. Not all the chillies will be riped in one day or in one week-and thus the harvest is a draggy process. It requires more man days of work as compared to the other crops, such as maize. However, the peak harvesting period would fall during the third and eight harvest. If the crop is planted in early April the third and eight harvest would fall in mid-July.

Plucking of chillies is done every two days and each man-day, a farmer would be able to collect about eighty katis of chillies during the peak harvesting period. But for the succeeding harvest the quantity would naturally be lower. All the chillies are placed in wooden baskets and carried to the houses of the farmers on bicycles. The chillies are not in any way graded and to preserve

its freshness a little water is poured over it before it is sent to the dealer. The farmer usually sells to the dealer/transport agent on the following day after being kept in the house for one night. During the night the farmer would cover the baskets with a piece of gunny cloth or a piece of paper so that when it is transported to the wholesaler in Kuala Lumpur it will not be exposed to the rays of the sun.

With the exception of maize, the other off-season crops are directly sold to either one of the two dealers/transport agents in the town. The quantity and value for the other off-season crops do not require any elaborate arrangement on the part of the farmer to transport it to the other parts of Malaya. As such, the dealer/transport agent buys the produce from the farmers and make the necessary arrangement for transporting it to his fellow merchants in the other parts of Malaya such as Telok Anson, Ipoh or Seremban.

Prices of Chillies.

Chillies are also sold in term of katics. From an acre a farmer would be able to get about four to five pikuls of chillies. Assuming that he started planting in early April, the first plucking day would fall in the first week of July and by the end of the third week of July, the farmer would have harvested $\frac{3}{4}$ of his crop. Two of the farmers who planted chillies started plucking in early July until the end of July. However, what they collected was not at all riped chillies but those which were still green. According to them, the reason for doing so was to sell it to a sauce manufacturer who will usually appear in the vicinity before the actual harvesting period. Furthermore the sale is motivated by the desire to have some hard cash for the purchase of provisions. Therefore, prices for chillies fall into two categories namely; for those which are riped and for the 'green' chillies.

The prices for green chillies vary from 5 cents to 20 cents per kati. From the beginning of July to mid-July the price would be around 20 cents. After this period the price would fall to between 5 to 10 cents per kati. Ten cents can be regarded as the normal price and between mid-July to mid-August, the price is slightly below normal. The price will fall further as the month of September appear. It will finally settle around five cents per kati.

From the above, an interesting picture could be seen. The trend is that for the price of chillies to be falling as days pass by. This is due to the fact that there is a limited demand for green chillies and as the actual harvest gathers momentum there is no demand at all for the green chillies.

For the red chillies the price paid per kati is a little higher than the green ones. If the crop is planted in mid-April,

the first plucking is done some time in the middle of July. From this date to mid-August each kati of red chillies would fetch a price of about 90 cents per kati. This is the maximum price that is usually paid for one kati when the supply is very low. Immediately after the peak harvesting period, the price would fall to as low as 4 cents per kati, that is during the period from early August to mid-August. Then, when the supply is again restricted after the middle of August, the price would rise again until early September. However, the normal price that usually prevail in the market after the season would be 20 cents per kati. This variation in the price of chillies took place in a short period of one and a half months, rising to as far as 90 cents per kati and slowly declining again to as low as 4 cents per kati.

Yams and Long Beans

These two minor off-season crops were produced on a very small scale. In the case of long beans, it was mainly sold, on a daily basis, to the stall-holders in the local market. A small percentage of the total production was purchased by the country buyer or local dealer for the market in Kuala Lumpur or Klang. Prices paid to the farmers vary between 10¢ to 15¢ per kati. But for yams, a greater percentage of the total production was sold to the local dealer..

At the field, both the products would be placed in separate wooden baskets before they are sent to the dealer or stall-holder. Storage for both the crops was kept to the very minimum and in most cases, they were sold immediately after the harvest. As far as grading is concerned, these two crops are not graded into different varieties.

PADIIntroductory

The Tanjong Karang Irrigation Scheme covers a total area of more than 50,000 acres¹. This area which was once covered with swamp had been drained and irrigated for the cultivation of padi. To-day, this area is one of the chief rice granaries of Malaya. Before March 1965, the farmers of this area cultivated padi once a year followed by an off-season crop of maize, sweet potatoes, vegetables or yams.

After the above date, double cropping of padi was made law. The first crop under the new scheme was planted in May 1965 in that area. Every farmer with the exception of a few who owned 'unfertile' lots were forced to cultivate padi twice a year. Seeds which mature in a shorter period such as the Malinja and Mahsuri were supplied or sold to the farmers. Before the implementation of double cropping, each farmer plants his own favourite seeds such as 'padi India,' 'Raden Puteh,' 'Raden Kuning,' 'Padi Burong', which normally take about five to six months to mature. But to-day the routine of the farmers in the cultivation of padi have totally changed. What will be dealt in this chapter and the following chapter is entirely on padi that was planted before the introduction of double cropping. Various aspects of the marketing of padi will be discussed which will then be followed by a brief comparison of the position of the farmers before and after double cropping.

Harvesting

Harvesting of padi begins in the month of March. The farmer usually harvests his own crop with the help of the other members of his families. However, the usual practice of the farmers is to employ a few people ranging from one to four to do the harvesting. If four people were to harvest a three-acre plot of padi, harvesting would be completed in about two weeks. When a farmer employs hired labour, he either has a small family or own many plots of padi. It was found out that 14 out of 26 farmers employed outside labour while the rest harvested the padi on their own. Out of the above fourteen, seven of them had a household of three to five members. So the main work falls on the husband and the wife while the children who were still below the age of 7 were looked after by an elderly relative or attended the local primary schools. The other seven farmers had a household of more than five but less than seven. Even then the majority of the members of the house hold were less than 10 years of age.

¹Rice Cultivation in Malaya: E.M. Cooke, p. 28.

Employment of outside labour therefore depends on the availability of manpower in the household itself and the number of plots of padi that a farmer has. The hired labour will be required to harvest the padi, thresh it and then put it in gunny sacks. All this while the owner of the plot or a member of his household will supervise the work of the labourers. These hired labourers are Malay peasants mostly below the age of thirty-five and live in a nearby kampong which is situated about 2 miles north of Sekinchan. For every padi harvesting season the Malay workers will seek for jobs in the town of Sekinchan while waiting for their own padi to mature. The padi lots belonging to these Malay workers are situated in the Sungai Leman area to the north of Sekinchan.

For every pikul that a hired labour harvests, the farmer owning the plot of land will have to pay twelve katis to fifteen katis to the workers. The workers who work in groups of two, three or four will then share out their day's collection. Payment to the workers are made in cash at the end of the day when the day's harvest are carried on bicycles by the hired labourers to the houses of the farmers. If the workers were employed throughout the harvesting period, the farmer would arrange for payments to be made in instalments every two or three days/which time the farmer would have sold his padi to the /by co-operative.

Those farmers who did not employ any outside labour, the task of carrying the padi to their houses may be transferred to another person who specialises in this job. These people who own bicycles or motor - cycles are willing to do the job for a small payment of forty cents per sack of padi for every mile. However, there were not many of them because the majority of the farmers carried the padi by themselves to their houses unless, of course, if they employed outside labour.

Storage

When the padi is brought to the house of the farmer, the farmer stores it in the kitchen or in the house itself. But as table 4.1 shows, the majority of the farmers have specially-built storage 'compartment' which vary in size from one house to another. These storage 'compartments' can be regarded as part of the house itself, the significant point being that it is used for storing padi before it is sold or sent to the miller for consumption. The 'compartments' usually have a cement floor, walls made out of wood and a zinc roof. A small number of farmers totalling five, do not have a cement floor but store the sacks of padi on the ground. In fact every farmer has a place in the house for storing padi, the difference lies in the size of each storing place.

TABLE 4.1

SIZE OF STORAGE COMPARTMENTS

No. of sacks*	No. of Farmers
30 and above	3
25 - 29	2
20 - 24	3
15 - 19	6
10 - 14	7
5 - 9	4
4 and under	1
Total	26

*Each sack of padi has an average weight of 135 katis.

The above table shows the sizes of the storage compartment based on the number of sacks of padi that each can hold. Twenty-one of the farmers have storage facilities for ten or more sacks of padi. This shows that storage of padi is not a problem to the farmers. Almost each and every one of them had facilities for storing one-quarter of the entire harvest, assuming that they total harvest from a three-acre plot is between 40 to 60 sacks..

During the process of storing, the farmer do not open the sacks of padi and dry some of its moisture content. That is why padi which is sold to the co-operatives are not dry and clean. Furthermore, during the harvest dirt, husks and sometimes straw are mixed with the padi. The farmers could not be bothered with cleaning it primarily because the co-operatives pay the same price whether it is 'clean' and 'dry' or not. As long as it has a moisture content of less than 18 per cent, the farmers would not take the extra trouble to dry and clean the padi. They feel that it is sufficient for them to dry the padi at the field during the process of harvesting. Secondly, the farmers do not have a place for them to dry the padi. The compound of their houses are too small for such allocation. But two of the 26 farmers managed to build a cemented drying plot of about ten by fifteen feet in size at the side of the house. This, however, is not for the purpose of drying padi meant for sale but for consumption. The other farmers who do not have this facility dry their padi at the co-operative drying grounds before it is milled into rice.

When the padi is stored in the house, no considerable damage is done either by rats or others pests. The farmers made it a point to set up traps for rats or poisoned them to death. Rats are few in number and the presence of cats and dogs in the houses of the farmers drive them away. Damage from the weather is nil. Since the roof of the houses are made from zinc, the padi is free from the damage/may be that caused by rain.

Transport

Transportation of padi from the field to the houses is either done by the hired labour, the farmer himself or the specialized 'carrier' who is paid 40 cents per sack of padi for every mile. Since the houses of the farmers are situated in Site B, the distance between the houses of the farmers and the farm cannot be more than one mile. In Block S3, the main line of communication is the paths which can be used by both motor-cycles and bicycles. And bordering this block is a first-class-metalled road passable to all traffic. From the field the farmer will proceed on bicycles to the main road. The presence of this metalled road, which I shall call the main road have helped the farmers in so many ways. Firstly, there is easy accessibility and the time taken to travel from the village to the farms would naturally be shorter. Secondly, it facilitates the collection of padi by the lorries of the co-operative societies. Collection points could be established along the main road and the farmers who have harvested a large amount of padi need not necessarily carry it home. Arrangement for the lorry of the co-operative society to come and collect the padi at the collection point along the main road would definitely save a lot of energy and time of the farmer. However, this practice is seldom followed.

Sale of padi to the co-operative society is done when the farmer has at least five sacks of padi. This does not mean that a farmer cannot sell less than that amount. But to make the sale larger the farmer usually store his padi/wait until he has about five or more $\frac{1}{2}$ sacks. He will then inform the clerk of the co-operative society who will send a lorry to the house of the farmer. The padi is then weighed by an employed member of the co-operative society who will then write the total amount in a receipt which will be given to the farmer. Another receipt of a different colour for the return of gunny sacks will also be given to the farmer.

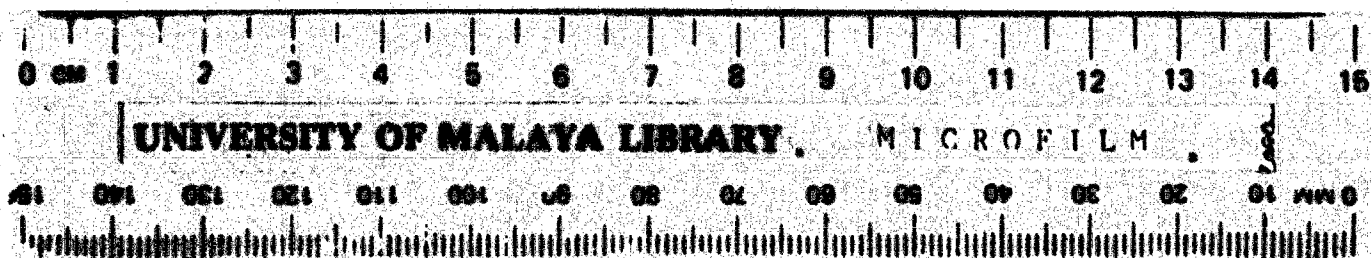
In the above transaction, the farmer need not go personally to the co-operative society and bring along his produce. The fact that the lorry goes to the very door step of the farmer's house indicates that transportation of padi is not a problem at all. Although at times, especially during the peak harvesting period, the farmer may have to wait for a few hours before a lorry is sent. If this is the case, the padi is weighed first before a lorry comes to collect it a few hours later or even the next day.

Further discussion of the sale of padi to co-operatives and private dealers will be dealt with in the next chapter.

Weights and measures

The establishment and general use of a standard weights and measures is an essential convenience in the marketing of agricultural products. In the sale of padi a standard weight measured in pikuls and katis is used. The instrument used for measuring padi is the

balance stick. It is measured to the nearest kati and measuring errors are bound to take place. However, the error is very small because the weighing machine belongs to the co-operative society and no one will have the opportunity of tampering with it. Furthermore, the man responsible for weighing padi is employed by the co-operative and he will not gain anything by deliberately under-weighing the padi. Lastly, the weighing of padi is done with the presence of the farmers and he would always be around to check the accuracy of the man responsible for weighing.



MARKET AND PRICING

Nature of Market

Strictly speaking the market for padi consists of three co-operative societies namely Loong Aik, Loong Keng and Loong Yip. All the farmers who were interviewed sell their padi to the Loong Yip Co-operative Rice Milling Society simply because of the fact that they are members of that society. Secondly, this co-operative society is very near to Site B. Besides the co-operative societies, two private rice dealers are found in the town of Sekinchan. A few farmers because of one reason or another were forced to sell the padi to these private merchants.

Sale to the Loong Yip co-operative society is made by every farmer when the harvest of padi gets under way. When the padi is collected from the farmer by the co-operative society, the farmer is given a total of two receipts. One is used to claim cash from the co-operative society while the other is for the return of gunny sacks. Payment of cash to the farmers is made whenever the farmer presents the receipt to the co-operative society. Usually, the farmer presents it a day or two after the padi have been collected by the lorries of the co-operative societies.

Delay do sometimes occur in the payment of cash to the farmers. This may be due to the fact that the co-operative do not have enough cash in hand. As such a waiting period of about a week to ten days have to be experienced before the unfortunate farmer can collect his cash. The shortage of cash in the co-operative is in turn due to the late payment by the two major rice millers in Petaling Jaya namely, Lin Seng Rice Mill Co. Ltd. and Haji Ahmad Rice Mill Co. Ltd., for the padi that is sent to them.

When the padi is sold to the co-operative society, the padi is sent by the co-operative society to the rice-millers in Petaling Jaya. In the transportation of this padi, several lorries from the outlying areas are hired by the co-operative society. It is rather unfortunate that the Loong Yip Co-operative society do not have sufficient lorries to transport all the padi to the rice millers. This is one reason to explain the delay in collecting padi from the houses of the farmers.

Before the implementation of double cropping, the padi from this area was sent to the Tanjong Karang Rice Mill. If the amount of padi exceeds the capacity that can be handled at this rice mill, the excess amount would then be sent to the two rice mills in Petaling Jaya. For every pikul of padi sent to the Tanjong Karang Rice Mill, a sum of 25 cents was paid to the owner of the lorry. At the time of the survey, the Tanjong Karang Rice Mill was temporarily closed and all the padi had to be milled in Petaling Jaya.

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In spite of the fact that there are three co-operative societies operating in this area, the presence of unlicensed private padi dealers is something extraordinary. It has been the policy of the government to clamp down such elements but still with the support of a small minority group of farmers, these private dealers operate in the open market. These farmers who sell their padi to the private dealers have several reasons for doing so. Firstly, the price that is paid for every pikul of padi is similar to those of co-operative societies. But more important is the private transactions that have taken place before the harvest of padi.

The circumstances that have led to the sale of padi by the farmers to these private dealers are not in any way awkward. In the case of one private dealer who owns a provision shop, it is customary for him to provide credit to the farmers before the harvest of padi. The amount of credit given depends on the number of acres that a farmer possess and the trust and faith that he has displayed to the dealer. Usually, the farmer is a regular customer of his shop and when he runs out of cash he would approach the dealer to provide him provisions on credit. This usually happen when the farmer is waiting for his padi crop to mature. Another example would be when the farmer is confronted with unforeseen circumstances such as the death of a child and in such a case the dealer would provide hard cash to the farmer. Hence, the second reason for selling the padi to the private dealers is to settle debts that have been incurred while waiting for the padi harvest. It should be noted that the waiting period is about five to six months and if the dealer provides credit facilities of \$50.00 per month, the farmer would have to sell his padi to the value of three hundred dollars for the six-month period.

One can argue that a farmer can still sell his padi to the co-operative and pay the debts in the form of cash. But the dealer make it a point to accept debt payment in the form of padi only. There is some sort of a verbal agreement between the two parties and the farmer is therefore obliged to do as the dealer tells him. If he breaks his promise he would not have the opportunity of buying provision on credit from that dealer in future.

Only three of the farmers who have been interviewed, sell their padi to this particular dealer. All of them own a three-acre plot of padi each and take goods on credit from the dealer. They said that there is not much difference whether they sell it to the co-operative or to the private dealer. The same price is paid by both of them and therefore they have nothing to lose. But they complained that the price of provision that they take on credit is a little higher. But they do not mind paying five or ten cents extra for a kati of sugar or other goods.

The services which are provided by the private dealer is more or less similar to that of the co-operative society. When there is any padi to collect from the farmer, the dealer sends the lorry to the house

of the farmer. His men would weigh the padi and then inform the dealer of the total amount due to the farmer. The necessary deduction would then be made from the total debts of the farmer. The farmer would continue to send the padi to the dealer until all his debts are settled.

The amount of padi that the private dealer obtained from the farmers would be transported to the rice mills in Petaling Jaya. Permit for the transport of this padi is obtained from the Sekinchan Kian Sit New Village Co-operative Society which only exists by name. How this dealer obtained this permit was something which he refused to disclose. In fact his padi trading activities is done in the name of the Kian Sit Co-operative society which have been closed from a number of years. Although he is a member of that co-operative society, from the legal point of view he has no right to make use of the facilities accorded to a co-operative society. However, the authority have not taken any action against him.

When he sends his padi to the rice millers in Petaling Jaya, he is given a commission of ten cents for every pikul. The transport charges would be paid by him personally and he would be entirely responsible for any loss or damage. Any profit made would go to him and the co-operative society would not get a single cent.

The other padi dealer in this area is a transport agent who merely buys padi from the farmer who needs cash very badly. If the farmer who is in that position were to sell his padi to the co-operative society, he would have to wait for at least a day or two before payments are made to him. Therefore, he has no other alternative but to sell it to this dealer at the prevailing price that is paid by a co-operative. But I believe that the sale is made at a lower price because in the end the dealer would sell it to the Loong Yip Co-operative society. Naturally he would not make any profit if he were to buy it from the farmer at the prevailing market price. Although he did not disclose the usual rate at which he buys, I personally think that under such condition a price of \$13.30 is paid for every pikul. This figure was obtained from one of the farmers who said that he would lose fifty cents per pikul if he were to sell it to this private dealer for cash.

Hence, the market for padi consists not only of co-operative societies but also unlicensed private dealers.

Pricing

The government have established a guaranteed price of \$16.00 for every pikul of 'clean and dry' padi. 'Clean and dry' padi means that the padi is fully riped. Secondly, it must be free of dust, husks or straws and finally it must have a moisture content of less than thirteen per cent. If the moisture content is more than thirteen degrees the following deductions would be made.

TABLE 5.1

RATE OF DEDUCTION FOR MOISTURE CONTENT

Moisture Content ()	Rate of deduction (katis)
Less than 13	Nil
13.0 - 13.9	1
14.0 - 15.9	5
16.0 - 18.0	7

The above table shows the rate of deduction for moisture content which is measured by a special machine called the Instantaneous Moisture Meter. Although this machine is available in the co-operative society it is seldom used. The farmers have protested against its use because they do not trust the accuracy of the machine.

The price of \$16.00 per pikul is never paid to the farmer. ~~This is due to several reasons.~~ Firstly, padi that is sold to the co-operative is not in any way clean or dry. The farmers never clean their padi from dirt, or separate it from husks or straw. Sometimes the padi is not fully riped and one can easily distinguish riped from unriped padi by seeing its colour. Therefore it is not possible for the co-operative society to pay the maximum price of sixteen dollars for every pikul of padi.

A new price of \$13.80 per pikul have been formulated and this price is paid to every farmer whatever the condition of his padi is. As long as it looks dry to the ordinary eye, the co-operative will accept it. No other deductions will be made except for the weight of the gunny sack. In the initial stages of harvesting, the above price would prevail.

When the harvesting season gathers momentum, the committee of the co-operative society would meet and due to the increased amount of padi that it has to handle, the committee would increase the price to \$14.20 per pikul. This price is offered during the peak harvesting period. But when this price is offered, a deduction of three katis for every pikul would be imposed. When the deduction is made the price would be \$13.74 cents for every pikul. Hence, this superficial increase in the price to \$14.20 have in actual fact reduced the real money value that is paid to the farmer. The farmer loses six cents for every pikul of padi that is sold to the co-operative.

The above standard deduction, of three katis for every pikul is imposed because the co-operative has got to account for the presence

of moisture dirt, husks and straws in each sack of padi. If the right procedure of deductions, as pointed out in Table 5.1, were to be followed, the farmers would naturally lose more because an average sack of padi harvested by the farmer of Sekinchan has a moisture content of more than fourteen per cent.

Farmers will continue to be paid \$13.80 cents or \$13.74 cents for every sack of padi unless they make it their duty to clean and dry the padi according to the wishes of the co-operative society. To day, the majority of the farmers sell their padi immediately after harvest without even drying it or cleaning it or freeing it from husks and straws. There is no doubt that this job of cleaning the padi involves a considerable amount of time and energy, but in the long run the farmers would benefit in the form of better prices for their produce. An all out effort should be made to point out this mistake so that once the habit of cleaning and drying padi is followed, the farmers would be in a better position to demand for a standard deduction such as like the one shown in table 5.1.

Prices which are paid by private dealers for the purchase of padi from the farmers are similar to those offered by co-operative societies. As has been stated, there were two private dealers in Sekinchan: one doing the business under the name of the Kian Sit New Village Co-operative society while the other buys padi from farmers who are badly in need of cash. The former sends his collection to the rice mills in Petaling Jaya while the latter sells it back to the Loong Yit Co-operative Society in Sekinchan.

In the case of the second dealer, no profit will be made by him if he were to buy it from the farmers and sell it again to the local co-operative. There is no doubt that the dealer makes some profit in the purchase and sale of padi. Therefore, I personally believe that the prices paid to the farmer is determined by the bargaining capacity of the two parties. Since the farmer needs cash urgently, the dealer would take advantage of the situation by paying a lower price. Although he did not disclose the correct figure, I gathered that he made a profit of fifty cents for every pikul. This means that if the co-operative pays \$13.80 cents per pikul, the dealer would pay \$13.30 cents to the farmer concerned.

Services of Co-operative Societies.

Other than buying padi from the farmers, the co-operative society performs another service namely, the milling of padi. Members of the co-operative society send their padi for milling before it can be consumed by them. A modest charge is paid by the farmer for this service.

Financial help in the form of loans is not one of the services of the co-operative societies. It has not been the policy of the co-operative society to provide loans to its members either for the

purchase of farm implements or for other uses. This field should be looked after by a rural credit co-operative society. The only existing credit society in this area is the Seintchen New Village Rural Credit Co-operative Society which has fifty members. However, this society is not very active and it is high/that the committee reorganize it. / time

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DOUBLE CROPPING WITH PADI

The enforcement of any government programme without due realisation of farmer's problems in the country would lead to dissatisfaction and anti-programme attitude by the farmers in the future². This sentence summarises the attitude of the farmers towards double cropping. It was found out that each and every one of the farmers is not at all in favour of double cropping. They admit that the total produce of padi would naturally be higher by planting the crop twice a year, but yield per crop has been considerably reduced.

Before double cropping, the amount of padi that each farmer can get from his three-acre plot varies from fifty to 120 pikuls as shown in table 6.1. The average yield would be eighty pikuls for a three-acre plot. If an average farmer of five consumes thirty pikuls for one year, about fifty pikuls would be left for sale. From this sale, the farmer has to pay about \$250.00³ for transplanting, weeding, spraying insecticide and harvesting. So the amount of money left for his household use would be \$440.00³. After the padi crop, the farmer plants an off-season crop such as maize and from a three-acre plot he would be able to get a gross income of about \$700.00 to \$1200.00. After deductions for expenses are made the farmer would get about \$500 to \$700. So his net income for the year would be around \$900 to \$1,200.

TABLE 6.1

TOTAL PRODUCTION OF PADI UNDER SINGLE CROPPING

No. of pikuls	No. of Farmers
Less than 50	0
50 - 59	1
60 - 69	3
70 - 79	6
80 - 89	8
90 - 99	4
100 - 109	2
110 - 119	1
120 and above	1
Total	26

1. Dr. M.C. Agarwal; Quoted from Straits Times, Monday June 13, 1966.

2. If the farmer employs two labourers

3. Total Value of Yield - 80 pikuls
 consumption p.a. - 30 pikuls
 balance 50 pikuls = \$690.00
 deduct expenses \$250.00
\$440.00

If we look at the reproduction figures for double cropping, the average yield for both the crops is between 120 to 140 pikuls; as shown in table 6.2. The farmers complained that the yield for the second crop is very much reduced, though the yield for the first crop remain unchanged. If a farmer gets about 80 pikuls for the first crop, the second crop would be between 30 to 50 pikuls. This reduction in the total yield would lead to a decrease in the total income, but the initial capital involved such as for the purpose of weeding, transplanting, harvesting, and the spraying of insecticides have been doubled. Hence, from the point of view of net total income, it is not beneficial for the farmer to plant jadi twice a year.

TABLE 6.2

PRODUCTION OF JADI UNDER DOUBLE CROPPING

No. of Pikuls	No. of Farmers
Less than 100	0
100 - 109	1
110 - 119	5
120 - 129	6
130 - 139	7
140 - 149	4
150 - 159	2
160 - 169	0
170 and above	1
Total	26

Furthermore, double cropping involves an increase in the demand for marketing facilities and services. For example, it was clearly seen during the survey that there was a general shortage of lorries which were used by the co-operative societies for the transportation of padi to the rice mills. As a result of this, a farmer had to wait for a day or two before a lorry is sent to his house for collecting the padi. Cash payment for the padi is made only after each collection and if the collection is delayed by a day or two, naturally the payment will also be delayed by the same number of days or even more. This situation can easily be solved by encouraging the co-operatives to purchase more lorries of their own or hire them for a fixed time period. In other words, facilities and services for marketing padi should be improved.

With single cropping, the farmers have complained that the services of the co-operative societies are not satisfactory. Examples of such unsatisfactory services are many, such as the late payment of cash and the return of old and torn gunny sacks as replacements for the ones that have been used by the co-operative. With double cropping the trading activities of the co-operative societies would naturally increase. Therefore, it is essential that the government keeps a close watch over the management of the co-operatives and ensure that it is in the hands of capable and efficient hands.

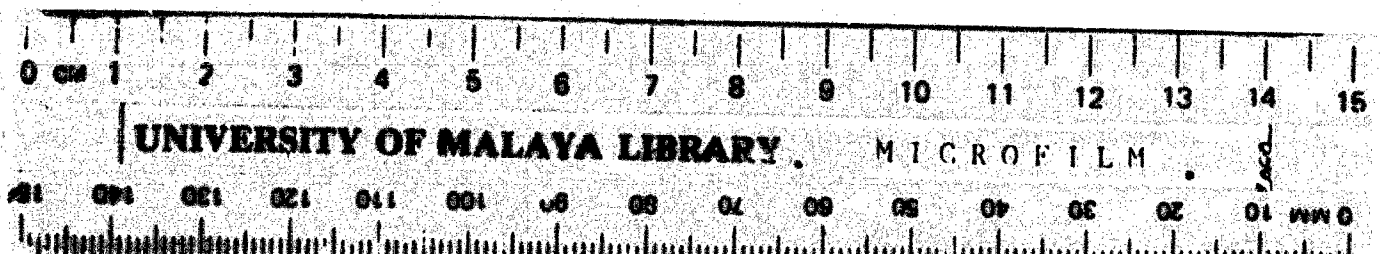
Under double cropping two main padi seeds are recommended by the government for cultivation. These two varieties are the Kalinja and the Mahsuri. Although the government have proved that the yield of these two varieties are between 600 to 700 gantangs per acre, the experiments were conducted/agricultural stations and not under conditions of /in kampong farming. Thus when the farmers cultivate these two varieties, they would discover that the yield is far below the expected level. It is, therefore, the responsibility of the government to conduct further experiments and test new varieties under the local or kampong conditions. The variety should not only be profitable - higher returns over expenses - but it should be the best possible alternative against other crops, livestock or poultry.⁴

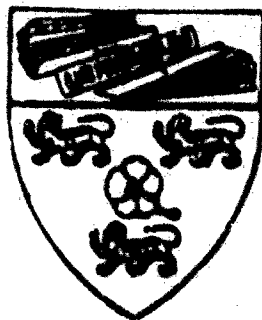
To sum up, the present attitude of the farmers towards double cropping is not consistent with the policies of the government. They felt that the amount of energy that they have put in is not properly rewarded in the form of a net increase in total production. More research, survey and experiment should be conducted to find new ways and methods of cultivating padi. There will come a stage when the farmers will be convinced of the advantages of double cropping. When this stage is reached, they will no longer hesitate to plant padi as the second crop.

⁴Dr. M.C. Agarwal; Quoted from Straits Times, Monday June 13, 1966.

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TAMAT

