

CHAPTER VI

SUMMARY AND CONCLUSION

Since the formation of the Sekinehan Long Heng Cooperative Rice Mill Society Limited in 1953 until 1964 the total membership has increased although very slowly. However, there is not much interest taken by the ordinary members in the running of the cooperative society. This is shown in their poor participation in Annual General meetings. This applies to the committee of management as well.

Nevertheless, the Government is taking an interest in the running of the cooperative society by appointing investigators to be present at the cooperative society's meetings and by general supervision of the cooperative society. This shows the role of the Government in initiating cooperative societies to better the welfare of the community.

The by-laws are based on the by-laws of the Cooperative Rubber Society Limited with amendments. Some of these by-laws are not strictly followed. This non-adherence to rules set reduces the chances of success of the cooperative society.

Each year sees the decline in the amount of padi taken to the cooperative society to be milled. Similarly, there is also the decline in the amount of padi marketed.

Through the years, even though the cooperative society has been making profits, it is at a decreasing rate. These profits are apportioned to the reserve funds, dividends, patronage rebates and some other items.

Problems and Recommendations.

There are a number of problems limiting the successful functioning of the cooperative society. Briefly, these problems and recommendations are given below.

There is the problem of wrong motivation by the farmers of the idea of cooperation to improve their standard of living. The reason is because the farmers join the cooperative society mainly for the dividend payments or because their neighbours join, without knowing the principles behind cooperation.

It is suggested that the farmers should be continually

educated in the role they have to play in the running of the cooperative society as well as the concept of cooperation.

The next problem as regards members is that their attendance at meetings is poor. Besides, the members re-elect nearly all the committee members even though the committee members do not represent them well. The explanation for this is that the re-elected members have status in the village and possess great influence in society.

The writer suggests that the farmers must be educated so that they know how to vote and only to vote for those whom they consider can represent their interest selflessly. Also, ordinary members should be sent to the cooperative college to learn more about cooperation. It may prove a good method that no member be allowed to attend courses more than once.

One problem arises from the fact that the committee of management itself is not taking great interest in the running of the cooperative society. Their poor attendance at meetings are indications of their lack of interest in the cooperative society.

The committee of management should be educated in the importance of attending meetings regularly and also to conduct more meetings on how the cooperative society can be improved. At present, the number of meetings falls short of the required twelve meetings per year.

The problem of farmers' indebtedness to private traders is present. This springs from the fact that the private traders or merchants supply them with provisions before the padi harvesting season. The farmers repay the amount owed once they are able to do so after the padi harvest season. The repayment is seldom settled in cash but in kind. The indebted farmers have to sell the padi to the private dealers at a reduced rate depending on the strength and degree of indebtedness. If this is so, then, the padi farmers find no reason to join the cooperative society once they are forced to sell their padi elsewhere.

To check that, the Government can make a rule where padi must be sold to the cooperative society and not to private traders by the indebted farmers. Obviously this will reduce the exploitative position of the private traders. Or better still, in order to increase the bargaining position of the padi farmers while reducing the indebtedness of the padi farmers to the private traders during the padi growing seasons, the cooperative society should be made into a multi-purpose cooperative society to include a credit extension section. On the other hand, a single purpose cooperative (credit) society can be formed in Sekinchan to serve the padi farmers.

The non-utilisation of the moisture meter to determine the price of farmers' padi is a problem which also contravenes Government regulations, although few Chinese farmers complain of its non-use, because the padi brought to the cooperative society is mixed padi.³⁷ This stems from the fact that padi is cut collectively once a major part of the padi lot is ready for harvesting because the farmers need the time to prepare the land for the next crop, be it an off season vegetable crop or another crop of padi.³⁸ Thus, the padi farmers are willing to sacrifice the reductions without the use of moisture meters when they sell their padi to prevent possible losses from flooding with water (by the D.I.D. at scheduled times) of unharvested padi.

The Malay farmers think differently as they harvest only the ripened padi. They use the tuai and the sickle whereas the Chinese padi farmers utilize only the sickle to harvest the padi. Obviously the Malay padi farmers will sell better, cleaner and drier padi and it is not fair that they receive the same price as the Chinese padi farmers.

The problem will not arise if the moisture meter is fully used to determine the moisture content of the farmers' padi and to make deductions accordingly as set by the Government Rice Price Guarantee Scheme. The padi farmers will then get a fair deal for their efforts. Also, that is the fixed way of evaluating the price of padi. Another solution to the existing problem is for the Drainage and Irrigation Department to give the padi farmers more time to harvest their padi before flooding the padi fields to ensure drier and cleaner padi.

The problem of not receiving prompt cash payments when padi is sold to the Tanjong Karang and the Kuala Lumpur rice mills has adverse repercussions. It often leads to the non-acceptance of padi by the cooperative society since there is the lack of cash to pay for the produce. Farmers are then forced to deal with private traders. The reason is that only cash sales are permitted only.

³⁷Ripened and Semi-ripened padi.

³⁸Since the beginning of double cropping in 1965, there is a certain date fixed by which every plot of padi land has to be harvested and prepared for the cultivation of the next crop. This is done so that the Drainage and Irrigation Department can flood all the padi land in Sekinchan at a certain date.

The problem can be remedied quite easily if the cooperative society can obtain a bigger loan during the harvesting season. At present the cooperative society is only allowed to borrow to the maximum amount of twenty thousand dollars at six per cent interest repayable after the harvesting season from the Tanjong Karang Cooperative Milling Union Limited.

Another problem faced by the cooperative society is the lack of drying space to dry padi, so much so that the cooperative society is forced to refuse wet padi.

It would be good measure for the Government to grant more drying land for the drying of padi. At present the two pieces of land for drying padi are insufficient. It must also be noted that not all the farmers' compounds can be used as drying space for wet padi. By granting such land for the purpose of drying wet padi, the Government will be saving the farmers the trouble of having to dry their own padi. It will also help the cooperative society to market much drier padi.

Generally, it can be suggested that the padi farmers be given education on the principles of cooperation and on the other aspects in helping the farmers to recognise their own needs. Education can take many forms like talks, adult education, the screening of films, the sending of a few members yearly to the cooperative college and the like.

To improve the situation, investigators from the Division of Cooperative Department, should be asked to make more spot checks to see that the cooperative society is running efficiently.

Conclusion

With all the problems the cooperative society has to face, the cooperative society is not running successfully because all the problems have limited the scope for the improvement of the cooperative society. Thus, the cooperative society does not have a great impact on the marketing structure of the Sekinchan community. As such, the cooperative society has not really improved the socio-economic conditions and welfare of the padi farmers. A sure way of achieving the stated objective of the formation of the cooperative society is the recognition of all the problems facing the cooperative society by the Government and the farmers and also to educate the farmers continuously on the concept of cooperation. Until that is achieved, the cooperative society will remain stagnant.