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SYNOPSIS

The Sekinchan Loong Yip Co-operative Rice Mill Society, Limited, was established in 1953 and is today the largest co-operative society in the Sekinchan area. The Society is a multi-purpose one, undertaking the functions of rice milling and padi marketing. A characteristic of the Society is its domination by the Committee of Management and the almost total absence of member participation. Also noteworthy is the fact that the Society is purely business orientated and none of the non-economic objects of co-operation has ever been carried out.

The operations of the Society, rice milling and padi marketing, have yielded good returns every year except for 1963 when padi marketing resulted in a loss. Rice milling operations have since 1963 become the chief source of the Society's revenue while profits from padi marketing have proved unreliable and relatively low.

Financially the Society is in a very strong position. It has operated at a profit every year during the period of this study (1961-1965), and its finances stand testimony to effective management. Profit distribution of the Society is creditable and dividends, rebates on patronage and bonuses to employees have been made every year. The financial position of the Society would be a credit to any private enterprise.

The main problems faced by the Society are those of increasing member participation and finding some way of carrying out the non-economic objective of education of members. In milling and marketing operations, the Society faces the problem of high operating costs of milling and severe competition from blackmarketeers in padi marketing. Problems in milling will be solved by investment in new and more efficient machinery, while the success of padi marketing in the future will depend on the effectiveness with which the public authorities curb blackmarketing.

While the Society can be commended for its

success in economic objectives, it has still a long way to go before it can be considered a genuinely co-operative organisation in which all the ideals and principles of co-operative enterprise are practised.

