

CHAPTER I

INTRODUCTION

Purpose of Study

The purpose of this exercise is to critically examine the Sekinchan Loong Yip Co-operative Rice Mill Society. This exercise is an attempt to analyse the aspects of organisational and financial structure, aims and objectives of the Society, membership, management, rice milling and padi marketing of the Society. It is also an analysis of trends over the period 1961 to 1965. Within the purpose of study, it is also intended to make recommendations and suggestions for improving the Society.

Methodology

The method of study adopted here is the case study approach. The Society is studied in all its aspects of organisation, management, membership, finance, and the functional aspects of rice milling and padi marketing.

Data for the study was collected from 3 sources. First there were the records of the Society. Pertinent data was collected from minutes of general and committee meetings, share registers and financial statements. The second source of data was personal interviews conducted at Sekinchan with officials and members of the Society. Personal interviews were also held in Kuala Lumpur with the Chinese Co-operative Officer, Selangor. The third source of data was the records of the Society, and inspection reports kept at the Department of Co-operative Development in Kuala Lumpur.

The Society is studied over the 5 years from 1961 to 1965. A critical appraisal will be made at each stage of the study and problems of the Society, pertaining to each aspect will be stated. The Society will then be assessed from a comprehensive viewpoint. As a conclusion, the problems and shortcomings of the Society will be summarised and recommendations for

improvement will be given.

Scope of Study

The scope of this exercise includes all aspects of organisational and financial structure of the Society as well as its functional aspects. Within the scope of this exercise is an appraisal of trends in the Society and the extent to which established co-operative principles and practices are followed. Recommendations for improvement are included wherever necessary.

There are however limitations to the study. The main limitation was that most of the records of the Society are kept in Chinese, except for annual financial statements prepared by external auditors. This was a great handicap in the collection of data. A second limitation was that most of the officials of the Society, and some members as well, were reluctant to speak freely during interviews on some aspects of the Society.

This exercise is presented in 6 chapters. Chapter 2 begins with a brief historical background to the Society and its aims and objectives. Membership and management and organisation of the Society are then discussed.

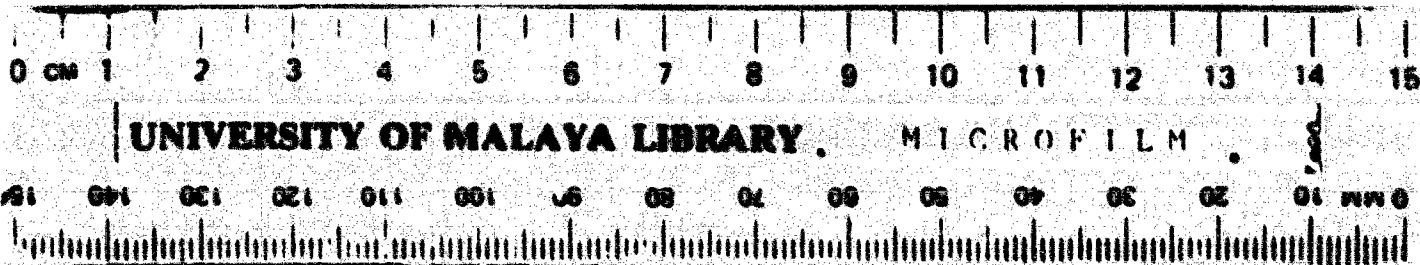
Chapter 3 deals with the rice milling operations of the Society. All aspects of rice milling are studied, and problems and criticisms noted.

Chapter 4 is on the padi marketing operations of the Society. All aspects of the Society's marketing activities are studied and analysed, and problems pertaining to marketing and criticisms noted.

Chapter 5 deals with the financial structure of the Society over the 5 years 1961 to 1965. Trends in its assets, liabilities, share capital, investments and reserves are studied also, as well as the contribution of the operations of the Society towards its finances.

Chapter 6 is the concluding chapter. Here the Society is studied from perspective and appraised and assessed according to its conformity with co-operative principles and practices. Also studied are the Society's

relations with the Department of Co-operative Development and the role played by the Society in implementing the Government's Guaranteed Rice Price Scheme. Finally a summary of the problems faced by the Society is made and suggestions for improvement given.



(Map 1)

THE SEKINCHAN AREA

