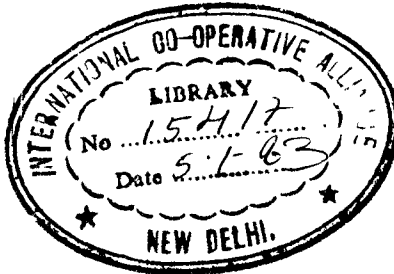


International Cooperative Alliance

REGIONAL SEMINAR ON "MULTIPURPOSE AGRICULTURAL COOPERATIVES WITH
SPECIAL REFERENCE TO THE ACTIVITIES OF AGRICULTURAL COOPERATIVE
WOMEN'S ASSOCIATION", KOREA & JAPAN : 24 August - 21 Sept, 1982

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- VI. I.L.O. Regional Project Proposal for Asia by
G.K. Sharma, ILO, Bangkok (Thailand).
- VII. F.A.O. Paper by Margaret M. Crowley, FAO, Bangkok (Thailand).
- VIII. GROUP REPORTS
Group Report - I
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- IX. STUDY VISITS MATERIAL IN THE REP. OF KOREA.
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New Delhi
October 1, 1982.


Ashok Kandhari
Seminar Secretary

**International Co-operative Alliance
Alliance Coopérative Internationale
Internationaler Genossenschaftsbund
Международный Кооперативный Альянс**



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our ref.

our ref. RS/MAC/JAPAN/82

18 September 1982

Dear Cooperator,

Re : Regional Seminar on "Multipurpose Agricultural Cooperatives"
Seoul (Rep.of Korea) & Tokyo (Japan): 24 Aug - 21 Sept, 1982

I am sending herewith the Draft Report and the papers presented at the above mentioned seminar for your use.

Please acknowledge receipt.

With Cooperative Greetings,

Yours faithfully,

Lionel Gunawardana
Joint Director & Specialist
in Agricultural Cooperation

Encl: Documentation

A/

REGIONAL SEMINAR ON 'MULTIPURPOSE AGRICULTURAL COOPERATIVES WITH SPECIAL REFERENCE
TO THE ACTIVITIES OF AGRICULTURAL COOP. WOMEN'S ASSOCIATION, REP. OF KOREA AND JAPAN
24 August - 21 September, 1982

DRAFT REPORT

INTERNATIONAL COOPERATIVE ALLIANCE
Regional Office & Education Centre for South-East Asia,
"Bonow House", 43, Friends Colony (East), New Delhi, India.

in collaboration with

CENTRAL UNION OF AGRICULTURAL COOPERATIVES
8-3-1, chome, Otemachi, Chiyoda-ku, Tokyo, Japan

and

INSTITUTE FOR THE DEVELOPMENT OF AGRICULTURAL COOPERATION IN ASIA
6-24-9 Funabashi, Setagaya-ku, Tokyo, Japan

REPORT OF THE REGIONAL SEMINAR ON 'MULTIPURPOSE AGRICULTURAL COOPERATIVES WITH SPECIAL REFERENCE TO THE ACTIVITIES OF AGRICULTURAL COOPERATIVE WOMEN'S ASSOCIATION', TOKYO (JAPAN) : 1st - 21st September 1982 preceded by Study Visits in the Republic of Korea from 24th August to 31st August, 1982

Introduction

The Regional Seminar on 'Multipurpose Agricultural Cooperatives with special reference to the activities of Agricultural Cooperative Women's Associations' was held by the International Cooperative Alliance Regional Office and Education Centre for South-East Asia in collaboration with the Central Union of Agricultural Cooperatives (CUAC) and the Institute for the Development of Agricultural Cooperation in Asia (IDACA) from 1st September to 21st September 1982. Nineteen participants from 8 countries attended the seminar. Observers from ILO and FAO also attended part of the seminar. The countries represented were India, Indonesia, Republic of Korea, Nepal, Pakistan, Philippines, Sri Lanka and Thailand.

The inaugural session of the seminar was held in the morning of 1st September 1982 at IDACA. The inaugural session was addressed by Mr. Lionel Gunawardana, Joint Director & Specialist in Agricultural Cooperation, ICA ROEC, New Delhi, Mr. Shiro Futagami, Manager, International Department, CUAC and Mr. K. Fujimoto, Managing Director, IDACA.

Mr. Shiro Futagami, Manager, International Department, CUAC, Mrs. Shizuko Kohsaka, Assistant Chief of Farm Guidance and Better Living Department, Miyagi Prefectural Union of Agricultural Cooperatives, Mr. Susumu Nakagawa, General Manager, Mikkabi Agricultural Cooperative, Mr. F. Aruga, Chief of Instruction Section, Central Cooperative College, CUAC, Prof. D. R. Oza of VL Mehta National Institute of Cooperative Management, Pune, India and Mrs. Margaret M. D'Cruz, ICA ROEC, New Delhi, acted as resource persons and delivered lectures at the seminar.

The seminar was directed by Mr. Lionel Gunawardana.

Objectives

1. To review the present state of multipurpose agricultural cooperatives in the region and their contribution to integrated rural development.
2. To examine management problems in these societies with a view to suggesting improvements.
3. To suggest ways in which women's participation in multipurpose cooperatives can be enhanced with a view to strengthening them and improving social and economic standard of women.
4. To study the multipurpose agricultural cooperatives in Japan and in the Republic of Korea in relation to above aspects to draw lessons from them.

Study Visits

In order to provide seminar participants an opportunity of learning cooperatives in the working of the agricultural cooperatives in the Republic of Korea and womens' activities a study visit programme for six days was organised by the International Cooperative Alliance Regional Office and Education Centre for South East Asia (ICA ROEC) in collaboration with the National Agricultural Cooperative Federation (NACF), Seoul, prior to the seminar. The seminar participants were taken to two primary agricultural cooperative societies, one county agricultural cooperative, Agricultural Cooperative College, and to the National Agricultural Cooperative Federation in the Republic of Korea. The seminar programme in Japan also included study visits to Niigata Prefecture. The participants were taken to two primary agricultural multipurpose cooperatives in Niigata Prefecture for intensive study with the help of case studies specially prepared for the seminar.

Management Problems in agricultural cooperatives in the countries of the Region

Management problems that are existing in the cooperative organisations in the countries of the participants were discussed in different groups. Most of the problems were found to be common. The main of which are enumerated below :

1. Cooperative organisations do not have enough resources to expand the activities, have to depend upon government assistance for finances, complicated procedures are involved when government assistance is to be obtained.
2. Cooperative organisations are not able to purchase commodities in bulk form the source on account of lack of resources. As such it is not able to avoid the middlemen.
3. Cooperative organisations are not able to have their own processing units on account of lack of resources.
4. The gap between the demand and supply of credit is widening on account of overdues from members. As a large percentage of members do not repay loans within the stipulated period hence other members who require the loan facilities are being deprived and the credit channel gets choked up.
5. Lack of competent managerial personnel on account of meagre salaries that cooperative organisations can afford to pay in most of the countries.
6. In most of the countries farmers do not own the lands they till. The landlords exploit the tillers and the farmers are under their clutches.
7. In some countries there are no apex organisations to coordinate the activities of the primaries and there is no proper inter-relationship with cooperative organisations at different level.
8. In some countries multipurpose societies are not capable of offering different types of services required by the members on account of popularity of societies based on activities as also non-viable size of its activities.

9. In most of the countries proper training programme of member education to create awareness about the necessity of cooperative movement is not introduced or has not developed adequately and hence common people are not able to understand the objectives of cooperative organisations. This leads to lack of loyalty of members towards their cooperative organisation.
10. In some of the countries the cooperative laws do not provide family membership and hence women are not able to come forward to participate in the movement actively.
11. Lack of members participation
Lack of members participation not all farmer members patronize the cooperative. In this region's the system is to follow the cooperative principle as to open membership. Due to lack of education and training funds, some members were accepted in the cooperative without having an orientation as to their duties and responsibilities.
12. Communication gap between the agricultural cooperative and the members. Cooperatives lack of devices or means of communication with members. We have no adequate farm guidance services to meeting their needs and to supervise their activities in the farm.
13. Size and area of operation
After the reorganisation of multipurpose cooperative societies it covers wider area of operation. Due to the lack of communication, lack of education staff, and on economic size some societies are not in a position to undertake their activities efficiently.
14. As to processing of farmers produce the agricultural cooperatives do not have complete facilities to compete with the private traders.

For example rice - the major products of agricultural cooperative members in the region marketing cooperatives cannot produce or process a good eating quality rice due to lack of modern rice mill. As a result, marketing cooperatives finds it difficult to market this products for the benefit of members.

The problems mentioned above are mostly common to the countries of the Region. The central problem of cooperative is to develop adequate resources - financial and human, so that cooperative can fulfil the objective of bringing about economic and social development of its members effectively and efficiently. Cooperatives in these countries should also concentrate efforts on members education to ensure active participation of members including women in the process of cooperative development.

Better Living Activities and
Womens' Involvement in Cooperatives

There was no difference of opinion among the participants that the participation of women who constitute about 50 per cent of the population is of great importance in the development of cooperative movement. The participants representing different countries had no doubt that women could definitely contribute much in carrying out better living activities through their participation in community development and similar programmes.

It is observed in the Republic of Korea and Japan that women are taking a lot of interest and contributing their mite to the development of cooperative activities. Though womens' associations in both the countries are informal and have no legal status but their contribution to the cooperative field through better living activities that they are carrying on, has been well recognised. As such women in other developing countries also could follow and take suitable steps to involve women in better living activities which are suited to their countries depending upon the situation of each organisation. The seminar felt that women could be involved in the following better living activities :

I. Education

- (i) Adult Education : Literacy in some countries is still low. Women associations could take up adult education programmes, including provision of reading rooms.

- (ii) Consumers' education directed at :
- protecting them from food adulteration,
 - protecting consumers from exploitation by middle men.

II. Creation of Contented families

Following activities can create contented families :

- (i) Nutrition programme and change of food habits,
- (ii) Child care,
- (iii) Home budgeting,

- (iv) Promotion of thrift and savings,
- (v) Health protection.

III. Income Generating Activities

The main aim of cooperative activity is economic development of its members and hence importance has to be given to income generating activities which could supplement the income of the members family. The activities could be classified as mentioned below.

A. Activities by individuals

Animal husbandry, kitchen garden poultry, live stock etc.
Handicraft, weaving, sewing, embroidery, toy making, mat weaving, candle making specially with the raw materials available within the respective countries.

B. Activities by Groups

- (i) Fruit processing - fruit drinks, squashes, jams and jellies.
- (ii) Banana and potatoe chips.
- (iii) Bread and other bakery products.
- (iv) pickles, spices, condiments and papads.

C. Other activities (in urban areas)

- (i) Running of cafeterias
- (ii) Running of child welfare centres.
- (iii) Ancillaries to major industries.
- (iv) Cultural activities.

In Rural Areas

- (i) Women's joint buying groups should be linked to the rural consumer stores.
- (ii) Home book-keeping should be a regular activity as it is linked to thrift savings.

- (iii) Running joint kitchens and operating creches during peak agricultural seasons,
- (iv) Farm guidance should cover farm families i.e. men and women.

D. Health Programmes

It is a known fact that health is very important. The following activities could be undertaken by women associations:

- (i) Sanitation :- Keeping homes and premises free from mosquitoes, flies and other pests, observe proper disposal of waste/garbage.
- (ii) Immunization programmes to control communicable diseases and conduct regular health checks.
- (iii) Assist governments in the family planning programmes.
- (iv) Health insurance by the cooperatives as in South Korea and Japan.

E. Simplification of marriage ceremony and funeral services

Simplification of marriage ceremony and funeral services is one of the activities of the cooperative organisations in Japan. This activity is to see that the cost involved to conduct the above functions are reduced to a great extent. Women Associations in other countries could follow the example of Japan and act in this direction.

The seminar felt that the activities mentioned above could generally be taken up by women associations as is being done in Sri Lanka and Japan. When the above countries are able to involve women in the cooperative activities, though there is no legal status to the women associations under their enactments, the other countries also should attempt to involve their women, in the above activities and enable women to actively participate in the development of cooperatives.

Management Improvement

Introduction

Management is the most important aspect for smooth running of any organisation. In agricultural cooperative society it has more important role because it has to serve many people with different activity. Only the experienced management can achieve its intended objectives. If we see the management in agricultural cooperative in developed countries like Japan and the Rep. of Korea they have efficient management, therefore, they are successful in achieving their objectives by giving different services, through agricultural cooperative society. They have been able to make sound management organisation, they have very good management, communication system and very good planning and administrative system. They have been able to make participation of all the members, they have been able to mobilise womens by giving assistance and guidance from the cooperatives.

But in developing countries like ours have been suffering from poor management, that is why we are not able to achieve our objective through cooperative societies.

Management problems in agricultural cooperative in this Region

1. Lack of capital. Inadequate resources or funds to finance marketing, supply and processing operations.
2. Lack of participation of farmer members to agricultural cooperatives due to lack of education and training.
3. There is a communication gap between the agricultural cooperative management and members due to lack of devices and means of communication.
4. Lack of competent managerial personnel and staff due to lower rate of salaries.
5. Poor training and education system for both cooperative members and cooperative leaders.

6. Low repayment of loans from the members due to some unexpected calamities.
7. Lack of extension workers to guide them to use their credits effectively.
8. Lack of facilities and capabilities to compete with private sectors.
9. Most of the government of the countries in the region have full support to agricultural cooperative movement but in some countries government support is limited.
10. In some countries i.e. Nepal there is no apex organisation to coordinate the activities of the primaries and there is no proper inter-relationship with cooperative organisation at different levels.
11. In most of the countries farmers do not own the land, they till. The landlords exploit the tillers and the farmers are under their clutches.
12. Executive members are not in a position to understand the importance of cooperative education, so the cooperative movement does not serve for members according to the objective of cooperative movement.
13. Lack of members orientation also as to their duties and responsibilities. They only know what they want to get - serve their needs they were not educated about their obligations towards agricultural cooperative.
14. Some times there is a political intervention on agricultural cooperative management in the hands of one group. In that circumstances, the entire cooperative movement go out of track from the set objectives of the cooperatives.

Suggestions

1. Sound organisation for the smooth functioning of the cooperation. There should be properly, democratically elected board of directors, president, etc.
2. Sound communication system : There should be close relation and easy contact between members and cooperative society - and close relation among the staff.

3. Appropriate training and education : It is necessary to give appropriate training for officers, staff and members.
4. Capital : The campaign for saving should be strongly done and there should be cooperative bank to finance cooperative society as much as it needs loan.
5. More participation in cooperative : To make more participation in cooperative there should be good services provided to the members, cooperative should handle those activities, which gives more benefit to the members. It should be better to participate in better living activities of the cooperative society.
6. Apex organisation : There is necessity to establish apex organisation to coordinate and supervise.
7. Sound Administration : For the efficient functioning there should be sound, scientific and efficient administration.
8. Planning : For the sound management planning plays a very important role therefore, planning should be made appropriate which may help for the future facilities and benefits.

Conclusion

The activities of multipurpose agricultural cooperatives cover a wide range of economic, social and welfare activities. It has to provide different services to different kinds of people. It makes cooperative management more complicated and different.

In developing countries like ours are suffering from poor and weak management system. If we see the developed countries like Japan and Korea they are successful to achieve their intended objectives due to sound management. Another reason of their success is womens' participation in cooperatives and strong government support. It gives the example to developing countries that there should

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be sound and scientific management system, strong government support and more participation of members specially women. The womens' association has helped to cooperatives to achieve their objectives by better living activities of the womens' association.

Communication in Cooperatives

There was no difference of opinion among the participants that the success of the societies depend upon the close and cordial relationship that the society has with its members. To build up cordial relationship, societies have to make use of different methods of communication depending upon the situation in which it is placed. It can undoubtedly be said that successful running of primary agricultural cooperatives, communication between the society and the members play a vital role, though means of communication depends upon the facilities available in each country and it is difficult to generalise.

Means of communication can be classified as mentioned below :-

I. Communication to individual members

Communication to each member is necessary and essential. All the members have to know what is going on in their societies with reference to every aspect of activity such as farm guidance, loan facilities, latest market position of the products grown by them as well as marketing information, modern farm techniques, weather reports and the other services that the societies are rendering to the members.

(i) The relationship between the staff and individual members play a very vital role in making the society a model and a successful one. For example when individual members approach the society to get loan or some other service, the concerned official should treat him in a polite manner and explain the pros and cons and guide him properly. This would create confidence.

(ii) Wireless system of communication :

As it is being done in Japan, society to communicate to each member regarding day to day market information and other important information required by the farmer members, wireless communication could be made use of wherever it is possible. Timing of such programmes should be such that the farmer member would have time to listen to the information.

(iii) News letters/Pamphalcts/Bulletins/Circulars

The above could be used to inform the individual members about latest activities, programmes and in feeding useful statistical information. The problems of members and their suggestions to solve such problems could be entertained in the news letters, etc.

II. Group Communication :(i) Discussion with small groups

Discussions with small groups/hamlet and han groups periodically to know their reaction about the facilities rendered by their societies and also to find out what the members expect from their societies. The suggestions made by the above groups could be considered at different levels.

(ii) Study circle meetings

This is one of the good methods to solve some problems. Members would come out with suggestions, for example problem of production, control price of paddy, uses of modern farm machinery, uses of certain varieties of fertilizers/pesticides/insecticides could be discussed in these study circle meetings and solutions could be found at that level.

(iii) Field meetings

The concerned officials of the society to visit the fields for giving farm guidance and to solve problems of the farmer members on the spot itself during harvest season, for example teach the use of modern farm techniques, to enable the members to save time.

(iv) Group visits

By arranging visit of one group to another group so that they could exchange their ideas and learn from each others.

III. Mass Media of Communication

(i) Radio

Media of broadcasting through radio can be made use of to inform and educate farmer members about the activities and latest programmes of the societies.

(ii) Audio Visual

Exhibiting slides in public theatres, film shows and telecasting act as a good mass media. Feature films and role play which depicts success stories of cooperative activity could be screened and televised to enthuse urban as well as rural people about the cooperative movement.

A Proposal for a Regional Project for Promotion
of Better Living Activities by Cooperatives

The seminar considered the Regional Project Proposal on "Better Living Activities by Cooperatives" submitted by Mr. C.K. Sharma, ILO Observer to the seminar.

The long-term objective of the project would be to stimulate the rural cooperatives to play a more dynamic role in improving the living conditions of rural people.

The immediate objectives would be :

- (i) to diversify the activities of the cooperatives involved in the project for improving the living conditions of their members.
- (ii) to use these cooperatives to serve as demonstration units for other cooperatives to enlarge their activities and play a greater role in rural developments.

The proposal suggested appointment of a team of experts (of these persons) to work out a five-year plan for better living activities to be undertaken by identified cooperatives in Bangladesh, Indonesia, India, Malaysia, Nepal, Pakistan, Philippines, Sri Lanka and Thailand. The proposal suggested the holding of a five day workshop when the preliminary plan is ready to consider and finalise the plan.

The seminar while noting the better living projects presently carried out under ICA sponsorship in Sri Lanka and in Thailand and also the two projects proposed to be implemented in India expressed its unanimous agreement with the ILO proposal. The seminar felt the area to be covered being so vast and the need for cooperatives to carry out better living activities in order to raise the living standard of members is so urgent that additional projects would be immensely useful.

OBSERVATION OF THE JAPANESE AGRICULTURAL
COOPERATIVE MOVEMENT - PART I

Historical background

The modern cooperative movement in Japan started after 1900 when cooperative society law was enacted authorising the formation of four types of cooperatives namely credit, marketing, purchasing and processing.

During World War II cooperatives were reorganised into compulsory organisations in order to meet the demands of war time controlled economy. Shortly after Second World War land reform was implemented and in 1947 agricultural cooperative society law was promulgated to sustain and develop farm management and livelihood of small farmers who got their lands by the land reform programmes. In 1948 agricultural cooperatives and their federations were established on the city, town, village, prefectural and national levels.

At present there are 4,523 agricultural multipurpose cooperatives, 5,191 single purpose cooperatives, 205 prefectural level federations and 24 national level cooperative federations.

Single purpose cooperatives limit their functions to the production and marketing of goods such as fruits, vegetables, poultry farming, livestock rearing, etc.

Organisational structure of
agricultural cooperatives

The primary societies are federated at prefectural level on functional basis. The primary agricultural cooperatives are members of these federations depending on their activities. Some federations are mainly composed of multipurpose cooperatives which consists of economic, credit, mutual insurance, welfare etc. while others are mainly composed of single purpose cooperatives which consists of dairy, sericultural, horticultural federations etc.

There are 47 prefectures in Japan, and in each of them, there is a prefectural union of agricultural cooperative whose members are primary cooperatives and prefectural federations. They do not engage in any economic business, but they function in the areas of guidance, coordination, research and survey, education, information and auditing (on behalf of Primary Agricultural Cooperatives and prefectural federations). In additions, prefectural unions are acting to represent interests of the agricultural cooperative movement in each prefecture.

The prefectural federations are further federated at national level. At the national level these federations are mainly of two types : (1) those related to multipurpose agricultural cooperatives such as NFACA (National Federation of Agricultural Cooperative Association), (ZEN-NCI), National Mutual Insurance Federation of agricultural Cooperatives (ZEN-NCI), National Press and Information Federation of Agricultural Cooperatives (IE-NO-HIKARI) and National Welfare Federation of Agricultural Cooperatives and (2) those related to single-purpose agricultural cooperatives such as National Federation of Livestock Cooperatives, National Federation of Dairy Cooperatives, National Federation of Sericultural Cooperatives, the National Federation of Horticultural Cooperatives, etc.

The Central Union of Agricultural Cooperative (CUAC) is the national apex agricultural cooperative organisation in Japan which composed of prefectural unions and national federation as members. The CUAC is not engaged in economic business but it is providing guidance, coordination, research, education, auditing, etc. and also acts as the national spokesman of the agricultural cooperative movement in Japan. In addition to the above mentioned National Federation, there are also Central Cooperative Banks for Agriculture and Forestry, the National Association of Credit Federations of agricultural cooperatives, the IE-NO-HIKARI Publishing Association, the UNICOPJAPAN, etc.

Most of the multipurpose cooperatives are supported by voluntary organisations like women, youth associations and commodity groups.

III. Management

The general body is the supreme authority in the agricultural cooperative society. In case of large scale agricultural cooperative society, the representative meeting takes the place of general meeting. The representatives are selected from different hamlets.

The general meeting elects the board of directors and auditors for a term of three years. The board of directors elect President and Managing Director from amongst the board members for full-time service. Instances are common where employees who have risen to the position of general manager, have been elected to the board and also as President.

Various communication methods are being adopted to maintain close relations with the members. The employees of the societies visit members' homes and supply the members with information regarding working of the societies and discuss their problems. Meetings of the commodity groups in rural areas are also used to maintain dialogues with members.

Wire communication system and news bulletin are also used for providing information regarding society and general agricultural news.

The office is organised on modern management principles and practices which is divided into different departments and the departments are divided into sections.

The staff are well qualified and have necessary training and well paid. They are devoted.

IV. Functions and Activities

The agricultural cooperatives provide services not only to farmer members but also to associate members and even to non-members.

(a) Credit

Credit is the main activity of multipurpose agricultural cooperatives and brings the largest income. The cooperatives give loans to each member both for agricultural and consumption purposes. Short and long term loans are given at a low rate of interest for purchase of agricultural machinery, land improvement and construction purposes. In the case of loans given for land improvement and purchase of agricultural machinery the government subsidises the interest. The government pays 3 per cent of the interest on loan to the society as subsidy.

(b) Savings

Agricultural cooperatives are very successful in mobilising member's savings. Members' savings have contributed substantially to the economic progress and development of member farmers. Members' saving is the main source of the loanable funds and support for the apex level organisations.

(c) Marketing and Purchasing

Agricultural cooperatives are marketing agricultural products produced by members on a more profitable basis. The bulk of agricultural products are sold on the national market through the prefectural economic federation and the National Federation, and some portion to the local market. Recently, there has been a trend for direct transaction with consumers cooperatives.

Agricultural cooperatives are engaged in supply of both agricultural inputs including farm machinery and consumers' goods at reasonable price. Goods are purchased in large quantities to get maximum advantage. Most commodities needed by the primary societies are purchased from the Prefectural Economic Federations.

(d) Utilisation and Processing business

The societies have established for joint use by members - facilities such as rice mills, processing plants for fruits, vegetables and dairy products,

barber's shop, wedding ceremony hall, medical facilities, etc. Joint use of these facilities is not only linked with raising agricultural productivity and cutting down production costs, but also is essential to unified grading, planned production and marketing.

(e) Mutual Insurance Business

Mutual insurance business is for compensating damages suffered by any member of primary agricultural cooperative society through mutual aid.

They collect fixed instalment premium from members periodically and when an accident takes place they supply the victim with a calculable sum of money.

The mutual insurance business is of two types : (1) long-term - such as life endowment, juvenile, building endowment and dwelling house construction insurance and (2) short-term insurance - such as fire, cooperative building fire, automobile, personal accident and fixed term life insurance.

(f) Better-living activities

The remarkable and most effective activities in the cooperative movement in Japan is better-living activities. There are two fields in better living activities such as farm production and better living.

Guidance activities are intended to assist member families in enhancing their economic status by improving their incomes and leading a better and fuller life by using their incomes rationally.

The societies provide technical guidance to farmer members for adopting improved farming method and increase in production. The societies have separate sections to carry out farm guidance activities. The farm guidance advisers of the societies give advice and guidance required by farmers especially through commodity groups. Farm guidance services have contributed greatly in the

modernisation of agriculture, increasing yields and enhancing incomes of the farmers in Japan.

In Japan farm women work in support of the policies and programmes of the agricultural cooperative movement through the women association.

The Women Association of Agricultural Cooperatives are mainly concerned with better living activities. The better living activities assist them in using their income rationally. In order to attain the objective of leading better and fuller lives, the society's help member farmers in home economic planning, saving promotion activities, income generating activities, improving diets and dieting habits improving clothing and housing, health and sanitation, cooperative education and in cultural activities.

V. Problems

The Japanese Cooperative Movement has been quite successful in achieving their objectives. They have conducted not only economic activities, but also social, cultural and even welfare activities. However, they have some problems like :

1. Decreasing trend of full-time farmers.
2. Over production of rice which affects the farmers adversely.
3. Suffering from high cost of production due to highly mechanisation system.
4. High competition with private corporations which has weakened agricultural sector.
5. Difficulties to cope with the rapidly changing socio-economic conditions.

Having these problems in mind the Japanese Cooperatives have to consider how to make agricultural sector attractive.

VI. Conclusion

Though cooperative movement was started since 1900 in Japan, the actual

development of the movement starts only after World War II. The most important cause of the rapid progress of the cooperatives is sound management system. Another important reason is mobilisation of women in cooperatives. The better living activities of Women's associations help cooperatives a lot for its development.

Thus the Japanese Agricultural Cooperatives are very successful to raise the standard of living of the members by providing economic, social and welfare facilities.

PART II

Structure

Agricultural cooperatives are vertically organised at three levels. Primary agricultural cooperative societies are organised on the city, town and village level. Prefectural unions and federations in prefectural level and the central union and the national federation at national level.

The primary agricultural cooperative societies are classified into two categories; Multipurpose and Single-purpose.

The activities of multipurpose agricultural cooperatives cover a wide range not only business activities like marketing, purchasing, credit, mutual insurance, utilisation and processing but also guidance, education and better living activities combined with socio and cultural activities.

The Central Union of Agricultural Cooperatives which is a national organisation not only engages in service such as guidance coordination, investigation, education, information and auditing etc. but also safe guards the interest of primary agricultural cooperatives.

CUAC and prefectural unions are taking keen interest in developing primary agricultural cooperatives in providing better services to the member farmers such as the supply of agricultural inputs, farm machinery in time.

Government of Japan is indirectly helping the development of cooperative movement by purchasing rice through cooperatives.

Credit and Saving Promotion

Credit is disbursed to member farmers through multipurpose agricultural cooperatives. It is noteworthy that primary societies have surplus deposits and about 50 percent of the deposits are required by farmers towards loans.

Government of Japan is subsidising the rate of interest towards loans for specific purposes such as development of forestry, livestock, land development, etc.

Another interesting aspect is that the cooperatives pay a higher percentage of interest on savings than the private and commercial banks, in addition to the patronage dividends that are being paid as incentive to the farmer members.

Agricultural modernisation fund has been instituted to grant credit to farmer members on long-term basis.

Supply and Marketing

The supply system in Japan has been divided into two groups :

(i) Agricultural inputs and (ii) Farm Machinery.

The marketing of agricultural produce is carried out by agricultural cooperatives for their farmer members. The marketing system aims at realising reasonable prices for their products in the market by jointly marketing the produce of small farmers. It is remarkable that agricultural cooperatives are handling a lions share in the marketing of agricultural products. This is due to the close rapport they have with farmer members on the one hand and facilities provided in respect of grading, packing, transporting, marketing information etc. on the other.

Insurance

The important activity of agricultural cooperatives in Japan is insurance business. The primary societies sell the policies and they do not employ agents for selling the policies. Members themselves buy policies from the society. This has avoided payment of commission on sales.

Utilisation

Primary agricultural cooperatives have been able to set-up their processing plants for various agricultural produce. This helps the member-farmers to get the maximum return facilities provided include agricultural machinery, repair work shop, grading plants, breeding and seedling centres. These facilities enable the societies to assist the members in planned and scientific production and efficient marketing.

Guidance

Guidance activities provided by the societies not only assist the member families to enhance their economic status by improving their income but also in reducing expenses over ceremonies like wedding, funeral etc.

Health Programmes

Primary agricultural cooperatives provide facility of health check of the member farmers. Mobile vans go to the interior areas and conduct health screening. Some prefectures are running very well equipped hospitals with all the modern facilities.

Role played by Women Associations in developing primary agricultural cooperative societies

Women Association though informal, are playing a very important role in strengthening cooperative activities at the root level. The han groups are engaged in joint purchase of consumers goods, running of cooking classes, cultural activities like flower arrangement, tea ceremony, etc.

Conclusion : The following points have made the Coop.Movement strong in Japan.

1. The integration of various functions at primary level.
2. Sound management.
3. Effective policy of crop insurance.
4. Provision of guidance and the services provided by the societies.

OBSERVATION IN THE REP. OF KOREASTUDY VISITS TO COOPERATIVES IN THE REPUBLIC OF KOREA

24th August - 31st August 1982

General Introduction

The Republic of Korea, situated between Japan and mainland China has achieved one of the highest economic growth rates ever reached among developing nations. In 1981, the Korean economy showed a growth of about 7.1 per cent in real terms as a result of the expanded export of commodity and the increase in the agricultural production and Gross National Product increased by about 25.7 per cent over the preceding year.

Agricultural Cooperatives in the Rep. of Korea

Agricultural cooperatives in the Rep. of Korea were organised at three levels upto 1980. Primary cooperatives at the town-ship level, county or city cooperatives at the country or city level and an apex organisation which is called the National Agricultural Cooperative Federation at the national level.

Since 1981 the structure of agricultural cooperatives has been reorganised into two tier structure based on the revised agricultural cooperative law and livestock cooperative law. As a result, the county or city agricultural cooperatives were converted into the county or city offices of the NACF. While the livestock cooperatives were affiliated with the National Livestock Cooperative Federation.

NACF has a very wide net work with its Head Office in Seoul and nine provincial offices in the capital cities of each province, four city offices in the special cities and 139 county offices. The NACF is the national level organisation which is composed of primary agricultural cooperatives and horticultural cooperatives as members.

(b) Objectives

The objectives of agricultural cooperatives are to increase the agricultural productivity, the improvement of economic and social status of member farmers and to develop the national economy.

(c) Organisation and Management

All the primary agricultural cooperatives are affiliated with the NACF. These primary cooperatives are guided and supervised by NACF and its county office concerned. The members of the primary cooperatives are divided into regular members and associate members. The regular members are those engaged in agricultural activities and resident in the area of operation of the society whereas associate members are non-farmers.

Primary agricultural cooperatives has the representative's committee which function as the General Body meeting and the board of directors as the policy-making body. The board of directors is composed of the seven directors who are elected from the General Body Meeting. In order to supervise accounts of the society two auditors are also elected by the general body.

The President of the society is nominated by the director of the provincial office of NACF from two candidates elected by the general assembly.

Managerial organisation of the primary cooperatives is divided into several departments such as guidance, credit and economy department, under a general manager.

Activities of the Agricultural Cooperative

In accordance with its objectives, NACF and primary agricultural cooperatives perform wide range of activities such as credit, marketing, purchasing, cooperative insurance, utilisation and processing, farm guidance and cooperative education.

(i) Credit

Resources for the credit system operated by the agricultural cooperatives, were partly out of member savings and partly from borrowings from the Bank of Korea through NACF. After the introduction of credit activities in the primary cooperatives, the role of money lenders came down significantly and the dependence of the farmers on the Government funds also decreased. The cooperatives are providing to farmers 80 per cent of their credit demand and the other 20 per cent borrowings are provided by commercial banking institutions.

In agricultural cooperatives, the income of farmers received from the sale of their agricultural produces are credited into the accounts of members in the society. The societies on the other hand provide day to day requirements of the member farmers and their purchases are debited to their respective accounts. Money can be withdrawn only when a member is in need of it.

(ii) Marketing and Supply

NACF and its member cooperatives are dealing in the supply of agricultural inputs and consumer goods to their member farmers as well as in marketing their agricultural produces through their marketing facilities. This system benefits not only the member farmers but also the consumers of agricultural commodities. In the Rep. of Korea, 50 per cent of the total requirement of the major items of agricultural inputs such as farm chemicals, farm machinery and seeds are supplied through the agricultural cooperatives but in the case of fertilizers the entire demand of the farmers of the nation is met by the agricultural cooperatives at the prices fixed by the government. With regard to providing timely information on the situation of agricultural marketing the NACF is operating marketing information centre in the major cities.

(iii) Utilization and processing

Joint utilisation of farm machinery and the processing of foodgrains and other agricultural produces have been conducted by the primary agricultural cooperatives. The business of joint utilisation of farm machinery is being done for the promotion of farm mechanisation, to enhance the efficiency and to maximise the use of modern farm machinery. The number of processing units operated by F.A.C. stood at 238 as at the end of 1981.

(iv) Cooperative Insurance

Cooperative insurance business is handled by the NACF through its member cooperatives. Cooperative insurance can be classified into Life Insurance and Damage Insurance. Life insurance can further be divided into New Life Insurance, Schooling insurance, short-term deposit insurance and whole life security insurance. The damage insurance includes special livestock insurance, fire insurance, forest fire insurance and the long-term fire insurance.

(v) Farm Guidance and Cooperative Education

NACF is providing guidance programme for member cooperatives and farm guidance for member farmers. The NACF is also providing publications on public information and rural culture to the farmers. The major programmes of farm guidance to the agricultural cooperatives include the "SAEMAUL" Integrated Rural Development Projects, farm mechanisation programme, support for the increase in production of foodgrains and the fostering of the SEAMAUL grass-root organisation.

The activities of the cooperative education by the NACF can be classified into two types. (1) Training for the officers and staff of agricultural cooperatives including the NACF officials. (2) Education for the member farmers and their children. For the training and education the NACF has Agricultural Cooperative Junior College at the national level and the other seven agricultural cooperative training centres at provincial level. The objective of the junior cooperative training college is to educate young persons for contributing to the development of agricultural

cooperative in the rural areas. The college has intake capacity of 200 male students either from rural agricultural farmers or from the NACF or P.A.C. Society itself. One who passes the preliminary entrance examinations, has a desire to work for agricultural cooperatives and is sponsored by the local PAC's can get admission in the college. The college is providing free education with free boarding facilities.

Under primary agricultural cooperatives, there are organisations such as Saemaul farming societies, Saemaul Women societies and Saemaul Youth societies which are voluntary and informal organisations at the village level. The major objectives of the societies are to strengthen the members' participation in societies activities for the enhancement of productivity and the improvement of their living standard through agricultural cooperative societies.

1. Saemaul Women Societies

(i) Brief History

Saemaul women societies were organised by rural women at village level in 1973. In principle, it is organised by each traditionally formed village (hamlet), but it can be organised by two or three hamlets. The operational area of a women society cannot exceed one administrative village.

(ii) Objectives

The objectives of the Saemaul Women societies include : (a) enhancing women's welfare and continuing promotion of Saemaul Undong in rural area. (b) Fostering solid farm household and contributing to the development of rural communities.

(iii) Membership

Members of the women societies are family members of member farmers of agricultural cooperatives. The age of members should be more than 20 years, and less than 60 years. If the age of the member is more than 60 years, she could be qualified as a special member. At the end of 1981 there were 36,711 women societies with 1,199,000 members.

(iv) Organisation*

Each women societies has :

- one chairman,
- one/two deputy chairmen
- one auditor
- one secretary general.

To implement their daily programme, there are some groups with respective function, such as :

- savings group;
- life improvement group;
- family planning group;
- education activity group;
- income development group.

The chief of these groups are elected from the executive members meeting.

The meeting of Saemaul women societies are classified into : general meeting, monthly meeting and executive members' meeting. The executive members meeting is composed of chairwoman, deputy chairwoman, secretary general and chief of all groups. The general meeting is convened once in a year.

(v) Finance

The expenses of the women societies are covered by the members' subscription and income from joint activities. Out of the fund the societies also accumulate legal reserves.

(vi) Function

To achieve the objectives, the Saemaul Women societies performs various activities. The majority of these activities are classified into four

* Excluding Secretary-General, they are elected by members of the society. The Secretary-General is appointed by the Chairwoman among the members. The office-term of these executive members is two years.

functions such as (a) Saving Promotion, (b) Plan for the enhancement of savings, (c) Promotion of savings for the common fund of the societies, and (d) Mobilisation of fund required in the activities.

At the end of 1981, total amount of deposits by the women societies reached 77,365 million won. The average amount of deposit per women society was 2,115 thousand won. Out of the total deposits received by the primary agricultural cooperatives, the amount of deposits mobilised by women societies accounted for 6.6 per cent.

(b) Purchasing Business

- Procurement of agricultural production input.
- Utilisation of common facilities and procurement of the facilities.
- Operation of purchasing centres for consumer goods and sale of members products. By the end of 1981, number of purchasing centres operated by women societies totalled to 21,056 and their supplies amounted to 57,698 million won, accounting for 34.2 per cent of the total value of consumer goods distributed by cooperative chain stores.

(c) Life Improvement Function

- Operation of joint kitchen;
- Improvement of housing;
- Improvement of rural clothing and food pattern;
- Performance of family planning.

At the end of 1981 the number of joint kitchen totalled 3,925, such kitchens are operated for about 15 days per annum during the harvesting season.

(d) Educational Activities

- education for rural women;
- operation of children's study rooms;

- introduction of farm household accounting;
- promotion of cultural lectures;
- dissemination of rural recreation activities;
- joint work;
- operation of nurseries;

Through the women's class rooms and the training programmes of women of primary agricultural cooperatives totalling 57,903 members of women societies participated in the training for the farm machinery during the year of 1981.

At the end of 1981, number of childrens' study rooms stood at 3,050. The total amount of subsidy given to the study rooms reached 31,652 thousand won. Number of women societies performing income projects at the end of 1981 were 1,760 and the average amount of income per women society was 797 thousand won. At the end of 1981 the number of nurseries operated by women societies increased to 9,469.

(vii) Function of Women Extension Workers

In accordance with the organisation of Saemaul Women Societies at village level, the agricultural cooperatives perform their extension activities for the improvement of rural life, which are carried through the linkage with the women societies. For this purpose, agricultural cooperatives employ women extension workers for the efficient performance of women guidance activities. The major duties of the women extension workers are as follows :-

- (a) Guidance for the organisation and management of Saemaul Women societies.
- (b) Direct the activities of women societies for the community development.
- (c) Encouraging women societies to expand the business of agricultural cooperatives.
- (d) Guidance for the farming activities of women.

- (e) Support for the cultural and welfare life.
- (f) Activities on the public information on the agricultural cooperatives.

In the case of the head office of the NACF, a woman extension worker is employed at the Saemaul Farm Guidance Division of the Saemaul Guidance Department. Her major duties are the planning for the guidance activities of rural life improvement and for the extension work in relation to the women's participation in agricultural cooperatives business and women's activities for the farming and income increase activities. At the end of 1981, the total number of women extension worker were 963.

Study of activities in Gangwon Province

The situation of the Gangwon Province which was included for study tour accounts for about 25 per cent of the national population. It has 35 per cent of the farm population with 40 per cent of paddy fields. Production of maize and vegetables accounted 75 per cent and 70 per cent respectively of the nation total requirement. It is a remarkable achievement in agricultural production.

Role of Saemaul Societies in the cooperative activities

Saemaul movement which was started in early in 1970 is playing a vital role in the development of cooperative movement and has been able to ensure active participation of women in cooperatives, not only in bettering the economic standard of the members but also in their socio cultural activities.

The activities of Saemaul women societies are related with the agricultural cooperative business for the improvement of rural welfare and farm management. Their activities are as enumerated below :-

1. Advancement of the life of farm households through the improvement of daily food pattern and home economics. By this activity they are helping the wives of member farmers to make proper budgeting to suit the income of their families.

2. Cooperation of village level purchasing centre of consumer goods.
By this activity members save time and energy and this not only helps them to spend their time for productive purposes but also helps in saving.
3. Promotion of rural saving is another important activity which inculcates the habit of saving with the result that they are prevented from spending on unnecessary things which are not essential.
4. Cooperation of children library helps the members children to come together and to develop the cooperative spirit from very childhood.
5. Running of joint kitchens during harvest season is a very good system.
It not only strengthens the cooperative spirit but also helps the member farmers to save some money.
6. Running of children care centre is a great help to the mothers who have to help their husbands during harvest time.
7. Training women to operate farm machinery and on farm technology, enables the member farmers to avail of modern technology which in turn helps in increasing productivity and production.

NACF by appointing women extension workers has succeeded in involving women who are about 50 per cent of the population of the country in cooperative activities.

Democratic System of working

Though Saemaul women associations are informal associations and are not covered under the cooperative law of the country, they are being run on democratic principles by electing the office-bearers from amongst the members. Their method of accumulating the funds towards their activities is commendable. The chart displayed in the women society we visited were educative and informative.

Saemaul Farmers Groups

Saemaul farmers groups which are formed on the basis of product, enables the farmer members not only in helping them in availing of better technology but also helps them to get good price for their produce.

Saemaul Youth Groups

Saemaul youth groups helps the youth to come together and develop the cooperative spirit.

Family Membership

The main reason for remarkable participation of women in cooperatives is the provision of family membership. If the head of the family is a member, it also enables other members to take active part in the movement. The cooperative movement in Korea has also proved that even small holdings can become viable units and the families with small holdings could become self-sufficient.

OBSERVATIONS

In the overall impression of the group, the working of cooperatives in the Rep. of Korea was found to be very impressive and successful. With an integrated structure of two-tier, supported by different informal groups at the village level, the cooperative movement is able to ensure adequate participation of the members in the activities and development of cooperatives. Alongwith the members participation encouraged by systematic farm guidance work, the cooperatives have made even the small farmer economically viable. Even such small farmers are provided adequate credit appropriate inputs and a package of farm guidance with the result that the productivity and production of small farmer and farms have been considerably augmented. With the result that on the one hand farmer gets enough income for better living and cooperatives have almost complete and timely recovery of the loans which was stated to be about 97 per cent of the loans granted.

Cooperatives law of Korea, however, does not provide for membership of non-farmers in cooperatives. This deprives about 76 per cent of population from entering the cooperative fold directly as members as the farming population constitute about 24 per cent of population. Non-agricultural people, however, can avail of the benefit of cooperatives in respect of consumer supplies and other services.

In Korea the management aspect is strong sound and efficient. The Board of Directors, Presidents and even the staff are trained and qualified, which helps the sound and smooth working of the agricultural cooperatives.

One more remarkable feature of the cooperative movement of Korea is the real and effective participation and involvement of women in supporting cooperative activities and thereby participating in the process of cooperative development as well as overall economic development of the country.

It was gratifying to learn that the staff of cooperative organisations are very well paid and they are entitled to the bonus which extends upto 500 per cent and therefore is very attractive. The success of cooperative movement in Korea can be attributed mainly to such attractive remuneration of the cooperative personnel which provide them incentives to contribute their best efforts in the development of the cooperative movement.

One of the important factors for the successful working of the cooperatives in insurance system. Due to the system members have more sympathy towards cooperatives they feel secured. It inspires them to work more for the development of the cooperatives.

In Korea one can see some voluntary groups also such as rice plantation, sprayers, harvesters. Traditional friendship association at village level in another type of cooperative group of the same age level used to organise an informal group to improve friendship and mutual help as also some illustrative cooperative ways of life

such as joint work system, friendship groups informal groups. Hence, during the off-harvest season the farmer members are also able to get temporary jobs to supplement the family income.

A/1891982

**REGIONAL SEMINAR ON "MULTIPURPOSE AGRICULTURAL COOPERATIVES
WITH SPECIAL REFERENCE TO ACTIVITIES OF AGRICULTURAL COOPS
WOMENS' ASSOCIATIONS, Seoul (Republic of Korea) & Tokyo (Japan)**

24 August - 21 September 1982

FINAL PROGRAMME

Mon, 23 August 1982

Arrival of participants.

24th - 30th August

Study visits in the Rep. of Korea.

Tue, 31st August

Departure Seoul

Arrival Tokyo.

Wed, 1st September

1000 - 1100

IDACA Orientation.

1100 - 1230

Inauguration

1400 - 1700

Presentation of Country Background Papers by participants.

Thu, 2nd September

0930 - 1230

Presentation of background papers (contd.)

1400 - 1700

Presentation of background papers (contd.)

Fri, 3rd September

0930 - 1230

Lecture I : "Multipurpose Agricultural Cooperatives in Japan and their activities", by

Mr. Shiro Futagami,
Manager, International Department,
Central Union of Agricultural Cooperatives,
Tokyo (Japan)

1400 - 1700

Lecture II : "Management of Multipurpose Coops - Peculiar Aspect" by Prof. D.R. Oza, VL Mehta
National Institute of Cooperative Management,
Pune University Road, Pune.

Sat, 4th September

Group Work.

Sun, 5th September

Sight-seeing in Tokyo.

Mon, 6th September

0930 - 1230

Lecture III : "Activities of agricultural cooperative womens' association and business activities of agricultural cooperatives"

Mrs.K. Kosaka,
Assistant Chief of Farm Management and Better Living Department,
Miyagi Prefectural Union, Japan.

1400 - 1700

Lecture III contd.

Tue, 7th September

0930 - 1230

Discussion on Lecture III.

1400 - 1700

Lecture IV : "Multipurpose Cooperatives" and Discussion of the Case Studies by

Lionel Gunawardana,
Joint Director & Specialist in Agricultural Cooperation, ICA ROEC, New Delhi.

S T U D Y V I S I T S

Forenoon

Afternoon

Wed, 8th September

Travel Ueno - Nigata

Visit Niigata Prefectural Union of Agricultural Cooperatives.

Thu, 9 Sept.

Visit Makimachi Agricultural Cooperatives.

Observation of the Facilities.
Visit Farmers House.

Fri, 10 Sept.

Visit Nagaoka City Agricultural Cooperative.

Observation of the Facilities.
Meeting with the Women's Association of the Cooperative.

Sat, 11th September 1982

Visit the Central Hospital.

Free (Sightseeing)

Sun, 12th Sept.

Sightseeing in Niigata City.

Travel Niigata - Ueno
Reach IDACA in the evening.

Mon, 13th September

1030 - 1230

Lecture V : "Communication with Members" by
Mr.S.Nakagawa, General Manager,
Mikkabi Cho Multipurpose (Agricultural) Coop.
Society of Japan.

1400 - 1700

Lecture V continued.

Tue, 14th September

0930 - 1230

Lecture VI : "Management of Multipurpose
Agricultural Cooperative Societies" by
Mr.F. Aruga,
Central Cooperative College, Japan.

1400 - 1700

Lecture VI continued.

Wed, 15th September

National Holiday

Thu, 16th September

0930 - 1100

Lecture VII : "Management of Multipurpose
Cooperatives - Operational Aspects" by
Prof.D.R. Oza from India.

Thu, 16th September

1130 - 1230

Lecture VIII : "Womens' Activities in Cooperatives"

by Mrs.Margaret M.D'Cruz,
 Education Officer (Women & Youth),
 ICA Regional Office & Education Centre
 for South-East Asia, New Delhi-110-065.

1400 - 1700

Group work.

Fri, 17th September

Group work and plenary.

Sat, 18th September

Preparation of Report.

Sun, 19th September

Preparation of Report (contd.).

Mon, 20th September

Final Plenary, Evaluation and Closing.

Tue, 21st September

Departure of Participants.

1030 - 1100

MORNING TEA

1230 - 1400

LUNCH

1530 - 1600

EVENING TEA

REGIONAL SEMINAR ON "MULTIPURPOSE AGRICULTURAL COOPERATIVES"
Seoul (Rep.of Korea) & Tokyo (Japan): 24 Aug - 21 Sept,1982

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Manager Representative in Sumedang
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5. Mrs.Kasturiah Siswoko
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12. Mr. Benjamin M. Togonon, Sr.
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13. Mrs. Esther B. Rivera
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Manager
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- 31. Mr.H. Terunuma,
Programme Coordinator

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- 32. Mr.Lionel Gunawardana
Joint Director & Specialist in
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RESOURCE PERSON

- 33. Mrs.Margaret M.D'Cruz,
Education Officer (Women & Youth).

SEMINAR SECRETARY

- 34. Mr.Ashok Kandhari
Sr.Personal Secretary to Director (Edu.)

REGIONAL SEMINAR

on

**Multipurpose Agricultural Co-operatives
with special reference to activities of**

**AGRICULTURAL CO-OPERATIVE
WOMEN'S ASSOCIATIONS**

(Organised by ICA, S - E Asia)

AT TOKYO, JAPAN

September 1st to 21st 1982

PAPER ON

“ Multipurpose Agricultural Co-operatives ”

BY

Miss T. S. RUKMAYI

Bangalore, India

REGIONAL SEMINAR

ON

MULTIPURPOSE AGRICULTURAL CO-OPERATIVES WITH
SPECIAL REFERENCE TO ACTIVITIES OF AGRICULTURAL
CO-OPERATIVES 'WOMENS' ASSOCIATIONS

(SEPTEMBER 1 - 21, 1982)

AT TOKYO, JAPAN

PAPER ON

"MULTIPURPOSE AGRICULTURAL CO-OPERATIVES"

BY

MISS TS RUKMAYI

DIRECTOR, SODARI SANGHA CONSUMERS CO-
OPERATIVE SOCIETY LIMITED, BANGALORE.

&

DEPUTY PERSONNEL MANAGER
M/S INDIAN TELEPHONE INDUSTRIES LIMITED
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KARNATAKA - INDIA

PREFACE

It is gratifying that the International Co-operative Alliance Regional Office & Education Centre for South East Asia, New Delhi, has arranged a Regional Seminar on "MULTI PURPOSE AGRICULTURAL CO-OPERATIVES" at Tokyo Japan from 1st September to 21st September '82 with the objects:

1. to review the present state of multipurpose agricultural co-operatives in the region and their contribution to integrated rural development.
2. to examine management problems in these societies with a view to suggesting improvements.
3. to suggest ways in which women's participation in multipurpose co-operatives can be enhanced with a view to strengthening them and improving social and economic standard of women.
4. to study the multipurpose agricultural co-operatives in Japan and in the Republic of Korea in relation to the above aspects to draw lessons from them.

I am happy to present a background paper on present state of multipurpose agricultural co-operatives in India. Though the problems may be peculiar and different in each country, poverty and employment could be common. In the Seminar problems of each Country could be discussed and appreciated and attempts to find out solutions for each of these problems, could be made.

I am extremely thankful to the concerned authorities for giving me an opportunity to participate in the Seminar as a delegate. I am also thankful to the Sodari Sangha Consumers Co-operative Society, Bangalore and M/s Indian Telephone Industries Limited, Bangalore, for their kind assistance and whole-hearted co-operation.

CO-OPERATIVE PRINCIPLES IN INDIAN CULTURE

"Sarve Bhavanthu Sukinaha
Sarve Santhu Nirmayaha
Sarve Bhadrani Pashyanthu
Ma Kashchith Dhukha Bhag Bhaveth"

The above quotation from Mahabharatha, a great epic of India, says "Let all subjects be happy; Let all subjects enjoy health; Let all people be blessed with prosperity; Let not any one suffer sorrow".

You can see from the above quotation that the principle of co-operation and equality and sharing of commongood has been neatly woven into fine fabric of Indian philosophy. The very way of life of most of the people in ancient India was virbrant with the doctrine of co-operation. If a calamity befell on an individual, the entire community joined together not only to partake in the sorrow but also to redress. If it was a matter of rejicing, the entire village rejoiced. That was the great philosophy of India.

1. AREA, POPULATION & NATURE OF COUNTRY

India is the seventh largest country in the world covering an area of 32,87,782 Sq.Kms. Population of India as per the latest census of 1931 is about 690 millions. India is an agricultural country and 70% of the population live in the country-side, engaged in agricultural activities, inspite of rapid industrialisation since 1947 after the country became independent. The economy of the country is still predominantly agriculture based. About 45% of the national income is derived from agriculture and allied activities.

2. POVERTY & UNEMPLOYMENT

Poverty and Un-employment are two major problems confronting the country. In spite of continuous economic planning of 3 decade duration, majority of the population remain poor. The percentage of population below poverty line has been estimated at 60% in Rural areas and about 45% in Urban areas.

3. HISTORY OF CO-OPERATIVE MOVEMENT IN INDIA

Although it is said that the co-operative movement took birth in India with the enactment of the Co-operative Credit Societies Act, attempts had been made by people like Sir Willian Waderburn, Justice Ranade, Mr Fredrick Nicholason, and others to spread the principles of co-operation earlier when the second famine commission emphasised the need for starting credit co-operative

...(2)

societies. Lord Curzon set up a committee under Edward Law. On the basis of the report of this commission, the Co-operative Credit Societies Act was passed in the year 1904. Thus, the Co-operative movement was initiated by the Government as a part of their programme to help the rural people to free themselves from the clutches of the money lenders who were charging exorbitant rates of interest. The statute was primarily focussed on the organisation of primary credit co-operative societies, both in rural and urban. More attention was paid to the rural societies. The main aim of this act was to promote social service and economy and provide credit facilities to the farmers, craftsmen and persons of limited means. This marked the first milestone in the co-operative movement of India.

The greatest shortcoming of the Act of 1904 was that only credit societies could be established under it. Secondly, the act also did not provide for setting up of a central organisation for supervision and supply of funds.

Thirdly the classification into rural and urban societies was un-scientific. In order to set-right these defects, the co-operative societies act 1912 was passed. This act permitted the setting up of non credit societies which marked the second phase in the co-operative movement. This act also provided setting up of Central and Provincial Banks. As a result of this the co-operative movement gained momentum and led to the multiplication of a number of societies of various types between 1912 and 1920.

...(3)

In order to investigate the defects of Indian Co-operative Movement, a Committee was set up in 1914 under the chairmanship of Sir E Meclagan. The Committee observed that the workers in the co-operative societies are stimulated by selfish motives, the majority are unaware of the principles of co-operation as they are uneducated, and they do not pay attention to realisation of arrears, which are the main causes for the failure of the movement. As a result of the recommendations of the above Committee, all those societies which were unable to conduct their business properly, were terminated and the co-operative societies were reorganised.

With Montagu-Chelmsford constitutional reforms of 1919, the development of the co-operative movement became the responsibility of the provincial Governments, now states separate co-operative departments were set up in the provinces. It gathered great momentum during 1919-1929 in the sphere of non-credit and industrial societies.

The year 1929 faced a world-wide economic depression. There was great down-fall in the agricultural prices which resulted in a set-back to co-operative movement in India. In the year 1935, the Reserve Bank of India was established along with a co-operative department under it, the aim of which was to study the problems relating to rural credit and to advise properly. In the year 1937 as a result of formation of National Governments in the states, the co-operative movement gained much importance.

4. DEVELOPMENT AND MULTI-PURPOSE CO-OPERATIVE SOCIETIES

During the Second World War period the conditions of the farmers were improved on account of getting good prices for the commodities grown, and they started paying off the old debts to the societies. A number of new co-operatives in the field of marketing, sale and purchase, housing and cottage industries came into existence. The co-operative planning committee made far-reaching recommendations so as to embrace all economic activities of the farmers, in most of the villages for raising their overall standards of living.

The recommendations stressed the need for the development of multi-purpose societies, whose objects should be to finance crop production act as agents for the sale of produce to the nearest co-operative marketing organisations, supply the farmers their simple need of production, such as seeds and fertilisers, implements, cattle feed etc., and also they should try to meet their daily consumptions requirements like cloth, salt, sugar, matches and serve as milk collecting stations for the nearest dairy. The recommendations also covered wide spheres of activity such as farming, sheep and cattle breeding, agricultural marketing and processing, housing, health and crafts.

It is only after the attainment of Independence rapid expansion and diversification of the co-operative movement started.

The first Prime Minister of India late Pandit Jawaharlal Nehru was committed to co-operation. He used to say

..(5)

'I want to convulse India with Co-operation'.

In all the plans, emphasis was laid on improvement of co-operative movement for the economic development of the rural community and weaker sections of the society.

The table given below shows the progress made

Year	No. of Societies	Membership	Working Capital
1911-12	0.08 lakhs	4.03 lakhs	30.59 lakhs
1920-21	0.52 lakhs	19.74 lakhs	not readily available
1969-70	2.73 lakhs	540 lakhs	5,07,500 lakhs
1980-81	3.08 lakhs	742 lakhs	12,14,600 lakhs

5. CO-OPERATIVE FARMING

The extension of Co-operative Movement in the sphere of farming has been another important step to maximise production as well as social welfare, thus to protect the interests of the small farmers, following the recommendations of co-operative Planning Committee of 1945. The Planning Commission favoured the development of Co-operative farming on grounds of advantages of wide scale application of scientific knowledge, increased investment and possibilities of mobilising larger financial resources and better management co-operative farming. Co-operative farming was considered vital in view of the fact that about 38% of agricultural households possessed land holdings of less than 2.5 acres and 20% less than 5 acres. These families

...(6)

together accounted for about 15.50 percent of the total cropped area. The Planning Commission pursued the policy of development of co-operative farming.

6. ALL INDIA RURAL CREDIT SURVEY COMMITTEE

The first comprehensive investigation of rural credit in India pertains to the year 1951-52 and is known as "All India Rural Credit Survey Committee". This committee pointed out the inadequacy of the rural credit and recommended an integrated scheme of rural credit covering the following:-

- (a) Crop loan on the security of anticipated crops;
- (b) Organisation of large sized societies;
- (c) Linking of credit with marketing;
- (d) construction of godowns with storage;
- (e) provision of marketing facilities at mandis and district head quarters.
- (f) state partnership at all levels to give financial help for credit and marketing societies;
- (g) Appointment of paid staff for management of co-operatives;

Besides the above, setting up of National Agricultural Long term Fund, National Agricultural Credit Stabilisation Fund were also recommended and the Reserve Bank of India set up the above funds.

The National Agricultural Long Term Fund was meant for issuing (a) long term loans to state governments for subscribing share capital of co-operative institutions, (b) advancing medium-term loans to State Co-operative Banks for agricultural and others allied purposes.

The National Agricultural Credit Stabilisation Fund was meant for converting short term loans due to the Reserve Bank from the State Co-operative Banks into medium-term loans, in circumstances in which the repayment became impossible owing to wide-spread natural calamities like famine, ~~floods~~ etc.,

Thus, the Rural Credit Survey marked an important landmark in the history of the co-operative movement in the country, since it aimed at radically re-organising their organisational structure and co-operative policies. The programmes for Co-operative Development in the second five year plan were generally drawn on the pattern of the Rural Credit Survey Report.

In 1958 the National Development Committee proposed that the movement should be so developed as to include all the village families into its fold by the end of their third plan which resulted in the appointment of Sri VL Mehta's Committee.

As result of Sri VL Mehta Committee's recommendation a wide-spread net work of Primary Agricultural Co-operatives was organised on the basis of the village community as the primary unit. The co-operative societies admitted all classes of cultivators including marginal and sub-marginal cultivators as members and provided them adequate credit on the basis of their production requirements and repaying capacity.

The policy in the Third Five Year Plan emphasised the

rationalisation of co-operative credit structure with emphasis of viable institutions, particularly at the village level so as to ensure sufficient credit to all sections of agriculturists and in particular small and medium farmers.

7. ALL INDIA RURAL CREDIT REVIEW COMMITTEE

As progress achieved was uneven in different parts of the country, by the middle of sixties, it was felt that the co-operatives were not proving equal to the task, particularly in the context of fast increasing requirements of agricultural credit on account of improved agricultural practices. Hence, a need arose to have a second look at the system of Rural Credit. The All India Rural Credit Review Committee was appointed by the Governor of Reserve Bank in July 1966 in order to reassess the situation specifically on the following:-

- (a) Supply of credit for fertilisers, improved seed, pesticides etc., in the light of production programme as also for processing, storage, marketing etc., from institutional and other sources such as commercial banks, besides co-operative banks and societies;
- (b) Working of the crop loan system;
- (c) Progress made in respect of the Agricultural Credit Corporation;
- (d) Co-ordination between the relevant agencies operating at different levels.

The rural credit review committee acknowledged the inadequacy of the Co-operative system alone, to meet the requirements of agriculture which were estimated to be of the order of Rs.2,500 crores, comprising Rs.2,000 crores of short term production credit and Rs.500 crores of medium - term loans in the last year of the Fourth Five Year Plan i.e. 1973-74. Of this total requirement, co-operatives were

... (8)

expected to be able to meet only about Rs.750 crores. Over the plan period the volume of loans advanced per member by Agricultural Credit Societies recorded the most impressive spurt. The average loan advanced per member in 1951-52 was Rs.51/- and in 1971-72, Rs.191 and in 1976-77, Rs.677/- Significant progress was also made at level of Central Co-operative Banks, State and Primary Co-operative Banks.

8. AGRICULTURAL CREDITS

(i) Short Term Loan

This has to be returned within one year. This is called crop loan. For each member a normal credit limit statement is prepared in every primary co-operative society, depending upon the land, type of crop, need for fertiliser, seedsetc., Part of the short term loan is given in kind and part is given in cash. Members can avail loans from their primary credit societies which get the finances from District Central Co-operative Banks (DCC Bank). Apex Bank at state level finances the DCC Banks.

(ii) Medium and Long Term Loans

These loans are granted normally for buying tractors, pumpsets, borewells, Medium loans are upto 5 years and long term loans are upto 10 years. The only specialised agency for term loans is the Land Development Banks which derive loanable funds from the Agricultural Refinance Corporation established in the year 1963. Their branch net work in the rural and semi rural areas has increased five-fold between July '69 to June '81. At the end of 1980

total direct finance to agriculture in India stood at Rs.6339.6 crores. Of this 3830.3 crores i.e. 60.4% were contributed by Co-operative Institutions.

(iii) Long Term Finance

In respect of co-operative long term finance, the Co-operative Land Development Banks have played a vital role. The membership of these institutions which was 2,74,491 in 1960-61 went up to 12,31,333 in 1969-70 and has further recorded a spectacular rise during the subsequent years. The paid up capital and the statutory and other reserves, which were of the order of 433 lakhs and Rs.111 lakhs in 1960-61 increased to Rs.3386 lakhs and Rs.669 lakhs respectively in 1969-70, thus registering a phenomenal increase of 800% and 500% respectively. A major chunk of the loans advanced has been distributed to the small holders.

9. PROBLEM OF OVER DUES

There are several instances where failure on the part of the managing committees to take prompt steps in the matter of recovery of loans has led to large overdues from members and also the members of the managing committee themselves becoming defaulters.

Rural Credit follow up surveys in almost all the states brought out instances of this kind. Political, factional and other considerations have some times led to facile financing and also failure to make a determined drive for recoveries and to proceed with coercive measures against

defaulters. Laxity in the matter of insistence on prompt and full repayment particularly on the eve of elections, has also contributed to the problem of overdues.

Natural calamities such as severe drought, floods, cyclones and hailstorms and pests result in wide spread and some times complete loss of crop and affect the cultivators repaying capacity every two to three years in different parts of the Country. Unlike lending, recovery is un-popular and an un-hilltask.

1. It is necessary to streamline the loan policies and procedures.
2. drive for recoveries to be organised efficiently and in advance of due dates;
3. take steps in case of default;
4. to stipulate a frame work of appropriate penalties as well as incentives related to the performance to be evolved.

The Indian Institute of Socio-Economic studies, Bangalore, at the request of the Government of Mysore and Mysore State Co-operative Apex Bank Limited conducted a survey to study the financial position and overdues of the primary co-operative societies in Bangalore District. The study depicted the socio-economic features of the primary societies with regard to membership share capital, working capital, loans to members, loans outstanding and overdues of both large size and small size societies. The study revealed that the loans overdue to the bank for over a year was 56% of the total dues. Loans overdue for more than 5 years amounted to 14% of the total.

...(12)

Study pointed out that several factors like economic, social, political, educational and other factors, contributed to overdues. It is a general opinion that co-operative movement has grown quantitatively but has suffered qualitatively owing to these factors. In order to make the co-operative movement a successful one and beneficial to the community, particularly to the weaker sections, it is imperative that the approach is reoriented and revitalised with positive steps. The study made a number of recommendations, foremost among them being creation of viable institutions, establishment of multiservice co-operatives, integrated approach to advance loans, farm plan approach in advancing loans, linking credit with marketing, diversification of farming, extending irrigation facilities, change in the cropping pattern, crop insurance, political and religious neutrality and good leadership.

If the major recommendations are implemented, it is hoped that it would go a long way in helping farmers with sound co-operative finance and minimise the burden of overdues.

10. NATIONAL BANK FOR AGRICULTURE & RURAL DEVELOPMENT

With a view to providing credit for the promotion of agriculture, small scale industries, cottage and village industries, handicrafts and other rural crafts, other allied economic activities in other rural areas with a view to promoting integrated development and securing prosperity to rural areas, the National Bank for Agriculture and Rural Development has been established.

...(13)

The Bank will take over the business of Agriculture Refinance and Development Corporation and the business of the Reserve Bank dealing with agricultural credit and rural development. In particular, the National Agricultural Credit Fund (long term operation) and the National Agricultural Credit (Stabilisation Fund) will be transferred from the RBI to the Bank.

The Bank will undertake all types of credit functions production and marketing credit, loan conversion, rescheduling of loans, investment credit (medium term) and other investment credit, and loans to state government for share capital contribution. It is hoped that with the establishment of NABAD, the rate of progress will be sufficiently fast.

11. WORKING OF LAMPS (LARGE SIZE MULTIPURPOSE CO-OP SOCIETIES)

On the basis of studies made by the RBI, the All India Rural Credit Survey Committee in the year 1954 recommended Large Size Multipurpose Societies. Thus LSS Came into existence.

As a result of land reforms, regulation of money lending, as well as agricultural marketing, a changed atmosphere was created which called for immediate solution of the economic problems of the tribal population which was the most vulnerable section of rural population in some parts of the country. Tribal Development Corporation and Adivasi Seva Societies were started to ameliorate the problems of the weaker sections and tribal population.

A study team on co-operative credit structure in tribal areas was appointed to suggest certain measures for meeting the requirements of tribal population, in selected districts of certain states. The Committee recommended organisation of Large Size Agricultural Multi-purpose Societies (LAMPS) in the project areas for meeting the requirements of the tribal population on co-operative basis. The Committee suggested measures for securing the twin objectives of eliminating exploitation of tribals and providing an institutional frame work to cater to the economic needs of tribals. Accordingly, the LAMPS came into existence by amalgamation and by conversion of primary Agricultural Co-operative Societies into LAMPS in many parts of the Country.

12. BETTER LIVING ACTIVITIES THROUGH CO-OPERATIVES

Warana, a village in Maharashtra State, which was noted as an abode for deccits, two decades back, is now humming with co-operative activities embracing varied spheres which lead to better living of the community. It has gained lot of importance and has attracted the attention of international agencies like ILO, FAO etc., This change from evil to good was due to the inimitable spirit of Shri Tatyasaheb Kore, an agriculturist, with a foresight and a vision and a staunch faith in co-operation. He inspired the disheartened agriculturists with confidence and hope for a good future. He established a sugar factory on the co-operative lines in 1959 with initial crushing capacity of 1000 tons per day. It opened a new chapter in the history of the

region. At present, Warananagar has become a centre of co-operative activities. In and around Warananagar, health and happiness progress and prosperity, education and culture prevail. Hence Shri Tatyasahab Kore rightly says "A stranger will not get any idea by any stretch of imagination, what territory looked like before it became a beautiful township".

Present authorised share capital of the factory is Rs.1.50 crores comprising 15,000 shares of Rs.1,000/- each.

There are cane growers from 66 villages forming the area of co-operation of the sugar factory within a radius of 15 kms. Their bye-laws insist that every producer member must hold at least $\frac{1}{2}$ acre of sugar cane field. In Warananagar 86% of the members are small land holders owning sugarcane land less than one hectare.

The successful running of the sugar factory is testified by the fact that working efficiency of the factory has broken all the existing records in the long standing history of Indian Sugar Industry.

The Sugar Factory has expanded its crushing capacity from 1000 to 2000 tonnes per day. The farmers who once had to part with their household belongings to contribute Rs.250/- towards initial share capital have been able to own assets of 603 lakhs and create funds of Rs.831 lakhs. Warana has also established two agricultural based industries, Dairy & Poultry, for betterment of landless labourers.

Co-operative Bank also has been established in Warana, which has deposits to the extent of Rs.200 lakhs and it is financing small farmers for agricultural development work, artisans, agricultural labourers, to establish small industries like Poultry, Dairy etc.,

The employees are provided with well planned residential accommodation with modern facilities. The Warana Vibhag Shikshan Mandal is taking care of the education of the children from primary to higher education, while the Warana Mahila Vibhag is looking after the welfare of women and also providing part time employment to them.

Warana has thus proved that by sincere and dedicated service and firm faith in the co-operative movement, miracles could be wrought in the co-operative field.

13. ENHANCEMENT OF WOMEN'S PARTICIPATION IN MULTIPURPOSE CO-OPERATIVES

Considering the population of women in the country which is about 49% of the total population, the part played by women in the co-operative movement is hardly worth mentioning. Out of the total population of women about 25% are in urban areas and 75% in the rural areas. From this it is evident that major portion of women's population live in Rural areas. Unless the multitude of the rural women folk is brought into co-operativemovement, benefits cannot be reaped by the rural millions. All round prosperity could be achieved which would pave the way for many contented families, if only common rural women folk

play an active role in the co-operative field.

Since 1975, the International Women's Year, the importance of women's participation in the co-operative movement is being discussed at different levels and at different forums. But when we ask ourselves how far we have succeeded in involving women in co-operative activities, the answer is painfully disappointing. We have to accept the truth that the co-operative movement has failed to attract the women folk within its fold.

To make urban women understand the far reaching benefits of the movement and to make them play an active role in the movement, it may not be that difficult, though there might be obstacles in the initial stages. But the major problem is to make the rural women who are not educated and who are steeped in superstitions, understand the principles of co-operation and make them take active role in the movement.

If the Co-operative movement has to be successful in rural areas, steps should be taken to attract rural women and make them actively participate in the movement. To achieve this, sustained and persistent efforts and an honest approach are a must. The principals of Co-operations have to be inculcated into them and the benefits they would derive from such movements have to be explained to them. Multiservice societies with the objects of providing programmes on social and personal activities,

Socio-Economic activities, health and hygiene, educational activities, general welfare, activities have to be established in the rural areas.

Establishment of such societies could create necessary atmosphere and awareness and confidence for rural women to take an active part in the movement. This could usher in era of economic development and prosperity. It would spell cheer and hope every where in the villages.

I would like to conclude my paper with sayings:

"Sarve Jana Sukhin Bhavanthu
Samastha Sannangalani Bhavanthu"

"May All people be happy
May Good happen to the entire World".

I thank ICA for having given me an opportunity to participate in this Seminar.

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THE PRESENT STATE OF MULTIPURPOSE AGRICULTURAL
COOPERATIVES IN INDONESIA AND SOME ASPECT OF WOMEN'S
INVOLVEMENT IN THE SOCIETIES ACTIVITIES

by

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" THE PRESENT STATE OF MULTIPURPOSE AGRICULTURAL CO-
OPERATIVES IN INDONESIA AND SOME ASPECT OF WOMENS IN
VOLVEMENT IN THE SOCIETILS ACTIVITIÉS "

I. GENERAL INTRODUCTION.

1. The legal status of Cooperative in Indonesia.

Cooperative in Indonesia has its structural and operational basis in article 33 of the Indonesian Constitution of 1945. According to the Constitution is conceived as the suitable set-up of enterprise for the implementation of economic democracy. This democratic principle underlies the Indonesian economic life which is organised as a common endeavour based upon family spirit.

The basic regulations for Cooperatives in Indonesia are laid down in Law No. 12 of the year 1967. It is mentioned in this Law that cooperative in Indonesia shall be an economic organisation of the people with a social character having persons or legal cooperative societies as members and constituting an economic entity as a common endeavour based upon family spirit.

The cooperative has the function as :

- a. An economic tool which strives for the enhancement of the welfare of the people.
- b. An instrument for the democratisation of national economy.
- c. One of the main arteries of economy of the Indonesian people
- d. An instrument for the development of individuals in the society in fostering the economic position of the Indonesian people and to unite them in organising the management of economy of the people.

According to the above mentioned Law, the basic cooperative principle shall be :

- a. Voluntary membership which is open to all Indonesian citizens.
- b. The members general assembly constitutes the supreme authority as a reflection of democracy in Cooperatives.
- c. The devision.....

- c. The devision of surpluses shall be in propo^rtion with the services of the individual members.
- d. The interest of Capital shall be limited.
- e. To develop the welfare of the members in particular and the community in general.
- f. The conduct of business and management shall be open.
- g. Selfhelp, selfmotivation, selfsufficiency shall be the essential features of the basic principle of selfreliance.

2. Government policy on Cooperatives development.

The main pillars of the Indonesian national economy are the State owned enterprises, the Cooperatives and the private enterprices. Compared with the other two, cooperatives are at present in a relatively weak position. Since the First Five year Plan the Government has been determined to develop cooperatives into a stronger economic force in order to be able to assume their role and position as a main pillar of the national economy and as an effective tool to increase the income and to enhance the welfare of the members.

This determination has become more apparent and developed into a strong political will on the part of the Government to nurtur the cooperatives from bottom up. This means that whatever facilities the Government night give to the cooperatives, the ultimate objective is basically to stimulate the initiative and auto activity from the people at the grassroot level and help them to help themselves through cooperative societies.

The strong political will of the Government has been marked by two government decisions which have an extremely important bearing on the further development of the cooperatives in Indonesia namely :

- (1). The issuance of the Presidential Instruction No. 2/78 on the Village Unit Cooperative, and
- (2). The instalation of the institution of the junior Minister for Cooperative Affair.

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In the present third Five Year Plan the Government policy is emphasized on the development of primary cooperatives, especially Village Unit Cooperatives which are expected to function as an efficient economic organisation for the rural people and to render useful services to their members in particular and to the community in general. Special emphasis is also given to the development of cooperation among primary cooperatives themselves horizontally and between primary cooperatives and secondary cooperatives as their vertical build up, at the regional as well as national level.

Cooperation between Cooperatives and Government-owned enterprises and between cooperatives and private enterprises is also commendable.

3. The role of cooperatives in the national development.

The basic pattern of national development of Indonesia has been decided by the People's Consultative Assembly in its deliberations in March 1978, from which the general pattern of the Third Five Year Plan are derived.

In accordance with the general pattern of long term development Plan priority goes to economic development, with emphasis on the agricultural sector toward self-sufficiency in food, while promoting the industrial sector which processes raw materials into basic materials and finished goods in the framework of achieving a balance in the economic structure of Indonesia.

It is also mentioned in the Third Five Year Plan, that in accordance with the progress achieved, the role and capacity of the Village Unit Cooperatives and other Cooperatives should be improved and increased, in order to be able to grow into strong village primary Cooperatives, capable of becoming a village economic force, and of leading the village community toward progress and welfare.

As it was mentioned before, in 1978 the government issued the Presidential Instruction No. 2/1978 on village unit cooperatives.

The Village

The Village Unit Cooperative as a new concept of rural cooperative was developed for the first time in 1969 - 1970 in the region of Yogyakarta.

In accordance with the the Presidential Instruction No. 4/1973, the Village Unit Cooperatives constituted the cooperatives supporting the government's rice production intensification program. This was subsequently altered by the Presidential Instruction No. 2/1978 which emphasized that the Village Unit Cooperative, as a rural cooperative, would become the centre of economic services in the village covering all economic activities in the region.

Beside the Presidential Instruction No. 2/1978 another important step taken by the Government that year was the installation of the new instruction of Yunion Minister of Cooperatives, it has been widely recognized, since, that the new instruction of Yunion Minister of Cooperatives has brought about a remarkable progress in the Cooperative development. The progress of cooperatives since 1978 may be illustrated by the increase of the number of the members, the volume of business and by the cooperative saving, as shown in table below :

Table I

Table I : Growth of Cooperatives, Indonesia 1978-1981 and projection 1982/1983 period

	1978	1979	1980	1981	1982/1983
Number of Coops.	: 17,074 (100) ⁺⁺	: 17,625 (103)	: 19,136 (122)	: 21,386 (125)	: 23,525 (138)
Number of Village Unit Coops.	: 4,331 (100)	: 4,527 (104)	: 4,712 (108)	: 5,150 (119)	: 5,923 (136)
Other Coops.	: 12,743 (100)	: 13,098 (103)	: 14,424 (113)	: 16,236 (127)	: 17,602 (138)
Number of Coop Members (000 persons)	: 7,610 (100)	: 9,115 (120)	: 12,289 (161)	: 15,644 (205)	: 19,868 (261)
Number of village unit Coop. members (000 persons)	: 3,116 (100)	: 3,965 (119)	: 4,860 (146)	: 5,376 (161)	: 6,451 (194)
Business volume (billion rupiah).	: 402 (100)	: 561 (139)	: 696 (173)	: 1,094 (272)	: 1,831 (455)
Coop. saving (billion rupiah)	: 20,1 (100)	: 22,3 (111)	: 24,0 (119)	: 64,2 (319)	: 101,2 (503)
	:	:	:	:	:

+) = Projection for 1982/1983

++) = Between parentheses is index.

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Table 2 :

- 6 -

Number of Village Unit Cooperatives according to Provinces,
Subdistricts, Indonesia 1981 (July) and 1982 (March).....

No.	Provinces/special region	Number of Village Unit Coops : 1981 (July)	Number of Village Unit Coops : 1982 (March)	Number of Subdis- tricts 1981 (July)	Ratio number of ge Unit Coops. l sub district
1.	West Java	945	946	404	2,34
2.	East Java	735	737	547	1,35
3.	Central Java	588	589	492	1,20
4.	South Sulawesi	372	373	167	2,23
5.	North Sumatra	345	352	182	1,93
6.	West Sumatra	238	239	83	2,88
7.	South Sumatra	159	194	79	2,46
8.	West Kalimantan	153	154	106	1,45
9.	Lampung	147	156	70	2,23
10.	South Kalimantan	121	131	100	1,31
11.	East Nusa Tenggara	123	123	98	1,25
12.	Aceh Spec. Region	114	200	131	1,53
13.	West Nusa Tenggara	100	101	56	1,80
14.	Jambi	98	119	37	3,22
15.	North Sulawesi	90	91	83	1,10
16.	Central Sulawesi	90	91	62	1,47
17.	South East Sulawesi	88	93	43	2,16
18.	Bengkulu	73	99	21	4,71
19.	B a l i	69	73	52	1,40
20.	Central Kalimantan	68	68	82	0,83
21.	Jogyakarta Spec Region	61	62	73	0,85
22.	R i a u	54	55	69	0,80
23.	Irian Jaya	42	57	117	0,49
24.	East Kalimantan	27	104	69	1,51
25.	M a l u k u	24	26	55	0,47
26.	East Timor	1	29	61	0,47
27.	Jakarta Capital City	-	-	30	-
T o t a l		4,925	5,262	3,369	1,58

Notes :

Equal to 8 village unit cooperatives in every 5 subdistricts, 1982 (March).

The three provinces with the largest number of village unit cooperatives have always been West Java, East Java, and Central Java while provinces like West Kalimantan, East Nusa Tenggara, West Nusa Tenggara and even East Kalimantan as well as East Timor shows a rapid increase in the cooperative development in the last several years.

II. The Unique

II. The Unique position of the Village Unit Cooperative

1. Historical background of Village Unit Cooperative

Looking down to the rural economic life, it is strikingly evident that cooperatives are practically the one and single organisation with a legal status, As a corporate body a cooperative society can make legal business transactions, contracts, banking relations etc. The advantage of having such a unique position at the grassroots level is that cooperatives, particularly village Unit Cooperatives, are in the position to carry out economic activities in line with the interests and felt needs of the rural people.

If there are thousands of strong and sound primary cooperatives dispersed throughout Indonesia with millions of people as members, then it will not be illusory to expect that cooperatives have really become the backbone of the rural economy.

With this becoming an established fact, the betterment of the lot of the ruralpoor is no longer wishful thinking.

Before the commencement of the Pelita I, there were approximately 15.000 small village cooperatives in Indonesia put of the total of ± 45.000 Cooperatives. The new law on cooperatives of 1967 (Law No. 12) made a drastic correction of these cooperative since they were spoiled by political influences in the past. Out of the ± 15.000 survived only a number of ± 9.000 village agricultural cooperatives, which were relatively weak and merely have lost their self reliance.

This situation gave the Cooperative Movement (through the cooperative council) and the Government the reason to launch a restruction programme on the organisation of cooperatives.

Trials.....

Trials were done in the special region of Yogyakarta to involve Village Cooperatives in the mass guidance programme (BIMAS) through Coordination in body called BUUD in 1971.

Their Coordination system lead to amalgamation system inspired by the Japanese ~~and the BIMAS~~ concept.

The experiences of the Farmers Association in Malaysia and other Asian Countries, and also the conclusions and recommendations of the Seminar on multipurpose agricultural Cooperatives in 1972 had given much influence on the policies taken by the Indonesian Government on planning of Cooperative development in Indonesia.

That planning was closely related to the National food and agriculture programmes which were the first priority on the national development plan.

The programmes were emphasized on :

1. the amalgamation of agricultural Cooperatives into the BUUD / KUD, and
2. the multipurpose activities of agricultural Cooperatives in line with the interest and felt needs of the rural people.

Presidential Instruction No. 4 of 1973 regulated the position and role of Village Unit Cooperatives Connected with the efforts of agricultural intensification (Bimas)/Inmas centered at village Unit with an area of 600 to 1000 hectares of paddy fields.

This instruction was subsequently altered by the Presidential Instruction No. 2 of 1978 which emphasized that the village Unit Cooperative, as a rural Cooperative, would become the center of economic service in the village covering all economic activities in the region.

According to Presidential Instruction No. 4 of 1973, BUUD is a transitional body before a KUD is established, but in Presidential Instruction No. 2 of 1978 BUUD is a body which is responsible for giving guidance to KUD,

wich.....

wich has the function of guiding, encouraging, pioneering in the development and promotion of KUD, Members of the Board of BUUD are leaders of local community.

2. The structure of the Village Unit Cooperative (KUD).

KUD as a service centre of rural economic activities is in position to carry out economic activities in line with the interest and felt needs of the rural people.

The present plan is that there should be at least one KUD in every subdistrict, but if a village is strong enough economically to have its own multi purpose Cooperative, it may have one KUD of its own. The working areas of KUD depends on the members themselves and the intention is to develop a sound Cooperative network throughout the country which is well organized vertically as well as horizontally.

To intensify economical services and technical guidance, members of multipurpose village unit cooperative are divided into groups in line with their economic activities, for instance group of farmers, group of fishermen, group of poultrymen group of handicraftmen etc.

For organising and supervising need, especially connected with the members meeting, members of KUD are divided into group in line with their living area.

Every group has a chairman, a secretary and an assistance. Those groups are not autonomous, but they are united in Village Unit Cooperative.

According to above instruction the primary society is situated in subdistrict area and the secondary society wich is called PUSKUD is situated in province area. At national level it has an apex society, which is called Inkud

Organisation tool of KUD shall consist of :

a. The General Members Assembly, which has supreme authority in a society.

b. The board.....

- b. The Board of Directors, who are responsible to conduct the administration and management of the business of the society to act for the society and shall be responsible to it for the performance of its duties, and to represent the society within and outside the court.

The board shall be responsible to and shall be obliged to report to the General Assembly.

The Board of Directors shall be elected out of, and by, the members in general members meeting.

- c. The Board of Supervisions, who are responsible to audit and inspect the conduct of the society, including the organization, business and the execution of general policy of the Board of Directors and to submit a written report on the results of audit and inspection.

The members of the Board of Supervision shall be elected out of and by the members in a general members meeting and shall render account and shall be responsible to the General members meeting.

- d. Board of Guiding Body (BUUD), who are responsible for guiding, encouraging, pioneering in the development and promotion of KUD.

- e. General Manager and managers of economical productive unit, for instance,

- division of credit/loan
- division of processing and marketing of products.
- division of the supply of means of production, essential goods and other services.
- division of other economic activities.

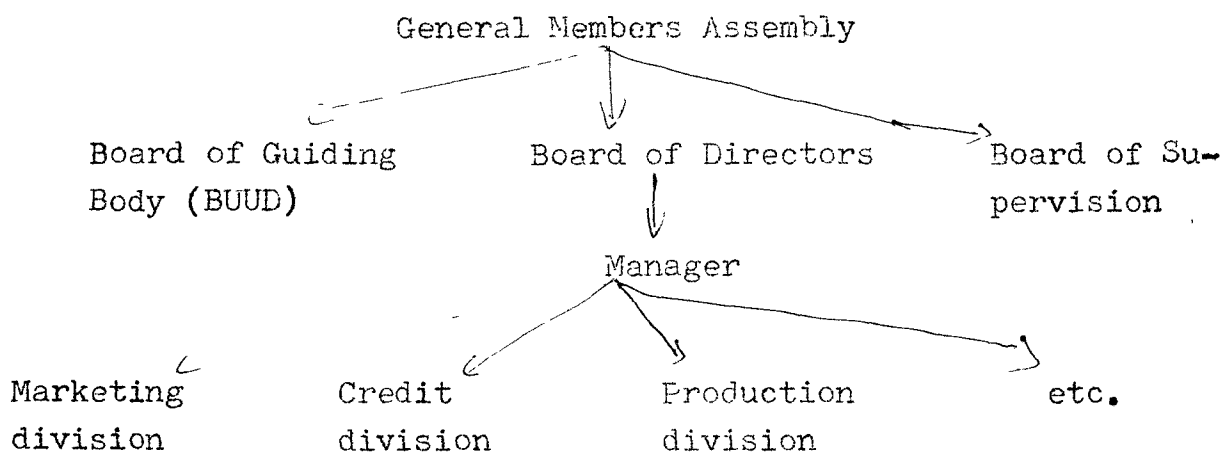
The managers are appointed by the Board of Directors and responsible to execute the daily performances of business of the society. (look schema) *PAGE*

3. Managerial aspect.-

The development of cooperatives should be base on the force that grow within the cooperative itself. Nevertheless.....

Nevertheless objective facts indicate that a society with a low income levels particularly in the village, cannot be expected to take initiative and lay down the foundation of cooperatives as a mean of improving its welfare. Therefore the government of Indonesia chose to initiate, promote and supervise the development of cooperatives by conducting training programs in the organisation and management of cooperatives as well as in technical matters. There are now seven Government Departments and three non Departmental Institutions which share the responsibility for the development of cooperatives in Indonesia, each according to its function and field of responsibility. The emphasis should be put on the development of primary cooperatives which have to do with people directly and priority should be given to the development of rural areas.

The scheme of Multipurpose Village Unit Cooperative (KUD)



Whatever facilities supplied by the Government to Cooperatives are intended in fact to strengthen them in such a way that within a relatively short time they will be able to render services to the members satisfactory to increase their income and general welfare. The role of the Government in the development of cooperatives is mainly create a favourable condition in which cooperative movements can develop themselves to the extent that they become.....

become one of the pillars of the national economy alongside with the private and state own enterprises.

In principle the formation of the Village Unit Cooperative (KUD) is a means to improve the competitiveness of the peoples business units that are small in general.

It is hope that the establishment and improvement of Village Unit Cooperatives will help to reduce unemployment in the villages and to reduce the gap between the urban modern sector and the traditional sector.

Because of members extention of KUD, the administration and management of KUD should be better.

Board of Directors have to serve and to guide members as individual ^{as well} ~~or~~ as a group.

It is also necessary to make a clear and proper job discription for the board, which is suitable with their respective juty, especially concerning with,

- organisation and management guidance
- administration of finances guidance
- guidance and promotion of business unit, As it was mention before that board of Directors appointed some managers and employees to execute daily activities of business.

To intensify thir job in every business unit should be appointed a chairman who is responsible all activities in that division. To reach a maximum result, Board of Directors as **well** as Board of Supervition are responsible to supervise continually and properly. To supervise a primary society, it is appointed a representative of secondary society in every district.

It is important to not~~e~~ that :

- Manager/employee isn't allowed posses the same enterprises with **society**.
- Manager/employes isn't allowed to have family relationship with the Board of Directors.

4. The main activities of the Village Unit Cooperative.

Rural development has the objective to increase the living standard of rural people through increasing their income.

The

The increase of income shall be done by means of increasing production through investment and the provision of production inputs to the farmers and to secure a reasonable and fair price for the product. People in rural areas have to be made to realise that the development of cooperatives is for their own benefit and that it has a direct connection with their own welfare.

The efforts in developing village cooperatives are actually preparatory efforts for rural people so that they can actively participate in a modern economic society in the future.

KUD as a service centre of rural economic activities concerns its development to become a Multipurpose cooperative unit that accommodates economic activities of its members.

Example of the ^{activities of} Village Unit Cooperatives are as follows :

- a. Agriculture : food supply, processing and marketing, cattle breeding etc.
- b. Industrial : Development of home industries such as iron casting, ready made garment manufacturing, processing of agricultural products from raw materials into semi finished and finished products.
- c. Banking :
Development of banking services including saving accounts, insurance, and provision of small credit.
- d. Provision of Supplies :
 - Fertiliser, insecticides, seeds etc.
 - Household supplies.
- e. General services :
Transport, housing, health care, electricity supply.

It must be acknowledged that there are still many shortcomings which hamper the good functioning of cooperatives. But it should be understood that the Cooperatives in Indonesia are in a stage of being developed in order to be able to assume its role as prescribed in the Indonesian Constitution.

The role.....

The role of cooperatives in the supply of food is very important, because failure in fulfilling this target may cause economic disorder, which will in turn have a negative impact to the maintenance of national stability.

They participate actively in the national programme of food supply, especially in the national programme of rice procurement.

The national stock of rice, supplied by the Village Unit Cooperatives for the last four years can be seen in the following table :

Table 3

Growth of National Rice Procurement by Village Unit Cooperatives Indonesia, 1978/1979 - 1981/1982.

Year	: Number of Coop:	Amount of Rice :	Index
:	:	(1000 ton)	:
1978/1979:	2,127	444,5	100
1979/1980:	1,764	357,4	80
1980/1981:	1,865	1,439.9	324
1981/1982:	1,879	1,973.5	444

Apart from their participation in food supply, the cooperatives have also been active in the distribution of fertilizers, insecticides and agricultural tools direct to the farmers, in the framework of national endeavour to increase food production.

More than two thousand Village Unit Cooperatives were involved in those activities in the last four years.

Table 4.

Sales of Fertilizer and Pesticides by Village Unit Cooperatives Indonesia for Planting Season 1978 to Planting 1981/1982

Planting Season of	: Number : of Coop :	Fertilizer: sold (ton):	Index :	Pepticides: (kg/Lt) :	Index
1	: 2	: 3	: 4	: 5	: 6
1978	: 2,326	:122,044	: 100	: 678,582	: 100
1978/1979	: 2,498	:271,969	: 100	: 936,899	: 100
1979	: 2,081	: 99,224	: 81	: 519,632	: 77
				1979.....	

1	:	2	:	3	:	4	:	5	:	6
1979/1980	:	2,420	:	240,894	:	89	:	1,028,070	:	110
1980	:	1,926	:	93,957	:	77	:	473,984	:	70
1980/1981	:	2,484	:	195,904	:	72	:	1,213,218	:	129
1981	:	2,216	:	121,492	:	99	:	807,357	:	119
1981/1982	:	2,849	:	300,784	:	111	:	1,924,233	:	205

Beside above activities Village Unit Cooperatives also involve in marketing of cloves (bought & sold) and sugar cane.

Table 5.

Marketing of Cloves through Village Unit Cooperatives Indonesia
1978 - 1981

Year	:	Number	:	Cloves	:	bought	:	Cloves	:	Sold	:	Index
	:	of Coop.	:	(ton)	:	(Million Rp.)	:	(ton)	:	(Million Rp.)	:	
1978	:	35	:	1,684	:	6,775	:	1,255	:	5,073	:	100
1979	:	50	:	5,764	:	28,313	:	5,729	:	28,962	:	571
1980	:	123	:	11,581	:	76,781	:	11,242	:	87,363	:	1,722
1981	:	167	:	13,067	:	97,852	:	13,005	:	103,983	:	2,497

Another very important activity of the Village Unit Cooperatives is the so called " Kredit Candak Kulak " or very small Credit/loans to rural petty traders.

The Village Unit Cooperatives have become the only institution providing a loan :

- amounting from Rp 3000,- to Rp. 25.000,- (or about \$ 5 to \$ 40) to a village dweller without collateral.
- with an interest rate of 1% per month.
- with five installments (daily, weekly or monthly) according to the borrower's ability.

The development of the Kredit Candak Kulak or Petty Trade Credit is stated in the following table 6.

Table 6.....

Tabel 6-

Growth of Rural Petty Trade Credit Scheme (Kredit Candak Kulak) through Village Unit Cooperative, Indonesia 1978 -1982.

Y e a r	: Number : Of Coop. :	: Number of : Customers : (person)	: Index	: Amount of : Credit (mil: : llion Rp)	: Index
1978	: -	:2,239,017	: 100	:13,634,7	: 100
1979 March 29	: 2,196	:3,037,597	: 137	:18,604,5	: 136
1980 March 27	: 2,196	:5,217,846	: 233	:35,948,1	: 264
1981 March 31	: 3,050	:7,332,223	: 327	:59,765,9	: 438
1982 March 31	: 3,621	:9,495,201	: 424	:92,444,1	: 678

Other activities of village Unit Cooperatives are namely :

- a. Dairy Farmers Cooperatives
- b. Animal Husbandry Cooperatives
- c. Fishery Cooperatives
- d. Small Scale Industry and Handicraft Cooperatives

Dairy Cooperatives :

Individual small dairy cattle farmers are organizing themselves in to Dairy Cooperatives which in turn has been "linked up " to large factories such as Nestle, Frische Vlage, Indomilk, Ultra Milk, etc. These large firm assume the function of a secured market paying guaranteed prices to the Dairy Cooperatives, some of the firm are rendering extension services and providing long term supply credits. These include the pre-financing of investments in urgent facilities such as milk churnt in due instance and in a Milk Treatment Factory with a value of about \$ 1 million in another case. In this way the Cooperatives are able to own milk treatment and processing units, import dairy Cows and breed cattle for their members. This makes it possible for Cooperatives to operate large milk plants.

On the.....

On the other hand, the Cooperative provide easy loans to its members and to landless rural workers to buy ^{their} ~~and~~ own dairy Cows.

In this way, large foreign and joint-venture milk factories together with the Dairy Farmers Cooperatives become of particular interest because their production involves the farming and living of so many many rural poor.

The development of the Dairy Farmers Cooperatives is stated in table 7 below.

Table 7.

Development of the Dairy Farmers Cooperatives, Indonesia 1977-1981.

Description	1977	1978	1979	1980	1981
1. Number of Cooperatives (Societies)	: 2 ; (100)	: 11 ; (550)	: 32 ; (1600)	: 63 ; (3150)	: 133 ; (8150)
2. Number of members (persons)	: 980 ; (100)	: 2,174 ; (222)	: 6,780 ; (692)	: 9,630 ; (983)	: 28,590 ; (2917)
3. Milk production (million liters)	: 1,3 ; (100)	: 3,8 ; (292)	: 10,3 ; (702)	: 22,8 ; (1754)	: 39,0 ; (3000)
4. Number of Cows (heads)	: - ;	: 5,580 ; (100)	: 14,836 ; (266)	: 32,970 ; (591)	: 54,405 ; (975)
5. Labour absorption (persons)	: - ;	: - ;	: 3,433 ;	: 11,199 ;	: 33,735 ;
6. Cows to members Ratio	: - ;	: 2,57 ;	: 2,19 ;	: 3,42 ;	: 1,90 ;

Note: Between parentheses is index number.

Another important Cooperative beside the Dairy Farmers Cooperatives is the Animal Husbandry Cooperative (Koperasi Peternakan) both from the point of employment creation as well as for its nutritional value.

The development of this Cooperatives is as follows.

Table 8.....

Table 8.

Development of Animal Husbandry Cooperatives, Indonesia 1978-1981.

Year	Number of Coops (Societies)	Number of Mem- bers (persons)	Volume of Busi- ness (Million Rphs)	Index
1978	113	7,096	466,4	(100)
1979	124	7,450	525,1	(113)
1980	124	10,900	1,470,0	(315)
1981	215	34,173	28,800,0	(6,175)

Encouraged by the Governments price stabilization policy of eggs and meat (in favour of the small farmers) the poultry Cooperatives are now having a chicken slaughtery plant and a feed mill of their own.

Unlike the Dairy Farmers Cooperative, which is relatively new in Indonesia, the fishery Cooperatives belong to the oldest Cooperatives of Indonesia, dating back, quite possibly, from before world war I. However, apparently, the Fishery Cooperative is also one most difficult Cooperatives to develop.

The largest part of the Fishery undertaking in Indonesia is carried out by small fisherman and individual fish breeders in a traditional way. Consequently, many coastal fisherman communities are the least developed low income living localities. Recent survey reports, however, reveal that fortunately, the fishermen's income has increased and catches up with the earnings of the other farmers. The insurance Cooperative has also taken care of the widows and orphans of fisherman who lost their life at sea.

The development of the fisherman Cooperatives in the last four or five years is given in table 9.

Table 9

Table 9 :

The Development of the Fishermen Cooperatives, Indonesia 1978 - 1981.

Year	Number of : Coops.	Number of : members (persons)	Index	Volume of : Business (Million rp)	Index
1978	: 347	: 52,793	: (100)	: 2,649	: (100)
1979	: 369	: 67,237	: (100)	: 3,902	: (147)
1980	: 370	: 63,481	: (123)	: 3,980	: (150)
1981	: 449	: 94,013	: (181)	: 57,129	: (2157)

An equally difficult to develop Cooperative as the fishery Co-operative, is certainly the small scale industry and handicraft Cooperative, which is also the smallest in number. On the other hand, it is the industrial sector which is supposed to ultimately absorb the large labour surplus^s of the agricultural sector.

Fortunately, many of these small scale industry Cooperatives have fully reached the stage self reliancy like the Batik Cooperatives and some of the wood working and metalware cooperatives.

In any case, with serious employment problem looming ahead, the expansion of the small scale industry and handicraft cooperatives becomes imperative in the near future.

Table 10 give us the development of the small scale industry and handicraft cooperative in recent years.

Table 10.

Development of small scale Industry and Handicraft Cooperatives, Indonesia 1978 - 1981

Year	Number of : Coops	Number of : Members	Volume of Business (million Rp.)	Index
1978	: 318	: 32,348	: 22,498	: 100
1979	: 324	: 33,398	: 23,333	: 104
1980	: 339	: 39,286	: 100,676	: 447
1981	: 384	: 58,022	: 148,691	: 661

III. Women's

III. Women's involvement in the societies activities :

In the Basic Guidelines of National Policy it is laid out that for overall development requires the participation of men and women alike in every field. The role of women in development does not make the role in family welfare and youth development less important.

More than 50% of the population of Indonesia are women. This constitutes a potential power who need to be given an opportunity to qualitatively develop, as an object as well as an subject so as to be able to support the overall development scheme.

Since 1978/during the second Five year Development through the programme of the promotion of the role of women has set up an institution known as the associate Minister of Women's Affairs, whose activities include women activity programmes in order to achieve a cross sectoral integration.

Various sectors which implement activities in connection with the promotion of the role of women toward healthy and prosperous family have created groups of activities saving and loan, shops, collective sale of connection products handicrafts, home industries etc.

In order to accomodate business activities which seem to be growing well, such activities would become a productive economic business which could be promoted and increased in quality and member. And Cooperative is a suitable means for this purpose, be ^{cause} ~~come~~ through the cooperatives business women may work together to accumulate power and to develop their activities in one strong, effective and efficient unit.

Besides cooperative as an economic means service as a tool for development implementation covering women's Role and Family Welfare activities such as ^{nu} ~~re~~trition programme, family planning hygiene, and preservation of habitat.

It is hoped that through Women's Role Promotion Project in Cooperatives a support for the successful achievement of the objectives of development and the participation of women both as object as well as subject of development in productive economic activities through Cooperatives may be gained.

To enhance women's role in Cooperatives a Women's Committee was organised, Subordinated to the Cooperative Council. This committee has been recognized as a coordinating body for women cooperators and has the following objectives.

- to take part in all efforts to achieve the welfare of the nation along the lines of the National Development Plan (Pelita)
- to promote the participation of Indonesian women in cooperative affairs.
- to organise training courses where the women leaders can take part to learn how to active their women followers.
- directions and guidance to women's cooperatives where women are actively engaged.

In this Coordinating Body Women's organisation are also involve and participate actively in all efforts carried out in the scheme of the National development program.

Considering the important part of women's activity in all kind of social and economic organisations, especially in the cooperative sector, we should consider in how far are the achievements.

According to statistic data number of women's labour force is about 50 million, but only 10 million of them join in organisations. As we know to increase the role of women through organisation is easier than through individuals.

In 1976 number of women's Cooperatives members 12, 1981, in 1978 are 18,600, and in 1981 are 31.000. So it is apparently that the number of women's cooperatives members are always increasing every year.

Accordance with the latest data number of women who become members of cooperatives are about 678.000 persons, included members of Village Unit Cooperatives.

Comparing with the number of women's labour force (50 million) and the number of women who join in organisation (10 juta), the number of cooperatives members are very-very small.

So it is very needed to motivate and to promote the participation of women in cooperative, because the number of women is more than 50% of the population of Indonesia.

The role of women in cooperative especially in productive economic activities is still limited because they have some internal problem as well as external problems for instance ;

a. Internal problems :

- Lack of know how and skill of most women.
- Limited spare time for women to take part in activities out of their homes due to the household affairs they have to attend to.
- Lack of development of leadership factor among women.
- Lack of ability of capital formation, due to the low income of most of the members of the community including the women
- Lack of market oriented education, knowledge ability and skill.
- Lack of women awareness concerning the essence and the advantage of cooperative as an economic movement which is able to solve their economic problems.
- In general production activities carried out by women are small in category using traditional production means which have low economic value.

b. External problems :

- Tradition, attitude and the behaviour of the people towards women do not encourage women to promote their function and role in all fields.
- Now and then women have not been involved in decision making process, planning as well as programming.
- Lack of facilities and production means which maybe owned to increase and improve the quality of products.

To solve those problems, it is needed to have the short term programme as well as the long term programme.

a. Short term programme.

- Promoting the ability and skill in all fields through continuous education, extension and training.
- Creating cooperative able and skillful cadres among women.

- Promoting the function and role of women in cooperatives both as object and subject.
- As object, the aim is to create women cooperators.
- As subject the aim is to form active cadres who will take on active part in the activities of the cooperative as member of the Board of Directors, Ordinary members as well as cooperative extension worker for their community.
- To create supporting factors such as useful household equipments, etc.

b. Long term programme :

To create cooperative mindedness among women in particular and in community in general.

To promote the women's role in cooperatives the government of Indonesia has the project of the Development of women's role in cooperatives, which is under supervision of the office of the Directorate General of Cooperatives in Collaboration with other institutions involved in the promotion of associate Minister for women's affairs.

IV. Some Problems of the Village Unit Cooperative.

Although the development of Village Unit Cooperatives seem increasingly every year it must be acknowledge that there are still many shortcomings which hamper the good functioning of cooperatives. The reason is because they have still some ^{ex}tern-problems as well as intern ^{ll} problems.

+ Extern problem :

- The attitude of community toward the cooperatives can be seen from three aspect and as social-aspect, economical aspect and political aspect. In general we can say that most of people don't have awareness and convience concerning the essence and the advantage of cooperative as an economic ~~problems.~~ *regulation*
- No determined concensus has been made in the implementation of cross sectoral development in the field of coop.

- Lack of facilities to encourage cooperative mindedness as well as business activities.

+ Internal problem. :

- It is found that in general.
- The organisation and management of some Village Unit Cooperatives are still weak.
- Lack of ability of capital formation due to the low income of most of the members.
- Because of its limited working area, the advanced Village Unit Cooperative sometimes ^{interacts} ~~interacts~~ so other Village Unit Cooperatives working area for developing its business activities.

Note :

To overcome those problem, some of the following factors seem to be necessary :

- a. Strengthening the organisation of the cooperative movement i.e, effectively stimulating, the Indonesian National Cooperative Council to Consolidate and exert all its efforts to be able to rely on its own strength and assume various function previously done by the Government.
- b. Developing still further for the Village Unit Cooperatives which have ^{gained} ~~gained~~ momentum and speed in their growth.
- c. Accelerating the development of the target groups Cooperatives such as the House Wives or Women in the Village Unit Cooperative.
- d. Systematically building up an effective and sound Cooperative banking and financial system, capable of mobilizing the financial resources of the cooperative sector.
- e. Developing an effective and competent cooperative audit system well equipped to cope with the mounting problems of cooperative management and administration.

- f. Promoting the awareness of the people towards the importance of cooperative, including the awareness of women in order to participate in cooperatives activities, especially in Village Unit Cooperative.
- g. Promoting knowledge and skill of women in Cooperatives and creating cooperative cadres among the women group.

V. Concluding remarks.

1. The strategy of Cooperatives development Indonesia is part of the strategy of national development.
2. Cooperatives are at present in relatively weak position. The government assists the cooperatives to help themselves, so that they can assume the position as a pillar of the national economy.
3. The economic development gives priority to the agricultural sector. In line with this priority in the development of cooperatives goes also to cooperatives in the rural areas (Multipurpose Village Unit Cooperatives).
4. Primary Cooperatives in the sub district or village level is designed to be a major tool for the economic Cooperation of the rural people.
5. Village Unit Cooperatives are expected to play an important role in the rural economic development in Indonesia.
6. Although the development of Village Unit Cooperatives seem increasingly every year, it must be acknowledge that they are still shortcoming which hamper the good functioning of cooperatives a stage of being developed in order to be able to assume its role as prescribed in the Indonesian Constitution.
7. It is necessary to improve the administration and management of Village Unit Cooperatives, in order to develop a sound Cooperative network throughout the country which is well organized vertically as well as horizontally.

8. The involvement of women in Village Unit Cooperatives is felt relatively small, if it is compared with the number of women, who more than 80% live in rural areas.
As we know the number of women is more than 50% of the total number of the Indonesian population. So that it is very needed to promote the awareness of women in order to participate in cooperative activities.
likewise to promote knowledge and skill of women in cooperatives and creating cooperative cadres among the women groups.
9. It is necessary to overcome the internal problems as well as the external problems of women, in order to increase the involvement of women in Cooperatives, especially the Village Unit Cooperatives.
10. To increase the participation of women in cooperative it is very needed the cooperation between Directorate General of Cooperative and other institutions such as the Associate Minister of Women's Affairs, women's Cooperatives, Women's Organisation and other Departments which concern with the development of Cooperatives.

VI. The Cases Study

VI. The Case Study of Region Unit Cooperation at Cibereum Village 1982.

A. Historical Background.

a. Story of Establishment :

An organization was established in 1952 at Cibereum Village, Cimalaka District, Sumedang Regional by the Society who lived at that place. The First Cooperation is namedly "EFFORT ALL SORTS OF THINGS COOPERATION" (KOPERASI SERBA USAHA), and it operated in Services which are about deposite- and making loan for members specially, also for population generally, It was done by two prominents out of The Society. The program of this Cooperation has making GOOD WAY for the peoples, but it is not perfect form yet, because of limitation in actualing and minim or small size.

For organizing the cooperation, they have chosen a Village-Head of Cibereum as a protector the Effort All Sorts of Cooperation (Koperasi Serba Usaha); Until in 1977 the Cooperation had members 224 peoples which are 156 female and 68 male out of to the amount population 4,800 peoples but not developing yet in other sectors. By announcement of President's Instruction number 4/1973, case of Establishment Region Unit Cooperation (KUD), on March 14, 1977 The Effort All Sorts of Things Cooperation rechanged name to be Region Unit Cooperation at Cibereum Village where the management, members, place are directly belongs to the Region Unit Cooperation, and also area of the law was more complex than before, now it covers 5 (five) Villages :

- Those are :
1. Cibereum Village.
 2. Mandalaherang Village.
 3. Haur Kuning Village.
 4. Ciuyah Village.
 5. Cemara Village.

With the

With the wide area 1982, 366 Hectares, it involved 1047, 33 Hectares mainland or Ground and 935,36 Ha of wetrice-field. And also any remanagement in that organization to be :

- First Chairman.
- Second Chairman.
- Third Chairman.
- The Secretary.
- The Treasurer.
- Auditor or Examiner Group.

In that time the Cooperation did not have manager yet but in 1978 they selected one for manager position. But any problem that time, where the members go down from 224 peoples to be 178, who are 102 women and 76 men.

With reason : A part of members Could not believe and having no realization of the Cooperations function. But while the performers gave explanation to the Society, the members were rising up or growing up. In this below Column we can know the growing up of Cooperations members per year 1977 - 1981 :

In 1977 - 1981

YEAR	: MEMBERS TOTAL	: FEMALE	: MALE or MEN	:
1977	: 224	: 156	: 48	:
1978	: 178	: 102	: 76	:
1979	: 217	: 118	: 99	:
1980	: 264	: 140	: 124	:
1981	: 409	: 218	: 191	:

But those data not equal/well balanced with the data of Statistic population in developing up at Cibereum Village.

As we know for the greater part of Society of Cibereum earned for their living special in Agricultural sector, and they were making their group with namedly FARMERS GROUP which had members between 15 peoples to 25 persons where they are working together, and they help each other.

After the Farmers Wife saw any developing, progression of their husbands group, directly they made one other group which is namedly FEMALE/WOMEN FARMERS GROUP. The first of their program is to Collect funds by making contribution each member, making deposite together and the Results they used to help the members who had small Capital, beside that they helped too the Society for Social life specially.

Later they knew that they had reached the progress in their group, any among of them involved to be member of Region Unit Cooperation, and a part of them did not like to be a member. They are not only a member but also any to be management of that Organization Cibereum, as a vice Manager of Food preparation, while in this sector they found greater results or profit than the other before.

Of course not so many of the wives involved their selves to be staff/management in that cooperation, but all of them always activated in all sectors eventhough they are only a member in sector of Home Industries, Fishery, Plantation, 3 or 4 months plants, also Food Preparation.

b. Activity :

While they have got benefits by Region Unit Cooperation Cibereum, so the management and the members very active in other sections as a like :

1. Candak Kulak Credit.

Candak Kulak Credit was given only to the members of Region Unit Cooperation with the regulations :

a. Timing of Credits only 3 months.

b. Interest

- b. Interest of Loan 1% only.
- c. Payment with Instalment method ONCE in a week.

THE ACTIVITY OF CANDAK KULAK CREDIT ACCORDING TO THESE
BELOW DATA 1977 - 1982

NUMBER :	YEAR :	AMOUNT rphs	MEMBERS	
			MALE	FEMALE
1.	1977	500,000	30	70
2.	1978	500,000	40	95
3.	1979	500,000	51	116
4.	1980	1,500,000	60	140
5.	1981	2,500,000	78	185
6.	1982	2,500,000	82	194 +

+ = Notes : Computation in 1982 still until July Month.

2. Deposit - Loan Activity.

In this program only given to the members of Organization by regulations :

- a. Maximum loan only Rp. 50,000, paid six times, and paid each month with instalment method.
- b. Maximum Loan Rp. 100,000, payment with instalment ten times and paid each month.

The Other Regulations of this activity :

- a. Every Loaner or Borrower must be charged interest 4%.
- b. And also the Borrowers must give the Mortgage which are bigger value than loan value.

Many of the members CANDAK KULAK CREDIT, DEPOSITE-LOAN are female, beside they helped their Husbands, they also be RETAILERS who serve the society for daily Food.

The Data of Loan & Deposite Activity in Region Unit Cooperation Cibereum in 1977 to 1982, see below this Column.

THE DATA

THE DATA OF DEPOSITE & LOAN IN REGION UNIT COOPERATION
AT CIBEREUM IN 1977 - 1982.

NUMBER :	YEAR :	AMOUNT IN rphs :	MEMBERS	
			male :	female
1.	1977	175,000	30	70
2.	1978	500,000	40	95
3.	1979	500,000	51	116
4.	1980	1,500,000	60	140
5.	1981	2,500,000	78	185
6.	1982	2,500,000	82	194 +

+ = Notes : Computation until July, 1982.

3. The Supply of Chemicals & Manures.

In supply of chemicals and manures of agricultural they served not only the members but also the population or excluder of the Members Organization.

Special in Manures, services were given only for BIMAS & INMAS manures. BIMAS & INMAS manures can be met only in REGION UNIT COOPERATION, and KUD found from HEAD OFFICE of Region Unit Cooperation (PUSKUD).

THE DATA OF SUPPLY BIMAS AND INMAS MANURES IN CIBEREUM REGION
UNIT COOPERATION IN 1977 - 1982

NUMBER :	YEAR :	TOTAL SUPPLY		CHEMICALS
		urea (in Ton)	tsp.	
1.	1977	200	51	200 litres
2.	1978	385	98	300 litres
3.	1979	187	56	150 litres
4.	1980	133	42	100 litres
5.	1981	150	45	110 litres
6.	1982	45	15	25 litres +

+ = Notes : Computation made until July, 1982.

4. Fishery :

Fishery Sector had the members just only 48 persons. Their activities still having relative sort term. Their program is : To sell the fishes for CONSUMERS, to the Expert in making SEED of Fishes.

And region Unit Cooperation has been trusted as a Supplier of FISHES food in Sumedang Regional. So many female who active in Fishery Sector, thatswhy they are not difficult to be Employers of Fishery-Fields Sector in area of Cibereum Village.

5. Sort Term Plantation :

The program in this sector was cooperating with the regional of Sumedang Plantation Department, but any limitation of their activities in preparation of CLOVE COFFEE, COCONUT-PALM seeding. They reached greater benefit in clove and coffee program, but they could not process to be Finishing Goods (Commodities) to market them, because the Cooperation didnot have enough Capital for Working. Thatswhy the Society sold to the Commission-Agents with the lowest price/cost.

6. Home Industries & metal Technical.

There are risks, effect of up todate technical for them. So they can do only in Repairing side. They can not product for marketing. This Sector is slowly developing up.

7. Food Preparation.

Region Unit Cooperation Cibereum has good recommendation from Head Office. They have been convinced so the BANK RAKYAT INDONESIA (BRI) gave them loan Rp. 10,000,000 for Stock National preparation.

The method to prepare the FOOD : Organization bought unhelled rice from the farmers with the unit cost establishment of Government Refaction, later the unhelled rice to be processed would be RICE which accepted by DOLOG Department.

The purpose

The purpose of this program to help the Farmers and also the Government so that out put of the Farmers can not be bought by the Commission-Agents with the lowest cost, and indirectly the Region Unit Corporation have helped the Government Stock National Program.

We are proud to see the progress of Region Unit Corporation (KUD) Cibereum where any female to be Vice Manager. This Organization is more getting greater succesful & profit than the Other Corporation.

By having Loan Rp. 10,000,000, we can know and see the data from below this Column.

REGION UNIT COORPORATION CIBEREUM VILLAGE FOOD PREPARATION
in 1977 - 1982

NUMBER :	YEAR :	AMOUNT OF	TOTAL SALES TO DOLOG
1.	1977	5,000,000 rphs	200 tons
2.	1978	5,000,000 rphs	200 tons
3.	1979	5,000,000 rphs	250 tons
4.	1980	10,000,000 rphs	300 tons
5.	1981	10,000,000 rphs	450 tons
6.	1982	10,000,000 rphs	350 tons **

** = Notes : Computation made until July, 1982.

b. Expectation/Hopeness.

The GOAL would be reached by Region Unit Corporation can create good Economic Situation where can give the prosperity for Society by making activities and program in some sectors. And also the Society's problem can be solved that is marketing problem. KUD (Region Unit Corporation) had five (5) villages area which majority the FARMERS. And also the KUD must be able to make it self be a TEACHER of Economic for Society. Region Unit Corporation was expected to make the population Cibereum KUD minded, not only in theoritical but also in doing/excecution

All the

All the activities by Female in FISHERY, AGRICULTURAL, HOME INDUSTRIES, FOOD PREPARATION sectors to representative the evidences of INICIATIVE and CREATIVITY of THEM. NONE discrimination level position between male & female in Society. The Women who active in management of KUD Cibereum and by additional ability in getting the benefit in sectors of Fishery, Agricultural Plantation, Food preparation is one of the hopeness of Region Unit Cooperation Cibereum Village.

KUD (Region Unit Cooperation) wanted if the Society feltor thought that the Cooperation are belong to the Population of Cibereum Village, and in other side to show that the WOMEN are able to do or to fight as a man.

B. The Problems.

The imperfection in ACTUATING and EFFORT is natural Law. And those problems need the actual solution. KUD (Region Unit Co-oporation) had two side problems which are INTERNAL PROBLEMS and EXTERNAL PROBLEMS.

INTERNAL PROBLEMS. :

Lack of expertman of women, none Security Social for performers or management, and Capital for Expanding, Mana - gements behaviour.

- Expertman or women :

KUD (Region Unit Cooperation) had not enough expertman or women, who had ability, good dedication to do the pro program of KUD, sothat KUD get the best results and much profit than can be felt by the Members and society/population.

- Social Security :

For good Excecution, the management of Cooperation must be having Social Security, Judicative form, Structural -Organization from the Government. Sothat the peoples do not think that the management of KUD are only VOLUNTARY for Society.

- Supporting of POTENTIAL :

For reaching the GOAL, planning the Organization also required the Capital for Office-Building, Equipments, and Transportation. Other Assets, Expanding too. If they have enough, they can be a winner in COMPETITION with the Commission - Agents.

- Managements behaviour or Character :

They need the explanation about RIGHT and OBLIGATION as a Excecutor, sothat any equality between getting Profits and benefits and they can be a modelman/example for Members and Society. Refinement and Honest performers make best situation of environment of Negative Thinking where KUD is not Disguise Limited Co.

EXTERNAL PROBLEMS :

Any Society who are Farmers are not enjoy/interest to be a member of KUD. The limitation of Economic Society System, and other Social Economic problems. The population did'nt understand yet the Functions of that organization. because they are uneducative peoples. They cannot analize about political of Economic. These facts was making the Society did not convince to the Organization which controlled by the Government it self. They hold and believe to the Inheritance of Economic Society System which no having Iniciative and not Creative. And they have a motto "PRODUCTION ONLY for CONSUMPTION".

C. Alternative of Solution.

Cooperations problems needed the Solution seriously, thus the Planning and Expectation can be done and found the benefits for Members and Society.

THERE ARE SIX (6)

THERE ARE SIX (6) STEPS IN SOLUTION of THE PROBLEMS.

1. To give the Management explanation and Education of KUD in Head Office or in regional.
2. To ask, and to give the opinion/ideas for chairman Head Office West-Java in giving FACILITIES and PRIORITIES FUNDS for Working Capital to the KUD Cibereum Village.
3. To Explain the Function, Purpose of the Organization to the Society Cibereum.
4. To Make cooperation with Other Department, which are Fishery Dept, Agricultural Dept, Zoological Dept ; Trade Department for giving the management explanation as a details possible according to each their ability.
5. To Active Female in Holding special position in Region Unit Cooperation Cibereum.
6. To Effort the development of KUD in Quality and Quantity at Cibereum Village specially.

kd/jwb.

AGRICULTURAL COOPERATIVES' CONTRIBUTION TO
RURAL DEVELOPMENT AND THE ACTIVITIES OF WOMEN
SOCIETIES IN AGRICULTURAL COOPERATIVES IN KOREA

PAPER FOR ICA REGIONAL SEMINAR ON "MULTI-
PURPOSE AGRICULTURAL COOPERATIVES WITH SPECIAL
REFERENCE TO ACTIVITIES OF AGRICULTURAL COOPERATIVE
WOMEN'S ASSOCIATIONS

PRESENTED BY

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HEE JA SHIN

NATIONAL AGRICULTURAL

COOPERATIVE FEDERATION

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I. RURAL DEVELOPMENT AND AGRICULTURAL COOPERATIVES

Agricultural cooperatives in Korea have contributed much toward rural development through their own business and various activities since they were inaugurated as modern, multi-purpose cooperatives in 1961. The role of agricultural cooperatives are to achieve the following objectives : 1) to increase agricultural productivity, 2) to improve the social and economic status of farmers, 3) to contribute toward the balanced progress of the national economy through development in the agricultural sector.

Through their business functions such as credit and banking, marketing, purchasing, mutual insurance, farm guidance, utilization and processing, agricultural cooperatives have played an important role in building up favorable environments for the increase in farm income and improvement of the rural economy.

The major roles which have been played by agricultural cooperatives in the rural development are as follows :

- 1) Capital formation in rural area,
- 2) Highly-efficient and high-income farming,
- 3) Improvement of marketing system for farm products,
- 4) Rationalization of farm household consumption,
- 5) Welfare activities and stabilization of farm life,
- 6) Development of off-farm income and sources,
- 7) Promotion of Saemaul Integrated Rural Development Project.

II. THE SAEMAUL MOVEMENT AND AGRICULTURAL CO-OPERATIVES

Beginning at the outset of the 1970s, the Republic of Korea launched a nationwide campaign known as the Saemaul Undong (New Community Movement). Its primary purpose was to reduce the

gap in income and living standards between the rural and urban segments of the nation's populace. The principal means of accomplishing this was to mobilize farmers in the off-season to improve their own villages in terms of appearance, utility, convenience, and productivity.

To this end, government leadership and a minimal amount of investment in money and materials were supplied to those communities with active leadership and enterprising, practical projects to pursue. Under the slogan of "Diligence, Co-operation, and Self-help," all the people were urged to participate in this campaign, whether on large-scale projects or simple activities. One goal of the movement was to break down old-fashioned, unproductive habits and ways of thinking.

Living conditions of rural society, especially at the village level, have changed remarkably during 1970s as a result of the Saemaul Movement. Therefore, we have accomplished

our first objective which was environmental improvement and have turned our attentions toward increasing the income of farmers, which represents the final goal of the Saemaul Movement.

The realization of the goal of the Saemaul Movement will require the successful completion of urgently needed regional development projects while simultaneously shifting the driving force of the movement from government aid to the newly-aware, capable, local populace. Since agricultural cooperatives are the self-help organizations of farmers for whose objective is the enhancement of their economic and social status, it is beneficial for them to conduct their business in connection with the Saemaul Movement.

In 1977, NACF and its member cooperatives set about a regional development project which focused on the integrated development of available resources, specialization of farming on the basis of comparative production costs, the active participation of farmers in planning and implementation processes and cooperative farming.

For the efficient accomplishment of this project, NACF classifies the whole country into six large farming zones according to the farming conditions : mountainous farming zone, sub-mountainous industrial crop zone, rice farming zone, fruit and vegetable zone, suburban and around-the-highway farming zone.

This project will require the enthusiastic cooperation and work of the people and maximum development of available resources. In order to achieve the goals of the projects, priorities of development will be given to improving the production base, increasing income, marketing improvement and the rural people's welfare. The whole process of development will be oriented to the needs of the vast majority of the people.

III. SAEMAUL INTEGRATED RURAL DEVELOPMENT PROJECT (SIRD)

1. Objectives

Main objectives of SIRD is to construct the

welfare rural society with high-efficiency and high-income. The immediate goal for the project is to increase farm income equal to the urban dwellers.

2. Basic Direction

- 1) Expansion of regional rural development
- 2) Establishment and implementation of long-term development plan
- 3) Promotion of multi-cropping small farm
- 4) Increase in the farming efficiency

3. Strategy for the Project

- 1) Bottom-up development
- 2) Efficient use of available resources
- 3) Specialization of regional agriculture
- 4) Integrated development of production and marketing
- 5) Integrated supply of development-support functions

4. Implementation Schedule by Year

In order to execute SIRDP successfully, first of all, selfreliance basis should be established in the management of the primary cooperative, which is the main administrative body of the project.

The SIRDP area will be expanded year by year as a basic rule to those cooperatives selected among the full-fledged self-reliant ones. SIRDP started in the 30 Eup-Myeons (towns) in 1977 had been extended to the 250 Eup-Myeons by 1980, which is further planned to be implemented in 1,100 Eup-Myeons by 1986 excluding the urban areas.

For the success of the project, the 5-years project of SIRDP was divided into two periods. During the period of first 3-years, total amount of 500 million won including the farmers' share will be invested. During the next two years, the project will be supported by the agricultural cooperative fund. In the first 3-years program,

it is designed to invest for improvement of the production basis, production facilities, installation of marketing facilities, supply of farm machinery, encouragement of introducing the new varieties, etc. In the second period, much attention is paid to the management of the project.

5. Achievements and Effects

During four years since 1977, the total cost of investments amounted to 95.7 billion won 21.9 billion won of which was contributed by beneficiaries ; farmers or primary cooperatives. The government, central and/or local, subsidized 9.6 billion won under the project. The remaining 64.2 billion won was financed in the form of loans from the Government and NACF funds including IBRD Loan for Agricultural Credit Project.

The effects of the project are, though not equal at each cooperative, recognized as follows :

- 1) Farmers' favorable attitudes toward the project.

- 2) Increased agricultural production and farmers' income,
- 3) Integrated approach to the regional agriculture development with the primary cooperative as the main shaft,
- 4) Improved farmers' attitudes toward agricultural cooperatives and increased farmers' participation in the cooperative programs and business resulting in better business performance of the project cooperatives.

6. Future Tasks

- 1) Establishment of the agricultural development plan at the national and county level.
- 2) Establishment of the long-term regional agricultural development plan by the primary cooperative.
- 3) Enlargement of the Government support for the regional agricultural development.

IIII. SOME IMPORTANT PROBLEMS AND PROSPECTS
OF KOREAN AGRICULTURAL COOPERATIVE MOVEMENT

1. Problems.

Some of the major problems in agricultural cooperative movement in Korea can be regarded to be related to the following area ;

- 1) Management of the organization in the multipurpose system.
- 2) Scope of the cooperative activities in compromising the interest of member farmers with the norm of the national economy.
- 3) Role of cooperative movement in face with the undergoing structural transformation of agricultural and changing environment of rural society.
- 4) Expectation of heavy burden of taxation.

(1) Managerial Problems of the Cooperative Organization and Business Activities

As mentioned in the preceding sections, the kinds of business activities was greatly diversified and the total business volume increased to a remarkable extent under the multi-purpose system of the cooperative organization. It was a natural course of development given the rapid progress of the primary societies along with the high rate of growth of the rural and the national economy.

Although additional staff and new offices were reinforced to meet the growing demand for services from member farmers, the organizational structure became more divergent and complex. And further it gave rise several difficulties to the NACF in maintaining the efficient control and coordination.

Decentralization of decision making for business was believed to be a solution and consequently, was widely enforced to the provincial branches, branch offices at the city or county level and even to the primary societies.

However, decentralization was limited to a certain extent so that some of the government entrusted business were excluded for efficient and effective promotion of the national development programme. Even in some of the cooperative business a centralized control was prerequisite for effective bargaining in the market. Economy of size in group bargaining was most obvious in marketing farm produce and purchasing daily goods. Furthermore, farm credit had to be provided under a systematic rule of regulation.

It seems to appear a confliction demand that a multipurpose federation system must attain both a maximum service for member farmers with decentralization and an efficient management of the whole structure with effective centralized control.

There may be an optimal course of organizational management. But it may be also very hard to find in a dynamic situation in the era of uncertainty of 1980's.

Further study must be done in relation with some more specialization in the federation and receptive capacity of the primary societies which are hypothesized to have to be multi-purpose in the small farm economy.

(2) Scope of Cooperative Activities

Since several years ago, there has been unceasing complaints of member farmers as to what the agricultural cooperatives can do about price or income' guarantee for the farm sector. A wide controversy arised between farm producers and the government authority how far the government can protect the domestic farm producers under the policy goal of stabilization of the national economy.

It was the time when low priced foreign commodities including meat and horticultural products seemed to be freely imported without any protective measures for domestic producers.

A strong argument was presented from the side of farm producers that if the free importation is allowed, the basis of farm structure would suffer a severe damage. The small farms, marginal farms would be revealed to a harsh competition with the mechanized and developed agriculture.

On the other side, urban consumers argued that ever increasing food price should be stabilized by free import if the total demand can not be satisfied by the domestic supply.

Under the double-digit inflation the food price increased faster than the other commodities. All of the nation was concerned about appropriate anti-inflationary measures to slow down the galloping prices. The soaring price level also gave impacts on farm income ; worsening profitability of farming under cost-price squeeze.

The agricultural cooperatives, however, couldn't go too far in taking side with farmers argument. In recognition of the necessity for anti-inflationary measures in general, the agricultural

cooperatives might have to solicit a compromise between the two arguments.

Rather it may be necessary for the agricultural cooperative movement to support the marginal farms or small farms to grow into the viable ones with its business function.

(3) Changing Role of Agricultural Cooperatives in a Structural Transformation of Agriculture and Rural Society.

As a result of a rapid growth of Korean economy in the last two decades, the problem of chronic poverty in rural communities have been solved out.

Agricultural production has been continuously commercialized in response to changing demand of urban consumers. The commodities that is more income elastic are cultivated for increased farm income.

Although a supply shortage in staple food grains remains a problem, it becomes more obvious that welfare of the rural people needs to be improved.

In terms of social amenities, cultural opportunities and style of living, there seems to be a growing gap between the urban and rural societies. The relevant problem is not of income level but of social environment.

In the 5th Five Year Economic and Social Development Plan, the new government plans to establish new rural centers to satisfy the social demand of rural people. A huge amount of budget is being compiled for the investment of the rural welfare programmes.

On the other hand the agricultural policy of the government appears to be reoriented towards decreasing the extent of price support and input subsidies for farmers, and increasing free import of foreign commodities. Given the pressures of competition to the individual farm support of agricultural cooperatives to farm management may have to be strengthened. Technical problem would arise how much the agricultural cooperatives can contribute to farm guidance without through knowledge and system on technical extension, being an economic organization.

(4) Expectation of heavy burden of taxation

The Law of Tax Exemption on Cooperatives which has been exacted for the fastering of cooperatives was abolished since the end of 1981.

In accordance with the abolition of this Law, cooperatives will be incur the worsening in income and outgo of management, difficulty in legal reserve and dividend for member farmers, and also be face with serious problems in the implementation of guidance business.

2. Future Prospects

First, the number of non-farming associate members will increase due to the continuing out-migration of member farmers and expanding rural industries. Then, the key business of primary societies will change from the support to agricultural development to the support to the rural development in an integrated form, including the business for the associate members

altogether. An integrated welfare programs, projects for rural centers for cultural and social activities and support programs for agro-industry will come into the important area of business function at the primary level.

Second, some measures to realize specialization could be taken at the federation level in order to ameliorate the managerial problem of the multi-purpose system.

However, separation of banking business from the marketing and purchasing business would remain a matter of grave concern. A past experience before the merger of federations in 1961 could be called in for a reference. When the former agricultural cooperatives were separated from the former Agricultural Bank, the former agricultural cooperatives for marketing and purchasing were actually dormant organization.

Third, the structure of rural society would

change in great extent if the rural migration and farm diversification will continue in the current pace. Number of member farmers will certainly decrease and agro-industry would develop in newly established rural centers. Membership will be extended to the non-farming rural residents for associate members.

Fourth, the contribution of agricultural sector to GNP will decrease, resulting a weakened voice of farm producers. There could arise a increased demand for agricultural cooperatives to uphold its boive in protecting member farmers.

V. ORGANIZATION AND ACTIVITIES OF WOMEN SOCIETIES OF AGRICULTURAL COOPERATIVE IN KOREA

1. Organizational Background of Women Societies

The objectives of the agricultural cooperatives consist in the enhancement of social and economic status of member farmers as well as the increase

of agricultural productivity. In accordance with the objectives, the agricultural cooperatives have carried out the guidance activities in relation to the increase of farmers' income and the improvement of the rural life.

By the beginning of 1970s, the primary agricultural cooperative have made an effort for the improvement of managerial basis through the amalgamation program and the expansion of businesses. This effort has not only brought forth self-supporting cooperatives, but also made cooperatives play a practical role in the achievement of their objectives.

As a result, the primary agricultural cooperatives initiated in 1971 employing farm guidance managers in charge of extension service aimed at the increase of farmers' income. And the agricultural cooperatives gradually posted women extension workers as the women guidance managers from 1974.

The employment of women guidance was aimed at the assuring better life of farm households through the guidance activities in relation to rural life. In addition, the important role of rural women has been much reflected.

In recent years, the position of rural women has been upgraded as mistress in charge of expenditure of farm household. Thereby the role of women has been greater in the social and economic life in rural areas.

Agricultural cooperatives has induced women to participate in the movement of agricultural cooperative in accordance with their social position in rural community. In addition, women's participation in the activities of agricultural cooperatives was required to expand the business scale of the cooperatives and to develop social community.

With these background, agricultural co-operatives implemented the organization of the

Saemaul women societies at village level from 1973. Thereby the women societies have been fostered as the organizations promoting women's activity and as the grass-root cooperative organizations keeping close linkage through the participation in the businesses of their agricultural cooperatives.

The brief history concerned to the village-level cooperative organizations and the women guidance activity is chronologically summarized as follows :

- 1971 : Began the recruit of farm guidance manager at primary agricultural cooperatives.
- 1972 : Initiated the organization of the Saemaul farming groups by crops at village level.
- 1973 : Organized the Saemaul women societies by rural women at village level.
- 1974 : Began the employment women guidance manager at the primary agricultural cooperatives.

2. Organization of Saemaul Women Societies

The Saemaul women society, in principle, is organized by each traditionally-formed Village(hamlet) It can be organized by two or three hamlet, but the operational area of a women society : cannot exceed the area of one administrative village (Ri or Dong).

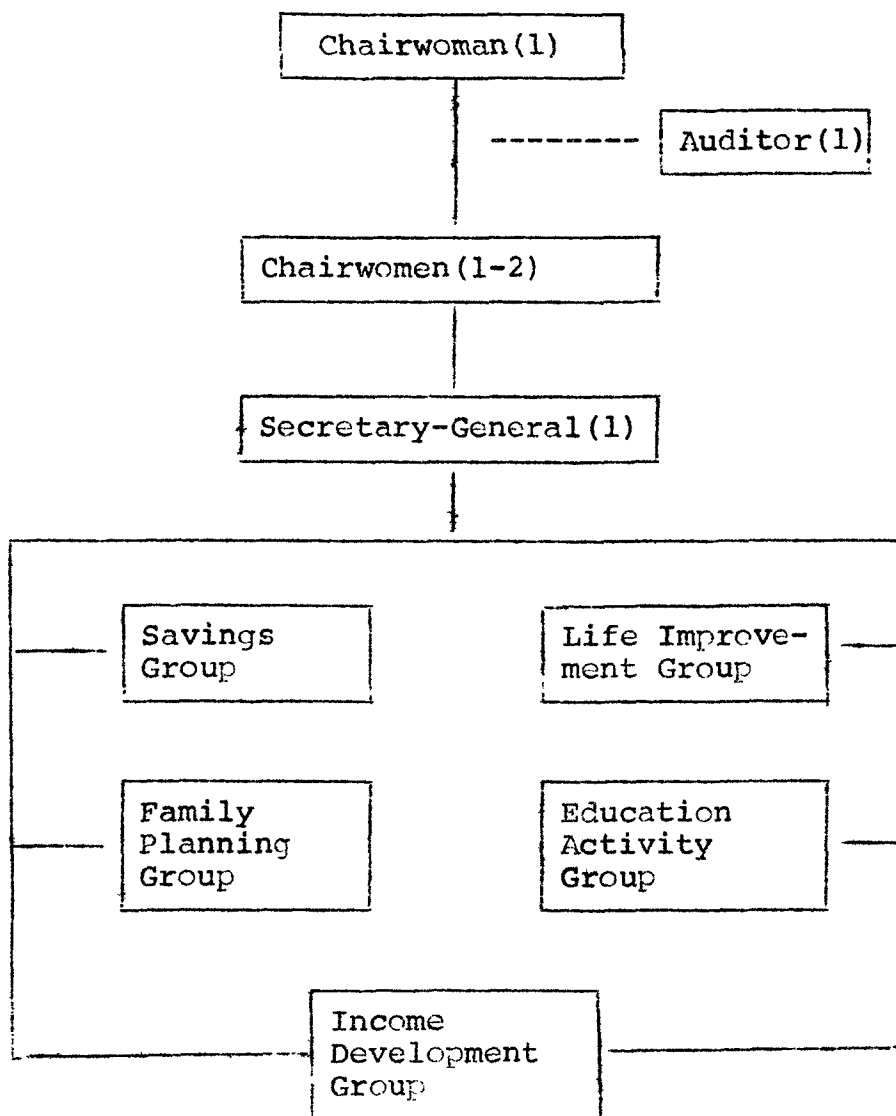
The members of the women societies are family members of member farmers of agricultural co-operatives. The age of members shall be more than 20-year and less than 60-year. In the case of that a member whose age is more than 60-year, she can be qualified as a special membership.

The objectives of the Saemaul women societies consist in the enhancement of women's welfare and the continuous promotion of Saemaul Undong in rural area. Accordingly the women societies are aimed at fostering solid farm households and at contributing to the development of rural communities.

Each women society has one chairwoman, one or two deputy chairwomen, one auditor, and one secretary-general. Excluding secretary-general, these are elected by members of the society. The secretary-general is appointed by the chairwoman among the members, and office term of these executive members is two years.

Under the executive members, the each group is divided by functions such as saving promotion, life improvement, family planning, education activity and income development. The chiefs of these groups are elected from the executive members meeting.

Managerial Organization of Women Society



The meetings are classified into general meeting, monthly meeting and executive members'

meeting. While, the general meeting is convened once in a year. The executive members meeting is composed of chairwoman, deputy chairwomen, secretary-general and chiefs of all groups.

The expenses of the women societies are covered by the members' subscription and income from joint activities. Out of the fund, the society should accumulate legal reserves.

As of the end of 1981, totaling 36,711 women societies were organized and their members reached 1,199 thousand persons. The numbers of the societies and member women are shown in the following table.

Number of Women Societies by Province

(As of the end of 1981)

	<u>No. of Women Societies</u>	<u>No. of Members</u>
Gyeonggi Prov.	4,215	163,915
Gangwon Prov.	2,037	61,389

Chungbug Prov.	2,615	91,632
Chungnam Prov.	4,601	23,157
Jeongbug Prov.	4,926	169,702
Jeonnam Prov.	7,701	206,634
Gyeongbug Prov.	5,565	199,644
Gyeongnam Prov.	5,061	172,239
Jeju Prov.	239	14,869
Seoul City	97	3,302
Busan City	84	4,434
Daegu City	15	5,579
Incheon City	46	2,744
Total	36,711	1,199,240

3. Function of Saemaul Women Societies

In order to achieve objectives, the Saemaul women societies performs various activities. The types of activities are prescribed in the regulation of Saemaul women societies as follows :

- a. Activities for the solid home life and advancement of rural women's quality.
- b. Activities for children's education.

- c. Activities for the development of rural community.
- d. Activities in relation to the improvement of environment and life pattern.
- e. Activities concerned to the improvement of rural people's nutrition.
- f. Farm guidance for the women.
- g. Training in the operation of farm machinery.
- h. Activities concerning the national health.
- i. Activities for the family plan.
- j. Operation of purchasing centers for the rationalization of consumption life.
- k. Activities on the rural welfare and culture.
- l. Cooperative service work.
- m. Activities for the operation of nursery in busy-farm season.
- n. Savings promotion activities.
- o. Development of rural side-line income projects.
- p. Other activities for the achievement of the objectives.

These activities are classified into four major functions such as saving promotion, purchasing business, life improvement, and education activities

as mentioned in the previous chapter illustrating the organization of women societies. Thereby the activities are enumerated by their important functions as follows :

a. Savings Promotion

- Plan for the enhancement of savings.
- Promotion of savings for the common fund of the societies.
- Mobilization of fund required in the activities.

b. Purchasing Business

- Procurement of agricultural production input.
- Utilization of common facilities and procurement of the facilities.
- Operation of purchasing centers for consumer goods.
- Sales of products by side-line work.

c. Life Improvement Function

- Operation of joint Kitchen.
- Improvement of housing.
- Improvement of rural clothing and food pattern.
- Performance of family plan.

d. Education Activities

- Education for rural women.
- Operation of Children's study rooms.
- Introduction of farm household accounting
- Promotion of cultural lecture.
- Dissemination of rural recreation activities.
- Joint Work.
- Operation of nursery.
- Development of farm side-line jobs.

4. Function of Women Extension Workers

In accordance with the organization of Saemaul women societies at village-level, the agricultural cooperatives perform their extension activities for the improvement of rural life. These activities are carried through the linkage with the women societies.

In addition, agricultural cooperatives employ women extension workers for the efficient performance of women guidance activities. The major duties of the women extension workers are enumerated as follows :

- a. Guidance for the organization and management of Saemaul women societies.
- b. Advice the activities of women societies for the community development.
- c. Encouraging women societies to expand the businesses of agricultural cooperatives.
- d. Guidance for the farming activities of women.
- e. Support for the cultural and welfare life.
- f. Activities on the public information on the agricultural cooperatives.

These activities performed by the women extension workers are based on the basis goal of life guidance activity of agricultural cooperatives. As of the end of 1981, the number of women extension workers totaled 968.

In the case of the head office of the NACF, an women extension worker is employed at the Saemaul Farm Guidance Division of the Saemaul Guidance Department. Her major duties are the planning for the guidance activity of rural life improvement and for the extension work in relation to the women's participation in agri-

cultural cooperative businesses and women's activities for the farming and income-increase.

The number of women extension worker by offices of the NACF and primary agricultural cooperatives is shown in the following table.

Number of Women Extension Workers

	<u>1979</u>	<u>1980</u>	<u>1981</u>
NACF and provincial office			
Number of offices	10	10	14
Number of worker	2	2	3
County offices of NACF			
Number of offices	140	140	139
Number of workers	31	31	16
Primary agri. coops.			
Number of offices	1,490	1,485	1,476
Number of workers	989	936	949

The present state of multipurpose Agr. Co-op. Society

An over view of Nepal

Nepal, the country of lord Buddha with a population of about 15 million, lies in the lap of Himalayas where the highest peak of the world stands. It is situated in between India and China. Its length is about 1000 km east-west and its breadth about 120 km north-south. It covers an area of 1,47,181 sq km, most of the area covered by hills and snowy land. A narrow strip along the southern border is plain land, called Terai, which is only 17% of the total land. From the plain to the peak the altitude varies from about 1000 ft. over Sea level to 29,028 ft.

Politically Nepal is governed under the party less Panchayat System. At the grass root level lowest tier of the panchayat is village panchayat about 4,000 in number. This system is growing up very well because of its fitness to its soil, climate and circumstances, and is considered as the best political system.

As for administrative and development purpose, Nepal is divided into 5 development regions, 14 Zones and 75 districts.

Education

The literacy level in Nepal is very low with the percentage of literates being about 24 of the total, 20% are male and the rest female. His Majesty's Government of Nepal recently made arrangements for free and compulsory education up to the primary level in all over the kingdom. This measure is expected to raise the level of literacy in near future. The percentage of higher education is low.

Religion & language

Nepal is the only Hindu kingdom in the world, bracing Hindu as the national religion. The vast majority of the population are Hindus and other important religions are Buddhism and Islam.

Nepali is the official national language though people speak different local languages with many dialects.

Economy

The economy of Nepal is predominantly agricultural. It is the major source of livelihood for an overwhelming majority of the population, more than 93% of the population are at their livelihood by agriculture. It is also the main source of employment for the nations increasing population.

The contribution of the agricultural sector on the GDP (Gross domestic product) is more than 68% and it generates about 80% of total export trade. Thus it can be said that the agriculture is the backbone

of Nepalese economy. Being the most important rôle of agriculture in Nepalese economy though its existing condition is far from satisfactory. The agricultural sector is now conspicuous by a low productivity per man and acre. The low productivity is not, however, due to an inherent inferiority of land and labour. The unfavorable conditions can be pointed out as high man ratio, small size of holdings backward techniques, primitive organization such as on credit, marketing were housing facilities, inadequate irrigation facilities. Recently after the organization of co-operated in rural areas has made easy to solve these above mentioned unfavorable conditions to some extent.

For the last few years the government has given the highest priority for the development of agriculture in development planning also. More emphasis has been given to the institutional development in the agriculture sector like co-operatives.

Industrialization is the most important sector of the economy, though it is in its infancy stage. The growth of industries in Nepal has a recent origin. Few medium & large scale industries has been organised recently. Most of the industries are state enterprises. Major products include Jute goods, sugar, cigarettes, matches, leather goods, textile, cement, iron and steel goods, tea, medicines & other consumer goods. The most of these goods are consumed in the country itself. In fact in Nepal small & cottage industry has better scope and viability to flourish, realising it government has given big push also to it.

History of Co-operative Movement

The concept of Co-operation is not new for Nepal. Traditional and indigenous cooperative cells have been working in many parts of the country starting from several years ago. A traditional system of group farming known as Parma System^{is} prevalent. Parma denotes a custom of mutual help to each other in farming operations with out any monetary transaction. The farmers in rural areas establish grain stores making a voluntary contributions of food grains, which is called Dharm Bhakeri. In this form of voluntary rural cooperation, every agriculturist in a certain area have to store after the end of harvest to put aside some quantity of food grains according to one's economic capacity and strength. The collection made by voluntary donations are stored in a common store and it is kept under the supervision of the village. In the rainy days when there is scarcity of food grains in the village, grain is advanced from this store to the needy people. When the days of hard ship are out the quantity advanced is returned from the debtor with some interest. These practices are still having a very important but implicit impact on the local economy. The above mentioned forms of mutual cooperation and self-help indicate that

voluntary effort in regard to economic activities is not a foreign element to Nepalese economic life.

However, co-operation in its modern sense is of recent origin in the country. The systematic and successful introduction of this concept was started only after the democratic era.

In order to achieve economic prosperity and better standard of living, specially to the rural masses it was decided to launch a program of co-operation, consequently the co-operative department was established in 1953.

Introduction of modern co-operative system in Nepal shows that it is not the movement grown from among the people, it is rather "the best way chosen by the state for the people". The Co-operative Dept. was established with a view to help small peasants, Initially, the department faced a serious problems. The organisation, supervision and control of cooperative societies were mainly the responsibility of the department. Organisation of cooperative societies could not be taken up by the department in the absence of legal framework. Realising this difficulty the government issued an order in 1956. Following this, a co-operative credit society with unlimited liability was organised for the first time in 1956 in Rapti Valley as a part of the multipurpose project with a view to cultivate fallow land, resettle the flood stricken and landless people coming from different parts of the country, provide a more profitable source of income to agriculturists and increase agricultural production.

Later the government solved the problem of the lack of cooperative legislation with the passing of cooperative act in 1959.

Extreme scarcity of finance was the next problem to be tackled. A cooperative Development Fund was created for this purpose. Major portion of the fund came from the government as a contribution towards the development of cooperatives.

To convince people about the advantages arising out of cooperative system, the Department organised short term member education programme dealing with the principles and practices of cooperation. This program initially covered 1500 persons.

A number of cooperatives were organised but there was the need of a control financing agency. So a cooperative bank act was passed in 1963 and the bank started its function in 1964.

Training for the personnel was felt necessary for the smooth running of the societies. Therefore a cooperative Training Centre was established in 1963 under the Dept. of Co-op.

The first Five Year Plan recognizing the need for Co-operatives, stated that if cooperative movement is developed in healthy and efficient manner, it will progressively abolish excessive rural

indebtedness, contribute significantly to raise the living standard". This visualised gradual extension of cooperative movement in all parts of the country. It was planned that by the end of the plan 4500 cooperatives would be organised and registered. The highest priority was given to the growth of agricultural cooperatives and therefore more attention was to be paid to wards organising marketing cooperatives, multipurpose societies and livestock cooperative societies.

The first Five Year Plan was more ambitious. The operational problems and other requirements were not assessed practically. Consequently the achievements fell widely short of the objectives as spelled out in the plan.

The Second Three Year Plan was formulated on the basis of the experience gained from the working of the First Plan. Similarly the plan set a target of organising 2200 new societies covering all the 75 districts.

During the Third Five Year Plan period the Land Reform programme and compulsory savings Scheme under it was implemented. In order to make wider scope of financing of the cooperative Bank it was converted in to the Agricultural Development Bank.

A new cooperative revitalisation programme was introduced in 1971 by His Majesty's Government. As most of the cooperatives were going on liquidation because of poor management low volume of business, low membership, low share capital inadequate financial support from the financial institution etc. The agricultural Development Bank took over the management of certain selected cooperatives which were run by trained managers in selected places. The government subsidised the societies. The weak - cooperatives were reorganised and amalgamated and also liquidated. Hence during this period a number of cooperatives reduced considerably.

Again a new programme was introduced in 1976 i.e. Sajha Programme. The objective of this programme was to organise multipurpose cooperative society which will effectively mobilise rural savings and resources will support development activities in small business, organise marketing of farm produces and also will supply agricultural inputs and consumer goods. These activities are supported by the introduction of loan and general banking facilities at the village level.

The Sajha Programme is now implemented in 30 of the 75 districts of Nepal which cover $\frac{2}{3}$ of the population. The guided cooperatives have also been included in the Sajha programme. Accordingly, all the villages in the 30 districts have been covered by the Sajha Societies. Up to 1976 the total number of Sajha Societies reached 1970 including 17 district level cooperative unions.

All the tenants, land owners and owner cultivators who have contributed to the compulsory saving scheme under the Land Reform Programme have been made the members of the societies by converting their savings into the share capital of the societies. Although the membership and share capital of the societies increased rapidly, most of the societies could not viable because of the small area of operation, high operational cost lack of coordination among the agencies concerned, over rule on management committee. In order to overcome these problems a number of remedies have been taken up. They are the amalgamation of the societies, internal and external control system, implementation, introduction of annual programming and budgeting system etc.

Main activities of these multi-purpose cooperatives are such as supply of agricultural credit, agricultural inputs marketing of agricultural products and supply of essential consumer goods and other activities which are essential to the members. Over the last two decades the management of cooperatives has rested with various agencies such as Department of Co-operatives and Agricultural Development Bank. However the ultimate objectives of organising and running a cooperative should be to prepare the members to manage their economic and social activities themselves with efficiency, which calls for democratic control of the members over the activities of the society. Keeping with this basic principle and in order to make Sajha programme more useful for the people concerned and ensure their active participation through maximum mobilising local resources capital and leadership towards the preparation and implementation of plans and programmes the management of society has been entrusted to the elected representative body of the society members since 1978. As presented above, Nepalese people have not a single problem to face they are of different nature which necessitates organisation of multi-purpose coop. societies. Therefore it plays a great role in Nepalese economy. At present multi-purpose societies are mainly functioning the following activities.

1. Agricultural inputs:- Nepal is an agricultural country and more than 95% of the population are engaged in agriculture therefore this activity facilitates to the member, which helps to improve their living standard. All societies of the country are engaged on this activity.
2. Credit facilities: - Another important function of the multi-purpose society is credit facilities. The societies facilitate capital in term of credit for members for their betterment.

3. Marketing of A gri. production:- Being the hilly country there is transportation difficulties and people have difficult of accessibility to sell their product therefore the multi-purpose societies are handling this activity too.
4. Pledging:- People have to sell their product immediate after harvesting and get low price. But if they would have hold their product for a month they would have get fair & reasonable price, therefore societies have handling this pledging activity of agricultural products to facilitate the farmer members.
5. Essential consumer goods:- Most of the societies have engaged in marketing of essential consumer goods. But specially the societies of hilly region have greater importance and got better facilities from it.
6. Banking facilities:- Very few societies are working this activity though it had very important role for mobilization of capital in rural areas.

Present Structure and Management

The structure of co-operative movement in Nepal is two tiered, with the multipurpose primary societies at the village level and co-operative unions at the district level. There are 678 primary multi-purpose societies and 33 district unions. The need for National Federation for strengthening the cooperative movement has been strongly felt.

A cooperative society generally covers a area of 2 panchayats, and panchayat is divided in to 9 wards, wards means generally a small unit of village. Ward committee have been formed to extend the activities of the societies down to the 10 west level. The committee is represented by three members who are elected by the members of the society of that particular ward.

All the members of the ward level committee within the area of operation of the society constitute the Sajha Executive Assembly.

Managing committee of the society is comprised of 9 members elected by the Executive Assembly from among its members.

The district level cooperative union is managed by General Assembly and managing committee of the District Co-operative Union. The members of the General Assembly are the elected representatives from each of cooperative society of the district concerned.

Managing committee of the district level union is comprised of nine members elected at the General Assembly from the members of the Assembly.

Ward assembly consists of all the shareholder members of the ward. The meetings of the ward assemblies are held at the ward level at least twice a year to discuss ward level problems and issues as well as prepare annual program & budget. In brief the function of ward assemblies are, to elect members of the ward sub-committees to discuss and decide report submitted by ward sub-committees, to help ward sub-committees.

Ward sub-committees are consisting of 3 members elected from ward assemblies. The meeting of these representative are held every 3 month. Main function of this committee are to prepare, approve annual farm plans of the members of the concerned wards, to look the utilization of loan according to conditions approved. To take steps to recover the loan from the concerned persons, to collect the loan to apprise the members in the wards of the activities and progress of the society.

Executive assembly constitute of all 3 members of the ward sub-committee. It discharges all the function of general meeting. This assembly meets at least twice a year.

Board of directors consist of 9 members elected from the executive assembly, including chair man and vice chair man. The board of directors has been given full authority for the operation of the society for which it is responsible to the executive assembly. The main function of the board are following.

- i. To prepare and submit to the executive assembly for approval the annual plan and budget passed on ward level.
- ii. To formulate operational policies and take decision as regards to the operation of the society.
- iii. To recruit the staff .
- iv. To control and guide staff
- v. To evaluate monthly progress of all activities.

Management staff - size of the society is small, though it depends on the activity of the society. Manager is the over-all incharge of daily operations of the society who works under the control and direction of the board of directors. Under the manager there are sales man, and store keeper & peons.

Precise Role & Involvement of women in multi-purpose cooperatives

Above 93% of total population of Nepal are engaged in agriculture & women also constitute a major percentage of it. So, women are playing a vital role in cooperative societies directly or indirectly and the precise role & involvement of women in co-operative is explicit. But the direct involvement of women in cooperative activities is relatively low considerations have been laid and promotional activities have been started to improve the better participation of women in cooperative sector as well. Following figure shows the composition & involvement women in cooperative society.

Total cooperative membership (the numbers are included only of 181 coop. societies out of 717 primary societies) which are all multi-purpose coop. societies.

a) Total membership	-	255371
Male	-	247038
Female	-	8333
b) Total number of Boards of Directors	-	1495 (in 181 Prim. Coop. societies)
Male	-	1485
Female	-	10
c) Number of coop. Employees	-	932
Male	-	913
Female	-	19

There is a separate cooperative society for women named "Women Sewing Co-operative Society Ltd", at Bhaktapur in Kathmandu Valley which was organised in Sept. 1979. The main function of the society is to Sewing Clothes and sell them in cash. There are 30 members in the society & all of them are men. The employees and numbers of Boards of Directors in the society are 3 and 7 respectively who all are women. The total share capital of the society is Rs 19,500/-. It has rendered the job opportunity for 25 women annually i.e. altogether the number of workers in the society are 25. The society is fully owned and operated by the women.

To encourage for the better participation and involvement of women in cooperatives various policies & programmes have been designed. As first step towards involving women in cooperative societies in income generating activities, cooperative education mobile camps have been conducted in field level with a duration of 3 days. In 1982

/83 altogether five multi-purpose cooperative Education Mobile Camps will be organised and conducted specially for women only. About 55 women will participate in a mobile camp. There are not any socio-economic, cultural, legal and political barriers, to the participation of women in cooperative societies. All women can enjoy all facilities as men from the cooperative societies according to rules and regulations.

The future of women's involvement

The Sixth five year plan (1980-1985) envisages a national level policy increasing the women's participation in developmental works. Regarding this as an important factor the Sixth plan has adopted the policy that in plan period more women will be trained for different agricultural development programme to get their better participation and the women who are not fully employed will be initiated to conduct and join in rural and cottage industries by providing them necessary training, capital and market through cooperative societies.

Conclusion

It has been already mentioned above that the coop. movement is of recent origin. Different experiments regarding the development of cooperatives were adopted which helped to gain experiences to uplift cooperatives in future. Now we are in a position to better establishment of policies and management. Still Dept. of Co-operative is in need of higher level training to its personnel.

BACKGROUND PAPER, PAKISTAN

The Present State of Multipurpose
Agricultural Co-operative Societies.

PAK

By

Mr. Gul Hameed Khan,
President, Punjab Co-operative Union
Lahore - Pakistan

REGIONAL SEMINAR ON
MULTIPURPOSE AGRICULTURAL CO-OPERATIVES
WITH SPECIAL REFERENCE TO ACTIVITIES
OF AGRICULTURAL CO-OPERATIVE WOMEN'S ASSOCIATIONS.

TOKYO, JAPAN, 1ST TO 21ST, SEPTEMBER, 1982

ICA REGIONAL OFFICE AND EDUCATION CENTRE
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Central Union of
Agricultural Cooperatives
Tokyo - Japan

The Institute for the
Development of Agricultural
Co-operatives in Asia
Tokyo - Japan

Present State of Multipurpose Agricultural
Co-operative Societies in Pakistan

by

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Unlike the European countries, where the Co-operative Movement took root and started from below, the Cooperative Movement in the Indo-Pakistan Sub-Continent was introduced by the Government, through the enactment of the Cooperative Credit Societies Act, 1904. This was the first practical measure to reduce rural indebtedness; to save the simple-minded and illiterate tillers of the soil, who used to be born in debt, live in debt and die in debt, from the clutches of the artful and callous money-lenders. The Act afforded an easy-credit-providing agency to enable men of small means to stand on their own feet through the principles of self-help and mutual aid. It, however, envisaged the formation of primary credit societies only. There was a rapid growth of cooperative credit societies, specially in the rural areas, in the following years. Later on, the Act of 1904 was found insufficient to meet the growing needs of the movement. In order, therefore, to legalise the formation of Cooperative Societies other than those for credit and to build up a secondary and apex vertical organisational structure, the said Act was replaced by the Co-operative Societies Act of 1912, whereunder the Provincial Governments were also empowered to make Rules

to carry out the purposes of the Act, for their Provinces. This Act remained in vogue in Pakistan until the Co-operative Societies Act, 1925 and the Co-operative Societies Rules, 1927, were enforced with effect from the 30th April, 1965, by amending the Sind Co-operative Societies Act, 1925, and the Sind Co-operative Societies Rules, 1927, as these were found to be more comprehensive, exhaustive and better suited for the healthy progress and development of the Co-operative Movement in the country.

2. Single purpose or special unit agricultural co-operatives remained the order of the day for about four decades till the emergence of Pakistan in 1947, when the Movement channelised into multirarious spheres of activity as demanded by the requirements of the prevailing circumstances and economic conditions. At that juncture, the idea gained ground that instead of leaving an agriculturist to knock at the doors of different organisations to overcome his business and other economic problems, it would be much better if all his needs were met and services provided through a single co-operative. This felt necessity was instrumental in the organisation and growth of multipurpose agricultural Co-operative Societies. The Co-operative Movement in Pakistan, has, by now, developed into a live body, intrinsically capable of delivering the goods and improving the lot of men of small means. At present, there are, over-all 47,505 co-operative institutions in Pakistan with a membership of 26,85,664, a share capital of Rs.2548.45 lacs and a Working Capital of Rs.3,89,53.36 lacs. Out of them, the No. of multipurpose agricultural cooperatives is 4867 having a membership

of 4,29,758 a share capital of Rs. 485.35 lacs and a working capital of Rs. 1462.75 lacs.

Co-operative Farming Societies.

3. Agriculture is the basic industry of Pakistan and nearly 80 percent of its population lives in rural areas and mainly depends on agriculture. On the influx of refugee landless agriculturists into Pakistan from India, immediately after the partition of the Indo-Pakistan sub-continent in 1947, the Government was faced with complex problems of settling and rehabilitating them. It was under the pressure of these compelling circumstances that the Government decided to experiment the setting up of Co-operative Farming Societies, as multipurpose agricultural organisations. The scheme was started in 1948 in the canal colony districts of Multan, Vehari, Sahiwal and Faisalabad in 500 acres of compact blocks of land provided by the Government. 132 Co-operative Farming Societies were organised to start with and the Government allotted 1,40,000 acres of land to the societies for leasing it out to 10,898 members at the rate of 12½ acres per member for reclamation but actual cultivation was done by the members individually. The Government has lately given proprietary rights to the members against a payment of Rs.20/- per produce index unit in 30 to 40 six monthly instalments and batai from members has since then been discontinued.

4. The main objectives of the Co-operative Farming Societies are as under :-

- a) to settle members on land and to encourage best methods of farming according to definite plans.

- b) to provide dwelling houses or house sites to members, to lay out roads, to arrange for and maintain facilities for water supply, drainage, lighting, education and preservation of health.
- c) to acquire and supply good seeds, fertilizers and improved agricultural and industrial implements.
- d) to encourage poultry farming, owning to one or more stud bulls and help the members to improve methods of cattle breeding.
- e) to encourage the development of cottage and other subsidiary industries and to provide facilities, in respect of funds, raw material, tools, techniques and marketing of finished goods.
- f) to arrange for the supply of agricultural, domestic and other requirements of the members and sell their produce.
- g) to arrange for and maintain amenities, like play grounds, roads, schools, hospitals, electricity, reading rooms and other objects of common advantage to members and
- h) to provide means for equitable settlement of disputes and thereby to save the members from the trouble and wasteful expenditure caused by unnecessary litigation.

5. This multipurpose experiment of Co-operative Farming Societies, succeeded eminently. The small farmers of said Societies, without any financial help from the Government, were also able to set up well planned colonies with rows of attractive houses, wide roads having trees on both sides and community buildings situated in the central squares of the villages along with drinking water wells, mosques for offering prayer and, godowns for the storage of agricultural produce and other commodities purchased collectively, such as seeds, fertilizer and agricultural implements. Many such villages have their own schools; well-equipped dispensaries; impressive stock of machinery including tractors, cane crushing machines and sugar manufacturing units and have installed their own tube-wells

which are run by full time operators paid from the common pool. There are at present 325 Co-operative Farming Societies in Pakistan with a membership of 23,330, a share capital of 45.14 lac rupees and a working capital of Rs.175.14 lacs, with an allotted area of about 2.6 lac acres.

Colony Co-operative Farming Union.

6. The Colony Co-operative Farming Union Ltd., was organised in March, 1961, at Khanewal, Multan Division, as a Federation of 132 Co-operative Farming Societies in order to coordinate and facilitate their activities. The Union covers 1,20,000 acres of land and its membership stands at more than 10,000 Co-operators. As a mechanised farming project, this Union is the biggest project in Pakistan, which has combined educational programmes with business activities.

7. The goals which the Union is striving to achieve, in brief, are :

- i) to arrange for the supply of agricultural requirements and implements to member societies;
- ii) to set up plants for processing of agricultural commodities; to provide marketing facilities for the sale of agricultural produce of societies, and to act as an agent for the purchase and sale of agricultural commodities, on Government account.
- iii) to arrange for the supply of domestic and other requirements of members of affiliated societies;
- iv) to set up mobile and stationed workshops for the repair of tube-wells, machinery, tractors and sugarcane crushers etc..
- v) to arrange for the installation of tube-wells and supply of accessories and spare parts of agricultural machinery;

- vi) to create funds to be lent to member societies in the form of cash or kind.
- vii) to encourage the development of cottage industries and other subsidiary occupations and for that purpose to provide necessary facilities to the member societies.

8. The Colony Co-operative Farming Union is an extremely important organisation as it aims at an all-round development of the rural community by bringing about an increase in income and a change in the social outlook. The Union is maintaining a fleet of 190 tractors with accessories and operates mobile and main workshops. It installed 201 Tube-wells which resulted in the increase of production by 30%. The Union has established a store for spare parts at Khanewal from where purchases are made on nominal over-head charges on import prices. Godowns have been constructed at the Union's headquarters for storing the produce of member societies and joint marketing has been introduced so that better prices of commodities may be had by the Cooperators. The Union has imported agricultural machinery worth lacs of rupees for the achievements of its objects. It supplied 96115 bags of chemical fertiliser; 6845 bags of improved seeds and pesticides valued at Rs.1.42 lacs to its constituent members during the year 1980-81.

Co-operative Joint Farming Societies.

9. After the introduction of Land Reforms in Pakistan in March 1972, it was considered necessary by the Government of Pakistan that the Co-operative system for the development of modern agriculture should be encouraged and expanded. Ultimately the Co-operative Farming Act was enforced in July 1976, which applied to the whole of Pakistan and came into effect forthwith. This Act is self-contained and its

objectives, as laid down in the Preamble, are to provide for the formation, working and promotion of co-operative farming and setting up of allied agro-based industries on the basis of self-help and mutual aid among the farmers.

10. The main features of the societies organised under the Co-operative Farming Act are :-

- 1) The Co-operative Farming Society should consist of not less than 20 members and the total land pooled by the members should not be less than 300 contiguous acres of land in the North-West Frontier Province and not less than 500 acres in the other Provinces.
- 2) The members shall place their entire holding contiguous to the Co-operative Farm at the disposal of the Society for all farming operations, without affecting their ownership rights of the land, except that a member placing a subsistence holding of 12½ acres and more may retain 2 acres and 4 acres, respectively, for his personal use.
- 3) The liability of a member shall be limited to the value of the land pooled by him with the society and he may withdraw from its membership after three years by giving a notice to the Chairman of the Society.
- 4) After meeting all expenses connected with farming operations, the balance of the income shall be distributed on the following basis :-
 - (a) Not less than 5 % for the Reserve Fund to meet natural calamities affecting the Co-operative Farm and not less than 5 % for the Development Fund to be utilized for the development of the farm, establishment of agro-based industries and hospitals and school etc.
 - b) Out of the remaining amount, 40 % shall be distributed among the members, in proportion to the value of the land pooled by them and 60 % among the workers, working members and other staff of the Co-operative Farm.
- 5) The Government shall organise 11 pilot Co-operative Farming Projects, 5 in the Punjab being one in each Division and 2 in each of the other three Provinces. Further

the Federal Government and the Provincial Governments, each shall give a grant of Rs. 5 lacs i.e. a total of Rs. 10 lacs to each Co-operative Model Farm for initial expenditure of the farm and for starting agro-based industries.

11. Eleven pilot Co-operative Farming Projects were duly organised and registered in Pakistan for joint mechanised farming and setting up of agro-based industries, under the Co-operative Farming Act, 1976. The Government made available the grants for initial expenditure and, preliminary organisational action was taken by the societies. However, there after, lack of interest was shown by the members and the work of the said organisations did not progress to invite a mention and a few other such societies organised by the farmers, independently, under the Act have also not done any work worth stating. The members attribute this apathy to the inherent/shortcomings and defects in this National Co-operative Farming Scheme.

12. Among others, their reasons for the lack of interest are as below :-

- 1) There is no attraction in being a member of the Society as one can earn more by carrying out farming operations individually than the fixed 40 % which the society will pay after meeting all expenses and providing for the funds while rest of 60 % will go to the workers and staff.
- 2) They will have, all the same, to face several difficulties in the cultivation of a few acres of land retained for their personal use.
- 3) There is no assurance that they will get back the same land which they pooled to the society or of the same fertility after withdrawal from membership and what approach, irrigation and cultivation facilities, will then be available to them.
- 4) The societies have not been exempt from land revenue and the operation of Labour Laws will create many administrative and management problems and,

- 5) There is no provision for subsidy for agricultural and technical expertise from the Government for at least the first five years without which the success of the scheme is doubtful.

Co-operative Service Societies
and Farm Service Centres.

13. The application of chemical fertilizer was considered as one of the most essential requirements to meet the challenge of food shortage and to boost up agricultural production. Consequently Co-operative Service Societies were organised at Union Council level, throughout Pakistan, during the year 1960-61. These assessed and indentured agricultural requirements of the farmers in respect of seeds, fertilizers, credit and agricultural machinery and collected surplus agricultural produce of members, stored and marketed the same through Farm Service Centres.

14. These Co-operative Service Societies were affiliated to secondary institutions at the Mandi town level, registered as Co-operative Farm Service Centres which carried out the following functions :-

- a) to provide fertilisers, seeds, pesticides, diesel oil etc. to the Co-operative Service Societies.
- b) to arrange tractors and other agricultural machinery to the members of primary societies or groups thereof, on hire basis and to provide repair facilities for such machinery;
- c) to construct godowns for storing agricultural inputs for supply to societies and agricultural produce of societies for marketing purposes;
- d) To set up mechanical workshops equipped with machinery and tools for the repair of tractors and tube-wells.

The number of such Co-operative Service organisation in Pakistan is 1997 which have a membership of 2,94,179, a

share capital of Rs.159.77 lacs and working capital of Rs.347.29 lacs.

Rural Supply Co-operative Corporation.

15. This Corporation was registered as an apex Cooperative Organisation with its head Office at Lahore, in December, 1961. Its areas of operation extended to Pakistan. It is the chief organisation of Co-operative Farming and Service Societies and, Farm Service Centres. The Corporation offers central services to the Cooperatives in the supply and distribution of fertiliser, seeds, pesticides, tractors and other agricultural implements. It goes to the credit of the Corporation that it took over the distribution of fertiliser at a time when the farmers were not fertiliser-minded and private-dealers were reluctant to take the responsibility of its supply at the village level. The Corporation succeeded in acquainting the agriculturists with the utility and usefulness of chemical fertilisers to increase their production and made target supplies.

16. The Corporation was entrusted with the implementation of the scheme "Development of small Farm Agriculture" in 1978. It provided that farmers owning land between 12½ to 25 acres could obtain tractors from the Corporation by making down payment of 50 % of the price and a loan for the remaining amount could be arranged through the Agricultural Development Bank of Pakistan, which was repayable in six years. It was, however, necessary that such farmers should be members of Co-operative Societies affiliated to the Corporation. Since then the Corporation has imported and distributed 8,295 tractors valuing Rs.57,46,07,205 to small farmers, which played a vital role in mechanising agricultural production. The Corporation supplied 47 Cutter -

Binder machines for harvesting wheat and other crops worth Rs. 14,10,000. It has also made available all sorts of imported spare parts of Fiat Tractors valued at Rs. 50 lacs and provides after-sale service for tractors and other agricultural machinery from Farm Service Centre. The membership of the Rural Supply Co-operative Corporation consists of 5433 societies. Its share capital, working capital and liquid resources are Rs.32.37 lacs, Rs.442 lacs and Rs. 500 lacs, respectively. The Corporation has rendered a very useful service to the Co-operative Movement in the country.

Project Area Development and Multipurpose Co-operative Societies.

17. a) A scheme for Reconstruction of Rural Credit and Agricultural Marketing was launched for organising Development societies which aimed at providing complete package of services to the farmers for increasing agricultural production by ensuring adequate supply of agricultural in-puts and marketing of their produce. For that purpose, village primary societies including supply service ones were amalgamated and their scope of activities was enlarged, Their membership increased and their funds got strengthened. These societies were linked with central credit, supply and marketing organisations to facilitate their functioning. The Government allocated sufficient funds for participation in the share capital of such societies and loans for the construction of godowns.

b) The essence of another scheme, namely, the Integrated Rural Development Programme, was to improve the

standard of living of the rural masses with special preference to balanced growth of economic and social rural life. It aimed at making the rural people more efficient in agricultural production, raising their social status and to enable them to play a legitimate role as self reliant citizen in a democratic society. The IRDP Farmers societies also arranged marketing and processing of agricultural produce, setting up of agro-based industries, planning and execution of housing schemes, supply of credit and banking facilities to the members. In order to achieve those objectives, necessary infrastructure in the form of roads, schools, dispensaries, godowns, processing units and pest control units, was built up.

c) Co-operative Multipurpose Societies and those for ex-Servicemen separately exist at primary level in Pakistan but their aims and objects are similar, as below :-

- i) to create funds to be lent to its members for necessary purposes at reasonable rate of interest with easy terms of repayment.
- ii) the purchase and sale of house-hold and farming requirements of members at the lowest possible rates.
- iii) the collection and sale on commission of agricultural produce of members.
- iv) the supply of improved seeds, fertilizer, agricultural implements, tube-wells and their repair facilities and,
- v) the provision of educational assistance and recreation to members.

The number of societies of the above three categories is 1276, their membership 51718 share capital Rs.65.14 lacs and working capital Rs.284.44 lacs.

Management Aspect.

18. Every multipurpose agricultural co-operative, constitutionally, has a General Meeting, which is its supreme authority

and an elected policy making and supervising Executive Committee (Board of Directors). The larger ones also appoint Sub-Committees for specific objects and functions. There is no provision or concept of full-time Directors, as they have to look after or attend to their own occupations or professions. The success of the organisation largely depends upon the interest taken by the Executive Committee, the management personnel and the staff, which in the case of village societies, centres round the President, the Secretary and the Manager. The appointment of top-men like General Manager, Secretary, Heads of various technical Sections, having the required standard of talent, training and skill presents difficulty and the organisations try their best to select the right man for the right job. At present, a chapter on Cooperation is included in Economics in the degree classes and the Government was approached to include 'Cooperation' as a regular subject, so that persons having the know-how and background of cooperation are available for employment in the Movement but this has not been done so far.

(i) Co-operative Training College and Institutes.

There is one residential Co-operative Training College at Faisalabad since 1960, which besides giving pre-service and in-service training to the Officers and officials of the Co-operative Departments in the country, holds courses for Managers, Accountants and Secretaries of Co-operative Farming Societies; Farm Service Centres and Development and Multipurpose Societies. They are trained in

business management, administration, account-keeping and community development. The three Co-operative Training Institutes in the country mainly hold classes for Sub-Inspectors and Secretaries of Development and Service Societies. Besides that the Educational Staff of the Co-operative Department consisting of Educational Assistant Registrars, Inspectors and Assistants hold classes of different duration for members, secretaries and office bearers of primary societies. They are trained in their respective responsibilities and management techniques.

ii) Pak-German Institute of Co-operative Agriculture.

This Institute, established at Chak 5-Faiz, Multan, is a joint venture of Federal Republic of West Germany and Pakistan. The Government of Germany has provided equipment, machinery, tools, spare-parts and technical advisory services. The Government of Pakistan has made available land, Pakistani Staff, buildings and recurring expenditure. The Institute is affiliated with the Pakistan Agricultural University, Faisalabad and its objectives are to impart training in agriculture, its allied technical sections and establish agriculture, dairy and poultry demonstration farms. The Institute extends over to 75 acres of land, 50 acres of which have been ear-marked as demonstration farm and remaining 25 accommodate its campus. It imparts training to tractor and auto-mechanics; tractor operators, carpenters-wood workers, farmers and farm managers for Farming Societies and provides extension services to such societies. It also supplies seeds, fertilizer, pesticides, poultry chicks Milk and orchard plants etc.

(iii) The Colony Co-operative Farming Union, Khanewal.

It arranges for the education and training of members

and employes of farming societies and also operates a managerial and technical cadre for strengthening and streamlining the management and administration of such societies.

The Co-operative Farming and Multipurpose organisations are thus assisted in selecting trained and suitable management and technical personnel for conducting their affairs in an efficient manner.

Participation of Women.

19. Women in Pakistan only help and assist their own men folk in agricultural operations and are totally shy to become members of any rural co-operative society. Even otherwise, they believe that if the headman of the house is a member of a society, the entire family benefits from its services. There may be just a few exemptions of women having become sleeping members of agricultural Co-operative Societies without any intention of taking active interest in the affairs of their societies.

During the existence of about 8 decades, the Movement has only been able to co-operativise 33426 women and organised, 1220 non-agricultural Women Co-operative Societies in urban areas with a share capital of Rs.25.57 lacs and a working capital of Rs.34.39 lacs. These are mainly thrifts, industrial and Consumer Societies. This situation indicates that women may not come forward to become members of agricultural Co-operatives in the near future in view of the prevailing conditions and the existing social order.

A concluding Word.

20. All countries, which have reaped the fruits of the co-operative movement, appreciate the advantages of multipurpose societies and prefer their organisation. The significant effect is that all the required services are made available to the members from one institution and source in a better and adequate way. They need not run about for the fulfilment of their wants and have fuller time to concentrate in their occupations for the realisation of better business and better life. Japan and Korea have given a positive and praise-worthy lead in this direction. Pakistan is on the road to that goal but has a long way to tread before multipurpose agricultural Co-operative Societies of the desired standard and level cover its entire rural areas.

THE PRESENT STATE OF MULTIPURPOSE AGRICULTURAL
COOPERATIVE SOCIETIES IN THE PHILIPPINES

INTRODUCTION

Cooperative was introduced in the Philippines for more than 50 years ago. Though characterized by rapid growth and expansion in the past, the movement has not gone far as expected. The need to accelerate the pace of the movement becomes more crucial considering the present and immediate outlook for needed reforms in development programs. In the Philippines, cooperatives are grouped into agricultural and non-agricultural cooperatives. Each category is governed by each cooperatives legislation. The Philippine cooperatives is characterized by societies specializing in a single purpose function. However, in some areas, of the country some cooperatives are going into the multi-purpose function.

Efforts of some cooperatives to go into the multi-purpose societies have taken since the early part of 1980 as the key subject tackled jointly by the members and the movement. The idea of going into this is a result of extensive studies that for a cooperative to succeed it has to be complemented with supportive activities. The objective of the new system are: 1) making available to the members financial assistance (loans) that will enable them to increase production; 2) provide price support to their produce; 3) provide production inputs as well as commodities and other improvements intended to consolidate the system of agricultural activities ranging from financing, production to marketing.

To fully support these activities the cooperatives are hiring technicians to perform functions such as advisory services on management and farming techniques. In addition, to this the local societies provide cooperative facilities ranging from production to marketing. This includes machineries which an individual farmer could not afford to buy; bodega, and irrigation. These services and facilities are provided to improve and strengthen the members' farming and marketing position.

Although the farm guidance is conducted within the organization, the cooperative participates in formulating agricultural plans for the municipality (Town) and work in close coordination with related government agencies like the Ministry of Human Settlement and the Ministry of Agriculture. The cooperative through its management committee plays a central role in integrating the related cooperative functions; such as credit, marketing, selling of inputs and prime commodities.

11. TYPES OF COOPERATIVES IN THE PHILIPPINES:

Presently the Philippine cooperative movement can be divided into two (2) sectors: the government sponsored cooperatives and the voluntary sector cooperatives. This came about when the new cooperative law known as P.D. 175 and LOI 23 (Strengthening the Cooperative Program in the Philippines) passed in the middle of 1975. With this new coop law all existing cooperatives have to be re-registered with a new supervising government agency: the Ministry of Agriculture through the BCOD (Bureau of cooperative development). It also set new guidelines for the organization of new cooperatives.

from the village level (Samahang Nayan), Municipal level Full-pledged cooperatives* , and Provincial level and National, which will do the economic activities. Through this organization it is expected to consolidate and unite the farmers in the villages. This cooperatives can perform banking activities (CRB), Marketing (AMC) , insurance (CISP) and etc according to the need of the members. As of the end of 1981 there were 2570 cooperatives re-registered and newly registered cooperatives throughout the country. Out of this 1029 are credit cooperatives and the rest of other types.

III. PROBLEMS:

1. Lack of capital;
2. Adherence to the old structure in accordance with the thinking of the old leaders;
3. Reluctance of many leaders to give up their leadership identities; and
4. Lack of trained personnel.

IV. PARTICIPATION OF WOMEN IN THE ACTIVITIES OF THE SOCIETIES:

Participation of women in the nationwide cooperative development program is minimal since they only act as substitutes in the absence of their husband. There is scarcity of organization directly involved in improving the condition of women. This shows the need for national programs to be properly coordinated and filtered down to the village level where they are most needed.

Although attendance of meetings are predominantly women, there is still a need for the greater involvement of women in decision making and leadership in village, social and other political activities. Non participation of rural women in this activities may be due to lack of time and interest, and perhaps some feelings of inadequacy of being able to play an active role.

The Philippine national federation of Women for cooperatives (PNFWC) was established in pursuance to the recommendation of ICA Regional Conference on the "Role of Women in Cooperative Development", Held in Kuala Lumpur, on July 21-28, 1975. The PNFWC was established with the full support of the Bureau of Cooperative Development with its Director as consultant.

The PNFWC started to ^Poperate in 1978. At present there are besides the chairman and secretary, 202 members. New members are being recruited through the women themselves; from among the women cooperative members in the organization in which they work. The present membership consist mostly of women who live in and around Metro Manila and who are working with cooperatives or related agencies. A number of women members came from the BCOD and are concerned with various types of cooperatives including rural cooperatives.

The PNFWC is of fairly recent origin.. The federation has drwn its constitution and is now in the process to build up chapters in the other regions. It has now chalked out a long term program in keeping with its objectives, search for women .

leaders and provide them with necessary trainings, ~~workout plans~~ ^{workout plans} for raising funds for implementing its work program.

Cooperatives provide desirable and dynamic means for the institutionalization of participation of women as well as men in the social, economic, cultural, and even political development. It is very important that the participation of women should be encouraged and massively supported.

V. CONCLUSION:

The cooperative movement in the Philippines for the past decades has not been able to contribute substantially to the social and economic development of the country. An analysis of our historical facts about our the cooperative movement has revealed that there has been no respected, well supported, and well integrated and comprehensive program. Specifically there is a need for a massive and vigorous program for the movement to succeed as envisioned in its objectives.

END

The Present State of Multi-Purpose Agricultural
Co-operative Societies in Sri Lanka

Sri Lanka is an Island situated in the South East of India in the Indian Ocean, with an area of about 25332 square miles stretching 272 miles from North to South and 140 miles from East to West. About 2/3 of the area comprise of Low Lands, in between the coast line and, the central hills. Central area of the Island is considered the mountain area which is 500 feet above sea level. The Central hilly area rises up to 8000 feet above sea level.

Sri Lanka has a Tropical Climate and it is situated within the monsoon wind belt. There are two major periods of heavy rainfall. The agricultural seasons, Maha and Yala mainly depend on monsoon rainfall, the North East monsoon from October to February (Maha) and South East monsoon from May to September (Yala). As such the country is divided into two major climatic regions. The Wet Zone consists 30 percent of the land area of the Country and receives an annual rainfall of 80 to 125 inches. The Dry Zone comprises of about 70 percent of the total land area which has an annual rainfall of 50 to 75 inches. Agricultural activities are closely tied up with the patterns of rainfall in the Island.

1951 Census indicated a total Population of 14.8 million which has an annual growth rate of 1.7 Percent. The above total comprises of a 7.5 million male population as against a female population of 7.3 million. Nearly 70 percent of the population live in the rural areas and their main livelihood is agriculture. There are three major ethnic groups in the Island. They are Sinhalese, Tamil and Muslims. Sri Lanka is Predominantly a Buddhist Country. However, there is a large number of People, who follow Hinduism, Christianity and Islam.

The main crops are Rice, Tea, Rubber and Coconut. The staple food is rice and the country produce 75% of its requirements of rice. The main source of income in the country from tea, rubber and coconut. In addition to this the successive governments have supported various other activities such as Tourism, Gem mining, Manufacture of garments and Materials and Minor Exports with a view to earn foreign exchange which would help the development of the Country in a large scale.

Agriculture

Agriculture plays a major role in the Economy of Sri Lanka. It is usually divided into two well defined sections.

1. Plantation Sector - Which is well organized and covers a large area of the zone. Rubber, tea, coconut and other commodities are the primary export crops of Sri Lanka contributing about 80% of its foreign exchange earnings. These plantations are under the management of the State and are run on a commercial basis.
2. Traditional Agriculture Sector - This sector includes the small scale farmers who are engaged in food crops and other agricultural activities. This sector is the backbone of the rural economy and is the main source of food for the population. It is characterized by low productivity and is the main source of rural income.

The Co-operative Movement in Sri Lanka

Co-operative movement in Sri Lanka has played a key role in the development of the rural sector. Historically, the movement has been active since the early 19th century. The first co-operative society was established in 1911 and the concept of co-operation was spread over the island, particularly in rural areas where the farmers faced credit and other problems. The Government established the Credit Section in 1947 to provide credit facilities to the farmers on easy terms for cultivate paid and unpaid labour. This scheme had been successful in providing satisfactory services to the farmers and the Government has been successful in providing of the services and the growth of the movement.

During the World War II the state realized the value of the Co-operative movement for the production of food supplies which were needed in the war. The Government organized the Co-operative movement throughout the island. After the war the Government decided to step up the rural development through the Co-operative movement. The result was the rapid organization of Co-operative societies and rural societies throughout the island.

the Island. The C.A.P. and S Societies were the next significant feature of Co-operative development in the field of agriculture. The objectives of these types of Societies were mainly based on the increase of productivity in the country. By 1957, 2,126 Societies were organised. These Societies have been rendering a great service to their member farmers engaged in agriculture by supplying credit as well as the other required services, such as marketing, supplying of seed paddy, fertilizer, tractors, poultry farming etc. In addition to this the government decided to implement the guaranteed Price Scheme through these Societies. Production and sales Societies dealt with Paddy Cultivation as well as the Subsidiary food crops such as Kurakkan, Chillies, Maize, Green Gram, gingell, Onions, vegetables etc. Through the C.A.P. and S Societies agricultural development made rapid head way through out the Island and they remained an outstanding feature of successful Co-operative development in Agriculture during the post War II period throughout the Island.

In 1957, the then Minister for Co-operative Development took a Policy decision to establish a Multi-Purpose Co-operative Society for each village. Under this scheme, the Multi-Purpose Co-operative Societies were expected to perform the services of supplying consumer requirements distributing credit and other agricultural inputs and organizing agricultural Marketing. Accordingly, many consumer Co-operative (Co-operative Stores Societies) and Co-operative Agricultural Production and Sales (CAPS) Societies were converted into Multi-Purpose Co-operative Societies.

In reviewing the progress made by the Co-operative movement in Sri Lanka in the initial stages with regard to agriculture it is important to mention that certain changes also have taken place in the Social Structure with the introduction of Co-operative Societies.

1. The concept of Co-operative has become popular among the farmers.
2. Government paid full attention as a rural level organisation and encouraged its development.
3. Certain government policies were implemented through Co-operatives, e.g. guaranteed Price Schemes.

4. Co-operatives became the only institution at the rural level through which the agricultural inputs could be channelled, extension services could be directed. Hence, the Co-operatives were considered the main contributor to the development process at the rural levels.

Present state of Agricultural Co-operatives

The major change in the Organizational structure of Co-operatives started with the implementation of recommendations made by the Royal Commission which was appointed in 1968 to make a thorough study of the movement. The Commission in its report indicated, among other things that out of the then existing 5,813 Societies, 983 Societies were defunct and 234 were operating at a loss. However, they found that 987 Multi-Purpose Co-operative Societies were involved in providing consumer services while another 403 were involved in agricultural functions only. They also found that about 475 Co-operatives (retailer Societies and 46 Co-operative Agricultural Production and Sales Societies) were still operating actively in their original form without converting themselves into Multi-purpose Co-operative Societies. Hence a major restructuring was considered necessary to revitalize the Co-operative Societies in order to give them: (i) greater visibility in the market; (ii) better purchasing power due to the pooling of resources; (iii) capacity to recruit better managers; and (iv) a better Marketing Unit in the area of operation was larger. Accordingly a special law was passed in 1970 which provided statutory powers to the Commissioner of Co-operative Development for implementing the suggested changes. The Commissioner cancelled the registration of nearly 1000 economically unviable and defunct Co-operative Societies and allowed the remainder to form 372 large multi-purpose Co-operative Societies. The independent small Societies became branches of the Large Primaries forming a network of 8000 units as branches.

These Societies were expected to operate both consumer and agricultural activities. In addition to the creation of P.C.S.S. We find various types of Agricultural Co-operative Societies

coming up consequent to the Agricultural Policy decision of the government since 1970. But a common feature of these societies is that they had not been successful in facing the challenge of increasing agricultural productivity, as they were not organized on a voluntary basis as the earlier Credit and Agricultural Production and Sales Societies.

However, now, organized Multi-Purpose Co-operative Societies have performed an important task in the Agricultural Development. L.P.C.S. operating in areas where there were less consumer activities had taken a great interest in the agricultural sector in order to face the challenge of high administrative expenses which were mainly due to the large number of employees in these societies. It is an acceptable fact that the L.P.C.S. have been mainly concentrating on consumer activities, most probably which was due to the importance given by to the distribution of essential commodities and as such the agricultural sector was treated as secondary affairs. The services rendered by the L.P.C.S. to its members with a view of increasing productivity can be listed out as follows :

1. Agricultural Credit
2. Supply of fertilizer
3. Supply of Agro-chemicals
4. Marketing
5. Savings

Although there were many lending institutions other than Co-operatives in the Agricultural sector such as Peoples Bank, Bank of Ceylon, Agricultural Credit has been a serious problem in rural economy. As such government intervened and adopted a new credit scheme where the necessary funds for the implementation of the scheme was released to Co-operative Societies by the Peoples Bank and the Bank of Ceylon on a guarantee system operated by the Central Bank. Under this scheme we could see that large amounts of money had been released to farmers without any restrictions, but the liberalization of the credit. Credit Scheme itself was leading to numerous problems particularly in creating a problem of recovery of such money. Societies were regarded

as a channel of credit to the farmers. The Co-operatives ceased to purvey Co-operative Credit. It was also found that the money borrowed had not been used for the purpose for which it was intended.

In 1977/78 Rs. nearly . 313 million had been granted for agricultural purposes. But only 13% were recovered during the year. In 1978 Yala only 16.1 million was given by the Co-operatives as agricultural loans through the Peoples Bank whereas . 13.1 million was given for Maha 78/79. The significant fact is that the acreage cultivated and the crops yield for 78/79 have shown no correlation with the very much reduced quantities of agricultural loans granted for that season. This proves that a large majority of borrowers had been using the loans for non-agricultural purposes.

Rural indebtedness was a major factor affecting the rural masses where the only organization of this type organized voluntarily for the purpose of granting loans. There was a time when more than 90% of Rural Population was subject to various types of exploitation by the money lenders.

In view of increasing the productivity it is an essential fact that there must be an organization to obtain financial assistances by way of credit on easy terms for the farmers. This task had been satisfactorily performed by the P. C. S. S. during the last periods. The failure to achieve the productivity expected, may be due to the lack of effective ^{extension} services and incapability of taking follow-up action on loans granted.

Along the other services the supplying of fertilizer could be considered the most important. In addition to the Cash Sales of fertilizer the P. C. S. S. have undertaken credit sales to their member farmers. Most of the places where agricultural credit schemes are implemented the loan components of fertilizer and agro-chemicals have been issued in kind for the benefit of the farmers and also to prevent misuse. The implementation of fertilizer subsidy scheme through the Co-operatives was really a boon to poor farmers, who would otherwise had to spend heavily or to be without them.

The services rendered by M.P.C.SS on marketing of Agricultural Products must be really appreciated. Multi-Purpose Co-operative Societies are the only agents of Paddy Marketing Board for the purpose of purchasing paddy through which the government implemented the guaranteed price scheme for paddy. The marketing process is carried out through the network of branches of M.P.C.SS numbering more than 8000 throughout the Island. Apart from that the M.P.C.SS have been able to provide day to day Credit requirements of member farmers and cultivate the habit of savings among the member farmers through their Rural Banking system.

As agents of the P. B, in 1981 the M.P.C.SS had purchased 66.4 million kilos of paddy. Apart from handing over a portion of the paddy purchased in this manner, the balance is distributed among the consumers by the M.P.C.SS, after milling same by the mills owned by the Societies and Private Sector. In addition to this the M.P.C.SS have given assistance to the farmers by purchasing other subsidiary food items, details of which is given below.

<u>Produce</u>	<u>Value</u>
	Rs. (1)
Potatoes	1.79
Red Onions	0.02
Maize	7.12
Chillies	0.05
Green Grams	0.02

The performance of the M.P.C.SS with regard the paddy purchasing, fertilizer distribution and credits granted to farmers is attached (Annexure I).

There are two types of Agricultural Co-operatives in Sri Lanka namely Primary Level and Secondary Level Organisations. The membership of the Primary Level Co-operative Societies is limited to the individual Agriculturists. The national level (Apex) Organisations function as the Secondary level Producers Associations. At present there are three such Agricultural (Apex) Societies.

1. Sri Lanka Co-operative Marketing Federation

The Sri Lanka Co-operative Marketing Federation (MARKFED) is now being developed as the Apex Organization to serve the M.F.C.SS in the supply of inputs, local production of farm implements and collection and marketing of farm products and also the disbursement of credit for agricultural purposes.

The working relationships between the Markfed and the Primary level Societies may be seen in the composition of memberships of the general assembly, the Central Committee and the Board of Directors. Basically, the membership of the Markfed is open to all primary societies. Each member Society sends its delegates to the general assembly from which the Central Committee is selected. Of the 9 members of the Board of Directors 4 are elected from the Central Committee. Therefore it is obvious that there is a direct link between the Markfed and the Primary Societies.

2. Sri Lanka Coconut Producers' Union

The Sri Lanka Coconut Producers' Union is engaged in the processing and distribution of Coconut Products such as Coconut Oil, desiccated coconut and Manufacturing of Soap. It is composed of 07 Coconut Producers Co-operative Societies and the delegates from these Societies represent the Union in the general assembly and Central Committee of the main organization.

3. Sri Lanka Rubber Union

The Sri Lanka Rubber Co-operative Union is engaged in the Marketing of sheet rubber and scrap collected by the member societies from small holder member producers. A part of this collection is exported through the Department of Commodity Purchase. The balance is normally sold in the open market. In 1973 the membership included 14 M.F.C.SS and 3 rubber producing societies of specialized type. By 1981 membership increased to 64 while the share capital increased from Rs. 356,70 to Rs. 185,102 during the period 1974 - 1981.

The following table shows the strength of the Co-operative movement in Sri Lanka.

Type of Society	No. of Societies	Membership		
		Male	Female	Total
Multi-Purpose Co-operative Societies	286	1908010	440310	2348320
Credit & Savings "	1281	165514	38196	203710
Tea, Rubber & Coconut Producers	31	7255	1675	8930
Dairy Farming	32	10909	2532	13501
Fishing	56	20947	-	20947
Labour	67	6347	-	6347
School Co-operatives	865	156174	56040	192214
Young Farmer	12	1018	501	1519
Other Agricultural	37	2983	512	3495
Textile	34	28361	122687	151048
Hospital	8	6243	3108	9311
Small Industries	264	17440	4038	21478
Other Societies	216	58190	12591	71481
Total	3189	2390111	662190	3052301

At present there are about 3189 active Co-operative Societies in the Island. These Societies are managed by the Committees selected by their own members. However, the Commissioner of Department of Co-operative Development who is also the Registrar of Co-operative Societies has the power to nominate Boards of Management to any Society in instances of Mismanagement and Malpractices.

Each Co-operative Society is managed by a Board of Directors or a Committee of management. Although the M.P.C.S.S. have the highest number of female members, their representation in the Boards of management is very minimal. The Multi-Purpose Co-operative Societies are considered the back bone of the Co-operative movement in Sri Lanka

Hence it is very necessary that the women participate actively in the activities of these Societies. As such it is now being considered whether legal provision should be introduced in order to make the representation of women compulsory.

In Sri Lanka women are not involved in all types of Co-operatives. At present they are mostly involved as members of Textile and Cottage industries Societies. In the textile co-operative societies 90% - 95% and Cottage Industries and Handicraft Co-operatives 90% - 100% of the members are women. In the Agricultural Societies female members are a minority. Few females are employed at the managerial levels of the Co-operative Societies. But most women are employed at operational levels as clerks, Typists and Branch Managers, Credit Managers and Sales Girls etc. A list of Co-operative employees at the different levels of Co-operatives is attached (Annexure II).

There are no special Co-operative Societies for women in Sri Lanka. But there is a Womens Consumer Education Project Organised by the National Co-operative Council, which is the National Organization of Co-operative Education Training with regard to promote the Co-operative Movement in Sri Lanka, with the assistance from the TCA and SIDA. This Project is headed by a Director who is a lady Assistant Commissioner of the Dept. of Co-operative Development. Under this Project has formed Womens Committees in various parts of rural Sri Lanka with a view to building up leadership qualities among rural women and get them involved in consumer activities, house-hold economics etc. and to educate them on Co-operative Principles.

Sri Lanka has a male predominant society. The man is treated the head of the family. In most cases he holds the ownership of the Paddy lands and highlands. So he gets membership of the M.P.C.S. to obtain cultivation loans and other inputs. Apart from this there is no other socio-economic, cultural or political barriers implicit or explicit to the greater participation of women. Any woman who is a member of a M.P.C.S. or a credit Society can obtain a loan, if she owns any Paddy Lands or highlands.

According to the Population structure of Sri Lanka the number of males and females are almost equal. But the participation of women

in Co-operative activities are very poor. In Sri Lankan society it is the men who take part in various social activities, and the role of the women is mostly confined to the home. She looks after the children and other household chores. But with the expansion of Education and Other Educational Institutions, the women have come forward to take part in various social and other activities. The Government has already taken steps to ensure that the females also get the equal opportunities with their male counterparts.

The Women's Project that has already been started in making an attempt to get the women involved more actively in the Co-operative activities all over the country. It is very useful if the women could be trained in handicraft and other cottage industries, where she can spare her time while attending to her day to day household chores and at the same time she can earn an additional income.

Major Problems in Co-operative Organization and Management

Multi-Purpose Co-operatives were organized with a view to have economic viability by a large scale operation. But they have become business enterprises which provide consumer services, as a result of which these Societies have completely cut off from the main purpose for which they were formed. Therefore we have to find possible solutions to promote the member participation in the activities of Co-operatives by creating an awareness among the people regarding the Co-operative concepts. And also the Societies should be guided in order to achieve the purpose of the Co-operative movement by enlightening them of the services they could render to their members.

Agricultural activities of Multi-Purpose Co-operative Societies are limited only to supplying of services and also it could be seen that the contribution made by the members and the attitude and values of members is far from satisfactory. Furthermore the Government has created separate rural level organizations such as Agricultural Services Centres to perform similar services rendered by the Co-operative Societies, probably due to the reason that authorities were not

satisfied with the performance of Co-operative Societies. There were no proper extension and education services arranged by the M.P.C.SS due to non availability of competent personnel and necessary funds. In addition attempts have not been made to form farming units on a Co-operative basis or collective farms even as Pilot Projects which could contribute to a great deal to the extension services. Therefore the Co-operative movement in Sri Lanka has yet to evolve a suitable type of Farmers Co-operative Societies which can satisfactorily meet the needs of various farming groups. Neither the M.P.C.S nor the various special farmers Societies have so far proved appropriate.

PERFORMANCE OF THE P.C.S. 1961

	Paddy Purchases Kilos	Fertilizer Distributed Kilos	Fertilizer Distributed (Subsidiary Food crops)	Cultivation Loan issued (Paddy) cts.	Cultivation Loan issued (Subsidiary Food Crops) cts.
Kaha Season	48465776	28387112	2589415	5251.21	3377656.20
Yala Season	17936750	15071992	324019	4906.09	57222.00

ANNEXURE II

Employees of the Co-operative Movements
classified according to Posts 3

— 1980

<u>Post</u>	<u>No. of Employees</u>
1. General Managers	496
2. Accountants	363
3. Cr. & Marketing Managers	165
4. Consumer Managers	31
5. Production "	03
6. Secretaries	241
7. Store-Keepers	867
8. Branch Manager	9848
9. Sales Personnel	14711
10. Bill Clerks	2004
11. Cashiers	530
12. Purchasing Officers	452
13. Clerks & Typists	7005
14. Office Peons & Messengers	647
15. Labours	4069
16. Watchers	3557
17. Drivers	1859
18. Cleaners	1563
19. Doctors	20
20. Nurses	79
21. Dispensers	22
22. Attendants	75
23. Others	<u>6631</u>
Total	5938

Regional Seminar on Multipurpose Agricultural Cooperatives
with special reference to activities of Agricultural Cooperative
Women's Associations, 1-21 September 1982 in Japan, preceded by
study visits in the Republic of Korea from 24-31 August, 1982

THAILAND AND THE ACTIVITIES OF AGRICULTURAL COOPERATIVE WOMEN'S ASSOCIATIONS

Submitted to

"ICA"

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THAILAND AND THE ACTIVITIES OF AGRICULTURAL COOPERATIVE WOMEN'S ASSOCIATIONS

THE COUNTRY

Thailand is situated in the Indochinese peninsula. It is bounded by the Indian Ocean and Burma in the west, Cambodia and Laos in the east, Laos and Burma in the North, Malaysia and the Gulf of Thailand in the South. The Thai people believe the shape of the country to be symbolic of its heritage - the shape of the head of an elephant. The north of Thailand forms the crown, the northeast the head and ear, the Gulf of Siam the mouth, and the southern peninsula the trunk. The climate has three distinct seasons, with moderate regional variations. The hot season runs from March - May; the rains June - October; and the cool period from November - February.

Thailand is an agricultural country. Thailand covers an area of approximately 515,000 sq. kilometres and is predominantly a country of small towns and villages with 80 percent of 45 million population involved in agriculture. The total land under agriculture, including forest and grazing land is 61 million hectares or 19.25 percent of the total area. The major crops are rice, cotton, maize, sugarcane, coconut, peanuts, tobacco, rubber and tapioca. Agriculture contributes to over 30% of the G.N.P. and 70% of exported product.

At present, the Royal Thai Government is putting forth great effort to improve the life of its small farmers. Evidence of this effort was found in beginning strategies of land reform, assistance in distributing production supplies, creation of the Marketing Organization for farmer to help develop markets and price support. Accelerated support is also being given to agricultural cooperatives and farmers' associations (pre-coops) through direct governmental assistance and financing through the government-owned Bank for Agriculture and Agricultural Cooperatives (BAAC) as well as commercial banks.

COOPERATIVE MOVEMENT

In order to understand inception and development of Agricultural Cooperative in Thailand, it had better divide the movement into three periods, that is, from its inception in 1916 - 1959, from 1959 - 1969 and from 1969 up to the present.

First Period 1916 - 1959 - a Single-Purpose Societies

The first inception of cooperatives in Thailand was the organizing of Village

Credit Society in 1916, a sort of a single-purpose or single-function society. The main function was to provide credit from the Bank and to reland to the farmer members by mortgaging farmland to the society as a collateral. It was an unlimited small village society and the average members was 20 - 30 farm families. This type of cooperatives was predominant in Thailand more than forty years until 1959. During that long period, other types of Agricultural Societies were also organized, among them were Land Settlement Societies, Land Hire-Purchase Societies etc. All of them were single-purpose or single-function organizations.

Second Period 1959 - 1969 - Production Credit Societies

After World War II there was a fast change of both economic and social conditions of Thailand. Economic infrastructure was developed, especially high-ways and dams. Production was changed from self-subsistence to produce for selling therefore the single-purpose cooperative societies did not seem viable.

A new type of Production Credit Society was organized as a pilot project in 1959 - a kind of multi-purpose society. Its three main functions were credit, marketing and supply.

Third Period from 1969 Up to the Present Time

In 1969 the Government of Thailand, through the Ministry of National Development, had planned to amalgamate the small village credit cooperatives into the bigger units called "Agricultural Cooperatives" in order to create a viable cooperative at the district or local level because the small village credit cooperatives did not make any progress since the main function is limited to the provision of credit and the volume of business is very small owing to the small number of members, averaging 17 members per society.

Before the launching of amalgamation program in 1969, there were 9,684 village credit cooperatives with a total membership of 153,278 or 3.5 million farm households. They existed in 286 districts of 63 provinces, out of the total 539 districts of 71 provinces, showing that the area coverage is still just 53% of the total districts. By the end of December 1973, 9,603 village credit cooperatives were merged into 410 fair-sized agricultural cooperatives, all of which changed their liability structure into the limited one.

At present, there are six main types of cooperatives in Thailand. They are Agricultural Cooperative, Fishery Cooperative, Land Settlement Cooperative, Thrift and Credit Cooperative, Consumers Cooperative and Service Cooperative. At the end of December 1981, there were 1910 cooperatives with a total membership of 1,771,385 persons (families), averaging 927 members per society. Of which 907 societies were agricultural cooperatives with membership of 777,820 averaging 857 members per society, 21 fishery cooperatives with membership of 4,121, averaging 196 members per society, 151 land settlement cooperatives with membership of 332,661, averaging 1,368 membership per society, 401 thrift and credit cooperatives with membership of 528,692 averaging 1,318 members per society and 187 service cooperatives with membership of 46,290 averaging 247 members per society. The following table is shown the summarized data.

NO.	TYPE OF COOPS	NO. OF SOCIETIES	NO. OF MEMBERSHIPS
1.	AGRICULTURAL	907	777,820
2.	LAND AND SETTLEMENTS	151	81,851
3.	FISHERIES	21	4,121
4.	THRIFT AND CREDITS	401	528,692
5.	CONSUMERS	243	332,611
6.	SERVICES	187	46,290
	TOTAL	1,910	1,771,385

- NOTE: 1. PROVINCIAL COOPERATIVE FEDERATION : 39 FEDERATIONS
500 MEMBER SOCIETIES
2. NATIONAL COOPERATIVE FEDERATION : 8 FEDERATIONS
1,184 MEMBER SOCIETIES

In general the Government of Thailand has recognized the need to make cooperative viable economic organization and cooperatives are considered highly essential to the successful extension of agricultural credit to small farmers, the most effective means to improve the marketing and purchasing power of the farmers and the effective way to improve crop-production techniques including proper use of fertilizer, improved seeds, insecticides and pesticides.

THE AGRICULTURAL COOPERATIVE FEDERATION OF THAILAND, LIMITED

The Agricultural Cooperative Federation of Thailand, Ltd. (ACFT) is the

co-operative institution of national level. The ACFT periodically developed from the WHOLESALE COOPERATIVE SOCIETY OF THAILAND, LTD. (CWST) which was originated and organized by support of the Government for the purpose of supplying consumers' goods to the local cooperative stores.

On 1st October 1975 CMPF's by-law was amended and registered as the AGRICULTURAL COOPERATIVE FEDERATION OF THAILAND, LTD., exclusively for the apex agricultural cooperative. The main objectives of ACFT are to assist member cooperatives' operations by establishing an efficient system of collection and sale of members' agricultural products and including the timely provision of quality, reasonably-priced agricultural inputs, to member cooperatives.

The main products of ACFT are Maize, Rice, Fertilizer, Pesticide and others. For services of ACFT are Printing and ACFT owns Silo and Warehouse which renders services for storing Maize, Fertilizer to cooperative societies as well as general public.

THE ACTIVITIES OF AGRICULTURAL COOPERATIVE WOMEN'S ASSOCIATIONS

I. General Background

Women in Thailand Society Today

Women in Thailand society today is that of women as equal partners, enjoying equal opportunities to participate in the social and economics progress of the country. For instance, Thai women ought to take part in furthering the advancement of the country by using their energy creatively to bring happiness to their families and society as a whole thus helping to improve the stability of the country. Among these, formal and informal groups of women have been functioned. Those are, The national council of women of Thailand, housewife groups and other forms of women's organization.

Inequality in the standard of living and income distribution between rural-urban population has resulted in massive migration to Bangkok and other urban areas. To reverse this situation, the Royal Thai Government try to reduce the needs for rural people to migrate long distance to obtain employment thus reducing population pressure in the Metropolitan and at the same time, increasing income of rural people thus closing the income gap between rural and urban area as well as raising the standard of living of them.

In rural areas where agriculture is dominant, there are behind men a role of women even in cultivation. Out of this the supportive activities for example, local made farm tools, handloom weaving, triangle pillow, hand woven cotton as well as other products. At the present time, women in rural areas are active in many types of commercial activities. In regard to rural cooperatives which mostly are agricultural societies, there are women involvement in cooperative formally and informally. It was until September 1979, that the ICA-ROEC in collaboration with National Cooperative Council of Sri Lanka hold a Regional Seminar on "Enhancing Women's Participation in Cooperative Activities" in Kandy, Sri Lanka, resulted the take-off pilot project of enhancing income generating activities among cooperative members' housewives in Yasotorn Province, North-eastern part of Thailand. The project was directed by the Cooperative Promotion Department in collaboration with Cooperative League of Thailand and ICA-ROEC with the financial support from Swedish Cooperative Center-SCC amount to $\text{฿ } 170,740$ (US \$ 7,423).

Nevertheless, there are several agricultural cooperative societies whose function on income generating activities for members' housewives under their own initiation and local support, for example the Minburi Agricultural Cooperative, Ltd., Minburi, Bangkok, the Koh Yaw handloom weaving, Songkla, Southern Thailand and Boh Sang handicraft and Umbrella-making, Chiangmai, Northern Thailand, etc.

II. Present Situation and the Problems of the Activities of Women's Associations in Agricultural Cooperatives

As regard to the enhancing income generating activities among cooperative members' housewives under pilot project in Yasothorn province, the project have objectives as follows:

1. To enable the housewives to fully utilise their leisure time in more productive manner by introducing suitable income-generating activities.
2. To encourage the housewives to develop leadership ability and to play more role in the community development.
3. To provide educational programmes with activities aimed at family welfare, namely, nutrition, cooking, family planning etc.

The project activities are now ongoing with the processes of selecting of core groups and organize for them the seminar courses on orientation of

women's role in cooperative along with work shop on which pertaining to income generating activities avail in their location.

The other interesting one for enhancing income generating activities among Cooperative members' housewives is Koh Yaw Weaving Cooperative, Ltd. Koh Yaw is the name of small island in Songkla which located at Southern part of Thailand. The population in this area are farmers, fishers and weavers. Weaving is the main professional of women in Koh Yaw. This cooperative was established in the area of Koh Yaw Village and registered under the cooperative Act on 9th July 1981.

Main activities are to assist member cooperatives collection and sale weaving product, provide tread, silk and tools for weaving and including consumption goods to the members and to promote saving among members. This project is successful one but its still have the problems about marketing outlet and also lacking of good management.

However, integrated formal women's society is expected to form up where the volume of business of women's activities reach a certain degree and also education programme on role of women in cooperative and related subjects are fully provided to them.

The problems of the Activities of Women's Associations in Agricultural Cooperatives seem to be lacking of operating fund to assist the members for arranging the seminars, professional training, leadership training at administrative, helping procure experts who concerned with crafts industries to exchange experience in technology in order to encourage rural handicrafts, assisting and cooperation in collecting data necessary for the implementation of various project. However, among these problems, the vital aspect of which the survival of women's activities is to encourage marketing facilities of their produce unless the expansion Internal and Overseas market.

III. Recommendation and Suggestion for the Development of the Activities of Women's Associations in Agricultural Cooperatives

Although attempts have been made to encourage to more extent of women's activities in agricultural cooperatives throughout the country both in cooperative societies and among women groups. These, in fact, have been done under the supervision and guidance of several agencies both the government departments and Cooperative movement. However, integrated women's in line of Cooperative is needed

in order to form women's cooperative framework at local and national level.

Evidentially it happened to be a slow progress of women's role in cooperatives since some of them are under the supervision of separate and automatically organizations and some are considered as an auxiliary body of the society they belong to. Moreover, they are left behind the cooperative way of life in which cooperative concepts and principles is supposed to convince to them. In this connection, we would suggest the following measurement:

At the present, we have the Agricultural Cooperative Federation of Thailand, Ltd., an apex society of agricultural cooperative. Agricultural Cooperatives in Thailand play an important role in agricultural development. The present form of unit of agricultural cooperative is a large-sized multipurpose organization catering to almost all needs of the members in respect of credit, marketing, purchasing, services etc. Besides the above activities, ACFT have promoted produce, Marketing and Export the production of Women's Associations. So, ACFT should collaborate with Women's Associations by increasing the purchasing power of Women's Activities in order to promote income generating projects and helping them to cultivate international relations and understanding among crafts producing countries. In addition to the above activities ACFT should have plan to enhance technology, supervision, financial assistance for Women's Activities within Agricultural Cooperative Societies and elsewhere.

PARTICIPATION OF WOMEN IN THE MANAGEMENT OF
MULTI-PURPOSE COOPERATIVES

Prof. D.R. Oza
VMNICM, Pune (India)

Participation of women in cooperatives and their active involvement in the conduct and management of cooperative activities have since been universally recognised as an essential aspect of the integrated cooperative development. Along with the expansion of cooperative movement and diversification of its activities, as it is necessary to ensure its proper spread and coverage in terms of different regions of the country and different sectors of the movement, it is also necessary to ensure participation therein, of all the sections of the community.

Women Participation in Cooperative Development :

In several countries of the world where cooperative movement has flourished and has achieved remarkable success, active role of women in cooperatives has been one of the important contributory factor in the cooperative development of these countries. Cooperative auxiliaries as also the cooperative women's guild have substantial role in the successful development of consumers cooperatives in United Kingdom. Similarly in Sweden, Women's associations organised and conducted as part of consumers cooperatives play an important role not only in educating women to be judicious buyers but also in being enlightened members and competent office bearers of cooperatives. Role of women in cooperative development of Japan is equally remarkable and certainly more relevant in the context of cooperative development in the South-East Asian region. Multi-purpose cooperatives which forms the foundational base of cooperative movement in Japan, as it is in many other countries of the region, have been undertaking multifarious activities with commendable success. As an auxiliary to these multi-purpose cooperatives, the cooperative women association provide education to the women members on diverse but directly

useful areas such as nutritional food, child care, family welfare and even farm management. In India also, great deal of efforts are being made to ensure participation and involvement of women in cooperative development and special programmes and projects for providing cooperative education to women are being organised, to facilitate their participation in cooperative development. There are encouraging instances of some successful women cooperatives working effectively in the field of Industrial Cooperatives, Consumers Cooperatives and even in sophisticated spheres such as cooperative banking.

Efforts directed towards enlisting the participation of women in cooperative development, as described above, are obviously illustrative and not exhaustive, as identical efforts are being made in several other countries at different stages of cooperative development. These illustrative experiences, however, amply demonstrate that (a) women by their participation in the cooperative management, can make very valuable contribution to the integrated and comprehensive cooperative development and (b) suitable and relevant programmes of cooperative education for women should precede as pre-condition to ensure participation of women in cooperatives. In fact, the achievement of former aspect which should be the objective of cooperative development depends upon the implementation of latter aspect which should be considered the obligation of the cooperatives.

Potentialities of Participation :

Participation of women in the management of multi-purpose cooperatives, as such, can be considered in the context of (a) different role that women can perform vis-a-vis these activities & (b) various activities of the multi-purpose cooperatives. As regards the different role that women can perform in the management of cooperatives, it is as many fold as that of men, that is, as members by joining the cooperatives, as leaders by being elected as office bearers of cooperatives and as workers by being paid-employees of cooperatives. This is in addition to being the beneficiaries of cooperative activities and users of cooperative services. Thus, there is wide and varied capacities in which women can and should participate in the management and conduct of cooperatives.

Scope of Participation :

While considering the scope of women participation in cooperative management, it would be worthwhile to enumerate the main activities of a typical multi-purpose cooperative. As ideally envisaged, there are all possible functions embracing the economic and even social life of human being at the village or group of village level, that a multi-purpose cooperative can undertake but in actual practice a primary multi-purpose cooperative may undertake certain range of activities depending upon its size, stage of growth and felt needs of the membership, it seeks to serve. Thus, there are four economic functions which may ordinarily be undertaken by a primary multipurpose cooperative. These are (i) mobilisation of savings, (ii) provision of agricultural credit, (iii) supply of agricultural inputs and (iv) distribution of consumer articles. At advanced stage of development, multi-purpose cooperative may also undertake provision of services for hiring and repairing of agricultural equipments and machinery, farm guidance and extension services and ultimately provision of marketing and processing services as also insurance services.

Mobilisation of Savings :

Functions of mobilisation of savings by a primary multi-purpose cooperative is deeply rooted in the ideology of cooperation which stresses the aspect of thrift. It has, however, also an added economic significance as an important source of obtaining funds for cooperatives. In pursuance of this function, cooperative may devise mandatory or stipulated savings by members but in addition, cooperatives may also direct its efforts to mobilise voluntary savings of members by offering them necessary facilities and incentives. It is in regard to this aspect that women participation can go a long way. Attribute of thrift being natural in case of women, their involvement in saving group and schemes will substantially assist the mobilisation of savings by cooperatives.

Provision of Credit :

Provision of agricultural credit is the cardinal function of a primary multi-purpose cooperative. Membership of cooperatives is generally characterised by predominance of male members and women membership tend

to be confined to few who are themselves bread-winners. Women in the country side, however, do partake in various activities connected with agricultural operations.

In the situations, which in fact largely prevail, where unit land holding of member cultivator is small, animal husbandry of one or two milch cattle is largely taken care of by rural women-folk. Alternatively, women assist the male member in undertaking diversified activities like poultry, piggeries, fisheries etc., which may be ancillary to agricultural production activities of the household. Whereas in case of countries like Japan the active association of women in agricultural operations is very sizeable.

All these varied situations indicated the involvement of women in farming activities and hence participation of women in credit operations for agricultural and ancillary/subsidiary activities would certainly help not only proper assessment of credit needs but also appropriate utilisation of credit, which will ultimately ensure timely recovery of cooperative credit.

Input Supply :

Supply of inputs is also a crucial function of a multi-purpose cooperative. In the rural economic scene with predominance of small size of land holdings, it is the farm inputs - realisation of its requirements for augmenting production and its appropriate use - which help in increasing the productivity of land and labour. In case of diversified farm activities such as dairying, economic, nutritional and return aspects of cattle feed need to be accepted by women folk who directly deal with these and other aspects of animal husbandry. Education of women in these aspects would help effective use of these and other inputs.

Distribution of Consumer Goods :

When it comes to distribution of consumer goods by a multi-purpose cooperative, the role of women in successfully implementing this function is more pronounced for obvious reasons. Significance of women participation in this aspect of cooperative activity can be hardly over-emphasized. Women are concerned with the buying of household requirements and hence they are customers of cooperatives. Women can also take up the leadership of cooperatives by joining as member, or else, they may join cooperatives by joining as its personnel. In the conduct and organisation of consumer activities women can make better contribution with their recognised attributes of meticulousness and economy - attributes which are most valuable in conducting consumer business by cooperatives.

In the developing countries, participation of women in such different aspects of management of a multi-purpose cooperative will have a significant sociological impact apart from the impact on the economic life of the rural community. Cooperatives, therefore, should have a built-in arrangement and carefully devised action programme to enlist ever larger participation of women in the management of cooperatives and thereby ensuring women participation in the process of integrated cooperative development.

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MANAGEMENT OF MULTI-PURPOSE COOPERATIVES - PECULIAR ASPECTS

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Management of a Multi-purpose Cooperative and for that matter, Management of Cooperatives as such is a Management with a difference because Cooperatives are essentially an economic organisation but with sound ideological content and strong social purpose. Cooperative Management, therefore, is characterised with the plurality of its objectives and consequently plurality of the criteria which tend to be applied in evaluating the performance of cooperatives.

Plurality of Objectives :

This situation, as it is, exposes cooperatives to the imperative need of scientific management for efficient conduct of their operations and simultaneously enjoins upon cooperative enterprises to achieve their ideological goals derived from the fundamental cooperative philosophy. Such an objective mix of socio-economic characteristics is aptly described as "a calculus and balance-sheet in terms of cooperative values in addition to economic calculus of cost and benefit".

ICA Commission on cooperative principles very aptly highlighted this aspect while observing that, "Cooperation at its best aims at something beyond the promotion of the interest of individual members. Its object is rather to promote the progress and welfare of humanity. It is this aim which makes a cooperative something different from an ordinary economic enterprise and justifies its being tested, not simply from the stand point of its business efficiency but also from the stand point of its contribution to the moral and social values which elevate the human life above merely the material and animal".

Growth with Social Justice:

In many of the developing countries, again, cooperatives with their distinct social attributes are being considered most suitable change-agents which may fulfil the twin requirements of synergistic approach to economic development, that is popular participation and distributive justice. Participation of people in the progress of economic growth and in the benefits of economic development-fulfilment of both these aspects are of crucial concern in the developing countries because growth per-se may not lead to progress if it is not participative of all the people including the weakest and if it is indifferent to distributive justice. In this context, therefore, cooperatives have the honourous responsibilities of ensuring economic growth with social justice and hence management policies and practices of cooperatives need to be continuously reviewed and remoulded to sustain their relevance to the dynamics of development.

Cooperative Principles :

Cooperatives in their organisation and management have also the obligation of adherence to cooperative principles as laid down by ICA Commission. In the observance and implementation of these principles lie the cardinal test of cooperative success. Cooperatives, therefore, unlike other forms of economic organisations, have to ensure open membership and can not be a closed or restricted clubs. Cooperatives have to subject their management policies to democratic control by not merely apparent but, real participation of member-owners. Cooperatives cannot indulge into sheer profit motive at the cost of members' interest and public welfare and in any case there is restriction on having the glamour of distributing higher than prescribed returns on capital, cooperatives may earn reasonable surplus, but such surplus- whatever it is - will have to be equitably appropriated by adequate ploughing back and equitable distribution, cooperatives will have to fulfil the obligation of educating the members. Above all cooperatives should foster harmonious and mutually reinforcing inter-cooperative relationship. This aspect of cooperative management distinguishes cooperatives from other forms of economic organisation and at the same time makes successful management of cooperatives much more difficult than management of enterprises in the private and public sectors.

Legislative frame work :

In most developing countries, cooperatives operate and function under a specific legislative framework consisting of cooperative Act, Rules made under the act and bye-laws of the cooperatives concerned. This is in addition to the normal legal framework regulating the operations of cooperatives depending upon the range and types of their activities. Cooperative legislation generally provide for closer scrutiny of organisation, operations and management of cooperatives. In many of these countries, as is well known, cooperative legislations were introduced as precursor to the organisation of cooperative movement. In fact, in such countries it was the cooperative legislation which introduced the formal cooperative organisation. Obviously, therefore, cooperative legislation in these countries were not based upon cooperative experiences and practices.

With the multi-dimensional growth of cooperatives and expansion and extension of their activities, cooperatives do experience some constraints and some inadequacies arising out of the provision of such legislative framework and the need to suitably revamp cooperative legislation in tune with changed context and changing requirements has since been recognised. In any case, however, cooperative management - its policies, practices and procedures - has to conform to the requirements of legislative framework.

Dispersal of Authority :

One more peculiar aspect of cooperative management is the wide dispersal of authority and control. In joint stock company with voting rights in proportion to share holding, the real levers of control may vest in few persons. Such a situation may not stand the test of democratic principles but will be conducive for continuity in policy and consistency in direction for management. Unlike this situation, in cooperative management, ultimate authority vests in the body of membership which is supposed to be ever expanding and where every member has equal voting rights. This aspect of cooperative management was aptly described by an experienced cooperator, as : "Cooperatives are a hard kind of business to start and even harder kind to operate successfully. It is not easy to

capitalise a business with a large number of small investments by a large number of people. It is not easy to manage a business where every single customer is an owner and therefore a potential member of the board of Directors. It is not easy to operate a business in a gold Fish-Bowl where all your patrons are to know what goes on and hence all the community and your competitors know too".

professionalisation of Management :

In most of the developing countries, cooperative had a modest beginning starting relatively as small institutions and hence the management was conducted with the help of skeleton paid staff and heavily depended upon elected office bearers. With the growth in size, expansion of functions and extension of activities of cooperatives, cooperative management increasingly requires professionally competent and cooperatively oriented personnel. As observed in the report of the cooperative independent commission : "No layman today, however, able and assiduous can have a proper grasp of the more and more complex techniques of unit stock control, scientific stock assortment, budgetary control, forecasting, modern accounting system and so on indefinitely". Professionalisation of Management of Cooperatives is thus the basic infrastructure which needs to be carefully built up in the process of cooperative management.

First step in the process of professionalising the management in cooperatives is to design a fine synthesis and balance as between democratic control and professional management. Cooperatives for this purpose should carefully devise the demarcation of spheres of work and distribution of powers, duties and responsibilities among the main organs of cooperative management - general body, Board of Directors and paid employees ; so that these organs may function effectively and yet harmoniously for the successful management of cooperatives.

Another requirement in the professionalisation of management in cooperatives relates to development of human resources to efficiently manage the multi-farious activities with growing size of complexity of operations. In Building Management infrastructure consisting of dedicated

and competent cadres cooperatives are confronted with difficulties of attracting suitable personnel in view of the competing demands from growing private sector and expanding public sector, as the private sector may offer comparatively attractive remuneration while the public sector may provide security of tenure. Cooperatives, thus, feel circumscribed in such a situation and have to strive hard to develop cadre of competent personnel with requisite skill and aptitude.

In the management of multi-purpose cooperatives operating in the rural scenario, personnel need to have not only professional competence but also rural orientation in their outlook and extension orientation in their approach so that they can understand the needs of the rural people and be sympathetic in meeting their needs. Only then, multi-purpose cooperatives can fulfil the aspirations of rural people and earn their gratitude.

AGRICULTURAL COOPERATIVE WOMEN'S ASSOCIATION
AND MULTI-PURPOSE AGRICULTURAL COOPERATIVE

BY

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I. What is an Agricultural Cooperative Women's Association ?

A. History and Character of the Women's Association

1) Years around when agricultural cooperative women's association were founded.

(From 1945 to 1960)

i) Rural areas and women after the World War II

- End of the War (August, 1945)
- New Constitution (May 3, 1947)
- Land Reform
- Establishment of Agricultural Cooperatives (August, 1947)
- Women's Liberation --- same rights as men have i.e. scholarship, occupation, marriage, political activities and others

ii) Establishment of Agricultural Cooperative Women's Associations --- During 1948 - 1949

- Notification of the Ministry of Agriculture, Forestry and Fisheries
- Background of the Foundation

iii) Establishment of the National and Secondary (prefectural) Organizations of Agricultural Cooperative Women's Associations ---- 1951 to 1955

(See table 1)

iv) Development of Activities of the Women's Association With a linkage to Cooperative Businesses ; Rehabilitation of Agricultural Cooperatives

- Saving Promotion Activities
- Campaign for using more A-COOP branded goods
- Others

v) Establishment of Five Principles of Agricultural Cooperative Women's Associations (Dec. 1955)

5 Principles

Agricultural cooperative women's Association is ;-

1. An Organization Which Promotes and Practices Agricultural Co-operative Movement
2. An Organization for Rural Women
3. A Voluntary Organization
4. An Organization With a Comradeship
5. Politically a Neutral Organization

Table 1) Date of the establishment of prefectural organizations of the women's associations(From 1945 to 1955)

Ranking	Name of Pref. (A)	Date of establishment (B)	Ranking	(A)	(B)
1	Shiga	Dec.24,1949	19	Osaka	Jan.27,1953
2	Shizuoka	Nov.2,1949	20	Ehime	Feb. 10,1953
3	Fukui	Nov.19,1949	21	Fukuoka	Feb.20,1953
4	Nagano	April 21,1949	22	Gunma	Mar.16,1953
5	Aichi	Oct.18,1950	23	Hokkaido	Apr.12,1953
6	Tochigi	May 23,1951	24	Ohita	April,1953
7	Chiba	Sept.3,1951	25	Yamaguchi	July 20,1953
8	Kagawa	Sept.9,1951	26	Yamagata	Aug.27,1953
9	Kohchi	Oct.17,1951	27	Hyogo	Sept.22,1953
10	Ishikawa	Nov.21,1951	28	Iwate	Dec.17,1953
11	Akita	July 22,1952	29	<u>Niigata</u>	Jan.27,1954
12	Kyoto	Oct.3,1952	30	Tottori	Mar.16,1954
13	<u>Miyagi</u>	Oct.28,1952	31	Ibaraki	Mar.26,1954
14	Gifu	Nov.1,1952	32	Kumamoto	Mar.26,1954
15	Tokushima	Dec.1,1952	33	Aomori	May 13,1954
16	Okayama	Dec.6,1952	34	Toyama	Jul.3,1954
17	Fukushima	Dec.15,1952	35	Kanagawa	Aug.31,1954
18	Shimane	Jan.22,1953	36	Mie	Oct.21,1954

2) High Economic Growth and Rural Villeges

(From 1961 to 1970)

i) Changes in villeges and livelihoods of farm households

- Outflow of labor forces
- Increases of part-time farmers
- Farm works mainly done by housewives
- Diffusion of TV sets
- Modernization(Urbanization) in farmer's life style
- Introduction of large machinaries
- Too much investments on farm machines

* Enactment of the Agricultural Basic Law

ii) Development of activities for protecting children and health keeping activities

iii) Re-investigation of the 5 Principles of the Women's Association (May, 1960)

(see Appendix 1)

iv) "Three-Year-Plan For Strengthening Organization of Agricultural Cooperative Women's Associations" (May, 1960

(see Appendix 2)

3) Around 20th Anniversary of the Women's Associations

(From 1971 to 1975)

- Promote women to be a member of the society
- What the women's association should be in an urbanized area
- About activities of "Han"(Group) of the Association
- Measures for promoting young wives' activities

- i) Supply business of the society and the development of activities for protecting livelihood
 - Consuming more A-COOP branded goods
 - ii) Development of activities for protecting agriculture
 - Exchange of views with consumers
 - Rally for rising rice price
- 4) Activities for Prospecting in the 1980s
(From 1976 to 1981)
- i) Talks with officials & employees of the society
 - * Of agricultural cooperative
 - * Of women's participation in the agricultural cooperative movement
 - * Requests to agricultural cooperatives
 - ii) Measures for young wives
 - iii) " Buy a bucket of water " Campaign
(10 Yen-Fundraising Campaign)
 - Collected 57.54 million yen from all members of the women's associations throughout Japan during March to July in 1979
 - iv) Self-sufficiency activities and activities for looking over dietary life
 - v) Activity to convert into powder soaps
 - vi) Activities for elevating rural women's social status
 - Talks with officials & employees of the society
 - Establishment of a director/directors who is/are in charge of the women's association
 - Realizing woman director represented by the women's association
 - Participation of the women's association into various committees of the society

- Promote all housewives of the society's member farm households into the women's association
 - Studies on the agricultural cooperative movement
- vii) Problems on " Agriculture And Women "
- Women's position in the field of agriculture
 - Establishment of women's economic status
 - Establishment of rationalized agricultural labor works
- viii) Establishment of the direction of agricultural cooperative women's association in the 1980s

B. The Actual Condition of Organization of the Women's Association

(See Table 2 - Table 6)

Table 2) List of Prefectural Council of Agricultural Cooperative Women's Associations

NAME OF PREFECTURE	NUMBER OF (*) MEMBER ORGANS.	NUMBER OF (*) MEMBERS	INCREASED/ DECREASED NUMBERS
Hokkaido	262	84,758	4,708
Aomori	97	36,608	-392
Iwate	95	58,148	654
<u>Miyagi</u>	105	54,780	-1,181
Akita	139	78,212	-375
Yamagata	65	52,840	-1,480
Fukushima	138	56,834	1,239
Ibaraki	90	33,960	478
Tochigi	59	40,693	-718
Gunma	73	48,538	0
Saitama	78	43,000	0
Chiba	77	45,624	-1,214
Tokyo	53	22,176	-20
Kanagawa	36	39,134	-753
Yamanashi	60	24,100	-420
Nagano	130	136,179	-1,333
<u>Niigata</u>	184	77,931	-1,239
Toyama	47	55,900	0
Ishikawa	54	37,000	1,000
Fukui	41	41,645	605
Gifu	76	74,100	0
Shizuoka	73	112,581	-1,391
Aichi	104	107,173	1,678
Mie	56	30,000	2,000
Shiga	47	49,146	1,331
Kyoto	59	42,432	-1,248
Osaka	95	55,004	749
Hyogo	114	153,706	-55
Nara	61	24,500	0
Wakayama	37	20,712	551
Tottori	36	18,029	-456
Shimane	50	33,613	-824
Okayama	103	80,885	2,559
Hiroshima	93	81,032	-1,495
Yamaguchi	105	79,705	-237
Tokushima	66	23,707	612
Kagawa	45	68,163	1,188
Ehime	85	58,868	136
Kohchi	80	27,035	174
Fukuoka	83	111,651	-200
Saga	39	53,686	-832
Nagasaki	42	38,775	-389
Kumamoto	130	80,086	-1,971
Ohita	56	46,000	777
Miyazaki	25	43,000	3,000
Kagoshima	80	56,101	6,001
Okinawa	53	13,641	391
National Council	3,776	2,651,388	11,607

Note : (*) At the end of December, 1981

Table 3. Transition of Agricultural Cooperative Women's Associations

	A	B	C
1954	6,721	2,511,292人	56.1%
1955	6,384	2,804,118	54.5
1956	7,424	2,951,286	63.8
1957	7,954	3,280,234	68.4
1958	8,961	3,440,813	71.3
1959	9,068	3,139,610	73.1
1960	9,270	3,189,496	75.9
1961	9,362	3,175,738	77.7
1962	9,306	3,154,531	80.3
1963	8,668	3,201,095	80.2
1964	8,028	3,143,805	79.6
1965	7,491	3,112,869	82.0
1966	6,409	3,043,320	87.6
1967	6,259	2,937,821	86.8
1968	5,975	2,893,567	84.5
1969	5,486	2,898,365	84.8
1970	5,137	2,865,773	83.1
1971	5,051	2,820,401	83.5
1972	4,740	2,776,508	83.3
1973	4,431	2,697,500	80.7
1974	4,240	2,718,499	81.6
1975	4,035	2,697,171	81.7
1976	3,971	2,675,745	82.7
1977	3,915	2,699,738	82.2
1978	3,824	2,666,352	82.1
1979	3,809	2,645,967	83.1
1980	3,788	2,639,781	83.3
1981	3,776	2,651,388	83.4

NOTE : A= Number of organizations
 B= Number of members
 C= Organizing ratio

Table 4. Transition of Agricultural Cooperative Women's Associations and of Budget of the National Council

	A	B	C	D
1954	6,721	2,511,292人	56.1%	2,322,500円
1955	6,384	2,804,118	54.5	—
1956	7,424	2,951,286	63.8	—
1957	7,954	3,280,234	68.4	—
1958	8,961	3,440,813	71.3	—
1959	9,068	3,139,610	73.1	—
1960	9,270	3,189,496	75.9	—
1961	9,362	3,175,738	77.7	—
1962	9,306	3,154,531	80.3	—
1963	8,668	3,201,095	80.2	—
1964	8,028	3,143,805	79.6	—
1965	7,491	3,112,869	82.0	4,609,033
1966	6,409	3,043,320	87.6	5,166,083
1967	6,259	2,937,821	86.8	5,858,273
1968	5,975	2,893,567	84.5	7,823,163
1969	5,486	2,898,365	84.8	7,020,569
1970	5,137	2,865,773	83.1	6,641,615
1971	5,051	2,820,401	83.5	9,032,619
1972	4,740	2,776,508	83.3	7,898,319
1973	4,431	2,697,500	80.7	7,745,844
1974	4,240	2,718,499	81.6	9,586,620
1975	4,035	2,697,171	81.7	9,544,456
1976	3,971	2,675,745	82.7	15,030,991
1977	3,915	2,699,738	82.2	16,872,975
1978	3,824	2,666,352	82.1	17,708,856
1979	3,809	2,645,967	83.1	18,507,196
1980	3,788	2,639,781	83.3	20,866,124
1981	3,776	2,650,931	83.4	23,305,130

Table 5. Situation of Establishment of Young Wives Group of the Women's Associations

Year Surveyed	Ratio
1968	27.4%
1974	47.0%
1976	44.6%
1980	38.3%

Note: A=Number of organizations

B= Number of members

C= Organizing ratio

Table 6. Survey on Activity and Organization of Agricultural Cooperative Women's Associations

1) Organizing Ratio of Members

(Number of members/Number of society's member farm households)

Classi- fication	Answer	Total	Less 30%	30- 40%	40- 50%	50- 60%	60- 70%	70- 80%	Over 80%	Uncertainty & No answer
Purely Rural Village Area		1,436 (100.0%)	135 (9.4)	144 (10.0)	157 (10.9)	188 (13.1)	184 (12.8)	245 (17.1)	376 (26.2)	7 (0.5)
Urbanized Rural Village Areas		1,176 (100.0%)	192 (16.3)	183 (15.6)	170 (14.5)	151 (12.8)	139 (11.8)	134 (11.4)	197 (16.8)	10 (0.9)
Mountaineous & Fishery Village Areas		280 (100.0%)	52 (18.6)	41 (14.6)	24 (8.6)	34 (12.1)	36 (12.9)	38 (13.6)	55 (19.6)	- -
Uncertainty and No Answer		9 (100.0%)	3 (33.3)	- -	2 (22.2)	1 (11.1)	- -	1 (11.1)	- -	2 (22.2)
TOTAL		2,901 (100.0%)	382 (13.2)	368 (12.7)	353 (12.2)	374 (12.9)	359 (12.4)	418 (14.4)	628 (21.6)	19 (0.7)

2) Ratio of Non-Farmer Members in the Women's Association

Classi- fication	Answer	Total	Very Few	Less 10%	11- 19%	20- 29%	30- 39%	40- 49%	Over 50%	Uncertainty & No answer
Purely Rural Village Areas		1,436 (100.0%)	536 (37.3)	598 (41.6)	141 (9.8)	77 (5.4)	44 (3.1)	13 (0.9)	18 (1.3)	9 (0.6)
Urbanized Rural Village Areas		1,176 (100.0%)	192 (23.8)	183 (30.8)	170 (12.4)	151 (8.8)	139 (9.1)	134 (5.4)	197 (9.4)	10 (0.3)
Mountaineous and Fishery Village Areas		280 (100.0%)	79 (28.2)	120 (36.4)	32 (11.4)	22 (7.9)	13 (4.6)	7 (2.5)	23 (8.2)	2 (0.7)
Uncertainty and No answer		9 (100.0%)	3 (33.3)	2 (22.2)	- -	- -	- -	- -	1 (11.1)	3 (33.3)
TOTAL		2,901 (100.0%)	898 (31.0)	1,064 (36.7)	319 (11.0)	203 (7.0)	164 (5.7)	83 (2.9)	152 (5.2)	18 (0.6)

3) Women's Association By the Scale of Budget in Fiscal 1980

Classification	Actual Number	Percentage
Less than 500,000 Yen	895	36.2
500,000 to 1,000,000 Yen	677	27.4
1,000,000 to 2,000,000 Yen	472	19.1
2,000,000 to 3,000,000 Yen	186	7.5
3,000,000 to 4,000,000 Yen	97	3.9
4,000,000 to 5,000,000 Yen	45	1.8
5,000,000 to 10,000,000 Yen	83	3.4
More than 10,000,000 Yen	16	0.6
National Total	2,741	100.0

4) Whether the Secretariate can devote to Activites of the Women's Association

Classi- fication	Answer	Total	Totally	About 70%	About 50%	About 30%	Others	No Secre- tariate	No Answer
Purely Rural Village Areas		1,436 (100.0%)	564 (39.3)	257 (17.9)	231 (16.1)	233 (16.2)	115 (8.0)	16 (1.1)	20 (1.4)
Urbanized Rural Village Areas		1,176 (100.0%)	448 (38.1)	173 (14.7)	219 (18.6)	209 (17.8)	82 (7.0)	25 (2.1)	20 (1.7)
Mountaineous and Fishery Village Areas		280 (100.0%)	65 (23.2)	41 (14.6)	60 (21.4)	56 (20.0)	42 (15.0)	10 (3.6)	6 (2.1)
Uncertainty and and No Answer		9 (100.0%)	2 (22.2)	2 (22.2)	-	2 (22.2)	1 (11.1)	-	2 (22.2)
TOTAL		2,901 (100.0%)	1,079 (37.2)	473 (16.3)	510 (17.6)	500 (17.2)	240 (8.3)	51 (1.8)	48 (1.7)

- ABOUT ORGANIZATION -

1) Activity Emphasized By "Han" Group(Small group of the Association)

Classi- fication / Answer	Total	Joint- Purchasing	Distribution of "Ie-No-Hikari" (magazine)	Collecting Money	Liaison & Proposal	Commodity Testing, Cooking Class and Others	Uncer- tainty & No answer
Purely Rural Village Areas	2,462 (100.0%)	1,145 (46.5)	336 (13.6)	117 (4.8)	108 (4.4)	713 (29.0)	43 (1.7)
Urbanized Rural Village Areas	1,940 (100.0%)	861 (44.4)	251 (12.9)	103 (5.3)	90 (4.6)	600 (30.9)	35 (1.8)
Mountaineous and Fishery Village Areas	449 (100.0%)	204 (45.4)	45 (10.0)	41 (9.1)	20 (4.5)	130 (29.0)	9 (2.0)
Uncertainty and No Answer	15 (100.0%)	5 (33.3)	1 (6.7)	-	-	6 (40.0)	3 (20.0)
TOTAL	4,866 (100.0%)	2,215 (45.5)	633 (13.0)	261 (5.4)	218 (4.5)	1,449 (29.8)	90 (1.8)

2) Whether the Women's Association has its Specialized Groups

Classi- fication / Answer	Total	Yes	No	Uncertainty & No Answer
Purely Rural Village Areas	1,436 (100.0%)	441 (30.7)	977 (68.0)	18 (1.3)
Urbanized Rural Village Areas	1,176 (100.0%)	338 (28.7)	823 (70.0)	15 (1.3)
Mountaineous and Fishery Village Areas	280 (100.0%)	58 (20.7)	216 (77.1)	6 (2.1)
Uncertainty and No Answer	9 (100.0%)	1 (11.1)	6 (66.7)	2 (22.2)
TOTAL	2,901 (100.0%)	838 (28.9)	2,022 (69.7)	41 (1.4)

3) Whether the Women's Association has its Young Wives' Group

Classi- fication / Answer	Total	Yes	No	Uncertainty & No Answer
Purely Rural Village Areas	1,436 (100.0%)	631 (43.9)	788 (54.9)	17 (1.2)
Urbanized Rural Village Areas	1,176 (100.0%)	402 (34.2)	763 (64.9)	11 (0.9)
Mountaineous and Fishery Village Area	280 (100.0%)	77 (27.5)	196 (70.0)	7 (2.5)
Uncertainty & No Answer	9 (100.0%)	1 (11.1)	5 (55.6)	3 (33.3)
TOTAL	2,901 (100.0%)	1,111 (38.3)	1,752 (60.4)	38 (1.3)

4) Measures for House Wives Who Do Not Participate in the Women's Association

Classification / Answer	Total	Through Bulletines of the Society	Officials solicit for membership	Solicit Through Hamlet Meetings	Others	No Particular Action	Uncertainty & No Answer
Purely Rural Village Areas	1,862 (100.0%)	188 (10.1)	598 (32.1)	441 (23.7)	244 (13.1)	352 (18.9)	39 (2.1)
Urbanized Rural Village Areas	1,476 (100.0%)	166 (11.2)	457 (31.0)	273 (18.5)	210 (14.2)	341 (23.1)	29 (2.0)
Mountainous and Fishery Village Area	339 (100.0%)	32 (9.4)	92 (27.1)	75 (22.1)	50 (14.7)	82 (24.2)	8 (2.4)
Uncertainty & No Answer	11 (100.0%)	2 (18.2)	4 (36.4)	2 (18.2)	-	1 (9.1)	2 (18.2)
TOTAL	3,688 (100.0%)	388 (10.5)	1,151 (31.2)	791 (21.4)	504 (13.7)	776 (21.0)	78 (2.1)

HOW DID YOU CARRY OUT FOLLOWING ACTIVITIES IN FISCAL 1979 ?

(Unit: Percent)

Activities	Implemented Actively	Less Actively	Not Implemented	Uncertainty & No Answer	Implemented in 1975 (*)
Studies on Farm Management	23.7	46.7	26.1	3.4	51.0
Studies on Farm Product Prices	6.8	26.2	64.0	3.0	8.5
Campaign for Soil Improvement	14.8	34.7	47.8	2.7	21.0
Campaign for School Lunch with Rice	12.4	24.2	60.3	3.1	9.6
Communication with Consumers	11.4	25.7	59.8	3.0	17.3
Coping with limited farm successors	9.8	17.3	59.9	3.0	11.0
Workshop on kitchen garden	45.9	32.8	19.0	2.3	48.8
Family book-keeping and life planning	24.5	50.8	22.4	2.3	53.8
Commodity testing and price survey	22.4	40.3	34.5	2.8	42.8
Cooking classes and others	65.4	26.6	6.3	1.7	79.0
Exchanges of unnecessary goods	13.0	18.9	65.4	2.8	22.5
Campaign for rationalizing wedding & funeral services	22.4	33.4	41.7	2.5	41.5
Joint-Purchase of A-COOP branded goods	57.8	31.3	8.9	2.0	67.9
Joint use of cooperative beauty salon	4.2	5.0	87.9	3.0	6.5
Joint cooking and seasonal kindergarten	2.2	4.1	90.8	2.9	7.9
Health keeping activities (Joint health checking)	64.7	25.4	8.2	1.7	73.0
Campaign for drinking fresh milk and pure fruit juice	32.6	33.3	31.6	2.5	29.9
Campaign for not drinking coke	10.4	19.5	67.3	2.9	13.1
Extension of A-COOP branded powder soap	26.6	38.6	32.3	2.5	21.1
Campaign for feeding babies on mother's milk	4.8	15.6	77.4	2.2	7.8
Movement for improving medical facilities	4.2	13.5	80.4	1.8	2.9
Studies on cooperative movement	22.4	48.9	27.1	1.5	37.4
Movement for increasing meeting places	5.3	13.2	79.8	1.7	3.4
Studies on pension system and taxation	5.6	20.5	72.1	1.7	8.6
Campaign against public charge hikes	2.7	12.9	82.7	1.7	2.8
Hobbies and cultural activities	42.2	39.6	17.2	1.1	51.9
Sport games and recreation	31.2	41.6	25.8	1.3	45.2
Campaign for energy saving	17.3	39.9	41.2	1.6	-
Gatherings of parents and children	14.0	21.5	62.9	1.6	-
Activities for improving regional environment	12.4	33.2	52.7	1.8	-

NOTE: (*) It is not clear whether activities were implemented actively or not in 1975.

C. Relation between agricultural cooperatives and women's association of agricultural cooperatives

An attempt has been made to define the position of the women's association of agri. coop in the agricultural cooperative movement of Japan. The women's association should take an initiative to promote the movement by regarding the association as one of the voluntary cooperative member organizations. And it is therefore essential for the association to strengthen the activities with agricultural cooperative as main axis.

Source: "Direction of the Women's association of agri. coop in 1980's"

Note: (Table 7) About relationship between women's association and agricultural coops.

II. Contents of main activities of the Association
(Based on cases in Miyagi Prefecture)

A. Activities for Strengthening organization (Appendix 1)

* Status quo of the organization

Number of members	54,890
Ratio for organized agri. coops	47.3 %
Young wives groups	33 31.4 %

* Contents of Activities

- 1) Campaign for participation of all wives of member farmers to the association
- 2) Promotion for participation of young wives to the association
- 3) Promotion for activities of the association according to the classification of age and position and circumstances
- 4) Vitalization of Han-activities (unit of small group of people at the grass root level)
- 5) Establishment of responsibility and duty of officials of the association
- 6) Establishment of autonomous financing
- 7) Establishment of system of secretariat

B. Activities for Protecting Agriculture

1) Study activities

Import liberalization of agricultural products, Countermeasure for abnormal weather, compound management and etc.

2) Establishment and implementation of regional agricultural promotion plan

3) Lobbying activities (Policy representation activities)

* Countermeasure for price of agricultural products

* Fund-raising campaign

* Countermeasure for expansion of consumption

* Countermeasure for preparation of school lunch

4) Tie-up with consumer

Holding of discussion meetings

C. Activities for keeping Good Health Conditions

1) Dissemination of "Health notebook of our home" and "Gymnastics for farmers"

2) Holding of class on health keeping and meetings on health maintenance

3) Review of Japanese diet habits, self-sufficient movement of foods and elimination of harmful goods

4) Campaign for spreading the use of powder soaps with A-coop brand

5) Promotion of health examination activities

6) Promotion for setting up health keeping promotion council undertaken by agricultural cooperatives

7) Promotion for participation in insurance for insury and damages

D. Activities for Protecting Livelihoods

1) Campaign for review of living and it's planning (Appendix 2)

* Book keeping habits should take root thoroughly

* Cut-down of family expenses

* Simplification of marriage ceremony and funeral services

* Campaign for increase of self-sufficiency ratio

* Promotion for joint purchasing campaign

Campaign for joint buying centering on Han-group once in every month

Establishment of unified purchasing items in the prefecture (7 A-coop items)

E. Cultural Activities

- 1) Group activities, class for culture (Appendix 3)
- 2) Agricultural festival and Agricultural fair
- 3) Holding of reading circle on Ienohikari magazine
- 4) Parents-children get-together meeting
- 5) Inheritance of culture in farm village

F. Business Activities of the society and the Women's Association

- 1) Ways and means on how the wills and opinions are reflected and discussions conducted between agri. coop and women's association (Appendix 4)
- 2) About organized joint purchasing activities and women's association (Appendix 5)
 - * Main group which takes active role for organized joint-purchasing
 - * Status quo of establishment of promotion organization
 - * Status quo of allocation of staff
 - * Form in the supply of consumer goods item, supply turnover
 - * Delivery system of consumer goods and roles of women's association
 - * Problems and future direction and prospect

III. Problems and future prospect and direction of the activities of women's association

Sources: Direction of women's association
of agri. coops in 1980's

A. About organization

B. About content of activities

Table 7

(Relation between agri. coop and women's associations of agri. coop)

1. Has a discussion been made on bringing up members of women's association in the meetings of board of directors.
 (the area in which you live) X (Has a discussion been made on the bring-up of members of women's associations over a couple of years ago or not ?)

Response Classification	Total	Discussed	Not discussed	Not identified No answer
Pure/farm village area	- 1,436 % 100.0	651 45.3	752 52.4	33 2.3
Urbanized farm village area	- 1,176 % 100.0	541 46.0	596 50.7	39 3.3
Mountaneous & fishery village area	- 280 % 100.0	136 48.6	133 47.5	11 3.9
Not identified, no reply	- 9 % 100.0	3 33.3	4 44.4	2 22.2
Total	- 2,901 % 100.0	1,331 45.9	1,485 51.2	85 2.9

Note: - means actual number

2. Have wills and opinions of women's association been reflected into the activities undertaken by agricultural cooperatives.
 Is there any occassion for periodical discussion?
 (The area in which you live) X (Have wills and opinions of women's association been reflected or not ?)

Response Classification	Total	NO	YES	Not identified No answer
Pure/farm village area	- 1,176 % 100.0	659 45.9	742 51.7	35 2.4
Urbanized farm village area	- 1,176 % 100.0	613 52.1	541 46.0	22 1.9
Mountaneous & fishery village area	- 280 % 100.0	120 42.9	152 54.3	8 2.9
Not identified No answer	- 9 % 100.0	1 11.1	6 66.7	2 22.2
Total	- 2,901 % 100.0	1,393 48.0	1,441 49.7	67 2.3

Note: - means actual number

- 2) Have representatives of women's association participated in the meetings on the better living and health control activities ?
(The area in which you live) × (Have wills and opinions of women's association been reflected into agri. coop or not ?)

Response Classification	Total	Participated	Not participated	Not identified No answer
Purely farm village area	- 1,436 % 100.0	739 51.5	660 46.0	37 2.6
Urbanized farm village area	- 1,176 % 100.0	547 46.5	595 50.6	34 2.9
Mountaneous & Fishery village area	- 280 % 100.0	131 46.3	141 50.4	8 2.9
Not identified No answer	- 9 % 100.0	3 33.3	4 44.4	2 22.2
Total	- 2,910 % 100.0	1,420 48.9	1,400 48.3	81 2.8

Note: - means actual number

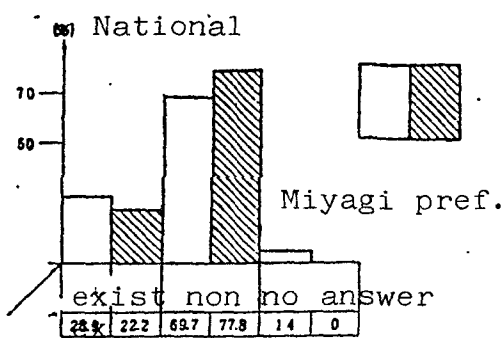
- 3) Have representatives of women's association participated in the general assembly of agricultural cooperatives
(The area in which you live) × (Have wills and opinions of women's association been reflected into agri. coop ?)

Response Classification	Total	Participated	Not participated	Not identified No answer
Purely farm village area	- 1,436 % 100.0	352 24.5	1,056 73.5	28 1.9
Urbanized farm village area	- 1,176 % 100.0	346 29.4	805 68.5	25 2.1
Mountaneous & Fishery village area	- 280 % 100.0	81 28.9	193 68.9	6 2.1
Not identified No answer	- 9 % 100.0	2 22.2	5 55.6	2 22.2
Total	- 2,901 % 100.0	781 26.9	2,059 71.0	61 2.1

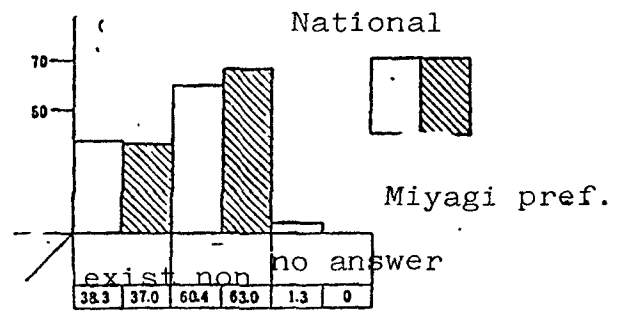
Note: - means actual number

About establishment of specified group and young house wives group

(Chart 8) Establishment of specified group



(Chart 9) Young house wives group



Trend of establishment of Young wives group

1968	-----	27.4%
1974	-----	47.0%
1976	-----	44.6%
198-	-----	38.3% (Including organizing process)

Whether the manager is working as officials of regional women's organization at the same time

	yes	no	no answer
National	(33.4)	(65.3)	(1.3)
Miyagi pref.	(24.1)	(74.1)	(1.9)

Reference No1

Trends of co-officials of Agri.Coop. women's association and regional women's organization

year	ratio
1968	54.5 %
1974	26.8 %
1976	33.4 %
1980	33.4 %

Reference No.2

Gap of achievement between co-official manager and full-time manager of women's assoc.

Item	joint purchase by cash	establishment of special group	setup Y.W. group
co-official	46.4 %	32.4 %	41.4 %
full-time	44.5	23.2	33.2

About the budgets

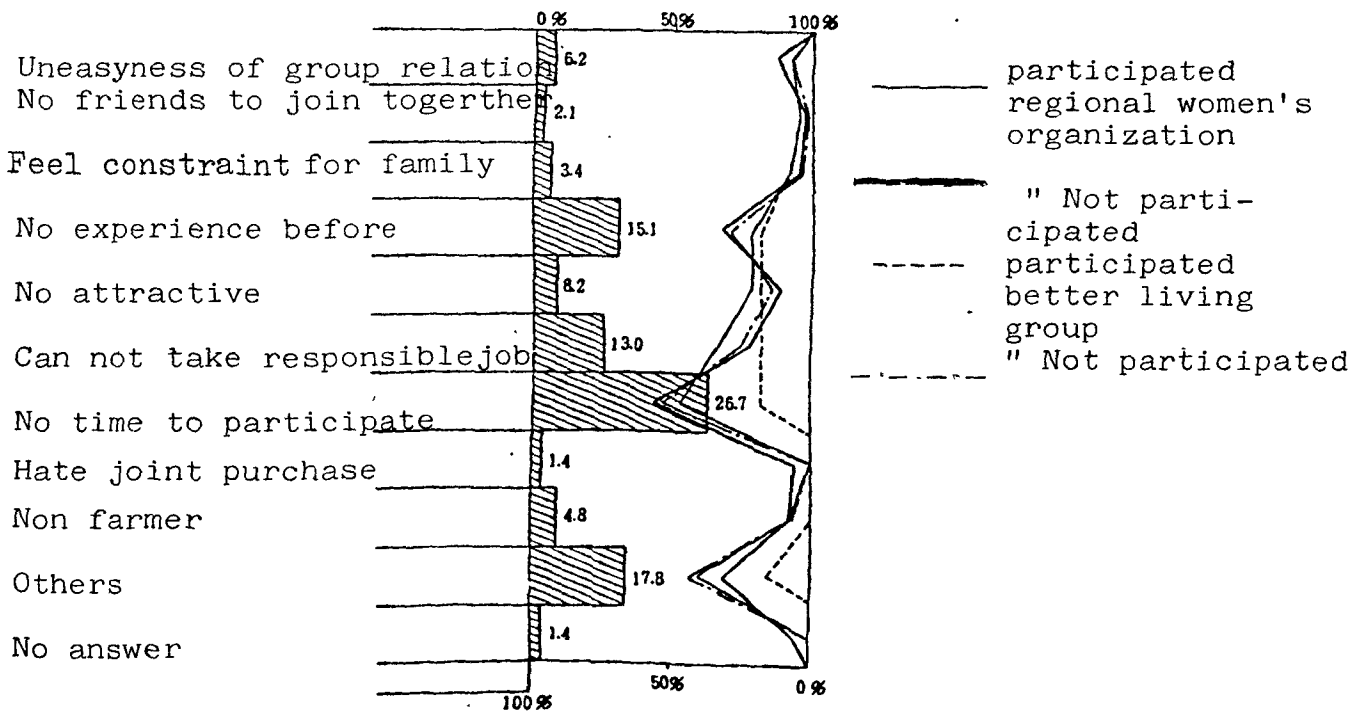
(Budgets for the year 1979 . National average)

content	member's fee	coop subsidy	busi. earnings	others	total
national average	175,019	740,381	266,487	108,766	1,295,075
Average of Miyagi	246,425	595,027	443,742	134,217	1,419,411

(Average annual member's fee per one person) . Unit Yen

Clasification	Total	Unit Yen							Total
		収入して いない	~99円	100~ 199円	200~ 499円	500~ 999円	1,000~ 1,499円	1,500円 以上	
amount	%	%	%	%	%	%	%	%	
National total	2,471,100.0	560 22.7	86 3.5	312 12.6	922 37.3	423 17.1	131 5.3	37 1.5	303
Miyagi pref.	53,100.0	0 0	2 3.8	1 1.9	20 37.7	21 39.6	2 3.8	7 13.2	777

(Reasons why they don't join the women's association)



(Activities of Women's Association (Miyagi Prefecture))

(%)

Activities	very possi- tively	a few	no	no answer	Miyagi activi- ties in '79	National
farm management	27.8	51.9	16.7	3.7	79.7	70.4
price of A.product	13.0	48.1	37.0	1.9	61.1	33.0
soil preparation	27.8	40.7	29.6	1.9	68.5	40.5
school lunch(rice)	55.6	25.9	14.8	3.7	81.5	36.6
consumer campaign	14.8	27.8	55.6	1.9	42.6	37.1
Junior farmer issue	14.8	40.7	42.6	1.9	55.5	37.1
self Horticulture	70.4	24.1	3.7	1.9	94.5	78.7
family book keeping	29.6	57.4	11.1	1.9	87.0	75.3
reserch for goods	29.6	51.9	16.7	1.9	81.5	62.7
cooking school	81.5	14.8	1.9	1.9	96.3	92.0
recycle activity	13.0	27.8	57.4	1.9	40.8	31.9
rationalize marriage	22.2	42.6	33.3	1.9	64.8	55.8
A coop brand promot.	66.7	29.6	1.9	1.9	96.3	89.1
joint use of barbar's	7.4	3.7	87.0	1.9	11.1	9.2
joint cooking	0	1.9	96.3	1.9	1.9	6.3
health screening	85.2	11.1	1.9	1.9	96.3	90.1
milk&juice promotion	31.5	40.7	25.9	1.9	72.2	65.9
boycott of cola	33.3	25.9	38.9	1.9	59.2	29.9
A coop soap promot.	14.8	38.9	44.4	1.9	53.7	65.2
mother milk campaign	7.4	14.8	77.8	0	22.2	20.4
strengthen medical serv	11.1	13.0	75.9	0	24.1	17.7
study meeting on agn. coop	25.9	55.6	18.5	0	81.5	71.3
increase meeting hall	9.3	14.8	72.2	3.7	24.1	18.5
pension & tax	5.6	20.4	72.2	1.9	26.0	26.1
opposition for hike of public charges	0	20.4	77.8	1.9	20.4	15.6
cultural activities	50.0	38.9	11.1	0	88.9	81.8
sports& recreation	44.4	37.0	18.5	0	81.4	72.8
energy conservation	25.9	42.6	31.5	0	68.5	57.2
parent & children's meeting	13.0	18.5	66.7	1.9	31.5	35.5
environmental reorganization	11.1	20.4	66.7	1.9	31.5	45.6

Appendix 1

UNIFIED GENERAL PRINCIPLES OF AGRICULTURAL
COOPERATIVE WOMEN'S ASSOCIATIONS

1. We shall cooperate each other in order to protect rights of rural women and to elevate our socio-economic status
1. We shall become a supporter of the agricultural cooperative movement and promote sound development of agricultural cooperative societies
1. We shall construct bright and rich villages by cooperative activities of agricultural cooperative women's associations

FIVE PRINCIPLES OF AGRICULTURAL COOPERATIVE
WOMEN'S ASSOCIATION

Agricultural cooperative women's association is a organization which concentrates upon the society and carries out activities in order to elevate the women's status and to build up bright & rich rural communities, having the following characters;

1. Organization which promotes agricultural cooperative movement
 - Agricultural cooperative women's association is an organization which promotes sound development of the society and practices agricultural cooperative movement by voluntary wills of members
2. Organization for rural women
 - Agricultural cooperative women's association is consisted of housewives who do farm works actively
3. Voluntary organization
 - Agricultural cooperative women's association is to be managed voluntarily by the general wills of members. The association shall be financed basically by membership fees
4. Organization with a comradeship
 - Agricultural cooperative women's association is a gathering of members who have well-understandings on the objectives of the association

5. Politically neutral organization

- As a organization, agricultural cooperative women's association does not belong to any political parties. However, it is free for members to have their own thoughts and principles. The association itself is not indifference to politics, and it carries out policy representation (legislation) activities based on members' demands.

Appendix 2

"Three-Year-Plan for Strengthening Organization of Agricultural Cooperative Women's Association"

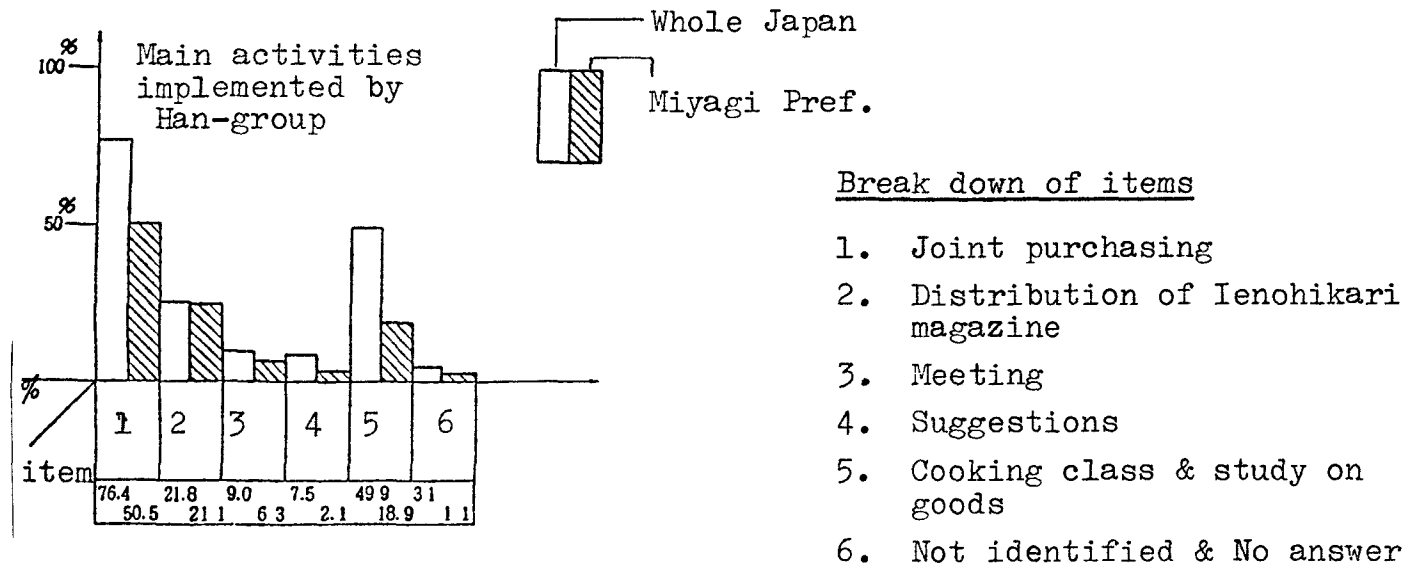
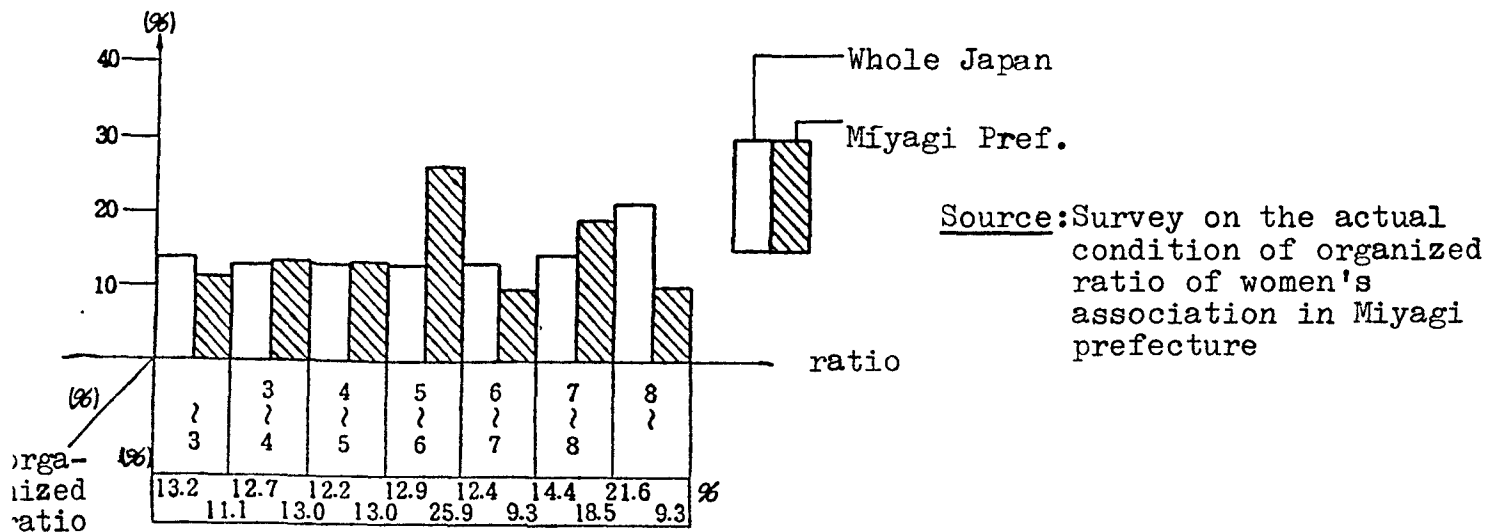
Based on the survey results concerning the actual condition of the organizations, the National Council of Agricultural Cooperative Women's Associations established plans of "Three-Year-Plan for Strengthening Organization of Agricultural Cooperative Women's Associations" at its Joint Seminar of Directors and Pref. Leaders of the National and Prefectural Councils held on Feb. in 1970.

After the discussions at the Presidents and Secretary Generals' Meeting, following 10 targets were adopted to attain within three years at the 10th General Meeting of the National Council of Agricultural Cooperative Women's Associations.

- 1) To organize the women's association at all(100%) societies
- 2) To promote and strengthen activities of groups
- 3) To make all organizations and members understood well on Five Principles and General Principles
- 4) To make officials of the women's association worked on a full-time basis
- 5) All the women's association shall establish budget and business plans as well as the date of the General Meeting by the beginning of coming fiscal year.
- 6) To establish self-finance
 - i) To establish the membership fee system
 - a) Present rate of 61.6% should be 100% .
 - b) Maximum membership fee should be 100 yen annually.
 - ii) To establish the payment system of subsidies from the society
- 7) To draw up by-laws of the women's association
- 8) To settle an allotment system among officials
- 9) To promote young wives' participations
- 10) To strengthen the secretariate

Appendix 3

Organized ratio of farm women in the agri. coops



Break down of items

1. Joint purchasing
2. Distribution of Ienohikari magazine
3. Meeting
4. Suggestions
5. Cooking class & study on goods
6. Not identified & No answer

Chart 12

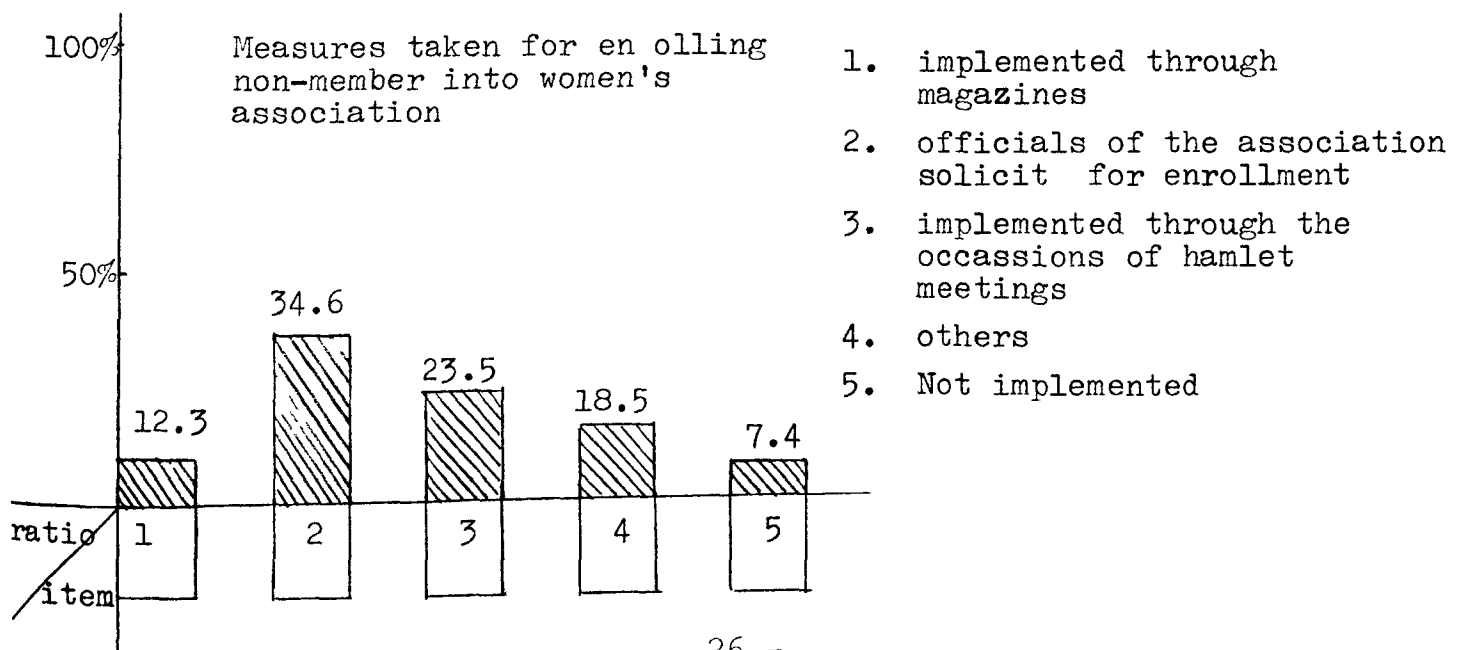
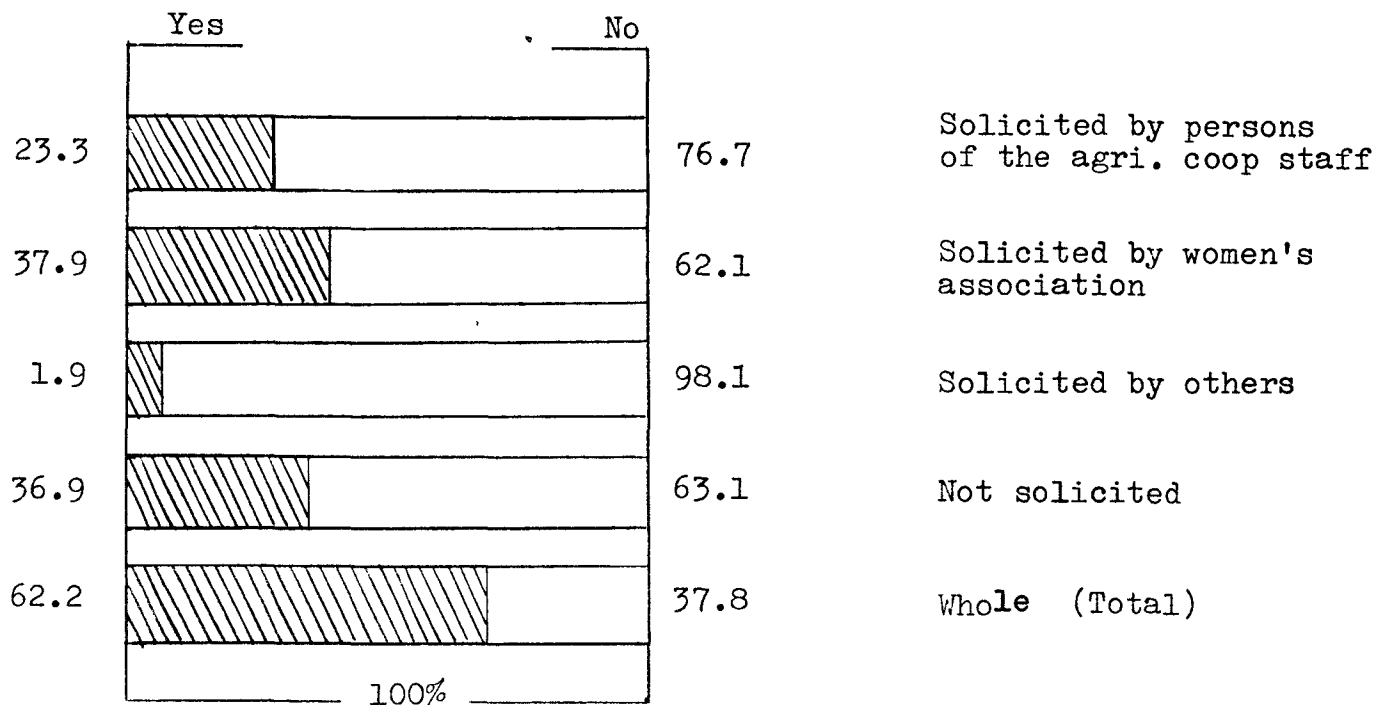


Chart 13

"Questionnaire on the wills on non-members for participation in women's association"

The way participation in W.A. is encouraged



1) Family Expenses According to Prefectures

prefecture expenses	Natio- nal	Iwate	Niia- gi	Akita	Yama- ta	Fuku- shima	Toyama	Ishi- kawa
foods	66361	68848	72965	64138	72535	54979	82128	66544
drinks	14486	14245	20865	17337	18579	14762	11456	15256
clothes	24199	16126	19747	12942	21197	21397	31899	34480
heat&water	34335	33315	27229	38847	48847	37265	33083	36255
health	11704	8507	14153	14302	11537	8071	15206	9406
education	22087	14277	12755	24387	10008	31322	17113	33519
culture	12389	9754	9708	5109	14371	11136	19413	17771
miscellaneous	26430	17318	32370	21676	32321	30274	24660	35006
receptions	33289	26763	45080	47776	49429	43254	29770	30263
ordinally exp.	245280	209153	254872	246514	278920	252458	264732	279100
temporal exp.	92695	39594	144592	15590	125315	75817	126182	53125
Total family exp.	337975	248847	399564	262104	404235	328275	390914	332225

2) Family Expenses by Cash According to prefectures

prefecture expenses	Natio- nal	Iwate	Miyagi	Akita	Yama- ta	Fuku- shima	Toyama	Ishi- kawa
foods	40939	41547	36225	36470	41408	33791	44275	44805
drinks	13179	14051	20263	17270	14926	13209	10883	13144
clothes	24172	15913	19747	12942	21197	21397	31898	34480
heat & water.	33924	31738	27229	38764	48510	37265	33042	36255
health	11699	8507	14153	14302	11537	8071	15165	9406
education	22087	14277	12755	24387	10008	31322	17113	33519
culture	12386	9754	9708	5109	14371	11136	19413	17771
miscellaneous	26419	17318	32370	21676	32321	30274	24452	35006
receptions	30456	26763	42658	41772	40021	43254	24148	28798
ordinally exp.	215261	179967	215108	212692	234299	229719	220389	253084
temporal exp.	92695	39594	144592	15590	125315	75817	126182	53125
Total family exp.	307956	219561	359800	228282	339514	305536	346571	306209

(one month per one family including self products; yen)

Fukui	Aichi	Osaka	Waka- yama	Okaya- ma	Yama- guchi	Fuku- ka	Saga	Kuma- moto	Miya- zaki
68621	62604	83790	72050	59902	61471	68278	56194	66338	54156
13871	14400	19452	12395	16337	12473	12835	10438	12871	9459
30400	26544	33412	20062	21526	15755	36851	17522	25817	12886
43230	38061	41343	27571	25376	22813	39577	26722	25379	18534
12494	12817	24802	9834	9486	8587	17470	8495	11742	7379
26233	25589	37067	33116	19257	26287	18836	19393	19572	19683
13314	14253	15269	14581	10558	7031	15577	11072	9459	12310
24564	33441	51183	26932	25698	20213	21887	18932	22812	17562
35055	22377	45794	19180	27193	14346	27481	29089	27260	21268
270782	250186	352112	235821	215333	188976	259492	197857	221750	173337
83871	81518	118252	102021	70957	9811	124592	115102	80438	203527
354553	331804	470364	337842	286290	198787	384184	312959	302188	376864

(one month per one family; yen)

Fukui	Aichi	Osaka	Waka- yama	Okaya- ma	Yama- guchi	Fuku- oka	Saga	Kuma- moto	Miya- zaki
41344	37585	71067	52595	41707	38244	47165	35282	42590	30295
13274	13582	18947	9747	13927	11879	11561	10135	11078	8117
30400	26544	33412	20062	21526	15755	36851	17522	25687	12827
42083	38061	41343	27571	25376	21675	39551	26467	25173	17785
12481	12817	24802	9834	9486	8587	17470	8495	11742	7260
26233	25589	37067	33116	19257	26287	18836	19393	19572	19583
13314	14253	15269	14681	10558	7031	15569	11072	9459	12310
24564	33441	51183	26932	25698	20213	21887	18932	22812	17562
31419	22167	45794	19180	27193	14346	26865	27945	27429	19058
235112	224239	338884	213719	193283	164017	236895	175243	195542	145097
83871	81518	118252	102021	70957	9811	124592	108102	80438	203527
318983	305857	457136	315740	264240	173828	360587	280345	275980	348624

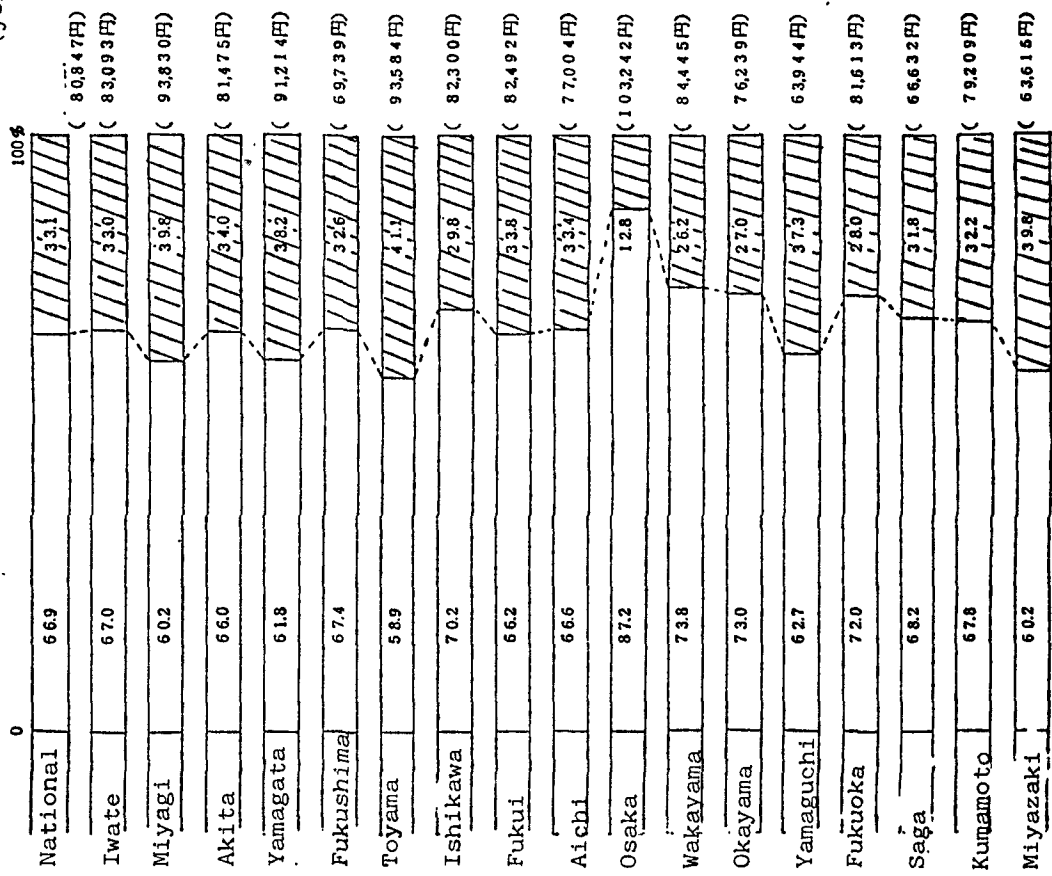
3) Proportion of self produces in family expenses

Classified by prefectures (One month per one family)

	Cash	self produces	total yen
National level	91.1	89	(337,975円)
Iwate pref.	883	147	(248,847円)
Miyagi pref.	900	100	(399,564円)
Akita pref.	871	129	(262,104円)
Yamagata pref.	890	110	(404,235円)
Fukushima pref.	931	69	(328,275円)
Toyama pref.	887	113	(390,914円)
Ishikawa pref.	922	78	(332,225円)
Fukui pref.	900	100	(354,653円)
Aichi pref.	922	78	(331,804円)
Osaka pref.	972	28	(470,364円)
Wakayama pref.	935	63	(337,842円)
Okayama pref.	923	77	(286,290円)
Yamaguchi pref.	874	125	(198,787円)
Fukuoka pref.	939	61	(384,184円)
Saga pref.	862	138	(312,959円)
Kumamoto pref.	913	87	(302,188円)
Miyazaki pref.	925	75	(376,864円)

4) Proportion of self produces in food and drinks expenses classified by prefectures (one month per one family)

total food & drinks expenses (yen)



XXXXXXXXXXXXXX

Appendix 5

Cultural Activities Conducted in 1980 (Miyagi prefecture)

	A		B	
	No.	%	No.	%
cooking	51	45.5	54	48.2
lectures	42	37.5	-	-
kimono	31	27.7	40	35.7
flower arrangement	23	20.5	33	29.5
knitting	18	16.1	18	16.1
voley ball	15	13.4	33	29.5
sewing	12	10.7	16	14.3
art flower	10	8.9	9	8.0
soft ball	10	8.9	26	23.2
doll making	9	8.0	15	13.4
manners	8	7.1	6	5.4
travel club	8	7.1	11	9.8
Horticulture	7	6.3	9	8.0
baseball	7	6.3	29	25.9
dancing	5	4.5	23	20.5
tea ceremony	3	2.7	-	-
reading circle	2	1.8	11	9.8
folk song	2	1.8	34	30.4
social dance	2	1.8	3	2.7
hand craft	2	1.8	6	5.4
home massage	2	1.8	4	3.6

	A		B	
	No.	%	No.	%
calisthenics	2	1.8	2	1.8
tanka	1	0.9	6	5.4
Haiku	1	0.9	7	6.3
Noh song	1	0.9	4	3.6
china ware	1	0.9	7	6.3
Japanese chess	1	0.9	4	3.6
calligraphy	1	0.9	10	8.9
bonsai	1	0.9	20	17.9
gate-ball	-	-	12	10.7
shamisen	-	-	4	3.6
game of go	-	-	4	3.6
chorus	-	-	2	1.8
tennis	-	-	2	1.8
sewing kimono	-	-	2	1.8
recitation of chinese poems	-	-	1	0.9
western cloth sewing	-	-	1	0.9
photography	-	-	1	0.9
pen calligraphy	-	-	1	0.9
others	2	1.8	-	-
nothing	16	14.3	13	11.6
no answer	25	22.3	21	18.8

A --- Agri. Coop is promoting activities as cultural activities of cooperative.

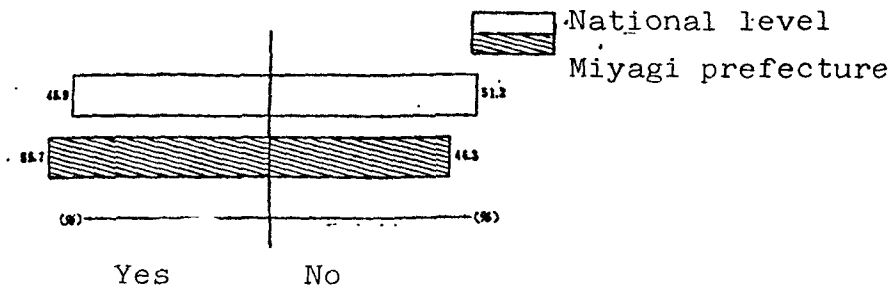
B --- Activities by voluntary group by members, youth association or women's association

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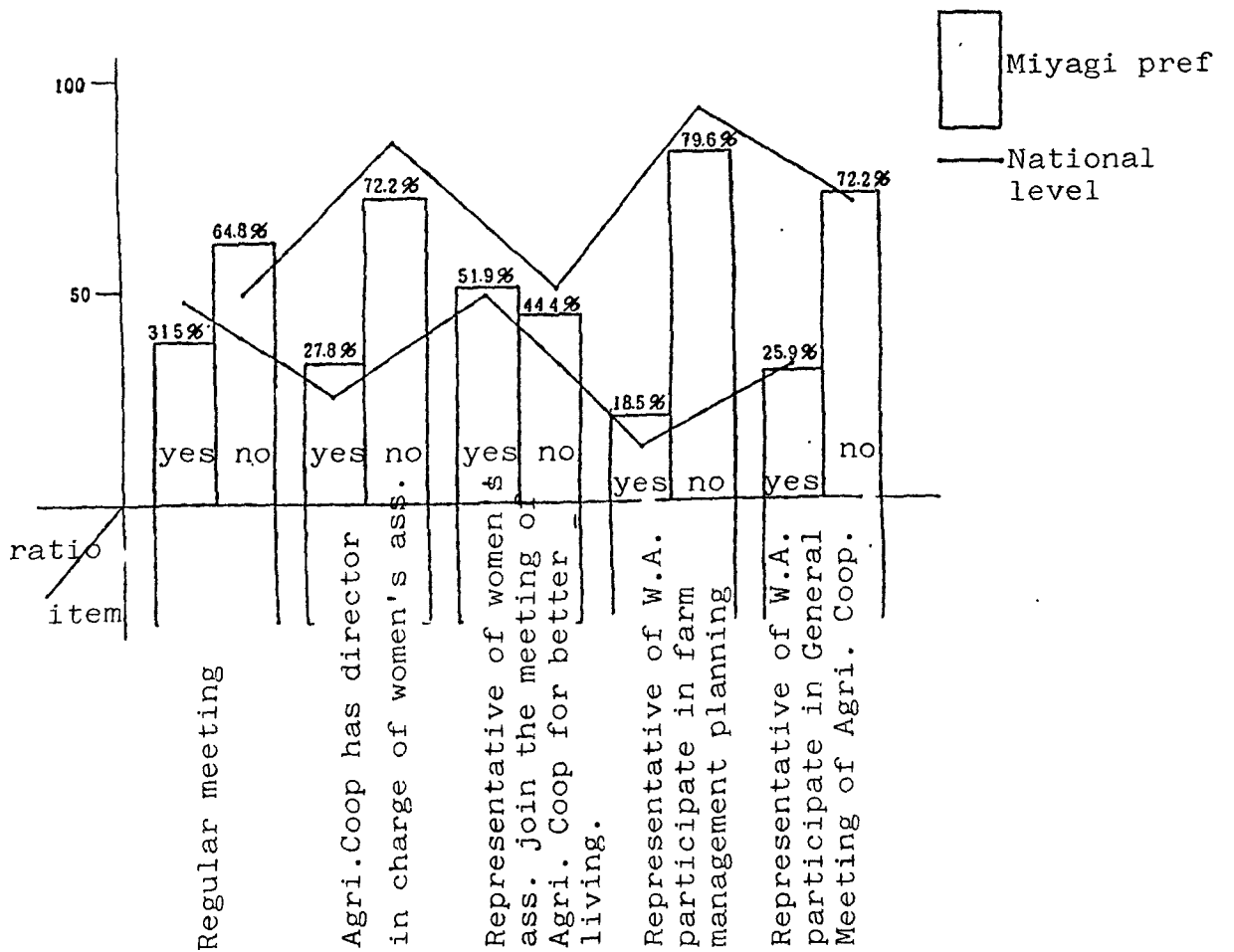
Appendix 6

Discussions between Women's Association and Agri. Coop

(Whether the development of women's associations was discussed at the meeting of board of directors of agricultural cooperatives)



Reflection of will to the management of Agri. Coop.



X X X X X X X X X X

Appendix 7

Joint Purchasing Business and Agricultural Cooperative Women's Association

Table 1 Joint Purchase of daily commodities and centering organization

	Han acti- ty of living	Han act. of A. Coop W.A.	others	no answer
Miyagi '80	5 (4.7)	95 (88.8)	7 (6.5)	1 (0.9)
" '77	15 (14.9)	79 (78.2)	1 (0.9)	-
National	205 (5.6)	2,962 (80.5)	440 (12.0)	74 (2.0)

Table 2 Condition of establishment of committee for consumer activities

committee area	established			not established			
		special commit.	living commit.	plan by 1982	no plan	no answer	
Sendai <29>	5 (17.2)	5 (100.0)	-	24 (82.7)	2 (8.3)	21 (87.5)	1 (4.2)
Sennan <7>	1 (14.3)	1 (100.0)	-	6 (85.7)	2 (33.3)	3 (50.0)	1 (16.7)
Ohsaki <27>	10 (37.0)	10 (100.0)	-	17 (63.0)	4 (23.5)	12 (70.6)	1 (5.9)
Kurihara <10>	4 (40.0)	4 (100.0)	-	6 (60.0)	3 (50.0)	3 (50.0)	-
Tome, Motoyosi <23>	3 (13.0)	3 (100.0)	-	20 (87.0)	3 (15.0)	16 (80.0)	1 (5.0)
Ishimaki <16>	2 (12.5)	2 (100.0)	-	14 (87.5)	4 (28.6)	10 (71.4)	-
all Miyagi <112>	25 (22.3)	25 (100.0)	-	87 (77.7)	18 (20.7)	65 (74.7)	4 (4.6)
National <437>	756 (17.0)	608 (80.4)	140 (10.5)	3,348 (75.5)	654 (19.5)	2,572 (76.8)	122 (3.6)

Table 3 Allocation of staff for joint purchase of living goods

		specified	as additional	no staff
scale of coops	~ 999	4 (7.4)	28 (51.9)	22 (40.7)
	1,000 ~ 2,999	9 (18.8)	34 (70.8)	5 (10.4)
	3,000 ~	-	9 (90.0)	1 (10.0)
Miyagi P. (112)		13 (11.6)	71 (63.4)	28 (25.0)
National (3,681)		225 (6.1)	2,088 (56.7)	1,353 (36.8)

XXXXXXXXXXXXXXXXXXXX

Table 4 Supply System of Living Commodities

	seasonal order	direct sale	coop store	arrangement	monthly order
Miyagi '80	96 (85.7)	79 (70.5)	54 (48.2)	43 (38.4)	32 (28.6)
" '77	84 (83.2)	65 (64.4)	52 (51.5)	42 (41.6)	26 (25.7)
National	3,347 (75.4)	2,979 (67.1)	1,473 (33.2)	1,050 (23.7)	864 (19.5)
	Delivery service	Annual order	purchasing car	others	non
Miyagi '80	32 (28.6)	19 (17.0)	10 (8.9)	2 (1.8)	3 (2.7)
" '77	19 (18.8)	6 (5.9)	13 (12.9)	-	-
National	1,562 (35.2)	832 (18.8)	499 (11.2)	102 (2.3)	310 (7.0)

Table 5 Number of standard goods for joint purchase

	number surveyed	less 10	11~29	30~49	50~99	100	no answer
monthly order	32 (100.0)	11 (34.4)	11 (34.4)	8 (25.0)	1 (3.1)	1 (3.1)	-
seasonal order	96 (100.0)	25 (26.0)	40 (41.7)	11 (11.5)	11 (11.5)	5 (5.2)	4 (4.2)
annual order	19 (100.0)	6 (31.6)	6 (31.6)	5 (26.3)	1 (5.3)	-	1 (5.3)

Table 6 Ratio of cooperatives promoting purchasing business by the styles other than A-Coop store clasified by amount of turnover

	number surveyed	less 12,000	12,000 ~ 24,000	24,000 ~ 36,000	36,000	no answer
monthly order	32 (100.0)	25 (78.1)	5 (15.6)	2 (6.3)	-	-
seasonal order	96 (100.0)	60 (62.5)	22 (22.9)	10 (10.4)	2 (2.1)	2 (2.1)
annual order	19 (100.0)	5 (26.3)	5 (26.3)	1 (5.3)	7 (36.8)	1 (5.3)

Table 7 Deliverly system of joint purchasing goods

	number surveyed	A	B	C	D	E	no answer
monthly order	32 (100.0)	7 (21.9)	17 (53.1)	7 (21.9)	1 (3.1)	-	-
seasonal order	96 (100.0)	11 (11.5)	43 (44.8)	30 (31.3)	10 (10.4)	1 (1.0)	1 (1.0)
annual order	19 (100.0)	2 (10.5)	5 (26.3)	9 (47.4)	1 (5.3)	-	2 (10.5)

A--- members go to receive goods for leader of Han
 B--- leader of Han will deliver to members house
 C--- Agri. Coop will directly deliver to members
 D--- members go to officlals of Women's Association

AGRICULTURAL COOPERATIVE MOVEMENT IN JAPAN

- Agricultural Cooperatives in Japan.

- CASE STUDIES ON :
 - Nagaoka City Multipurpose (Agricultural) Cooperative Society.

 - Makimachi Multipurpose (Agricultural) Cooperative Society.

By

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AGRICULTURAL COOPERATIVES IN JAPAN

C O N T E N T S

STRUCTURE OF THE MOVEMENT

Primary Level

Prefectural Level

National Level

PRIMARY MULTIPURPOSE AGRICULTURAL COOPERATIVE SOCIETIES

Membership

Amalgamation

Democratic Administration

- Organisational structure
- General Body
- Board of Directors
- President working directors and employees
- Management
- Communication with employees
- Communication with members

Business Activities

- Credit
 - (i) Savings
 - (ii) Loans
- Insurance
- Supply
- Marketing
- Utilisation and processing
- Guidance
 - (i) Farm guidance
 - (ii) Better living guidance
- Facilities and services
- Education

STRUCTURE OF THE MOVEMENT

Primary Level

The agricultural cooperative movement in Japan is three tiered. There are both single purpose and multipurpose societies at the base.

In some sectors like fruits and vegetables, sericulture, and livestock, there are single purpose agricultural cooperatives. Their main function is to market the produces of their members. Almost all the members of the single purpose societies are also members of the multipurpose (agricultural) cooperatives.

The multipurpose societies are engaged in a number of activities designed to serve their members and cover the entire rural area of Japan and almost all the farmers are affiliated to them. The number of multipurpose societies have declined over the years due to amalgamation and creation of large units. The single purpose societies are numerically larger than the multipurpose societies but multipurpose cooperatives are the main and the predominant type of primary societies in Japan.

Prefectural Level

The primary societies are federated at prefectural level on functional basis. The primary agricultural cooperatives are members of these federations depending on their activities. Some federations are mainly composed of multipurpose agricultural cooperative societies while others are mainly composed of single purpose agricultural cooperative societies. The prefectural federations which are mainly composed of multipurpose agricultural cooperatives as their members, are :

1. Economic Federations

Their main function is marketing and supply of agricultural inputs, machinery and consumer goods. *

2. Credit Federations

Credit federations are the financial organisations of agricultural cooperatives. Their membership consists of primary multipurpose and single purpose agricultural cooperatives, prefectural economic federations, other business federations and the insurance federation of the prefecture. These federations accept deposits from members and extend loans to them.

The main sources of funds for the credit federations are the deposits from the primary agricultural cooperatives. The surplus funds of the federation are deposited with the Central Cooperative Bank for Agriculture and Forestry or lent to organisations outside the cooperative sector like private financial institutions and local corporations.

3. Insurance Federation

The multipurpose agricultural cooperative societies are members of the prefectural insurance federations. The primary societies re-insure with them.

4. Prefectural Mutual Welfare Federations

These federations run hospitals, holiday homes and undertake other welfare activities.

The prefectural federations which are mainly composed of single purpose agricultural cooperative societies as their members are,

Dairy Cooperative Federations;

Sericultural Cooperative Federations;

Horticultural Cooperative Federations;

Prefecture Unions

The primary agricultural cooperatives and their federations at prefectural level together have formed prefectural unions as their prefectural level ideological organisations. They undertake educational activities, research, provision of information, coordination, auditing, etc.

for their members. They act as the prefectural level spokesman for the agricultural cooperatives.

National Level

The prefectural federations which are formed on functional basis are further federated at the national level. At the national level also these federations are mainly of two types - those related to multipurpose agricultural cooperatives and those related to single purpose cooperatives. The National Federation of Agricultural Cooperative Association (ZEN-NOH), National Mutual Insurance Federation of Agricultural Cooperatives (ZEN-NOH), National Press and Information Federation of Agricultural Cooperatives (IE-NO-HIKARI) and National Welfare Federation of Agricultural Cooperatives are in the former category.

Those related to single purpose agricultural cooperatives are National Federation of Livestock Cooperatives, National Federation of Dairy Cooperatives, National Federation of Sericultural Cooperatives, the National Federation of Horticultural Cooperatives etc.

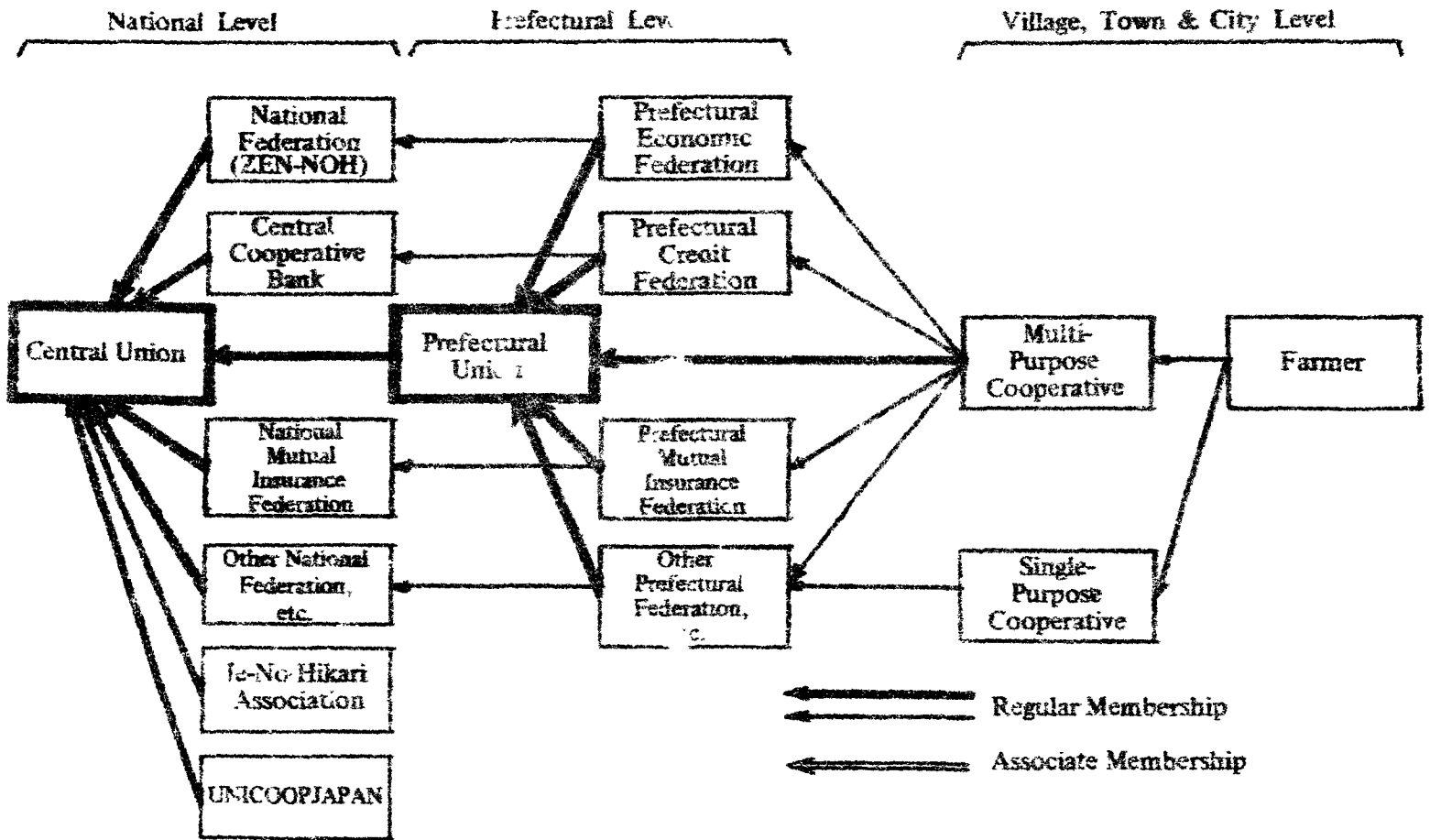
Central Union of Agricultural Cooperatives

The Central Union of Agricultural Cooperatives is the national apex of the agricultural cooperative movement of Japan. Its membership is composed of prefectural unions and national level federations. Since primary agricultural cooperative societies and their federations at prefectural level are members of these organisations the Central Union truly represents the entire agricultural cooperative movement of Japan and acts as its national spokesman.

The main activities of the Central Union are providing guidance in organisation business and management of agricultural cooperatives, auditing them, providing educational and information services, liaison and coordination, research and studies of agricultural cooperatives and acting as the spokesman of the agricultural cooperative movement.

Its activities are designed to contribute to "character building" of the agricultural cooperatives.

STRUCTURE OF AGRICULTURAL COOPERATIVE MOVEMENT OF JAPAN



Primary Multipurpose Agricultural Cooperative Societies

Membership

The multipurpose agricultural cooperative societies are the main type of primary cooperatives in Japan. There are two types of members - the regular members and associate members. The regular members have the voting right while associate members have no-voting right. To qualify for regular membership a person should be an agriculturist who cultivates an area of at least one-tenth of an hectare or should be engaged in agricultural pursuits for not less than 90 days in a year. Associations of farmers also can become regular members.

The regular member farmers are of two categories, e.g. full-time farmers and part-time farmers. Full-time farmers derive their income fully from agricultural pursuits while part-time farmers get their income partly from non-agricultural occupations.

The part-time farmers are also divided into two categories. Category I belong those farmers who derive the major part of their income from agriculture. The category II farmers are those who derive the major part of their income from non-agricultural occupations.

Those non-farmers who wish to join the multipurpose agricultural societies can do so as associate members. They participate in the activities of the societies such as credit, insurance, consumer supply and better living.

Associations and corporations also can acquire associate membership of multipurpose societies.

The number of regular members in the multipurpose societies have been gradually decreasing and the number of associate members increasing. This is due to the fact that an increasing number of households which were earlier eligible for regular membership being mainly or partly engaged in agriculture have given up agriculture and taken to non-agricultural pursuits and have thus become ineligible for regular membership and therefore have acquired associate membership.

Regular and Associate Members
in Multipurpose Agri.Coops

Unit = 1,000 individual
1,000 groups

	<u>1975</u>	<u>1980</u>
Regular Members		
Individuals	5,768	5,635
Groups	5.1	6.4
Associate Members		
Individuals	1,549	2,183
Groups	50.4	60.6

The size of the primary multipurpose (Agricultural) cooperatives have increased over the years especially during the last decade due to amalgamation. More than 35 per cent of the primary societies now have over 1,000 regular members.

Number of Multipurpose Coops. Classified
According to Regular Member Households

Unit = (Coop.)

	1975	1980	Composition Ratio in 1980
Total No.Coops. surveyed	4,765	4,488	100
Less than 100 Households	76	76	
100 - 299 Households	637	1,500	33.4
300 - 499 Households	921		
500 - 999 Households	1,417	1,306	29.1
1,000 - 1,999 Households	1,012	983	21.9
2,000 - 2,999 Households	385	368	8.2
3,000 - 4,999 Households	274	263	5.9
More than 5,000 Households	69	68	1.5

Amalgamation

The Japanese economy engaged a rapid growth after the second world war. Demand for labour in the industrial sector increased with its rapid expansion. With the growth of the economy the prices of agricultural commodities rose. The prices of agricultural commodities increased by 60 per cent during the period between 1960 and 1966. This increase as well as part-time employment of agricultural families in industry resulted in a marked increase in their incomes. The agricultural cooperatives which had established firmly in rural areas with almost hundred per cent of the farmers in their membership were called upon to provide more and better facilities demanded by modern agriculture and to supply farm families with modern consumer goods needed for comfortable living. However, their ability to improve and expand their services were limited by the smallness of their size. Expansion of size of the societies became an economic necessity.

Enlargement of Private Business Enterprise

The cooperators also saw that the private sector was undergoing a vast transformation in its methods and techniques of business. The smaller companies were joining together to form large organisations to achieve economies of scale. Even the administrative units of local governments were being enlarged to improve their efficiency.

The members were also not unmindful that their increased incomes were still not comparable with the incomes of the workers in the industrial sector. The more enlightened sections of the farmers therefore wanted their societies enlarged and strengthened to facilitate the adoption of modern and scientific methods of production and marketing so that they could further enhance their incomes.

The need for larger viable and stronger units was increasingly felt with the advancement of the national economy, the increasing complexity of modern agriculture and the greater demands for services from the membership.

The cooperative leaders of Japan led by the Central Union of Agricultural Cooperatives therefore considered that the most essential pre-requisite for advancement of agricultural cooperatives in the highly competitive economy of Japan was to make them large and viable units, strong and efficient enough to render the services demanded of them.

Under the leadership and guidance of the Central Union of Agricultural Cooperatives implemented an amalgamation plan. A large number of societies took part in the programme.

<u>Amalgamation of Agricultural Cooperatives</u>			
	<u>1961-65</u>	<u>1966-68</u>	<u>Total</u>
Mergers	1,378	311	1,689
Cooperatives involved in merger	6,085	1,133	7,218

With the enlargement of size the agricultural cooperatives became stronger and more capable of providing better and efficient service to members. They acquired economic strength which enabled them to maintain large processing and grading plants and facilities necessary for modern agricultural production and marketing.

Democratic Administration

General Body

The supreme decision making body in the multipurpose cooperatives is the general body of members. In large societies, the normal general body has been replaced by a body of representatives. All the business normally transacted in the General Body meetings are transacted in the Representative Meetings. The representatives are elected at block level meetings of members. Normally areas served by a branch of a society forms a block. Roughly one representative is elected for every 50 members. Before holding the General Meeting or the Representatives Meeting a series of hamlet meetings are held in order to give an opportunity to members to discuss the affairs of the society thoroughly. In these meetings the society's past year's performance and the coming year's plans are fully discussed. The average attendance in these meetings is higher than that of general meetings. Usually about 90 per cent of the members attend these meetings.

Board of Directors

The Board of Directors and the President and the Vice-President are elected at the annual general body meeting. Normally the directors are elected to represent different areas of the society. In the case of amalgamated societies they are elected to represent areas which had separate societies earlier and have become branches of the amalgamated society.

The persons to be elected to the Board are normally agreed through consultation before holding the general meeting. Because of these, prior preparations the general meeting takes the form of a formal gathering where decisions already taken are formalised.

President, Working directors and Employees

The President work full-time in the society. In some societies, normally depending on the size and the volume of business the vice-president and one or two other directors also work as full-time directors. In certain societies the Managing Director also is an elected director. Instances are common where employees who have risen to the position of General Manager have been elected to the Board and also as President.

The General Board also elects auditors. The average number of elected auditors per society is four.

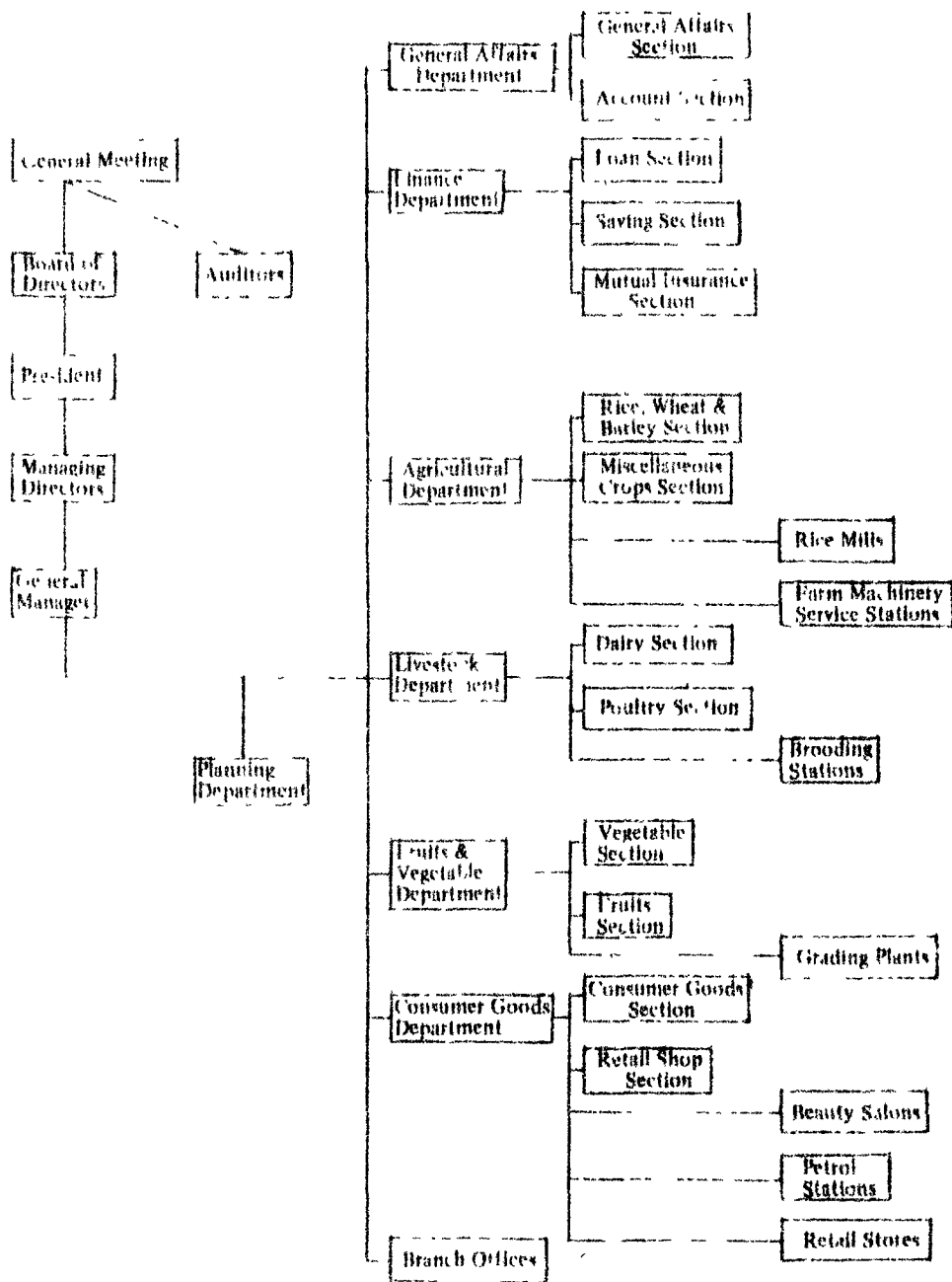
	<u>No. of elected officials and employees</u>			
	<u>1970</u>	<u>Average per Coop.</u>	<u>1980</u>	<u>Average per Coop.</u>
Societies	6,049		4,546	
Full-time directors	8,108	1.3	6,164	1.4
Part-time directors	69,753	11.53	57,193	12.7
Auditors	<u>22,733</u>	<u>3.76</u>	<u>17,697</u>	<u>3.9</u>
T o t a l	100,594	16.62	81,059	18.0
Managers	4,033	0.67	3,308	0.7
Farm advisers	15,512	2.56	18,661	4.2
Better living advisers	1,735	0.28	2,571	0.6
Other employees	<u>226,099</u>	<u>37.38</u>	<u>261,837</u>	<u>58.3</u>
T o t a l	247,379	40.9	286,377	63.8

Though the total number of elected officials and managers have decreased during the last decade which is due to the decrease in the number of societies the average number of elected officials and managers per agricultural cooperative society has increased. In the case of employees other than managers both the total number and the average per cooperative have increased.

Organisational Structure

The organisational structure of primary societies differ from society to society in detail, but a general pattern is seen in all societies. The organisational structure shown below is the pattern commonly found in societies.

**ORGANISATIONAL STRUCTURE OF MULTIPURPOSE
AGRICULTURAL COOPERATIVES IN JAPAN.**



Management

The President is working full-time and performs management functions. The Managing Director also is an elected director. All societies do not have the post of managing director. The General Manager who is the top employee work under the guidance of the President and the Managing Director.

Each department is headed by a departmental manager and each section by a section-chief. Branches of the societies function under a branch manager and normally have all departments found in the head office. The societies have used the opportunities presented by the creation of larger societies and in the case of non-amalgamated societies opportunities presented by the increase in the value of business over the years to rationalise the division work among employees and use their services more economically. Due to the increase in business activities the number of employees also have increased over the years.

Communication with Employees

Staff meetings of short duration are held frequently, in the case of some societies daily, to discuss and give instructions on business matters. Monthly meetings of staff are held to discuss the activities of the societies and any problems the staff may have. Each department also holds separate meetings of its staff once a month to discuss the activities of the respective departments.

Communication with members

Due to the formation of larger units through amalgamation a "distance" has been created between the societies and the members. Various communication methods have been adopted to lessen the "distance" and maintain close relations with the members.

Block level meetings are held before and after the representative meetings. The representative of the block and some times officials of the society attend these meetings. Views of the members expressed at block level meetings held before the representative meeting and discussion held decisions made at the representative meetings are conveyed to the block level meetings held after the representative meeting.

The employees of the societies visit member homes and supply the members with information regarding working of the societies and discuss their problems.

Meetings of the Commodity Groups are also used as forums to maintain dialogues with members.

Societies bring out publications, regular and occasional, to keep the members informed of the activities of the societies and also to provide them with agricultural news and instructions on production techniques. Annual reports of the societies are published.

Wire communication system which connects member homes with the society and with each other telephonically is used to provide information regarding the activities of the society. The telephone receiver of the wire communication system also serves as a broadcasting receiver set for broadcasts made through the wire system. Daily news bulletins are announced through this system giving news regarding the society and also general agricultural news.

Business Activities

Credit

Credit is the main activity of multipurpose agricultural cooperatives and normally brings the largest income. In cases where there are losses in other sectors the profit from the credit sector is able to absorb them.

Savings

Members' savings in agricultural cooperatives is the one single factor that has contributed most to their progress and developments and to economic well being of the member farmers. On the average 50 per cent of the savings in a primary society is sufficient to meet the loan requirements of its members and the same is true for the credit federations. Therefore, about 50 per cent of the savings with the primary societies are deposited with the prefectural credit federations and 50 per cent of the deposits with the prefectural credit federations are deposited with the Central Cooperative Bank and lent to non-cooperative organisations. The amount of savings in agricultural cooperatives have been growing steadily. During the five years between 1976 to 1980 the total savings in agricultural cooperatives have increased by 60 per cent.

Deposits and Loans in Multipurpose Agri.Coops

Unit = million US dollars

<u>Year</u>	<u>Deposits</u>	<u>Loans</u>	<u>Percentage of loan to deposits</u>
1976	61,200	32,100	52.0
1977	69,500	35,000	50.0
1978	78,000	37,200	47.7
1979	88,000	38,200	43.4
1980	98,000	41,500	42.3

The agricultural societies undertake intensive campaigns to promote savings by members. Different types of savings accounts are maintained to encourage them to save with the society.

The small societies before amalgamation employed various ways of savings to build up members' deposits. Housewives used to keep aside little rice daily before a meal is cooked, and when a substantial amount is collected they gave it to the society. The society credited the value of the rice to the deposit account of the respective member.

The practice of keeping back some amount of rice without selling to pay insurance premium was prevalent until few years back.

With the rise of income levels these practices have disappeared. The habit of saving a part of the income has taken root among the farm families as well as non-farm families.

The societies now operate various types of deposit accounts.

(i) Saving account : (Farm operation)

The proceeds obtained from marketing of farm produce is credited to these accounts. The members can withdraw the money when required.

(ii) Special purpose deposits

These deposits are maintained for saving money for specific purposes e.g. (a) education of children, (b) sightseeing trips, (c) wedding anniversary celebrations, (d) payment of taxes, (e) car re-conditioning, etc. These saving deposits have maturity dates and cannot be withdrawn before the due date. Thus the society is certain of the period up to which it can use these funds.

(a) Education of children

To meet the expenses of higher education of children parents start saving in the special saving accounts when the children are young. This enables them to accumulate sufficient money by the time the children reach the age for receiving higher education.

(b) Sight-seeing

Going on annual sight-seeing trips to various parts of Japan is common among the members. They regularly save for this purpose.

(c) Wedding anniversary celebrations

Married couples maintain special saving accounts to be able to celebrate their wedding anniversaries.

(d) Tax payment

In the case of members who have "transfer saving accounts" the society receives the tax notices from the government on their behalf and pays the taxes and debit the account of the respective member. In the case of members who have "ordinary tax payment deposits" the tax notices are received by the members themselves and the society pays the taxes when the member so requests.

(e) Car re-conditioning

The law requires the motor car owners to re-condition their vehicles periodically. Re-conditioning involves substantial costs and members save in special accounts for this purpose by making instalment deposits.

(iii) Saving campaigns

In order to promote savings the Society conducts "savings day" campaigns. On a specific date of every month the employees of the staff of the society go to the members' homes and collect savings.

The societies have "visiting officers". They visit members' homes and collect savings. They also take orders for goods from them and arrange their supply. They are also expected to find out the reactions of the members to the working of the society, what modifications and readjustments they desire, and what new things they would like the society to do etc., and communicate them to the management.

In order to make the appeal for saving more attractive the societies sometimes use various strategies. For instance some societies have started a special saving campaigns to attract deposits from part-time and full-time farmers when they receive their incomes. The part-time farmers get their income from non-agricultural employment monthly. They also receive annual bonuses. The full-time farmers get their major income mostly twice a year. To attract savings from these incomes one the society has started a special deposit called "Gold" deposit. This is an instalment saving deposit. The members can borrow against these deposits. For the depositors who reach set targets free sight-seeing trips are arranged at the expense of the society.

One of the methods used to encourage saving is to get the housewives to save the difference between the "expected expenditure" and the amount actually spent. Normally the monthly allocation given to the housewives for household expenditure is not totally consumed. They are encouraged to save the balance with the society instead of using them to buy extra items. This saving system is called "Tsumori" system. Sometimes in order to make a saving housewives forego certain luxuries they normally enjoy.

Financial Resources for Savings

The government has given various forms of assistance to farmers since 1950 under its policy of increasing food production aimed at achieving self-sufficiency in food. The agricultural societies have been assisted in their amalgamation programmes by giving subsidies and low interest loans for building modern facilities and in promoting land consolidation. The government gives subsidies on interest for loans they borrow for modernising agriculture. These measures have helped the farming families in improving

their economic standard which has enhanced their ability to save. During the last two decades there had been a sharp escalation of land prices in Japan. The farmers have sold portions of their land to government for road building etc. and to others for various other purposes. The most of the income from such land sales have been deposited with the cooperatives and banking institutions. In 1972 and 1973 for instance about 40 per cent of the savings received by agricultural cooperatives from members came from incomes they derived from land sales. Contribution of farm income to total savings in agricultural cooperatives was higher in sixties. In 1962 for instance, 63 per cent of the total savings came from agricultural income. The contribution from this source has declined progressively and in 1978 only 36 per cent of the savings came from agricultural income. The major source of contribution presently is non-agricultural income. In 1962 the percentage of contribution from this source was 26 and the figure rose to 51 per cent in 1978.

Sources of contribution to members' deposits in Agricultural Cooperatives

Unit = Percentage of total savings

	Farm income			Proceeds of sales of land	Non-farm income	Total
	rice	Others	sub-total			
1962	39	24	63	11	26	100%
1967	27	26	53	16	31	100%
1971	21	21	42	32	26	100%
1972	15	17	32	42	26	100%
1973	15	13	28	40	32	100%
1974	21	17	36	19	43	100%
1975	21	19	40	20	40	100%
1976	21	20	41	13	46	100%
1977	18	18	36	14	50	100%
1978	16	18	34	15	51	100%

Agricultural cooperatives receive a substantial portion of the total national savings. In 1979 it amounted to 7.9 per cent of the total savings. The cooperative sector and the labour banks together received 22 per cent of the total national savings.

Deposits with cooperatives and various other financial institutions

Received by	As of 31st March 1979		
	Balance of Deposits received	%	Yearly increase rates
Agricultural Cooperatives	103,400 (mil.\$)	7.4	12.9
Fisheries Cooperatives	5,400	0.4	12.7
Other Agriculture Forestry & Fisheries Institutions	7,300	0.5	7.3
Banks	521,100	37.2	12.8
Trust Banks	103,500	7.4	14.7
Mutual Loan and Savings Banks	97,200	6.9	13.8
Credit cooperatives, credit banks, Labour banks, The Central Bank for Commercial & Industrial Cooperatives	176,600	12.6	12.6
Postal Office Savings	215,300	15.4	19.2
Mutual Insurance and Agricultural Cooperatives	22,400	1.6	13.3
Life Insurance	93,900	6.7	15.2
Postal Life Insurance	53,900	3.9	17.7
T o t a l	1,400,000	100.0	14.3

Loans

Agricultural cooperatives lend to its members both for agriculture and consumption purposes. Short-term loans are given for agricultural operations and short-term consumption needs. Long-term loans are given for purposes such as purchase of agricultural machinery, land improvement,

construction of vinyl houses and building of dwelling houses. In the case of loans given for modernisation of agriculture such as land improvement and purchase of agricultural machinery the government subsidises the interest. The government pays 3 per cent of the interest to the society and balance is charged to the borrower.

Maximum ceiling for loans to any individual member is fixed by the representative meeting. Within this limit the Board of Directors fixes the individual maximum credit limit of members.

The personal character, the needs of the individual, expected income, property owned and the loyalty to the society are the factors that are taken into consideration by the Board in fixing the individual maximum credit limits.

Total loans extended by Agricultural Cooperatives in any year normally does not exceed 50 per cent of the total savings with them. The percentage has been gradually decreasing. In 1976 it was 52 per cent and in 1980 it was 42 per cent.

The repayment position of loans in agriculture societies is very good. Normally the overdues do not exceed more than 0.3 per cent of the loans given and the bad debts are in the range of 0.02 per cent.

Mutual Insurance

The mutual insurance in agricultural cooperatives is designed to secure lives and property of member families through mutual aid. The insurance business is of two types; long-term types such as life endowment, juvenile building endowment and building construction insurance and short-term types such as fire, automobile, automobile liability, personal accident and fixed-term life insurance.

Mode of Operation

The cooperative insurance is operated in a three-tier system. The primary societies sell the policies. The societies do not employ agents for sales and therefore do not have to pay commission on sales. The members themselves buy the policies from the society. The societies do propaganda work to promote sales. The employees visit members' homes, especially during

October-December, the period in which most farmers get their income, to persuade them to buy policies. The employees receive a per diem allowance for this work. The advertisement expenses are borne by the Prefectural Insurance Federation.

When a policy is sold and the premium is received the primary society retains a part of the cost portion of the premium and send the balance cost portion, risk portion and the saving portion to the Prefectural Insurance Federation.

The Prefectural federation retains a part of the cost portion, all of the saving portion and send the balance cost portion and the risk portion to the National Cooperative Insurance Federation (ZENGYOREN).

Investment of funds

As a major portion of the insurance funds are retained with the Prefectural Federation the responsibility for investment lies with them. Presently about 90 per cent of the total insurance funds of the cooperatives are with the prefectural federations and the balance 10 per cent is with the National Federation. This ensures giving priority to rural needs in the use of the funds. Normally the prefectural insurance federations deposit 40 to 50 per cent of the funds with the prefectural cooperative credit federations and use the balance to lend to other cooperatives, firms and insured persons.

Settlement of claims

The claims are made on the primary society by the clients. In the case of life insurance, when a claim is made in the event of death or disablement of the insured and in the case of building rehabilitation insurance when a claim is made in the event of the destruction of the building by fire, the primary societies submit the claim to the prefectural insurance federation along with its investigation report. On the sanction of the Federation the claim is settled.

In the case of claims made on maturity the primary society decides on the settlement after due examination of documents, etc.

Life Insurance

Four types of life insurance policies are sold by the societies :

- Endowment I : The full amount payable at maturity is paid on the event of death of the insured.
- Endowment II : In the event of death of the insured before maturity of the policy twice the amount insured for is paid.
- Endowment III : In the event of death of the insured before maturity of the policy thrice the amount insured for is paid.
- Endowment IV : In the event of death of the insured before maturity of the policy five times the sum insured for is paid.

The premium payable is higher depending on the amount entitled to receive in the event of the death of the insured.

Building Insurance

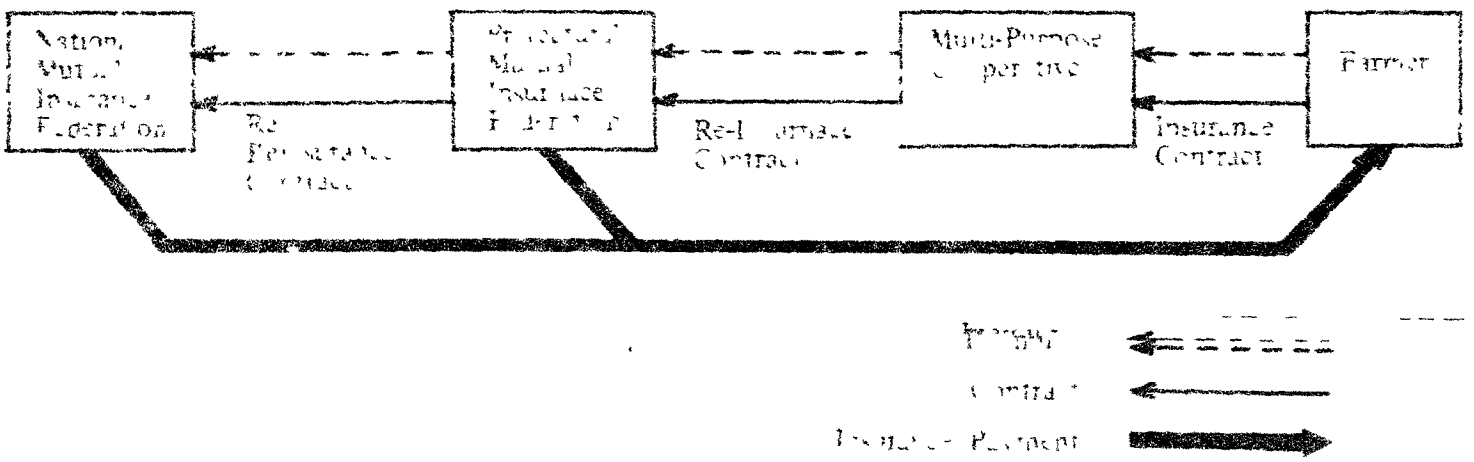
The building (rehabilitation) insurance policies are similar to life insurance as far as their operation is concerned. As in life insurance the full amount is paid on maturity of the policy.

There are two types of insurance policies :

- Type I : In the case of these policies the full amount payable at maturity is also paid in the event of the building getting destroyed by fire.
- Type II : In the case of these policies the full amount payable at maturity is paid in the event of the building getting destroyed by fire.

The insurance system of the agricultural cooperatives operates on mutual aid basis. Cost of operations are kept low by rational operations. Method of settling policies does not require payment of commission. Insurers - the primary societies and federations - are not interested in making profits for themselves. As a result of these factors the premia are low.

System of Mutual Insurance in Agricultural Cooperatives



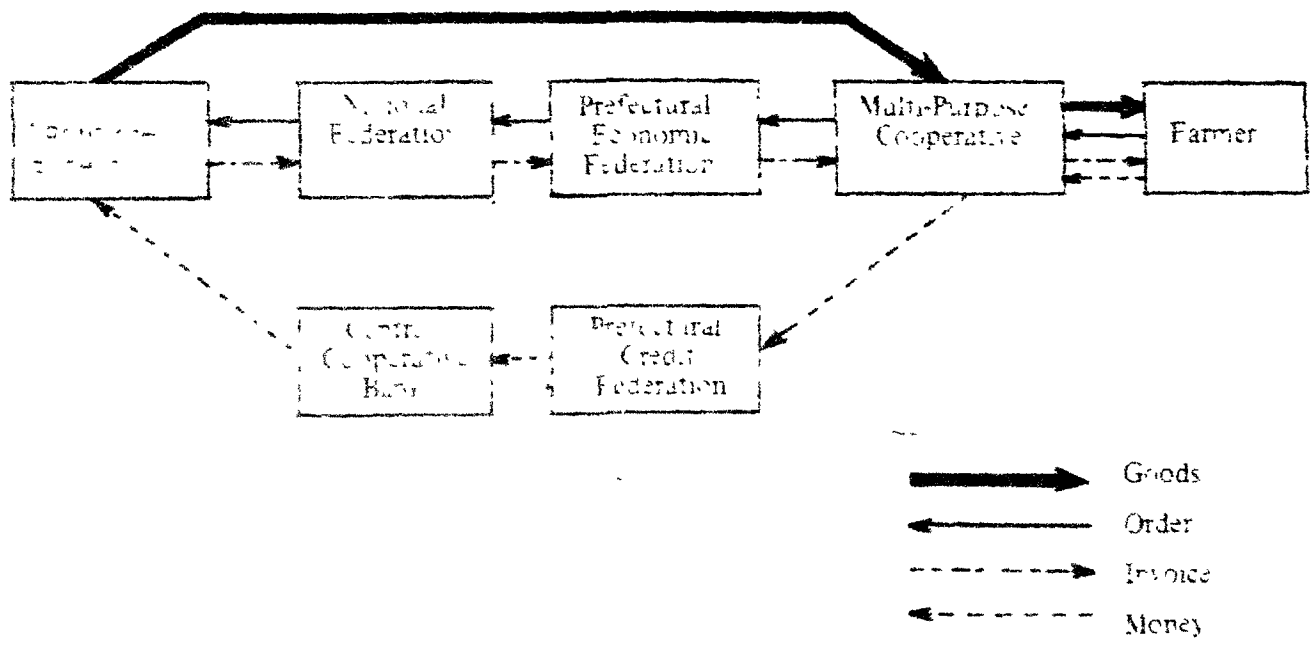
Supply

Agricultural cooperatives are engaged in supply of both agricultural inputs including farm machinery and consumer goods. The objective is to supply them at reasonable prices. The main method of supply is the advance order and pooling account system. Members place their orders with the society based on their production and home economy plans. The society supplies the goods on pool accounting basis. Goods are purchased in as large quantities as possible to get the maximum advantage of economy of scale. In addition to this system of supply consumer stores and super markets of agriculture cooperatives supply daily necessities. Most of the goods needed by the primary societies are purchased from the prefectural economic federations, who in turn purchase them from the National Federation of Agricultural Cooperatives Association (ZEN-NOH).

The method of making purchases is as follows. The societies based on its estimates of demands for goods by the customers place orders with the prefectural federations. The federations pool all the orders of member societies and place a bulk order with the National Federation. The National Federation places orders with the manufacturers with necessary instructions for the delivery of goods direct to the primary cooperatives. The payment is made by the primary cooperatives to the manufacturers through the prefectural credit federations and the Central Cooperative Bank for Agriculture and Forestry.

The primary societies and prefectural economic federations also purchase some goods from independent manufacturers. The National Federation holds shares in some of the manufacturing companies from which the cooperatives make their purchases.

System of Supply in Agricultural Cooperatives



21-B.

SUPPLY TURNOVER OF MULTI-PURPOSE SOCIETIES

No. of coops. surveyed 4,517

As of March 1980
(Unit Million Yen)

Commodities	Total	Per Society
Production materials		
Feed	706,703	156
Fertilizer	405,177	90
Agr. chemicals	249,747	55
Green house materials	79,582	18
Packing materials	102,624	23
Agr. machinery	387,057	86
Oils	474,600	105
Automobiles excluding motorcycle	157,365	35
Building materials	52,547	12
Others	259,637	57
Total	2,875,040	636
Livelihood necessity		
Rice	126,291	28
Other foods	631,451	140
Clothings	64,669	14
Durable consumers goods	96,428	21
Miscellaneous daily commodities	173,376	38
L. P. Gas	93,654	21
Others	100,868	22
Total	1,327,035	294
Grand total	4,202,075	930

Marketing

Rice

The bulk of the marketing business of agriculture cooperatives is in rice. Rice is bought by the Government at a guaranteed price and supplied to the consumers at a subsidised price.

The marketing of rice is done in two ways. One is by supplying rice to government under the guaranteed price system and the other by selling it in the open market. Under the first system, rice is collected from the farmers on "an advance selling system". Farmers conclude sale agreements with the government through the cooperative society and the National Federation of Agricultural Cooperatives (ZEN-NOH). On conclusion of the sale agreement they receive an advance payment amounting to about 10 per cent of the purchase price. When the rice is harvested the society collects pre-determined amounts from the farmers in the form of brown rice and stores it in the society's warehouses.

The society receives a handling commission and also warehousing charges from the government. The brown rice is milled into polished rice and delivered to various consuming centres on orders from the government.

The cost of Japanese rice is higher than that of rice in the world market due to the high cost of production and Japan also has an over production of rice - more than needed for domestic consumption. Therefore purchase of rice at a guaranteed price involves a heavy financial burden on the government. Due to these reasons the Japanese Government is following a deliberate policy of reducing rice production by decreasing the area under rice. To achieve this objective the government pays a subsidy to the farmers for converting rice field into cultivation of other crops. As a result of this policy there has been a decline in the production of rice and consequently in the amount marketed. From 1970 to 1980 the production declined by 33 per cent.

Production, Consumption and Marketing of RiceUnit = 1,000 tons

	1970	1978	1980
Production	12,528	13,085	9,692
Planted area	2,836	2,719	2,350
Yield per 0.1 ha (kg.)	442	481	412
Consumption in financial year	11,948	11,964	11,209
Govt.stock (end of October)	7,202	1,142	6,600
Guaranteed producer's price (yen/60 kg.)	8,272	15,570	17,674
Value of the amount marketed			
Sales to Government (million yen)		1,542,651	1,086,257
Sales to Wholesalers (million yen)		612,511	857,730
Others		27,909	31,262

Fruits & Vegetables, etc.

The methods societies follow in marketing of fruits vegetables etc. are the unconditional consignment system, pooling account system and commission system. Bulk of the produce is marketed through the prefectural economic federations and the National Agricultural Cooperative Federation. A part of the produce is also sold in the local market. In these sales some societies auction the produce.

The marketing turn-over of agricultural produce other than rice has been increasing. From 1975 to 1980 the increase in the turn-over was 21 per cent. The value of vegetables marketed has increased by 73 per cent.

Marketing Turnover of Agricultural Produce

Unit = Million Yen

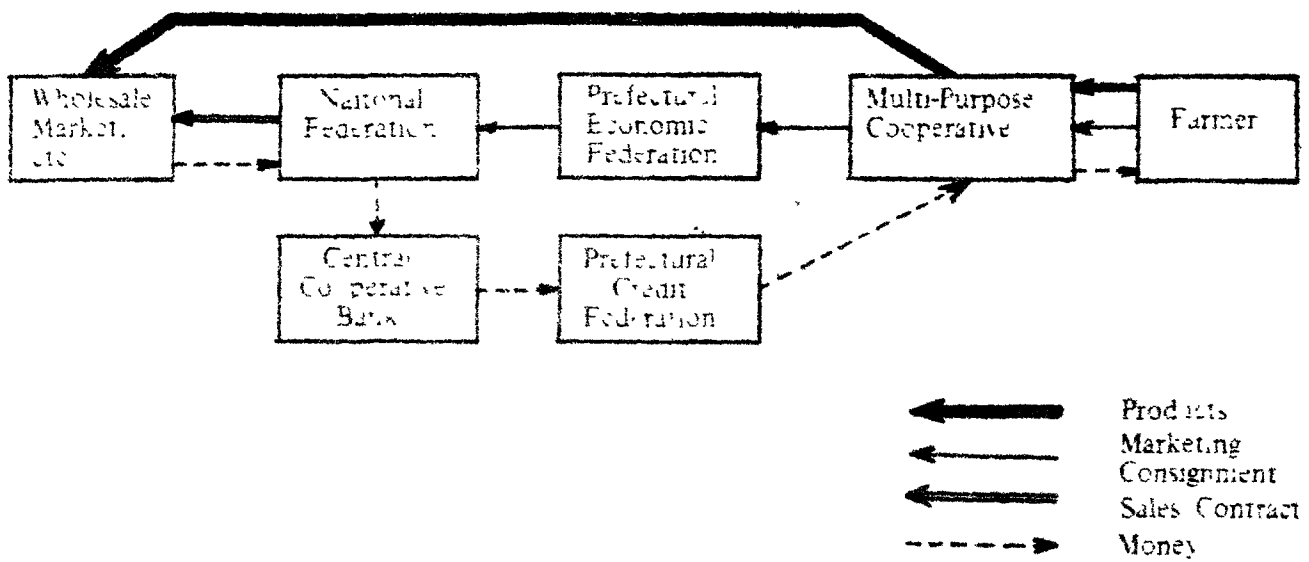
Commodities	1975		1980	
	Amount	Average per Coop.	Amount	Average per Coop.
Rice purchased by the Government	1,542,651	323.7	1,086,257	242.0
Rice Sold to Wholesalers	612,511	128.5	857,730	191.1
Other	27,909	5.8	31,262	6.9
Total of Wheat, Barley and Others	32,565	6.8	127,263	28.3
Miscellaneous Cereals and Pulses	46,857	9.8	58,934	13.1
Processing Sweet Potatoes	43,158	9.1	69,681	15.5
Silk Cocoon	87,418	18.3	100,041	22.3

Marketing Turnover of Agricultural Produce (contd.)

Commodities	1975		1980	
	Amount	Average per Coop.	Amount	Average per Coop.
Vegetables	476,256	99.9	825,780	183.9
Fruits	427,902	89.8	565,862	126.1
Tea	41,366	8.7	58,625	13.1
Other Agricultural Products	93,841	19.7	136,171	30.3
Fresh Milk	198,002	41.6	294,310	65.6
Milk (including processed milk)	10,305	2.2	21,781	4.9
Hen Eggs	97,419	20.4	123,459	27.5
Chicks and Breeding Chicken	3,355	0.7	4,136	0.9
Broiler Chicken	48,913	10.2	75,604	16.8
Dairy Cattle	18,911	3.9	28,943	6.4
Beef Cattle	215,719	45.2	329,470	73.4
Pig	237,290	49.7	311,044	69.3
Other Livestock Products	22,675	4.8	27,466	6.1
T o t a l	4,516,689	947.9	5,500,881	1,225.6

In some areas cooperatives have price support programmes for vegetables. Prices are supported during periods when they go down below a certain level. Fund is maintained for this purpose. The Prefectural Government contributes 50 per cent of the fund and the other 50 per cent is contributed by the Prefectural Economic Federation, the society and the farmers.

System of Marketing in Agricultural Cooperatives



Utilization and Processing

Facilities provided by the agricultural cooperatives for members enable them to use facilities which they cannot afford individually. Facilities provided include large sized tractors repair workshops, grading plants, country elevators, breeding centres and seedling centres. These facilities also enable the societies to assist members in planned and scientific production and efficient marketing.

As processing being the one stage in the process of marketing which adds target value to the products agricultural cooperatives have entered the field in a big way.

Primary agricultural cooperatives and their federations have set up processing plants for various agricultural produce in order to get the maximum return to the individual members for their produce.

The primary societies have smaller processing units while their federations at prefectural and national level have larger plants.

Number of multipurpose coops. owning joint utilisation facilities

Rice Mills	1,456 societies
Silk worm rearing facilities	548 "
Fruits and vegetables collection	2,290 centres
Fruits & vegetables grading plants	1,349
Breeding centres	104
Egg grading plants	164
Milk collection depots	359
Milk cooling plants	116
Feedstuff storages	165
Farm machinery repair centres	2,195
Car repair shops	689
Petroleum stations	2,730
Tractor centres	1,467

Guidance

Guidance activities of the agricultural cooperatives are intended to assist the member families in enhancing their economic status by improving their incomes and leading a better and fuller life by using their incomes rationally. For achieving these objectives guidance activities are undertaken in two fields : (a) Farm Production and (b) Better Living.

Farm Production

The main objectives of farm guidance activities are to :

- to improve overall farm land conditions;
- farm planning - individual and regional;
- bringing about uniformity in the use of chemicals and fertilizers and other production material;
- improvement of production techniques;
- arranging joint grading marketing etc.

The societies have separate sections to undertake farm guidance activities. The farm guidance advisers of the societies render advice and guidance required by farmers. The farmer members are organised into commodity groups according to the crop they grow or live stock they raise.

The commodity groups elect their own chairmen. Monthly meetings of the groups are held once or twice a year. The groups are divided into sub-groups of few members each residing in the same area near to each other. These sub-groups, meet more frequently. Most of the activities of the groups are carried out at this level. Farm guidance advisers extend advice mostly through these sub-groups. They also give advice and guidance individually if any farmer has a problem or need such **individual services**. Once a year excursions are arranged for the members of the groups to visit other agricultural areas and markets so that they can learn from the experience of others.

In 1970 there were 15,512 farm advisers in the agricultural cooperatives, the number rose to 18,661 in 1980. The average number of farm guidance workers per society in 1980 was 4.2.

Farm guidance services have contributed greatly in the modernisation of agriculture, increasing yields and enhancing incomes of the farmers in Japan.

Better Living Guidance

The objective of better living guidance activities is to help the member families in leading better and fuller lives. Farm guidance activities help the farm families in improving their incomes. The better living guidance activities assist them in using their incomes rationally. In order to realise the objective of higher standard of living, societies help in home economy planning, improving diets and dieting habits, improving clothing and housing, health and sanitation and in cultural activities. Supplementary income generating and saving promotion activities are also an important part of better living activities.

Most of the work in the farms in Japan is done by women. As most of the Japanese farmers are part-time farmers, they work in the farms only during the week-ends when they are free from factory or office work. Women attend to farm work daily. In order to help women to practice scientific agriculture and improve yields study groups are organised among women. Womens' associations take an active part in better living activities of agricultural cooperatives. These associations work in close collaboration with the agricultural cooperatives and within their work plans. They elect their own office bearers - President, Secretary, etc. The members have to pay a membership fee which is utilized to meet the expenses of the activities of the associations. The agricultural cooperatives also give a subsidy to the womens' association of their society to meet the expenses of their activities.

Some of the activities womens' associations are engaged in are :

- Training women in book-keeping;
- Saving promotion;
- Joint purchases of consumer goods;
- Arranging medical check-ups of farm families;
- Arranging classes for cooking, dress making, flower arrangements and Kimono dressing;
- Promoting self-sufficiency in food by cultivation of kitchen gardens.

Facilities and Services

The facilities the present agricultural cooperatives provide and services they render are very impressive. They maintain all or most of the following facilities and services :-

1. Fruits and vegetables grading centres.
2. Processing plants for fruits vegetables, tea, etc.
3. Egg collecting centres.
4. Marketing centres to sell locally produced fruits, vegetables and other local products.

5. Supply centres of insecticides, weedicides and other agricultural requisites.
6. Seeds and seedling selling centres.
7. Consumer shops, big departmental stores and mobile shops.
8. Gasolene stations.
9. Agricultural machinery selling and servicing centres.
10. Automobile selling and servicing centres.
11. Automobile repair shops.
12. Warehouses for rice and other agricultural produce.
13. Warehouses for fertilizers, etc.
14. Warehouses for feedingstuffs
15. Artificial insemination centres for cattle and sheep etc.
16. Cattle rearing centres (where the male calves belonging to members are brought and reared).
17. Pig raising centres.
18. Tax paying services (the taxes due to government from members are paid on their behalf, by collecting them from members or by debiting their accounts in the society).
19. Electricity, water and gas charges paying services.
20. Health clinics.
21. Barber saloons and beauty parlours.
22. Wedding Halls.
23. Life improvement centres which run schools for cooking, sewing, music, etc.
24. Farming guidance services.
25. Life improvement advisory services.
26. Wire communication services.

Education

As explained earlier under "Communication with Members" the primary societies carry out member education by keeping members constantly informed about the activities of the societies through wire communication system, papers and pamphlets, annual reports, hemlet level meetings and group discussions. They also organise training courses and study visits for member families.

Prefectural unions and the Central Union with national level federations undertake television and radio broadcasting etc. to keep members and the public informed of cooperative activities.

The National Press and Information Federation of Agricultural Cooperatives which was established in 1948 publishes a daily newspaper entitled "Japan Agricultural Paper". It has a circulation of over 300,000 copies. The Federation also publishes three other papers entitled "Green Light", "Midori" and "Agricultural Publicity News". "Green Light" is meant for non-farmer members in urban areas and "Midori" for consumers in big cities.

The IE-NO-HIKARI Publishing Association issues the following magazines :-

- (1) "IE-NO-HIKARI" (Light of Home). This is monthly containing articles on cooperative subjects as well as articles on cultural and entertainment.
- (2) "Chijo" (on the land). This also is a monthly meant for rural youth has a circulation of 83,000 copies.
- (3) "Kodomo-No-Hikari" (light of children). This is a monthly issued for children. The object of the publication is to build up future leaders and members of the society.

The Ie-No-Hikari also conducts programmes in TV designed to develop agriculture and also the cultural development of farm population. Besides this, the Association also organises conferences and seminars and classes on various subjects like household accounting, dancing, etc.

NAGAOKA CITY MULTIPURPOSE (AGRICULTURAL) COOPERATIVE SOCIETY

C O N T E N T S

Situation
Establishment
Area
Crops
Live-stock
Farm Households
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Employees
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Organisational structure

BUSINESS ACTIVITIES

- CREDIT
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 - (b) Loans
- INSURANCE
- SUPPLY
- MARKETING
- UTILIZATION
 - (a) Wedding Hall
 - (b) Utilization facilities for agricultural production
- GUIDANCE
- BETTER LIVING ACTIVITIES
 - (a) Women's Association
- BALANCE SHEET

NAGAOKA CITY MULTIPURPOSE (AGRICULTURAL) COOPERATIVE SOCIETY

By

Lionel Gunawardana
Joint Director & Specialist in
Agricultural Cooperation

Situation

The Nagaoka City Multipurpose (Agricultural) Cooperative Society is situated in Nagaoka municipality, in the central part of Nigita Prefecture. Nigita prefecture has an area of 12,578 sq.kms. and is the fifth largest prefecture in Japan. It has a population of 2,451,000. The total number of households in this prefecture is 657,916.

Nigita city has an area of 259 92 sq.kms. and a population of 177,887 (1981).

MAP OF THE NIGITA PREFECTURE

Establishment

The Nagaoka City Multipurpose-(Agricultural) Society which is the second largest society in Nigita prefecture was established in August 1969 by amalgamating 16 small societies. The largest society that was amalgamated - Yamamoto Multipurpose (Agricultural) Society had a membership of 600 and the smallest - Ogigawa Multipurpose (Agricultural) Society had 200 members.

Original plan was to amalgamate all the 20 societies situated in the area. But four of them did not consent to the plan. The societies that objected had comparatively better management and economic conditions and wanted to maintain their separate identity.

Area

Nagaoka municipality has an area of 259.92 sq.kms. The cultivated area was 6,859.64 hectares (1980). The four societies that opted not to amalgamate and the Nagaoka Multipurpose (Agricultural) Cooperative Society cover this area.

MAP OF THE SOCIETY'S OPERATION AREA

Crops

The cultivated area in the municipality has gradually declined due to housing, road construction, etc. during the last two decades. The area under rice cultivation also has gradually declined. This is due the overall decline in cultivated area as well as to deliberate conversion of paddy into other crops. The decline of the total cultivated area from 1970 to 1980 was 921.32 hectares and the decline in rice cultivated area was 764.71 hectares.

Area under rice, upland, orchard and the number
of farm households cultivating them - 1970-1980

	Unit = Hectare Farm Households		
	1970	1975	1980
Rice	6,872.55	6,321.57	6,107.84
Farm households	7,130.00	6,743.00	-
Upland	801.98	704.52	-
Farm hous holds	6,834.00	6,384.00	-
Orchards	13.15	14.26	-
Farmhouseholds	81.00	97.00	

The major crops grown in the area is rice. The Nigita prefecture is famous for growing a high quality rice called "Koshi hikari".

Eightynine per cent of the total cultivated area is under rice. The target area next to rice is under vegetables. It amounts to 6.2 per cent of the total cultivated area.

<u>Area under different crops</u>	<u>Unit hectare</u>
Rice	6,107.84
Wheat and barley	5.30
Other grains	3.99
Potatoes	75.64
Cereals	73.97
Industrial crops	84.93
Vegetables	424.92
Flowers and plants	0.78
Seedlings	0.27
Food crops	37.39
Other crops	45.11
T o t a l	6,859.64

Live-stock

Raising of live-stock is increasingly becoming popular. Cattle farming is the most popular.

Number of farm households raising different live-stock and the number of live-stock

	<u>No. of farm households</u>	<u>No. of Live-stock</u>
Dairy cattle	43	364
Beef cattle	36	739
Pig	33	1,411
Larger hens	43	2,576
Broilers	1	520

Farm Households

The total number of households in Nagaoka Multipurpose (Agricultural) Cooperative Society area is 219,929 ha of which 6,890 are farm households.

There are only a small number of full-time farm households.

Part-time farm households of category I - those who derive a greater part of their income from agriculture - amount to 28.2 per cent of the total farm households. The category II - those who derive greater part of their income from non-agricultural occupations - amounts to 68.9 per cent.

Farm households in the society area

Full-time Farmers	223
Part-time farmers Category I	1,940
Part-time farmers Category II	4,727
Total	6,890

The number of full-time farmers has declined over the years and so has the number of part-time farmers of category I. The number of part-time farmers of category II have increased. This is due to full-time farmers becoming part-time farmers of category I and II and part-time farmers of category I falling into the category II.

	Full-time Farm Household	Part-time Category I	Part-time Category II
1965	223	5276	1156
1970	187	487	124
1975	182	584	
1980	187	686	

Land Holdings

The size of the land holdings in the society area is very small as the case in other parts of Japan. Only 116 or 1.68 per cent of total number of farm households owns land holdings of over 3 ha. Large majority of farm households (4,976) owns land holdings of less than 0.5 ha.

No. of farm households according to
size of land holdings held by them

<u>Size of land holdings</u>	<u>No. of farm households</u>	<u>Percentage of farm household</u>
Less than 3 ha.	116	1.68
Between 2-3 ha.	803	11.60
Between 1.5 - 2 ha.	981	14.30
Between 1 - 1.5 ha.	1,187	17.20
Between 0.5 - 1 ha.	1,766	25.60
Between 0.1 - 0.5 ha.	2,023	29.40
	6,890	

Membership

The total membership of the society at the end of fiscal year 1981 was 7,833.

<u>Membership</u>	<u>1978</u>	<u>1981</u>
Regular members	6,001	5,939
Associate members (individual)	1,671	1,759
(Group)	135	135
	7,807	7,833

Note:- Fiscal year of the society is 1st March to 28th February.
Reference to the year hereafter means fiscal year.

The number of regular members have declined from the figure of 1978 by 62 while the number of associate members (individuals) have increased by 88.

Officials

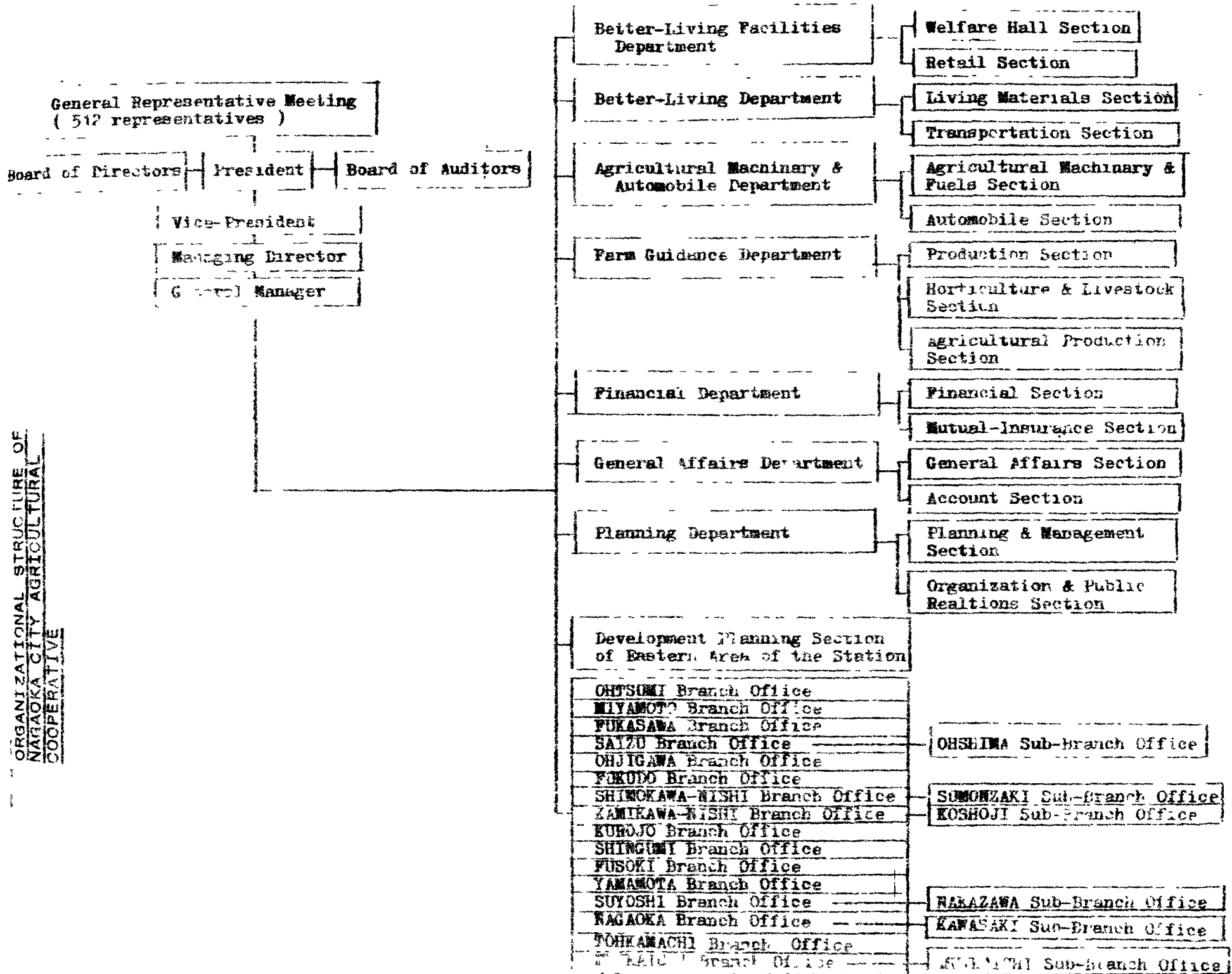
The society's Board of Directors consists of 30 directors including the President, Vice President and the Managing Director. Two of the directors are full time directors. The society has 5 elected auditors.

Employees

There are 360 permanent employees including the General Manager. The society also employees 13 temporary workers. Immediately after the establishment of the society by amalgamating 16 societies in 1969 it had only 164 employees but 160 officials of the former societies that were amalgamated too worked in the society bringing the total strength of the work-force to 324.

Representative Meeting

The supreme decision-making body of the society is the Representative Meeting. The representatives are elected at block level meetings. There are 512 representative. The Board of Directors including the President is elected by the Representative Meeting.



Business ActivitiesCreditSavings

The total amount of savings with the society at the end of the fiscal year 1981 was 43,007.00 million yen. This is an increase of 22.8 per cent over the total saving of 1978.

The average saving per individual member in 1978 was 4.56 million and in 1981 the amount rose to 5.59 million.

	<u>Savings</u>	<u>Unit - million yen</u>
	<u>1978</u>	<u>1981</u>
Fixed-term savings	27,107	34,723.77
Fixed-term instalment savings	1,460	2,046.42
Ordinary savings	6,448	6,237.06
T o t a l	<u>35,015</u>	<u>43,007.25</u>

Fixed-term saving : Here the money is deposited for a fixed period.

Fixed term instalment savings : Here the target amount to be completed in a certain period is decided at the time of starting the saving account and periodic regular deposits of fixed sums are made to complete the targeted amount.

Loans

The total amount of loans outstanding at the end of the fiscal year 1981 was 11,701.07 million yen including a loan of 5,943.57 million yen to the City Corporation. The total loans to individual members was 5,757.50 million yen an increase of 27 per cent over 1978 amount.

The average amount of loans outstanding from an individual member at the end of the fiscal year 1978 was 5,888,946 yen and at the end of 1981 it was 7,479,215 yen.

<u>Loans</u>	<u>Unit = million yen</u>		
	1978	1981'	Interest rate (%)
Institutional loans	978	1,024.03	
Housing loans	2,377	3,186.57	8.22
Loans on personal security (bills)	781	1,087.39	8.50
Farm Management loans	382	459.51	8.30
Sub-total	4,518	5,757.50	
To City Corporation	8,811	5,943.57	
Grand Total	13,329	11,701.07	

Institutional loans are those given for modernization of agriculture such as improvement of land by re-structuring, establishing vinyl house, buying farm machinery, etc.

In case of institutional loans government gives a 3 per cent subsidy on the rate of interest.

Farm management loans are for meeting cultivation expenditure while the loans given on personal security are short-term loans usually for consumption purposes.

The City cooperative borrow funds for the society for road construction and other infra-structure improvement purposes.

Capital insurance

The society sold long-term insurance policy holdings during the fiscal year 1981 to a value of 30,170.60 million yen exceeding the target of 30 billion set for the year, bringing the total value of long-term insurance policy holdings of the society to 235,458.63 million. The increase in the value of policy holdings for the three years from 1978 - 1981 was 530 per cent.

The average value of long-term policy holdings per individual member at the end of fiscal year 1981 was 30.59 million yen which is 528 per cent more than the corresponding figures for 1978 which was 4.87 million yen.

<u>Policy Holdings of Long-term Insurance</u>		<u>Unit = Million</u>
	<u>1978</u>	<u>1981</u>
Life and Juvenil insurance (of which new contracts)	28,022.90	162,381.88 (20,460.90)
Building endowment (of which new contracts)	9,328.75	73,076.75 (9,709.60)
T o t a l	37,351.65	235,458.63

Short-term Insurance

Automobile insurance	43,630.50	334,363.75
Fine insurance	64,010.50	10,860.23
Automobile liability insurance	1,143.00	2,365.00

The value of automobile insurance policies have increased from 1978 to 1981 by 666 per cent and the number of cases of automobile liabilities insurance has more than doubled during the three years from 1978 to 1981.

SUPPLY

The value of production material supplied by the society to the members during the fiscal year 1.78 was 1,132 million yen and corresponding figure for 1981 was 1,298.76 an increase of over 15 per cent.

The average value of production material supplied per regular member household in 1978 was 188,635 yen and in 1981 the amount rose to 218,683 yen an increase of 16 per cent.

The value of consumer goods supplied in the fiscal year 1978 was 1,704 million yen and the corresponding figure for 1981 was 1,811.87 million an increase of over 6 per cent.

The average value of consumer goods supplied per individual member household in 1978 was 222,106 yen and in 1981 this amount rose to 235,368 yen an increase of 6 per cent.

The total value of agricultural production marketed by the society in 1978 was 6,091 million yen. The amount has slightly decreased in 1981. There has been a small increase in value of both fruits and vegetables and live-stock products marketed. The decrease is due to the decrease in the value of rice marketed.

The rice production in the society area being of high quality they fetch a higher price than the guaranteed price of the government. Therefore it is sold in the open market.

The value of fruits and vegetables and other agricultural products marketed by the society in 1981 has increased by 229.80 million yen over the amount marketed in 1978 an increase of 51 per cent. The value of live-stock products marketed has increased by 28 per cent.

<u>SUPPLY</u>		<u>Unit = million yen</u>	
<u>Production Material</u>		<u>1978</u>	<u>1981</u>
Agricultural chemicals		353	382.01
Fertilizers		322	378.61
Feeds		190	246.40
Production material including seeds		267	291.74
T o t a l		<u>1,132</u>	<u>1,298.76</u>
<u>Consumer Goods</u>			
Fuel & L.P. Gas		396	713.26
Electric Goods		107	107.73
Groceries, Rice	X		
Other consumer goods	X	1,201	990.88
Rice wine	X		
		<u>1,704</u>	<u>1,811.87</u>
<u>Agricultural Machinery and Automobiles</u>			
Agricultural Machinery		388	368.29
Automobiles		262	345.75
T o t a l		<u>650</u>	<u>714.04</u>

MARKETING

The total value of agricultural production marketed by the society in 1978 was 6,091 million yen. The amount has slightly decreased in 1981. There has been a small increase in value of both fruits and vegetables and live-stock products marketed. The decrease is due to the decrease in the value of rice marketed.

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	<u>Unit = million yen</u>	
	<u>1978</u>	<u>1981</u>
MARKETING		
Rice sold to Government	1,414	788.02
Rice sold to free market	4,281	4,817.41
Low quality and surplus rice	<u>57</u>	<u>8.16</u>
T o t a l	<u>5,752</u>	<u>5,613.59</u>
Fruits and vegetables and other agricultural products	152	229.80
Live stock	<u>187</u>	<u>240.10</u>
Total marketing turnover	<u>6,091</u>	<u>6,083.52</u>

UTILIZATIONWedding Hall

The society maintains a number of facilities and services for the benefit of its members. The society has a Wedding Hall which is rents out to members for wedding celebrations. The wedding dresses are also available from the society on rent. Provision of this facility enable members to avoid expenditure on making new wedding dresses. The wedding dresses are very expensive in Japan. During the fiscal year 1981 the society rented out the wedding hall for 395 ceremonies and earned an income of 557.16 million yen.

Funeral equipments

The society also keeps equipment needed at funerals and rent them out to member families. In 1981 society earned 122.72 million yen by renting them out on 257 occasions.

Tours

The society arranges tours for member families in Japan and abroad. Non-members are also permitted to join. In 1981 the society turn-over on tourist activities was 270 million yen and 13,224 persons took part in the tours.

Utilization facilities for Agricultural Production

	<u>Area served or quantity delivered</u>
** Seedling Centres at Syoshi	43.6 ha
Seedling centres at Fusoki	64.9 ha
Seedling centres at Saizu	107.5 ha
Soil dryer	7,166 bags
* Manure centre	1,446 bags
Deep ploughing tractor	8.8 ha
Seed centre	9,879 bags
Soyabean grading machine	3,001 bags

Guidance

There are commodity groups among farmer members who cultivate different crops and raise live-stock. The commodity groups are :

- Rice Group
- Horticulture Group
- Live stock Group

The farm advisers of the society attend the meetings of the groups in different hamlets and extend advice and guidance. They also visit members' farms and give guidance when necessary.

The society make efforts to improve the quality of rice "Koshi hikari" for which the area is famous through its guidance activities. It has established 19 farms for this purpose.

The farm guidance workers also make efforts to assist farmers to convert rice fields for cultivation of other crops in order to assist the implementation of the national policy of reducing rice production. The main conversion crop in the area is soya-bean.

**
Seedling centres are managed by association of farmers members. Seedlings are produced and distributed among members.

*
Manure Centre: The members who are engaged in live-stock raising deliver animal droppings to this Centre. The society store them and sell to farmers who are engaged in vegetable and fruit growing.

Contract farming :

An increasing number of part-time farmers are finding it difficult to manage their small farms while working elsewhere in non-farming occupations. The society arranges to rent these land and entrust full time farmers to cultivate them. Guidance workers have a role in arranging these contracts and guiding the cultivation.

Better Living Activities

In order to enable the member families to lead a better and fuller life the society is engaged in better living activities such as guiding in agricultural production for making farm families self-sufficient in agricultural produce, health education, medical check-ups, assisting in household budgeting, rationalisation of wedding and funeral ceremonies and reducing unnecessary expenditure on them etc.

Women Association

The Women's Association takes an active part in the better living activities of the society. The women's association has a membership of 3,299. There are 16 sub-groups which are based on branch offices of the society.

Meetings and Seminars

The Associations organise meetings and seminars to strengthen women's activities, promote friendship and enhance knowledge. During the fiscal year 1981 it organised the following meetings and seminars for these purposes.

Following activities were carried out for assisting better living of member families :

- Study meetings to teach book-keeping.
- Joint purchasing and commodity test.
- Assisting in rationalisation of expenses in wedding ceremonies and funeral services.
- Saving promotion.

Activities for promotion of health and sanitation. Following activities were carried out :

- Lectures on sanitation.
- Provision of information on good dieting habits through wire broadcasting system and cooperative bulletins.
- Conducting of cooking classes.
- Medical examination - various check-ups on anemia and brain apoplexy.
- Stomach cancer
- Uterine cancer
- Diabetes

After the examination providing advice and guidance based on the result.

- Giving vaccination against influenza.
- Organising athletic and sport meets for women.
- Meetings to discuss health promotion.
- Activities for promotion of self-sufficiency in food.
- Holding of seminar on kitchen gardening and self-sufficiency.
- Flower growing campaign.

Cultural activities

Various activities for enhancement of refine and cultured living are conducted such as :

- Classes for flower arrangement;
- Classes for cooking and kimono dressing;
- Classes for tea-ceremony; and
- Classes for dress making.

A. Balance Sheet (As of February 28th, 1982)
 (Unit : Yen)

ASSETS

FINANCIAL ASSETS

Cash	120,138,759
Deposit	28,960,854,462
Securities	2,347,332,250
Loans	11,701,071,526
* Draft	1,087,390,900
* Credit bills	10,591,639,678
* Overdraft	22,040,948
Misc. Credit Assets	1,261,060
Insurance Loans	9,836,000
Receivable Interests from Deposits, Securities & Loans	1,277,755,312
Total Financial Assets	44,418,249,369

ECONOMIC ASSETS

Economic Receivable Account	268,826,945
* Supply Goods	186,997,540
* Others	81,829,405
Trustee(Consignment) Bonds	2,320,415,948
Inventory Assets	497,415,429
* Supply Goods Carried Forward	480,973,077
* Others	16,442,352
Misc. Assets	51,244,607
Deferred Assets	173,787,190
Special Accounts	12,230,777
Economic Debtor Accounts	48,498,334
Total Economic Assets	3,372,419,230

FIXED ASSETS

Tangible Fixed assets	4,969,681,227
Reserves for Depreciations	-1,273,278,603
External Investment	495,047,184
Total Fixed Assets	4,191,440,230

TOTAL ASSETS

51,982,118,404

CAPITALS AND LIABILITIES

FINANCIAL LIABILITIES

Savings	43,007,246,067
* Current savings	6,237,058,124
* Fixed-term savings	36,770,187,943
Borrowings	400,919,823
Misc. Credit Liabilities	101,194,557
Insurance Borrowings	9,836,000
Insurance Funds	90,798,868
Financial Credit Account	1,414,991,445
Total Financial Liabilities	45,030,986,760

ECONOMIC LIABILITIES

Economic Payable Account	292,391,427
Supply goods payable account	292,391,427
Tourist Debt	11,838,924
Economic Trustee Debt	2,345,283,245
Economic Borrowings	676,484,890
Misc. Liabilities	136,011,531
Mis. Reserves	1,108,112,374
* Reserves for retirement allowances	928,192,374
* Reserves for bad loan	108,640,000
* Others	71,280,000
Economic Credit Account	39,541,124
Total Economic Liabilities	4,609,663,515

CAPITALS

Share Capitals	1,298,479,000
Legal Reserves	196,200,000
Special Installment	568,800,000
Unappropriated Current Surplus	277,989,129
* Surpluses carried forward	13,933,698
* Current Profits	264,055,431
Total Capitals	2,341,468,129

TOTAL CAPITALS AND LIABILITIES

51,982,118,404

MAKIMACHI MULTIPURPOSE (AGRICULTURAL) COOPERATIVE SOCIETY

A Case Study

By

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MAKIMACHI MULTIPURPOSE (AGRICULTURAL) COOPERATIVE SOCIETY

C O N T E N T S

Situation
Area and Crops
Population
Establishment of Society
Membership
Land holding
Board of Directors
Employees
Organisational Structure

BUSINESS ACTIVITIES

CREDIT

- Savings
- Loans

INSURANCE

SUPPLY

MARKETING

FARM GUIDANCE

BETTER LIVING ACTIVITIES

- Activities of the Women's Associations

Balance Sheet

Profit and Loss Account

MAKIMACHI MULTIPURPOSE (AGRICULTURAL) COOPERATIVE SOCIETY

Situation

Makimachi is situated in the central part of Nigata Prefecture in western coast of Japan facing the sea of Japan. The region covered by this society consist of mountaneous, plane and sand dunes areas. The area is blessed with good climatic conditions and damages by typhoons, heavy rains and cold weather are rare. In winter this area receive about 50 cm of snow fall.

Area and crops

The total area of the town is 76.41 sq.kilometers. The society covers a cultivated area of 3,000 hectares. 82.4 per cent of the land is presently under rice. Plane areas are normally cultivated with paddy while in sand dune areas water melon, melon, tobacco, raddish and tutip are grown. Some of the rice growing land have been converted into tomato and cucumber cultivation. These crops are grown in green houses.

Land Utilisation

Rice	...	2,502.67 ha
Upland cultivation	...	471.40 ha
Orchard	...	117.15 ha

Population

The town has a population of 28,325 (1980) of which the agricultural population was 8,568. The number of farm household in the society area is 1,579.

Establishment of the society

The Makimachi Multipurpose (Agricultural) Cooperative Society was established in 1972 by amalgamating eight small multipurpose (agricultural)

cooperative societies. The largest society that was amalgamated - Rushiyama society had 650 members while the smallest - Ulahama society had 70 members. The smaller society was willing to amalgamate while the larger ones were not so willing and had to be persuaded. One of the problems faced by the amalgamated society was the coordination of activities in different areas with different geographical characteristics and growing different crops. These areas due to different type of agriculture demanded different services.

Membership

The society has a membership of 3,136 individual members and 86 institutional members. The total membership has decreased by 23 per cent in the three years from 1978 to 1981.

<u>Members</u>	<u>1978</u>	<u>1981</u>
Regular members	3,164	2,143
Associate members (individual)	1,155	993
Associate members (corporate)	83	86
T o t a l	<u>4,402</u>	<u>3,222</u>

Land holdings

The land holdings in the society area are small. More than two-third of the farm household own land holdings of less than 200.

Regular members classified according to the size of landholding they own

<u>No. of regular members</u>	<u>Area of Land holdings</u>	<u>No.of</u>
746	Less than 50 "	
353	50 - 100 "	
414	100 - 200 "	
336	200 - 300 "	
<u>300</u>	More than 300 "	

Board of Directors

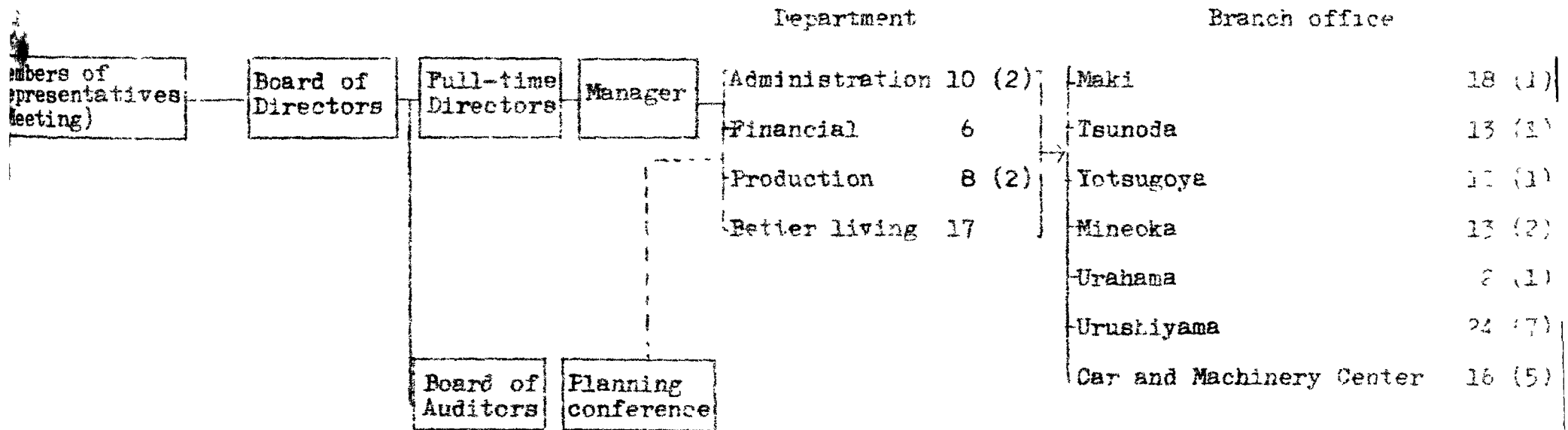
The Board of Directors including the President is elected at the Representative meeting. Two of the Directors are full-time directors. The auditors are also elected at the annual Representative Meeting.

Employees

There are 139 full-time employees and 22 part-time employees. Out of these 41 full-time and 4 part-time employees work in the Head Office while others are at various branches.

Organizational structure of Makimachi agricultural cooperative

Employee 133 (part 22)



Business ActivitiesCREDITSavings

At the end of this fiscal year 1981 the accumulated amount of savings with the society was 9038.40 yen. This was an increase of 36.5 per cent over the corresponding figure for 1978 which was 6,617.77 million. The average saving in per individual member in 1978 was 1.53 million yen and the figure rose to 2.88 million yen in 1981 which is an increase of 88 per cent.

SAVINGS

	<u>1978</u>	<u>1981</u>	Unit Yen
Current		4,297,146	
Ordinary		2,433,507,719	
Purpose saving (for purchasing)		13,359,772	
" " (for agent business eg.)		66,474,200	
" " for buying shares		15,998,292	
Term saving		6,051,213,424	
Instalment time deposits		453,557,370	
Total Savings	<u>6,617,778</u>	<u>9,038,407,923</u>	

LOANS

	<u>1978</u>	<u>1981</u>	Unit 1000
General	2,381,149	3,214,322	
Better forming, facility		393,410	
Housing	753,285	794,458	
Automobile		74,327	
Agriculture modernization	378,697	325,544	
Natural disaster	62,214		
Others	447,247	472,420	
	<u>4,259,966</u>	<u>5,279,481</u>	

The balance of loans outstanding at the end of the year 1981 was 15,275.48 million yen which is 23.8 per cent higher than the 1978 figure of 4,259.96 million yen.

The average amount of loans outstanding per individual member in 1981 was 1.68 million yen which is 70 per cent higher than the 1978 figure of 0.98 million yen.

Supply

	<u>Supply Turnover</u>		Unit 1000
	1978	1981	Percentage of total supply
Fertilizer	180,613	256,127	12.1
Feed stuff	90,847	92,376	4.4
Agri. chemical	201,632	209,127	9.8
Production material	305,171	295,255	13.9
Farm machinery		250,671	11.8
Cars		281,985	13.3
Fuel	169,503	305,600	14.4
Construction material		17,512	0.8
Food	133,136	150,710	7.1
Electric goods	42,507	50,031	2.4
Other consumer goods	103,585	118,533	7.1
Travel & others	86,939	94,048	4.4
	<u>1,313,933</u>	<u>2,121,975</u>	

The total turn-over of supply activities in 1978 was 1,313.93 million yen and in 1981 the amount was 2,121.95 million yen an increase of 61.54 per cent.

The value of agricultural input supplied in 1981 was higher by 41.8 per cent, consumer goods by 123.78 per cent.

The volume of business in 1981 of farm machinery and cars which include sale of machinery and cars and servicing and repair charges was 532,656 million yen.

MarketingMarketing Turnover

Unit 1000 yen

	<u>1978</u>	<u>1981</u>
Rice to Govt.	2,026,368	979,870
Rice in free market	992,767	1,717,209
Excess rice	63,282	2,244
Wheat		29,996
Vegs. & fruits & flower plans. Live stock	687,814	882,586
Pigs	72,094	106,121
Cattle	12,402	32,542
Total	<u>3,855,427</u>	<u>3,750,505</u> =====

The value of agricultural produce marketed by the society in 1981 was 3,750 million yen which is 3 per cent lower than the 1978 figure of 3,855 million yen. This is due to reduction in the value of rice supplied to the Government. The total value of rice marketed by the society in 1981 was 2,699.32 million yen which is 14.2 per cent lower than that of 1978 figure of 3,083.11 million yen.

The value of vegetables & fruits have rose by 28.31 from 1978 to 1981 and value of livestock by 64 per cent.

Farm Guidance

The society has 12 farm guidance workers. The farmers growing different crops and raising livestock are organized into several commodity groups. The farm guidance workers attend meeting of these groups and give guidance and advice. They also visit farms when necessary for rendering advice.

There are producer commodity groups for the following crops & livestock.

Paddy
 Wheat
 Water Melon
 Raddish
 Green House
 Chinese Yarn
 Sweet Corn
 Root Vegetables
 Taro Potato
 L alas Root
 Bulbaus
 Melon
 Persimmon
 Fruits
 Livestock

Better Living Activities

The society is engaged in better living activities in saving promotions, health and nutrition education, medical check-ups, assisting in household budgeting and improvement in agricultural practices to make farm families self-sufficient in agricultural produce. It has one better living adviser. The Women Association take an active part in these activities.

Activities of the Women Association

Each member of the Women Association has to pay 200 yen per annum as membership fees. In the year 1981 total collections of membership fees was 315,000 yen. The association receives a subsidy from the society of 2,022,000 yen to meet the expenses of its activities. In 1981 it received a subsidy of 2,022,000 yen. In 1981 the association held seven general meetings.

Major Activities of Women Association in 1981

Committee Meetings

The committee of the association met number of times and discussed among other various topics such as simple living, arrangements for study visits, agricultural and other festivals, joint purchase of consumer goods.

Congress

The association participated in Prefectural Congress of women associations, Ie-No-Hikari congress, Prefectural Congress for health promotion, Prefectural Women Congress, Children's Ienohikari Congress.

Campaign for Price Increase in Rice

The association participated in this campaign by conducting meetings of women and youth to demand higher prices for rice.

Arranged lecture on paddy cultivation at the meeting of women & youth.

Campaign to encourage consumption of more rice and rice making parties were organised in Tokyo. Study meeting on soil preparation, lecture on use of soap, study visits to a vegetable processing factory etc. were organised.

Classes for cooking, for use of pressure cookers and mat making were held.

Classes on agricultural business promotion and farm management were organised.

Medical check-ups of members of farm families were arranged.

Discussion by women group were organised on topics such as family tradition, successful agriculture, agriculture and international division of labour, bringing-up of children, travel, culture etc.

Processing of agricultural products and supply of dried persimmon pickle etc. was undertaken.

aa/

Balance sheet (as of 28th February 1982)

(Unit: yen)

Assets		Liability and Capitalization	
Item	Sum	Item	Sum
Credit business assets	9,625,986,940	Credit business liability	9,471,693,520
Cash	93,002,464	Savings	9,038,407,923
Deposit	3,956,894,761	Current saving	4,297,146
Affiliated deposit	3,956,000,000	Ordinary saving	2,433,507,719
Non-affiliated deposit	894,761	Saving for purchasing	13,359,772
Securities	1,300,780	Saving for share capital	15,998,272
Loan	5,274,480,729	Saving for agent business	66,474,200
Loan on bill	55,136,000	Term saving	6,051,213,424
Loan on security	1,854,892,507	Installment time deposit	453,557,370
Overdraft	364,452,222	Borrowings	220,751,064
Other credit business assets	290,308,206	Other credit liability	212,534,533
Receivable interest	279,680,752	Payable interest	190,597,165
Other assets	10,627,454	Interest received in advance	810,698
Insurance business assets	76,510,000	Other liability	21,126,670
Economic business assets	1,998,747,152	Insurance business liability	177,816,748
Purchasing account receivable	51,777,943	Borrowing on interest	75,894,000
Economic deposit bonds	1,568,394,370	Insurance fund	56,998,105
Inventories	266,648,994	Unaccrued insurance additional income	43,924,643
Other economic assets	11,425,845	Economic business liability	1,842,329,075
Miscellaneous assets	32,797,578	Payable purchasing account	70,224,054
Fixed assets	784,022,121	Economic deposit liability	1,752,736,180
Depreciation assets	810,752,493	Other economic busi. liability	19,168,841
Reserve for depreciation (subtraction)	327,118,956	Borrowings for facility	27,869,517
Balance assets	493,633,637	Other liability	77,164,204
Land	290,956,664	Reserves	370,712,801
Invisible fixed assets	431,820	Reserve for uncollective money	44,430,494
External share capital	103,937,701	Reserve for retirement bonus	323,638,560
Deferred assets	41,201,448	Reserve for bonus	-
Total assets	12,662,792,340	Reserve for price fluctuation	3,243,747
		Total liability	11,967,586,565
		Capitalization	695,116,375
		Share capital	482,274,000
		Legal reserve	75,000,000
		Special reserve	64,000,000
		Unappropriated surplus fund	73,842,375
		Surplus fund of the period	(69,745,139)
		Total liability and capitalization	12,662,792,340

Profit and Loss Statement

(1)

Expenses	Sum	Earnings	Sum
Saving interest	436,257,929	Deposit interest	254,367,274
Transfer of reserve	24,913,974	Securities interest	35,430
Borrowing interest	34,554,467	Lending interest	505,844,779
Other credit expenses	12,585,465	Received interest subsidy	12,374,058
Total credit expenses	<u>508,311,835</u>	Other credit earning	18,193,004
Insurance borrowing interest	4,085,355	Total credit earnings	<u>790,814,545</u>
Other insurance expenses	19,234,349	Insurance additional income	115,493,946
Total insurance expenses	<u>23,319,704</u>	Insurance loan interest	4,172,806
Supply cost	5,297,487	Other insurance income	6,234,887
Other purchasing expenses	10,077,170	Total insurance income	<u>125,901,639</u>
Total purchasing expenses	<u>15,374,657</u>	Purchasing commissions	172,640,070
Marketing cost	32,427,232	Other purchasing income	31,746,094
Other marketing expenses	20,291,043	Total purchasing income	<u>204,386,164</u>
Total marketing expenses	<u>52,718,275</u>	Marketing commission	97,773,309
Warehouse material	123,040	Other marketing income	27,939,071
Warehouse personel	795,140	Total marketing income	<u>125,712,380</u>
Other warehouse expenses	5,266,316	Stock charge	35,421,955
Total warehouse expenses	<u>6,184,496</u>	labor charge	43,879
Car and machinery center	<u>80,535,882</u>	Other warehouse income	2,678,190
Utilization business	8,317,061	Total warehouse earnings	<u>38,144,024</u>
Wire broad casting	586,520	Car and machinery center	<u>82,609,123</u>
Housing business	79,445	Utilization business	8,511,867
Distribution expenses	3,193,744	Wire broad casting	1,091,700
Total of other business	<u>12,176,770</u>	Housing business	400,000
Better farming expenses	27,017,481	Total of other business	<u>10,003,567</u>
Better living expenses	1,269,833	Dues	10,327,230
Education, information	1,619,056	Subaidy for guidance	1,149,000
Group activity	18,042,791	Net cost income	1,454,407
Total guidance expenses	<u>47,942,161</u>	Total guidance earnings	<u>12,930,637</u>
Total expenses	746,626,780	Total earnings	1,390,502,079

Profit and Loss Statement

(2)

Item	Earnings	Expenses	Balance
Total profit and loss of business	1,390,502,079	746,626,780	643,875,299
Management Expenses	-	526,491,966	-526,491,966
External bus.	122,221,826	143,737,380	-21,515,554
Refund of reserves	49,621,035	-	49,621,035
Transfer of reserves	-	75,598,501	-75,598,501
Special Profit and Loss	240,250	385,364	- 145,114
Sub-total	172,083,111	746,213,211	-574,130,100
Surplus Fund of the period		69,745,199	
Total	1,562,585,190	1,562,585,190	

550/8/82

ICA - JCCU - CUAC - IDACA
Regional seminar on "Development of consumer cooperatives"

Operation and management of

Mikkabi-cho Agricultural Cooperative

September 9, 1981

Prepared by Susumu Nakagawa
General Manager
Mikkabi agricultural cooperative

The Japanese Consumers' Cooperative Union

The Institute for the Development of Agricultural Cooperation
in Asia

A. Outline of Mikkabi-cho Agricultural Cooperative

1. Outline of the Area

- a. Square measure (Size of governing territory)
69.5 km², extended in north-to south direction
by 10 km, and in east-to west 10 km

Annual average temperature 16.2 °c

- b. Cultivated area
(Farmland)

Item land	Size of land
Citrus	1,710 ha
Paddy Field	230 ha
Others	30
Total	1,970 ha

- c. Population 16,100 persons

- d. No. of households
3,670 households
of which there are 1,520 households located within
1.5 km from the cooperative office
670 households within 3.0 km
1,480 households more than 3.1 km

- e. No. of member households
2,528 households
Regular member 1, 882 households
Associate member 646 households

f. No. of hamlets

33 (of which 10 are urbanized hamlets)

g. No. of places of activity of agricultural cooperative

3 (main office 1, branch 1, special product centre 1)

h. Classification of farm households (Regular members)

Full time farm household 455

Type of operation

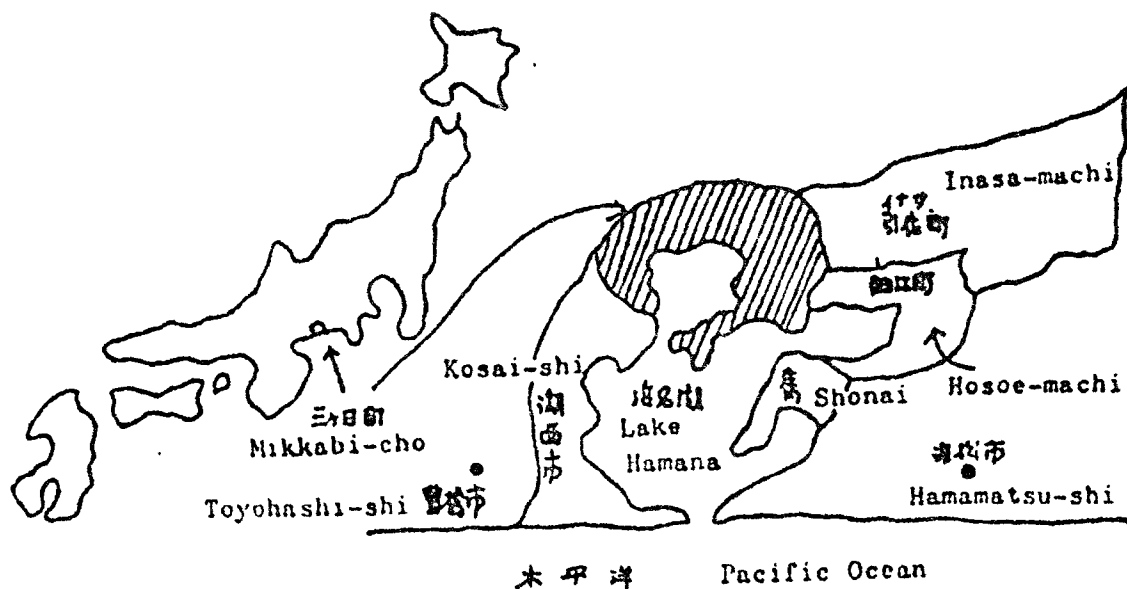
Type of citrus + rice	202 households
" + rice+ beef	51
" + " + pigbreeding	106
" + " + pig raising	8
" + " + broiler	16
" + " + hen layer	12
" + " + orchard	28
" + " + horticulture	38

of regular members, the percentage of full-time farmers accounts for 24.2 %.

Regular member	Part-time farm household I Type of operation is citrus + rice + non agri. income in most case	28.6 %	539 households
	Part-time farm household II Non-agri. income + citrus in most case Rice is limited to production for self supporting only	47.2 %	888 households
	Sub total	100 %	1,882 households
Associate member	No. of associate members Salary workers, independent enterprise and etc.	100 %	646 households
	Grand total		2,528 households

i. Other agricultural cooperatives adjacent to Mikkabi-cho agri. coop.

Name of agri.coop	No. of member households	Distance
Hosoemachi	2,320	12 km 18 min by car
Mikatabara	1,690	20 km 25 "
Inasamachi	2,870	19 km 23 "
Kosei	7,520	15 km 20 "



3. Change of business

(unit: One million yen & one thousand yen)

Item	year	'61	'65	'70	'75	'80	per farm household
No. of member households		2,584	2,572	2,526	2,507	2,530	
Capital		38	75	246	584	1,109	440
Fixed assets after depreciation		80	188	506	1,061	1,312	520
Marketing turnover		486	1,111	2,590	7,347	10,021	5,340
Purchasing turnover		215	547	1,688	4,047	6,704	2,650
Mutual insurance policy holding		1,011	2,390	8,244	30,681	92,114	4,800
Loaning		207	606	1,326	2,446	3,785	1,530
Saving		630	1,362	3,213	7,126	13,008	5,140
Exp. for guidance business		6.9	6.9	12.0	38.0	40.3	1.60
Dues		3.5	4.4	8.5	17.0	17.8	7
Total profit of business		28	119	349	776	1,013	
Administration costs		26	93	267	591	806	
No. of farmers subscribed for wire broadcasting		2,475	2,600	2,850	3,030	3,317	90%
No. of employees (person)		54 (11)	109 (14)	171 (8)	165 (5)	170 (6)	

Note:

1. Employees engaged in wire broadcasting service is excluded in the item of No. of employees, because their salary is to be covered in special account.

Parensis in No. of employees shows the number of employees engaged in wire broadcasting services.

2. At present there are 55 to 60 part-timers constantly being employed.

Change of business turnover and capital & fixed assets

(Unit: million yen)

Year Item	Past years		Standard year		Long term prospect					
	'70	%	'75	%	'80	%	'81	%	'85	%
Credit & Insurance										
Saving	3,210	0.7	7,130	26.4	13,010	10.6	14,200	9.2	21,100	10.1
Loaning	1,320	4.7	2,440	14.8	3,870	13.0	4,350	12.3	6,670	11.1
Policy holding of insurance	8,240	30.0	30,680	33.5	92,110	13.6	100,180	8.7	125,050	5.3
Supply turnover										
Production material	220		500		740		740		870	
Fertilizer	710		1,810		640		690		870	
Feedstuff					2,240		2,310		3,880	
Home centre	190		280		410		430		590	
Coop-store (A)	250		520		900		970		1,320	
Coop-store (B)	-		120		190		200		240	
Repair shop for car and farm machinery	190		410		600		570		660	
Petroleum station(A)	60		220		390		420		560	
" (B)	30		80		140		140		180	
Livestock purchase	-		-		-		320		780	
Agri. products "	-		-		-		10		10	
Citrus, materials	-		-		350		290		360	
Special products centre	30		100		100		110		130	
Sub total	1,680	25.3	4,040		6,700	16.7	7,200	7.4	10,450	7.9
Marketing turnover										
Citrus	1,690		3,190		5,270		4,060		6,750	
Livestock	790		3,890		4,390		4,470		6,620	
Agri. products	110		260		360		360		500	
Orange	-		-		-		210		-	
Sub total	2,590	2.0	7,340	34.5	11,020	36.4	9,100	9.2	13,870	9.4
Capital & Fixed assets										
Share capital & revolving capital	131		272		522		545		547	
Surplus	82		205		442		489		773	
Current profit	33		107		144		104		278	
Total assets	246		584		1,108		1,138		1,598	
Fixed assets	684		1,486		2,149		2,255		2,541	
Remaining price of fixed assets	506		1,060		1,156		1,137		970	
26 28 capital satisfying ratio	48.6%		55.0%		95.8%		100.0%		164.7%	

4. Contents of Expenses on Guidance business

(Unit: one thousand yen)

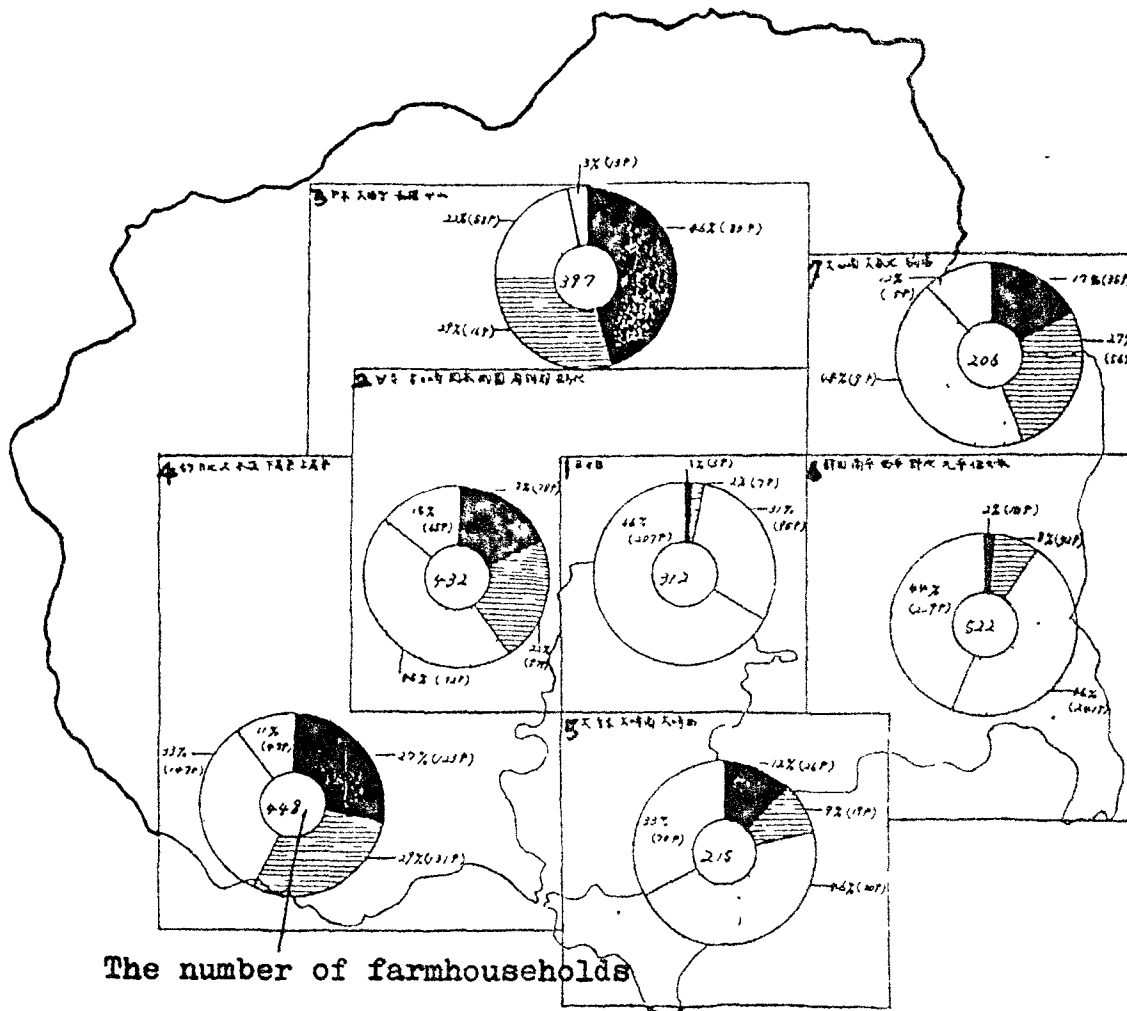
Item	Expenses
Citrus production	17,907
Farm management	3,500
Livestock business promotion	3,126
Horticultural business promotion	611
Paddy cultivation	2,100
Organizational activity	6,768
Agricultural festival	5,300
Education & information	10,370
Better living activity	8,198
Taxation	2,474
Maintenance of training centre.	8,665
Agriculture development	4,743
Total	75,262

Note:

1. annual increase ratio

Saving	10.2%
Loaning	11.5%
Mutural insurance	6.7%
Supply	9.3%
Margeting	6.8%

2. % next from different years shows the ratio against previous year.



	No. of farmhouseholds	Member farmers with more- than 10 ha
■ Full-time farmer	455	18.0% 24.2%
▨ Part-time I	468	18.5% 24.9%
▧ Part-time II	954	37.7% 50.9%
□ Associate members	655	25.8%
Total	2,532	

Outline of the areas

1. The number of part-time I household represents only 3 % in this area, whereas there are higher number of associate members.

2. The area is located in the central part of the whole areas and also in the northern part from the lake.
In this area we can find relatively higher number of part-time households. In the central part of the area, however, full-time and part-time I households occupy the higher number, accounting for nearly 50% of farmhouseholds.
3. The area is genuine agricultural area.
4. This is also agricultural area next to the 3rd area and mandarin oranges have been cultivated in recent years.
5. It is known for its scenic beauty surrounded by lake in the north and south parts of the area.
The number of full-time and part-time households I is lower next to 1st and 6th areas.
In an effort to prevent the number of full-time household from declining, horticultural farming complex has been set up.
6. The area is similar to the area 1 in terms of its character and the number of part-time II and of associate members is a little bit higher than that of the area 1.
As for area 1 and 6, there is higher percentage of wage earning people.
7. The area has similarity with the area 2 and livestock business is actively carried on in both of the areas.

B. THE PRACTICE OF OUR BETTER LIVING ACTIVITIES

Presented by NAKAGAWA
General Manager
Mikkabi Agricultural Co-
operative in Shizuoka Pref.

" Realizing cooperative members' square by
long term plans of the society "

I. Long term plans and their performances

i) The First Five-Year Long Term Plan
(April 1961 - March 1966)

- * Land purchased for cooperative facility
 --- 5,176 tsubos
- * Construction of cooperative store (opened on Dec.21,1963)
- * Construction of gas station

ii) The 2nd Five-Year Long Term Plan
(April 1966 - March 1971)

- * Purchased land ---- 7,157 tsubos
- * Construction of automobile repair workshop
- * Introduction of automation system in wire-
 broadcasting facility
- * Publishing cooperative bulletin (from June,1970)

iii) The 3rd Five-Year Long Term Plan
(April 1971 - March 1976)

- * Purchased land --- 3,112 tsubos
- * Construction of branch cooperative store
- * Establishment of open air market at cooperative stores

From this 3rd plan, the society conducted the survey on living conditions of member farmers and members' opinion toward cooperative activities. Moreover, actual condition of agricultural production, including full-time farmers' and part-time farmers', were surveyed by individual visits of cooperative officers.

iv) The 4th Five-Year Long Term Plan
(April 1976 - March 1981)

- * Purchased land --- 637 tsubos
- * Construction of training centre for member farmers
- * Construction of Cooperative Home Centre

- v) The 5th Five-Year Long Term Plan (under planning)
(April 1981 - March 1986)

Object ; a) Construction of a gymnasium for members
b) Put a high priority on health checking activities for member farmers
c) Strengthening member's organizations and better conditions for home management

NOTE : 1 tsobo = 3.3 sq. meters

II. Strengthening Functions of Counselling Service for Members

i) Objective area ;

- * Better living activities
- * Management counselling
- * Education and public relations activities
- * Seminars for members' health maintenance
- * Planning of long term cooperative plans
- * Agricultural cooperative festival
- * Year-end cooperative festival
- * Cooperative women's association
- * Cooperative youth organization

ii) Counselling Room

- * Number of staffs --- 11
Chairman(1), Trainer(1), Better living advisor(3), Management counsellor(1), Education & public relations officer(2), Part-time worker(3)
- * Management expenses in FY1979 -- 50,356,000 yen

iii) Cooperative stores should be related to better-living activities carried out by mainly through the Women's Association

III. Better Living Activities through Communications

i) Various kind of discussion meetings for members

- * Cha-No-Ma(living room) Discussion
--- 146 places
- * Cooperative representatives' discussions/seminars
- * Discussions on the member's living conditions
--- 62 places (held by the Women's Assoc.
- * Meetings of group leaders of the Women's Association
--- 27 places

- * District meeting of agricultural youth organization ---- 15 places
- * Meetings of commodity-wise producers' group ---- any time
- * Various circles of Women's Association
(ex.) Seminars for house wives
Young wives' club
Agri. products club

ii) Big cooperative events

- * Agricultural Cooperative Festival
- * Volleyball Game (sponsored by the society and the municipality)
- * Others

iii) Collaboration between cooperative stores and Women's Association

IV. Improvement of Cooperative Facilities for Members

i) Keeping friendship through sports and studies

- * Construction of cooperative training centre for member farmers under the 5th plan

Outlines of "Training Centre"

- a) Construction expenses -- 163 million yen
(of which, ¥ 74 million is the governmental subsidy)
- b) 2-storied building :
 - Ground floor -- Counselling room
Open lounge
Training room
Cooking room
Sanitary room, and others
 - Second floor -- Open lounge
Seminar and meeting rooms
Publications and materials room
Library (4,500 books)
Others

V. Realization and utilization of cooperative member's square

" The Cooperative Store is one of members' squares "

VI History of the Agricultural Cooperative

May 20, 1948 Reorganized into agricultural cooperative from agricultural organization

May 21, 1951 Terminated activities due to stagnation of management
Reasons for stagnation:

1. Easy management customs under controlled economy could not cope with free economy
 2. Bureaucratic customs accumulated in the age of agricultural organization resulted in neglect of communication with members
 3. One-man management by president
 4. Occurrence of bad claims due to corruption of trade moral
 5. Neglect of employee education
- Deposits were 24 million yen and deficit was 12 million yen, which was as much as one half of the deposits.

December 12, 1952 Reconstruction was decided and operation was restarted: (Full-time official 1 person, employee 11 persons)

Reconstruction plan was as follows. (unit: thousand yen)

a. Payment by president	2,500	} Subtotal 3,580
b. Payment by executive director	270	
c. Payment by managing director in charge of citrus products	320	
d. Payment by other directors and auditors - 18 persons x 29 per head	360	
e. Payment by director in charge of orchid	130	
f. Payment by dishonest employee	220	
g. Dues from members (700 per year x 5 years) 2.333 per member	3,500	
h. Special activity profit	1,200	
Allotment of fixed deposits: 5,000 to directors and 7,000 to members. Increment of special interest on these fixed deposits.		
i. Special activity profit	1,000	
Special commission of 1% is added to amount handled in supplying and marketing.		
j. Capital increase incentive	740	
Execution of capital increase of 5,000 from members (in 5-year period)		
Total 10,020 (thousand yen)		

Besides, it was scheduled to dispose unnecessary assets (value: 2.83 million yen), but the deficit could be filled up without disposing them.

In addition, no interest was paid to the deposits of 24 million yen for the period of May 21, 1951 through December 11, 1952.

Decision of reconstruction in the chaos of loss of credibility and setting of members based on thorough understanding of the reconstruction plan formed a large power for development to what the agricultural cooperative is today.

January through April, 1953

Advisor Mr. Hara was dispatched from the prefectural union to our cooperative.

Discussion meetings were held day and night, and cooperative building was claimed through communication with sweat.

May, 1953

Organization of youth's group of agricultural cooperative was born under the advice of Advisor Hara. Women's group organization was also born subsequently. Officials of cooperative women's group held additional post of officials of community women's association those day.

Advisor Hara advised to members of youth's group that it is not a dream to have facilities for wired broadcasting if efforts are made toward "cooperative building through cooperation".

It was decided to make assorted fertilizer for citrus by hand by the youth's group.

It was quite a job, as manual work with shovels was required.

July 1, 1953

Publication of PR media "Agricultural Cooperative News" was commenced.

Stencil paper was cut with iron pens, and mimeograph print was made manually. As the printing capacity per stencil paper was 500 sheets, same stencil paper was cut in triplicate.

Staff ran around with bicycles for all of distribution of news, communication and notifications.

Hamlet discussion meeting was held twice a year (summer and winter). There were 16 hamlets in those days. As meetings were held from hamlet to hamlet day after another without currently used rotation system, record of holding meetings in 16 successive evenings was established a number of times.

August, 1954

"Hamlet circulation movie show" was held in the summer holidays in August. This event was continued until 1961.

Care of movie show was taken by the officials of youth's group and of women's group.

December, 1953

Member serial number (designated as farm household number) was assigned to each one of the members' households, and number plate was attached to the entrance of each house.

FARM HOUSEHOLD NO. 1234 MIKKABI-CHO AGRICULTURAL COOPERATIVE

Dimensions: 8cm (width) x 6cm (height)

Plated metal plate was used.

Cost: ¥30 per piece, which was born on fifty-fifty by the cooperative and the member.

March, 1955

Overdraft system was established for members.

Limit value was 70% of annual marketing amount of member or ¥200,000 whichever was less. No mortgage was required, but two guarantors were required.

September, 1956

Cash register, kana typewriter (manual) and calculator (semi-automatic) were introduced for ¥450,000 for improving working efficiency.

It was the dawn of mechanization of clerical work

March, 1958

Control of sales cost was commenced.

May, 1958

Saving ledger was changed to card system from binder system.

One-writing system was introduced.

May, 1959

Saving entry accounting machine was introduced for mechanizing handling of savings. Recording type electric calculator was introduced.

March, 1960

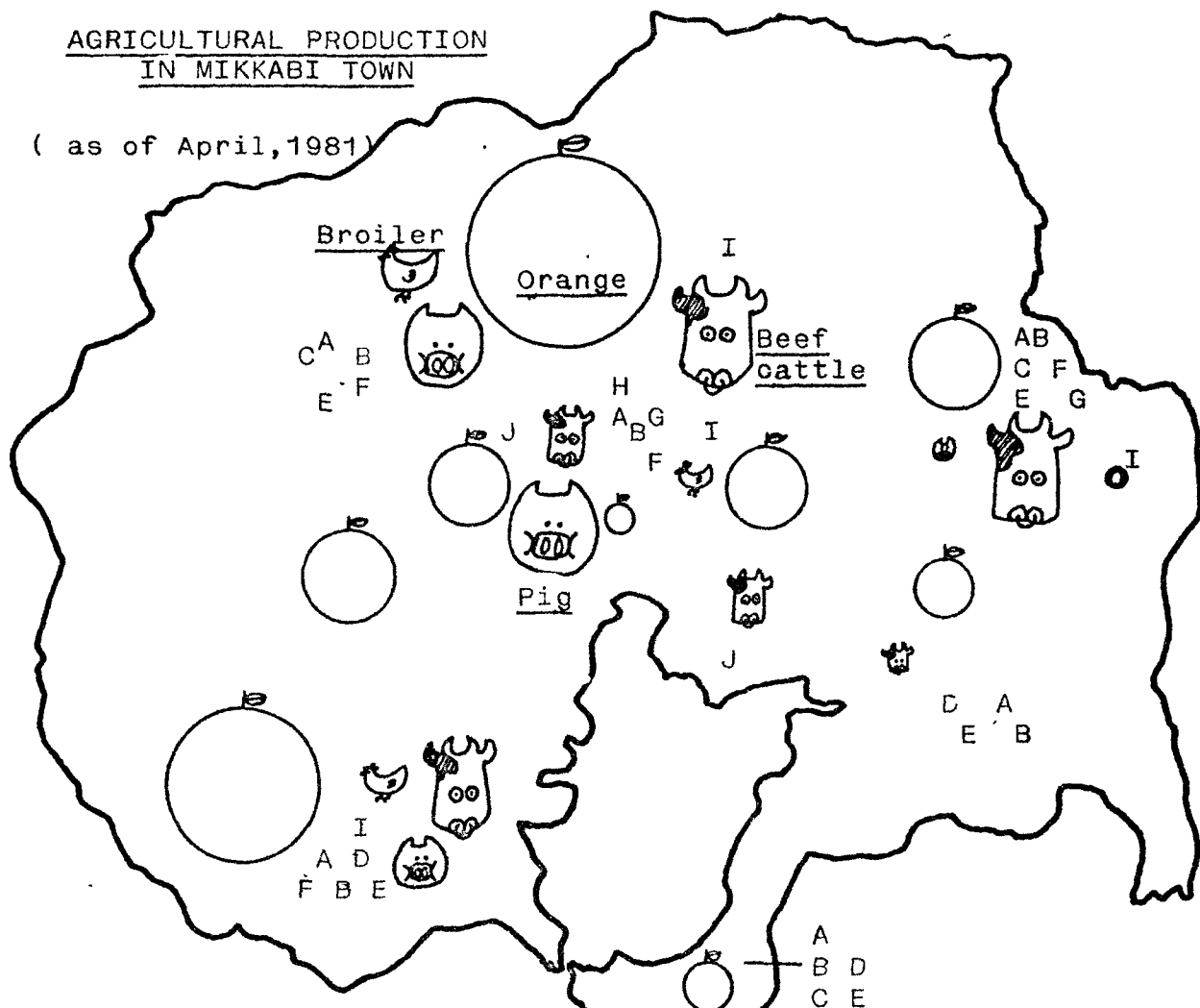
Wired broadcasting system was installed with 1,225 subscribers.

Total expenses about ¥16,000,000, that is, about ¥13,000 per subscriber. The dream of youth's group was materialized.

(Appendix)

AGRICULTURAL PRODUCTION
IN MIKKABI TOWN

(as of April, 1981)



Note: A -- Flower F -- Parsley
 B -- Melon G -- Lettuce
 C -- Tomato H -- Celery
 D -- Cucumber I -- Egg
 E -- Green pea J -- Strawberry

COMMODITY	VALUE, AREA	COMMODITY	VALUE, AREA
Citrus	42,250 tons	Celery	4,000 c/s
Beef cattle	4,611 heads	Lettuce	2,000 c/s
Pigs	19,100 heads	Cucumber	11,000 c/s
Broiler chicken	400,000 birds	Tomato	16,000 c/s
Hens	21,000 birds	Green pea	2,800 c/s
Rice	243 ha	Strawberry	23,000 c/s
	(18,000 x 60kg)	Orchid	55,000 pots
Flowers	6.6 ha		
Melon	14,000 c/s		
Parsley	3,800 c/s		

* Annual Marketing Turnover of Agricultural Products

Citrus --- about 5 billion yen
Livestock Products --- 4.5 billion yen
Rice ----- 50 million yen
Melon, vegetables and
other horticultural products --- 0.5 billion yen

* More than 70 % of the member's agricultural income
is earned from citrus production

ICA regional seminar '82

Management of Agricultural Cooperatives in Japan

Lectured by Mr. F. Aruga

Chief of instruction section
Central Cooperative College, CUAC

Institute for the development of agricultural cooperation
in Asia (IDACA)

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I Outline of the management of agricultural cooperatives

1. Historical transition of agricultural cooperatives

- (1) Period of industrial cooperatives (1900 - 1943)
 - a. membership was not confined to farmers
 - b. run and managed on ideal cooperatives line

- (2) Period of agricultural association (1943 - 1947)
 - a. membership was confined to farmers
 - b. working under the government control

- (3) Period of agricultural cooperatives (1947 -)
 - a. membership was confined to farmers
 - b. run and managed on ideal cooperatives line

2. Present situation of organization and management

(1) Organization	(Unit: person)
a. Membership	
Regular membership	5,673,000
	(average per coop 1,255)
Associate membership	2,186,000
	(average per coop 484)
<hr/>	
Total membership	7,859,000
	(average per coop 1,739)

Note: Total number of farm household 4,661,000

b. Primary agricultural cooperative society		
No. of multi-purpose cooperatives	4,528	---(A)
	(No. of employees 259,000)	
No. of single-purpose cooperatives	5,191	---(B)
	(No. of employees 10,000)	
Total number of the cooperatives	9,719	---(A)+(B)

Note: No. of cities, towns and villages 3,256

c. Federations

Less than prefectural level	443 (per pref. 9)
Prefectural level	285 (per pref. 6)
National level	24
Total	755

Note: No. of prefectures 47

(2) Business activities

(Unit: one billion yen)

type of organization item	Primary societies		Prefectural federations		National federations
		per coop		per fed.	
Saving	24,425	5.4	15,114	32.1	8,493
Loans	9,691	2.1	3,448	73.4	5,798
Long-term insurance	104,264	23.1	104,264	23.1	104,264
Marketing turnover	5,758	1.3	5,207	11.0	3,634
Supply turnover	4,202	0.9	3,304	70.3	2,756
Production inputs	2,875	0.6	2,365	50.3	2,518
Consumer goods	1,327	0.3	939	20.0	237

II Present situation and problems of management

1. Objectives of management

(1) Objectives stipulated in the article I of the agricultural cooperative law (1947)

- a. Development of cooperatives by organizing the farmers
- b. Increase of agricultural productivity
- c. Upliftment of economic and social status of farmers

(2) Present situation

- a. Change in occupational pattern - increase of part-time farming
- b. Excess of supply of agricultural products, particularly the paddy and the trade liberalization of agricultural products.

c. Increase in the income of farm household

(3) Future lines of development

- a. Development of cooperatives mainly based upon farmers and farming
- b. Development of cooperatives to conform to the lines of working of early industrial cooperatives

Note: Unlike the position in the previous industrial cooperatives, the present cooperatives segregate the farmers, forest workers, consumers and intermediate level industrial entrepreneurs

2. Organizational aspects

(1) At the level of the members

- a. Increasing trend of part-time farming & diversification of member's needs
- b. Hamlet organization & agricultural promotion plan

(2) At the level of the primary society

- a. Elimination of unamalgamated societies
- b. Strengthening of linkage between agricultural cooperatives and member farmers

(3) At the level of the federation

- a. Effective communication between primary societies and federations
- b. Division of functions between primary societies and federations

3. Business aspects

(1) Overall outline of business

- a. Stalemate in the expansion of business
- b. Exclusive reliance upon credit and insurance business
- c. Keen competition between agricultural cooperatives and private enterprises
- d. Problems arising out of increasing business of cooperatives with non-members and associate members

(2) Credit business

- a. Consolidation of function of credit services with emphasis on the function of settlement of account in distribution "
- b. Improvement of credit delivery system
- c. Strengthening of capital resource management

(3) Mutual insurance business

- a. Removal of non-members as well as agri. coops which undertake inadequate insurance
- b. Strengthening of service function for handling cases of traffic accidents

(4) Economic business

- a. Fullfillment of planned target of agricultural production and marketings
- b. Strengthening of marketing at the local level
- c. Elimination of dependence on manufacturers and dealers in marketing business
- d. Development of organized buying with emphasis on the advance purchases
- e. Entering diversified agricultural business such as marketing and processing of agricultural produces
- f. Strengthening of business regarding better living activities such as operation of cooperative stores and medical facilities
- g. Improvement of the revenue and expenditure of the economic business

(5) Farm guidance business

- a. Establishment and implementation of regional agricultural promotion plan
- b. Strengthening of the system for the guidance of better living activities

4. Management & administration

(1) Strengthening of the function of planning and administration

- a. Strengthening of executive management system

- b. Consolidation of management of planning and administration department
 - c. Strengthening of internal audit system
- (2) Improvement of working efficiency of employees
- a. Restriction on the increase of the number of employees
 - b. Extension of retirement age and change of wage system
 - c. Strengthening of training and education activities
 - d. Consideration of advisability of 5 days a week for work
- (3) Establishment of the system for handling administrative work by computer
- a. Introduction of on-line network system in the credit business
- (4) Ensuring soundness of finance
- a. Increase of share capital
 - b. Strengthening of internal reserve system
 - c. Restriction on the overinvestment
 - d. Regulation of credit limit fixation

III Future prospect of management

1. Future of member farm households
(Trend of thinkings of younger generation)
2. Defining agriculture and designing management style of agriculture in Japan
3. Future prospect of the sustaining development of agricultural cooperatives and the affiliated organizations

MANAGEMENT OF MULTI-PURPOSE COOPERATIVES - OPERATIONAL ASPECTS

Prof. D.R. Oza
VMNICM, Pune (India)

In the evolution of cooperative movement in several countries of Europe, it was organised on the foundation of consumers cooperation as an obvious choice in the setting and circumstances of these countries, but even in some of these countries, almost simultaneously cooperatives were organised in the sphere of credit, supplies, marketing and processing. Whereas in the developing countries of Asia and Africa, with predominant agricultural/rural base, the primary agricultural credit cooperatives marked the starting point in the evolution of cooperative movement.

In the advancing stages of evolution, it was soon realised that provision of credit alone without supporting backward and forward linkages of input supply services, marketing, processing and consumers needs, cannot lead to overall and integrated development of the rural community. It, therefore, came to be recognised that "Rural credit, seemingly both technical and narrow, is in reality neither of these. In extent, it is as wide as rural society, in context, it encompasses all economic activities as they affect rural society, for credit is only a layer of such activities.

Multi-purpose cooperatives, thus, have been the foundation of integrated development of cooperative movement in most of the developing countries. In some countries multi-purpose cooperatives are working with varying degree and extent of success while in some other countries these cooperatives have achieved remarkable success in the fulfilment of their objectives. In all the developing countries, however, there is in evidence increasing concern to strengthen and develop multi-purpose cooperatives operating at village/group of village level, as a foundational base of sound cooperative structure.

In the effective and efficient management of multi-purpose cooperatives, along with the peculiar aspects of cooperative management, its operational aspects also call for great deal of sincerity of purpose, dedicated efforts, and no less, professional skills and competence. Operational aspects of the management of multi-purpose cooperatives can be considered in relation to their overall objectives, organisation, structure, functions and activities.

Management by Objectives :

Management of any given organisation aims at successful achievement of its organisational goals or objectives. The objectives of a multi-purpose cooperative are laid down in its byelaws. If such objectives are not carefully designed in terms of specific needs of the membership to be served, these tend to be superfluous, inadequate redundant or even unattainable. It may be pertinent, therefore, to examine some of the guiding points in designing the objectives.

Objectives of primary cooperatives are generally defined as 'Promotion of economic and social interests of its members' on the lines of famous formula of Horace Plunkett - "better living, better farming and better business". Cooperative thinkers like Prof. Paul Lambert, however, more explicitly opines that the cooperative society does not aim only at furthering the interests of its members. Certainly, it does aim at furthering their interest but only in so far as this is compatible with general interest. This opinion is significant because if it is the promotion of economic interests of only members, cooperatives may tend, under the cloak of their objectives, to pursue policies which may affect the interest of community at large. ICA Commission on cooperative principles emphasized this point while observing: "Cooperation at its best aims at something beyond the promotion of the interests of individual members who compose a cooperative at any time. Its object is rather to promote the progress and welfare of humanity". Keeping these aspects in view, great care need to be exercised in suitably defining and codifying the objectives of the multi-purpose cooperatives.

Open Organisation :

Primary agricultural credit/multi-purpose cooperatives operating in the rural areas constitute the foundation of cooperative structure and at times the only contact point of people with the cooperative movement. Such cooperatives should necessarily be an open organisation with membership which is not only open but broad based. In countries where multi-purpose cooperatives have tended to circumvent not only the principle but even legal provisions of open membership, the Governments had to intervene in the shape of legislative provisions to make denial of membership appealable and even in more drastic form, as making membership automatic for any person who is duly qualified for admission under the provisions of the act, rules and the byelaws. Such drastic provision apparently may not sound consistent with the autonomous character of cooperatives and hence cooperatives by themselves should ensure that they develop as genuine open organisation. This cardinal aspect is to be kept in view in the organisation of multi-purpose cooperatives - so that cooperative management super structure may have a sound organisational foundation of broad based membership.

Size and Area of Operation :

One of the principal issues regarding the primary multi-purpose cooperatives or unit cooperatives relates to the choice of appropriate size and area of its operation. These two aspects are inter-related and together have an important bearing on the economic viability and management efficiency of multi-purpose cooperatives. Cooperatives, here again, is confronted with the posture of split criteria. Considerations of management efficiency and economies of scale, leads to large and larger size of unit cooperatives which can employ competent personnel and offer diverse services to members while the considerations of cooperative character require that the size of a multi-purpose cooperative should be such as may be conducive to participation of members, their mutual knowledge and cohesion and that such cooperative may not tend to be an impersonal institution.

In determining the rational basis for the size and area of operation of primary agricultural multi-purpose cooperative, main aims should be the promotion of viable units of cooperative service and business. If it is recognised that economic development is one of the principle objectives of cooperatives, the organisational pattern of multi-purpose cooperative must be such as to enable it to develop optimum level of services and operations in respect of various functions expected of it in terms of felt need of the people of the rural areas.

Function and Activities :

As ideally envisaged there is wide range of functions and activities - possibly all that embrace the economic life of the people in the rural areas, that a multi-purpose cooperative can and should undertake. But in actual practice these cooperatives may undertake certain activities depending upon its size, stage of growth and needs of the membership. As emphasized by an expert committee, "In planning the future of reorganised societies (multi-purpose cooperatives), the aim should be to transform them into a single contact point in the village for all types of credit and not merely for agriculture in the narrow sense they should also have the capacity to serve other rural producers such as artisans, craftsmen and agricultural labourers in respect of their economic activities. They must offer a package of services to their clientele, that is, input supply and marketing help. They have to be servicing agencies either by directly undertaking the services required by rural producers or by forging effective links with other agencies..... They have to diversify their functions and augment their resources... In managing this package of essential functions, consisting of mobilisation of saving, provision of credit, supply of inputs, distribution of consumer goods and provision of services - a great deal of pragmatic approach and professional expertise are essential.

Mobilisation of Savings :

Deposits, being the important and comparatively cheaper source of raising finance have immense potential in augmenting the viability prospects of primaries. In successful collection of deposits, cooperatives serve themselves and also serve the cause of mobilisation of savings of the rural areas by providing proximate avenue of savings. Deposit mobilization,

however, is a function of credibility and confidence, which in turn are dependent upon the overall image of the management efficiency of cooperatives.

Deposit mobilisation in the rural areas puts management efficiency to test because the traditional appeal of safe custody and investment return may not be of much significance to the rural men who are generally small investors and hence less return conscious, unlike their urban counter parts. Cooperatives, therefore, need to devise imaginative savings schemes dove-tailed to the needs and tailored to suit the convenience of rural men to attract them to enter the portals of cooperatives at a time and on terms suitable to them and where they receive adequate services and utmost consideration.

Provision of credit :

Provision of credit for rural development is a core function of multi-purpose cooperatives. In all developing countries need for agricultural credit is enormous and at the same time, dispensation of agricultural credit calls for great deal of understanding and imagination to make agricultural credit 'good credit' for the borrower and 'good banking' for the cooperatives. Management of credit for integrated development is not the domain of conventional banking because it has to ensure bridging the normal credit gaps in rural economy - credit gaps which are natural even in a developed economy and are more pronounced in developing economies. Such credit gaps may relate to capital formation in agriculture, infrastructural development in rural areas and more often to the needs of providing finance to small farmer and weaker sections to enable them to avail of the opportunities of development.

In the process of bridging credit gaps the cooperatives have to provide credit that is timely and adequate with due regard to seasonality and requirements of production, to supply production inputs which are appropriate for augmenting production with due regard to type of soil and availability of water; to supervise the use of these inputs through farm guidance services, to collect, pull or procure the production, to store, process and market the produce to ascertain better return for the

producers, to recover the loan from the realisation of produce and return to the member-producer the balance of gain, after retaining the stipulated but agreed portion for saving with the cooperative.

Management policies, practices and procedures of multi-purpose cooperatives have to be continuously attuned for such monitoring of credit so that greater surplus may be generated both for the cooperative and the member, leading gradually to increasing extent of self-financing.

Distribution of consumer goods :

Distribution of consumer goods is yet another aspect vitally affecting the economic well-being of rural people in the rural areas as in the rural areas few retail outlets are available and such of these operate under sellers market. Multi-purpose cooperatives can undertake useful economic service by undertaking distribution of consumer goods. Management of this activity should be based upon the clear perspective of the needs of the people in the area with priority emphasis on essential goods.

With efficient management of distribution work with systematic but simple and comparatively less expensive sales arrangement, multi-purpose cooperatives can perform the role of effective public distribution system.

Management of multi-purpose cooperative is as demanding as it is challenging with its diverse functions and dispersed membership. It needs sophistication of big business without losing the sensitivity of small enterprise. Its management has to have a built-in system of checks and balances which may foster professional management preserving along with its democratic character. With a view to ensure successful management-performance, multi-purpose cooperatives should have personnel with requisite skills, aptitude and competence which involves creation of large body of trained and enthusiastic workers - both men and women - who are willing to share the life of rural people, strive to understand their needs and in effectively meeting their needs, prove themselves business like and efficient, no less keen and sympathetic.

WOMEN AND COOPERATION IN SOUTH-EAST ASIA

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I N D I A

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I N D I A

Introduction

The ICA Regional Office & Education Centre for South-East Asia serves the following countries in the Region :

1. Australia
2. Bangladesh
3. India
4. Indonesia
5. Japan
6. Republic of Korea
7. Malaysia
8. Pakistan
9. Philippines
10. Singapore
11. Sri Lanka
12. Thailand
13. Nepal (which is still to become a member of the ICA).

The ICA ROEC

The International Cooperative Alliance, in keeping with the Cooperative Principles of Equality and Democratic Management, has always been desirous of drawing women into the mainstream of cooperative activity and here I would like to tell you something about the work of the ICA Regional Office & Education Centre in the field of women and cooperation.

In 1962 the ICA ROEC, with the support of UNESCO, held its first Regional Seminar in New Delhi, India, on the "Role of Cooperation in the Emancipation of Women". At that time the ICA ROEC had in its membership about eight countries in the Region, and except for Japan, women were not involved to any great extent in cooperatives. The seminar highlighted the need for improving the socio-economic conditions of women through cooperative action, and sought to bring about an awareness on the part of the Cooperative Movements in the Region, the Government Departments of Cooperation and women's voluntary organisations of the vital necessity for involving women in cooperatives.

As a follow-up of the Seminar the ICA ROEC sponsored a study tour in the Region, which was undertaken by a Pakistani woman cooperator, who held discussions with concerned officials and women's organisations in the different countries on the subject of involving women actively in cooperatives.

Her findings, conclusions and recommendations were circulated around the Region, and comments and suggestions for follow-up action were invited. However, the response was very poor - in most cases only acknowledgements were received.

In 1975, as a result of UN International Women's Year, world attention was focussed on women, their problems, and the obstacles to their progress. This brought about a change in attitude towards women on the part of Governments, International and other agencies - including the cooperatives, who realized that unless women, who constitute half the world's population, were drawn into the development efforts, progress could not be fully achieved and national development targets could not be fully met.

In support of UN International Women's Year, the ICA ROEC, together with one of its member-organisations in Malaysia, the Cooperative Union of Malaysia, held a Regional Conference in July 1975 in Kuala Lumpur, Malaysia. The theme of the Conference was the "Role of Women in Cooperative Development". The recommendations of the Conference lent future direction to the work of the ICA ROEC and the following action emerged :

Surveys :

To ascertain the present position of women, and their future role, were undertaken - with ICA ROEC assistance - Sri Lanka and the Philippines.

The one in Sri Lanka resulted in the present Women's Consumer Project.

Women's Committees :

Japan and India already had women's committees at different levels, but around 1975 such committees were set up in : Bangladesh, Indonesia, Malaysia, Sri Lanka and the Philippines.

- National Courses : National Courses - assisted by the ICA ROEC - were held in Sri Lanka, Malaysia, Bangladesh and the Philippines. In addition the member movements have held other training courses and programmes for women.
- Studies re Women : Studies were conducted in Japan on the role played by women in the Consumers' and Agricultural Movements.
- Study Material : Study material has been produced by the ICA ROEC on "Balanced Diet" and "Key to Household - Economy - Household Budgeting".

As a follow-up of the ICA Regional Conference held in 1975 a Regional Seminar on "Enhancing Women's Participation in Cooperative Activities" was organised in Kandy, Sri Lanka, in September 1980. The Seminar reiterated the recommendations of the 1975 Conference, and also brought forth some new ones. The Report of the Seminar will shortly be out in print.

The ICA ROEC will continue to give assistance to, and support the activities of its member-organisations in the field of women.

Women's Involvement in Cooperatives

Australia : Women are involved in the consumers' cooperatives. Some societies have women's guilds and/or women's committees. In the early days guild members were expected to spread information about the benefits of cooperation by talking to relatives, friends and neighbours. Today their role is more of liaison between the community, the management and the Board of Directors. There are some women Directors and Managers of consumers' cooperatives.

Bangladesh :

In 1971, to combat rising prices, scarcities of essential commodities and related consumer evils, about 400 women's cooperatives were formed in Dacca and other urban areas. Although these societies functioned

mainly as distribution agents for consumer goods, they were multipurpose in character, and later most of them branched out into the field of small-scale industrial cooperatives.

In February 1977 the Bangladesh Jatiya Samabaya Union (National Cooperative Union of Bangladesh) held the first National Convention of Women Cooperators. This was attended by 49 representatives from 16 Central Societies in Bangladesh, and as a result of a resolution passed by the Convention, the Bangladesh Jatiya Mahila Samabaya Samity Ltd. (BJMSS) came into being. It was registered on 27 May 1977.

Today there are 44 Central Women's Societies and about 2,000 primary women's cooperatives with an individual membership of one lakh women. The BJMSS is managed by an elected Board of 15 directors.

The BJMSS first started functioning under a Government sponsored scheme for the development of Women's Cooperatives. Under this scheme, the existing 16 Central Women's Cooperatives were supplied with 32 sewing machines and 16 knitting machines. Training-cum-showroom centres were set up under each Central Women's Cooperative. This scheme operated from 1976 to 1979-80, and during that time the Central Societies arranged for the training of 4,000 women and for the marketing of their produce. Some of the Central Women's Societies also provided funds for these activities out of their own capital.

At the initiative of the BJMSS, a scheme for the Development of Small Industries for Women Cooperatives in Bangladesh was submitted to the Government and was approved in September 1980.

Under this scheme which will operate upto 1983, 264 women will receive training at 10 small industries training units under the Central Women's Societies. 2,260 Rural women will receive training at the training units under 65 primary women's societies, and 240 women will be trained at the national-level training unit. Thus, in all 2,764 women will receive training under this scheme.

The scheme also envisages employment opportunities for women, which would be as follows :

There would be 271 posts available in cooperative societies for operational staff and 20 posts available in the Government Department of Cooperation for Supervisory Staff.

A showroom-cum-sales centre for the marketing of handicrafts produced by women cooperators started functioning in January 1981.

There is also a Training Complex which imparts training to 57 women in leather work, garment-making and knitting. Another 5 Central Women's Societies and 16 primary societies would be taken up for development in 1981-82.

The BJMSS, which is responsible for looking after the interests of women cooperators in Bangladesh, has several plans for the expansion of women's cooperative activities in the urban and rural areas, in the fields of income-generating, education and training for women.

India :

The National Cooperative Union of India, which is the apex cooperative organization in the country, is implementing a nation-wide programme of cooperative education and training. It may be mentioned here that the term education is used in connection with the education of members and non-officials of cooperative societies, whereas the word training is used in relation to the employees and other paid functionaries of the cooperatives.

Around 1965 Women's Wings, consisting of one lady officer and 4 lady instructors, were set up in several States of India - within the framework of the State Cooperative Unions. Thus, the Women's Cooperative Education Scheme came into being. Today there is a lady Joint Director in the NCUI to look after women's cooperative affairs, and 16 Indian States are implementing the Cooperative Education Programme for Women. In other States women cooperators are included in the general cooperative programme.

The NCUI has recently taken up a project for women in collaboration with the ICA and SCC, the ultimate aim of which is to enable women in the project area to better their social and economic status, and raise the standard of living of families in the area.

The main types of cooperatives to which women are attracted are : industrial, thrift and credit and consumers. Of these industrial cooperatives number the most, and comprise cooperatives which undertake tailoring of ready-made garments, knitting, embroidery, etc; small-scale industrial cooperatives, which, with the help of small machinery produce bicycle parts, small tools, umbrellas, items of stationery and other such items; societies which produce and process different kinds of foods; handicrafts' cooperatives; handloom weavers' cooperatives; ancillary cooperatives which are attached to large enterprises for whom they manufacture small parts or undertake assembling of parts for bigger machinery. There are also sales-cum-service societies which supply raw materials to their members and also arrange for sale of the finished products, and common facility centres which are organised by member societies to provide themselves with common services such as dyeing of yarn and fabrics, finishing etc. Members either pay the processing charges and take the finished goods, or the goods are retained by the centre for sale. In some cases goods are sold on a consignment basis.

Women in urban areas who are employed in offices, factories and similar institutions, usually become members of the institutional thrift and credit societies along with men. This also happens in the village societies, though on a smaller scale. In addition to thrift and credit societies, there are in some cities women's banks, having sole women membership and women employees. These banks aim at promoting the habit of thrift and savings, and make available loans to needy women wishing to start small business. In Bombay, Maharashtra State, the Indira Bank (a women's cooperative bank) also established the Laxmi Consumers' Cooperative Society, which runs a chain of consumer stores in various parts of Bombay and Greater Bombay. Women are also running consumer stores in other Indian States.

In the Kaira District of Gujarat State, where the well-known Amul Dairy is situated, women are active in the milk societies which are linked to the dairy. They feed, milk and take care of the cattle and deliver milk to the milk collection centres where they receive cash payment after the milk is weighed and tested.

Many of the women's societies also undertake educational and welfare activities through the operation of creches for the babies of working mothers, running of canteens, providing training in various skills to needy girls and women to enable them to earn supplementary incomes and similar services.

Indonesia :

Dharma Wanita - which is the sole organisation for the wives of civil servants of the Republic of Indonesia - was established in 1974, to enable the wives of officials to actively participate in the development plans of the country. This organisation has from the beginning encouraged cooperative activities among its own members as well as among other women, and has assisted them by giving them various kinds of aid, including financial aid for capital outlay.

In the National Guidelines for Development, it is laid down that for overall development the participation of women - who form more than 50 per cent of the population - is required in every field, and the Government has taken various steps to make it possible for women to play a meaningful role in the country's development plans - including in cooperatives.

In 1978 (during the Second Five Year Development Programme) the Government appointed a Junior Minister for Women's Affairs and she looks after women's activities in the various sectors - including the cooperative sector.

In 1980 the National Council, founded the Coordinating Body of Women Cooperators, to be a centre of activities for women engaged in cooperative activities. The basic idea in forming this Coordinating Body was to give the women themselves more power to develop and promote women's cooperative activities. The organisational follows the same pattern as that of the National Council, under which it works. The Body has its branches at provincial and district level. It also has its own managing committee in which the ex-officio member of the National Council has a seat.

The National Council provides necessary funds for carrying out day-to-day work. Concerned government agencies also contribute financially to the work of the Coordinating Body as and when necessary.

The objectives of the Coordinating Body - or the Women's Committee - as it is also referred to, are :

To take part in all efforts to achieve the welfare of the nation along the lines of the National Development Plan;

To promote the participation of Indonesian women in cooperatives affairs;

To organise training courses for women leaders; and

To provide direction and guidance to women's cooperatives.

Women's organisations are also involved in the work of the Coordinating Body, with whom they work together to achieve progress under the National Development Plan.

The Coordinating Body is concerned with research and development, education and training, and other needs of women cooperators in Indonesia to promote their active participation in cooperatives through which they can contribute to the country's development and progress.

Special projects are being carried out in the rural areas in West Java and various provinces of Indonesia. These projects aim to provide rural women with income-generating activities and skills which will enable them to earn added incomes, and thereby raise the living standards of the families in the rural areas.

Women in Indonesia are active in income-generating activities, consumers' cooperation, thrift and credit and multi-purpose cooperatives.

Japan :

Women are active in all three activities of the Cooperative Movement of Japan namely : 1) Consumers, 2) Agriculture, 3) Fisheries.

Consumers : Upto 1948 the consumers' cooperatives were governed by the Industrial Cooperative Law, and women were not allowed to become members of the consumers' cooperatives. Hence they worked in support of the Consumers' Movement through their own separate women's associations. Even after 1948, when the Consumers' Livelihood Cooperative Society Law came into force, and this ban was removed, they continued to retain their own separate organisations, but their influence upon cooperative management became stronger year by year, along with the development of the movement.

In 1957 the Consumers' Cooperative Movement felt that as women were not fully involved in the work of the consumers' cooperatives, efforts should be made to increase and accelerate their involvement. To achieve this objective, the Japanese Consumers' Cooperative Union (JCCU) set up a Women's Committee to act as an advisory body to the Board of the JCCU.

Today women outnumber men as members, and member activities are almost exclusively in the hands of member-housewives. There is no doubt that the active participation and support of women has been one of the major factors leading to the growing strength and success of the Movement.

Another unusual feature within the Japanese Consumers' Movement is the close collaboration between the students of universities and housewives in setting up new consumer societies. There are four main types of consumer societies in the country, namely, institutional cooperatives established by office workers, factory workers and similar groups, university cooperatives and school teachers cooperatives, all of which cater to select groups of people. Then there are the Regional or Citizen Cooperatives which cover whole communities.

Since University Cooperatives cannot expand their activities beyond the campus, the professors and students encourage housewives in the area to start Regional or Citizen Cooperatives, and give freely of their expertise and services in helping to run such societies.

The ICA ROEC has published a booklet entitled "Member Activities in the Japanese Consumer Cooperative Movement" which deals in detail with the manner in which member-housewives are effectively participating in the consumers' cooperatives, so I need not go into details here. The booklet can be used in discussion groups and can provide valuable guidelines to women co-operators as to how they can usefully involve themselves in consumers' cooperation.

Agriculture : Women in the rural areas have their own Women's Agricultural Association Councils which work in support of the policies and programmes of the Agricultural Cooperative Movement. There is a National Women's Association of Agricultural Cooperatives to which all the Women's Agricultural Associations in the country are affiliated. There are Prefectural Associations in all 47 Prefectures. The total number of Women's Association in the country is 3,809 and the total membership is about 2.65 million.

The main objectives of the Women's Agricultural Associations are to enhance the status of rural women, and to build better rural communities. The women's associations work closely with the agricultural primaries and are assisted in their efforts by farm advisers and other staff of the primaries.

As many male farmers are employed either part-time or full-time in industry, farm women often have the responsibility of running the family farm as well as the home. Keeping this in view, the agricultural primaries provide them with necessary advice, training, etc. to enable them to learn modern farming techniques and improve farm production, and allied activities such as dairying, poultry keeping, etc.

Health care is another important activity of the women's associations, and regular health checks are arranged to facilitate early detection and treatment of specific diseases.

In order to provide rural people with their consumption needs, the agricultural cooperatives run their own "A" Coop. Stores, in which women are active through their joint buying groups.

"Han" or "Neighbourhood" groups consisting of approximately ten women living in close proximity have been formed to enable more women to participate actively in such activities as joint buying, home book-keeping, discussion groups on matters pertaining to the farm, the home, nutrition and a host of other matters. There are also group activities for women in different age groups where matters of common interest are taken up. Cooking classes, sewing classes, cultural activities sports, hobby class - in fact any matter of group interest is taken up.

A detailed report on the study I made this year on the role of Women in the Agricultural Cooperative Movement in Japan will shortly be published by the ICA ROEC and will deal in greater detail with this subject.

Fisheries Cooperatives :

The Fishery Cooperative Movement in Japan has a three-tier system, with the primaries at the base, the Prefectural Federations of Fisheries Cooperative Associations and the Prefectural credit Federations of Fisheries' cooperative Associations at the secondary level, and the National Federation of Fisheries Cooperative Associations at the apex level.

The Prefectural Federations of Fisheries' Cooperative Associations form the National Federation of Fisheries' Cooperative Associations (ZENGYOREN). The Prefectural Credit Federations are engaged only in credit activities, and together with cooperatives in the agricultural and forestry sectors, they form the Central Cooperative Bank for Agriculture and Forestry.

Primary cooperatives are the area fishery cooperatives and specific fishery cooperatives.

Area Fishery Cooperatives must have 20 or more fishermen members in a given defined area. The size of the area is varied, but does not exceed the area of a municipality (city, town or village). Members include certain fishing enterprises, fishermen and fish production cooperative associations which are formed by 7 or more fishermen. The area fishery cooperative is called by the name of the area.

Area fishery cooperatives are of two types : sea area fishery cooperatives and fresh water fishery cooperatives. The latter are usually small-scale, whereas the most important fishery cooperatives in Japan are the fishery cooperatives along the sea coasts. Under the law cooperatives having economic activities must have share capital. Cooperatives without share capital are those which do not carry out any economic activities: They only administer fishing rights. Most of the fresh water cooperatives are without share capital.

Specific Fishery Cooperatives are formed by fishermen and enterprises engaged in the same kind of fishery. The area of operation covers generally more than the area of a municipality. Specific Fishery Cooperatives are again of two types : one for owner fishermen and medium or small-scale fishing enterprises, and the other for aquaculture fishermen. The former is more an organisation for moderate sized fishing enterprises, being established mainly for the purpose of extending loans to members. These have their own national federations. Specific fishery cooperatives for inland aquaculture are formed by small-scale aquaculturists and they conduct economic activities such as joint shipment of the cultured fish. Their membership includes individuals as well as fish production cooperatives and fishing companies. The specific fishery cooperatives conduct credit business, supply and marketing business. A few of them carry out ice-making, freezing and/or cold storage activities.

Women's Associations :

In 1951 the first women's activity was undertaken in the fishing villages of Sakazuki District in Shakotan Peninsular in Hokkaido. The fishing communities there were impoverished owing to successively poor catch of herring, upon which their livelihood depended. To extricate themselves from poverty, the women decided to launch a savings campaign. Their savings grew, and the campaign proved so successful that the idea soon spread to other fishing villages in the different prefectures in the country. The spread of the systematic habit of savings through group action on the part of women led to the formation of women's associations at all levels in the fisheries' cooperative sector.

The primary-level Women's Associations of Fisheries' Cooperatives in each prefecture established their own Prefectural Liaison Councils. In September 1957 the first national Conference of the Prefectural Liaison Councils of Women's Associations of Fisheries' Cooperatives was held in Tokyo, and a resolution was adopted to make the Conference an annual event in the future. The question of forming a National-level Liaison Council was also taken up for discussion. At the third annual National Conference of Prefectural Liaison Councils in 1969, which was attended by representatives from 24 Prefectures, by unanimous consent the National Liaison Council of Women's Associations of Fisheries' Cooperative was established.

As of 1st June 1981, there were 1,395 Women's Associations of Fisheries' Cooperatives at the primary level, with an individual membership of 188,491 and 37 Prefectural Liaison Councils of Women's Associations of Agricultural Cooperatives. There are approximately 400,000 fishing families in the country, and about 200,000 women from these families are members of the women's associations.

There are 47 Prefectures in Japan, but not all of them have fisheries' cooperatives. Some are landlocked and, therefore, have no fishing industry. In others, as for instance in Osaka, the fishing industry is undertaken in the many islands which lie scattered over the prefecture, and it has not been possible to consolidate women's activities in the various islands.

In eleven prefectures the Women's Associations are linked, through their prefectural liaison councils, to the Prefectural Federations of Fisheries' Cooperatives. In 24 Prefectures they are linked to the Prefectural Credit Federations of Fisheries' Cooperatives, and in two cases they are linked to the Prefectural Guidance Federations of Fisheries' Cooperatives.

Activities of the Women's Associations :

The Women's Associations work in conformity with the Principles as laid down by the National Liaison Council of Women's Associations of Fisheries' Cooperatives :

1. Let us be cognizant of our duties we women have in the fishing communities and cultivate ourselves better;
2. Let us improve our social and economic standards of life by combining our forces for united action;
3. Let us contribute to the sound development of the Fisheries' Cooperatives and thereby establish good-to-live in and happy fishing communities.

Activities are geared to achieving the above objectives.

One of the most important tasks of the National Liaison Council is the training of group leaders, to ensure effective leadership and since 1957 training seminars have been held.

In addition, annual conferences are held at national level at which statements are presented on the work conducted by the women's associations, and the achievements which have resulted therefrom. Such presentations provide a platform of exchange of information and sharing of experiences, and serve to encourage and motivate women to further action.

Since 1977 annual seminars and conferences have been integrated into the Government Subsidized Assistance Programme for Women's Activities in the Fishing Industry. This has also made it possible for the National Liaison Council of Women's Associations of Fisheries Cooperatives to issue a quarterly bulletin to its members. The bulletin, besides providing information to members, also serves as an instrument for public relations.

Discussions for unified action are an important part of the women's activities, and are aimed at reflecting the viewpoints of individual members and securing their active participation. Members of the women's associations - in addition to their own meetings - also participate in meetings held by the fisheries cooperatives. In this way they are informed about the policies and programmes of the Fisheries Cooperatives, and of changing trends. Such knowledge enables them to better chart out their programmes in support of the fisheries cooperatives, with whom they work in close coordination.

Soon after the inception of the National Liaison Council of Women's Associations of Fisheries' Cooperatives, many fishing families were hard hit by a series of natural disasters which occurred in the country, such as the Isewan Typhoon, a tidal wave which was caused by an earthquake in Chili in 1960, the 2nd Maroto Typhoon in 1961, heavy snow fall in the districts along the Sea of Japan in 1963, and the Niligata earthquake which hit Niligata area in 1964. It goes to the credit of the National Liaison Council that one of their first tasks was to dedicate all their efforts to providing relief to the affected families, and this continues to be one of the activities of the Council.

In addition to such relief work, the National Liaison Council instituted a fund for providing scholarships to children whose fathers had perished in shipwrecks, to enable them to complete their schooling, and to continue as successors in the same occupation as their fathers, thereby ensuring that the strength of the fishing communities do not diminish.

The promotion of savings still remains one of the major activities of the women's associations in the fisheries cooperative sector.

In order to preserve cleanliness on the beaches, and to protect the sea from pollution, members of the women's associations periodically clean the shoreline of all debris which is tossed over-board by passing ships, or is washed ashore from other sources.

Another way in which the women try to protect the sea from impurities is by actively discouraging the use of synthetic detergents in the home, as the outflow of water from such detergents is harmful for marine and plant life; it can also cause skin eruptions.

It may be mentioned here that many families in the fishing communities also cultivate their own farms, hence the women are members of the womens' associations in the fisheries as well as the agricultural sector. In fact, women in all three sectors of the movement, i.e. fisheries, agricultural and consumers, combine their efforts in the fight against harmful synthetic detergents.

Another instance of collaboration between the women's associations in the different sectors of the movement related to the changing food habits in Japan. People now consume less of fish, rice, dairy products, vegetables and other locally produced and processed foods. The women's associations, therefore, complement and supplement each other's efforts to promote the consumption of these products. The women's associations of fisheries cooperative associations work for improved houses, better diets, and maintenance of good health.

Women in the fishing villages like their counterparts elsewhere in the country, have at their disposal modern home appliances. Despite such aids, however, they have to work very hard. In addition to household chores and taking care of the children, they help with on-shore work connected with fishing operations., and with the farm in cases where families cultivate their own land. Some women also go out fishing with their husbands. Others have part-time or full-time employment in prizes which are located nearby.

Through a combination of such activities women in the fishing villages are making very valuable contributions towards building stable, prosperous and happy fishing communities.

Republic of Korea :

In the Republic of Korea the Saemul Undong, i.e. the National Project for Integrated Rural Development, is being implemented in the rural areas with the active participation of farmer members and women and youth groups through Saemul Farming Groups, Saemul Women's Clubs and youth bodies. The expansion of horticulture, production of vegetables, livestock breeding, dairying, piggery, poultry and small-scale industries is helping to supplement farm incomes. There is a close link between the Saemul Undong and the cooperatives in a variety of activities which embrace all aspects of the lives of members of the agricultural cooperatives.

The agricultural cooperatives undertake various programmes which are aimed at bringing about better living conditions for the members of the farm households. These programmes involve farmers, farm wives, the aged and the young.

The Women's Agricultural Associations and the Women's Saemul Clubs conduct cooking classes, run community kitchens during the peak cultivation seasons, teach handicrafts, conduct cultural activities run creches and nurseries, active in supporting the work of the agricultural cooperatives. The agricultural cooperatives run their own consumer stores which provide farm families with all their needs, and the women have joint buying groups which are linked to the consumer stores. The rural housing programme initiated by the agricultural cooperatives in the villages is one of the significant projects of the better living activities, and women also work for improved housing - especially the improvement of kitchens.

Malaysia

The Cooperative Societies in the urban sector formed the Cooperative Union of Malaya (CUM). This union confines its activities and services to its members in the urban areas only, hence a gap was created between the rural and urban cooperative societies, and it was felt that there should be some unity between the urban and rural sectors.

In 1966 a Congress was held by the cooperative societies in Malaysia to discuss the setting up of (a) to discuss the matter of setting up a National Union, and after the second Congress in 1971 ANGKASA, which is the apex cooperative organisation in the country, came into being.

General Situation of Women :

In Malaysia - as in several other countries of the Region - women prefer to form their own separate cooperatives societies or other exclusive women's bodies such as women's associations, etc., where they can get together to discuss common problems which revolve around the home and family. Although social barriers are steadily diminishing, women are not yet ready to accept leading roles in cooperatives and other male dominated spheres.

Women's cooperatives first started in 1947. The Department of Cooperative Development, realizing that women had much to contribute to the work of the Cooperative Movement, organized campaigns all over the country to promote women's involvement in cooperatives. Upto the end of December 1965 the Cooperative Department had registered 101 women's cooperatives in both, the urban and rural sectors. These societies were first registered as thrift and loan societies in the urban areas, and rural credit societies in the rural areas, but later many of the societies, especially those in the rural areas, became multipurpose in character.

In 1973 the Government Ministry of Agriculture established the Farmers' Organisation Authority (FAO) and the Fisheries' Development Authority (MAJUIKAN) to take charge of all agro-based and fisheries cooperative societies. At the end of 1972 the total number of cooperative societies registered and supervised by the Department of Cooperative Development were 2,475 with a total membership of 722,934. In 1973 the Department of Cooperation handed over 1,550 cooperative societies of the agricultural type to the Farmers Organization Authority (FOA). As result, the situation of the women's cooperative societies was also affected.

As of 31st December 1972 the total number of women's cooperative societies registered with the Cooperative Department were only 91. Out of these, in 1973, 59 were placed under the jurisdiction of the FOA. Most of these rural societies are credit or multi-purpose cooperatives, and their number has been declining mainly because of lack of member participation.

In May 1975 the Farmers' Organization Authority (FOA) established a Women's participation Unit (WPU) to encourage women to become members of farmers' cooperatives, and to motivate viable women's cooperatives to participate in programmes directed towards improving family incomes and welfare of farm families.

The programmes of the Women's participation unit are centered around 5 major areas :

- i) increasing farm production of both cash and food crops,
- ii) encouragement of poultry-rearing,
- iii) setting up tailoring shops to meet the needs of farm families,
- iv) promotion of handicrafts, cooking and preservations of foodstuffs and other cottage industries, and
- v) other related projects such as setting up retail shops, cattle rearing, etc.

Fisheries Cooperatives

Although there are about 70 fisheries' cooperative societies having a total membership of approximately 41,411 they have no women members.

In July 1980 the Fisheries Development Authority (MAJUIKAN) set up a Women's Unit with the aim of encouraging women to contribute to the work of the fisheries cooperatives for bringing about a better standard of living for the fishing community. The first women's unit was set up in Mersing Fisheries Cooperative in Johore State and involved 30 women.

ANGKASA has a Women's Unit to which women's societies in the country are affiliated. The aim of ASNGKASA Women's Unit is to provide cooperative education and training to rural and urban women, and to this end ANGKASA together with the FOA and the Cooperative Department organizes seminars and courses for women cooperators.

Today women in Malaysia are involved in agricultural, consumers' thrift and credit and industrial cooperatives, and in the urban sector where they are employees in the Government and other public undertakings they form between 40 and 50 per cent of the total membership of the thrift and credit societies.

Philippines

In the Philippines, women are active in consumers, credit, industrial and agricultural cooperatives. Their position is especially strong in the consumers and credit cooperatives which exist within the schools and universities, where women constitute the majority of the teaching staff, as well as the membership of the cooperatives. They are also well represented as office-bearers, and on boards of management. What is needed is an organisational structure which can unify women cooperators at all levels, enable them to palm together and work together towards common goals, and this is one of the reasons for the emergence of the Philippines Federation of Women for Cooperatives.

The Philippine Federation of Women for Cooperatives, Inc. (PEWCI) had its origin in the Filipino Cooperative Wholesale Society's Women's Committee, which was formed after the ICA Regional Seminar on the "Role of Women in Cooperative Development" in Kuala Lumpur, Malaysia in 1975. Later on - in the latter part of 1977 - the Women's Committee was converted into the Steering Committee of the Philippine Federation of Women for Cooperatives Inc. After several meetings the Federation was registered.

Another recommendation of the 1975 ICA Regional Seminar was implemented in the Philippines when in 1979 a survey was conducted with the aim of defining the future role of women in cooperatives. The ICA ROEC also assisted with the survey.

The main objective of the Women's Federation is : to achieve the maximum involvement of Filipino women in cooperative development. At present most of the members of the Federation are from Metro Manila, but strenuous efforts are being made to organise chapters in other Regions. One of the big problems is that fact that the Philippines is an archipelago composed of over 7,000 islands and in some cases communication is very difficult. However, at present 10 Regions have their own chapters.

On April 4, 1982 a general assembly was held with representatives from the different Regions present and the first national elections were held. Eleven Directors and officers were elected. The National Board will appoint an Executive Committee, to see to the implementation of the Federation's plans and programmes.

The Federation obtains its funds from membership fees and dues. In addition, fund-raising drives such as fetes, raffles, etc. are organised to help swell the funds of the Federation.

The Federation is making efforts to coordinate programmes with those of the Government agencies working in the rural areas. The Federation has already held several activities at national and local level, and is now busily engaged in trying to increase its membership and in finding out how best to provide its members with training and other requirements, to accelerate their active participation in various types of cooperatives. There are many difficulties to be surmounted, but there are encouraging signs too. The Bureau of Cooperatives Development in the Ministry of Agriculture aims to convert the Rural Improvement Clubs (composed of women) into women's cooperatives, and also to establish Women's cooperative banks. With encouragement from the Government, and the newly formed apex cooperative organisation, the Cooperative Union of the Philippines, of which the Women's Federation is a member, it is hoped that the Federation will be able to expand its work further in the near future.

Sri Lanka

Even prior to 1975 women were active in cooperatives in Sri Lanka to varying degrees. The largest women membership was in the textile cooperatives, followed by cottage and industrial cooperatives. Although women were members in the consumers' cooperatives they did not seem to be very active until after the setting up of the Women's Consumer Education Project which commenced functioning in January 1979.

I would like to give here a very brief background to the Women's Project. In 1976, as per one of the recommendations made at the ICA Regional Conference on the "Role of Women in Economic Development" held in Kuala Lumpur, Malaysia in 1975, a study was conducted in Sri Lanka on the Involvement of Women in Cooperatives - their present position and future role. Around that time the Union of Consumers Guilds of Sweden became interested in promoting women's participation in consumers' cooperatives

through a Women's Project. They, therefore, initiated a fund-raising drive, which was to be supplemented by funds from the Swedish Cooperative Centre (SCC) and the Swedish International Development Authority (SIDA). The SCC and the Union of Consumers Guilds of Sweden in consultation with the ICA ROEC decided to launch this Pilot Project.

There were, of course, some special features which influenced the decision to locate the project in Sri Lanka. The Cooperative Movement in Sri Lanka had already set up a national-level Women's Committee, and there were some women's committees at the district and village level as well; Sri Lanka has a high level of literacy; the small size of the country, the enthusiasm shown by women cooperators and the willingness of the National Cooperative Council of Sri Lanka and the Government Ministry of Cooperatives to support the Project were other favourable factors.

Objectives

The main objectives of the Project are to educate the consumers especially the housewives of Sri Lanka, in regard to the value of consumer education, nutrition and quality consciousness, and to create among them an awareness of the role that the cooperatives can play in promoting and protecting consumer interests.

Execution of the Project, etc.

The NCC is the executing agency for the Project while the ICA ROEC and the SCC provide technical services and guidance.

The Project was originally planned as a two-year project, but is now in its fourth year. It will eventually be integrated in the regular activities of the NCC.

There is a Project Direction Committee which meets approximately every three months.

The Project works in close collaboration with the Department of Cooperation, the School of Cooperation, Polgolla, the NCC and its District Staff, and also receives assistance from a large number of Government Departments, other institutions and voluntary agencies working at the village level. There will, in future, also be collaboration with the National Youth Services Council.

The Project is headed by a lady Project Director who has nine other staff members working with her.

The Project has been designed to work through existing Multipurpose societies. In its first phase, the project covered five cooperative societies in the Kandy area, and the project office was - and still is - located in Kandy. In the second year of operation the project covered ten more MPCs. During Phase II of the Project it was decided to cover 14 more MPCs, so now the project is working with 29 MPCs in 13 districts, which is half the number of districts in the country. It was also decided to extend the project activities to one thrift and credit society to gain new experiences apart from working with MPCs, hence the project will work in its third phase with 30 societies.

The Target Group, whom the project identified as those who would need constant attention, are the following :

- i. The management of the societies, the President and Board of Directors, the General Manager and Staff at central and branch levels: also members of the branch committees.
- ii. Women's Central Committees. Women's Branch Committees.
- iii. The General membership of the societies with a special emphasis on the women members.
- iv. Other institutions, agencies, persons, working in similar fields and who would be associated within the Project activities.

Fuller details regarding the Project, its work, the problems involved, and the future needs are given in the booklet entitled "Women's Consumer Education Project through cooperatives in Sri Lanka" published by the Project Office and we are distributing this to all of you.

Conclusion

Throughout the Region we find certain factors which are common to all the countries: the rising cost of living has made life hard for all people, and women are increasingly searching for ways and means of supplementing the family income. Illiteracy, low levels of literacy, unemployment and underemployment make it very difficult for women in some of the countries to find jobs - and if they do succeed, they are usually underpaid. They, therefore, turn to producer-type cooperatives such as cottage industries, handicraft cooperatives and those which undertake production of various types of goods, and which enable them to earn supplementary incomes.

Social security in the developing countries is not as comprehensive as in the developed countries, and women are very conscious of the need for effecting small savings, and being able to obtain timely loans on reasonable terms in times of emergency. Hence their interest in thrift and savings societies.

High prices, food adulteration and related factors have aroused women's interest in consumer cooperatives, which are known for their honesty and fairness.

Despite all these factors, however, we find that though women are involved in politics, professions, social work and many other fields - they have yet to make their mark in the cooperative field.

One reason for this is that the educated working women - from among whom leadership must develop - find it very difficult to devote so much time and effort to voluntary service. Also, there is a tendency for leaders in voluntary service to be re-elected to office year after year, and no new leadership emerges. The same dedicated few are left to carry the burden. What is needed is an increase in women membership, and more women leaders.

If women are to better their socio-economic status and enjoy better standards of living through self-help, it is the cooperative leaders who will have to help them to do this, and there are many pre-requisites which will have to be met first. Cooperation as it exists today is still a fairly new field of the developing countries, for women, so if leadership is to be developed, cooperative education and training must be available for potential women leaders. Finances, technical know-how, knowledge about cooperative theory and practice, cooperative policies and changing trends and many other things will be needed.

The ICA works for the promotion of cooperation in the different countries through its Member organisations. It holds international, and regional meetings of various kinds, and also participates in national seminars, conferences, etc. The idea is to provide its member-organisations with opportunities for keeping abreast with the latest trends and changes in the Cooperative Movement, and to motivate them to intensify their efforts at involving the members of cooperatives in their own countries more actively in the work of the Cooperative Movement.

Keeping in view the socio-economic problems faced by women in the developing countries, and in order to help them to take concerted action, through cooperatives, to improve their standard of living, the ICA assists its Member organisations with programmes for women cooperators. It requests its member organisations to carry out surveys to ascertain the present position of women in cooperatives in the different countries of the Region. On the basis of the data collected, meaningful programmes can be evolved for enhancing women's participation in different fields of cooperative activity. The ICA ROEC has assisted with such surveys and is prepared to continue to give such assistance as and when requested. It also recommends to its member organisations to setting up of women's committees (in countries where these do not exist) at all levels, which can work in collaboration with cooperative organisations at the secondary and primary levels. The ICA had also, at one stage, recommended the setting up of an Asian Women Cooperators' Council, but this idea had to be dropped as national women's committees have not yet been established in all the countries of the Region. The ICA can also assist with projects formulated by women cooperators with the help of the developed movements. It is possible for the ICA to render such assistance in the near future, with a couple of projects, and also to help as a first step in the conduct of the feasibility studies and project proposals.

The ICA also seeks equality for women cooperators through the inclusion of women in conferences, seminars, etc. and equal opportunities for women in education, employment and all other fields along with men. It has assisted its member organisations with National Courses for Women Leaders in several countries of the Region, and will continue to support its member organisations in their efforts at enhancing women's participation in cooperatives.

Before I conclude, I would like to make special mention of the "Regional Meeting for Presidents and Secretaries of National Committees of Cooperators", which was held in July in Hikkaduwa, Galle, Sri Lanka. This meeting was organised jointly, by the ICA and the National Cooperative Council of Sri Lanka, and the participants had an opportunity to obtain latest information on the project, as well as to observe some Women's Activities under the Project.

The major part of the Regional Meeting was devoted to group discussions which revolved around the Women's Committees in the different countries of the Region. Problems encountered in the setting-up of such committees, and also in their normal working, were highlighted, and recommendations were made against the background of these problems.

INTERNATIONAL LABOUR ORGANISATION
Regional Project Proposal for Asia

Title: Promotion of Better Living Activities by the Co-operatives

Project No:

Duration: 5 years

Starting date: July 1983

ILO/UNDP/Multibi

I. BACKGROUND AND JUSTIFICATION

Co-operatives in Asian countries have been recognised as an important agency for bringing socio-economic changes particularly in rural areas. However, in most Asian countries their activities have remained confined to credit and supply of agricultural inputs and to a limited extent marketing, processing and consumer goods activity. In spite of their shortcomings, they are still the largest organised institutional framework in the rural areas serving the people. However, the co-operatives with all their network in most cases have not been able to contribute to the desired extent in the overall improvement of rural people's living conditions and able to get loyalty of their members particularly from the poorer section of the society.

One major factor responsible for this is their concentrating on pure commercial activities and not planning for the total needs and welfare of its members as have been done in Japan. The co-operatives during the post war period have played a major role in transferring the rural economy in Japan.

They take care about the total needs of their members and cover all aspects of human life. It is said that the Japanese agricultural co-operatives take care of their members from "cradle to grave". This successful demonstration of co-operatives contribution in transforming rural economy during the post war period by the Japanese agricultural co-operatives can provide guidance and inspiration for adoption to the agricultural co-operatives of other Asian countries.

II. LONG TERM OBJECTIVE

The long term objective of the project is to stimulate the rural co-operatives to play a more dynamic role in improving the living conditions of rural people.

III. IMMEDIATE OBJECTIVE

- i) The identified co-operatives would have diversified their activities for improving the living conditions of their members.
- ii) such co-operatives would serve as demonstration units for other co-operatives to enlarge their activities and play a greater role in rural developments.

IV. ACTIVITIES OF THE PROJECT

- i) An expert on "better living activities by co-operatives" along with an ILO expert and national expert to identify the local co-operatives which can undertake better living activities programme in selected countries of the Asian region.
- ii) The three experts to work out a five year plan of better living activities to be undertaken by the identified co-operatives along with the assistance needed by the identified co-operatives.

/iii)

- i) President and Chief Executive of the selected co-operatives;
- ii) Project preparation team and a representative of ICA regional office.
- iii) Such other experts as decided by the project preparation team from the government, other co-operatives and agencies.

VII. COUNTRIES TO BE COVERED

Bangladesh, Indonesia, India, Malaysia, Nepal, Pakistan, Philippines, Sri Lanka, and Thailand.

IX. PROJECT EVALUATION

A mid term evaluation of the project in each country will be done by a team consisting of a representative of donor, ILO, ICA and national government's nominee after two years of the programme implementation.

Regional Seminar on
"Multipurpose Agricultural Cooperatives"
Seoul & Tokyo, 24 Aug. - 21 Sept. 1982

by

Margaret M. Crowley
Senior Regional Home Economics
and Social Programmes Officer
FAO Bangkok, Thailand

On behalf of the Food and Agriculture Organization of the United Nations, Regional Office for Asia and the Pacific, I would like to express our best wishes for the success of this Seminar on "Multipurpose Agricultural Cooperatives".

FAO policies and programmes in Asia and the Pacific give priority to the rural poor and underprivileged in all those sectoral areas of food and agriculture, fisheries and forestry which come within FAO areas of competence. These policies were given added emphasis and support by member governments in 1979 at the World Conference on Agrarian Reform and Rural Development. FAO promotes and assists member countries in implementing specific programmes for Women in Rural Development in food production in *increasing their access to rural resources and services, in improving their access to employment and income, and in improving the working and living environment of rural families.*

In the past, most of the women's programmes conducted by Asian Governments and international agencies have concentrated on traditional household activities such as child care, nutrition and family planning. Most of the programmes designed to increase the income of Small Farmers' families have been geared towards men. Now, however, more and more governments and agencies are interested in assisting women in undertaking and expanding income-raising activities.

FAO has always had a special interest in cooperative societies and has provided both expertise and funding for their development in a number of countries. Such projects are undertaken by FAO Regional Office and support is currently being given to the development of country-level projects in Thailand, Philippines, Bangladesh, Nepal, India, Pakistan and Sri Lanka.

Much can be done, however, to increase the productivity and efficiency of economic activities by working through groups of women in the same community. An innovative approach to working through groups of women and which is still on-going is the project "Promotion and Training of Rural Women in Income-raising Group Activities". This project was supported by FAO and ESCAP with additional bi-lateral assistance from Australia and Netherlands. Countries participating are nine in Asia - Bangladesh, India, Indonesia, Korea, Malaysia, Nepal, Philippines, Sri Lanka and Thailand, and six in the Pacific - Fiji, Papua New Guinea, Samoa, Tonga, Tuvalu and Vanuatu.

It can be agreed that support for such projects is nothing new but the approach in achieving same had many unique features. First, it was based on the conviction that women who are engaged in successful income-raising activities are the best examples and motivators of others to undertake similar ventures. Secondly, women leaders through the process of shared experiences are learning from each other. And, thirdly, by their participation national and international agencies gained a better perception of the role of women in Asian farm life.

Case studies were prepared in each country of successful income-raising activities of groups of rural women. These studies were presented at a workshop in each country and were the vehicle for the motivation and training of rural women leaders. The case studies had several distinctive features.

1. Village-level story

The studies were of village-level activities and they had to be replicable in other rural areas.

2. Success story

The case study was a success story as seen by the women themselves. It was decided that it was possible to learn more from positive examples of "how to do it" than from examining women's projects that had failed. The cases were therefore carefully selected to ensure that they had been successful in having resulted in increased income for the participating women. These studies indicated how problems had been overcome by the leader and her group to achieve success.

3. Women leader's story

The case study was written as the leader's story. Since it was decided that women leaders were the most effective motivators and advisers to other village women leaders, the role of the leader as narrator of the case was very important.

4. Simple story

The story had to be written in as simple language as possible, that is, in the language of the rural women, since they were the primary consumers of the case studies.

This project demonstrated that rural women in Asian countries are undertaking successful income-raising group activities with or without outside assistance.^{1/} Many of these women are well organized, capable and articulate and have considerable potential for improving their existing activities and demonstrating to similar women from other areas how to undertake such projects.

In many countries the methodology of this project was found innovative and useful. In some places rural women had not previously been used as teachers of other rural women and they were found to be very effective.

The national workshops were helpful to Governments and international agencies in identifying the needs of rural women in income-raising activities and in making it possible to organize support for new projects planned by the women.

This project has been well documented in two books produced by the FAO/ESCAP Co-ordinators of the project.

- Transfer of Knowledge and Skills among Peer Groups.
- Learning from Rural Women.

^{1/} Annex 1 indicates list of activities undertaken.

Annex 1

List of activities undertaken

<u>Title of case study</u>	<u>Activity of group</u>
<u>Republic of Korea</u>	
1. Embroidery project of soon-chang Gun	Embroidery of screens, pictures pillow pads and training in embroidery
2. Cattle project of Hakdong (Dusan) village	Rice saving, co-operative shop, cattle raising, home improvement
3. Toy animals project of Yung-Shin (So-sa) village	Growing of pulses, paper sack making, assembly of toys, sewing toys
4. Artificial pearl production project of Jochiwon-Eup	Production of artificial pearls and other artificial jewellery
<u>Malaysia</u>	
1. Vegetable farming in Merlong	Growing of vegetables, maize, bananas and groundnuts
2. Pangkal Petai rice noodles cottage industry	Production and sale of rice noodles.
3. Ginger cultivation by Kemaman Women Farmers' Committee	Production and marketing of ginger.
4. Making uniforms for the medical staff of the Penang State Health Department	Sewing of children's, women's and men's clothing and hospital uniforms
5. Chicken rearing and dressing in Bukit Mertajam	Rearing of broilers and layers and sale of eggs and dressed birds
6. The Kubang Pasu Timur Multipurpose Women's Co-operative Society	Operation of retail shop, rubber and paddy trading, furniture and textile shop, cattle and goat rearing, fish raising, poultry farming, sand excavation, production of pre-cast concrete products, repairing of mattresses for school hostels.

<u>Title of case study</u>	<u>Activity of group</u>
<u>Philippines</u>	
1. Catering service at the Farmers Training Center: a project of Jaro RIC	Catering for live-in training sessions at the Training Center of Alang-Alang
2. Patubig Marilao Homemakers' club sewing project	Sewing of bedspreads, pillow cases, television set covers, babies' clothes, etc. from scrap cloth
3. Ang Tindahan Natin of San Felipe	Growing of tomatoes, retailing of bagoong (fermented fish), operation of co-operative store
4. The Pansol Mini-consumers Association	Operation of a village co-operative store
<u>Indonesia</u>	
1. Family Welfare Development (P.K.K.) of Pendoworejo village	Savings and loans
2. Women's Co-operative "Budi Rahayu" of Semanggi village	Production and sale of handwritten batik, savings and loans, small traders' credit business
3. The development of "Daya Wanita" Women's Co-operative Society	Savings and loans, marketing of handicrafts such as brooms, ropes and winnows
4. Credit Co-operative of Paser Kalirejo	Savings and loans
<u>India</u>	
1. Fibre industry at Vimla Welfare Centre, Vimalalayam, Ernakulum	Production and marketing of articles such as table mats, bags, carpets, trays, etc. from local materials such as banana, sisal, palmyrah and screw pine fibres
2. Tailoring and plastic bag making, Madar Sangam, Magaral, Tamil Nadu	Tailoring for direct sale and Sewing of school uniforms for the Government, making of bags and baskets from plastic, rags and beads, and dairying
3. Shree Mahila Griha Udyog, Lijjat papad making, Valod, Gujarat	Manufacture and sale of papad

III

<u>Title of case study</u>	<u>Activity of group</u>
4. Khadi spinning and weaving in Kangayam - Padiyur area in Coimbatore district	Spinning and weaving of khadi cloth
5. Shree Sharada Stree Samaja, Karatagere, Tumkur district, dairy scheme	Dairying with buffaloes

Thailand

1. Cotton weaving and dyeing, Khao-Yoi district, Petchburi province	Weaving and dyeing of cotton cloth, table cloths and cloth for mosquito nets
2. Dressmaking, sewing, Dok-Kham-Tai district, Payao province	Production of school uniforms
3. Soyabean growing, raising chickens and local blouse making, Muang district, Phrae province	Raising and marketing of chickens, soyabean growing, making and dyeing of local (Maw-hom) blouses and their marketing and operation of a credit union
4. Preserved food from agricultural products, Doi-Sa-Khed district, Chiangmai province	Production of preserved foods from soyabean, pumpkin, okra, cabbage and fruits

Sri Lanka

1. The Halgashena Farm Training School and the individual private farms started by past trainees	Training in dairying, poultry and pig raising and horticulture by the school and poultry raising by a past trainee
2. Women's Savings Movement, Dematuluwa village	Savings and loans
3. Women's Transplanting Organization Makulamada village	Paddy transplanting by a travelling women's group
4. Women's Transplanting Organization Davahuwa Colony	Paddy transplanting by women of the Devahuwa Colonization Scheme

IV

<u>Title of case study</u>	<u>Activity of group</u>
<u>Nepal</u>	
1. Agro-based cottage industry, Madhi Raikar Village Panchayat	Carpet weaving
2. Cottage industry, Manpur Village Panchayat	Making of baskets, mats, chairs and beds
3. Vegetable farming, Siddhiganesh (Sanothini) Panchayat	Cultivation of vegetables
4. Ginger production, Karendanda Village Panchayat	Cultivation of ginger and processing of dry ginger
<u>Bangladesh</u>	
1. Dakkhin Khan Union development project of BJMS	Training in weaving and tailoring and subsequent provision of employment in production centres
2. Bhabanipur Mothers' Club, Sujanager, Pabna	Training in and subsequent production of handicrafts
3. Jahanara Cottage Industries, Comilla	Production and marketing of handicrafts of jute, wood, cloth, bamboo and paintings
4. Bangladesh Women's Social Welfare Association (Sheba Shangha), Jessore	Training in income-raising activities such as handicrafts and typing and provision of employment in a production centre

REGIONAL SEMINAR ON "MULTIPURPOSE AGRICULTURAL COOPERATIVES"

Tokyo (Japan) : 24 Aug - 21 Sept, 1982.

GROUP REPORT - I

Mr.Ashok Sareen, India	- Chairman
Mrs.Chae Bong Nam, Korea	- Member
Khan Gul Hameed Khan, Pakistan	- Member
Mrs.Esther B. Rivera, Philippines	- Member
Mrs. Wanna Sentong, Thailand	- Member
Mr.K.H. Weerasena, Sri Lanka	- Secretary
Mrs. Kasturiah Siswoko, Indonesia	- Secretary

The Group had discussions on the following two subjects :

1. State your observations on Agricultural Cooperatives in the Rep. of Korea.
2. To discuss the management problems in agricultural cooperatives in respective countries.

Part I

Study visits to Cooperatives in the Rep. of Korea
(24th August to 31st August 1982)

AGRICULTURAL COOPERATIVES IN THE REP. OF KOREA

(a) Brief History of the Movement

Agricultural cooperatives in the Rep. of Korea were organised at three levels upto 1980. Primary cooperatives at the township level, county or city cooperatives at the country or city level and an apex organisation which is called the National Agricultural Cooperative Federation at the national level.

Since 1981 the structure of agricultural cooperatives has been reorganised into two tier structure based on the revised agricultural cooperative law and livestock cooperative law. As a result, the county or city agricultural cooperatives were converted into the county or city offices of the NACF. While the livestock cooperatives were affiliated with the National Livestock Cooperative Federation the NACF has a very wide net work with its head office

in Seoul and 9 provincial offices in the capital cities of each province, four city offices in the special cities and 139 county offices. The NACF is the national level organisation which is composed of primary agricultural cooperatives and horticultural cooperatives as members.

(b) Objectives

The objectives of agricultural cooperatives are to increase the agricultural productivity, the improvement of economic and social status of member farmers and to develop the national economy.

(c) Organisation and Management

All the primary agricultural cooperatives are affiliated with the NACF. These primary cooperatives are guided and supervised by the NACF and its county office concerned. The members of the primary cooperatives are divided into regular members and associate members. The regular members are those engaged in agricultural activities and resident in the area of operation of the ~~society~~ ~~whereas~~ associate members are non-farmers.

Primary agricultural cooperatives has the representative's committee which function as the General Body meeting and the board of directors as the policy-making body. The board of directors is composed of the seven directors who are elected from the General Body Meeting. In order to supervise accounts of the society two auditors are also elected by the general body.

The President of the society is nominated by the director of county office of NACF from amongst the elected directors.

The managerial organisation of the primary cooperatives is divided into several departments such as guidance, credit and economy department, etc. under a general manager.

Activities of the Agricultural Cooperative

In accordance with its objectives the NACF and primary agricultural cooperatives perform wide range of activities such as credit, marketing, purchasing, cooperative insurance, utilisation and processing, farm guidance and cooperative education.

(i) Credit

Resources for the credit system operated by the agricultural cooperatives, were partly out of member savings and partly from borrowings from the Bank of Korea through NACF. After the introduction of credit activities in the primary cooperatives, the role of money lenders came down significantly and the dependence of the farmers on the Government funds also decreased. The cooperatives are providing to farmers 80 per cent of their credit demand and the other 20 per cent borrowings are provided as commercial banking institutions.

In agricultural cooperatives the income of farmers received from the sale of their agricultural produces are credited into the accounts of members in the society. The societies on the other hand provide day to day requirements of the member farmers and their purchases can be debited to their accounts respectively. Money can be withdrawn only when a member is in need of it.

(ii) Marketing and Supply

NACF and its member cooperatives are dealing in the supply of agricultural inputs and consumer goods to their member farmers as well as marketing their agricultural produces through their marketing facilities. This system benefits not only to member farmers but also to consumers of agricultural commodities. In the Rep. of Korea 50 per

cent of the total requirement of the major items of agricultural inputs such farm chemicals, farm machinery and seeds are supplied through the Agricultural Cooperatives but in the case of fertilizers the entire demand of the farmers of the nation is met by the agricultural cooperatives as per the prices fixed by the government. With regard to providing timely information on the situation of agricultural marketing the NACF is operating marketing information centre in the major cities.

(iii) Utilization and processing

Joint utilisation of farm machinery and the processing of foodgrain and other agricultural produces have been conducted by the primary agricultural cooperatives. The business of joint utilisation of farm machinery is being done for the promotion of farm mechanisation, to enhance the efficiency, to maximum use of modern farm machinery. The number of processing units operated by P.A.C. stood at 238 as at the end of 1981.

(iv) Cooperative Insurance

Cooperative insurance handled by the NACF through its member cooperatives. Coop.insurance can be classified into Life Insurance and damage insurance. Life insurance can further be divided into New Life Insurance, Schooling insurance, short-term deposit insurance and whole life security insurance. The damage insurance includes special livestock insurance, fire insurance, forest fire insurance and the long-term fire insurance.

(v) Farm Guidance and Coop. Education

NACF is providing guidance progress for member cooperatives and farm guidance for member farmers. The NACF is also providing publications on Public Information and rural culture to the farmers. The major programmes of Farm Guidance to the agricultural cooperatives include the "SAEMAUL" Integrated Rural Development Projects, farm mechanisation programme, support for the increase in production of foodgrains and the fostering of the SEAMAUL grass-root organisation. The activities of the cooperative education by the NACF can be classified into two types. (1) Training for the officers and staff of agricultural cooperatives including the NACF officials. (2) Education for the member farmers and their children. For the training and education the NACF has Agricultural Cooperative Junior College at the national level and the other seven agricultural cooperative training centres at provincial level. The objective of the junior cooperative training college is to educate young students for contributing to the development of agricultural cooperative in the rural areas. The college has a strength for 200 male students either from rural agricultural farmers or from the NACF or P.A.C. Society itself. One who succeeded in preliminary entrance examinations and has a desire to work for agricultural cooperatives and is sponsored by the local PAC's can enter the college. The college is providing free education with free boarding facilities.

Under a Primary Agricultural Cooperatives there are organisations such as Saemaul farming societies, Saemaul Women societies and Saemaul Youth societies which are the voluntarily organised among the farmers at the village level. The major objectives of the societies are to strengthen the members participation in societies activities in the enhancement of productivity and the improvement of their living

standard through agricultural cooperative societies.

1. Saemaul Women Societies

(i) Brief History

Saemaul women societies were organised by rural women at village level in 1973. In principle, it is organised by each traditionally formed village (hamlet), but it can be organised by two or three hamlets. The operational area of a women society cannot exceed one administrative village.

(ii) Objectives

The objectives of the Saemaul Women societies consist :

- enhancing women's welfare and continuing promotion of Saemaul Undong in rural area.
- Fostering solid farm household and contributing to the development of rural communities.

(iii) Membership

The members of the women societies are family members of member farmers of agricultural cooperatives. The age of members should be more than 20 years, and less than 60 years. If the age of the member is more than 60 years, she could be qualified as a special member. Until the end of 1981 there are 36,711 women societies were organised and their members reached 1,199 thousand persons.

(iv) Organisation#

Each women societies has :

- one chairman.
- one/two deputy chairmen
- one auditor
- one secretary general.

#Excluding Secretary-General, they are elected by members of the society. The Secretary-General is appointed by the Chairwoman among the members. The office-term of these executive members is two years.

To execute their daily programme they have some groups with respective function, such as :

- savings group;
- life improvement group;
- family planning group;
- education activity group;
- income development group.

The chief of these groups are elected from the executive members meeting. The meeting of Saemaul women societies are classified into : general meeting, monthly meeting and executive members' meeting. The executive members meeting is composed of chairwoman, deputy chairwoman, secretary general and chief of all groups. The general meeting is convened once in a year.

(v) Finance

The expenses of the women societies are covered by the members' subscription and income from joint activities. Out of the fund the societies also accumulate legal reserves.

(vi) Function

To achieve the objectives, the Saemaul Women societies performs various activities. The majority of these activities are classified into four functions such as (a) Saving Promotion :

- Plan for the enhancement of savings.
- Promotion of savings for the common fund of the societies;
- Mobilisation of fund required in the activities, At the end of 1981, total amount of deposits by the women societies reached 77,365 million won. The average amount of deposit per women society was 2,115 thousand won. Out of the total deposits received by the primary agricultural cooperatives, the amount of deposits mobilised by women

societies accounted for 6.6 per cent.

(b) Purchasing Business

- Procurement of agricultural production input.
- Utilisation of common facilities and procurement of the facilities.
- Operation of purchasing centres for consumer goods and sale of members products. The number of purchasing centres operated by women societies totalled 21,056 by the end of 1981, and their supplies amounted to 57,698 million won, accounting for 34.2 per cent of the total value of consumer goods distributed by cooperative chain stores.

(c) LIFE IMPROVEMENT FUNCTION

- Operation of joint kitchen;
- Improvement of housing ;
- Improvement of rural clothing and food pattern;
- Performance of family planning. At the end of 1981 the number joint kitchen totalled 3,925, and kitchen is operated for 15 days per annum on the average in the harvesting season.

(d) Educational Activities

- education for rural women;
- operation of children's study rooms;
- introduction of farm household accounting;
- promotion of cultural lectures;
- dissemination of rural recreation activities;
- joint work;
- operation of nurseries;

Through the women's class rooms and the training programmes for women of primary agricultural cooperatives totalling 57,903 members of women societies participated in the training for the farm machinery during the year of 1981.

At the end of 1981, number of childrens' study rooms stood at 3,050. The total amount of subsidy given to the rooms reached 31,652 thousand won. Number of women societies performing income projects at the end of 1981 totalling 1,760 and the average amount of income per women society was 797 thousand won. At the end of 1981 the number of nerseries operated by women societies increased to 9,469.

(vii) Function of Women Extension Workers

In accordance with the organisation of Saemaul Women Societies at village level, the agricultural cooperatives perform their extension activities for the improvement of rural life, which be carried through the linkage with the women societies. For this purpose, agricultural cooperatives employ women extension workers for the efficient performance of women guidance activities. The major duties of the women extension workers are as follows :-

- a) Guidance for the organisation and management of Saemaul Women societies.
- b) Direct the activities of women societies for the community development.
- c) Encouraging women societies to expand the business of agricultural cooperatives.
- d) Guidance for the farming activities of women.
- e) Support for the cultural and welfare life.
- f) Activities on the public information on the agricultural cooperatives.

In the case of the head office of the NACF, a woman extension worker is employed at the Saemaul Farm Guidance Division of the Saemaul Guidance Department. Her major duties are the planning for the guidance activities of rural life improvement and for the extension work in relation to the women's participation in agricultural cooperatives business and women's activities for the farming and income increase activities.

At the end of 1981, the total number of women extension worker were 968.

Concluding Remarks

In the overall impression of the group, the working of cooperatives in the Rep. of Korea was found to be very impressive and successful. Within integrated structure of two-tier but supported by different informal groups at the primary level, the cooperative movement is able to ensure adequate participation of the members in the activities and development of the cooperative. Alongwith the members participation encouraged by systematic farm guidance work, the cooperatives have made even the small farmer holdings 5 hectares also economically viable even such small farmers whose proportion is sizeable are provided adequate credit appropriate inputs and a package of farm guidance with the result that the productivity and production of small farm farm has been considerably augmented and as a result on the one hand farmer gets enough income for better living and cooperatives have almost complete and timely recovery of the loans which was about 97 per cent of the loans granted.

One more remarkable feature of the cooperative movement of Korea is the real and effective participation and involvement of women in supporting coop. activities and thereby participating in the process of cooperative development as well as overall economic development of the country.

Part II - Management Cooperative Problems

The groups discussed the management problems of cooperatives in the countries represented by the members of the group.

The discussion were undertaken with the background of cooperative development in the Rep. of Korea. The detailed observation about the cooperative movement in Korea are contained in part one of the report.

The cooperative movement in Korea has an integrated cooperative structure consisting of NACF and the national level PAC at county level and Saemaul Womens cooperatives, and group cooperative are the villavge level. The agricultural cooperatives are providing services of credits, marketing and distribution and also helps in raising the income are better living for the members with the active participation of women.

Cooperatives have been able to make even a small farm of about half has viable by providing good and efficient services.

MANAGEMENT PROBLEMS

1. Lack of capital

Agricultural cooperatives in the countries like Philippines, India, Sri Lanka, Indonesia, Pakistan and Thailand have inadequate resources to finance its marketing, supply and processing business operations. Members of the cooperative cannot afford to contribute

enough amount for the capital formation. Members are considered the poorest and the lowest income group in the country. Philippine government provides a limited support as to giving financial assistance to cooperatives so agricultural cooperatives find it difficult to meet their economic and social objectives.

2. Lack of members participation

Lack of members participation not all farmer members patronize the cooperative. In this region's the system is to follow the cooperative principle as to open membership. Due to lack of education and training funds, some members were accepted in the cooperative without having an orientation as to their duties and responsibilities. They only know what they want to get - serve their needs. They were not educated about their obligation towards cooperatives.

3. Communication gap between the agricultural cooperative and the members. Cooperatives lack of devices or means of communication with members. We have no adequate farm guidance services to meeting their needs and to supervise their activities in the farm.

4. Poor training and education system for both cooperative members and cooperative leaders. Lack of sincerity and responsibility of some management officials and staff. Lack of skilled personnel due to lower rate of salaries.

5. Problems with regard to credits are low repayments of loan extended to cooperative members due to some unexpected calamities like droughts, typhoons, etc. Lack of extension workers to guide them how to use their credits effectively. Lack of knowledge and understanding how to make a good agricultural credit on the part of members.

Some of the governments in the region i.e. Philippines does not provide enough support for the cooperative development. Government provide support to farmers producers like rice and corn is very low, so farmers could hardly pay their agricultural loans out of the proceeds of produce.

7. As to processing of farmers produce the agricultural cooperatives do not have complete facilities to compete with the private traders. For example rice - the major products of agricultural cooperative members in the region marketing cooperatives cannot produce or process a good eating quality rice due to lack of modern rice mill. As a result, marketing cooperatives finds it difficult to market this products for the benefit of members.

The problems mention above are common to countries like India, Pakistan, Thailand, Indonesia and Sri Lanka with the only difference that in these countries, governments have sponsored the cooperative movement and are also providing variety of assistance or help for the development of cooperatives. The requirement of large membership in the cooperatives, however, are so large that it may not be possible to help the members, only by government help and therefore the central problem of cooperative is to develop adequate resources - financial and human, so that cooperative can fulfil the objective of bringing about economic and social development of its members effectively and efficiently.

Cooperatives in these countries should also concentrate efforts on members education to ensure active participation of members including women in the process of cooperative development.

REGIONAL SEMINAR ON "MULTIPURPOSE AGRICULTURAL COOPERATIVES"

Tokyo (Japan) : 24 Aug - 21 September, 1982

GROUP REPORT - II

Mr.K.G. Chandra, Sri Lanka	- Chairman
Miss Neni Hernani, Indonesia	- Member
Mrs.Teresita Pablo, Philippines	- Member
Miss Danujchut Tawinprawat, Thailand	- Member
Miss Rukmayi Thirumale, India	- Secretary
Mr.Fermin Leano Gonzales, Philippines	- Secretary

The Group met on 3rd September and 4th September and discussed the subject and made their observations. Main points which emanated from the discussions are enumerated below :

Structure of Cooperative Movement in the Rep. of Korea

Within a period of 20 years Korea has developed cooperative activities in many spheres through agricultural multipurpose cooperatives at grass-root level. It has not only achieved the objectives of increasing agricultural productivity but also of improving the social and economic status of farmers and has also contributed towards the balanced progress of the national economy through development of the agricultural sector.

Primary Multipurpose Agricultural Cooperatives

The primary cooperatives are organised at the level of town and their members are farmers. The county offices are working at county levels. Regular members of the multipurpose agricultural cooperatives are farmers and agricultural organisations are associate members.

The major business of the primary agricultural cooperatives are, credit business, of receiving deposits and making loans, supply of chemical fertilizer, farm chemicals, and other agricultural products and inputs, distribution of consumer goods, marketing for the sale of farm product, business of warehousing, utilization and processing, cooperative insurance business and collection of share subscription.

The National Agricultural Cooperative Federation (NACF)

NACF which is the apex organisation of multipurpose agricultural cooperatives in Korea is a federation of primary agricultural cooperatives.

The entire activities of cooperative credit, marketing, insurance, education and training, extension service for member farmers etc. are planned and guided by the head office of NACF, where around 1,500 persons are working. About 10,000 persons are working in the branch offices of the NACF, located in county and city districts of the country. Credit activities are the major function of the branch offices in addition to supervision role of primary cooperatives.

Training Programmes of NACF

NACF is also looking after the various training programmes for the efficient running of the cooperatives at various levels. With this objective it has established a Junior college to train future managers and officials who will manage the cooperatives.

The central and provincial institutes are also provided to train cooperative staff who are already employed, and cooperative leaders who are directors and also farmer members.

To become eligible to get admission to the Agricultural Cooperative Junior College, the candidate should be son of farmer, recommended by the President of agricultural cooperative, who has the will to work for agricultural cooperatives with strong faith. The candidate have to pass the preliminary examination conducted by the Government to become eligible for admission to the course.

The course is provided free for all students and also employment is also guaranteed at primary cooperative after graduation. This acts as good incentive for youth to take up the course. In the curriculum practical education of farming has also been included along with practical cooperative business.

All the farmers of South Korea are small land holders with one hectare and less. By the training they get they have been able to earn their living and has proved that even small land holders could be made viable with adequate credit and farm guidance services.

Study of activities in Gang Won Province

The situation of the Gangwon Province which was included for study tour accounts for about 25 per cent of the national population. It has 35 per cent of the farm population with 40 per cent of paddy fields. Production of maize and vegetables accounted 75 per cent and 70 per cent respectively of the nations total requirement. It is a remarkable achievement in agricultural production.

Role of Saemaul Societies in the cooperative activities

Saemaul movement which was started in early in 1970 is playing a vital role in the development of cooperative movement and has been able to ensure active participation of women in cooperatives, not only

in bettering the economic standard of the members but also in their socio cultural activities.

The activities of Saemaul women societies are related with the agricultural cooperative business for the improvement of rural welfare and farm management. Their activities are as enumerated below :

1. Advancement of the life of farm households through the improvement of daily food pattern and home economics. By this activity they are helping the wives of member farmers to make proper budgeting to suit the income of their families.
2. Cooperation of village level purchasing centre of consumer goods. By this activity members save time and energy and this not only helps them to spend their time for productive purposes but also helps in saving.
3. Promotion of rural saving is another important activity which inculcates the habit of saving with the result that they are prevented from spending on unnecessary things which are not essential.
4. Cooperation of children library helps the members children to come together and to develop the cooperative spirit from very childhood.
5. Running of joint kitchens during harvest season is a very good system. It not only strengthens the cooperative spirit but also helps the member farmers to save some money.
6. Running of children care center is a great help to the mothers who have to help their husbands during harvest time.
7. Training women to operate farm machinery and on farm technology, enables the member farmers to avail of modern technology which in turn helps in increasing productivity and production.

NACF by appointing women extension workers has succeeded in involving women who are about 50 per cent of the population of the country in cooperative activities.

Democratic System of working

Though Saemaul women associations are informal associations and are not covered under the cooperative law of the country, they are being run on democratic principles by electing the office-bearers from amongst the members. Their method of accumulating the funds towards their activities is commendable. The chart displayed in the women society we visited were educative and informative.

Saemaul Farmers Groups

Saemaul farmers groups which are formed on the basis of product, enables the farmer members not only in helping them in availing of better technology but also helps them to get good price for their produce.

Saemaul Youth Groups

Saemaul youth groups helps the youth to come together and develop the cooperative spirit.

Family Membership

The main reason for remarkable participation of women in cooperatives is the provision of family membership. If the head of the family is a member, it also enables other members to take active part in the movement. The cooperative movement in Korea has also proved that even small holdings can become viable units and the families with small holdings could become self-sufficient.

During the off-harvest season the farmer members are also able to get temporary jobs to supplement the family income which is not the case in many developing countries. It was learnt that cooperatives law of Korea does not provide for membership of non-farmers in cooperatives. This deprives about 76 per cent of population from entering the cooperative fold directly as members as the farming population constitute about 24 per cent of population. Non-agricultural people, however, can avail of the benefit of cooperatives in respect of consumer supplies and other services.

Conclusion

It is gratifying to note that staff of cooperative organisations are very well paid and they are entitled to the bonus which extends upto 500 per cent and therefore is very attractive. In most of the developing countries, generally the staff of cooperative organisations are low paid and therefore cooperative organisations find it difficult to get good and competent staff.

The success of cooperative movement in Korea can be attributed mainly to the attractive remuneration of the cooperative personnel which provide them incentives to continue their best efforts in the development of the cooperative movement.

Management Problems in agricultural cooperatives in the countries of the participants of the Group

Management problems that are existing in the cooperative organisations in the countries of the participants were discussed by the group. Most of the problems were found to be common. The main of which are enumerated below :

1. Cooperative organisations do not have enough resources to expand the activities, have to depend upon government assistance for finances, complicated procedures are involved when government assistance is to be obtained.
2. Cooperative organisations are not able to purchase commodities in bulk from the source on account of lack of resources, As such it is not able to avoid the middlemen.
3. Cooperative organisations are not able to have their own processing units on account of lack of resource.
4. The gap between the demand and supply of credit is widening on account of overdues from members. As a large percentage of members do not repay loans within the stipulated period hence other members who require the loan facilities are being deprived and the credit channel gets **choked up**.
5. Lack of competent managerial personnel on account of meagre salaries that cooperative organisations can afford to pay in most of the countries.
6. In most of the countries farmers do not own the lands they till. The landlords exploit the tillers and the farmers are under their clutches.
7. In some countries there are no apex organisations to coordinate the activities of the primaries and there is no proper inter-relationship with cooperative organisations at different levels.
8. In some countries multipurpose societies are not capable of offering different types of services required by the members on account of popularity of societies based on activities as also non-viable size of its activities.

9. In most of the countries proper training programme of member education to create awareness about the necessity of cooperative movement is not introduced or has not developed adequately and hence common people are not able to understand the objectives of cooperative organisations. This leads to lack of loyalty of members towards their cooperative organisation.

10. In some of the countries the cooperative laws do not provide family membership and hence women are not able to come forward to participate in the movement actively.

REGIONAL SEMINAR ON "MULTIPURPOSE AGRICULTURAL COOPERATIVES"

Tokyo (Japan) : 24 August - 21 September 1982

GROUP REPORT - III

Mr. Benjamin M. Togonon, Philippines	- Chairman
Mr. Yong-Duck Kim, Rep. of Korea	- Member
Mrs. Hee-Ka Shin, Rep. of Korea	- Member
Mrs. K. Thansiami, India	- Member
Mr. Naresh Kumar Regmi, Nepal	- Secretary
Miss B. Arumugam, Sri Lanka	- Secretary

The Group had discussions on the following two subjects namely (1) Observations on agricultural cooperatives in the Republic of Korea and (2) management problems in agricultural cooperatives in our countries.

On the basis of discussion in the Group and the observation made by the members of the Group the points that emanated were as under :

PART - I

Observations regarding study visits to cooperatives in the Rep. of Korea (24 Aug - 31 Aug, 1982)

General Introduction

Korea, situated between Japan and mainland China was achieved one of the highest economic growth rates ever reached among developing nations. In 1981, the Korean economy showed a growth of 7.1 per cent in real terms as a result of the expanded export of commodity and the increase in the agricultural production. The Gross National Product increased to 43.55 billion won showing an increase of 25.7 per cent over the preceding year. Per capita income reached US\$1,636. Agriculture, forestry and fisheries sectors showed an increase of 23 per cent due to sharp increase of agricultural production.

This significant growth in the economy specially in agriculture can be attributed partly due to the efficient performance of NACF and agricultural cooperatives as a whole.

By the end of 1981 a total of 1,124 primary cooperatives 19 horticulture cooperatives had attained self-sufficiency and 321 primary cooperatives implemented the Saemaul integrated rural development projects.

Total amount of agricultural produce sold through agricultural cooperative channels reached the level of 527.4 billion won, while supply of agricultural production materials and consumer's goods was valued at 674.4 billion won.

Structure

Until 1980, the agricultural cooperatives in Korea were vertically organised at three levels: Primary cooperatives at the township level, city or county cooperatives at the city or county level, and National Agricultural Cooperative Federation (NACF) at the national level. On the other hand, they were horizontally classified into two categories : Multipurpose agricultural cooperatives and specialized agricultural cooperatives.

However, there emerged some degree of competition between county cooperatives and primary cooperatives particularly in the field of credit and banking business, and also waste and inefficiency of personal and physical resources were brought about due mainly to the duplication of accounting in the economic business.

In addition, it was considered imperative to strengthen the functions of primary cooperatives with which farmers have direct contact, and to develop them as pivotal strategic organisation for rural development.

Thus, on January 1981, former three tier system of primary cooperatives, city or county cooperatives and the NACF was restructured to two-tier system of primary cooperatives and the NACF, reforming former city or county cooperatives as branch offices of the NACF.

On the other hand, live-stock cooperatives formerly affiliated with the NACF were merged with the livestock industry Development Corporation on January 1, 1981 to establish the National Livestock Cooperatives Federation. This reorganisation of livestock cooperatives was designed to more effectively carry out livestock development programme and match livestock production to demand through an efficient monitoring system.

Through the reorganisation of agricultural cooperatives into two-tier system, it has become possible to return to primary cooperatives the commission formerly taken by the now-defunct county cooperatives, thus improving the income status of primary cooperatives. While in the case of County Branch Offices, economic business and guidance functions were reduced, but the credit and banking business has been strengthened to boost the capacity for agricultural fund mobilization.

As a member of the NACF, the primary cooperatives are guided and supervised by the NACF and Provincial and county office.

The members of a primary cooperatives are divided into regular members and associate members. The qualification for the regular members are : must have their address or residence in the operational area of the cooperative and motivate cultivator.

The regular members are farmers being mostly engaged in cultivation for the production of grains. Vegetables and other crops. Associate members are agricultural organisations such as farm land improvement association and forest association organised in the operational area of the primary cooperatives.

Out of the total farm households in Korea around 90 per cent belonged to primary agricultural cooperatives.

Junior College

1. The activities of education by the NACF is classified into two types. The one is training for the officers and staff of agricultural cooperatives including the NACF and the other is education for the member farmers and the rural youth. For the training and education, the NACF has operated the Agricultural Cooperative Junior College at national level and section agricultural cooperative training constitute at provincial level.

2.2 The college was established in 1962 to provide qualified staff to the agricultural cooperative movement.

It is a regular junior college, which has been selecting 100 fresh men annually through the entrance examination. After completing the two year programme all the college graduates are employed in agricultural cooperatives.

OBSERVATION

1. In Korea the management aspect is strong sound and efficient. The Board of Directors, Presidents and even the staff are trained and qualified, which helps the sound and smooth working of the agricultural cooperatives.

2. One of the important factors for the successful working of the cooperatives in insurance system. Due to the system members have more sympathy towards cooperatives they feel secured. It inspires them to work more for the development of the cooperatives.

3. Just like any other Asian countries the Korean Cooperative Movement has developed top to bottom through the initiation by the government.

4. In Korea one can see some voluntary groups also such as rice plantation, sprayers, harvesters. Traditional friendship Association at village level in another type of cooperative group of the same age level used to organise an informal group to improve friendship and mutual help.

5. In Korea we saw some illustrative cooperative ways of life such as joint work system, friendship groups informal groups.

6. Saemaul Movement

The Saemaul movement was not emerged from villages but it was initiated by the government and the leadership of the late President Mr. Park, there are three Saemaul movement in Korea - farming Saemaul group Saemaul Women group and Saemaul Youth Group.

Among women in rural areas the Saemaul Women Society is organised for the purpose of functioning as organisation improving women welfare. The activities of Saemaul Women Societies are related with agricultural cooperative business for the improvement of rural welfare and the farm management.

7. The present structure of two tiers might be economical but the democratic processes in the movement could be greatly hampered as this system can lead to more centralization.

8. NACF can be over burdened with its diversified functions that it may later become difficult to handle the increased business volume.

PART - II

Management Problems in Agricultural Cooperatives in our countries

Members of the Group discussed various problems of management and development of cooperatives in light of their experiences in their respective countries. Some of the major problems are contained in the report that follows :-

While scanning the pages of the history of cooperative movement in our countries we observed that there were single purpose cooperative societies relating to credit, consumer, agriculture, industry, etc. After years back the idea was born to form multipurpose cooperatives in each village with amalgamation of the single purpose cooperatives into multipurpose cooperatives. Reorganisation of the cooperative movement merged some of the societies into viable multipurpose cooperatives having a wider area of operations.

The objectives of the cooperatives were to promote economic, social and cultural interest of the members in providing services it operates schemes of thrift and savings supply of requirement of domestic

agricultural and industrial purposes carries wholesale and retail businesses reaches funds, grants, loans, stores, processes or disposals of the produce of agricultural and animal husbandry executes contracts, etc.

At the outset it must be maintained the main limitation is capital resources in most of the South-East Asian countries like Sri Lanka, Nepal, India, Philippines, value of share had been very low, for example in Sri Lanka, Nepal, members contribute by way of shares very limited amount of only Rs.10.00 (minimum) therefore the society has to depend on borrowed capital. It must also be borne in mind that these countries are constituent of the Third World and therefore has some of the limitations relating to third world countries.

Management

Democratic control is exercised by the membership through the three main bodies namely the village level, general body and board of directors. Management is the most important aspect of cooperatives for achieving its objectives, but in developing countries like Nepal, India, Philipines and Sri Lanka the management is not so efficient as it must be. The main problem in our management aspect is inadequately trained or untrained members of staff. The lack of enlightened leadership which leads to failure of the cooperatives to achieve their objectives.

Some time with the political pressure management is in the hands of one group. In that circumstances, the entire cooperative movement go out of track from the set objectives of the cooperatives.

Majority of the cooperative staff are untrained personnel and there is lack of cooperative education hence movement cannot get efficient staff. Even members of staff thinks only practical experience in the cooperative education. They don't like to go for the training at the cooperative college. Even member, executive members are not in a position to understand importance of cooperative education. So the cooperative movement does not serve for members according to the objective of cooperative movement.

If the cooperative society does not serve for better living, better farming and better business it means the management of the cooperatives are going in a wrong way. Most of our countries management does not fulfil the members' needs. They do not serve the members at the grass root level.

In our countries we have some common problems like illiteracy customs, tradition, poverty, fragmentation of lands, etc. These problems also affect the efficient management.

Most of the members are interested only in getting loans and financial assistance from the cooperative. If that served by financial assistance then members are not cooperating with cooperatives. Majority of the members are not loyal towards the society when society gives loans to the members, do not repay their loans, because of the poor repayment overdues are very high at this stage. Financial agencies are also not willing to give financial assistance to the cooperative

movement. Due to this the cooperative movement faces many financial problems.

Size and area of operation

After the reorganisation of multipurpose cooperative societies it covers wider area of operation. Due to the lack of communication, lack of education and efficient staff, not economically viable, for these reasons some societies are not in a position to their activities efficiently. There are uncoordinated overlapping and conflicting agencies, which adversely affect the growth of the cooperatives.

In our countries, at the beginning cooperative movement was initiated by the government for the benefit of the people. But at present government nominates Board of Directors and executive committee which brings political influences in cooperative movement.

Another main problem in management is low salary and less facilities for personnel. Due to this society suffers from lack of experienced staff. The managers who are trained in the society leave after they have gained some experiences and this problem could be solved only paying them adequate and attractive remuneration.

REGIONAL SEMINAR ON "MULTIPURPOSE AGRICULTURAL COOPERATIVES"
Seoul (Rep.of Korea) & Tokyo (Japan) : 24 Aug - 21 Sept, 1982

GROUP I, II & III

- Q.3 Please discuss womens' participation in introducing
and carrying out better living activities in cooperatives.

REGIONAL SEMINAR ON "MULTIPURPOSE AGRICULTURAL COOPERATIVES"

Republic of Korea & Japan : 24 Aug - 21 Sept, 1982

GROUP I & II

- Q.4 Please discuss your suggestions for improvement of management of agricultural cooperatives.
- Q.6 Please state your observation of the Japanese Agricultural Cooperative Movement.

Group I

1. Miss Neni Hernani, Indonesia 0
2. Mr.K.G. Chandra, Sri Lanka 0
3. Mrs.K. Siswoko, Indonesia 0
4. Mrs.B. Rivera, Philippines 0
5. Mr.N.K. Regmi, Nepal 0

Joint Committee of Group I & II

1. Mr.N.K. Regmi
2. Mrs.K. Siswoko
3. Mr.K.H. Weerasena
4. Mr.B.M. Togonon

Group II

6. Mr.B.M. Togonon, Philippines 0
7. Mrs.K. Thansiami, India 0
8. Mrs.C.B. Nam, Rep.of Korea 0
9. Mr.K.H. Weerasena, Sri Lanka 0

GROUP III & IV

- Q.5 Please discuss methods of communication that can be adopted by agricultural cooperatives in keeping the members fully informed of their activities and building close relations with them.

- Q.6 Please state your observation of the Japanese Agrl.Cooperative Movement.

GROUP III

1. Mrs.Wanna Sentong, Thailand 0
2. Mr.Ashok Sareen, India 0
3. Miss Rukmayi, India 0
4. Mrs.Hee Ka Shin, Rep.of Korea 0
5. Miss B. Arumugam, Sri Lanka 0

Joint Committee of Group III & IV

Group IV

6. Mr.Gul Hameed Khan, Pakistan 0
7. Mr.F.L. Gonzales, Philippines 0
8. Miss Danujchut Tawinprawat, Thailand 0
9. Mrs.T. Pablo, Philippines 0
10. Mr.Yong Duck Kim, Republic of Korea 0

1. Miss Rukmayi Thirumale
2. Miss Bala Arumugam
3. Mr.Gul Hameed Khan
4. Mr.F.L. Gonzales,

INFORMATION

- ICA Regional Seminar Participants'
Study-Visit in Korea -

- from 23rd to 31 August, 1982 -

National Agricultural Cooperative Federation
Seoul, Republic of Korea

...INFORMATION....

1. Daily Program

* August 23, 1982 (Monday)

16:30 : Arrival of Participants in
Korea by cx 410

Accommodation : Koreana Hotel in Seoul

* August 24, 1982 (Thuesday)

09:40-10:00 : Departure from Hotel for
and Arrival at the National Agri-
cultural Cooperative Federation (NACF)

10:00-12:00 : o Opening by Mr. Ki Won Suh,
Director of Research Department of the NACF
o Slide presentation for the introduction
to the agricultural cooperative in Korea
Discussion on the various aspects
of agricultural cooperative business
including organization of women societies

12:00-13:30 : Lunch

13:30-14:00 : Departure from restaurant and
Arrival at the Agricultural Cooperative
Junior College of the NACF

14:00-16:00 : Slide presentation for the
introduction of the College and the
discussion

17:00 : Arrival at Hotel

18:30-19:00 : Departure from Hotel and
Arrival at Korea House

19:00-21:00 : Dinner party hosted by the NACF

21:30 : Arrival at Hotel

* August 25, 1982 (Wednesday)

08:00-10:00 : Departure from Hotel and
Arrival in Chuncheon city, Gangwon province

10:00-12:00 : Visit to the Gangwon Provincial
Office of the NACF
- Discussion on the activities of the
provincial office and on the organizations
of Saemaul women societies in the province

12:00-13:30 : Lunch

13:30-14:00 : Departure from restaurant
and Arrival at the Shinbug Primary
Agricultural Cooperative

14:00-15:00 : Discussion on the businesses
of the primary cooperative and on the
activities of Saemaul women societies

15:00-16:00 : Visit to the Yupo-Ri community,
and observation on the organization and
activities of Yupo-Ri Saemaul women society

16:30-18:30 : Departure from the community
arrival in Seoul

* August 26, 1982(Thursday)

08:00-14:00 : Departure from Hotel after check-out
and arrival in Gyeongju city
o Coffee break and lunch at the service
areas on the express highway
o Accommodation : Kyongju Chosun Hotel
in Gyeongju city

15:00-16:00 : Visit to the Weolseong County
Office of the NACF, and discussion on
the business of the county office and
the organization of Saemaul women societies

17:00 : Arrival at Kyongju Chosun Hotel

* August 27, 1982(Friday)

09:00-10:00 : Departure from Hotel Arrival
at Gyeongju Primary Agricultural Cooperative
10:00-12:00 : Introduction and Discussion
on the businesses of the cooperative
and activities of women societies

12:00-13:00 : Lunch

13:00-14:30 : Observation on the activities
of Namsan-Ri women society at the area
of Gyeongju Primary Agricultural Society

14:30-17:30 : Sightseeing the historical
remains in the area of Gyeongju city

18:00 : Arrival at Hotel

* August 28, 1982 (Saturday)

09:00-11:30 : Departure from Hotel after Check-
out and sightseeing the historical
remains in the area of Gyeongju city

12:00-13:00 : Lunch

13:00-18:30 : Departure from Gyeongju city
and arrival at Koreana Hotel in Seoul

* August 29, 1982 (Sunday)

- Free

* August 30, 1982 (Monday)

09:30-10:00 : Departure from Hotel and arrival
at the Central Distribution Center of
the Cooperative Chainstore Department
of the NACF

10:00-12:00 : Introduction to the distribution
of consumer goods by the agricultural

cooperatives, and observation of the
distribution center

12:00-13:00 : Lunch

13:00-17:00 : Free

* August 31, 1982 (Thuesday)

09:00-10:00 : Check-out at Koreana Hotel

10:30-11:30 : Departure from Hotel and
arrival at Kimpo International Airport

12:00-12:30 : Boarding

13:30 : Departure from Korea by JL952

---Accommodation---

a. Seoul : Koreana Hotel

Address : 61, 1-ka, Taeyung-Ro, Jung-Ku, Seoul

Telephone: 720-9911, Seoul

b. Gyeongju : Kyongju Chosun Hotel

Address : 410, Shinpyong-Dong, Gyeongju-Si

Gyeongbug, Korea

Telephone : 2-9600, Gyeongju

2. Organizations to be Visited

a. National Agricultural Cooperative
Federation (NACF)

Address : 75, 1-Ka Chungjeong-Ro,
Jung-Ku, Seoul, Korea

Telephone: 725-2681, 725-4681

President: Mr. Kun Hwan YUN

b. Agricultural Cooperative Junior College

Address : San 38-27, Wondang-Ri, Goyang-
Gun, Gyeonggi-Do, Korea

Dean : Dr. Jin Hwan PARK

c. Gangwon Provincial Office of the NACF

Address : 15, 3-Ka Jungang-Ro Chuncheon-Si,
Gangwon-Do, Korea

Director : Mr. Nak Yong PARK

d. Shinbug Primary Agricultural Cooperative

Address : 500, Yulmun-Ri, Shinbug-Myeon,
Chungseong-Gun, Gangwon-Do, Korea

President: Mr. Seok-Ki YOON

e. Yupo-Ri Saemaul Women Society

Address : Yupo-il-Ri, Shinbug-Myeon,

Chunseong-Gun, Gangwon-Do, Korea

- f. Weolseong County Office of the NACF
Address : 172-9, Rodong-Dong, Gyeongju-Si, Gyeongbug, Korea
General Manager : Dong Woo LEE

- g. Gyeongju Primary Agricultural Cooperative
Address : 215 Roseo-Dong, Gyeongju-Si, Gyeongbur, Korea
President: Mr. Woo Yong KIM

- h. Namsan-Ri Saemaul Women Society
Address : Namsan-Dong, Gyeongju-Si, Gyeongbug, Korea

- i Cooperative Chainstore Department of the NACF
Address : 18-14, 6-Ka, Eulji-Ro, Jung-Ku, Seoul
Director : Mr. Un Seok YEO

5. Information on the Historical Remains in
Gyeongju City

a. Gyeongju Museum

The new museum stands on a bluff just down the road from Anapji Pond, on the right side. Its design adds a charming modern flair to the elements of classical Korean architecture. The Main Hall holds a priceless collection of Silla artifacts, and a special Tomb Gallery is devoted to displays of relics still being unearthed from the monumental mounds dotting the Gyeongju area. Also shown are some of the thousands of treasures dredged up from the bottom of Anapji Pond in mid-1975.

Dramatically silhouetted against a backdrop of sky and mountains is a separate pavilion to shelter the Emille Bell, one of the sterling treasures of Silla. (Note: The old museum, a collection of gracious old Yi Dynasty buildings near the downtown

area, is to be a Folk Gallery.)

o The Emille Bell

One of the largest and most beautifully resonant bells in Asia, the Emille (pronounced emil-leh) occupies a special place of honor on the grounds of the Gyongju Museum. Over a thousand two hundred years ago, according to a popular legend, the king ordered the land's most skillful bell-maker to fashion a bell in memory of his royal father.

When the bell was cast, it split apart at first ringing. He recast it, and it split again. Try though he might, he just couldn't do the job. Ashamed at being unable at being unable to fulfill the king's wish, he was on the verge of suicide. Now it happened that this man had a widowed younger sister.

With her baby daughter, she had come to live with his family. Well aware of her brother's frustration, she began to think her ill-starred presence was the cause of all the trouble. She wanted to do anything to help her brother in his work-and so save his life. One day an old "monk" came by for a donation.

On hearing her story, he said the work could be accomplished and her brother saved only through the sacrifice of her daughter-and then vanished without a trace. Deeply distressed, she thought and thought-then made up her mind to offer the child if the sacrifice could save her beloved brother.

When he returned home that night, she told him what happened and what she had decided. He was horrified. But unable to resist her entreaties, he at last agreed and went to the forge with the child.

There he tearfully cast it into the molten metal. When the work was finished, not only did the bell ring, but its sound carried a mournful undertone resembling the voice of a lost child crying for its mother. In the ancient Silla language, "Emil-leh" means "Mommy." Such is the actual sound of the bell's undertone, and hence its name.

b. Pulguksa Temple

A smooth 20-minute drive outside town, Pulguksa lies in a fragrant forest near the foot of Mt. Tohamsan. One of the five great temples of Korea, it stands on the same spot where it has stood for the last fifteen centuries. Its stone foundations, an unusual blend of unhewn boulders and finely finished masonry reflect the ancient artisans' talent for enhancing natural materials with a human touch.

Notice how the first layer of cut stone was made to fit the original contour

of the rough rocks below. A stone drainage trough on the left of the main portal once carried ground water to a lotus pond that has long since disappeared. The temple's wooden structures have been built, destroyed, and rebuilt repeatedly over the ages.

A pilgrim's progress through the gates, courtyards and halls is symbolic of the various stages toward enlightenment. From the innermost shrines are spectacular overviews of the rolling "sea of tiles" formed by one sloping roof after another, and at sundown the entire area takes on a glow of magical loveliness.

o Pagodas of Pulguksa

Rising high above the roofs of Pulguksa is the delicate spire of Tabotap Pagoda. Like many of the temple's treasures, it has withstood the rain, snow and wind of well over a thousand years.

An elegant example of Silla artistry, it is also richly symbolic. Four stairways, one on each side, invite men from all corners of the earth to mount the path of spiritual ascent.

The four coarse pillars stand for man in his unrefined state, reaching for the four Truths of Buddha, represented by the square platform above.

Facing Tabotap Pagoda, on the opposite side of the Pulguksa courtyard, is Sokkatap Pagoda-of equal age but entirely different in style. While its companion portrays the process of ascension, this one stands for descent to the earthly world.

Eight lotus pedestals, level with the ground, were believed to be seats for Buddhist angels. Simple, strong and masculine, the pagoda represents a type native not to Silla but to its western neighbor, the

Paekche Kingdom. Standing together, one on either side of the inner court, the gracious intricacy of the one complements and balances the plain simplicity of the other.

c. Sokkuram Grotto Shrine

High upon the eastern slope of Mt. Tohamsan stands the spiritual shoreline guardian of the Silla Kingdom. A grotto shrine dedicated in the eighth century, it was thought to protect the realm from marauding Japanese pirates. Overlooking spectacular scenery with the sea on the horizon, the grotto catches the first rays of the rising sun.

In the center of its domed hall is a softly illuminated image of Sakyamuni, the historical Buddha, seated in the Pose of Enlightenment. Emanating a sublimely harmonic beauty, it is surrounded by gorgeously engraved wall panels and niches holding smaller figures.

The impressiveness of Sokkuram is not that of sheer size. It is rather to be found in a combination of far subtler effects—a perfect natural setting, the sensitively masterful rendition of the work itself, and a sense of awe at how, so very long ago, both artisan and believer could find their way up to a spot that still seems remote.

d. Tumuli Park

A vast walled area in the heart of town, this is a good starting point. The Park contains twenty ancient tombs—some immense mounds of ancient monarchs and smaller ones probably built for members of the royal family or aristocrats.

The first tomb you see is said to be that of King Michu, a 3rd-century ruler who was the first of the Kim Family to ascend the throne. Further on is a mound that yielded a wealth of artifacts to archaeologists in

INTRODUCTION TO THE ORGANIZATION AND
ACTIVITIES OF SHINBUG PRIMARY AGRICULTURAL COOPERATIVE

- 1982-

NATIONAL AGRICULTURAL COOPERATIVE FEDERATION
SECUL, REPUBLIC OF KOREA

I. SHINBUG PRIMARY AGRICULTURAL COOPERATIVE

1. General Introduction

The Shinbug Primary Agricultural Cooperative is located in Shinbug township(Myeon), Chunseong county(Gun) of Gangwon province. It was established as a township-unit multipurpose cooperative in December 1969, through the amalgamation among 14 village-unit agricultural cooperatives.

Since the establishment, the primary cooperative has been a member cooperative of the Chunseong County Agricultural Cooperative by the end of 1980. In line with the revised Agricultural Cooperative Law, the Chunseong County Agricultural Cooperative became a county office of the National Agricultural Cooperative Federation(NACF) and the primary cooperative was affiliated with the NACF as a member in January, 1981.

The operational area of the primary cooperative is the same as the administrative district of-

Shinbug Myeon and Bugsan Myeon in the area of Gangwon Provincial Government. There are 40 administrative villages of naturally-formed villages in the operational area.

a. Land Area

The total acreage is 26,133 ha. Out of the total, arable land accounts for 7.4 percent or 1,934 ha. The total cultivated land area, is composed of 1,291 ha of upland and 643 ha of paddy field. Average cultivated land area owned by per farm household is 1.2 ha.

Land Area and Cultivated Land

<u>Item</u>	<u>Acreage (ha)</u>	<u>Proportion (%)</u>
Cultivated land	1,934	7.4
Paddy field	643	33.2
Upland	1,291	66.8

b. Farm Household

The population of the operational area totaled 15,255 persons of the end of 1981. Out of the total, farm population accounted for 51.6 percent or 7,867 persons. On the other hand, the number of household totaled 3,137. Of the total, number of farm households was 1,623.

Population

<u>Item</u>	<u>Number</u>	<u>Proportion(%)</u>
Farm population	7,867	51.6
Non-farm population	7,388	48.4
Total	15,255	100.0

Number of Household

<u>Item</u>	<u>Number</u>	<u>Proportion(%)</u>
Farm household	1,623	51.7
Non-farm household	1,514	48.3
Total	3,137	100.0

* Number of member farm household : 1,446 (89% of the total farm households)

c. Major Production

The major production of the operational area includes food grains such as rice and barley, vegetables, fruits and livestock products. The total production of rice in 1981 was 2,758 metric tons and miscellaneous grains totaled 1,298 metric tons.

On the other hand, the numbers of native cattle and milk cow raised by farm household in the operational area totaled 3,258 head and 26 head respectively.

Agricultural Production

<u>Item</u>	<u>Production</u>
Food grains	
Rice	2,758 M/T
Miscellaneous grains	1,298 M/T
Fruits	30 M/T
Vegetables	1,510 M/T
Livestock	
Native cattle	3,258 head
Milk cow	26 head
Poultry	24,741 birds

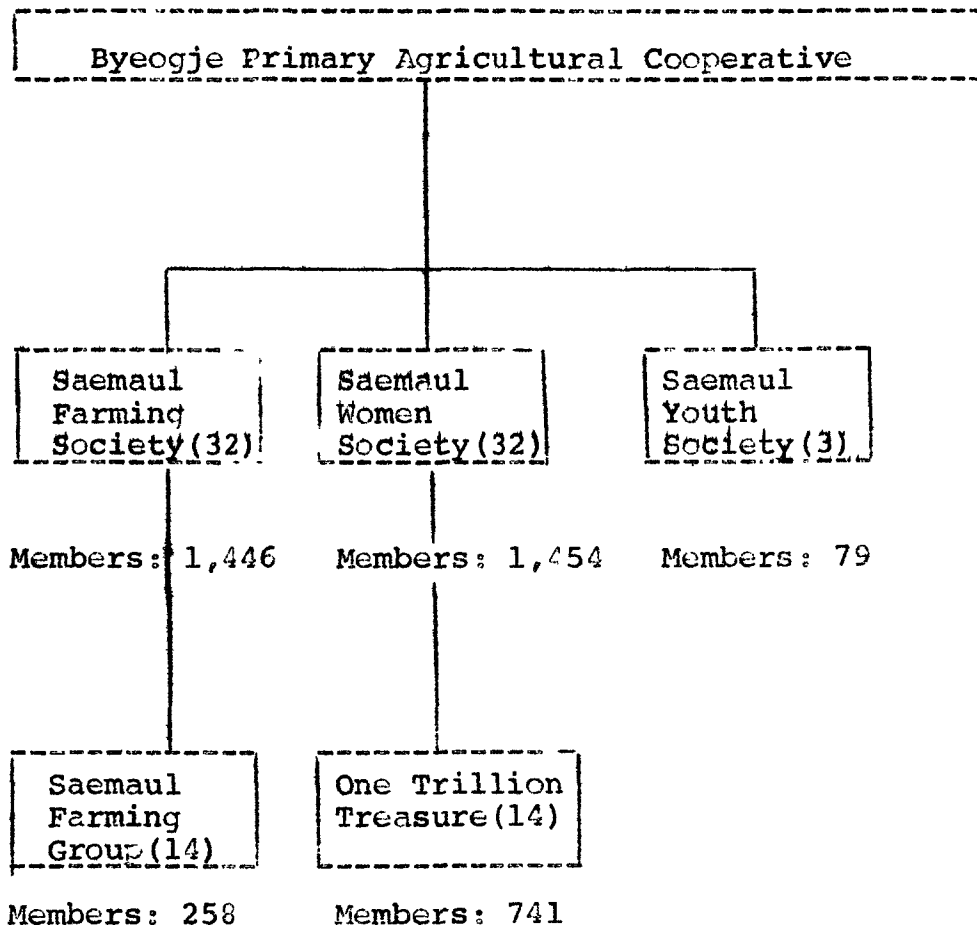
2. Internal Organization of the Cooperative

The organization of the Shinbug Primary Agricultural Cooperative can be largely divided into policy-making organization and management organization. The Board of Director is organized 6 directors and the President. The cooperative has two auditors who supervise the results of the business performance and inspect the asset of the cooperative.

As the management organization, there are one general manager and 4 managers. The number of staff who are employed by the cooperative totaled 36 persons as of the end of 1981.

On the other hand, the cooperative has collaborative societies organized among member farmers at village level. In the operation area of the cooperative, there are 32 Saemaul farming societies, 32 Saemaul women societies and 3 Saemaul youth societies.

Organization Chart



3. Facilities of the Cooperative

The Byeogje Primary Agricultural Cooperative operates diverse facilities including cooperative chain store and farm machinery service center. These facilities which are belong to the cooperative contribute toward the members' participation in the cooperative activities, joint utilization activities among members and the increase of farm income.

The facilities are enumerated as follows :

<u>Item</u>	<u>Number</u>	<u>Remarks</u>
Integrated office building	1	51 Pyeong (163.3m ²)
Cooperative Chain store	1	50 Pyeong (165 m ²)
Farmers hall	1	40 Pyeong (132 m ²)
Warehouse	9	510 Pyeong (1,683 m ²)
Truck	4	11.3 tons
Farm machinery service center	1	20 Pyeong (66 m ²)
Marketing center	1	50 Pyeong (165 m ²)
Milling plant	1	90 Pyeong (297 m ²)
Oil supply center	1	3 Pyeong (9.9 m ²)
Cattle shed	1	90 Pyeong (297 m ²)

4. Business Performance

(1) Business in 1981

The major businesses of the Shinbug Primary Agricultural Cooperative classified as follows :

- a. Credit business for receiving deposits and making loans.
- b. Purchasing business for the supply of chemical fertilizer, farm chemicals and other agricultural production input.
- c. Distribution of consumer goods.
- d. Marketing for the sale of farm produce.
- e. Business for warehousing, utilization and processing.
- f. Cooperative insurance business.
- g. Collection of share subscription.

In 1981, total deposits received by the primary cooperative amounted to 1,022.2 million won, showing an increase of 30 percent over the preceding year. The total loans outstanding at

the end of 1981 reached 1,548.4 million won, compared with 1,217.9 million won in the previous year.

Total value of agricultural production input supplied by the primary cooperative to 803.0 million won from 647.9 million won in 1980. On the other hand, the consumer goods distributed by the chain store of the cooperative was valued at 141.3 million won.

The sales of agricultural products by the cooperative increased by 17 percent over the year of 1980. The value of cooperative insurance policies sold in 1981 was 144.3 million won, and premiums received amounted to 12.6 million won.

The amount of share subscription invested in 1981 was 14.1 million won, thereby the total share subscription reached 122.6 million won by the end of 1981. As a result, net profit obtained from the businesses amounted to 25.2 million won.

Business Performed in 1981

(in thousand won)

	<u>1980</u>	<u>1981</u>
Deposits received	764,382	1,022,216
Loans outstanding	1,217,000	1,548,376
Supply of fertilizer	164,129	268,237
Supply of chemical fertilizer	5,200	38,686
Supply of other agricultural input	478,571	496,114
Distribution of consumer goods	101,819	141,208
Sales of agricultural produce	930,430	1,086,339
Warehousing	8,013	14,722
Utilization	7,179	6,434
Processing	12,419	10,176
Transportation	20,315	21,848
Cooperative insurance		
-Policies sold	193,200	144,300
-Conservation of contract	311,000	375,830
-Premiums received	50,195	54,920
-National life insurance	1,001	497
Total	4,241,088	5,215,729

Share subscription invested	100,521	122,619
Net profit	17,027	25,244

Business Income and Dividend

(in thousand won)

	1980 -----	1981 -----	Growth rate(%)
Total income of business	117,398	180,664	53
Expenses	103,440	152,466	47
Non-business income	3,087	- 2,974	-
Net profit	17,027	25,244	48
Dividend	8,900	13,542	52
Rate of Dividend	8.2%	11.1%	35

(2) Business Plan for 1982

The major plan for the business in 1982 is aimed not only at the improvement of cooperative management, but also at the development of the rural community. The plan by businesses are

set as follows :

- a. Business administration
 - Improving managerial basis of the cooperative.
 - Economizing the business expenses.
 - Rationalizing the business administration.
 - Efficient operation of fund.
 - Responsible and efficient management of the cooperative.
- b. Farm guidance activity
 - Positive participation in the rural Saemaul Undong.
 - Accelerating the improvement rural life.
 - Strengthening the function of village-level cooperative organizations.
 - Promoting farm mechanization by the strengthening of joint utilization.
 - Education for member farmers and staff of the cooperative.
- c. Credit business
 - Contributing to the increase of members' income through enhancing deposits and expanding agricultural fund.

- Expanded mobilization of agricultural fund and efficient operation of the fund
- d. Purchasing business
- Positive support for the increase of food grain production by timely supply of agricultural input.
 - Securing farm chemicals against sharp demand.
 - Enhancing agricultural productivity by the supply of farm machinery.
- e. Distribution of consumer goods
- Improving the management of cooperative chain store for the farmers' convenience.
 - Extending better service to members by the operation of mobile sale center.
- f. Marketing business
- Timely shipment of farm produce.
 - Strengthening cooperative marketing for the increase of farm households' income.
- g. Utilization and processing
- Assuring members' benefit by the expanded utilization of milling plant of the cooperative.
 - Increasing income of the cooperative and farmers' profit by the utilization of trucks.

h. Cooperative insurance

- Research on the sale of insurance policies and rational contract.
- Education for staff concerned to the business of cooperative insurance.

Business Plan in 1962

(in thousand won)

	<u>1962</u>	as on June 30, <u>1962</u>
Deposits received	1,439,000	1,212,300
Loans outstanding	1,845,759	1,897,110
Supply of fertilizer	295,310	150,187
Supply of other agricultural input	510,231	394,794
Distribution of consumer goods	145,000	69,247
Sale of agricultural products	288,570	256,165
Warehousing	11,046	10,617
Utilization	9,526	2,115
Processing	9,526	2,115
Transportation	23,000	12,054

Cooperative insurance		
-New policies sold	156,000	162,000
-Conservation of contracted policies	417,470	290,041
Share subscription invested in 1962	9,500	5,669
Net profit	29,762	25,082

In the case of net profit, the unexpected change of interest rate for loan in June, 1962 will bring forth big loss. The change of interest rate was initiated by the government finance policy measures.

II. GENERAL INTRODUCTION TO PRIMARY AGRICULTURAL COOPERATIVES

1. Organization

In Korea, the primary agricultural cooperatives were established at the town (Myeon) levels according to the Agricultural Cooperative Law and by-laws of the cooperatives. The establishment objectives of a primary cooperatives are increasing the agricultural productivity and promoting the socio-economic status of member farmers.

All of the primary agricultural cooperatives are affiliated with the National Agricultural Cooperatives Federation (NACF), an apex organization of agricultural cooperatives in Korea. As a member of the NACF, the primary cooperatives are guided and supervised from the NACF and its county office concerned.

The members of a primary cooperative are divided into regular members and associate members. The qualification of the regular member must have

their address or residence with the operational area of the cooperative.

The regular members are farmers being mostly engaged in cultivation for the production of grains, vegetables and other crops. Associate members are agricultural organizations such as farm land improvement association and forest association organized in the operational area of the primary cooperative.

As of the end of 1981, the number of primary agricultural cooperatives is 1,476. And that of member farmers stood at 2,075.9 thousand, thereby the average members per cooperative numbered around 1,406 persons. Out of total farm households in Korea, around 90 percent belonged to primary agricultural cooperatives.

2. Policy-making Organization

A primary agricultural cooperative has the representatives meeting, which is functioning as the general meeting, and the board of directors as the policy-making organizations. The representatives

elected from all villages in the operational area.
The office term of the representatives is two years.

The board of directors is composed of the president and directors whose office term is three years. In order to supervise the property and the business performance, the cooperative has two auditors who have two-year's office term. All of these officers are elected from the representatives meeting.

The representative meeting is classified into a regular session and an extraordinary session. The regular session is called by the president once a year within two months after the end of the fiscal year.

The following matters are decided by the resolution of the representative meeting.

- a. Amendment of the by-laws of the cooperative.
- b. Dissolution, amalgamation or separation of the cooperative.
- c. Expulsion of the member of the cooperative.

- d. Election and dismissal of the officers of the cooperative.
- e. Enactment and amendment of the covenant and the regulation of the cooperative insurance.
- f. Drawing up business plan and budget program.
- g. Business report, balance sheet and the statement of profit and loss.
- h. Proposals regarding the disposal of surplus funds and the settlement of losses.
- i. Admission to and withdrawal from membership in the NACF.
- j. Other matters deemed necessary by the president or the board of directors.

The board of directors is called and presided by the president of the cooperative. The matters to be decided by a resolution of the board of directors are illustrated as follows :

- a. Examination of membership qualification.
- b. Use of legal reserve funds.
- c. Maximum limitation of the borrowings.
- d. Method of imposition and collection of the expenses.

- e. Modification of business plan of budget.
- f. Appointment and dismissal of executive staff.
- g. Acquisition and disposal of basic properties.
- h. Decision of business implementation measures.
- i. Matters entrusted by the representatives meeting, and matters to be presented thereto.
- j. Other matters proposed by the president.

3. Managerial Organization

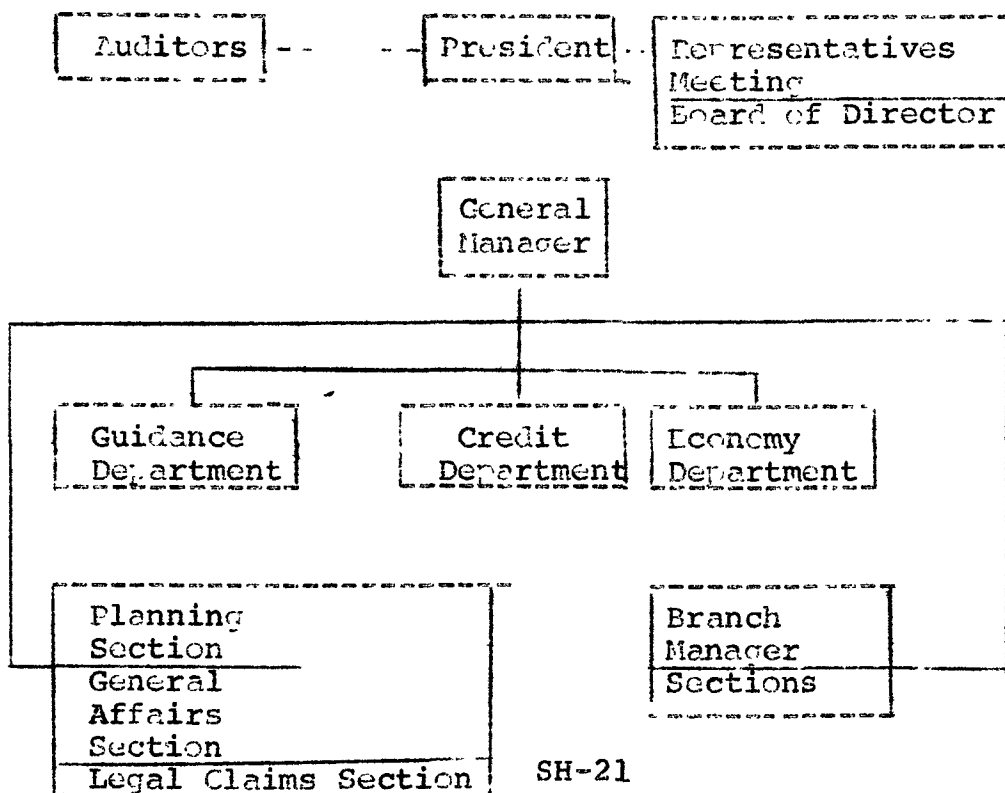
The managerial organization of a primary cooperative is divided into three departments under a general manager. The departments are guidance department, credit department and economy department. In addition, the primary cooperative has its branches according to business situation and circumstance of its operational area. The major functions of the departments are explained as follows

The guidance department is composed of farm guidance section, education section, income-increased development section and life guidance section. The credit department is five sections such as deposit section, loan section, cashier section exchange section, and cooperative insurance section.

On the other hand, economy department includes purchasing section, fertilizer section, consumer goods section, marketing section, and utilization and processing section. Planning section, general affairs section, and legal claims section are not involved in and department, but controlled directly from the general manager.

At the branch of a primary cooperative, there are four section under the branch manager : general affairs section, guidance section, credit section and economic business section.

Organization Chart



4. Business Performed by Primary Cooperative

In order to extend the best services to member farmers and to achieve the objectives, the primary agricultural cooperatives perform diverse businesses. The business are classified into banking, marketing, purchasing, utilization, cooperative insurance and guidance business.

The followings are items of business activities prescribed in the by-laws of the primary agricultural cooperative.

- a. Guidance and extension services for the farm production and living improvement.
- b. Purchasing business for the supply of agricultural production input and consumer goods.
- c. Marketing business for the sale of agricultural produce.
- d. Credit and banking businesses in relation to deposit and loan.
- e. Utilization business such as the establishment of joint utilization facilities and improvement of farm land.

- f. Cooperative insurance business handling life insurance and damage insurance such as fire insurance and special livestock insurance.
- g. Rural processing business.
- h. Medical services.
- i. Conclusion of collective bargaining agreement.
- j. Businesses entrusted by the National Agricultural Cooperative Federation.
- k. Other necessary business in relation to the objectives of the cooperative.

5. Development of Primary Cooperative

The guidance activity has been emphasized for the development of member cooperatives through such measures as amalgamation, fund support, increase in share capital, the expansion of major businesses and activities, and the managerial improvement of the member cooperatives. As a result of the measures, 1,124 primary agricultural cooperatives and 19 special cooperatives had advanced to self-supporting cooperatives by the end of 1981.

The total amount of share capital invested by member farmer reached 75 thousand won, compared with 65 thousand won in a year ago. The owned capital per primary cooperative including reserve fund augmented to 122.2 million won as of the end of 1981.

The major programs of farm guidance of the agricultural cooperatives include the Saemaul integrated rural development projects, farm mechanization program, support for the increase of food grain, and the fostering of Saemaul grass-root organizations such as Saemaul farming societies organized at village level among farmers. As of the end of 1981, the number of the Saemaul farming societies stood at 36,791 throughout the nation.

The Saemaul integrated rural development projects have been promoted since 1977 under the sponsorship of primary agricultural cooperatives for the increase of farm income and the development of rural community. By the end of 1981, 321 cooperatives had promoted the projects through the mobilization of rural resources as well as through the cooperation among member farmers.

Increase in Owned Capital of Primary Coops.

(in million won)

	1979	1980	1981
Owned Capital			
Share subscription	99,138	126,212	144,567
Reserve fund	26,804	39,575	55,333
Total	126,032	165,787	199,900
Owned capital per coop.	84.6	111.6	122.2
Owned capital per member farmer	65.6	86.0	86.9

Expansion in Major Business of Primary Coops.

(in million won)

	1979	1980	1981
Deposits received	599.2	823.8	1,163.3
Loans outstanding	665.0	1,148.6	1,561.7
Purchasing	446.9	502.1	740.0
Marketing	348.5	426.4	468.7
Utilization and Processing	28.7	31.3	40.3
Cooperative insurance	434.2	570.7	536.1
Total	2,514.5	3,562.9	4,510.1

--- million won ---

Worage per cooperative	1,687.5	2,399.3	3,055.6
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III. COLLABORATIVE ORGANIZATIONS OF PRIMARY COOPERATIVES

1. Village Level Societies

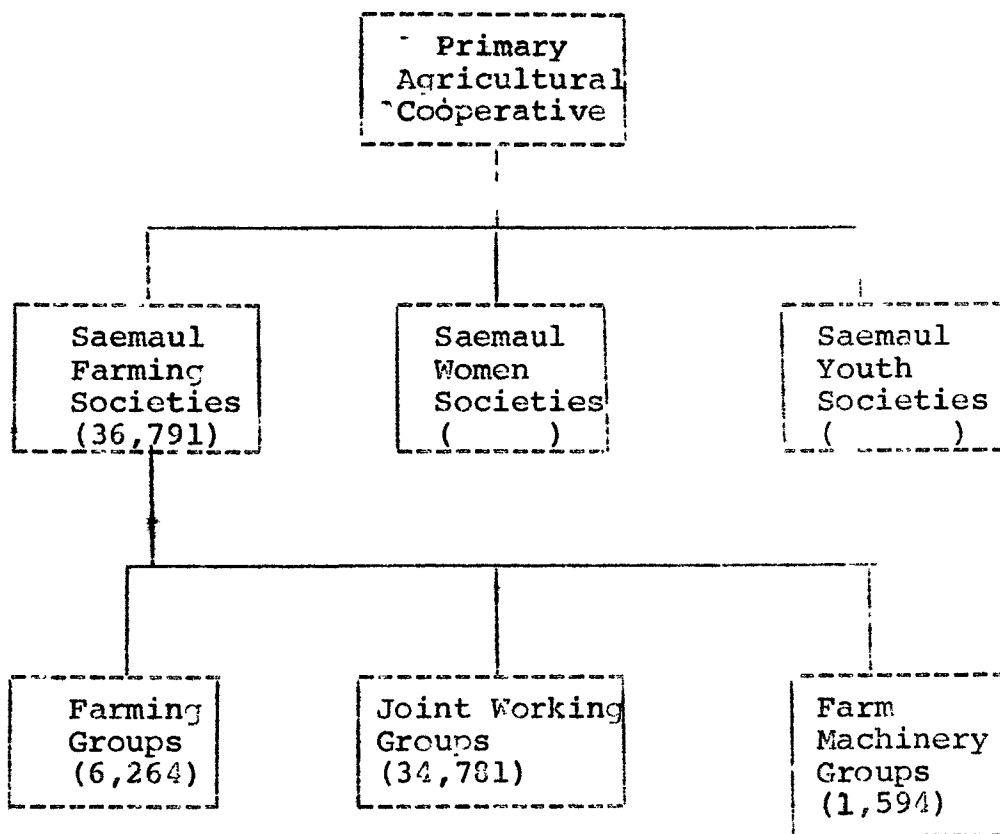
Under a primary cooperative, collaborative organizations are voluntarily organized among member farmers at the village level. The organizations are classified into Saemaul farming society, Saemaul women society, and Saemaul youth society. As the subordinate organization of the Saemaul farming society, farming group, joint working group and farm machinery group are organized at the village level.

The major objectives of the societies are strengthening members' activities in the enhancement of productivity and the improvement of living standard through cooperative activities. As the grass-root organization of a primary cooperative. These societies have much contributed to ward developing agricultural cooperative movement as follows.

- a. Strengthening members' participation in business activities performed by their cooperative.

- b. Boosting democratization of cooperative management through a close linkage between the cooperative and societies.

Organization Chart of Collaborative Societies



2. Saemaul Farming Society

The Saemaul farming society fulfils its function as a leading organization at the village level. Its major functions are 1) coordinating and guiding farming groups, joint working groups, and farm machinery groups, 2) fostering the Saemaul women society and the Saemaul youth society, 3) application and supply of agricultural materials and funds demanded by the collaboration organizations, and 4) relay service between the primary cooperative and member farmers.

The followings are major activities of the society.

- a. Performance of integrated farming and support activity for the agricultural production.
- b. Promotion of regional development project for increasing income.
- c. Business on the development of off-farm income in rural area.
- d. Activities for the members' overall utilization of cooperative businesses.

- e. Education, training and study on scientific farming.
- f. Joint utilization activities for labor-saving farming and reduction of farming cost.
- g. Grading, packaging, storing and shipping for the improvement in market transaction.
- h. Activities for fostering young prospective farmers.
- i. Relay services for the application and supply of agricultural production input including farm chemical.
- j. Proposal on farming loan funds.
- k. Service on the selling of food grains to be purchased by government.
- l. Other relevant activities deemed necessary.

3. Saemaul Women Society

Among women in rural area, the Saemaul women societies are organized for the purpose of functioning as an organization improving women's welfare. The major functions of the societies are 1) keeping well-being farm households, and 2) contribution toward the rural community development through realizing Saemaul spirit : diligence, self-help, and cooperation.

The women societies carry out diverse activities enumerated as follows :

- a. Cultivation and inculcation for building well-being family.
- b. Activities on the education of children in rural area.
- c. Activities in relation to the rural community development.
- d. Activities on the improvement of rural environment and rural life: clothes, food and shelter.
- e. Activities for the improvement of nutrition and health.
- f. Farm guidance activity for rural women.
- g. Training program for the handling of farm machinery.
- h. Activity on the rationalization of consumption life.'
- i. Operation of nursery during farm season.
- j. Savings promotion activities.
- k. Activities concerned to welfare and culture of rural area.
- i. Collaborative service activities.
- m. Development of off-farm businesses of farm households and joint sideline work.

- n. Other activities relating to the Saemaul women society.

4. Saemaul Youth Society

The Saemaul youth societies are organized by the numbers of former 4-H clubs agriculture and rural community.

The major functions of the Saemaul youth society are 1) polishing knowledge and technology through learning ;and actual performance based on knowledge, virtue, labor, and physical training, and 2) cultivating attainments for a member of the nation through cooperative life and service activities.

In order to fulfil their functions, the Saemaul youth clubs conduct following activities:

- a. Attaining new knowledge and advanced technology through actual performance.
- b. Contributing toward home life and commodity development through the rationalization of life.
- c. Training cooperative life through the thorough-going ideal and friendship.

- d. Promoting the Saemaul Undong (new community movement) and campaigning the nature conservation.
- e. Realizing scientific methods in the rural community.

5. Farming Group

The farming groups are crop-oriented organizations aimed at joint production and joint marketing. As a group under the Saemaul farming society, the farming group has much contributed toward enhancing agricultural productivity and marketability of farm products.

The followings are activities of the groups.

- a. Setting up integrated farming plan.
- b. Performance of joint work for farming.
- c. Introduction of advanced farming technology and operation of model farm.
- d. Joint procurement of agricultural production input.
- e. Mobilization and operation of fund demanded in farming.

- f. Establishment and operation of joint utilization facilities.
- g. Formation and operation of common funds.
- h. Activities on joint marketing and on the enhancement of marketability.
- i. Other necessary activities of the groups.

6. Joint Working Group

The purpose of organizing joint working group is collaborative work among members for the paddy farming. Therefore, the groups are divided into village-unit joint working groups and paddy field-unit joint working groups.

The activities of village-unit joint working groups can be illustrated as follows :

- a. Joint working for transplantation, anti-insect measures, and harvest among members.
- b. Joint working for the improvement of environment, life and common income projects at village level.
- c. Securing and utilization of farm machinery for the joint work.

- d. Joint procurement of agricultural materials needed in the joint work.

On the other hand, the followings are activities of paddy field-unit joint working groups.

- a. Joint working for anti-insect measures and the consolidation of farm land.
- b. Establishment of irrigation facilities and rearrangement of farm road.

7. Farm Machinery Group

The farm machinery groups are organized with a view to saving labors and enhancing efficiency of farm machinery work. The major function of the groups is expanding mechanized farming through the various activities enumerated as follows :

- a. Storing farm machinery.
- b. Checking up and repairing farm machinery.
- c. Management of farm machinery facilities.
- d. Training on the handling of farm machinery.
- e. Planning and coordinating work program.
- f. Evaluation of work and performance.
- g. Other activities in relation to the collaboration with other organizations at the village.

ORGANIZATION AND ACTIVITIES OF SAEMAUl WOMEN
SOCIETIES OF AGRICULTURAL COOPERATIVES

- 1982 -

NATIONAL AGRICULTURAL COOPERATIVE FEDERATION
SEOUL, REPUBLIC OF KOREA

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I. ORGANIZATION AND FUNCTIONS OF SAEMAUL
WOMEN SOCIETIES

1. Rural Community and Women's Status

Since the liberation of the nation, both the urban areas and rural areas have been much developed in compliance with the economic development of the nation. Most of rural communities, in particular, has showed a rapid change in line with the rural Saemaul Undong (new community movement) that was initiated in 1970 as a nation-wide movement.

As a result of the continuous Saemaul Undong the rural communities were improved in various aspects. The important change in the rural communities can be enumerated in three aspects as follows :

First, the environment of the rural areas were improved by the electrification, installation

of water-supply system, the widening of farm road, and the improvement of rural housing, In addition, such durable goods as television sets and refrigerators were supplied to most of farm households.

These phenomena has encouraged rural people not only to improve their life conditions but also to enjoy better living. Accordingly the rural Saemaul Undong with three philosophy such as dilligence, self-help and cooperation was one of most important event in the development of rural community in 1970s.

Second, the pattern of farm management was changed into commerce-oriented farming from the self-sufficient farming of farm households. This result came from the improvement of agricultural infrastructure including the consolidation of farm land and from the advancement of farm technology.

In spite of the rapid change and development in rural community as mentioned above, some problems in agricultural sector remains to be improved. They include the small scale of farm management, relatively lower situation of farm households' economy, insufficient socio-cultural facilities.

The role of women in rural communities has been greater in view of the current situation of rural areas. Therefore the function of rural women can be classified into three aspects.

The first function is their own duty concerned to daily life as housewives. The second function is playing the role in the farm management as a manager and a agricultural labor. The last one is the participation in the rural community development activities including Saemaul Undong.

In accordance with the improvement of agricultural infrastructure and the dissemination of high-yielding variety of rice, the farmers' income has been increased year by year. While the increase in the application of chemical fertilizer and farm chemicals has made farm households pay higher expenditure for farm management.

Third, the social structure of rural areas was changed by the industrialization and urbanization brought forth by the continuous promotion of economic development plans from the early of 1960s. As a result of emigration of rural youth to urban areas the lack of agricultural labor force has been an important problem.

In line with the these phenomena, role of women has been gradually strengthened both in farm management and in the development of rural communities. On the other hand, not only various pollution problems has gradually arisen in rural areas but also the traditional rural family system has been abolished in recent days.

2. Organizational Background of Women Societies

The objectives of the agricultural co-operatives consist in the enhancement of social and economic status of member farmers as well as the increase of agricultural productivity. In accordance with the objectives, the agricultural cooperatives have carried out the guidance activities in relation to the increase of farmers' income and the improvement of the rural life.

By the beginning of 1970s, the primary agricultural cooperative have made an effort for the improvement of managerial basis through the amalgamation program and the expansion of businesses. This effort has not only brought forth self-supporting cooperatives, but also made cooperatives play a practical role in the achievement of their objectives.

As a result, the primary agricultural co-operatives initiated in 1971 employing farm guidance managers in charge of extension service

aimed at the increase of farmers' income. And the agricultural cooperatives gradually posted women extension workers as the women guidance managers from 1974.

The employment of women guidance was aimed at the assuring better life of farm households through the guidance activities in relation to rural life. In addition, the important role of rural women has been much reflected.

In recent years, the position of rural women has been upgraded as mistress in charge of expenditure of farm household. Thereby the role of women has been greater in the social and economic life in rural areas.

Agricultural cooperatives has induced women to participate in the movement of agricultural cooperative in accordance with their social position in rural community. In addition, women's participation in the activities of agricultural cooperatives was required to expand the business scale of the cooperatives and to develop social community.

With these background, agricultural cooperatives implemented the organization of the Saemaul women societies at village level from 1973. Thereby the women societies have been fostered as the organizations promoting women's activity and as the grass-root cooperative organizations keeping close linkage through the participation in the businesses of their agricultural cooperatives.

The brief history concerned to the village-level cooperative organizations and the women guidance activity is chronologically summarized as follows :

- 1971 : Began the recruit of farm guidance manager at primary agricultural cooperatives.
- 1972 : Initiated the organization of the Saemaul farming groups by crops at village level.
- 1973 : Organized the Saemaul women societies by rural women at village level.
- 1974 : Began the employment women guidance manager at the primary agricultural cooperatives.

3. Organization of Saemaul Women Societies

The Saemaul women society, in principle, is organized by each traditionally-formed Village(hamlet). It can be organized by two or three hamlet, but the operational area of a women society ; cannot exceed the area of one administrative village(Ri or Dong).

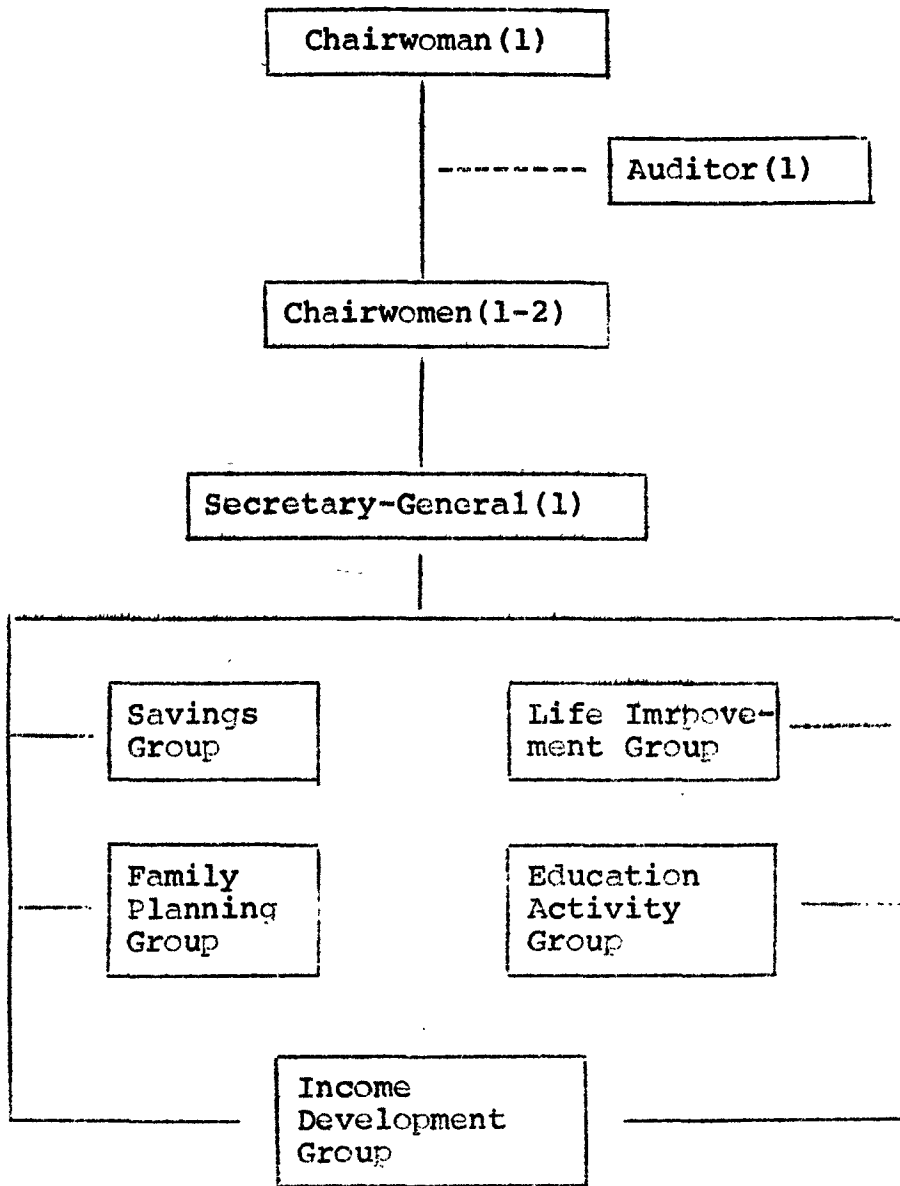
The members of the women societies are family members of member farmers of agricultural co-operatives. The age of members shall be more than 20-year and less than 60-year. In the case of that a member whose age is more than 60-year, she can be qualified as a special membership.

The objectives of the Saemaul women societies consist in the enhancement of women's welfare and the continuous promotion of Saemaul Undong in rural area. Accordingly the women societies are aimed at fostering solid farm households and at contributing to the development of rural communities.

Each women society has one chairwoman, one or two deputy chairwomen, one auditor, and one secretary-general. Excluding secretary-general, these are elected by members of the society. The secretary-general is appointed by the chairwoman among the members, and office term of these executive members is two years.

Under the executive members, the each group is divided by functions such as saving promotion, life improvement, family planning, education activity and income development. The chiefs of these groups are elected from the executive members meeting.

Managerial Organization of Women Society



The meetings are classified into general meeting, monthly meeting and executive members'

meeting. While, the general meeting is convened once in a year. The executive members meeting is composed of chairwoman, deputy chairwomen, secretary-general and chiefs of all groups.

The expenses of the women societies are covered by the members' subscription and income from joint activities. Out of the fund, the society should accumulate legal reserves.

As of the end of 1981, totaling 36,711 women societies were organized and their members reached 1,199 thousand persons. The numbers of the societies and member women are shown in the following table.

Number of Women Societies by Province

(As of the end of 1981)

	<u>No. of Women Societies</u>	<u>No. of Members</u>
Gyeonggi Prov.	4,215	163,915
Gangwon Prov.	2,037	61,389
Chungbug Prov.	2,615	91,632
Chungnam Prov.	4,601	23,157

Jeonbug Prov.	4,926	169,702
Jeonnam Prov.	7,701	286,634
Gyeongbug Prov.	5,565	199,644
Gyeongnam Prov.	5,061	172,239
Jeju Prov.	239	14,869
Seoul City	97	3,302
Busan City	84	4,434
Daegu City	15	5,579
Incheon City	46	2,744
Total	36,711	1,199,240

4. Function of Saemaul Women Societies

In order to achieve objectives, the Saemaul women societies performs various activites. The types of activities are prescribed in the regulation of Saemaul women societies as follows :

- a. Activities for the solid home life and advancement of rural women's quality.
- b. Activities for children's education.
- c. Activities for the development of rural community.
- d. Activities in relation to the improvement of environment and life pattern.

- e. Activities concerned to the improvement of rural people's nutrition.
- f. Farm guidance for the women.
- g. Training in the operation of farm machinery.
- h. Activities concerning the national health.
- i. Activities for the family plan.
- j. Operation of purchasing centers for the rationalization of consumption life.
- k. Activities on the rural welfare and culture.
- l. Cooperative service work.
- m. Activities for the operation of nursery in busy-farm season.
- n. Savings promotion activities.
- o. Development of rural side-line income projects.
- p. Other activities for the achievement of the objectives.

These activities are classified into four major functions such as saving promotion, purchasing business, life improvement, and education activities as mentioned in the previous chapter illustrating the organization of women societies. Thereby the activities are enumerated by their important functions

as follows :

a. Savings Promotion

- Plan for the enhancement of savings.
- Promotion of savings for the common fund of the societies.
- Mobilization of fund required in the activities.

b. Purchasing Business

- Procurement of agricultural production input.
- Utilization of common facilities and procurement of the facilities
- Operation of purchasing centers for consumer goods.
- Sales of products by side-line work.

c. Life Improvement Function

- Operation of joint Kitchen.
- Improvement of housing
- Improvement of rural clothing and food pattern.
- Performance of family plan.

d. Education Activities

- Education for rural women.
- Operation of children's study rooms-

- Introduction of farm household accounting
- Promotion of cultural lecture.
- Dissemination of rural recreation activities.
- Joint Work
- Operation of nursery
- Development of farm side-line jobs.

5. Function of Women Extension Workers

In accordance with the organization of Saemaul women societies at village-level, the agricultural cooperatives perform their extension activities for the improvement of rural life. These activities are carried through the linkage with the women societies.

In addition, agricultural cooperatives employ women extension workers for the efficient performance of women guidance activities. The major duties of the women extension workers are enumerated as follows :

- a. Guidance for the organization and management of Saemaul women societies.
- b. Advice the activities of women societies for the community development.
- c. Encouraging women societies to expand the businesses of agricultural cooperatives.
- d. Guidance for the farming activities of women.
- e. Support for the cultural and welfare life.

- f. Activities on the public information on the agricultural cooperatives.

These activities performed by the women extension workers are based on the basis goal of life guidance activity of agricultural cooperatives. As of the end of 1981, the number of women extension workers totaled 968.

In the case of the head office of the NACF, an women extension worker is employed at the Saemaul Farm Guidance Division of the Saemaul Guidance Department. Her major duties are the planning for the guidance activity of rural life improvement and for the extension work in relation to the women's participation in agricultural cooperative businesses and women's activities for the farming and income-increase.

The number of women extension worker by offices of the NACF and primary agricultural cooperatives is shown in the following table.

Number of Women Extension Workers

	<u>1979</u>	<u>1980</u>	<u>1981</u>
<u>NACF and provincial office</u>			
Number of offices	10	10	14
Number of worker	2	2	3
<u>County offices of NACF</u>			
Number of offices	140	140	139
Number of workers	31	31	16
<u>Primary agri. coops.</u>			
Number of offices	1,490	1,485	1,476
Number of workers	989	936	949

II. WOMEN SOCIETY ACTIVITIES RELATING TO AGRICULTURAL COOPERATIVE BUSINESSES

1. Promotion of Savings

The Saemaul women societies have conducted the activities relating to the businesses of agricultural cooperatives. They include saving promotion, the operation of purchasing centers, the operation of joint kitchen and the operation of women's class. In addition, the members of the women societies have operated the children's study room and developed joint work for farm side-line income.

The members of the women societies have made effort to increase the savings in rural areas through the campaign for individual savings and mobilization of common fund. The mobilization of common fund is necessary for the efficient expenditure of the societies and deposit of the fund.

The common fund is mobilized by the members' subscription, income from the operation of purchasing center, income from joint kitchen, earnings from joint work and other income. This function for the increase of savings has much contributed toward enhancing deposits of primary cooperatives.

As of the end of 1981, total amount of deposits by the women societies reached 77,365 million won. The average amount of deposits per women society was 2,115 thousand won.

Out of the total deposits received by the primary agricultural cooperatives, the amount of deposits mobilized by women societies accounted for 6.6 percent.

Deposits by Women Societies

	<u>1979</u>	<u>1980</u>	<u>1981</u>
	.....million won		
Deposits by women societies (A)	67,136	83,962	77,365

Average deposits per women society	1,861	2,315	2,115
	....million won		
Total Deposits of primary cooperatives(B) -	-	-	1,163,315
Ratio(B/A)	-	-	6.6%

2. Operation of Purchasing Centers

The operation of purchasing centers and the distribution of consumer goods by Saemaul women societies are closely related with the business of cooperative chain store. Through the establishment of the purchasing centers at village-level, the women societies played an important role in the rationalization of consumption life in rural area.

The distribution of consumer goods are aimed at protecting rural consumers with supply of goods with better quality at reasonable price. In addition, the economization of time and cost by the procurement of consumer goods at the village.

The purchasing centers are operated with the linkage with the cooperative chain stores of the primary agricultural cooperatives. Thereby, the purchasing centers mostly procure their consumer goods from the cooperative chain stores.

The members of the women societies not only perform their function for the positive participation in the business of primary cooperative, but also mobilize the common fund through the operation of purchasing centers. The performance of the activities concerned to the purchasing centers is periodically opened to the members.

The value of consumer goods supplied by the purchasing centers has been gradually increased. The number of purchasing centers totaled 21,056 by the end of 1981 and their supplies amounted to 57,698 million won, accounting for 34.2 percent of the total value of consumer goods distributed by cooperative chain stores.

Purchasing Centers of Women Societies

	<u>1979</u>	<u>1980</u>	<u>1981</u>
Number of purchasing centers	22,937	22,321	21,056
	.....million won...		
Value of consumer goods supplied by the centers(A)	67,373	68,728	57,698
	.....thousand won...		
Monthly average value per center	224	256	228
	.....million won...		
Total value distributed by coop. chain stores(B)	...	...	122,217
Ratio(B/A)	...	...	34.2%

3. Operation of Joint Kitchen

The purpose of the operation of joint Kitchens by Saemaul women societies consists in the efficient mobilization of rural labor force during busy farm season as well as in the improvement of meal pattern.

The joint Kitchens established by the members of women societies are divided into two types : the one is fixed kitchen and the other is itinerant kitchen operated at spot of farm land.

In principle, the joint kitchens should be developed from first stage to their third state. The kitchen of the first stage is established with a view to supply lunch and a snack to laborers who participating in joint work.

The kitchen of the second stage is aimed at the supply of lunch and snack to both laborers and their family. While, that of the third stage is operated for the purpose of supplying meals to all people who request.

However, the most kitchen operated by the women societies are the first stage kitchen and second stage kitchen. The operation of the kitchens are closely cooperated with the Saemaul farming societies at village level.

The members of the women societies who participate in the work of joint cooking not only are advised from the specialist in cooking but also make decision for the preparation of menu,

Most of the cooking materials are supplied from the products of farm households. As aforesaid the operation of joint kitchen has contributed toward maximizing the rural labor force and the development of nutritious meals.

The number of joint kitchen totaled 3,925 at the end of 1981, each kitchen is operated for 15 days per annum on the average.

Number Joint Kitchen

	<u>1979</u>	<u>1980</u>	<u>1981</u>
Number of joint kitchen	5,815	5,049	3,925
Average operation days per annum	25	20	15

4. Operation of Women's Classroom

Through the operation of women's classroom, Saemaul women societies have played a role in the advancement of their personal quality. The women's classrooms are periodical opened at the village hall or at other meeting room.

The objectives of the operation of women's classroom, which are more than one time in a month, are enumerated as follows :

- a. Study on the new knowledge and technology by the meeting in a definite place.
- b. Discussion and exchange of mutual experiences.
- c. Perfomation of common task.

In the case of the women's classroom, the chairwoman of a women society or the chief of education activity group is responsible for the activities relating to opening the classroom and inviting lecturer. The lecturer can be an outside specialist or the chief of a village-level

cooperative organization.

The educational materials to be utilized in the women's classrooms include materials published from the NACF.

In the case that the specific reference books are required, the women societies will procure the books.

The education activities through the classrooms are carried out by following methods.

- First, giving both common task and individual task to members of women societies.
- Second, the members perform the study of tasks during a definite period.
- Third, the members present and discuss on the result of the study in women's classroom.

In addition to the study of the tasks, the members are educated with lecture and practice. The subjects of the education include general female culture, the improvement of rural life

such as clothing, meals and housing, farming knowledge of housewives, the development of social project and farm side-line job, the positive way of participation in agricultural cooperative businesses and accounting system in farm household economy.

On the other hand, the women classrooms introduce the songs and healthy recreation. Through the women's classrooms and the training programs for women of primary agricultural cooperatives, totaling 57,903 members of women societies participated in the training for the farm machinery during the year of 1981.

Training and Education for
Members of Women Societies

	<u>1979</u>	<u>1980</u>	<u>1981</u>
Number of members trained in farm machinery operation	5,031	3,074	3,014
Number of members educated in farm technology	45,925	51,953	57,903

5. Operation of Children's Study Rooms

The establishment of children's study rooms is aimed at advancing study ability and obtaining experience in cooperation through their voluntary study. Therefore, an important objectives of the children's room consist in the fostering young rural successors.

To achieve these objectives, the women societies operate children's study rooms equipped with facilities, education materials and books. and each children's study room is taken care by a teacher who is in charge of advice to children for study.

A study room is established at village hall or newly constructed room and it is equipped with desks, chairs, blackboard, bell and other installation required in children's study. On the other hand, the teacher is appointed among teachers engaged in schools in village, executive members of women society, or members of the society.

The guidance for the children is carried out through the division of classes by grade, the number of children, and by the size of the study room. The major contents of guidance activities include preparation and repeat of school lessons, culture of aesthetic sentiments, introduction of healthy recreation, reading valuable books, singing good songs, and culturing discussion ability.

As of the end of 1981, the number of children's study rooms stood at 3,050. The total amount of subsidy given to the rooms reached 31,652 thousand won.

Operation of Children's Study Rooms

	<u>1979</u>	<u>1980</u>	<u>1981</u>
Number of children's study rooms	2,241	2,870	3,050
	....thousand won....		
Subsidy from agricultural cooperatives	6,628	13,081	31,652

6. Development Farm Side-line Jobs

With a view to increasing members' income and to mobilizing the common fund, the women societies promote the projects of farm side-line jobs. This activity is also aimed at strengthening the joint activities of the women societies.

In principle, the development of farm side-line work is performed with all members' direct participation. And this activity is promoted under the principle of cooperative production and joint marketing.

Accordingly, the development of farm side-line job is an income-oriented project by members of women societies. The performance of this activity is closely linked with the purchasing and marketing businesses of the primary agricultural cooperatives because of the procurement of materials and the sale of products.

The part of income obtained from this activity is accumulated as the common fund of

women society, and the remaining is distributed to members. The number of women societies stood at 1,760 as of the end of 1981, and average amount of income per women society was 797 thousand won.

Performance of Income Projects

	<u>1979</u>	<u>1980</u>	<u>1981</u>
Number of women societies performing income projects	200	1,470	1,760
	.....thousand won ...		
Average income per women society	568	1,547	797

7. Operation of Nurseries

Besides the aforesaid activities, the women societies operate nurseries in busy farming season. The operation of the nursery is aimed at the maximized rural labor force through the efficient care of children whose ages are less than primary schooling age.

Since the rural labor force is lack, the women's role in farm management is very important. Accordingly, the operation of nurseries at village level contribute toward enhancing agricultural productivity of female labors in rural area.

As of the end of 1981, the number of nurseries operated by women societies increased to 9,469. Because the nursery is opened in peak time of farming, the average operation days per annum was 11 days in 1981.

Increase of Nurseries

	<u>1979</u>	<u>1980</u>	<u>1981</u>
Number of nurseries operated	5,704	4,363	9,469
Total days of nursery operation	142,045	84,062	101,568
Average operation days per annum	24	19	11

III. THE ORGANIZATION AND THE ROLE OF AGRICULTURAL COOPERATIVES IN KOREA

1. Establishment of Agricultural Cooperatives

The initiation of agricultural cooperative movement in Korea can be traced back to the early twentieth century. As the nation-wide structure of the agricultural cooperatives at that time, financial associations, industrial associations, and farmers associations were organized in rural areas.

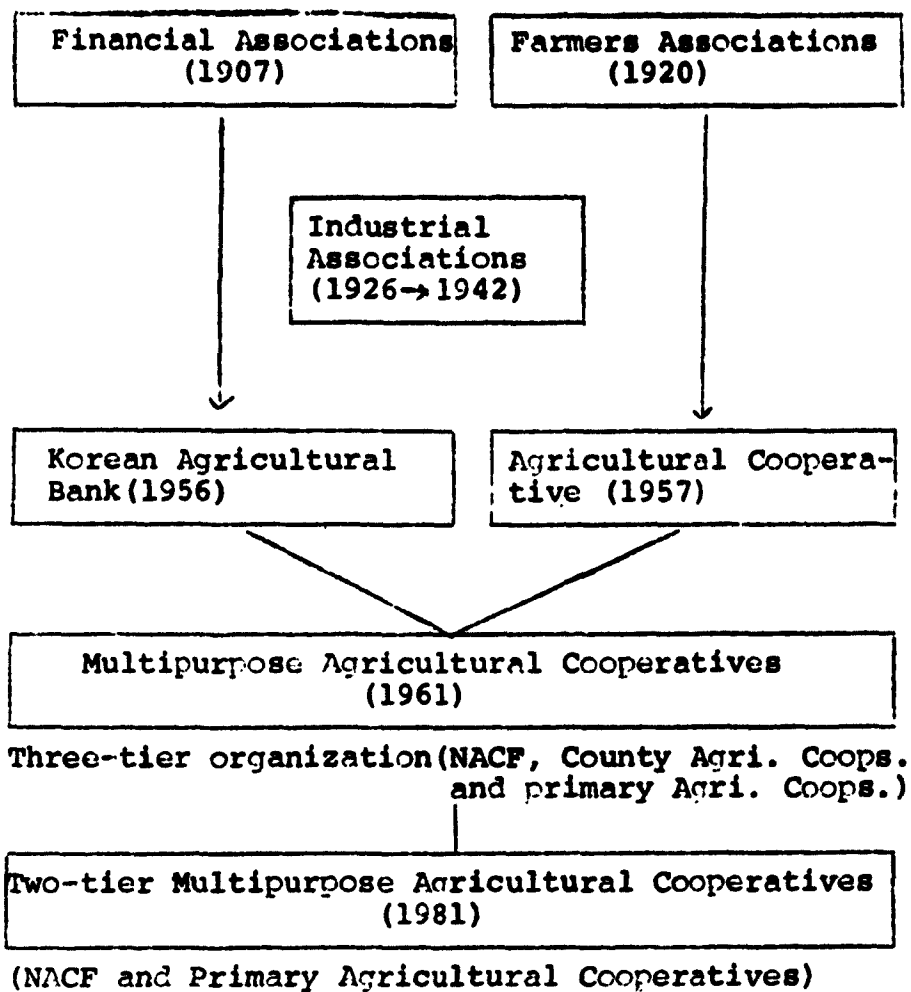
In 1907, the financial associations were inaugurated for conducting the businesses of warehousing and marketing. The farmers associations, were organized in 1920 and 1926 respectively. These associations carried out purchasing and utilization businesses, but the industrial associations dissolved in 1942 with suffering from an inadequate financial situation.

The financial associations were reorganized

in 1956 into the Korean Agriculture Bank dealing with the institutional agricultural finance. On the other hand, the farmers associations were transformed in 1957 into the agricultural cooperatives which handled economic business such as marketing and purchasing other than credit service. Between the Korean Agriculture Bank and the agricultural cooperatives, the close linkage and the efficient cooperation lacked because of duplication in business activities. This circumstance was a factor in the new organization of the multipurpose agricultural cooperatives for the benefits of farmers as well as the agricultural development.

The present multipurpose agricultural cooperatives were established on the basis of modern cooperative principles through merging the Korean Agriculture Bank with the former agricultural cooperatives in accordance with the Agricultural Cooperative Law enacted in 1961. Accordingly the National Agricultural Cooperative Federation was inaugurated on August 15, 1961 together with

its member agricultural cooperatives. Since the inauguration, the Federation and its member cooperatives have not only showed a rapid growth in their businesses but also greatly contributed to improving the social and economic status of member farmers.



2. Organization of Agricultural Cooperatives

In Korea, agricultural cooperatives have been vertically organized at three levels since their establishment : primary cooperatives at the township level, county or city cooperatives at the county or city level, and an apex organization at the national level. Horizontally, they were classified into multipurpose cooperatives and special cooperatives.

Primary agricultural cooperatives were affiliated with the county or city agricultural cooperatives functioned as the secondary organization. On the other hand, the special cooperatives which were composed of livestock cooperatives and horticultural cooperatives were members of the National Agricultural Cooperative Federation (NACF) together with the county or city agricultural cooperatives.

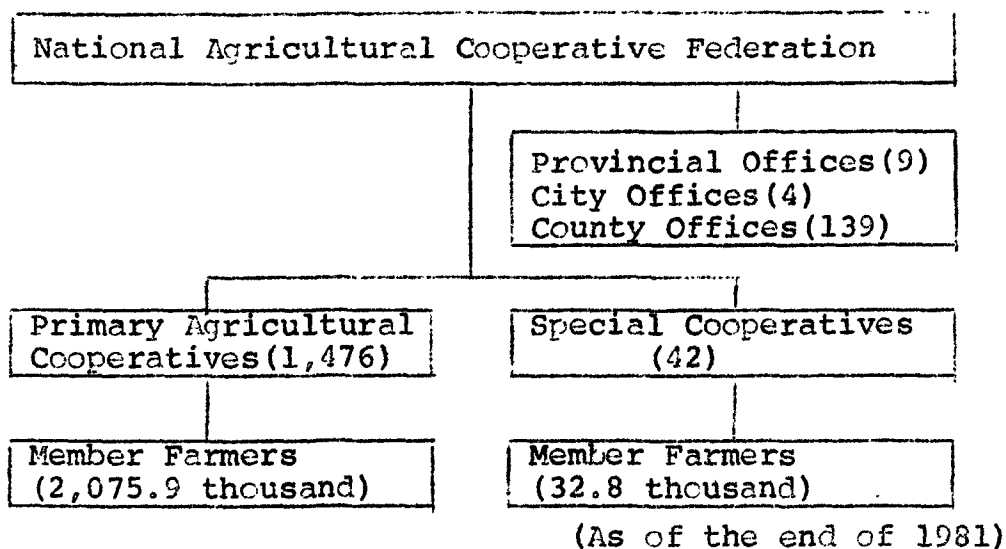
There were 1,485 primary cooperatives as of the end of 1980 : 140 county or city co-

operatives and 142 special cooperatives under the NACF as the three-tier organization. The three-tier structure of agricultural cooperatives has been reformed into two-tier structure since January 1, 1981 based on the revised Agricultural Cooperative Law and the Livestock Cooperative Law promulgated at the end of 1980. As a result, the county or city agricultural cooperatives were transformed into the county or city offices of the NACF, while the livestock cooperatives among special cooperatives were affiliated with the National Livestock Cooperatives Federation.

Therefore, the members of the NACF have been composed of primary agricultural cooperatives and horticultural cooperatives since 1981. The primary agricultural cooperatives were organized by individual farmers who were primarily engaged in the production of major grain crops such as rice and barley. The special cooperatives were established among the farmers producing horticultural products.

With continuous amalgamation program implemented by the NACF and of the withdrawal of livestock cooperatives from the NACF, the number of the primary agricultural cooperatives and that of special cooperatives decreased to 1,476 and 42 respectively at the end of 1981.

At present, around 90 percent of the total farm households belonged to agricultural cooperatives as member farmers. The average member farmers per primary agricultural cooperative stood at about 1,406 persons. The National Agricultural Cooperative Federation has its head office in Seoul, and 9 provincial offices in the capital cities of each province, 4 city offices in the special cities and 139 county offices.



3. Roles Of Agricultural Cooperatives

The agricultural cooperatives have mainly aimed not only at strengthening their economic activities but also at elevating their living standard as the farmers' voluntary organizations established on the basis of mutual-help spirit.

As prescribed in the Agricultural Cooperative Law, the objectives of agricultural cooperatives consist in the increase of agricultural productivity, the improvement of social and economic status of member farmers, and the assurance of the balanced development of national economy. In accordance with the objectives, the NACF and agricultural cooperatives have played various roles through the performance of their wide range of businesses and activities.

Their business and activity are classified into banking, marketing, purchasing, cooperative insurance, utilization, processing, farm guidance, education and public information, and research.

The businesses of the NACF and its member cooperatives have been performed in line with the government policy measures concerning the agricultural development plan as well as in relation to the overall economic activities of farm households.

Agricultural cooperatives have functioned as the agricultural banking institutions handling finance to meet the demand for agricultural fund. Through the banking business, the fund has been mobilized and operated for the development of agriculture as well as for the economic improvement of farm households.

The efficient distribution of farm input such as chemical fertilizer, pesticide, agricultural machinery and other production materials through the channels of agricultural cooperatives have played a role in augmenting agricultural output as well as enhancing farmers' income.

The supply of consumer goods through the

distribution centers of the NACF and the cooperative chain stores of primary cooperatives have taken a leading role not only in the reduction of the retail prices in rural markets, but also in the rationalization of rural people's consumption life.

The NACF and its member cooperatives have improved the marketing system of agricultural produce for the benefits of both farmers and consumers through their marketing business, The function of the cooperative marketing has been performed through the overall marketing strategy such as grading, packaging, inspection, labelling, advertisement and marketing information.

In addition, the agricultural cooperatives have exercised their functions not only in the stabilization of agricultural markets but also in the timely supply of both agricultural production input and consumer goods by warehousing and transporting. And with the handling of cooperative insurance, as part of social welfare service,

agricultural cooperatives provide member farmers with safeguard against their unexpected accidents like sickness and death, and their loss of property from a sudden outbreak of fire or other unforeseen calamities.

Agricultural cooperatives together with the NACF have contributed to fostering the youth who will develop the agriculture and to accelerating the establishment of well-being rural community. The activities for education and public information have incūlated the advanced knowledge and technology of agriculture among the member farmers. On the other hand, the Saemaul integrated rural development projects performed by the agricultural cooperatives have played a great role in the increase of farm households' income as well as in the development of rural community.

INTRODUCTION PAPER ON THE
WEOLSEONG COUNTY OFFICE OF NACF AND THE
ACTIVITIES OF PRIMARY COOPERATIVES

- 1982 -

NATIONAL AGRICULTURAL COOPERATIVE FEDERATION
SEOUL, REPUBLIC OF KOREA

I. WEOLSEONG COUNTY OFFICE OF NACF

1. Operational Area of the Office

The operational area of the Weolseong County Office of the National Agricultural Cooperative county or city level as a secondary organization whose members were primary agricultural cooperatives. However, the county cooperatives were reorganized into the branch offices of the National Agricultural Cooperative Federation (NACF) from 1981 in accordance with the revised Agricultural Cooperative Law.

As a result, 140 county or city agricultural cooperatives, which were independent identities, changed into the 4 city offices and 139 county offices of the NACF. But the level of the city offices are same as the provincial offices of the NACF.

As of the end of 1981, the number of the county offices by provinces is as follows :

Province -----	Number -----	No. of <u>branches</u>
Gyeonggi prov.	19	26
Gangwon prov.	15	21
Chungbug prov.	10	7
Chungnam prov.	15	15
Jeonbug prov.	13	9
Jeonnam prov.	22	16
Gyeongbug prov.	24	19
Gyeongnam prov.	19	23
Jeju prov.	2	9
Total	139	145

2. General Situation Weolseong County Office

The operational area of the Weolseong County Office consists of the administrative districts of Gyeongju city and Weolseong county in Gyeongbug province. The county office is located in the city of Gyeongju.

Total areage of the operational area is 131.9 thousand hectares, accounting for 6.6

percent of the area of Gyeongbug province. In the operational area, there are 4 towns, 8 townships, 164 administrative villages or 792 hamlets.

. Out of the total acreage, arable land is 26.0 thousand hectares, accounting for 19.8 percent of the total. And the acreage of paddy field represents 69.2 percent of the total arable land.

<u>Acreage of Land Area</u>	...ha...	...%....
Total land area	131,907	100.0
Forest area	92,839	70.4
Arable land	26,045	19.8
(Paddy field)	(18,035)	(13.7)
(Upland land)	(8,010)	(6.1)
Other land	13,023	9.8

The population of the operational area totaled 432 thousand, while farm population is 50 percent. The number of farm households accounts for 47 percent of the total households.

Number of Households

	....thousand...	..%..
Total households	60	-
Farm households	28	47
Total population	288	-
Farm population	144	50

The production of food grains totaled 56,166 metric tons in 1981. Out of the total, the rice production accounted for 54.1 percent or 30,411 metric tons.

Production of Food Grains

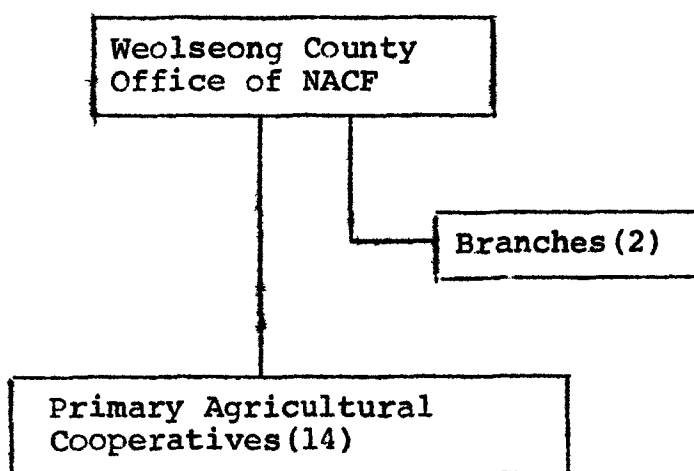
<u>Item</u>	<u>Area</u> ..ha...	<u>Production</u>....M/T.....
Rice	17,495	30,411
Barley	7,265	21,256
Pulses	3,696	2,810
Potato	354	1,049
Miscellaneous grains	63	640
Total	28,873	56,166

3. Agricultural Cooperatives in the Area

In the operational area of the Weolseong County Office of the NACF, 14 primary cooperatives were organized by member farmers. The number of the member farmers stood at 26,101 persons as of the end of 1981.

Out of the total number of farm household, around 93 percent are affiliated with primary cooperatives. Average number of members per primary cooperative is 1,864 persons.

Organization of Agricultural Coops.



The Weolseong County Office has two branches in the operational area and 59 persons of staff. While the number of staff including the presidents of primary cooperatives totaled 304 persons as of the end of June, 1982.

Members and Staff

Number of Member farmers	26,101
Staff of primary coops. (including presidents)	363
Staff of county office	59

As for the facilities of agricultural cooperatives, there are 19 office building, 12 cooperative chain stores, 103 warehouses, 14 vehicles, 7 farm machinery centers, 4 oil supply centers and 17 other facilities.

4. Business Performance of Agricultural Coops.

Since the reorganization, most of the businesses were transferred to primary cooperatives. Thereby, the major activities of the county

office include relay service between the provincial offices of the NACF and the primary cooperatives.

However, banking business of the county office of the NACF is very important business. With the banking business, the county offices has much contributed toward the mobilization of agricultural fund operated by agricultural cooperatives.

As of the end of June, 1982, the Weolseong County Office of the NACF received 8,010 million won of deposits, showing an increase of 15.6 percent over the end of 1981. Out of the total deposits, saving deposits accounted for 72.4 percent.

Status of Business

	<u>1981</u>	<u>Plan for 1982</u>	<u>As of the end of June, 1982</u>
<u>By County Office</u>			
Deposits received	6,927	8,947	8,010
Gross revenue	370	345	-22

By Primary Coops.

Deposits received	12,685	17,404	14,718
Fertilizer supply	3,664	4,114	2,601
Farm chemical supply	-	980	140
Supply of other input	3,373	2,482	1,368
Supply of consumer goods	839	928	415
Marketing	5,303	2,533	862
Utilization and processing	432	454	199

5. Village-level Organizations

In the operational area of the Weolseong County Office, there are totaling 1,210 village-level organizations including 314 Saemaul women societies. These organizations played a great role not only in the development of agriculture but also in the enhancement of farmers' income through the participation in the cooperative business and their own activities.

The total amount of common fund accumulated by the various organizations reached 149,5 million won as the end of June, 1982. The organizations

and the number of the members are shown in the following table.

Organizations and Members

	Number	Members ..persons..	Common fund ..thou.won..
Saemaul farming societies	314	31,427	61,550
Saemaul farming groups	14	370	7,190
Saemaul women societies	266	8,561	52,160
Saemaul youth societies	285	3,803	7,680
Joint working groups	323	14,099	19,273
Farm machinery groups	8	145	1,640

6. Activities of Saemaul Women Societies

As for the Saemaul women societies, the members of the societies performed various activities including the operation of purchasing centers for the supply of consumers goods. The activities of the women societies has much

contributed in the expansion of cooperative businesses such as deposits, cooperative insurance and the supply of consumer goods.

For the purpose of efficient guidance to women societies, all primary agricultural cooperatives in the area employed women extension workers. In addition, the primary cooperatives educated and trained totaling 630 persons of members of the women societies in 1982.

a. Operation of Purchasing Centers

Number : 117 centers

Supply of consumer goods : 333 million won

b. Operation Joint Kitchen

Number : 12 kitchens

Operation day : 163 days

Participation : 2,503 persons

c. Promotion of Income Projects

Women societies promoting projects : 9

Production : 6.3 million won

Sale : 4.0 million won

Income : 480 thousand won

- d. Promotion of Children's Study Room
 Number : 10 rooms
 Operation day : 187 days
- e. Promotion of Nursery
 Number : 21 nurseries
 Operation day : 545 days
- f. Business Concerned to Primary Coops.
 Deposits : 223.8 million
 Cooperative insurance : 135.5 million won
 Consumer goods supply : 97.0 million won
- g. Education and Training

	<u>Time</u>	<u>Participants</u>
For farm machinery operation	2	21
For farming technology	15	404
For health	1	8
For culture	6	197

In the case of the farm machinery groups, the members of the groups jointly utilize farm machinery for the farm mechanization. The item of the farm machinery operated by the groups are as follows :

<u>Item</u>	<u>Unit</u>	<u>Area operated</u>.....ha
Tractor	1	4
Transplanter	4	15.5
Combine	4	20
Binder	11	47
Big power duster	24	9
Power tillers	81	366
Dryer	1	1

With a view to fostering village-level organizations and strengthening their activities, primary agricultural cooperatives supported them through giving loans, subsidy and the payment of handling charge. In the case of the purchasing centers of women societies, totaling 11.7 million won of loans was given.

For the expansion of common increase-oriented projects, women societies received totaling 15.5 million won of loan fund. The primary cooperatives paid handling charge to women societies as follows :

- o For saving promotion : 435 thousand won
 - o For cooperative insurance : 797 thousand won
 - o For distribution of consumer goods from the purchasing centers : 2,011 thou.
won
- Total amount of charge : 3,243 thousand won

As for the subsidy, the primary agricultural cooperatives granted subsidy to the operation of joint kitchen and the cultural activities performed by the women societies. As a result, not only the activities of the Saemaul women societies will be expanded but also their contribution toward the development of cooperative movement will be greater.

II. ACTIVITIES OF GYEONGJU PRIMARY AGRICULTURAL COOPERATIVE

1. General Situation

The operational area of the Gyeongju Primary Agricultural Cooperative is the administrative area of the Gyeongju city. The area is composed of 21 administrative villages and 172 naturally-formed villages. The Gyeongju city had been a capital city of Silla Dynasty for ten centuries.

The acreage of the operational area totaled 17,135 hectares at the end of 1981, but arable land accounted for 18.3 percent out of the total area or 3,130 hectares. The arable land is mostly paddy field representing 76.9 percent of the total arable land.

The average size of farm land per farm household is 0.63 hectares, compared with 1.08 hectares of national average.

Total Acreage and Arable Land

	(in hectare)
Total acreage	17,135
Arable land	3,130 (18.3)
Upland	722 (76.9)
Paddy Field	2,408 (23.1)
Average size per farm household	0.63
National average	1.08

The population of the operational area totaled 108,759 as of the end of 1981. Out of the total, farm population was 25,256 persons accounting for 23.2 percent.

The number of total households stood at 25,199 while that of farm household represented 19.5 percent. Out of the total farm households, the members of the Gyeongju Primary Agricultural Cooperative accounted for 72.3 percent as of the end of 1981.

Population and Household

(As of the end of 1981)

Total population	108,759
Farm population	25,256 (23.2%)
Non-farm population	83,503 (76.8%)
Total households	25,199
Farm households	4,922 (19.5%)
Non-farm households	20,277 (80.5%)
Members of primary cooperative	3,560 (72.3%)

As for the agricultural production, the major items of the farm produce include food grains such as rice, fruits and vegetables. In 1981, the production of rice totaled 11,387 metric tons and the unit production per 1 Danbo (0.1 ha) reached 515 kg in case of new high yielding variety.

On the other hand, the area of the Gyeongju city is characterized as a major producing area of fruits such as apple, peach and grape. The total fruit production reached 2,408 metric tons in 1981.

Agricultural Production in 1981

	<u>Area cultivated</u>	<u>Unit production</u>	<u>Total production</u>
Food grains			
Rice	2,408	-	11,387
(New variety)	(852)	(515)	(4,385)
(Traditional variety)	(1556)	(227)	(7,002)
Barley	885	227	2,007
Pulses	305	126	384
Fruits	293	966	2,408
Vegetables	229	2,298	7,654
Cash crops	6.7	42	2.8

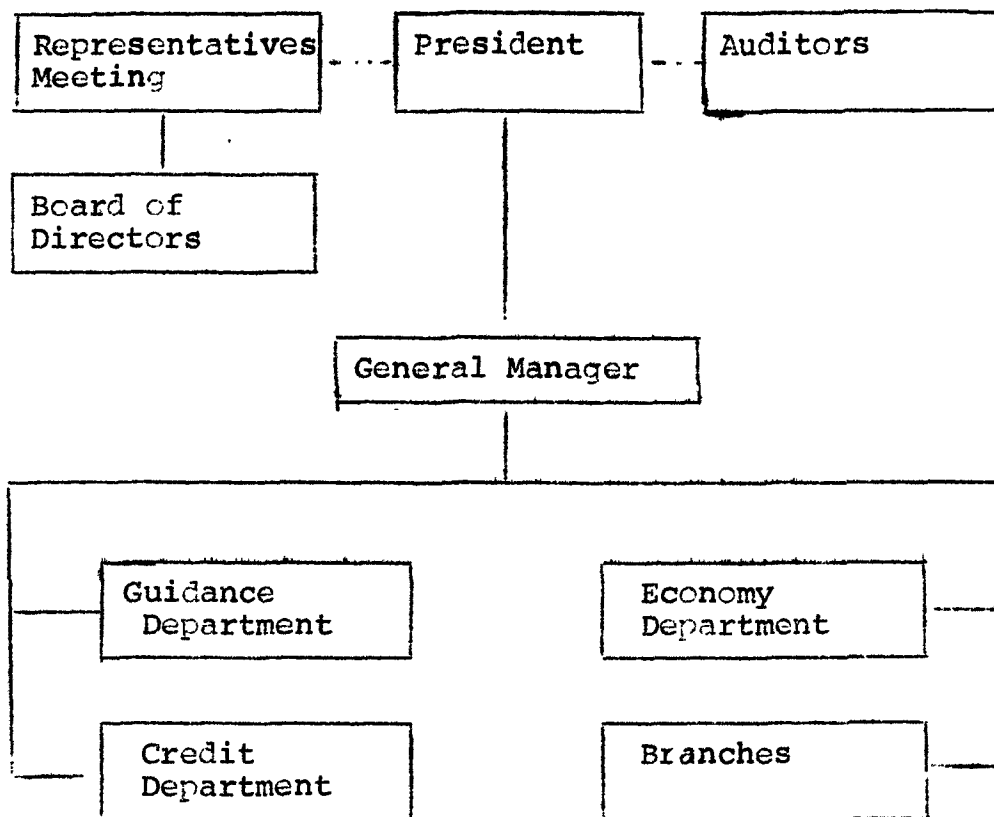
2. Internal Organization

By the end of 1981, the Gyeongju Primary Agricultural Cooperative had been affiliated with the member cooperative of the weolseong County Agricultural Cooperative. However, it has been guided as the member of the NACF from the weolseong county office of the NACF since the

As the top policy-making organizations, the representatives meeting is organized among the representatives elected from members and the president of the cooperative. And the cooperative has the board of directors and auditors. The numbers of directors and auditors who were elected from members are 6 and 2 respectively.

In the case of managerial organization, there are three departments by the types of business and two branches under the general manager. The present is responsible for the all the matters concerned to the management and represents the primary cooperatives.

Internal Organization



3. Village-Level Organization

In the operational area of the primary agricultural cooperatives, the grass-root cooperative organizations were established by members of each organizations. There are 19 Saemaul farming societies, 2 Saemaul farming groups, 35 Saemaul women societies and 2 Saemaul youth societies.

These organizations have kept close relationship with the primary cooperatives through not only the participation in the cooperative activities, but also the utilization of the businesses of the primary cooperative. The Saemaul farming societies are organized at each village by member farmers.

In particular, the Saemaul women societies promote their activities through the cooperation with the primary cooperatives. The major activities include the promotion of savings, insurance sales, distribution of consumer goods by the operation of village-level purchasing centers, and the joint working through the operation of nursery and joint kitchen.

In the case of marketing facilities, the marketing center has played a great role in merchandising fruits and vegetables shipped by member farmers. Furthermore, Cooperative Chainstore has contributed toward rationalizing the consumption life of the members through the distribution of consumer goods at reasonable price.

Major Facilities

	<u>Number</u>	<u>Acreage (m²)</u>
Main office building	1	778.8
Marketing center	1	1,495.0
Branch office building	2	217.8
Warehouse	12	4,372.5
Cooperative chain store	1	-

On the other hand, the primary cooperative operates big farm machinery for the utilization by member farmers. The number of farm machinery, as the joint utilization facility, will be increased in line with the policy measures for

agricultural mechanization in the rural area.

Items of Farm Machinery

(as of the end of 1981)

	<u>Number</u>	<u>Value</u> ...thou.won...
Combine	2	13,900
Binder	2	1,686
Transplanter	1	1,428
Power sprayer	4	503
Sowing machine	1	51

Performance of Business

Since the upgrade as a member of the NACF in 1981, the Gyeongju Primary Agricultural Cooperative has made various effort to expand the businesses. As a result, the business performance has showed a rapid growth.

In the case of credit business, the deposits received by the mutual credit business of primary

cooperative increased to 3,550.2 million won, showing an increase of 26 percent over a year-ago level. While, the total amount of loans outstanding reached 4,784.0 million won, increased by 72 percent over the year of 1980.

As for the purchasing business, total supply of fertilizer increased by 63.3 percent over the previous year to 626.1 million won. The total value of consumer goods distributed in 1981 reached 8.1 million won.

The sale of agricultural products by the marketing business showed a sharp increase to 1,322.9 million won, compared with 573.3 million won in 1981. In addition, the total turnover of the warehousing increased by around 5 times than that of the year of 1980.

In the case of cooperative insurance business, total effective policies decrease to 1,050.3 million won as of the end of 1981, because of the reduction in the sales of new

policies. The amount of share capital invested by the member farmers have reached 209.3 million won as a result of new investment amounting to 15.3 million won.

Status of Business Performance

(As of the end of each year) (in thousand won)

	<u>1980</u>	<u>1981</u>
Credit business		
Deposits received	2,806,981	3,550,188
Loans outstanding	2,772,956	4,784,020
Purchasing		
Fertilizer supply	383,516	626,078
Purchasing of other input	370,675	357,081
Consumer goods supply	-	8,143
Marketing	573,283	1,322,970
Utilization	380	835
Processing		
Transportation	5,234	21,632
Warehousing	12,077	69,105
Cooperative insurance		
Policies sold	428,500	302,900

Policies continued	588,109	747,365
Total effective policies	1,016,609	1,050,265
Share capital accumulated	194,077	209,349

In line with the sharp increase in business, net profit earned from the performance of the businesses in 1981 amounted to 56,874 thousand won after the payment of tax (national defence tax only). Out of 181.7 million won of the gross revenue, income from the credit business accounted for 63.8 percent. As a result, the cooperative paid a dividend from the net profit. The ratio of dividend in 1981 was 15 percent of the share capital.

Income Statement

	in million won	
	<u>1980</u>	<u>1981</u>
INCOME		
Credit business	155,594	181,660
Purchasing	8,312	17,452
Fertilizer supply	6,717	14,657
Consumer goods supply	-	55

Marketing	3,163	17,565
Warehousing	6,958	32,918
Utilization	380	49
Transportation	1,753	9,090
Cooperative insurance	9,006	11,139
Total revenue	191,883	284,585
EXPENSE		
Total expenses	151,136	232,952
Other income	2,303	9,111
Net profit after tax	39,668	56,874
* Dividend rate	.....15 %	

-APPENDIX -

.... Brief Introduction to the Namsan Saemaul
Women Society

The village of Namsan-Dong is located in the administrative area of Gyeongju city, Gyeongbug province. Total areage of arable land is 315 ha, and number of farm household is 209.

The Namsan Saemaul women society is organized 47 members, and its major project is operation of milling plant for the mobilization of common fund. The facilities run by the women societies are enumerated as follows :

- a. Joint kitchen
- b. Children's study room
- c. Women's hall
- c. Milling plant
- e. Children's play ground
- f. Oldmen's hall

Through these facilities, the women society performs the joint cooking in busy farming season, the care of children, the education activity, and saving promotion. The average operation days of joint kitchen and children's study room is 60 days in a year.

The amount of total income from the operation the milling plant reached 1.2 million won, thereby common fund accumulated by members of the women society reach 2.1 million won.

On the other hand, the average savings per member amounted to 52 thousand won. Total amount of savings, therefore, increased to 2.5 million won.

As the activities of the education for the life improvement, the women societies meet together for lecture and practice on the improvement of rural meal pattern.

COOPERATIVE CHAIN STORES
AND
SUPPLY SYSTEM OF CONSUMER GOODS

- 1982 -

NATIONAL AGRICULTURAL COOPERATIVE FEDERATION
SEOUL, REPUBLIC OF KOREA

I. DEVELOPMENT OF COOPERATIVE CHAIN STORES

1. Brief History

The National Agricultural Cooperative Federation (NACF) established its Cooperative Chain Store Department in November, 1969 in order to perform improved business in relation to consumer goods supply in rural area. A cooperative chain store was opened by the Janghoweon Primary Agricultural Cooperative in Gyeonggi province in 1970. This is the initiation of cooperative chain store of the agricultural cooperative.

On the other hand, the Central Distribution centers were gradually established at the provincial level.

The brief history in relation to the development of cooperative chain store and business system is illustrated as follows :

March, 1962 : Purchasing centers (cooperative

stores) of primary agricultural cooperatives were established and 9 items of consumer goods were handled.

October, 1969 : The Cooperative Chain Store Department was inaugurated at the NACF.

January, 1970 : The Central Distribution Center of Consumer Goods was established in Seoul by the Department.

June, 1971 : Supply method of consumer good was improved to application system (intercession purchasing) from the top-to-bottom supply system.

August 1, 1971 : The Jeonnam Distribution Center was inaugurated in Gwangju city.

July, 1973 : The Gyeongbug Distribution Center was opened in Daegu city.

June, 1974 : The Jeonbug Distribution Center was established in Jeonju city.

July, 1974 : The Gangneung Distribution Center was established in Gangneung city.

March, 1975 : The NACF implemented credit supply method for the procurement of consumer goods by primary agricultural cooperatives.

September, 1975: The Gyeongnam Distribution Center was established in Busan city, and the Jeju Distribution Center was opened in Jeju city.

August, 1976 : The Department started to supply housing materials in line with the rural housing improvement project.

2. Organization of Cooperative Chain Store Department

The Cooperative Chain Store Department is organized by 3 divisions in line with its business types. The divisions are divided into consumer goods planning Division, Purchasing Division, and

Supply Division.

Managerial Organization of the Department

General Manager

Deputy
General Manager

-----	-----	-----
Consumer goods Planning Div.	Purchasing Division	Supply Division
-----	-----	-----

The major business activities of the divisions are as follows :

a. Consumer goods Planning Division

- 1) Establishment of distribution centers.
- 2) Guidance for the stock control and the management analysis of cooperative chain stores.

- 3) Guidance for the establishment and the operation of cooperative chain stores.
- 4) Education and public information service for the business of consumer goods supply.
- 5) Evaluation and analysis of business performance of consumer goods supply by primary cooperatives.

b. Purchasing Division

- 1) Business in relation to procurement of consumer goods and business improvement.
- 2) Market survey, research and analysis on prices for consumer goods.
- 3) Examination on manufacturers and contract with the manufacturers.
- 4) Check-up the commodities exhibited in the distribution center by manufacturers.

c. Supply division

- 1) Ordering and supplying consumer goods.
- 2) Storing of consumer goods and service for unloading.
- 3) Transportation and handling of consumer goods.
- 4) Management for the warehouses of consumer goods.

- 5) **Business on the sale promotion of consumer goods.**

3. **Function of Cooperative Chain Store**

The eternal objective of the consumer goods supply ;through cooperative chain stores is to decrease the expenditure for the procurement of consumer goods through the direct connection between producers and farmers. The function of the cooperative chain store in detail as follows :

- a. Rationalization of consuming life in the rural areas through the distribution of consumer goods at reasonable prices.
- b. Enhancement of the benefit by means of reduction of marketing margin.
- c. Contribution to the implementation of policy measures for the commodity price stabilization.

Since the enauguration in 1970, the cooperative chain stores established at the level of town or township have played a major role as the rural consumers movement. The operation of the cooperative

chain stores have much contributed toward controlling the price system in rural area and improving the managerial basis of primary agricultural cooperatives.

The cooperative chain are characterized as follows :

- a. Cooperative chain stores are organized, invested and utilized by member farmers.
- b. cooperative chain stores are operated by primary agricultural cooperatives for the benefit of member farmers.
- c. Cooperative chain stores are rural department stores leading the rural markets for consumer goods.

Since the cooperative chain stores were established by members of the agricultural cooperative, the objective of the operation of cooperative chain store is not a profit pursuit but a service activities for the members.

4. Growth of Cooperative Chain Store

Since the establishment of the Cooperative Chain Store Department and the opening of cooperative chain stores, the business for consumer goods supply has been much expanded. The number of cooperative chain stores increased to 1,439 in 1981 from 255 in 1970.

Number of Coop. Chain Store
(1970 - 1981)

Year	1970	1971	1972	1973	1974	1975
Number	255	457	507	549	700	931

Year	1976	1977	1978	1979	1980	1981
Number	1,150	1,313	1,404	1,428	1,446	1,439

On the other hand, the value of consumer goods supplied to cooperative chain stores according to purchase application of primary cooperatives increased to 95,218 million won in 1981.

**Increase of Consumer Goods
Supplied by Coop. Chain Stores**

(in million won)

	<u>1970</u>	<u>1975</u>	<u>1980</u>	<u>1981</u>
Processed food	193	11,232	52,246	63,491
Clothing	471	539	3,205	3,040
Cook ware	138	721	3,941	3,492
Sanitary goods	64	885	6,702	7,295
Housing material	74	2,015	4,777	4,170
Stationery	71	237	686	758
Durable goods	251	1,530	6,038	8,962
Sundries	692	1,238	2,825	4,010
Total	1,954	18,397	80,420	95,218

II. SUPPLY SYSTEM OF CONSUMER GOODS

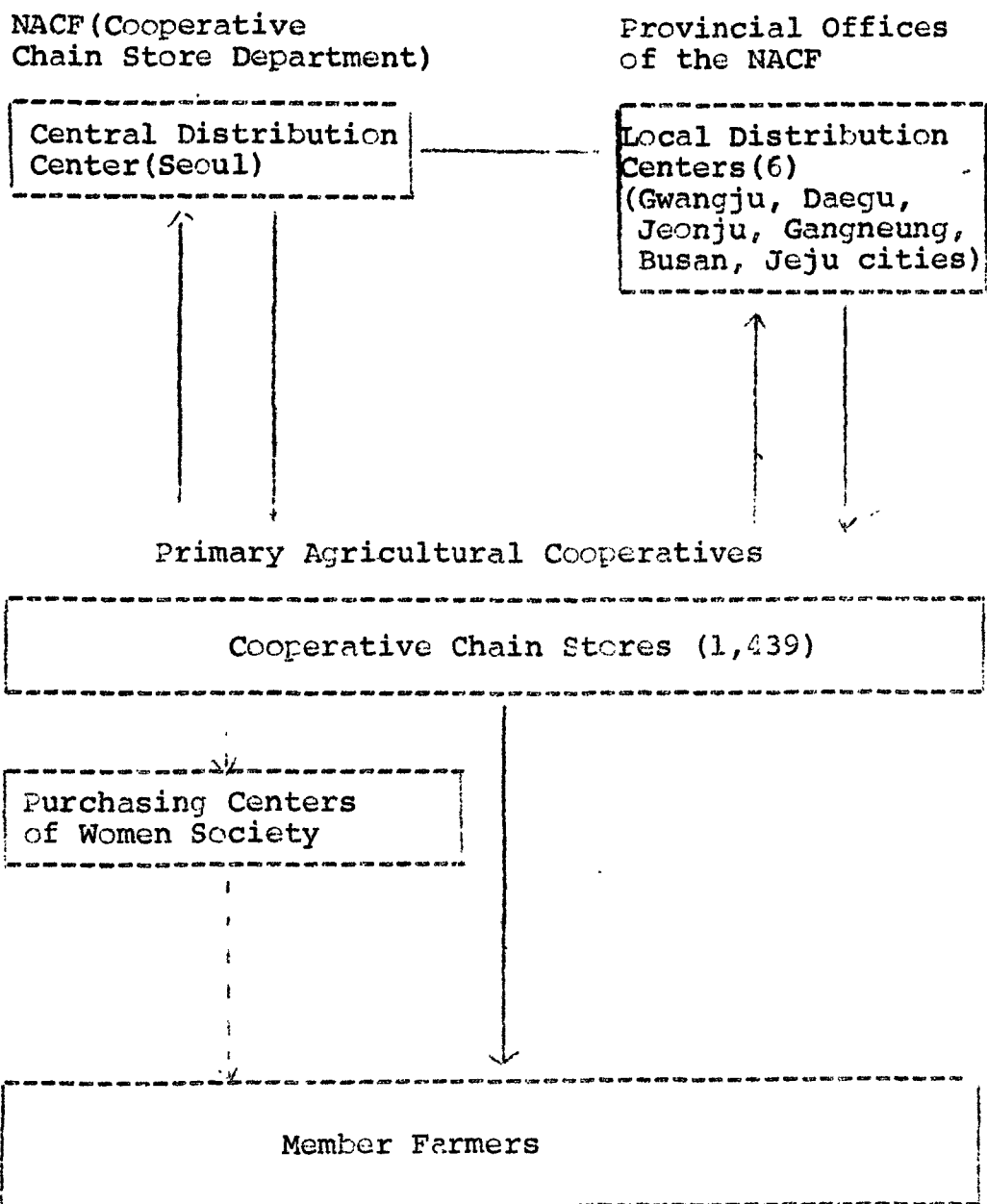
1. Distribution of Consumer Goods

The supply system of consumer goods is organized throughout the country. In the National Agricultural Cooperative Federation, there is the Cooperative Chain Store Department dealing with the overall business for the distribution of consumer goods through the agricultural cooperative channels. The department has the Central Distribution Center in Seoul.

At the provincial level, there are 6 local distribution centers which are belong to the provincial offices of the NACF. And the cooperative chain stores are established at the township level.

The major function of the Cooperative Chain Store Department of the NACF, Provincial Office and Cooperative Chain Stores are illustrate as follows:

Network for Consumer Goods Supply



(As the end of 1981)

a. **NACF (Cooperative Chain Store Department)**

- 1) Planning and coordination for the consumer goods supply.
- 2) Guidance activities for the operation and management of cooperative chain stores.
- 3) Contract with manufacturers for the goods to be supplied from the central level.
- 4) Contract for the supply of housing materials.
- 5) Education, guidance and public information for the distribution of consumer goods.

b. **Provincial Offices of the NACF**

- 1) Guidance for the management of cooperative chain stores.
- 2) Contract with manufacturers for the goods to be supplied from the provincial level.
- 3) Management and controlling of the warehouses established at provincial offices.

c. **Primary Cooperative (Cooperative Chain Stores)**

- 1) Procurement of consumer goods by item and quantity from the NACF and provincial offices of the NACF.
- 2) Purchasing special commodities required by a primary cooperative.
- 3) Distribution of consumer goods to member farmers.
- 4) Distribution of consumer goods to purchasing centers of women societies established at village level.

2. Purchase of Consumer Goods

Consumer goods are supplied to cooperative chain stores according to their purchase applications to be submitted to the NACF or the provincial office of the NACF which have local distribution centers. In this case, the NACF set only price of each item of consumer goods to be supplied to cooperative chain stores.

Daily necessities and scarce commodities are secured by the operation of a stock management

program of the NACF. Most commodities, however, are purchased by cooperative chain stores on the basis of the contracts agreed between manufacturers and the NACF.

Each cooperative chain store can purchase consumer goods on credit from the distribution centers. The price should be paid within 40 days after the procurement without interest. However, the settlement of account to manufacturers are performed by the NACF in line with the conditions of the contract.

In the case that a cooperative chain store is not able to pay the price for the purchased commodities within 40 days, the store should pay interest money.

On the other hand, the item of consumer goods are divided into two categories : items procured from the distribution centers and items procured from the local area. Accordingly, each cooperative chain store

is able to purchase some specified items from a private market within 20 percent of the total value of consumer goods purchased by the chain store.

These items are include as follows :

- a. Local specified goods produced in the same local area.
- b. A products liked by most of member farmers.
- c. A necessary item to be procured at small amount.
- d. An item not to be purchased from distribution center of NACF.
- e. An item to be purchased by member's application.
- f. Seasonal goods to be urgently demanded.

3. Contract with Manufacturers

In order to supply consumer goods with better quality and the control the prices, the NACF contracts with manufacturers on the distribution of consumer goods to cooperative chain store. The major contents of contract are price of each item to be distributed

and the method of price settlement.

Accordingly, the NACF select the manufacturers to join the consumer goods supply business. The major criteria for selecting the manufacturers are illustrated as follows :

- a. Manufacturer producing the goods authorized the Korean Standard(K.S.) mark.
- b. Manufacturer which obtained the approvement by the government in the standard of the goods under the Law of Safety Administration and the Law of Heat Administration.
- c. Manufacturer which obtained the permission for food products under the Law of Food and Sanitation.
- d. Manufacturer whose goods were inspected or recognized under the Law on Industrial Products.
- e. Manufacturer whose goods are recognized by most of consumers.
- f. Manufacturer whose goods are specially requested by member farmers.

These manufacturers are able to contract with the NACF for the distribution of their goods to cooperative chain stores.

After the selection of manufacturers which will be counterparts, the NACF not only inspects financial status, but also reviews taxation statements and sales situation. Through the inspection and the review, the NACF contract on the distribution of consumer goods in profitable terms on the basis of various information on transaction.

4. Consumer Goods Supply through Saemaul Women Societies

With a view to supplying consumer goods in time and providing convenience to member farmers in remote area, each cooperative chain store distributed consumer goods to village purchase centers operated by Saemaul Women societies which were organized at village level.

The major role of the purchase center is bridging between member farmers and their cooperative chain

store. The women society are allowed to be supplied with consumer goods from the chain store under purchasing convention and to provide consumer goods to members on credit.

The prices of consumer goods distributed to the women societies are same level as the prices received by cooperative chain store from member farmers.

In addition, the women societies are encouraged to patronize their cooperative chain store with a bounty according to the amount of sales by month or by quarter. The amount of the bounty paid by the primary cooperative is more than 3 percent of the margin of each item. This bounty is accumulated and used for the fund of the women societies.

In addition, the representatives of the women societies are allowed to participate in decision making process of the management of their cooperative chain store including selection of items, price negotiation, and the managerial improvement. And the women societies make an effort to improve their

consumption life in rural area. In 1981, totaling 41.0 billion won worth of consumer goods was distributed through 21,056 purchase centers operated by the Saemaul Women Societies. It accounted for 43.1 percent of the total value of consumer goods distributed by agricultural cooperatives.

5. Management Guidance on Cooperative Chain Store

For the purpose of improving management of cooperative chain store, the NACF performs the management guidance on the cooperative chain store including the providing of materials on research and analysis.

The major activities for the management guidance are illustrated as follows :

- a. Providing materials on research and analysis
 - o Analysis on the business performance of the cooperative chain stores.
 - o Status on fund operation.
 - o Analysis on profit and loss.
 - o Daily sales of each cooperative chain store.

- o Analysis on the important management indication.

- b. Guidance on the procurement of consumer goods
 - o Guidance on the quantity of local consumer goods to be purchased.
 - o Information on the contents of contracts with manufacturers for the reference.

- c. Guidance dispatch of personnel
 - o Dispatch of relevant staff to the primary cooperative for the guidance on the operation and managerial administration of cooperative chain stores

- d. Education on cooperative chain store
 - o Education for the salesman and staff concerned to consumer goods supply in the field of sales technique, practical business theory and exhibition of consumer goods.

- e. Providing information on consumers opinion
 - o Information on utilization of cooperative

chain stores.

- Public opinion on the quality of consumer goods.
- Information on the level of price received by the cooperative chain stores.
- Kinds or item of consumer goods sold in the cooperative chain stores.
- Attitude of staff members of cooperative chain stores.
- Other information and public opinion in relation to the cooperative chain stores.

BASIC INFORMATIONS ON STUDY VISITS IN NIIGATA PREFECTURE

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NIIGATA PREFECTURE

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LOCATION OF NIIGATA PREFECTURE



GENERAL SITUATION OF NIIGATA PREFECTURE

A. Land and Population

1. Total Land and population of Niigata Prefecture

Total land area, as of October 1st 1980, is 12,578 km², which is the fifth largest prefecture in the country with 576.5 km long of seacoast. Total population in the prefecture is 2,451,000 with 657,916 households.

Table 1) Transition of Land Utilization
(As of April 1st in each year, unit is ha.)

	1978	1979	1980
Paddy Field	178,380	177,948	177,407
Upland Field	47,966	47,164	46,663
Housing Land	33,076	34,045	34,587
Pond and swanp	2,341	2,346	2,326
Forest Land	419,649	416,648	421,369
Wild Plain	22,177	22,484	21,419
Others	554,212	557,119	554,031
TOTAL	1,257,798	1,257,751	1,257,801

Table 2) Population and Household

	Household	Total Population	Family member per household	Density of Population (per 1 sq km)
1975	608,897	2,391,938	3.9	190
1978	640,386	2,425,690	3.8	193
1980	657,916	2,451,357	3.7	195

B. Population of Labor Force

Table 3) Population of Labor Force (Unit: 1,000 persons)

	Population Over 15 years old	Of which, Population of Labor Force							Labor Force Rate(B/A)
		Total(A)	Rate of (A) in total population	Working Population	Of which, Secondary Industry	Of which, Tertiary Industry	Unemployment		
Niigata Pref.									
1955	1,600.4	1,169.7	47.3	1,160.3	17.2%	27.1%	9.4	73.1%	
1965	1,736.5	1,226.1	51.1	1,218.4	25.4	34.9	7.7	70.6	
1975	1,834.4	1,262.6	52.8	1,246.4	32.6	44.4	16.2	68.8	
Country									
1975	84,672.7	54,389.7	48.6	53,140.8	34.1	51.7	1,248.9	64.2	

C. Household Expense

Table 4) Monthly Consumption Expense Per Household (Niigata City)

(Unit: yen)

	Consumption Expense	Foods	Housing	Fuels & Public Utilities	Clothes	Misc. Expenses
1977	217,256	62,409	17,952	8,488	21,843	106,565
1978	216,966	62,649	17,329	9,172	22,443	105,374
1979	218,268	61,956	18,257	9,277	20,001	108,776
Composition Ratio(%)	100.0	28.4	8.4	4.2	9.2	49.8
National Average in 1979	214,697	62,769	19,895	8,798	20,627	102,607
Composition Ratio(%)	100.0	29.2	9.3	4.1	9.6	47.8

SITUATION OF AGRICULTURE IN NIIGATA PREFECTURE

I. SURROUNDINGS OF FARM HOUSEHOLD ECONOMY AND AGRICULTURAL MANAGEMENT

A. Trends of Farm Household Economy

- i) Farm household income exceeded to the level of the last year due to the increase of non-agricultural income

Though the agricultural income decreased, farm household income exceeded to the value of the last year by the increase of non-agricultural income and amounted to 4,070,100 yen. As a result of this, the rate of agricultural income in the farm household income further decreased than the last year and became 23.7% of its ratio. In addition to this, the ratio of agricultural income in the farm household expense decreased to 26.7%.

- ii) Value of agricultural income declined than the level of the last year due to remarkable increases of agricultural management costs

Though agricultural gross income was increased in all sectors except industrial crop production, agricultural income per farm household decreased to ¥ 962,900 owing to great increases of management expenses.

Table 1-1) Farm Household Economy (Average per farm household in the prefecture)

(Unit: ¥1,000; %)

	Real Number		Increased/Decreased Rate	
	1979	1980	1979	1980
Agricultural Income	1,025.8	962.9	-7.9	-6.1
Gross agri. profits	2,134.6	2,244.6	-2.4	5.2
Agri. management costs	1,108.8	1,281.7	3.4	15.6
Non-Agricultural Income	2,925.0	3,107.2	9.6	6.2
Farm Household Income	3,950.8	4,070.1	4.5	3.0
Disposable Income	4,035.3	4,136.5	6.3	2.5
Household Expenses	3,318.7	3,610.0	6.5	8.8
Surpluses	716.6	526.5	5.2	-26.5
Household Expense per member family	706.1	773.0	6.1	9.5

B. Trends of Agricultural Structure

i) Trends of numbers of farm household (Unit: household; %)

	1979	1981	Fluctuate Rate(1979- 1981)--(A)	Country	
				Composition Rate	(A)
Total Farm Household	168,460 (100.0)	164,760 (100.0)	-2.2	(100.0)	2.7
Full-time Farm Household	10,120 (6.0)	9,500 (5.8)	-6.1	(12.6)	-2.5
Part-Time Farm Household	158,340 (94.0)	155,260 (94.2)	-1.0	(87.4)	-2.7
Category I	48,540 (22.8)	37,000 (22.5)	-23.8	(18.0)	-1.8
Category II	109,800 (65.2)	118,260 (71.7)	7.7	(69.5)	2.9

Note: () = composition rate
(A) = Increase/decrease rate

ii) Number of farm household by land holdings

Farm households having less than 1.0 ha of land are occupying more than 50% of total farm household in Niigata Prefecture. Trends of numbers of farm household with less than 3.0 ha of land have been changed every year. However, households with more than 3.0 ha of land continue to increase their number and they share about 5.2%, which is more than two times of national average, in total farm household in 1981.

(Unit: household; %)

	Less 0.5ha	0.5-1.0	1.0-1.5	1.5-2.0	2.0-2.5	2.5-3.0	Over 3.0ha
1979	47,900 (28.4)	45,990 (27.3)	28,280 (16.8)	18,080 (10.7)	12,290 (7.3)	7,770 (4.6)	8,150 (4.9)
1981	46,590 (28.3)	46,030 (27.8)	26,240 (15.9)	18,730 (11.4)	11,810 (7.2)	6,870 (4.2)	8,500 (5.2)
81/79 (%)	-2.7	0.1	-7.2	3.6	-3.9	-11.6	4.3

iii) Agricultural Labor Force

(Unit: person; %)

	1979	1981	1981/1979
Farm Household Population	815,760	784,440	-3.8
Population Engaged in Agriculture			
Total population	252,330 (100.0)	234,620 (100.0)	-7.0
MaIē	(38.3)	91,230 (38.9)	-5.7
Female	(61.7)	143,390 (61.1)	-7.8
Major(Core) Agricultural Workers			
Total number	163,490 (100.0)	148,990 (100.0)	-8.9
Male	(43.9)	68,690 (46.1)	-4.4
Female	(56.1)	80,290 (53.9)	-12.4
(By age)			
16 - 29	(7.4)	8,710 (5.8)	-28.5
30 - 59	(77.4)	110,360 (74.1)	-12.8
Over 60	(15.2)	29,910 (20.1)	20.6
of which, Over 65	(6.9)	15,070 (10.1)	33.1

iv) Operation Land Area

(Unit: ha; %)

	Total Operation Area			Area Per Household		
	Total	Paddy Field	Upland Field	Total	Paddy Field	Upland Field
1979	212,600	187,100	25,500	1.26	1.11	0.15
1980	211,100	186,100	25,000	1.26	1.11	0.15
Fluctuate Rate against previous year						
1979	-0.6	-0.5	-1.5	0.8	0.9	0
1980	-0.7	-0.5	-2.0	0	0	0

v) Changes in Total Planted Area by Commodity

Crops	1979	1980	Composition Rate in 1980
Rice	162,900	157,800	80.0
Wheat & Barley	512	721	0.4
Potatoes	2,938	2,826	1.4
Misc. grains	1,220	1,340	0.7
Pulses	7,330	7,710	3.9
Vegetable	15,700	15,500	7.9
Fruits	3,490	3,630	1.8
Industrial crops	2,720	2,600	1.3
Forages	3,030	3,550	1.8
Mulberry	1,520	1,390	0.7
Total	201,400	197,200	100.0

II TRENDS OF AGRICULTURAL PRODUCTION

A. Agricultural Production

Table II-1) Gross Agricultural Production (Unit: ¥million; %)

	1980	Composition Rate in 1980	Increased/ Decreased Amount from Previous Year
Field Crop			
Rice	241,156	65.7	320
Wheats, Misc. Grains and Pulses	2,054	0.6	383
Potatoes	3,853	1.0	533
Vegetables	33,297	9.1	2,099
Fruits	8,516	2.3	1,163
Industrial Crops	8,968	2.4	-180
Flowers, seedlings	5,602	1.5	-1,350
Total	303,448	82.6	2,936
Sericulture	1,062	0.3	-109
Livestock Products	62,542	17.0	5,241
Processed Products	176	0.0	22
Total	367,228	100.0	8,122

B. Livestock Production

i) Number of Stocks (comparison between Niigata Prefecture and the country)

	Number of Raising Farm Household	Number of Stocks	Comparison with the last year(%)	
			Household	No.of Stock
<u>Dairy Cattel</u>				
Country	105,800	2,104,000	91.7	100.6
Niigata	1,700	20,700	91.4	102.5
<u>Beef Cattle</u>				
Country	352,800	2,281,000	96.9	105.7
Niigata	4,100	32,100	89.3	105.2
<u>Pig</u>				
Country	126,700	10,065,000	89.7	100.7
Niigata	2,880	271,100	91.1	91.4
<u>Layer hens</u>				
Country	187,600	164,715	75.5	99.1
Niigata	8,480	4,612	84.0	102.5
<u>Broiler chicken</u>				
Country	8,309	131,252	83.9	104.5
Niigata	39	1,225	88.6	81.7

Note; Units are household, head and 1,000 birds

SITUATION OF AGRICULTURAL COOPERATIVES IN NIIGATA PREFECTURE

I. ORGANIZATION

A. Number of Society

In fiscal 1980(From April 1, 1980 to March 31 , 1981), the number of multi-purpose agricultural cooperatives has decreased by 2 societies by the amalgamation carried out in one district and reached to 229. After entering into fiscal 1981, the total number of multi-purpose agricultural cooperative becomes 228, as of December 1st 1981, by a successful amalgamation.

In composition of scales by regular member farm households, the society having less than 500 regular member farm households is 94 societies, and it has a share of 41.0% in total numbers. Minute figures are shown in the table 1.

Table 1) Number of societies by type of agricultural area and scale of society

	Below 499 Regular member Farm Households	500 }	1,000 }	2,000 }	3,000 }	4,000 }	More than 6,000	Total
		999	1,999	2,999	3,999	5,999		
Farming Area								
Paddy cultivation area	35	4	19	1	0	0	0	96
Paddy & upland fields cultivation area	24	21	10	3	2	0	1	61
Upland field cultivation area	1	0	0	1	0	0	0	2
Urbanized Farming Village	22	16	3	3	1	2	0	47
Mountaineous Village	8	8	2	0	0	0	0	18
Fisheries Village	4	1	0	0	0	0	0	5
Total	94	87	34	8	3	2	1	229
Composition Rate(%)	41.0	38.0	14.9	3.5	1.3	0.9	0.4	100.0

B. Number of Cooperative Members

At the end of fiscal 1980, number of members was 286,694, which had increased by 420 members from the previous year. Looking up details, associate membership increased by 1,663 with a rate of 2.6%, in comparison with the fact that regular membership decreased by 1,243(0.6%). As a result of these, the ratio of associate membership in the total members becomes 23.4% which is 0.6% up than the previous year. Average number of regular member farm households per society is 822, which has no significant changes compared with a year ago due to decreased members of society by amalgamations.

C. Number of Officials

Number of officials has been decreasing year after year, and the total number, as of the end of fiscal 1980, decreased by 10 and reached 3,507.

D. Number of employees

Number of employees has been increasing due to the diversification of business contents and the enlargement of business turnover. The total number of employees exceeded 10,000 and reached 10,267(Female - 3,281)--- increased by 317 employees from previous year --- at the end of fiscal 1980. Average number of employees per society is 44.8 and the breakdown of employees in charge classified by type of business is shown in the table 3.

	End of Fiscal 1980	Increased or Decreased Number			Increased or Decreased Rate(%)		
		1978/'77	1979/'78	1980/'79	1978/'77	1979/'78	1980/'79
Member							
Regular Member	219,710	- 1,802	- 105	- 1,243	- 0.8	0	- 0.6
Associate Member	66,984	2,037	1,385	1,663	3.3	2.2	2.6
Total	286,694	235	1,280	420	0.1	0.5	0.1
Regular member Farm Household	188,323	- 797	-1,212	- 1,466	- 0.4	- 0.6	- 0.8
Officials							
Full-time Director	295	- 1	- 8	- 1	- 0.3	- 2.6	- 0.3
Part-time Director	2,404	- 34	- 21	- 5	- 1.4	- 0.9	- 0.2
Auditor	808	- 15	- 10	- 4	- 1.8	- 1.2	- 0.5
Total	3,507	- 50	- 39	- 10	- 1.4	- 1.1	- 0.3
Employee	10,267	113	59	317	1.2	0.6	3.2
Number of Society	229	- 8	- 2	- 2	- 3.3	- 0.9	- 0.9

(Table 3) Average Number of Employees Per Society

MEMBER	EMPLOYEE
Regular Member	15.6 (35%)
Associate Member	9.5 (21%)
Total	3.4 (8%)
Rate of Associate Member	2.5 (5%)
REGULAR MEMBER FARM HOUSEHOLD	2.2 (5%)
OFFICIAL	1.0 (2%)
Full-Time Director	5.2 (12%)
Part-Time Director	5.4 (12%)
Auditor	44.8 (100%)
Total	

II FINANCIAL SITUATION

A. Financial Situation

Total Assets of Multi-purpose agricultural cooperatives in Niigata Prefecture amount to 990.2 billion yen, which has been increased by 104.4 billion yen from previous year. Average amount of assets per society is 4.3 billion yen.

Considering the composition of assets, credit business assets is the largest and amounts to 797.4 billion yen (80.5% in the total) and it is followed by economic business assets (119.6 billion yen, 12.1%), fixed assets (54 billion yen, 5.4%) and external investments (8.7 billion yen, 0.9%) respectively.

As far as capitals and liabilities are concerned, they are broke down as follows;

* Credit business liabilities	807.4 billion yen (81.6%)
* Economic business liabilities	86.4 billion yen (8.7%)
* Capitals	36.7 billion yen (3.7%)
* Misc. reserves	26.8 billion yen (2.7%)

Considering the transition of composition ratio, ratio of capitals in total capital & liabilities has been increasing, and it of borrowings has been decreasing in recent years.

B. Situation of Own Capitals

Total own capital increased by 4.6 billion yen (14.3% up) and amounted to 36.7 billion yen compared with the figure in a year ago. However, this increased rate is less than the increased rate of fixed assets, 17% . Total share capitals amount to 26 billion yen and the amount of share capitals per regular member increased by 13,000 yen and became 138,000 yen. However, the ratio of share capitals in total capitals has being decreasing year after year, and it showed 70.9 % (2.7% down) at the end of fiscal 1980. Composition rate of legal reserves, special reserves and revolving funds in capitals are 15.2% , 10.6% and 3.0% respectively. Amount these three items, the ratio of revolving funds showed a great increase (50.1%) and amounted to 1,119 million yen.

(See Table 4)

C. Profit and Loss (See Table 5)

Total business profits have slightly increased with a rate of 0.5% from previous year, and total amounts were 50.7 billion yen. Businesses which showed minas from the previous increased rate are credit business (12.5% minas), agricultural warehouse business (3.8% minas) and marketing business (1.3% minas). Among these three businesses, credit business has never shown a minas trend before, and increased rate of credit business was knocked down seriously.

Table 4) Balance Sheet

(At the end of Fiscal 198

ASSETS				
ITEMS	AMOUNT (unit: ¥1,000)	COMPOSITION RATE (%)		
		1978	1979	1980
Credit Business Assets				
Cash	3,776,548	0.3	0.3	0.4
Deposit	397,492,535	40.4	41.3	40.1
Securities	23,162,873	1.7	2.1	2.3
Loans	349,309,157	36.7	36.6	35.3
Others	23,680,756	1.9	2.1	2.3
Sub-total	797,421,869	81.0	82.4	80.5
Mutual-Insurance Assets	5,158,076	0.5	0.5	0.5
Economic Business Assets				
Trusted market bonds	72,624,547	8.6	6.4	7.9
Receivable account	15,123,766	1.3	1.3	1.5
Inventory assets	23,782,018	2.3	2.4	2.4
Others	8,064,588	0.3	0.5	0.5
Sub-total	119,594,919	12.5	10.6	12.1
Other Business Assets	3,087,386	0.2	0.3	0.3
Fixed Assets	53,957,019	4.8	5.2	5.4
External Investments	8,718,634	0.8	0.9	0.9
Deferred Assets	1,746,644	0.2	0.1	0.2
Total Assets	989,684,547	100.0	100.0	99.9
Unappropriated Current Loss	507,285	-	-	0.1
GRAND TOTAL	990,191,832	100.0	100.0	100.0
CAPITALS AND LIABILITIES				
Credit Business Liabilities				
Savings	744,185,638	75.2	76.7	75.2
Borrowings	37,619,450	4.3	4.0	3.8
Others	25,553,074	1.6	1.8	2.6
Sub-total	807,358,162	81.1	82.5	81.6
Mutual-Insurance Liabilities	12,087,529	1.2	1.2	1.2
Economic Business Liabilities				
Provisional received account	71,308,348	7.9	6.2	7.2
Others	15,059,744	1.4	1.3	1.5
Sub-total	86,368,092	9.3	7.5	8.7
Borrowings for Facilities	10,979,098	1.0	1.0	1.1
Misc. Liabilities	4,625,333	0.6	0.6	0.5
Reserves				
Retirement Allowance	21,620,062	2.2	2.8	2.2
Others	5,135,557	0.6	0.1	0.5
Sub-total	26,015,680	2.8	2.9	2.7
Total Liabilities	948,173,833	96.0	95.7	95.8
Capital				
Capital	26,015,680	2.6	2.7	2.6
Others	10,695,637	0.7	0.9	1.1
Sub-total	36,711,317	3.3	3.6	3.7
Unappropriated Current Surplus	5,306,682	0.7	0.7	0.5
GRAND TOTAL	990,191,832	100.0	100.0	100.0

The reason why credit business has decreased its profitability is depended upon the following three points;

- i) Decrease of loan rate in saving(Decreasing of agricultural investments and housing constructions)
- ii) Reduction of profit margin(increasing of high interest fixed savings, and severe competition among financial institutions)
- iii) Increase of misc. costs by On-Line System

In composition rate of each business into total business profits(contribution rate in other word), the supply business occupies 36.6% in the total profits, which is the first time for supply business to exceed the rate of credit business(33.9%) reflecting a very bad condition of credit business.

Table 5) Profit and Loss Statement (From April 1980 to March 1981)

EXPENSE (A)		EARNING (B)		TOTAL BUSINESS PROFIT (B - A)		
ITEMS	AMOUNT (Unit: ¥1,000)	ITEMS	AMOUNT (Unit: ¥1,000)	(i)	78/77	(ii)(%)
Credit Business	44,121,114	Credit Business	61,332,469	33.9	25.8	3.5
Mutual-Insurance Business	1,602,822	Mutual-Insurance Business	8,746,016	14.1	20.3	13.0
Supply Business	132,564,497	Supply Business	151,107,384	36.6	4.4	11.4
Marketing Business	3,179,329	Marketing Business	8,182,756	9.9	1.4	-2.0
Warehouse Business	808,462	Warehouse Business	2,647,246	3.6	10.7	-8.3
Guidance Business	2,344,671	Guidance Business	1,432,760	-1.8	14.5	3.9
Other Businesses	4,585,453	Other Businesses	6,468,209	3.7	27.7	11.6
Total	189,206,348	Total	239,916,840	100.0	13.7	6.1
Business Management Expense	46,496,110			-46,496,110	10.6	7.8
Of which, Personnel Costs	34,111,213			-34,111,213	10.0	5.9
Other Expenses	8,452,505	Other Profits	8,771,788		16.2	5.2
Current Surplus	4,864,995	Current Loss	331,330		(31.8)	(-3.3)
TOTAL	249,019,958	TOTAL	249,019,958	0		(-12.5)

Note) i) : Composition Rate (%)

ii) : Increased Rate From Previous Year

* : Rate is concerning only for current surpluses

III BUSINESS

A. Credit Business

Balance of Loans amounted to 349,309 million yen, which increased by 25,433 million yen or 7.9% compared with the last year, at the end of fiscal 1980. Especially loans extended to associate members attained a large increased rate and increased by 15.8%.

Balance of savings at the end of fiscal 1980 increased by 64,814 million yen(9.5%) from previous year and amounted to 744,186 million yen. Balance of savings per society is 3,250 million yen, however, there still exists 31 societies which have less than¥1,000 million of their saving amounts.

Balance of deposits and balance of securities increased by 31,435 million(8.6%) and 4,789 million(26.0%) yens respectively. However, their increased rates were lower than the rates which were attained a year ago.

Securities are broken down by 53.1% of government bonds, 15.9% of local government bonds, 13.9% of bank debentures and 11.0% of government trusted bonds.

Balance of borrowings increased by 1,939 million yen(5.4%) and amounted to 37,619 million yen.

Table 6) Transition of Credit Business

	AMOUNT (¥ million)	Composition Rate(%)	Increased Rate(%)		
			78/77	79/78	80/79
Loans					
Regular Members	274,871	78.7	4.0	8.7	7.3
Associate Members	51,052	14.6	3.3	11.2	15.8
Non-Members and etc.	23,386	6.7	1.2	3.8	-1.4
Total	349,309	100.0	3.7	8.6	7.9
Savings					
Current	178,626	24.0	11.3	8.0	2.2
Fixed-term	565,560	76.0	13.0	12.2	12.1
Total	744,186	100.0	12.6	11.1	9.5
Deposits					
Affiliated	395,593	99.5	23.0	11.5	8.5
Non-affiliated	1,900	0.5	7.0	19.9	19.1
Total	397,493	100.0	22.9	11.5	8.6
Borrowings	37,619		-2.3	1.9	5.4
Securities	23,163		44.9	31.7	26.0

B. Supply Business

Under slow developments of business activities, the supply business showed a favourable increase and it attained 13.2% up of its turnover (17,506 million yen up). As a result of this, total supply turnover became 150,444 million yen.

Turnover of production materials obtained 11.7% of increased rate, which is almost same rate of the last year. Remarkable features in the turnover are that fertilizers, turnover, which have decreased in past years, turned to increase (17.8% or 2,039 million yen up) and agricultural machinery turnover decreased by 261 million yen or 2.0% from previous year.

As far as the turnover of living necessities is concerned, it increased by 7,177 million yen (16.2%) from a year ago and became to have a share of 34.3% in total supply turnover. Rice and other food occupying 51.5% in total turnover is showing a favourable increase.

However, receivable accounts of supply goods are apt to increase and the amounts became 15,124 million yen by the increase of 28.4% or 3,342 million yen from previous year.

Table 7) Transition of Supply Goods Turnover

	Amount (¥million)	Com- position Rate(%)	Increased Rate(%)		
			78/77	79/78	80/79
Production Inputs					
Fertilizers	13,526	9.0	-6.6	-3.2	17.8
Feeds	16,207	10.8	-8.5	9.2	13.7
Agri. chemicals	12,050	8.0	4.8	1.9	7.8
Agri. Machinaries	12,980	8.6	0.6	5.9	-2.0
Oils and others	19,920	13.2	-0.9	42.3	25.4
Others	24,179	16.1	10.2	13.2	7.5
Sub-total	98,862	65.7	0.1	11.5	11.7
Living Necessities					
Rice	4,428	2.9	13.2	7.3	20.6
Other Foods	22,153	14.7	8.5	8.5	15.3
Durable Consumer goods	4,820	3.2	-0.4	4.2	-3.6
Fuels	7,663	5.1	6.6	28.0	52.8
Others	12,518	8.3	1.0	7.8	8.8
Sub-total	52,582	34.3	5.6	9.6	16.2
Total	150,444	100.0	1.9	10.9	13.2

C. Marketing Business

Marketing turnover decreased by 11,511 million yen(5.1%) from previous year and amounted to 215,435 million yen. Marketing turnover has been decreasing in three successive years, and rice marketing turnover shared 79.9% in the total (It was the first time to mark below 80%).

Rice marketing turnover drastically decreased with a rate of 7.4%(13,738 million yen) compared with a year ago. and this was caused by abnormal weather and rice production control.

On the other hand, turnover of livestock products increased favourably and obtained 5.5% up(1,262 million yen) from previous year.

Marketing turnover per regular member farm household amounted to 1,144,000 yen, which decreased by 52,000 yen(4.3%) from a year ago.

Table 8) Transition of Marketing Turnover

	Amount (¥million)	Com- position Rate(%)	Increased Rate(%)		
			78/77	79/78	80/79
Rice (of which, free market rice)	172,159 (99,717)	79.9 (46.3)	-3.5 (8.7)	-3.6 (2.5)	-7.4 (0.9)
Wheat	180	0.1	-	1,233.3	-10.0
Fruit	5,625	2.6	5.4	11.7	-7.6
Vegetable	5,889	2.7	11.2	-2.5	20.8
Silk Cocoon	1,049	0.5	8.6	-3.0	-9.1
Other Agri.& Forestry Products	6,529	3.0	0.5	14.6	9.2
Livestock Products					
Milk	3,911	1.8	9.3	9.2	1.5
Eggs	1,633	0.8	-13.5	14.2	30.5
Beef Cattle	7,667	3.6	20.6	8.0	0.0
Pork Pig	8,330	3.9	-3.7	-9.1	6.0
Others	2,463	1.1	-10.0	-10.0	16.5
Sub-total	24,004	11.2	6.7	0.1	5.5
Total	215,435	100.0	-2.3	-2.4	-5.1

D. Mutual-Insurance Business

Long-term insurance policy holdings increased by 600,607 million yen (16.7%) from previous year and amounted to ¥4,302,577 million at the end of fiscal 1980. Long-term insurance policy holdings per regular member farm household are 22,847,000 yen.

E. Guidance Business

Number of farm advisors at the end of fiscal 1980 became 719 with an increase of 30 advisors compared with previous year. However, the society with no farm advisor has no change in the number, 26 society, from a year ago. Most of these 26 societies are small scaled societies whose regular membership are less than 500.

Better-living advisors are stationed at 81 societies (total number of the advisor is 105).

Table 9) Transition of Farm guidance Business

	Farm Advisor		Farm Guidance Business Expense (Unit: ¥ million)	
	Number	Coop. with no advisor	Amount	Increased Rate(%)
1976	639	33	1,259	18.9
1977	661	31	1,521	20.8
1978	686	29	1,829	20.2
1979	689	26	2,130	16.5
1980	719	26	2,345	10.1

NIIGATA PREFECTURAL UNION OF AGRICULTURAL COOPERATIVES

OUTLINE OF NIIGATA PREFECTURAL UNION OF AGRICULTURAL
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OUTLINE OF NIIGATA PREFECTURAL UNION OF AGRICULTURAL
COOPERATIVES

A. Outlines of Business Activities

Farm household economy is seriously affected by price stagnation of farm products and price increase of production inputs. Therefore, commercial condition of farm products is getting worse in this prefecture.

Under these situations, management condition of agricultural cooperatives is also getting severe owing to the stagnation of business expansion, reduction of profit margin in credit business and others.

Considering these surroundings, Niigata Prefectural Union has been conducting the following 8 activities under 2 basic policies mentioned below;

(Basic Policy)

1. By promoting amalgamations cooperatively, the prefectural union should promote societies to make full use of their overall profitabilities and organizational coordination among businesses and management by improving their individual capacities.
2. In parallel with realization of agricultural policy demands, regional agriculture should be established by self-efforts and agricultural income of member farmers should be increased by cost reduction of production inputs under achievements of collective production system, profitability and others.

(Activity)

1. Promotion of the second-three-year of cooperative activity strengthening campaign
2. Survey and study of agricultural problems
3. Substantial reinforcement of farm management activities
4. Substantial reinforcement of better-living activities
5. Promotion of amalgamation and strengthening of management structure
6. Substantial reinforcement of education activities
7. Substantial reinforcement of public relations activities
8. Promotion of establishing agricultural basic policies, and reinforcement of policy representative activities

B. Organization

i) Membership (as of March 31, 1982)

a) Primary society	-----	235
b) Prefectural federations	---	5
c) Others	-----	6
TOTAL	-----	241

ii) Officials and employees

a) Officials

President (1)
 Vice-President (1)
 Executive Director (1)
 Part-Time Directors (21)
 Auditors (3)

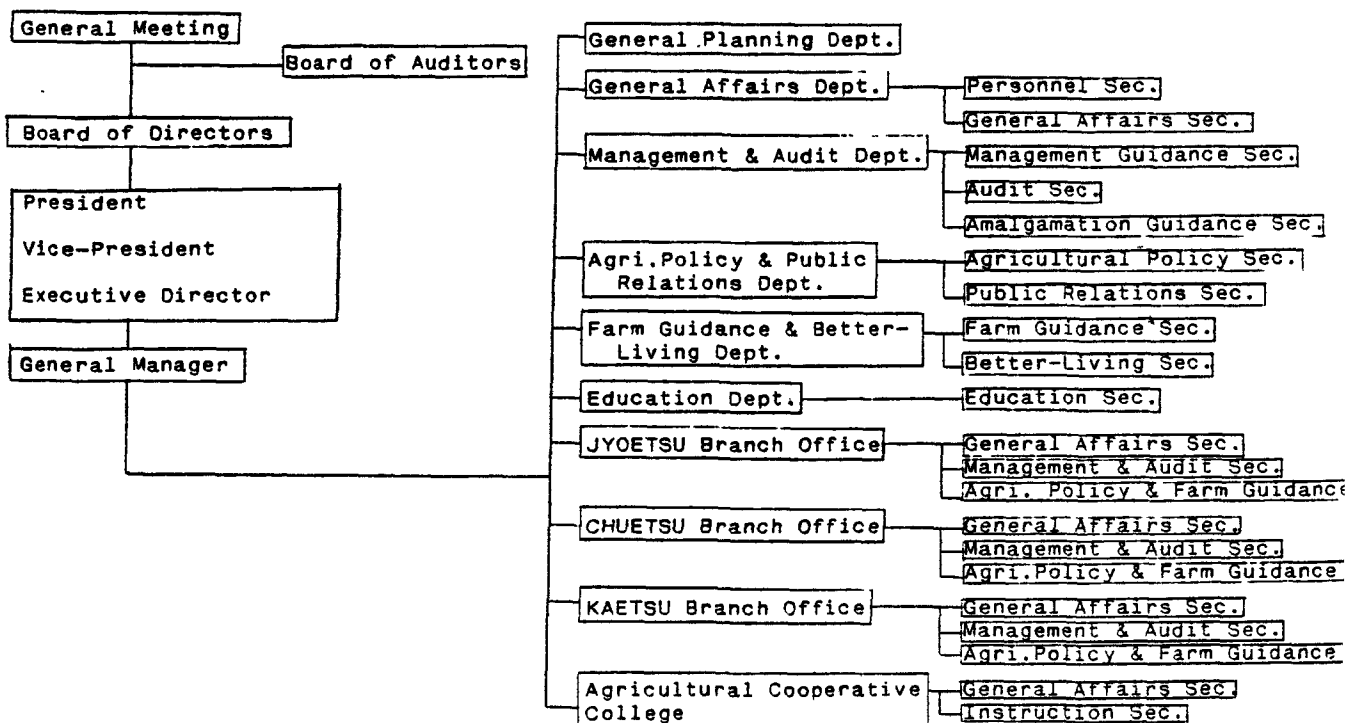
TOTAL OFFICIALS ----- 27

b) Employees

General Manager (2)
 Male worker (110)
 Female worker (29)

TOTAL EMPLOYEE ----- 139

iii) Organizational Structure



C. Business Performances

i) Second-Three-Year Cooperative Activity Strengthening Campaign

This Campaign is ^(being) conducted throughout the country. in this prefecture, 145 societies (63.6%) are carrying out this under the survey results in June 1981.

Results)

- a) Understandings toward the meanings of this campaign are spreading into member farmers and officials & employees of societies.
- b) "Three-Year Plan for Strengthening Cooperative Activities" and "Regional Agriculture Promotion Plan" are promoting, and surveys on member's will are laid a stress on the planning stage.
- c) Attitudes toward " Looking over regional agriculture" and regional-scaled health checking activities are expanded.

Tasks)

- a) Understandings toward the campaign are insufficient and ways of conducting the campaign are differed from each society.
- b) Emphasis should be put on tasks of the campaign and conducting concrete activities within a framework of carrying out this campaign.
- c) This campaign should be a campaign which would be handled by member farmers.
- d) Coordinations between primary societies, prefectural federations and national federations should be reinforced.

ii) Reinforcement of Farm Management Activities

- a) Promotion of regional agriculture promotion measures
 - 75 societies made a regional agriculture promotion plan under promotion by the union.
- b) Promotion of NIIGATA RICE production
 - 15 places in the prefecture are appointed as KOSHIHIKARI(variety of high-quality rice) producing complex in order to attain the planned production of good rice and the reduction of production costs.
- c) Measures for Paddy Field Use Re-organization
- d) Effective utilization of farm machinaries and facilities, and Protection of farming accidents
- e) Reinforcement of farm guidance system

f) Promotion and strengthening of agricultural cooperative youth organizations

- Three youth organizations were newly established, and the total number became 119.

iii) Strengthening of better-living activities

Number of societies having own better-living advisor became 104, which increased by 4 societies than previous year. Number of advisors is now 133 by the increase of 6 advisors. In the field of better-living activities, significant feature can be said that about 70% of societies in the prefecture have some relations with this activities. Target is to station better-living advisors at societies with no advisor.

- a) Measures for strengthening systems of better-living activities
- b) Promotion measures for health checking activities
- c) Campaign for "looking over livelihood"
- d) Promotion and strengthening measures for agricultural cooperative women's associations

- Organizing various meetings and seminars .

- * Primary association -- 181 organizations (80.4%)

- * Members ----- 75,076 (39.9%)

iv) Promotion of amalgamation and Strengthening management structure

7 societies were joined in 3 cases of the amalgamation, in fiscal 1981. As for the reinforcement of own capital, value of share capitals per farm household became 237,000 yen at the end of the year.

v) Reinforcement of education activities

- a) Improvement of education activities and organizing seminar for cooperative officials and employees

- Study meeting ----- 3 times

- Seminars for presidents and full-time directors
----- 2 times(80 participants)

- Seminars for general managers -- 2 (67 participants)

- Seminars for employees of societies
--- 36 times(1,062 participants)

- b) Others

vi) Other activities

- a) Public relations activities
- b) Policy representative activities

D. Revenue and Expenditure of the Prefectural Union
 (From April 1, 1981 to March 31, 1982)

(Unit: yen)

REVENUE

Subscription	864,995,000
Business Income	
Subsidy	23,463,000
Bounty	9,040,000
Others	15,802,844
Misc. Income	23,524,567
Balance Carried Forward	44,373,138
Total	<u>981,204,549</u>

EXPENDITURE

Business Expense	178,743,952
Personnel Expense	432,404,066
Management Expense	233,429,703
Transferred to funds (Retirement allowance and others)	44,844,000
Transferred to public relations business account	3,059,093
Transferred to coopera- tive college account	51,374,578
Reserve fund	8,000,000
Total	<u>943,855,392</u>

BALANCE CARRIED FORWARD 37,349,157

NIIGATA PREFECTURAL COUNCIL OF AGRICULTURAL COOPERATIVE
WOMEN'S ASSOCIATIONS

I ORGANIZATION (as of April 1982)

COUNTY & CITY LEVEL ORGANIZATION	NUMBER OF ORGANIZATION		NUMBER OF MEMBERS	
	1981	1982	1981	1982
Higashikubi ^(K) County Council	9	9	4,465	4,438
Nakakubi ^(K) County & City Council	17	17	11,160	10,660
Nishikubi ^(K) County Council	6	6	3,702	3,418
Nagaoka District Council	6	6	5,083	5,024
Mishima County Council	12	12	3,692	3,592
Minamikanbara County Council	19	19	5,403	5,244
Kariwa County & City Council	9	9	1,875	1,795
Kitauonuma Joint Committee	8	8	4,864	4,764
Minamiuonuma County Council	4	4	4,000	3,700
Nakauonuma Council	4	4	5,439	5,234
Niigata City Council	15	15	2,735	2,660
Iwafuna County & City Council	11	10	3,075	3,030
Kitakanbara Joint Committee	26	25	5,812	5,600
Nakakanbara Council	15	15	5,161	4,934
Nishikanbara Joint Committee	18	17	7,341	6,790
Sado District Alliance	5	5	4,125	4,130
TOTAL	184	181	77,931	75,076

* Comparison between 1981 and 1982;

Number of organization ----- -3
Number of members ----- 2,464 decrease

II MEMBERSHIP FEE

- a) One county & city level organization -- ¥ 8,000
- b) One member of women's association --- ¥ 20

III ACTIVITIES IN FISCAL 1981

A. Organization Strengthening Activity

- a) 28th Prefectural Congress of Agricultural Cooperative Women's Associations
 - Date : July 9, 1981
 - Representative : about 1,000
 - Adoption : To promote 100% of participation of farm wives and to promote active participation by young wives , and other 5 adoptions
- b) 15th Seminar for Chairwomen of Agricultural Cooperative Women's Associations
 - Date and Duration : 2 days from July 4th
 - Venue : Gunma Prefecture
- c) Seminar for young wives of associations
 - Venue : 3 districts
 - Participants : about 275

B. Better-Living Activity

- a) Joint Purchasing of living necessities throughout the prefecture
 - under wears(20,839 sets) and WAKAME seaweeds
- b) Rationalization of wedding and funeral ceremony expenses
- c) 4th Health Meeting
 - Date : October 29, 1981
 - about 120 members participating
- d) Promotion of bookkeeping and livelihood planning
 - Promotion of cooperative magazine " Ie-No-Hikari" in collaboration with the prefectural union

C. Farm Management & Policy Representation Activity

- a) Policy representation activities for price hikes of rice and for necessary measures to secure self-sufficiency rate
- b) Activities against taxation system on farm land

D. Study and Information Activity

- a) Publication of information organ
- b) Others

E. Collaboration with related organizations

- a) Participate in meetings organized by National Council of Agricultural Cooperative Women's Associations and other regional-leveled women's associations

IV INCOME AND EXPENDITURE IN FISCAL 1981

Income and Expenditure of General Account
(From April 1st, 1981 to March 31st, 1982)

1. Income

ITEM	BUDGET	SETTLEMENT OF ACCOUNT	EXPLANATION
Membership Fee	1,686,620	1,686,620	@ ¥8,000 x 16 organizations ; @ ¥ 20 x 77,931 members
Bounty	3,280,000	3,201,300	From Prefectural Unifederations of agri. coops.
Interests of Funds	360,000	422,880	
Misc. Incomes	95,380	258,243	Promotion costs of Joint-purchasing, et
Balance Carried Forward	286,000	286,279	Balance in fiscal 19
Policy Representation Funds	0	476,730	
TOTAL	5,708,000	6,332,052	

2. Expenditure

ITEM	BUDGET	SETTLEMENT OF ACCOUNT
Meeting Expenses	1,150,000	1,195,590
Business Work Costs	200,000	180,000
Expense for Organizational Activity	2,050,000	2,205,073
Expense for Strengthening Organization	1,814,000	1,647,145
Shares	300,000	313,890
Cost for Public Relations	150,000	153,670
Misc.*Expenses	44,000	35,000
TOTAL	5,708,000	5,730,368

V. BY-LAW OF NIIGATA PREFECTURAL COUNCIL OF AGRICULTURAL
COOPERATIVE WOMEN'S ASSOCIATIONS

CHAPTER I : GENERAL

- Article 1. This council shall be a voluntary women's organization and called Niigata Prefectural Council of Agricultural Cooperative Women's Associations, which has its secretariat at Niigata Prefectural Union of Agricultural Cooperatives.
- Article 2. The purpose of this council shall be to contribute to democratic development of cooperative businesses as well as improvement of activities carried out by women's association in this prefecture under mutual collaboration so as to make rural women release and improve their living condition
- Article 3. The Council shall carry out the following activities to attain the above purpose ;
1. Matters related to the abolition of rural feudality and women's revolution,
 2. Matters related to enhancement of women's consciousness toward cooperative movement,
 3. Matters related to promotion of cooperative businesses and to study on them,
 4. Matters related to survey & study concerning rationalization of livelihood and problems of rural women,
 5. Matters related to supply of informations and liaison between members,
 6. Matters related to organizing of various seminars and meetings,
 7. Matters related to further reinforcement of the organization and collaboration with other related organizations, and
 8. Matters related other necessary activities for attaining the above purpose.

CHAPTER II : ORGANIZATION

- Article 4. This Council shall be a federal body of women's organizations at county & city level in the prefecture, and it shall be established by these organizations which support purpose of this Council. Only an agricultural cooperative women's association who has a passion to attain the purpose of the Council can be a member even if the women' association is not an county/city level organization.
- Article 5. Participation in and withdrawal from the Council shall be admitted only when a written paper is handed in President of the Council.

CAPTER III : ORGAN

Article 6. The Council shall have the following organs;

1. General Meeting, and
2. Committee.

Article 7. General Meeting

1. General Meeting shall be a decision-making body of the Council and be consisted of member organizations and their members.
2. General meeting shall be classified into ordinary and extraordinary(special) meetings. Ordinary General Meeting shall be convened by President as a rule.
3. The following matters shall be decided at General Meeting;
 - i) Disolution of the Council and amendement of the by-law,
 - ii) Decision of business plan,budget, settlement of account and membership fee,
 - iii) Selection and dismissal of officials of the Council, and
 - iv) Participation in and withdrawal form other organizations.
4. General Meeting shall be come into existance by members participation with more than a half of Council's membe
5. Chairwoman of the meeting shall be elected among attendances. Decision at the General Meeting shall depend on the decision of Chairwoman in case of same numbers of pros and cons.

-- Omission --

Article 8. Committee

1. Committee shall consist of all officials except audito and perform matters decided at General Meeting.
2. Committee shall be convened by President and met at lea 4 times a year.
3. Chairwoman of the committee shall be a president of the Council.

Article 9. The Council shall have the following officials;

1. President (1)
2. Vice-President (2)
3. Committee Member (12)
4. Auditor (3)

1. Committee members shall be a representative of county & city level women's organizations and be elected at the general meeting.
2. Preident, Vice-President and auditors shall be elected by mutual vote from among members of the committee.
3. President shall be a representative and have a responsibility for activities of the Council and management of assets.
4. Vice-President shall assist President, and carry out activities of the Council in case of President's absence by accidents.
5. Auditors shall manage the financial matters of the Council and audit written documents and other settlements of the Council.
6. Committee members shall assist President and Vice-President to carry out activities of the Council.
7. Term of office shall be two years in principle, and nobody is precluded from being re-elected.

Article 10 }
 Article 11 } Omission
 Article 12 }

CHAPTER IV : ACCOUNT

Article 13. The Council shall cover expenses by the following incomes;

1. Membership fee and business incomes, and
2. Subsidies and other incomes.

Article 14. Business Year of the Council shall be from April 1st in every year to March 31st in the next year.

Article 15. Auditors shall conduct auditing at least 2 times in every business year, and shall put a report to General Meeting and express their opinions on results of the auditing.

This by-law shall be come into force from January 27th, 1954.

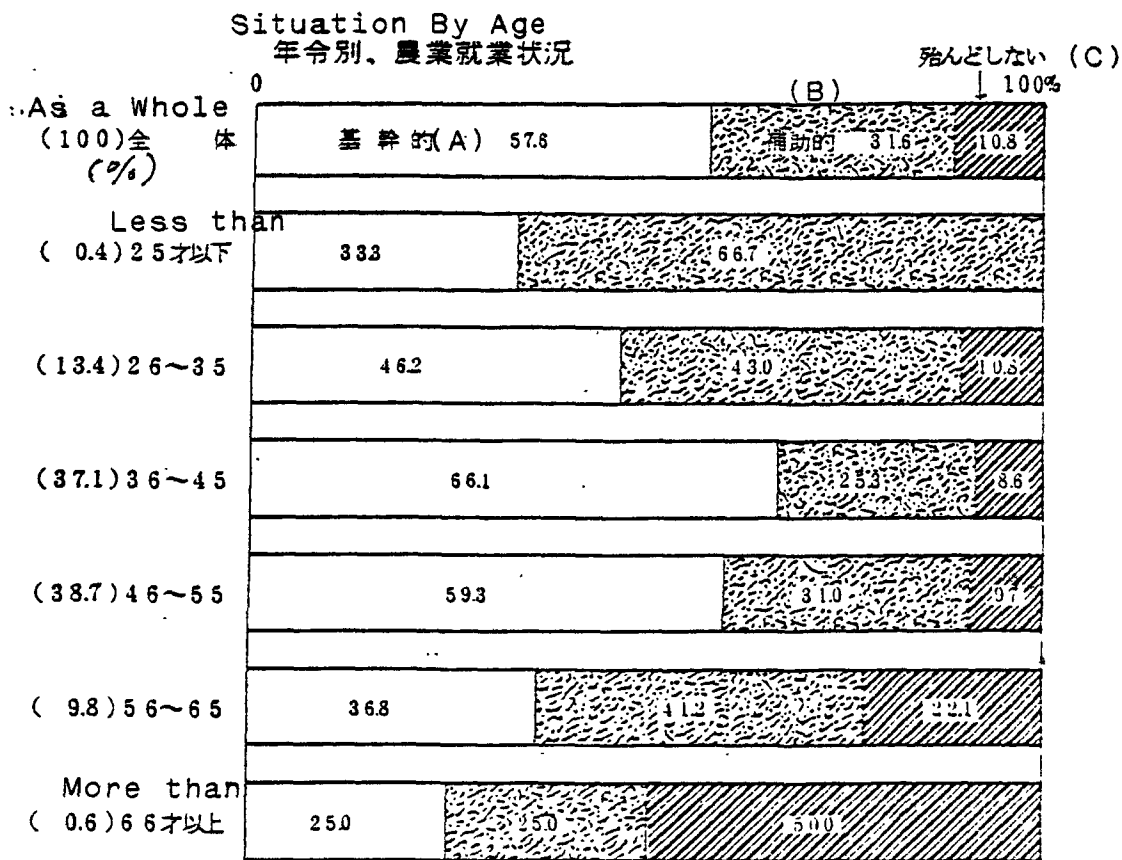
VI. SURVEY RESULTS ON AGRICULTURAL COOPERATIVE WOMEN'S ASSOCIATIONS

The surveys concerning farm management and livelihood of members and activities of agricultural cooperative women's association was carried out in 1980 under the collaboration between agricultural cooperative women's associations, Niigata Prefectural Council and Niigata Prefectural Union of Agricultural Cooperatives.

The object of this survey was about 79,000 members of 184 agricultural cooperative women's associations, and 693 members(0.9%) and 99 associations(53.8%) were surveyed.

A. Survey on Members

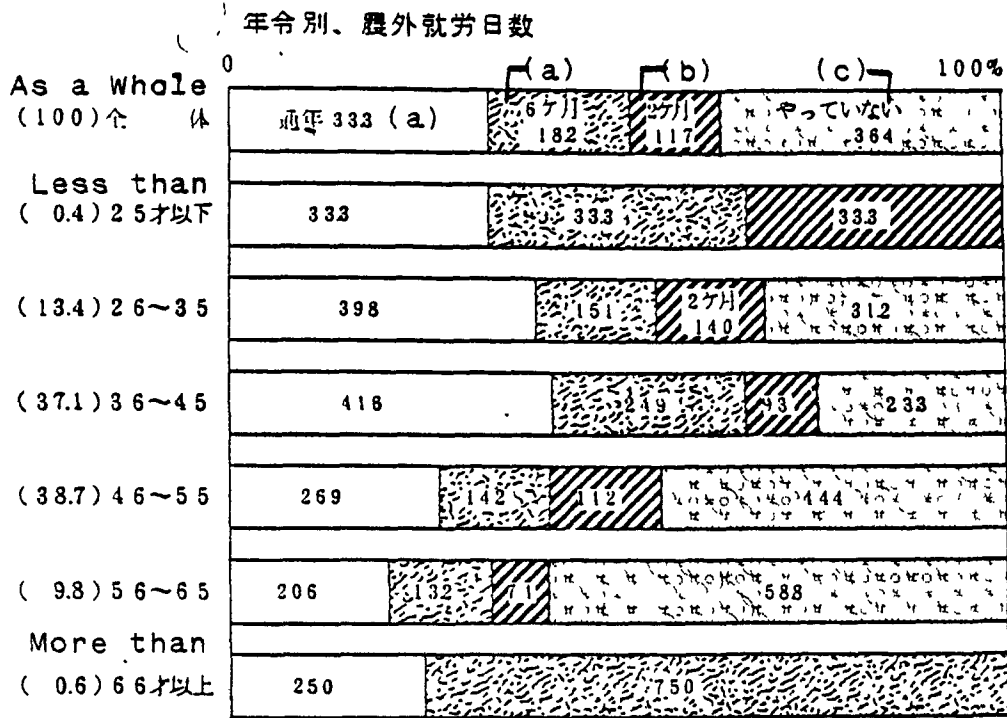
1. Situation Engaged in Agriculture



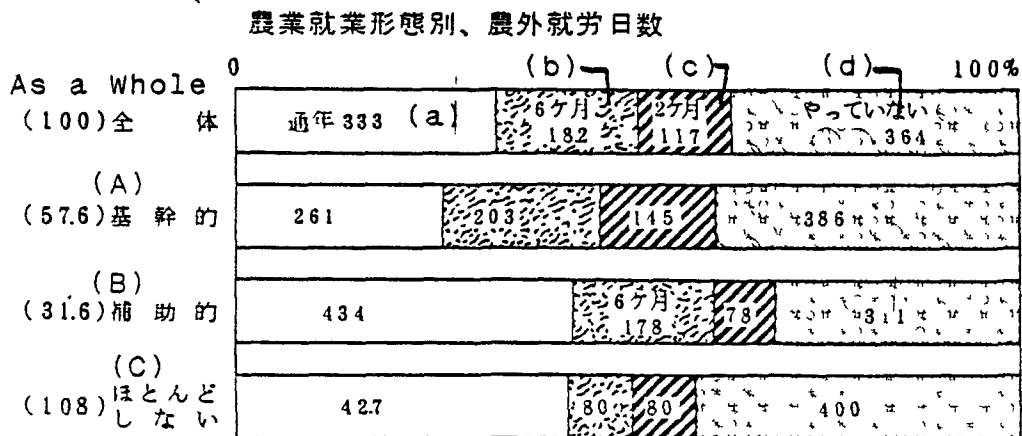
Note: (A) = Engaged in as a core worker
 (B) = Engaged in as an assistant worker
 (C) = Does not engage in at all

2. Situation Engaged in Non-Agricultural Works

i) The situations By Age



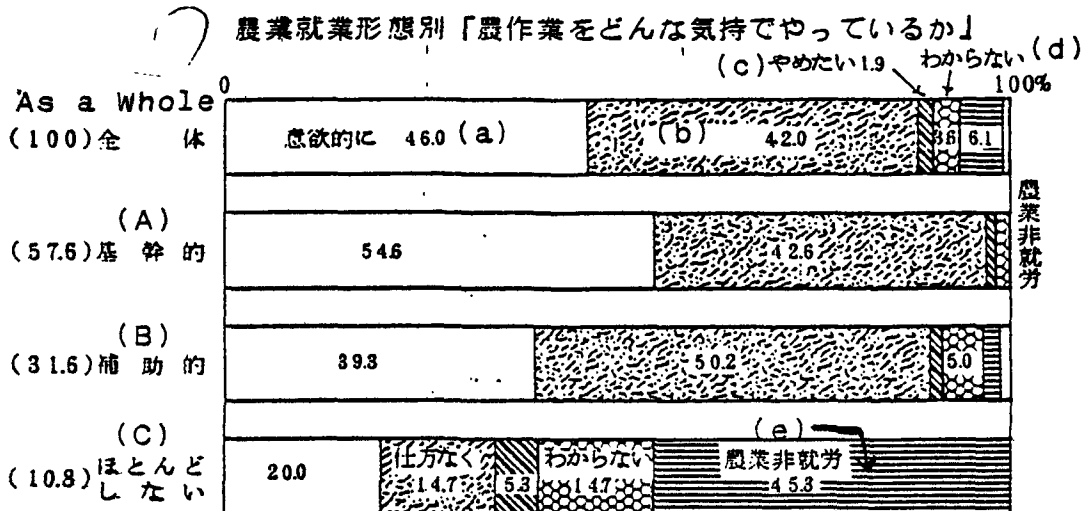
ii) The situations By Type of Engagement



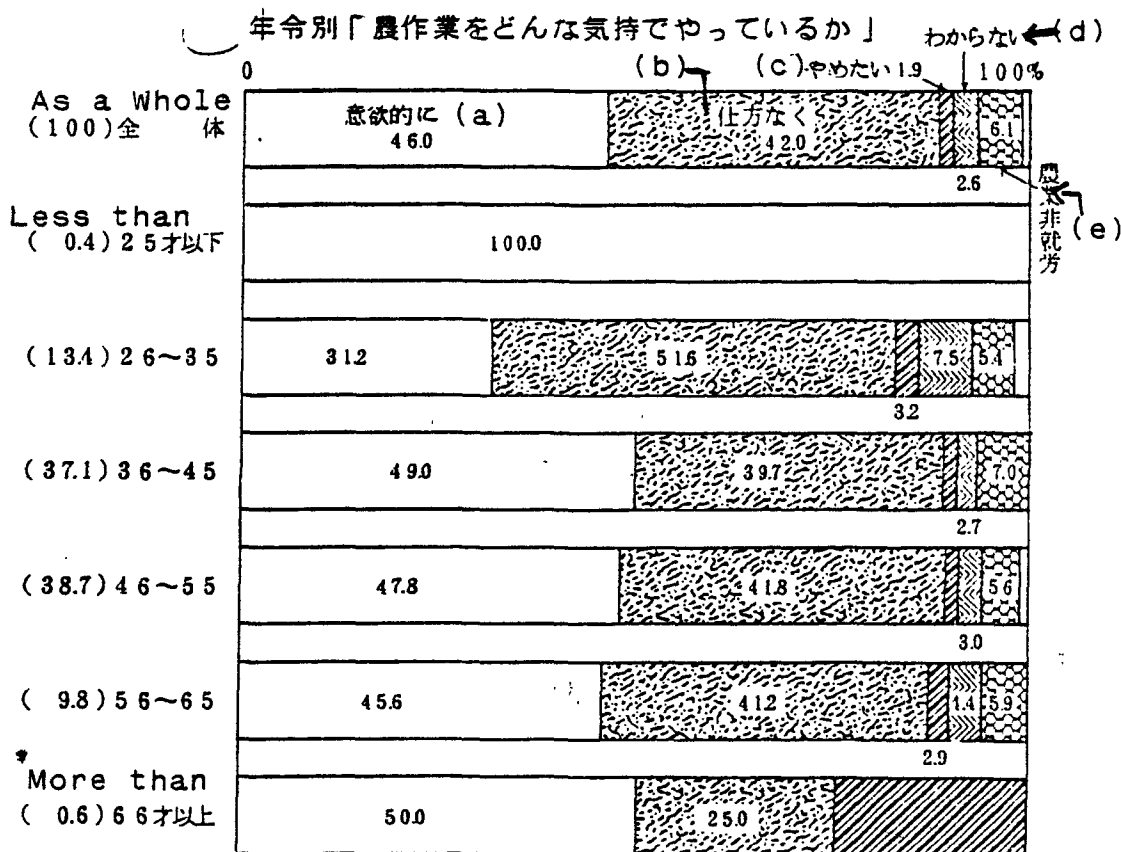
Note: (A), (B), (C) are same as in table on Chapter VI

(a) = Throughout a year, (b) = 6 months,
(c) = 2 months, (d) = Nothing

3. " With what sort of feelings are you conducting farm works ?."



By Age

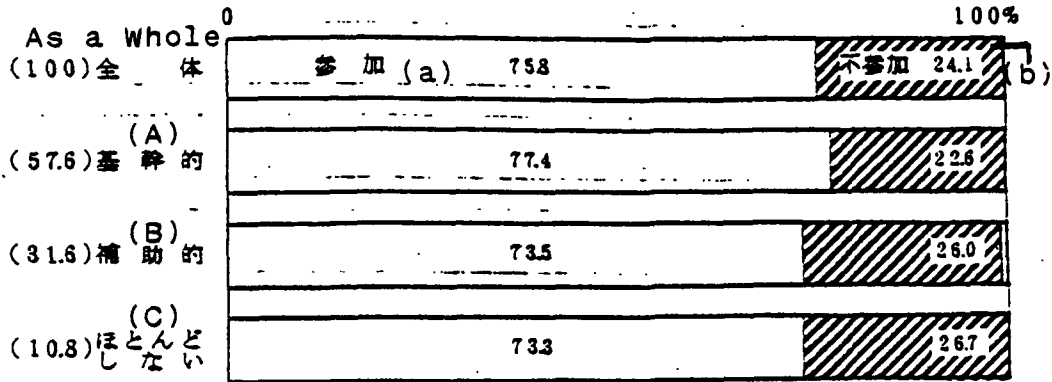


Note : (a) = With a will , (b) = Unwillingly ,
(c) = Want to quit , (d) = No idea
(e) = No engagement in outside of agriculture

B. Survey on Livelihood

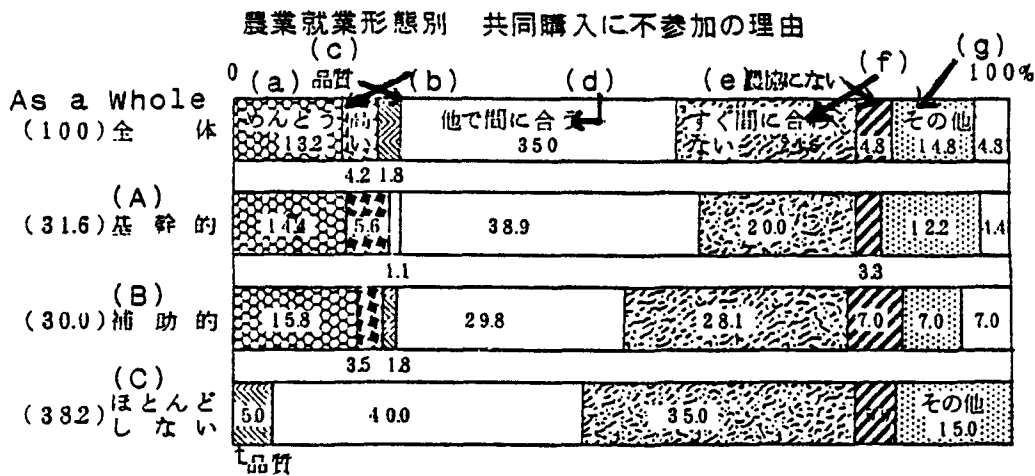
1. Situation of Participation into Joint-Purchasing of Living Necessities

農業就業形態別 共同購入参加状況 By Type of Engagement



Note: (a)= Participating , (b) Not Participating

2. Reasons of not participating in Joint-Purchasing by type of engagement in Agriculture

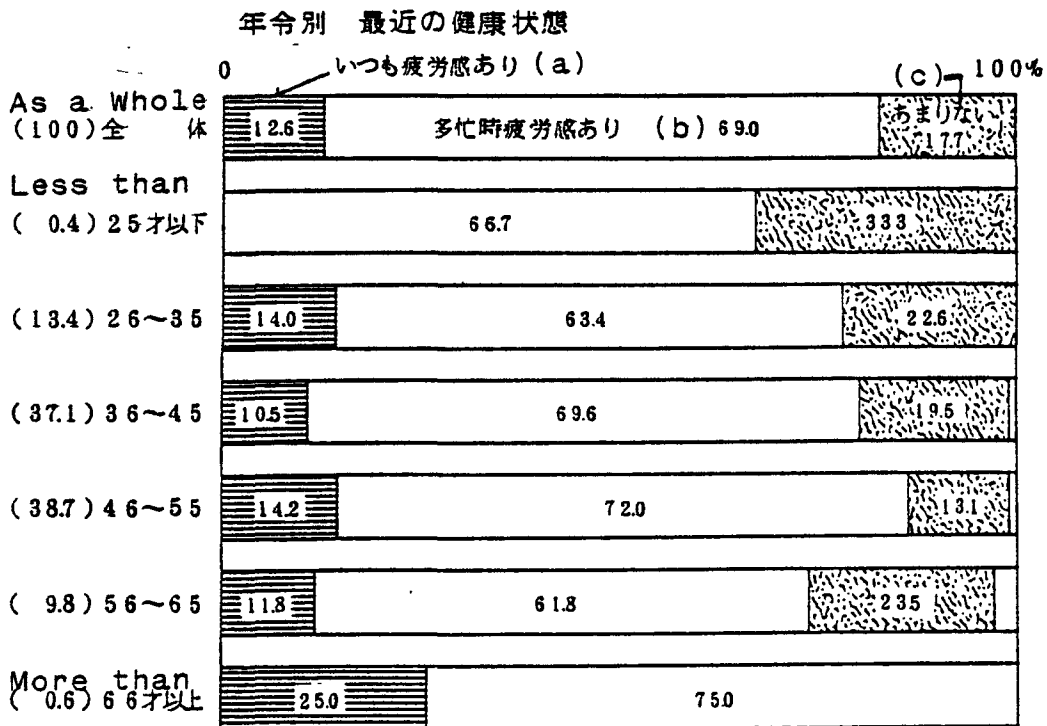


Note : (a) Troublesome, (b) High price , (c) Quality (d) Use other things for a shift , (e) Not timely (f) Society does not conduct this, (g) Others

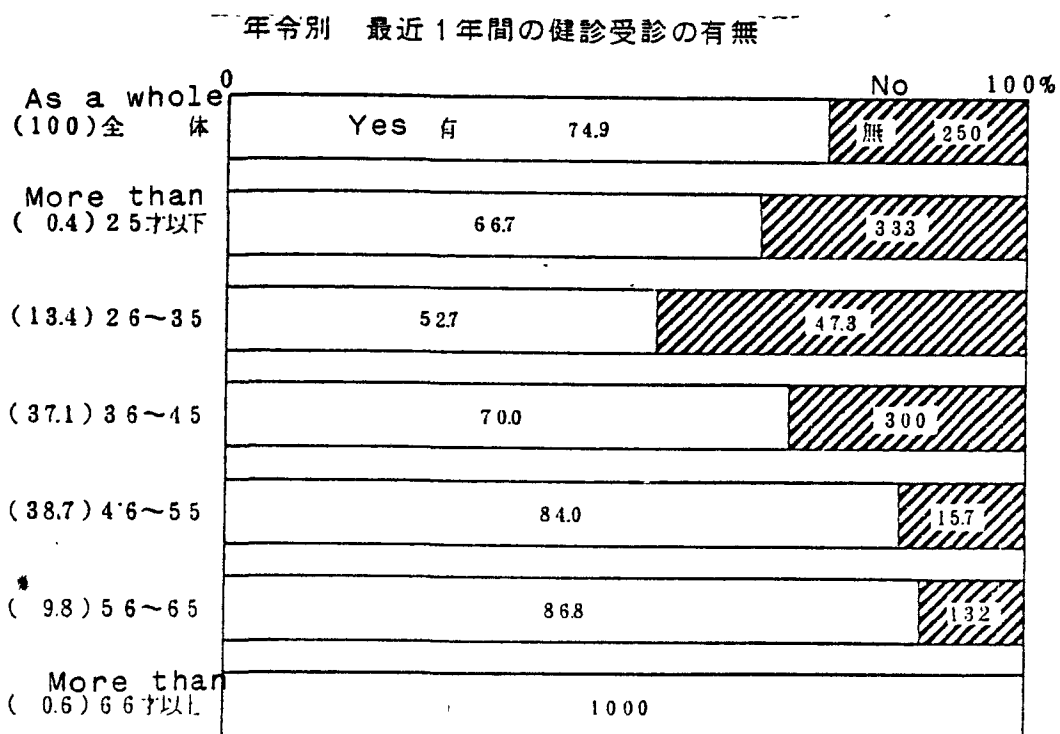
C. Survey on Members' Health

1. Recent health condition

i) By age

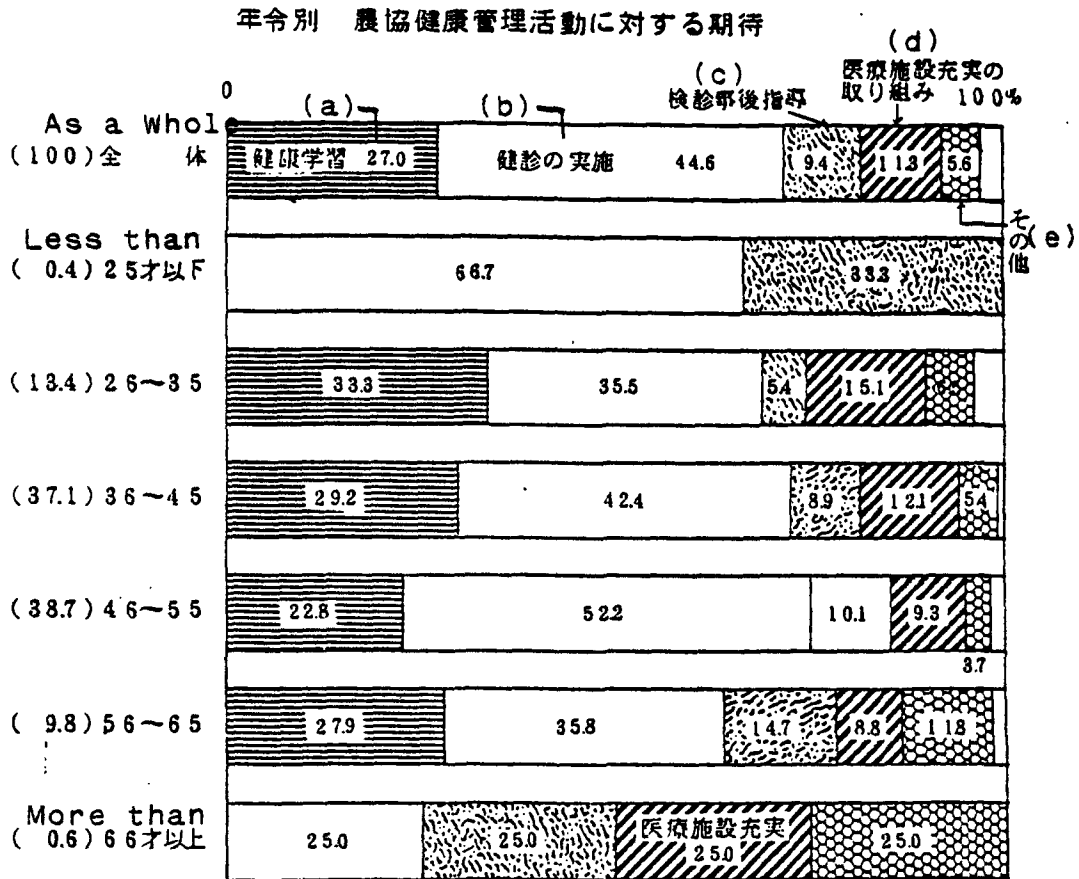


2. Health Checking (Yes or No) By Age



Note: (a) Feel fatigue all the time
 (b) Feel fatigue in case of busy
 (c) Feel not too much

3. Expectations for Health Checking Activities of Agricultural Cooperatives (By age)



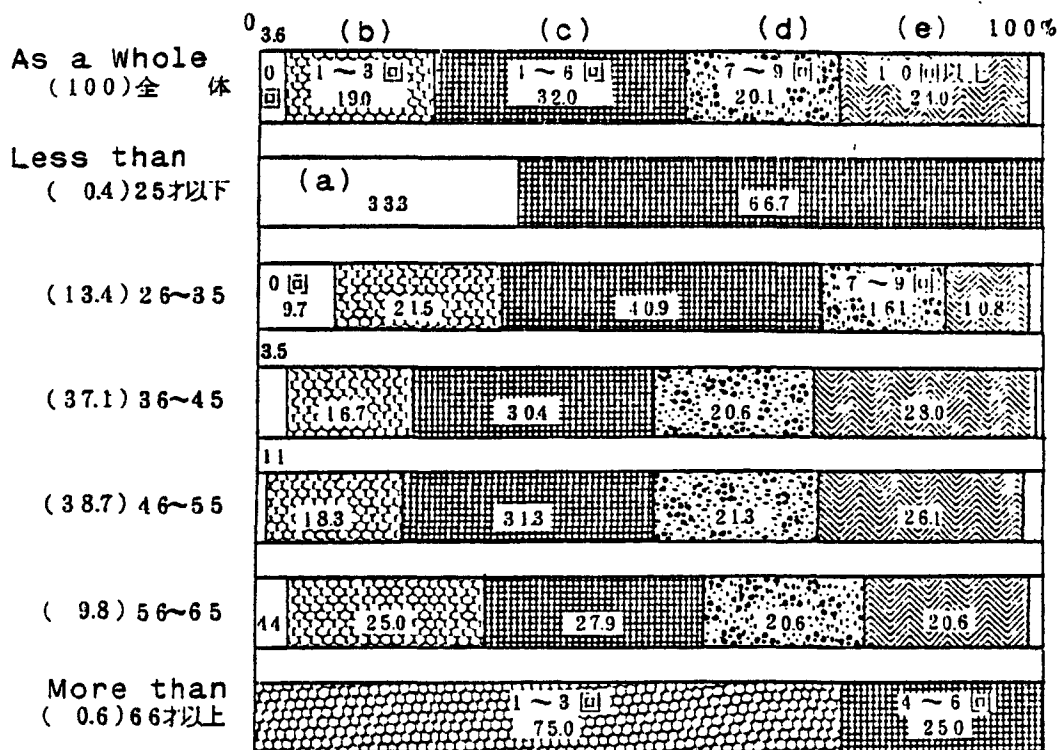
Note: (a) Studies on Health Maintenance
 (b) Conducting of Health Examinations
 (c) After Care of Health Examinations
 (d) Improvement of Medical Facilities
 (e) Others

D. Survey on Agricultural Cooperative Women's Associations

i) Frequency of attendance at Han(sub-group) meetings

(By age , Annual

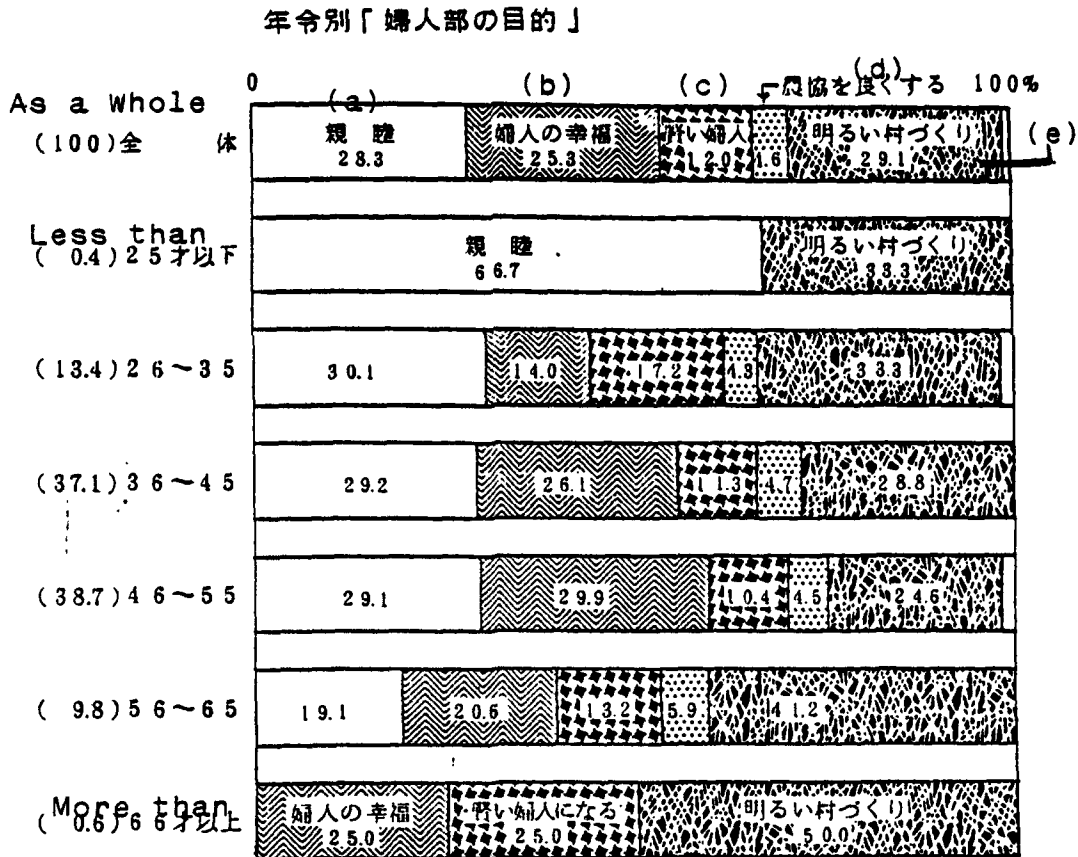
年令別 年間班会出席回数



Note : (a) = 0 time
 (b) = 1 to 3 times
 (c) = 4 to 6 times
 (d) = 7 to 9 times
 (e) = More than 10 times

ii) Objective of the Women's Association Thought by Members

(By age)

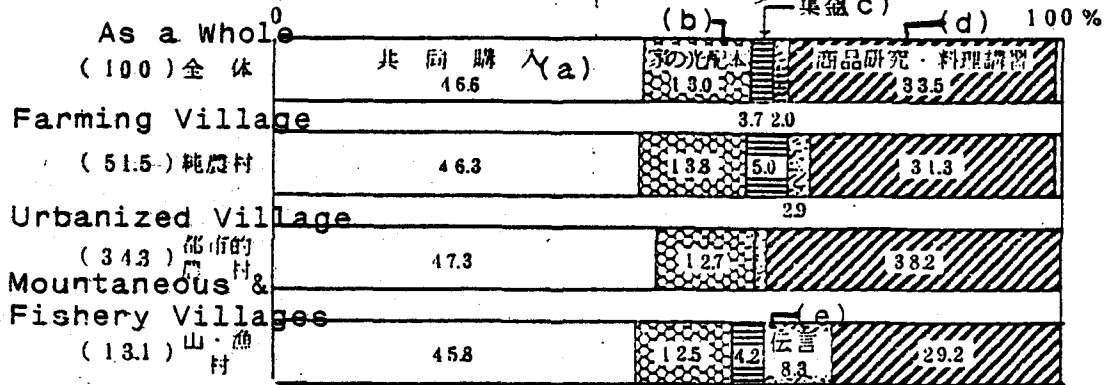


- Note :
- (a) Friendship
 - (b) Happiness for women
 - (c) Become wise women
 - (d) Make society better
 - (e) Build cheerful village

iii) Emphasized activity at Han(sub-group) group level

(By type of area)

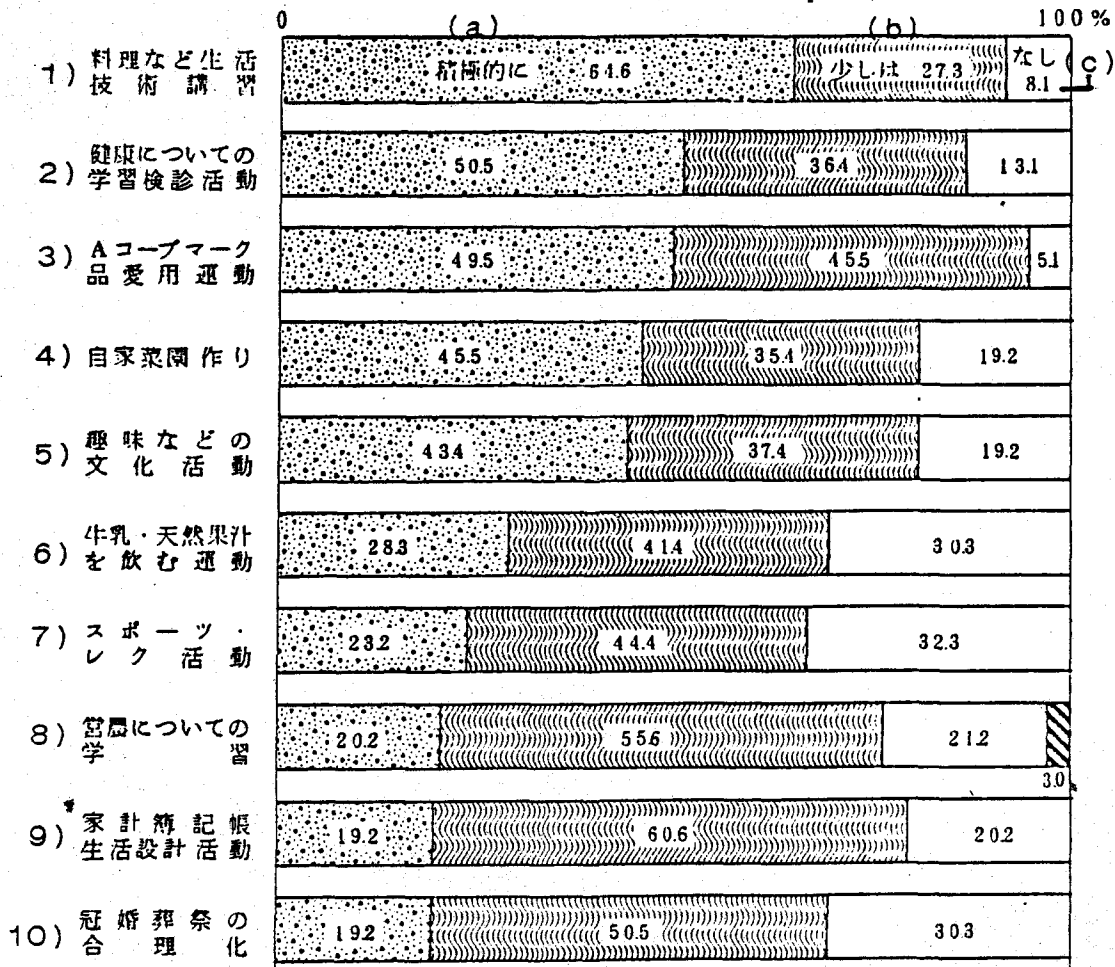
地帯別、班会の重点活動

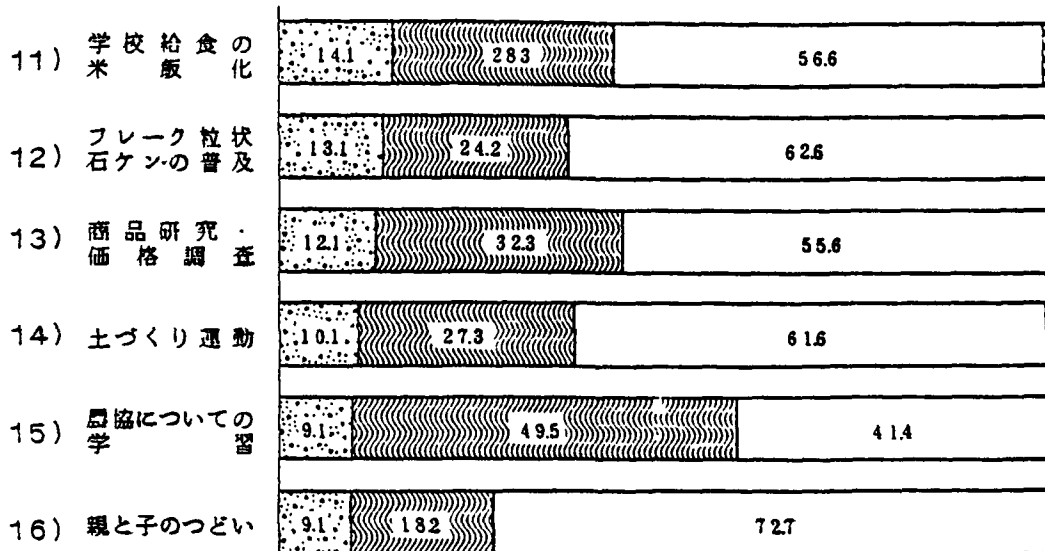


Note : (a) Joint-purchasing (b) Distribution of "Ie-No-Hikari"
 (c) Collecting money (d) Commodity tests and cooking seminars
 (e) Liaison works

iv) Situations of conducting various activities

活動課題別、取り組み状況





Note: (a) Actively (b) Not much (c) Not at all

- 1) Living techniques like cooking class
- 2) Health checking and study on health
- 3) Promotion of utilizing A-COOP brand goods
- 4) Construction of home garden
- 5) Hobby and cultural activities
- 6) Campaign for taking milk and natural fruit juice
- 7) Sports and recreation activities
- 8) Study on farm management
- 9) Bookkeeping and life planning
- 10) Rationalization of wedding ceremony and funeral services
- 11) Promotion of rice consumption used as a school lunch
- 12) Extension of powder soap
- 13) Commodity test and price investment
- 14) Improving soil fertility
- 15) Study on agricultural cooperative
- 16) Gathering for parents and children

NIIGATA PREFECTURAL ECONOMIC FEDERATION OF AGRICULTURAL
COOPERATIVES

I Membership (As of March 31st, 1982)

* Regular member	-----	234
* Associate member	-----	1

II Officials and Employees

A. Officials

* Full-time director	-----	5
* Part-time director	-----	13
* Auditor	-----	3

B. Employees

* General Manager	-----	1
* Male workers	-----	531
* Female workers	-----	60
TOTAL EMPLOYEES	-----	<u>591</u>

III. Facilities Owned By The Federation

A. Office

* Head office	-----	1
* Tokyo Branch Office	-----	1
* Nagaya Branch Office	-----	1
* Other branch offices	-----	11

B. Cooperative facilities

* Distribution centre	-----	3
* Agricultural warehouse	---	3
* Rice milling plant	-----	2
* Facilities related to horticulture	-----	9
* Facilities related to agriculture & livestock production	----	16
* Facilities related to agricultural machinery and automobile	-----	5
* Facilities related to the life improvement business	-----	2
* Dormitory for employees	-----	4

IV. Marketing Business Turnover (Business Year 1981)

(Unit: ¥ 1,000)

* GRAINS

Rice sold to the Government	45,472,688
Wheat sold to the Government	551,808
Rice sold to wholesalers	125,346,465
Seeds	4,826
Rice with low quality, Trash	200,324
Rationed rice	12,559,629
Sub-total -----	186,857,429

* HORTICULTURAL PRODUCTS

Industrial products	1,315,648
Fruits	5,401,109
Fresh vegetables	3,965,697
Others	1,103,707
Sub-total -----	11,786,161

* SERICULTURAL PRODUCTS

Silk cocoon	802,731
Silkworm egg	45,276
Materials	68,341
Sub-total -----	934,348

* LIVESTOCK PRODUCTS

Hen eggs	3,695,840
Broiler chicken	6,822
Beef cattle	4,443,317
Pork pigs	7,865,961
Mutton	5,308
Other meats	3,095
Chicks	283,631
Calves	1,593,692
Piglets	527,218
Breeding pig	125,813
Sheep	26,527
Sub-total -----	18,577,222

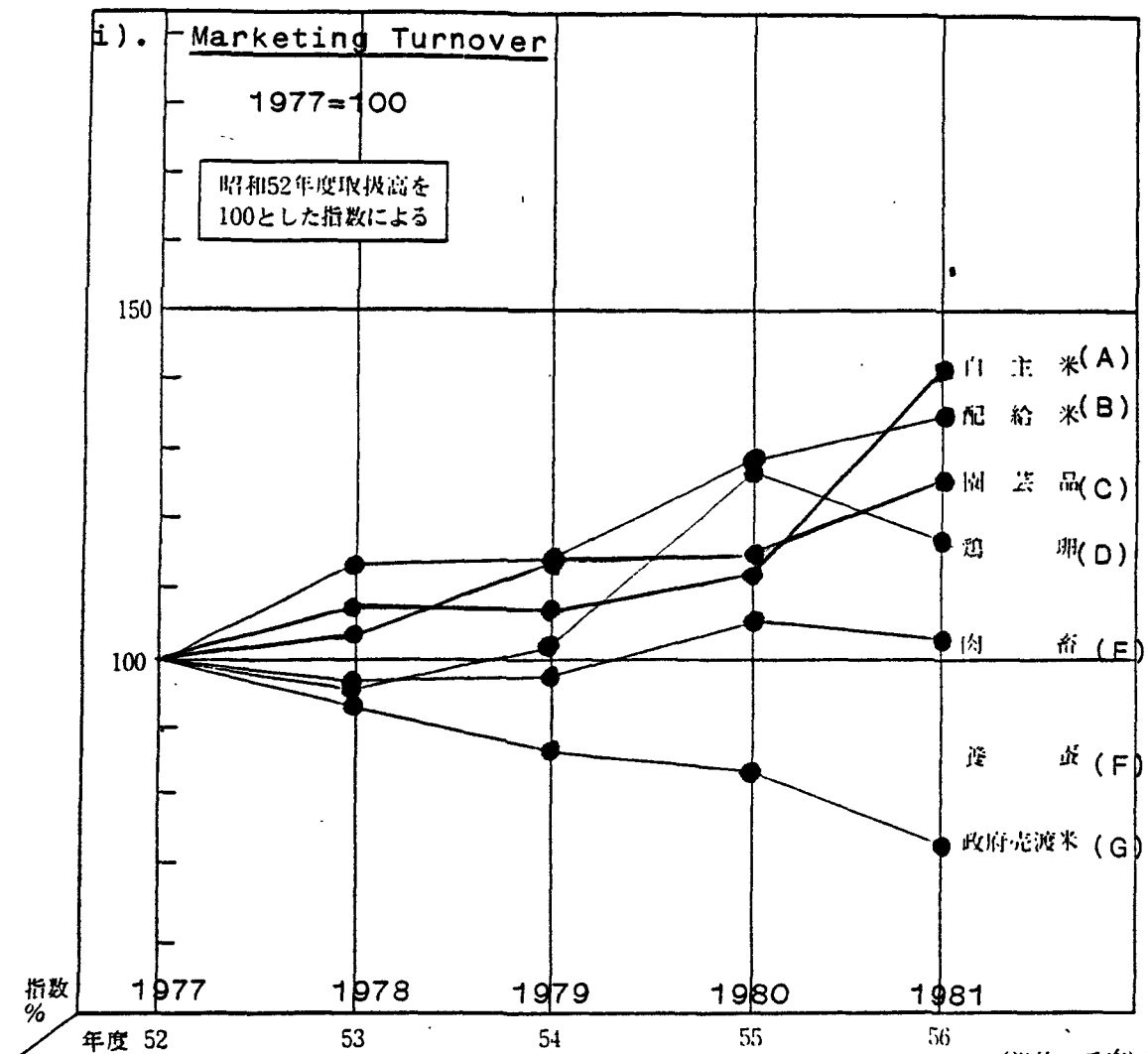
TOTAL MARKETING TURNOVER ----- 218,155,161

V. Supply Business Turnover (Business Year 1981)

(Unit: ¥ 1,000)

* Materials related to grains	2,252,721
* Packing materials for fruits	928,427
* Fertilizers & Cheminals	20,433,763
* Materials for hortivultural products	1,435,024
* Feeds	14,746,068
* Agricultural Machinaries	7,793,938
* Automobiles	7,779,503
* Facilities	6,618,887
* Food stuffs	11,407,482
* Living necessities	6,882,940
* Electric goods	2,331,490
* Fuels	22,019,704
TOTAL SUPPLY TURNOVER -----	<u>104,629,948</u>

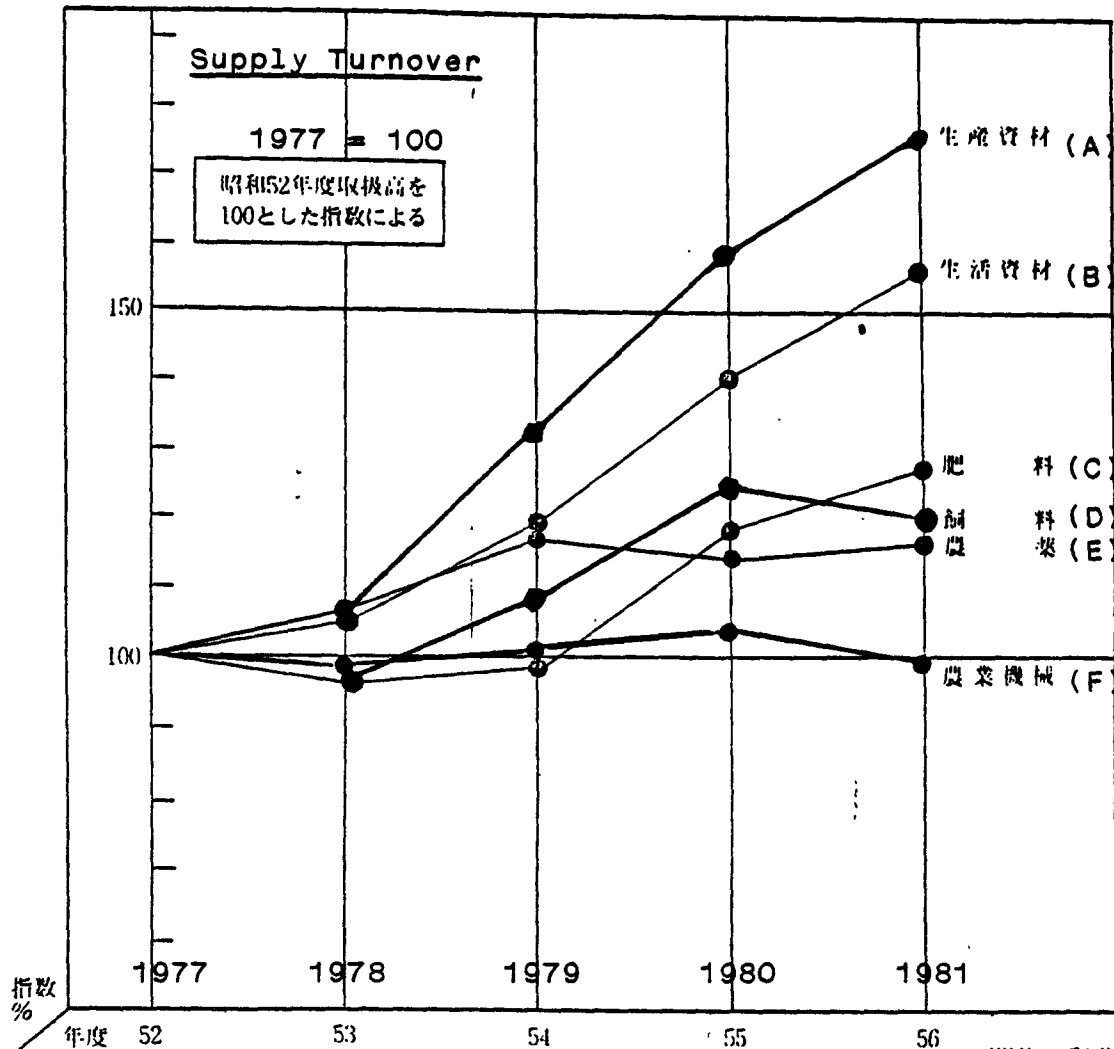
VI. Transition of Marketing & Supply Businesses



品目	年度	1978		1979		1980		1981	
	昭和52年度	昭和53年度	昭和54年度	昭和55年度	昭和56年度	昭和52年度	昭和53年度	昭和54年度	昭和55年度
	取扱高	取扱高	取扱高	取扱高	取扱高	取扱高	取扱高	取扱高	取扱高
	TURNOVER	TURNOVER	TURNOVER	TURNOVER	TURNOVER	TURNOVER	TURNOVER	TURNOVER	TURNOVER
(G) 政府売渡米	107,911,170	92,806,166	82,796,478	70,581,121	46,024,496				
(B) 配給米	10,201,299	11,728,160	11,874,498	13,265,819	14,123,718				
(C) 園芸品	9,278,373	9,625,705	10,400,550	10,698,188	11,786,161				
(F) 蓬蚕	1,196,035	1,294,240	1,320,581	1,215,634	934,348				
(D) 鶏卵	3,105,433	2,734,012	3,132,807	3,997,257	3,695,840				
(E) 肉畜	14,263,385	13,526,992	13,793,477	15,023,535	14,881,382				
(A) 自主米	88,531,749	96,198,006	96,853,286	100,767,494	126,709,216				
TOTAL 計	234,487,444	227,913,281	220,171,677	215,549,048	218,155,161				

(単位:千円) Unit: ¥1,000

Note: A = Rice sold to wholesalers , B= Rationed rice,
C= Horticultural products , D= Hen eggs,
E= Stock meats , F= Sericultural products
G= Rice sold to the Government



品目	Fiscal (Unit: 千円) 1,000)				
	昭和52年度 1977	昭和53年度 1978	昭和54年度 1979	昭和55年度 1980	昭和56年度 1981
(C) 肥料	9,585,815	8,718,213	9,365,598	11,083,421	12,028,826
(E) 農薬	7,353,666	7,880,983	8,505,488	8,284,065	8,404,937
(D) 飼料	12,542,164	11,443,969	13,582,696	15,347,831	14,716,069
(F) 農業機械	8,068,724	7,694,050	8,106,014	8,163,571	7,793,938
(A) 生産資材	22,050,284	23,484,301	28,924,312	34,916,364	38,878,954
(B) 生活資材	14,900,206	15,728,534	17,683,732	20,706,857	22,777,224
↑TOTAL 計	74,500,859	74,950,050	86,167,840	98,532,109	101,629,918

Note: A= Production inputs, B= Living Necessities,
 C= Fertilizers, D= Feeds,
 E= Agricultural chemicals, F= Agricultural machineries

VII General Inventory (As of March 31st, 1982)

(Unit: yen)

* ASSETS

Current(Floating) Assets	65,071,758,567
Fixed Assets	4,262,759,853
Deferred Assets	98,691,341
TOTAL ASSETS	----- 69,433,209,761

* LIABILITIES

Current Liabilities	61,050,171,141
Fixed Liabilities	3,729,830,382
Special Reserves	83,186,500
TOTAL LIABILITIES	----- 64,863,188,023

NET PROPERTY	----- 4,570,012,738
--------------	---------------------

VIII Appropriation of Surplus (Unit: yen)

* Unappropriated Current Surplus --- 588,661,834

Surplus Carried Over-- 32,275,070

Current Surplus ----- 556,386,127

*Appropriated Amount of Surplus ----- 550,648,827

Legal Reserve ----- 60,000,000

Special Installment --110,000,000

Dividend on Share Capital --- 128,677,500

Patronage Dividend ----- 251,971,320

* Surplus Carried Forward ----- 38,013,007

IX Company Shared by the Economic Federation

* NIIGATA KUMIAI FEED Company Ltd.

- Capital--80 million yen
(of which, 93.8% is shared by the federation
- Turnover ---- 10,754,052,000 yen
- Current Surplus --- 850,000 yen

* NIIGATA KUMIAI TRANSPORTATION Company Ltd.

- Capital --- 45 million yen
(100% of capital is shared by the federation
- Turnover ---- 4,234,017,000 yen
- Current Surplus --- 9,086,000 yen

* NIIGATA KUMIAI BUSINESS Ltd.

- Capital ----- 50 million yen
(of which, 76% is shared by the federation
- Turnover ----- 1,047,179,000 yen
- Current Surplus ---- 15,042,000 yen

* KASEI KOHGYO Corporation Ltd.

- Capital ----- 50.5 million yen
(of which, 50.5 % is shared by the federation)
- Turnover ----- 363,736,000 yen
- Current Surplus --- 17,937,000 yen

* KUMIAI FLOWER PLANTS DISTRIBUTION CENTRE Ltd.

- Capital ----- 125 million yen
(of which, 82.8% is shared by the federation)
- Turnover ----- 539,930,000 yen
- Current Surplus ---- 960,000 yen

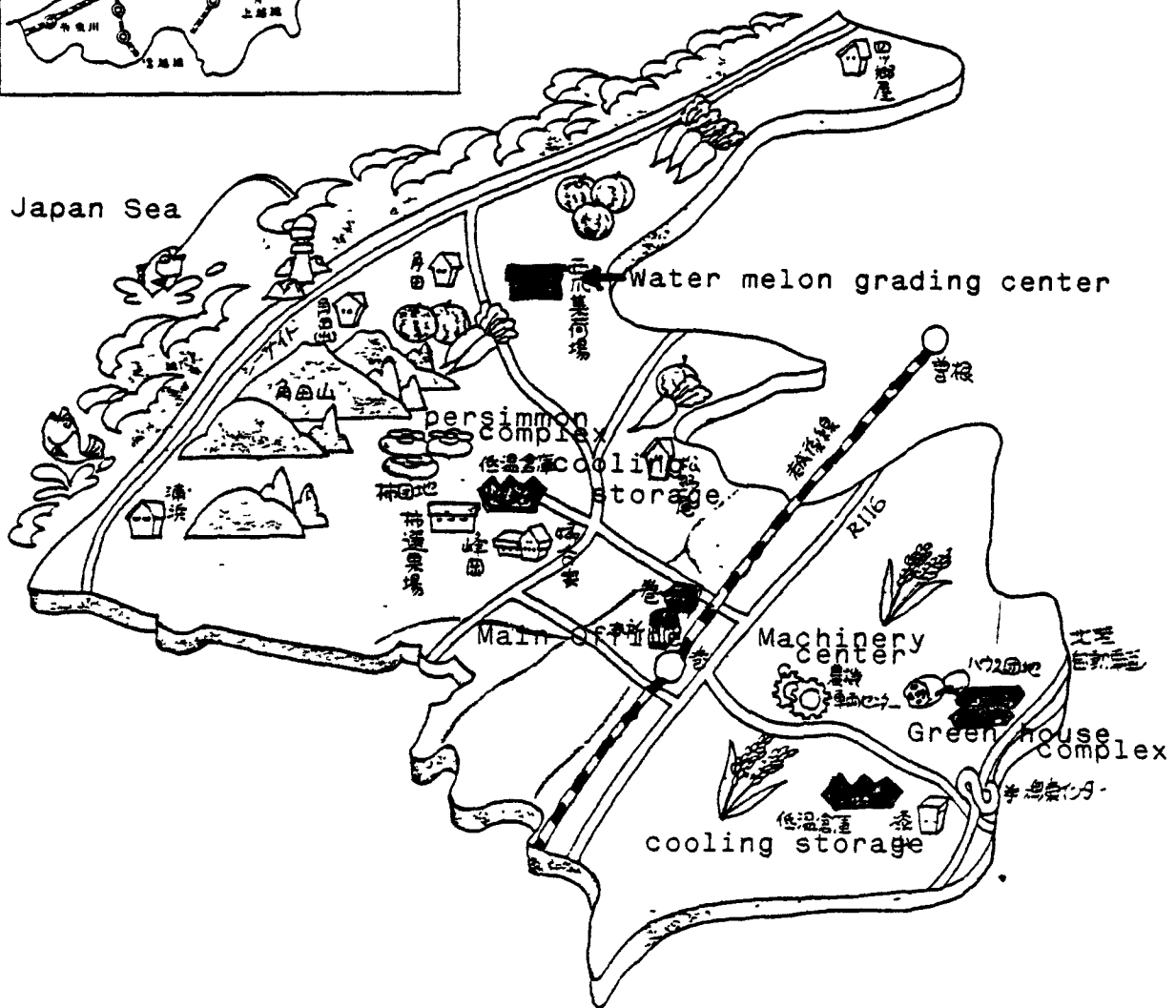
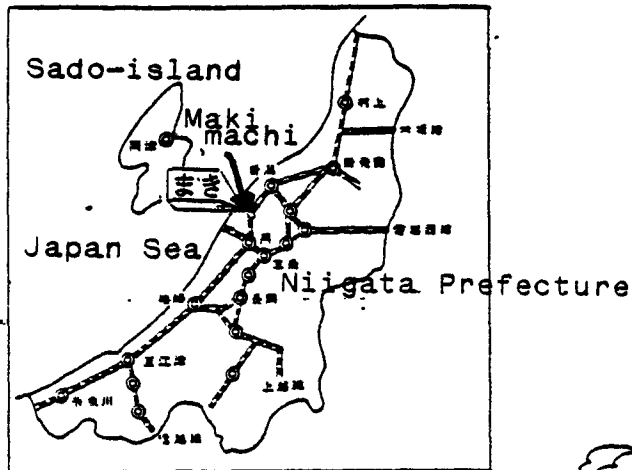
MAKI-MACHI AGRICULTURAL COOPERATIVE

OUTLINE OF MAKI-MACHI AGRICULTURAL COOPERATIVE . ----- 53

MAKI-MACHI AGRICULTURAL COOPERATIVE WOMEN'S ASSOCIATION --- 67

A PLAN FOR AGRICULTURAL DEVELOPMENT IN MAKI-MACHI TOWN --- 71

Location of Maki-machi Town



MAKIMACHI AGRICULTURAL COOPERATIVE

1 . Outline of agriculture in the town

Makimachi is located in the central part of Niigata prefecture facing Japan sea at the west end. The are has three categories in the charactor of land, namely, mountenous, plane and sand-dune.

Types of agriculture are also different in these three area. The total area of the town is 76.41 km2 and the population is 28,325persons in 1980. It has typical weather in Japan sea shore, high humidity throughout year and half of a year are fine days. The number of natural disasters such as typhoon, heavy rain or abnormal cold weather is very small and snow fall in Winter is 50 cm. The number of farm house hold in Mamimachi is 1,579 which is ¼ of the total house holds. Among the farmers, 9.6% are full-time farmers and 41.3% are category I part-time farmers. The area of cultivated land is 3,037 ha (paddy field--- 82.4%). In the plane area, paddy cultivation is mainly promoted while sand-dune area in the sea coast, they cultivate water melon, radish, tabbacco, melon and tulip.

As converted crops instead of paddy, cucumber and tomato are cultivated in the green house.

Total population	28,325
Number of farm household	1,579
Population in farm household	8,568
Paddy field	2,502.67 ha
Upland field	471.40 ha
Orchard field	117.15 ha

2. Outline of Makimachi Agricultural Cooperative

(1) Establishment 1972
by amalgamation of 8 primary societies

(2) Membership

* Regular member	2,149
* Associate member	993 (Individual)
	86 (Corporation)
Total	3,228

(3) Number of regular members classified by scale of farming

scale	less than 50 a	50a-100a	100a-200a	200a-300a	300a --	Total
	746	353	414	336	300	2,149

(4) Officials and employees

See the organizational structure

3. Outline of the business (From the business report of fiscal 1981)

For the management of agricultural cooperatives this year, there were various factors to make the management difficult.

- (a) 139.5ha of curtailment of paddy field by the Government policy.
- (b) Damages of abnormal weather continued over two years.
- (c) Stagnancy of prices in agricultural products.

Besides these difficulties, as an amalgamated cooperative, we were required to increase production and marketing facilities.

The outline of the business is as follows;

(1) Guidance business

Paddy cultivation --- Due to the cold weather from the end of May, the amount of production was 84.2% of the previous year and A graded ranking percentage was 72.7% (91.8% last year).

The guidance was focussed to curtail production costs and stable production of high quality brand rice Koshi-hikari.

Water melon --- We established grading center of water melon for grading by machines.

Persimmon --- We promoted expansion of the grading center capable for grading 70,000 cases. However, due to the strong winds, the production was remained 60% of the last year and the amount of shipment was 23,582 cases.

BALANCE OF ACCOUNT IN GUIDANCE BUSINESS

Income	47,949,161 yen
Members contribution	10,327,000
Subsidy	1,149,000
Income	1,454,000
Transfer from general account	35,019,000
Expenses	47,949,161 yen
Better farming	27,017,000
Better living	1,270,000
Education, information	1,619,000
Meeting and activity	18,043,000

(2) Marketing and Warehouse business

Commodities	Marketing turnover (1000 yen)	Notes
Rice, Wheat		
Government purchase	979,870	55,750 sacks
Free market rice	1,717,209	83,940 "
Excess rice	2,244	126 "
Wheat	29,996	3,514 "
Total	2,729,256	

Vegetables and Fruits		
Water melon	395,412	3,500t
Radish	147,382	6,636t
Chinese yam	30,425	103t
Sweet corn	3,441	33t
Cucumber, tomato	38,676	121t
Root of lotus	10,568	27t
Bulbous plant	59,134	3,491 cases
Carrot, shallot	9,890	67t
Melon	67,361	375t
Persimmon	83,076	376t
Other fruits	966	7t
Yellow melon	2,814	121t
Vegetables	33,441	
Total	882,586	
Livestock		
Pork pig	106,121	2,584
Beef cattle	32,542	
GRAND TOTAL	3,750,505	

Notes; The fiscal year for the settlement of account for free marketed rice and excess rice is over two years, so the marketing turnover is not correspondent to the unit cost.

Warehouse business

(a) Quantity of the stock at the beginning of the period	110,634.5 sacks (60kg)
(b) Quantity accepted this year	139,755 "
(c) Quantity of outstock this year	168,132 "
(d) Quantity of stock at the end of the period	82,132 sacks (60kg)
Government purchased	43,405.5 sacks
Free marketed rice	38,833.5 "
Excess rice	18.5 "

3. Credit business

Due to the decrease of marketing accounts, the increase ratio of saving was remained low, however, through the supports of the members, the saving exceeded 9 billion yen at the end of October.

The saving interest were drawn down in April and January, however, we adopted "Term saving with designation of drawing day" which was the most advantageous saving in terms of interest.

The saving at the end of the period was 9,038,400,000 yen (111.5% of the previous year) and amount of loan was 5,274,880,000 yen which was 102.7% of the previous year.

a. Procurement	
Savings	9,038,408,000 yen (93.9%)
Borrowings	220,751,000 yen (2.3%)
Credit business liabilities	212,535,000 yen (2.2%)
Transfer from other business	154,293,000 yen (1.6%)
Total	9,625,987,000 yen

b. Operation	
Loan	5,274,481,000 yen (54.8%)
Deposit	3,966,895,000 yen (41.2%)
Credit business assets	290,308,000 yen (3.0%)
Cash, Securities	94,303,000 yen (1%)

c. Contents of loan	
(a) General loan	3,214,322,000 yen
(b) Better farming, facility	393,410,000
(c) Housing	794,458,000
(d) Automobile	74,327,000
(e) Agri. modernization fund	325,544,000
(f) Others	472,420,000
Total	5,274,481,000 yen

(4) Insurance Business

a. Long term insurance	- amount of policy in force
Life insurance	4,636,360,000 yen
Building endowment	16,358,550,000 yen
Children	178,050,000 yen
Total	6,172,960,000 yen

b. Short term insurance	
Automobile liability insurance	2,034 contracts 40,680,000,000 yen
Automobile insurance	1,776 contracts 103,241,350,000 yen
Fire insurance	378 contracts 2,081,920,000 yen
Accidents	193 contracts 1,017,000,000 yen

c. Amount of insurance paid this year		
Life insurance	95 cases	63,485,563 yen
Automobile	104 cases	11,881,371 yen
Automobile liability	8 cases	2,505,192 yen

(5) Purchasing Business

- * The turnover of the distribution of input materials was 852,890,000 yen (96.6% of the previous year) due to the decrease of the use of agricultural chemical and production materials for persimmon and water melon.
- * The supply of living materials was 736,450,000 yen (107.7% of the previous year) of which supply of fuel was 35,600,000 yen (29,000,000 yen of increase) and turnover of travel service was 94,050,000 yen.
- * In the business of farm machinery and car center, the supply of farm machineries was 250,670,000 yen (105% of the previous year) and supply of car was 281,990,000 yen (135.5% of the previous year) This is because of the increase of regular check of car as well as the increase of supply.

a. The turnover of purchasing business

	2,121,995,000 yen	
Fertilizer	256,127,000 yen	12.1%
Feed stuff	92,376,000 yen	4.4%
Agricultural chemical	209,127,000 yen	9.8%
Production material	295,255,000 yen	13.9%
Farm machinery	250,671,000 yen	11.8%
Car	281,985,000 yen	13.3%
Oil	305,600,000 yen	14.4%
Construction material	17,512,000 yen	0.8%
Food	150,710,000 yen	7.1%
Electricity	50,031,000 yen	2.4%
Living material	118,553,000 yen	7.1%
Travel service	94,048,000 yen	4.4%

Balance sheet (as of 28th February 1982)

(Unit: yen)

Assets		Liability and Capitalization	
Item	Sum	Item	Sum
Credit business assets	9,625,986,940	Credit business liability	9,471,693,520
Cash	93,002,484	Savings	9,038,407,923
Deposit	3,966,894,761	Current saving	4,297,146
Affiliated deposit	3,966,000,000	Ordinary saving	2,433,507,719
Non-affiliated deposit	894,761	Saving for purchasing	13,359,772
Securities	1,300,780	Saving for share capital	15,998,292
Loan	5,274,480,729	Saving for agent business	66,474,200
Loan on bill	55,136,000	Term saving	6,051,213,424
Loan on security	4,854,892,507	Installment time deposit	453,557,370
Overdraft	364,452,222	Borrowings	220,751,064
Other credit business assets	290,308,206	Other credit liability	212,534,533
Receivable interest	279,680,752	Payable interest	190,597,165
Other assets	10,627,454	Interest received in advance	810,698
Insurance business assets	76,510,000	Other liability	21,126,670
Economic business assets	1,998,247,152	Insurance business liability	177,816,748
Purchasing account receivable	51,777,943	Borrowing on interest	76,894,000
Economic deposit bonds	1,668,394,370	Insurance fund	56,998,105
Inventories	266,648,994	Unaccrued insurance additional income	43,924,643
Other economic assets	11,425,845	Economic business liability	1,842,329,075
Miscellaneous assets	32,797,578	Payable purchasing account	70,224,054
Fixed assets	784,022,121	Economic deposit liability	1,752,936,180
Depreciation assets	810,752,493	Other economic busi. liability	19,168,841
Reserve for depreciation (subtraction)	327,118,856	Borrowings for facility	27,869,517
Balance assets	483,633,637	Other liability	77,164,904
Land	299,956,664	Reserves	370,712,801
Invisible fixed assets	431,820	Reserve for uncollective money	44,430,494
External share capital	103,937,701	Reserve for retirement bonus	323,638,560
Deferred assets	41,201,448	Reserve for bonus	-
Total assets	12,662,702,940	Reserve for price fluctuation	3,243,747
		Total liability	11,967,586,565
		Capitalization	695,116,375
		Share capital	482,274,000
		Legal reserve	75,000,000
		Special reserve	64,000,000
		Unappropriated surplus fund	73,842,375
		Surplus fund of the period	(69,745,199)
		Total liability and capitalization	12,662,702,940

Profit and Loss Statement

(1)

Expenses	Sum	Earnings	Sum
Saving interest	436,257,929	Deposit interest	254,367,274
Transfer of reserve	24,913,974	Securities interest	35,430
Borrowing interest	34,554,467	Loaming interest	505,844,779
Other credit expenses	12,585,465	Received interest subsidy	12,374,058
Total credit expenses	<u>508,311,835</u>	Other credit earning	18,193,004
Insurance borrowing interest	4,085,355	Total credit earnings	<u>790,814,545</u>
Other insurance expenses	19,234,349	Insurance additional income	115,493,946
Total insurance expenses	<u>23,319,704</u>	Insurance loan interest	4,172,806
Supply cost	5,297,487	Other insurance income	6,234,887
Other purchasing expenses	10,073,170	Total insurance income	<u>125,901,639</u>
Total purchasing expenses	<u>15,330,675</u>	Purchasing commissions	172,640,070
Marketing cost	32,427,232	Other purchasing income	31,746,094
Other marketing expenses	20,291,043	Total purchasing income	<u>204,386,164</u>
Total marketing expenses	<u>52,718,275</u>	Marketing commission	97,773,309
Warehouse material	123,040	Other marketing income	27,939,071
Warehouse personel	795,140	Total marketing income	<u>125,712,380</u>
Other warehouse expenses	5,266,316	Stock charge	35,421,955
Total warehouse expenses	<u>6,184,496</u>	Labor charge	43,879
Car and machinery center	<u>80,635,882</u>	Other warehouse income	2,678,190
Utilization business	8,317,061	Total warehouse earnings	<u>38,144,024</u>
Wire broad casting	586,520	Car and machinery center	<u>82,609,123</u>
Housing business	79,445	Utilization business	8,511,867
Distribution expenses	3,193,744	Wire broad casting	1,091,700
Total of other business	<u>12,176,770</u>	Housing business	400,000
Better farming expenses	27,017,481	Total of other business	<u>10,003,567</u>
Better living expenses	1,269,833	Dues	10,327,230
Education, information	1,619,056	Subsidy for guidance	1,149,000
Group activity	18,042,791	Net cost income	1,454,407
Total guidance expenses	<u>47,949,161</u>	Total guidance earnings	<u>12,930,637</u>
Total expenses	746,626,780	Total earnings	1,390,502,079

Profit and Loss Statement

(2)

Item	Earnings	Expenses	Balance
Total profit and loss of business	1,390,502,079	746,626,780	643,875,299.
Management Expenses	-	526,491,966	-526,491,966
External bus.	122,221,826	143,737,380	-21,515,554
Refund of reserves	49,621,035	-	49,621,035
Transfer of reserves	-	75,595,501	-75,598,501
Special Profit and Loss	240,250	385,364	- 145,114
Sub-total	172,083,111	746,213,211	-574,130,100
Surplus Fund of the period		69,745,199	
Total	1,562,585,190	1,562,585,190	

Appropriation of surplus fund (plan)

1. Unappropriated surplus fund of the period

(1) Surplus fund carried over from previous period	4,097,176 yen
(2) Surplus fund of the period	69,745,199 yen
Total	73,842,375 yen

2. Appropriation of the surplus fund

a. Leagal reserve	8,000,000 yen
b. Special reserve	4,000,000 yen
c. Share capital dividend	33,740,009 yen
d. Patronage dividend	22,620,440 yen
Total	68,360,449 yen

3. Surplus fund carried over to the next period 5,481,926 yen

Notes; 1. Share capital dividend is 7% per year

2. Patronage dividend are

Fertilizer	3%
Agricultural chemical	2%
Production material	2%
Fuel	2%
Sticky rice 1 sack(10kg)	500 yen

3. Education and information funds are included in the surplus fund carried over to the next period.

Main facilities of Makimachi Agricultural Cooperatives

1. Promotion and distribution facilities

(1) Water melon grading center

Establishment	Reconstructed in July 31, 1981	
Reinforcement concrete	2 stories	
Area of building	1 F	2182.1 m ²
	2 F	722.4 m ²
Total	2904.5 m ²	

Construction cost 180,335,000 yen
Equipment - water melon grading machine
falklift
palit
convain
broadcasting facility - 108,061,340 yen

(2) Persimmon grading center

Establishment Sep. 1978 Expanded Sep. 1981
Area 2,584 m²
Construction cost 145,054,000 yen
Equipment - persimmon grading machine - 90,800,000 yen

(3) Cooling storage house

Urushiyama branch office
Establishment in 1969
957.54 m²
38,904,047 yen
44,000 sacks (capacity)

Mineoka branch office
Establishment in 1970
496.86 m²
24,240,248 yen
20,000 sacks (capacity)

|2. Facilities for farm guidance and better living

Urushiyama area structure improvement hall

Established in March 1979
2nd stories 591.18 m²
Construction cost 71,468,000 yen (equipment 3,862,700 yen)
Farming consultation room
Lecture room
Cooking school room

Village women's house

Established in Dec. 1981
Area 305.5 m²

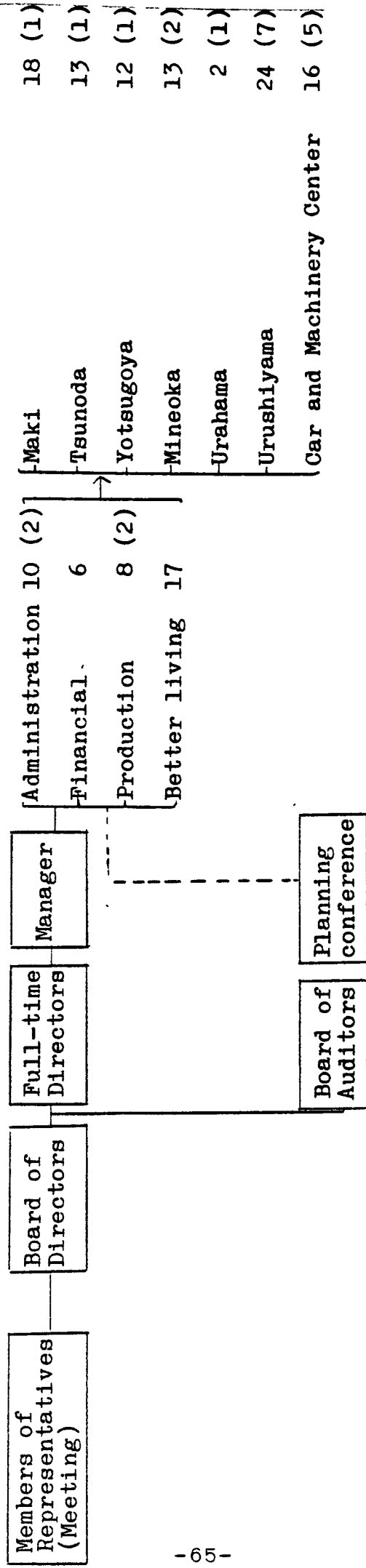
Cost 37,189,000 yen (equipment 2,639,170 yen)
Training room for health conservation
Room for Processing of agricultural products and
cooking school
Joint study room
Multipurpose training room

Warehouse (Maki branch)

Established in August 1967
Cost 27,532,400 yen
Capacity 60,000 sacks

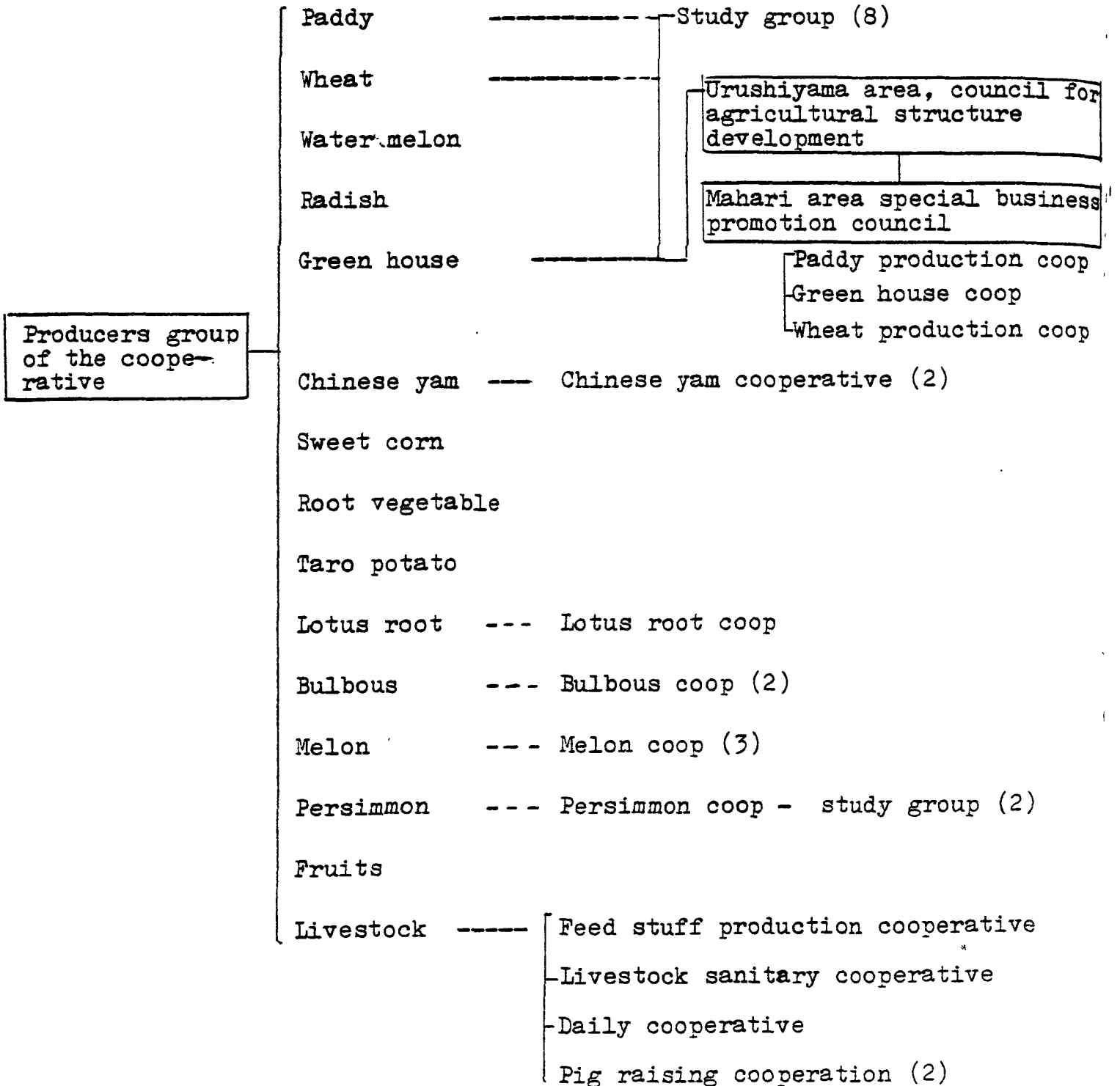
Organizational structure of Makimachi agricultural cooperative

Employee 133 (part 22)



Makimachi Agricultural Cooperatives producers group

(Commodity wise group)



Women's association of Makimachi Agricultural Cooperative

Membership

Membership fee 200 yen

Annual budget

(Income)

- Amount carried over from previous period	5,888 yen
- Member's fee paid	315,000 yen
- Subsidy from cooperative	2,022,000 yen
- Business income	109,056 yen
- Other income (interest saving)	5,734 yen
- Total	2,457,678 yen

(Expenses)

- Subsidy for branch activities	1,340,000 yen
- Meeting expenses	171,594 yen
- Allowance for committee member	72,000 yen
- Study meeting expenses	219,800 yen
- Business expenses	472,240 yen
- Burdens for federation and council	145,450 yen
- Other expenses	23,900 yen
- Total	2,444,984 yen

Organizational structure

See the chart of organizational structure

Major activities in 1981

General meeting (each branch offices) 7 times

Committee meeting - Themes are A-coop milk, simplification of living
study visit, festival, assistance for refugees
in vietnam, meeting of mother and children,
agricultural festival, training of committee
members, consumer's joint saler, opening ceremony
for women's house of coop, schooling for farm
management, new year party, processing of agri.
products.

Congress -----Women's associations congress of the prefecture
Ienohikari congress. Speech contest by young
wives. Prefectural congress for health promotion
Prefectural women's congress.
Gathering of mother and children
Children's Ienohikari congress.

Price demanding for rice ----All members meeting of Youth and Women's Associ-
ation of the prefecture. Price demanding and a
lecture on paddy cultivation
Participation in National Congress.

Expansion of rice consumption ---Consumers joint sale
Demonstrations in Tokyo
Cooking concule by using rice
Rice cake making party

Study meeting -----Soil preparation study. Study visit(mountain
vegetable processing factory, women's house in
Yunotani village)
V.T.R. lectures, lecture on laundry soap.

Schooling -----Cooking, pressure boul, sleeping mat making

Health control ----Health screening, human dock

Participation in
agricultural promotion business --Participants 42

Schooling for farm
management -Participants 159

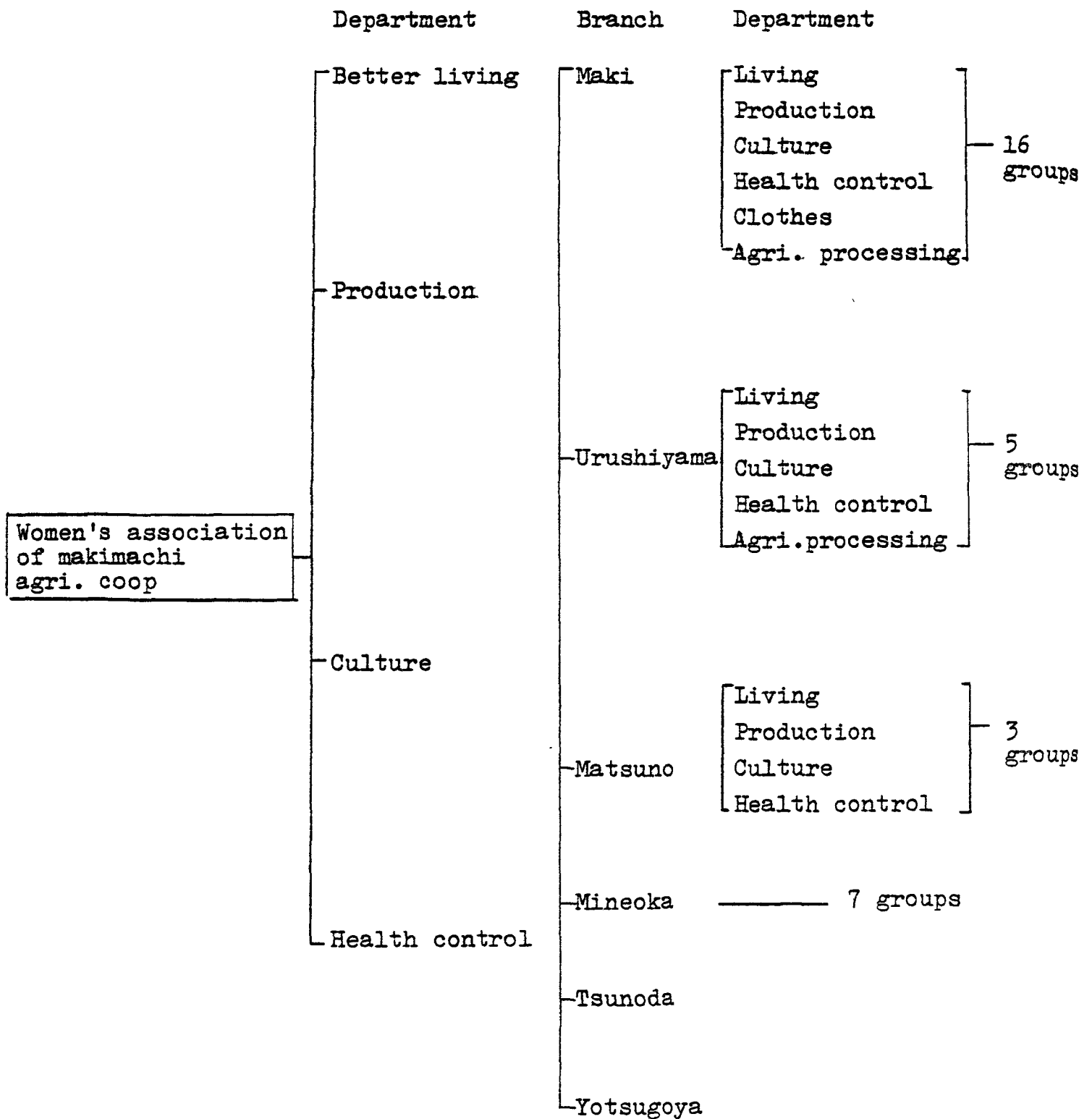
Discussions -----Agriculture and international division of labour
succeeder of agriculture, tradition of my family,
conversion of crops, volunteer, what should we
remain for children, traveling, culture day,
3 pig news in my family, future of makimachi
sight seeing - agriculture

- Participation in activities of agriculture extension office
- Schooling for sleeping materials
- Activities for processing of agricultural products
- Supply of rice bowl, dried persimmon, pickles

Principles for activities in 1982

- 1) Increase self sufficient ratio of agricultural products and supply products to the regional residents.
- 2) Promote simplification of living through agreement for better living.
- 3) Health administration of family is responsible for house wives.
Let's participate in study meetings or health screening positively and make well balanced dishes.
- 4) Promote activities closely connected with agricultural cooperative and youth association through strengthening the organization and promoting study activities.
- 5) Bring up successors of agriculture, it is necessary for the organization and your family.

Organizational structure of women's association of Makimachi agricultural cooperative



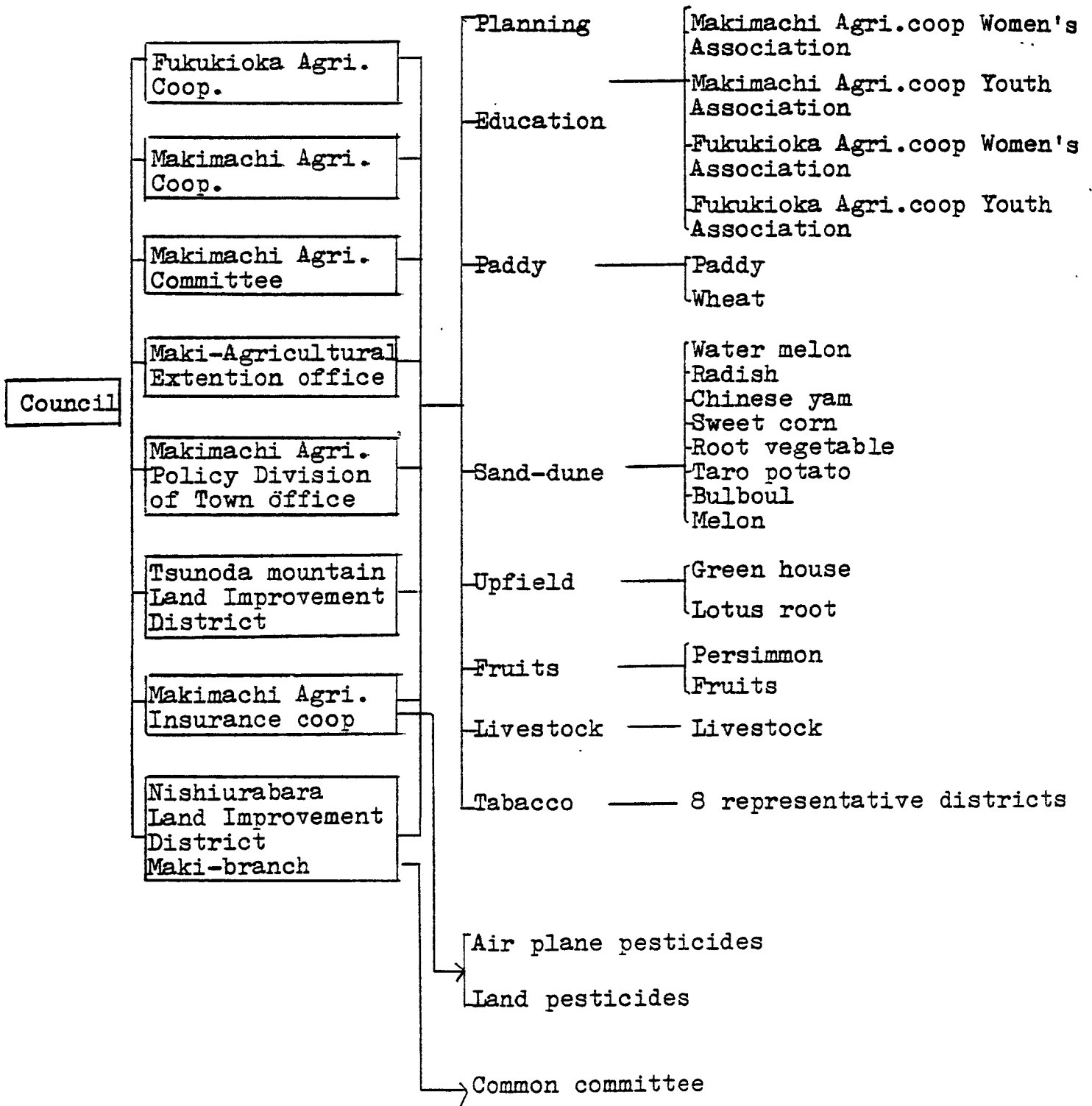
A plan for agricultural development in Makimachi town

The town has established a plan for agricultural development in Makimachi town for over 10 years starting from 1980. They organized council for agricultural development in Makimachi town for the implementation of the plan composed of town office, agricultural extention office, agricultural cooperative, related agricultural organizations and representative of farmers. This council is expected to promote agricultural extention and farm guidances directly to farmers or through commodity wise groups and also act as advisers on specified farming technology for farmers. They set the target of income by farm households and established several types of farm management to meet the income target according to the charactor of lands divided into 3 categories of mountanous, plain, and sand-dune. This plan also covers the bringing up the successors of agriculture and women's association. The problems covered in the plan are;

1. Effective use of farm land
2. Increase of part-time farmers and agricultural management
3. Obtaining successors of agriculture and measures of women in village
4. Price stabilization of agricultural and livestock products.
5. Development of livestock and environmental polution
6. Strengthening production structures

Agricultural road, irrigation, drainage, agricultural modernization facilities, living environment issue.

Commodity wise group of council for agricultural development

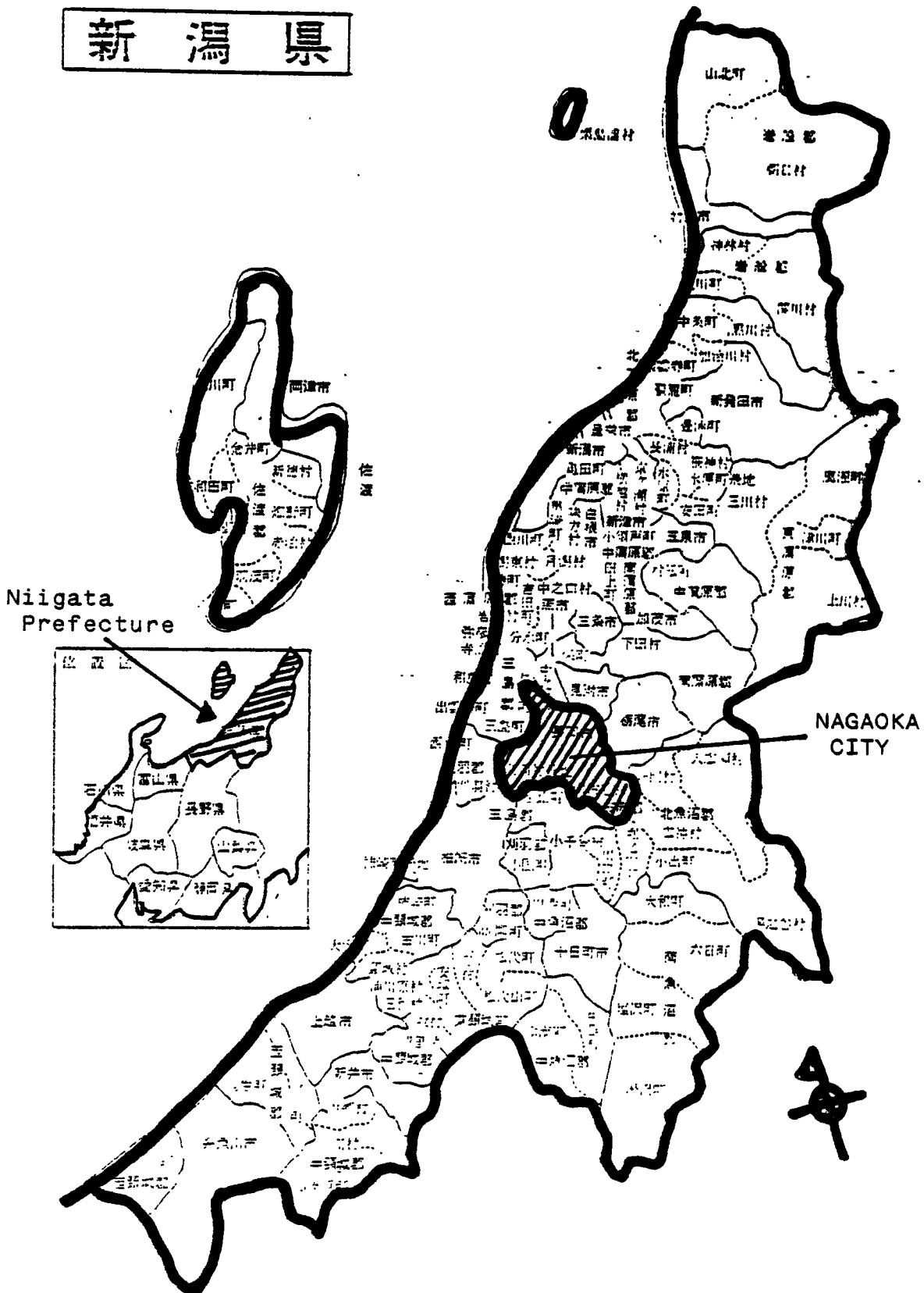


NAGAOKA-SHI AGRICULTURAL COOPERATIVE

GENERAL SITUATION OF NAGAOKA-SHI(CITY) AGRICULTURAL COOPERATIVE -----	74
NAGAOKA-SHI AGRICULTURAL COOPERATIVE WOMEN'S ASSOCIATION -----	89

NAGAOKA SHI (CITY) AGRICULTURAL COOPERATIVES

新潟県



I General Situation of Nagaoka City

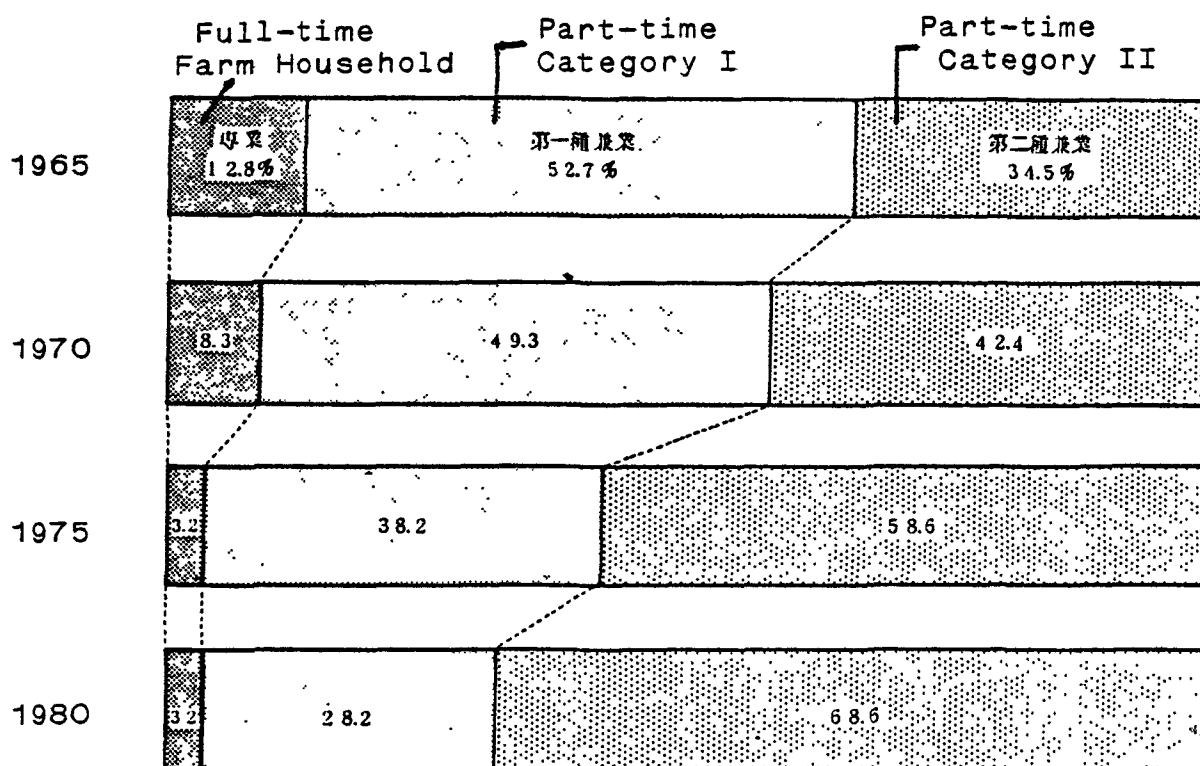
Nagaoka City is located in the central part of Niigata Prefecture with population of 177,887 as of April 1st, 1981. Total land area of the city is 259.92 sq.km , of which, cultivated land area totals 7,378.59 hectares.

Out of which the total number of household is 49,929, number of farm household is 6,890, as of February 1st, 1980.

At present, Nagaoka City has 5 societies including Nagaoka City Agricultural Cooperative (amalgamated society) which is the second largest society in Niigata Prefecture.

(Situation of Agriculture in Nagaoka City)

Table 1) Ratio of Farm household by Full-time and Part-time



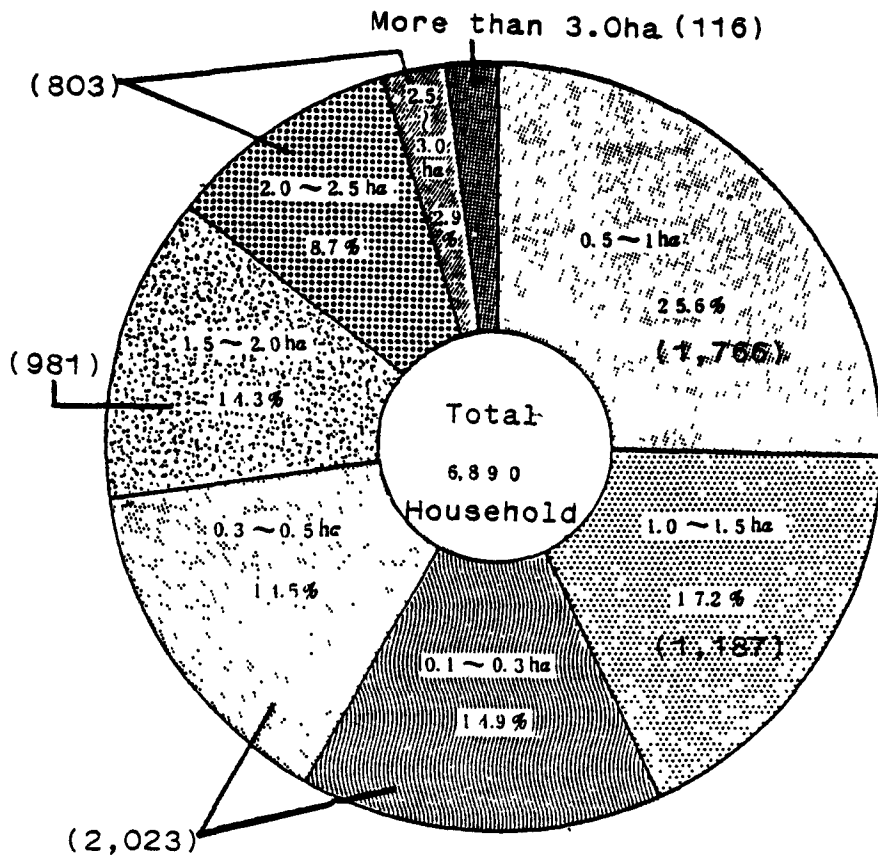
(Reference)

Number of farm household by type of farming in 1980

- * Full-time farm household --- 223
- * Part-time farm household Category I ---- 1,940
- * Part-time farm household Category II --- 4,727

TOTAL ----- 6,890

Table 2) Composition Ratio of Farm household By Land Holding



Note : () = Number of farm household

Table 3) Cultivated Land Area (Unit: Ha , Household)

	1965	1970	1975
Total Cultivated Land Area	9,303.71	7,780.96	7,378.59
Paddy Field			
Number of Farm Household	-	7,162	6,778
Total Area	8,153.22	6,965.73	6,659.81
of which,			
Paddy Planted Field			
Number of Farm Household	-	7,130	6,743
Total Area	8,134.17	6,872.55	6,321.57
Planted Field Except Paddy			
Number of Farm Household	-	178	1,947
Total Area	4.23	9.74	125.27
Upland Field			
Number of Farm Household	-	6,834	6,384
Total Area	1,094.07	801.98	704.52
Orchard			
Number of Farm Household	-	81	97
Total Area	56.42	13.25	14.26

Table 4) Commodity-Wise Planted Area (As of February 1, 1980
(Unit: Hectare)

TOTAL AREA -----	6,859.64 ha
Rice -----	6,107.84 ha
Wheat & Barley -----	5.3 ha
Misc. Grains -----	3.99 ha
Potatoes -----	75.64 ha
Cereals -----	73.97 ha
Industrial Crops -----	84.43 ha
Vegetables -----	424.92 ha
Flowers & Plants -----	0.78 ha
Seedlings -----	0.27 ha
Feed Crops -----	37.39 ha
Other crops -----	45.11 ha

Table 5) Number of Stocks and Farm Household
 (As of February, 1980

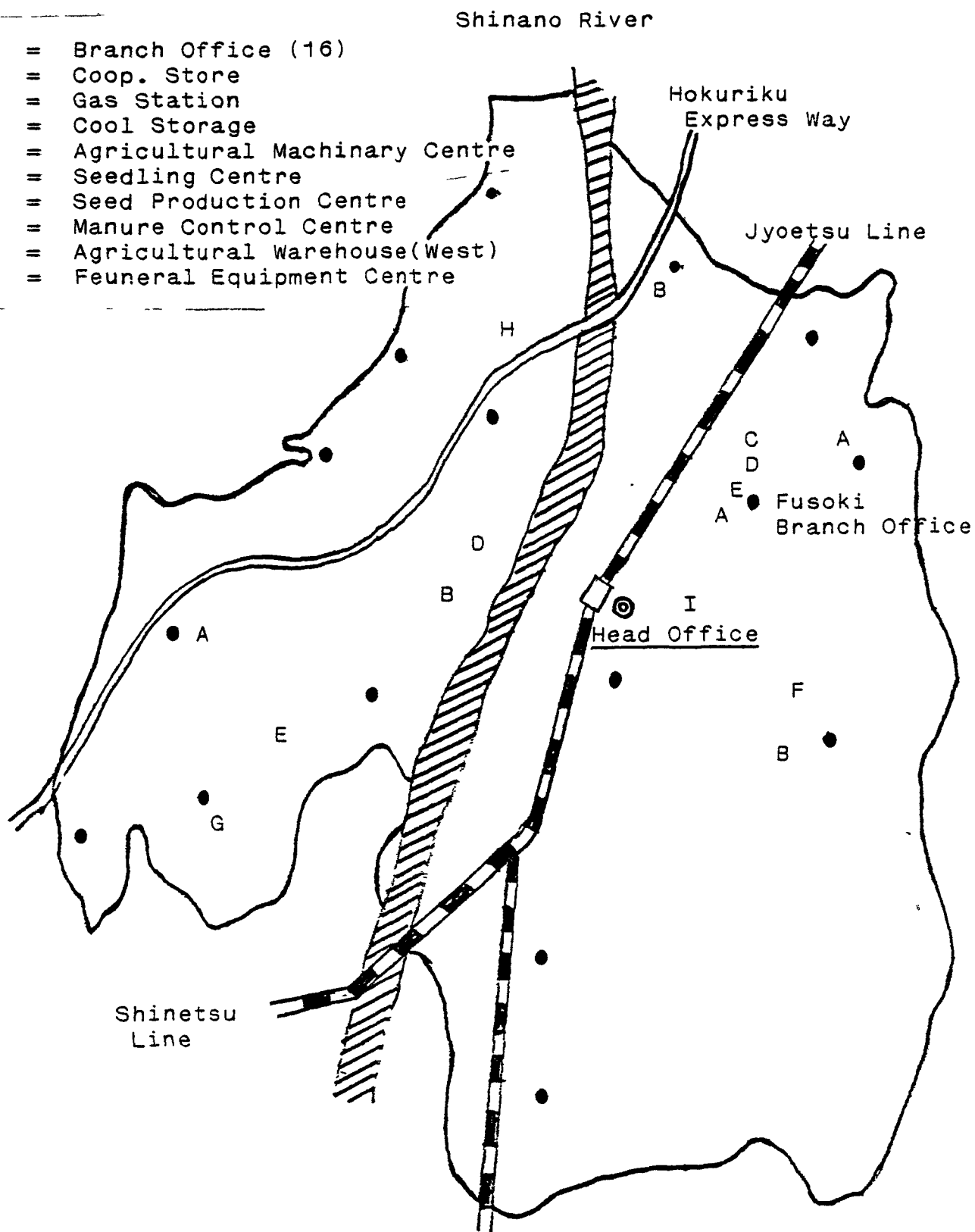
(Unit : Head, Bird, Household

	Number of Farm Household	Number of Stocks
Dairy Cattle	43	364
Beef Cattle	36	739
Pig	33	1,411
Layer hens	43	2,576
Broiler chicken	1	520

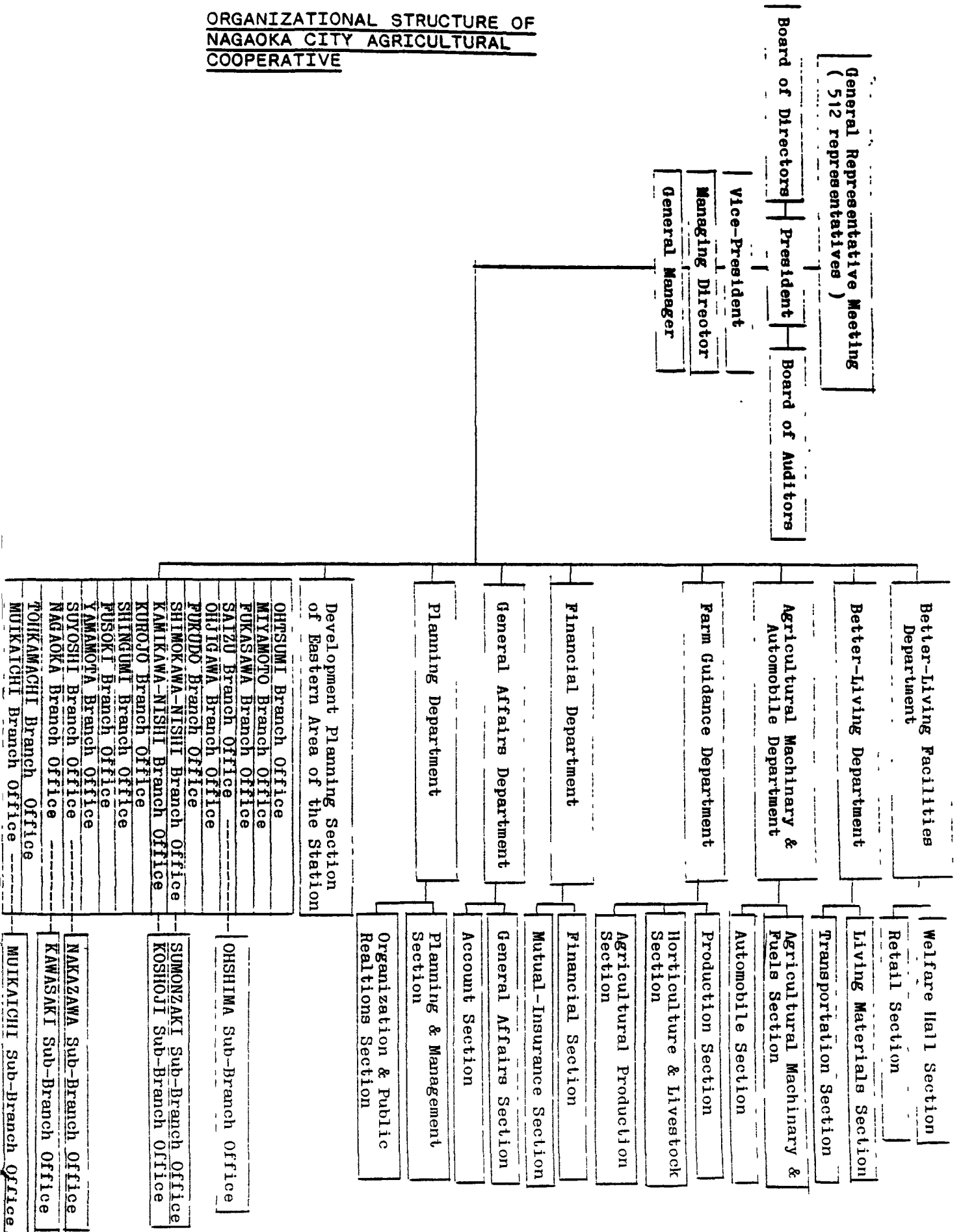
Operation Area of Nagaoka-Shi Agricultural Cooperative
And Location of Cooperative Facilities

(NOTE)

- = Branch Office (16)
- A = Coop. Store
- B = Gas Station
- C = Cool Storage
- D = Agricultural Machinery Centre
- E = Seedling Centre
- F = Seed Production Centre
- G = Manure Control Centre
- H = Agricultural Warehouse (West)
- I = Feuneral Equipment Centre



ORGANIZATIONAL STRUCTURE OF
NAGAOKA CITY AGRICULTURAL
COOPERATIVE



II General Outline of Nagaoka-Shi Agricultural Cooperatives

A. Establishment of the Society

Out of 20 small societies which have been existed in the city, 16 societies participated into amalgamation and formed new society - Nagaoka-Shi Agricultural Cooperative - on April 1st, 1969. The purpose of establishing new society was to improve farm management and living situation of member farmers with a special view to modernization and efficiency at the time of amalgamation.

After amalgamation, Nagaoka-Shi Agricultural Cooperative started its business under the management system consisting of President, Vice-President and 2 Managing Director. Total number of officials and employees was 324, including 248 employees stationed at branch offices.

B. Membership

At the end of Fiscal 1981 (From March 1st, 1981 to February 28th, 1982), membership consisted of regular and associate member is as follows;

i) Regular member	-----	5,939
ii) Associate member (Individual)	---	1,759
(Group)	-----	135
TOTAL	-----	7,833

C. Officials and Employees

i) Official

Full-time Director	-----	2
Part-time Director	-----	27
Auditor	-----	5
TOTAL	-----	34

ii) Employee

Total employees including 1 General Manager and 13 temporary workers are 373 at the end of fiscal *1981.

III Business Outline of Nagaoka-Shi Agricultural Cooperative

A. Guidance Business

The society has conducted farm guidance business on rice production, which was concentrated on high quality rice variety named "KOSHIHIKARI", by establishing 19 places of "KOSHIHIKARI" farms. However, production of rice was not good as expected due to the succession of two years of abnormal weather.

As far as the paddy conversion programme is concerned, the programme on a planned base have been carried out in 26 towns and stabilized to plant soybeans as a major conversion crop.

On the other hand, farm works based on contract has been expanding to 167 ha (previous year was 100 ha).

B. Organizational Activity

In order to establish smooth communication among members and to enhance members consciousness toward participation, the society has made an effort to reinforce activities of members' organizations, such as youth organization, women's association and commodity-wise groups, and to organize various seminars and meetings for representatives and member farmers.

As for public relations activities, the society has kept good communication with members through publications and wireless broadcasting system.

C. Credit Business

i) Saving

Balance of saving	---	43,007.25 million yen
of which,		
Fixed-term saving	---	34,723.77 million yen
Fixed-term installment	--	2,046.42 million yen
Current saving	-----	6,237.06 million yen

ii) Loans

Balance of loans	-----	11,701.07 million yen
of which,		
Institutional loans	-----	1,024.03
Housing loans	-----	3,186.57
Bill	-----	1,087.39
Farm management loans	-----	459.51
Others	-----	5,943.57

D. Mutual-insurance Business

In Mutual-insurance business, new contract sum in fiscal 1981 was 30.17 billion yen, which exceeded the target(29 billion) planned in previous year. As a result of this, insurance policy holding per member household increased to 29.79 million yen at the end of the year.

i) Long-term insurance

* Life endowment and Juvenile Insurances	-----	141,920.98 million yen
* Building endowment insurance	--	63,367.05 million yen
Total Long-term insurance		
policy holdings	-----	<u>205,288.03 million yen</u>

(New contract sum of insurance in fiscal 1981)

* Life endowment and juvenile insurance	-----	¥ 20,460.90 million
* Building endowment insurance	-----	¥ 9,709.70 million
Total new contract sum	-----	<u>¥ 30,170.60 million</u>

ii) Short-term insurance

* Automobile insurance	-----	¥ 334,363.75 million
* Automobile liability insurance	--	2,365 cases
* Fire insurance	-----	¥ 10,860.23 million

E. Supply Business

i) Production inputs

Agricultural chemicals	-----	¥ 382.01 million
Fertilizers	-----	¥ 378.61 million
Feeds	-----	¥ 246.40 million
Production materials	-----	¥ 171.26 million
Seed and others	-----	¥ 120.48 million
TOTAL	-----	<u>¥ 1,298.76 million</u>

ii) Living necessities

Fuels	-----	¥ 591.87 million
Rice	-----	¥ 416.83 million
Living necessities	-----	¥ 347.69 million
Groceries	-----	¥ 152.09 million
LP gas	-----	¥ 121.39 million
Electricity	-----	¥ 107.73 million
Rice wine(Sake)	-----	¥ 74.27 million
TOTAL	-----	<u>¥ 1,811.87 million</u>

iii) Agricultural machinery and Automobiles

Agricultural machinaries	-----	¥ 368.29 million
Automobiles	-----	¥ 345.75 million
TOTAL	-----	<u>¥ 714.04 million</u>

TOTAL SUPPLY TURNOVER ----- 4,515.36 million yen

F. Marketing Business

Rice sold to Government	----	¥ 788.02 million
Rice sold to Wholesalers	----	¥ 4,817.41 million
Rice with low quality	----	¥ 8.16 million
Livestock products	-----	¥ 240.13 million
of which,		
Beef cattle	-----	¥ 198.25 million
Pork pigs	-----	¥ 25.79 million
Piglets	-----	¥ 11.50 million
Others	-----	¥ 4.59 million

Agricultural products
and Others ----- ¥ 229.80 million

of which,

Radish(spring)	-----	¥ 5.99 million
Radish(autumn)	-----	¥ 15.30 million
Burdock	-----	¥ 5.10 million
Cauliflower	-----	¥ 6.06 million
Green soybean	-----	¥ 8.55 million
Water melon	-----	¥ 19.15 million
Rice seeds	-----	¥ 87.90 million
Others	-----	¥ 44.27 million

TOTAL MARKETING TURNOVER ----- ¥ 5,927.71 million

G Utilization Business

i) Welfare Hall (Wedding ceremony hall)

* Wedding ceremony ----- 395 cases
(¥ 557.16 million - Turnover)

* Rental Feuneral implements ----- 257 cases
(Turnover -- ¥ 122.72 million)

ii) Tours

Total number of tourists through the society was 13,224 and the turnover amounted to 270.0 million yen.

iii) Utilization facilities for agricultural production

* SUYOSHI Seedling Centre	----	43.6 ha
* FUSOKI Seedling Centre	-----	64.9 ha
* SAIZU Seedling Centre	----	107.5 ha
* Soil dryer	-----	7,166 bags
* Manure Control Centre	-----	1,446 tons
* Deep plowing tractor	-----	8.8 ha
* Seed Centre	-----	9,879 bags
* Soybean grading machine	-----	3,001 bags

H. Better-Living(Life Improvement) Activity of the Society

In order to protect members living and farm management, the society conducts various better-living activities, such as health checking, planning of household budget, rationalization of wedding ceremony and feuneral service expenses and self-sufficiency of agricultural products. As for better-living activities including health examination for member farmers, which are carried out by the society are as follows;

i) Health Examination(Sorts and Examinees)

* Anemia and Brain Apoplexy	---	788
* Diabetes	-----	161
* Stomach Cancer	-----	1,069
* Uterine Cancer	-----	493
* Influenza	-----	306
TOTAL	-----	2,817

ii) Athletic Meet

Organized in 9 districts in fiscal 1981
 ----- 5,120 participating

iii) Various Study Classes Organized at Head Office
 (Sorts of classes and their participants)

* Tea ceremony class	-----	39
* Calligraphy class	-----	59
* Kimono dressing ckass	-----	39
* Japanese dressmaking class	-----	8
* Flower arrangement class	-----	65
* Manual arts(Handicraft)class	-----	19
* Cooking class	-----	31
* NOH recitation class	-----	17
TOTAL	-----	297

Total participants of classes including classes organized at branch offices level was 9,703 in fiscal 1981.

IV Financial Situation

A. Balance Sheet (As of February 28th, 1982)

(Unit : Yen)

ASSETS

FINANCIAL ASSETS

Cash	120,138,759
Deposit	28,960,854,462
Securities	2,347,332,250
Loans	11,701,071,526
* Draft	1,087,390,900
* Credit bills	10,591,639,678
* Overdraft	22,040,948
Misc. Credit Assets	1,261,060
Insurance Loans	9,836,000
Recievable Interests from Deposits, Securities & Loans	1,277,755,312
Total Financial Assets	44,418,249,369

ECONOMIC ASSETS

Economic Receivable Account	268,826,945
* Supply Goods	186,997,540
* Others	81,829,405
Trustee(Consignment) Bonds	2,320,415,948
Inventory Assets	497,415,429
* Supply Goods Carried Forward	480,973,077
* Others	16,442,352
Misc. Assets	51,244,607
Deferred Assets	173,787,190
Special Accounts	12,230,777
Economic Debtor Accounts	48,498,334
Total Economic Assets	3,372,419,230

FIXED ASSETS

Tangible Fixed assets	4,969,681,227
Reserves for Depreciations	-1,273,278,603
EXternal Investment	495,047,181
Total Fixed Assets	4,191,449,230

TOTAL ASSETS

51,982,118,404

CAPITALS AND LIABILITIES

FINANCIAL LIABILITIES

Savings	43,007,246,067
* Current savings	6,237,058,124
* Fixed-term savings	36,770,187,943
Borrowings	406,919,823
Misc. Credit Liabilities	101,194,557
Insurance Borrowings	9,836,000
Insurance Funds	90,798,868
Financial Credit Account	1,414,991,445
Total Financial Liabilities	45,030,986,760

ECONOMIC LIABILITIES

Economic Payable Account	292,391,427
Supply goods payable account	292,391,427
Tourist Debt	11,838,924
Economic Trustee Debt	2,345,283,245
Economic Borrowings	676,484,890
Misc. Liabilities	136,011,531
Mis. Reserves	1,108,112,374
* Reserves for retirement allowances	928,192,374
* Reserves for bad loan	108,640,000
* Others	71,280,000
Economic Credit Account	39,541,124
Total Economic Liabilities	4,609,663,515

CAPITALS

Share Capitals	1,298,479,000
Legal Reserves	196,200,000
Special Installment	568,800,000
Unappropriated Current Surplus	277,989,129
* Surpluses carried forward	13,933,698
* Current Profits	264,055,431
Total Capitals	2,341,468,129

TOTAL CAPITALS AND LIABILITIES 51,982,118,404

B. Appropriation of Surpluses

i)	Unappropriated Current Surpluses --	¥ 277,989,129
	* Surpluses Carried From Previous Year	----- ¥ 13,933,698
	* Current Surpluses	----- ¥ 264,055,431
ii)	Amount of Surpluses Appropriated	
	* Legal Reserves	----- ¥ 27,800,000
	* Special Installment	----- ¥ 77,730,000
	* Dividend for Share Capital	----- ¥ 74,023,242 (6% annual
	* Patronage Dividend	----- ¥ 84,529,252
iii)	Surpluses Carried Forward	----- ¥ 13,906,635
	(as a Education & Information Funds)	

NAGAOKA-SHI AGRICULTURAL COOPERATIVE WOMEN'S ASSOCIATION

I. Membership and Membership Fee

Total membership is 3,499 at the end of fiscal 1981 (February 28th, 1982). The association has 16 sub-groups which are organized at branch offices of the society.

Membership fee is ¥ 30 per member and ¥ 3,000 per sub-group.

II. Activities Carried Out In Fiscal 1981

A. Organization Activity ---- To reinforce organization of the women's association and to promote young wives' activities through organizing seminars and lecture meetings.

- i) Leaders seminar of the women's association
 - 277 members participating(June)
- ii) Members seminar meeting
 - 622 members participating(December)
- iii) Study visits to advanced area
 - 348 members participating(2 times in June and Oct.)
- iv) Study meeting for young wives
 - 350 members participating(5 times in a year)
- v) Winter meeting(Report activities in fiscal 1981 and discuss on plans of activities in fiscal 1982)
 - 2,683 members are expected to attend during January to February.
- vi) Sub-group leaders meeting
 - 16 leaders meet once a year .
- vii) General representative meeting
 - 326 representatives attending in March every year

B. Activities To Look Over Members Living

- i) Study meeting concerning book-keeping
- ii) Joint-purchasing and commodity test
- iii) Rationalization of wedding ceremony and feuneral service expenses
- iv) "Happiness Saving"

C. Health Maintenance Activity

- i) Lecture on sanitation
- ii) Public relations activities
 - Supply informations on dietary life through wireless broadcasting and cooperative bulletins of the society.
- iii) Organizing cooking schools
- iv) Health examinations (and no. who took exams)
 - Anemia and brain apoplexy examination --- 744
 - Stomach cancer examination ---- 1,069
 - Utrine cancer examination ----- 493
 - Influenza vaccination ----- 296
 - Diabetes examination ----- 215
- v) Report and guidance on results of health examinations
- vi) Organizing athletic meets
- vii) Sports games for women
- viii) Health promotion meeting

D. Production activity

- i) Seminar of kitchen garden for self-sufficiency
- ii) Flower growing campaign
- iii) Others

E. Refinement and Cultural Activities

The women's association has organized various kinds of refinement & cultural activities, such as flower arrangement, kimono dressing, cooking, dressmaking and tea ceremony classes in fiscal 1981.

III Income and Expenditure of the Women's Association

INCOME (Unit : yen)

Membership Fee	152,970	@¥ 30 x 3,499 members = ¥ 104,970 @¥ 3,000 x 16 organizations = ¥ 48,000
Actual Expenses Collected from Members	2,390,577	Admission fee of classes amounts to ¥1,268,000 . Study visits charge ¥4,000 per one participant.
Subsidy from the Society	6,089,456	
Interests from Saving	2,694	
Account Carried From Previous Year	5,442	
TOTAL INCOME	<u>8,641,139</u>	

EXPENDITURE (Unit : yen)

Business Expense	4,397,645
Hamlet Meetings Expense	748,250
Seminars costs	1,456,653
Health Promotion Activity Expense	287,813
Young Wives Activity Expense	476,872
Meeting Expense	692,872
Allowance for Officials	155,000
Subscription for Nagaoka District Council	94,000
Travel Costs	321,800
Reserves	5,000
TOTAL EXPENDITURE	<u>8,635,871</u>

IV Buisness Plans for Fiscal 1982

EMPHASIZED ACTIVITIES IN 1982

1. Fullness of the women's association and its young wives group, and Lively activities in districts
 - Promote to increase women's participation to establish a women's organization at every districts in the city.
 - Promote activities concentrated on senior(aged) house wives.
 - Others

2. Promote health examinations fruitfully and carry out health promotion activities in every regions
 - For early detection and early treatment of illness by day-to-day health management and periodical checkings.
 - Athletic meetings and sports games for health promotion
 - Organizing study classes, such as cooking and diet improvement for members' health

3. Utilization of home-made agricultural products and preservation of them

4. Looking over livelihood and taking good care of materials
 - Book-keeping, and "Happiness" savings
 - Rationalization of wedding ceremony and feuneral service spendings
 - Commodity tests, and joint-purchasing of A-COOP blanded consumer good

5. Study meetings and lectures

CENTRAL GENERAL HOSPITAL OF NIIGATA PREFECTURAL WELFARE
FEDERATION OF AGRICULTURAL COOPERATIVES

HISTORY OF THE HOSPITAL

Around the year of 1931, just after the economic panic, Farmers in rural areas could hardly receive favors from medical cares. Under this situation, a medical cooperative hospital, which would cover an area within one city and seven counties, was planned to be established by some volunteers. The Chuetsu Medical Cooperative Hospital started to operate from April 2nd, 1934, though the former plan faced various difficulties. The number of beds of the hospital was 40 at the time.

However, this hospital stopped operating in December 1938 due to bad management conditions that started from 1936. This hospital was purchased and reestablished in 1941 by Marushin Federation (Niigata Prefectural Marketing, Purchasing and Utilization Cooperative), and was changed its name as a Central Hospital. This hospital suffered war damages and burned out in 1945, then a new building was constructed at the same place in 1950 (at the time of construction number of beds were 70, and then 126 beds in autumn of that year).

In 1951 number of hospital operated by agricultural cooperatives (former agricultural association were reorganized as an agricultural cooperative in 1951) became 15, and its clinic existed 26. Total number of beds owned by hospitals and clinics were 1,250 and they treated 0.78 million of outpatients and 0.4 million of inpatients annually.

After changes of organizational structure of agricultural cooperatives in 1952, Niigata Prefectural Welfare Federation of Agricultural Cooperatives was established and managed this Central Hospital. Niigata Prefecture has 11 hospitals and 11 clinics, which are run by agricultural cooperative organizations, as of March 1982 and their number of beds are totalled to 2,660. Annual number of outpatients and inpatients were 1.4 million and 0.8 million respectively.

GENERAL OUTLINE OF THE HOSPITAL

- * Land area ----- 16,283 m²
- * Floor space ----- 26,124 m²
- * Consultation subject ----- 15
- * Number of bed(ward) ----- 522 (9 wards)
- * Number of patients(in Fiscal 1981)
 - Outpatients ----- 320,000 (1,123 per day)
 - Inpatients ----- 154,000 (476 per day)
- * Number of employees ----- 625

* Major medical equipment

- Full-length Computer Tomogram by X-ray
- RI Gamma Camera
- Cerebral Vessel Successive Photographing Set
- Artificial Dialysis --- 11 sets
- X-Ray TV --- 2 sets
- Others

This Central General Hospital intends for covering about 300,000 population in 3 cities and 3 counties including Nagaoka City(180,000 population) and Mitsuke City.

CAPITALS OF THE HOSPITAL

- * Total Capitals ----- 5,285.77 million yen
 (Of which, 174.08 million yen are paid by agricultur cooperatives, and remainings are from Government Institutional Funds and commercial banks)

Agricultural cooperatives, which have a share, and for 19 societies including Nagaoka City Agricultural Cooperative. Dividend on share capital is as follows;

i) Dividend on share capital is paid 4% annually. However, it is also invested as a share capital in normal cases.

ii) In case that member farmers of paid society become in-patient, 5% of total individual costs, which are not covered by insurance, will be refunded to them. Upper limit is 1,920 yen per month.

PREVENION OF DISEASES BY HOSPITAL(FOR CITIZENS)

Number of persons who took examinations are as follows;
 (In Fiscal 1981)

* Stomach examinations -----	9,004 (see table 1)
* Chest examination -----	14,292
* Uterine cancer examination -----	2,340
* Examination for pregnant women -	15,762
* Examination for infants -----	3,914(at the hospita
	633(outside of
	hospital)
* Examination for students -----	1,442
* Dental surgery examination -----	300
* Examination for office workers -	6,351
* General examination -----	2,837
* Inoculation -----	3,294

PREVENION OF DESEASES FOR FARMERS (See Table 2)

- * Rural & Mountainous Villages Examination
This hospital takes charge in conducting this examination by receiving assistances of Agricultural, Forestry & Fishery Department of prefectural government.
- * Agri. Cheminal Poisoning and Respiratory Organs Examination
- * Consignment Examination from prefectural government
- * Anemia Examination

EDUCATION & ENLIGHTMENT ACTIVITIES OF THE HOSPITAL

(see table 3)

- * Lectures ----- Mainly requests comes from societies
- * After care services --- Lectures on results of health examinations mentioned above.
- * Supply necessary informations on health management through wire or wireless broadcasting facilities.
----- Started from February 1977, and number of subscription is now 7,711 farm households.
- * Supply informations using Japan Agricultural News
- * Seminars and lectires for staffs of agricultural cooperatives who are in charge of members' health management

COLLABORATION WITH AGRICULTURAL COOPERATIVES AND PREFECTURAL WELFARE FEDERATION IN CONDUCTING HEALTH CHECKING ACTIVITIES

- * To extend assistances to Niigata Prefectural Council of Agricultural Cooperative health Promotion and also to activities related to health management by prefectural union and federations.
- * To organize seminars for persons in charge of members health management
- * To hold farmers' Health Meeting
- * To assist surveys and studies on situations of farmers' cheminal poisoning.
- * To cooperate with welfare activities carried out by the Prefectural Life Endowment Insurance Federation (mutual-insurance federation).

* Promote to conduct health checking more efficiently

- To conduct health examination(stomach cancer, Uterine cancer, anemia and others) by traveling clinic cars
- To conduct health checking for members and officia and employees of societies

NOTE : CONSULTATION SUBJECTS --- (14)

- | | |
|------------------------------|---|
| 1. Internal Medicine | 10. Ophthalmology |
| 2. Nurve Treatment | 11. Otorhinolaryngology(nose, ear and throat) |
| 3. Pediatrics | 12. Physical Treatment |
| 4. Plastic Surgery | 13. Radiant Rays |
| 5. Surgery | 14. Dental Sergerly |
| 6. Cerebral Nerve Surgery | |
| 7. Dermatology | |
| 8. Urology | |
| 9. Obstetrics and Gynecology | |

Table 1) Results of stomach examination done by Niigata Prefectural Welfare Federation of Agricultural Cooperatives

	1977	1978	1979	1980	1981
No. of people who took exam.	11,299	11,387	14,004	16,137	15,990
Stomach cancer	3	8	10	10	20
Gastric ulcer	49	37	58	99	98
Duodenal ulcer	29	24	44	37	37
Stomach polyp	7	14	34	39	59
Others	77	71	92	147	144

Table 2) Health examination of the Central General Hospital

	Rural & Mountainous Village Exam.		Consignment Examination		Chemical Poisoning & Respiratory Examination		Anemia Examination	
	District (A)	No. of people (B)	(A)	(B)	(A)	(B)	(A)	(B)
1976	12	838	3	161	3	155	18	746
1977	13	768	3	143	1	188	17	833
1978	11	616	4	241	1	47	31	1,821
1979	15	950	4	243	1	43	20	1,045
1980	16	882	6	472	2	108	21	1,044
1981	17	857	6	369	4	293	18	920
Total	84	4,911	26	1,629	12	834	125	6,409

Table 3) Education and enlightenment activities

		1977	1978	1979	1980	1981
Lecture	Number	21	27	18	11	13
	Object (person)	1,350	500	900	1,350	1,563
After care	Number	35	19	22	26	20
	Object (person)	1,205	900	1,055	1,260	838

