



GUYANA

MINISTRY OF ECONOMIC DEVELOPMENT

REPORT

of the

CHIEF CO-OPERATIVES OFFICER

**for the years
1967 & 1968**

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The large majority of the audits were performed by private persons.

Thirty (30) co-operative land societies registered during the period were allocated 19,454 acres of crown lands.

The Co-operative Training Institute continued to play a vital role in the training of officials and members of societies. A co-operative training centre was established at Mackenzie in 1967 with financial assistance from the Government and worked in collaboration with the Co-operative Training Institute. A second centre was under construction at Anna Regina, Essequibo, while land was secured for the establishment of a third regional training centre in New Amsterdam.

A major step towards the establishment of a co-operative bank was taken with the appointment of a committee under the chairmanship of Mr. Eusi Kwayana to investigate the feasibility of co-operative banking; the committee was finalising its report at the end of 1968. The Guyana Co-operative Credit Society Ltd, which is regarded as the co-operative bank in embryo functioned efficiently during the period.

The Co-operative Societies Ordinance Cap. 326 and Regulations made thereunder were administered by the Department; at 31st December, 1968, the revision and consolidation of these laws was in progress.

Reference must be made to the depleted state of the field staff of the Department throughout the period under review; a heavy burden was thrown on the senior field staff who were made to perform all the duties required of District Co-operatives Officers. As a consequence, the general work of the Department was much retarded.

Much opportunity has been missed for the training of young officers from whose ranks the senior positions in new commercial and industrial co-operatives must eventually be filled.

Throughout the period under review the Department shared the responsibility for supervisory and promotional activities in the Essequibo and Pomeroon areas with the Essequibo/Pomeroon Regional Co-operative Union Ltd., a secondary body with more than 50 constituents.

A greater degree of specialisation within the Co-operative Department is now necessary; without it the Government's contribution will be out of step with the requirements of the societies and the aspirations of the people.

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REPORT OF THE COMMISSIONER FOR CO-OPERATIVE DEVELOPMENT

For the years 1967 and 1968

GENERAL PROGRESS

The Co-operative Movement in Guyana has during the period under review made progress which is both considerable and significant. Eighty-eight (88) new primary societies were registered many falling into important categories; total membership stood at 60,938 - an increase of 7,337 members or 13.6%. Total shares, savings and deposits in all the societies increased from \$3,729,371 to \$4,887,706 while reserve funds rose from \$94,401 to \$118,110. The Movement entered the retail distribution field and created a good image. The credit union movement was given a new emphasis and the opportunity to make its contribution in raising the level of domestic savings and in bringing cheap, short-term credit within the reach of the workers.

The growing community of peasant cane farmers adopted the co-operative system for the joint supply of farm requisites and for the marketing of their crops. In the pig-rearing industry, several primary societies in Essequibo established a secondary marketing organisation; a pattern of co-operative housing developed and new craftsmen's co-operative societies came into being.

The consumer co-operative movement was strengthened by the creation of six (6) Co-operative Women's Guilds which functioned in the Greater Georgetown area; this development followed a 3-month visit by two representatives of the National Co-operative Women's Guilds of England and Wales - Mrs. Joan Baker and Mrs. Joan Lamb - which was made possible by a financial grant from the International Labour Office. Lecture tours and work-shops were held throughout the coastal area. Three Canadian experts in the field of consumer co-operation assisted in the development of the work of the National Consumers Co-operative Society Ltd.; one expert was a member of the team which surveyed the feasibility of consumer development in 1966.

The teaching of Co-operation as a subject continued at the Government Training College for teachers and at the Guyana School of Agriculture.

A vigorous effort was made to grapple with problems involved in auditing the books and accounts of the societies; this resulted in a fair reduction in the number of unaudited societies.

The Government from time to time announced in unequivocal terms its complete support for co-operatives as the means by which the economic importance of the masses could match their political significance. These assurances were a source of great satisfaction to co-operators and promoted an increased awareness of the benefits of co-operative action on the part of the general public. Government provided the sum of \$130,000 in 1967 and \$100,000 in 1968 in the Development Estimates in order to give practical support to co-operative societies. The atmosphere was extremely conducive to the growth of the Movement and the community were not slow to respond.

It was clear, however, that there was a substantial task to be accomplished in the education of the 7,337 people who had adopted the new way of life since 1966. Co-operators like others look for results and these are not achieved by simple enrolment; attitudes must be correct, knowledge must be relevant, effort must be well directed and sustained.

PROGRESS OF SOCIETIES

Savings Societies:

Forty-one groups of persons were engaged in accumulating funds for co-operative enterprises. When the targets aimed at have been achieved, these groups will be converted into the types of societies required by the members.

The registration of one (1) society was cancelled but six (6) new societies came into being. Total membership in the 41 savings societies was 3,364 and total savings \$69,037.

The members of many societies were saving either to obtain the down-payments for new houses or to amass capital for agricultural pursuits.

Thrift Societies:

Thrift societies are a type imported into Guyana from Africa in 1949. Salaried workers or wage-earners combine to save together in order to ensure that all their earnings are not utilised in ordinary living expenses. This was often the simple explanation to the penury observed among people who were earners throughout their adult lives. These societies have been most useful to teachers, policemen, nurses, civil servants and clerical workers among others. Members are not entitled to loans but are allowed limited advances under certain conditions in order to overcome periods of distress or to afford protection from predatory money-lenders. Several societies were considering conversion into credit unions in which a more liberal loan policy can be pursued. The registration of seven (7) societies was cancelled.

The following Table shows the position of the thrift societies over the past five years:-

| Year | No. of Societies | No. of Members | Deposits \$ | Loans Granted \$ | Loans Repaid \$ | Loans outstanding \$ |
|------|------------------|----------------|----------------|------------------------|-----------------------|----------------------------|
| 1963 | 82 | 2,585 | 242,123 | 102,612 | 112,669 | 149,768 |
| 1964 | 80 | 2,660 | 267,124 | 112,773 | 104,761 | 157,780 |
| 1965 | 78 | 2,908 | 301,751 | 171,205 | 162,668 | 166,317 |
| 1966 | 75 | 2,134 | 330,210 | 212,474 | 148,444 | 230,347 |
| 1967 | 72 | 1,795 | 265,786 | 226,733 | 280,269 | 176,811 |
| 1968 | 68 | 1,763 | 302,224 | 162,128 | 138,789 | 200,150 |

Reserve funds totalled \$11,896

Thrift and Credit Societies:

These are divided into three classes - urban and agricultural thrift and credit societies and credit unions.

Urban Thrift and Credit Societies:

The 25 urban societies resemble thrift societies and credit unions and functioned mainly in the urban areas; the registration of 4 urban societies was cancelled. The following Table shows particulars regarding urban Thrift and Credit Societies as compared with 1966:

TABLE 11

Urban Thrift and Credit Societies:

| Year | No. of Societies | Member ship | Shares & Deposits \$ | Loans Granted \$ | Loans repaid \$ | Loans out- stand- ing \$ | Reserve Fund |
|------|------------------|-------------|-------------------------|------------------------|-----------------------|--------------------------------------|-----------------|
| 1967 | 28 | 1,022 | 24,962 | 12,318 | 6,386 | 21,443 | 2,289 |
| 1968 | 25 | 1,118 | 24,781 | 4,064 | 11,901 | 13,606 | 2,177 |

Agricultural Thrift and Credit Societies:

The 101 agricultural thrift and credit societies are well established bodies with experienced secretaries and committees. Membership was 9,783 and shares \$262,971. Reserve funds stood at \$28,260. Liability was limited to their paid up share capital

in addition to a sum to be subscribed by their members in case of liquidation. These societies were established to replace the former Agricultural Credit Banks, their objects being the promotion of the economic welfare of the members on co-operative lines, the raising of funds by the issuing of shares and the receiving of loans, the granting of loans to members at reasonable rates of interest and the adoption of other measures designed to encourage in the members the practice of thrift and mutual help.

The registration of three societies - the Pine Ground, the No.10 Mahaica and the Zeeland/Prospect - was cancelled during the period following the inability or unwillingness of the majority of the members to repay loans issued to them. The committees of many societies failed to apply for loans owing to the indebtedness of the members to Barclays Bank.

The members of thrift and credit societies were encouraged to subscribe at least one dollar per month to share-capital in order to provide loans for the production of additional crops as well as to promote the financial independence of the societies. The response was poor mainly because of the absence of Co-operative Officers in the field. A number of societies in Essequibo became independent of lending agencies in 1968.

Thrift and Credit Societies provide a good medium by which new agricultural techniques and information can be transmitted to farmers but little use was made of them by the agencies concerned during the period under review.

The committees of three societies were removed from office under Regulation 56 for negligence in collecting sums owed to either the Guyana Credit Corporation or Barclays Bank. In each case, a manager was appointed to operate the societies under

the supervision of the Commissioner; substantial improvement was recorded in one case.

The transactions of the societies with Barclays Bank are shown in a subsequent Table. No funds were received from the Guyana Credit Corporation. The steady decline in the amounts borrowed from Barclays Bank reflects the growing financial independence of societies especially Agricultural Thrift and Credit Societies in Essequibo; it also reveals the chronic indebtedness of some societies, restricting their ability to borrow.

The following Table shows the position of the agricultural thrift and credit societies at 31 December, 1968, as compared with previous years:-

TABLE 111
AGRICULTURAL THRIFT AND CREDIT SOCIETIES
Membership, Capital and Loans

| Year | No. of Societies | Member-Shares | Deposits | Loans Granted | Loans repaid | Loans outstanding | |
|------|------------------|---------------|----------|---------------|--------------|-------------------|---------|
| | | \$ | \$ | \$ | \$ | \$ | |
| 1964 | 105 | 10,546 | 222,005 | 1,644 | 286,931 | 284,852 | 737,509 |
| 1966 | 104 | 10,275 | 244,452 | 1,130 | 219,421 | 185,622 | 730,786 |
| 1967 | 102 | 9,907 | 255,869 | 1,242 | 200,701 | 236,757 | 694,729 |
| 1968 | 101 | 9,783 | 262,971 | 1,293 | 214,217 | 222,719 | 686,227 |

Note:

Of the loans outstanding at 31st December, 1968, the sum of \$552,551 was overdue.

The following Table shows the transactions of the Agricultural Thrift and Credit Societies with Barclays Bank from 1964:-

TABLE IV

LOAN TRANSACTIONS WITH BARCLAYS BANK

| Year | Amount Borrowed \$ | Amount Repaid \$ | Outstanding \$ |
|------|--------------------------|------------------------|-------------------|
| 1964 | 198,084 | 202,269 | 173,863 |
| 1965 | 137,992 | 159,073 | 152,782 |
| 1966 | 182,444 | 161,402 | 173,824 |
| 1967 | 166,391 | 177,327 | 162,888 |
| 1968 | 131,036 | 145,735 | 148,389 |

CREDIT UNIONS:

The number of credit unions increased from 35 to 54; the registration of two societies was cancelled. Membership rose from 7,591 to 9,756 (28.6%) and shares and deposits from \$611,106 to \$968,513 - an increase of 58%. Reserve funds stood at \$39,542.

The following Table shows the comparative figures covering credit unions for 1965-1966 and 1967-1968:-

TABLE V

| | <u>1965-1966</u> | <u>1967-1968</u> |
|----------------------------------|------------------|------------------|
| No. of Societies | 35 | 54 |
| No. of Members | 7,591 | 9,756 |
| Total shares and deposits | \$611,106 | \$968,513 |
| Outstanding at beginning of year | 182,475 | 436,412 |
| Loans granted | 720,965 | 1,197,975 |
| Repayments | 467,028 | 970,736 |
| Balance outstanding | 436,412 | 743,161 |
| Loans overdue | 7,908 | 27,010 |

Credit Unions can be described as basic Co-operatives and should be encouraged throughout the country; they build resources of trained personnel and of funds for the more advanced forms of co-operative enterprise. A number of credit unions organised in villages along the East Coast of Demerara were languishing because of the lack of guidance and supervision.

The Guyana Co-operative Credit ^{Union} League Ltd., was re-activated in 1967; this was followed by an increase in the number of credit unions. Two thrift societies were converted into credit unions during 1968 and there were signs that several other Societies would take a similar course.

Schools Co-operatives:

Reference was made in previous reports to the importance of schools co-operatives to the general development of the Movement. Concern for the common man and belief and faith in his importance in achieving a sound social order should go beyond mere charity to preparing and enabling him to own land effectively ^{manage} manage the economic institutions which provide the means for a full and abundant life. His co-operative education should begin during childhood and school co-operatives are the best means through which this early training can be given.

The number of school societies increased from 134 to 135; membership was 12,151; savings and deposits were \$72,923 as compared with \$70,150 in 1966.

During the period the school co-operatives on the Essequibo Coast, Essequibo Islands, West Demerara, Upper East Demerara, New Amsterdam and Georgetown were re-organised. New records bringing the societies in line with the adult societies were introduced; only 25% of the societies have been audited for the period 1961 to 1968. Opportunity was taken to train Teacher-Supervisors and to involve officers and members of the societies in periods of in-service training. - Bookshop projects - i.e. the selling of school requisites were started in three schools - one on the Essequibo Coast and

and two in East Demerara. These did very well and provided the children with the opportunity of running businesses - the purchasing of stock, pricing of goods, effecting shop display, sales etc. One school in East Demerara started an apiary and was expecting to extend its operations. The hives were managed on a commercial basis.

Only one officer was engaged in promoting school co-operative societies. It was therefore quite difficult to effectively follow up the organised societies and impossible to respond to the many requests for the organisation of new societies. It was also necessary to curtail the number of practical projects in schools.

In an effort to obtain staff for the supervision and expansion of the schools movement, a meeting was held between personnel from the Ministry of Education and the Ministry of Economic Development. It was decided to recommend the provision of 12 posts of Supervisor of School Co-operative Societies to function throughout the country. The recommendations were duly made but had not been implemented at 31 December, 1968.

The following Table shows figures relating to school co-operative societies since 1963:

TABLE VI

| Year | No. of Societies | Membership | Savings |
|------|------------------|------------|---------|
| | | | \$ |
| 1963 | 131 | 13,128 | 84,421 |
| 1964 | 130 | 11,935 | 77,194 |
| 1965 | 131 | 11,779 | 74,476 |
| 1966 | 134 | 13,806 | 70,150 |
| 1967 | 135 | 12,709 | 71,826 |
| 1968 | 135 | 13,151 | 72,923 |

Reserve funds stood at \$1,859

CONSUMER SOCIETIES:

The number of societies remained at 12. One society was liquidated while one society for the supply of electricity came into existence. Five societies consisting of loggers in the Berbice River district were perishing for the lack of advice and general assistance from the Department which had neither Co-operatives officers nor transportation to reach them. Liquidation will be effected in due course.

Three (3) societies were engaged in the supply of electricity of their members. The Wismar/Christianburg Electricity Supply Co-operative had a successful period and was still expanding its operations. The society obtained current in bulk from the Demerara Bauxite Company, Limited. The Skeldon Electricity Supply Co-operative generated its own current and was also successful. The society at Soesdyke which obtained electricity from Atkinson Field became unnecessary when the power lines of the Guyana Electricity Corporation reached the area in 1967. The society performed a most useful service since its registration in 1951.

A society organised among the staff of the Mahaica Hospital did not commence operations.

The Morrka Consumers Co-operative Society Ltd., was organised 18 years ago among amerindians on the Santa Roca Mission; membership was 191 and sales in 1968 totalled \$33,946. While the operations of the society were viable, it was clear that the society would benefit from more general assistance and supervision which the Department hopes to be able to give in the future.

National Consumers Co-operative Society Limited:

The findings of the ~~Phalen~~ Report indicated that consumer co-operatives were not only feasible in Guyana but desirable since among other things they could give the people a

measure of control over the cost of living. The report placed much emphasis on the role which "National Consumers Co-operative Society Ltd.," could play by developing a network of consumer outlets throughout the country. It foresaw the need for a co-operative wholesale to adequately service such outlets.

The society's first supermarket was opened in East LaPenitence by the Prime Minister on 19th October, 1967. The second, located at Mackenzie, was also opened by the Prime Minister on 22 November 1968. Assistance in the planning, building and administration of the stores was provided by the Canadian International Development Agency through three advisers - Messrs J.W. Wallace, J. Roland and A. Nogue. Mr. Wallace served as Adviser from July, 1967 to July 1968. Mr. Roland arrived in January, 1968 and **Mr. Nogue in August 1968.**

The 1969 combined sales volume of the two supermarkets is expected to be in the vicinity of \$1,000.00. The society was experiencing a number of initial problems common to its type of enterprise but succeeded in making an impact upon the two areas served by its stores.

Intensification of the training of staff, directors and management personnel is an absolute necessity; closer communication with the membership is also essential for the healthy development and progress of the organisation. Members must not expect instant success and monetary returns but should be prepared to exercise patience while a sound structure is being erected. The society will be firmly established when careful planning and sound business principles are adopted; the development of the necessary skills at all levels as well as member-loyalty are also pre-requisites to success.

Sales from 17th October, 1967, to 31st December, 1968, totalled \$402,365. The 2,919 members had subscribed \$84,026 in share capital at 31 December, 1968.

The following Table shows the number of societies, memberships, shares and deposits and sales from 1964 to 1968:-

TABLE VII
CONSUMER SOCIETIES

| Year | No. of Societies | Membership | Shares | Deposits |
|------|------------------|------------|---------|----------|
| 1964 | 11 | 1,430 | 59,921 | 124,142 |
| 1965 | 12 | 1,954 | 89,556 | 91,576 |
| 1966 | 12 | 3,031 | 115,441 | 177,294 |
| 1968 | 12 | 5,141 | 167,411 | 556,799 |

Reserve funds stood at \$1,266

LAND/LEASE/PURCHASE SOCIETIES:

Thirty (30) new land societies were registered but the registration of 2 societies was cancelled; at 31st December, 1968 the number of land societies was 112 which had a combined membership of 7,174 as compared with 6,489 in 1966 and shares totalling \$1,772,123 as compared with \$1,514,523 in 1966. The total acreage held by land societies was 93,353 - only 5% of which was owned by the members.

Large portions of these areas were still to be brought into useful production for which many societies were accumulating capital; others were making manual efforts to clear the areas to provide drainage and irrigation facilities. A considerable amount of capital will be required to bring the entire acreage into production within a short time but the co-operators in many instances prefer to avoid raising large loans. Rents received in 1968 totalled \$33,071 and the value of crops produced was \$1,548,442 according to the records kept by the societies.

Loans received for minor infra-structural works amounted to \$22,228, the estimated value of development works done during the period under review was \$163,886.

Several societies especially those preparing land for housing benefitted from aided self-help schemes approved by the Community Development Division of the office of the Prime Minister thereby accelerating the attainment of their goals. The society at Lilliendaal had their streets constructed while the Hibernia Co-operative Land Society obtained a grant for the construction of a sluice to keep out ocean water which had damaged their crops. The Danielstown Co-operative Land Society obtained a loan of \$15,000 from the Guyana Credit Corporation for land clearing.

The Aliko Chartered Co-operative Land Society which was engaged in the development of 1,000 acres of lease land on the right bank of the Essequibo River saw the end of their drainage problems when the Government undertook extensive water-control works on its behalf, the settlers contributing their labour where necessary. It is hoped to settle an additional number of families on the scheme after these works have been completed.

The Port Mourant Follow-up Co-operative Land Society Ltd., - the largest land society - was in control of 7,088 acres which were being efficiently administered; the members were producing rice and sugar-cane; this society like many others occupying sugar estate lands received a high degree of co-operation from Bookers Sugar Estates Ltd., who, for example, permitted the members to use their access roads.

Several societies needed advice on the phasing of their development works, on financing and on agricultural production; it is hoped that the Co-operative Department would be in a position to be of greater service to these groups in the future.

There appears to be a need among secondary societies for the acquisition of heavy machinery for maintenance works on lands administered by the societies especially with a view to increasing yields.

The following Table describes the growth of land societies since 1964:-

TABLE VIII

Land Societies

| Year | No. of Societies | Membership | Share Capital | No. of acres occupied |
|------|------------------|------------|---------------|-----------------------|
| 1964 | 69 | 4,622 | 1,015,265 | 55,637 |
| 1965 | 77 | 5,587 | 1,254,159 | 64,949 |
| 1966 | 85 | 6,489 | 1,514,523 | 73,899 |
| 1967 | 91 | 5,499 | 1,655,918 | 68,083 |
| 1968 | 113 | 7,174 | 1,772,123 | 93,353 |

PRODUCTIVE SOCIETIES:

In this category will be found societies engaging in joint production as well as logging, marketing, machinery and rice-milling co-operatives.

Twenty-eight (28) societies were engaged in the joint production of agricultural products and other articles. They were as follows, viz:- rice, forest products, ground provisions, citrus, fish, livestock and clothing. The total of lands occupied by the societies was 2,980 acres.

Twelve (12) new societies in Essequibo, nine (9) at Matthew's Ridge and Port Kaituma, and three (3) on the Coast were engaged in land-clearing operations both by hand and by machinery. The Danielstown Agricultural Producers Co-operative Society sold produce to the value of \$1,153 (one thousand, one hundred and fifty-three dollars).

The Guyana Young Farmers' Producers Co-operative Society Ltd., which consisted of twenty-five (25) youths received the sum of \$1,709 being part of a loan of \$10,000 approved for the society by Oxfam. The Government assisted the society in 1968 by providing a loan of \$10,000 for drainage and irrigation.

The scheme was started by the Community Development Foundation of the U.S.A. and suffered demoralising losses of crops until the need for infra-structural works was recognised. The group was preparing to cultivate sugar-cane; the high cost of development and maintenance due to the isolation of the farm is expected to decline when the remaining lands in the area are occupied.

The Demerara River Cocoa Producers' Co-operative Society

Ltd., sold \$10,000 (Ten thousand dollars) in produce while the Mocha Cane Farmers Co-operative Society sold \$17,408 in sugar-cane. The National Agricultural Society of Mackenzie did not go into production although a loan of \$2,000 was received from Barclays Bank for pig-rearing. The Industry Producers Co-operative Society which operated in the Mahaicony Creek was experiencing difficulty with drainage, but were able to produce moderate crops. The Supply/LaBonne Mere Co-operative sold coconuts and seed plants to the value of \$16,044 from its 436 acre farm. The Ogle and the Mon Repos productive societies lost their holdings and will be liquidated. The Buxton Garment Manufacturers' Co-operative Society had a membership of 373 and shares and deposits totalling \$13,233; sales of clothing totalled \$17,999. The society received a loan of \$15,000 from the Ministry of Economic Development. The Onverwagt Fish Rearers' Co-operative Ltd., was engaged in fish culture and held fish ponds extending over 37 acres; sales during the period exceeded \$500.00

In Eastern Berbice there were two (2) productive societies, namely - the Brandwagt and the MaRetraite which were Government-sponsored; these societies did not function satisfactorily and were to be re-organised.

Five logging societies in the Berbice River were defunct and were awaiting liquidation- so was the Cabacuri Loggers' society in the Pomerom. A new society - the Essequibo Loggers Co-operative Society of Good Hope - was accumulating capital for business at 31 December, 1968. Most of the logging areas are far from the rivers rendering operations extremely marginal.

Membership in the 35 agricultural productive and logging societies totalled 961 - shares amounted to \$48,987 and deposits \$806.00. The value of produce sold was \$64,550.

MARKETING SOCIETIES:

There were 38 marketing societies with a total membership of 2,269 and a total share capital of \$28,775. Reserve Funds stood at \$6,291. The societies were distributed as follows:-

Distribution of Marketing Societies

| Region | No. of Societies | Sugar Cane | Milk | Pigs | Produce Poultry & Eggs | Handi-crafts | Farm Produce |
|------------------|------------------|------------|------|------|------------------------|--------------|--------------|
| Eastern Berbice | 6 | 5 | .. | 1 | ... | ... | ... |
| Western Berbice | 1 | .. | .. | 1 | ... | ... | ... |
| East Demerara | 3 | 1 | 1 | .. | 1 | ... | ... |
| Central Demerara | 2 | .. | .. | .. | 1 | 1 | ... |
| West Demerara | 12 | 10 | .. | .. | ... | ... | ... |
| Essequibo | 14 | .. | .. | 9 | 1 | 1 | 3 |
| Total | 38 | 16 | 1 | 13 | 3 | 2 | 3 |

Produce marketed by the 38 societies in 1968 amounted to \$374,100.

The organisation of the cane-marketing societies facilitated relations with the sugar estates and benefited the peasant farmers. Fertilisers, cuttings, insecticides and other supplies were distributed by the societies. Arrangements were being made to enable the societies to obtain substantial land development loans for distribution to members.

The 23-year old milk marketing society in the Mahaicony Creek was facing stern competition for the first time and was in need of assistance to effect a complete reorganisation of its operating policies and its records.

The pig-marketing societies gained much experience. Both the societies at Hyde Park and Parika were, however, in arrears with the repayment of loans received from the Ministry of Economic

Development in 1966. The societies in Essequibo were generally successful. The Joppa Pig-rearers' Co-operative on the Corentyne made a promising start in 1968.

The Guyana Crafts Co-operative Ltd., marketed handicrafts and other home-made articles on behalf of its 143 members who were scattered throughout the country. Its products proved very popular with both the local population and tourists. The society benefitted from its central position in Georgetown; the new appearance of its store and fine display of goods were made possible with the assistance of the Ministry of Economic Development. Sales were \$9,755 in 1967 and \$15,518 in 1968 - an increase of more than 58%. The successful operations of the society enabled the payment of a bonus of 15% to members in 1967. The products which were exclusively of local materials maintained a high standard throughout the period.

The Buxton Housewives Poultry Co-operative was very active in 1967 but reduced its scale of operations in 1968. The North West (Farm Produce) Marketing Society experienced many **set backs** and ceased operations towards the end of 1968. Many of the society's problems were accentuated by the absence of a Co-operatives Officer from the district since 1963. The society will require to be reorganised and assisted with finance and a trained manager **if** it is to survive; over \$5,000 was owing to Barclays Bank at 31st December 1968. The Beacon Poultry Rearers Co-operative and the Central East Coast Cane-farmers Co-operative did not operate.

The responsibility for the promotion and development of agricultural and marketing co-operatives should be allocated to a particular section of the **Division** which should work in **collaborati**/with the Guyana Marketing Corporation.

MACHINERY SOCIETIES:

There were 12 machinery societies which had a total membership of 142 and share capital and deposits amounting to \$25,207. Reserve funds totalled \$747.00. Only the societies ⁱⁿ the East Demerara were active, however, performing ploughing services worth \$3,615 for their members. It was pointed out in a previous report that many farmers had been acquiring tractors; this trend continued during the period and it became obvious that most of the societies had outlived their usefulness. Farmers were however in dire need of rice combines for harvesting but the high financial cost of a single combine required the involvement of large numbers of members was achieved, there were grave problems of zoning and of priorities at reaping time.

As was mentioned in another section of this report, societies in possession of lands themselves experienced the need for machinery co-operatives to assist them to maintain their estates efficiently since in many regions machinery was often unavailable; where machinery was available, costs were high.

RICE MILL SOCIETIES:

The number of societies remained at 7, three of which were in the Black Bush Polder. The other active societies were at Vergenoegen and Cane Grove. The societies in the Upper Corentyne and Leguan did not begin operations.

The societies in the Black Bush Polder were each indebted to the Guyana Credit Corporation in a sum exceeding G\$1.m. for the capital cost of the rice mills; interest is payable at the rate of 7% from 1960 but the societies were unable to meet even the interest charges. Some of the equipment in the mills was deemed unnecessary by the members who were not consulted at the time of purchase. The farmers struggled unsuccessfully to bring the

output of the mills near to their rated capacity; production costs were therefore high. The management provided by the farmers was poor and there were frequent changes of personnel rendering continuity of training impossible. The high incidence of dishonesty among the farmers and workers who frequented the mills was probably the deciding factor in the inability of the societies to show progress. The book-keeper at one mill was convicted by a magistrate for falsifying the records. The Joanna-Yakusari Rice Mill Co-operative Society ceased operations during 1968 and there was every indication that the other two mills would be in a similar position before long. This also applied to the co-operative mill at Cane Grove, East Coast Demerara, which cost more than \$700,000: but proved uneconomical.

The Vergenoegen Rice Mill Co-operative Society continued to be successful. The societies in the Upper Corntyne and at Leguan did not go into operation and will be liquidated.

Membership in the 7 societies was 1,006; share capital was \$37,177 and reserve funds \$8,181. A total of \$61,477: bags of padi was processed in 1968 as compared with 94,140 processed in 1967; milling fees received in 1968 amounted to \$62,402 as compared with \$107,372 received in 1967.

FARM SUPPLY SOCIETIES:

The service performed by farm supply societies is to support the productive activities of their members by stocking supplies of all their farming requirements including implements, feeds, medicines, insecticides and fertilisers and by providing pasturage for their livestock. One society - the Plaisance Pig-rearers - was liquidated in 1967 but 4 societies were registered in 1968. The number of societies increased to 29 which had a total membership of 1,908 as compared with 1,571 in 1966: shares totalled \$56,256 as compared with \$26,001: in 1966. Reserve funds were \$242: sales during 1968 amounted to \$20,894.

The 29 societies were distributed as follows:

Essequibo 5 Eastern Demerara 7 Western
Berbice 8 and Eastern Berbice 9.

This class of society can be very important to the expansion of agricultural production.

TRANSPORT SOCIETIES:

There can be no justification for the registration of a transport co-operative unless it is organised among workers who actually operate the service or among persons who themselves need a transport service. Any other group will probably have responded to the profit urge and should seek registration under the Companies Ordinance. It was necessary to stress the above to several sets of people over the past two years; some exerted whatever influence they could to obtain registration. Even under the best conditions, transport co-operatives are difficult to operate successfully. The degree of vigilance and supervision which must be exercised is exacting.

There were five (5) transport societies at 31st December, 1968 but 3 had ceased to operate viz., the Goodman's Freetown of Leguan whose members had built a boat to transport their agricultural produce between Leguan, Parika and Georgetown; the Akara Transport Co-operation and the Five-Star, both of Georgetown. The two Georgetown societies developed problems of management and suffered from a spate of accidents to their vehicles. They also acted against the advice of the staff of the Department. The Devonton Transport Co-operative of Essequibo transported members' padi and other supplies between the fields, their homes and the factories and was successful.

The Georgetown Taxi Co-operative began operations on 1st February, 1968 when the former Bookers Taxi Service went out of business. The members used their severance pay to purchase vehicles from the Service and acquired two new vehicles with financial assistance from the Ministry of Economic Development. The progress of the society has been good. Operations took

place from a Government-owned site from mid-1968 but the society was aware of the need for acquiring its own premises.

Total membership in the societies was 148 and total shares \$48,407. The value of services rendered totalled \$73,068.

FISHERMEN'S SOCIETIES:

The number of societies remained at 10 - 8 of these were actively engaged in bulk-purchasing fishing supplies for distribution to their members and in obtaining duty refunds from the Government on supplies purchased by the members; two societies granted loans to members. The society at Rosignol obtained a grant for the construction by self-help of a stelling and lodge for the members; these facilities are sorely needed and will be a boon to the fishermen and their families.

In 1967, Mr. N. Wray, Fisheries Officer of the Ministry of Agriculture, attended a course on the promotion of fishermen's co-operatives in Canada sponsored by the External Aid Office of the Canadian Government. Mr Wray has been of immense assistance to the societies since his return.

The following Table shows the development of fishermen's co-operatives since 1964:

TABLE IX
FISHERIES SOCIETIES

| Year | No. of Societies | Membership | Shares and Deposits |
|------|------------------|------------|---------------------|
| 1964 | 10 | 193 | 5,777 |
| 1965 | 11 | 322 | 9,042 |
| 1966 | 10 | 332 | 9,857 |
| 1968 | 10 | 412 | 20,949 |

HOUSING SOCIETIES:

There were 15 societies; many of these were based at Mackenzie where it was hoped that construction by aided self-help would be possible. The Civil Service Association Co-operative Housing Society continued to develop its estate in East Campbellville but no individual transports were issued. General progress was slow on account of the lack of funds.

The TUC Co-operative Housing Society was engaged in the construction of 550 houses on 112 acres of land; a loan of \$5.m was obtained from trade union sources in the U.S.A. The committee of management had themselves assumed control of building operations following the departure of their foreign contractor.

Total membership in the 15 societies was 1,647 and shares amounted to \$942,346 as compared with \$552,037 in 1966. Reserve funds stood at \$462.

The following Table shows the number of societies, membership and shares and deposits of housing societies since 1964:-

TABLE X
Housing Societies

| year | No. of Societies | Membership | Shares & Deposits |
|------|------------------|------------|-------------------|
| 1964 | 1 | 262 | 246,687 |
| 1965 | 3 | 873 | 442,246 |
| 1966 | 10 | 974 | 552,037 |
| 1968 | 16 | 1,647 | 942,346 |

WORKERS SOCIETIES:

There were 10 workers' societies which operated in the following fields:-

building 5; laundry 1; printing and publishing 1;
joinery 1; garment manufacturing 1 and photography 1.

Three building co-operatives were active during the period and successfully executed contracts worth approximately

\$300,000. Their principal difficulty was the indispensable leader who alone could submit tenders and arrange interim credit for the groups; there could be little democracy in the societies since the leader's withdrawal could spell disaster.

The Unity Laundry Co-operative Society did not begin operations. The El Venture/Garment Manufacturers were facing a lack of patronage following the imperfect performance of contracts. The organ of the Printing and Publishing Workers' Co-operative "Star" ceased to appear in 1966 and the society will be liquidated.

Total membership was 184 and total shares and deposits \$5,569. Reserve funds stood at \$381. Figures showing the value of services performed and articles sold by the societies were not available.

General Purpose Societies:

The 10 societies were engaged in various aided self-help schemes for the improvement of their communities; two societies provided drainage and irrigation. The incorporation of the societies enabled them to obtain self-help grants. Total membership was 451 and shares were \$30,103 as compared with \$16,212 in 1966.

SECONDARY SOCIETIES:

The six secondary societies were:-

- (a) The Guyana Co-operative Union Ltd.
- (b) The Guyana Co-operative Credit Union League Ltd.
- (c) The Guyana Co-operative Credit Society Ltd.
- (d) The Essequibo/Pomeroon Regional Co-operative Union Ltd.
- (e) The Eastern Berbice Regional Co-operative Union Ltd.
- (f) The Essequibo Coast Pig-rearers' Association Ltd.

GUYANA CO-OPERATIVE UNION LTD:

The co-operative Union was registered in 1949 with objects which included the education of the Co-operative community and the general public and representation of the Movement. The

membership consisted of 400 primary societies at 31st December, 1968. The Union assumed basic supervisory duties in Greater Georgetown on behalf of the Co-operative Department in 1967 employing six part-time supervisors who also assisted the secretaries of societies in record-keeping; periodical financial reports of the supervisors were forwarded by the Union to the Department. The Chairman of the Union (also a Co-operatives Organiser) took the initiative in the promotion of several societies and in a wide range of other promotional activities. A number of pamphlets and booklets of interest to co-operators were issued. Four issues of the Union's official organ "The Co-operator" appeared in 1967 and five in 1968. Effective propaganda work was done at exhibitions and fairs and a number of training courses were sponsored.

International Co-operation Day was celebrated under the auspices of the Union at Queen's College on the first Saturday in July in 1967 and 1968. The proceedings were mainly educational and inspirational; the progress of the Movement was reviewed. Elections to the committee of management are due to be held in 1970. Affiliated societies contributed approximately \$2,400 in dues in 1967 and \$1,500 in 1968. The Union received an annual grant of \$9,000 from the Government.

WAR ON WANT ORGANISATION

SCHOLARSHIPS AND BURSARIES

The War on Want Organisation of Great Britain, in association with the Co-operative Union, continued to assist in the education of needy children who have passed the Secondary Schools Entrance Examination provided that they are members of school co-operative societies or the children or wards of members of co-operative societies.

Since 1961 several associates of the organisation have contributed to a scholarship fund enabling young co-operators to benefit; at 31st December, 1968, there were 4 scholarships and 12 bursaries all named after the donors. The majority of the children attended either Queen's College or the Bishop's High School.

A deed of trust was drawn up free of charge by Messrs. Clarke and Martin, Solicitors, in 1961; a Board of Trustees comprising six persons administered the funds. Miss H.B. Devonish, Temporary Co-operatives Officer, who inaugurated the scheme, is manager.

Guyana Co-operative Credit Union League:

The Guyana Co-operative Credit Union League Ltd. showed an increase in membership from 7 to 20 societies. The League became active in 1967 following a drive for increased membership and participation among credit unions throughout the country. Credit Unions obtained insurance services from Cuna Mutual Insurance Society of the U.S.A. through affiliation with the League. Mr. C. Agard, Co-operatives Organiser, was assigned to assist the League with its secretarial and field activities. A number of training courses for officers and members were sponsored by the League in conjunction with the Co-operative Training Institute. Special activities took place in several parts of the country during the celebration of International Credit Union Week in October of each year.

Mr. Thomas Rampersaud, Regional Representative of the Cuna Mutual Insurance Society in the South Caribbean, visited Guyana from 5th to 13th July, 1968, under the auspices of the League and delivered a series of lectures in various parts of the country. Mr. Rampersaud also participated in promotional activities which were taking place at the time of his visit. Cuna International of the U.S.A. intimated to the League that the Manitoba Credit Union League of Canada had sponsored a campaign to assist the expansion of the Credit Union Movement in Guyana and that \$3,000 (Canadian) had so far been collected. The League was considering a project to which the funds may be applied.

Guyana Co-operative Credit Society Ltd;

Since its registration in December, 1966, the society has continued to progress. Membership reached 68 and subscribed share capital \$17,459.00; 19 loans were granted totalling \$46,243.43 of which \$16,109.53 was repaid. In 1967, the society was run by voluntary assistance; in 1968, however, the Government granted \$9,000.00 towards administrative expenses which enabled the appointment of a manager and donated \$16,000.00 to augment the capital of the society. The society also administered the sum of \$4,800.00 provided by Oxfam as a revolving loan to assist co-operative societies in the North-West in purchasing fertilisers.

Essequibo-Pomeroon Regional Co-operative Union Ltd:

The Essequibo/Pomeroon Regional Co-operative Union Ltd. was created in October, 1964, with the object of involving the societies in their own supervision and education and of developing local leadership. There has been great enthusiasm among co-operative leaders in Essequibo at this opportunity ever since the scheme started; the sharing of responsibilities with the Government was extended to the financial when societies decided to contribute the sum of 55¢ per annum on behalf of each member towards the administrative expenses of the Regional Union; the members of land societies contributed \$1.10 per annum. Three supervisors were engaged; of these two were competent secretaries of co-operative societies and one a school-teacher. Their initial training at the Co-operative Training Institute in 1967 was supplemented by in-service training received from the Senior Co-operatives Officer of the Region; their work has been good and has obviated the need for stationing a Co-operatives Officer on the Essequibo Coast.

The Regional Union with financial assistance from the Government and excellent support from its constituent members, was engaged constructing a \$16,000 training centre at Anna Regina.

The Government granted the Regional Union a subvention of \$2,667 in 1967 and of \$3,000 in 1968.

Eastern Berbice Regional Co-operative Union Ltd:

Since its registration in November, 1964, and the election of its officers, this organisation has been dormant - one problem was the difficulty of communications in Eastern Berbice. Conditions were, however, greatly improved at the end of 1968 and plans were being made for the Regional Union to actively serve its member-societies. A site in New Amsterdam had been identified for the construction of a regional training centre.

Essequibo Pig-Rearers Co-operative Association:

This is a secondary marketing organisation established to represent and to facilitate the marketing operations of seven (7) societies of primary producers extending across the Essequibo Coast. The association bulk-purchased and distributed feeding-stuffs, medicines and other supplies and organised the transport and sale of animals on behalf of its member-societies.

The Association received a Loan of \$6,500 from the Ministry of Economic Development in 1967 in order to enable the purchase of animals and of larger quantities of supplies for the purposes of economy.

Share capital was \$1,905 and sales and services rendered amounted to \$25,000.

Co-operative Training Institute:

Two additional centres for training were established - one at Berbice and one at Tumatumari - bringing the number to 8; the others were at New Amsterdam, West Berbice, Buxton, Anna Regina, Mackenzie and Lodge. A large number of training courses were conducted in these places in the following subjects:-

- credit union organisation and management ;
- book-keeping - elementary and intermediate;
- organisation and management of land societies;
- elements of consumer co-operation;

co-operative law and practice;
simple economics;
credit and the recovery of loans;
shorthand, typewriting and English.

Of the 60 students - mainly the children of co-operators - who were presented at overseas examinations in 1968, 80% passed in commercial subjects.

A grant totalling \$8,249 was received from the Government to meet recurrent expenditure in 1968 and the sum of \$3,200 was loaned to the Institute to enable the completion of a training centre at Mackenzie. The work of the Institute was much appreciated by co-operators. The Department organised its educational activities through the Institute.

Consideration should be given to the re-organisation of the Co-operative Training Institute so as to make it more representative of the Co-operative Movement.

Staffing

- (i) Mr. R.A. Dowden, Deputy Chief Co-operatives Officer, retired from the service on 31st January, 1967, and was succeeded by Mr. W.O. Abrams, Assistant Chief Co-operatives Officer.
- (ii) Mr. O.H. Patrick, Senior Co-operatives Officer, was appointed to succeed Mr. Abrams.
- (iii) Mr. J. Baichan, Co-operatives Officer, was appointed Senior Co-operatives Officer, with retrospective effect from 30th August, 1966, vice Mr. G. Hoyte (promoted).
- (iv) Mr. J.N. Fraser, Co-operatives Officer, was appointed to be Senior Co-operatives Officer with effect from 1st February, 1967, vice Mr. O.H. Patrick (promoted).
- (v) Mr. C.R. Chung-Wee, Senior Co-operatives Officer, Friendly Societies, was seconded to the Accounts Division of the Ministry of Information with effect from 11th September, 1968.
- (vi) Mr. J.K. Godrington, Co-operatives Officer, was appointed to act as Senior Co-operatives Officer vice Mr. Chung-Wee.
- (vii) The appointment of Mr. M.A. Gafoor, Co-operatives Officer, (on study leave in the United Kingdom) was

terminated with effect from 1st June 1968.

(viii) Mr. H.W. McRae, Co-operatives Officer, and Miss Monica Agard, Clerical Assistant were appointed to be Trainee Inspectors of Income Tax with effect from 1st August 1967.

(ix) Mr. D.L.B. Moore, Co-operatives Organiser, was promoted to be Assistant Youth Organiser, Office of the Prime Minister, with effect from 11th June, 1968.

(x) Mr. Wilcott Alleyne, Co-operators Organiser, died on 26th May, 1968, following a road accident.

(xi) Mr. J.O. Peters was employed as a Co-operatives Organiser in New Amsterdam from 1st September, 1967 to 31st October 1968.

(xii) Mr. S. Arjune was employed as a Co-operatives Organiser in the North West District from 1st July, to 31st December 1968.

(xiii) Miss R. Brathwaite, Senior Clerical Assistant, was transferred to the Ministry of Economic Development from March, 1967 and was not replaced despite continual representations.

(xiv) Mr. John Ramessar, a former Co-operatives Officer, re-joined the staff on 1st February, 1967, but was transferred on his promotion to the post of Administrative Assistant with effect from 27th December 1967.

Staff Training:

(i) Miss S. Primo, Senior Co-operatives Officer, returned from the Coady Institute of the St. Francis Xavier University, Antigonish, Nova Scotia, in June, 1967 after attending a course in Social Leadership, for one academic year.

(ii) Miss Eileen Rowe, Senior Co-operatives Officer, returned from the Co-operative College, Loughborough, in July 1967, after obtaining the Diploma in Co-operation.

(iii) Mr. J. Baichan, Senior Co-operatives Officer, attended a 3-week "follow-up" seminar at Medellin, Columbia, sponsored by the Danish Government.

(iv) In July, 1968, Mr. O.H. Patrick, Assistant Chief Co-operatives Officer, obtained the Diploma in Public Administration at the University of Guyana and Miss O.S.I. Grant, Senior Co-operatives Officer (Schools) graduated from the University with a Bachelor of Arts Degree.

(v) Three members of the staff enrolled at the University of Guyana in September, 1968, for courses - two leading to the B.Sc. in Social Science and one to the Diploma in Public Administration.

(vi) Mr. J.K. Codrington, Co-operatives Officer, and Mr. C.U. McKenzie, Co-operatives Organiser, attended the International Centre for Advanced Training in Turin, Italy, during the Summer of 1968, and obtained Diplomas.

Conferences:

(i) The Chief Co-operatives Officer attended the Convention of the Caribbean Conference of Credit Unions held in Antigua, W.I. from 25th August to 3rd September, 1968. Eleven (11) officers of ten credit unions also attended the convention. A resume of activities and recommendation was circulated to credit unions.

(ii) Six conferences involving the entire co-operative staff were held in Georgetown over the period when the problems of each region were discussed and plans devised for the further development of the Movement.

(iii) Members of staff continued to serve on Land Selection Committees appointed by the Government to select the membership to co-operative societies to occupy lands in various parts of the country.

Staff at 31st December, 1968:

| | | |
|----|---------------------------------------|---|
| 1 | Chief Co-operatives Officer | C.R. Jarvis |
| 1 | Deputy Chief Co-operatives Officer | W.O. Abrams |
| 1 | Assistant Chief Co-operatives Officer | O.H. Patrick |
| 10 | Senior Co-operatives Officers | Mr.C.R. Chung-Wee (on secondment) Miss E.G. Rowe Mr. V.F. Griffith Mr. V.F. Haynes Miss O.S. Grant Mr. M. Din Ally Mr. R. Ramballi Miss S. Primo Mr. J. Baichan Mr. J.N. Fraser |
| 16 | Co-Operatives Officer | Mr. J.K. Codrington (acting as S.C.C.) Mr. S.R. Baxter-Daniels Miss T. Gaskin (acting, re-employed) Miss H.B. Devonish (acting re-employed) |

(14 vacancies)

| | |
|---|---|
| 1 Senior Clerical Asst. | Vacant |
| 11 Clerical Assistants | Mrs. M. Burgess Miss R. Doodnauth Miss R. Wright Miss M. Persaud Miss C. Alves Miss J. Eastman (N/Amsterdam) Mrs. D. McDonald (Bixton) Miss B. James (Anna Regina) Miss J. Gittens Miss M. Rowe Mr. I. Richmond |
| 2 Temporary Agricultural Extension Officers | Mr. J. Kidney Mr. L. Ogle |
| 6 Co-operatives Organisers | Mr. I. Williams Mr. C.U. McKenzie Mr. C. Agard Mr. H.A.J. Blackman Mr. L. Jarvis Mrs. M. Sealey Mr. N. Quintyn |
| 1 Messenger | |

Statutory Services:

(a) Audit:

Private auditors were employed on a part-time basis to audit the books of co-operative societies under Section 35 of the Co-operative Societies Ordinance during 1967 and 1968. Audit reports accepted by the Department and released during the two years were as follows:

| | 1967 | 1968 |
|--|------------|------|
| A. Reports accepted from private auditors and released | 99 | 114 |
| B. Reports on audits performed by Co-operative Officers of the Audit Section | 10 | 7 |
| C. Reports on audits performed by other Co-operative Officers | 7 | 2 |
| D. Reports on audits of school societies performed by Senior Co-operatives Officer-Schools | 2 | |
| | <u>118</u> | |

The reports at A. were received from 34 private auditors who were active in 1967 and 30 who were active in 1968.

The number of societies unaudited at 31st December, 1968, was 343 not including 62 societies registered in 1968, but including 109 school societies, 27 savings societies and 45 defunct societies. Also included in the total unaudited figure were 33 societies whose audits were assigned but not completed. Many private auditors failed to maintain a constant level of output, and in some cases ceased to function periodically.

The following conditions influenced the work of Co-operative Audit:-

- (a) The lack of understanding on the part of auditors of co-operative principles and practices, which is a pre-requisite to efficient performance:
- (b) The relatively poor condition of the records of the societies arising from the lack of experience on the part of the secretaries, managers and other officers; and
- (c) The lack of supervision of the societies due to the persistent shortage of Co-operatives Officers.

Private auditors submitted many reports which were rejected needing either further action on their part, or improvements in the presentation and content of the reports. Many auditors approached the audit of societies as they would the audit of private commercial enterprises expecting to find work similar to that of proficient accountants requiring only "spot checking"; they were also prepared for "short outing" and the arbitrary adjustment of balances. It became necessary for

the staff of the Audit Section to be involved in vetting and investigating audit reports, verifying balances and in the in-service training of auditors. As a consequence, the staff proved inadequate and could themselves perform a diminishing number of audits. Only the most proficient private auditors were employed in order to minimise the volume of work involved in their supervision. Private auditors were encouraged to study the co-operative law as well as co-operative principles and practices. The need for more formal training of private auditors in these matters as well as in the practice and techniques of audit became obvious.

The high fees charged by auditors reflected a shortage of their supply in relation to the demand for their services, as well as the shortcomings of the secretaries as book-keepers. Until it is possible to improve substantially the quality of the book-keeping of societies in terms^{of system} and quality of records it would not be advisable to have a fixed scale of audit fees. The fixing of a scale of fees should, however, be a goal to be achieved in the shortest possible time.

It was necessary to continue to assign the audit of certain societies to Co-operatives officers. The staff of the Audit Section was, however, inadequate to deal with the volume of this work. The indication is that more staff is needed both to audit and to supervise the private auditors.

The staff of the Audit Section of the Department at 31st December, 1968, was:

- 1 Senior Co-operatives Officer; and
- 2 Co-operatives Officers.

From March, 1967, the responsibility for assigning audits to outside auditors and negotiating for their remuneration was performed by the Assistant Chief Co-operatives Officer instead of the Senior Co-operatives Officer. (Audits).

The audits of school co-operative societies was performed by the Senior Co-operatives Officer - schools, but one officer could not deal with the large number of school societies; private auditors could not be assigned since the societies were unable to contribute more than a small fraction of the cost of audit. This matter will be settled with the general question of the future of school co-operative societies.

All societies audited except school societies were assessed for contributions to the Co-operative Societies Audit and Supervision Fund established under Regulations 59 of Cap.326. In most cases, the assessments were enough to cover the fees charged by the private auditors and provide a surplus; assessments paid by societies audited by staff auditors assisted in this direction. The important problem of the Fund has been caused by the tardiness of societies in paying their assessments.

The Audit and Supervision Fund was in the custody of the Accountant General and contributions by societies were received by the Accounts Department of the Ministry of Economic Development and paid into the Treasury.

The Audit Section is the most important of the key performance areas in the Department. The ultimate influence and control exercised by the Department over registered societies is through audit. The section has never achieved its full potential through the persistent shortage of staff. The employment of private auditors has partly answered this problem, but peak performance can only be realised when the faults indicated below have been remedied:-

- (i) Lack of compliance with the recommendations of auditors;
- (ii) Insufficient clerical and technical personnel in the Audit Section to adequately deal with the existing work load;
- (iii) Tardiness, reluctance or refusal on the part of

societies to pay contributions to the Fund, adversely affecting its ability to engage and remunerate auditors.

The payment of contributions to the Fund has been a sore problem with societies and a source of embarrassment to the Department. Several societies have been unwilling to contribute to the Fund sums which exceeded the amounts charged by auditors, despite the fact that the amounts involved were within the limits provided in the law (Regulation 59(5)). They questioned the fairness of being required to build up a Fund to assist societies which are unable to pay their audit fees. Much as there is to be said for the practice of mutual assistance, societies found it repugnant to extend co-operation to the point of allocating portions of their surpluses to assist other societies which in their opinion might not have pursued correct policies or sound business practices. Under these circumstances the payment of audit fees was a problem whether the operations of societies succeeded or failed.

One solution to this problem can be in a decision by the Government to grant subventions to those societies which are in need of financial assistance to meet their audit fees. It is also possible to reduce the contributions which are required of successful societies as nearly as possible to the actual amounts paid to auditors, but it is doubtful whether this would be adequate to meet the annual charges on the Fund. The best course might be a combination of the two solutions indicated above.

In one case a successful society refused to pay the amount assessed under the law; action under Section 60 of the Co-operative Societies Ordinance was being contemplated.

With the expected intensification of the drive for more co-operative education and the gradual correction of faulty book-keeping and management practices, audit should become easier and therefore cheaper, and the problem should be minimised.

The following statements show, (a), the total audit fees paid related to the total assessments of societies, and (b), the Receipts, Payments and Balance of the Audit and Supervision Fund at 31st December 1968:-

| | Total Assessment of Societies Audited | <u>Audit Fee Paid</u> |
|------|--|-----------------------|
| 1967 | \$20,707.00 | \$14,962.00 |
| 1968 | <u>19,039.00</u> | <u>14,322.00</u> |
| | \$39,746.00 | \$29,284.00 |

The following is a summary of the receipts into and payments from the Fund during 1967/1968:-

| | | | |
|---|------------------|------------------|---------------------|
| Balance of Fund at 1st January, 1967 | | | \$9,481.60 |
| <u>Receipts during 1967:</u> | | | |
| On 1967 Assessments | \$6,238.96 | | |
| On Assessments in previous years | 1,808.50 | \$8,047.46 | |
| <u>Receipts during 1968:</u> | | | |
| On 1968 Assessments | 5,901.00 | | |
| On assessments in previous years | <u>8,110.10</u> | <u>14,011.10</u> | \$22,058.56 |
| | | | \$31,540.16 |
| Payments during 1967 | 16,363.24 | | |
| " " 1968 | <u>13,767.00</u> | | <u>\$30,130.24*</u> |
| Balance at 31st December, 1968 | | | <u>\$ 1,409.92</u> |

* The difference of \$846.24 represents amounts paid as audit fees during the period but reports released and societies assessed in 1969.

Audit Fees outstanding:

Fees outstanding at 31st December, 1967, for all years totalled \$18,281.12; at 31st December, 1968, the balance was \$23,642.08.

(b) Arbitration:

The Commissioner for Co-operative Development is responsible under the law for the settlement of disputes arising out of the business of co-operative societies.

During the period two thousand seven hundred and forty-two (2,742) cases were referred to arbitration; of these one thousand two hundred and eighty-one (1,281) awards were made, two hundred and twenty three (223) cases were withdrawn; the remainder of the cases were pending. There were eighteen (18) appeals against the decisions of arbitrators. Parties to arbitration proceedings were often represented by legal practitioners. The majority of the cases were for the recovery of loans made by the Thrift & Credit Societies; there were also a growing number of disputes which involved land occupation and membership. In some instances societies stressed the difficulty of enforcing the awards given by arbitrators owing to the pre-occupation of bailiffs with other work.

The following Table shows details concerning cases referred to arbitration in 1967 and 1968.

TABLE XI
Arbitration Cases

| County | No. of cases | No. of Awards | No. of cases with- drawn | No. of Appeals | No. of cases pending |
|-----------|--------------|---------------|-----------------------------|----------------|----------------------|
| Berbice | 1,422 | 513 | 145 | 6 | 758 |
| Demerara | 565 | 278 | 11 | 9 | 267 |
| Essequibo | 755 | 490 | 117 | 3 | 145 |
| Total | <u>2,742</u> | <u>1,281</u> | <u>273</u> | <u>18</u> | <u>1,170</u> |

(c) Enquiries:

Enquiries were ordered under Section 37 of the Ordinance into the constitution, working and financial condition of 18 societies; the enquirers were members of the staff. Enquiry was often the prelude to the winding-up of societies but not necessarily so. The weaknesses of many societies were identified by enquiries and corrective action taken. The shortage of staff made the conduct of enquiries a matter of difficulty.

(d) Liquidations:

The liquidation of 30 societies was in hand but little progress was made, again due to the shortage of staff. The staff were pre-occupied in promoting the 88 societies which were registered and in consolidating the work of the existing societies.

(a) Registrations:

The following Table shows the registrations which took place in 1967 and 1968:-

TABLE Xii

REGISTRATION

| Type | 1967 | 1968 | Total |
|-----------------|------|------|-------|
| Savings | 3 | 3 | 6 |
| School Thrift | - | 1 | 1 |
| Credit Unions | 6 | 12 | 18 |
| Consumers | 1 | - | 1 |
| Producer | 3 | 11 | 14 |
| Marketing | 1 | 3 | 4 |
| Land | 7 | 23 | 30 |
| Farm Supply | 1 | 4 | 5 |
| Transport | - | 2 | 2 |
| Housing | 1 | 3 | 4 |
| Workers | 1 | - | 1 |
| General Purpose | 2 | - | 2 |
| Total | 26 | 62 | 88 |

(f) Cancellations:

Cancellations during the period 1967-1968 are

shown below:

TABLE XIII

Cancellations

| Type | 1967 | 1968 | Total |
|-----------------|------|------|-------|
| Savings | 1 | - | 1 |
| Thrift | 3 | 5 | 8 |
| Thrift & Credit | 2 | 3 | 5 |
| Credit Unions | 1 | 1 | 2 |
| Consumers | 1 | - | 1 |
| Farm Supply | 1 | - | 1 |
| Producers | 1 | 1 | 2 |
| Logging | 2 | - | 2 |
| Land | 1 | 2 | 3 |
| Total | 13 | 12 | 25 |

(g)

Other Statutory Functions:

There were no prosecutions under Section 60 of the Ordinance for non-compliance with the lawful orders of the Commissioner. As a result of reports to the Police, however, four prosecutions for dishonesty took place, two of which were successful. As previously mentioned, statutory powers were employed to remove the committees of management of three societies from office for maladministration and the neglect of duty. The committees were replaced by managers; in one case, the affairs of the societies showed substantial improvement. The committee of one society was ordered to remove its chairman from office for falsifying the society's records and complied.

The Commissioner was also engaged in the amendment of the rules of societies, sanctioning the maximum borrowing powers of societies, approving of loans to societies from external sources, sanctioning the use of the reserve fund, summoning annual and special general meetings under special circumstances, surcharging officers of societies as necessary and approving or disallowing the suspension of secretaries among other duties.

THE MINISTRY :

Many advantages must accrue from attaching the Co-operative Department to the Ministry of Economic Development; the only disadvantage stems from the inevitable competition between vital matters pertaining to the economic development of the State on the one hand, and the interests of small groups of farmers and workers on the other, for the precious time of the heads of the Ministry. Try as they did, it is unfortunate that the pressure of other duties precluded the Department from much of the advice, sympathetic appreciation and general attention of those who could contribute most to the solution of its problems and those of the Movement.

THE CO-OPERATIVE DEPARTMENT :

To maintain the professional services performed by the Department at a good level in the face of a chronic shortage of staff from an establishment fixed in the relatively 'cool' period of the early 1960's is a heavy burden: to have done so in the midst of a period of expansion with the incessant clamour for attention from demanding leaders and people, is an achievement of some magnitude. Despite the stress and strains of this exacting period the devotion of the staff to the duty which they saw before them was at all times commendable; they have made an excellent forward thrust for Co-operation in Guyana.

The present organisation of the Co-operative Department however tends to suppress individual initiative. By dint of the self sacrificing efforts of the staff the seed of Co-operation planted many years ago when the Department was created, has grown into a fine tree with many branches each of which offers its own challenges and holds its own glory if initiative and persistent effort are applied. The present stage of the development of the various aspects of the Movement demands specialisation if the work must continue to speed ahead on all fronts. Workers need to realise their fullest potential and to experience a sense of personal achievement. Urgent attention should be given to this matter.

SUMMARY OF PROGRESS:

The following Table shows the progress of the Movement over the last 10 years:

TABLE XIV
PROGRESS OF MOVEMENT

| Year | No. of Societies | No. of Members | Savings, Shares and/or Deposits | Reserve Fund |
|------|------------------|----------------|---------------------------------|---------------------|
| 1959 | 554 | 36,973 | 930,511 (£193,857) | 29,808 (£6,210) |
| 1961 | 568 | 40,251 | 1,450,094 (£302,103) | 45,665 (£9,514) |
| 1963 | 570 | 41,506 | 2,100,356 (£437,574) | 70,882 (£14,767) |
| 1964 | 571 | 42,551 | 2,390,197 (£497,958) | 83,393 (£17,374) |
| 1965 | 617 | 44,582 | 2,979,965 (£620,826) | 86,118 (£17,941) |
| 1966 | 661 | 53,601 | 3,729,371 (£776,952) | 94,401 (£19,667) |
| 1968 | 724 | 60,378 | 4,887,706 | 118,110 |

PROGRESS SINCE 1966:

Progress since 1966 may be summarised as follows:

| | | |
|---------------------------------|---|-------------|
| Increase in number of Societies | - | 63 |
| " " shares, savings & Deposits | - | \$1,158,335 |
| " " number of members | - | 7,337 |
| " " reserve funds | - | 23,709 |

The attached appendices supplement the information given in the foregoing pages:

Material progress is only one of the yardsticks which may be applied in assessing the gains of the Co-operative Movement.

The societies have encouraged the growth of self-reliance and have given opportunities to a large section of the population to build up mutual confidence by working together in matters vital to their economic well-being. People have been brought face to face with new knowledge essential to their development and to the concept of a better life. The democratic processes have been studied and practised and the sacrifices of people to make savings from their incomes will lead to frugal living as well as benefit their committees and the nation.

Working in this field of human development over the past 25 years has been a distinct privilege; my only guides have been the general good and advancement of the people and of the worthy cause of Co-operation.

Clement R. Jarvis
Commissioner for Co-operative
Development
Chief Co-operatives Officer

Georgetown,
GUYANA
25th June 1969.

APPENDIX "A"

Summary of Statistics of Secondary Societies

| Name of Society | Number of constituent members | Total shares and deposits \$ | Reserve Funds \$ |
|--|-------------------------------|---------------------------------|---------------------|
| 1. Guyana Co-operative Union Ltd. | 400 | Nil | 1,416 |
| 2. Guyana credit Union league Ltd. | 20 | 99 | 134 |
| 3. Guyana co-operative Credit soceity Ltd., | 68 | 17,459 | 297 |
| 4. Essequibo-Pomeroon Regional Union Ltd., | 52 | 3,150 | 9 |
| 5. Eastern Berbice Regional Union Ltd., | 30 | 495 | 25 |
| 6. Essequibo Pig-rearers' Co-operative Association. Ltd. | 7 | 1,905 | Nil |
| | 577 | 23,108 | 1,881 |

Appendix B

Primary Cooperative Societies

Number of societies, number of members, total savings and deposits, and reserve funds by types as at 31 December, 1968:

| Type of Society | No. of Societies | No. of Members | Shares Savings and deposits ₹ | Reserve Funds ₹ |
|--------------------------------|------------------|----------------|----------------------------------|--------------------|
| Savings Thrift | 41 | 3,364 | 69,037 | 22 |
| Thrift and Credit (Urban) | 63 | 1,763 | 304,372 | 11,896 |
| Agricultural Thrift and Credit | 25 | 1,118 | 24,781 | 2,177 |
| Credit Unions | 101 | 9,783 | 264,264 | 28,260 |
| School Thrift | 54 | 9,756 | 968,213 | 39,542 |
| Consumer Land | 135 | 13,151 | 72,923 | 1,869 |
| Productive | 12 | 5,701 | 167,411 | 1,206 |
| Marketing | 112 | 7,174 | 1,772,123 | 13,886 |
| Machinery | 35 | 961 | 49,793 | 806 |
| Rice Mill | 38 | 2,269 | 28,775 | 6,291 |
| Farm Supply | 12 | 142 | 25,207 | 747 |
| Housing | 7 | 1,006 | 37,177 | 8,181 |
| Transport | 29 | 1,903 | 56,256 | 242 |
| Fishermen | 14 | 1,647 | 942,346 | 462 |
| Workers | 5 | 148 | 43,407 | - |
| General purpose | 10 | 412 | 20,949 | Nil |
| | 10 | 184 | 5,569 | 381 |
| | 10 | 451 | 30,103 | - |
| | 718 | 60,938 | 4,887,706 | 116,229 |

APPENDIX C

Value of Goods sold and Services rendered
by Co-operative Societies - 1963:-

| <u>Type of Society</u> | | Value of goods or services pro- duced or marketed loans <u>given etc.</u> , |
|--------------------------------------|---------------------------|--|
| Thrift Societies | (Loans) | \$ 162,128: |
| Urban Thrift & Credit | " | 4,064 |
| Agricultural Thrift & Credit | " | 214,217 |
| Credit Unions | " | 1,197,975 |
| Schools Co-Ops | (value of sales) | |
| Consumer | | 556,799 |
| Land Societies | (rent received) | 1,543,442 |
| Machinery | (value of services) | 3,615 |
| Productive | | 64,550 |
| Marketing | (value of goods marketed) | 374,100 |
| Rice Mills | (milling fees received) | 62,402 |
| Farm Supply | (sales) | 20,894 |
| Transport | (services) | 73,068 |
| Fishermen's | (sales & loans) | |
| Essequibo Pig Marketing Associety | (goods marketed) | 50,000 |