

most part, have done very little for their members and very naturally we find widespread dissatisfaction.

In as much as the weakest point in the Exchange is in its local units it must strengthen itself by building up these local associations, both in number and in power. Very little work has been done in bringing to the fruit growers the urgency of organization and there are many sections of the country where associations could readily be formed provided proper attention were given to the work. The primary service that should be rendered by a local association of fruit growers is that of packing and shipping the fruit of its members. Until local associations of the Fruitgrowers' Exchange put themselves in a position to do this work, the Exchange as a whole cannot help but be top-heavy. The Exchange should do all in its power to bring about the erection of central, co-operative packing houses as by doing so it will assure its own stability and the welfare of the entire fruit industry.

#### PROBLEMS OF MANAGEMENT.

Upon the strength of the management of a co-operative organization, as well as with any business enterprise, rests to a large extent the progress and welfare of the organization. In all forms of co-operative associations the management is vested in a board of directors, elected by the members to represent their views. The manager of an association is chosen by the directors and functions as the executive head of the association.

One of the biggest factors leading to collapse of co-operative organizations is failure on the part of the members, represented by their directors, to engage the services of a manager who is fully competent to carry out the necessary work. Regardless of contracts, resources, finances, percentage of crop handled, or any other factor, any association, no matter how strong it may be otherwise, can be brought to grief through mismanagement.

Farmers as a whole have not been intimately associated with intricate business relationships nor have they

had to deal with large bodies of men and in consequence they are prone to under-estimate the ability and vision essential for the management of a large business organization. A big business run on sound lines requires an executive with broad vision, one capable of fore-seeing the future needs of the organization, one whose integrity is unquestioned, one who has influence in the association's markets, one who can at all times lead, and inspire full confidence on the part of the membership, the trade and the public. An organization can only grow in so far as it can be developed on sound lines by a manager who possesses the above characteristics and is capable of making them a part of the daily life of the organization. The manager need not be a producer himself because his services are not required in regard to production problems; the marketing problem is primarily one of business judgement and relationships and the manager should be a business man of outstanding capability. Such a man need not know details of producing a certain article but he should certainly know how to sell the article after it has been produced and be capable of maintaining the loyalty and confidence of the membership.

Men who have sufficient qualifications to enable them to direct the activities of a large organization are difficult to obtain and naturally must be paid salaries commensurate with their abilities and the needs of the industry. Too often in the past have organizations failed because the members have not realized the ability required in the management and have not paid proportionate salaries. One of the most important factors in the success of some of the famous California co-operative organizations has been in the ability of the managers obtained; salaries of the larger organizations, are, roughly, from £4,000 to £5,000 per year, for their general managers. The payment of a large salary is in itself no assurance of success but if a manager is secured who is worth the large salary, one of the most common causes of failure is removed.