

justs distribution so supply meets demand, and carries out other work of a like nature, the industry benefits as a whole. This brings up a very serious question. The members of the organization are paying for activities that benefit non-members as well. The latter reap many of the advantages resulting from co-operation but not only do they fail to lend it their financial as well as moral support, but to a certain extent they act as a distinct handicap or drag to the organization. Thus the question arises, what can be done to meet this situation? The recent amendment, Act 38 of 1925, to the Co-operative Societies Act (No. 28 of 1922) is a drastic step aimed to compel non-co-operators to join, under certain conditions, co-operative organizations.

#### COMPULSORY CO-OPERATION.

The portion of the amendment relating to compulsory co-operation reads as follows:—

“Whenever the Minister (for Agriculture) is satisfied that in any district, area or province at least seventy-five per cent of the producers of any kind of agricultural produce are the producers of at least seventy-five percent of such produce produced in that district, area or province and are members of a co-operative agricultural society or company registered under the principal Act, or any amendment thereof, and which has as one of its objects the disposal of that kind of agricultural produce, the Minister may, at the request of such society or company, by notice in the *Gazette* declare that, from a date to be stated in the notice, each producer of that kind of produce, in such district, area or province as shall be named in the notice, shall sell such produce produced by him through the said society or company whether he be a member thereof or not.”

Although non-members of a large co-operative organization are benefited in some ways as well as the members, and although they do not support the organization and in fact act as a han-

dicap to it, the writer is firmly of the opinion that legislation of this type is unsound. Co-operation is the working together of men for their mutual advantage and as such must be free and voluntary association. As soon as producers are compelled to join a society or company, true co-operation no longer exists for these members who are taken into the association by force. One of the fundamentals underlying successful co-operation is the loyalty, mutual confidence and trust of the members in their organization. When members are compelled by law to join an association they will not have any of these points but will rather have distrust and enmity toward the organization and the very opposite of goodwill is fostered by forcing men to join when they do not wish to join.

#### COMPETITION BENEFICIAL.

Further, the writer feels strongly that even though all of the producers of a given article were voluntarily to join a co-operative society or company, such 100 percent organization would not produce the best results. When an organization controls 85 per cent or 90 per cent of the product it handles it has gone far enough. The outstanding 10 per cent or 15 per cent is not enough to interfere seriously with the marketing policy of the organization and the competition created by this non-organization produce is just what is needed to keep up the efficiency of the organization. When an organization controls 100 per cent of the product it is created to handle it has no spur or incentive to outdo anyone and the tendency under such a condition is naturally toward relaxation of effort. When an organization has competition it knows that if it does not show as good or better results than its competitor or non-members, its members will want to know the reason and if satisfactory reasons are not forth-coming, support is gradually drawn away from the organization or the management is changed. Thus it is that when a small portion of a