

societies and various home industries' societies, making altogether at the end of 1906, 891 co-operative societies affiliated with the Irish Agricultural Organization Society, with a total membership of 90,000 members and with a trade turnover for 1905 of \$10,000,000.

'The registration of 32 new banks during 1905 is sufficient evidence that this form of co-operative society still appeals to the Irish farmer.'

The I.A.O.S. was started by Sir Horace Plunkett 18 years ago on the basis of self-help, and on the foundation of self-help has been gradually built up an edifice of government assistance.

The government are co-operating with the I.A.O.S. in its endeavour to help the Irish farmers to help themselves. The report of the I.A.O.S. for the year ending June 30, 1906, shows that the government granted the I.A.O.S. \$10,000 to help them to meet the expenses of organizing and supervising credit societies, and the subsidies contributed by the government to the I.A.O.S. to help it in its general work during the year ending February 28, 1907, were \$18,500.

Now, I also learned from the report of this society most recently issued, that in Cape Colony one of their own men trained in Ireland has been appointed agricultural co-operation commissioner, with power to spend \$43,000 on agricultural organizations and \$750,000 in co-operative loans.

It has been recognized in South Africa that the chief want in that country was the impossibility of borrowing money required for profitable agricultural operations, and that the best way of meeting this want was through co-operative credit.

In the same way it has been found in Ireland that the money placed at the disposal of selected credit societies for loan at 3 per cent, by the Department of Agriculture, has been a great boon to the credit societies, which had difficulty in raising sufficient capital either from deposits or from the joint stock banks on overdraft.

At the same time it should be stated that the joint stock banks have shown a very friendly spirit in their treatment of co-operative credit societies, several bank managers having put themselves to personal inconvenience to attend meetings, and having shown a willing readiness to facilitate credit societies in various ways.

The society reports that there is a constantly increasing confidence in the safety of the banks.

It has been found—I am quoting from the society's report—in many districts where no other form of agricultural co-operation can otherwise obtain a foothold, co-operative credit is frequently welcome. This is partly due to the simplicity of the system and the effective aid which it gives to farmers in a comparatively short time, and it is due also to the fact that local prejudice amongst dealers is not so often directed against this form of co-operative enterprise as against poultry societies or agricultural societies. Indeed, some of the banks have been assisted in their formation by local merchants, who would have resisted any other type of co-operative society.

It is satisfactory to be able to state that wherever investigations have been made, as to the utility of the loans to the individual borrowers, the results have fully realized the most sanguine expectations, and profits of 20 to 50 per cent, or even more, have been proved to accrue to the farmers adopting this form of credit. Another advantage, which might be called a by-product arising from the working of the banks, is the increased interest taken, not only in the system itself, but in agricultural co-operation generally, by the committees. Men who hardly know each other except by name, and virtually never met, who were sundered by religious or political differences, meeting on bank committees, have helped each other in their work as farmers, and by discussing practical questions of local or general interest, have helped themselves and their parish by the diffusion of useful knowledge, the increase of practical improvements and the spirit and practice of good fellowship.

Co-operative societies are being formed in Ireland for the fattening of poultry, for the sale of eggs, for bacon curing, tobacco curing and for the handling of flax, with the result that the improvement effected in the co-operative handling of flax and