

A review of the present status of fishermen's co-operatives of Sri Lanka

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Abstract

KEY WORDS: FISHING COMMUNITY, CREDIT, WELFARE, MANAGEMENT

The fishermen's co-operatives of Sri Lanka were established to address specific problems of the fishing community. From the inception there were ups and downs of the fishermen's co-operatives (Anon.,1999a) and a field survey was carried out to assess the present situation and appraise the facts relating to failure and success of the movement. The main activity of many co-operatives were confined to providing credit. Some of the co-operatives were performed supply of fishing requisites, undertake saving and provide welfare facilities to its members. However, none of the co-operatives were engaged in fish marketing which is essential to safe guard its membership from middleman. Attitudes of members were not favourable to the development of fishermen's co-operatives. That was a outcome of structural, socio-political and governmental policy changes in the formation of fishermen co-operatives (Abewickrema, 1999). For a better fishermen's co-operative movement enactment of comprehensive legislation is required. Moreover, in the formation of co-operatives bottom up approach should be followed. Also, fishermen's co-operatives should play a major towards community based fisheries management.

Introduction

The enactment of co-operative credit societies ordinance in 1911, has laid the foundation to co-operative movement of Sri Lanka. In 1926, an amendment was made to this co-operative ordinance which enabled all types of co-operatives to gain registration (Anon, 1978). In 1938, a sub committee in the Executive committee of Local Administration was appointed to look after the interests of fisheries activities. The sub committee prepared a report in 1941 which paved the way for the state to involve directly in the fisheries sector. As recommended by this report, the Fisheries Ordinance, No. 24 of 1941 was passed by the states council (Anon., 1952). As a result a separate department was established in 1941, to look after the fisheries sector directly. In the same report a guide line was given for the establishment of fishermen's co-operatives in Sri Lanka. The

committee report also elaborated the indebtedness and poor standard of living of fisher-folk and strongly recommended the establishment of fishermen's co-operatives to strengthen the socio-economic standards of the fishing community.. With this initiative in 1941 the first fishermen's co-operative was established in Sri Lanka (Anon, 1952). The co-operative ordinance repealed and a new co-operative society act was enacted in 1972 by National States Assembly. Consequently, an amendment was made to this in 1992, which is in effect at present (Abeywickrema, 1999a).

There are various types of co-operatives operating in Sri Lanka. They are producer co-operatives, consumer co-operatives, multi-purpose co-operatives, agricultural co-operatives, fishermen's co-operatives etc. However, fishermen's co-operatives are unique in nature because they are organized to overcome some specific problems of a community. Most fishermen in Sri Lanka are small scale and confined to the exploitation of fisheries resources in coastal waters. A few involved in the oceanic fishery and fresh water fishery. About 100,000 fishermen are engage in coastal fisheries, and they are facing a number of problems in fishery and in their livelihood.

Some of the problems are:-

- (a) Lack of investment capital for production inputs
- (b) Inadequate facilities for fish marketing as well as exploitation by middleman
- (c) Seasonal variation of income
- (d) Depletion of fish resources
- (e) Conflict between interactive users of coastal resource
- (f) Indebtedness
- (g) Lower educational profile
- (h) Lower social status
- (i) Inadequate facilities for their activities (Anon, 1999)

Fishermen are unable to overcome such difficulties and problems by their own. Therefore, an organization among themselves is important to overcome such problems through a collective effort.

Until 1952, there were only village level co-operatives in Sri Lanka. In 1972, village level primary co-operatives were amalgamated into large primary societies. Each large primary co-operative society had a number of branch societies. Again in 1989, primary societies were established at Gramaseva level. These societies in turn formed unions at district level.

From the inception of fishermen's co-operatives the government took great effort to increase fish production through subsidies as well as loan schemes. This objective has been achieved to some extent, but the living condition of a large section of the fishing community has not improved. Moreover there were ups and downs of fishermen's co-operative movement throughout the last 50 years. Therefore, it is intended to assess the present situation and appraise the facts relating to failure/success of the movement. Also, the detail findings of the study will be useful to the policy makers, administrators, researchers and others interested in fishermen's co-operatives

Objectives

There were three main objectives in the study, and they were;

- 1 Examine the historical development of fishermen's co-operative movement in Sri Lanka
- 2 Asses the performance of fishermen's co-operatives in Sri Lanka and
- 3 Examine the ways to uplift fishermen's co-operative societies.

A field survey was carried out in eight fisheries districts from Puttalam to Tangalle. (Puttlam, Chilaw, Negombo, Colombo, Kalutara, Galle, Matara, and Tangalle) Total number of registered fishermen's co-operatives in these districts were 330(Anon, 1997). From each district, of the registered fishermen's co-operatives a 20% sample was randomly selected for the survey. Data were collected through administering a questionnaire. In this method a total of 69 societies were studied (Table 1).

The data collection process conducted by interviewing all the committee members together where ever possible. In addition, financial details were obtained from the managers or the treasurers of the respective co-operative societies.

Table 1: Number of co-operatives selected for the study

Fisheries District	No. of Co-operatives Registered	No. of Co-operatives Sampled
Puttalam	55	11
Chilaw	50	10
Negombo	45	9
Colombo	20	5
Kalutara	45	9
Galle	35	7
Matara	25	5
Tangalle	55	13
All Districts	330	69

Results

Types of Primary Societies

There were two types of primary fishermen's co-operatives in the country at present.

- (a) Large primary fishermen's co-operatives
- (b) Grama Niladhari Division (GND) level primary fishermen's co-operatives

There were two large primary societies in the surveyed area and they were located in Chilaw and Negombo districts. Each of the society had a number of branches and functioning under the management of the large primary society. Out of 69 primary societies studied, 67 were Grama Niladhari Division level societies.

Membership

The reorganization programme in 1989 brought a change in the structure. Not only the fishermen but also the fisher women were encouraged to participate as members in the primary co-operatives. Table 2 shows the membership and the composition according DFEO district.

Women participation in Colombo district was lower but this was higher in Matara district. However, the overall participation of male to female was 72% and 28% respectively.

Table 2: Sex composition of fishermen's co-operatives in DFEO districts

Fisheries District	Male	%	Female	%	Total
Puttalam	1236	73.87	437	26.13	1673
Chilaw	1462	76.46	454	23.54	1916
Negombo	2624	69.50	548	30.50	3172
Colombo	372	79.30	97	20.7	469
Kalutara	915	63.14	534	36.84	1449
Galle	640	71.26	258	28.74	898
Matara	398	57.34	296	42.66	694
Tangalle	1594	62.50	956	37.50	2550
All Districts	9241	72.12	3580	27.87	12821

Table 3 indicates the members in relationship to fishery. Here, the active fishermen means craft owners and crew members. Out of 12821 members, only 8341 were active fishermen. Of the active fishermen 4993(38.9%) owner crafts and 3348(26.1%) were crew members. This was about 65% of total membership. Another 5.3 percents of the members engaged in fishery related activities such as fish trading, processing, fuel supplying, net making etc. However, 9025(70.39%) members were one way or other involved in fishery related activity.

Table 3: Position of members in relation to fishing activity

Fisheries District	Craft owner	%	Crew member	%	Fishery related	%	Other	%
Puttalam	633	37.8	494	29.5	80	4.8	466	27.9
Chilaw	958	50.0	462	24.1	42	2.2	454	23.7
Negombo	2138	67.4	402	12.7	84	2.6	548	17.3
Colombo	92	19.6	244	52.0	36	7.7	97	20.7
Kalutara	255	17.6	568	39.2	77	5.3	549	37.9
Galle	316	35.2	231	25.7	47	5.2	304	33.9
Matara	98	14.1	177	25.5	41	5.9	378	54.5
Tangalle	503	19.7	770	30.2	177	6.9	1100	43.2
All District	4993	38.9	3348	26.1	684	5.3	3796	29.7

29.7 % of the members were neither directly nor indirectly related to fishery activities and most of them were fisher women.. In Kalutara, Matara and Tangalle districts the percentage of women membership was high. In Negombo the highest percentage of the members(67.7%) were craft owners. In this aspect Matara district the lowest. In all the districts except Colombo, Kalutara and Negombo the average membership of crew members was between 25-30%.

Co-operatives should have a permanent office and such facility was only available to 46% of the societies(Table 4.) Fifty four percent societies haven't a place even to conduct their regular meetings and such activities were conducted in community halls, temples/churches or schools. That was affected the day to day management of the co-operatives.

Table 4: Availability of formal office and a paid manager in fishermen's co-operatives

Fisheries District	Maintaining a formal office (%)	Employing a full time manager (%)
Puttalam	82	64
Chilaw	50	50
Negombo	67	44
Colombo	40	40
Kalutara	22	56
galle	00	29
Matara	40	40
Tangalle	69	69
All District	46	49

Moreover, only 49%(Table 4) of the co-operatives had a paid manager. By-laws are the basic guideline for the operation of co-operatives, but only 22% of the co-operatives were following them.

It was revealed that on an average, only 22% of the co-operatives followed by-laws and 45% of the membership was aware about by-laws (Table 5). According to them the present by-laws are very rigid. If management is strictly adhered to those by-laws, majority of co-operatives may come to a halt.

Table 5: The co-operatives practice by-laws and the committee members awareness on by-laws

Fisheries District	Following co-operative by-laws (%)	Aware about by-laws (%)
Puttalam	36	45
Chilaw	40	60
Negombo	33	44
Colombo	00	60
Kalutara	11	44
galle	14	28
Matara	120	20
Tangalle	23	61
All District	22	45

Management

Management of the co-operative society was carry out by an executive committee or a board of directors consisting of seven members. They were elected by the members of the society at the annual general meeting. The committee members hold their office for a period of one year. Of this seven-member committee the following office bearers were selected.

- 1 President
- 2 Vice president
- 3 Secretary
- 4 Treasurer

According to the provision made in the by-laws minimum of two women members should in the committee. This was not applicable to co-operatives, which have no women members.

Of the total committee members about 15% not engaged in any related activity and this was contradictory to the by-laws. According to by-laws only people engaged in fishing or fishery related were eligible to obtain membership in fishermen's co-operatives. The highest percentage of this category of members were in Kalutara(30.4%), Negombo(23.9%) and Tangalle(22.7%) DFEO districts. Examining the educational background of committee members,

tertiary level education was poor. The relationship between above two factors indicates the fact that higher educated but members without fishery background were played and important role in the fishermen's co-operatives in above districts.

Table 6: Composition of committee members in relation to fishery activity

Fisheries District	Fishing & Fishery related	%	Non Fishery	%
Puttalam	76	98.7	1	1.3
Chilaw	65	92.9	5	7.1
Negombo	48	76.1	15	23.9
Colombo	35	100	0	00
Kalutara	39	69.6	17	30.4
Galle	42	85.7	7	14.3
Mtara	24	85.7	4	14.3
Tangalle	65	77.3	19	22.7
All Districts	394	85.3	67	14.7

Table 7: Fishermen's co-operatives audited during the year 1996

Fisheries District	No. of Co-operatives Sampled	No. of Co-operatives audited at 31/12/96	%
Puttalam	11	8	72.7
Chilaw	10	4	40
Negombo	9	2	22
Colombo	5	0	00
Kalutara	9	1	11.1
Galle	7	2	28.5
Matara	5	0	00
Tangalle	13	5	38.5
All Districts	69	24	37.8

Department of Co-operative development is responsible for supervising the financial matters of the fishermen's co-operatives. Table 7 indicates in Colombo and Matara districts non of the co-operatives were audited during the year 1996. In Puttalam district 72.7% of the societies were audited. Auditing is very important for the effective management of a co-operative. If that is not done regularly, it will leads to misappropriation of funds and corruption.

Training and Education

Table 8: Educational level and training of committee members

Fisheries District	Primary	%	Secondary	%	Tertiary	%	Trained	%
Puttalam	56	72.7	21	27.3	00	00	18	23.4
Chilaw	57	81.4	10	14.3	3	4.3	12	17.1
Negombo	39	61.9	22	34.9	2	3.2	27	42.9
Colombo	23	65.7	12	34.3	00	00	4	11.4
Kalutara	28	44.4	33	52.4	2	3.2	8	14.3
Galle	40	81.6	9	18.4	00	00	6	12.2
Matara	24	85.7	10	10.7	1	3.6	00	00
Tangalle	49	53.8	40	43.9	2	2.3	20	23.8
All Districts	316	65.4	157	32.5	10	2.1	95	19.7

Table 8 shows the educational attainment and skill training of committee members. Of the total committee members, only 19.7% were participated in co-operative management training programmes. Committee members with tertiary education were in five districts. None of the committee members in Matara district were trained. In 15.9% co-operatives none of the members had any kind training on co-operative management.

Activities perform by the Co-operatives

Generally the following activities undertake by the fishermen's co-operatives.

- (a) Marketing activities
- (b) Supply of fishing requisites
- (c) Provide credit to members
- (d) Saving activity
- (e) Welfare activities

The study indicates that fishermen's co-operatives in Sri Lanka mostly engage in credit/subsidy activity and 63.8% of co-operatives in the study area engage in credit activity (Table 9). Another important activity was savings and 49.3% of the co-operatives accept saving deposits from their members. Only 36.2% co-operatives were carried out welfare programmes. Out of 69 co-operatives, only six were engaged in supply of fishing requisites such as fuel and fishing gear.

Table 9. Activities performed by fishermen's co-operatives

DFEO District	Marketing	%	Supply	%	Credit	%	Deposit	%	Welfare	%
Puttalam	0	0	2	18.2	11	100	11	100	7	
Chilaw	0	0	2	20	8	80	4	40	3	63.6
Negombo	0	0	2	22.2	5	55.6	2	22.2	5	55.630
Colombo	0	0	0	0	5	100	2	40	1	20
Kalutara	0	0	0	0	4	44	3	33	2	23
Galle	0	0	0	0	2	28.6	3	42.9	1	14.3
Matara	0	0	0	0	1	20	0	0	0	0
Tangalle	0	0	0	0	8	61.5	9	69.2	6	46.2
All Districts	0	0	6	8.7	44	63.8	34	49.3	25	36.2

None of the co-operatives were engaged in marketing activity. This is a very important activity, a co-operative should undertake. Undertaking fish marketing activities by co-operative, will benefit the members as well as consumer.

The South Pitipana fishermen's co-operative society was played of commission agents role in fresh fish marketing between the fish producers and the middlemen. However, the society had no control over the price of fish. This society was extended its services to members as well as others.

Attitudes Beliefs and Expectations

Co-operatives are voluntary organizations. Therefore growth and development of the co-operative movement are much depend on the attitudes, beliefs and expectations of its members. The attitude of a member, is reflected in his attendance to meetings. Table 10 reflects the attendance of members to committee meetings and the participation in general meetings. The criteria for the ranking is as follows.

Good	—	66-100% attendance to meetings
Satisfactory	—	40-65% attendance to meetings
Unsatisfactory	—	less than 40% attendance to meetings

A provision has made in the by-laws, the minimum number of participants for a normal meeting is 25. Moreover, during this study observations were made that some societies are totally run by women and active fishermen are not participated in co-operative activities.

Table 10: Attendance to committee meetings and general meetings

Fisheries District	Committee Meetings(%)			General Meetings(%)		
	Good	Satisfactory	Unsatisfactory	Good	Satisfactory	Unsatisfactory
Puttalam	63.64	27.27	9.09	22.37	63.64	9.09
Chilaw	70	30	-	10	40	50
Negombo	-	88.89	11.11	-	33.34	66.66
Colombo	-	100	-	-	60	20
Kalutara	55.56	33.33	11.11	-	44.44	55.56
Galle	71.43	-	28.57	28.57	42.86	28.57
Matara	60	-	20	20	20	60
Tangalle	30.77	53.85	15.38	15.39	61.54	23.07
All Districts	44.9	42	13.1	13.1	47.8	39.1

The reasons for the unsatisfactory attendance were;

- 1 Fishermen's co-operatives were conceived and fostered by the government and not by the fishermen themselves.
- 2 New subsidy was not only distribute through co-operatives, but also distributed to the fishermen directly.
- 3 Due to extended fishing operation. Especially crew members of multi-day boats were unable to participate in co-operative meetings because they spend longer period (more than ten days) at sea during one fishing trip.
- 4 The members who were indebted to co-operatives do not like to attend meetings.
- 5 Members who obtained subsidy or loan once, do not attend meetings.
- 6 Due to corruption among the committee members, the members generally did not like to attend meetings.

Table 11: Attitudes, beliefs and expectations of committee members

Attitudes/Beliefs/ Expectations	Number of Committee members	Percentage
State policies are favourable to fishermen's co-operatives	147	30.4
Unified management system is needed for fishermen's co-operatives	343	70.5
By-laws should be reformed	210	52.2
Willing to participate in fisheries resource management	399	82.6
Area of co-operative should be confined to Grama Niladhari Division	336	69.6
Fishermen's co-operatives exist for economic well being of fishermen	21	53.6
Fishermen's co-operatives exist for social well being of fishermen	182	4.34
Fishermen's co-operatives exist for economic and social well being of fishermen	259	37.3

Only 30% of committee members were accepted the existing government policy of the co-operative societies. The opinion of majority of committee members was the government policy was inappropriate and inconsistent (Table 11). Also, they were with the opinion that there was no consistency in the subsidy distribution. In other words, the governments distribute subsidies through co-operatives for political gains.

About 70% of the committee members were preferred that the fishermen's co-operatives should be under a unified system of management. At present fishermen's co-operatives are under the supervision of both, the Department of Fisheries and the Department of Co-operatives. The fishermen's co-operatives are organized and financed by the Department of Fisheries whereas financial matters are supervised and audited by the Department of Co-operatives. Due to this dual control, the day-to-day management was badly affected. Furthermore, due to the 13th amendment to constitution, co-operative activity is coming under the jurisdiction of provincial councils.

About 52.2% committee members felt that the present by-laws were not suitable for fishermen's co-operatives. In an open economic system co-operative by-laws should be more flexible. According to co-operative act, the Registrar of co-operatives has unlimited power over co-operatives. Therefore, such restrictions should be flexible to suit the present situation. For instance, at present, prior

approval should be obtained from the commissioner of co-operatives to purchase goods exceeding rupees five thousand.

Fishermen were joined co-operatives especially with the view of getting financial benefits. Only 53.6% of the members were expected economic well-being through co-operative (Table 11). About 37.7% were expected both social and economic well-being while 4.3% expected social well-being through co-operative. Such expectations indirectly link with the success or the failure of the co-operatives. The fishermen's co-operative should be a viable unit and a community organization in grass root level. About 69.7% of the committee members were satisfied with the present area of operation. The same sources expressed the view that any changes to area may create management problems.

Financial Status

Most of primary fishermen's co-operatives, were not achieved financial success for number of reasons. One of the important reasons was that many co-operatives were not audited for years. Only 49% of the co-operatives had paid managers. In most of the societies accounts keeping was poor. However, on the based on the available information, the financial status are summarized in Table 12.

Table 12: Financial status of fishermen's co-operatives

Fisheries District	Sample Size	Share value/Member (Rs)	Saving/Membr (Rs)	No. of Profitable Co-operatives	%
Puttalam	11	105	1043	4	36
Chilaw	10	109	405	2	20
Negombo	9	110	185	2	22
Colombo	5	106	198	0	0
Kalutara	9	128	143	1	11
Galle	7	87	173	1	14
Matara	5	104	212	0	0
Tangalle	13	102	249	5	39
All Districts	69	106	326	15	22

Table 13. Profit range of fishermen's co-operatives according to Fisheries District

Profit Range (LKR)	Fisheries District							Total	As a % of sample	
	Puttalam	Chilaw	Negombo	Colombo	Katutura	Galle	Matara			Tangalle
0 - 10,000	1	1	1	-	-	-	-	1	4	5.8
10,001 - 20,000	1	-	-	-	-	-	-	1	2	2.9
20,001 - 30,000	-	1	-	-	1	-	-	-	2	2.9
30,001 - 40,000	-	-	-	-	-	-	-	-	-	-
40,001 - 50,000	-	-	-	-	-	-	-	-	-	-
50,001 - 60,000	-	-	-	-	-	-	-	-	-	-
60,001 - 70,000	-	1	-	-	-	-	-	-	1	1.5
70,001 - 80,000	-	-	-	-	-	-	-	-	-	-
80,001 - 90,000	1	-	-	-	-	-	-	-	1	1.5
90,001 - 100,000	-	-	-	-	-	-	-	-	-	-
> 100,000	1	-	1	-	-	-	-	3	5	7.25

In all districts, except Galle the share value per member exceeded the average value of a share (Table 12). That means every member was obtain at least one share which was a prerequisite to be a member. Average saving per member was rupees 326. However, Puttalam district shows the highest saving of Rs.1043 per member. Negombo, Colombo, Kalutara and Galle districts this was bellow Rs. 200. Generally, members did not have saving interest and no measures were taken to encourage saving among them. Concerned with profitability of co-operatives, only 15 fishermen's co-operatives (22%) were earned profit during the year 1996. Due to delays in audit as well as in complete book keeping records, profitability for the year 1997 was not available.

Table 13 shows the profit range of fishermen's co-operatives in all the eight DFEO districts. Five (7.25%) co-operatives were made profits more than 100,000 rupees per year. Four societies(5.8%) were earned less than rupees 10,000. The highest profit earned by societies in Tangalle, Negombo and Puttalam districts.

Dicussion

From the inception fishermen's co-operatives in Sri Lanka were under the supervision of Department of Co-operatives. The registrar of co-operatives has the legal authority to register or liquidate co-operatives. All types of co-operatives including fishermen's co-operatives are governed by the Co-operative Societies act enacted in 1972 (amendment were made subsequently) (Chandrasekera, 1994). Therefore, in Sri Lanka, same co-operative law is used for different types of co-operatives including fishermen's co-operatives. Whereas, the functions are different one to other. For instance, lending is the foremost activity of fishermen co-operatives as they need day to day operational capital. Moreover, perishable nature of the production requires efficient marketing interface. So fishermen's co-operatives need unique legislation to handle lending as well as fish marketing. The uncertainty of livelihood of fishermen is higher compared to farmers. So fishermen's co-operatives have responsibility to overcome those difficulties. Therefore, separate legislation is needed for fishermen's co-operatives.

An International Labour Organization (ILO) recommendation states (Anon, 1987)

“There should be laws and regulations specially concerned with the establishment and functioning of co-operatives, and with the protection of their rights to operate not less than equal terms with other forms of enterprises”.

At present Japan, South Korea and few other countries have separate legislation for fishermen's co-operatives. In these countries fishermen's co-operatives are well developed (Chandrasekera, 1994). Also, not like consumer co-operatives and other producer co-operatives, fishermen co-operatives in Sri Lanka, were subjected to various reforms from its inception. These ad-hoc basis reforms were implemented without appropriate legal framework.

Therefore, the existing legislation should be reformed to suit the needs of the fishermen's co-operatives. Registration and management of fishermen's co-operatives should be under the supervision of the Director General, Department of Fisheries and Aquatic Resources. Eliminating dual control over the fishermen's co-operatives will leads to better management. Presently the financial monitoring of co-operatives is done by the Department Co-operatives and majority of them were not audited regularly. Anyhow under the present co-operative law, the Department of Fisheries and Aquatic Resources has no legal authority to intervene with it. As a result there were several drawback in the fishermen's co-operatives

From the inception of fishermen's co-operatives, many structural changes have taken place time to time. These changes coincided with the change of political power. For instance, under the closed economic policies implemented from 1970 to 1977 period, the state gave priority to the co-operative sector in development. After the introduction of open economic policies in 1977 the private sector is considered as the engine of economic growth and the co-operatives have to compete with the private sector (Jayaweera, 1995). Therefore a consistence and appropriate policies should be followed regarding fishermen's co-operatives. However, any structural reformation to fishermen co-operatives should be based on detail and comprehensive investigation.

From the beginning fishermen's co-operatives have been initiated by government and not by the fishermen themselves. This top bottom approach was created a feeling among fishermen that whichever governments came to power try to install their political goals. Such bad impression devaluated even the co-operative principles among the fishing community. Even though the fishermen's co-operatives were less politicalized than MPCs, (Multi purpose co-operative societies) sometimes granting credit and subsidy should have been approved by the local politicians in power. This political influences always violates the co-operative principles.

In organizing fishermen's co-operative societies the Department of Fisheries should collaborate with community workers and NGOs in the area to motivate

co-operative programmes among the fishing community. Such a methodology was successfully carried out by community workers in organizing the Marianad fishermen's co-operative society in Kerala which is one of the most successful fishermen's co-operative in India (J. Kurien, 1980). A co-operative to be a successful organization, it should be a peoples organization as well as an economic organization. Moreover, formation of fishermen's co-operatives should be the responsibility of the district level unions and National Fisheries Co-operative Federation. A co-operative to be a viable economic organization it should perform multi-purpose economic activities for the benefit of its members. Moreover, without an economic foundation it couldn't survive as a peoples organization.

At present majority of co-operatives are uni-purpose and mainly confined to providing credit to members. Due to this single purpose nature, fishermen's co-operatives were unable to develop separate identity among various lending institutions in rural areas. Such as Rural Development Banks, Rural Banks, Samurdhi Banks, and various NGOs are providing credit in addition to commercial banking operation in the respective areas.

One of the necessities to organize fishermen's co-operative is to safe guard the fishermen from middleman who normally undertake fish marketing activity. To perform this every co-operative should play more important role to dispose their members fish catch. At the same time, the co-operatives should take all responsibilities in collecting dues from fish traders on behalf of their members. For this process, the co-operative could collect a service charge from members. In Sri Lanka there are some practical difficulties where one landing centre is used by different co-operatives. In such cases, marketing activity could be undertaken by setting up a marketing association covering more than one co-operative.

Providing credit for productive purposes is another activity, which the fishermen's co-operative could undertake. This will increase fish production as well as incomes of the fishermen. Introducing different savings schemes will facilitate capital accumulation. Therefore, a linkage among credit, production, marketing and saving should be established in the fishermen's co-operatives. In addition, sale of fishing gear through co-operative will help fishermen to purchase them cheap and to carryout their fishing operation without interruption.

Among the committee members of fishermen's co-operatives, in eight fisheries districts, only 65.4% were completed their primary education (Table 8).

Therefore, for successful operation of fishermen's co-operatives, training and education programmes are very important. Of the committee members, less than 20% only participated in training programmes. However, there are various training and educational programmes for fishermen but their appropriateness and effectiveness should be evaluated. It is more suitable to organize and conduct short-term mobile programmes at community level. Moreover, more and more women members should encourage to participate in such programmes. It has been experienced that through women participation, thrift habits could be promoted in the fishing community. In providing training and education; time, venue and methodology should be appropriate to the community concerned. For instance, most of the coastal fishermen do not engage in fishing during the off-season. Therefore monsoonal months are more suitable to conduct educational and training programmes for them. Furthermore, co-operative education should be extended to students and youths in the coastal areas.

Co-operative should have their own welfare programmes according to needs of the society and area. However, for an overall achievement, cooperation among different co-operatives should be encouraged. Activities of the fishermen's co-operatives should be strengthen to maximize the benefits provided by different government departments. NGOs could provide support to such activities.

The community based fisheries management (CBFM) has been practiced over the last centuries in coastal communities in Sri Lanka. This system of management is based on customary property rights. These customary rights are limited to beach seine (Madel), Stake nets (Kattudel) and fish weirs (Jakotuwa) (Atapattu; 1987). In a such system of management, customary fishing rights are vested in the local community. These rights related to gear types, time of the fishing, net hauling and drying, rotational use of fishing grounds, division of labour, share of the catch or proceeds of the catch, and the payment of tiths (Alexander;1977; 1982; Atapattu, 1987).Therefore, the community based management is not a new phenomenon to the coastal communities in Sri Lanka.

Subsequently, share of the coastal fishery in total fish production in Sri Lanka is dropping (Anon, 1999b). This may be due to increase in fishing population, over fishing by motorized crafts, destructive fishing practices and increase the contribution of off-shore fishery. Therefore sustainable management of fisheries resources is more important than ever before . Regulations and restrictions imposed by formal management systems was not very effective due to different socio-economic and political reasons. To overcome this situation, participatory approach to fisheries management practice by many countries in the world. In this system fishing community itself manage and conserve the fisheries

resources. About 82.6% committee members expressed their willingness to participate in the fisheries resources management. Therefore, this system could be practiced in Sri Lanka through fishermen's co-operatives.

The role of fishermen's co-operatives in CBFM are to:

- (a) Educate fishermen and prevent them from practicing destructive fishing methods and other practices.
- (b) Monitor and update operation of the crafts and gear in the area.
- (c) Control fishing efforts through providing fishery advisory and management services.
- (d) Control the entry and exit of the fishermen in the fishing activity.
- (e) Provide statistics related to production, marketing, and processing of fish and fishery products to planners and policy makers.
- (f) Engage in solving fishing conflicts/disputes among fishermen to enhance fishery resources.

Acknowledgment

The authors wish to thank Research assistants, Ms. H.K.Kanthi and Mr. R..Gamage of National Aquatic Resources Agency, for their assistance in the field.

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