

organization which has already written in: it happens to be in the province to which I belong, and I know its condition better than conditions elsewhere. It is an organization of people who started very recently to grow alfalfa, in the constituency of the hon. member for Melfort, in an area which is particularly suited to the growing of alfalfa seed. To a large extent these people are farmers who moved into that area from the south country, which has been suffering from drought; and through examinations which have been made of their soil, many of them have found that they can grow alfalfa and do well by growing it, but they are without funds to finance their activities. They are located in an area which is confined entirely to this particular type of soil, just as the tobacco people of Ontario are located on a particular kind of soil. This bill would make it possible for these people to organize themselves into a cooperative for the purpose of selling their own product and getting the best possible price for it. They could apply to this government to be allowed to organize under this bill. If they so organized and conformed to the regulations set up under the bill they could get a sufficient advance from the banks or otherwise, on the strength of the credit placed behind them through this legislation, to pay out to every producer 80 per cent of the average price of the product for the last three years. This would enable him to continue to operate his farm until the product is sold and the price obtained for it, and the surplus to be divided among them is known. That is the kind of organization that can be set up. They can be assisted in financing the payment of a sufficient amount of money to enable the producers to live until such time as they have marketed their products, and that can be done in many localities.

Miss MACPHAIL: The local people would pay the interest.

Mr. SENN: I think this is one of the best features of the bill.

Miss MACPHAIL: I think it is the only feature.

Mr. SENN: I agree with the hon. member for Grey-Bruce that unless the cooperative idea is carried out in this bill it is not going to accomplish what the farmer needs mostly, namely, a successful method of marketing his products with some relation to cost of production, as one hon. member has said. Cooperative societies formed in times past for the purpose of marketing farm products have been altogether too short-lived and there is a good reason for that. The main reason

is that although they have been quite successful for a short time, their success seems to have gone to their heads, so that from time to time they have branched out and got into deep water and in the end they were doomed to failure.

We have one particular example of what I would call successful cooperation in Ontario. Perhaps equally successful organizations of the sort exist in other provinces. I refer to the mutual fire insurance companies. These companies are under strict government supervision. In Ontario there is an insurance act that clearly defines the powers of each local farmers' company. Their books are subject to strict government inspection from year to year and that is a sound principle. Our banks, which handle the people's money, are under government supervision, and all our insurance companies are also under the supervision and control of the government and subject to inspection. Here is a cooperative organization that is handling other people's property. I think some check should be kept upon them from time to time to see that they are carrying on legitimately and do not get into difficulties financial or otherwise. In this case, the very fact that provision is made for auditors to inspect the books and see that they are carrying on legitimately will be a good thing for the cooperative societies and will probably contribute to their success more than anything else the bill will accomplish.

Mr. COLDWELL: Will the employees to be appointed under the bill come under the civil service commission?

Mr. GARDINER: They will not.

Mr. COLDWELL: When this measure is proclaimed it will inaugurate a long term policy. It cannot be for a matter of months or a year; if it were, it would not be successful. I noticed the same provision regarding appointment in the bill that we passed yesterday, and I am wondering why so many statutes are being passed now placing so many employees beyond the jurisdiction of the civil service commission. In all these new bills we should endeavour to bring as many of the new appointees as possible under the commission, in order to remove them from the range of political patronage. Such action would strengthen this bill.

Mr. GARDINER: All statutes of this kind passed in years gone by have contained this provision. The Income War Tax Act, the Natural Products Marketing Act and the Prairie Farm Rehabilitation Act—all have had a provision similar to this. One of the reasons has always been that when they were