years similar organizations were set up in the other prairie provinces. These organizations have saved the farmers millions and millions of dollars.

In my opinion everything possible should be done to see that they are kept in active operation. By that method we have done away with many of the abuses which existed in the grain trade prior to their being set up. If these other organizations are successful in putting our pools and other cooperatives out of business, then we shall revert to those abuses which we have fought for the past forty years. This is not good enough and must not be tolerated by this country or this government.

We find that the grain exchange and an affiliated organization called the income tax payers' association, with a membership of over 6,000, have been waging a bitter fight. We find that the membership of this income tax payers' association is $1 per member and they have head offices in Winnipeg and Toronto. These gentlemen have not been good enough to tell us the source of the money which they receive to carry on their campaigns over the radio and in the newspapers. That would be interesting information because I believe that in the long run the money is drained directly or indirectly out of the pockets of the farmers across the country.

It will be wrong to tax cooperatives, particularly the wheat pools, because prior to August, 1942, what wheat brought was only seventy cents a bushel, f.o.b. Fort William, for No. 1, and that is a price much lower than the average we had to take—I say, "than we had to take"—during the depression years. Therefore, again I say that it is unfair to impose any further hardships on the farmers by taxing cooperatives.

There is one thing I notice in the report to which I must take strong exception, namely, the suggestion, or threat, if you like, to make cooperatives like the wheat pools taxable back to 1942. It has been pointed out that cooperatives are not profit-making organizations; that the savings are returned to their shareholders who are also their patrons. The returns are made on the basis of deliveries of grain and other things to these pools. Therefore I think it would be entirely wrong, particularly because a number of our farmers are still in the red in spite of the statements which are made that we are rapidly getting out of debt. This government or former governments should have clarified the position of the cooperatives long ago so that the people would know exactly where they stood. If taxes are imposed on the cooperatives now we shall immediately run into a price war, because there are many more ways of killing a cat than by choking it with butter. If the cooperatives are compelled to pay income tax they can very easily see to it that nothing is left to tax. Therefore those who are pressing for the taxation of cooperatives and wheat pools should be careful, and also the government, about getting into something into which they should inquire much further.

I desire to say a few words in connection with representations which have been made to us by farmer organizations in our respective provinces. I believe this is also in line with the brief which was presented to the government not many months ago by the federation of agriculture. The government has agreed in part to some of the requests made. One of the requests was that the farmer's income be taxed on the basis of a five-year running average. The government has agreed to a three-year average. I would suggest that the minister consider making that period five years instead of three. Many of us who have farmed for a number of years know the ups and downs of farming, and I have no hesitation in saying that this three-year term should be extended to five.

My second suggestion is that breeding herds be recognized as a capital asset, and dispersal sales averaged over a three-year period. The minister has had that under consideration, but no announcement in connection with it was made in the budget. I hope to hear more about that before the budget is disposed of. Then I suggest that the exemption for single people, which during war years was $660, and now has been increased to $750, be increased to $1,200 and, for married persons, to $2,000. Allowance should also be made for work done on the farm by the farmer's wife and family. We cannot place farming in the same class as many other businesses, because in the other businesses a man usually looks after the business and pays his help; whereas on the farm the farmer, his wife and the whole family, even down to the youngster who gathers the eggs at different times during the day, perform duties which in many cases are paid for at a pretty good rate of pay. That is not so on the farm.

Another kick which the farmer has—and I do not think many of them are complying with the law—is in connection with the collection of income tax from his help. Our experience has shown that where the farmer tries to collect income tax from his help he loses his help and does not have to pay any wages. Therefore he does not have to collect the tax. His neighbour across the fence hires the help in question and does not collect