

power than we would if we had a sane policy of distributing the war economy over the whole of the country.

I was interested in reading an article in a pamphlet called the "Letter-Review" which came to my desk the other day. I will quote briefly from a paragraph having reference to the physical volume of business; it states:

In August, 1941, the index of employment was 156.2; in August, 1942, the index was 173.0. These figures are startling. An increasing number of workers is producing a steadily decreasing volume of goods. It might be well, before we went any farther with selective service, to stop and consider whether we are on the right track. It would be far better to obtain correction by increasing the output per man, rather than to stress too urgently the need of reducing any form of production, if we can avoid that.

Those figures are an indication that, by the very fact of bringing here these numbers of men and women from all parts of the country, we are creating problems of congestion which are taking up the attention, the time and the work of many other people to cope with them—problems of housing, of food conditions and the like.

There are many activities arising out of this war which we believe can be carried on in our particular section of the country. We think we should have more flax processing plants out there. We believe that some of these plants could be located in Saskatchewan, where we are able to produce large amounts of flax. The farmers of Saskatchewan were very much disappointed the other day to be told that the Minister of Agriculture (Mr. Gardiner) had discovered through a visit to Washington that they could not increase their flax production as they thought they should be able to do, because there were not sufficient plants to process the flax once it was grown. The very kind of thing we should be doing in that part of the country is to retain our man-power there in order that we may assure for it a modicum of prosperity at the present time and in the years to come.

We believe there should be a complete examination of the use of surplus agricultural products for war needs. In the United States of America this matter has been given a great deal of attention, so much so that special senate hearings were held on the matter. I have in my hand three rather thick volumes of the evidence which was given before the United States senate committee. It had been more or less conceded prior to that time that they could not produce industrial alcohol effectively or economically from wheat, but after hearings by this committee those in charge of affairs decided that it was economically possible to produce industrial alcohol

and synthetic rubber from grain. As a matter of fact, only a few days ago, in the January 11 issue of *Time* magazine, the following paragraph appeared:

Some time next week the first synthetic rubber plant in Rubber Czar William Jeffers' 1,000,000-ton programme will actually start turning out butadiene—the strategic chemical that forms the basis of Buna-S tire rubber. The plant: Union Carbide and Carbon's 80,000 ton unit at Institute, West Virginia, which will make rubber from grain alcohol.

We believe that not only should there be flax processing plants in our part of the country but that we should be given an opportunity of producing industrial alcohol and synthetic rubber. We believe also that it is utter folly to be sending our prairie bone to the United States and eastern Canada, there to be made into glue, and that we should be making it where the bone is and where we have men and women to do it if they are only left there.

The greatest opportunity lies before this administration to do something toward solving post-war difficulties in western Canada, if they will take advantage of the opportunities now before them. If they do not do so now, they will never have as good a chance in the future. The important consideration, of course, from the economic point of view, is to ensure that enterprises established in western Canada shall be such as will continue to give employment not only during the period of the war, but afterwards. Such matters as I have suggested—the production of synthetic rubber, the manufacture of glue, and the processing of flax to produce vegetable oils—are industries which can be continued after the war and will not only be valuable economically but bring about a needed diversification in our part of the country. We shall not then be entirely dependent upon the production of agricultural products for human consumption.

Mr. LEADER: May I suggest also the manufacture of farm machinery?

Mr. BENCE: Naturally we should bring to western Canada, if it is possible to do so, opportunities to manufacture everything which is useful in that part of the dominion.

Announcements have been made from time to time in the press as to the cutting down of businesses, and I suppose that the exigencies of the situation render this necessary. But I suggest to the administration that, in the cutting down of these businesses, they consider principles which are being followed in Britain and the United States, and do not continue the present policy of what I term folly. In that connection I would quote a recent