

Supply—Trade and Commerce

season which produced the grain, but I have a memory of the minister jumping into his first puddle, when he went west and said the advice of the former minister of agriculture was irresponsible when that former minister told farmers to grow all the wheat they could. Far from being irresponsible I think it was far-sighted advice, and I am sure the minister was happy the wheat was on hand when the sale fell into his lap here in Ottawa. I hope more sales fall into his lap, or if he gets them himself I will give him credit for them. We are all delighted that the economy received this great boost during the first half of the year.

I should like, now, to refer to another industry in the province of Saskatchewan which will be of great benefit to the economy of the province and to the economy of Canada as a whole, that is the growing potash industry which has been established there. There are now two plants operating in Saskatchewan. There is one at Esterhazy which is a shaft mining venture. It is so successful that I understand it is to be extended and another shaft sunk. Then we have the new plant of Kalium Chemicals Limited at Belle Plaine 30 miles west of Regina. In deference to my hon. friend from Moose Jaw-Lake Centre I should like to say it is only 15 miles from Moose Jaw, but then they have to establish themselves in Regina to get the services they need for an industry this size. It was my good fortune to be present at the official opening on September 30. I was pleased to see the hon. member for St. Paul's in attendance there, also; I know this development is of great interest to him. This development uses a different method of procuring this mineral from those which have been used in the past. The potash deposits in this area lie some 5,000 feet below the surface. The depth is so great that I understand shaft mining is not economic, so this new process has been developed. It has been tried in various countries of the world over the last 50 years without success. Kalium Chemicals Limited some nine years ago began a strenuous effort to develop this successfully. Some seven years of hard research went into it and some two and a half years of operating a pilot plant, and today we have this \$50 million plant operating successfully. On the opening day, the official opening day on September 30, 7,000 tons of this mineral were shipped in two trainloads to some areas in Canada, and throughout the United States. It was pleasant to see the cars going out on trains, one on the Canadian National and

one on the Canadian Pacific—we must be fair to both our rail complexes—for many states of the union south of us. It is also interesting to note that large amounts of this potash will be shipped to Europe and to all parts of the world where the need for it is very great.

In his remarks, the premier of Saskatchewan on the official opening day intimated that the returns to the provincial government from this venture in a year's operation would be nearly \$400,000 and that the two ventures operating in the province in this current year would have net returns of \$30 million. I was interested in a note I took out of the *Globe and Mail*, I think it was, of September 30 to see that prospective further developments will mean some 1,500 new jobs in the Saskatoon area where the proposed new developments are taking place. This one plant of Kalium Chemicals Limited in its own operation provides 235 new jobs and it is considered that the over-all figure, including those who serve the plant and deliver the product, will amount to some 500 new jobs. This indicates the great impact this industry has on the economy.

The reserves of potash in this region are tremendous and I am told they are sufficient to supply world demand for 8,000 years. These are proven bodies. One well known figure in this area of development told me that for all they knew at the moment it could be they had sufficient for 88,000 years. I think this indicates that the minister should take a concrete interest in this development. The government should take a great interest in it and certainly the people and the government of my province and, I believe, the people of Canada as a whole, welcome it. I am told on good authority that there is a prospect of ten more major potash operations in the near future in Saskatchewan and that many of them will be of the solution type.

The reason I am talking about this tonight is that involved in whether these can go ahead in the immediate future or not is the question of federal taxation policy. On September 21 my colleague from Kerrobert, Kindersley directed a question to the Minister of Finance with regard to the tax on solution mining operations. As is well known, the shaft mining operation qualifies for tax concessions over a three year period. The solution mining operation has none. Yet I am told the capital investment for this alternative method of mining is the equal of the shaft. I know there are some problems connected with a formula which will permit the removal of