

Potash is used in the production of chemical fertilizer, and the markets for it are both foreign and domestic. It is expected that all potash produced at this large plant will be shipped by rail, and that 40 to 50 per cent will be exported. The exporting will take place mainly through British Columbia to such countries as Japan, Korea and Australia, and to some extent through eastern Canadian ports to Europe. It is anticipated that the balance will go to markets in the United States of America and in eastern and western Canada.

Hon. Mr. Reid: May I ask, what is the anticipated life of the potash deposit?

Hon. Mr. Aseltine: That information is disclosed in an article published in the *Saskatoon Star-Phoenix*, which I shall read later. However, I will say at this time that it is a most extensive discovery. The deposit lies for many miles in every direction and at a depth of 3,000 feet below surface.

Hon. Mr. Hnatyshyn: Almost 3,200 feet.

Hon. Mr. Aseltine: It is located in the area between Esterhazy and Bredenbury.

Hon. Mr. Brooks: The supply is unlimited.

Hon. Mr. Aseltine: Honourable senators, although this vast potash discovery was originally made by geologists in 1943 its development presented considerable difficulties because of what is known as the Blairmore formation of shale, clay and water-soaked sand that blocked the way to the deposits which, as I stated a moment ago, are some 3,000 feet below surface. However, after spending some \$40 million, the company succeeded, through a method known as "tubbing", in effectively walling off the water and in stabilizing the shaft leading to the potash deposit.

This plant was officially opened on September 20, 1962. The opening was attended by the Honourable Paul Martineau, federal Minister of Mines and Technical Surveys, Premier Lloyd of the province of Saskatchewan, the Honourable Senator Hnatyshyn from Saskatoon, Mr. James Ormiston, member of Parliament for Melville riding and several distinguished residents of the community, including the mayor of Esterhazy and a number of other dignitaries.

Hon. Mr. Reid: I am surprised that Premier Lloyd attended, after all he has said against private enterprise.

Hon. Mr. Aseltine: I wish now to read a short article which appeared in the *Saskatoon Star-Phoenix* after the official opening. It reads as follows:

Very few industries get as extensive red carpet treatment at their official

opening as did the potash mine and refinery plant of International Minerals and Chemical Corporation (Canada) Limited, near Esterhazy.

In the first place, the Saskatchewan Government named the 700-square mile area around the mine, Potashville. There was a reason. This is one of the most important new industries in the history of the province.

The company had gambled \$40 million on this project, and it is now paying off. Next year, 21,000 cars of potash will fan out for shipment to Eastern Canada, the United States, Japan, Australia, and other parts of the world. This is a great industrial achievement.

Saskatchewan's potash deposits are the world's greatest and richest. The government of Saskatchewan will reap an annual harvest of royalties, estimated at \$350,000.

The article continues:

Congratulations are due the company for the venture, now showing fulfilment. Saskatchewan will reap immeasurable benefits from this industry.

Hon. Mr. Reid: They sure need them.

Hon. Mr. Aseltine: I might also say that in the Esterhazy area new housing developments are under way, a new school is being built, and the district is rapidly becoming an important trading centre. The plant employs some 400 men, primarily from Esterhazy and the surrounding area. The annual plant payroll will exceed \$2,400,000, and will support some 2,400 people.

Hon. Mr. Burchill: Canadian capital?

Hon. Mr. Aseltine: I would rather leave that question until the meeting of the committee.

This industry has requested the Canadian Pacific Railway to construct this short branch line, and from the inquiries I have made I think it is absolutely necessary.

If the bill is given second reading, I propose to move that it be referred to the Standing Committee on Transport and Communications for further study. I hope it will get second reading today so that the committee could meet next Wednesday to hear the Canadian Pacific Railway officials who would be attending. I am also informed that certain of the potash company officers will also attend and will be prepared to give all the information necessary to show that the line is indeed one that should be built.

Hon. Mr. Isnor: Can the honourable senator state with certainty whether this territory is now being served by a railway and, if so, what railway?