

entertainment, transportation, clothing, medical costs, tobacco, alcohol, and so on. For example—and this is a good illustration of the direction of national wealth—in 1960 the Russians manufactured 125,000 automobiles. In the same year the Americans turned out 4,300,000. I do not have the Russian figure for 1962, but the Americans expect to turn out seven million automobiles. In another area, in 1961 Canadians spent \$719 million on tobacco and \$921 million on alcohol, or a total of \$1,640 million for these two items.

Now I have no wish to deprive those who require these goods for their pleasures, but as long as we in Canada are spending more money on these two items than we are spending on education, I suggest to you that we are not in a position to say that we cannot afford to meet the increasing costs of education.

More and more, if Canada is to maintain her place among the modern nations of the world, we may have to start exercising choices. It may be that we shall have to voluntarily reduce our expenditures in what might be called the luxury segment of our economy and transfer these expenditures to the more productive areas of industrial and scientific development.

The alternative to this is to be prepared voluntarily to pay the additional taxes which will be necessary to maintain the complement of scientific manpower necessary to keep the Canadian industrial machine functioning at top efficiency. If we are not prepared to exercise the choice of diverting some of our expenditures from the consumer segment to the more productive areas, or to pay additional taxes, there will be only one inevitable end. The Canadian standard of living will deteriorate and we shall not be able to maintain our position among the front rank of industrial societies of the world. In that event, Laurier's prediction that the 20th century would belong to Canada will have gone down the drain as just another dream.

On motion of Hon. Mr. O'Leary (Carleton), debate adjourned.

PRIVATE BILL

CANADIAN PACIFIC RAILWAY COMPANY— SECOND READING

Hon. Walter M. Aseltine moved the second reading of Bill S-4, respecting the Canadian Pacific Railway Company.

He said: Honourable senators, there was some uncertainty that copies of this bill would arrive here in time for use today. However, they came from the printing bureau at about 2.30 o'clock, and honourable senators will find copies in their files.

This bill is a comparatively simple one. Its purpose is to grant authority to the Canadian

Pacific Railway Company to build a branch line of railway a distance of approximately fifteen and a half miles from a point near Bredenbury in the province of Saskatchewan to a potash property located in the northeast quarter of section 24, township 20, range 33, west of the first principal meridian in the province of Saskatchewan.

It is necessary that the railway company come to Parliament for authority to build this branch line because under the provisions of section 138 of the Railway Act it is not entitled to construct a branch line longer than six miles without parliamentary authority.

The purpose of this branch line is to give service to the new potash plant which has been constructed by the International Minerals and Chemical Corporation of Canada on the aforementioned property. The railway company wishes to commence construction of the line this fall, and I hope to be able to convince honourable senators that that is quite necessary. It is expected that the construction of the line will create no engineering difficulty because the railway engineers have gone over the proposed right-of-way, have tentatively selected it, and consider it quite feasible for the purpose of economical railway construction.

Honourable senators will be pleased to note that the construction of this railway involves the spending of no public money.

Bredenbury, which I have mentioned, is an important intermediate railway terminal located 252 miles west of Winnipeg on the Canadian Pacific's secondary main line between Winnipeg, Saskatoon and Edmonton. It is equipped with terminal staff and has all the necessary facilities to handle expeditiously the traffic from the potash plant.

This potash development of International Minerals and Chemical Corporation is a tremendous one. It is stated to be the world's largest potash discovery, and it is expected that it will produce up to 10 per cent of the world's potash supply.

Hon. Mr. Lambert: Is this the development at Esterhazy?

Hon. Mr. Aseltine: Yes.

Hon. Mr. Lambert: How far is that from Bredenbury?

Hon. Mr. Aseltine: About 14 miles. There are two railway lines through there, one south of the potash plant and the other a short distance north of it, running from Winnipeg through Saskatoon to Edmonton.

The annual output of potash is estimated to be one million tons or better. With the sinking of another shaft to the 3,000-foot level the annual output would be increased by another one million tons.