

I realize that our direct avenues of representation to the Government officially no longer exist, but I am going to point out that there are among the membership of this house, in the person of His Honour the Speaker and of the Deputy Leader of the Government (Hon. Mr. Brunt), two men who are reputed to hold as close a position personally with the Prime Minister of this country as do any two individuals in Canada, not excepting the ministers of his Government, and I suggest that the Deputy Leader of this house carry to the Prime Minister the representations of at least of one senator. I hold the Prime Minister in very high regard, as I would anyone holding that position, and I say to him that the present situation is a discourtesy to the Senate. I would not be so presumptuous as to suggest to Mr. Diefenbaker whom he should take into his Government—he is quite capable of making up his own Government himself—but were he to ask me I would say he has no better choice than the one who at present occupies the position of Government Leader in this house (Hon. Mr. Aseltine). I think someone should convey that opinion to the Government, and I personally—speaking for myself and myself alone—would ask the Deputy Leader of this house to do so, rather than the Leader, for it would be embarrassing for him. I would further ask the Deputy Leader to convey in due course to this house what the view of the Prime Minister is.

As to the rest of the legislation to be presented to this house, in not referring to the Speech from the Throne I mean no discourtesy to the Government who prepared it or to the Governor General who read it. It mentions many subjects that are of very vital interest—some of which have been partially referred to already by the Leader of the Opposition (Hon. Mr. Macdonald), and there will be discussion by various members when the details of the legislation come before the house.

I want rather to deal briefly with a subject that certainly is not entirely foreign to the Speech from the Throne, a matter in which I have always had considerable interest and which is of vital importance at this moment. I think that developments at present taking place in western Europe are the most dramatic developments of our time and are calculated to change the whole trading outlook of the Western world. I think we in this country can take a leaf from the notebooks of those countries, because they have had a very wide experience in the problems and questions that we are facing in this country. They have gone through all the dangers and the difficulties

of inflation and they are today, in my judgment, dealing with inflation more intelligently than is any other area in the world. I think they have learned through long experience what commercial policies are the most likely to accomplish the end they are seeking. For instance, the hard problem of rising wages and inflation is being met by lowering the cost of living—that is, the standard of living of the wage earner is increased by lowering the cost of living rather than by raising the wage scale, and they are placing themselves in a position that is the admiration of all thinking people in the Western world.

Honourable senators, I have had a little trouble with laryngitis, and I have made some notes to use if my voice and audience stay with me. In these circumstances, with your permission, I will read the notes.

Ten years ago when we signed the North Atlantic Treaty, we bound ourselves under article II to seek economic co-operation with each other and to seek to eliminate our international rivalries. In the intervening period nothing along that line has been done by NATO, and it is now perfectly apparent—I say this with considerable regret—that nothing is likely to be done through the medium of NATO. Tired of waiting, six of our European NATO partners have already moved to implement the spirit of article II of the North Atlantic Treaty outside of NATO. The remaining seven European partners, including the United Kingdom, are at present negotiating to join with them in a free trade area. The United States of America, the fourteenth NATO member, is already seeking to become associated with this development. On June 20 last, before the Finance Committee of the United States Senate, the Honourable John Foster Dulles urged that the President be given authority to enter into negotiations with the European Economic Community, saying in part:

The best opportunity we will have to negotiate with the community for tariff reductions most advantageous to our export trade will be before the new tariff becomes formally established.

The authority was granted and I presume negotiations are in progress. It remains, strange to say, that Canada, the foremost advocate of economic co-operation, and the fifteenth and only remaining member of NATO, as far as I know is taking no action whatsoever. I think we should take action.

On the one hand, there is emerging a United States of Europe, economically, if not politically, with a population of 285 million people bound together in a free trade area with all the advantages of mass production; and on the other hand, there exists as at present the United States of America with