

*Supply—External Affairs*

who blindly will destroy all that stands in their way; the chaos, confusion and bloodshed which accompany revolutions and for us the danger of having next to our shores the presence of millions of people who will distrust and hate. All this has been realized by the delegates and observers who were present at the Punta del Este conference and, in the opinion of many, the hour is quite late. For these reasons and many others, it is quite obvious that the citizens of the free world who enjoy the benefits of prosperity and freedom must try to help these southern neighbours who need a helping hand more than ever before in their long history. This help should be given not only in a spirit of charity but also with the firm conviction that our democratic way of life is right, that it must expand, thus offering a defence against the onslaught of communist propaganda which may reach within this country of ours.

(Translation):

Mr. Chairman, during our recent trip to South America, it was our privilege to visit the beautiful countries of Uruguay, Argentina and Brazil.

I should like to report briefly on what we have seen during our trip.

Uruguay is a small country of about 5 million people which is rightly considered in South America as a model of democratic life. The republic of Uruguay has a stable government; the democratic principles in which we believe and which are the basis of our existence are exactly those that are honoured in that country. As a result, the country's economy is sound. The value of its currency is fairly stable and inflation is practically unknown there.

The capital city of Uruguay, Montevideo, with a population of over 1 million, enjoys progress, prosperity and a way of life that augurs well for the future.

South of Uruguay, is the republic of Argentina, one of the most beautiful and richest countries in the world. Its soil is fertile and its natural resources plentiful. Undoubtedly, under a sound administration, it will once again occupy the predominant cultural and economic position it once held in our world.

Argentina still exercises a great influence in Latin America and elsewhere but the fact remains that that magnificent and wonderful country was practically ruined under Peron and the nefarious administration which was characteristic of his regime. Today, the majority of Argentines support President Frondesi, a remarkable man who has fully succeeded by his wisdom and inspired leadership in restoring order and prosperity in his country.

[Mr. Sevigny.]

Meeting President Frondesi, we got the impression that here was a man who could restore Argentina's fortune and give back to this extraordinary country the prosperity it unfortunately lost under the administration of Juan Peron and his associates.

Undoubtedly numerous problems are still facing the Frondesi administration, and the worst may well be the inordinate inflation prevailing there and which it will be difficult to control. We were given the opportunity to see what happens to a country where inflation exists and especially how harmful it is to the white collar class and to those with fixed salaries when prices are spiralling and goods getting scarce.

What we have seen in Argentina shows how advisable it is to try and prevent inflation and to protect Canada from that scourge.

Brazil is a vast country with a population, as I said earlier, of over 70 million people. Its population increases each year for, they say its birth rate is 3 per cent a year, which is the highest in the world.

That country has tremendous resources and since vast territories are still unexplored, one can presume that the wealth of that land of promise is even greater than one can conceive.

We had the privilege of visiting the city of Brasilia, a true example of what human imagination can create. That city is indeed a tribute to those who have faith in the concept of modern architecture and civil engineering. Five years ago, Brasilia was a barren plateau scorched by a burning sun. More than \$750 million were spent for the construction of that capital city, and that is said to be only a beginning.

More than 100,000 people live in that city. Everywhere, one sees modern streets and ultramodern buildings. If one fault can be found with Brasilia, it may be that it is too modern and that its architecture is somewhat futurist.

Brasilia was selected for both sentimental and practical reasons: sentimental, because that city is located at the very mouths of South America's two great waterways, the Parana, running into Argentina, and the well-known Amazon; practical, in the sense that it was considered wise to erect that city in the very centre of the country, in order to have new industries and numerous villages developed around it.

Rio de Janeiro is still perhaps the finest city in the world, from a panoramic standpoint. There is also in that city an atmosphere of dynamic and progressive activity. Brazilians wish to forge ahead, to progress and to raise their standard of living.