

viously written a letter which went unanswered, had written a second letter to the Government in which he stated that it was his Government's opinion that the legislation was not entirely consistent with Canada's obligations under the multi-country General Agreement on Tariffs and Trade and that it was a violation of GATT. He also stated in that letter that in his country's opinion Canada had taken a retrograde step on international trade, and that this legislation would impede the flow of shipments between the two countries and might force the United States to impose restrictive measures of her own.

Honourable senators, the Government says now that something very unusual happened in the Department of External Affairs in connection with that letter dated September 3. The Government does not deny that the letter was received at the Department of External Affairs on September 3, but it states that it was received by a junior member of the External Affairs Department. How junior, I do not know. This junior official in this department where everything is supposed to be streamlined and where communications from representatives of foreign countries are treated with such great respect and almost as sacred documents, is said to have kept this document to himself until the bill passed the House of Commons—a most unusual occurrence, but I do not wish to comment further with regard to it. I would point out that no one has yet denied that the Government knew the contents of that letter when the bill was presented to this house, and that it knew the contents when the bill went through the House of Commons. Was the letter held up one more day? No one has stated. Everyone admits that the first letter, of June 26, was in the hands of the ministers before the bill was introduced in the House of Commons. I think no one will take issue with me when I say that Parliament was entitled to know the contents of the American Ambassador's letter, and it was the duty of the Government to give this information to Parliament before the Government asked us to pass that legislation.

I am not suggesting that the Leader of the Government in this house (Hon. Mr. Asetine) knew of those letters. I am satisfied that he would not stoop to being a party to any arrangement to withhold knowingly any information, and I would ask him to inform the members of his Government that if they want the co-operation of this honourable body we expect them to be perfectly frank and honest with us.

While I am dealing with legislation, may I

compliment the Leader of the Government on being able to introduce two bills into this house so early in the session. We were quite disappointed in this respect during the past two sessions, but, as I have said, they were emergency sessions, and we will let bygones be bygones. The Leader of the Government told us the other day, and we were all delighted to hear it, that it is expected that the work of Parliament will be concluded so that Her Majesty can prorogue Parliament on July 1. This house is well prepared and anxious to assist the Government to bring about that state of affairs, and I can assure the Leader of the Government that we on this side of the house welcome more legislation being turned over by the Government to the leader in this house. In that way we can help the Government to get legislation through in time so that prorogation can take place on July 1.

Honourable senators, you may say I have not said much about the Speech from the Throne so far. There is a great deal in the Speech to which I would like to refer, but I will not take time to mention more than one or two items. I should like to refer to the problem of inflation. It is a terrific problem, the impact of which has terrifying results. This came to me very forcibly when I was in France last fall and for every Canadian dollar I had I received about 400 francs. At the present rate of exchange I would get nearer to 500 francs. Not so long ago the franc was worth 20 cents in Canadian money; at that time instead of receiving 500 francs for a Canadian dollar, we received 5 francs. I do not wish to suggest that our money is deteriorating to anything like that extent. I merely mention it to show what an evil thing inflation is. Reference has been made to what would happen today to the proceeds of an insurance policy in France. Suppose a man had taken out a policy for \$1,000 in terms of our money when the franc was worth 20 cents—that would be a policy for 5,000 French francs. If it came due today his widow, if she were the beneficiary, would receive 5,000 francs, but they would be worth only \$10 in our money. Or, if when the franc was worth 20 cents the widow had a monthly pension of, say, 500 francs, or \$100 in our money, her monthly pension today would still yield her 500 francs, but they would be worth only one Canadian dollar. You may say that 500 francs will buy more in France than one Canadian dollar will buy here. Well, honourable senators, I did not find it that way. I did not find that prices were a great deal different in France from what they are in Canada.