

and by the staff of the Senate since my appointment here; and to thank them most sincerely for the warm and gracious welcome that they have given me.

(Translation):

Honourable senators, I also wish to thank my French-speaking colleagues for their kindness and courtesy. I am sorry that I do not speak their beautiful language better but I hope, with time and the help of my good friend the senator from De la Durantaye (Hon. Mr. Pouliot) that my French will improve. In the meantime, I shall have to revert to English.

(Text):

Honourable senators, I join with the others who have spoken in congratulating the mover and the seconder of the motion for an Address in reply to the Speech from the Throne. The experience and the knowledge of the mover, the honourable senator from Montarville (Hon. Mr. Bois), as shown by his remarks, will be of great value to the very important Special Committee on Land Use which has been set up at this session.

As for the honourable senator from Kamloops (Hon. Mr. Smith), as I listened to the good sense of his remarks, so well delivered, I was happy indeed to be his deskmate. I congratulate also the new senators from Prince Albert (Hon. Mr. Boucher) and Westmorland (Hon. Mr. Taylor) upon their appointments, and I wish to say that I have a fellow feeling for them, for I too am a recent newcomer to the Senate.

Honourable senators, the debate on this resolution affords an opportunity for a wide discussion of Canada's affairs. Both this year and last year I enjoyed the remarks of those who have dealt with some special part of Canada about which they have particular knowledge, such as the address just presented by the honourable gentleman from St. John's West (Hon. Mr. Pratt).

It has been my good fortune to have travelled extensively throughout Canada, from Newfoundland to British Columbia, but I know you do not expect me to tell you anything about the place from whence I come. In my travels I have learned to appreciate the various parts of this country, and the more I have seen of our people, the prouder I am of them and of my country, and the more grateful I am, not only for the blessing that made this my native land, but for the wisdom that brought about Confederation, which, out of the diversities of our people and notwithstanding the vastness of our territory, moulded us into one great united nation.

If it is not presumptuous on my part I should like to echo the remarks of the honourable Leader of the Opposition (Hon.

Mr. Haig) that Confederation would not have been possible without the establishment of this house. Here, in effect, each great section of this country speaks with equal voice and influence, so that the rights of minorities may be protected and that legislative decisions may not be unduly influenced by a preponderance of population in any one section of our federal system. It is as if we were a partnership of four—one from the Maritimes, one from Quebec, one from Ontario, and one from the west—concerned primarily with the good of the whole, but fully respecting the special views and interests of each portion. And so the Senate is a safeguard for the continued existence of our federated system of government.

Honourable senators, the particular topic with which I wish to deal today is the reference in the Speech from the Throne for the need to check the inflationary tendencies now existing in this country and elsewhere. The seriousness of these tendencies is emphasized by the fact that Mr. Eisenhower, the President of the United States of America, in his State of the Union message on January 10, put it first in his consideration of his country's domestic affairs. He said:

No subject on the domestic scene should more attract the concern of the friends of American working men and women and of free business enterprise than the forces latent and active that threaten a steady depreciation of the value of our money.

I must admit that I enter upon this subject with a certain amount of trepidation. I remember reading a good many years ago something written by Sir Norman Angell, in which he said, "The two things that seem to addle a man's brains most are, (1) monetary theory, and, (2) women." At the outset, I should say that I am not an expert on either. However, I am emboldened to say something on the subject of inflation, because it seems to me that it is important enough to warrant the consideration of all thoughtful Canadians and an appreciation of the issues involved, and so I venture to put forward my views for what they may be worth.

In the first instance, may I define the word "inflation" as I use it, because it may mean different things to different people. By inflation I mean a substantial and continued rise in the general level of prices. One reason for being careful about the use of the word is that it may arise from quite different sets of circumstances, and sometimes the meaning of the word is confused with its underlying causes. For example, we are all familiar with the inflation that took place in Germany after World War I, and which was the result of an enormous increase in government spending, based on government deficits, and financed by an increase in the currency, so