

Hon. Mr. Lambert: Would the honourable senator inform us of the purpose of that borrowing of \$250 million?

Hon. Mr. McCutcheon: The Minister of Finance announced that the \$250 million was being borrowed to strengthen our foreign reserves.

Hon. Mr. Lambert: That is in addition to the borrowing from the International Monetary Fund?

Hon. Mr. McCutcheon: The minister announced that concurrently with that borrowing, certain standby credits had been cancelled at his request. The fact is that this is a much better test of the confidence investors have in Canada than some of the other examples that have been cited to us.

The honourable Leader of the Opposition (Hon. Mr. Macdonald, Brantford) went on to say:

I am not going to discuss the causes that brought about, nor the purposes of, the so-called austerity measures embarked upon by the Government and announced, not to Parliament, but in a television broadcast.

That is one difference from Mr. Abbott: we could hear him but could not see him; whereas, we could both see and hear the Prime Minister. The Leader of the Opposition continued:

The Government may have "concealed nothing and shaded nothing", as the Prime Minister said on June 14, but if that is so then the next ten days brought about quite a revelation. . . . I do not accuse anyone of saying anything that was not true.

And the Leader has chosen his words very carefully.

Probably the Prime Minister had been misinformed, or had failed to heed the advice of his officials . . . and so on.

Now, the Leader of the Opposition in this chamber, as one would expect, uses much more guarded and restrained language than has been used in other places, both inside and outside this structure.

I do not intend to traverse this ground. It has been traversed already by the Prime Minister, by the Minister of Finance, and by the Minister of Justice. The figures have been placed on the record. However, I feel that there are many on both sides of this chamber who will agree with me that it is very difficult, in circumstances such as Canada went through in the first five and a half months of this year, at any particular point to place one's finger and say "Well, I guess

this is going too far. I guess this will not do. To correct this we will have to take special steps." I would go further and say that until you reach that point, the worst thing that you can do is to talk about it at all.

I have no sympathy for those people—and I am not referring to members of the other place or members of this house—who have gone around using reckless language about this country being bankrupt in the past few months.

I merely ask, at what time in 1947 did Mr. Abbott and Mr. King determine that there was a crisis, when our reserves fell by 60 per cent in ten and a half months? Did they go on the first of October and say to the people of Canada: "This is a dreadful situation; we are afraid we may have to do something about it." Then at the end of October, did they say: "The situation has not improved. It is getting a little worse; I guess we will have to do something very soon." There would have been no foreign exchange to argue about if they had done that. You all know what Mr. Abbott did at that time: he went to the radio—there was no television available then—and announced the crisis and the steps which he proposed to take. Those steps went further in many cases than any steps which the present Government has taken.

In referring to the Speech from the Throne the Leader of the Opposition referred with some approval to the paragraph which forecast fiscal measures to be placed before Parliament and to new budget measures to be introduced. The leader went on to say:

Honourable senators, those are fine words—indeed, a worthy endeavour—but what evidence is there of any action on the part of the Government to give effect to those fine words?

Surely this question answers itself. Surely the Throne Speech referred to fiscal measures and budgetary measures which will be announced in a budget in due course. The Leader of the Opposition surely did not expect that anyone on the Government side of either house would make these announcements in advance of the Minister of Finance. The Leader of the Opposition then went on to say he agreed that criticism must be positive and constructive. He made six suggestions on which I should like to comment briefly. His first suggestion was:

First let us bend every effort toward the expansion of our exports, not only in our primary industries, but also in the field of our secondary industries. . . .

I do not intend to take up the time of honourable senators this afternoon in quoting statistics. I suggest the evidence is that what