

*Equalization Payments to Provinces*

well substantiated claim setting out the particular circumstances that would justify the federal government breaking with tradition and financing provincial hydro developments in this country. In respect of all other provinces, when requests have been made they have come about as the result of long, detailed negotiation in which the provinces concerned have placed before the federal government a detailed statement of why they needed the money. I said to the premier of British Columbia the other day, in replying to his wire, that the federal government would be very happy to deal with the province of British Columbia as it has dealt with all other provinces in which special arrangements have been made.

**Mr. Johnston:** Mr. Chairman, the minister has pointed out the way in which he says the provinces should go about seeking loans of this type. I wonder whether the minister would hold a seminar for the Liberal members from British Columbia in order to explain thoroughly to them that this is the way to go about obtaining such a loan?

**Mr. Sharp:** I suggest, Mr. Chairman, that the seminar should not be conducted by the Social Credit members from British Columbia. I think it would only confuse the issue still more.

**Mr. Patterson:** Mr. Chairman, we have heard a lot of these snide remarks from the Minister of Finance in the last few days. I should like to ask him whether he has any understanding at all of what Social Credit stands for and, if he has, would he indicate it to the committee? I think it might possibly clarify the situation.

**Miss LaMarsh:** Who has any such understanding?

**Mr. Sharp:** Mr. Chairman, I have been trying for most of my adult life to understand Social Credit, I have not succeeded very well. But what has puzzled me even more is how anyone could accept these doctrines.

**Mr. Patterson:** Mr. Chairman, I think ridicule is the weapon of the ignorant. The Minister of Finance has stated that Social Credit principles and philosophy are completely "out" as far as his ideas are concerned, but he now acknowledges that he does not know anything about them. A number of years ago a resolution was passed in the United States which called for the implementation of Social Credit, and I think the

[Mr. Sharp.]

minister would do well to read the records and the evidence given at that time.

**Mr. Herridge:** Mr. Chairman, before this brief debate terminates I wish to make known that it is the intention of the hon. member for Kootenay West to participate in the debate on the Bank of Canada amendment bill. At that time I am going to deal with some aspects of Social Credit in respect of which I fully support my colleagues to the left.

**Mr. Barnett:** Mr. Chairman, I think we have been led astray a little from the point originally raised. The Minister of Finance led us away from the point by starting this dissertation on Social Credit. As I understand it, the question of this \$100 million loan really has nothing to do with Social Credit principles or philosophy—

**Miss LaMarsh:** Or the bill.

**Mr. Barnett:** —unless, of course, we are going to be social by handing over \$100 million without any questions being asked. It seems to me that the really relevant question raised by hon. members to my left was the one about the holding of a seminar. My suggestion, for the benefit of other hon. members from British Columbia who are displaying an interest in this question, would be that the Minister of Finance sponsor a seminar in Ottawa to which he would invite the members of the cabinet of British Columbia in order to acquaint them with some of the fundamentals in discussing serious financial questions, without any suggestion that the seminar have as one of the items for discussion what is philosophically referred to here as Social Credit.

**Mr. Cowan:** Mr. Chairman, since we are bandying about the question of this \$100 million loan, I wonder whether I might ask the Social Credit members from the province of Quebec whether that province has repaid the \$100 million that the province of British Columbia was kind enough to lend them a year or two ago?

**An hon. Member:** They have paid the interest.

**Mr. Cowan:** They have repaid British Columbia under the equalization payments, but I am not certain whether the debt has yet been repaid. I think this points out that the Liberal government of Mr. Lesage understood Social Credit at the time and knew where to get \$100 million.