

House. What is needed is leadership and quick passage of Bill C-60.

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, the member who just spoke made some points and I would just like to address a couple of them.

The member said that as a result of Confederation some of the responsibilities were transferred exclusively to the provinces. Some of those responsibilities were health care, education and social assistance programs. Along with that went an agreement of a 50/50 sharing process and the federal government would assist the provinces to fund some of those programs.

Why do we have transfer payments? The member is shaking his head. It is to assist the provinces to administer these programs.

Mr. Epp: It was never part of the Constitution.

Mr. Samson: They fall within the jurisdiction of exclusive responsibilities to the provinces and it was done at Confederation. That is where those rights came from.

Mr. Epp: Funding was never there.

Mr. Samson: Read the book. In any case—

An hon. member: You do not know that is the case.

Mr. Samson: That is the case and it is true. Why do we have transfer payments if that is not the case? They are to assist the provinces. Where is the money coming from? It comes from one taxpayer. The federal government is saying that it is meeting its responsibilities, it is getting the debt under control and it is getting the deficit under control. But the way it is doing that is by cutting back on the transfer payments to the provinces, the provinces that it gets the money from.

Mr. Turner (Halton—Peel): They are going up.

Mr. Samson: The provinces it gets the money from. It gets \$5,000 per capita in Ontario and puts back \$3,000. We know where the money is coming from. There is only one taxpayer.

Government members are very happy about the lowering of interest rates. They swell their chests and boast about how they lowered the interest rates.

Government Orders

The government is saving millions of dollars. It sells a million ounces of gold per year, making millions of dollars. It has just recently cut \$100 million from the CJS program. This government is taking in billions of dollars and it is saving millions of dollars on all these cuts in programs it is doing away with.

I would like to ask the hon. member where the money is. What are you doing with it? Where is this money going? Where is the money from the GST, the excess, where is it going? The national debt does not go down and the deficit is not going down. Where is the money?

Mr. Turner (Halton—Peel): Mr. Speaker, if the member will have a look in the budget that was tabled on February 25, I believe, he will see exactly where the GST money is going.

The GST collected \$16.4 billion in the last year which is just about the same amount that was lost with the cancellation of the manufacturers' sales tax, the building materials tax and the telecommunications tax. When those three taxes were removed it left a void that the GST has almost exactly filled, dollar for dollar.

There was a very negligible, marginal surplus. Probably there will be more of a surplus this year, which is good news. As the economy strengthens through 1992, in my opinion, the GST is likely to bring in a surplus over the amount raised in 1991.

I think that is good. The reason it is good is because government is establishing the debt servicing and reduction fund. Into that fund, by law, will go all the extra or surplus revenues of the GST and that fund is dedicated to reducing the deficit.

Canadians are going to have a guarantee. Life does not come with many, but here is one. There is going to be a guarantee that additional revenues, any windfall, any cash cow payments raised by the GST are going to go into a national savings bank account dedicated to deficit reduction.

That is what a lot of Canadians have been asking for. "Give us some guarantee that you guys in Ottawa are not just going to bring in a new tax to raise billions more and then have the opportunity of buying our votes back at the time of the next election". People are pretty cynical. They caught on to that stuff with previous administrations. They wanted some guarantee and now they are going to get it.