Then comes this exchange between Mr. Saulnier and Mr. Sheppard, our counsel, who asked:

### [Translation]

Do you have, without disclosing secrets, some indications on which to base that statement? It is a problem  $\ldots$ 

Mr. Saulnier: Yes.

Mr. Sheppard: ... which is not peculiar to Quebec?

Mr. Saulnier: It is not peculiar to Quebec.

## [English]

I now turn to the report for the next day's proceedings and make reference to a question I asked Mr. Saulnier about the costs being incurred by the citizens of Montreal, who up to that time had pretty well borne the brunt of the battle against terrorism, or a disproportionate load of the battle. The rest of us were thinking that perhaps it was a Montreal problem only, with no relevance to the rest of Canada. As reported at page 26, I asked Mr. Saulnier this question:

What is the estimated cost in the Montreal budget of the increased expenditures due to the escalation of your war on subversion?

Mr. Saulnier: It is in the order of millions of dollars. I could not quote a figure right now. We will know for sure when we come up with our annual financial statement.

### Then I asked:

Have you had to add many more bodies to the Montreal police force as a result of this situation you are facing?

Mr. Saulnier: We increased the number of men on the force, but in many cases, if not in most cases, we had to divert a substantial number from other duties.

Finally, I refer to the conclusion of the Broadcasting Committee with regard to all this evidence, as set forth at page 9 of the sixteenth volume of the minutes. Part of the conclusion is as follows:

In view of the necessarily limited amount of evidence presented to your committee, and in view of the restrictions imposed on your committee's inquiry by its terms of reference, Your committee suggests, with respect, that Mr. Saulnier's evidence and representations be given further study and consideration by the appropriate ministers of the Crown.

I hope that was the case, and I hope we will find out exactly how effective that study was when we deal with the new legislation that is to come before us. I said that I suspected the program set out in the Throne Speech for this session of Parliament would undergo pretty severe alteration as the result of the murder of Mr. Laporte. Obviously, we will have to concern ourselves with emergency legislation, that is, legislation dealing with emergency situations such as are created by reason of subversion in our time.

## • (8:30 p.m.)

Parts of the Throne Speech which we will consider include major items that will occupy our attention. The idea of a ministry of urban affairs appeals to me. I for one think the Minister without Portfolio (Mr. Andras) responsible for housing is an earnest fellow and makes this a full-time job. I cannot for the life of me see why he has to be penalized to the extent of thousands of

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dollars because he does not hold a portfolio. Other members of the cabinet do not have to work any harder but they have portfolios. This is a distinction I would be glad to see removed. Apart from that very human consideration, since he has to raise a family on the money he takes home from Parliament—just as I do; and we both know it is inadequate—the guts of the matter is whether we will create better housing legislation as a result of the measures we pass.

I suggest there are several areas that must be tackled if we are to have a better housing program. We cannot solve the problems of people earning \$5,000 or less until we get into the subsidy field for rental, which we now have in the case of public housing, and the subsidy field in respect of ownership. That may strike one as a very revolutionary idea, but I do not see why we cannot do it through a greater use of technique. This system is used to an extent in Ontario and, I think, in British Columbia where there is forgiveness in respect of some mortgage principal payments if the owner who is being helped stays in his house for a specified period of time. I think that is a good, practical way of getting into this field, and it should be done more often.

I would extend that principle to those now living in public housing, giving them the opportunity to get out therefrom—even if it means massive subsidies—if they can show responsibility in dealing with what would be their own property. There should be more incentives along the line of the so-called Andras formula by which people in public housing can retain more of the extra money they earn in order to buy their own property. Serious consideration must be given to cutting down the cost of housing. This could be done in several directions. Technical ones commend themselves, but the removal of the sales tax on building materials is important.

The new premier of Nova Scotia says he will get rid of this tax at the provincial level, and he thinks his federal friends will listen to him. I hope he can put that feather in his cap, though we have tried here by pointing out over and over again that the sales tax adds thousands of dollars to the cost of a home. Those thousands of dollars break the back of many Canadians before they even get to the position of owning their own home. They know financially it will always be beyond their reach.

Then, sir, undoubtedly we will be dealing with taxation and the report of the Minister of Finance (Mr. Benson). The Prime Minister (Mr. Trudeau) called the suggestions "proposals." I do not know in what sense the Prime Minister used the word "proposals" because I have not heard the right hon. gentleman make the proposals that one normally makes. In that regard the House of Commons committee provided a most useful base for an approach to taxation. The committee of the other place also had its innings in regard to taxation and found just about everything wrong with the White Paper or the proposals. That committee is a long way removed from accountability to the people, but a committee of this place is accountable.

Tax reform is never a very pleasant topic to deal with, and it might even seem strange that a member of the