

when we were discussing it as it referred to farmers and people on the prairies.

I want to raise two questions that concern me about clause 4. First, why did the minister not consider a tax credit instead of just increasing the exemption? I think he understands the tax credit very well. To increase the exemption from \$150 to \$250 obviously means more for people on high income, but the tax credit would mean more for people on low income. The government has already introduced a tax credit under the Election Expenses Act. If anybody contributes \$100, regardless of income, \$75 is refunded. That seems to me a much more equitable system. If I, as a member of parliament, or if the minister contributed \$100 to a political party we would receive \$75 back. If a person who only earns \$4,000 contributed \$100 he would also receive \$75 back. That is a much more fair system and should be extended throughout the tax system.

Under this clause, for example, a worker in a 30 per cent tax bracket would only save an additional \$30 per year, so I should like to ask the minister why he does not go to a tax credit system.

**Mr. Chrétien:** Mr. Chairman, we are dealing with an expense allowance. The hon. member's proposition is interesting but would involve a fundamental change to the Income Tax Act from tax exemption to tax credit. I do not say I am not in favour of that, and I find it interesting as a concept. I am looking at it, but it would mean a complete overhaul of the tax system to go from a tax exemption to a tax credit. I will take the usual representations on that subject by the hon. member and his friend in front of him, who is a friend of mine as well.

**Mr. Nystrom:** Mr. Chairman, the most significant words the minister uttered were to the effect that this would be a fundamental change. That is the reason we are argue for it.

I will give one or two examples of a tax credit. Take a tax credit of \$400. A family of four making under \$2,000 would get back the full \$400. A family earning between \$10,000 and \$12,000 would get back \$200 instead of \$400, while a family earning between \$17,000 and \$20,000 would get only \$50 back instead of \$400. Under a tax credit system the more money one makes the less one gets back. It seems to me that increases equity in the country. Later I want to put on record some statistics that show that even though we have tax reform in this country the gap between the rich and the poor in terms of taxes is widening rather than narrowing.

The second point I want to ask the minister—

[*Translation*]

**Mr. Chairman:** Order, please. It being 9:30 p.m., according to the order adopted earlier today, it is my duty to rise, report progress, and request leave to consider the bill again later today, or at the next sitting of the House.

Progress reported.

### *Private Members' Business*

**Mr. Deputy Speaker:** Order, please. The House will now proceed to the consideration of private member's business according to an earlier decision made today.

## PRIVATE MEMBERS' BUSINESS

[*English*]

PROCEDURE TO BE FOLLOWED IN CALLING OF ORDERS

**Mr. Deputy Speaker:** Hon. members have received advance notice that we will take the present hour to debate a point of order that was raised on November 7 by the hon. member for Vaudreuil (Mr. Herbert) concerning the programming of private members' business.

● (2132)

For the benefit of hon. members, maybe I should put the point of order in perspective and try to give direction to the procedural debate in such a way that it will benefit not only the Chair and hon. members, and it might help us to come to a constructive conclusion. I feel precedents of the past would have a tendency to be more restrictive than positive, and I am not sure that this is the wish of the House. This is the reason why I did give advance notice, particularly to the Parliamentary Secretary to the President of the Privy Council (Mr. Pinard) and House leaders of the different parties, along with the hon. member for Vaudreuil, in the hope that they would do enough research to bring along constructive suggestions.

Previously on November 7 at the call of private members' business the hon. member for Vaudreuil raised a point of order, as he has been doing on different occasions in the past, and when he did raise a point of order the Chair had a feeling it could make a decision quickly on the question raised by the hon. member. But, upon a specific request from the member who expressed a wish that the Chair would look at the matter and make a decision the next time on private members' hour where motions would be called, I did then postpone any definite decision until November 4.

When we came to private members' business on November 14 I had to notify the House that the hon. member for Vaudreuil had gone beyond the point of order of November 7. He had written a letter to the Speaker in which he had specifically raised different points that went beyond the point of order which he had previously put to the Chair, thus making the scope very much wider and a little difficult for the Chair to at least prevent full consideration of the different points raised by the hon. member, which would result in the House coming to a positive decision, if not a ruling that would more or less regulate the operations of the private members' hour.

Before I do invite hon. members to participate in what I consider a very important procedural debate on private members' business, I might try to sum up the different main points on which, in my opinion, the intervention of hon. members