There is no reference to tax reform for low-income Canadians, or to security systems to provide protection for incomes that are below the poverty line. It seems to me that the Government has lowered the poverty line arbitrarily to a level of $15,000. I cannot understand why that was done or what the reasoning for it was. I have listened to several interventions by government spokespersons and so far in this debate an explanation for that has not been given.

The disposable income of low-income families in Canada has gone down as a result of the two Budgets since 1984 because of increased federal taxation, deindexation and the totality of the child benefit package of which this Bill is a component. In the end, that detrimentally affects the income situation of Canadian families in the lower income levels. I will say more about that later. First I would like to put some facts and figures on the record to illustrate the point I am attempting to make.

The tax measures introduced by the Government in the May, 1985, and February, 1986, Budgets are affecting the personal income taxes of individuals considerably and reducing their purchasing capacity and cash-in-pocket situations. I will give you some examples of how this has been done. First, as a result of the modified indexation measure, Canadians will have $570 million less to spend. The second example is the elimination in May, 1985, of the federal tax reduction which used to be available. That has resulted in a total reduction of cash for the average consumer of $490 million. Third, when one takes into consideration the 5 per cent and 10 per cent surtax on the basic federal tax which was introduced in May, 1985, the pockets of the average consumer are soaked for an additional $550 million. When we consider the deductions that were allowed under the Registered Home Ownership Savings Plan in the income tax system until May, 1985, we see an additional $80 million that Canadians cannot put aside on their own.

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Finally, the 3 per cent surtax on personal income tax which was introduced in February of this year has meant that $560 million is not available and in circulation for the Canadian consumer.

When we also consider the effect of sales and excise taxes, some of which are visible and some of which are not, we see that there are some rather staggering amounts that are no longer available to the average Canadian consumer. Obviously this affects the low-income consumer more than others. The broadening of the sales tax base as a result of the 1986 Budget has meant that $510 million is no longer available to average Canadian consumers. The 1 per cent sales tax increase alone, in May, 1985, has meant that $990 million is no longer available to average Canadian consumers. The addition of the 1 per cent increase in sales tax rates, which was introduced in February of this year, means that $815 million has been cleverly soaked up, with very little political impact so far because it is virtually a hidden tax that nobody can see at the moment of purchase. The excise taxes of various kinds, introduced between the Budget in May, 1985 and the Budget in February, 1986, amount to some $390 million.

When we consider the total amount of money that has been taken from the pockets of the average Canadian consumer, particularly as it affects the low-income consumer, we see from a personal income tax point of view that there is a total reduction of $1.175 billion in available cash, so to speak. That is the combined effect of the two Budgets of May, 1985 and February, 1986. The combined effect of the sales and excise taxes in the two Budgets, at the expense of the consumer, particularly the low-income consumer, is $2.695 billion. The effect of personal income tax plus sales and excise taxes is that there is more than $3.8 billion of less disposable income available to the average Canadian. In light of that information, I wonder whether some of the speeches of yesterday and this morning would have rung the same.

When the capacity of Canadians to purchase is being adversely affected, the Government suddenly introduces Bill C-11, acclaiming its generosity by providing two advance payments and even providing some cash before Christmas. Of course, this sounds very attractive, and that is why I am objecting to such an approach in isolation from the total picture. Instead of improving the over-all situation, I believe it has been seriously degenerated at the expense of Canadian taxpayers through this kind of Progressive Conservative charity with the compliments of the Canadian Government. What a sham.

There are certain elements of the dimension of poverty in Canada that must be put on the record. For instance, in the 1960s, poverty was mainly associated with the elderly, the disabled, natives and people who lived in economically depressed areas. Today, the main groups are women, natives and disabled persons, with unemployed youth representing an emerging fourth group. That is a completely new dimension.

Second, poverty today is becoming more strongly associated with women. In 1984, the rate of poverty among non-elderly female-headed families was 46.4 per cent, compared to a rate of 11.4 per cent among male heads of families. Fifty-two per cent of unattached elderly women remain in poverty. In 1984, 2.3 million, or 56 per cent of all poor people, including children, were female.

Two-thirds to one-half of those who rely almost exclusively on federal and provincial social assistance for support consist of the elderly, the disabled, lone-parent mothers, which is another emerging group, and members of native groups.

Finally, some 56 per cent of poor Canadians worked during 1983 and few relied on social assistance, contrary to the widespread mythology that exists in many circles. Only in Quebec, Manitoba and Saskatchewan can the working poor receive benefits while working. Only the Quebec program is specifically designed to help low-income workers.

We can see from this observation on the dimensions of poverty in Canada by David Ross, who has written extensively