

REVENUE COLLECTING—IN BRITAIN—IN CANADA.

ON August 10th, 1917, Lord Robert Cecil, Minister of Blockade, in the British Government, gave out a statement regarding Great Britain's War Revenue and Expenditure for the three years, August, 1914, to August, 1917. It stated:

Great Britain's Government Expenditure has been \$26,378,000,000. Nearly one-fifth of this figure, or \$5,220,000,000, has been advanced to our Allies. We raised a considerable part of this expenditure by taxation and taxation per head in Great Britain has increased from less than \$18 per year before the war, to \$61 yearly at present. Of this average, \$61, which every man, woman, and child pays annually to the Government, \$50 is collected by direct taxation, namely, income tax, excess profits tax, stamp tax, and death duties of inheritance tax. The other \$11.00 comes from indirect taxation, namely customs and excise. We are now raising \$510,000,000 yearly by indirect taxation and \$2,335,000,000 by direct taxation."

Taking these figures as a basis Great Britain is to-day collecting approximately 18 per cent of her revenue by Indirect taxation from Customs and excise, and 82 per cent by direct taxation from incomes, excess profits, stamp and other special taxes which fall very heavily upon the rich.

What is the position in Canada?

Since the beginning of the War, according to the statement made in the House of Commons on April 24th, 1917, by Sir Thomas White, Canada's revenue has been:

1914-1915.....	\$130,000,000
1915-1916.....	170,000,000
1916-1917.....	232,000,000

Making a total of.....\$532,000,000

On that occasion Sir Thomas White informed the House that of this last year's revenue of \$232,000,000 there was derived by Indirect Taxation (from Customs Excise, Public Works, Post Office, etc., and etc.) \$219,500,000 and from direct taxation (from Business War Taxes) \$12,500,000. Taking these figures as a basis Canada is collecting 5½ per cent of revenue from direct taxation and 94½ per cent from Indirect taxation.

Comparing Canada's revenue with that of Great Britain we have:

	Canada	Great Britain
Collected by direct taxation, Incomes, War Taxes, etc.....	5½ per cent.	82 per cent.
Collected by indirect taxation, Customs and Excise, etc.....	94½ per cent	18 per cent.

Can any better evidence be produced to prove that in Canada it is from the masses that the revenue is being collected while the profiteers and wealthy go practically untouched; exactly the reverse from the system of taxation in Great Britain.

Per Capita Revenue in England and in Canada.

Lord Robert Cecil says that at the outbreak of war, Great Britain's revenue per capita was \$18.00

per year and that now it is \$61.00. In Canada the revenue per capita at the outbreak of war was \$18.00. For the last fiscal year Canada's revenue per capita was \$33.22, an increase of \$14.22 for every man, woman and child, or a total increase in the revenue of Canada of \$102,000,000.

We have proven from the above figures that 5½ per cent or \$12,500,000 of the revenue of Canada was secured by direct taxation from excise and business taxes. Reducing this to a per capita basis, it gives \$1.61 collected by direct taxation from every man, woman and child. We also have showed that indirect taxation from Customs, excise, etc., and etc. produces \$219,500,000 or \$30.49 per capita per annum as against \$18.00 per capita per annum before the outbreak of war.

War Taxes devoted to Ordinary Expenditure.

Speaking in the House of Commons on April 24th, 1917, Sir Thomas White, Minister of Finance, informed the House that from Canada's revenue of \$232,000,000 for the last fiscal year we were able to pay all current and capital expenditure, all charges of interest upon our increased national debt, and pension outlays and in addition devote \$60,000,000 to payment of principal on war expenditure. This, on the face of it, appears to be an excellent showing but when we analyze our expenditure it shows conclusively that while additional taxes have been imposed upon the masses of the people for war purposes, the revenue derived from such "War Taxes" has been devoted to the ordinary extravagant expenditure of the Government.

Let us prove this assertion. Before war broke out our revenue was \$130,000,000 a year. Last year it was \$232,000,000 or an advance of \$102,000,000 which can well be said to be due to additional taxes imposed for war purposes. Of this \$102,000,000 the sum of \$25,000,000 was devoted to ordinary expenditure to pay, using Sir Thomas White's own words, "increased interest and pension charges due to the war." Sir Thomas added, "and in addition devote the sum of \$60,000,000 to payment of the principal of our war expenditure."

These two items account for \$85,000,000 of the \$102,000,000 special war tax. Where is the balance, \$17,000,000? Nothing is said about it, except that it has been spent on ordinary account to carry on the extravagant expenditures of the Government.

We appreciate that the expenditure of money in time of war is necessary but when we find a Government placing upon the people of Canada an additional war time tax of \$14.22 for every man, woman and child and then spending \$17,000,000 of money thus collected on work other than the war, we feel justified in at least stating that it is high time for a halt to be called. Extravagant partisan expenditure for the sole benefit of those in power must end and we believe the people of Canada will end it if given an opportunity.