

Foreword

Under the auspices of the Canadian Chamber of Commerce, a movement has been inaugurated to study the costs of Government in Canada with a view to such action as may seem to be in the public interest.

The work is being carried on under the direction of a general committee of business men, with the assistance of a small technical committee.

Before examining details there should be clearly in mind the proportions and trends of Government finance as a whole.

It is the same citizen who bears the costs of Dominion, Provincial and Municipal government and it is the aggregate burden which creates the problem for the individual.

Public finance is properly judged by the burden it imposes on the people. The great right acquired by the people of Great Britain in the centuries of struggle with the Crown was the right to assent to any levy or tax before it could be imposed. The right to control details of expenditure, which is not yet, and prob-

ably never can be made fully effective, was a later development.

Control, under the British system, is control of income, that is, of taxation, rather than of expenditure, the details of which must necessarily be left largely to the Executive. A government can spend no more than it is given the right to raise.

It is in accordance with this constitutional conception that in all British legislatures where correct procedure is followed, the Budget, which brings the financial policy of the government under discussion, is brought down when the legislature is moved into "Committee of Ways and Means," that is when the programme of taxation is proposed, and not when the estimates of the details of expenditure are submitted.

A brief outline sketch of the burden of Government finance on the average citizen of Canada, with indications of its historical growth and comparative weight, is presented in the following pages as logically introductory material.

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