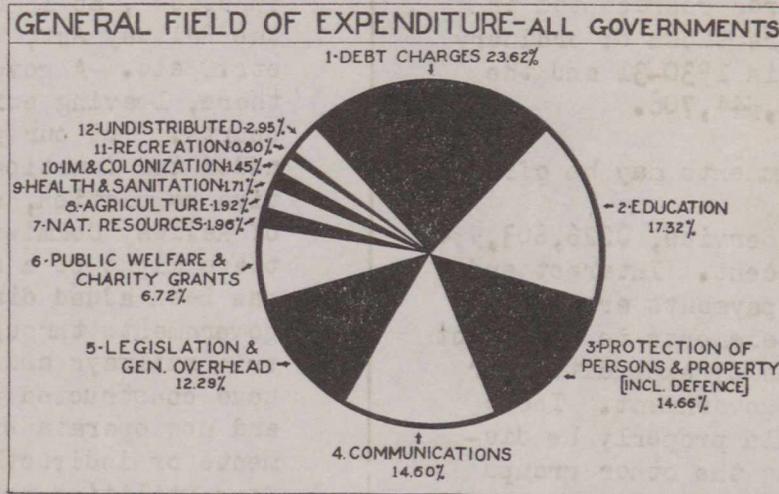


DISTRIBUTION OF ORDINARY EXPENDITURE 1930-31



It is substantially true to say that governments of sovereign states can do, and in the end must do, everything majorities approve and insist upon, and that they can in the end be stopped from doing whatever majorities disapprove.

The possible field of government activities is as wide as human interests in an organized society. Within this field, or any part of it, governments may perform many different kinds of functions and employ many different methods of operation. Certain functions, few in number, are capable of being performed only by governments, but they can also undertake anything individuals can do.

If costs are to be lessened, it must be in one or more of the following ways: by narrowing the field of activities, if it is unnecessarily wide for the conditions of the times; by reducing the number of functions performed over the whole field or in some section of it; by better organization and more efficient management of details.

As now set up, government accounts

do not present any such analysis by field, function and method as would form a basis for clear understanding and sound decision.

In a special compilation for this study, the Citizens' Research Institute has assembled, under general headings, figures of expenditure of all governments combined. The headings were selected to suit the classifications now common to government accounts and the results are represented in the diagram.

These figures, thus classified, are of interest as suggesting the extent of the general field now covered by government expenditures and as indicating some, at least, of its logical subdivisions. It is probably the first time aggregate figures have been grouped in Canada under any one set of headings.

That the information conveyed by this compilation should be supplemented by further analysis is, however, quite evident. This analysis could be applied to the details of the accounts of particular governments in a series of local studies.