

“Public Debt Charges” is interest charged on all printed money Canadians borrow from the 13th branch of the Federal Reserve, the Bank of Canada

Table 1.1

Summary Statement of Transactions

	Actual		Projection				
	2007–2008	2008–2009	2009–2010	2010–2011	2011–2012	2012–2013	2013–2014
	(billions of dollars)						
Budgetary revenues	242.4	236.4	224.9	239.9	259.4	276.4	294.3
Program expenses	199.5	206.8	229.1	236.5	235.1	244.5	254.1
<u>Public debt charges</u>	33.3	30.7	29.5	33.3	37.2	39.2	39.6
Total expenses	232.8	237.4	258.6	269.7	272.3	283.7	293.7
Budgetary Balance	9.6	-1.1	-33.7	-29.8	-13.0	-7.3	0.7
Federal debt	457.6	458.7	492.4	522.2	535.2	542.4	541.8
Per cent of GDP							
Budgetary revenues	15.8	14.7	14.4	14.7	15.0	15.0	15.2
Program expenses	13.0	12.9	14.7	14.5	13.6	13.3	13.1
Public debt charges	2.2	1.9	1.9	2.0	2.1	2.1	2.0
Total expenses	15.2	14.8	16.6	16.6	15.7	15.4	15.2
Federal debt	29.8	28.6	31.6	32.1	30.9	29.5	28.0

Note: Totals may not add due to rounding.

Table 1.2

Summary of Economic Action Plan

	2008–09	2009–10	2010–11
	(millions of dollars)		
Economic Action Plan			
Improving Access to Financing and Strengthening Canada's Financial System		162	12
Action to Help Canadians and Stimulate Spending	695	5,880	6,945
Action to Stimulate Housing Construction	530	3,865	1,395
Immediate Action to Build Infrastructure		5,727	5,055
Action to Support Businesses and Communities	12	2,372	2,121
Fiscal cost of measures¹	1,237	18,006	15,528
Plus:			
Capital Spending (cash adjustments)		697	685
Loans			
Loans to Auto Sector (announced in December 2008)		2,700	
Loans to Municipalities for Housing-Related Infrastructure		1,000	1,000
Timing of Home Renovation tax credit		500	
Total Federal Stimulus²		22,742	17,200
Total Stimulus (with leverage)		29,298	22,316
As a share of GDP (%)			
Total Federal Stimulus		1.5	1.1
Total Stimulus (with leverage)		1.9	1.4

¹ Fiscal cost does not include other tax measures.

² Financial Market measures not included as stimulus.

Sources:

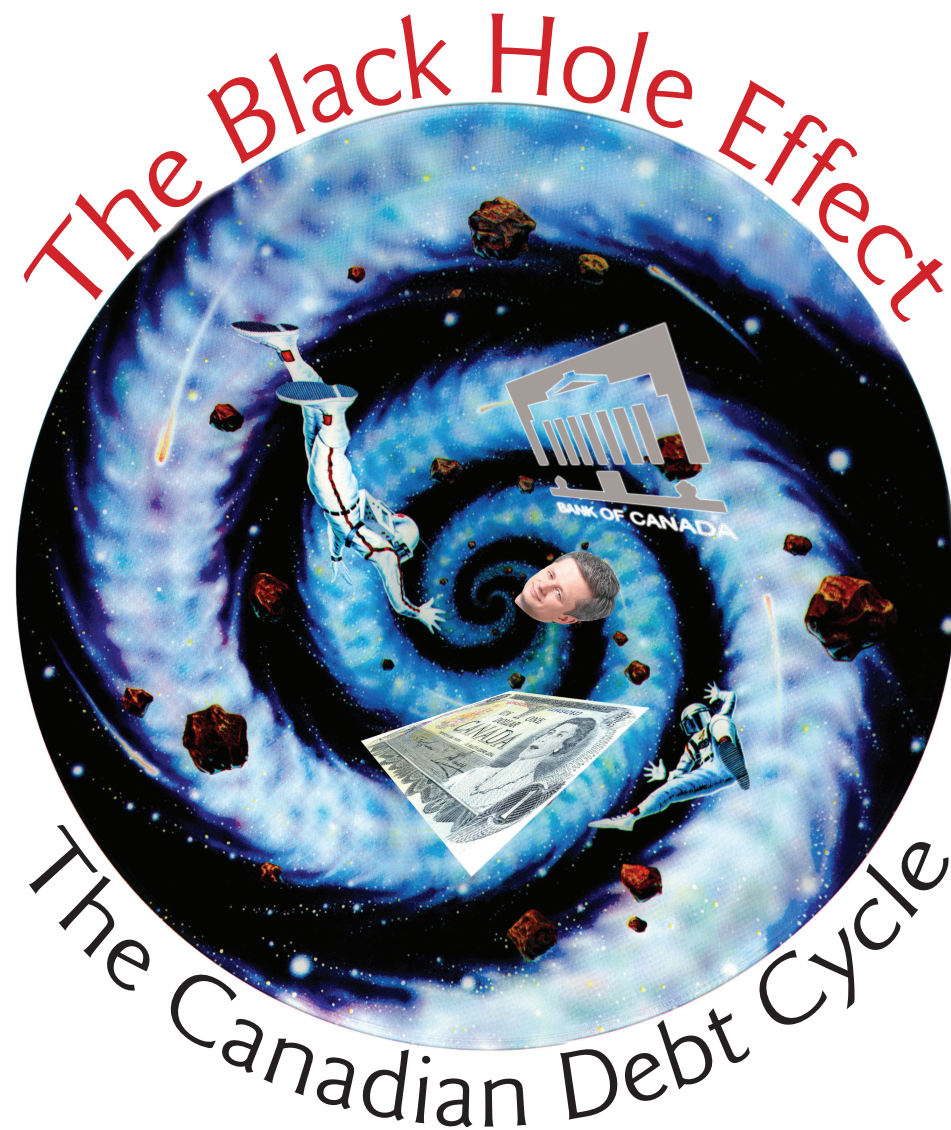
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This federal stimulus, claimed to be a boost to the Canadian economy, went to the same banks and corporations that our income tax dollars are siphoned to.

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Canada: Selling You Out

Voiceless Canadian Masses Pay Their Entire Lives

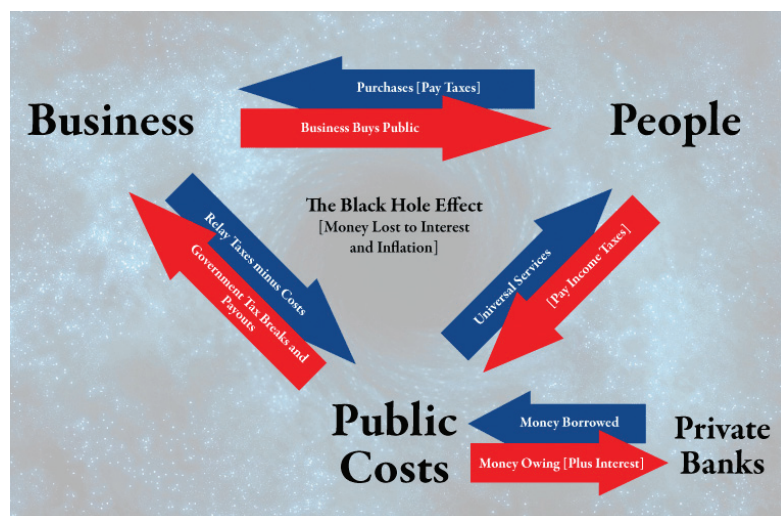
TAXES ARE BY FAR one of the scariest and most intimidating facets of the government. Its a confusing, angering, contradictory and downright illogical system. I would like to explain to you how the tax system works to create an economic black hole into which public funds disappear.

There is a competing flow in the payment

system. It is unnecessary to tax citizens who already pay taxes on goods and services; known as double tax.

So why the double tax?

In 2009 the Canadian GDP was 1.33 Trillion dollars. The government budget was 232 billion. The chart below breaks down these numbers.



system that collects taxes in order to pay for universal services: utilities, education, health care, military and the government itself. The diagram below illustrates how our black hole system works:

Public funds [taxes] are collected from businesses who collect taxes from the public when money is exchanged for goods. That money is collected and pooled to pay for universal services. However, the tax department has implemented another counter system in which the public pays into the same pool through income taxes.

Income taxes place the burden of taxes on the payee rather than the payor. This reverse taxation was one of the founding principals that has plagued the Canadian taxation

If you look at the chart you will notice two strange figures. First, the public debt charges and second, stimulus funds.

Public debt charges are essentially interest the public is paying based on debt assumed from private banks. Traditionally, a capitalist country isn't supposed to borrow its own money from a private bank when they could just borrow from the public. Thus, modern public debt is a black hole of spending, where the country is paying interest on money it has borrowed, or created, for itself.

The resultant effect is inflation, because the amount of money increases through invisible interest, without there being an increase in goods.

The second strange number is the stimulus

package. The stimulus package is the first open use of public money used to fund private business. Thus, not only do citizens pay service fees and interest to banks, but we pay taxes to keep those businesses afloat; we prop up a dead cow.

This double tax on the public and removal of public responsibilities on big banks creates a black hole in the economy that will consume the majority of citizens and thus the basis of our economy tearing this country to pieces.

The CRA tries to justify this double taxation through write-offs, meaning, if you have paid tax on a product once, you are exempt from that tax if the product was for

of which are carted directly to individuals who pay no tax due to government spending; i.e. the banker bailout nullifies any tax those banks would pay, if not overdraft it.

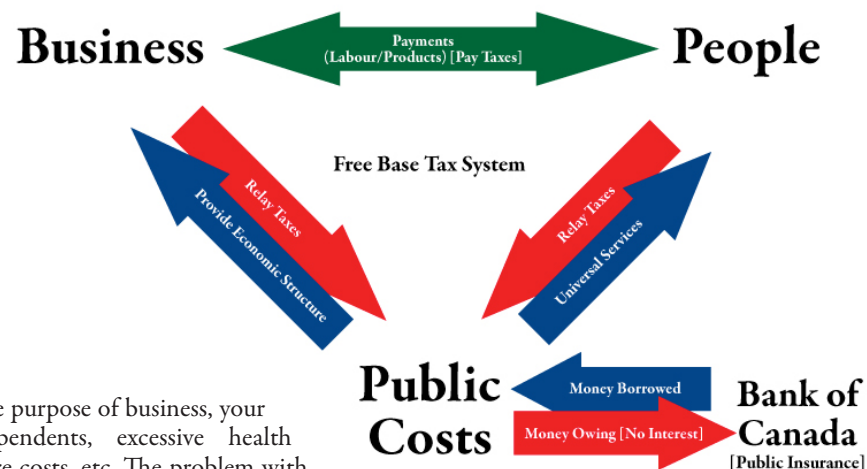
This is a part of the same black hole, draining public funds into private business.

So, if the system is broken, what do we have to do in order to fix it?

First, get rid of perpetual debt by borrowing from the Bank of Canada interest-free.

Second, rescind the banker bailouts and allow those businesses to crash naturally.

Third, untangle the taxation system with two base taxes: sales tax and income tax. Both taxes are paid by the payor, not the payee. The



the purpose of business, your dependents, excessive health care costs, etc. The problem with this system is that it disallows individuals who are employed as being defined as conducting business when they go to work. This creates a double standard in which the amount of write-offs a citizen can claim are disproportionate to the amount of taxes they are paying between income and spending. This is true especially for small business.

For example, depreciation only allows you to claim a certain percentage of a piece of equipment at only a percentage of that equipment's worth over the period in which that business is still running. Thus, the taxes you paid to buy that piece of equipment aren't fully returned to the taxpayer.

Conversely, corporate taxation allows heavy claims to be made for big business, the profits

reason this system works perfectly is simple, money can only be taxed when it uses a public forum, the economy, to assess its worth.

Based on current numbers of the GDP, minus food, the entire country could have a base tax of 15% and retain all of its services. This removes, completely, income taxes as we know them now. It also gets rid of the burdens of depreciation and write-offs.

Under this simple taxation system all government costs will be met, the flow of money will be restored, thus restarting the Canadian economy that has been controlled and stagnated for years through a banker-based economy. Its time to resurrect the free-base economy.