

Revenues and expenditures

Revenues (total taxes)	\$966,450
Expenses:	
Health (hospitals, nurses, doctors and other health-care workers)	\$341,210
Education (academics, school sports, trades, colleges, universities)	\$206,900
Social services (housing, child services, etc.)	\$119,790
Infrastructure (schools, sports arenas, etc.)	\$120,690
Transportation (roads, buses, etc.)	\$99,820
Debt servicing costs	\$78,040
Total expenses	\$966,450
Surplus/deficit	\$ -

If the government does not receive any tax revenue, this would result in a deficit (shortage of monies). This means that there would not be enough money to pay for planned expenditures and the government may have to reduce certain expenditures and increase the amount it borrows. Let's assume that we do not want to borrow any more money.

What expenses would you reduce to ensure a deficit is not created? Would you:

- reduce the number of hospital beds;
- reduce the number of health-care workers (increasing waiting times for health care);
- reduce funding to colleges and universities;
- reduce the amount of school sports and other extracurricular activities;
- reduce the number of teachers (increasing class size);
- reduce the funding for road repairs; or
- reduce the number of new roads being built?

How would these reductions affect you or your family?

What additional service would be affected by a shortfall in revenues?