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## \$223m surplus to offset deficit

The Government will use the \$223 million Budget surplus for 1975-76 to meet part of the estimated \$355 million deficit in the current financial year, despite public calls that the surplus be spent on social welfare and community projects.

The Education Action Group, for one, has urged that the surplus should not be kept as reserve in England or Hongkong but must be spent on various social projects that were delayed during the economic recession.

But a Government spokesman yesterday said the \$223 million extra money will be used to offset the deficit estimated for 1976-77.

He said: "It should be noted that part of the \$223 million surplus is due to the revenue estimated for 1976-77 being received in 1975-76."

In explaining the surplus, the Financial Secretary, Mr Philip Haddon-Cave, said one significant reason was that more than 50,000 salaried taxpayers paid their full tax in 1975-76 rather than taking advantage of the instalment system which would have allowed them to defer part of the payment to 1976-77.

He said he had allowed for the deferred payments in the revenue estimates for 1976-77 rather than in the revised result for 1975-76.