
Finance.—Government expenditures dropped off sharply at the War's end but revenues, despite a reduction in tax rates, were sufficiently well maintained to yield a surplus of \$352,000,000 for the fiscal year 1946-47. Further reductions in the personal income tax became effective at July 1, 1947, and the 15 p.c. excess profits tax will cease at the end of 1947. In the current year revenues have continued to run ahead of expenditures and for the first four months of the fiscal year a surplus of \$388,300,000 has been accumulated. Because of lower tax rates in force during the remainder of the year the surplus is not expected to continue at this high level, but it has been a factor in helping to reduce the pressure towards higher prices during the current period.
