

Miscellaneous loans and investments in the amount of \$171 million reflect a net increase of \$68 million over the March 31, 1963 total. The increase is due mainly to additional temporary loans of \$64 million to the old age security fund by the Minister of Finance.

Securities held in trust

Recorded herein are the security holdings of various deposit and trust accounts and annuity, insurance and pension accounts. Bonds and certified cheques held in connection with contractors' securities included in the deposit and trust category are also recorded under this heading. The balance at March 31, 1964 of \$33 million is \$7 million more than at the end of the previous fiscal year.

Deferred charges

The balance of \$400 million in this category is \$537 million less than at March 31, 1963, reflecting a write-off to net debt, subject to parliamentary approval, of \$528 million representing the unamortized portions of the actuarial deficiencies in the Canadian forces superannuation account and the Royal Canadian Mounted Police superannuation account and a decrease of \$9 million in unamortized loan flotation costs.

Unamortized portions of actuarial deficiencies

These accounts record the unamortized portions of the actuarial deficiencies in the public service, the Canadian forces and the Royal Canadian Mounted Police superannuation accounts which have been set up as deferred charges.

The deficiencies are based on actuarial valuations made as at December 31, 1957 for the public service superannuation account, December 31, 1960 for the Canadian forces superannuation account and December 31, 1961 for the Royal Canadian Mounted Police superannuation account.

The decrease of \$528 million in the unamortized portions of actuarial deficiencies consists of \$525 million in respect of the Canadian forces superannuation account and \$3 million in respect of the Royal Canadian Mounted Police superannuation account. These amounts plus an additional amount of \$3 million credited during 1963-64 to the Royal Canadian Mounted Police superannuation account will be charged to net debt during 1963-64 upon parliamentary approval.

Unamortized loan flotation costs

This account records the residual balances of discounts, commissions, redemption bonuses and conversion premiums on loan flotations that have not been charged to budgetary expenditure. The balance at March 31, 1964 of \$123 million is \$9 million less than the previous year-end balance.

Cost of new loans issued during 1963-64 and charged to the account amount to \$43 million, of which \$14 million is in respect of treasury bill discounts which will be charged to interest on public debt in 1964-65 and \$3 million is an adjustment due to exchanges of unmatured loans prior to their maturity date. Credits to the account are \$51 million of which \$36 million is a charge to the budgetary expenditure item "Annual amortization costs" and \$15 million (representing discount applicable to 1963-64 on treasury bills sold in 1962-63) is a charge to the budgetary item "Interest on public debt".