

Cost of new loans issued during 1972-73 and charged to the account total \$57 million, of which \$34 million in respect of treasury bills discounts will be charged to interest on public debt in 1973-74. Credits to the account were \$70 million, of which \$41 million is a charge to the budgetary expenditure category "annual amortization costs" and \$29 million (representing discount applicable to 1972-73 on treasury bills issued in 1971-72) is a charge to the budgetary expenditure category "interest on public debt".

Capital assets

Assets of the government such as land, buildings, works and equipment, etc., that are charged to budgetary expenditure at the time of acquisition or construction, are included in this category and are shown on the statement of assets and liabilities at a nominal value of \$1.

Inactive loans and investments

Such loans and investments which are recorded herein are not currently revenue-producing or realizable. Included are the loans of \$49 million to China under the Export Credits Insurance Act, loans totalling \$24 million and \$7 million made to Roumania and Greece, respectively, in 1919-20 and 1920-21 and advances of \$15 million in respect of the implementation of guarantees (Ming Sung Industrial Company Limited).

Reserve for losses on realization of assets

There has been no change in this reserve since the fiscal year 1956-57. The balance is \$546 million.

NET DEBT

The net debt of Canada, or the excess of liabilities over net recorded assets, is estimated at \$17,492 million as at March 31, 1973 compared with \$17,937 million at March 31, 1972. The decrease of \$445 million reflects the 1972-73 budgetary surplus.

LIABILITY ACCOUNTS

Current and demand liabilities

Those liabilities, which consist of obligations of the government payable currently or on demand, total \$3,201 million compared with \$2,681 million at March 31, 1972.

Outstanding cheques at \$777 million are \$40 million more than at March 31, 1972 and accounts payable at \$682 million are \$33 million more than at the previous fiscal year-end.

Interest due and outstanding at \$870 million is \$311 million higher and interest accrued at \$592 million is \$52 million higher than at March 31, 1972.

