

The other liability items are: sundry suspense accounts (where some uncertainty as to disposition exists), \$345.5 million; deposit and trust accounts (consisting of moneys deposited with or held by the Receiver General for various purposes), \$185.1 million; deferred credits (consisting of balances whose ultimate accounting treatment is known, but which are held until certain conditions are fulfilled), \$130 million and province debt accounts (representing settlements arising out of agreements at the time of Confederation), \$11.9 million.

Offsetting these liabilities and in a measure explaining their existence—as a substantial portion of the total debt is attributable to them—are the Government's active assets. These, for the most part, consist of assets that yield interest, profits or dividends, very liquid assets such as cash and departmental working capital funds, and certain prepaid expenditures and sundry suspense accounts.

It is expected that the aggregate active assets of the Government as at March 31, 1953 will amount to \$7,215.5 million. The totals of the principal active asset categories as at that date are estimated at: cash and other current assets, \$2,516.7 million; loans to, and investments in, Crown agencies, \$1,687.9 million; other loans and investments (including loans to provincial, municipal, United Kingdom and other governments, subscriptions to international organizations and a number of miscellaneous advances to veterans and others), \$2,528.2 million; deferred charges, \$252 million; sinking fund and other investments held for retirement of unmatured funded debt, \$27.1 million; province debt accounts, \$2.3 million and sundry suspense accounts, \$201.3 million.

The reserve for possible losses on ultimate realization of active assets which now stands on the books at \$545.9 million is shown on the balance sheet as a deduction from the total of active assets, bringing the net active asset total to \$6,669.6 million.

#### A. CHANGES IN PRINCIPAL LIABILITY CLASSIFICATIONS DURING 1952-53

The increase in the gross liabilities of the Government during the fiscal year is estimated at \$274.9 million. The most important increase is in the outstanding unmatured funded debt of the Government which is expected to increase by \$142.2 million from \$14,695.4 million at March 31, 1952 to an estimated amount of \$14,837.6 million at March 31, 1953. Other increases are \$141.6 million in insurance, pension and guaranty accounts, \$41 million in sundry suspense accounts, \$53.3 million in deposit and trust accounts and \$5.4 million in deferred credits. These increases, however, are offset by a decrease of \$108.6 million in floating debt.

##### *Floating Debt*

It is estimated that floating debt will decrease by \$108.6 million during the fiscal year due chiefly to decreases of \$63.9 million in outstanding cheques and warrants and \$32 million in accounts payable. The latter is a new account set up to record cheques issued in April in payment of accounts pertaining to the year ended March 31st, which formerly were shown as outstanding cheques. For purposes of comparison the corresponding liability as at March 31, 1952 is shown on the same basis.