

BANK OF MAURITIUS

ANNUAL REPORT

For the year ended June 1979

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LETTER OF TRANSMITTAL

BANK OF MAURITIUS

P. O. BOX NO. 29

PORT LOUIS

MAURITIUS.

18th September, 1980

*The Honourable Sir Veerasamy Ringadoo, Kt., M.L.A.,
Minister of Finance,
Government House,
Port Louis,*

Sir,

I have the honour to forward herewith the twelfth Annual Report of the Bank for the year ended the 30th June, 1979. The Report includes a copy of the Balance Sheet and of the Profit & Loss Account of the Bank and a Report on its operations in respect of the year 1978-79.

I have the honour to be,

Sir

Your obedient Servant,

*G. Bunwaree
Governor*

PART I — REVIEW OF THE ECONOMY

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PART I — REVIEW OF THE ECONOMY

I. INTRODUCTION

The gross national product at current factor cost grew by 12.4 per cent from Rs. 4,369 million in 1977 to Rs. 4,910 million in 1978. GNP per capita reached Rs. 5,477 in 1978. Sugar production declined marginally from 665,435 tons *tel quel* in 1977 to 665,219 tons *tel quel* in 1978 but an improvement in sugar export prices led to a slight increase in the value of exports from Rs. 1,376 million in 1977-78 to Rs. 1,410 million in 1978-79. Gross Domestic Fixed Capital Formation rose by 17 per cent from Rs. 1,650 million in 1977 to Rs. 1,930 million in 1978 and its share in GNP in 1978 was 39.3 per cent. Residential construction, as in previous years, accounted for a high proportion (31 per cent) of Gross Domestic Capital Formation in 1978.

The balance of payments deteriorated further from a deficit of Rs. 205 million in 1977-78 to one of Rs. 502 million in 1978-79. The worsening of the balance of payments during the year is largely attributable to the unrelenting growth in imports. Total foreign exchange reserves declined from Rs. 485.5 million at the end of June, 1978, to Rs. 224.9 million at the end of June, 1979, in spite of sizeable exceptional financing available to buttress the reserves position during this period. An amount of Rs. 40.6 million was drawn as a Trust Fund Loan in July, 1978. Mauritius also drew SDR 7.97 million (Rs. 61.5 million) in January, 1979, under the IMF First Credit Tranche. A part drawing of US \$30 million was made in June 1979 on the second Euro-dollar loan to finance the sugar Bulk Terminal Project.

During the year ended June, 1979, the rate of domestic credit expansion slowed down to 19.4 per cent from 45.5 per cent during the preceding year. However, the continuing pressures of foreign exchange reserves called for an intensification of the existing measures in the formulation of monetary policy for 1979.

In January, 1979, selective increases were made in the interest rate structure. Lending rates of commercial banks were stepped up selectively from a range of 10-13 per cent to 10-16 per cent and deposit rates were correspondingly increased. The Bank Rate and the rediscount rate remained unaltered at 9 per cent and $9\frac{3}{4}$ per cent respectively. The statutory liquidity ratio of commercial banks was also raised from 25 per cent to 30 per cent in January, 1979. The overall ceiling on credit was abolished but the sub-ceiling on credit to traders was retained.

* Unless otherwise stated "the year" means the financial year 1st July 1978 — 30th June, 1979.

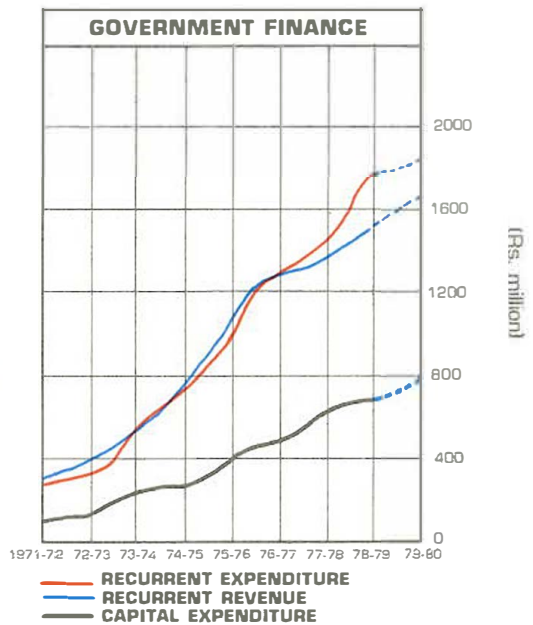
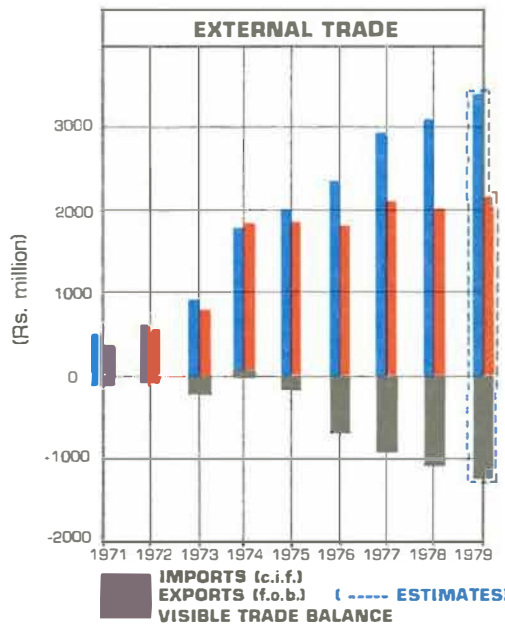
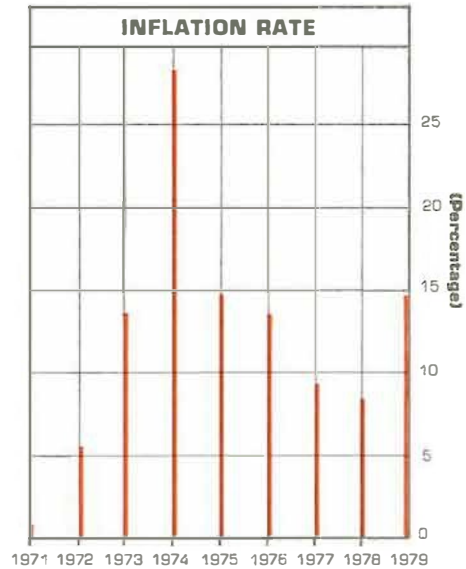
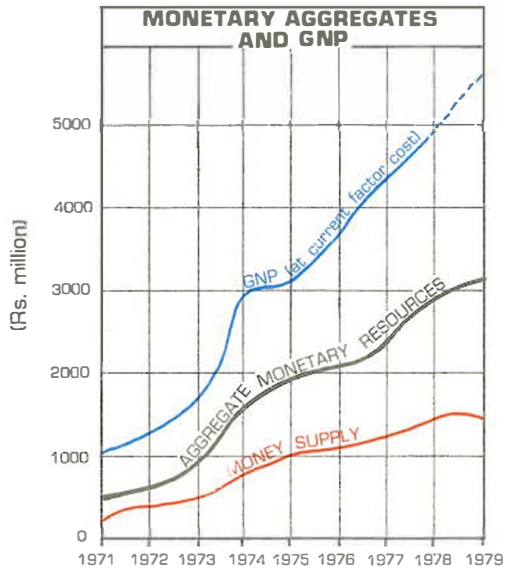
A novel aspect of the 1979 monetary measures was the regulation of foreign supplier credit facilities to Mauritian importers. As from May, 1979, importers of lower priority items were not allowed access to credit from the domestic banking system or from abroad. Finally, the use of the central bank's facilities by commercial banks was subjected to discretionary control in order to minimise central bank credit creation.

The budget deficit for the year 1978-79 reached Rs. 897 million. New tax measures to boost up revenue consisted of increases in import duties on a large number of luxury goods, an increase in excise duties, surcharges on import duties and an increase in corporate tax. Aggregate Government expenditure amounted to Rs. 2,439.3 million in 1978-79 or slightly less than half of the 1978 Gross National Product.

During the year ended June, 1979, the Export Processing Zone (EPZ) had to face serious port and labour problems. Nevertheless, the EPZ improved on its contribution to the balance of payments by increasing its exports from Rs. 433.4 million in 1977 to Rs. 484.5 million in 1978, that is by 12 per cent.

The average rate of increase in the Consumer Price Index slowed down to 8.0 per cent during 1978-79 from 10.0 per cent in 1977-78. This moderation in the rate of inflation stemmed from a smaller increase in import prices.

GRAPH 1: SELECTED ECONOMIC INDICATORS



II. PRODUCTION AND PRICES

Sugar

Total production of cane for the 1978 crop amounted to 6,260,483 tons* as compared with 6,022,287 tons for the 1977 crop or an increase of 4 per cent. The extraction rate fell from 11.05 per cent in 1977 to 10.63 per cent in 1978 ; hence sugar production showed a minor decline from 665,435 tons *tel quel* in 1977, to 665,219 tons *tel quel* in 1978. The average cane yield per arpent** rose from 31.5 tons in 1977 to 32.9 tons in 1978. Consequently, sugar yield per arpent registered a minor increase from 3.48 tons in 1977 to 3.50 tons in 1978. The increase in the volume of sugar exports from 618,381 tons in 1977-78 to 619,268 tons in 1978-79 coupled with a slight improvement in export prices led to a rise in export proceeds from Rs. 1,372.3 million in 1977-78 to Rs. 1,410 million in 1978-79. Table II.1 below shows the trends in sugar production and exports for the past three years.

Table II.1 Trends in Sugar Production and Exports

	1976/77	1977/78	1978/79
Opening Stock (1st July) ...	39,473	23,918	31,722
Production ...	679,200	664,488	670,415
Available Supplies ...	718,673	688,406	702,137
Exports ...	658,097	618,381	619,268
of which			
U.K. ...	(570,755)	(494,914)	(480,268)
Other EEC ...	(5,000)	(7,501)	(8,618)
U.S.A. ...	(61,700)	(43,235)	(94,714)
Canada ...	(14,408)	(69,336)	(14,426)
Other ...	(6,234)	(3,395)	(1,242)
Domestic Consumption ...	36,658	38,326	38,514
Surplus in Storage ...	—	23	1,370
Closing Stock (30th June) ...	23,918	31,722	45,725*

* Includes special ISA stock of 6,860 tons.

Source : The Mauritius Chamber of Agriculture.

The marketing of our sugar is done under two main contractual obligations namely the Lomé Convention and the International Sugar Agreement. Under the Sugar Protocol of the Lomé Convention, Mauritius exports 507,000 tons to the EEC, mainly to the U.K. The price for the 1978-79 quota was fixed in July, 1978, at 27.81 agricultural units of account (a.u.a) per 100 kilograms (raw value c.i.f. European ports) equivalent to £ 176.37/metric ton as compared with 27.25 a.u.a/100 kg or £ 159.86/metric ton for the preceding quota. The full price received by exporters in pound sterling included (a) the guaranteed price converted from a.u.a.'s into pound sterling at the 'green' exchange rate, (b) Monetary Compensation Amounts (MCAs) to account for the divergence of the pound from its 'green' rate and (c) a market premium

* Unless otherwise specified, tonnage reference is to metric tons.

** 1 arpent = 1.043 acres.

paid by sugar refiners. For the 1979-80 EEC quota, a guaranteed price of 34.13 European Currency Units (ECU)* or 28.23 a.u.a. per 100 kg. c.i.f. was obtained, that is an increase of 1.5 per cent over the previous year's guaranteed price. However, the full price receivable for the 1979-80 quota will be marginally below the previous year's full price because of reduced MCAs on account of the compound effect of the devaluation of the green pound and the appreciation of sterling on foreign exchange markets, increased freight cost and the absence of any guarantee regarding the market premium payable by refiners. Under the International Sugar Agreement, our quota was set at 134,500 tons *tel quel* (81.5 per cent of our basic export tonnage i.e. 165,000 tons *tel quel* or 175,000 tons raw value). About 90,000 tons were shipped to the U.S. at some £25**/ton above the world free market price and about 40,000 tons were shipped to Canada at some £4/ton above the world free market price.

World sugar prices have been depressed during the fiscal year 1978-79, averaging £97.9/metric ton (raw sugar c.i.f. European ports) as compared with £104.2/metric ton for the previous fiscal year. The sugar price per ton on the London Terminal Market averaged £86.4 in July, 1978, and rose to an average of £109.4 in October, 1978. The average market price in June, 1979, of £100.8 per ton was substantially below the stipulated floor price of £143 per ton (11 US cents per lb) under the International Sugar Agreement (ISA).

An overall abundance of sugar relative to world demand as evidenced by the substantial amount of sugar stocks held and the failure of progress in legislative action by US towards ratification of the International Sugar Agreement were among the main factors leading to a sluggish state of the world sugar market.

World sugar production in 1978/79* is estimated to have reached 91.6 million tons which is slightly higher than the figure of 91.3 million tons in 1977/78. World consumption of sugar in 1978/79 is estimated at 90 million tons showing an increase of more than 4 million tons over the previous year as a result of a moderate improvement in world economic conditions, population growth and low world market prices. World production thus exceeded world consumption demand in 1978/79, in spite of a marginal increase of 0.3 per cent in output and a rise of 4.7 per cent in consumption. As a result, world sugar stocks may have reached a new record high level. The level of world stocks at the end of August, 1979, is estimated to have been about 31.3 million tons as against 30.0 million tons at the end of August, 1978, representing an increase of only 4 per cent. However, the percentage increase in stocks between August 1977 and August 1978 had been even larger at 20.9 per cent. Moreover, stocks as a percentage of consumption steadied at 34.75 per cent in 1978/79 as against 34.96 per cent in 1977/78. The 'normal' level of world stocks is generally assumed to represent the equivalent of 24 per cent of current consumption. The world stocks of sugar above its 'normal' level are estimated at around 9.6 million tons at the end of August, 1978.

In 1979/80 world sugar production is tentatively set at 88 million tons, showing a small decline over output in 1978/79. World consumption has been on a fast expanding trend except for the years 1973/74 and it is expected to exceed world production by a considerable margin for the first time in the last five years. Stocks at the end of August, 1980, should show a decline over August, 1979, and when expressed as a percentage of consumption, the drop should be even more striking. The limitations on exports specified under the ISA may have contributed to a regulation and consequent drop in world production to be accounted for partly by expected

* Following the introduction in February, 1979, of the European Monetary System, the Unit of account was replaced by the European Currency Unit (ECU). With effect from the beginning of the quota year 1979-80 prices are quoted in ECU's only. at 1 a.u.a. = 1.208953 ECU.

** As from 1st January, 1979, import levy on sugar has increased by some £7/ton reducing thereby the relative advantage of the U.S. market.

* The split year for world sugar production and consumption refers to September/August periods.

shortfalls in the Cuban and Soviet sugar crops. The eventual ratification of the ISA by the US and the changing world demand and supply conditions should contribute towards strengthening prices above the floor level of 11 US cents per lb under the ISA.

Tea

Tea production in 1978-79 amounted to 5,175 tons as against 4,934 tons for the previous year or an increase of 4.9 per cent. This increase in output resulted from an increase in the average yield since the area under cultivation decreased from 13,815.2 arpents to 9,800.9 arpents in 1978-79. Tea exports reached 4,991.9 tons or Rs. 52.2 million in 1978-79 as against 3,544.3 tons or Rs. 51.5 million during the previous fiscal year. As a result of difficulties encountered on the South African market, the latter absorbed only 717,910 kilos while 3,949,782 kilos were directed to the London market.

The average price receivable for 1979-80 works out to Rs 11.69 per kilo f.o.b. and is based on the sale of 1,000 tons to South Africa at Rs 12.25 per kilo f.o.b. and about 3,000 tons on London auction at Rs 11.50 per kilo f.o.b.

Other Agricultural Production

There was a marked improvement in the production of tobacco for the crop year 1978-79. Leaf production rose from 586,776 kilos in 1977-78 to 731,483 kilos in 1978-79 or by 24.7 per cent. This increase is largely attributable to the increase from 1,281 arpents in 1977-78 to 1,455 arpents in 1978-79 in the area harvested. The sale of tobacco leaf increased by 52.4 per cent to Rs. 16.0 million in 1978-79 as compared with Rs 10.5 million in the previous fiscal year.

The area harvested for food crop rose from 8,629 arpents in 1977-78 to 9,388 arpents in 1978-79. Vegetables production registered noticeable increases while that of fruits declined sharply during the year under review.

Industry

The share of the industrial sector in Gross National Product declined marginally from 18 per cent in 1977 to 17 per cent in 1978, and total employment in industry fell from 33,882 in June, 1978 to 32,019 in June, 1979. The performance of the industrial sector has to be examined against a backdrop of unfavourable economic conditions arising from both

domestic and external factors. On the domestic front, labour problems, especially in the port, rising wages and costs of raw materials and of freight have affected industrial production and the competitiveness of manufactured exports. On the external side, the heightened degree of protectionism in developed countries had been detrimental to the export potential of several producing units.

Eighty-seven enterprises were operative in the Export Processing Zone (EPZ) both in June, 1978 and in June, 1979. The number of persons employed in the EPZ rose from 17,409 in June, 1978 to 19,758 in June, 1979. Over this period, six new units, of which three were engaged in the production of textiles, were newly created but six other units went out of operation. Output still showed some progress : EPZ exports rose by 12 per cent from Rs 433.4 million in 1977 to Rs 484.5 million in 1978. Imports of raw materials and machinery by the EPZ increased from Rs 301.7 million in 1977 to Rs 340.4 million in 1978, or by 12.8 per cent. The value of net exports of the EPZ has thus grown from Rs 131.7 million in 1977 to Rs 144.1 million in 1978. Table II.2 shows the figures for imports and exports of the EPZ for the period 1973 to 1978.

Table II.2 Export Processing Zone : Imports/Exports 1973-1978

(Rs million)

<i>Period</i>	<i>Imports</i>	<i>Exports</i>	<i>Net Exports</i>
1973	58.0	45.7	—12.3
1974	171.0	135.6	—35.4
1975	190.2	196.4	+6.2
1976	272.6	308.6	+36.0
1977	301.7	433.4	+131.7
1978	340.4	484.5	+144.1

Source : Central Statistical Office, Government of Mauritius.

A breakdown of EPZ exports by commodity shows that the textile industry continues to be the major foreign exchange earner, although its share in total EPZ exports has declined from 73.4 per cent in 1977 to 66.3 per cent in 1978. There has been a dramatic slowdown in the rate of growth of clothing exports in 1978 consequent upon the imposition of protectionist measures by certain EEC countries. However, other products like electronic components, toys, processed diamonds and synthetic stones in total EPZ exports have maintained their shares in total EPZ exports.

The member countries of the EEC have provided for a widening market for EPZ exports, and accounted for 87.2 per cent of total EPZ exports in 1978. Amongst EEC countries, the United Kingdom and France imported EPZ products amounting to Rs 242.7 million or about half of total EPZ exports to EEC countries in 1978. The other major importers, namely the U.S.A., Hong Kong and Sweden accounted for 12.8 per cent of total EPZ exports in 1978.

Most other enterprises operating in the industrial sector are units holding Development Certificates (DC's) and are engaged mainly in import-substitution activities. However, some DC units have been able to exploit certain export markets and have improved on the utilisation of their production capacity. The smallness of the domestic market and the wage-price structure have placed severe limitations on the potential for expanding locally-oriented production. During the year under review, 6 additional units began operations, thus bringing the total number of producing units with a Development Certificate to 127 in June, 1979. Total employment in DC units, however, fell from 9,061 in June, 1978 to 8,748 in June, 1979.

Prices

The period under review witnessed a slight abatement of domestic inflationary pressure. The average Consumer Price Index* (CPI) during the fiscal year 1978-79 was 8.0 per cent higher than the average CPI for the preceding fiscal year. The corresponding increase in the average CPI for the fiscal year 1977-78 was 10 per cent. On a calendar year basis, the rate of increase in the average CPI was 8.5 per cent in 1978 compared with 9.2 per cent in 1977. This moderation in the rate of inflation is largely the consequence of lower import prices. Table II.2 below shows the trends in the rate of inflation between 1973 and 1979 and the rate of changes in import prices between 1973 and 1978.

* As from July, 1976, a new index (Base : January-June, 1976 = 100) has been introduced.

Table II.3 Rate of Inflation and Import Prices

Year	Percentage increase over the previous year in the average CPI for the year ended		Percentage increase over the previous year (December) in the Import Unit Value Index
	June	December	
1973	+7.2	+13.5	+30.0
1974	+25.3	+29.1	+63.1
1975	+20.7	+14.8	+13.2
1976	+14.7**	+13.4**	+11.1
1977	+9.6	+9.2	+9.0
1978	+10.0	+8.5	+6.0
1979	+8.0		

** Figures have been obtained on the basis of a conversion of the new indice to the 1962 base.

Source : Central Statistical Office, Government of Mauritius.

A strong correlation between the domestic rate of inflation and increases in import prices is evident, as would be expected in the case of a small and highly open economy. The rate of increase in import prices has gradually declined over the years from 63.1 per cent in 1974 to 6.0 per cent in 1978 and the rate of inflation measured by the CPI has correspondingly fallen to as low as 8.5 per cent in 1978. The system of price controls has also to a significant extent mitigated the impact of domestic demand pressures on the rate of inflation.

III. WAGES AND EMPLOYMENT

Wages

Wage negotiations were conducted on a national level by tripartite discussions between the Government, the Mauritius Employers' Federation and the unions. As a result, it was agreed that, effective from 1st July, 1978, a graduated scale of increases in wages and salaries ranging from 8.0 per cent for those falling within the lowest income bracket to 2.2 per cent for those falling within the highest income bracket would be granted to employees of both the public and private sectors as a compensation for the rise in the cost of living. The average increase in wages and salaries was about 10.0 per cent. Furthermore, as recommended by the Civil Service Arbitration Tribunal in early 1978, the principle of an end-of-year gratuity to employees in the public sector as well as the private sector was formally accepted. In December, 1978, an end-of-year gratuity amounting to 75 per cent of a month's salary was awarded.

A sector-wise breakdown of the total wage bill of large establishments (defined to include establishments employing more than 10 persons) for March and September, 1978, and March, 1979 is given in Table III.1 below.

Table III.1. Sector-Wise Breakdown of Total Wage Bill

(Rs million)

<i>Sector</i>	<i>March 1978</i>	<i>September 1978</i>	<i>March 1979</i>
1. Agriculture and Fishing	30.0 (25.2)	36.3 (27.1)	31.1 (22.1)
2. Manufacturing	9.1 (7.6)	10.4 (7.8)	10.8 (7.7)
3. Electricity, Gas and Water	4.2 (3.5)	5.2 (3.9)	5.7 (4.0)
4. Construction	1.9 (1.6)	2.5 (1.9)	2.6 (1.8)
5. Commerce	8.5 (7.1)	9.2 (6.9)	9.7 (6.9)
6. Transport, Storage and Communication	7.2 (6.0)	7.9 (5.9)	8.3 (5.9)
7. Government Services	51.6 (43.3)	54.9 (41.0)	64.5 (45.7)
8. Others	6.8 (5.7)	7.4 (5.5)	8.3 (5.9)
Total	119.3 (100.0)	133.8 (100.0)	141.0 (100.0)

Figures in brackets are percentages to total.

Source : Central Statistical Office, Government of Mauritius.

The total wage bill of all the existing large establishments increased from Rs 119.3 million in March, 1978, to Rs 141.0 million in March, 1979, representing an increase of 18.2 per cent. The Government services sector inclusive of Local Authorities increased its share in the total wage bill slightly from 43.3 per cent in March, 1978, to 45.7 per cent in March, 1979. The wage bill of this sector increased by about Rs 13 million over the same period. The agriculture and fishing sector which comprises the sugar industry has the second largest share of about 25 per cent in the total wage bill. The total amount of wages and salaries paid by this sector rose from Rs 30.0 million in March, 1978, to Rs 36.3 million in September, 1978, and subsequently declined to Rs 31.1 million in March, 1979. The increase between March and September, 1978, was mainly caused by employment of additional workers and overtime payments during the sugar crop season. The wage bill of the manufacturing sector showed a small increase from Rs 9.1 million in March, 1978, to Rs 10.4 million in September, 1978, and then to Rs 10.8 million in March, 1979. The share of this sector in total wage bill stood at 7.7 per cent in March, 1979. The wage bill of all other sectors as well as their sectoral shares registered some increases between March, 1978 and March, 1979.

Employment

The Second Development Plan relied on industrial expansion as the main generator of new employment opportunities. Table III.2 below gives details of additional job creation in large establishments during 1978-79.

Table III.2 Number of New Jobs in Large Establishments

Sector	Years ended March			
	1976	1977	1978	1979
1. Agriculture and Fishing ...	59,459 (+1,302)	61,132 (+1,673)	59,158 (-1,974)	55,866 (-3,292)
2. Manufacturing ...	26,416 (+5,319)	30,792 (+4,376)	31,996 (+1,204)	35,143 (+3,147)
3. Electricity, Gas and Water ...	3,062 (+127)	4,070 (+1,008)	3,518 (-552)	3,930 (+412)
4. Construction ...	6,828 (+2,365)	7,129 (+301)	8,372 (+1,243)	9,400 (+1,028)
5. Commerce ...	8,110 (+1,208)	7,570 (-540)	8,820 (+1,250)	9,303 (+483)
6. Transport, Storage and Communications ...	8,919 (-248)	10,115 (+1,196)	10,800 (+685)	11,375 (+575)
7. Government Services ...	53,374 (+1,036)	54,503 (+1,129)	59,743 (+5,240)	61,644 (+1,901)
8. Others ...	10,888 (+1,167)	18,067 (+7,179)	15,812 (-2,255)	14,825 (-987)
All Sectors ...	177,056 (+12,276)	193,318 (+16,262)	198,219 (+4,901)	201,486 (+3,267)

Figures in brackets indicate percentage change over previous year.

Source : Central Statistical Office, Government of Mauritius.

The number of persons employed in large establishments* increased by 3,267 from 198,219 in March, 1978, to 201,486 in March, 1979. The increase between March, 1977. and March, 1978 was 4,901. The manufacturing sector provided new jobs to 3,147 workers in 1978-79. Total employment in Agriculture and Fishing fell from 59,158 at the end of March, 1978 to 55,866 at the end of March, 1979. The Government services sector was the major

* Large establishments consist of :

- (i) Sugar cane plantations of 25 arpents or more
- (ii) Tea plantations of 5 arpents or more
- (iii) All "flue-cured" tobacco establishments
- (iv) Non-agricultural establishments employing at least 10 persons
- (v) All central Government and Local Government departments.

absorber of additional employment in 1978-79. However, the increase of 1,901 in the number of persons employed in that sector in 1978-79 was relatively smaller compared with the increase of 5,240 in 1977-78. Little additional employment was created in the remaining sectors during the period under review.

The Development Works Corporation (DWC) is a major source of employment within the public sector and is primarily engaged in infrastructural works. The total labour force of the Corporation including workers employed under the Rural Development Programme totalled 10,293 at the end of March, 1979. At the end of March, 1978, the number of persons employed by the DWC stood at 11,749 but then declined to 8,071 at the end of December, 1978, since 3,678 workers were released to relieve the sugar sector from shortages during the crop season.

IV. MONEY AND BANKING

This chapter surveys the financial developments in the economy and is divided into four main sections : the first discusses developments in the monetary aggregates, the second examines the main trends in banking, the third reviews monetary policy and the last deals with non-banking financial institutions.

1. MONETARY AGGREGATES

The net foreign assets of the banking system decreased by Rs 268.2 million while net domestic assets increased by Rs 739.0 million during the financial year under review. Aggregate monetary resources registered an increase of Rs 466.3 million; the increase in quasi-money was of the order of Rs 335.6 million and money supply went up by Rs 130.7 million. Table IV.1 shows the half-yearly and annual changes in monetary aggregates during recent years, and derives the changes in the money supply from the changes in other monetary aggregates.

Net foreign assets declined continuously from Rs 481.0 million in June, 1978 to Rs 78.8 million in May, 1979, but rose to Rs 212.8 million in June, 1979, as a result of an inflow of US \$30 million representing the first drawing on the second Euro-Dollar loan of a total amount of US \$50 million. Credit to the private sector increased from Rs 1,348.8 million in June, 1978, to Rs 1,508.1 million in December, 1978, mainly because of increased credit requirements of the industrial sector, the trade sector, and of the sugar sector for crop financing as well as for payments of the end-of-year bonus. Credit to the private sector rose further to Rs 1,593.2 million at the end of June, 1979. The increase between December, 1978 and June, 1979 is attributable to the continued growth in credit absorbed by the industrial and personal and professional sectors.

Table IV.1 Changes in Monetary Aggregates

(Rs million)

Changes during the Period	1976-77			1977-78			1978-79		
	June 76 to Dec. 76	Dec. 76 to June 77	June 76 to June 77	June 77 to Dec. 77	Dec. 77 to June 78	June 77 to June 78	June 78 to Dec. 78	Dec. 78 to June 79	June 78 to June 79
Net Foreign Assets	—147.4	—220.0	—367.4	+16.9	106.4	+123.3	—217.4	—50.8	—268.2
Net Domestic Assets	+340.4	+295.0	+635.4	+347.9	+45.8	+393.7	+492.1	+246.9	+739.0
(a) Claims on Public Sector (net) ...	+91.4	+155.4	+246.8	+212.1	+129.9	+342.0	+332.5	+161.8	+494.3
(b) Claims on Private Sector	+249.0	+139.6	+388.6	+135.8	—84.1	+51.7	+159.6	+ 85.1	+244.7
Other Items net									
(— indicates an increase and + a decrease) ...	+31.2	—61.0	—29.8	—111.2	—24.6	—135.8	+107.6	—112.1	— 4.5
Aggregate Monetary Resources	+224.2	+14.0	+238.2	+253.6	+127.6	+381.2	+382.3	+84.0	+466.3
Quasi-Money									
(— indicates an increase and + a decrease) ...	+22.0	—37.8	—15.8	—109.3	—131.2	—240.5	—148.7	—186.9	—335.6
Money Supply	+246.2	—23.8	+222.4	+144.3	—3.6	+140.7	+233.6	—102.9	+130.7

Notes : (1) Plus indicates an increase and minus a decrease for all items other than ' Quasi-Money ' and ' Other Items Net '.

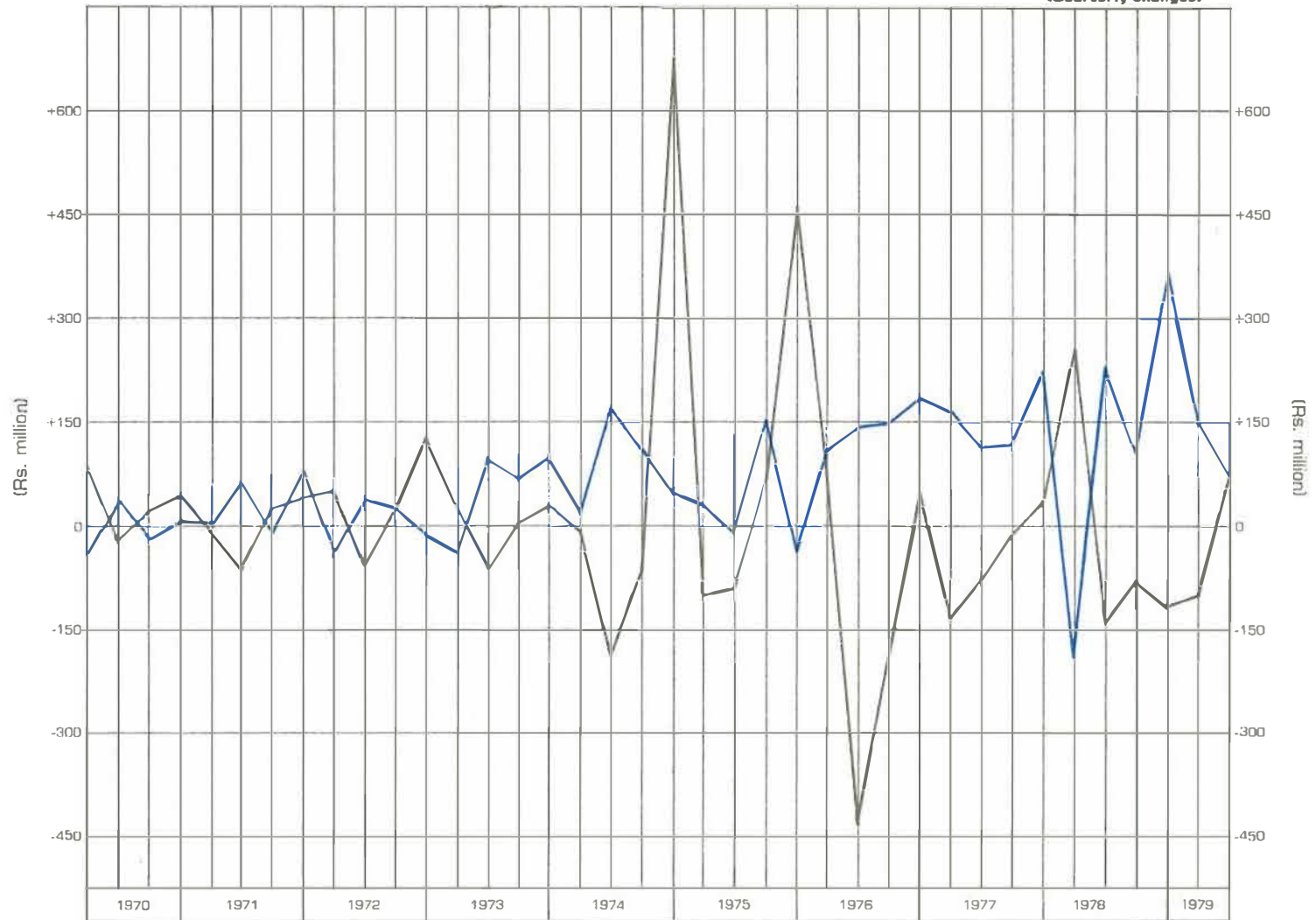
(2) Money Supply = Currency held by the public *plus* demand deposits of the banking system.

(3) Quasi-Money = Savings *plus* time deposits of the banking system.

(4) Aggregate Monetary Resources = Money Supply *plus* Quasi-Money.

GRAPH 2: DOMESTIC CREDIT AND FOREIGN ASSETS

(Quarterly changes)



— Changes in Foreign Assets (Net)
— Changes in Net Domestic Credit

The growth in money supply is influenced by changes in net foreign assets, net domestic credit and quasi-money. Money supply was more or less stable between July and November 1978 but increased sharply to a seasonal peak of Rs 1,449.2 million in December, 1978. It fell from Rs 1,330.6 million in January, 1979, to Rs 1,274.5 million in April, 1979 and then rose again to Rs 1,346.3 million in June, 1979. The expansionary effect of a large increase of Rs 7 9.0 million in net domestic credit were partially offset by the simultaneous contractionary effects of a fall in net foreign assets and an increase in quasi-money. The increase of Rs 130.7 million in money supply during this period was roughly comparable with the increase of Rs 140. 7 million in money supply in the preceding financial year.

Trends in Reserve Money

Reserve money* represents the base for credit creation by commercial banks, and variations in its level have a direct bearing on the behaviour of monetary aggregates. Table IV.2 below shows the sources of changes in reserve money.

Table IV.2 Factors Affecting Changes in Reserve Money

<i>Years Ending June</i>	1975	1976	1977	1978	1979
Net Foreign Assets of the Central Bank ...	+412.3	+132.7	—357.7	+144.5	—193.6
Claims on Government ...	— 57.2	+ 31.7	+421.6	+109.6	+293.5
Claims on Commercial Banks ...	— 80.4	— 14.4	+32.9	— 34.3	+14.2
Other Liabilities Net (—indicates an increase and + a decrease) ...	— 96.2	— 7.4	+ 51.8	— 75.4	+ 15.0
Reserve Money ...	+178.5	+142.6	+148.6	+144.4	+129.1

Notes : (1) Plus indicates an increase and minus a decrease for all items other than “ Other Liabilities Net ”.

(2) Claims on Government are net of Government Deposits.

Reserve money increased by Rs 129.1 million from Rs 865.1 million in June, 1978 to Rs 994.2 million in June, 1979, compared with a bigger increase of Rs 144.4 million between June, 1977 and June, 1978. Net foreign assets of the central bank declined by Rs 193.6 million between June, 1978 and June, 1979 and exerted a contractionary influence on the level of re-serve money. As against this, ‘ Claims on Government ’ registered an increase of Rs 293.5 million and this increase had a determining expansionary effect on reserve money. Small increases in Claims on Commercial Banks and the ‘ Other Liabilities Net ’ item of Rs 14.2 mil-lion and Rs 15.0 million respectively were also recorded during this period.

* Reserve money : Currency in circulation *plus* commercial banks cash *plus* demand deposits with the Bank of Mauritius.

Trends in Money Multipliers

The money multiplier* shows the impact of changes in reserve money on money supply and aggregate monetary resources. The average and marginal money multiplier for money supply and aggregate monetary resources have been notably unstable in recent years as may be seen from Table IV.3.

Table IV.3 Trends in Money Multipliers

Period (July-June)	(Rs million)		Average Money Multiplier		Marginal Money Multiplier	
	Average level of Money Supply	Average level of Reserve Money	Money Supply	Aggregate Monetary Resources	Money Supply	Aggregate Monetary Resources
1974-75	608.4	386.8	1.57	3.23	1.26	2.86
1975-76	836.8	559.5	1.49	3.19	1.32	3.11
1976-77	978.4	679.8	1.44	2.87	1.18	1.37
1977-78	1,117.1	816.9	1.36	2.57	1.01	2.30
1978-79	1,279.5	961.2	1.33	2.83	1.13	3.12

In 1978-79 the average money multipliers for money supply and aggregate monetary resources moved in opposite directions. The average money multiplier for money supply declined from 1.36 to 1.33 while that for aggregate monetary resources rose from 2.57 to 2.83. The growth in the monthly average level of reserve money was slower at Rs 144.3 million during the year under review. This compares with a monthly average increase of Rs 162.4 million in money supply and a monthly average increase of Rs 450.1 million in aggregate monetary resources. Consequently, the marginal money multiplier for money supply increased from 1.01 in 1977-78 to 1.13 in 1978-79 and the marginal money multiplier for aggregate monetary resources went up from 2.30 to 3.12 during the same period.

Income Velocity

The income velocity of circulation of money (i.e. the ratio of GNP to money supply) has demonstrated significant variability in recent years. Table IV.4 shows the trends in the income velocities of currency, money supply and aggregate monetary resources for the period 1973-78.

Table IV.4. Income Velocity of Money

Calendar Year	Income Velocity of		
	Currency	Money Supply	Aggregate Monetary Resources
1973	10.62	4.58	2.32
1974	13.59	6.20	3.10
1975	9.49	4.13	2.06
1976	8.73	4.15	1.93
1977	7.58	3.95	1.98
1978	7.35	4.03	1.95

* The money multiplier is defined as money supply divided by reserve money. The money multiplier for aggregate monetary resources is defined as aggregate monetary resources divided by reserve money. The marginal money multiplier refers to the incremental change in money supply divided by the incremental change in reserve money.

The income velocity of circulation of money supply rose from 3.95 in 1977 to 4.03 in 1978. The velocity of circulation of currency continued to fall and reached 7.35 in 1978. The velocity of circulation of aggregate monetary resources also fell from 1.98 in 1977 to 1.95 in 1978.

Trends in Monetary Ratios

The average ratio of currency with the public to money supply increased further from 53.8 per cent in 1977-78 to 54.7 per cent in 1978-79, but the average ratio of currency with the public to aggregate monetary resources declined from 26.4 per cent to 25.7 per cent. Demand deposits as a proportion of money supply and of aggregate monetary resources continued to fall and reached 45.3 per cent and 21.3 per cent respectively in 1978-79. In contrast, time and savings deposits as a whole continued its uptrend and reached 53.0 per cent of aggregate monetary resources in 1978-79.

The marginal currency to money supply ratios had shot up sharply above the respective average ratios in 1976-77 but the difference between the marginal and average ratios has been diminishing. The marginal currency to money supply ratio showed a further decline from 77.4 per cent in 1977-78 to 61.0 per cent in 1978-79, while the ratio of demand deposits to money supply increased from 22.6 per cent to 39.0 per cent.

Table IV.5 Average and Marginal Ratios Relating to Monetary Aggregates

(Percentages)

End of Period July - June	Proportion of Money Supply		Proportion of Aggregate Monetary Resources		
	Currency with the public	Demand Deposits	Currency with the public	Demand Deposits	Time and Savings Deposits
Average Ratios					
1973 - 74 ...	43.9	56.1	22.5	28.7	48.8
1974 - 75 ...	44.7	55.3	21.8	26.9	51.3
1975 - 76 ...	44.5	55.5	20.8	26.0	53.2
1976 - 77 ...	50.4	49.6	25.3	24.8	49.9
1977 - 78 ...	53.8	46.2	26.4	22.7	50.9
1978 - 79 ...	54.7	45.3	25.7	21.3	53.0
Marginal Ratios					
1973 - 74 ...	42.7	57.3	23.6	31.8	99.4
1974 - 75 ...	46.3	53.7	20.3	23.6	56.0
1975 - 76 ...	44.0	56.0	18.7	23.8	57.5
1976 - 77 ...	85.5	14.5	73.5	12.5	14.1
1977 - 78 ...	77.4	22.6	33.4	9.7	56.9
1978 - 79 ...	61.0	39.0	22.0	14.1	63.9

2. TRENDS IN BANKING

This section attempts to analyse the main trends in commercial banking during the period under review. The upward revisions in the deposit interest rates over the last few years and the increase in the number of bank branches from 69 in June, 1978, to 76, in June, 1979, enabled a greater mobilisation of financial resources by the banking system.

Commercial Bank's Deposits

Aggregate bank deposits rose from Rs 1,850.1 million in June, 1978, to Rs 2,237.3 million in June, 1979, showing an increase of 20.9 per cent as compared with the smaller increase of 17.4 per cent in the preceding year. Savings deposits grew by 24.7 per cent compared with an increase of 20.6 per cent in 1977-78. The growth of demand deposits had decelerated to 5.2 per cent in 1977-78 but picked up again in 1978-79 and increased by 7.9 per cent. Time deposits rose by 29.2 per cent in 1978-79, compared with a growth of 27.3 per cent in 1977-78. Aggregate deposits as a percentage of Gross National Product declined from 41.9 per cent in 1978 to 38.7 per cent in 1979.

The trends in deposits, commercial banks' credit to the private sector and their liquid assets ratios, and credit deposit ratios are shown in Table IV.6 below.

Table IV.6 Commercial Banks — Selected Indicators

End June	Rs million			Liquidity Ratio (1) ÷ (2) = (4) (4)	Credit Deposit Ratio (3) ÷ (2) = (5) (5)	Total Deposits as a percentage of GNP (6)
	Liquid Assets (1)	Aggregate Deposits (2)	Credit to the Private Sector (3)			
1975	338.5	981.8	745.8	34.5	76.0	46.1
1976	572.0	1,348.5	908.2	42.4	67.3	39.7
1977	419.4	1,580.1	1,296.8	26.5	82.1	38.4
1978	684.7	1,850.1	1,348.5	37.0	72.9	41.9
1979	823.9	2,237.3	1,593.2	36.8	71.2	38.7

Between June, 1978 and June, 1979, commercial banks' ratio of liquid assets to aggregate deposits showed a marginal decline from 37.0 per cent to 36.8 per cent and their ratio of credit to the private sector to aggregate deposits registered decrease from 72.9 per cent to 71.2 per cent. Between 1977-78 and 1978-79, the increase of Rs 181.5 million in the monthly average level of banks credit to the private sector was lower than the increase of Rs 290.5 million in the monthly average level of time and savings deposits; thus time and savings deposits was in excess of bank credit by Rs 109.0 million. It would appear that the extension of credit by commercial banks was contingent on their mobilising time and savings deposits.

Review of Credit Ceilings

The overall ceiling on credit to the private sector assumed less importance during the second half of 1978 as banks operated below their cumulative monthly trigger points. The monthly average level of credit subject to the overall ceiling was Rs 859.9 million for the period January-December, 1978 and credit to exempted categories reached Rs 491.2 million during the same period. Collectively, commercial banks operated at an average of Rs 186.8 million or 17.8 per cent below the cumulative monthly trigger for December, 1978. Only one bank exceeded its overall ceiling on credit to the private sector during the second half of 1978.

The monthly average level of credit to traders in 1978 was below the sub-ceiling by Rs 29.8 million or 13.0 per cent. Only one bank was subject to penalties for infringement of the sub-ceiling on credit to traders in the second half of 1978.

The overall credit ceiling was abolished in January, 1979, but the ceiling on credit to traders was maintained. During the first half of 1979, the monthly average level of credit to the trade sector was Rs 219.2 million. This figure was below the cumulative monthly average level of credit permitted for the period January-June, 1979 by Rs 30.9 million or 12.4 per cent. However, four banks exceeded their cumulative monthly triggers and incurred penalties amounting to Rs. 1.8 million in the form of non-interest bearing deposits with the Central Bank.

Sectoral Distribution of Commercial Bank's Credit

There were few changes in the sector-wise development of commercial banks' credit between June, 1978 and June, 1979. The amount of commercial banks' credit on a sector-wise basis and the changes therein for the period June, 1978 to June, 1979, are shown in Table IV.7.

Between June, 1978 and June, 1979, credit to the sugar sector including the Mauritius Sugar Syndicate increased by Rs 59.2 million or 23.5 per cent. However, the share of the sugar sector in total bank credit registered a negligible decline from 18.7 per cent to 18.6 per cent. The shares of credit to both the Export Processing Zone and industries holding a Development Certificate decreased marginally from 22.2 per cent and 12.8 per cent to 20.8 per cent and 11.2 per cent respectively. The share of credit to 'Other Industries and Manufacturers' remained unchanged at 10.1 per cent. Credit to the industrial sector as a whole registered an increase of Rs 98.4 million or 16.2 per cent. Although credit to traders increased by Rs 42.2 million, the share of the trade sector in total bank credit remained more or less unchanged at 13.3 per cent.

Table IV.7 Sectoral Distribution of Commercial Banks' Credit

(Rs million)

	June 1978	January 1979	March 1979	June 1979	Percentage change between June, 1978 and June, 1979 (+ an increase — a decrease)
1. Mauritius Sugar Syndicate ...	24.1 (1.8)	106.2 (6.7)	97.7 (5.9)	26.2 (1.6)	+8.7
2. Sugar Industry ...	227.6 (16.9)	239.5 (15.2)	287.5 (17.4)	284.7 (17.0)	+25.1
3. Other Agricultural Interests ...	57.2 (4.2)	41.1 (2.6)	48.8 (2.9)	57.1 (3.4)	—0.2
4. Export Processing Zone ...	300.0 (22.2)	309.5 (19.7)	318.7 (19.3)	348.9 (20.8)	+16.3
5. Development Certificate Industries ...	172.8 (12.8)	184.6 (11.7)	182.1 (11.0)	188.3 (11.2)	+9.0
6. Other Industries and Manufacturers	136.3 (10.1)	151.7 (9.6)	175.1 (10.6)	170.3 (10.1)	+24.9
7. Investment in Private Sector ...	10.4 (0.8)	11.5 (0.7)	11.5 (0.7)	11.5 (0.7)	+10.6
8. Traders ...	181.0 (13.4)	216.4 (13.8)	219.7 (13.3)	223.2 (13.3)	+23.3
9. Transport ...	48.7 (3.6)	58.6 (3.7)	59.3 (3.6)	58.8 (3.5)	+20.7
10. Housing ...	44.1 (3.3)	50.2 (3.2)	52.3 (3.2)	58.4 (3.5)	+32.4
11. Hotels ...	5.1 (0.4)	6.9 (0.4)	2.2 (0.1)	2.3 (0.1)	—54.9
12. Government ...	— (—)	0.5 (.)	0.1 (.)	21.9 (1.3)	
13. Foreign Currency Loan to Government ...	32.5 (2.4)	51.7 (3.3)	50.7 (3.1)	63.2 (3.8)	+94.5
14. Stock Brokers ...	0.4 (.)	0.4 (.)	0.4 (.)	0.4 (.)	—
15. Personal and Professional ...	61.3 (4.5)	77.9 (5.0)	84.5 (5.1)	101.3 (6.0)	+65.3
16. Statutory and Para-Statal Bodies	24.9 (1.8)	35.7 (2.3)	32.3 (1.9)	25.1 (1.5)	+0.8
17. Financial Institutions ...	4.9 (0.4)	4.5 (0.3)	5.8 (0.3)	5.3 (0.3)	+8.2
18. Other Customers ...	17.2 (1.3)	27.1 (1.7)	26.5 (1.6)	31.4 (1.9)	+82.6
TOTAL ...	1,348.5	1,574.0	1,655.1	1,678.3	+24.5

Note : Figures in brackets indicate percentages to total.

Central Bank Credit to Commercial Banks

During the period under review, the Bank of Mauritius continued to make available to commercial banks various facilities, namely advances at Bank Rate, advances at twice the Bank Rate, the rediscount of export bills, and certain special lines of credit.

Central Bank credit to commercial banks had been on a rising trend during the first four months of 1979. The total daily average level of central bank credit rose from Rs 24.9 million in January, 1979 to Rs 39.3 million in March and further to Rs 64.1 million in April, 1979. In view of the difficult foreign exchange reserves position and the link between central bank credit and the drain of reserves, the Bank of Mauritius found it necessary to apply a discretionary control on central bank credit to commercial banks. As from the 3rd May, 1979, commercial banks ceased to have automatic access to central bank credit under any of the existing facilities and the resort to these facilities was made subject to the prior approval of the central bank. The May-June, 1979, figures for central bank credit to commercial banks have, therefore, to be viewed against the background of this re-orientation in central bank credit policy.

Table IV.8 shows the commercial banks' utilization of central bank credit under the various facilities.

Normal central bank credit to commercial banks in the form of advances at Bank Rate averaged Rs 2.9 million in July, 1978 and thereafter declined to Rs 1.3 million in June, 1979. The daily peak level of borrowing at Bank Rate stood at Rs 6.0 million throughout the period under review. Advances at twice the Bank Rate were infrequent and reached a peak of Rs. 46.6 million in April, 1979.

Bills rediscounted with the Bank of Mauritius continued to be the most utilised facility during the year. The monthly average amount of bills rediscounted fluctuated between a high of Rs 21.6 million in October, 1978 and a low of Rs 0.6 million in December, 1978.

Inter-Bank Money Market

Following the imposition of low interest rate ceilings on inter-bank transactions in January, 1978, the downward trend in inter-bank money market activity which was observed during the first half of 1978 continued during the period July 1978 to June, 1979.

In June, 1978, the inter-bank transactions averaged Rs 1.9 million. There was little intervention by commercial banks in July and September, 1978 and this intervention was confined to the call money market. However, the amount of transaction involved was relatively small — Rs 1.6 million in July, and Rs 0.1 million in September, 1978 at 6 per cent rate of interest. All commercial banks had pulled out of the market in August, 1978.

All activity in the inter-bank money market had ceased during the period October, 1978 to February, 1979. In March, 1979, there was marginal intervention by a couple of commercial banks and this intervention was again confined to the call money market. The amount of transaction involved was Rs. 0.2 million at 6 per cent.

The lack of activity in the inter-bank market during the period under review reflected the unattractiveness of inter-bank money market rates vis-à-vis other short-term interest rates.

Review of Monetary Policy

Monetary policy in recent years has been largely dictated by the external payments positions. The high level of deficit financing over the past few years has had adverse repercussions on foreign exchange reserves and hence monetary policy over the years, has been aimed at reducing the pace of credit expansion by the banking system with a view to ease the pressures

Table IV.8 Central Bank Credit to Commercial Banks

(Rs million)

			1978							1979					
			June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	April	May	June
Advances at Bank Rate ...	Peak ...	...	6.1	6.1	6.1	6.1	6.1	5.0	6.1	6.0	6.0	5.6	6.0	6.0	6.0
	Trough ...	...	—	—	—	—	—	—	—	—	—	1.0	1.0	—	—
	Daily Average ...	...	1.3	2.9	3.0	2.7	3.6	1.9	1.5	2.5	3.2	4.3	4.9	2.1	1.3
Advances at twice Bank Rate ...	Peak ...	...	—	0.9	—	—	15.0	—	13.3	6.8	—	15.0	46.6	—	1.4
	Trough ...	...	—	—	—	—	—	—	—	—	—	—	—	—	—
	Daily Average ...	...	—	.07	—	—	1.7	—	1.3	1.3	—	1.0	26.1	—	0.05
Bills Rediscounted	Peak ...	...	4.7	4.3	7.3	7.3	35.9	15.9	3.7	3.7	19.5	22.7	23.2	18.1	9.5
	Trough ...	...	3.6	2.1	2.2	2.5	2.5	—	—	0.5	0.5	16.2	3.1	—	—
	Daily Average ...	...	4.2	2.9	3.3	4.5	21.6	5.1	0.6	2.3	6.1	18.7	16.9	7.5	1.7
Reconstruction Programme ...	Peak ...	...	—	—	—	—	—	—	0.6	0.6	0.6	0.6	0.6	0.6	—
	Trough ...	...	—	—	—	—	—	—	—	—	—	—	—	—	—
	Daily Average ...	...	—	—	—	—	—	—	0.2	0.4	0.3	0.2	0.2	0.1	—
Special line of Credit to the Bus Industry ...	Peak ...	...	—	—	—	—	—	—	15.8	15.8	15.1	3.8	9.2	16.8	—
	Trough ...	...	—	—	—	—	—	—	—	—	—	—	—	—	—
	Daily Average ...	...	—	—	—	—	—	—	3.9	5.4	5.5	0.1	1.0	1.3	—
Co-operative Credit ...	Daily Average ...	...	10.0	10.0	10.0	11.3	9.0	3.5	4.7	13.0	15.0	15.0	15.0	12.3	2.0
Total ...	Daily Average ...	...	15.5	15.8	16.3	18.5	35.9	10.5	12.2	24.9	30.1	39.3	64.1	23.3	5.0

on reserves. However, the continuing drain of exchange reserves in 1978 invited a reinforcement of the existing measures in the formulation of monetary policy for 1979.

The annual increases in interest rates in previous years reflected the desire to move away from direct controls to a market-induced reduction in commercial bank credit expansion. In January, 1979, interest rates were again increased. Lending rates were increased selectively from a range of 10-13 per cent to 10-16 per cent, with higher increases in rates for lending categories of lower priority such as loans to traders and for personal and professional purposes. The prime rate, applicable to most favoured borrowers like the Mauritius Sugar Syndicate was unaltered at 10 per cent. The Fine Commercial Rate which applies to industries in the Export Processing Zone and with a Development Certificate also remained unchanged. The rate on credit to traders was raised by 3 per cent from 13 to 16 per cent and the rate on personal and professional loans was increased by 2 per cent from 12 to 14 per cent. The rate on loans made available to Co-operative Societies from a special line of credit by the Bank of Mauritius to the Mauritius Co-operative Central Bank was raised from 7 to 8 per cent. The Bank Rate and the rediscount rate were unchanged at 9 per cent and $9\frac{3}{4}$ per cent respectively. The deposit rates of commercial banks were also increased. Rates on deposits of maturities of up to 12 months were raised by one per cent, with smaller increases in deposit rates for longer maturities. The maximum rate payable on institutional deposits was set at $8\frac{1}{2}$ per cent. No rate was fixed for personal deposits of a duration exceeding 36 months.

The pace of expansion in commercial bank credit to the private sector had been brought down substantially from 43 per cent in 1977 to 6.4 per cent in 1978. Since commercial banks had evolved over the period of credit restraint, satisfactory mechanisms of their own to channel credit to priority sectors, the continued imposition of an overall ceiling on bank credit to the private sector no longer appeared necessary. The overall ceiling on bank credit to the private sector was consequently abolished in January, 1979, but banks were advised to be very cautious in increasing credit. It was felt that the growth of bank credit could be satisfactorily controlled through changes in interest rates.

In view of the direct link between bank credit to traders and foreign exchange reserves, the existing ceiling on credit to traders by commercial banks was retained. The penalty for infringements of the traders' credit ceiling continued to be in the form of non-interest bearing deposits with the Bank of Mauritius.

The liquid assets ratio introduced in January, 1978, was increased in January, 1979 from 25 to 30 per cent of a bank's total deposits. Liquid assets consist of cash in hand, balances with the Bank of Mauritius and investments in Treasury Bills and other Government securities. This measure was intended to prevent over-lending by commercial banks and to offer greater protection to deposit holders and also to reinforce the central bank's control over banks credit expansion to the private sector. The cash ratio was maintained at 12 per cent.

The 1979 monetary measures also highlighted another aspect of trade finance, namely the increased utilisation by Mauritian importers of credit facilities by foreign suppliers. Steps were taken to regulate an excessive use of foreign supplier credit. In February, 1979, the Bank of Mauritius announced that the contracting of suppliers' credit of a duration exceeding 90 days in respect of all imports other than those effected by companies holding an EPZ/IDC certificate would require prior approval. At the end of April, 1979, it was further decided that commercial banks would not be allowed to extend credit for lower priority imports and that importers would not be permitted to obtain credit facilities from abroad for such imports. Imports of lower priority were broadly defined as imports on which the general duty plus the fiscal duty was in excess of 20 per cent of the f.o.b. value.

The fast deteriorating position of foreign exchange reserves, which had fallen to a critically low level equivalent to only one month's imports in April, 1979, indicated a need for a stricter control of credit creation. Accordingly in May, 1979, commercial banks' access to central bank credit under all the existing facilities was made subject to discretionary approval by the Bank of Mauritius. The closure of the automatic refinancing facilities emphasized the role of the central bank as a lender of last resort and not as a natural source of credit to the banking system.

Debt management policy was particularly active during the financial year 1978-79 in raising resources to cover budgetary requirements and also in attempting to reduce the proportion of the budgetary deficit financed by the central bank. Four stock issues on tap were made on attractive terms and carried certain innovative features such as a guaranteed minimum interest yield and a variable interest rate expressed as a given percentage above the Bank Rate. A yield linked to the Bank Rate obviated the problem of capital losses for holders of Government paper in the event of a general increase in interest rates and a minimum yield ensured a guaranteed return on investment. The yields on existing holdings of Government securities were raised by 2 per cent during the fiscal year in order to realign these yields with those on the new issues.

A more imaginative use of the Treasury Bill Rate was needed to meet the short-term borrowing requirements of the Government in consistency with the issuing of longer-term debt. The Treasury Bill Rate was lowered from 8.9 to 7.9 per cent at the time of the funding stock issue in August, 1978, to encourage the switch from investments in Treasury Bills to longer-term securities and thereby achieve a better maturity pattern of Government debt. Following the issues of three other stocks in December, 1978 and in February and March, 1979, and the satisfactory completion of the funding operations, the Treasury Bill Rate was again increased in three successive steps of 1 per cent, from 7.9 per cent at the end of March, 1979 to a high of 10.9 per cent at the end of April, 1979.

3. FINANCIAL MARKETS AND INSTITUTIONS

Capital and Money Markets

During the financial year 1978-79, the Bank of Mauritius made four issues of Government stocks, all on tap, offering yields around 10 and 11 per cent and with maturities ranging from 5 to 20 years. There had been no issue of stocks in the preceding financial year. In August, 1978, a five-year funding stock at par yielding a fixed 10 per cent rate of interest was floated and a total of Rs 140.3 million was subscribed mostly by commercial banks. The 15-year stock issue at par, in December, 1978 offered a variable interest rate equal to one and a half per cent above Bank Rate and more than half of the total issue of Rs 85.2 million was subscribed by commercial banks and the remainder by other non-bank financial institutions such as the National Pension Fund, the Post Office Savings Bank and the Insurance Companies. A six-year funding stock was issued in February, 1979, carrying a coupon yield of 10 per cent and a slight discount at 99.75 per cent. The bulk of this issue was taken up by commercial banks. A variable interest stock of 20-year maturity at 2 per cent above Bank Rate, with a guaranteed minimum interest yield of 11 per cent, was issued in March, 1979. Applications were closed within four days of the date of issue with commercial banks and the National Pension Fund taking up most of the total of Rs 37.3 million raised. Applications for the previous stocks were closed within 2 months of the date of issue.

Innovative features such as variable interest rate linked to the Bank Rate, a guaranteed minimum interest yield, and the provisions for less than full payment on applications for stock issues, seemed to have favourably influenced the decisions of potential holders of stocks. Further,

the increase in the differential in August, 1978, between the yields on Treasury Bills and on Government stocks encouraged investors to switch from investments in Treasury Bills to longer-term securities.

In August, 1978, the rate of interest on Treasury Bills was reduced from 8.9 per cent to 7.9 per cent and the total amount of Treasury Bills outstanding declined from Rs 301.1 million in July, 1978, to Rs 157.9 million in August, 1978. In March and April, 1979, investments in Treasury Bills were given a strong stimulus when the yield rate was successively raised from 7.9 per cent in August, 1978, to 8.9 per cent in March, 1979, and subsequently to 9.9 per cent and 10.9 per cent in April, 1979. Total investments in Treasury Bills thus registered a sharp increase from Rs 158.6 million in March, 1979 to Rs 306.7 million in June, 1979.

The sluggishness in the market for private equities and bonds which was observed in 1977-78 continued and the market became more or less inactive in 1978-79. There were no public issues of shares. Nevertheless, there were various bonus issues of shares to existing shareholders consequent upon the capital reconstruction of some major private companies during the period under review.

The Mauritius Co-operative Central Bank (MCCB)

The Mauritius Co-operative Central Bank extends credit to a large number of small planters of sugar cane through co-operative credit and marketing societies at concessional rates of interest. Between June, 1978, and June, 1979, the number of co-operative societies affiliated to the MCCB increased from 318 to 324.

During the year under review, loans and advances disbursed by the MCCB to members of co-operative societies decreased from Rs 73.3 million in the previous fiscal year to Rs 69.3 million. This decrease was mainly due to a slow down in the growth of credit to the sugar sector. As from 1st April, 1979, the rate of interest on loans and advances to the co-operative credit societies was stepped up from 7 per cent to $9\frac{1}{4}$ per cent. Consequently the rate of interest applicable on funds on-lent by these credit societies to their members was raised to $10\frac{1}{4}$ per cent.

The special line of credit of Rs. 10 million from the Bank of Mauritius to the MCCB at 5 per cent below Bank Rate was increased to Rs. 15 million at 4 per cent below Bank Rate as from the 6th January, 1979.

Other Financial Institutions

The quality of data relating to the operations of other financial intermediaries continue to constrain analysis of these institutions as a group. This sub-section sketches financial developments of four major other financial institutions, namely the Development Bank of Mauritius (DBM), the Mauritius Commercial Bank Finance Corporation (MCBFC), the Mauritius Housing Corporation (MHC), and the Post Office Savings Bank (POSB). The activities of the insurance sector, pension and welfare funds and the development companies are also highlighted.

The DBM and MCBFC complement the banking system in providing medium and long-term lending to agriculture, industry and tourism. The figures for June, 1979, indicate that outstanding loans and advances extended by the DBM reached Rs 224.0 million of which agriculture accounted for Rs 15.9 million and industry for Rs 206.2 million. The DBM also participates in the equity of selected industries and in the construction of industrial estates, and its participation was valued at Rs 16.0 million and Rs 72.9 million, respectively in June, 1979. The MCBFC accepts deposits from the private sector and also extends medium-term

loans. Deposits reached Rs 231.8 million in June, 1979, while loans extended amounted to Rs 150.9 million including Rs 16.0 million invested in real estates. During the year under review, deposits with MCBFC grew by Rs. 64.5 million while loans went up by Rs 20.3 million only. Consequently, the Corporation's deposits with the Mauritius Commercial Bank reached Rs 97.0 million in June, 1979 compared with Rs 51.8 million in June, 1978.

Mortgage finance for house construction is extended mainly by the MHC which in turn draws on long-term credit from the Government, the Commonwealth Development Corporation, the National Pension Fund, Insurance Companies and the State Commercial Bank. Mortgage loans reached Rs 153.5 million in June, 1979 while investments in housing estates, which are subsequently offered for sale or rent, amounted to Rs 25.4 million i.e. a growth of about Rs. 9.0 million over the amount in June, 1978. During the year under review, MHC's assets grew by Rs 32.0 million to Rs 177.1 million in June, 1979.

Financial savings mobilised by the POSB reached Rs 110.9 million in June, 1979 i.e. a smaller growth of Rs 6.8 million over the June, 1978 level as compared with one of Rs 16.1 million in the previous fiscal year. The increase in savings deposits with the POSB during 1978-79 is attributable to a net increase in the number of new accounts. Such accounts stood at 158,985 in June, 1979 compared with 145,488 in June, 1978 thus reflecting partly the popularity of monthly cash prize draws effected by the POSB for holders of deposits in excess of Rs 200.

The insurance sector comprises Life Insurance Companies, General Assurance Companies, the Sugar Insurance Fund Board and the State Insurance Corporation of Mauritius (SICOM). The SICOM, established in 1975, made considerable progress during the four years of its operation. By June, 1979, 24 para-statal bodies had joined SICOM's pension schemes covering 6,000 employees. Among the pension funds the Sugar Industry Pension Fund continues to be the largest institution with total assets of Rs 197.8 million in December, 1978. The National Pension Scheme (NPS) instituted by the Government became operational in 1978. In June, 1979, the total assets of the NPS amounted to Rs 139.9 million of which Rs 70.8 million were invested in Government Stocks and Rs 24.8 million in Treasury Bills.

The Mauritius Development Investment Trust Company (MDIT) and the General Investment and Development Company (GIDC) are private institutions which provide development finance from private sources. The funds of the MDIT are invested mainly in equity of firms and combined investments amounted to Rs 6.7 million in June, 1979. The GIDC serves as an important channel of diversification for some of the main sugar interests and invests mainly in subsidiary or associated companies.

V. GOVERNMENT FINANCE

The Overall Government Budget

The aggregate revenue of the Government in the fiscal year 1978-79 amounted to Rs 2,205.3 million and exceeded the revenue in the previous year by Rs 486.5 million. Aggregate expenditure in 1978-79 rose by Rs 352.1 million to Rs 2,439.3 million and this was financed up to 52.2 per cent by revenue from taxation and up to 16.8 per cent from foreign sources. Aggregate expenditure in 1978-79 represented 49.7 per cent of the GNP of Rs 4,910 million in 1978. The share of personal emoluments reached 25.5 per cent of aggregate expenditure. Table V.1 shows an aggregative analysis of the budget.

Table V.1 Aggregate Analysis of Government Budget

(Rs million)

	1974-75	1975-76	1976-77	1977-78	1978-79 (Provisional)	1979-80 (Budget Estimate)
AGGREGATE REVENUE ...	1,156.9	1,340.0	1,496.4	1,718.8	2,205.3	2,260.6
Recurrent Revenue ...	744.9	1,075.7	1,210.7	1,260.8	1,486.4	1,638.5
of which :						
Import Duties ...	187.8	260.5	349.1	412.7	465.0	503.0
Export Duties ...	129.8	126.1	124.9	139.8	145.2	150.0
Excise Duties ...	88.9	94.4	104.9	134.8	169.2	222.0
Taxes on Income and Capital ...	197.1	398.0	392.2	289.9	328.9	301.0
Taxes on Property, Other taxes ...	60.3	72.2	110.2	130.9	162.0	216.0
Other Revenue ...	81.0	124.5	129.4	152.7	216.1	246.5
Capital Revenue ...	412.0	344.3	285.7	458.0	718.9	622.1
of which :						
Transfer from Current Budget ...		80.0				
Local Borrowings ...	306.4	207.9	148.2		299.3	200.0
External Receipts ...	59.9	36.6	84.3	427.5	409.9	411.6
Other ...	45.7	19.8	53.2	30.5	9.7	10.5
AGGREGATE EXPENDITURE ...	993.2	1,494.4	1,746.4	2,087.2	2,439.3	2,658.1
Recurrent Expenditure ...	734.3	1,071.0	1,261.0	1,441.3	1,770.0	1,808.8
of which :						
Personal Emoluments...	244.5	340.1	424.4	445.9	573.1	678.5
Public Debt ...	75.9	99.7	112.8	153.0	199.2	287.3
Public Service Pensions ...	36.5	42.4	68.2	75.3	85.7	83.0
Social Security Transfers ...	56.8	73.8	114.3	149.3	166.6	165.6
Subsidy on Rice and flour ...	157.2	121.0	100.0	49.2	111.4	130.0
Grant in aid to Local Authorities ...	24.4	46.0	55.5	68.6	84.4	90.8
Other Expenditure ...	139.0	348.0	385.8	500.0	549.6	373.6
Capital Expenditure ...	259.9	423.4	485.4	645.9	669.3	849.3
of which :						
Loans ...	70.2	100.1	119.4	182.2	189.0	177.6
Plan Projects ...	186.1	261.7	349.6	454.1	472.5	628.4
Other ...	2.6	61.6	16.4	9.6	7.8	43.3

The 1979-80 Government budget as approved by the Legislative Assembly on the 12th July, 1979, provided for an aggregate revenue of Rs 2,261 million and an aggregate expenditure of Rs 2,658 million. However, these original estimates have been modified subsequently.

Recurrent Budget

The recurrent budget revenue for 1978-79 amounted to Rs 1,486.4 million, close to the original estimate of Rs 1,500 million and representing an increase of Rs 225.6 million over the previous year. Higher import and excise duties and surcharges contributed about Rs 96 million to revenue. An increase in the rate of tax on companies accounted partly for the increase in taxes on capital and income of about Rs 30 million. Revenue on miscellaneous items rose by some Rs 65 million.

Total recurrent expenditure amounted to Rs 1,770 million in 1978-79, showing an increase of Rs 329 million or of 22.8 per cent over total recurrent expenditure of Rs 1,441.3 million in 1977-78. The original estimate of expenditure was exceeded by some Rs 168 million. The major items of expenditure which contributed to the increase were personal emoluments (Rs 142 million), public debt servicing (Rs 46.1 million) and subsidies on rice and flour

(Rs 126.1 million). The recurrent budget showed a deficit of Rs 283.6 million in 1978-79 against a deficit of Rs 180.5 million in 1977-78.

Capital Budget

In 1978-79, capital revenue amounted to Rs 718.9 million, or an increase of Rs 260.9 million over the previous year. Revenue from external sources amounted to Rs 409.9 million and it comprised a loan of Rs 40.9 million (SDR Rs 5.3 million) from the IMF Trust Fund received in July, 1978, the first drawing in June, 1979, of Rs 180 million (US \$30 million) under the second Euro-dollar loan of US \$50 million relating to the bulk sugar terminal and the associated infrastructural works, the rupee counterpart of the SDR allocation by the IMF of SDR 2.8 million, amounting to Rs 21.6 million and other drawings on project-tied loans. As regards revenue from local sources, an amount of Rs 299.3 million was raised through issues of Government stocks.

Capital expenditure for 1978-79 amounted to Rs 669.3 million which showed a slight increase of Rs 23.4 million over the 1977-78 level of expenditure but fell below the amount originally estimated of Rs 705.1 million. An amount of Rs 189 million was disbursed as loans to para-statal and statutory bodies while the remainder was used for capital projects. The capital budget in 1978-79 showed a surplus of Rs 49.6 million as compared with a deficit of Rs 187.9 million in 1977-78.

Fiscal Measures Introduced in 1979

The 1979-80 budget incorporated a number of measures aimed at raising additional revenue, curbing the import of non-essential and luxury items, encouraging import-substitution and stimulating savings.

The structure of customs tariffs was rationalized to consist only of eight basic rates leviable on an *ad valorem* basis. The tariff structure as modified comprises only fiscal and general duties, and adequate protection to local industries is provided in the form of very low rates of duty on raw materials and intermediate goods and a sufficiently high rate of duty on manufactured goods. Besides, all imported machinery is zero-rated and duty on all spare parts is set at a preferential rate of 30 per cent and at a general rate of 50 per cent. All food items is exempted from import duty. The existing duty concessions on raw materials and intermediate products enjoyed by local manufacturers would continue.

The rate of duty was increased on a number of items. The import duty on motor spirit was increased from 110 per cent to 150 per cent *ad valorem*. Imports of motorcars, motorcycles, autocycles, articles of jewellery, pearls, precious stones, fireworks, firearms, amusement machinery, pleasure boats, perfumery, cosmetics, TV sets, refrigerators, air conditioners, hifi and stereos were made to bear higher rates of duty with an increase ranging from 8 to 10 per cent. Moreover, a stamp fee equal to 2 per cent of the c.i.f. value was imposed on all imports, except on imports of all food items and imports by the Government and para-statal bodies, by EPZ and DC companies, and by all local authorities. The excise duty on a number of items such as cigarettes, beer, rum, soft drinks were also raised. The registration duty on immovable property was raised to 12 per cent and on cars to 10 per cent. Telephone tariffs, postal charges and licence fees on gambling were also raised.

In respect of personal income taxation, the personal allowances for all categories of taxpayers were increased by an amount ranging from Rs 500 to Rs 1,000 while the limit on deductions allowable for certain contributions was also raised. The Government also agreed to an earned income relief at the rate of 5 per cent subject to a maximum of Rs 5,000, and allowed for the income of a working wife to be taxed separately or jointly with the husband's income at the option of the individual taxpayer. The age limit qualifying old and retired

persons for special allowance was raised from 60 to 70. Moreover, the tax structure has been modified and the first slab of taxable income of Rs 10,000 has been sub-divided into an initial income range of Rs 5,000 taxable at 5 per cent and a second range of Rs 5,000 taxable at 10 per cent.

Government Financing Operations

Government's budgetary position considered from the point of view of its financing requirements shows that its overall deficit increased from Rs 727.2 million in 1977-78 to Rs 897 million in 1978-79. The derivation of Government's financing requirements and the ways in which these financing needs have been met are shown in Table V.2.

Table V.2 Budgetary Operations and Financing 1974-79

				(Rs million)				
				1974-75	1975-76	1976-77	1977-78	1978-79
Current Revenue	...	...	...	714.7	1,046.4	1,152.9	1,207.3	1,459.2
Current Expenditure	...	...	...	668.9	911.5	1,173.4	1,331.2	1,730.0
Capital Revenue	...	...	...	0.9	15.9	15.3	24.9	11.5
Foreign Grants	...	...	...	7.4	3.0	5.0	1.9	1.0
Capital Expenditure	...	...	...	171.2	269.6	352.1	458.4	480.3
Lending minus Repayments	...	...	...	68.9	93.2	104.5	176.7	158.4
Overall Surplus (+) or Deficit (—)	...	...	...	—186.0	208.9	—456.8	—727.2	—897.0
FINANCING	...	...	...	186.0	208.9	456.8	727.2	897.0
I. Domestic Financing (net)	...	...	...	145.3	189.2	386.6	445.0	579.3
1. Banking System (net)	...	...	...	—8.9	169.6	279.7	455.9	440.3
(a) Monetary Authorities (net)	...	...	...	—117.5	17.0	454.5	223.5	353.8
1. Government Securities	...	...	...	(58.6)	(—28.7)	(186.3)	(4.2)	(11.9)
2. Treasury Bills	...	...	...					(90.9)
3. Advances	...	...	...	(—33.0)	(—0.8)	(227.1)	(120.9)	(180.0)
4. Deposits	...	...	...	(—82.7)	(61.0)	(8.2)	(—15.5)	(3.3)
5. IMF Transactions	...	...	...	(—60.4)	(—48.5)	(32.9)	(113.9)	(66.8)
(b) Commercial Banks (net)	...	...	...	108.6	184.2	—174.8	232.4	86.5
1. Government Securities	...	...	...	(102.0)	(203.2)	(—193.3)	(—19.6)	(211.9)
2. Treasury Bills	...	...	...	(9.6)	(—15.1)	(8.8)	(252.3)	(—122.5)
3. Deposits	...	...	...	(—3.0)	(—3.9)	(9.7)	(—0.3)	(—2.9)
2. Non-Bank Sources (net)	...	...	...	161.5	19.7	122.7	5.4	105.4
1. Government Securities	...	...	...	(167.7)	(22.7)	(122.7)	(—3.1)	(43.9)
2. Treasury Bills	...	...	...	(—6.2)	(—3.0)	(—)	(8.5)	(61.5)
3. Changes in Cash Balances and Other	...	...	...	—7.3	—2.1	—15.9	—16.3	33.6
II. Foreign Financing (net)	...	...	...	40.7	19.7	70.2	282.2	317.7

The central bank continued to be the major source of finance to the Government through its advances and increased holdings of Government stocks and Treasury Bills. In 1978-79 the central bank financing of the overall deficit amounted to Rs 283.7 million which represents 32 per cent of the total. Commercial banks' financing amounted to Rs 86.5 million, mostly by an increase in holdings of Government stocks net of a decumulation of Treasury Bills. Net lending by the banking system and the IMF to the Government amounted to Rs 440.3 million while non-bank sources contributed an additional Rs 105.4 million of resources in 1978-79. Foreign financing also increased from Rs 282.2 million to Rs 317.7 million, or about 35 per cent of the overall deficit.

Public Debt

The outstanding medium and long-term debt of the Government rose from Rs 1,733.7 million at the end of June, 1978, to Rs 2,320.8 million at the end of June, 1979. The latter figure was made up of Rs 1,254.1 million of internal debt and Rs 1,066.7 million of external debt. Table V.3 below shows the figures relating to public debt and debt servicing.

Table V.3 Central Government Debt
(Rs million)

	1974	1975	1976	1977	1978	1979 <i>Estimates</i>
A. Debt Outstanding as at 30th June						
Internal Debt	483.1	773.7	963.7	1,083.7	986.4	1,254.1
of which						
Tap Loans	(15.6)	(110.6)	(105.6)	(100.6)	(28.3)	(21.6)
Development Loan Stocks ...	(367.5)	(663.1)	(858.1)	(983.1)	(958.1)	(1,232.1)
External Debt	207.0	247.1	262.9	323.0	747.3	1,066.7
Total Public Debt	690.1	1,020.8	1,226.6	1,406.7	1,733.7	2,320.8
B. Debt Charges During Fiscal Year Ending 30th June						
Amortization	6.6	9.2	9.7	10.1	28.9	19.0
Internal	(—)	(—)	(—)	(—)	(—)	(—)
External	(6.6)	(9.2)	(9.7)	(10.1)	(28.9)	(19.0)
Interest	35.7	49.4	57.0	73.8	94.4	112.7
Internal	(27.5)	(38.9)	(48.6)	(65.1)	(75.3)	(72.5)
External	(8.2)	(10.5)	(8.4)	(8.7)	(19.1)	(40.2)
Total Debt Servicing	42.3	58.6	66.7	83.9	123.3	131.7

Source : Central Statistical Office, Government of Mauritius.

External Debt

The external debt of the Government rose to Rs 1,066.7 million in June, 1979 from Rs 747.3 million in June, 1978, showing an increase of Rs 319.4 million or 43 per cent over the fiscal year. The substantial increase in foreign borrowing includes disbursements under projected loans, drawings from the IMF Trust Fund of a loan of Rs 40.6 million in July, 1978, and a drawing of Rs 180 million in June, 1979 on the second Euro-dollar loan of US \$50 million negotiated in May, 1979.

As regards debt servicing, the Government disbursed a total of Rs 70.4 million in 1978-79, of which Rs 19 million represented the repayment of principal and the remainder interest payments. Debt servicing was equivalent to 2.3 per cent of both Government's aggregate budget revenue and exports. In view of the heavy recourse to medium-term loans during recent years, debt servicing is expected to rise markedly. On the basis of the loans already contracted by the Government at the end of June, 1979, it is expected that debt servicing would reach a peak in fiscal year 1982-83 as Table V.4 below indicates.

Table V.4 Estimates of External Public Debt Servicing 1979-1984

(Rs million)

			<i>IMF Financing</i>	<i>Euro-dollar Loans</i>	<i>Other Loans</i>	<i>Total</i>
1979-80						
Principal	...	...		22	36	58
Interest	...	...	4	62	42	108
Total	...	...	4	84	78	166
1980-81						
Principal	...	...	53	44	44	141
Interest	...	...	4	67	48	119
Total	...	...	57	111	92	260
1981-82						
Principal	...	...	63	44	47	154
Interest	...	...	5	60	48	113
Total	...	...	68	104	95	267
1982-83						
Principal	...	...	10	156	58	224
Interest	...	...	1	80	40	121
Total	...	...	11	236	98	345
1983-84						
Principal	...	...	10	156	62	228
Interest	...	...	1	29	39	69
Total	...	...	11	185	101	297

*Conversion rates used as at end-June, 1979.

As regards non-governmental foreign liabilities, the external debt of the Development Bank of Mauritius and the Central Electricity Board which account for the bulk of the external debt of para-statal bodies rose to Rs 153 million at the end of June, 1979, i.e. an increase of Rs 49 million over the level at the end of June, 1978. These two organisations utilised foreign finance amounting to Rs 52 million and spent Rs 17 million on debt-servicing.

The external private debt declined by Rs 5 million from Rs 80 million at the end of December, 1977 to Rs 75 million at the end of December, 1978. Capital repayments amounted to Rs 25 million while loan drawings were Rs 20 million.

VI. EXTERNAL TRADE AND BALANCE OF PAYMENTS

The Overall Balance of Payments

The balance of payments continued to show a widening deficit during the financial year 1978-79 although restrictive monetary and fiscal policies have been extensively implemented with a view to restoring equilibrium. A number of factors brought about this disequilibrium and these are the low prices of sugar, the rapid growth of imports and the relatively high rate of monetary expansion in the economy. The balance of payments deficit for the year ended June, 1979, stood at Rs 502 million and this compares with a deficit of only Rs 205 million in 1977-78. The 1978-79 deficit was partly financed by the First Credit Tranche of Rs 61.5 million drawn from the IMF in January, 1979, and a Euro-dollar loan of Rs 180.0 million in June, 1979.

Table VI.1 below gives a summary of the balance of payments for the financial years from 1976-77 to 1978-79. An estimate for the balance of payments deficit in 1979-80 is also shown in the table.

Table VI.1 Balance of Payments Summary

(Rs million)

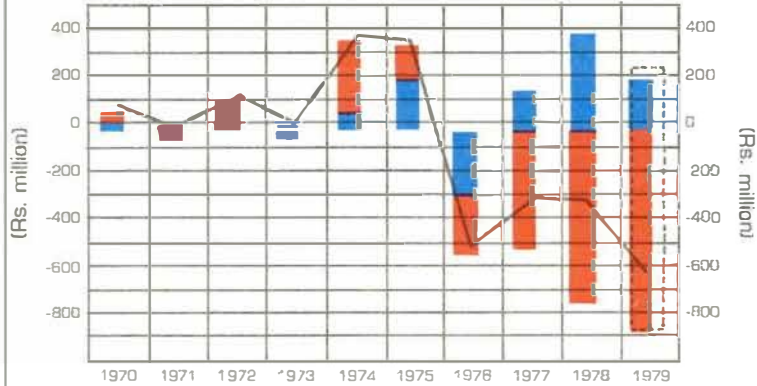
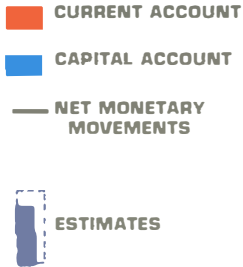
	1976 - 77	1977 - 78	1978 - 79	1979 - 80 (Estimates)
Imports f.o.b.*	2,220	2,523	2,650	3,402
Exports f.o.b.	1,947	2,029	2,200	2,850
Merchandise Account	—273	—494	—450	—552
Net Services Account	—214	—223	—315	—374
Net Unrequited Transfers	36	89	80	135
Net Current Account	—451	—628	—685	—791
Net Capital Movements**	15	304	235	213
Errors and Omissions	29	119	—52	78
Overall Deficit	—407	—205	—502	—500
Monetary Movements	+407	+205	+502	+500
of which :				
Reserve Movements (+ indicates a decrease, — an increase)	(+407)	(—116)	(+261)	(—20)
Exceptional Financing	(. .)	(+321)	(+241)	(+520)

* Includes non monetary gold

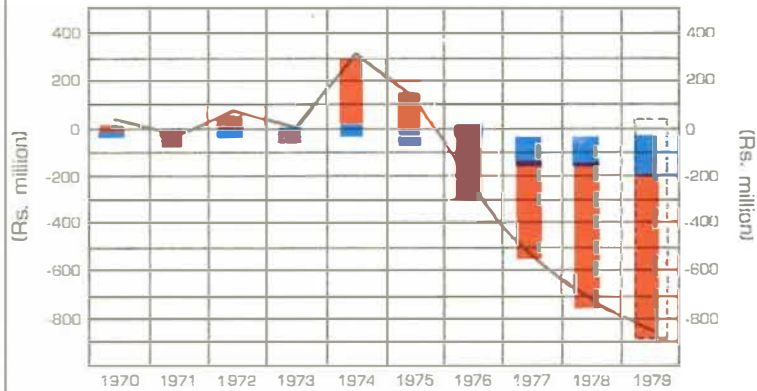
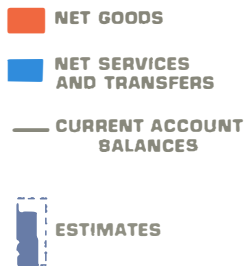
** Includes SDR Allocation.

GRAPH 3: BALANCE OF PAYMENTS

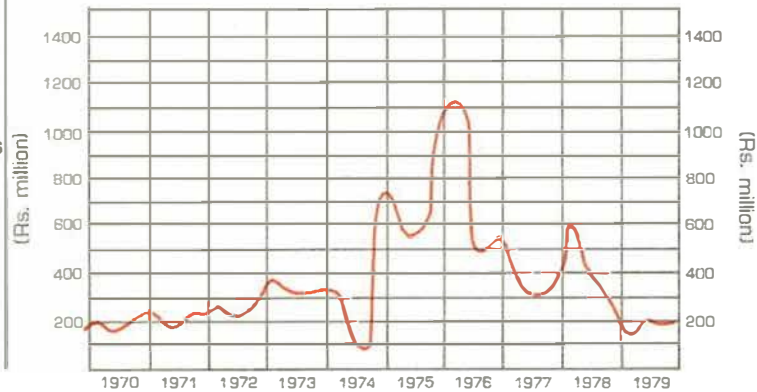
A. OVERALL B.O.P.



B. CURRENT ACCOUNT



C. FOREIGN EXCHANGE RESERVES



There was an improvement in the deficit on the merchandise account from Rs 494 million in 1977-78 to Rs 450 million in 1978-79. The deficits in the net services account and net current account deteriorated further from Rs 223 million and Rs 628 million in 1977-78 to Rs 315 million and Rs 685 million respectively in 1978-79 while net capital movements, although positive, showed a reduction from Rs 304 million to Rs 235 million over the same period.

External Trade

The total value of external trade increased from Rs 5,111.9 million for the year ended June, 1978, to Rs 5,337 million for the year ended June, 1979, or by 4.4 per cent. Imports rose from Rs 3,064.5 million to Rs 3,122.0 million representing a rise of 1.9 per cent, while exports increased from Rs 2,047.4 million to Rs 2,207.8 million representing an increase of 7.8 per cent during the period under review. The slower growth in imports of 1.9 per cent as against 17.1 per cent in the previous fiscal year coupled with the larger increase in exports of 8.2 per cent as against 5.4 per cent in the previous fiscal year resulted in a narrower deficit of Rs 907 million as compared with one of Rs 1,017.1 million a year ago.

Exports and Imports

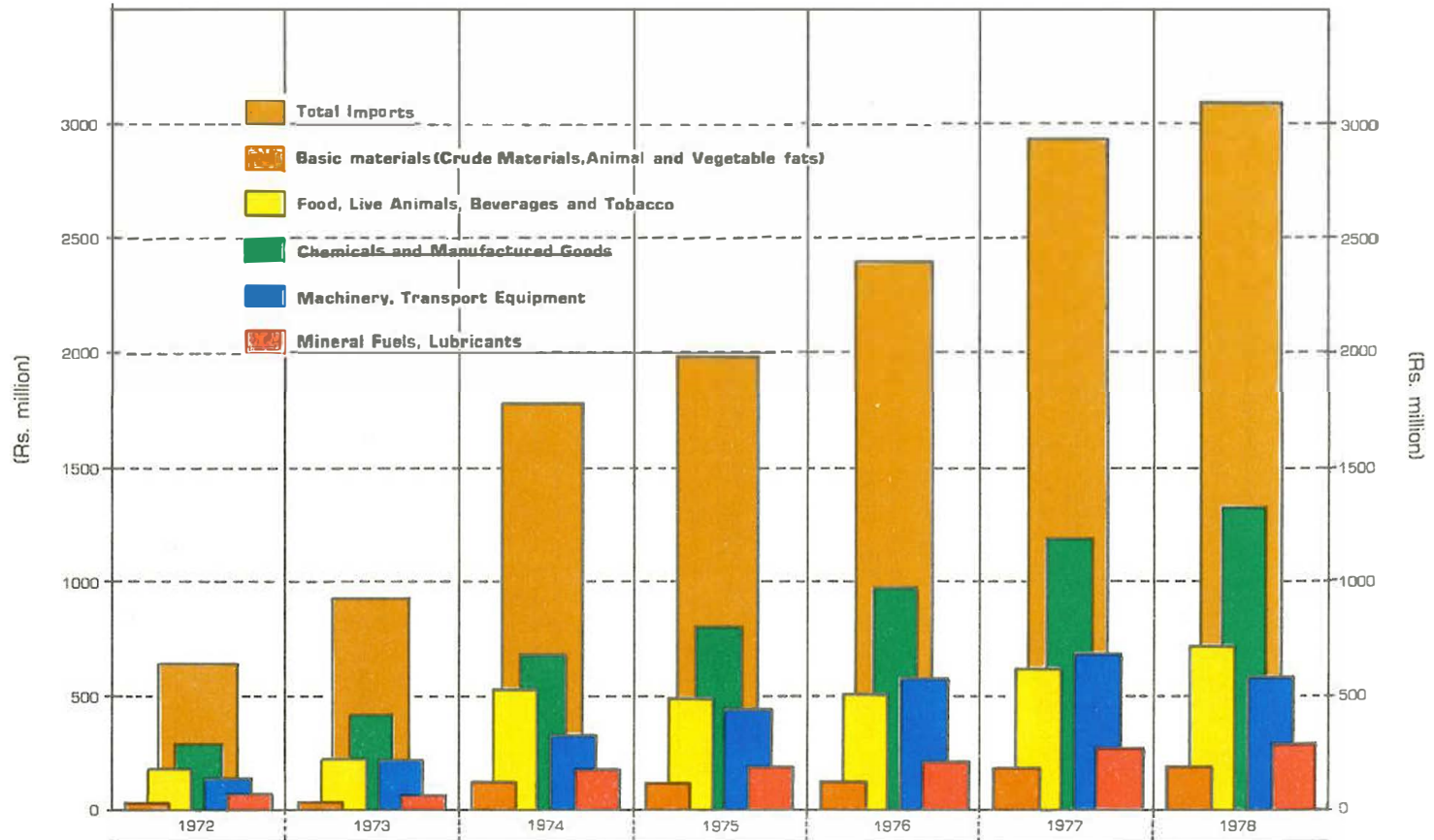
Sugar exports rose from Rs 1,393.2 million in 1977-78 to Rs 1,465.1 million in 1978-79, a rise of 5.2 per cent brought about by an increase in sugar production from 618,381 tons in 1977-78 to 619,268 tons in 1978-79. However, the structural pattern of exports in 1978-79 did not undergo any change. The sugar sector continued to command the largest share in total exports although it declined gradually from 73.6 per cent of total exports in 1976-77 to 68 per cent in 1977-78 and further to 66.4 per cent in 1978-79. Table VI.2 below shows a breakdown of main exports for the years 1976-77 to 1978-79.

Table VI.2 Main Exports

(f.o.b. Rs million)

	1976-77	1977-78	1978-79
Agricultural Sector	1,497.6	1,477.8	1,567.0
Sugar	1,427.9	1,393.2	1,465.1
Tea	34.2	48.2	53.2
Molasses	35.5	36.4	48.7
Manufacturing Sector	376.8	488.1	551.6
Clothing	261.8	350.0	395.1
Electronic Components	62.7	55.3	55.5
Processed Diamonds and Synthetic Stones	15.4	32.8	44.4
Toys	6.8	7.1	4.9
Other Manufactured Exports	30.1	42.9	51.7
Other Exports	34.1	46.5	54.0
Fish and Fish Preparations	22.5	31.2	32.2
Other	11.6	15.3	21.8
Re-Exports	33.0	35.0	35.2
TOTAL	1,941.5	2,047.4	2,207.8

GRAPH 4: COMMODITY-WISE DISTRIBUTION OF IMPORTS



The marginal decline in the rate of growth of total imports from 17.1 per cent in 1977-78 to 1.9 per cent in 1978-79 was brought about by a fall in imports of items other than food-stuffs and manufactured goods. Food imports showed an increase from Rs 634 million in 1977-78 to Rs 707.6 million in 1978-79 and this increase of 11.6 per cent was mainly accounted for by the rise in imports of meat, meat preparations and rice. The import of manufactured goods also registered an increase from Rs 1,062.1 million in the year ended June, 1978 to Rs 1,156.4 million in the year ended June, 1979. Over the same period, imports of petroleum products and machinery and equipment fell from Rs 300.9 million and Rs 634.5 million in 1977-78 to Rs 274.4 million and Rs 526.0 million respectively in 1978-79.

Direction of Trade

The EEC, USA and South Africa provide markets for about 90 per cent of Mauritian exports. Mauritius has a favourable balance of trade with the U.K. and the USA and an unfavourable one with South Africa. The existing trade deficit with the other EEC countries is gradually narrowing following the downward trend in imports from and the uptrend in exports to these countries.

The U.K. provides the major market for Mauritian exports; it absorbs mostly sugar and its share in total exports increased from 64.6 per cent in 1977-78 to 67.9 per cent in 1978-79. The other EEC countries, particularly France, absorbs mostly EPZ products; their share in total exports during 1978-79 was 16 per cent. The USA and South Africa absorbed 10 per cent of total Mauritian exports during the year ended June, 1979. The share of the USA in total exports increased from 5.5 per cent during the previous fiscal year to 8.7 per cent in 1978-79 due to increased demand for EPZ products while that of South Africa registered a decline from 2.3 per cent to 1.0 per cent over the same period because of restrictions on tea imports from Mauritius.

The EEC, USA and South Africa are the major sources of imports; they account for 50 per cent of Mauritian imports. During the year 1978-79, there was no major deviation in the direction of trade with respect to imports.

Services

In spite of the slight improvement in the merchandise account, from a deficit of Rs 494 million for the year ended June, 1978, to one of Rs 450 million for the year ended June, 1979, the current account worsened from a deficit of Rs 628 million for the previous fiscal year to one of Rs 685 million for the year ended June, 1979. The services account deteriorated from Rs 223 million for the year ended June, 1978 to Rs 315 million for the present fiscal year following increased disbursements on account of freight and insurance charges and investment income which were only partly offset by increased inflow on account of tourism. The increase in freight and insurance charges is attributed to the high level of imports and the generalised increase in freight charges and the increase in investment income is related to the servicing of the newly contracted loans. The increase in tourist earnings followed the 18.8 per cent increase in tourist arrivals from 101,337 for the previous fiscal year to 120,430 for the year ended June, 1979.

Capital Movements

Capital movements registered a net inflow of Rs 235 million in 1978-79 as compared with one of Rs 304 million in 1977-78. Private direct investment and other long-term capital rose to Rs 33 million during the year ended June, 1979, as against Rs 25 million in the previous fiscal year. During the year under review, private short-term capital increased by Rs 9 million and this compares with an increase of Rs 131 million in 1977-78. Net long-term capital obtained by the Government and para-statal bodies amounted to Rs 170 million in 1978-79 as compared with Rs 148 million in 1977-78.

Table VI.3 Foreign Exchange Reserves

(Rs million)

	1978							1979						Change over preceding 12 months (2) — (1)
	June (1)	July	August	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June (2)	
1. IMF Position (net) ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2. Bank of Mauritius ...	481.5	509.1	442.8	443.0	416.8	334.3	305.5	308.6	190.3	194.3	209.3	152.7	287.9	—193.6
3. Government ...	2.6	1.0	3.5	2.2	2.4	2.1	6.7	3.4	2.5	1.8	5.5	9.6	9.8	+7.2
4. Statutory Bodies ...	1.9	1.9	1.9	2.0	2.0	2.0	1.8	2.0	1.8	1.9	1.9	2.2	2.3	+0.4
5. Commercial Banks (net) ...	—0.5	—30.8	—57.1	—67.9	—58.9	—45.6	—41.9	—42.2	—46.9	—55.3	—49.8	—73.9	—75.1	—74.6
6. TOTAL FOREIGN EXCHANGE RESERVES (1 + 2 + 3 + 4 + 5) ...	485.5	481.2	391.1	379.3	362.6	292.8	272.1	271.8	147.7	142.7	166.9	90.6	224.9	—260.6
7. Borrowings :														
a. IMF Purchases*	84.9	84.9	84.9	84.9	84.9	84.9	84.9	146.4	146.4	146.4	146.4	146.4	146.4	61.5
b. Euro-Currency Loans**	235.7	235.7	235.7	235.7	235.7	235.7	235.7	235.7	235.7	235.7	235.7	235.7	415.7	180.0
8. Foreign Exchange Reserves Net of Borrowings (6-7) ...	164.9	160.6	70.5	58.7	42.0	—27.8	—48.5	—110.3	—234.4	—239.4	—215.2	—291.5	—337.2	—502.1

* { SDR 11 million drawn in July, 1977 — Compensatory Financing Facility
SDR 7.97 million drawn in January, 1979 — First Credit Tranche

** { US \$37 million drawn in January, 1978
US \$30 million drawn in June, 1979

Preliminary estimates for the year 1979-80 show a surplus on the capital account of a smaller magnitude than in 1978-79. The smaller surplus would be caused by a relatively lower volume of foreign investment and a decrease in net long-term because of an increase in loan amortization.

Foreign Exchange Reserves

Overall demand in the economy continued to take the toll of our foreign exchange reserves. In May, 1979, the foreign exchange reserves of the Bank of Mauritius dropped to the extremely low level of Rs 90.6 million, which is the equivalent of about 2 weeks' imports. Mauritius received SDR 5.3 million (Rs 40.9 million) in July, 1978, under a Trust Fund Loan and drew SDR 7.97 million (Rs 61.5 million) in January, 1979, on its First Credit Tranche under a one-year stand by arrangement with the IMF reached a year earlier. Foreign exchange reserves were buttressed in June, 1979, by a drawing of US \$30 million (Rs 180.0 million) on the second Euro-dollar loan of US \$50 million to finance the Bulk Sugar Terminal and other associated works.

Foreign exchange reserves net of IMF purchases and Euro-dollar borrowing gradually declined from Rs 164.9 million in June, 1978, to Rs 42.0 million in October, 1978. It turned negative as from November, 1978 reaching the figure of Rs minus 337.2 million in June, 1979. Table VI.3 shows the monthly level of gross foreign exchange reserves and also net of IMF and Euro-dollar borrowings for the period between June, 1978 and June, 1979.

Exchange Rate Movements of the Rupee

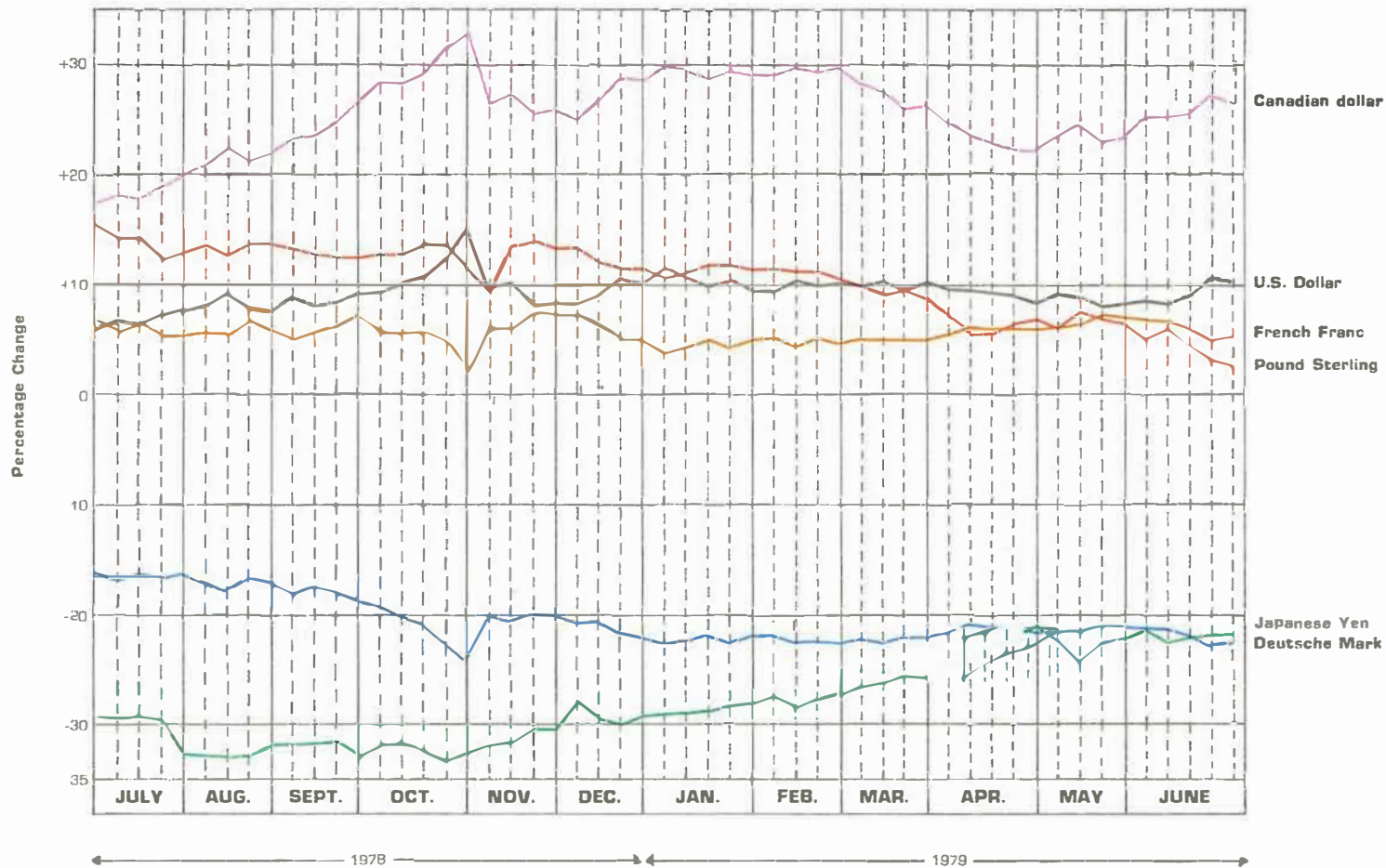
Since the 5th January, 1976, the Mauritian rupee has been pegged to the SDR at the rate of SDR 1 = Rs 7.713759. Table VI.4 below shows the percentage appreciation or depreciation of the rupee *vis-à-vis* major currencies between the 5th January, 1976, and 30th June, 1979.

Table VI.4 Exchange Rate Movements of the Rupee vis-à-vis Major Currencies

Currencies	Percentage appreciation (+) or depreciation (—) of the rupee between 5th January, 1976 and 30th June, 1979.
Italian Lira ...	+ 34.3
Canadian Dollar	+ 26.7
Australian Dollar	+ 23.7
Spanish Peseta	+ 21.8
U.S. Dollar	+ 10.3
South African Rand	+ 7.5
Swedish Kroner	+ 7.2
French Franc	+ 5.5
Pound Sterling	+ 2.9
Norwegian Kroner	+ 0.7
Danish Kroner	— 5.2
Netherlands Guilder	— 16.6
Belgian Franc	— 17.4
Austrian Schilling	— 19.1
Deutsche Mark	— 22.3
Japanesc Yen	— 21.6
Swiss Franc...	— 30.0

In a world of floating exchange rates, the rupee has maintained a more or less middle position between the appreciations and depreciations of major currencies in the SDR basket. However, in contrast to its earlier position vis-à-vis the major currencies of the world, the extent of appreciation and depreciation of the rupee against the same currencies over the period between the 5th January, 1976, and 30th June, 1979, has widened. As shown in the table, the rupee has appreciated considerably vis-à-vis the Italian Lira, the Canadian, Australia nand US dollar. As against the Netherlands Guider, the Belgian franc, the Austrian Schilling, the Deutsche Mark, the Swiss franc and the Japanese Yen, the rupee has depreciated significantly over the same period. The maximum appreciation of the rupee was 34.3 per cent against the Italian Lira while its maximum depreciation was 30.0 per cent against the Swiss franc. With the coming into force of the European Monetary System in January, 1979, whereby most of the European currencies are allowed to fluctuate within narrow margins, exchange rate movements are expected to be moderated.

GRAPH 5: EXCHANGE RATE MOVEMENTS OF THE RUPEE VIS-A-VIS MAJOR CURRENCIES



VII. INTERNATIONAL ECONOMIC DEVELOPMENTS

Trends in the World Economy

More than three years after the 1974-75 industrial slump, the world economy continued to face a number of fundamental economic problems. The low rate of economic growth, persistently high inflation and unemployment, exchange rate instability and external imbalances were among the key national and international economic policy issues in 1978 and the first half of 1979.

Real Gross National Product in industrial countries continued to grow by about 4 per cent in 1978. However, the increase in oil prices of about 60 per cent over the 1978 average and inflation have dampened GNP growth for 1979 to around 3.0 per cent. Japan, Germany and Italy were among the countries with the highest rates of expansion in output in 1978. The United Kingdom registered little or no growth during 1979 since output was sluggish because of reduced consumer demand in an inflationary period. The U.S. economy has been weakening further, with strong signs of an impending recession. The world rate of inflation as measured by the Consumer Price Index was 9.8 per cent in 1978 and it is expected to be relatively far higher in 1979. At the same time, unemployment has remained at markedly high levels. The volume of world trade has again grown by about 5 per cent to US \$1,300 billion in 1978. The current account balance of industrial countries as a whole displayed a surplus of US \$15 billion in 1978, indicating an improvement of around US \$30 billion over the deficit shown in 1977. Japan, Germany and Italy showed significant current account surpluses in 1978 and France changed its previous deficit into a small surplus.

In the non-oil developing countries, real GNP grew at around 5 per cent in 1978, as in the previous year. This combined growth rate, however, reflects the widely ranging performances by industrial countries in this group. Consumer prices in non-oil developing countries increased by about 25 per cent in 1978 and a further rise is estimated in 1979 at around 30 per cent as a result of higher import prices of oil and manufactures. The current account deficit of non-oil developing countries was \$32 billion in 1979, compared with \$21 billion in 1977. Deteriorating terms of trade and the high costs of debt servicing are expected to increase the deficit further to US \$45 billion in 1979. Non-oil developing countries have resorted increasingly to external commercial borrowing to finance their widening balance of payments deficits, giving rise to a heavy burden of debt service charges. The level of official development assistance has been insufficient to increase the net positive flow of resources, in real terms, to developing countries.

Sizeable changes in exchange rates took place in 1978. A weak U.S. dollar fiscally edged up at the end of 1978 following the official package of supportive measures taken in November strengthened steadily until mid 1979 and then set on a declining course. In terms of their effective exchange rates, the French Franc demonstrated remarkable stability but the Japanese Yen declined throughout 1978-79, while the Pound Sterling rose steadily and the Deutsche Mark also moved up during the same period.

International Monetary Developments

Under the seventh General Review of Quotas, the proposal for increases in the quotas for member countries of the IMF was approved in December, 1978. The overall size of quotas would be increased by about 50 per cent from SDRs 39.0 billion to SDRs 58.6 billion. The quota for Mauritius would be increased accordingly from SDR 27.0 million to SDR 40.5 million.

The Supplementary Financing Facility (SFF) was set up in August, 1977, to provide additional resources to member countries of the IMF facing payments imbalances that are large in relation to their quotas. It became operative in February, 1979, and the total amount of resources available for lending under this facility was SDR 7.8 billion in June, 1979. The SFF would provide assistance to members in conjunction with a stand-by arrangement reaching the upper credit tranches or with an extended arrangement and any drawing under the SFF would be subject to the same conditionality governing the drawings under these arrangements. The maximum drawings upon the SFF arrangements would normally be equivalent to 105 per cent of a member's quota under a stand-by arrangement and 140 per cent under an extended arrangement. However, larger drawings would be made possible in special circumstances. Repayment of SFF drawings should begin not later than three and a half years and be completed within seven years. The interest rate applicable to SFF drawings is market related and linked to the yield on US short-term Government securities with a maturity of five years.

Several measures were taken in 1978-79 to enhance the role of the SDR as a reserve asset in the International Monetary System. An allocation of SDR 4 billion would be carried out in 1979, 1980 and 1981 to supplement international liquidity. The yield on the SDR was improved from 60 per cent to 80 per cent of the combined market interest rate calculated on the basis of short-term money market rates in France, Germany, United Kingdom, United States and Japan. The minimum average balance of SDRs which members are required to maintain has been reduced from 30 per cent to 15 per cent of net cumulative allocations. The importance of the SDR as a currency peg and a unit of account has steadily grown and it is being increasingly adopted for private contracts and international agreements.

VIII. CONCLUSION

By the end of June, 1979, the economic situation in Mauritius had become a cause for grave concern. The continuing drain in foreign exchange reserves was clearly indicative of a fundamental gap between the level of import demand and the country's foreign exchange earning capabilities. Successive balance of payments deficits found their root cause in the deteriorating terms of trade, the high level of public expenditure and deficit financing, the excessive growth in wages and salaries, and the distortions in the domestic cost price structure.

In spite of the progressively tight monetary policy that the Bank of Mauritius has been pursuing and the Government's qualitative control on imports of goods over the last few years with a view to restoring external equilibrium, the country's reserves position did not show signs of improvement. Therefore, the correction of these external payments imbalances by more drastic measures could not be delayed any further by continued recourse to foreign commercial borrowing without increasing the degree and costs of an expensive future adjustment. An urgent and fundamental solution would need to be sought for in other measures and in the exchange rate of the rupee.

BANK OF MAURITIUS
MONETARY POLICY
PRESS COMMUNIQUE

In previous years commercial bank credit had been growing at an accelerating pace from an increase of 17 per cent in 1975 to 28 per cent in 1976 to 43 per cent in 1977. Such a pace of expansion was clearly not sustainable and therefore in 1978 the banks were required to bring down the pace of credit expansion. The performance of the commercial banks is indeed commendable as the pace of credit expansion in 1978 was brought down to an estimated 6 per cent without disrupting the vital export earning sectors. The foreign exchange reserves at the end of 1978 were only a little over Rs 250 million and to ensure against a depletion of these reserves banks will have to continue their operations in 1979 with the utmost caution.

2. The main thrust of monetary policy would remain unchanged but there would obviously be changes to meet the evolving situation. The main changes are outlined below :

- (a) The banks have now evolved satisfactory mechanisms of their own to channel credit to priority sectors and therefore the over-all credit ceilings for each bank are being abolished in 1979.
- (b) Credit to the trade sector as a whole will be limited in 1979 to the average level extended to this sector in 1976. This ceiling needs to be continued in view of the difficult foreign exchange situation.
- (c) Without disrupting normal credit granted by foreign exporters to Mauritian importers some control would be exercised in 1979 on excessive use of such credit particularly for items the import of which the Government is endeavouring to bring down.
- (d) To protect the interests of depositors and to keep down the pace of credit expansion the liquid assets ratio (i.e. the ratio of banks' cash, Government securities and Treasury Bills to their total deposits) has been raised from 25 per cent to 30 per cent.
- (e) To encourage the mobilisation of savings, the deposit rates have been raised by one per cent for durations up to one year; the increases for longer maturities have been tapered down to $\frac{1}{4}$ per cent for maturities up to 36 months.
- (f) Banks cannot be expected to keep down the pace of credit expansion without a rise in the cost of credit and accordingly commercial banks' lending rates have been raised from the present level of 10-13 per cent to 10-16 per cent. The increased interest rates will only apply to sectors of lower priority and vital sectors such as EPZ, Sugar, Transport and Housing will not be affected by these increases.

3. The measures outlined above are expected to keep down the pace of expansion of commercial bank credit. The selectivity of the measures is expected to ensure that commercial bank credit expansion does not aggravate the difficult foreign exchange reserve position.

Bank of Mauritius,
4th January, 1979.

9th January, 1979

The Manager

.....Bank Limited

PORT LOUIS

Dear Sir,

MONETARY POLICY

The Minister of Finance outlined the framework of monetary policy for 1979 at the meeting with the bankers on the 3rd January. The purpose of this letter is to set out the measures in detail for your guidance.

2. The monetary measures introduced in January last year were effectively and judiciously implemented by the banks and commercial bank credit expansion has decreased from an average of 43 per cent in 1977 to an estimated 6 per cent in 1978. While this has been a very commendable performance by the banking system, certain aspects of the economy remain a cause of continuing concern: the balance of payments deficit continues to persist and the foreign exchange reserves show a steady decline. In view of these and other factors, it will be necessary to continue to keep down the pace of credit expansion. The basic thrust of monetary policy will remain unchanged but an intensification of existing measures will be required and I now turn to these measures.

3. The overall credit ceilings have been in operation for five years and the central purpose of the ceilings was to ensure that during a period of credit restraint excessive credit was not channelled to sectors of lower priority. The banks have now evolved satisfactory mechanisms of their own to channel credit to priority sectors and the need for detailed guidelines from the central bank on credit allocation no longer appears necessary. It has therefore been decided to abolish the overall credit ceilings. Banks would, however, be well advised to use the utmost caution in increasing credit in 1979. Our estimates indicate that a 10 per cent average increase in total commercial bank credit in 1979 would suffice to meet the requirements of the economy. While granting credit banks will, I am sure, give appropriate attention to the priority sectors such as the sugar, transport and housing sectors, and industries operating in the Export Processing Zone or holding Development Certificates as well as small scale industries.

4. I need not stress the reasons for the continuation of the ceiling on trade credit. The weak foreign exchange position by itself counsels this course and it is essential that the ceiling on credit to traders, which was operated in 1977 and 1978, should be continued in 1979. In the case of your bank the ceiling on credit to traders in 1979 will be a monthly average of Rs..... Any credit extended to traders in excess of the permissible maximum of Rs will constitute an infringement of the ceiling and will be subject to penalties.

5. There is another aspect of trade credit which needs attention. Importers obtained increased credit facilities in 1978 from foreign exporters. While it is not the intention to disrupt normal usance credit, prior approval of the Bank will be necessary in certain cases and this will form the subject of a separate communication.

6. As you have already been advised, the maximum deposit and lending rates of the commercial banks have been raised selectively. The selective increases in lending rates, from a range of 10-13 per cent to 10-16 per cent, would enable banks to curtail credit to areas of lower priority while the increased deposit rates would enable them to sustain the pace of deposit mobilisation which was achieved in 1978. The structure of deposit rates, as you will observe, contains a new feature, namely the rate payable on deposits of over 36 months duration which has been left to the discretion of the banks. The banks, however, will not be permitted to pay more than $8\frac{1}{2}$ per cent in respect of institutional deposits.

7. In view of the difficult economic situation it would be prudent of the banking system to increase its holdings of liquid assets. The improved liquidity would enable an effective control of credit expansion and also provide an increased element of protection to depositors. Accordingly, banks will be required to hold liquid assets equivalent to at least 30 per cent of their deposits and they will be allowed one month within which to comply with this requirement. In 1978, banks adequately built up their liquidity in anticipation of seasonal credit demands of the sugar sector and the pressure on their resources in the wake of tax payments. Banks would be well advised in 1979 to build up their liquidity over and above the statutory liquid assets requirements to meet these seasonal credit needs.

8. The financing of food imports by the commercial banks is another matter which has lately been under consideration by the Bank. In 1979, all banks would be given the opportunity to participate with their domestic funds in the financing of rice and flour imported by the Government. Detailed discussions would be held with the banks in due course.

9. I should briefly mention certain measures which will remain unchanged. The re-discount facility for export bills other than sugar will be available at $9\frac{1}{2}$ per cent with the banks on-lending at a rate not exceeding $10\frac{1}{2}$ per cent. The present two-tier structure of interest rates on the Bank's advances to the commercial banks will also remain unchanged and accordingly, advances to your banks up to Rs will be made at Bank Rate (9 per cent) while advances in excess of this amount will be charged twice the Bank Rate (or 18 per cent). The cash reserve ratio will be maintained at its present level of 12 per cent. The maximum inter-bank money market rates ($6 - 6\frac{1}{2}$ per cent) will not be altered at this stage though the revision of these rates would be considered in the first half of 1979 in the context of the short-term interest rate structure. The foreign borrowing facilities for the Export Processing Zone and sugar sectors would continue to be available in 1979.

10. Finally, there is one aspect I should like to mention. The banking system is now well attuned to the running of monetary policies and in future monetary measures will be formulated and communicated to the banks from time to time as one continuing operation, rather than at one fixed time in the year. This would give banks greater flexibility and enable them to take more effective action.

11. In an open economy the prime responsibility of monetary policy should be the maintenance of external equilibrium and in the present context the stance of monetary policy will necessarily be determined predominantly by the foreign exchange reserves position. The banks are no doubt aware of their crucial role in the process of monetary correction and I am sure that they will continue to provide a lead to the rest of the economy. Should you wish to discuss any specific issues relating to your bank or other general problem areas we would certainly be willing to go over them with you and the Managing Director will be glad to furnish any additional information you may need.

Yours faithfully,

(G. BUNWAREE)
Governor

27th April, 1979

The Manager,

..... Bank Limited

PORT LOUIS.

Dear Sir,

CASH PAYMENT FOR IMPORTS

In the Governor's letter of the 9th January, attention was drawn to the continuing decline in the foreign exchange reserves. There has been a further deterioration in the foreign exchange reserves position in January-April, 1979, and as you will surely appreciate, it is necessary, during a period of foreign exchange stringency, for the banks to ensure that credit is made available only for very essential imports.

2. It has therefore been decided that with effect from 20th April, 1979, no bank credit should be provided for the import of items of lower priority. Banks are therefore required with immediate effect to cease providing any credit limits for the import of items of lower priority and more importantly all existing credit outstanding for such items should be expeditiously phased out not later than 30th June, 1979. To avoid any undue dislocation in the import trade, banks may use their discretion in enabling their clients to use the existing credit limits in the days immediately subsequent to the introduction of this measure provided the credit is extinguished before the 30th June, 1979. Banks should ensure that for imports of lower priority a cash payment equivalent to 100 per cent of the invoice value of the goods is made by the importer out of his own funds before the documents are released or before any transfer of funds is made in payment of the imports. Again you should ensure that your bank does not provide any finance, directly or indirectly, for such imports even in cases where the imports are on a collection basis or direct settlement.

3. As you are aware, from the 1st February, certain measures were introduced to moderate the use by Mauritian importers of credit from abroad. With effect from 30th April, imports of lower priority would not be permitted to obtain any credit from abroad and importers of such items would be required to affect 100 per cent cash payment. In the case of any credit already contracted with foreign suppliers prior to 30th April, the credit must be extinguished before the 30th June, 1979.

4. As an operational guideline an item of lower priority will be defined as one for which the General *plus* Fiscal duty exceeds 20 per cent. For the purpose of this guideline an item would be deemed to be of lower priority if the General *plus* Fiscal duty is above 20 per cent even though the Preferential *plus* Fiscal duty may be below 20 per cent. As such the Preferential rate of duty should be ignored for purposes of identifying an item for purposes of priority. Again, there are a number of items on which the duties are specific. Banks should use their judgement in assessing whether the actual incidence of the specific duties are above 20 per cent ; in case of any difficulties a clarification should be sought from the Bank of Mauritius. For reference purposes your bank is requested to consult Government Notice No. 275 of 30th December, 1978, which gives the duties chargeable on individual items of imports.

5. A statement should be submitted each month along with your monthly statement of Assets and Liabilities showing the total invoice value of imported goods channelled through your bank for which 100 per cent cash payment has been required.

6. In view of the introduction of cash payment for certain categories of imports your bank is required to bring about a significant and enduring reduction, by 30th June, 1979, in credit to traders to a level well below the ceiling fixed for your bank in the Governor's letter of the 9th January.

Yours faithfully,

(I. Ramphul)

Managing Director

3rd May, 1979

The Manager

..... Bank Limited

PORT LOUIS

Sir,

CENTRAL BANK CREDIT TO COMMERCIAL BANKS

In the Governor's letter of the 9th January it was indicated that in future monetary measures will be formulated and communicated to the banks from time to time. Accordingly, the Bank has been viewing some aspects of the operation of the monetary policy and the need for reorienting certain measures is necessary.

2. The guideline indicated for 1979 was of an average increase of 10 per cent in commercial bank credit. However, as you are well aware, commercial bank credit at the end of March, 1979, was 21.8 per cent above the previous year's level and if this pace of credit expansion were to continue there would be an unduly large increase in credit in 1979 well in excess of the guideline set out in the Governor's letter. Hence there is a need to sound a note of caution to banks to bring down the pace of credit expansion in the immediately forthcoming months to a level consistent with the 10 per cent guideline.

3. Since there is a crucial link between the creation of central bank credit and the drain of foreign exchange reserves and since the present reserves position is increasingly difficult, the Bank has found it necessary to reorientate the policy of central bank credit to commercial banks. With immediate effect, commercial banks will no longer have automatic access to central bank credit under any of the existing facilities (namely normal borrowings, borrowings at twice the Bank Rate, the rediscount of export bills and the special line of credit) and any usage of these facilities would be subject to prior scrutiny by the central bank. To facilitate day-to-day operations certain broad guidelines are indicated below.

- (a) banks should strictly maintain the liquid assets ratio of 30 per cent and not borrow from the central bank to meet the requirement ;
- (b) banks holding Treasury Bills will not be permitted to borrow from the central bank under any of the facilities ;
- (c) borrowings from the central bank should be only for meeting unforeseen swings in the day-to-day clearing, and chronic borrowing by banks from the central bank would not be permitted ;
- (d) central bank credit would not be available for increasing lending by commercial banks.

4. You are requested to contact the Chief Manager for any operational details.

Yours faithfully,

(I. Ramphul)
Managing Director

GOVERNMENT OF MAURITIUS TREASURY BILLS

It is notified for general information that the yield on Government of Mauritius Treasury Bills will be reduced for 8.9 per cent per annum to 7.9 per cent per annum with effect from 28th August, 1978.

2. Treasury Bills with a maturity of 91 days are available for issue on tap in multiples of Rs. 25,000 at the Bank of Mauritius.
3. General Notice No. 19 of 11th January 1978 is hereby cancelled.

Bank of Mauritius
23rd August, 1978.

I. RAMPHUL
Managing Director

MAINTENANCE OF LIQUID ASSETS BY BANKS

In accordance with Section 17 of the Banking Act (No. 31 of 1971 as amended by Act No. 27 of 1977), the Bank of Mauritius hereby gives notice that it will henceforth require each of the authorised banks to maintain liquid assets of not less than thirty per cent of its total deposits. Liquid assets shall consist of cash in hand, balances with the Bank of Mauritius, and investments in Treasury Bills and other securities of the Government.

General Notice No. 18 of 1978 dated the 11th January, 1978, requiring the maintenance of liquid assets of not less than twenty five per cent is hereby cancelled.

Bank of Mauritius
6th January, 1979.

I. RAMPHUL
Managing Director

GOVERNMENT OF MAURITIUS TREASURY BILLS

It is notified for general information that the yield on Government of Mauritius Treasury Bills has been raised from 7.9 per cent per annum to 8.9 per cent per annum with effect from today, the 28th March, 1979.

2. Treasury Bills with a maturity of 91 days are available for issue to any institution or individual on tap in multiples of Rs. 25,000 at the Bank of Mauritius.
3. Treasury Bills are readily encashable before maturity, that is, an investor in Treasury Bills may redeem his holdings at the Bank of Mauritius at any time subject to appropriate yield adjustments.
4. General Notice No. 934 of 1978 of the 23rd August, 1978, is hereby cancelled.

Bank of Mauritius
28th March, 1979.

I. RAMPHUL
Managing Director

General Notice No. 518 of 1979.

GOVERNMENT OF MAURITIUS TREASURY BILLS

It is notified for general information that the yield on Government of Mauritius Treasury Bills will be raised from 8.9 per cent per annum to 9.9. per cent per annum with effect from the 9th April, 1979.

2. Treasury Bills with a maturity of 91 days are available for issue to any institution or individual on tap in multiples of Rs. 25,000 at the Bank of Mauritius.
3. Treasury Bills are readily encashable before maturity, that is, an investor in Treasury Bills may redeem his holdings at the Bank of Mauritius at any time.
4. General Notice No. 457 of 1979 of the 28th March, 1979, is hereby cancelled.

Bank of Mauritius
6th April, 1979.

I. RAMPHUL
Managing Director

General Notice No. 586 of 1979.

GOVERNMENT OF MAURITIUS TREASURY BILLS

It is notified for general information that the yield on Government of Mauritius Treasury Bills has been raised from 9.9 per cent per annum to 10.9 per cent per annum with effect from today, the 24th April, 1979.

2. Treasury Bills with a maturity of 91 days are available for issue to any institution or individual on tap in multiples of Rs. 25,000 at the Bank of Mauritius.
3. Treasury Bills are readily encashable before maturity, that is, an investor in Treasury Bills may redeem his holdings at the Bank of Mauritius at any time
4. General Notice No. 518 of 1979 of the 6th April, 1979, is hereby cancelled.

Bank of Mauritius
24th April, 1979.

I. RAMPHUL
Managing Director

PART II — OPERATIONS OF THE BANK

1. OPERATIONS

(a) Government and Commercial Banks

The Government and all the commercial banks maintain current accounts with the Bank.

(b) International Institutions

The International Monetary Fund, the International Bank for Reconstruction and Development and the International Development Association maintain current accounts with the Bank. Mauritius is a member of all these international institutions.

(c) Other Foreign Institutions

The European Development Fund and the Caisse Centrale de Cooperation Economique also maintain foreign currency accounts with the Bank.

(d) Lending to Commercial Banks and Other Financial Institutions

(i) Advances to Banks

The Bank continued the application of the two-tier structure of interest rates in respect of advances granted to commercial banks. The interest rate on advances made to commercial banks in excess of their authorized ceilings was 18 per cent, i.e. twice the Bank Rate of 9 per cent.

(ii) Special Lines of Credit

The special line of credit of Rs. 10 million at 5 per cent below Bank Rate extended to the Mauritius Cooperative Central Bank Limited was increased to Rs. 15 million at 4 per cent below Bank Rate as from the 6th January, 1979.

The special line of credit made available last year to the Development Bank of Mauritius at Bank Rate continued until December, 1978. Also the State Commercial Bank Limited continued to avail itself of the special line of credit granted at $9\frac{3}{4}$ per cent for meeting the monthly wage bills of the bus companies which were in financial difficulties. The Bank also granted special advances to the Post Office Savings Bank at Bank Rate against the collateral of Mauritius Government Securities.

(iii) Export Refinance Facilities

The Bank continued to accept, for rediscount, bills from commercial banks drawn for the purpose of financing export of goods other than sugar ; however,

the rate applied on such bills was increased from 9 per cent per annum to $9\frac{3}{4}$ per cent per annum as from the 6th January, 1979.

(e) Other Facilities to Commercial Banks

(i) Treasury Bills

With a view to providing short term investment facilities to commercial banks and other institutions, the Bank continued to issue Treasury Bills with a life of 91 days. The ceiling on the issue of such Bills was raised from Rs. 425 million to Rs. 500 million as from the 18th June, 1979. The discount rate of Treasury Bills was changed on four occasions during the period under review, as shown below :

From 8.9 per cent per annum to 7.9 per cent per annum on the 28th August, 1978

From 7.9 per cent per annum to 8.9 per cent per annum on the 28th March, 1979

From 8.9 per cent per annum to 9.9 per cent per annum on the 9th April, 1979

From 9.9 per cent per annum to 10.9 per cent per annum on the 24th April, 1979

(ii) Forward Exchange Cover

The Bank continued to make available to commercial banks forward exchange facilities in Pounds Sterling for a maximum period of six months on a uniform margin of 3 per cent per annum over the spot rate for the following transactions

(1) import and export of goods by industries in the Export Processing Zone, and

(2) borrowings by banks abroad for the purpose of on-lending to the sugar sector.

(iii) Purchases and Sales of Pounds Sterling and US Dollars

The Bank continued to buy from and sell to the commercial banks spot Pounds Sterling and spot US Dollars for the financing of trade.

(f) Liquidity Ratio

With effect from the 9th February, 1979, the liquidity ratio which commercial banks were required to maintain under Section 17 of the Banking Act (No. 31 of 1971 as amended by Act No. 27 of 1977) was increased from 25 per cent to 30 per cent i.e. the commercial banks had to maintain liquid assets of not less than 30 per cent of their total deposit liabilities.

(g) Cash Ratio

Commercial banks were required to continue to maintain minimum cash balances of 12 per cent of their total deposit liabilities in accordance with Section 22 of the Bank of Mauritius Ordinance (No. 43 of 1966 as amended by Act No. 56 of 1968)

(h) Public Debt Management

During the financial year 1978-79, the Bank of Mauritius issued Government Stocks for a total amount of Rs. 298,974,000 as follows :—

1.	10% Mauritius Development Loan Funding Stock 1983	...	Rs.	140,290,000
2.	Mauritius Development Loan Variable Interest Rate (1½% above Bank Rate) Stock 1993	...	Rs.	85,204,000
3.	10% Mauritius Development Loan Funding Stock 1985	...	Rs.	36,180,000
4.	Mauritius Development Loan Variable Interest Rate (2% above Bank Rate with a Minimum of 11%) Stock 1999	...	Rs.	37,300,000
				<hr/>
				Rs. 298,974,000
				<hr/>

The Bank of Mauritius also issued to individual two types of Treasury Certificates namely, 6% Five-Year Treasury Certificate which was free of tax and 12% Five-Year Treasury Certificate which was subject to tax. The amounts of Treasury Certificates issued during the financial year 1978-79 was as follows :—

6% Five-Year Treasury Certificate	...	...	Rs.	290,000
12% Five-Year Treasury Certificate	...	...	Rs.	102,300

During the same financial year, Government Stocks for a total amount of Rs. 31,632,800 were redeemed as follows :—

1.	5% Tap Loans (Undated)	...	Rs.	1,632,800
2.	5% Tap Loans 1978	...	Rs.	4,764,900
3.	5% Tap Loans 1979	...	Rs.	235,100
4.	6½% Mauritius Development Loan Stock 1978	...	Rs.	10,000,000
5.	6½% Mauritius Development Loan Stock 1979	...	Rs.	15,000,000
				<hr/>
				Rs. 31,632,800
				<hr/>

(i) Exchange Control

There has been no change during the year under review in the Exchange Control Regulations in force.

2 ADMINISTRATION, STAFF AND PREMISES

Administration

Mr. Louis Edgar Adolphe, O.B.E. resigned as a Director of the Bank with effect from the 4th August, 1978.

In October, 1978, Dr. Regis Chaperon, C.M.G. and Mr. Balkrishna Ramphul were appointed Directors in replacement of Mr. L. E. Adolphe, O.B.E. and of the late Mr. Bhoopal Beeharry Panray, O.B.E. respectively.

A list showing the composition of the Board of Directors and the names of the senior officials of the Bank is appended to the Report.

Staff Matters

The Bank's staff (excluding the senior staff) number 138 as at the 30th June, 1979.

Mr. S. S. H. Jhurani, BSc., LL.M., C.A.I.B., A.I.B., Inspector of Banks, an officer of the Reserve Bank of India, left the services of the Bank at the expiry of his contract on the 31st December, 1978.

Mr. S. S. Tarapore, BA (Hons Econ), MSc (Econ) of the Reserve Bank of India, who was seconded to the Bank as Director of Research under arrangements made with the I.M.F., left the services of the Bank on the 27th June, 1979, for personal reasons.

A number of officers attended courses under the Bank's training programme, as follows:

- (a) Mr. R. Basant Rai, an officer of the Research Department, attended the course on Financial Analysis and Policy organised by the IMF Institute in Washington from the 31st July to the 8th December, 1978.
- (b) Mr. T. W. How Kit, another officer of the Research Department, attended the course on Balance of Payments, Methodology, organised by the I.M.F. Institute in Washington from the 2nd October to the 24th November, 1978.
- (c) Mr. P. Charitar, an officer of the Secretary's Department, attended the XIth Central Banking Course organised by the State Bank of Pakistan from the 16th January to the 15th April, 1979.

Visits and Other Activities

Under Article XIV Consultations, a mission from the International Monetary Fund visited Mauritius during the year under review. The mission, composed of Ms. C. Puckah-tikom, Messrs. P. H. Wickham, D. J. Donovan and headed by Mr. J. Keyes arrived on the 25th April, 1979 and left on the 9th May, 1979. Mr. R. Bhatia, a senior official of the IMF, joined the members of the mission during their stay. The mission was accompanied by a lady secretary, Miss Simpson.

The mission had discussions with the Governor of the Bank and other officials, various ministries, the Mauritius Sugar Syndicate and the Chamber of Agriculture.

The Governor had the opportunity to receive Mr. H. D. Habib, President of Habib Bank A. G. Zurich and also Mr. W. Lufafa, the Deputy Governor of the Bank of Zambia.

The following personalities, amongst others, visited the Bank during the course of the year :

Mr. W. B. Beveridge of the International Monetary Fund; Mr. J. J. Deneand of the International Finance Corporation; Professor Benjamin Cohen; Miss P. Phlong, Messrs. W. Kee and P. C. Joshi of the World Bank; Mr. H. V. Erler of Commerzbank; Mr. R. Chace of Amex Bank; Mr. M. F. Shepherd of Bradbury Wilkinson and Co.; Mr. Peter Rae of Gulf International Bank; Mr. Robert Duffau of Banque de Credit Agricole.

In September, 1978, the Governor attended the Commonwealth Finance Ministers' Meeting and the IMF/IBRD Annual Meeting held in Montreal and Washington respectively. He was accompanied by Mr. S. S. Tarapore, the Director of Research.

In June, 1979, the Governor attended the Central Bank Governors' Meeting and the Annual General Meeting of the Bank for International Settlements held in London and Basle respectively. He was accompanied by Mr. A. Teck Young, Manager of the Banking and Currency Department.

In August, 1978, the Managing Director attended the sub-regional meeting of the Association of African Central Banks held in Antananarivo.

The Managing Director went on mission to Manila, Hong Kong and Bombay in February, 1979.

The Chief Manager, attended in March, 1979, the IMF Interim Committee Meeting held in Washington.

Mr. S. D. Bikoo, an officer of the Research Department, attended in January, 1979, a seminar on ' Inflation in African Countries ' organised by the Association of African Central Banks in Lusaka.

**REPORT OF THE AUDITORS PURSUANT TO SECTION 44
OF THE BANK OF MAURITIUS ORDINANCE, 1966**

We have audited the attached Balance Sheet and Accounts of the Bank of Mauritius dated 30th June 1979, which are in agreement with the books and records of the Bank, and report that we have obtained all the information and explanations necessary for the purpose of our audit.

We also report that the profit for the year ended on 30th June 1979 and the transfer made to General Reserve Fund on that date have been ascertained in accordance with Section 11 of the Bank of Mauritius Ordinance 1966, and on this basis the Accounts give, in our opinion a true and fair view of the state of affairs of the Bank at 30th June 1979, and of the results of its operations for the year then ended.

KEMP CHATTERIES

Chartered Accountants

Date : 20th September 1979.

BANK OF MAURITIUS

BALANCE SHEET AT 30TH JUNE 1979

30.6.78

Rs.		Rs.	Rs.
	CAPITAL		
10,000,000	Authorised and Paid Up	...	10,000,000
23,000,000	GENERAL RESERVE FUND	...	23,000,000
679,689,230	NOTES IN CIRCULATION	...	758,795,025
23,209,863	COIN IN CIRCULATION	...	26,035,342
	DEMAND DEPOSITS		
30,710,376	Government	...	27,524,199
157,533,455	Banks	...	193,739,179
19,746,138	Other	...	17,359,345
			238,622,723
34,158,043	OTHER DEPOSITS	...	1,500,000
	OTHER LIABILITIES		
41,194,673	Profit payable to Government in accordance with Section 11(2)(c) of the Bank of Mauritius Ordinance 1966	...	41,249,038
187,092,321	Others	...	223,053,241
			264,302,279
<u>Rs. 1,206,334,099</u>			<u>Rs. 1,322,255,369</u>

PROFIT AND
FOR THE YEAR ENDED

TRANSFER TO GENERAL RESERVE FUND

41,194,673	PROFIT PAYABLE TO THE GOVERNMENT OF MAURITIUS — in accordance with Section 11(2)(c) of the Bank of Mauritius Ordinance 1966	...	41,249,038
<u>Rs. 41,194,673</u>			<u>Rs. 41,249,038</u>

30.6.78

Rs.	EXTERNAL ASSETS				Rs.
243,048,712	Balances with Banks	...	...	...	231,451,382
101,231,423	Treasury Bills	...	...	...	21,081,046
122,692,770	Eligible Securities (At Valuation)	...	...	...	25,757,912
14,496,398	I.M.F. Special Drawing Rights	...	...	...	9,603,866
39,708	Foreign Notes and Coin	...	...	...	34,643
<hr/> 481,509,011	TOTAL EXTERNAL ASSETS	...	...	...	<hr/>287,928,849
312,938,357	GOVERNMENT SECURITIES (At Valuation)	...	...	...	422,217,896
385,467,619	DISCOUNTS AND ADVANCES	...	...	...	574,802,100
26,419,112	OTHER ASSETS ...	...	...	...	37,306,524
(sd.) G. BUNWAREE — Governor					
(sd.) I. RAMPHUL — Managing Director					
(sd.) R. TACOURI — Chief Manager					
<hr/> Rs. 1,206,334,099					<hr/> Rs. 1,322,255,369

LOSS ACCOUNT
30TH JUNE 1979

41,194,673	NET PROFIT — after charging current expenditure, writing down fixed assets and providing for reserves and contingencies	41,249,038
<u>Rs. 41,194,673</u>		<u>Rs. 41,249,038</u>

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Notes

The following conventional signs are used :

— Nil

Negligible

N.A. Not Available

Table I. Selected Economic Indicators

	<i>Unit/Period</i>	1974	1975	1976	1977	1978	1979
1. Population	End of Year	845,755	856,516	867,885	881,761	909,984	924,179
2. Tourist Arrivals	Calendar Year	72,915	74,597	92,651	102,510	108,322	128,360
3. Gross National Product (At Current Prices)	Rs million	2,951	3,107	3,781	4,369	4,910	5,775*
4. GNP per capita	Rs	3,489	3,627	4,357	4,955	5,477	6,336*
5. Inflation rate	Per cent	+ 29.1	+ 14.8	+ 13.4	+ 9.2	+ 8.5	+ 14.5
6. Overall Balance of Payments	Rs million	+365	+351	—514	—328	—330	—635
7. Foreign Exchange Reserves	Rs million/ End-June	189.5	598.5	776.1	369.5	485.5	248.9
8. Total Imports (c.i.f.)	Rs million/ Calendar Year	1,759.8	1,995.3	2,398.7	2,950.7	3,076.4	3,640*
9. Total Exports (f.o.b.)		1,787.5	1,838.6	1,769.8	2,041.5	1,987.1	2,125
10. Government Recurrent Revenue... ..	Rs million/ Fiscal Year	515.4	744.9	1,075.7	1,210.7	1,260.8	1,486.4
11. Government Recurrent Expenditure		534.8	734.3	1,071.0	1,261.0	1,441.3	1,770.0
12. Government Capital Expenditure		244.9	258.9	423.4	485.4	645.9	669.3
13. External Public Debt	Rs million/ End June	207.0	247.1	262.9	323.0	747.3	1,066.7
14. Internal Public Debt		483.1	773.7	963.7	1,083.7	986.4	1,254.1
15. Banking System net claims on Public Sector	"	222.4	271.9	487.8	747.7	1,109.1	1,546.9
16. Claims on Private Sector	"	607.3	745.8	908.2	1,283.7	1,316.0	1,593.2
17. Currency with Public	"	200.8	303.4	388.8	515.4	626.1	699.6
18. Money Supply	"	420.6	685.7	852.5	1,074.9	1,215.6	1,346.3
19. Aggregate Monetary Resources	"	836.6	1,331.0	1,859.8	2,098.0	2,479.2	2,945.5

* Estimates

Table 2.1(a) Bank of Mauritius — Assets

(Rs. million)

End of Period	EXTERNAL ASSETS					CLAIMS ON GOVERNMENT			CLAIMS ON COMMERCIAL BANKS			Other Assets	Total Assets
	Special Drawing Rights	Balances with Banks	Treasury Bills	Eligible Securities	Total*	Treasury bills and Gov'tment Stocks	Advances and Discounts	Total	Advances	Commer- cials Bills Redis- counted	Adjustment Items**		
1975	14.3	327.6	470.5	233.2	1,045.6	0.7	0.4	1.1	—	3.0	1.6	12.5	1,063.8
1976	20.8	356.1	63.9	111.1	551.9	206.8	130.4	337.2	10.2	15.4	17.3	15.7	947.7
1977	17.9	156.9	150.3	106.0	431.1	344.8	349.6	694.4	7.2	25.8	1.8	23.4	1,183.7
1978	12.5	130.5	49.4	113.1	305.5	382.0	530.8	912.8	31.7	3.7	6.6	19.3	1,279.6
1975 March ...	15.5	336.2	65.2	231.2	648.1	1.7	38.5	40.2	5.2	15.5	4.2	10.4	723.6
June ...	14.3	114.6	206.1	227.0	562.0	151.0	1.2	152.2	6.0	35.3	3.4	21.3	780.2
September ...	14.3	200.4	173.1	231.8	619.6	194.7	1.2	195.9	0.1	1.2	2.0	13.9	832.7
December ...	14.3	327.6	470.5	233.2	1,045.6	0.7	0.4	1.1	—	3.0	1.6	12.5	1,063.8
1976 March ...	20.8	482.5	398.1	234.1	1,135.5	0.1	0.4	0.5	—	—	3.1	12.3	1,151.4
June ...	19.4	392.4	140.9	142.0	694.7	122.4	0.4	122.8	7.5	14.8	8.0	29.1	876.9
September ...	19.4	306.1	72.5	113.3	511.3	148.6	64.8	213.4	8.5	2.6	6.7	17.4	759.9
December ...	20.8	356.1	63.9	111.1	551.9	206.8	130.4	337.2	10.2	15.4	17.3	15.7	947.7
1977 March ...	20.8	221.4	66.1	104.3	412.6	257.7	159.6	417.3	26.7	32.0	9.1	13.0	910.7
June ...	19.4	77.0	136.2	104.4	337.0	308.7	227.5	536.2	20.0	10.9	32.3	24.0	960.4
September ...	18.8	121.0	129.8	104.5	374.1	334.3	229.8	564.1	12.4	23.3	3.0	20.1	997.0
December ...	17.9	156.9	150.3	106.0	431.1	344.8	349.6	694.4	7.2	25.8	1.8	23.4	1,183.7
1978 January ...	17.9	317.8	236.0	106.0	677.7	308.6	191.7	500.3	6.1	3.3	3.3	16.6	1,207.3
February ...	16.8	346.2	198.1	105.9	667.0	311.0	156.4	467.4	19.5	18.4	4.6	16.4	1,193.3
March ...	16.8	388.4	153.4	104.5	663.1	312.5	135.9	448.4	25.6	21.9	4.3	17.0	1,180.3
April ...	16.8	334.9	172.7	105.2	629.7	320.0	143.9	463.9	10.7	38.0	0.6	16.6	1,159.5
May ...	14.5	298.1	183.1	108.7	604.4	327.5	204.9	532.4	11.1	4.9	3.6	17.2	1,173.6
June ...	14.5	243.1	101.2	122.7	481.5	312.9	348.4	661.3	16.1	4.3	8.5	34.6	1,206.3
July ...	14.5	210.6	157.1	126.9	509.1	293.6	241.7	535.3	13.2	2.7	1.6	27.7	1,089.6
August ...	13.5	210.1	95.1	124.1	442.8	301.8	314.1	615.9	15.0	7.2	3.2	24.4	1,108.5
September ...	13.5	244.8	59.5	125.2	443.0	289.7	328.6	618.3	16.5	2.4	6.1	22.0	1,108.3
October ...	13.5	208.3	69.2	125.8	416.8	299.8	365.0	664.8	9.5	15.8	2.0	20.8	1,129.7
November ...	12.5	135.1	68.8	117.9	334.3	321.8	434.9	756.7	5.0	—	4.5	24.7	1,125.3
December ...	12.5	130.5	49.4	113.1	305.5	382.0	530.8	912.8	31.7	3.7	6.6	19.3	1,279.6
1979 January ...	14.7	154.6	85.4	53.9	308.6	345.8	529.6	875.4	22.7	0.5	2.2	55.7	1,265.1
February ...	13.7	95.1	25.6	55.9	190.3	430.9	529.7	960.6	20.0	19.3	2.5	55.3	1,248.0
March ...	13.7	97.8	25.7	57.1	194.3	396.8	529.8	926.6	35.3	19.0	13.2	55.2	1,243.6
April ...	13.7	131.7	42.0	21.9	209.3	457.1	529.8	986.9	26.9	3.1	2.0	32.9	1,261.1
May ...	9.6	78.5	39.2	25.4	152.7	501.4	529.8	1031.2	10.0	1.2	4.7	34.8	1,234.6
June ...	9.6	231.4	21.1	25.8	287.9	422.2	529.3	951.5	6.8	9.5	26.8	39.8	1,322.3

(Rs. million)																	
End of Period	Capital and Re- serves	RESERVE MONEY							GOVERNMENT DEPOSITS			Current Ac- counts of inter- national Organis- ations & Others	Time Depo- sits of Post Office Savings Banks	Special Draw- ing Rights Counter- part Funds	Other Liabili- ties	Total Liabili- ties	
		Cur- rency with Public	Cur- rency with Banks	Demand Deposits			Ban- kers' De- posits Others	Total	Central Govern- ment	Para- Statal Bodies	Total						
				Bankers	Statu- tory Bodies	Other Current Ac- counts											
1975	28.0	438.1	55.6	134.5	24.9	0.1	—	653.2	118.7	0.1	118.7	0.6	60.6	41.0	161.7	1,063.8
1976	33.0	587.9	54.9	127.1	4.2	0.1	—	774.2	0.3	0.2	0.5	0.7	20.8	12.4	106.1	947.7
1977	33.0	693.6	107.5	105.5	0.2	0.1	—	906.9	0.3	0.3	0.6	1.8	7.5	12.4	221.5	1,183.7
1978	33.0	824.1	93.3	149.9	1.6	8.0	—	1,076.9	0.8	1.1	1.9	3.0	2.3	12.4	150.1	1,279.6
1975 March	...	24.7	310.1	21.0	115.2	36.6	—	7.0	489.9	0.3	0.2	0.5	1.4	52.5	41.0	113.6	723.6
June	...	28.0	303.4	20.0	104.4	1.7	—	—	429.5	84.6	0.2	84.8	1.5	53.7	41.0	141.7	780.2
September	...	28.0	323.3	26.0	109.4	18.4	..	—	477.1	94.8	0.1	94.9	1.5	53.5	41.0	136.7	832.7
December	..	28.0	438.1	55.6	134.5	24.9	0.1	—	653.2	118.6	0.1	118.7	0.6	60.6	41.0	161.7	1,063.8
1976 March	...	28.0	390.9	44.5	161.9	3.9	0.1	—	601.2	208.6	0.1	208.7	0.6	70.2	41.0	201.6	1,151.4
June	...	33.0	388.8	37.8	132.0	13.5	..	—	572.1	23.6	0.1	23.7	0.7	72.4	21.0	154.0	876.9
September	...	33.0	426.5	38.3	128.0	3.0	0.1	—	595.9	4.8	0.1	4.9	0.7	16.9	12.4	96.1	759.9
December	...	33.0	587.9	54.9	127.1	4.2	0.1	—	774.2	0.3	0.2	0.5	0.7	20.8	12.4	106.1	947.7
1977 March	...	33.0	530.0	68.8	115.4	1.7	0.1	—	716.0	0.3	0.2	0.5	1.7	10.1	12.4	137.0	910.7
June	...	33.0	515.4	67.4	134.3	3.5	0.1	—	720.7	15.3	0.2	15.5	1.9	2.7	12.4	174.2	960.4
September	...	33.0	552.8	54.8	148.0	0.4	0.1	—	756.1	1.4	0.2	1.6	1.8	1.0	12.4	191.1	997.0
December	...	33.0	693.6	107.5	105.5	0.2	0.1	—	906.9	0.3	0.3	0.6	1.8	7.5	12.4	221.5	1,183.7
1978 January	...	33.0	654.8	86.9	140.3	0.6	0.1	—	882.7	7.0	0.2	7.2	1.8	4.9	12.4	265.3	1,207.3
February	...	33.0	636.4	83.7	138.9	0.4	0.3	—	859.7	6.6	0.2	6.8	1.8	6.8	12.4	272.8	1,193.3
March	...	33.0	627.8	78.8	147.4	1.4	1.3	—	856.7	6.6	0.2	6.8	1.8	14.2	12.4	255.4	1,180.3
April	...	33.0	627.8	80.6	141.0	2.2	0.6	—	852.2	6.6	0.2	6.8	1.8	7.0	12.4	246.3	1,159.5
May	...	33.0	615.7	81.5	141.3	0.2	0.3	—	839.0	0.7	0.2	0.9	1.9	3.6	12.4	282.8	1,173.6
June	...	33.0	626.1	76.8	157.5	3.2	1.5	—	865.1	30.7	0.3	31.0	1.8	2.3	12.4	260.7	1,206.3
July	...	33.0	635.9	79.8	144.9	4.0	8.9	—	873.5	0.9	0.8	1.7	1.8	2.7	12.4	164.5	1,089.6
August	...	33.0	648.8	93.1	131.5	4.0	9.4	—	886.8	1.0	0.4	1.4	1.8	2.0	12.4	171.1	1,108.5
September	...	33.0	665.7	81.8	152.0	0.1	7.7	—	907.3	0.7	1.4	2.1	1.7	2.8	12.4	149.0	1,108.3
October	...	33.0	669.7	86.8	144.4	..	6.3	—	907.2	1.6	0.4	2.0	1.7	3.5	12.4	169.9	1,129.7
November	...	33.0	674.8	111.7	127.5	0.5	11.1	—	925.6	1.0	0.4	1.4	1.7	3.9	12.4	147.2	1,125.2
December	...	33.0	824.1	93.3	149.9	1.6	8.0	—	1,076.9	0.8	1.1	1.9	3.0	2.3	12.4	150.1	1,279.6
1979 January	...	33.0	744.5	106.2	142.6	—0.6	18.5	—	1,011.2	1.1	1.5	2.6	63.2	1.2	9.4	144.5	1,265.1
February	...	33.0	725.2	103.3	153.5	..	15.3	—	997.3	0.8	0.1	0.9	1.7	1.4	9.4	204.3	1,248.0
March	...	33.0	714.6	84.9	173.8	9.0	14.4	—	996.7	0.7	0.2	0.9	1.7	0.5	9.4	201.4	1,243.6
April	...	33.0	703.5	86.2	179.5	0.2	13.9	—	983.3	0.5	0.3	0.8	1.6	—	9.4	233.0	1,261.1
May	...	33.0	692.3	99.2	167.2	2.4	12.8	—	973.9	0.5	0.1	0.6	1.6	—	9.4	216.1	1,234.6
June	...	33.0	699.6	85.2	193.7	0.1	15.6	—	994.2	27.5	0.2	27.7	1.5	—	9.4	256.5	1,322.3

Table 2.2 Bank of Mauritius — Selected Transactions

(Rs. million)

Year/Month	Government Stocks			Treasury Bills	Claims on Commercial Banks (end of month)			
	Sold During Month	Purchased During Month	Amount held at End of Month	Amount held at End of Month	Export Bills Rediscounted	Advances	Adjustment Items*	Total
1976 January ...	0.3	1.4	1.8	—	0.5	—	1.6	2.1
February ...	1.7	—	0.1	—	2.0	—	3.0	5.0
March ...	—	—	0.1	—	—	—	3.1	3.1
April ...	3.9	4.0	0.1	—	—	—	1.4	1.4
May ...	0.1	12.0	11.9	—	10.3	5.3	1.9	17.5
June ...	30.3	140.9	122.3	—	14.8	7.5	8.0	30.3
July ...	8.5	98.2	135.3	—	12.1	3.7	2.5	18.3
August ...	8.7	24.0	150.5	—	12.2	8.2	1.4	21.8
September ...	28.0	26.1	148.6	—	2.6	8.5	6.7	17.8
October ...	24.7	114.5	238.3	—	19.8	16.9	0.9	37.6
November ...	51.5	12.2	199.3	—	10.1	5.6	3.3	19.0
December ...	85.8	90.1	206.8	—	15.4	10.2	17.3	42.9
1977 January ...	88.5	47.4	160.0	—	9.6	16.0	1.0	26.6
February ...	5.1	42.3	197.3	—	16.8	15.3	4.9	37.0
March ...	5.9	68.9	257.7	—	32.0	26.7	9.1	67.8
April ...	16.4	23.0	264.2	—	41.0	41.5	2.0	84.5
May ...	3.6	7.2	267.8	—	28.8	19.5	4.5	52.8
June ...	30.2	71.0	308.7	—	10.9	20.0	32.3	63.2
July ...	10.7	38.4	336.3	—	11.1	24.0	2.7	37.8
August ...	2.4	10.5	344.4	—	33.1	52.5	1.9	87.5
September ...	39.6	29.5	334.3	—	23.3	12.4	3.0	38.7
October ...	12.5	34.8	356.6	—	33.9	18.4	1.7	54.0
November ...	38.2	18.3	336.7	—	13.0	—	3.0	16.0
December ...	49.7	57.4	344.8	—	25.8	7.2	1.8	34.8
1978 January ...	54.3	18.1	308.6	—	3.3	6.1	3.3	12.7
February ...	1.2	3.6	311.0	—	18.4	19.5	4.6	42.5
March ...	2.3	3.8	312.5	—	21.9	25.6	4.3	51.8
April ...	0.9	8.3	320.0	—	38.0	10.7	0.6	49.3
May ...	2.0	9.5	327.5	—	4.9	11.1	3.6	19.6
June ...	16.7	2.1	312.9	—	4.3	16.1	8.5	28.9
July ...	22.5	3.2	293.6	—	2.7	13.2	1.6	17.5
August ...	6.1	14.3	301.8	—	7.2	15.0	3.2	25.4
September ...	13.4	1.3	289.7	—	2.4	16.5	6.1	25.0
October ...	2.5	12.6	299.8	—	15.8	9.5	2.0	27.3
November ...	3.2	25.3	321.9	—	—	5.0	4.5	9.5
December ...	12.8	34.0	343.1	38.9	3.7	31.7	6.6	42.0
1979 January ...	3.2	5.9	345.8	—	0.5	22.7	2.2	25.4
February ...	—	7.5	353.3	77.6	19.3	20.0	2.5	41.8
March ...	15.0	1.2	339.5	57.3	19.0	35.3	13.2	67.5
April ...	9.4	0.9	331.0	126.1	3.1	26.9	2.0	32.0
May ...	0.5	2.2	332.7	168.7	1.2	10.0	4.7	15.9
June ...	8.0	8.5	333.2	89.0	9.5	6.8	26.8	43.1

* These are items in transit to be cleared on the next working day.

Table 2.3 Currency in Circulation

(Rs. 000)

End of Period	Bank of Mauritius Notes					Currency Board Notes	Coin											Total Notes & Coin
	Rs 5	Rs 10	Rs 25	Rs 50	Total		Rs 200	Rs 10	Re 1	50c.	25c.	10c.	5c.	2c.	1c.	Total*		
1976 March ...	62,458	156,042	56,319	146,037	420,856	512	649	254	7,055	1,575	2,374	833	688	284	181	13,987	435,355	
June ...	51,770	162,406	53,901	143,394	411,471	512	649	255	7,162	1,631	2,474	865	698	287	182	14,634	426,617	
September ...	75,733	171,219	55,880	145,694	448,526	511	650	257	8,326	1,691	2,593	910	710	293	183	15,768	464,805	
December ...	146,547	210,924	89,430	178,831	625,932	509	650	257	8,681	1,891	2,749	956	722	299	185	16,549	642,990	
1977 January ...	114,308	206,157	95,366	183,528	599,359	509	650	257	8,682	1,940	2,805	971	726	300	185	16,674	616,542	
February ...	98,559	203,170	102,472	189,396	593,597	509	650	257	8,423	1,975	2,847	985	729	301	185	16,511	610,617	
March ...	83,461	202,780	103,890	191,723	581,854	508	650	257	8,254	1,989	2,859	1,002	734	301	185	16,390	598,752	
April ...	72,962	197,427	106,325	197,982	574,696	508	650	257	8,229	1,985	2,873	1,015	737	302	187	16,395	591,599	
May ...	67,087	191,133	109,066	202,857	570,143	508	650	257	8,241	2,000	2,883	1,032	742	303	187	16,457	587,108	
June ...	62,404	187,963	109,297	202,700	562,364	507	650	257	8,197	2,001	2,890	1,048	746	303	187	19,945	582,816	
July ...	59,336	189,651	110,848	204,183	564,018	512	650	257	8,300	2,007	2,900	1,065	750	304	187	20,087	584,617	
August ...	56,868	196,014	107,756	204,930	565,568	507	650	257	8,607	2,101	2,905	1,081	755	305	188	20,516	586,591	
September ...	57,898	215,090	108,700	204,458	586,146	507	650	257	8,920	2,128	2,925	1,095	760	305	188	20,920	607,573	
October ...	56,410	221,014	110,961	205,330	593,715	499	650	257	8,808	2,111	2,956	1,110	764	305	188	20,859	615,073	
November ...	55,239	237,627	111,560	206,427	610,853	498	650	257	9,164	2,131	3,039	1,130	769	307	189	21,348	632,699	
December ...	93,297	309,130	136,430	240,057	778,914	497	650	257	9,236	2,159	3,235	1,162	778	307	189	21,690	801,101	
1978 January ...	70,901	271,740	137,214	239,455	719,310	497	650	257	9,291	2,194	3,355	1,174	782	308	189	21,918	741,725	
February ...	62,879	260,344	134,149	239,938	697,310	497	650	257	9,461	2,281	3,415	1,182	786	308	189	22,247	720,054	
March ...	58,906	247,577	136,274	240,953	683,710	497	650	257	9,452	2,385	3,499	1,186	793	309	189	22,439	706,646	
April ...	55,725	243,999	140,630	245,117	685,471	497	650	257	9,398	2,377	3,566	1,188	802	309	189	22,456	708,424	
May ...	52,288	232,909	141,660	246,859	673,716	497	650	257	9,746	2,426	3,652	1,202	815	309	189	22,967	697,180	
June ...	51,204	234,936	142,848	250,204	679,192	497	650	257	9,910	2,446	3,669	1,235	824	310	189	23,210	702,899	
July ...	49,483	234,774	146,425	260,906	691,588	497	650	257	10,255	2,458	3,711	1,262	834	311	190	23,648	715,733	
August ...	49,657	242,520	153,470	271,630	717,277	497	650	257	10,588	2,511	3,774	1,296	845	311	190	24,142	741,916	
September ...	48,262	233,603	155,406	285,124	722,395	497	650	252	10,908	2,574	3,821	1,328	854	312	190	24,603	747,945	
October ...	47,246	229,924	157,378	296,812	731,360	497	650	257	10,860	2,598	3,847	1,350	863	312	190	24,636	756,493	
November ...	48,611	227,234	170,119	314,466	760,430	497	650	257	11,270	2,667	3,928	1,383	874	313	190	25,553	786,480	
December ...	56,487	262,765	214,879	356,510	890,641	497	650	257	11,770	2,745	4,018	1,408	885	313	191	26,298	917,436	
1979 January ...	48,943	233,015	190,501	351,727	824,186	497	650	257	11,450	2,707	4,030	1,427	895	313	191	25,988	850,671	
February ...	46,876	227,891	181,909	345,407	802,083	496	650	257	11,325	2,713	4,060	1,454	906	313	191	25,939	828,518	
March ...	44,090	214,086	175,539	339,428	773,143	496	650	257	11,195	2,677	4,088	1,471	914	314	191	25,835	799,474	
April ...	42,398	209,131	171,242	340,908	763,679	496	650	257	10,799	2,674	4,095	1,492	922	314	191	25,474	789,649	
May ...	40,632	206,677	172,769	344,985	765,063	496	650	257	11,112	2,646	4,206	1,520	933	315	191	25,927	791,486	
June ...	40,366	203,180	168,084	346,669	758,299	496	650	257	11,150	2,665	4,145	1,541	943	315	192	26,035	784,830	

* Includes coins of Rs. 25, Rs. 50, Rs. 1,000 as from Dec. 1975.

Table 2.4 Central Bank Credit to Commercial Banks

(Rs million)									
<i>As at End of Month</i>	<i>Advance at Bank Rate*</i>	<i>Advances at twice the Bank Rate</i>	<i>Bills Rediscounted**</i>	<i>Co-operative Credit***</i>	<i>Advances against Government Securities (Sugar Facility) (7½%)</i>	<i>Special Advances against Government Securities (9½%)</i>	<i>Reconstruction Programme for ailing EPZ Units (8½%)</i>	<i>Special Line of Credit to Bus Industry (9¾%)</i>	<i>Total Credit</i>
1977									
January ...	8.6	7.4	9.6	—	—	—	—	—	25.6
February ...	8.2	7.1	17.1	—	—	—	—	—	32.4
March ...	9.3	0.4	32.3	—	17.0	—	—	—	59.0
April ...	7.5	—	41.4	5.0	24.5	4.5	—	—	82.9
May ...	5.2	—	29.1	5.0	9.3	—	—	—	48.6
June ...	7.2	—	11.0	5.0	7.8	—	—	—	31.0
July ...	5.5	—	11.2	5.0	12.0	1.5	—	—	35.2
August ...	7.7	—	33.3	5.0	17.7	22.1	—	—	85.8
September ...	5.4	1.8	23.4	3.0	—	2.2	—	—	35.8
October ...	7.5	7.9	34.1	3.0	—	—	—	—	52.5
November ...	—	—	13.1	—	—	—	—	—	13.1
December ...	7.2	—	26.0	—	—	—	—	—	33.2
1978									
January ...	6.1	—	3.4	—	—	—	—	—	9.5
February ...	9.5	—	18.4	10.0	—	—	—	—	37.9
March ...	6.5	9.5	22.1	10.0	—	—	—	—	48.1
April ...	0.7	—	38.5	10.0	—	—	—	—	49.2
May ...	1.1	—	5.0	10.0	—	—	—	—	16.1
June ...	6.1	—	4.3	10.0	—	—	—	—	20.4
July ...	3.2	—	2.7	10.0	—	—	—	—	15.9
August ...	5.0	—	7.3	10.0	—	—	—	—	22.3
September ...	4.5	—	2.5	12.0	—	—	—	—	19.0
October ...	4.5	—	15.9	5.0	—	—	—	—	25.4
November ...	5.0	—	—	—	—	—	—	—	5.0
December ...	4.5	4.8	3.7	6.0	—	—	0.6	15.8	35.4
1979									
January ...	4.0	—	0.5	15.0	—	—	3.1	0.6	23.2
February ...	5.0	—	19.5	15.0	—	—	—	—	39.5
March ...	5.0	15.0	19.3	15.0	—	—	—	0.3	54.6
April ...	6.0	—	3.1	15.0	—	—	5.3	0.6	30.0
May ...	—	—	1.2	10.0	—	—	—	—	11.2
June ...	5.4	1.4	9.5	—	—	—	—	—	16.3

* Bank Rate : 6 per cent until March 1977 when it was raised to 7 per cent; it was further increased to 9 per cent in January 1978.

** Rediscount Rate : 6½ per cent until March 1977 when it was raised to 7½ per cent; it was further increased to 9½ per cent in January 1978.

*** Co-operative Credit : 3 per cent below Bank Rate; in February 1978 it was fixed at 5 per cent below Bank Rate and as from 6th January, 1979 it was fixed at 4 per cent below Bank Rate.

(Rs million)

End of Period	Reserves		Foreign Assets				Claims on Govt.			Claims on Private Sector					Other Assets	Total Assets	Acceptances on account of Customers	Documentary Credits	Guarantees
	Cash in hand	Balances with Bank of Mauritius	Balances with banks abroad	Foreign Bills Discounted	Foreign Notes and Coins	Total	Treasury Bills	Govt. Securities	Total	Local Bills Discounted	Bills Receivable	Loans & Advances to Public Bodies	Other Loans & Advances	Total 2					
1975 ...	55.6	134.5	41.9	6.5	3.9	54.3	126.2	392.5	518.7	66.0	58.4	10.4	599.5	743.6	121.9	1,628.6	26.5	209.1	110.0
1976 ...	54.9	127.1	13.8	15.1	4.0	34.9	—	247.0	247.0	52.1	86.8	25.7	967.0	1,141.8	145.1	1,750.8	30.2	278.8	164.8
1977 ...	107.5	105.5	19.1	19.4	5.0	43.9	79.0	179.1	258.1	44.6	81.0	26.8	1,244.1	1,406.8	219.3	2,141.1	73.4	319.8	268.6
1978 ...	93.3	149.9	23.7	20.8	4.8	49.4	100.4	330.2	430.6	65.3	62.7	22.8	1,400.9	1,566.8	212.1	2,502.1	79.6	413.6	313.6
1975 March	21.0	115.2	10.7	5.0	2.0	19.7	29.8	337.3	367.1	23.6	55.7	8.3	519.8	615.7	85.5	1,224.2	18.2	182.5	67.8
June	20.0	104.4	10.8	7.0	1.6	21.4	17.6	196.5	214.1	29.3	60.5	6.5	605.4	710.5	82.0	1,152.4	37.8	188.7	74.7
September	26.0	109.4	15.9	5.8	2.5	26.2	126.9	207.3	334.2	74.3	56.5	8.1	593.8	741.8	114.8	1,352.4	27.5	196.1	98.0
December	55.6	134.5	41.9	6.5	3.9	54.3	126.2	392.5	518.7	66.0	58.4	10.4	599.5	743.6	121.9	1,628.6	26.5	209.1	110.0
1976 March	44.5	161.9	22.2	5.9	2.9	33.0	166.8	477.0	643.8	69.5	63.7	11.5	667.8	822.2	97.9	1,803.3	26.0	255.9	124.5
June	37.8	132.0	18.8	13.7	1.8	36.3	2.5	399.7	402.2	54.9	66.7	19.2	742.7	893.4	144.8	1,646.5	20.0	282.7	140.8
September	38.3	128.0	15.3	11.7	1.5	30.5	22.7	316.4	339.1	70.5	67.3	16.2	843.0	1,007.2	132.2	1,675.3	21.4	309.5	163.3
December	54.9	127.1	13.8	15.1	4.0	34.9	—	247.0	247.0	52.1	86.8	25.7	967.0	1,141.8	145.1	1,750.8	30.2	278.8	164.8
1977 March	68.8	115.4	20.0	11.7	2.8	36.5	2.0	203.9	205.9	45.7	81.9	15.5	1,107.9	1,261.2	142.6	1,830.4	31.0	269.3	142.8
June	67.4	134.3	25.9	10.5	2.8	41.2	11.3	206.4	217.7	121.3	78.3	11.7	1,064.2	1,285.9	171.5	1,918.0	41.9	325.3	172.4
September	54.8	148.0	15.8	16.4	3.3	35.9	64.3	185.9	250.2	59.2	72.6	20.3	1,163.4	1,325.9	184.7	1,999.5	41.5	321.0	231.0
December	107.5	105.5	19.1	19.4	5.0	43.9	79.0	179.1	258.1	44.6	81.0	26.8	1,244.1	1,406.8	219.3	2,141.1	73.4	319.8	268.6
1978 January	86.9	140.3	20.4	15.3	4.3	40.4	115.1	186.0	301.1	58.4	76.1	24.5	1,220.9	1,393.5	184.3	2,146.5	77.8	282.6	271.3
February	83.7	138.9	21.7	17.6	4.6	44.3	187.9	187.0	374.9	43.1	71.1	26.1	1,209.2	1,378.2	133.5	2,153.5	79.3	316.4	280.9
March	78.8	147.4	22.2	16.4	4.2	43.2	207.6	187.0	394.6	41.3	55.9	24.6	1,205.2	1,359.4	166.7	2,190.1	87.3	311.8	277.2
April	80.6	141.0	24.9	15.2	3.4	43.9	229.4	187.0	416.4	37.0	51.2	14.4	1,194.7	1,346.2	134.1	2,162.2	99.6	374.4	292.3
May	81.5	141.3	23.0	16.6	2.9	42.9	249.3	187.0	436.3	72.0	51.8	12.4	1,156.3	1,307.6	137.6	2,147.2	102.3	364.8	298.6
June	76.8	157.5	31.9	19.6	1.9	53.8	263.6	186.8	450.4	84.7	51.2	24.9	1,173.0	1,348.5	168.1	2,255.1	99.1	390.6	286.5
July	79.8	144.9	22.2	20.7	2.8	46.1	287.6	202.7	490.3	78.6	51.1	17.9	1,231.7	1,392.5	140.8	2,294.4	110.6	409.1	294.1
August	93.1	131.5	17.9	18.3	3.7	40.3	161.2	307.0	468.2	72.8	50.1	17.4	1,258.3	1,416.3	146.7	2,296.1	90.8	410.9	271.2
September	81.8	152.0	15.7	14.8	3.3	33.9	189.3	313.0	502.3	86.8	50.0	20.8	1,250.7	1,421.2	135.0	2,326.2	116.1	412.9	270.9
October	86.8	144.4	14.2	18.4	3.0	35.7	112.0	313.0	425.0	68.6	55.1	18.0	1,285.7	1,454.5	159.0	2,305.4	80.5	406.3	284.5
November	111.7	127.5	21.1	18.7	4.4	44.3	158.9	313.0	471.9	79.6	61.7	17.0	1,259.8	1,429.3	157.6	2,342.3	83.8	379.3	296.0
December	93.3	149.9	23.7	20.8	4.8	49.4	100.4	330.2	430.6	65.3	62.7	22.8	1,400.9	1,566.8	212.1	2,502.1	79.6	413.6	313.6
1979 January	106.2	142.6	25.2	18.3	3.8	47.3	134.0	356.6	490.6	58.6	61.9	35.7	1,405.8	1,574.0	150.1	2,510.8	84.5	439.7	321.1
February	103.3	153.5	20.0	15.3	4.3	39.9	65.7	383.6	449.3	36.6	66.1	37.0	1,493.4	1,664.1	153.5	2,563.6	80.7	431.6	289.0
March	84.9	173.8	19.4	18.7	4.1	42.2	82.3	401.1	483.4	37.6	70.9	32.3	1,483.6	1,655.1	150.2	2,589.6	100.2	437.4	298.1
April	86.2	179.5	21.8	20.4	2.6	44.8	65.7	401.1	466.8	68.4	70.3	27.1	1,460.1	1,640.5	166.6	2,584.4	101.9	448.3	300.5
May	99.2	167.2	21.6	25.0	3.1	49.8	95.9	413.6	509.5	64.1	67.9	19.9	1,482.8	1,647.4	169.3	2,642.4	91.3	452.4	329.5
June	85.2	193.7	25.2	27.2	4.0	56.5	144.0	401.0	545.0	63.3	63.5	25.1	1,505.4	1,678.3	186.6	2,745.3	89.6	381.9	339.4

1. Includes Foreign Securities.

2. Includes non interbank investments, and as from January 1978, "Bills rediscounted with Bank of Mauritius".

Interbank investments are included in other assets

Table 2.5(b) Commercial Banks — Liabilities

(Rs. million)

End of Period	Capital & Reserves	Private Sector Deposits				Government Deposits	Credit from Bank of M'tius*	Balances due to		Bills Payable	Other** Liabilities	Total Liabilities	Acceptances on account of Customers	Documentary Credits	Guarantees
		Demand	Time	Savings	Total			Banks in M'tius	Banks Abroad						
975	53.1	530.2	512.6	380.2	1,423.0	10.1	—	12.1	11.8	6.5	112.0	1,628.6	26.5	120.2	110.0
976	71.4	506.5	450.9	513.6	1,471.0	4.5	10.2	45.8	9.1	10.0	128.8	1,750.8	30.2	209.1	164.8
977	111.8	525.3	498.3	626.6	1,650.2	5.2	7.2	62.2	100.4	7.2	196.9	2,141.1	73.4	278.8	268.6
978	154.7	615.5	650.1	759.9	2,025.5	4.5	31.7	1.7	77.9	9.6	196.5	2,502.1	79.6	413.6	313.6
975 March ...	47.6	358.3	423.4	286.7	1,068.4	18.1	5.2	5.5	6.2	5.6	67.6	1,224.2	18.2	182.5	67.8
June ...	51.9	380.6	297.3	294.3	972.2	9.6	6.0	10.3	14.1	5.0	83.3	1,152.4	37.8	188.7	74.7
September ...	52.6	600.1	257.3	321.0	1,178.4	8.4	0.1	6.3	12.3	10.0	84.3	1,352.4	27.5	196.1	98.0
December ...	53.1	530.2	512.6	380.2	1,423.0	10.1	—	12.1	11.8	6.5	112.0	1,628.6	26.5	209.1	110.0
976 March ...	57.1	480.3	681.1	429.8	1,591.2	10.9	—	10.8	7.3	5.9	120.1	1,803.3	26.0	255.9	124.5
June ...	65.2	450.2	493.6	441.3	1,385.1	13.5	7.5	40.0	5.9	8.7	120.6	1,646.5	20.0	282.7	140.8
September ...	67.4	546.7	408.1	459.0	1,413.8	9.6	8.5	22.2	7.8	9.3	136.7	1,675.3	21.4	309.5	163.3
December ...	71.4	506.5	450.9	513.6	1,471.0	4.5	10.2	45.8	9.1	10.0	128.8	1,750.8	30.2	278.8	164.8
977 March ...	79.0	498.1	453.7	564.2	1,516.0	3.5	26.7	39.1	9.2	9.2	147.7	1,830.4	31.0	269.3	142.8
June ...	91.0	555.9	460.4	560.0	1,576.3	3.8	20.0	33.4	20.5	12.7	160.3	1,918.0	41.9	325.3	172.4
September ...	91.7	537.8	484.6	570.9	1,593.3	7.8	12.4	29.0	66.3	12.6	186.4	1,999.5	41.5	321.0	231.0
December ...	111.8	525.3	498.3	626.6	1,650.2	5.2	7.2	62.2	100.4	7.2	196.9	2,141.1	73.4	319.8	268.6
978 January ...	109.8	535.0	549.5	654.6	1,739.1	2.6	6.1	32.5	87.4	7.1	161.9	2,146.5	77.8	282.6	271.3
February ...	118.3	522.3	534.7	671.2	1,728.2	2.9	19.5	3.7	80.7	11.1	189.1	2,153.5	79.3	316.4	280.9
March ...	124.2	526.2	546.2	673.3	1,745.7	2.7	25.6	0.8	82.0	8.1	201.0	2,190.1	87.3	311.8	277.2
April ...	131.4	470.0	576.9	668.0	1,714.9	4.0	10.7	0.2	79.2	6.8	215.0	2,162.2	99.6	374.4	292.3
May ...	133.6	481.4	586.4	673.2	1,741.0	3.4	11.1	2.8	64.4	7.4	183.5	2,147.2	102.3	364.8	298.6
June ...	137.0	584.8	586.1	675.2	1,846.1	4.1	16.1	2.0	54.3	7.6	187.9	2,255.1	99.1	390.6	286.5
July ...	150.4	554.0	614.8	679.2	1,848.0	4.1	13.2	2.0	76.9	6.7	193.1	2,294.4	110.6	409.1	294.1
August ...	150.4	543.6	601.8	687.5	1,832.9	5.2	15.0	1.3	72.6	10.5	208.2	2,296.1	90.8	410.9	271.2
September ...	150.7	553.2	610.1	706.5	1,869.8	4.9	16.5	2.4	79.2	15.5	187.2	2,326.2	116.1	412.9	270.9
October ...	150.8	523.6	617.9	711.2	1,852.7	3.2	9.5	2.3	83.6	8.2	195.1	2,305.4	80.5	406.3	284.5
November ...	151.7	536.9	651.7	721.1	1,909.7	2.9	5.0	1.9	76.5	8.3	186.3	2,342.3	83.8	379.3	296.0
December ...	154.7	615.5	650.1	759.9	2,025.5	4.5	31.7	1.7	77.9	9.6	196.5	2,502.1	79.6	413.6	313.6
979 January ...	154.8	568.2	681.7	804.8	2,054.7	3.7	22.7	2.3	74.5	12.6	185.5	2,510.8	84.5	439.7	321.1
February ...	156.0	564.3	700.4	832.1	2,096.8	3.7	20.0	3.3	71.8	8.3	203.7	2,563.6	80.7	431.6	289.0
March ...	155.9	570.8	700.7	842.6	2,114.1	4.5	35.3	3.4	65.5	10.3	200.6	2,589.6	100.2	437.4	298.1
April ...	159.5	556.9	727.1	841.7	2,125.7	3.7	26.9	3.1	62.6	8.4	194.5	2,584.4	101.9	448.3	300.5
May ...	159.7	573.8	727.9	838.9	2,140.6	4.1	10.0	2.9	99.7	24.9	200.5	2,642.4	91.3	452.4	329.5
June ...	162.5	631.0	757.1	842.1	2,230.2	7.0	6.8	3.6	107.6	14.2	213.4	2,745.3	89.6	381.9	339.4

* Item adjusted with Table 2.1 (a)

** Includes Interbank Deposits, and, as from January 1978, "Bills Rediscounted with Bank of Mauritius".

Table 2.6 (a) Ownership of Demand Deposits

(Rs'000)

	<i>As at end of March</i>							
	1972	1973	1974	1975	1976	1977	1978	1979
1. Sugar ...	19,207 (12.5)	20,515 (11.0)	55,202 (20.0)	62,438 (16.7)	92,158 (18.8)	53,039 (10.6)	46,990 (8.9)	19,526 (3.4)
2. Other Agriculture ...	7,301 (4.7)	1,235 (0.7)	3,735 (1.4)	5,345 (1.4)	10,087 (2.1)	8,050 (1.6)	6,846 (1.3)	3,697 (0.6)
3. Other Industries and Manufacturers	6,217 (4.0)	10,298 (5.5)	10,462 (3.8)	29,080 (7.8)	26,157 (5.3)	20,367 (4.1)	29,623 (5.6)	30,337 (5.3)
4. Public Utilities...	3,342 (2.2)	5,474 (2.9)	8,513 (3.1)	5,095 (1.4)	6,643 (1.4)	12,900 (2.6)	20,549 (3.9)	13,742 (2.4)
5. Business and Trade ...	20,834 (13.5)	23,197 (12.4)	33,300 (12.1)	38,604 (10.3)	51,736 (10.6)	60,889 (12.2)	68,970 (13.0)	71,762 (12.5)
6. Financial Institutions ...	23,302 (15.2)	35,027 (18.7)	41,679 (15.1)	49,157 (13.1)	58,084 (11.9)	66,211 (13.2)	83,274 (15.7)	130,997 (22.8)
7. Government* ...	8,749 (5.7)	8,629 (4.6)	15,699 (5.7)	16,572 (4.4)	30,982 (6.3)	37,082 (7.4)	42,163 (8.0)	61,856 (10.7)
8. Personal and Professional ...	64,947 (42.2)	82,738 (44.2)	107,096 (38.8)	167,978 (44.9)	213,710 (43.6)	241,961 (48.3)	230,579 (43.6)	243,145 (42.3)
TOTAL ...	153,899	187,113	275,686	374,269	489,557	500,499	528,994	575,062

Figures in brackets are percentages to the total

* Including local authorities and semi-government institutions.

Table 2.6(b) — Ownership of Time Deposits

(Rs. '000)

Category of Owner	As at end of March						
	1973	1974	1975	1976	1977	1978	1979
1. Sugar ...	13,529 (8.1)	16,611 (8.8)	115,918 (27.3)	249,134 (36.5)	29,497 (6.4)	28,990 (5.2)	24,970 (3.6)
2. Other Agriculture ...	4,905 (2.9)	1,281 (0.7)	2,200 (0.5)	2,980 (0.4)	6,778 (1.5)	91,696 (16.6)	7,783 (1.1)
3. Other Industries and Manufacturers	946 (0.6)	875 (0.5)	3,516 (0.8)	6,397 (0.9)	8,173 (1.8)	10,869 (2.0)	4,294 (0.6)
4. Public Utilities ...	4,664 (2.8)	3,124 (1.7)	5,806 (1.4)	1,801 (0.3)	13,583 (3.0)	19,006 (3.4)	7,246 (1.0)
5. Business and Trade ..	1,559 (0.9)	2,060 (1.1)	2,160 (0.5)	5,809 (0.9)	10,860 (2.4)	11,268 (2.0)	11,430 (1.6)
6. Financial Institutions ...	23,266 (14.0)	23,105 (12.3)	61,295 (14.4)	72,665 (10.6)	76,677 (16.8)	73,051 (13.2)	214,021 (30.5)
7. Government* ..	51,245 (30.8)	56,930 (30.4)	120,816 (28.4)	95,748 (14.0)	112,096 (0.2)	79,577 (14.4)	64,203 (9.2)
8. Professional and Personal	66,374 (39.9)	83,389 (44.5)	113,698 (26.7)	248,157 (36.4)	199,570 (43.6)	239,404 (43.2)	366,909 (52.4)
TOTAL ...	166,488	—	425,409	682,691	457,234	553,861	700,856

* Includes local authorities and semi-government institutions.

Table 2.6(c) — Ownership of Savings Deposits

(Rs. '000)

Category of Owner	As at end of March						
	1973	1974	1975	1976	1977	1978	1979
1. Personal ...	125,072 (95.0)	177,414 (96.3)	271,378 (94.7)	416,498 (96.8)	538,754 (95.5)	643,759 (95.6)	803,694 (95.4)
2. Professional ..	996 (0.8)	1,465 (0.4)	1,397 (0.4)	1,303 (0.3)	2,137 (0.4)	4,146 (0.6)	3,217 (0.4)
3. Other ...	5,597 (4.2)	5,368 (2.9)	13,917 (4.9)	12,343 (2.9)	23,320 (4.1)	25,411 (3.8)	35,645 (4.2)
TOTAL ...	131,665	184,247	286,692	430,144	564,211	673,316	842,556

Figures in brackets are percentages to the total.

Table 2.7 Maturity Pattern of Time Deposits of Commercial Banks : 1978/1979

(Rs million)

<i>Duration</i>	<i>Personal Individual Deposit</i>		<i>Institutional Deposits</i>		<i>Total</i>	
	<i>Dec. 78</i>	<i>Mar. 79</i>	<i>Dec. 78</i>	<i>Mar. 79</i>	<i>Dec. 78</i>	<i>Mar. 79</i>
Up to 3 months	22.7	26.7	105.6	41.1	128.3	67.8
Exceeding 3 months and up to 6 months ...	18.9	21.7	14.6	23.0	33.6	44.7
Exceeding 6 months and up to 12 months ...	44.6	49.3	24.5	29.1	69.1	78.4
Exceeding 12 months and up to 18 months ...	45.5	46.2	64.8	88.7	110.3	134.9
Exceeding 18 months and up to 24 months ...	20.7	19.9	7.1	9.0	27.8	28.9
Exceeding 24 months and up to 36 months ...	30.2	40.1	12.2	16.0	42.4	56.1
Exceeding 36 months and up to 48 months ...	155.8	152.7	70.4	86.6	226.2	239.3
Exceeding 48 months ...	17.4	37.5	—	10.4	17.3	47.9
TOTAL	355.8	394.1	299.2	303.9	655.0	698.0

Table 2.8 Value Range of Deposits : March, 1979

	DEMAND DEPOSITS		SAVINGS DEPOSITS		TIME DEPOSITS	
	No. of Accts	Amount (Rs. '000)	No. of Accts	Amount (Rs. '000)	No. of Accts	Amount (Rs. '000)
1. Up to Rs. 25,000	41,532	127,241 (22.1)	291,688	558,337 (66.3)	18,908	163,357 (23.3)
2. Over Rs. 25,000 and up to Rs. 50,000 ...	1,581	58,212 (10.1)	5,599	138,561 (16.4)	2,137	80,953 (11.6)
3. Over Rs. 50,000 and up to Rs. 100,000 ...	845	60,797 (10.6)	1,345	78,164 (9.3)	1,107	78,609 (11.2)
4. Over Rs. 100,000 and up to Rs. 500,000 ...	572	120,840 (21.0)	345	53,412 (6.3)	449	103,357 (14.8)
5. Over Rs. 500,000 and up to Rs. 1,000,000 ...	81	38,696 (6.7)	10	6,780 (0.8)	71	48,708 (6.9)
6. Over Rs. 1,000,000	41	169,276 (29.5)	2	7,302 (0.9)	55	225,872 (32.2)
TOTAL	44,652	575,062	298,989	842,556	22,727	700,856

Figures in brackets are percentages to total.

Table 2.9 Sectoral Distribution of Commercial Banks' Credit — June, 1978 — June, 1979

	1978							1979					
	June	July	August	Sept.	October	Nov.	Dec.	Jan.	Feb.	March	April	May	June
1. Mauritius Sugar Syndicate	24.1 (1.8)	38.5 (2.8)	18.6 (1.3)	12.7 (0.9)	26.9 (1.9)	8.9 (0.6)	90.1 (5.7)	106.2 (6.7)	124.4 (7.5)	97.7 (5.9)	77.3 (4.7)	43.4 (2.6)	26.2 (1.6)
2. Sugar Industry ...	227.6 (16.8)	247.0 (17.7)	290.8 (20.5)	269.7 (19.0)	254.3 (17.5)	229.0 (16.0)	243.4 (15.5)	239.5 (15.2)	275.9 (16.6)	287.5 (17.4)	283.1 (17.3)	277.0 (16.8)	284.7 (17.0)
3. Other Agricultural Interests	57.2 (4.2)	50.4 (3.6)	52.4 (3.7)	51.3 (3.6)	51.3 (3.5)	49.7 (3.5)	46.4 (3.0)	41.1 (2.6)	48.4 (2.9)	48.8 (2.9)	50.4 (3.1)	58.2 (3.5)	57.1 (3.4)
4. Export Processing Zone ...	300.0 (22.2)	301.8 (21.7)	303.6 (21.4)	307.3 (21.6)	303.0 (20.8)	302.3 (21.2)	306.4 (19.6)	309.5 (19.7)	315.3 (19.0)	318.7 (19.3)	331.3 (20.2)	337.7 (20.5)	348.9 (20.8)
5. Development Certificate Industries ...	172.8 (12.8)	180.7 (13.0)	171.1 (12.1)	171.0 (12.0)	169.7 (11.7)	169.6 (11.9)	179.6 (11.5)	184.6 (11.7)	191.4 (11.5)	182.1 (11.0)	179.4 (10.9)	188.6 (11.5)	188.3 (11.2)
6. Other Industries and Manufacturers ...	136.3 (10.1)	138.6 (9.9)	131.2 (9.3)	135.5 (9.5)	154.4 (10.6)	151.0 (10.6)	157.7 (10.1)	151.7 (9.6)	162.1 (9.7)	175.1 (10.6)	160.3 (9.8)	167.3 (10.2)	170.3 (10.1)
7. Investment in Private Sector	10.4 (0.8)	10.4 (0.7)	10.4 (0.7)	10.4 (0.7)	11.2 (0.8)	11.2 (0.8)	11.4 (0.7)	11.5 (0.7)	11.5 (0.7)	11.5 (0.7)	11.5 (0.7)	11.5 (0.7)	11.5 (0.7)
8. Traders ...	181.0 (13.4)	173.6 (12.5)	174.4 (12.3)	188.2 (13.2)	205.6 (14.1)	224.9 (15.7)	222.9 (14.2)	216.4 (13.8)	218.3 (13.1)	219.7 (13.3)	220.9 (13.5)	219.3 (13.3)	223.2 (13.3)
9. Transport ...	48.7 (3.6)	48.7 (3.5)	49.6 (3.5)	51.4 (3.6)	51.4 (3.5)	53.2 (3.7)	53.8 (3.4)	58.6 (3.7)	57.6 (3.5)	59.3 (3.6)	58.6 (3.6)	58.2 (3.5)	58.8 (3.5)
10. Housing ...	44.1 (3.3)	56.5 (4.1)	57.1 (4.0)	58.5 (4.1)	60.1 (4.1)	60.7 (4.2)	59.5 (3.8)	50.2 (3.2)	52.1 (3.1)	52.3 (3.2)	53.9 (3.3)	55.7 (3.4)	58.4 (3.5)
11. Hotels ...	5.1 (0.4)	3.0 (0.2)	2.8 (0.2)	1.7 (0.1)	1.9 (0.1)	1.8 (0.1)	1.9 (0.1)	6.9 (0.4)	2.3 (0.1)	2.2 (0.1)	6.3 (0.4)	2.4 (0.1)	2.3 (0.1)
12. Government ...	(.)	0.1 (.)	(.)	(.)	0.1 (.)	0.3 (.)	0.6 (.)	0.5 (.)	(.)	(.)	7.2 (0.4)	18.3 (1.1)	21.9 (1.3)
13. Foreign Currency to Government ...	32.5 (2.4)	38.4 (2.8)	49.8 (3.5)	53.3 (3.8)	51.2 (3.5)	52.9 (3.7)	58.1 (3.7)	51.7 (3.3)	53.8 (3.2)	50.7 (3.1)	45.9 (2.8)	59.3 (3.6)	63.2 (3.8)
14. Stock Brokers ...	0.4 (.)	0.5 (.)	0.7 (0.1)	0.7 (.)	0.4 (.)	0.5 (.)	0.4 (.)	0.4 (.)	0.4 (.)	0.4 (.)	0.4 (.)	0.4 (.)	0.4 (.)
15. Personal and Professional ...	61.3 (4.6)	63.7 (4.6)	65.3 (4.6)	66.2 (4.7)	72.3 (5.0)	73.8 (5.2)	76.5 (4.9)	77.9 (5.0)	81.2 (4.9)	84.5 (5.1)	93.9 (5.7)	96.9 (5.9)	101.3 (6.0)
16. Statutory and Parastatal Bodies ...	24.9 (1.9)	17.9 (1.3)	17.4 (1.2)	20.8 (1.5)	18.0 (1.2)	17.0 (1.2)	22.8 (1.5)	35.7 (2.3)	37.0 (2.2)	32.3 (1.9)	27.1 (1.6)	19.9 (1.2)	25.1 (1.5)
17. Financial Institutions ...	4.9 (0.4)	4.3 (0.3)	4.2 (0.3)	4.3 (0.3)	4.4 (0.3)	4.3 (0.3)	4.7 (0.3)	4.5 (0.3)	4.5 (0.3)	5.8 (0.3)	4.3 (0.3)	5.4 (0.3)	5.3 (0.3)
18. Other Customers ...	17.2 (1.3)	18.4 (1.3)	16.9 (1.2)	18.2 (1.3)	18.3 (1.3)	18.2 (1.3)	30.6 (2.0)	27.1 (1.7)	27.9 (1.7)	26.5 (1.6)	28.7 (1.7)	27.9 (1.7)	31.4 (1.4)
TOTAL ...	1,348.5	1,392.5	1,416.3	1,421.2	1,454.5	1,429.3	1,566.8	1,574.0	1,664.1	1,655.1	1,640.5	1,647.4	1,678.3

Figures in brackets are percentages to total.

Table 2.10 Cheque Clearance

Year/Month	No. of cheques	Amount (Rs. 000)	No. of days	Daily Average	
				No. of cheques	Amount (Rs. 000)
1975 January ...	134,002	373,551	24	5,583	15,565
February...	111,139	387,634	22	5,052	17,620
March ...	125,837	388,136	21	5,992	18,483
April ...	138,940	481,382	24	5,789	20,058
May ...	140,255	384,408	26	5,394	14,785
June ...	126,177	418,159	25	5,047	16,726
July ...	153,138	467,476	27	5,671	17,314
August ...	138,406	405,350	25	5,536	16,214
September ...	150,775	545,698	24	6,282	22,737
October ...	155,581	776,964	25	6,223	31,079
November ...	143,435	492,460	22	6,520	22,385
December ...	173,371	815,569	25	6,935	32,623
1976 January ...	143,386	648,221	23	6,234	28,184
February...	148,585	481,448	23	6,460	20,933
March ...	166,511	534,053	24	6,938	22,252
April ...	150,887	627,825	24	6,287	26,159
May ...	145,332	474,493	25	5,813	18,980
June ...	145,889	559,203	26	5,611	21,508
July ...	162,382	551,514	27	6,014	20,056
August ...	141,100	470,274	26	5,427	18,087
September ...	146,896	566,761	25	5,876	22,670
October ...	162,753	774,094	24	6,781	32,254
November ...	159,343	504,307	24	6,639	21,013
December ...	166,036	941,115	25	6,641	37,645
1977 January ...	150,648	582,538	25	6,026	23,302
February...	135,944	518,016	21	6,474	24,667
March ...	168,935	540,650	24	7,039	22,527
April ...	164,157	642,297	24	6,840	26,762
May ...	167,659	614,498	26	6,448	23,635
June ...	168,551	666,548	26	6,483	25,636
July ...	160,687	681,510	26	6,180	26,212
August ...	156,796	576,338	26	6,031	22,167
September ...	164,255	562,022	23	7,141	24,436
October ...	185,888	778,706	25	7,436	31,148
November ...	158,816	617,062	22	7,219	28,048
December ...	200,947	975,612	26	7,729	37,524
1978 January ...	144,248	667,539	22	6,557	30,343
February ...	151,580	754,472	22	6,890	34,294
March ...	160,483	759,336	24	6,687	31,639
April ...	160,259	709,833	23	6,968	30,862
May ...	170,705	767,466	26	6,566	29,518
June ...	166,036	786,359	26	6,386	30,245
July ...	161,470	759,139	26	6,210	29,198
August ...	164,216	731,726	26	6,316	28,143
September ...	155,117	766,511	24	6,463	31,938
October ...	161,052	847,641	24	6,711	35,318
November ...	167,466	790,801	23	7,281	34,383
December ...	203,204	1,116,725	24	8,467	46,530
1979 January ...	163,346	824,347	25	6,534	32,974
February...	151,446	750,517	23	6,585	32,631
March ...	164,548	811,347	24	6,856	33,806
April ...	169,920	836,918	23	7,388	36,388
May ...	192,986	932,169	25	7,719	37,287
June ...	183,605	979,208	25	7,344	39,168

Table 2.11 Treasury Bills*

(Rs. million)

Year/Month		Amount Applied for and Issued	Price at Issue	Rate of Discount %	Amount Redeemed during month	Total Amount Outstanding
1975	January ...	69.8	98.80	4.9	21.0	198.8
	February ...	37.4	98.80	4.9	131.4	104.8
	March ...	38.6	98.80	4.9	108.4	35.2
	April ...	2.1	98.80	4.9	18.6	18.7
	May ...	21.8	98.80	4.9	9.1	31.4
	June ...	22.1	98.80	4.9	32.9	20.6
	July ...	9.9	98.80	4.9	22.7	7.8
	August ...	7.7	98.80	4.9	8.5	7.0
	September ...	154.1	98.80	4.9	32.7	128.4
	October ...	17.5	98.80	4.9	136.9	9.0
	November ...	40.0	98.80	4.9	20.5	28.5
	December ...	304.5	98.80	4.9	199.8	133.2
1976	January ...	283.8	98.80	4.9	180.6	236.4
	February ...	112.0	98.80	4.9	75.1	273.3
	March ...	111.3	98.80	4.9	205.5	179.1
	April ...	166.8	98.80	4.9	284.1	61.8
	May ...	22.4	98.80	4.9	80.9	3.3
	June ...	8.5	98.80	4.9	9.3	2.5
	July ...	2.0	98.80	4.9	4.5	—
	August ...	5.0	98.80	4.9	—	5.0
	September ...	23.0	98.80	4.9	5.0	23.0
	October ...	10.0	98.80	4.9	33.0	—
	November ...	28.0	98.80	4.9	6.5	21.5
	December ...	—	98.80	4.9	21.5	—
1977	January ...	61.2	98.80	4.9	15.7	45.5
	February ...	7.5	98.80	4.9	22.5	30.5
	March ...	70.0	98.56	5.9	96.0	4.5
	April ...	38.0	98.56	5.9	32.5	10.0
	May ...	29.2	98.56	5.9	38.2	1.0
	June ...	37.0	98.56	5.9	26.5	11.5
	July ...	15.5	98.56	5.9	9.0	18.0
	August ...	30.8	98.56	5.9	9.0	39.8
	September ...	63.6	98.56	5.9	37.8	65.6
	October ...	63.1	98.56	5.9	70.4	58.3
	November ...	104.2	98.56	5.9	73.5	89.0
	December ...	131.3	98.56	5.9	136.3	84.0
1978	January ...	264.2	97.83	8.9	232.3	115.9
	February ...	200.9	97.83	8.9	125.0	191.8
	March ...	142.2	97.83	8.9	123.2	210.8
	April ...	210.1	97.83	8.9	183.3	237.6
	May ...	264.3	97.83	8.9	239.6	262.3
	June ...	221.0	97.83	8.9	206.5	276.8
	July ...	229.0	97.83	8.9	204.4	301.3
	August ...	178.2	98.07	7.9	319.6	159.9
	September ...	220.6	98.07	7.9	183.3	197.3
	October ...	104.8	98.07	7.9	177.6	124.4
	November ...	223.8	98.07	7.9	170.3	177.9
	December ...	251.6	98.07	7.9	256.0	173.5
1979	January ...	229.4	98.07	7.9	234.0	168.8
	February ...	157.9	98.07	7.9	146.4	180.4
	March ...	268.1	97.83	8.9	289.9	158.6
	April ...	474.5	97.36	10.9	386.5	246.6
	May ...	301.5	97.36	10.9	206.7	341.4
	June ...	333.8	97.36	10.9	368.5	306.7

* The issue of Tap Treasury Bills started in December, 1971, as a supplement to the Bills issued by tender ; after May, 1972, however, the issue of Treasury Bills by tender was discontinued. For data relating to Bills issued by tender reference is invited to the Annual Report for 1972.

Note : Amount of Tap Treasury Bills issuable was increased from Rs 35 million to Rs 100 million on the 25th November, 1974. On the 6th December the amount was again increased to Rs 150 million and finally on the 31st December, 1974, it was fixed at Rs 225 million. On the 15th January, 1976, it was increased to Rs 325 million and on 25th May, 1978, it was further increased to Rs 400 million.

Table 2.12 Monetary Survey

(Rs. million)

End of Period				Foreign Assets (net)	Domestic Credit			Total Assets	Money			Quasi - Money					Aggre- gate Monetary Resour- ces*	Other Items (net)
					Claims on Public Sector (net)	Claims on Private Sector	Total		Currency with Public	Demand	Deposits	Total Money Supply	Time Deposits		Com- mercial Banks' Savings Deposits	Total		
										Bank of Mtius	Com- mercial banks		Bank of Mtius	Com- mercial Banks				
1975	...	...	...	1,088.1	391.0	746.6	1,137.6	2,225.7	438.1	25.0	530.2	993.3	60.6	512.6	380.2	953.4	1,946.7	279.0
1976	...	...	...	577.7	579.2	1,157.2	1,736.4	2,314.1	587.9	4.3	506.5	1,098.7	20.8	450.9	513.6	985.3	2,084.0	230.1
1977	...	...	...	374.6	946.7	1,432.6	2,379.3	2,753.9	693.6	0.3	525.3	1,219.2	7.5	498.3	626.6	1,132.4	2,351.6	402.3
1978	...	...	...	263.6	1,409.9	1,508.1	2,917.2	3,180.8	824.1	9.6	615.5	1,449.2	2.3	650.1	759.9	1,412.3	2,861.5	319.3
1975	—	March	...	661.6	388.7	631.2	1,019.9	1,681.5	310.1	36.6	358.3	705.0	52.5	423.4	286.7	762.6	1,467.6	213.9
		June...	...	569.3	271.9	745.8	1,017.7	1,587.0	303.4	1.7	380.6	685.7	53.7	297.3	294.3	645.3	1,331.0	256.0
		September	...	633.5	426.8	743.0	1,169.8	1,803.3	323.3	18.4	600.1	941.8	53.5	257.3	321.0	631.8	1,573.6	229.7
		December	...	1,088.1	391.0	746.6	1,137.6	2,225.7	438.1	25.0	530.2	993.3	60.6	512.6	380.2	953.4	1,946.7	279.0
1976	—	March	...	1,161.2	424.7	822.2	1,246.9	2,408.1	390.9	4.0	480.3	875.2	70.2	681.1	429.8	1,181.1	2,056.3	351.8
		June...	...	725.1	487.8	908.2	1,396.0	2,121.1	388.8	13.5	450.2	852.5	72.4	493.6	441.3	1,007.3	1,859.8	261.3
		September	...	534.0	538.0	1,009.8	1,547.8	2,081.8	426.5	3.1	546.7	976.3	16.9	408.1	459.0	884.0	1,860.3	221.5
		December	...	577.7	579.2	1,157.2	1,736.4	2,314.1	587.9	4.3	506.5	1,098.7	20.8	450.9	513.6	985.3	2,084.0	230.1
1977	—	March	...	439.9	619.2	1,293.2	1,912.4	2,352.3	530.0	1.8	498.1	1,029.9	10.1	453.7	564.2	1,028.0	2,057.9	294.4
		June...	...	357.7	734.6	1,296.8	2,031.4	2,389.1	515.4	3.6	555.9	1,074.9	2.7	460.4	560.0	1,023.1	2,098.0	291.1
		September	...	343.7	804.9	1,349.2	2,154.1	2,497.8	552.8	0.5	537.8	1,091.1	1.0	484.6	570.9	1,056.5	2,147.6	350.2
		December	...	374.6	946.7	1,432.6	2,379.3	2,753.9	693.6	0.3	525.3	1,219.2	7.5	498.3	626.6	1,132.4	2,351.6	402.3
1978	—	January	...	630.7	791.6	1,393.5	2,185.1	2,815.9	654.8	0.7	535.0	1,190.5	4.9	549.5	654.6	1,209.0	2,399.5	416.4
		February	...	630.6	832.6	1,378.2	2,210.8	2,841.4	636.4	0.7	522.3	1,159.4	6.8	534.7	671.2	1,212.7	2,372.1	469.5
		March	...	624.3	833.5	1,359.4	2,192.9	2,817.2	627.8	2.7	526.2	1,156.7	14.2	546.2	673.3	1,233.7	2,390.4	426.8
		April	...	594.4	869.5	1,346.2	2,215.7	2,810.1	627.8	2.8	470.0	1,100.6	7.0	576.9	668.0	1,251.9	2,352.5	457.6
		May	...	582.9	964.4	1,307.6	2,272.0	2,854.9	615.7	0.5	481.4	1,097.6	3.6	586.4	673.2	1,263.2	2,360.8	494.1
		June	...	481.0	1,076.6	1,348.5	2,425.1	2,906.1	626.1	4.7	584.8	1,215.6	2.3	586.1	675.2	1,263.6	2,479.2	426.9
		July	...	478.3	1,019.8	1,392.5	2,412.3	2,890.6	635.9	12.9	554.0	1,202.8	2.7	614.8	679.2	1,296.7	2,499.5	391.1
		August	...	385.7	1,152.2	1,366.4	2,518.6	2,904.3	648.8	13.4	543.6	1,205.8	2.0	601.8	687.5	1,291.3	2,497.1	407.2
		September	...	375.1	1,189.6	1,367.8	2,557.4	2,932.5	665.7	7.8	553.2	1,226.7	2.8	610.1	706.5	1,319.4	2,546.1	386.4
		October	...	358.2	1,146.6	1,403.2	2,549.8	2,908.0	669.7	6.3	523.6	1,199.6	3.5	617.9	711.2	1,332.6	2,532.2	375.8
		November	...	288.7	1,290.9	1,376.1	2,667.0	2,955.7	674.8	11.6	536.9	1,223.3	3.9	651.7	721.1	1,376.7	2,600.0	355.7
		December	...	263.6	1,409.1	1,508.1	2,917.2	3,180.8	824.1	9.6	615.5	1,449.2	2.3	650.1	759.9	1,412.3	2,861.5	319.3
1979	—	January	...	266.4	1,426.9	1,521.8	2,948.7	3,215.1	744.5	17.9	568.2	1,330.6	1.2	681.7	804.8	1,487.7	2,818.3	396.8
		February	...	143.4	1,474.2	1,610.2	3,084.4	3,227.8	725.2	15.3	564.3	1,304.8	1.4	700.4	832.1	1,533.9	2,838.7	389.1
		March	...	139.0	1,487.3	1,604.4	3,091.7	3,230.7	714.6	23.4	570.8	1,308.8	0.5	700.7	842.6	1,543.8	2,852.6	378.1
		April	...	159.5	1,534.3	1,587.4	3,121.7	3,281.2	703.5	14.1	556.9	1,274.5	—	727.1	841.7	1,568.8	2,843.3	437.9
		May	...	78.8	1,637.6	1,569.8	3,207.4	3,286.2	692.3	15.2	573.8	1,281.3	—	727.9	838.9	1,566.8	2,848.1	438.1
		June	...	212.8	1,570.9	1,593.2	3,164.1	3,376.9	699.6	15.7	631.0	1,346.3	—	757.1	842.1	1,599.2	2,945.5	431.4

* Money plus Quasi - Money

Table 2.13 Money Supply and Aggregate Monetary Resources

<i>End of Period</i>	<i>Currency with Public*</i> (1)	<i>Demand Deposits</i> (2)	<i>Time & Savings Deposits</i> (3)	<i>Money Supply (1) + (2) (4)</i>	<i>Aggregate Monetary Resources (3) + (4)</i>
1975 — January ...	293.6	443.9	864.9	737.5	1,602.4
February ...	311.6	429.5	802.9	741.1	1,544.0
March ...	310.1	394.9	762.6	705.0	1,467.6
April ...	303.5	360.4	702.9	663.9	1,366.8
May ...	303.0	341.6	685.7	644.6	1,330.3
June ...	303.4	382.3	645.3	685.7	1,331.0
July ...	306.0	344.9	714.5	650.9	1,365.4
August ...	318.0	317.1	739.1	635.1	1,374.2
September ...	323.3	618.5	631.8	941.8	1,573.6
October ...	353.9	409.1	680.4	763.0	1,443.4
November ...	362.5	505.5	839.5	868.0	1,707.5
December ...	438.1	555.2	953.4	993.3	1,946.7
1976 — January ...	392.8	554.7	1,166.2	947.5	2,113.7
February ...	400.2	469.3	1,273.0	869.5	2,142.5
March ...	390.9	484.3	1,181.1	875.2	2,056.3
April ...	400.0	451.9	1,119.3	851.9	1,971.2
May ...	393.1	399.8	1,095.7	792.9	1,888.6
June ...	388.8	463.7	1,007.3	852.5	1,859.8
July ...	409.8	422.9	909.9	832.7	1,742.6
August ...	410.4	425.2	889.0	835.6	1,724.6
September ...	426.5	549.8	884.0	976.3	1,860.3
October ...	449.2	426.7	891.3	875.9	1,767.2
November ...	451.1	463.5	932.3	914.6	1,846.9
December ...	587.9	510.8	985.3	1,098.7	2,084.0
1977 — January ...	549.8	497.4	1,024.8	1,047.2	2,072.0
February ...	546.1	509.2	1,037.8	1,055.3	2,093.1
March ...	530.0	499.9	1,028.0	1,029.9	2,057.9
April ...	530.1	480.2	1,038.3	1,010.3	2,048.6
May ...	514.3	475.3	1,035.4	989.6	2,025.0
June ...	515.4	559.5	1,023.1	1,074.9	2,098.0
July ...	530.9	505.2	1,035.1	1,036.1	2,071.2
August ...	532.1	503.1	1,043.9	1,035.2	2,079.1
September ...	552.8	538.3	1,056.5	1,091.1	2,147.6
October ...	553.0	477.9	1,066.0	1,030.9	2,096.9
November ...	559.0	513.5	1,108.1	1,072.5	2,180.6
December ...	693.6	525.6	1,132.4	1,219.2	2,351.6
1978 — January ...	654.8	535.7	1,209.0	1,190.5	2,399.5
February ...	636.4	523.0	1,212.7	1,159.4	2,372.1
March ...	627.8	528.9	1,233.7	1,156.7	2,390.4
April ...	627.8	472.8	1,251.9	1,100.6	2,352.5
May ...	615.7	481.9	1,263.2	1,097.6	2,360.8
June ...	626.1	589.5	1,263.6	1,215.6	2,479.2
July ...	635.9	566.9	1,296.7	1,202.8	2,499.5
August ...	648.8	557.0	1,291.3	1,205.8	2,497.1
September ...	665.7	561.0	1,319.4	1,226.7	2,546.1
October ...	669.7	529.9	1,332.6	1,199.6	2,532.2
November ...	674.8	548.5	1,376.7	1,223.3	2,600.0
December ...	824.1	625.1	1,412.3	1,449.2	2,861.5
1979 — January ...	744.5	586.1	1,487.7	1,330.6	2,818.3
February ...	725.2	579.6	1,533.9	1,304.8	2,838.7
March ...	714.6	594.2	1,543.8	1,308.8	2,852.6
April ...	703.5	571.0	1,568.8	1,274.5	2,843.3
May ...	692.3	589.0	1,566.8	1,281.3	2,848.1
June ...	699.6	646.7	1,599.2	1,346.3	2,945.5

* Net of cash held by commercial banks.

Table 2.14 Principal Interest Rates in Mauritius

(Per cent per annum)

	December 1976	December 1977	March 1978	December 1978	June 1979
I. LENDING					
1. Bank of Mauritius					
(i) Bank Rate	6	7	9	9	9
(ii) Rediscount Facilities	6½	7½	9½	9½	9
2. Commercial Banks					
(i) Prime Rate*	7	8	10	10	10
(ii) Export Finance**	Sugar : 6½-6¾ Others: 6½	7½	10½	10½	10½
(iii) Fine Commercial Rate***	7½	8½	10½	10½	10½
(iv) Commercial Rate (applicable to traders and small com- mercial business)	9	10	13	13	16
(v) Rates for Development Purposes					
(a) medium-term (for periods not less than 12 months and not more than 24 months)	8½	9½	11½	11½	13½
(b) long term (for periods exceeding 24 months)	9	10	12	12	14
(vi) Rates to quasi-government and statutory bodies controlled by Government					
(a) short term (for periods less than 12 months)	7½	8½	10½	10½	12½
(b) medium term (for periods not less than 12 months and not more than 24 months)	8	8½	10½	10½	12½
(c) long-term (for periods exceeding 24 months)	8½	8½	10½	10½	12½
(vii) Personal and professional and all other accounts	9	10	12	12	14
3. Mauritius Cooperative Central Bank****					
(i) Crop Loan (short term)	6	6	7	7	8
(ii) Credit Union, Coop. Societies	7½	7½	9½-12	9½-12	10-16
(iii) Medium Term Loan	8	8½	11	11	14
(iv) Housing Societies	8½	8½	8½ (1) 10½ (2)	8½ (1) 10½ (2)	8½ (1) 10½ (2)
II. DEPOSITS					
1. Savings	4	4½	6½	6½	7½
2. Fixed Deposits					
(i) Up to 3 months	4½	4½	6½	6½	7½
(ii) Exceeding 3 months and up to 6 months	4½	5	7	7	8
(iii) Exceeding 6 months and up to 12 months	5½	6	7½	7½	8½
(iv) Exceeding 12 months and up to 18 months	6½	7	8½	8½	9
(v) Exceeding 18 months and up to 24 months	7	7½	9½	9½	9½
(vi) Exceeding 24 months and up to 36 months	7½	8½	10½	10½	10½
(vii) Exceeding 36 months and up to 48 months	7½	8½	11	11	×
(viii) Over 48 months	7½	8½	×	×	×
III. MORTGAGES					
1. Notaries					
(i) Up to Rs 6,000 (max.)	11	11	11	13	13
(ii) Over Rs 6,000 (max.)	9	9	9	11	11
2. Mauritius Housing Corporation Loans					
(i) Under Rs 50,000	8	8	9	10½	10½
(ii) Over Rs 50,000	8½	8½	10	12	12

* applicable to most favoured customers like the Mauritius Sugar Syndicate.

** applicable to bills eligible for rediscount at the Bank of Mauritius

*** applicable to all primary producers — like sugar planters, tea and vegetable planters, to millers, sugar brokers, and industrial undertaking holding a Development Certificate or Export Processing Certificate.

**** applicable to funds on-lent out of borrowings from the Bank of Mauritius.

× No maximum rate fixed.

(1) (old loans) (2) (new loans)

Table 3.1 Government Finances : Recurrent Budget

(Rs. million)

	1976 - 77	1977 - 78	1978 - 79	1979 - 80
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Budget Estimates</i>
REVENUE :				
Direct Taxes ...	437.3	349.9	391.2	410.2
Income Tax ...	(376.4)	(283.4)	(311.1)	(293.0)
Succession Duties ...	(8.8)	(6.4)	(7.6)	(8.0)
Contribution to Social Security ...	(7.0)	(9.0)	(10.2)	(10.0)
Other ...	(45.1)	(51.1)	(62.3)	(99.2)
Indirect Taxes ...	643.9	767.1	880.9	992.0
of which : Import duties ...	(349.1)	(412.7)	(465.0)	(503.0)
Export duties ...	(124.9)	(139.8)	(145.2)	(150.0)
Excise duties ...	(104.8)	(134.7)	(169.7)	(222.2)
Other ...	(65.1)	(79.9)	(101.0)	(116.8)
Receipt from public utilities ...	47.1	43.8	60.5	77.5
Receipt from public services ...	24.2	38.6	50.9	48.6
Rental of public property ...	3.5	3.5	3.9	3.6
Other ...	54.7	57.9	99.0	106.6
TOTAL ...	1210.7	1260.8	1486.4	1638.5
EXPENDITURE :				
General Administration ...	218.0	267.8	310.5	275.3
of which : Defence and Police ...	(63.8)	(68.1)	(123.7)	(107.0)
Economic Services ...	318.3	278.4	372.4	342.3
Agriculture, Forestry and Fisheries ...	(35.1)	(46.3)	(52.8)	(54.5)
Transport ...	(12.9)	(12.0)	(14.2)	(17.3)
Posts and Telecommunications ...	(23.8)	(29.6)	(34.4)	(36.2)
Works, Labour and Employment ...	(106.3)	(71.8)	(80.5)	(79.9)
Cooperatives, Commerce and Industry ...	(109.4)	(67.5)	(126.3)	(147.1)
of which : Subsidy to Rice and Flour ...	(100.0)	(49.2)	(111.4)	(130.0)
Economic Planning and Development ...	(4.9)	(5.3)	(5.9)	(6.4)
Power, Fuel and Energy ...	(25.9)	(45.9)	(58.3)	(0.9)
Social Services ...	453.9	557.7	663.4	671.9
Social Security ...	(119.2)	(149.3)	(166.6)	(165.6)
Education ...	(195.9)	(245.6)	(302.4)	(305.2)
Health ...	(116.0)	(143.1)	(168.5)	(172.0)
Housing ...	(12.0)	(7.7)	(9.4)	(11.0)
Reform Institutions, Youth and Sports ...	(10.8)	(12.0)	(16.5)	(18.1)
Local Government ...	89.8	109.1	138.8	149.1
Public Debt and Pensions ...	181.0	228.3	284.9	370.2
of which : Public Debt Service ...	(112.8)	(153.0)	(199.2)	(287.3)
TOTAL ...	1261.0	1441.3	1770.0	1808.8
Surplus (+) or deficit (—) ...	— 50.3	— 180.5	— 283.6	— 170.3

Table 3.2 : Government Finance : Capital Budget

(Rs. million)

	1976 - 77	1977 - 78	1978 - 79	1979 - 80 (Budget Estimates)
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	
RECEIPTS				
Domestic Revenue	201.4	28.9	339.0	234.5
Transfer from Current Budget	(—)	(—)	(—)	(. .)
Mauritius Development Loan State	(148.2)	(—)	(299.0)	(200.0)
Dividends from investment	(4.2)	(7.6)	(4.9)	(6.1)
Other	(49.0)	(21.3)	(35.1)	(28.4)
External Receipts	84.3	429.1	379.9	387.6
U. K. Grants	(0.1)	(—)	(—)	(—)
Other Grants	(4.9)	(1.6)	(1.0)	(2.7)
U. K. Loans	(15.6)	(8.8)	(2.0)	(30.0)
Caisse Centrale de Coopération Economique	(24.1)	(45.8)	(22.8)	(37.0)
World Bank Group Loans	(38.8)	(54.3)	(42.2)	(51.0)
Eurodollar Loans	(—)	(200.0)	(216.9)	(120.0)
International Monetary Fund	(—)	(113.9)	(42.2)	(6.0)
Other Loans	(0.8)	(4.7)	(52.8)	(140.9)
TOTAL CAPITAL REVENUE	285.7	458.0	718.9	622.1
EXPENDITURE				
Economic Services	286.8	317.5	362.1	380.3
Agriculture, Forestry & Fisheries	(69.2)	(81.8)	(84.5)	(90.0)
Transport	(60.3)	(15.5)	(5.5)	(15.2)
Posts and Telecommunications	(22.4)	(20.9)	(42.9)	(13.0)
Works, Labour and Employment	(73.4)	(99.1)	(127.5)	(158.9)
Cooperatives, Commerce & Industry	(7.8)	(17.2)	(12.5)	(16.6)
Economic Planning and Development	(20.9)	(21.3)	(21.1)	(20.0)
Power, Fuel and Energy	(32.8)	(61.7)	(68.1)	(66.6)
Social Services	45.9	125.1	136.5	123.8
Social Security	(. .)	(0.1)	(. .)	(—)
Education	(18.3)	(65.0)	(66.9)	(62.5)
Health	(2.9)	(12.4)	(12.7)	(15.2)
Housing	(23.2)	(45.2)	(54.3)	(45.7)
Reform Institutions, Youth and Sports	(1.5)	(2.4)	(2.6)	(0.4)
Local Government	40.1	36.1	37.8	49.9
Central Administration and Other	112.6	167.2	132.9	295.3
TOTAL	485.4	645.9	669.3	849.3
Surplus (+) or deficit (—)	— 199.7	— 187.9	+ 49.6	— 227.2

Table 4.1 Imports and Exports : Major Commodity Groups

(Rs. million)

I M P O R T S	1 9 7 7	1 9 7 8	1 9 7 7				1 9 7 8				1 9 7 9	
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
Food and live animals ...	582.0	696.7	138.6	145.6	162.2	135.6	171.0	165.8	179.6	180.3	152.2	195.5
Beverages and tobacco ...	32.0	23.0	5.2	10.4	8.2	8.2	7.8	7.4	4.8	3.0	6.4	6.6
Crude materials, inedible except fuels ...	95.6	105.3	18.7	31.3	23.2	22.4	20.4	30.0	26.9	28.0	20.9	31.7
Mineral fuels, lubricants, and related materials	275.3	280.7	56.7	60.2	85.5	72.8	79.5	67.0	72.3	61.9	75.5	79.5
Animal and vegetable oils and fats ...	79.1	86.4	17.0	9.1	34.5	18.7	15.5	22.1	24.5	24.3	21.1	24.3
Chemicals ...	212.3	201.7	38.2	51.6	63.3	59.4	40.1	46.6	68.1	46.9	42.2	70.5
Manufactured goods classified chiefly by material	790.3	857.9	151.3	220.3	206.7	211.9	206.2	214.8	216.7	220.2	209.3	243.6
Machinery and transport equipment ...	679.1	572.6	134.5	211.9	168.0	164.7	180.6	120.9	133.7	137.4	135.6	119.8
Miscellaneous manufactured articles ...	191.9	233.6	38.8	50.9	47.5	54.8	51.8	52.3	59.1	70.3	57.0	58.5
Commodities and transactions not classified according to kind ...	13.2	18.5	3.8	2.9	3.3	3.2	4.6	5.3	4.2	4.4	3.4	2.2
TOTAL ...	2,950.8	3,076.4	602.6	794.3	802.3	751.6	777.5	732.3	789.9	776.7	723.6	832.2
• E X P O R T S												
Sugar ...	1,428.5	1,304.7	206.5	283.4	487.4	451.2	206.5	248.1	442.9	407.2	281.1	331.8
Molasses ...	41.1	34.3	7.0	1.8	15.6	16.7	1.8	2.3	10.8	12.9	10.6	7.6
Tea ...	43.5	55.3	13.0	11.0	9.7	9.8	11.8	16.8	13.9	12.8	13.4	9.4
Export Processing Zone Products...	433.4	485.7	71.8	105.6	142.8	113.2	86.7	121.8	141.7	135.5	102.4	157.5
Other ...		73.3	12.8	12.5	15.9	21.8	19.1	11.3	30.1	16.2	9.2	22.8
Re-exports ...	32.0	33.8	8.2	7.2	8.3	8.3	7.0	13.5	9.5	5.9	7.4	12.3
TOTAL ...	2,041.5	1,987.1	319.3	421.5	679.7	621.0	332.9	413.8	648.9	590.5	424.1	541.4

Source : Customs and Excise Department, Government of Mauritius

TABLE 4.2. MERCHANDISE IMPORTS

c.i.f. (Rs million)

SITC Code	Standard International Trade Classification	1974	1975	1976	1977	1978
00	Food and Live Animals ...	500.0	459.8	485.7	582.0	696.7
	Meat and Meat Preparations ...	23.8	35.2	47.6	73.8	88.4
	Dairy Products and Eggs ...	47.7	56.5	67.0	92.8	89.3
	Milk and Cream ...	(36.8)	(44.1)	(49.6)	(67.2)	(68.0)
	Fish and Fish Preparations ...	28.4	26.5	34.7	52.7	63.1
	Cereal & Cereal Preparations ...	326.4	253.9	222.1	218.2	283.9
	Rice ...	(226.9)	(132.9)	(130.0)	(106.1)	(163.9)
	Flour ...	(86.0)	(99.4)	(71.2)	(80.4)	(78.8)
	Other ...	(13.5)	(21.6)	(20.9)	(31.7)	(41.2)
	Fruit and Vegetables ...	29.8	43.5	57.2	64.4	87.6
	Vegetables ...	(17.6)	(23.3)	(32.5)	(28.9)	(47.6)
	Feeding Stuff for Animals ...	22.8	23.8	28.6	37.0	29.8
	Other ...	21.1	20.4	28.5	43.1	54.6
01	Beverages and Tobacco ...	13.4	16.5	18.9	32.0	23.0
	Alcoholic Beverages ...	9.3	9.1	12.0	14.6	9.6
	Unmanufactured Tobacco ...	2.8	4.9	4.2	12.2	9.8
	Other ...	1.3	2.5	2.7	5.2	3.6
02	Crude Materials, inedible, except fuels ...	39.3	48.6	64.0	95.8	105.4
03	Mineral Fuels, Lubricants and Related Materials ...	161.5	194.6	209.0	275.3	280.7
	Petroleum Products ...	159.5	192.7	206.3	272.3	274.6
	Other ...	2.0	1.9	2.7	3.0	6.1
04	Animal and Vegetable Oils and Fats ...	70.7	51.8	71.2	79.1	86.4
	Vegetable Edible Oils ...	52.8	35.2	47.2	54.0	52.4
	Other ...	17.9	16.6	24.0	25.1	34.0
05	Chemicals ...	154.7	180.3	167.8	212.3	201.7
	Chemical Elements & Components ...	31.1	24.4	37.1	42.1	51.7
	Medicinal & Pharmaceutical Products ...	16.7	27.0	25.7	41.9	36.0
	Fertilizers ...	55.9	63.6	21.9	29.8	24.0
	Plastic Materials, Regenerated Cellulose and Artificial Resins ...	15.4	15.7	23.5	30.1	30.8
	Other ...	35.6	49.6	59.6	68.4	59.2
06	Manufactured goods classified chiefly by material ...	417.0	468.1	632.1	790.2	857.9
	Rubber, Wood, Cork, Paper and Paper Board Manufactures ...	49.7	60.2	75.6	98.3	90.9
	Textile Yarn, Cotton and Other Textile Fabrics ...	120.7	138.9	220.3	256.9	251.6
	Lime and Cement ...	33.0	63.3	77.0	88.8	113.7
	Iron and Steel ...	95.2	72.1	86.8	122.4	131.0
	Manufactures of Metals ...	44.8	52.1	78.0	99.3	105.7
	Other ...	73.6	81.5	94.4	124.5	165.0
07	Machinery and Transport Equipment ...	313.8	441.3	580.0	679.1	572.4
	Machinery Other than Electric ...	128.8	213.1	258.2	254.5	304.8
	Electric Machinery ...	111.9	138.6	182.1	256.3	169.2
	Road Motor Vehicles ...	55.4	82.0	132.6	161.2	90.0
	Other ...	17.7	7.6	7.1	7.1	8.4
08	Miscellaneous manufactured articles ...	84.6	126.7	160.3	191.9	233.4
	Clothing ...	17.9	29.7	33.4	42.4	58.9
	Professional and Scientific Instruments... ..	20.9	31.0	41.8	42.4	45.5
	Other ...	45.8	66.0	85.1	107.1	129.0
09	Commodities and transactions not classified according to kind ...	4.9	7.6	8.7	13.1	18.5
	Total ...	1,759.8	1,995.3	2,397.9	2,950.8	3,076.4

Source : Customs and Excise, Department — Government of Mauritius

Table 4.3 Imports — Main Sources of Supply

(Rs. million)

	1975	1976	1977	1978	1977				1978				1979	
					1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
United Kingdom ...	336.3	390.2	523.8	457.0	102.8	175.5	140.3	105.2	123.5	119.6	125.0	88.7	103.2	121.6
Australia ...	120.6	116.3	156.8	168.3	40.7	37.9	43.1	35.1	36.4	39.8	42.3	49.7	45.2	39.6
Burma ...	58.0	46.7	60.4	28.5	15.0	14.7	14.3	16.4	14.2	12.6	0.3	1.5	0.6	0.3
China (Mainland) —	57.7	68.2	77.0	142.9	12.8	14.3	32.9	17.0	36.6	15.8	42.2	48.6	12.7	12.1
Federal Republic of Germany...	132.0	145.5	144.2	126.5	36.2	39.2	40.2	28.7	25.6	30.9	43.0	26.8	32.6	30.3
France ...	171.4	244.1	319.1	338.2	62.0	91.0	81.2	85.1	117.3	66.2	67.6	87.0	85.0	69.8
Hong Kong ...	55.7	83.5	89.6	80.8	18.4	23.9	18.0	29.3	22.1	20.8	20.0	17.9	19.0	17.4
India ...	57.7	91.3	94.9	126.3	22.7	22.7	22.9	26.5	25.9	28.9	29.5	42.2	46.1	49.8
Iran ...	177.3	160.9	130.3	84.3	36.8	22.2	38.4	32.9	15.7	21.6	27.0	20.1	43.0	10.9
Italy ...	27.8	41.6	52.9	74.8	10.4	10.7	14.1	17.7	13.5	18.0	15.6	27.7	20.1	29.0
Japan ...	156.9	194.5	222.5	181.5	42.9	62.4	53.2	63.8	54.8	58.7	32.6	35.4	29.1	35.2
Kenya ...	35.7	56.1	86.7	80.3	17.2	23.3	22.8	23.3	17.0	16.5	4.8	41.9	29.1	24.2
Malaysia ...	13.1	32.0	46.3	49.4	6.4	17.2	10.5	12.2	10.5	11.1	15.5	12.4	8.8	18.8
Netherlands ...	30.1	46.0	47.5	50.9	8.1	10.1	18.1	11.4	7.7	6.3	23.2	13.7	19.0	21.7
New Zealand ...	22.5	31.1	46.8	62.2	7.8	10.0	12.4	16.6	11.2	20.4	14.1	16.5	7.9	11.8
Republic of South Africa	192.9	237.9	312.3	358.8	49.3	94.2	88.8	80.2	91.2	97.3	91.1	79.2	85.1	129.1
Singapore ...	26.1	35.6	40.7	56.2	8.3	9.8	9.9	12.6	11.4	9.9	17.8	17.1	15.1	17.3
Thailand ...	49.4	65.2	26.4	9.0	20.1	2.1	3.0	1.2	1.1	2.5	1.4	4.0	2.0	22.9
United States of America	99.5	72.3	75.9	97.2	18.3	15.2	21.1	21.2	26.6	21.6	21.2	27.8	20.6	25.2
Belgium ...	39.5	29.0	40.6	55.2	11.0	7.0	7.2	15.4	7.2	12.4	9.4	26.3	14.6	9.0
Denmark ...	4.4	6.6	11.9	6.4	1.2	1.9	6.8	2.1	0.7	1.1	1.3	3.3	1.4	1.9
Austria ...	3.8	4.2	3.3	3.5	0.2	1.5	0.8	0.9	0.8	1.4	0.7	0.6	0.6	1.8
Other ...	126.9	209.7	340.9	438.2	54.0	87.5	102.3	96.8	106.5	98.9	144.3	88.3	83.4	185.5
TOTAL ...	1,995.3	2,408.5	2,950.8	3,076.4	602.6	794.3	802.3	751.6	777.5	732.3	789.9	776.7	724.2	885.2

Source : Customs and Excise Department, Government of Mauritius.

Table 4.4 Exports - Principal Countries of Destination

(Rs. million)

	1977	1978	1 9 7 6				1 9 7 7				1 9 7 8				1 9 7 9	
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
United Kingdom	1,363.6	1,289.0	352.3	36.1	444.4	394.0	197.5	284.3	463.4	418.4	198.2	242.3	454.3	394.2	287.0	363.4
Canada	58.6	44.5	. .	. .	34.0	33.1	—	0.2	29.7	28.7	—	30.3	13.9	0.4	0.1	0.1
United States of America	121.9	174.9	7.4	12.3	45.7	38.1	27.4	27.4	30.3	36.8	33.1	12.0	41.1	88.9	29.6	32.2
Republic of South Africa	47.4	40.8	11.6	12.1	7.7	8.2	14.2	11.1	11.0	11.1	11.8	13.6	11.3	4.1	3.7	2.4
Malagasy Republic.....	3.4	3.1	1.1	0.7	4.0	0.2	1.1	0.9	0.9	0.5	0.5	1.4	0.5	0.7	0.1	0.9
Réunion	20.7	21.0	3.6	5.5	6.3	6.1	3.9	5.6	5.4	5.8	3.5	5.0	5.8	6.6	5.4	7.5
Australia	6.2	3.7	1.1	1.9	1.4	1.2	2.2	1.0	1.4	1.6	1.1	1.0	1.0	0.7	1.4	1.7
Germany (Fed. Rep.)	64.6	43.8	9.9	9.9	15.2	13.6	11.1	14.6	18.0	20.9	9.7	8.7	11.3	14.1	11.4	17.4
Netherlands	44.3	44.5	2.3	1.4	2.4	6.7	5.7	6.9	16.1	15.6	8.1	14.7	13.3	8.4	2.7	6.1
France	159.2	145.8	30.3	43.5	42.7	46.0	34.3	43.5	40.3	41.1	25.1	47.3	42.6	30.7	57.2	73.5
Other	151.3	176.0	13.9	12.1	16.7	33.1	21.6	26.0	63.2	40.5	41.8	37.5	53.9	42.7	25.5	38.1
TOTAL	2,041.2	1,987.1	433.5	135.5	620.5	580.3	319.0	421.5	679.7	621.0	332.9	413.8	648.9	591.5	424.1	543.3

Source : Customs and Excise Department, Government of Mauritius.

Table 4.5 Balance of Payments

(Rs. million)

Item	1973		1974		1975		1976		1977		1978	
	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit
A. GOODS AND SERVICES ...	1018	1055	2150	1922	2329	2272	2486	2771	2690	3286	2740	3560
1. Merchandise ...	755	778	1798	1521	1848	1672	1768	2047	2030	2418	1969	2563
2. Non-monetary gold ...	—	3	—	5	—	7	—	8	—	12	—	17
3. Freight and insurance on merchandise ...	3	115	—	191	14	286	3	325	1	455	5	471
4. Other transportation ...	88	47	146	74	159	85	152	101	264	127	286	161
5. Travel ...	83	34	112	51	135	78	184	97	210	110	230	116
6. Investment income ...	27	18	26	20	60	45	98	59	34	51	35	53
<i>on direct investment</i> ...	(1)	(11)	(41)	(11)	(2)	(35)	(3)	(49)	(2)	(28)	(4)	(27)
<i>Other</i> ...	(26)	(7)	(25)	(9)	(58)	(10)	(95)	(10)	(32)	(23)	(31)	(56)
7. Other government ...	24	11	28	13	36	25	26	32	31	12	55	19
8. Other private ...	38	49	40	47	77	74	255	102	120	101	160	130
B. UNREQUITED TRANSFERS...	52	13	103	20	93	23	67	25	108	24	115	30
9. Private ...	(36)	(10)	(41)	(11)	(49)	(13)	(46)	(20)	(52)	(23)	(60)	(27)
10. Government ...	(16)	(3)	(62)	(9)	(44)	(10)	(21)	(5)	(56)	(1)	(55)	(3)
NET TOTAL OF GOODS, SERVICES, AND TRANSFERS	2	—	311	—	127	—	—	243	—	512	—	735
C. CAPITAL (EXCLUDING RESERVES AND RELATED ITEMS) ...	—	14	7	—	240	—	—	302	195	—	301	—
NON-MONETARY SECTORS...	—	13	12	—	255	—	—	319	117	—	329	—
11. 12. Direct Investment and other private long-term ...	14	—	22	—	29	—	58	10	56	—	75	—
<i>Direct investment liabilities</i> ...	(2)	—	(24)	—	(33)	(—)	(24)	(—)	(20)	(—)	(28)	—
<i>Other</i> ...	(12)	—	—	(2)	(—)	(4)	(34)	(10)	(66)	(30)	(47)	—
13. Other private short-term ...	—	40	—	38	180	—	17	404	62	46	80	—
14. Local government ...	—	—	—	—	—	—	—	—	—	—	—	—
15. Central government ...	13	—	28	—	46	—	31	11	45	—	174	—
<i>Loans received</i> ...	(19)	(8)	(40)	(6)	(56)	(—)	(31)	(8)	(69)	(24)	(189)	(15)
<i>Other Liabilities</i> ...	(6)	(—)	(—)	(1)	(—)	(25)	(—)	(—)	(—)	(—)	—	—
<i>Assets</i> ...	(—)	(4)	(—)	(5)	(15)	(—)	(—)	(3)	(—)	(—)	—	—
MONETARY SECTORS ...	—	1	—	5	—	16	17	—	78	—	—	28
16. Private institutions ...	—	1	—	5	—	16	19	2	78	—	—	28
<i>Liabilities</i> ...	(7)	(—)	(5)	(—)	(9)	(—)	—	(2)	(88)	(—)	—	(23)
<i>Assets</i> ...	(—)	(8)	(—)	(10)	(—)	(25)	(19)	(—)	(—)	(10)	—	(5)
17. Central institutions ...	—	—	—	—	—	—	—	—	—	—	—	—
D.18. ALLOCATION OF SDRs ...	—	—	—	—	—	—	—	—	—	—	—	—
E. RESERVES AND RELATED ITEMS ...	21	—	—	365	—	350	500	—	250	—	358	—
19. Liabilities ...	—	—	36	—	—	—	—	—	84	—	236	—
<i>Use of Fund credit</i> ...	(—)	(—)	(36)	(—)	(—)	(—)	(—)	(—)	(84)	(—)	—	—
<i>Other</i> ...	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(236)	—
20. Assets ...	21	—	—	401	—	350	500	—	166	—	122	—
<i>Monetary gold</i> ...	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)
<i>SDRs</i> ...	(—)	(—)	(25)	(—)	(1)	(—)	(—)	(6)	(3)	(—)	(5)	(—)
<i>Reserve Position in the Fund...</i>	(—)	(—)	(—)	(21)	(—)	(42)	(—)	(—)	(42)	(—)	(—)	(—)
<i>Foreign Exchange</i> ...	(22)	(—)	(—)	(408)	(—)	(308)	(506)	(—)	(121)	(—)	(118)	(—)
<i>Other claims</i> ...	(—)	(1)	(3)	(—)	(—)	(1)	(—)	(—)	(—)	(—)	(—)	(1)
NET ERRORS AND OMISSIONS	—	9	47	—	—	16	45	—	67	—	76	—

Table 4.6 Foreign Exchange Reserves

(Rs. million)

	IMF Position (Net)	Bank of M ^r tius	Govt.	Statutory Bodies*	Commercial Banks			TOTAL
					Assets (1)	Liabilities (2)	Net (1) - (2)	
1974 March	35.0	339.3	24.7	1.5	23.9	4.3	19.6	420.1
June ...	—	149.7	21.5	1.6	23.2	6.5	16.7	189.5
Sept. ...	—	84.8	22.1	1.6	27.9	16.2	11.7	120.2
Dec. ...	—	739.8	26.0	1.1	35.9	9.7	26.2	793.1
1975 Jan. ...	—	772.4	25.7	1.6	31.3	8.5	22.8	822.5
Feb. ...	—	706.6	25.8	1.6	20.8	9.4	11.4	745.4
March ...	—	648.1	31.0	1.6	19.7	6.2	13.5	694.2
April ...	—	550.3	31.0	—0.6	18.5	10.6	7.9	588.6
May ...	—	567.4	37.1	—0.9	16.8	19.3	—2.5	601.1
June ...	—	562.0	28.4	0.8	21.4	14.1	7.3	598.5
July ...	—	568.5	29.8	0.4	15.2	8.3	6.9	605.6
Aug. ...	—	539.9	27.3	1.3	23.6	13.4	10.2	578.7
Sept. ...	—	619.6	23.8	—2.1	26.1	12.3	13.8	655.1
Oct. ...	—	736.8	24.0	—1.3	25.3	10.0	15.3	774.8
Nov. ...	42.6	873.5	26.5	—2.2	37.5	8.8	28.7	969.1
Dec. ...	42.4	1,045.6	18.7	—5.9	54.3	11.8	42.5	1,143.3
1976 Jan. ...	42.4	1,289.4	15.5	—6.4	41.3	8.0	33.3	1,374.2
Feb. ...	42.4	1,274.1	11.6	—6.8	37.2	7.5	29.7	1,351.0
March ...	42.4	1,135.6	14.0	—8.3	33.0	7.3	25.7	1,209.4
April ...	42.4	997.3	10.4	—8.4	33.8	5.6	28.2	1,069.9
May ...	42.4	847.3	9.3	—8.8	28.7	16.5	12.2	902.4
June ...	42.4	694.7	9.7	—1.1	36.3	5.9	30.4	776.1
July ...	42.4	603.7	9.5	—1.3	30.3	10.1	20.2	674.5
Aug. ...	42.4	502.7	9.8	—1.4	35.4	14.4	21.0	574.5
Sept. ...	42.4	511.3	9.7	—3.5	30.5	7.8	22.7	582.6
Oct. ...	42.4	564.0	10.2	—6.0	32.4	10.2	22.2	632.8
Nov. ...	42.4	551.1	8.4	—1.9	30.9	6.0	24.9	624.9
Dec. ...	42.4	551.9	11.9	—2.4	34.9	9.1	25.8	629.6
1977 Jan. ...	42.4	576.9	8.9	—7.1	37.5	5.1	32.4	653.5
Feb. ...	42.4	503.3	9.9	—4.7	42.5	8.3	34.2	585.1
March ...	42.4	412.6	10.5	—6.5	36.5	9.2	27.3	486.3
April ...	42.4	358.6	9.2	2.2	33.3	5.9	27.4	439.8
May ...	—	377.7	9.4	2.2	31.4	8.7	22.7	412.0
June ...	—	337.0	9.6	2.2	41.2	20.5	20.7	369.5
July ...	—	382.8	9.3	2.0	34.4	48.4	—14.0	380.1
Aug. ...	—	306.5	10.1	2.0	39.0	68.9	—29.9	288.7
Sept. ...	—	374.1	10.1	0.8	35.9	66.3	—30.4	354.6
Oct. ...	—	400.6	11.8	0.8	38.9	81.7	—42.8	370.4
Nov. ...	—	460.3	2.4	0.5	44.1	83.4	—39.3	423.9
Dec. ...	—	431.1	4.4	1.4	43.9	100.4	—56.5	380.4
1978 Jan. ...	—	677.7	3.4	1.6	40.5	87.4	—46.9	635.8
Feb. ...	—	667.0	4.0	1.6	44.3	80.7	—36.4	636.2
March ...	—	663.1	5.2	0.7	43.2	82.1	—38.9	630.1
April ...	—	629.7	2.8	0.6	43.9	79.2	—35.3	597.8
May ...	—	604.4	1.8	2.1	42.9	64.4	—21.5	586.8
June ...	—	481.5	2.6	1.9	53.8	54.3	— 0.5	485.5
July ...	—	509.1	1.0	1.9	46.1	76.9	—30.8	481.2
Aug. ...	—	442.8	3.5	1.9	40.4	97.5	—57.1	391.1
Sept. ...	—	443.0	2.2	2.0	34.0	101.9	—67.9	379.3
Oct. ...	—	416.8	2.4	2.4	35.8	94.8	—59.0	362.6
Nov. ...	—	334.3	2.1	2.0	44.3	89.9	—45.6	292.8
Dec. ...	—	305.5	6.7	1.8	49.5	91.4	—41.9	272.1
1979 Jan. ...	—	308.6	3.4	2.0	47.3	89.5	—42.2	271.8
Feb. ...	—	190.3	2.5	1.8	39.8	86.7	—46.9	147.7
March ...	—	194.3	1.8	1.9	42.2	97.5	—55.3	142.7
April ...	—	209.3	5.5	1.9	44.8	94.6	—49.8	166.9
May ...	—	152.7	9.6	2.2	49.8	123.7	—73.9	90.6
June ...	—	287.9	9.8	2.3	56.5	131.6	—75.1	224.9

* Statutory bodies include the Sugar Insurance Fund Board and the Central Electricity Board.

Table 4.7 Exchange Rate Movements of the Rupee Vis-a-vis Major Currencies

(Percentage Appreciation (+))

(Percentage Depreciation (—))

Base : 5th January, 1976

Date			Canadian Dollar	Pound Sterling	US Dollar	French Franc	Deutsche Mark	Japanese Yen
1978								
3rd	July	...	+ 17.15	+ 15.22	+ 6.08	+ 6.40	— 16.33	— 29.33
10th	July	...	+ 17.99	+ 14.11	+ 6.82	+ 5.63	— 16.90	— 29.43
17th	July	...	+ 17.59	+ 14.04	+ 6.41	+ 6.33	— 16.40	— 29.28
24th	July	...	+ 18.62	+ 12.08	+ 7.19	+ 5.12	— 16.71	— 29.71
31st	July	...	+ 19.77	+ 12.73	+ 7.62	+ 5.08	— 16.22	— 32.75
7th	August	...	+ 20.73	+ 13.27	+ 8.07	+ 5.40	— 17.06	— 33.06
14th	August	...	+ 22.14	+ 12.57	+ 9.26	+ 5.33	— 17.91	— 33.12
21st	August	...	+ 21.04	+ 13.49	+ 8.06	+ 6.57	— 16.84	— 32.86
28th	August	...	+ 21.68	+ 13.58	+ 7.76	+ 5.83	— 17.13	— 32.00
4th	September	...	+ 22.90	+ 13.05	+ 8.91	+ 4.87	— 18.09	— 31.94
11th	September	...	+ 23.14	+ 12.74	+ 8.24	+ 5.43	— 17.65	— 31.72
18th	September	...	+ 24.39	+ 12.35	+ 8.36	+ 6.20	— 17.97	— 31.71
25th	September	...	+ 26.42	+ 12.24	+ 7.05	+ 7.05	— 18.80	— 32.91
2nd	October	...	+ 28.09	+ 12.51	+ 9.47	+ 5.77	— 19.26	— 31.95
9th	October	...	+ 27.98	+ 12.51	+ 10.50	+ 5.77	— 20.06	— 31.82
16th	October	...	+ 28.95	+ 13.44	+ 10.83	+ 5.83	— 20.96	— 32.38
23rd	October	...	+ 31.17	+ 13.38	+ 12.59	+ 5.00	— 22.60	— 33.19
30th	October	...	+ 32.81	+ 11.34	+ 15.27	+ 2.62	— 24.02	— 32.57
6th	November	...	+ 26.19	+ 9.31	+ 9.89	+ 6.07	— 20.18	— 31.93
13th	November	...	+ 27.17	+ 13.43	+ 10.29	+ 6.07	— 20.63	— 31.76
20th	November	...	+ 25.27	+ 13.88	+ 8.43	+ 7.71	— 19.96	— 30.18
27th	November	...	+ 25.76	+ 13.25	+ 8.49	+ 7.40	— 20.06	— 30.32
4th	December	...	+ 24.87	+ 13.19	+ 8.21	+ 7.35	— 20.83	— 27.98
11th	December	...	+ 26.53	+ 11.98	+ 9.10	+ 6.54	— 20.76	— 29.29
18th	December	...	+ 28.74	+ 11.34	+ 10.49	+ 5.10	— 21.75	— 30.01
25th	December	...	+ 28.39	+ 11.24	+ 10.34	+ 5.00	— 22.02	— 29.28
1979								
1st	January	...	+ 29.86	+ 10.68	+ 11.29	+ 3.86	— 22.42	— 29.03
8th	January	...	+ 29.56	+ 11.05	+ 10.90	+ 4.37	— 22.31	— 28.95
15th	January	...	+ 28.62	+ 11.73	+ 10.00	+ 5.05	— 21.89	— 28.83
22nd	January	...	+ 29.22	+ 11.83	+ 10.44	+ 4.41	— 22.47	— 28.24
29th	January	...	+ 28.96	+ 11.42	+ 9.79	+ 5.00	— 21.94	— 28.08
5th	February	...	+ 28.95	+ 11.45	+ 9.48	+ 5.16	— 21.82	— 27.53
12th	February	...	+ 29.70	+ 11.10	+ 10.38	+ 4.55	— 22.32	— 28.31
19th	February	...	+ 29.32	+ 11.05	+ 9.99	+ 5.17	— 22.22	— 27.74
28th	February	...	+ 29.68	+ 10.50	+ 10.08	+ 4.90	— 22.36	— 27.17
5th	March	...	+ 28.06	+ 9.95	+ 9.90	+ 5.21	— 22.11	— 26.35
12th	March	...	+ 27.62	+ 9.08	+ 10.06	+ 5.22	— 22.19	— 25.99
19th	March	...	+ 26.01	+ 9.58	+ 9.76	+ 5.24	— 21.95	— 25.26
28th	March	...	+ 26.26	+ 8.86	+ 9.92	+ 5.22	— 21.86	— 25.65
2nd	April	...	+ 24.85	+ 7.25	+ 9.65	+ 5.79	— 21.34	— 24.15
9th	April	...	+ 23.55	+ 5.73	+ 9.15	+ 6.28	— 20.75	— 23.31
16th	April	...	+ 22.97	+ 5.82	+ 9.04	+ 6.34	— 20.93	— 22.85
23rd	April	...	+ 22.29	+ 6.44	+ 8.86	+ 6.27	— 21.05	— 21.84
30th	April	...	+ 22.19	+ 6.90	+ 8.72	+ 6.15	— 21.32	— 20.99
7th	May	...	+ 23.43	+ 6.33	+ 8.99	+ 6.43	— 21.20	— 22.14
14th	May	...	+ 24.53	+ 7.78	+ 8.88	+ 6.70	— 21.16	— 24.01
21st	May	...	+ 23.01	+ 7.05	+ 8.04	+ 7.45	— 20.78	— 22.32
28th	May	...	+ 23.35	+ 6.79	+ 8.13	+ 7.44	— 20.88	— 21.97
4th	May	...	+ 25.17	+ 5.44	+ 8.26	+ 7.06	— 20.94	— 21.39
11th	June	...	+ 25.25	+ 6.12	+ 8.32	+ 7.00	— 21.01	— 22.12
18th	June	...	+ 25.58	+ 4.74	+ 8.96	+ 6.44	— 21.51	— 21.74
25th	June	...	+ 27.15	+ 3.42	+ 10.43	+ 5.29	— 22.48	— 21.73
30th	June	...	+ 26.72	+ 2.91	+ 10.29	+ 5.52	— 22.26	— 21.57

Table 5.1 Sugar Production and Yields

Crop Year	Total Area under cultivation	Total area harvested	Cane produced	Yield of cane per arpent				Sugar Produced	Average yield of sugar per arpent	Sugar recovered
				Miller Planters	Owner Planters	Tenant Planters	Average Island			
	(In thousands of arpents)*		(In thousands of metric tons)	(In metric tons)				(In thousands of metric tons)	(In metric tons)	(In per cent of cane)
1961-65 Average	205	193	5,136	31.4	21.9	16.4	26.6	591	3.06	11.5
1966 ...	208	196	4,843	29.5	19.8	15.8	24.7	562	2.87	11.6
1967 ...	205	192	5,814	35.3	25.0	21.1	30.3	638	3.32	11.0
1968 ...	204	189	5,152	31.2	23.2	17.7	27.2	596	3.15	11.6
1969 ...	203	188	5,824	36.1	25.8	19.1	30.9	669	3.55	11.5
1970 ...	205	190	5,120	31.5	22.1	17.3	26.9	576	3.02	11.3
1971 ...	205	189	5,255	33.7	21.0	18.8	27.8	621	3.28	11.8
1972 ...	205	190	6,315	38.0	28.0	23.3	33.2	686	3.61	10.9
1973 ...	207	192	6,243	37.3	27.4	22.5	32.5	718	3.75	11.5
1974 ...	205	189	5,964	37.1	24.9	20.5	31.5	697	3.68	11.7
1975 ...	205	190	4,316	26.7	18.2	14.4	22.8	468	2.47	10.9
1976 ...	206	192	6,402	37.6	28.5	23.5	33.4	690	3.60	10.8
1977 ...	206	191	6,022	35.7	26.7	22.4	31.5	665	3.48	11.1
1978 ...	207	190	6,260	36.9	28.3	22.5	32.9	665	3.50	10.6

* 1 arpent = 1.043 acres.

Source : The Mauritius Chamber of Agriculture Annual Report

Table 5.2 Sugar Production and Disposal

('000 metric tons)

	<i>Stock at beginning of year</i>	<i>Production</i>	<i>Total availability</i>	<i>Local consumption</i>	<i>Exports*</i>	<i>Stocks at end of year¹</i>	<i>Average Price Ex-Syndi- cate** (Rs. per ton)</i>
1961-65							
Average	42.1	591.0	633.1	27.5	549.2	56.5	463.36
1966	90.6	561.8	652.4	29.1	570.5	52.8	421.50
1967	52.8	638.3	691.1	29.7	531.4	130.0	424.40
1968	130.1	596.5	726.6	29.3	578.0	118.8	428.39
1969	118.8	668.7	787.5	31.0	591.6	164.5	445.27
1970	164.5	576.2	740.7	31.9	581.6	127.3	471.70
1971	127.3	621.1	748.4	33.4	568.4	146.1	522.64
1972	146.1	686.4	832.5	33.3	613.9	185.3	641.43
1973	185.3	718.5	903.8	35.8	697.6	170.8	790.21
1974	170.8	696.8	867.6	33.0	685.3	149.2	1,877.59
1975	149.2	468.3	617.5	36.5	447.4	133.6	2,256.11
1976	133.6	689.9	823.5	35.4	551.1	237.0	1,617.03
1977	237.0	665.5	902.5	37.5	636.4	228.6	1,678.36
1978	228.6	665.2	893.8	36.5	578.6	278.7	1,750.00

* Refers to exports for the year's entitlement.

** Net of all marketing expenses, taxes and levies, and after deducting Cyclone and Drought Insurance premium.

¹ Stocks at the end of year equals initial stocks + production less local consumption and exports. Slight differences are caused by rounding and small storage differences.

Source : The Mauritius Chamber of Agriculture Annual Report

Table 5.3 : Production of Selected Commodities

				Units	1974	1975	1976	1977	1978
Industrial Crops									
Tea (Processed green leaf)	...	...	...	m/tons	19,646	15,777	21,678	23,607	25,733
Tobacco leaf	...	...	...	"	771	805	700	588	731
Vegetable, Pulses & Fruits									
Creepers	...	...	...	"	5,273	6,801	6,583	6,541	7,236
Groundnuts	...	...	...	"	1,545	1,270	1,150	1,094	1,428
Maize	...	...	...	"	1,684	1,195	1,584	1,328	1,144
Manioc	...	...	...	"	271	211	260	226	246
Sweet Potatoes	...	...	...	"	83	117	123	131	164
Potatoes	...	...	...	"	9,254	9,518	11,944	10,905	12,153
Rice	...	...	...	"	668	496	465	275	197
Tomatoes	...	...	...	"	6,715	6,021	5,439	6,928	7,254
Mixed Vegetables	...	...	...	"	12,055	9,877	9,028	8,191	8,611
Bananas	...	...	...	"	8,727	3,702	7,540	7,586	7,154
Pineapples	...	...	...	"	1,056	720	687	607	542
Meat & Fish									
Beef	...	...	...	"	n.a.	879	1,006	1,107	464
Goat Meat	...	...	...	"	145	135	133	155	136
Mutton	...	...	...	"	43	70	33	43	37
Pork	...	...	...	"	579	745	604	472	491
Fish	...	...	...	"	3,636	3,582	4,678	5,657	4,272
Beverages									
Rum	...	...	...	H/litres	24,962	28,437	33,441	35,914	38,532
Beer & Stout	...	...	...	"	91,478	116,019	132,919	155,259	147,883
Country Liquor	...	...	...	"	52,594	38,984	22,575	25,685	26,894
Soft Aerated Beverages	...	...	...	"	239,000	325,000	464,721	567,095	605,000

Source : Central Statistical Office, Government of Mauritius.

Table 5.4 : Pattern of EPZ Exports and Imports

(Rs. million)

	1974	1975	1976	1977	1978
Total EPZ Imports	171.0	190.2	272.6	301.7	340.4
of which					
Raw Materials	(111.3)	(127.6)	(199.7)	(255.5)	(291.8)
Machinery and Equipment	(59.7)	(62.6)	(72.9)	(46.2)	(48.6)
Total EPZ Exports	135.6	196.4	308.6	433.4	484.5
of which :					
Clothing	(60.8)	(114.9)	(202.8)	(318.2)	(321.5)
Electric Components	(48.6)	(62.0)	(61.3)	(58.8)	(54.8)
Processed Diamonds and Synthetic Stones	(22.6)	(6.0)	(7.1)	(19.3)	(48.4)
Toys	(3.0)	(5.0)	(7.4)	(6.2)	(6.0)
Other	(0.6)	(8.5)	(30.0)	(30.9)	(53.8)

Table 5.5 : Direction of EPZ Exports

(Rs. million)

Country	1976	1977	1978
EEC Countries	247.4	369.8	422.7
of which :			
France	159.6	157.8	116.8
Belgium	13.4	65.8	80.0
Federal Republic of Germany	43.9	57.8	39.7
United Kingdom	19.6	48.0	125.9
Netherlands	8.0	34.5	42.6
Other	2.9	5.9	17.7
Non-EEC Countries	61.2	63.6	61.8
of which :			
U.S.A.	35.9	34.2	42.7
Hong Kong	9.1	11.1	3.7
Sweden	1.8	5.8	2.0
Other	14.4	12.5	13.4
Total... ..	308.6	433.4	484.5

Source : Central Statistical Office, Government of Mauritius.

Table 5.6 Consumer Price Indices

MONTH	RURAL				URBAN				WHOLE ISLAND						
	1973	1974	1975	1976	1973	1974	1975	1976	1973	1974	1975	1976*	1977	1978	1979
January ...	129.6	164.7	192.9	226.1	131.8	169.3	198.1	234.5	130.5	166.7	195.1	229.8	105.3	114.6	125.9
February ...	131.0	166.8	205.5	228.6	133.7	172.3	210.7	236.9	132.2	169.2	207.7	232.2	106.3	116.1	127.0
March ...	133.8	169.3	206.3	229.5	136.7	175.7	212.1	237.9	135.1	172.1	208.8	233.1	107.1	118.7	127.9
April ...	135.3	179.5	200.8	232.7	138.2	184.3	206.1	243.7	136.5	181.6	203.1	237.5	107.8	119.6	127.8
May ...	134.0	183.7	202.6	235.5	137.5	186.9	208.4	246.6	135.5	185.1	205.1	240.3	109.4	119.8	128.9
June ...	135.5	187.4	205.3	239.2	139.4	190.1	212.0	249.9	137.2	188.6	208.2	243.8	111.2	120.6	131.7
July ...	138.3	188.4	204.0		142.3	191.0	212.6		140.0	189.5	207.7	102.6	112.7	121.1	
August ...	143.2	187.4	207.6		146.4	190.6	215.3		144.6	188.9	210.9	102.1	113.6	120.7	
September ...	147.5	186.6	212.6		151.0	190.0	220.4		149.0	188.0	216.0	102.5	112.3	120.8	
October ...	146.5	187.3	215.4		150.7	190.5	224.5		148.3	188.7	219.4	101.4	113.4	121.7	
November ...	152.3	189.7	217.8		156.1	192.9	227.2		154.0	191.1	221.9	102.5	113.1	122.6	
December ...	162.2	191.8	220.3		164.8	195.9	228.5		163.4	193.6	223.9	103.4	113.7	122.9	
Average ...	140.8	181.9	207.6	231.9**	144.1	185.8	214.7	241.6**	142.2	183.6	210.7	239.0***	110.5	119.9	128.2**
Percentage Change (Yearly) ...	+12.7	+29.2	+14.1	+11.7**	+14.5	+28.9	+15.6	+12.5**	+13.5	+29.1	+14.8	+13.4	+9.2	+8.5	+6.9**

* As from July 1976, a new index (Base January - June, 1976 = 100) has been introduced. Only figures for the whole island are provided. Prior to July, 1976 the base period was January-June 1962 = 100;

** Calculated as an average of six months.

*** Calculated as an average of twelve months on the basis of a conversion of the new indices to the 1962 base.

Source : Central Statistical Office, Government of Mauritius.

Table 6.1 : Number of Units and Employment in the Industrial Sector

Category	Number of Units Operating			Number Employed		
	June 1977	June 1978	June 1979	June 1977	June 1978	June 1979
1. Units set up with a Development Certificate ...	119	121	127	8,354	9,061	8,748
of which :						
Hotels	(18)	(18)	(18)	(2,551)	(2,676)	(2,664)
Food and Drinks	(20)	(17)	(17)	(1,458)	(1,437)	(1,473)
Construction	(13)	(16)	(16)	(769)	(930)	(1,006)
Chemicals and Allied Products including Fertilizer ...	(11)	(11)	(11)	(631)	(605)	(705)
Plastics, Leather and Rubber	(9)	(9)	(9)	(297)	(307)	(368)
Fixtures and Furniture	(6)	(6)	(6)	(137)	(130)	(118)
Garments	(5)	(5)	(6)	(362)	(328)	(354)
Miscellaneous	(37)	(39)	(45)	(2,149)	(2,648)	(2,060)
2. Units in the Export Processing Zone ...	86	87	86	18,077	17,409	19,759
of which :						
Textiles and Garments	(44)	(44)	(44)	(14,027)	(14,024)	(15,768)
Electric and Electronics Components ...	(7)	(8)	(7)	(2,123)	(1,516)	(1,905)
Plastics, Leather and Rubber	(15)	(15)	(13)	(952)	(916)	(1,087)
Toys and Maquettes	(4)	(4)	(3)	(355)	(276)	(233)
Synthetic Diamonds and Precious Stones ...	(5)	(7)	(7)	(244)	(325)	(453)
Miscellaneous	(11)	(9)	(12)	(376)	(352)	(313)
3. Other Units*	186	200	193	7,451	5,549	6,273
4. Total (1 + 2 + 3)	391	408	406	33,882	32,019	34,780

* The data for "Other Units" exclude small scale establishments employing less than 10 persons.

Source : Ministry of Commerce and Industry and Central Statistical Office, Government of Mauritius.

Table 6.2 Employment by Economic Activity¹

(In Thousands)

Period	Agriculture & Fishing			Mining & Quarrying	Manu- facturing	Cons- truction	Electri- city	Com- merce	Transport, Storage & Communica- tions	Government Services		Other Services	Total
	Total	Of Which								Total	Of Which Relief | Development workers		
		Sugar*	Tea*										
September 1967 ...	57.0	53.3	2.6	.2	7.5	2.7	1.3	3.3	4.8	59.0	30.9	3.2	139.0
March 1968 ...	56.4	51.2	3.9	.2	7.7	2.3	1.3	3.2	4.4	46.0	17.8	3.2	124.7
September 1968 ...	61.7	57.4	3.1	.2	7.7	1.6	1.3	3.7	5.1	41.4	13.4	3.9	126.6
March 1969 ...	53.7	48.4	4.2	.2	7.9	1.9	1.3	3.9	4.4	42.1	13.5	4.0	119.4
September 1969 ...	58.7	54.5	2.9	.1	8.0	2.2	1.3	4.1	5.6	41.8	12.4	4.1	125.9
March 1970 ...	53.8	48.1	4.4	.2	8.1	1.3	1.3	4.1	5.4	42.8	12.6	4.4	121.9
September 1970 ...	60.6	55.5	3.6	.2	8.3	2.0	1.3	4.2	5.2	43.1	13.7	4.7	129.6
March 1971 ...	55.4	48.5	5.3	.2	8.7	2.1	1.3	4.0	4.9	48.2	17.6	6.1	130.9
September 1971 ...	59.8	54.8	3.3	.2	9.8	2.2	1.3	4.7	6.5	47.5	16.7	9.7	141.7
March 1972 ...	58.2	47.9	8.4	.2	10.3	2.5	1.3	5.1	6.3	43.5	12.5	13.1	140.5
September 1972 ...	61.9	54.0	6.1	.1	11.6	3.0	1.3	5.4	6.9	43.0	11.6	13.4	147.5
March 1973 ...	58.9	50.0	7.1	.2	13.5	3.4	2.6	5.8	6.8	44.9	11.6	14.0	150.1
September 1973 ...	62.1	54.1	6.2	.1	15.7	4.6	2.7	6.2	7.9	44.8	10.8	13.7	157.8
March 1974 ...	56.8	48.2	7.1	.1	18.5	4.6	2.9	6.5	8.2	45.6	10.6	14.5	157.7
September 1974 ...	63.0	55.7	5.7	.1	20.7	5.0	2.9	6.7	9.0	44.2	10.2	15.7	167.3
March 1975 ...	58.2	50.6	5.5	.1	21.1	5.4	2.9	6.9	9.2	45.1	10.2	15.9	164.8
September 1975 ...	64.9	58.3	4.7	.1	22.5	5.7	3.0	7.1	9.3	44.9	10.4	16.3	173.8
March 1976 ...	59.5	52.6	4.7	.1	26.4	7.8	3.1	8.1	8.9	46.2	10.7	17.0	177.1
September 1976 ...	64.2	57.8	4.7	.1	29.3	7.3	3.1	8.4	9.8	46.4	5.9	16.3	184.9
March 1977 ...	61.9	54.9	4.9	.1	30.9	7.3	4.1	7.7	10.1	47.4	4.4	25.1	194.7
September 1977 ...	65.1	58.3	4.9	.1	33.2	7.7	3.2	8.5	11.2	47.9	—	18.4	195.3
March 1978 ...	58.4	51.3	5.5	.1	32.0	8.8	3.5	9.1	9.8	49.5	—	24.0	195.2
September 1978 ...	60.8	54.0	5.1	.2	33.1	9.8	3.6	9.3	10.5	50.6	—	20.5	198.4
March 1979 ...	55.6	48.7	5.2	.1	34.9	9.1	3.9	9.4	9.9	53.0	—	23.3	199.2

¹ Excludes self-employed and unpaid family workers.

* Covers plantations and factories.

Table 7.1 Gross National Product at Current Factor Cost

(Rs million)

	1968	1969	1970	1971	1972	1973	1974	1975	1976+	1977+	1978*
Agriculture, Forestry, hunting and fishing	193	224	222	262	353	494	1,323	1,034	1,060	1,085	1,116
Mining	1	1	1	1	2	2	2	4	7	9	11
Manufacturing	124	142	146	168	233	277	505	564	690	748	833
Construction	49	46	48	60	73	114	155	217	292	361	400
Energy, water and sanitary services	30	30	29	34	39	43	49	69	79	120	150
Transport, storage and communications	102	105	108	114	129	161	195	281	369	508	625
Commerce and Banking	108	109	111	112	149	203	265	345	423	548	597
Ownership of dwellings	66	68	70	71	74	77	83	94	107	131	162
Government services	44	46	51	53	61	76	105	140	233	244	286
Other services	110	116	126	141	166	203	259	342	474	617	760
Gross domestic product at factor cost	827	887	912	1,016	1,279	1,650	2,941	3,090	3,734	4,371	4,940
Net factor income from abroad	— 3	1	7	7	2	16	10	17	47	— 2	—30
Gross National Product at factor cost	824	888	919	1,023	1,281	1,666	2,951	3,107	3,781	4,369	4,910

+ Revised * Estimates

Source : Central Statistical Office, Government of Mauritius.

**Table 7.2 Composition of Gross Domestic Fixed Capital Formation
at Current Prices**

(Rs. million)

	1969	1970	1971	1972	1973	1974	1975	1976+	1977+	1978*
(A) By type of capital goods										
a. Land ...	3	4	3	4	10	14	12	15	20	22
b. Dwellings ...	35	33	38	54	103	169	264	335	495	606
c. Non-residential buildings ...	13	23	30	34	76	156	201	265	282	302
d. Other construction and works	34	36	42	39	81	121	168	155	225	360
e. Transport equipment										
(i) Passenger cars ...	4	5	7	11	19	22	33	73	73	31
(ii) Other equipment ...	22	15	16	15	66	39	71	81	67	108
f. Machinery and other equipment ...	33	29	48	72	125	229	389	526	488	501
Gross Domestic Fixed Capital Formation ...	144	145	184	229	480	750	1138	1450	1650	1,930
(B) By industrial use										
a. Agriculture, forestry and fishing	19	23	28	20	38	84	120	169	118	144
b. Mining and quarrying ...	—	—	—	—	—	—	—	—	—	—
c. Manufacture ...	12	16	28	37	79	186	292	374	327	303
d. Construction ...	4	5	6	8	14	21	22	48	44	59
e. Energy, water and sanitary services ...	15	12	16	32	33	39	71	50	84	156
f. Transport, storage and Communications ...	37	32	35	42	126	134	184	197	257	299
g. Commerce and Banking ...	7	8	13	8	23	25	38	58	96	108
h. Ownership of dwellings ...	35	33	38	54	103	165	264	335	495	606
i. Government services ...	1	—	1	1	3	14	44	54	96	72
j. Other services ...	11	12	16	23	51	68	91	150	113	161
k. Legal fees, stamp duties, etc.	3	4	3	4	10	14	12	15	20	22
Gross Domestic Fixed Capital Formation ...	144	145	184	229	480	750	1138	1450	1650	1,930

+ Revised

* Estimates

Source : Central Statistical Office, Government of Mauritius.

Table 7.3 : Expenditure on Gross National Product (at Current Prices)

(In millions of rupees)

	1973	1974	1975	1976+	1977+	1978*
Consumption	1,357	2,044	2,321	2,766	3,884	4,127
Private	(1,122)	(1,684)	(1,878)	(2,180)	(3,158)	(3,291)
Public	(235)	(360)	(443)	(586)	(726)	(836)
Gross Investment	480	750	1,138	1,450	1,650	1,930
Private	(378)	(561)	(852)	(1,044)	(1,140)	(1,280)
Public	(102)	(189)	(286)	(406)	(510)	(650)
Increases in Stocks	—	—	—	+207	—61	+219
Net Exports of goods and Services ...	15	422	—43	—324	— 579	—754
Indirect taxes minus subsidies ...	—202	—275	—326	—365	—523	—582
Net factor income from abroad ...	16	10	17	47	—2	—30
Gross National Product at Factor Cost...	1,666	2,951	3,107	3,781	4,369	4910

+ Revised

* Estimates

Source : Central Statistical Office, Government of Mauritius

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