

BANK OF MAURITIUS

ANNUAL REPORT

For the year ended June 1980

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LETTER OF TRANSMITTAL

BANK OF MAURITIUS

P. O. BOX NO. 29

PORT LOUIS

MAURITIUS.

5th November, 1981

*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 thirteenth Annual Report of the Bank for the year ended the 30th June, 1980. 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 1979-80.

*I have the honour to be,
Sir,
Your obedient Servant,*

*G. Bunwaree
Governor*

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PART I — REVIEW OF THE ECONOMY

INTRODUCTION

The economic scene during the year ended June, 1980, was marked by the devaluation of the rupee by about 22.9 per cent in October, 1979, and the adoption of an economic and financial programme supported by a stand-by arrangement with the International Monetary Fund for balance of payments assistance amounting to SDR 73 million over a period of about two years. The main objective of this economic programme was to correct the disequilibrium in the balance of payments in the medium term through a change in relative prices and the application of demand management policies to curtail the growth in aggregate expenditures. Besides the change in the exchange rate, the several fiscal and monetary measures taken under the programme included a higher rate of duty on sugar exports and the award of a partial wage compensation for the expected increase in the cost of living attributable to the devaluation, an increase in interest rates and the imposition of a ceiling on bank credit to the private sector and credit to the Government. Moreover, in order to contain the growth of Government subsidy on rice and flour, their domestic prices were raised to accommodate the increase in their world market prices. The progress of the stabilization efforts, however, received a set-back as a result of the widespread damage inflicted on the economy by a series of cyclones and floods towards the middle of the fiscal year. These factors affected adversely the sugar crop and its exports during the year and contributed to a worsening of the external payments position.

Economic growth proceeded at a relatively modest pace in 1979. GDP at factor cost grew by 3.6 per cent in real terms and by about 20 per cent in nominal terms reflecting partly the price effects of devaluation. GNP at current factor cost rose to Rs 5,959 million and GNP per capita reached Rs 6,483. A disturbing development was the decline of 2.9 per cent in real Gross Domestic Fixed Capital Formation which was attributable mainly to depressed conditions in the manufacturing and construction sectors. At current prices, Gross Domestic Fixed Capital Formation stood at Rs 2,120 million or about 36 per cent of the GNP. Sugar production during the 1979 crop amounted to 688,383 tons of which 628,167 tons were exported during the year 1979-80, thus providing sugar export receipts of Rs 1,873.3 million. In the industrial sector, EPZ exports increased by 44.3 per cent, from Rs 537.1 million in 1978-79 to Rs 775.0 million in 1979-80.

Consumer prices rose sharply during the months following the devaluation and the CPI registered on average increase of 33 per cent in 1979-80 over the previous fiscal year. The surge in consumer prices tapered off in the first quarter of 1980 and the CPI resumed a steadier course in line with imported inflation.

Between June, 1979, and June, 1980, total domestic credit grew by Rs 825.1 million: credit to the Government and credit to the private sector increased by Rs 609.5 million and Rs 215.6 million respectively. Aggregate monetary resources rose by Rs 421.8 million to Rs 3,367.3 million in June, 1980. A notable development in monetary aggregates was the absolute decline in currency in circulation from Rs 699.6 million in June, 1979 to Rs 621.5 million in June, 1980, in contrast to the steady and uninterrupted growth in time and savings deposits which rose from Rs 1,599.2 million in June, 1979, to Rs 1,995.7 million in June, 1980.

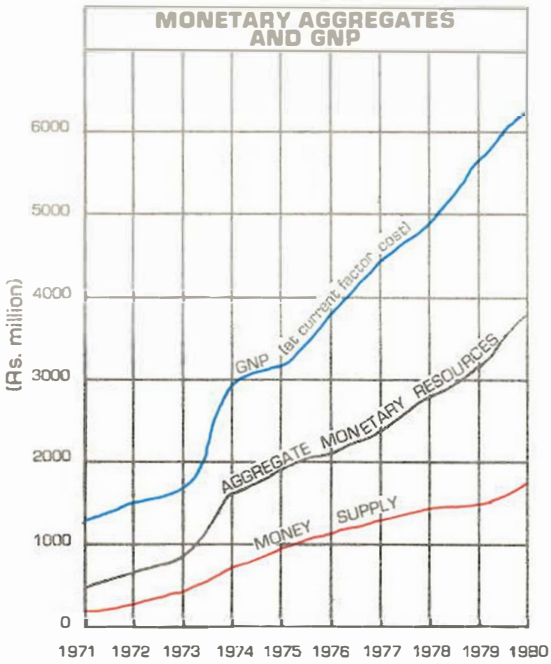
Aggregate Government expenditure in 1979-80 increased by Rs 462.8 million to Rs 2,902.1 million from Rs 2,439.3 million in 1978-79. About half of this increase was accounted for by recurrent expenditure which rose from Rs 1,863.9 million in 1978-79 to Rs 2,016.1 million in 1979-80. The overall budget deficit reached Rs 1 billion, three quarters of which was financed from domestic sources. The internal and external debt of the Government outstanding as at June, 1980, totalled Rs 2,320.8 million.

The balance of payments registered a deficit of Rs 502 million in 1979-80 as compared with one of Rs 505 million in 1978-79. Total exports rose by an amount of Rs 695.9 million from Rs 2,207.8 million in 1978-79 to Rs 2,903.7 million in 1979-80 whilst total imports rose by an amount of Rs 1,034.1 million from Rs 3,175.8 million to Rs 4,209.9 million during the same period. An encouraging development on the current account was the sharp net increase recorded in tourist earnings from Rs 111.0 million in 1978-79 to Rs 155.0 million in 1979-80 although the current account deteriorated from Rs 633.0 million to Rs 813.0 million during the same period. Total foreign exchange reserves in June, 1980, stood at a slightly higher level of Rs 243.7 million compared with the amount of Rs 224.9 million in June, 1979. During this period, exceptional financing of the balance of payments comprised the remaining tranche of US\$ 20 million (Rs 120 million) on the second Euro-dollar loan and drawings of SDR 40 million (Rs 400 million) from the IMF under the stand-by arrangement.

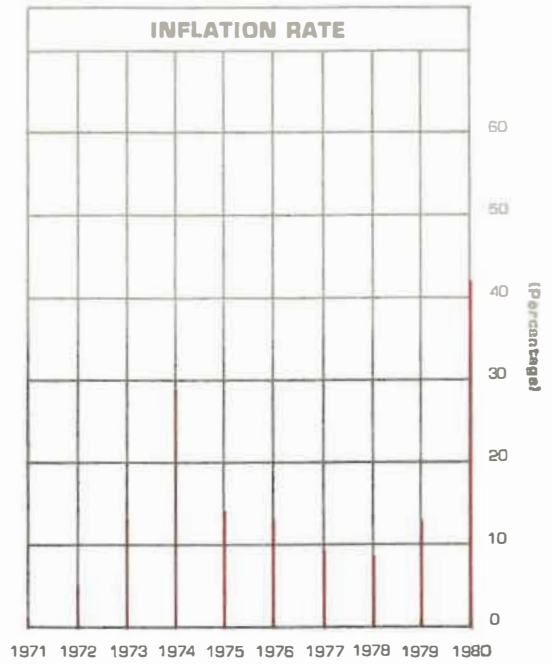
The foregoing developments in the economy during the year ended June, 1980, are reviewed in detail in the following chapters of this report.

GRAPH 1 : SELECTED ECONOMIC INDICATORS

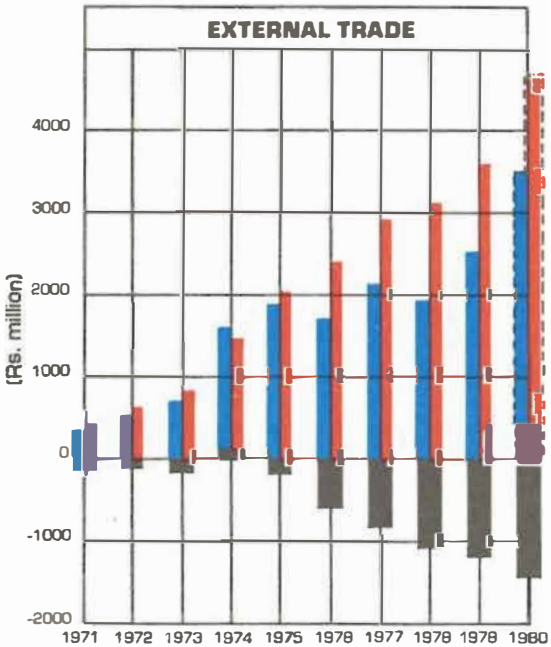
MONETARY AGGREGATES AND GNP



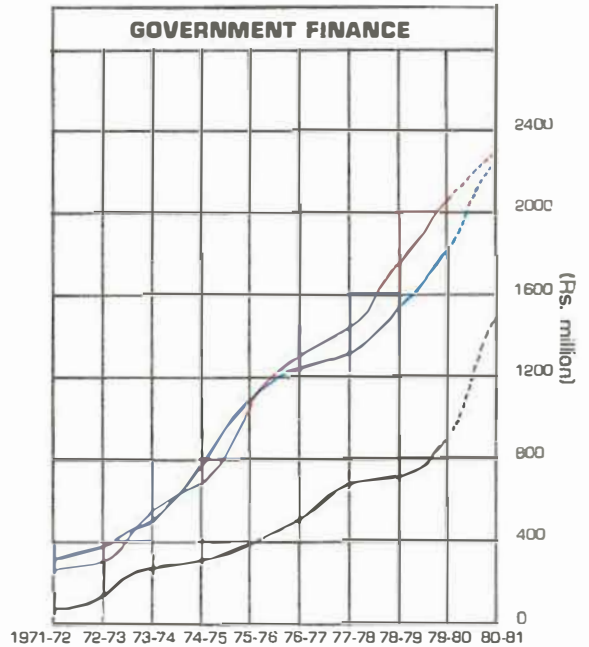
INFLATION RATE



EXTERNAL TRADE



GOVERNMENT FINANCE



 **IMPORTS (c.i.f.)**
 **EXPORTS (f.o.b.)** (---- ESTIMATES)
 **VISIBLE TRADE BALANCE**

 **RECURRENT EXPENDITURE**
 **RECURRENT REVENUE**
 **CAPITAL EXPENDITURE**

I. THE ECONOMIC AND FINANCIAL PROGRAMME

The rapid expansion in private and public expenditures in recent years, triggered by the exceptionally favourable sugar export prices prevailing in 1974, was accompanied by a substantial increase in imports and a growing imbalance on the current account of the balance of payments. The subsequent decline in world market prices coupled with unabated world inflation led to a deterioration in the terms of trade and a further aggravation of the current account deficit. In order to contain the contractionary effects of these deficits and maintain the level of economic activities in the country, the authorities had to resort to foreign borrowings in order to finance the budgetary and balance of payments gaps. The sizeable increases in Government expenditure arising mainly from large public sector pay settlements and greater outlays on social transfers were not matched by corresponding increases in Government revenue and therefore necessitated substantial recourse to borrowing from the banking system, especially the Central Bank. The deficit on the current account of the balance of payments also rose from 5.9 per cent of GNP in 1976 to 13.2 per cent of GNP in 1978. A situation of excessive public and private spending and the resulting pressure on the balance of payments was clearly not sustainable and called for a major adjustment of the economy. The need for adjustment measures became even more pressing when the level of foreign exchange reserves finally dropped to an amount equivalent to a few weeks' imports around mid-1979.

In spite of the increasingly tight monetary policy that the Bank had been pursuing and the Government's qualitative control on imports of goods prior to October, 1979, with a view to restoring external balance, the country's reserves position did not show any sign of improvement. By the end of June, 1979, the economic situation in Mauritius had become a cause for serious concern. The persistent drain in foreign exchange reserves was clearly indicative of the fundamental gap between the level of import demand and the country's foreign exchange earning capabilities. The basic causes of the successive balance of payments deficit were the adverse 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. The correction of the external disequilibrium by drastic measures could not be delayed any further by continued recourse to foreign borrowings as this would increase the degree and cost of adjustment in the future. In October, 1979, the IMF agreed to an economic and financial programme under a stand-by arrangement. This would enable Mauritius to draw over a period of two years a total of SDR 73 million of which SDR 19 million would be available under the upper credit tranche and SDR 54 million under the Supplementary Financing Facility.

The economic and financial programme was designed to stabilize the economy by bringing about a balance between the demands for and the supply of resources and to correct the balance of payments disequilibrium in the medium term. The measures under the programme included an exchange rate depreciation supported by restrictive budgetary, incomes and credit policies. On the 23rd October, 1979, the Mauritian rupee was devalued by about 22.9 per cent from Re 1 = SDR 0.129638 to Re 1 = SDR 0.1 to foster, inter alia, export-led growth. The devaluation was expected to restore the profitability and external competitiveness of Mauritian exports and to encourage import substitutions in the economy. It was also expected to depress the demand for imports by way of the resulting higher rupee import prices.

Since chronic labour unrests and wage settlements far in excess of labour productivity had been the main cause of the existing distortions in the domestic cost-price structure, an appropriate wage policy was deemed to be an essential complement to the exchange rate realignment. Because foreign prices are mostly exogenously determined, the rupee prices of imported goods would, once stocks deplete, rise proportionately with the devaluation and feed through to domestic consumer prices. If wages and salaries were to respond fully to the increase in

consumer prices, the costs and prices of industrial exports and of import competing goods could eventually rise as much and defeat the purpose of devaluation. Therefore, in order to maintain the improved profitability of the export sector, labour costs were not allowed to rise correspondingly with the increase in the price level resulting from the devaluation. In line with this objective, a wage increase averaging not more than 13 per cent was awarded in November, 1979, of which 4 per cent was provided as partial compensation for the average increase of 8 per cent in the CPI during the year 1978-79, and the remaining 9 per cent represented wage compensation for the anticipated increase in consumer prices due to the devaluation.

In the budgetary field, the Government introduced several measures to limit the size of the budget deficit. The export tax on sugar was raised from an average rate of 10 per cent to 17½ per cent to mop up the windfall gains accruing to the sugar sector after devaluation. The subsidized prices of rice and flour were almost doubled in order to economize on Government subsidy expenditure. The retail price of rice was raised from 36 cents per lb to 70 cents per lb whilst that of flour was raised from 30 cents per lb to 58 cents per lb. The Government also undertook to effect sizeable cuts in other public expenditures.

Monetary measures were aimed at controlling undue expansion of credit to both the public and private sectors. The structure of interest rates was raised by an average of one and a half percentage points. The Bank Rate was raised from 9 per cent to 10.5 per cent. The Treasury Bill rate was lowered from 10.9 per cent to 9.9 per cent in order to realign it with other interest rates. The distinction between personal and institutional fixed deposits was eliminated by setting uniform rates for all deposits of given maturities. Instead of maximum rates as in previous years, minimum rates were specified on time deposits to encourage a more competitive mobilization of deposits. The rate on savings deposits was raised from 7½ per cent to a range of 9 to 9½ per cent. Interest rates on bank loans were also stepped up but they continued to be specified as maximum rates. Further monetary measures were announced in February, 1980. An overall ceiling on bank credit to the private sector was re-introduced and the inter-bank money market was re-activated.

Under the stand-by arrangement access to Fund resources was conditional upon the observance of limits on the expansion of bank credit to the Government and the private sector, a limit on short and medium-term official external borrowing and the avoidance of restrictions on international trade and payments. The financial implications of the programme would be reflected quantitatively in economic aggregates such as domestic bank credit to the public and private sectors, and these were therefore employed as performance criteria to monitor the progress of stabilization efforts under the programme. The process of economic adjustment was, however, disturbed by cyclones and floods towards the end of 1979 and in early 1980 which caused extensive damage to the economy and altered the budgetary and balance of payments outcomes. The high level of Government expenditures on account of cyclone rehabilitation were among the main factors that led to the divergence in the performance criteria from their programmed targets. Since the divergencies stemmed from unforeseen and exogenous developments, Mauritius obtained a waiver on its performance obligations and its drawing rights under the stand-by arrangement were not interrupted.

There is some evidence to show that devaluation and related demand management measures have already made a positive contribution to the adjustment of the external imbalances. Total imports, in real terms, appear to have declined by as much as 10 per cent in 1980. Imports of manufactures and semi-manufactures show the largest reductions as might be expected. As regards exports, EPZ enterprises seem to have taken good advantage of devaluation to improve their competitiveness in world markets. The boosting effect of devaluation on the EPZ export volume is estimated at around 10 per cent. The stabilization process is likely

to be spread over a much longer period than initially expected for reasons which lie in the particular circumstances of the Mauritian economy — namely its high degree of openness and its extreme external dependence for its basic industrial and consumption needs. A long-term strategy of structural re-adjustment is needed to bring about a more productive deployment of resources and strengthen the supply side of the economy, especially in areas with high export potential.

II. NATIONAL INCOME, PRODUCTION AND PRICES

National Income

Gross domestic product (GDP) at current factor cost rose by 20.5 per cent from Rs 5,011 million in 1978 to Rs 6,040 million in 1979. However, Gross National Product (GNP) at current factor cost registered a smaller increase of 19.3 per cent from Rs 4,981 million in 1978 to Rs 5,959 million in 1979, because of the growing size of net outflows of factor income from abroad. GNP per capita, at current factor cost, increased by 16.7 per cent from Rs 5,556 in 1978 to Rs 6,483 in 1979. These high nominal increase in national income aggregates partly reflect the price effects of the devaluation of the rupee in October, 1979. GNP at factor cost grew, in real terms, by 3.6 per cent in 1979, or about the same rate as registered in the previous year. All sectors showed positive growth except for agriculture and mining and quarrying which remained stationary. Manufacturing which includes sugar milling and processing activities grew by 3.9 per cent and its share in the real GDP was unchanged at around 17.0 per cent. GDP and GNP at current factor cost in 1980 are estimated at Rs 6,600 million and Rs 6,450 million respectively. GDP, in real terms, is estimated to decline by about 9 per cent in 1980 chiefly as a result of the reduced sugar crop following adverse climatic conditions at end 1979 and early 1980.

Private and Government consumption expenditure at current prices increased from Rs 4,242 million in 1978 to Rs 4,994 million or 83.3 per cent of GNP, at current factor cost in 1979. It is estimated to rise by more than 25 per cent and to reach about 90 per cent of GNP in 1980, thereby underlining the inflexibility of consumption expenditure in spite of negative growth in national output. Gross Domestic Fixed Capital Formation (GDFCF) at current prices increased from Rs 1,930 million in 1978 to Rs 2,120 million in 1979. At constant prices, however, GDFCF declined by 2.9 per cent in 1979, and is estimated to decrease by as much as 15 per cent in 1980. Manufacturing and non-residential construction were among the sectors most affected by this turn-around in fixed capital formation, which continues to be dominated by an increasing size of investment in dwellings.

The share of employee compensation, including income from unincorporated enterprises, in national income has remained remarkably stable during recent years and stood at 76.5 per cent in 1979. Savings of corporations, however, dropped from 8.9 per cent of national income in 1978 to 8.1 per cent in 1979. In 1980, corporate savings are estimated to decline in absolute terms and the share of employee compensation in national income would rise further. National savings increased from Rs 1,321 million in 1978 to Rs 1,747 million in 1979. A sharp drop in savings by individuals is expected in 1980 and the national savings rate is expected to fall as low as 15 per cent from the peak level of 25.9 per cent reached in 1979. The trends in the major national accounting aggregates since 1977, with preliminary estimates from 1980 are shown in Table II.1

Table II.1 : Major National Accounting Aggregates

(Rs million at current prices)

	1977	1978	1979	1980*
GNP at Current Market Prices ...	4,940	5,563	6,741	7,450
GDP at Current Market Prices ...	4,942	5,593	6,822	7,600
Aggregate Consumption Expenditure ...	3,786	4,242	4,994	6,348
Gross Domestic Investment ...	1,735	2,105	2,703	2,052
GDFCF ...	(1,650)	(1,930)	(2,120)	(2,350)
Change in Stocks ...	(85)	(175)	(583)	(-298)
Gross Domestic Savings ...	1,156	1,351	1,828	1,252
Resource Balance ...	-579	-754	-875	-800
Gross National Savings ...	1,154	1,321	1,747	1,102

* Preliminary Estimates

Source : Central Statistical Office — Government of Mauritius

Sugar

The 1979 sugar crop was a good one in many respects. The total cane output of 6,313,103 tons* together with the high sugar extraction rate of 10.9 per cent yielded a total sugar production, *tel quel*, of 688,383 tons. The cane yield per arpent** reached the record level of 33.4 tons, with a sugar yield, per arpent, of 3.64 tons. The volume of sugar exported for the year 1979-80 was 628,167 tons, slightly higher than the previous year's 619,268 tons. The export proceeds of Rs 1,873.3 million, showing a significant increase over 1978-79, reflect both the increase in volume exported and a small increase in the average price receivable both from the EEC and free market exports. Table II.2 below gives a breakdown of sugar production and exports for the past three years :-

Table II.2 : Trends in Sugar Production and Exports

(metric tons)

	1977/78	1978/79	1979/80
Opening Stock (1st July) ...	23,918	31,722	45,725
Production... ..	664,488	670,415	662,875
Available Supplies ...	688,406	702,137	708,600
Exports	618,381	619,268	628,167
of which :			
U.K.	(494,914)	(480,268)	(475,562)
Other EEC ...	(7,501)	(28,618)	(38,503)
U.S.A.	(43,235)	(94,714)	(99,992)
Canada	(69,336)	(14,426)	(13,750)
Other	(3,395)	(1,242)	(360)
Domestic Consumption ...	38,326	38,514	37,366
Loss (surplus) in Storage ...	(23)	(1,370)	(4,512)
Closing Stock (30th June) ...	31,722	45,725	38,555

Source : The Mauritius Chamber of Agriculture

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

** 1 arpent = 1.043 acres.

World sugar prices fluctuated around £ 100 per metric ton on the London Terminal Market for a while in July, 1979, and then gradually rose to a peak of £ 362 in late May, 1980, and levelled off in June, 1980. This dramatic, nearly fourfold rise in spot prices was based mainly on market forces. Estimates of world sugar production for 1979-80 (September-August) were consistently revised downwards from 87.7 million tons to 85.1 million tons and to 84.6 million tons*. Meanwhile world consumption seemed to hold its own in the face of all expectations to the contrary arising from the price increase. World sugar consumption was estimated at 91.1 million tons for the year, reducing the August, 1980, stocks to 24.1 million tons or 26 per cent of consumption. This level was two percentage points higher than the 'normal' level of 24 per cent of world sugar consumption. Market forces lent support to the expectations that the firmness in world sugar prices would sustain despite surmises that world consumption of sugar would be curtailed.

In the wake of the price increases on the world free market, the International Sugar Organization suspended all export quotas of member countries in January, 1980, and in February, 1980, the first, second and third tranches of special stocks were released in quick succession. For all practical purposes, the International Sugar Agreement became inoperative — even before it was ratified by the U.S. Senate. The foregoing seems to prove the long-standing contention that the sugar market is very volatile, and any attempts to maintain price stability can at best meet with only short-lived success.

The 1980 sugar crop was severely affected by four cyclones which hit Mauritius in December, 1979, and in February, 1980. The adverse climatic conditions, especially excessive rainfall, annihilated the hope of a bumper sugar crop at a time when prices of sugar were soaring in the world free market.

On the world market, the forecast of world production for 1980-81 was 87 million tons, about 3 million tons higher than the 1979-80 output. The consumption profile was very hazy as the extent of substitution for high fructose corn syrup (HFCS), or an absolute fall in consumption resulting from the price increases, was not easily gauged. In any case, another year of deficit, say, of the order of 3 million tons, was likely; this outturn would reduce stocks to some 21 million tons, or 23 per cent of consumption. Hence, higher prices than the peak of £ 362 achieved in late May, 1980, could be expected in 1981 as well as in 1982.

Tea

Tea production in 1979-80 amounted to 4,445 tons as compared with 5,175 tons in 1978-79. The shortfall was largely due to the effects of cyclone Claudette and the bad climatic conditions. Exports of tea during the year amounted to 3,289 tons, valued at Rs 39.6 million compared to 4,992 tons valued at Rs 52.2 million the previous year. This value represents an average price of Rs 12.04 per kilo f.o.b. compared with Rs 10.45 in 1978-79.

Other Agricultural Production

Other agricultural production, including tobacco plantation, livestock and fishing, accounted for a non-negligible fraction of the total Gross Domestic Product; the value of this item in GDP was estimated to be around Rs 200 million or more than 3.5 per cent of GDP. The effort at agricultural diversification, especially an increase in vegetable production, received increased attention during 1979-80 in response to representations made by the agricultural community to the Government about fiscal and economic support measures to underpin the programme. Among the measures suggested were agricultural development certificates

* F.O. Licht's International Sugar Report June 1980 estimate.

modelled on the EPZ development certificates, and a system of price guarantees and marketing structures.

Tobacco production for the 1979-80 crop amounted to 747,236 kilos as compared with 731,483 kilos in 1978-79; the yield per arpent, however, was lower as a result of adverse climatic conditions. The value of the crop amounted to Rs 19.1 million.

The bad weather had adverse effects on the output of other food items as well. Only 8,682 arpents of vegetables and fruit plantations were harvested during 1979 yielding a production of 40,926 tons, compared to 9,821 arpents yielding 46,248 tons in 1978. For most items, however, the yield per arpent harvested turned out to be an improvement over that of 1978. Vegetables were sufficiently available at fair prices which helped to lessen the inflationary pressures in the economy.

Livestock breeding and aquaculture are at present running into marketing and production problems which, however, are expected to smooth out soon to give a boost to this activity as well. The fishing industry is being improved.

Industry

Between 1978 and 1979 the industrial sector grew at 18 per cent in nominal terms, more or less in line with the economy; at Rs 965 million, the total output of the manufacturing sector accounted for 17 per cent of the Gross National Product and provided 36,151 jobs at the end of March 1980 as compared with 35,141 in March 1979.

With the devaluation of October 1979, exports of the EPZ sector improved vigorously enough in nominal terms to yield a healthy 20 per cent real (after correcting for devaluation) growth in the first six months of 1980 over the corresponding period of 1979. During the period July 1979-June 1980, EPZ, exports amounted to Rs 761.7 million as compared with Rs 551.6 million in 1978-79. These exports were the output of 93 enterprises operating in the EPZ at the end of June, 1980; they provided 21,972 jobs. During the previous year, 86 enterprises were operating and were providing 19,759 jobs.

EPZ imports during 1979-80 amounted to Rs 501.6 million. The contribution of the EPZ sector to the balance of payments was thus Rs 260.1 million. The textile industry continues to provide the bulk of EPZ activity with exports of Rs 532.1 million. Most of these exports went to EEC countries.

Manufacturing units operating with Development Certificates suffered a negligible contraction of numbers between June 1979 and June 1980 from 127 operating enterprises to 124. Employment in these units, however, increased from 8,748 to 9,062 jobs.

Prices

The average increase in the CPI during the year 1979-80 was 33.0 per cent compared with 8.0 per cent for the previous fiscal year. This steep acceleration in consumer prices arose mainly from the effects of devaluation and from higher world inflation occasioned by the oil price hikes during the second half of 1979. After moving up by 6.9 points between June and October, 1979, the CPI rose sharply by 20.8 points in November, and 10.8 points in December, 1979, following the October devaluation of the rupee, the doubling of subsidized prices of rice and flour and the increase in the domestic prices for sugar.

Devaluation-induced price increases tapered off towards the first quarter of 1980, indicating a high speed of transmission of price effects throughout the economy. Bad weather conditions in early 1980, however, caused serious damage to foodcrops and their prices shot up to levels at five to ten times above normal. These exceptionally high prices persisted for a few months before normal supply conditions were restored.

World inflation and the continued rise in the foreign prices of oil imports also led to a substantial increase in the CPI. Of the total increase of 33.0 per cent in the CPI between June, 1979, and June, 1980, the devaluation of the rupee, the reduction in subsidies and bad weather conditions are estimated to have accounted for 11.3 per cent, 4.4 per cent and 2.0 per cent respectively. The remaining increase of 15.2 per cent is mainly attributable to world inflationary factors.

III. WAGES AND EMPLOYMENT

Wages

Wage negotiations conducted through tripartite discussions between the Government, the trade unions and the Mauritius Employers Federation resulted, in an agreement on the award of an average wage increase of about 13 per cent for the period covering July 1979 to June 1980. An average increase of 4 per cent, ranging from 8 per cent at the lowest levels of salaries to 2.1 per cent at the highest and effective as from the 1st July, 1979, was granted to partially compensate for the average increase in the CPI of about 8 per cent for the year 1978-79. An average increase of 9 per cent, ranging from 7.2 per cent increase at the highest levels of salaries to 16 per cent at the lowest and effective from the 1st November, 1979, was awarded to compensate for the expected increase in prices in the wake of the October devaluation of the rupee.

At the end of 1979, the unions raised the question of an end-of-year gratuity. After close bargaining a one-week gratuity was offered to employees of the public sector.

Between March, 1979, and March, 1980, the total wage bill of large scale establishments increased by 18.1 per cent from Rs 178.3 million to Rs 210.5 million. The increase of 18.1 per cent reflects the compound effect of the wage compensation awarded following devaluation and a contraction in total employment of 1.4 per cent.

A sector-wise breakdown of the wage bill in large establishments is given in Table III.1. The share of manufacturing in the total wage bill increased from 11.8 per cent to 12.8 per cent, reflecting partly the increased activity in this sector. The share of Electricity, Gas and Water also increased from 3.3 per cent to 4.0 per cent. Community and social services continued to absorb 39 per cent of the total wage bill, but in absolute amount the bill recorded a payment of Rs 81.8 million as compared to Rs 69.6 million in March, 1979.

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

(Rs million)

Sector				September 1978	March 1979	September 1979	March 1980
1.	Agriculture and Fishing	...	...	47.0 (27.1)	38.1 (21.4)	48.7 (25.6)	42.2 (20.0)
2.	Manufacturing	...	...	20.0 (11.5)	21.1 (11.8)	21.9 (11.5)	27.0 (12.8)
3.	Electricity, Gas and Water	...	...	5.3 (3.1)	5.9 (3.3)	6.7 (3.5)	8.4 (4.0)
4.	Construction	...	...	7.7 (4.4)	7.9 (4.5)	8.5 (4.4)	8.7 (4.1)
5.	Commerce	...	...	9.7 (5.6)	10.1 (5.7)	10.7 (5.6)	12.0 (5.7)
6.	Transport, Storage and Communication	...	...	13.1 (7.6)	12.9 (7.2)	12.4 (6.5)	16.5 (7.9)
7.	Community and Social Services	...	...	59.0 (34.1)	69.6 (39.0)	69.3 (36.4)	81.8 (38.9)
8.	Others	...	...	11.4 (6.6)	12.4 (7.1)	12.4 (6.5)	13.9 (6.6)
TOTAL				173.2 (100.0)	178.3 (100.0)	190.6 (100.0)	210.5 (100.0)

Figures in brackets are percentages to total.

Source : Central Statistical Office, Government of Mauritius.

Employment

Employment generation in large establishments* between March 1976 and March 1980 yielded 19,578 new jobs, the largest contributing sectors being 'Manufacturing' with 9,735 and 'Community and Social Services' with 10,253. There was a contraction of employment of 5,445 jobs in the agricultural sector, both in the sugar and tea industries. All the contraction occurred during the last three years. The rate of job creation in the manufacturing sector, which had been quite high in 1976 and 1977, slowed down considerably during 1978-80, bringing the total number of new jobs created in large establishments between 1978 and 1980 to a disappointing 1,149. The construction industry which had been booming in previous years, registered a contraction of 947 jobs in 1980, while the trade and commerce sector also recorded a contraction. Table III.2 analyses the employment in large establishments during the years 1976 to 1980.

* 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.

The number of unemployed on the registers of the unemployment exchanges registered a sizeable increase of 7,519 persons during the period under review from a low of 22,953 at the end of June, 1979 to 30,742 or about 10 per cent of the labour force at the end of June, 1980. Industrial unrest in the early months of the period, together with contraction of the building and engineering industries and the other firms, owing to tight economic conditions, contributed to the high rate of unemployment. Worse, the situation is expected to deteriorate further into 1981.

The two-year development plan 1980-82 continues to put all its emphasis on job creation.

Table III.2. **Employment on Large Establishments**

<i>Sector</i>	<i>Years Ended March</i>				
	1976	1977	1978	1979	1980
1. Agriculture	59,459 (+1,302)	61,384 (+1,925)	58,410 (-2,974)	55,612 (-2,798)	54,014 (-1,598)
2. Manufacturing	26,416 (+5,290)	30,941 (+4,525)	31,954 (+1,013)	35,141 (+3,187)	36,151 (+1,010)
3. Electricity, Gas and Water	3,062 (+127)	3,304 (+242)	3,518 (+214)	3,930 (+412)	4,639 (+709)
4. Construction	7,806 (+1,962)	7,309 (-497)	8,846 (+1,537)	9,164 (+318)	8,242 (-922)
5. Commerce	7,599 (+1,187)	8,182 (+583)	9,058 (+876)	9,402 (+344)	9,297 (-105)
6. Transport, Storage Communications	9,027 (-233)	10,217 (+1,190)	9,820 (-397)	9,981 (+161)	8,656 (-1,325)
7. Community and Social Services	52,443 (+2,174)	54,583 (+2,140)	57,634 (+3,051)	61,642 (+4,008)	62,696 (+1,054)
8. Others	10,927 (+466)	18,112 (+7,185)	15,928 (-2,184)	14,757 (-1,171)	12,622 (-2,135)
All Sectors	176,739 (+12,275)	194,032 (+16,976)	195,168 (+1,136)	199,629 (+4,461)	196,317 (-3,312)

Figures in brackets indicate change over previous year.

Source : Central Statistical Office, Government of Mauritius.

IV. MONEY AND BANKING

Monetary Policy

Monetary policy since 1976 has been conducted essentially with an objective to check the growth in aggregate domestic expenditures and arrest the drain in foreign exchange reserves. Monetary control has been achieved by the imposition of ceilings on bank credit, the regulation of bank liquidity, constraints on access to central bank credit and revisions in interest

rates. A package of fiscal and monetary measures under the economic and financial programme was announced in October, 1979, in conjunction with the devaluation of the rupee. In the monetary field, interest rates were increased in general by one and a half percentage points and some rationalization was also effected in the rate structure. The Treasury Bill rate was reduced from 10.9 per cent to 9.9 per cent and was thus brought more in line with other rates. Additional credit and monetary measures were announced in February, 1980. These included the re-introduction of the overall ceiling on bank credit to the private sector, the continued imposition of a sub-ceiling on credit to traders, the resumption of automatic refinancing facilities at the Central Bank and the restoration of the inter-bank money market.

Successive changes in the structure of interest rates in previous years had resulted in a complex differentiation of deposits and loans by categories and maturities. A step in rationalization was the elimination in October, 1979, of the distinction between personal and institutional fixed deposits by setting uniform rates for all deposits of given maturities. The rates on bank deposits were also adjusted upwards. The rates on most categories of time deposits up to a maturity of 36 months were raised by $1\frac{1}{2}$ per cent. Instead of maximum rates as in previous years, minimum rates were specified on time deposits to encourage a more competitive mobilization of deposits. The rate on savings deposits went up from $7\frac{1}{2}$ per cent to a range of 9 to $9\frac{1}{2}$ per cent. Rates on bank loans were also increased but continued to be specified as maximum rates. The category of 'Quasi-Government and Statutory Bodies' in the schedule of lending rates was eliminated as another measure of rationalization.

The Bank Rate was raised from 9 per cent to $10\frac{1}{2}$ per cent and the rediscount rate was increased from $9\frac{3}{4}$ per cent to $10\frac{3}{4}$ per cent. The prime rate of commercial banks was raised from $10\frac{1}{4}$ per cent to $11\frac{3}{4}$ per cent. However, whereas it previously applied to most favoured borrowers like the Mauritius Sugar Syndicate, it was now applicable only to industrial undertakings operating the Export Processing Zone. Two new sectors, namely the Mauritius Sugar Syndicate and Transport, were included under the Fine Commercial Rate which was increased from $10\frac{3}{4}$ per cent to $12\frac{1}{2}$ per cent. These increases followed a selective readjustment in September, 1979, to raise the lending rate to the Mauritius Sugar Syndicate from 10 per cent to $10\frac{1}{4}$ per cent and the Fine Commercial Rate from $10\frac{1}{4}$ per cent to $10\frac{3}{4}$ per cent to encourage banks to direct more credit to the priority sectors. The rates on credit to traders and on personal and professional loans went up by $1\frac{1}{2}$ per cent to $17\frac{1}{2}$ per cent and $15\frac{1}{2}$ per cent respectively. The rate on loans to the co-operative societies, applicable to funds on-lent out of borrowing from the Bank of Mauritius, was also raised by $1\frac{1}{2}$ per cent to $9\frac{1}{2}$ per cent. Increases were also effected in the rates applicable on loans for development purposes. The rate on medium-term loans was increased by $1\frac{1}{4}$ per cent from $13\frac{1}{2}$ to $14\frac{3}{4}$ per cent and the rate on long-term loans was raised by $1\frac{1}{2}$ per cent from 14 to $15\frac{1}{2}$ per cent. The increase in lending rates would help to curb the demand for bank credit and the higher deposit rates would sustain deposit mobilization.

The increase in prices following devaluation and adverse weather conditions led to a sharp increase in bank credit in December, 1979, and January, 1980. In order to contain the emerging expansionary pressures, new monetary measures were announced in February, 1980. The overall ceiling on bank credit to the private sector which had been discontinued in January, 1979, was again introduced in February, 1980. Ceilings on bank credit growth until June, 1980, were set to ensure that the quarterly limits or credit expansion specified under the stabilization programme would not be exceeded. The overall ceiling for each bank for the months of February and March, 1980, was based on a 5.0 per cent growth rate over its actual level of credit outstanding at the end of December, 1979 and the ceiling for the months of April, May and June, 1980, was fixed on the basis of an 11.0 per cent growth rate over the same actual level of credit reached in December, 1979. Banks were also urged to give special consideration

to the priority sectors when extending credit within their overall ceiling. Any infringements of the specified ceiling would be subject to penalties, equivalent to the amount of the excess over the ceiling, in the form of non-interest-bearing deposits with the Bank of Mauritius for a period of three months.

The sub-ceiling on credit to traders for 1980, except for one bank, was maintained at the same level as in 1979 in view of the link between trade credit and foreign exchange reserves. The form of the traders' credit ceiling in 1980 was simplified and it was specified in terms of uniform monthly levels instead of declining cumulative average levels as in previous years. The previous formulation tended to encourage banks to expand credit to traders in the early part of the year making it more difficult to cut back on credit expansion later. Infringements thus became inevitable in some cases. Penalties for infringements of the sub-ceiling were to be treated in the same manner specified for the infringement of the overall ceiling.

The use of the discount window had been subjected to discretionary approval by the Central Bank since May, 1979. In view of the projected liquidity needs of the banking system in 1980 and the realignment of interest rates in October, 1979, all constraints on commercial banks' access to the Central Bank's rediscount and advance facilities were removed in February, 1980. Banks were, however, cautioned to make use of these facilities only in the last resort. In order to discourage any excessive growth in the lending base of banks, the two-tier structure of interest rates on borrowings from the Central Bank was maintained. Each bank has a prescribed limit and it can borrow within the limit at Bank Rate and above this limit at a rate twice the Bank Rate. The higher rate of interest for borrowings in excess of the limit is intended to discourage the banks from resorting to excessive borrowings from the Central Bank.

The inter-bank market was also re-activated in February, 1980, and new higher maximum rates were fixed for money at call at $9\frac{1}{2}$ per cent and for money at short notice at $9\frac{3}{4}$ per cent. In order to emphasize their short-term nature, transactions on the inter-bank market were limited to a maximum duration of seven days. It was hoped that the combination of higher interest rate ceilings and time limits on duration would confine this market to its prime functions and remove the need for more direct intervention by the Central Bank. The rates would, however, be adjusted periodically to reflect market conditions more closely.

The liquid assets ratio remained unaltered at 30 per cent. Most commercial banks were holding liquid assets (cash in hand, balances with the Bank of Mauritius, investments in Treasury Bills and Government Securities) well above their statutory requirements and in these circumstances of overall excess liquidity it was not considered appropriate to reduce the liquid assets ratio. Liquidity shortfalls by particular banks straining to increase their lending to priority sectors were, however, met with liberal treatment by the Bank of Mauritius.

Review of Credit Ceilings

The overall ceiling on credit to the private sector was re-introduced in February, 1980, and quantitative targets in respect of credit expansion were set for all banks in consistency with overall demand management policy. Each bank was permitted to increase its lending to the private sector in such a way that the level of credit outstanding at the end of each month to this sector did not exceed the level outstanding at the end of December, 1979, by more than certain fixed percentage points — namely by not more than 5.0 per cent in respect of the months of February and March and by not more than 11.0 per cent in respect of the months of April, May and June, 1980. Any infringements of the specified ceiling were subject to penalties, equivalent to the amount of the excess over the monthly ceiling, in the form of non-interest-bearing deposits with the Bank of Mauritius for a period of three months.

The sub-ceiling on credit to traders was also maintained at the same level as in 1979*. The formulation of the traders' credit ceiling in 1980 was simplified by specifying it in terms of uniform monthly levels instead of declining monthly cumulative average levels as in previous years. The previous formulation, based on cumulative monthly triggers, tended to encourage banks to expand credit to traders in the early part of the year making it more difficult to cut back on credit expansion later. Penalties for infringements of the sub-ceiling were treated in the same manner specified for the infringement of the overall ceiling.

Total commercial bank credit to the private sector increased from Rs 1,721.6 million in December, 1979, to Rs 1,811.2 million in January, 1980. Following the announcement of the credit ceilings in February, 1980, the level of bank credit declined to Rs 1,780.3 million and then rose to Rs 1,797.9 million in March, 1980. Collectively, commercial banks operated at Rs 47.5 million (or 2.6 per cent) below their overall ceiling set for March, 1980. A few banks exceeded their overall credit ceilings in February and March, 1980. No penalties were imposed for these infringements but these banks were requested to bring down their level of credit to the private sector within the limits prescribed by their overall ceiling. There was only one minor infringement amounting to Rs 0.5 million during the second quarter of 1980. In June, 1980, banks were operating at Rs 127.6 million (or 6.6 per cent) below their maximum permissible level of credit to the private sector.

The operation of the ceiling on traders' credit during the second half of 1979 was characterized by frequent infringements by some banks. As these banks failed to take corrective action to bring down their level of credit to traders within the prescribed limits, the penalties became more stringent. The monthly average level of credit to traders in 1979 was below the ceiling by Rs 15.2 million (or 6.4 per cent). Four banks exceeded their cumulative monthly triggers for January-December, 1979, and incurred penalties equivalent to twice the amount of the excess over the ceiling in the form of non-interest-bearing deposits with the central bank.

Credit to traders has been on a falling trend during the first half of 1980 : the level of credit to traders went down from Rs 251.0 million in January, 1980, to Rs 221.0 million in June, 1980. Two banks infringed their traders' ceiling in February, 1980. These infringements attracted penalties in the form of non-interest-bearing deposits with the Bank of Mauritius for a period of 3 months. In the case of one bank, however, the penalty imposed was subsequently waived. All banks operated below their sub-ceiling in March, 1980. During the second quarter of 1980, there were some minor infringements by one bank which was subject to penalties. In June, 1980, commercial banks were operating at Rs 23.9 million (or 9.8 per cent) below the maximum permissible level of credit to traders in 1980.

The Inter-Bank Money Market

The inter-bank money market remained inactive during the period July, 1979-October, 1979. Only one transaction amounting to Rs 1.5 million at per cent was recorded on the term money market in the period November, 1979- mid-February, 1980. On the 18th February, 1980, the inter-bank market was re-activated by the fixing of new higher maximum rates for money at call ($9\frac{1}{2}$ per cent) and for money at short notice ($9\frac{3}{4}$ per cent). In order to emphasize their short-term nature, transactions on the inter-bank market were limited to a maximum duration of seven days. Banks should normally use the inter-bank market to balance out their day-to-day cash and short money positions and it was hoped that the combination of higher rates with time limits on duration would confine this market to its prime functions and obviate any need for more direct intervention by the Central Bank.

* A special concession was, however, worked out in the case of the State Commercial Bank and its sub-ceiling on credit to traders was doubled in order to bring its participation in trade financing in line with its share in total bank deposits.

Following the imposition of higher interest rate ceilings on inter-bank transactions, intervention by the commercial banks in the second half of February, 1980, was confined to the short notice market. The amount of inter-bank transactions outstanding at the end of February, 1980, was Rs 3.1 million. Activity on the inter-bank market picked up in March, 1980, and total transactions reached a daily average amount of Rs 7.1 million. Call money transactions averaged Rs 2.9 million while transactions on the short notice money market amounted to a daily average of Rs 4.2 million. The inter-bank market remained active throughout the second quarter of 1980 when total inter-bank transactions reached a daily average of Rs 7.2 million.

The peak in the level of inter-bank activity was attained in April, 1980, at Rs 17.1 million with short notice money at Rs 9.2 million. Table IV.1 below summarises inter-bank transactions over the period March, 1980-June, 1980.

Table IV.1. **Inter-Bank Transactions**

(Rs million)

		1980			
		March	April	May	June
1. Money at Call (9.5%)	Peak	10.4	8.8	4.7	5.5
	Trough	—	—	—	—
	Daily Average	2.9	1.5	0.7	0.8
2. Money at Short Notice (9.75%)	Peak	10.6	11.6	8.9	9.6
	Trough	0.2	2.2	3.2	3.0
	Daily Average	4.2	6.5	6.3	5.9
3. Total Inter-Bank Transactions	Peak	13.4	17.1	11.7	12.6
	Trough	1.1	3.0	3.2	3.5
	Daily Average	7.1	8.0	7.0	6.7

The data on inter-bank transactions during the period March, 1980-June, 1980 suggests that activity remained more concentrated on the short notice money market. Of the two categories of transactions, short notice money held the preponderant position with an average of about 80 per cent of total transactions during this period. While signs of chronic borrowing and lending by some banks emerged on the inter-bank market, the small volume of transactions during that period did not justify the need for more direct intervention by the Central Bank. The re-introduction of the overall credit ceilings in 1980 also helped increase the attraction of the inter-bank market as an investment outlet for banks with surplus funds, particularly as these funds are committed at the short term end of the market. Thus it is hoped that the inter-bank market will play a useful role in redistributing any short-term excess liquidity among banks.

Central Bank Credit to Commercial Banks

In order to minimize central bank credit creation and check the depletion of the foreign exchange reserves, the Bank of Mauritius applied discretionary control on central bank credit to commercial banks as from May, 1979. During the period July, 1979-January, 1980, commercial banks' access to central bank credit under all the existing facilities continued to be subject to the prior approval of the Central Bank. In the light of the increased liquidity needs of the banking system after devaluation, all constraints on access to the Central Bank's rediscount and advance facilities were removed in February, 1980. Commercial banks were, however, advised to make use of these facilities only in the last resort. In order to discourage any excessive reliance on the Bank of Mauritius to support lending by banks, the two-tier structure of interest rates was retained.

The level of utilization of central bank credit during the period under review was higher than in the period July, 1978-June, 1979. The total daily average level of central bank credit to commercial banks increased from Rs 27.2 million in July, 1979, to Rs 97.0 million in February, 1980, and then went down to Rs 10.4 million in June, 1980.

Normal Central Bank credit to commercial banks in the form of advances at Bank Rate averaged Rs 4.5 million in July, 1979, and thereafter declined to Rs 1.7 million in June, 1980. The daily advances at bank rate fluctuated between a trough of zero and a peak of Rs 8.3 million which was attained in October, 1979. Advances at twice Bank Rate became more significant during the first two months of 1980 and reached a peak of Rs 49.1 million in February, 1980.

Bills rediscounted with the Bank of Mauritius continued to be the most frequently utilised facility during the period under review. The monthly average level of bills rediscounted fluctuated between a high of Rs 45.3 million in January, 1980 and a low of Rs 8.5 million in June, 1980.

In order to alleviate the temporary liquidity problems caused by the payment of income tax, the Bank of Mauritius also provided a special line of credit to one commercial bank at 13.0 per cent in October, 1979. Following the upward adjustment in all interest rates, the rate on this facility was increased to 15.0 per cent. The peak level of borrowing under this facility stood at Rs 53.0 million in April, 1980.

Table IV.2 shows the commercial banks' utilization of central bank credit under the various facilities.

Monetary Developments

The monetary and credit situation during the period between June, 1979 and June, 1980 was characterised by very low expansion in the money supply, a moderate rise in the aggregate deposit resources of the banking system, and a substantial increase in credit to the Government.

Net foreign assets of the banking system increased by Rs 16.1 million from Rs 212.8 million in June, 1979, to Rs 228.9 million in June, 1980. The foreign assets position would reveal a decline of Rs 427.3 million, however, if liabilities to the IMF were also netted from foreign assets. Credit to the Government went up by Rs 609.5 million or by 38.8 per cent during the year under review, on a June-to-June position, as compared with a corresponding growth of Rs 461.8 million or 41.6 per cent during 1978-79. Credit to the private sector, however, registered a slower growth of Rs 215.6 million or of 13.5 per cent, compared with an expansion of Rs 277.2 million or 21.1 per cent in 1978-79. Net domestic credit increased by Rs 825.1 million during the fiscal year to Rs 3,989.2 million in June, 1980. In 1979-80, aggregate monetary resources grew by Rs 421.8 million and, given the increase of Rs 396.5 million in quasi-money alone, the emerging change in money supply amounted to Rs 25.3 million. A derivation of the changes in money supply from changes in other monetary aggregates is presented in Table IV.3. The relatively small growth in money supply reflected a decline in currency with the public of 11.2 per cent as against the 11.7 per cent increase in the previous fiscal year. It would appear that the need to meet higher nominal expenditures at post-devaluation prices has led the public to economize on the use of its currency balances.

Table IV.2. Central Bank Credit to Commercial Banks

(Rs million)

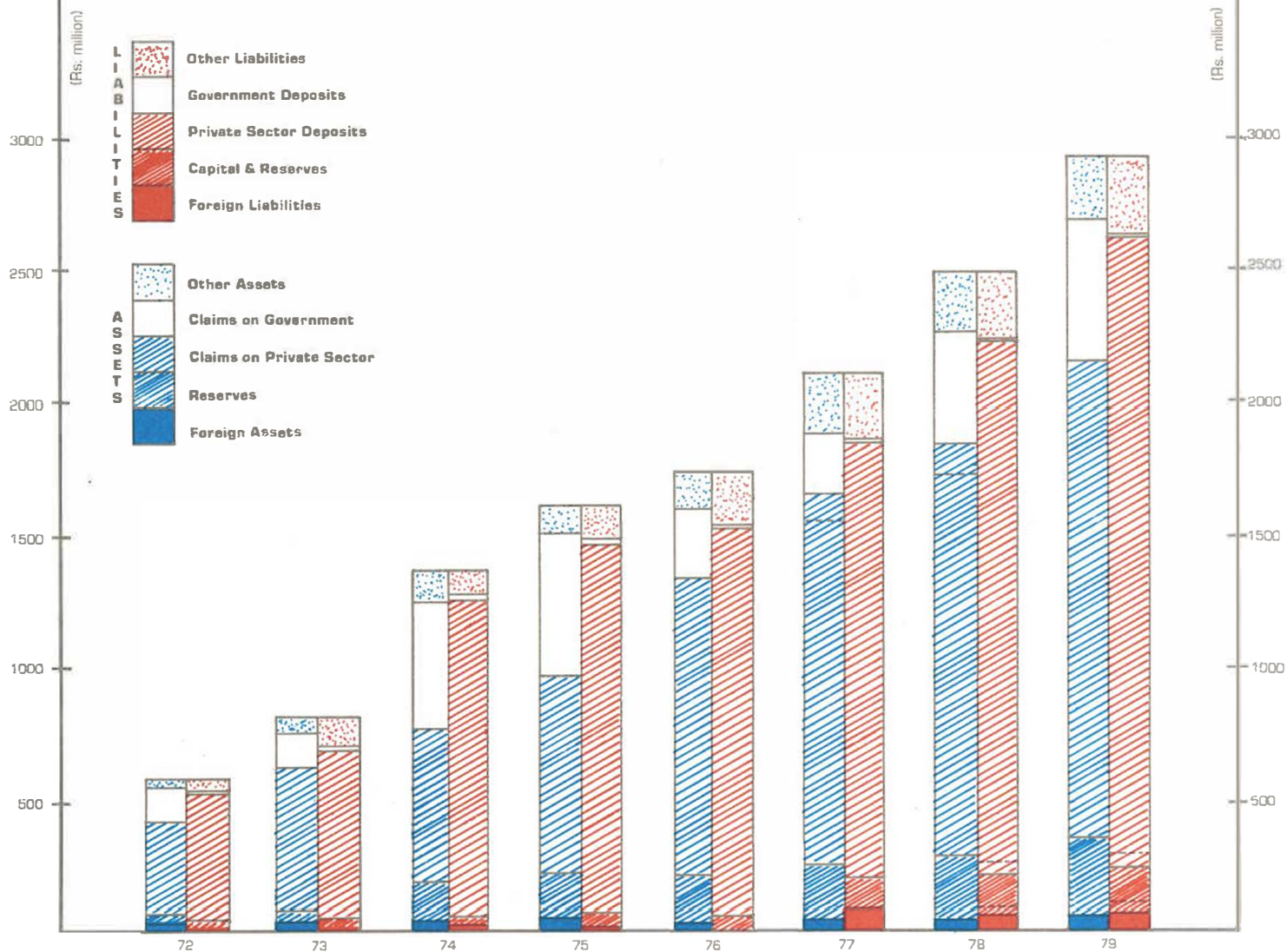
		1979						1980					
		July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June
		Peak Trough Daily Average	Peak Trough Daily Average	Peak Trough Daily Average	Peak Trough Daily Average	Peak Trough Daily Average	Peak Trough Daily Average	Peak Trough Daily Average	Peak Trough Daily Average	Peak Trough Daily Average	Peak Trough Daily Average	Peak Trough Daily Average	Peak Trough Daily Average
Advances at Bank Rate ...	Peak Trough Daily Average	7.0 — 4.5	6.4 — 4.2	6.4 — 1.2	8.3 0.2 4.8	7.2 — 2.7	6.4 — 3.2	6.4 5.0 5.5	7.5 5.4 6.5	6.4 — 4.2	7.1 — 3.6	5.0 — 1.8	5.0 — 1.7
Advances at twice Bank Rate ...	Peak Trough Daily Average	3.5 — 0.2	22.0 — 4.7	1.6 — 0.1	8.6 — 1.1	17.6 — 1.6	9.5 — 4.5	39.2 2.3 12.9	49.1 1.6 29.8	11.5 — 2.0	1.0 — 0.1	3.3 — 0.1	3.0 — 0.2
Bills Rediscounted ...	Peak Trough Daily Average	28.9 9.5 22.5	26.9 20.3 22.9	27.2 — 13.8	50.6 20.6 36.1	50.1 9.5 29.7	58.3 15.8 34.3	59.8 36.0 45.3	42.8 29.3 35.5	36.7 22.7 32.3	28.7 12.6 19.9	26.6 1.2 15.5	27.2 — 8.5
Reconstruction Programme	Peak Trough Daily Average	0.6 — 0.4	0.6 — 0.2	0.6 — 0.2	0.6 — 0.4	0.6 — 0.4	0.6 — 0.2	0.6 — 0.1	0.6 — 0.6	0.6 — 0.2	0.6 — 0.6	— — —	— — —
Special Line of Credit to the Bus Industry ...	Peak Trough Daily Average	— — —	0.9 — 0.7	12.9 — 2.5	14.2 — 5.4	12.7 — 4.8	3.9 — 0.5	3.9 — 0.6	12.0 — 4.9	11.6 — 1.9	8.0 — 0.4	— — —	— — —
Special Line of Credit ...	Peak Trough Daily Average	— — —	— — —	— — —	33.5 — 11.4	— — —	— — —	— — —	50.0 — 4.7	50.0 — 14.6	53.0 — 12.4	— — —	— — —
Co-operative Credit ...	Peak Trough Daily Average	— — —	8.0 — 5.3	11.0 8.0 8.6	13.0 10.0 11.1	10.0 2.0 5.7	2.0 — 0.7	15.0 — 12.0	15.0 15.0 15.0	15.0 — 12.8	15.0 — 8.6	15.0 — 8.9	— — —
TOTAL CENTRAL BANK CREDIT ...	Peak Trough Daily Average	36.7 15.1 27.2	53.4 31.6 37.4	50.1 8.0 26.4	94.0 49.8 70.3	83.3 16.3 44.9	71.7 17.2 43.4	97.4 58.9 76.4	120.9 73.1 97.0	126.0 35.4 68.0	101.0 16.8 45.0	38.7 14.9 26.3	33.3 — 10.4

(Rs million)

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 : ASSETS & LIABILITIES OF COMMERCIAL BANKS
(As at end of December)



Monetary Ratios

The rising trend in reserve money* observed during recent years was reversed in 1979-80; reserve money declined by Rs 16.7 million from Rs 994.2 million in June, 1979 to Rs 977.5 million in June, 1980. On a monthly average basis, however, reserve money showed a marginal increase from Rs 961.2 million in 1978-79 to Rs 966.4 million in 1979-80. The equally marginal rise in the monthly average level of the money supply between these two fiscal years resulted in a stable money multiplier** of 1.33. The money multiplier for aggregate monetary resources, however, went up to 3.11 in 1979-80 reflecting a faster growth in the quasi-money component of aggregate monetary resources. Table IV.4 below shows the trends in the money multipliers during the past five years.

Table IV.4. Trends in Reserve Money and Money Multipliers

Period (July-June)	Average Level of Reserve Money (Rs million)	Average Money Multiplier	
		Money Supply	Aggregate Monetary Resources
1975-76	559.5	1.49	3.19
1976-77	679.8	1.44	2.87
1977-78	816.9	1.36	2.57
1978-79	961.2	1.33	2.83
1979-80	966.4	1.33	3.11

The income velocity+ of circulation of aggregate monetary resources has been stagnating at a level of 2.0 since 1978. Income velocity of currency and money supply, however, increased slightly to 8.29 and 4.42, respectively, in 1979. The ratios relating the different components of domestic liquidity underwent significant changes in 1979-80. The average ratio of currency to money supply fell to 51.3 per cent as a result of opposite trends in currency

Table IV.5. Average Ratios Relating to Domestic Liquidity

(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					
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
1979-80	51.3	48.7	21.9	20.8	57.3

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

** The money multiplier for money supply 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.

+ Income velocity is the ratio of GNP to money supply. In other words, the income velocity measures the speed of turn around of money.

and in demand deposits; the monthly average level of currency decline by Rs 40.6 million whereas demand deposits rose by Rs 45.5 million. The monthly average level of quasi-money increased significantly by 19.5 per cent in 1979-80, and the share of quasi-money in aggregate monetary resources moved up to 57.3 per cent. Table IV.5 shows the trends in the relevant monetary ratios since 1974-75.

Sectoral Distribution of Commercial Banks Credit to the Private Sector

In 1979-80, commercial banks' credit to the private sector went up by Rs 215.6 million with most of the increase (Rs 128.4 million) taking place between June and December, 1979. Credit growth in the first half of 1980 amounted to Rs 87.2 million which is roughly comparable with an increase of Rs 85.1 million in the first half of 1979. In the post-devaluation period i.e. October, 1979-June, 1980, expansion in commercial banks' credit to the private sector reached Rs 160 million only. Credit policy in recent years has emphasized the need for special consideration to be given to the productive and priority sectors. It is interesting, in this regard, to analyse movements in the sectoral deployment of commercial banks' credit to the private sector in 1979-80 as shown in Table IV.6.

Between June, 1979 and June, 1980 credit to the sugar industry increased by Rs 45.3 million, raising its share in total credit to the private sector to 18.2 per cent. The trend in credit to the sugar industry is determined by several factors such as the additional financing requirements at the start of the sugar cane harvest, the size and timing of export proceeds and of insurance compensation, the ruling prices of sugar and molasses, and increases in costs of production especially associated with wages. Following unfavourable weather conditions at end 1979 and early 1980, credit to the sugar industry peaked at Rs 381.5 million in February, 1980, exceeding the high level of Rs 331.5 million reached in July, 1979. During 1978-79, the peak in sugar credit had been registered at Rs 290.8 million in August, 1978.

Between June 1979 and June 1980, credit to the industrial sector* increased by Rs 123.2 million or by 17.4 per cent and its share in total bank credit to the private sector rose from 44.4 per cent to 45.8 per cent. Expansion of credit to the industrial sector was largely influenced by credit to 'Other Industries and Manufacturers' which increased by Rs 72.7 million, reflecting mainly higher costs of inputs in the post-devaluation period and larger working capital needs for growing enterprises. The increase in credit to EPZ firms, amounted to Rs 20.9 million. Credit to the EPZ normally picks up around June when knitwear firms build up their stocks of raw materials for production and winter sales in Europe and increases again in December to meet end-of-year payments of wage bonuses. Credit to DC units increased by Rs 29.6 million but showed irregular growth during the year; the bulk of the increase was registered in the second half of 1979.

Among the non-priority sectors, only 'Personal and Professional' loans and advances registered a substantial increase of Rs 44.4 million or 43.8 per cent between June, 1979 and June, 1980. The opening of new bank branches and a greater commitment to the concept of 'social banking' by some newer banks as well as high existing demand were among the reasons responsible for the sizeable growth in this category of credit. Credit to traders, however, continued to be subject to a sub-ceiling and its level declined slightly from Rs 223.2 million in June, 1979, to Rs 221.0 million in June, 1980, despite some minor upward adjustments in traders' credit limits to account for the expansion of the small and newer banks.

* The industrial sector comprises the enterprises in the Export Processing Zone, the enterprises holding Development Certificates and Other Industries and Manufacturers.

Table IV.6. Sectoral Distribution of Commercial Banks' Credit to the Private Sector

(Rs million)

	<i>June 1979</i>	<i>December 1979</i>	<i>June 1980</i>	<i>Change between June, 1979 and June, 1980 (+ increase — decrease)</i>
Sugar Industry	284.7 (17.9)	328.0 (19.1)	330.0 (18.2)	+45.3
Mauritius Sugar Syndicate	26.2 (1.6)	0.4 (. .)	2.0 (0.1)	—24.2
Other Agricultural Interests	57.1 (3.6)	49.3 (2.9)	54.3 (3.0)	—2.8
Export Processing Zone Industries	348.9 (21.9)	344.6 (20.0)	369.8 (20.5)	+20.9
Development Certificates Holders	188.3 (11.8)	225.8 (13.1)	217.9 (12.0)	+29.6
Other Industries and Manufacturers	170.3 (10.7)	182.6 (10.6)	243.0 (13.4)	+72.7
Traders	223.2 (14.0)	228.9 (13.3)	221.0 (12.2)	—2.2
Personal & Professional	101.3 (6.4)	119.6 (7.0)	145.7 (8.1)	+44.4
Housing	58.4 (3.7)	64.9 (3.8)	72.2 (4.0)	+13.8
Transport	58.8 (3.7)	66.8 (3.9)	33.2 (1.8)	—25.6
Statutory and Para-Statal Bodies	25.1 (1.6)	49.2 (2.8)	41.0 (2.3)	+15.9
Hotels	2.3 (0.1)	3.4 (0.2)	5.2 (0.3)	+2.9
Financial Institutions	5.3 (0.3)	5.6 (0.3)	7.3 (0.4)	+2.0
Stock Brokers	0.4 (. .)	2.5 (0.1)	2.4 (0.1)	+2.0
Investment in Private Sector	11.5 (0.7)	11.7 (0.7)	11.7 (0.6)	—0.2
Other Customers	31.4 (2.0)	38.3 (2.2)	52.1 (2.9)	+20.7
Total Credit to the Private Sector	1,593.2	1,721.6	1,808.8	+215.6

Note : Figures in brackets indicate percentages to total.

Non-Bank Financial Institutions

These institutions fall into four broad categories : (a) institutions in which the Government has a special interest e.g. the Development Bank of Mauritius (DBM), the Mauritius Housing Corporation (MHC), the Post Office Savings Bank (POSB), the State Insurance Corporation of Mauritius (SICOM) and the National Pension Fund (NPF); (b) subsidiaries or associates of established commercial banks e.g. the Mauritius Commercial Bank Finance Corporation (MCBFC); (c) insurance companies and concerns such as the Sugar Industry Insurance Fund Board (SIFB) and (d) other institutions including private pension funds and development companies. Updated statistical information is not available on all of these institutions and it is difficult to assess their net impact on the financial system during the year under review. This section therefore simply outlines the operations of selected institutions using the latest available statistics and attempts to gauge their importance by summing up their assets. (Table IV.7).

Table IV.7. Assets of Selected Financial Institutions

(Rs million)

<i>Institutions</i>	<i>Total Assets</i>	<i>Period</i>
1. Development Bank of Mauritius (DBM) ...	348.9*	As on 30th June, 1980
2. Sugar Insurance Fund Board (SIFB) ...	308.4	As in 31st May, 1979
3. Insurance Companies ...	359.1	As on 31st December, 1977
4. Sugar Industry Pension Fund (SIPF) ...	213.4	As on 31st December, 1979
5. Mauritius Commercial Bank Finance Corporation Limited (MCBFC) ...	311.5	As on 30th June, 1980
6. Mauritius Housing Corporation (MHC) ...	205.4	As on 30th June, 1980
7. Post Office Savings Bank (POSB) ...	123.7	As on 30th June, 1980
8. Sugar Industry Labour Welfare Fund (SILWF) ...	68.0	As on 31st December, 1980
9. General Investment and Development Company Limited (GIDC)...	19.6	As on 31st December, 1978
10. Mauritius Development Investment Trust Company Limited (MDIT) ...	8.1	As on 30th June, 1980

* Provisional

DBM's lending constitutes an important complement to the activities of the banking system, especially in the provision of medium-and long-term loans to agriculture, industry and tourism. Outstanding loans and advances increased from Rs 224 million in June, 1979 to Rs 270.6 million in June, 1980 of which agriculture accounted for Rs 20.7 million and industry for Rs 246.9 million.

The MHC, one of the leading non-bank financial institutions, remains the main source of mortgage finance for house construction and draws on long-term credit from the Government, the Commonwealth Development Corporation, the National Pension Fund, Insurance companies and the State Commercial Bank. During the year under review mortgage loans increased by Rs 13.3 million to Rs 166.8 million in June, 1980, compared with a growth of Rs 19.6 million

in 1978-79. In the face of high demand for long-term mortgage finance, this slow down probably reflects some temporary problems in mobilising resources for on-lending. The MHC, however, continued to construct housing estates which are subsequently offered for sale or rent; the value of such investments increased from Rs 25.4 million in June, 1979 to Rs 36.2 million in June, 1980.

Financial resources mobilised by the POSB reached Rs 107.2 million in June, 1980 compared with outstanding savings deposits of Rs 965.7 million with commercial banks. The role of the POSB is therefore important within the overall strategy of deposit mobilisation though the situation in 1979-80 pointed to a marginal decline of Rs 3.7 million in its outstanding savings deposits. The number of open savings accounts, however, rose from 158,985 in June, 1979 to 168,673 in June, 1980, indicating the spread of POSB's activities and its potential in raising deposits in a growing economy.

The MCBFC extends medium-term loans besides accepting deposits from the private sector. Unlike the situation in 1978-79, deposits growth in 1979-80 was matched by an almost equal rise in loans and advances. Deposits reached Rs. 284.8 million in June, 1980 while outstanding loans amounted to Rs 206.2 million compared with corresponding figures for June, 1979 of Rs 231.8 million and Rs 150.9 million, respectively. Most of the increase in loans went to 'Other Industries and Manufacturers' (Rs 44.1 million) and 'Real Estates and Other Customers' (Rs 11.1 million).

The insurance sector comprises Life Insurance Companies, General Assurance Companies, the Sugar Insurance Fund Board (SIFB) and the State Insurance Corporation of Mauritius (SICOM). In December, 1977, there were 20 life and general assurance companies in operation, of which 10 were incorporated in Mauritius and the rest outside. Total assets of these companies increased from Rs 225.4 million in December, 1975 to about Rs 359.1 million in December, 1977. The SICOM, established in 1975, made considerable progress during the first five years of its operation. By June, 1979, 24 para-statal bodies had joined SICOM's pension schemes covering 6,000 employees.

Besides, improving its valuable services to the sugar industry, the SIFB has also grown into one of the largest non-bank financial institutions. Total assets of the SIFB rose from Rs 234.1 million in May, 1977 to Rs 254.8 million in May, 1978 and further to Rs 308.4 million in May, 1979.

Among the many pension funds operating in Mauritius, the Sugar Industry Pension Fund (SIPF) and the National Pension Fund Scheme (NPFS) stand out prominently. The assets of SIPF reached Rs 213.4 million in December, 1979, compared with Rs 197.8 million in December, 1978. The NPFS instituted by the Government became operational in 1978 and derives its financial resources from the Government itself and private employers/employees. In June, 1979, total assets of the NPF 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.

Some development finance is also provided by two small private institutions, namely the Mauritius Development Investment Trust Company (MDIT) and the General Investment and Development Company (GIDC). MDIT invests mainly in the equity of some firms and its combined investments increased from Rs 6.7 million in June, 1979, to Rs 7.2 million in June, 1980. The GIDC serves an important channel of diversification for some of the main sugar interests and the value of its investments (broadly defined to include investment in subsidiary and associated industries) increased from Rs 13.8 million in December, 1977 to Rs 14.5 million in December, 1978.

V. GOVERNMENT FINANCE

This chapter includes a review of budgetary developments during 1979-80, fiscal measures in the 1980-81 budget, the financing of Government expenditure and Central Government Debt.

The Overall Government Budget

The aggregate revenue of the Government amounted to Rs 2,594.3 million in 1979-80, showing an increase of Rs 389.0 million as compared with the aggregate revenue of Rs 2,205.3 million in 1978-79. Aggregate expenditure in 1979-80 stood at Rs 2,902.1 million and was higher than the previous year's figure by an amount of Rs 462.8 million. Aggregate expenditure in 1979-80 represented 46.8 per cent of the 1979 GNP at factor cost. The share of personal emoluments in aggregate expenditure declined from 27.7 per cent in 1978-79 to 23.8 per cent in 1979-80, whereas the share of capital expenditure rose from 27.4 per cent in 1978-79 to 30.5 per cent in 1979-80.

The 1980-81 revised budget estimates from aggregate revenue and aggregate expenditure are Rs 3,579.4 million and Rs 4,075.8 million respectively. Table V.1 shows an aggregate analysis of Government budget for the years between 1975-76 and 1980-81.

Table V.1. Aggregate Analysis of Government Budget

(Rs million)						
	1975-76	1976-77	1977-78	1978-79	1979-80 (provisional)	1980-81 (Revised Estimates)
AGGREGATE REVENUE	1,340.0	1,496.4	1,718.8	2,205.3	2,594.3	3,579.4
Recurrent Revenue	1,075.7	1,210.7	1,260.8	1,486.4	1,863.9	2,181.0
of which :						
Import Duties	260.5	349.1	412.7	465.0	613.3	680.0
Export Duties	126.1	124.9	139.8	145.2	287.3	275.0
Excise Duties	94.4	104.9	134.8	169.7	198.2	236.0
Taxes on Income and Capital	398.0	392.2	289.9	318.8	284.5	369.0
Taxes on Property,						
Other Taxes	72.2	110.2	130.9	163.2	228.8	290.1
Other Revenue	124.5	129.4	152.7	224.5	251.8	330.9
Capital Revenue	344.3	285.7	458.0	718.9	730.4	1,398.4
of which :						
Transfer from Current Budget	80.0	—	—			—
Local Borrowings	207.9	148.2	—	299.3	386.9	1.5
External Borrowings	36.6	84.3	427.5	378.9	283.0	1,330.2
Other	19.8	53.2	30.5	40.7	60.5	66.7
AGGREGATE EXPENDITURE	1,494.4	1,746.4	2,087.2	2,439.3	2,902.1	4,075.8
Recurrent Expenditure	1,071.0	1,261.0	1,441.3	1,770.0	2,016.1	2,546.0
of which :						
Personal Emoluments	340.1	424.4	445.9	677.2	691.6	796.6
Public Debt	99.7	112.8	153.0	199.2	371.5	514.1
Public Service Pensions	42.4	68.2	75.3	85.7	96.6	114.0
Social Security Transfers	73.8	114.3	149.3	166.6	172.6	198.3
Subsidy on rice and flour	121.0	100.0	49.2	111.4	130.0	203.0
Grant in aid to local authorities	46.0	55.5	68.6	84.4	94.4	101.7
Other Expenditure	348.0	385.8	500.0	445.5	459.4	618.3
Capital Expenditure	423.4	485.4	645.9	669.3	886.0	1,529.8
of which :						
Loans	100.1	119.4	182.2	189.0	214.2	496.0
Plan Projects	261.7	349.6	454.1	472.5	666.8	993.8
Other	61.6	16.4	9.6	7.8	5.0	40.0

Recurrent Budget

Recurrent revenue for 1979-80 amounted to Rs 1,863.9 million and exceeded the corresponding figures for the previous year by Rs 377.5 million. This sizeable improvement in revenue is in large part explained by the increased rates of import and sugar export duties as well as the higher tax base in rupees for both imports and exports following the devaluation of the rupee. Import and export duties accounted for almost half of total recurrent revenue in 1979-80, as against 41.1 per cent in 1978-79. Taxes on income and companies contributed a smaller amount of Rs 284.5 million to revenue in 1979-80, compared with Rs 318.8 million in 1978-79; this decrease was essentially due to the tax concessions provided in the 1979-80 budget relating to the income of a working wife to be assessed separately or jointly with the husband's income at their option, the increase in personal allowances for all categories of tax-payers and the introduction of an earned income relief at the rate of 5 per cent of gross income. Revenue on miscellaneous items increased slightly to Rs 251.8 million in 1979-80.

Recurrent expenditure increased by Rs 246.1 million from Rs 1,770.0 million in 1978-79 to Rs 2,016.1 million in 1979-80. The servicing of public debt alone increased by Rs 172.3 million between these two fiscal years chiefly as a consequence of the growing size of external debt. Expenditure on personal emoluments went up by Rs 72.8 million to Rs 750.0 million in 1979-80 owing mainly to the average wage increase of 13 per cent awarded in November, 1980. The relatively small increases registered in other components of recurrent expenditure reflect the Government's efforts to contain the deficit on the recurrent budget which in fact declined from Rs 283.6 million in 1978-79 to Rs 152.2 million in 1979-80.

Capital Budget

Capital revenue rose by an amount of Rs 11.5 million from Rs 718.9 million in 1978-79 to Rs 730.4 million in 1979-80. Revenue from local sources amounted to Rs 386.9 million of which Rs 384.2 million were raised by the issue of Government Stocks in December, 1979, as a funding operation and the remaining Rs 2.7 million by the issue of Treasury Certificates on tap. External finance for the capital budget in 1979-80 amounted to Rs 283.0 million and comprised a second and final drawing of about Rs 118.9 million (US \$ 20 million) on the second Euro-dollar loan of US \$ 50 million relating to the sugar bulk terminal project, drawings of Rs 162.8 million on project-tied loan and receipts of Rs 1.3 million under the IMF restitution of gold.

Capital expenditure increased by Rs 216.7 million to reach Rs 886.0 million in 1979-80. Expenditure on plan projects stood at Rs 666.8 million or 75.3 per cent of total capital expenditure. The capital budget in 1979-80 showed a deficit of Rs 155.6 million against a surplus of Rs 49.6 million in the previous fiscal year.

Fiscal Measures in the 1980-81 Budget

An across-the-board 10 per cent surcharge was imposed on all dues, duties, fees, rates, and other charges. The sugar export duty, the sugar milling tax, the sugar brokerage tax, the hotel tax and income tax on individuals were exempted from the surcharge. Apart from the foregoing revenue-oriented measure, other fiscal measures were announced in the 1980-81 budget with a view to encouraging import substitution and mobilisation of domestic savings. The stamp fee levied on the c.i.f. value of certain non-essential categories of imports was raised from 2 to 5 per cent. Import duties on a dozen of food items were re-introduced in order to protect local industries producing these items and to discourage imports of

luxury food items. The import and excise duties on wine were re-structured in a manner to support the local wine industry and to promote tourism as well. The import and stamp duties on cement were removed.

As regards personal income tax, personal allowances, allowances for dependent children and other allowances deductible from gross income were raised by amounts ranging from Rs 100 to Rs 1,100. Moreover, the first three chargeable income brackets were re-structured as follow : (a) a 5 per cent rate of tax on the first Rs 6,000 instead of Rs 5,000 (b) a 10 per cent rate of tax on the next Rs 6,000 instead of Rs 5,000 and (c) a 20 per cent rate of tax on the next Rs 18,000 instead of Rs 15,000. The ceiling of tax-free interest to individuals on savings and fixed deposits and on Government Securities was raised from Rs 3,500 to Rs 10,000 so as to promote financial savings. The amount deductible in respect of life insurance premiums was also raised from Rs 1,000 to Rs 1,500. Planters were made eligible to an earned income relief equivalent to 5 per cent of their agricultural income subject to a maximum of Rs 5,000. The relief would be subject to an overall maximum of Rs 5,000 for those who qualify for emolument relief as well.

In line with the policy to encourage self-ownership of houses certain concessions on the registration duty were provided. The registration duty payable by individuals who do not already possess a house and by those who purchase a piece of land with the intention to build a house was fixed at Rs 100 for the first Rs 50,000 and at half the normal rate of 12 per cent on the next Rs 50,000. The normal rate would be applicable on the value in excess of Rs 100,000. The registration duty on cars was, however, raised from 10 per cent to 12 per cent. Finally, succession dues on the first Rs 100,000 in respect of the main residence were exempted from registration duty.

Budgetary Financing

The overall budgetary deficit increased from Rs 886.3 million in 1978-79 to Rs 1,087.1 million in 1979-80, or by about 19.0 per cent of the GNP in 1979. The derivation of the overall budget deficit for the fiscal years 1975-76 to 1979-80 and their sources of financing are shown in Table V.2.

Central bank financing, including IMF resources, amounted to Rs 466.6 million, covering 42.9 per cent of the overall budget deficit in 1979-80. The Bank of Mauritius provided the Government with additional resources mainly by increasing its holdings of Government securities, by extending direct advances, and also, for the first time, by the rediscounting of bills on account of Government food imports. The amount of such bills rediscounted by the Bank stood at Rs 102.1 million at the end of June, 1980. Financing by commercial banks amounted to Rs 166.7 million mostly by their increased holdings of Treasury Bills. Non-bank sources augmented their net holdings of Government securities by Rs 174.9 million of which Rs 151.3 million were accounted for by the National Pensions Fund and the Sugar Insurance Fund Board. Domestic financing added up to Rs 803.0 million in 1979-80 and foreign financing amounted to Rs 284.1 million. The shares of the overall budget deficit covered by domestic and foreign financing were respectively 73.9 and 26.1 per cent.

Table V.2. Budgetary Operations and Financing 1975-1980

(Rs million)

	1975-76	1976-77	1977-78	1978-79	1979-80
Current Revenue	1,046.4	1,152.9	1,207.3	1,459.3	1,851.8
Current Expenditure	911.5	1,173.4	1,331.2	1,720.4	1,941.5
Capital Revenue	15.9	15.3	24.9	11.3	30.0
Foreign Grants	3.0	5.0	1.9	1.0	3.7
Capital Expenditure	269.6	352.1	458.4	480.3	887.0
Lending minus Repayments	93.2	104.5	176.7	157.2	144.1
Overall Surplus (+) or Deficit (—)	+208.9	—456.8	—727.2	—886.3	—1,087.1
FINANCING	208.9	456.8	727.2	886.3	1,087.1
I. Domestic Financing (net)	189.2	386.6	445.0	570.0	803.0
II. Foreign Financing (net)	19.7	70.2	282.2	316.3	284.1
1. Banking System (net)	169.6	279.7	455.9	513.0	633.3
(a) Monetary Authorities (net)	17.0	454.5	223.5	360.3	466.6
1. Government Stocks	(—28.7)	(+186.3)	(+4.2)	(+20.3)	(+240.0)
2. Treasury Bills	—	—	—	(+89.0)	(+65.3)
3. Advances	(—0.8)	(+227.1)	(+120.9)	(+180.9)	(+35.8)
4. Deposits	(+61.0)	(+8.2)	(—15.5)	(+3.3)	(—0.4)
5. IMF Transactions	(—48.5)	(+32.9)	(+113.9)	(+66.8)	(+23.8)
6. Government Bills Rediscounted	—	—	—	—	(+102.1)
(b) Commercial Banks (net)	184.2	—174.8	232.4	152.7	166.7
1. Government Stocks	(+203.2)	(—193.3)	(—19.6)	(+214.2)	(+21.0)
2. Treasury Bills	(—15.1)	(8.8)	(252.3)	(—119.6)	(+109.1)
3. Deposits	(—3.9)	(9.7)	(0.3)	(—2.9)	(—12.4)
4. Advances	—	—	—	(+61.0)	(49.0)
2. Non-Bank Sources (net)	19.7	122.7	5.4	55.4	174.9
1. Government Stocks	(22.7)	(122.7)	(—3.1)	(—1.4)	(+88.7)
2. Treasury Bills	(—3.0)	(—)	(8.5)	(+56.8)	(+86.2)
3. Changes in Cash Balances and Other	—2.1	—15.9	—16.3	+1.6	—5.2

Public Debt

Between June, 1979, and June, 1980, total outstanding medium-and long-term debt of the Government increased by an amount of Rs 906.5 million from Rs 2,320.8 million to Rs 3,227.3 million. Total debt servicing increased substantially from Rs 131.7 million to Rs 303.6 million in 1979-80. Table V.3 gives figures for internal and external debt and the corresponding amortization and interest payments made between 1975-76 to 1979-80.

Table V.3. Central Government Debt

(Rs million)

	1976	1977	1978	1979	1980
A. Debt Outstanding as at 30th June					
Internal Debt	963.7	1,083.7	986.4	1,254.1	1,591.8
of which :					
Tap Loans ...	(105.6)	100.6	(28.3)	(21.6)	(16.7)
Development Loan Stocks ...	(858.1)	(983.1)	(958.1)	(1,232.1)	(1,572.0)
Treasury Certificates ...	(—)	(—)	(—)	(0.4)	(3.1)
External Debt ...	262.9	323.0	744.1	1,066.7	1,635.6
Total Public Debt ...	1,226.6	1,406.7	1,722.5	2,320.8	3,227.4
B. Debt Charges During Fiscal Year Ending 30th June					
Amortization ...	9.7	10.1	28.9	20.4	62.2
Internal ...	(—)	(—)	(—)	(—)	(—)
External ...	(9.7)	(10.1)	(28.9)	(20.4)	(62.2)
Interest ...	57.0	73.8	94.4	132.6	241.4
Internal ...	(48.6)	(65.1)	(75.3)	(80.1)	(116.8)
External ...	(8.4)	(8.7)	(19.1)	(52.5)	(124.6)
Total Debt Servicing ...	66.7	83.9	123.3	131.7	303.6

Source : Central Statistical Office, Government of Mauritius.

Total medium-and long-term internal debt of the Government increased by Rs 337.7 million from Rs 1,254.1 million at the end of June, 1979, to Rs 1,591.8 million at the end of June, 1980. These figures, however, do not reveal the true position of total internal debt of the Government since short-term Government debt obligations, namely 90-day Treasury Bills, are not accounted for. At the end of June, 1979, and June, 1980, total investments in Treasury Bills stood at Rs 306.7 million and Rs 571.7 million, respectively. Inclusive of Treasury Bills issued, total internal debt therefore increased by a larger amount of Rs 602.7 million from Rs 1,560.8 million in June, 1979, to Rs 2,163.5 million in June, 1980.

In December, 1979, four different stocks amounting to Rs 385.0 million were issued as follows :-

- (a) Mauritius Development Loan Stock for a sum of Rs 100 million at 10 per cent maturing in 1985,
- (b) Mauritius Development Loan Stock for a sum of Rs 85 million at 10½ per cent maturing in 1989,
- (c) Mauritius Development Loan Variable Interest Rate Stock at 1 per cent above Bank Rate with a minimum rate of 11 per cent for a sum of Rs 100 million maturing in 1994, and
- (d) Mauritius Development Loan Variable Interest Rate Stock at 1½ per cent above Bank Rate with a minimum rate of 11½ per cent for a sum of Rs 100 million maturing in 1999.

The National Pension Fund and Insurance Companies took up Rs 60 million and Rs 20.2 million respectively, while commercial banks subscribed only Rs 4.0 million of the issues of Government stocks. The remaining amount of Rs 300.0 million was underwritten by the Bank of Mauritius.

Besides, two types of Treasury Certificates both with a maturity of seven years were put on issue in December, 1979, one bearing an interest of 16 per cent (subject to tax) and the other an interest rate of 10 per cent (free of tax). The previous two issues of Treasury Certificates with a maturity of five years, one bearing an interest rate of 12 per cent (subject to tax) and the other an interest rate of 10 per cent (free of tax) were allowed to be converted into the new issues of Treasury Certificates. The total amount of Treasury Certificates held by individuals at the end of June, 1980, stood at Rs 3.1 million or Rs 2.7 million higher than in June, 1979.

The level of medium-and long-term external debt outstanding of the Government rose from Rs 1,066.7 million in June, 1979, to an estimated amount of Rs 1,635.5 million in June, 1980, or by Rs 568.8 million. The rapid increase in the amount of Government external debt during 1979-80 was partly attributable to the devaluation of the rupee *vis-à-vis* the various foreign currencies in which foreign loans are denominated and partly to additional foreign borrowings. In September, 1979, Government drew the balance of about Rs 120 million (US \$20 million) on the second Euro-dollar Loan of US \$ 50 million of which the first tranche of US \$ 30 million was drawn in May, 1980. Disbursements on project-tied loans were speeded, particularly in the second half of the fiscal year in response to progress in the implementation of projects. Total gross loan drawings by Government amounted to an estimated Rs 283 million in 1979-80. Recourse to external capital has provided the resources to supplement domestic savings and sustain investment and growth in the economy. The composition of Government external debt during the period 1976-80 is shown in Table V.4 its increasing size and the rising share of Government borrowing from foreign commercial banks on market related terms imply a significant change in the structure of future debt servicing.

GRAPH 3 : EXTERNAL PUBLIC DEBT

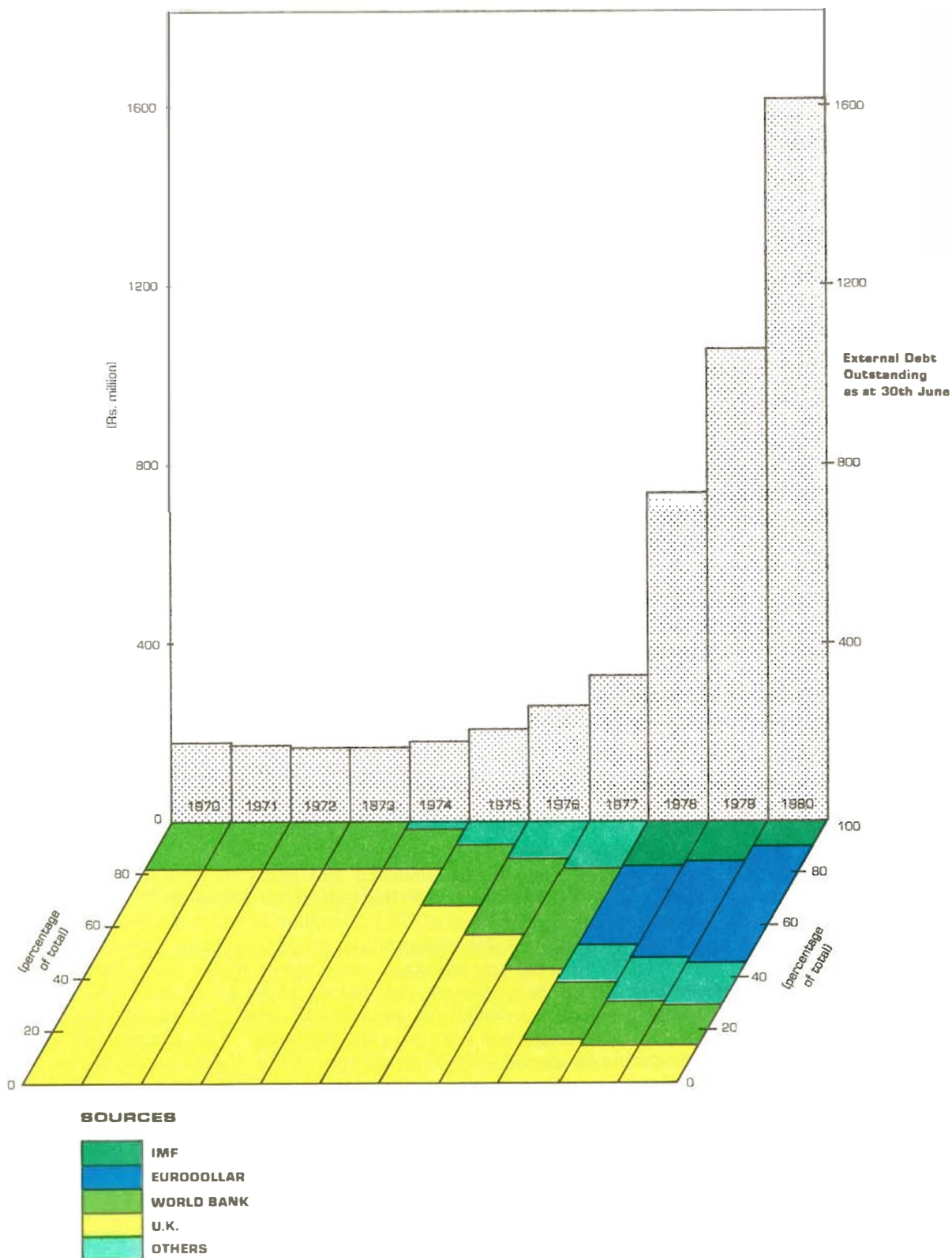


Table V.4. **Government External Debt: 1976-1980***(Rs. million)*

<i>Outstanding at the End of June</i>	<i>International Development Institutions</i>	<i>Foreign Governments</i>	<i>Foreign Banks</i>	<i>Other</i>	<i>Total</i>
1976	107.4	155.5	—	—	262.9
1977	143.4	179.6	—	—	323.0
1978	185.1	211.7	230.6	116.7	744.1
1979	231.8	251.6	400.3	183.0	1,066.7
1980	374.8	398.2	630.3	232.2	1,635.5

Source : Financial Reports — Government of Mauritius

The devaluation of the rupee also contributed to inflate total Government external debt-servicing payments from Rs 72.9 million in 1978-79 to Rs 186.8 million in 1979-80. Interest payments registered more than a two-fold increase over the previous year to reach Rs 124.6 million in 1979-80, also reflecting higher interest rates abroad as well as the increase in foreign liabilities following additional Euro-dollar and other drawings. The three-fold increase in amortization over the previous year to Rs 62.2 million in 1979-80 is largely explained by the initial capital repayment of US \$ 3.7 million made in June, 1980, on the first Euro-dollar loan of US \$ 37 million. External debt-servicing by the Government as a proportion of exports goods and services rose from 2.4 per cent in 1978-79 to almost 5 per cent in 1979-80; it was also equivalent to an estimated 9.7 per cent of Government recurrent revenue in 1979-80, compared with 4.9 per cent in 1978-79.

As regards the external debt of para-statal bodies, the Development Bank of Mauritius and the Central Electricity Board, in 1979-80 resorted to foreign borrowing amounting to Rs 28 million and paid out some Rs 34 million in debt-servicing. The external debt of these two bodies which account for the bulk of semi-Government external borrowing rose from Rs 153 million at the end of June, 1979, to Rs 224 million at the end of June, 1980.

The external debt of the Government and the para-statal bodies, consisting of the Euro-dollar borrowings and the project-tied loans, reached Rs 1,859 million at the end of June, 1980, as compared with Rs 1,219 million at the end of June, 1979. Estimates of the debt-service obligations of the Government and para-statal bodies on the basis of the disbursed and committed project-tied loans and the three Euro-dollar loans contracted until December, 1980, are presented in Table V.5. In the light of these estimates, debt-service payments would peak at around Rs 625 million in the fiscal years 1982-83 and 1983-84. The bunching of debt-service obligations in these years would arise mainly from the servicing of Euro-dollar borrowings.

Table V.5. Estimates of External Public Debt Service: 1980-81 to 1984-85

(Rs million)

	<i>Euro-dollar Loans*</i>	<i>Project-Tied Loans</i>		<i>Total</i>
		<i>Government</i>	<i>Para-Statal Bodies**</i>	
1980-81				
Principal ...	58	53	25	136
Interest ...	126	72	18	216
TOTAL ...	184	125	43	352
1981-82				
Principal ...	60	64	31	155
Interest ...	155	65	19	239
TOTAL ...	215	129	50	394
1982-83				
Principal ...	264	92	39	395
Interest ...	126	75	20	221
TOTAL ...	390	167	59	616
1983-84				
Principal ...	323	94	35	452
Interest ...	82	75	21	178
TOTAL ...	405	169	56	630
1984-85				
Principal ...	196	107	29	332
Interest ...	37	71	21	129
TOTAL ...	233	178	50	461

* Consists of the three Euro-dollar loans drawn respectively in 1978, 1979 and 1980.

** Consists of external loans directly received by the Development Bank of Mauritius and the Central Electricity Board.

VI. EXTERNAL TRADE AND THE BALANCE OF PAYMENTS

The balance of payments registered an overall deficit of Rs 502 million during the fiscal year 1979-80, or nearly the same deficit figure as in the previous year. However, in terms of SDRs, vis-à-vis which the rupee was devalued in October, 1979, this deficit was somewhat lower than that of the previous year. The balance of payments has been continuously deteriorating in recent years, especially on the current account, as a consequence of expansionary domestic demand conditions and of worsening terms of trade. In spite of an apparent improvement in world sugar market prices in the third quarter of 1979, the average sugar export price in 1979 was still below that obtained in 1975. Between 1975 and 1979, however, import prices rose continually in line with inflation abroad and our terms of trade are estimated to have worsened by some 40 per cent during this period. In 1978-79, the trade deficit had reached Rs 968.0 million and the deficit on the current account stood at Rs 633 million. Devaluation and related demand-restraining measures have begun to influence the volume of imports but the short-run impact of devaluation was to widen the nominal size of the trade and current account deficits to Rs 1,306.2 million and Rs 813 million respectively in 1979-80. In SDR terms, the trade deficit deteriorated from SDR 125.5 million in 1978-79 to SDR 142.7 million in 1979-80 and the current account also worsened from SDR 82.0 million in 1978-79 to SDR 89.3 million in 1979-80. The longer-term effects of devaluation and allied measures on the demand for imported goods and services will unfortunately not be reflected in the balance of payments outcome for 1980-81, which would witness a pronounced deterioration on account of the reduced 1980 sugar crop. The balance of payments deficit for 1980-81 is at present estimated at Rs 953 million. Table VI.1 gives a summary of the balance of payments for the years 1976-77 to 1979-80, and the estimates for 1980-81.

Table VI.1. Balance of Payments Summary: 1976-77 to 1980-81

<i>(Rs million)</i>						
	1976-77	1977-78	1978-79	1979-80	1980-81 <i>Estimates</i>	
Imports f.o.b. ...	2,220	2,523	2,664	3,533	5,000	
Exports f.o.b. ...	1,947	2,029	2,202	2,904	4,200	
Merchandise Account ...	-273	-494	-462	-629	-1,326	
Net Services Account ...	-214	-223	-253	-300	-230	
Net Unrequited Transfers ...	36	89	82	116	150	
Net Current Account ...	-451	-628	-633	-813	-1,406	
Net Capital Movements ...	15	304	244	121	276	
SDR Allocation ...	—	—	22	28	28	
Errors and Omissions ...	29	119	-138	162	149	
OVERALL DEFICIT ...	-407	-205	-505	-502	-953	
Monetary Movements ...	+407	+205	+505	+502	+953	
of which :						
Reserve Movements ...	(+407)	(-116)	(+261)	(-20)	(+38)	
(+ indicates a decrease, — an increase)						
Exceptional Financing ...	(—)	(+321)	(+244)	(+522)	(+915)	

Table VI.2. Trends in Visible Trade: 1976-77 — 1979-80

(Rs million)

<i>Item</i>	1976-77		1977-78		1978-79		1979-80	
	<i>Rs million</i>	<i>SDR million</i>	<i>Rs million</i>	<i>SDR million</i>	<i>Rs million</i>	<i>SDR million</i>	<i>Rs million</i>	<i>SDR million</i>
Exports (f.o.b.)	1,941.5	251.7	2,047.4	265.4	2,207.8	286.2	2,903.7	315.7
			(5.5)	(5.5)	(7.8)	(7.8)	(31.5)	(10.3)
Imports (c.i.f.)	2,615.3	339.0	3,064.5	397.3	3,175.8	411.7	4,209.9	458.4
			(17.2)	(17.2)	(3.6)	(3.6)	(32.6)	(11.3)
Visible Trade Deficit	673.8	87.3	1,017.1	131.9	968.0	125.5	1,306.2	142.7
			(51.1)	(51.1)	(—4.5)	(—4.5)	(34.5)	(13.7)

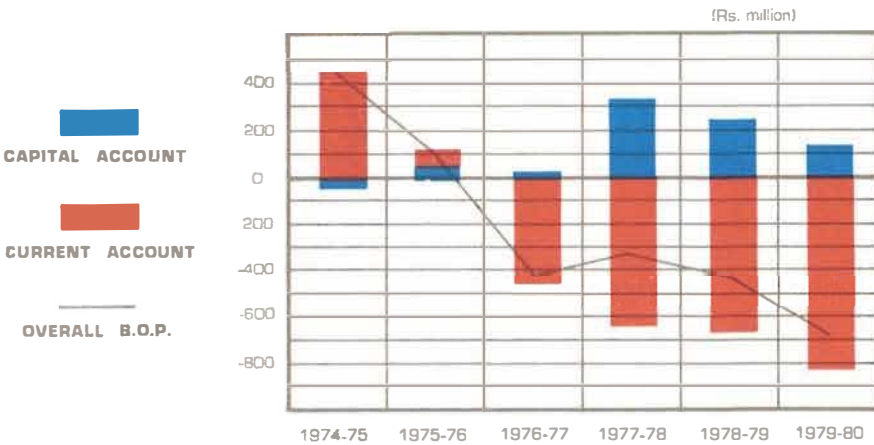
Notes : (1) Exports figures exclude exports of bunker and ships stores as these items are conventionally included in the Services Account

(2) Figures in brackets indicate percentage change over the previous year's level

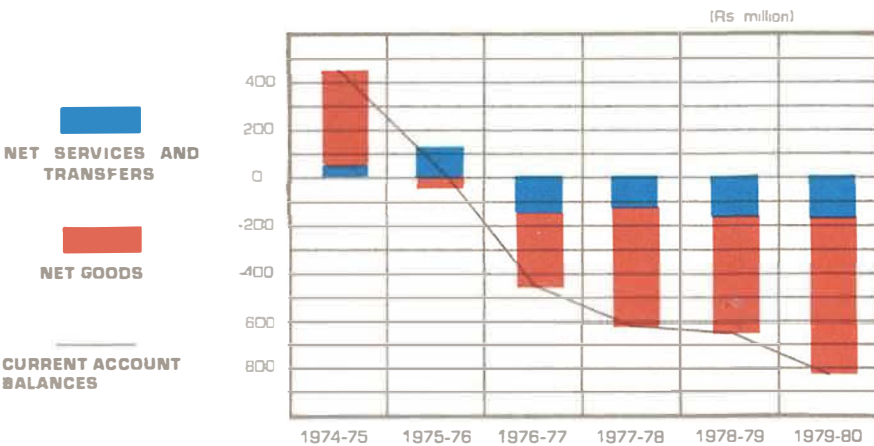
Source : Customs and Excise Department — Government of Mauritius.

GRAPH 4 : BALANCE OF PAYMENTS

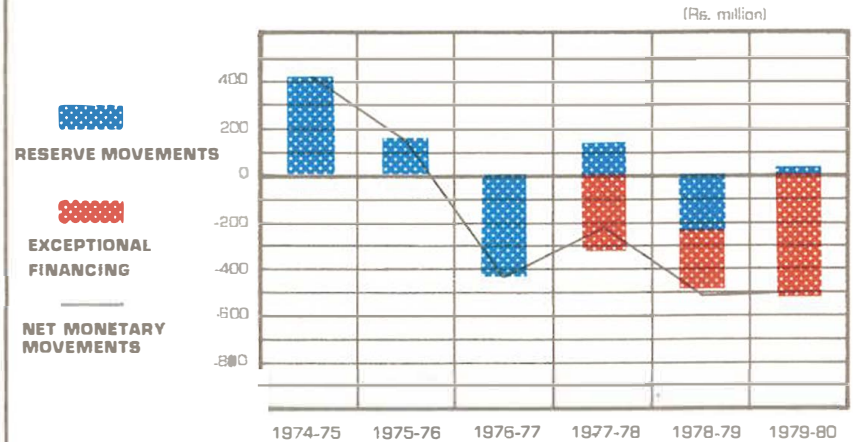
A. OVERALL B.O.P.



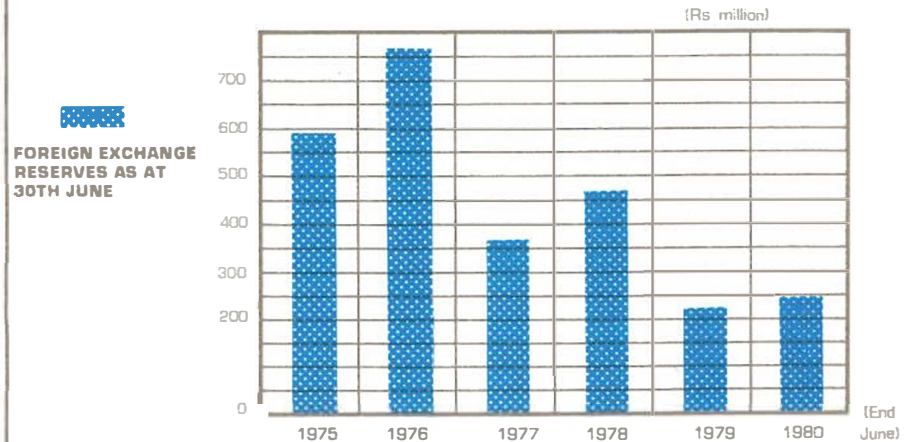
B. CURRENT ACCOUNT



C. MONETARY MOVEMENTS



D. FOREIGN EXCHANGE RESERVES



Total exports increased from Rs 2,207.8 million or SDR 286.2 million in fiscal year 1978-79 to Rs 2,903.7 million or SDR 315.7 million in fiscal year 1979-80, i.e. by 31.5 per cent in rupee terms or 10.3 per cent in SDR terms. Sugar exports rose from Rs 1,465.1 million or SDR 189.9 million in 1978-79 to Rs 1,873.3 million or SDR 201.7 million in 1979-80 i.e. by 27.9 per cent in rupee terms or by 6.2 per cent in SDR terms. The volume of sugar exports rose from 619,268 tons in 1978-79 to 628,167 tons in 1979-80 or by 1.4 per cent. Exports of manufactures went up from Rs 551.6 million or SDR 71.5 million in 1978-79 to Rs 761.7 million or SDR 84.2 million in 1979-80 i.e. by 38.1 per cent in rupee terms or 17.8 per cent in SDR terms, as against a 13 per cent increase in 1978-79 over 1977-78.

The share of the agricultural sector in total exports declined further from 71.0 per cent in 1978-79 to 69.1 per cent in 1979-80; the share of the sugar sector also dropped from 66.4 per cent in 1978-79 to 64.5 per cent in 1979-80. The share of the manufacturing sector rose from 25.0 per cent in 1978-79 to 26.2 per cent in 1979-80. Textile exports declined as a proportion of total exports of manufactures from 72.0 per cent in each of the preceding two years to 70 per cent in 1979-80 while the share of electronic components rose from 10 per cent in 1978-79 to 12 per cent in 1979-80.

Table VI.3. Main Exports

(f.o.b. Rs million)

	1976/77	1977/78	1978/79	1979/80
Agricultural Sector	1,497.6	1,477.8	1,567.0	2,007.7
Sugar	1,427.9	1,393.2	1,465.1	1,873.3
Tea	34.2	48.2	53.2	39.5
Molasses	35.5	36.4	48.7	94.9
Manufacturing Sector	376.8	488.1	551.6	761.7
Clothing and Textiles	261.8	350.0	395.1	532.1
Electronic Components	62.7	55.3	55.5	90.7
Processed Diamonds & Synthetic Stones	15.4	32.8	44.4	48.9
Other Manufactured Exports	36.9	50.0	56.6	90.0
Other Exports	34.1	46.5	54.0	73.7
Fish and Fish Preparations	22.5	31.2	32.2	34.3
Other	11.6	15.3	21.8	39.4
Re exports	33.0	35.0	35.2	60.6
TOTAL	1,941.5	2,047.4	2,207.8	2,903.7

Imports

Imports c.i.f. rose from Rs 3,175.8 million or SDR 411.7 million in fiscal year 1978-79 to Rs 4,209.9 million or SDR 458.4 million in fiscal year 1979-80 i.e. by 32.6 per cent in rupee terms or by 11.3 per cent in SDR terms. The acceleration in the growth of imports from 3.6

Table VI.4. Merchandise Imports

(Rs million)

	1976/77	1977/78	1978/79	1979/80
Food and Live Animals ...	518.6	634.0	707.6	919.9
Meat and Meat Preparations ...	54.3	76.5	105.9	104.8
Dairy Products and Eggs ...	74.9	94.8	101.4	138.6
Milk and Cream ...	(57.3)	(67.8)	(79.4)	(100.8)
Fish and Fish Preparations ...	45.3	59.9	68.4	90.6
Cereal and Cereal Preparations ...	211.0	239.3	276.5	335.8
Rice ...	(107.5)	(120.6)	(179.1)	(149.9)
Flour ...	(78.7)	(78.5)	(58.3)	(122.8)
Other ...	(24.8)	(40.2)	(39.1)	(63.1)
Fruit and Vegetables ...	60.8	83.6	72.4	131.7
Vegetables ...	(35.1)	(42.1)	(33.0)	(66.9)
Feeding Stuff for Animals ...	36.1	31.7	22.9	35.7
Other ...	36.2	48.2	60.1	82.7
Beverages and Tobacco ...	24.5	31.7	20.8	28.1
Alcoholic Beverages ...	13.3	12.1	10.6	14.7
Unmanufactured Tobacco ...	7.8	14.6	6.2	9.5
Other ...	3.4	5.0	4.0	3.9
Raw Materials ...	86.4	96.2	107.4	171.3
Minerals Fuels, Lubricants & Related Materials ...	231.0	306.7	343.0	635.3
Petroleum Products ...	228.0	300.9	335.2	619.3
Other ...	3.0	5.8	7.8	16.0
Animal and Vegetables Oils and Fats ...	49.6	91.8	94.2	106.3
Vegetable Edible Oils ...	27.4	64.8	69.3	52.1
Other ...	22.2	27.0	24.9	54.2
Chemicals ...	179.6	207.5	227.5	308.3
Chemical Elements and Components ...	37.3	46.4	53.5	14.2
Medicinal and Pharmaceutical Products ...	31.6	40.5	41.1	55.7
Fertilizers ...	20.0	24.1	27.6	37.1
Plastic Materials, Regenerated Cellulose and Artificial Resins ...	26.0	30.3	37.3	37.4
Other ...	64.7	66.2	68.0	163.9
Machinery and Transport Equipment ...	622.3	634.5	526.5	636.8
Machinery other than Electric ...	237.7	281.1	297.8	51.7
Electric Machinery ...	226.4	220.0	136.4	99.6
Road Motor Vehicles ...	151.6	126.9	85.4	126.5
Other ...	6.6	6.5	6.9	359.0
Manufactured Goods ...	903.3	1,062.1	1,148.8	1,403.9
Rubber, Wood Cork, Paper and Paper Board Manufactures ...	90.2	97.1	94.2	136.0
Textile Yarn, Cotton and Other Textile Fabrics ...	247.3	248.6	244.4	270.4
Lime and Cement ...	80.3	106.9	121.7	164.6
Iron and Steel ...	97.8	148.4	133.8	184.8
Manufactures of Metal ...	96.5	95.8	113.2	139.4
Clothing ...	37.8	46.8	58.9	43.3
Professional and Scientific Instruments ...	40.9	40.2	32.2	18.8
Miscellaneous Manufactured Articles ...	66.9	89.5	99.6	148.7
Other ...	145.6	188.8	250.8	297.9
TOTAL ...	2,615.3	3,064.5	3,175.8	4,209.9

per cent in 1978-79 to 11.3 per cent in 1979-80 essentially stems from the almost two-fold increase in our oil bill and a 8.6 per cent increase in food imports. Oil imports rose from Rs 343.0 million or SDR 44.5 million to Rs 635.3 million or SDR 68.6 million i.e. by an increase of 85.2 per cent in rupee terms or 45.2 per cent in SDR terms. The share of oil in total imports also rose sharply from 11 per cent in 1978-79 to 15 per cent in 1979-80. Food imports increased from Rs 707.6 million or SDR 91.7 million in 1978-79 to Rs 919.9 million or SDR 99.6 million i.e. by 30 per cent in rupee terms or 8.6 per cent in SDR terms. However, the share of food imports fell slightly from 22.3 per cent in 1978-79 to 21.8 per cent in 1979-80. Major increases were recorded in the value of imports of vegetables, fruits and flour. The value of rice imports, however, declined.

In real terms, imports fell by an estimated 7.6 per cent with the major cuts occurring in import categories of finished manufactures, chemicals and edible oils and fats. The total volume of petroleum products dropped marginally by 1.9 per cent, but petroleum imports intended for final consumption such as gasoline and also partly kerosene recorded declines ranging from 5 to 10 per cent. Food imports were almost maintained at their previous year's level in volume terms. Volume decreases in imports of meat and meat preparations and of rice were offset by volume increases in imports of fruits and vegetables, flour and other cereal preparations. Although the trends in imports and in their sectoral composition provide only a short-run and partial assessment of the impact of devaluation and related demand-management policies, the difficulties in containing domestic expenditures in view of the substantial payments for imported food and oil are clearly apparent.

Direction of Trade

During 1979-80, the EEC countries, the United States and South Africa accounted for about half of our imports and absorbed over 90 per cent of our exports. About 65 per cent of our total exports, representing mostly sugar, were directed to the United Kingdom. Exports to France, comprising mainly of products from the EPZ, contributed 11 per cent to our total exports. Sugar and manufactured goods were exported to the United States whose share in our total exports stood at 10 per cent. The share of the other EEC countries in our total exports has increased further as a result of the buoyancy in demand from these countries for our EPZ products, especially for textiles. Although South Africa's share in our total exports has declined to below 1 per cent it has on the other hand become our major source of imports by displacing the United Kingdom which has traditionally been our main supplier. In 1979-80, South Africa provided 15 per cent of our total import supplies and the United Kingdom provided 13 per cent. Our trade deficit *vis-à-vis* South Africa has widened further to top Rs 600 million, higher than the corresponding figure for any of our other trading partners.

Services and Transfers

The net services account deteriorated further from Rs 253 million in 1978-79 to Rs 300 million in 1979-80. The worsening was mainly due to higher freight and insurance payments which rose from Rs 474 million in 1978-79 to Rs 639 million in 1979-80. The deficit on the investment income account has been worsening steadily from Rs 31 million in 1977-78 to Rs 81 million in 1978-79 and further to Rs 162 million in 1979-80 with the increase in interest payments on the sizeable medium-term commercial loans contracted abroad since 1978. The

surplus on passenger and port services strengthened further to Rs 211 million in 1979-80, mainly as a result of higher tariffs charged for fuel, thus countering in part the outflow on account of petroleum imports. Net travel receipts showed a growth rate of 40 per cent and reached Rs 156 million in 1979-80 as against Rs 111 million in 1978-79. This dramatic increase reflected higher tourist expenditure in the country in spite of a fall, though marginal, in the number of tourist arrivals from 121,260 in 1978-79 to 120,430 in 1979-80. Tourist arrivals had been buoyant in the first half of 1979-80, having registered an average increase of some 12 per cent over the number in July-December, 1978, but declined in the second half of 1979-80, when the number of incoming tourists was down by some 13 per cent below that in January-June, 1979. Several factors could explain the disparate trends in expenditure by tourists and the number of tourist arrivals. First, expenditure per tourist has risen due to a lengthening of the average duration of stay from 9.7 tourist nights to an estimated 12 tourist nights in 1979-80. Secondly, expenditure per tourist has increased in line with the higher domestic costs of goods and services following the devaluation of the rupee. Thirdly, the enhanced tourist receipts may point to the success of efforts to attract high-spending tourists from Europe. Lastly, the closer monitoring and control of foreign currency transactions involving hotels could also have led to larger foreign currency flows remitted through authorised channels.

Capital Movements

The net surplus on the capital account amounted to Rs 121 million in 1979-80 as compared to Rs 244 million in 1978-79. Private long-term capital which has continued to comprise a relatively unimportant amount of direct investment inflows rose slightly from Rs 52 million in 1978-79 to Rs 61 million in 1979-80. Private short-term capital associated with sugar export financing was negative by some Rs 27 million, reflecting an increase in trade credit. In 1979-80, Government long-term capital tied to projects stayed around at the previous year's level of Rs 157 million; its short-term capital transactions registered a debit of some Rs 70 million.

Foreign Exchange Reserves

The gross foreign exchange reserves of the Bank of Mauritius stood at Rs 287.9 million in June, 1979, dropped to a low of Rs 88.8 million in August, 1979, and rose to Rs 312.0 million in June, 1980. As shown in Table VI.5, total foreign exchange reserves, comprising reserves of the banking system and of the Government and statutory bodies, rose by Rs 18.8 million during the year 1979-80, from Rs 224.9 million in June, 1979, to Rs 243.7 million in June, 1980. During the year, the Government made use of IMF credit facilities under the stand-by arrangement to the extent of about Rs 400 million (SDR 40 million) and also drew on the remaining tranche of about Rs 120 million (US \$ 20 million) of the second Euro-dollar loan. To support reserves, the Bank of Mauritius also had recourse to short-term foreign bank deposits throughout most of the year: these deposits stood at a peak of Rs 171.9 million in October, 1979.

A notable development in the aftermath of devaluation was the lower reliance of commercial banks on the central bank for their foreign exchange requirements. As from November, 1979, sales of foreign currencies by the Bank of Mauritius to commercial banks were lower than the corresponding level a year before by about 15 per cent. The monthly average central bank sales of foreign exchange to commercial banks were equivalent to £ 12 million during the first half of 1980 as against £ 14.3 million during the first half of 1979. The reduced external needs of banks for foreign exchange were occasioned by increased receipts of foreign exchange to banks on account of EPZ exports, tourism and other services.

Table VI.5. Foreign Exchange Reserves

(Rs million)

	1979							1980						Change over Preceding 12 months (2) — (1)
	June (1)	July	August	Sept.	Oct.	Nov.	Dec.	Jan.	February	March	April	May	June (2)	
1. IMF Position (net) ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2. Bank of Mauritius ...	287.9	148.9	88.8	257.1	306.6	266.9	257.9	181.0	211.3	340.7	252.1	359.7	312.0	24.1
3. Government ...	9.8	4.6	3.4	10.3	10.2	13.1	11.9	9.9	13.0	10.5	10.4	10.0	11.2	1.4
4. Statutory Bodies ...	2.3	2.4	2.4	2.2	3.0	3.0	3.0	2.8	2.9	2.8	3.0	3.7	3.6	1.3
5. Commercial Banks (net) ...	—75.1	—46.7	—79.2	—53.6	—12.5	—56.6	—58.5	—75.0	—77.9	—81.6	—78.6	—75.2	—83.1	—8.0
6. TOTAL FOREIGN EXCHANGE RESERVES (1+2+3+4+5) ...	224.9	109.2	15.4	216.0	307.3	226.4	214.3	118.7	149.3	272.4	186.9	298.2	243.7	18.8
7. BORROWINGS														
a. IMF Purchases* ...	146.4	146.4	146.4	146.4	189.7	189.7	389.7	389.7	389.7	389.7	389.7	589.7	589.7	443.3
b. Euro-Currency Loans** ...	415.7	415.7	415.7	535.7	678.6	678.6	678.6	678.6	678.6	678.6	678.6	678.6	630.3	214.6
c. Foreign Banks Deposits ...	—	—	12.5	131.3	171.9	168.8	15.2	15.2	152.9	159.3	154.1	114.4	—	—
8. FOREIGN EXCHANGE RESERVES NET OF BORROWINGS (6-7) ...	—337.2	—452.9	—559.2	—597.4	—732.9	—810.7	—869.2	—964.8	—1,071.9	—955.2	—1,035.5	—1,084.5	—976.3	—639.1

* (SDR 11 million drawn in June 1977 — Compensatory Financing Facility
 (SDR 7.97 million drawn in January 1979 — First Credit Tranche
 (SDR 20 million drawn in December 1979 — Drawing under Stand-by Arrangement
 (SDR 20 million drawn in May 1980 — Drawing under Stand-by Arrangement

** (US \$ 37 million made in January 1978
 (US \$ 30 million made in June 1979
 (US \$ 20 million made in September 1979
 (US \$ 3.7 million repaid in June, 1980

VII. INTERNATIONAL ECONOMIC DEVELOPMENTS

The world economic situation continued to be characterized by high and accelerating inflation, sluggish growth and large external payments imbalances, reflecting in substantial part the pervasive effects of the sizeable oil price increases during 1979 and first half of 1980. Energy conservation and diversification of energy production have still not advanced to a stage where the impact of oil price increases may significantly be blunted so as to reduce their effects on current account balances, prices and real economic activity.

Inflation worsened in a number of industrial countries in the first half of 1980 as higher oil prices fed into the domestic structure of costs and incomes. Consumer prices in industrial countries were rising at an annual rate of 12.5 per cent by the second quarter of 1980, whereas the increase in consumer prices for 1979 was only 9.1 per cent. The escalation of oil prices also contributed to a reversal of the current account balance of industrial countries from a surplus of US \$ 33 billion in 1978 to a deficit of US \$ 10 billion in 1979. A larger deficit of up to US \$ 50 billion is estimated for 1980. The real growth rate in the GNP of industrial countries dropped to 3½ per cent in 1979 compared with 4 per cent in the preceding year. As recessionary trends in United States set in, growth in the first half of 1980 slowed down further. During 1979, however, most industrial countries witnessed relatively buoyant economic conditions, with major exceptions like the United States and the United Kingdom, which moved towards greater emphasis on restrictive monetary policies to combat inflation. A tightening of domestic monetary policies and a closer monitoring of the growth in monetary aggregates led to an appreciable increase in nominal interest rates, especially in the US, where interest rates demonstrated a marked variability following the change in the operating technique of the Federal Reserve Board to emphasize the control of bank reserves rather than interest rates. As the US recession became more accentuated in the second quarter of 1980, credit demands eased and interest rates came down from their peak levels.

The importance of controlling inflation as a pre-requisite for sustained economic recovery was particularly stressed at the meeting of the IMF Interim Committee held in Hamburg in April, 1980. The conventional emphasis on discretionary fiscal and monetary policies to achieve the desired macro-economic objectives has come under increasing challenge from academicians and policy-makers alike. The management of national economies has become less effective as a result of the anticipatory behaviour of economic agents who have learned to respond in such a way as to counteract policy changes. The reduction of the inflation rate and of inflationary expectations is now regarded as of the utmost priority to establish conditions conducive to growth and employment. Greater attention also needs to be given to the supply side of the economy, to restore saving and investment incentives and to remove all inhibiting fiscal measures affecting productivity and the efficiency of resource-allocation.

The economic performance of non-oil developing countries (NODC's) has been mainly influenced by the intensification of inflation in industrial countries and the higher cost of oil imports. Output in NODC's as a whole rose by 4.7 per cent in 1979 compared with 5.0 per cent in 1978. The experience of different sub-groups among NODC's has been quite uneven. In 1979, major exporters of manufactures such as Hong Kong, Singapore, Korea, Brazil, Argentina and Israel registered a growth rate of 6.3 per cent whereas a group of 39 low-income countries, which includes countries with a per capita GDP of less than US \$ 300 in 1977 and of which India is an important member, did not register any growth. The growth prospects of NODC's have been constrained by the sharply declining purchasing power of export earnings, the high current account deficits in relation to imports, and by difficulties in securing access to external sources of financing. An increase in protectionist measures by developed countries has also hurt the export earnings potential of NODC's. The soaring costs of their oil bills

and the accelerating rise in the prices of manufactured goods imported contributed to a worsening of the current account deficit of NODC's from US \$ 36 billion in 1978 to US \$ 53 billion in 1979. The current account deficit for 1980 is estimated at US \$ 70 billion. The ratio of current account deficits of NODC's to GDP increased from 3.1 per cent in 1978 to 4.0 per cent in 1979. The terms of trade of NODC's deteriorated by 2½ per cent during 1979, although the prices of manufactured goods increased almost in step with the prices of primary commodities.

The financing of balance of payments deficits has proceeded relatively smoothly, but private commercial lending has been available on more cautious and prudential terms in view of the large external debts and debt-service obligations of certain developing countries. In 1979, the outstanding public and publicly-guaranteed debt of NODC's increased to 80.0 per cent of their total exports of goods and services and to 18½ per cent of their GDP. The growing share of private financial institutions, mainly commercial banks, in the volume of external debt of NODC's has important implications for debt-servicing as private loans carry higher interest and shorter maturities than official credits. The debt-service ratio for NODC's as a whole stood at 11 per cent in 1979. The low-income developing countries, which held a debt-service ratio close to 15 per cent in 1979, are not likely to be able to meet their modest investment and growth targets if substantial assistance is not obtained on concessional terms from bilateral or multilateral sources.

CONCLUSION

Major adjustment efforts have been undertaken within the framework of the economic and financial programme to correct the external payments imbalance within a reasonable period of time. The exchange rate change supported by a realistic wage policy and complementary fiscal and monetary action to restrain demand should, in the longer run, lead to export expansion and import substitution on a scale significant enough to reduce our dependence on essential food and oil imports. Appropriate structural policy measures should be addressed to the creation of a more diversified agricultural base, the improvement of agricultural productivity and the development of domestic energy resources.

If balance of payments adjustment is to take place within a context of sustained growth of output and investment, substantial additional foreign finance will have to be mobilised to supplement domestic savings. A higher rate of domestic savings would, in this regard, reduce the growth rate of external debt which nonetheless is expected to remain well within the country's capacity to service. The legitimate concern with economic revival and growth should not, however, detract from the prime objective of the current strategy of wage, fiscal and monetary restraints which is to stabilise the growth in aggregate demand and show an improvement in the balance of payments.

18th February, 1980

The Manager

.....Bank Limited

PORT LOUIS

Dear Sir,

MONETARY POLICY

I outlined to you, at our meeting on the 12th February, the various credit and monetary policy measures which have been decided upon in the wake of the economic and financial programme adopted by the Government under the two-year stand-by arrangement reached with the International Monetary Fund. The need to lay down a viable basis for economic recovery generally and more specifically to rectify our balance of payments will continue to be the main policy objectives and therefore, the degree of restraint which marked the stance of monetary policy in recent years will have to be continued in support of the process of adjustment underlying the economic and financial programme. The purpose of this letter is to set out the credit and monetary policy measures in greater detail for your guidance.

2. In view of the association between excessive credit expansion and the worsening of the external payments position, quantitative targets in respect of credit expansion have been fixed for all banks in consistency with overall demand management policy. Accordingly, each bank will be permitted to increase its lending to the private sector in such a way that the level of credit outstanding at the end of each month to this sector does not exceed the level outstanding at the end of December last year by more than certain fixed percentage points — namely by not more than five per cent in respect of the months of February and March and by not more than eleven per cent in respect of the months of April, May and June this year. The end-December level of credit granted by your banks stood at Rs..... million and taking this level and the percentage increases into account, the monthly ceilings on credit to the private sector by your bank will work out as follows :-

Month	Maximum permissible level of credit (Rs million)
February, 1980
March, 1980
April, 1980
May, 1980
June, 1980

3. It is expected that the growth of credit to the private sector between December, 1979, and June, 1980, as targeted will suffice to meet the legitimate credit requirements of the private sector without causing any unduly expansionary pressures and when extending credit within the targets banks should give special consideration to the priority sectors. Credit targets after June, 1980, will be determined and communicated to the banks eventually and every effort will be made to ensure that as far as possible the credit needs of the private sector would be met.

4. Credit to the private sector will be held to include the five items shown in your monthly statement of Assets and Liabilities, namely Loans and Advances to Customers, Bills Discounted (Local), Bills Receivable, Bills Rediscounted and Investments in the Private Sector. Any infringement of the specified ceiling would be subject to penalties. A bank which exceeds the ceiling will be required to make with the Bank of Mauritius for a period of three months non-interest-bearing deposits equivalent to the amount of the excess over the monthly ceiling. The Bank of Mauritius may also decide at its discretion to increase the penalty to twice the excess over the ceiling and to reduce the ceiling for an ensuing month by the amount of the excess over the ceiling.

5. As I stated at the meeting, the ceiling on credit to traders will continue to be maintained at the same level as last year in view of its direct link with imports and foreign exchange reserves. This ceiling however, will be specified in terms of uniform monthly levels instead of declining monthly cumulative average levels as in previous years and this method, it is hoped, would result in some simplification. Thus, the maximum permissible level of credit that may be granted monthly to traders by your bank in 1980 will stand at Rs.....million, and any infringement of this sub-ceiling will be treated in the manner specified for the infringement of the overall ceiling as described in the preceding paragraph.

6. The use of the discount window was subjected to discretionary approval by the Central Bank in May last in order to minimise central bank credit creation. In view of the projected liquidity needs of the banking system and the realignment of interest rates in October last, it has been decided to remove all constraints on access to the Central Bank's rediscount and advances facilities. Banks, however, are advised to make use of these facilities only in the last resort. As regards the Central Bank's advances, the two-tier structure of interest rates will need to be retained in order to discourage any excessive growth in the lending base of banks. Accordingly, advances to your bank up to the limit of Rs.....million will continue to be made at Bank Rate but advances above this limit will be charged at twice the Bank Rate.

7. I also adverted at our meeting to the need to re-activate the inter-bank market and to provide for its proper functioning. New higher maximum rates have been fixed and these are $9\frac{1}{2}$ per cent per annum for money at call (overnight) and $9\frac{3}{4}$ per cent for money at short notice (2 to 7 days). The rates may be adjusted periodically to reflect market conditions more closely. Transactions on the inter-bank market will, however, be limited to a maximum duration of seven days so as to emphasize their short-term nature. It is hoped that the combination of higher rates with the time-limits on duration will confine this market to its prime functions and obviate any need for the Central Bank to intervene more directly and conduct inter-bank market operations on a centralised basis.

8. No changes have been introduced in the minimum cash reserve ratio and the liquid assets ratio and these will continue to be maintained at twelve and thirty per cent respectively. The liquidity position of the commercial banks as a whole at present exceeds the level under the statutory requirements and it would therefore be inappropriate to reduce the liquid assets ratio at this stage.

9. The banking system has a particularly significant part to play in the successful implementation of the present recovery programme and I am sure that the banks will discharge their responsibility to the full measure. If you have any particular or general issues which you would like to discuss with us we would willingly do so and the Managing Director will gladly provide you with any additional information which you may require on the measures which have been decided upon.

Yours faithfully,

(G. Bunwaree)

General Notice No. 1375 of 1979

BANK RATE

In accordance with Section 14 of the Bank of Mauritius Ordinance (No. 43 of 1966, as subsequently amended), notice is hereby given that the Bank's minimum discount and advances rate has been fixed at $10\frac{1}{2}$ per cent.

General Notice No. 16 of the 11th January, 1978, is hereby cancelled.

Bank of Mauritius

25th October, 1979

I. RAMPHUL

Managing Director

General Notice No. 1376 of 1979

EXCHANGE RATE OF THE RUPEE

It is notified for general information that the exchange rate of the Rupee has been altered from SDR 1 = Rupces 7.713759 (or Rupee 1 = SDR 0.129638) to SDR 1 = Rupees 10 (or Rupee 1 = SDR 0.1). This new rate shall be deemed to have taken effect as from 18.00 hours Tuesday the 23rd October, 1979.

Bank of Mauritius

25th October, 1979

I. RAMPHUL

Managing Director

General Notice No. 1377 of 1979

GOVERNMENT OF MAURITIUS TREASURY BILLS

It is notified for general information that the yield on Government of Mauritius Treasury Bills has been reduced from 10.9 per cent per annum to 9.9 per cent per annum.

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 can readily be encashed before maturity, that is to say an investor in Treasury Bills can redeem his holdings at the Bank of Mauritius at any time.
4. General Notice No. 586 of the 24th April, 1979, is hereby cancelled.

Bank of Mauritius

25th October, 1979

I. RAMPHUL

Managing Director

INTEREST RATES

In accordance with Section 22A of the Bank of Mauritius Ordinance (No. 43 of 1966, as subsequently amended, the Bank of Mauritius has determined the maximum lending rates of interest which banks may impose for specified types of loans, advances or other credits. The Bank has also fixed the minimum rates which banks may pay on deposits.

These maximum and minimum rates are set out below

A. LENDING RATES

	(Per cent per annum) Maximum Rate
1. Prime Rate (applicable to industrial undertakings operating in the Export Processing Zone)	11 $\frac{3}{4}$
2. Export Finance (applicable to bills other than for sugar eligible for rediscount at the Bank of Mauritius)	11 $\frac{1}{4}$
3. Fine Commercial Rate (applicable to the Mauritius Sugar Syndicate, all primary producers — like sugar planters and tea and vegetable planters — and to millers, sugar brokers, industrial undertakings holding a Development Certificate and to Transport)	12 $\frac{1}{2}$
4. Commercial Rate (applicable to traders and small commercial businesses)	17 $\frac{1}{2}$
5. Rates for Development Purposes :	
(a) medium-term (for periods not less than 12 months and not more than 24 months)	14 $\frac{3}{4}$
(b) long-term (for periods exceeding 24 months)	15 $\frac{1}{2}$
6. Personal and Professional and all other accounts	15 $\frac{1}{2}$
7. Credit to the Co-operatives (applicable to funds on-lent out of borrowing from the Bank of Mauritius)	9 $\frac{1}{2}$
8. Housing loans to individuals (up to Rs 100,000)	12

B. DEPOSIT RATES

						(Per cent per annum)
						Minimum Rate
Savings ...	...	...	...	...	...	9
Deposits						
(a) Up to 3 months	...	...	...	...	...	9 $\frac{1}{4}$
(b) Exceeding 3 months and up to 6 months					...	9 $\frac{1}{2}$
(c) Exceeding 6 months and up to 12 months					...	10
(d) Exceeding 12 months and up to 18 months					...	10 $\frac{1}{2}$
(e) Exceeding 18 months and up to 24 months					...	11 $\frac{1}{4}$
(f) Exceeding 24 months and up to 36 months					...	12
(g) Exceeding 36 months		...	...	...	...	No rate fixed

General Notice No. 1291 of the 29th September, 1979 is hereby cancelled.

Bank of Mauritius

25th October, 1979

I. RAMPHUL

Managing Director

General Notice No. 1562 of 1979

INTEREST RATE

With reference to the General Notice No. 1378 of 1979 dated 25th October the Bank of Mauritius has fixed with effect from today the 8th December a maximum rate of 9 $\frac{1}{2}$ % in respect of savings in addition to the minimum rate of 9%. The rate of interest with regard to savings is accordingly amended to read as follows :

	Minimum % per annum	Maximum % per annum
Savings	9%	

Bank of Mauritius

8th December, 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, the Caisse Centrale de Coopération Economique and the Opec Special Fund 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 21 per cent, i.e. twice the Bank Rate of $10\frac{1}{2}$ per cent.

(ii) Special Lines of Credit

The Bank continued to make available to The Mauritius Cooperative Central Bank Limited the Special Line of Credit of Rs 15 million at 4% below Bank Rate.

The State Commercial Bank Limited also made use of the Special Facility granted to them for their advances to the Bus Industry.

During the financial year 1979/80, other Special Lines of credit were granted to some banks, the Sugar Insurance Fund Board and the Post Office Savings Bank to help them tide over temporary liquidity problems, 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 $9\frac{3}{4}$ per cent per annum to $10\frac{3}{4}$ per cent per annum as from the 25th October 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 on two occasions, as shown below :

From Rs 500 million to Rs 600 million as from 10th December 1979

From Rs 600 million to Rs 650 million as from 28th June 1980

The discount rate of Treasury Bills was changed from 10.9 per cent per annum to 9.9 per cent per annum on 25th October 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 on the spot rates 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 Pound 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

Commercial banks were required to maintain liquid assets of not less than 30 per cent of their total deposit liabilities in accordance with Section 17 of the Banking Act (No. 31 of 1971 as amended by Act No. 27 of 1977).

(g) Cash Ratio

Commercial banks were required 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 1979-80, the Bank of Mauritius issued Government Stocks for a total amount of Rs 385,000,000.- as follows :

1. 10% Mauritius Development Loan Stock 1985 ...	Rs 100,000,000.—
2. 10½% Mauritius Development Loan Stock 1989 ...	Rs 85,000,000.—
3. Mauritius Development Loan Variable Interest Rate Stock 1994 (1% above Bank Rate with a minimum rate of 11%)	Rs 100,000,000.—
4. Mauritius Development Loan Variable Interest Rate Stock 1999 (1½% above Bank Rate with a minimum rate of 11½%)	Rs 100,000,000.—
	Rs 385,000,000.—

The Bank of Mauritius also issued to individuals two types of Treasury Certificates namely, 10% (Tax-Free) Seven-Year Treasury Certificate and 16% Seven-Year Treasury Certificate which was subject to tax. The amounts of Treasury Certificates issued during the financial year 1979-80 were as follows :

10% (Tax-Free) Seven-Year Treasury Certificate	...	Rs 2,335,500.-
16% Seven-Year Treasury Certificate ...	...	Rs 664,600.—

During the same financial year, Government Stocks for a total amount of Rs 50,000,000.— were redeemed as follows :

1. 5% Tap Loan Stocks 1979	...	...	Rs 4,400,000.—
2. 5% Tap Loan Stocks 1980	...	...	Rs 600,000.—
3. 6½% Mauritius Development Loan Stock 1979	...	...	Rs 15,000,000.—
4. 6½% Mauritius Development Loan Stock 1979	...	...	Rs 20,000,000.—
5. 6½% Mauritius Development Loan Stock 1980	...	...	Rs 10,000,000.—
			<hr/> Rs 50,000,000.— <hr/>

Exchange Control

With effect from 21st September 1979, the foreign exchange facilities of the equivalent of £ 400 which were granted to residents of Mauritius for personal travel expenditure each calendar year, are now being made available every two calendar years.

2. ADMINISTRATION AND STAFF MATTERS

Administration

The names of the Directors constituting the Board of Directors of the Bank and of Senior Officials are contained in the lists appended to the Report.

Staff Matters

Mr. C. Bunwaree, B.A. (Hons. Econ), formerly Supernumerary Inspector of Banks, was appointed Inspector of Banks with effect from the 1st January, 1980.

The Bank's staff, exclusive of the senior staff, numbered 142 as at the 30th June, 1980.

Training

In furtherance of the Bank's training programme, Mr. S. D. Bikoo, an officer of the Research Department attended the course on Financial Analysis organised by the International Monetary Fund Institute in Washington from the 30th July to the 7th December, 1979.

Visits

In July, 1979, a mission from the International Monetary Fund visited Mauritius. The mission, composed of Messrs. P. Wickham and S. Kimaro, was headed by Mr. R. Bhatia A lady Secretary, Mrs. Gupta, accompanied the mission.

In January, 1980, Mr. R. Bhatia accompanied by Messrs. P. Wickham and D. Khatakte, all from the International Monetary Fund, visited Mauritius.

Again in May, 1980, a mission from the International Monetary Fund came to Mauritius. The mission, composed of Ms. C. Puckatikom, Messrs. R. Radford, P. Wickham and E. Elmhott, was headed by Mr. R. Bhatia. A lady Secretary, Miss L. Snowdon, accompanied the mission.

On each occasion, the mission had discussions with the Governor and Officials of the Bank, various ministries and institutions.

During the year under review, the Governor had the opportunity to receive Mr. Leon Rajaobelina, Governor, Central Bank of the Malagasy Republic, and also Mr. A. D. Ockenden, O.B.E., Governor, Central Bank of Swaziland. Mr. Rajaobelina was accompanied by Miss Emma Radreza and Miss Renée Razafintasalama.

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

Mr. Samuel Nana-Sinkam of the International Monetary Fund and Executive Director for Mauritius; Mr. S. Jaganathan, former Governor of the Reserve Bank of India; Mr. N. Selsey of Thomas de la Rue; Dr. Lubran of the Crown Agents; Mr. J. Palmroth of Manufacturers Hanover Trust, New York; Mr. Franc Kennedy of Equator Bank; Dr. Erich Brogl, Deputy Manager, International Department, Dresdner Bank, A.G.; Mr. H. Ross Chace Jr., Vice President of American Express, London; Ms. M. A. Sullivan and Messrs. F. Cianci and J. Paterson of Manufacturers Hanover Trust; and Mr. Peter Rae of Gulf International Bank.

A number of officials from the World Bank namely Ms. Eap, Mrs. Carr, Messrs. Joshi, Maubouché, Rahim, Kee, Christin, Singh, Barrett, Blay, Gouveia and Lethbridge who were on special assignments to Mauritius also visited the Bank.

Overseas Missions

The Governor went on mission to London in August, 1979, and in April, 1980. Mr. K. C. Khushiram, an officer of the Research Department, accompanied the Governor on the August, 1979, mission.

In September, 1979, the Governor accompanied by Mr. K. C. Khushiram attended the IMF/IBRD meeting held in Belgrade.

The Governor also attended in June, 1980, the Central Bank Governor's meeting and the annual general meeting of the Bank for International Settlements held in London and Basle respectively. He was accompanied by Mr. S. Rochecouste, a Manager at the Secretary's Department.

The Managing Director proceeded to Swaziland in July, 1979, to attend the East African Sub-Regional Committee of the Association of African Central Banks.

In April, 1980, the Managing Director attended the Meeting of the International Monetary Fund Interim Committee held in Hamburg. In the same month the Managing Director went on mission to Rodrigues.

Mr. B. Gujadhur, a Manager of the Banking and Currency Department, attended in May, 1980, a seminar on the Management of Foreign Exchange organised by the African Centre for Monetary Studies in Nairobi.

**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 1980, 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 1980 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 1980, and of the results of its operations for the year then ended.

KEMP CHATTERIS
Chartered Accountants

Date : 17th September 1980.

BANK OF MAURITIUS

BALANCE SHEET AT 30TH JUNE 1980

30.6.79

Rs.				Rs.	Rs.
	CAPITAL				
10,000,000	Authorised and Paid Up	...	...	10,000,000	
23,000,000	GENERAL RESERVE FUND	...	...	23,000,000	
758,795,025	NOTES IN CIRCULATION	...	...	690,147,650	
26,035,342	COIN IN CIRCULATION	...	...	27,398,362	
	DEMAND DEPOSITS				
27,524,199	Government	...	...	28,082,206	
193,739,179	Banks	...	...	229,685,216	
17,359,345	Other	...	...	31,857,850	
					289,625,272
1,500,000	OTHER DEPOSITS	...	...	500,000	
	OTHER LIABILITIES				
41,249,038	Profit payable to Government in accordance with Section 11(2)(c) of the Bank of Mauritius Ordinance 1966			45,035,156	
223,053,241	Others	...	...	708,071,235	
					753,106,391
Rs. 1,322,255,369				Rs. 1,793,777,675	

PROFIT AND

FOR THE YEAR ENDED

—	TRANSFER TO GENERAL RESERVE FUND				
41,249,038	PROFIT PAYABLE TO THE GOVERNMENT OF MAURITIUS — in accordance with Section 11(2)(c) of the Bank of Mauritius Ordinance 1966	...	...	45,035,156	
Rs. 41,249,038				Rs. 45,035,156	

30.6.79

Rs.				Rs.
	EXTERNAL ASSETS			
231,451,382	Balances with Banks	...	...	165,355,725
21,081,046	Treasury Bills	...	...	94,154,749
25,757,912	Eligible Securities (At Valuation)	...	...	27,666,992
9,603,866	I.M.F. Special Drawing Rights	...	...	24,617,350
34,643	Foreign Notes and Coin	...	...	196,180
287,928,849	TOTAL EXTERNAL ASSETS	...	...	311,990,996
422,217,896	GOVERNMENT SECURITIES (At Valuation)	...	...	727,470,026
574,802,100	DISCOUNTS AND ADVANCES...			729,262,412
37,306,524	OTHER ASSETS	...	...	25,054,241
	(sd.) G. BUNWAREE	—	Governor	
	(sd.) I. RAMPHUL	—	Managing Director	
	(sd.) R. TACOURI	—	Chief Manager	
Rs. 1,322,255,369				Rs. 1,793,777,675

LOSS ACCOUNT

30TH JUNE 1980

41,249,038	NET PROFIT — after charging current expenditure, writing down fixed assets and providing for reserves and contingencies	45,035,156
Rs. 41,249,038		Rs. 45,035,156

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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>	1975	1976	1977	1978	1979	1980
1.	Population	...	...	End of Year	856,516	867,885	881,761	909,984	924,179	938,400*
2.	Tourist Arrivals	...	...	Calendar Year	74,597	92,651	102,510	108,322	126,700	114,600
3.	Gross National Product (At Current Prices)	...	...	Rs million	3,107	3,785	4,417	5,011	5,959*	6,450*
4.	GNP per capita	...	...	Rs	3,627	4,357	5,009	5,556	6,483	6,960*
5.	Inflation rate	...	...	Per cent	+ 14.8	+ 13.4	+ 9.2	+ 8.5	+ 14.5	+ 42.0
6.	Overall Balance of Payments	...	...	Rs million	+351	—514	—328	—330	—635	—555
7.	Foreign Exchange Reserves	...	...	Rs million/ End-June	1,143.3	629.6	380.4	272.1	214.3	243.7
8.	Total Imports (c.i.f.)	...	...	Rs million/ Calendar Year	1,995.3	2,398.7	2,950.7	3,076.4	3,634.3	4,723.2
9.	Total Exports (f.o.b.)	...	...		1,838.6	1,769.8	2,041.5	1,987.1	2,432.7	3,293.2
10.	Government Recurrent Revenue...	...	...	Rs million/ Fiscal Year	744.9	1,075.7	1,210.7	1,260.8	1,486.4	1,863.9
11.	Government Recurrent Expenditure	...	...		734.3	1,071.0	1,261.0	1,441.3	1,770.0	2,016.1
12.	Government Capital Expenditure	...	...		258.9	423.4	485.4	645.9	669.3	886.0
13.	External Public Debt	...	...	Rs million/ End-June	241.0	262.5	331.0	802.7	1,565.9	1,635.6
14.	Internal Public Debt	...	...		755.7	945.5	1,064.1	1,154.6	1,600.2	1,591.8
15.	Banking System net claims on Public Sector	...	...	"	391.0	579.2	946.7	1,409.1	1,813.9	2,180.4
16.	Claims on Private Sector	...	...	"	746.0	1,157.2	1,432.6	1,508.1	1,721.6	1,808.8
17.	Currency with Public	...	...	"	438.1	587.9	693.6	824.1	724.9	621.5
18.	Money Supply	...	...	"	993.3	1,098.7	1,219.2	1,449.2	1,426.3	1,371.6
19.	Aggregate Monetary Resources	...	...	"	1,946.7	2,084.0	2,351.6	2,861.5	3,113.7	3,367.3

* 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'nment Stocks	Advances and Discounts	Total	Advances	Commer- cials Bills Redis- counted	Adjustment Items**		
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
1979	5.9	105.4	121.1	25.5	257.9	624.5	558.6	1,183.1	17.5	54.0	8.5	41.9	1,562.9
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	1,125.2
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	1,031.2	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
July	9.6	90.1	22.4	26.8	148.9	464.3	565.1	1,029.4	7.0	21.9	3.9	37.9	1,249.0
August	7.9	58.7	1.3	20.9	88.8	534.8	565.1	1,059.9	18.2	24.7	4.0	26.1	1,261.7
September ...	7.9	178.3	50.8	20.1	257.1	462.5	565.1	1,027.6	28.6	3.3	3.1	25.9	1,345.6
October	10.2	263.6	8.0	24.8	306.6	446.6	565.1	1,011.7	35.2	45.1	6.6	28.4	1,433.6
November ...	6.0	196.3	39.6	25.0	266.9	493.3	565.1	1,058.4	22.1	43.8	7.3	37.2	1,435.7
December ...	5.9	105.4	121.1	25.5	257.9	624.5	558.6	1,183.1	17.5	54.0	8.5	41.9	1,562.9
1980 January ...	33.4	98.6	22.8	26.1	181.0	621.6	525.7	1,147.3	59.6	36.0	65.2	29.4	1,518.5
February ...	20.5	135.1	29.4	26.1	211.3	628.2	633.3	1,261.5	85.8	35.1	8.9	28.8	1,631.4
March	20.5	242.3	51.7	26.0	340.7	592.4	577.1	1,169.5	63.1	22.7	47.1	28.4	1,671.5
April	20.5	198.1	6.4	26.9	252.1	640.7	638.9	1,279.6	—	26.6	62.8	29.1	1,650.2
May	24.6	236.6	70.9	27.4	359.7	730.5	652.7	1,383.2	—	16.9	14.6	31.1	1,805.5
June	24.6	165.4	94.1	27.7	312.0	727.5	667.2	1,394.7	8.0	25.3	28.8	25.0	1,793.8

* Includes Notes and Coin

** These are items in transit representing claims on commercial banks to be cleared on the next working day.

Table 2.1(b) Bank of Mauritius — Liabilities

(Rs million)

End of Period			Capital and Re- serves	RESERVE MONEY							GOVERNMENT DEPOSITS			Current Ac- counts of inter- national Organ- isations & Others	Time Depo- sits of Post Office Savings Banks	Special Draw- ing Rights Counter- part Funds	Other Liabili- ties (1)	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										
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
1979	...	...	33.0	724.9	107.0	187.4	..	17.6	—	1,036.9	2.5	0.6	3.1	157.0	—	9.4	323.5	1,562.9
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
	July	...	33.0	690.3	101.7	169.4	0.2	15.8	—	977.4	2.6	0.1	2.7	1.5	—	9.4	225.0	1,249.0
	August	...	33.0	694.7	99.7	172.9	..	15.1	—	982.4	2.5	0.2	2.7	1.5	—	9.4	232.7	1,261.7
	September	...	33.0	649.3	91.3	190.3	0.1	14.6	—	945.6	2.5	0.2	2.7	1.5	—	9.4	353.4	1,345.6
	October	...	33.0	627.2	101.7	178.7	0.2	19.4	—	927.2	2.7	1.5	4.2	1.5	—	9.4	458.3	1,433.6
	November	...	33.0	628.4	82.6	196.1	0.1	17.0	—	924.2	2.5	0.7	3.2	1.5	—	9.4	464.4	1,435.7
	December	...	33.0	724.9	107.0	187.4	..	17.6	—	1,036.9	2.5	0.6	3.1	157.0	—	9.4	323.5	1,562.9
1980	January	...	33.0	684.2	104.6	180.3	0.1	15.9	—	985.1	2.5	0.3	2.8	1.6	—	13.6	482.4	1,518.5
	February	...	33.0	671.2	107.0	167.1	0.3	15.9	—	961.5	3.1	0.1	3.2	1.6	—	13.6	618.5	1,631.4
	March	...	33.0	647.3	108.8	189.9	0.1	16.0	—	962.1	3.0	0.2	3.2	1.5	—	13.6	658.1	1,671.5
	April	...	33.0	634.1	101.6	202.7	0.1	19.5	—	958.0	3.2	0.3	3.5	1.6	—	13.6	640.5	1,650.2
	May	...	33.0	638.2	99.6	199.9	0.1	20.7	—	958.5	3.1	0.3	3.4	201.6	—	13.6	595.4	1,805.5
	June	...	33.0	621.5	96.0	229.7	0.1	30.2	—	977.5	28.1	—*	28.1	1.6	—	13.6	740.0	1,793.8

(1) Includes Foreign Banks' Short Term Deposits

*Figures for "Para-Statal Bodies" are included in "Other Current Accounts"

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
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
July ...	2.4	3.1	333.9	130.4	21.9	7.0	3.9	32.8
August ...	—	1.2	335.1	199.7	24.7	18.2	4.0	46.9
September ...	9.8	1.7	327.0	135.5	3.3	28.6	3.1	35.0
October ...	1.9	5.1	330.2	116.4	45.1	35.2	6.6	86.9
November ...	0.5	1.2	330.9	162.4	43.8	22.1	7.3	73.2
December ...	18.5	312.1	624.5	—	54.0	17.5	8.5	80.0
1980 January ...	3.1	0.2	621.6	—	36.0	59.6	65.2	160.8
February ...	27.8	0.8	594.6	33.6	35.1	85.8	8.9	129.8
March ...	3.7	11.5	592.4	—	22.7	63.1	47.1	132.9
April ...	6.1	0.3	586.6	54.1	26.6	—	62.8	89.4
May ...	1.2	0.4	585.8	144.8	16.9	—	14.6	31.5
June ...	13.8	1.2	573.2	154.3	25.3	8.0	28.8	62.1

* 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 20	Rs 10	Rs 1	50c.	25c.	10c.	5c.	2c.	1c.	Total*
1977	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
	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
	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
	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
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
	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
	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
	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
	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
	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
	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
	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
	September ...	48,262	233,603	155,406	285,124	722,395	497	650	257	10,908	2,574	3,821	1,328	854	312	190	24,603
	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
	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
	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
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
	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
	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
	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
	May ...	40,632	206,677	172,769	344,985	765,063	496	650	257	11,112	2,646	4,126	1,520	933	315	191	25,927
	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
	July ...	40,525	195,435	171,211	358,074	765,245	496	650	257	11,271	2,690	4,201	1,570	953	315	192	26,277
	August ...	39,924	193,471	171,035	362,874	767,304	496	650	257	11,398	2,744	4,275	1,588	961	316	192	26,559
	September ...	38,139	185,465	157,425	331,935	712,964	495	650	257	11,870	2,823	4,330	1,600	969	316	193	27,188
	October ...	37,105	182,530	154,956	326,351	700,942	495	650	257	12,033	2,837	4,367	1,617	979	316	193	27,429
	November ...	35,742	181,259	151,332	314,447	682,780	495	650	257	12,293	2,871	4,403	1,635	987	316	193	27,786
	December ...	41,859	218,331	183,736	359,109	803,035	495	650	257	12,686	2,924	4,460	1,657	1,000	317	193	28,326
1980	January ...	36,898	193,078	171,990	357,674	759,640	495	650	257	12,964	2,951	4,502	1,678	1,009	317	194	28,704
	February ...	34,989	185,237	166,220	362,479	748,925	495	650	257	12,925	2,994	4,545	1,695	1,019	317	194	28,779
	March ...	33,485	173,499	158,649	361,469	727,102	495	650	257	12,566	3,006	4,576	1,709	1,026	317	194	28,484
	April ...	32,207	163,902	152,143	358,986	707,238	495	650	257	12,015	3,011	4,601	1,724	1,032	318	194	27,986
	May ...	31,290	158,848	150,029	369,364	709,531	495	650	257	11,808	2,984	4,613	1,732	1,036	318	194	27,778
	June ...	29,537	149,520	142,895	367,701	689,653	495	650	257	11,512	2,934	4,565	1,741	1,040	319	194	27,398

71 * 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)

As at End of Month	Advances at Bank Rate*	Advances at twice the Bank Rate	Bills Rediscounted**	Co-operative Credit***	Advances against Government Securities (Sugar Facility)	Special Advances against Government Securities	Reconstruction Programme for ailing EPZ Units	Special Line of Credit to Bus Industry	Total Credit
1977									
March ...	9.3	0.4	32.3	—	17.0	—	—	—	59.0
June ...	7.2	—	11.0	5.0	7.8	—	—	—	31.0
September ...	5.4	1.8	23.4	3.0	—	2.2	—	—	35.8
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
July ...	5.0	2.0	21.9	—	—	—	—	—	28.9
August ...	5.0	4.6	24.7	8.0	—	—	0.6	—	42.9
September ...	2.5	1.6	3.2	11.0	—	—	0.6	12.9	31.8
October ...	7.0	8.6	45.3	10.0	—	—	0.6	—	80.5 †
November ...	6.4	8.1	43.9	2.0	—	—	0.6	5.0	66.0
December ...	6.0	7.0	54.2	—	—	—	0.6	3.9	71.7
1980									
January ...	5.4	39.2	36.0	15.0	—	—	—	—	95.6
February ...	7.5	9.5	35.1	15.0	—	—	0.6	3.2	120.9 †
March ...	6.4	6.5	22.7	15.0	—	—	0.6	11.6	85.8 †
April ...	—	—	26.6	—	—	—	—	—	26.6
May ...	—	—	16.9	—	—	—	—	—	16.9
June ...	5.0	3.0	25.3	—	—	—	—	—	33.3

* 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 and to 10.5 per cent in October 1979.

** Rediscount Rate : $6\frac{1}{2}$ per cent until March 1977 when it was raised to $7\frac{1}{4}$ per cent; it was further increased to $9\frac{1}{4}$ per cent in January 1978 and to $10\frac{1}{2}$ per cent in October 1979.

*** 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.

Table 2.5(a). Commercial Banks — Assets

(Rs million)

End of Period		Reserves		Foreign Assets			Claims on Govt.			Claims on Private Sector					Other Assets	Total Assets	Acceptances on account of Customers	Docu- mentary Credi- ts	Gua- rantees	
		Cash in hand	Bal- ances with Bank of Mauritius	Bal- ances with banks abroad	Fo- reign Bills Dis- counted	Fo- reign Notes and Coins	Total 1	Trea- sury Bills	Govt. Secu- rities	Total	Local Bills Dis- counted	Bills Recei- vable	Loans & Advan- ces to Public Bodies	Other Loans & Ad- vances 2						Total 3
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	1,414.3	1,580.2	212.1	2,515.5	79.6	413.6	313.6
1979	...	107.0	187.4	36.8	19.8	6.9	63.6	136.0	397.3	533.3	53.0	79.6	48.8	1,578.2	1,825.3	260.7	2,977.3	210.5	431.9	426.4
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	1,283.1	1,441.1	146.7	2,320.9	66.0	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	1,273.3	1,443.8	135.0	2,348.8	93.5	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	1,296.4	1,465.2	159.0	2,316.1	69.8	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	1,273.2	1,442.7	157.6	2,355.7	70.4	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	1,414.3	1,580.2	212.1	2,515.5	66.2	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	1,420.8	1,589.0	150.1	2,525.8	69.5	439.7	321.1
	February	103.3	153.5	20.2	15.3	4.3	39.9	65.7	383.6	449.3	36.6	66.1	37.0	1,508.4	1,679.1	153.5	2,578.6	65.7	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	1,515.6	1,687.1	150.2	2,621.6	68.2	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	1,492.1	1,672.5	166.6	2,616.4	69.9	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	1,506.8	1,671.4	169.3	2,666.4	67.3	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	1,529.4	1,702.3	186.6	2,769.3	65.6	381.9	339.4
	July	101.7	169.4	24.4	30.6	3.6	58.6	103.6	401.0	504.6	54.9	60.2	25.9	1,515.6	1,690.2	172.4	2,696.9	58.0	445.4	333.0
	August	99.7	172.9	29.9	24.7	4.7	59.4	93.8	401.0	494.8	49.8	62.5	28.6	1,544.8	1,722.1	199.4	2,748.3	63.2	442.8	341.2
	September	91.3	190.3	19.7	23.1	4.3	47.2	100.2	401.0	501.2	79.1	61.7	28.8	1,539.9	1,724.5	180.8	2,735.3	81.2	459.0	347.1
	October	101.7	178.7	59.9	22.4	4.8	87.2	63.9	395.0	458.9	52.5	67.1	26.3	1,531.9	1,734.6	230.8	2,791.9	132.2	537.3	378.8
	November	82.6	196.1	29.2	19.4	5.5	54.2	144.5	395.3	539.8	57.0	69.9	40.9	1,507.1	1,730.4	227.9	2,831.0	102.2	489.8	404.1
	December	107.0	187.4	36.8	19.8	6.9	63.6	136.0	397.3	533.3	53.0	79.6	48.8	1,578.2	1,825.3	260.7	2,977.3	182.5	431.9	426.4
1980	January	104.6	180.3	36.9	13.3	7.0	57.3	150.0	397.3	547.3	43.4	83.6	55.4	1,697.4	1,927.5	208.5	3,025.5	177.7	427.9	452.6
	February	107.0	167.1	30.9	22.6	5.7	59.3	75.1	422.5	497.6	42.1	75.9	54.5	1,687.4	1,906.7	222.5	2,960.2	116.4	456.7	529.7
	March	108.8	189.9	36.9	22.8	5.8	65.6	84.1	422.5	506.6	58.3	82.8	59.3	1,700.5	1,935.3	234.4	3,040.6	186.8	463.2	539.8
	April	101.6	202.7	27.7	32.6	6.2	66.6	133.9	422.5	556.4	54.1	69.5	54.0	1,616.0	1,831.9	223.8	2,983.0	189.5	516.4	556.3
	May	99.6	199.9	28.7	33.7	6.2	68.7	144.5	422.5	567.0	96.5	72.2	48.2	1,638.7	1,879.2	236.0	3,050.4	135.2	583.4	576.5
	June	96.0	229.7	27.9	55.9	6.1	90.0	253.1	422.0	675.1	83.1	73.8	40.8	1,732.2	1,966.9	355.4	3,413.1	203.3	629.0	583.7

1. Includes Foreign Securities.

2. Includes Advances to Government and foreign currency loan to Government.

3. 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 Banks of M ⁷ 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 ⁷ tius	Banks Abroad						
1976 ...	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
1977 ...	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
1978 ...	154.7	615.5	650.1	759.9	2,025.5	4.5	31.7	1.7	91.3	9.6	196.5	2,515.5	79.6	413.6	313.6
1979 ...	166.8	683.8	800.9	886.5	2,371.2	3.1	17.5	2.5	122.1	13.6	280.5	2,977.3	210.5	431.9	426.4
1977 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
1978 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	97.4	10.5	208.2	2,320.9	66.0	410.9	271.2
September	150.7	553.2	610.1	706.5	1,869.8	4.9	16.5	2.4	101.8	15.5	187.2	2,348.8	93.5	412.9	270.9
October	150.8	523.6	617.9	711.2	1,852.7	3.2	9.5	2.3	94.3	8.2	195.1	2,316.1	69.8	406.3	284.5
November	151.7	536.9	651.7	721.1	1,909.7	2.9	5.0	1.9	89.9	8.3	186.3	2,355.7	70.4	379.3	296.0
December	154.7	615.5	650.1	759.9	2,025.5	4.5	31.7	1.7	91.3	9.6	196.5	2,515.5	66.2	413.6	313.6
1979 January	154.8	568.2	681.7	804.8	2,054.7	3.7	22.7	2.3	89.5	12.6	185.5	2,525.8	69.5	439.7	321.1
February	156.0	564.3	700.4	832.1	2,096.8	3.7	20.0	3.3	86.8	8.3	203.7	2,578.6	65.7	431.6	289.0
March	155.9	570.8	700.7	842.6	2,114.1	4.5	35.3	3.4	97.5	10.3	200.6	2,621.6	68.2	437.4	298.1
April	159.5	556.9	727.1	841.7	2,125.7	3.7	26.9	3.1	94.6	8.4	194.5	2,616.4	69.9	448.3	300.5
May	159.7	573.8	727.9	838.9	2,140.6	4.1	10.0	2.9	123.7	24.9	200.5	2,666.4	67.3	452.4	329.5
June	162.5	631.0	757.1	842.1	2,230.2	7.0	6.8	3.6	131.6	14.2	213.4	2,769.3	65.6	381.9	339.4
July	162.7	581.4	747.3	854.2	2,182.9	1.5	7.0	2.9	105.3	9.9	224.7	2,696.9	58.0	445.4	333.0
August	163.4	569.4	754.6	851.0	2,175.0	1.7	18.2	2.0	138.6	11.0	238.4	2,748.3	63.2	442.8	341.2
September	163.8	581.9	748.6	878.7	2,209.2	1.3	28.6	2.0	100.8	14.8	214.8	2,735.3	81.2	459.0	347.1
October	164.8	578.0	754.7	857.5	2,190.2	1.0	35.2	1.4	99.7	12.9	286.7	2,791.9	132.2	537.3	378.8
November	164.8	590.9	781.8	857.9	2,230.6	2.3	22.1	2.7	110.8	17.7	280.0	2,831.0	102.2	489.8	404.1
December	166.8	683.8	800.9	886.5	2,371.2	3.1	17.5	2.5	122.1	13.6	280.5	2,977.3	182.5	431.9	426.4
1980 January	166.9	635.8	817.5	921.5	2,374.8	2.9	59.6	2.7	132.3	20.4	265.9	3,025.5	177.7	427.9	452.6
February	165.3	551.5	821.3	931.5	2,304.3	2.1	85.8	1.1	137.2	11.2	253.2	2,960.2	116.4	456.7	529.7
March	165.4	615.0	834.2	947.7	2,396.9	8.3	63.1	1.0	147.2	10.7	248.0	3,040.6	186.8	463.2	539.8
April	165.4	571.7	870.9	953.0	2,395.6	9.9	—	1.2	145.2	12.1	253.6	2,983.0	189.5	516.4	556.3
May	191.1	603.4	885.4	949.5	2,438.3	13.7	—	1.0	143.9	12.3	250.1	3,050.4	135.2	583.4	576.5
June	195.2	719.8	1,030.0	965.7	2,715.5	19.4	8.0	1.0	173.1	14.7	286.2	3,413.1	203.3	629.0	583.7

* 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>							
	1973	1974	1975	1976	1977	1978	1979	1980
1. Sugar ...	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)	46,881 (7.5)
2. Other Agriculture ...	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)	2,288 (0.4)
3. Other Industries and Manufacturers ...	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)	32,554 (5.2)
4. Public Utilities...	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)	15,389 (2.5)
5. Business and Trade ...	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)	81,707 (13.1)
6. Financial Institutions ...	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)	143,909 (23.1)
7. Government* ...	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)	27,867 (4.5)
8. Personal and Professional ...	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)	272,637 (43.7)
TOTAL ...	187,113	275,686	374,269	489,557	500,499	528,994	575,062	623,232

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						
	1974	1975	1976	1977	1978	1979	1980
1. Sugar ...	16,611 (8.8)	115,918 (27.3)	249,134 (36.5)	29,497 (6.4)	28,990 (5.2)	24,970 (3.6)	23,101 (2.8)
2. Other Agriculture ...	1,281 (0.7)	2,200 (0.5)	2,980 (0.4)	6,778 (1.5)	91,696 (16.6)	7,783 (1.1)	1,815 (0.2)
3. Other Industries and Manufacturers	875 (0.5)	3,516 (0.8)	6,397 (0.9)	8,173 (1.8)	10,869 (2.0)	4,294 (0.6)	10,612 (1.3)
4. Public Utilities ...	3,124 (1.7)	5,806 (1.4)	1,801 (0.3)	13,583 (3.0)	19,006 (3.4)	7,246 (1.0)	1,849 (0.2)
5. Business and Trade ...	2,060 (1.1)	2,160 (0.5)	5,809 (0.9)	10,860 (2.4)	11,268 (2.0)	11,430 (1.6)	12,208 (1.4)
6. Financial Institutions ...	23,105 (12.3)	61,295 (14.4)	72,665 (10.6)	76,677 (16.8)	73,051 (13.2)	214,021 (30.5)	76,630 (9.2)
7. Government*	56,930 (30.4)	120,816 (28.4)	95,748 (14.0)	112,096 (0.2)	79,577 (14.4)	64,203 (9.2)	225,859 (27.1)
8. Professional and Personal	83,389 (44.5)	113,698 (26.7)	248,157 (36.4)	199,570 (43.6)	239,404 (43.2)	366,909 (52.4)	482,154 (57.8)
TOTAL ...	187,375	425,409	682,691	457,234	553,861	700,856	834,228

* 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						
	1974	1975	1976	1977	1978	1979	1980
1. Personal ...	177,414 (96.3)	271,378 (94.7)	416,498 (96.8)	538,754 (95.5)	643,759 (95.6)	803,694 (95.4)	897,486 (94.7)
2. Professional ...	1,465 (0.4)	1,397 (0.4)	1,303 (0.3)	2,137 (0.4)	4,146 (0.6)	3,217 (0.4)	11,494 (1.2)
3. Other ...	5,368 (2.9)	13,917 (4.9)	12,343 (2.9)	23,320 (4.1)	25,411 (3.8)	35,645 (4.2)	38,730 (4.1)
TOTAL ...	184,247	286,692	430,144	564,211	673,316	842,556	947,710

Figures in brackets are percentages to the total.

Table 2.7 Maturity Pattern of Time Deposits of Commercial Banks : 1979/1980

(Rs million)

Duration	Personal Individual Deposits		Institutional Deposits		Total	
	Dec. 79	Mar. 80	Dec. 79	Mar. 80	Dec. 79	Mar. 80
Up to 3 months ...	58.1	50.9	62.0	90.4	120.1	141.3
Exceeding 3 months and up to 6 months ...	28.4	30.9	9.6	14.3	38.0	45.2
Exceeding 6 months and up to 12 months ...	51.1	61.0	49.9	60.1	101.0	121.1
Exceeding 12 months and up to 18 months ...	64.4	65.4	67.3	73.6	131.7	139.0
Exceeding 18 months and up to 24 months ...	19.5	19.1	9.5	14.3	29.0	33.4
Exceeding 24 months and up to 36 months ...	55.5	57.1	8.9	4.9	64.4	62.0
Exceeding 36 months and up to 48 months ...	189.3	177.7	64.0	51.4	253.3	229.1
Exceeding 48 months ...	62.2	61.7	1.2	1.4	63.4	63.1
TOTAL	528.5	523.8	272.4	310.4	800.9	834.2

Table 2.8 Value Range of Deposits : March, 1980

	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	37,881	127,732 (20.5)	328,940	601,683 (63.5)	25,033	213,144 (25.5)
2. Over Rs. 25,000 and up to Rs. 50,000 ...	1,544	54,556 (8.8)	6,446	161,860 (17.1)	3,282	119,157 (14.3)
3. Over Rs. 50,000 and up to Rs. 100,000 ...	894	62,552 (10.0)	1,651	97,094 (10.3)	1,319	110,676 (13.3)
4. Over Rs. 100,000 and up to Rs. 500,000 ...	722	147,691 (23.7)	457	71,343 (7.5)	691	155,296 (18.6)
5. Over Rs. 500,000 and up to Rs. 1,000,000 ...	121	60,326 (9.7)	17	10,796 (1.1)	65	53,970 (6.5)
6. Over Rs. 1,000,000	33	170,375 (27.3)	2	4,934 (0.5)	55	181,985 (21.8)
TOTAL	41,195	623,232	337,513	947,710	30,445	834,228

Figures in brackets are percentages to total.

Table 2.9 (a) : Sectoral Distribution of Commercial Banks' Credit to the Private Sector : July, 1979 — June, 1980 (Rs. million)

	1979						1980					
	July.	August	Sept.	October	Nov.	Dec.	Jan.	Feb.	March	April	May	June
1. Mauritius Sugar Syndicate ...	. . (. .)	16.5 (1.0)	29.4 (1.8)	25.2 (1.5)	0.5 (. .)	0.4 (. .)	. . (. .)	15.6 (0.9)	41.4 (2.3)	13.1 (0.8)	41.2 (2.4)	2.0 (0.1)
2. Sugar Industry ...	331.5 (20.7)	325.6 (20.3)	325.0 (19.8)	308.3 (18.7)	299.2 (18.3)	328.0 (19.1)	374.0 (20.7)	381.4 (21.4)	376.2 (20.9)	297.5 (17.6)	271.9 (15.6)	330.0 (18.2)
3. Other Agricultural Interests ...	59.5 (3.7)	58.9 (3.7)	56.1 (3.4)	53.2 (3.2)	46.9 (2.9)	49.3 (2.9)	48.8 (2.7)	53.3 (3.0)	49.2 (2.8)	51.0 (3.0)	53.1 (3.0)	54.3 (3.0)
4. Export Processing Zone ...	335.6 (20.9)	328.9 (20.5)	329.3 (20.1)	330.1 (20.0)	335.1 (20.5)	344.6 (20.0)	322.9 (17.8)	329.3 (18.5)	333.2 (18.5)	337.2 (19.9)	358.4 (20.6)	369.9 (20.5)
5. Development Certificate Industries ...	191.5 (11.9)	196.1 (12.2)	211.5 (12.9)	205.9 (12.5)	197.9 (12.1)	225.8 (13.1)	225.4 (12.4)	217.1 (12.2)	217.4 (12.1)	199.2 (11.8)	208.6 (12.0)	217.9 (12.0)
6. Other Industries and Manufacturers ...	169.0 (10.5)	163.3 (10.2)	155.5 (9.5)	166.8 (10.1)	177.2 (10.8)	182.6 (10.6)	200.4 (11.1)	193.3 (10.9)	199.4 (11.1)	218.4 (12.9)	232.7 (13.3)	243.0 (13.4)
7. Investment in Private Sector ...	11.7 (0.7)	11.7 (0.7)	11.7 (0.7)	11.7 (0.7)	11.7 (0.7)	11.7 (0.7)	11.7 (0.6)	11.7 (0.7)	11.7 (0.7)	11.7 (0.7)	11.7 (0.7)	11.7 (0.7)
8. Traders ...	218.0 (13.6)	212.7 (13.2)	216.4 (13.2)	226.7 (13.8)	226.0 (13.8)	228.9 (13.3)	251.0 (13.9)	231.3 (13.0)	219.9 (12.2)	214.2 (12.6)	213.9 (12.3)	221.0 (12.2)
9. Transport ...	60.0 (3.8)	61.3 (3.8)	60.3 (3.7)	61.5 (3.7)	62.9 (3.9)	66.8 (3.9)	64.7 (3.6)	39.9 (2.2)	38.5 (2.2)	32.0 (1.9)	31.3 (1.8)	33.2 (1.8)
10. Housing ...	61.5 (3.8)	62.3 (3.9)	62.6 (3.8)	67.6 (4.1)	66.8 (4.1)	64.9 (3.8)	68.7 (3.8)	68.4 (3.8)	66.7 (3.7)	68.4 (4.0)	68.3 (3.9)	72.2 (4.0)
11. Hotels ...	2.5 (0.2)	2.3 (0.1)	2.4 (0.1)	3.0 (0.2)	3.3 (0.2)	3.4 (0.2)	3.2 (0.2)	3.1 (0.2)	3.3 (0.2)	3.7 (0.2)	4.0 (0.2)	5.2 (0.3)
12. Stock Brokers ...	0.4 (. .)	0.4 (. .)	2.5 (0.2)	2.5 (0.2)	2.5 (0.2)	2.5 (0.1)	2.4 (0.1)	2.3 (0.1)	2.3 (0.1)	2.5 (0.2)	2.4 (0.1)	2.4 (0.1)
13. Personal and Professional ...	100.3 (6.3)	103.0 (6.4)	105.9 (6.5)	115.1 (7.0)	121.3 (7.4)	119.6 (6.9)	131.2 (7.2)	130.9 (7.4)	128.0 (7.1)	139.1 (8.2)	143.1 (8.2)	145.7 (8.1)
14. Statutory and Para-Statal Bodies ...	25.9 (1.6)	29.2 (1.8)	29.3 (1.8)	26.8 (1.6)	41.3 (2.5)	49.2 (2.9)	55.8 (3.1)	54.8 (3.1)	59.7 (3.3)	54.3 (3.2)	48.5 (2.8)	41.0 (2.3)
15. Financial Institutions ...	5.3 (0.3)	5.2 (0.3)	5.0 (0.3)	5.5 (0.3)	5.3 (0.3)	5.6 (0.3)	5.4 (0.3)	6.1 (0.3)	5.7 (0.3)	5.2 (0.3)	6.1 (0.3)	7.3 (0.4)
16. Other Customers ...	32.0 (2.0)	30.9 (1.9)	36.0 (2.2)	39.0 (2.4)	38.2 (2.3)	38.3 (2.2)	45.6 (2.5)	41.8 (2.3)	45.3 (2.5)	46.5 (2.7)	48.3 (2.8)	52.0 (2.9)
TOTAL ...	1,604.7	1,608.3	1,638.9	1,648.9	1,636.1	1,721.6	1,811.2	1,780.3	1,797.9	1,694.0	1,743.5	1,808.8

Figures in brackets are percentages to total.

Table 2.9(b). Value Range of Advances and Bills Discounted :

March, 1980

	<i>No. of Advances</i>	<i>Value of Advances (Rs mn)</i>	<i>No. of Bills</i>	<i>Face Value of Bills (Rs mn)</i>
Up to Rs 10,000	10,650	31.0 (1.9)	3,756	11.0 (13.6)
Over Rs 10,000 and up to Rs 100,000 ...	5,092	171.3 (10.6)	665	20.5 (25.3)
Over Rs 100,000 and up to Rs 1,000,000 ...	1,440	395.1 (24.3)	134	33.3 (41.0)
Over Rs 1,000,000	297	1,025.0 (63.2)	7	16.3 (20.1)
TOTAL	17,479	1,622.4	4,562	81.1

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	December ...	173,371	815,569	25	6,935	32,623
1976	March ...	166,511	534,053	24	6,938	22,252
	June ...	145,889	559,203	26	5,611	21,508
	September ...	146,896	566,761	25	5,876	22,670
	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
	July ...	202,113	942,179	26	7,774	36,238
	August ...	167,734	761,022	24	6,989	31,709
	September ...	178,703	953,748	25	7,148	38,150
	October ...	195,206	1,118,645	24	8,134	46,610
	November ...	182,253	1,060,466	25	7,290	42,419
	December ...	185,925	1,330,040	24	7,747	55,418
1980	January ...	174,733	1,060,674	24	7,281	44,195
	February ...	167,562	1,048,979	22	7,616	47,681
	March ...	166,576	1,091,106	24	6,941	45,463
	April ...	191,627	1,099,503	25	7,665	43,980
	May ...	196,280	1,159,693	26	7,549	44,604
	June ...	186,851	1,164,477	25	7,474	46,579

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
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	301.4
	August ...	...	178.2	98.07	7.9	319.6	160.0
	September ...	...	220.6	98.07	7.9	183.3	197.3
	October ...	...	104.8	98.07	7.9	177.6	124.5
	November ...	...	223.8	98.07	7.9	170.3	178.0
	December ...	...	251.6	98.07	7.9	256.0	173.6
1979	January ...	...	229.4	98.07	7.9	234.0	169.0
	February ...	...	157.9	98.07	7.9	146.4	180.5
	March ...	...	268.1	97.83	8.9	289.9	158.7
	April ...	...	474.5	97.36	10.9	386.5	246.7
	May ...	...	301.5	97.36	10.9	206.7	341.5
	June ...	...	333.8	97.36	10.9	368.5	306.8
	July ...	...	258.3	97.36	10.9	235.7	329.4
	August ...	...	210.6	97.36	10.9	132.0	408.0
	September ...	...	272.3	97.36	10.9	317.0	363.3
	October ...	...	210.0	97.60	9.9	256.4	316.9
	November ...	...	335.2	97.60	9.9	204.4	447.7
	December ...	...	507.7	97.60	9.9	732.3	223.1
1980	January ...	...	334.6	97.60	9.9	294.5	263.2
	February ...	...	175.5	97.60	9.9	199.2	239.5
	March ...	...	288.9	97.60	9.9	296.9	231.5
	April ...	...	329.7	97.60	9.9	234.3	326.9
	May ...	...	334.1	97.60	9.9	224.5	436.5
	June ...	...	516.8	97.60	9.9	381.7	571.6

Note : The amount of Treasury Bills issuable was subject to ceilings as follows :—

15th January, 1976 : Rs 325 million

17th September, 1979 : Rs 500 million

25th May, 1978, : Rs 400 million

11th December, 1979 : Rs 600 million

19th June, 1979, : Rs 425 million

28th June, 1980 : Rs 650 million

Table 2.12 Monetary Survey

(Rs. million)

End of Period				Foreign Assets (net)	Domestic Credit			Total Assets	Money			Total Money Supply	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		Time Deposits		Com- mercial Banks' Savings Deposits	Total		
										Bank of Mtius	Com- mercial banks		Bank of Mtius	Com- mercial Banks				
1977	...	...	...	374.6	1,027.2	1,352.1	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
1979	...	...	...	184.2	1,813.9	1,721.6	3,535.5	3,734.9	724.9	17.6	683.8	1,426.3	—	800.9	886.5	1,687.4	3,113.7	621.2
1977	—	March	...	439.9	619.3	1,293.1	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	747.7	1,283.7	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	863.6	1,290.5	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	1,027.2	1,352.1	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	870.3	1,314.8	2,185.1	2,815.8	654.8	0.7	535.0	1,190.5	4.9	549.5	654.6	1,209.0	2,399.5	416.3
		February	...	630.6	894.2	1,316.6	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	469.3
		March	...	624.3	896.5	1,296.4	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	924.1	1,291.6	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	1,011.1	1,260.9	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	1,109.1	1,316.0	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	1,058.2	1,354.1	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
		July ...	...	102.2	1,615.4	1,604.6	3,220.0	3,322.2	690.3	16.0	581.4	1,287.7	—	747.3	854.2	1,601.5	2,889.2	433.0
		August	...	—2.9	1,704.1	1,608.3	3,312.4	3,309.5	694.7	15.1	569.4	1,279.2	—	754.6	851.0	1,605.6	2,884.8	424.7
		October	...	72.2	1,610.4	1,638.9	3,249.3	3,321.5	649.3	14.7	581.9	1,245.9	—	748.6	878.7	1,627.3	2,873.2	448.3
		September	...	122.1	1,551.2	1,648.8	3,200.0	3,322.1	627.2	19.6	578.0	1,224.8	—	754.7	857.5	1,612.2	2,837.0	485.1
		November	...	41.5	1,686.9	1,636.2	3,323.1	3,364.6	628.4	17.1	590.9	1,236.4	—	781.8	857.9	1,639.7	2,876.1	488.5
		December	...	184.2	1,813.9	1,721.6	3,535.5	3,719.7	724.9	17.6	683.8	1,426.3	—	800.9	886.5	1,687.4	3,113.7	606.0
1980	—	January	...	90.8	1,805.2	1,811.2	3,616.4	3,707.2	684.2	16.0	635.8	1,336.0	—	817.5	921.5	1,739.0	3,075.0	632.2
		February	...	—19.5	1,880.1	1,780.3	3,660.4	3,640.9	671.2	16.2	551.5	1,238.9	—	821.3	931.5	1,752.8	2,991.7	649.2
		March	...	99.8	1,802.0	1,797.9	3,599.9	3,699.7	647.3	16.1	615.0	1,278.4	—	834.2	947.7	1,781.9	3,060.3	639.4
		April	...	19.4	1,960.5	1,694.0	3,654.5	3,673.9	634.1	19.6	571.7	1,225.4	—	870.9	953.0	1,823.9	3,049.3	624.6
		May	...	170.1	2,068.8	1,743.5	3,812.3	3,982.4	638.2	20.8	603.4	1,262.4	—	885.4	949.5	1,834.9	3,097.3	885.1
		June	...	228.9	2,180.4	1,808.8	3,989.2	4,218.1	621.5	30.3	719.8	1,371.6	—	1,030.0	965.7	1,995.7	3,367.3	850.8

* 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>
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
July ...	690.3	597.4	1,601.5	1,287.7	2,889.2
August ...	694.7	584.5	1,605.6	1,279.2	2,884.8
September ...	649.3	596.6	1,627.3	1,245.9	2,873.2
October ...	627.2	597.6	1,612.2	1,224.8	2,837.0
November ...	628.4	608.0	1,639.7	1,236.4	2,876.1
December ...	724.9	701.4	1,687.4	1,426.3	3,113.7
1980 — January ...	684.2	651.8	1,739.0	1,336.0	3,075.0
February ...	671.2	567.7	1,752.8	1,238.9	2,991.7
March ...	647.3	631.1	1,781.9	1,278.4	3,060.3
April ...	634.1	591.3	1,823.9	1,225.4	3,049.3
May ...	638.2	624.2	1,834.9	1,262.4	3,097.3
June ...	621.5	750.1	1,995.7	1,371.6	3,367.3

* Net of cash held by commercial banks.

Table 2.14 Principal Interest Rates in Mauritius

(Per cent per annum)

	June 1976	June 197	June 1978	June 1979	June 1980
I. LENDING					
1. Bank of Mauritius					
(i) Bank Rate	6	7	9	9	10½
(ii) Rediscount Facilities	6½	7½	9½	9½	10½
2. Commercial Banks					
(i) Prime Rate*	7	8	10	10½	11½
(ii) Export Finance**	Sugar : 6½-6½ Others: 6½	7½	10½	10½	11½
(iii) Fine Commercial Rate***	7½	8½	10½	10½	12½
(iv) Commercial Rate (applicable to traders and small com- mercial business)	9	10	13	16	17½
(v) Rates for Development Purposes					
(a) medium-term (for periods not less than 12 months and not more than 24 months)	8½	9½	11½	13½	14½
(b) long term (for periods exceeding 24 months)	9	10	12	14	15½
(vi) Personal and professional and all other accounts	9	10	12	14	15½
3. Mauritius Cooperative Central Bank****					
(i) Crop Loan (short term)	6	6	7	8	9½
(ii) Credit Union, Coop. Societies	7½	7½	9½-12	10-16	10½-17½
(iii) Medium Term Loan	8	8½	11	14	14
(iv) Housing Societies	8½	8½	8½ (1) 10½ (2)	8½ (1) 10½ (2)	8½ (1) 12 (2)
II. DEPOSITS					
1. Savings	4	4½	6½	7½	9+
2. Fixed Deposits					
(i) Up to 3 months	4½	4½	6½	7½	9½
(ii) Exceeding 3 months and up to 6 months	4½	5	7	8	9½
(iii) Exceeding 6 months and up to 12 months	5½	6	7½	8½	10
(iv) Exceeding 12 months and up to 18 months	6½	7	8½	9	10½
(v) Exceeding 18 months and up to 24 months	7	7½	9½	9½	11½
(vi) Exceeding 24 months and up to 36 months	7½	8½	10½	10½	12
(vii) Exceeding 36 months and up to 48 months	7½	8½	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 35,000	8	8	9	10½	12-14
(ii) Over Rs 35,000	8½	8½	10	12	14

Notes :— (as from 25th October, 1979)

* applicable to most favoured customers like the industrial undertakings operating in the Export Processing Zone..

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

*** applicable to the Mauritius Sugar Syndicate and to all primary producers — like sugar planters, tea and vegetable planters, to millers, sugar brokers, and industrial undertaking holding a Development Certificate and to Transport.

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

+ Maximum rate 9½ per cent.

× No maximum rate fixed.

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

Table 3.1(a) Government Recurrent Budget

(Rs million)

	1976 - 77	1977 - 78	1978 - 79	1979 - 80	1980 - 81
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Budget Estimates</i>
REVENUE :					
Direct Taxes ...	437.3	349.9	391.2	367.1	414.0
Income Tax ...	(376.4)	(283.4)	(311.1)	(277.2)	(314.0)
Succession Duties ...	(8.8)	(6.4)	(7.6)	(7.3)	(8.0)
Contribution to Social Security ...	(7.0)	(9.0)	(10.2)	(11.6)	(12.5)
Other ...	(45.1)	(51.1)	(62.3)	(71.0)	(79.5)
Indirect Taxes ...	643.9	767.1	880.9	1245.0	1459.1
of which : Import duties ...	(349.1)	(412.7)	(465.0)	(613.3)	(760.0)
Export duties ...	(124.9)	(139.8)	(145.2)	(287.3)	(290.0)
Excise duties ...	(104.8)	(134.7)	(169.7)	(198.1)	(232.2)
Other ...	(65.1)	(79.9)	(101.0)	(146.3)	(176.9)
Receipt from public utilities ...	47.1	43.8	60.5	76.9	93.3
Receipt from public services ...	24.2	38.6	50.9	70.6	71.8
Rental of public property ...	3.5	3.5	3.9	4.8	4.4
Other ...	54.7	57.9	99.0	99.5	157.5
TOTAL ...	1210.7	1260.8	1486.4	1863.9	2200.1
EXPENDITURE :					
General Administration ...	218.0	267.8	310.5	327.7	374.4
of which : Defence and Police ...	(63.8)	(68.1)	(123.7)	(116.6)	(130.0)
Economic Services ...	318.3	278.4	372.4	357.3	431.8
Agriculture, Forestry and Fisheries ...	(35.1)	(46.3)	(52.8)	(53.1)	(60.1)
Transport ...	(12.9)	(12.0)	(14.2)	(16.7)	(23.5)
Posts and Telecommunications ...	(23.8)	(29.6)	(34.4)	(36.4)	(41.9)
Works, Labour and Employment ...	(106.3)	(71.8)	(80.5)	(85.5)	(91.5)
Cooperatives, Commerce and Industry ...	(109.4)	(67.5)	(126.3)	(147.2)	(194.4)
of which : Subsidy to Rice and Flour ...	(100.0)	(49.2)	(111.4)	(130.0)	(173.0)
Economic Planning and Development ...	(4.9)	(5.3)	(5.9)	(6.3)	(7.3)
Power, Fuel and Energy ...	(25.9)	(45.9)	(58.3)	(12.1)	(13.1)
Social Services ...	453.9	557.7	663.4	708.5	756.3
Social Security ...	(119.2)	(149.3)	(166.6)	(172.6)	(179.3)
Education ...	(195.9)	(245.6)	(302.4)	(331.8)	(361.9)
Health ...	(116.0)	(143.1)	(168.5)	(174.5)	(182.0)
Housing ...	(12.0)	(7.7)	(9.4)	(10.8)	(10.8)
Reform Institutions, Youth and Sports ...	(10.8)	(12.0)	(16.5)	(18.8)	(22.3)
Local Government and Rodrigues ...	89.8	109.1	138.8	154.5	170.7
Public Debt and Pensions ...	181.0	228.3	284.9	468.1	560.4
of which : Public Debt Service ...	(112.8)	(153.0)	(199.2)	(371.5)	(461.0)
TOTAL ...	1261.0	1441.3	1770.0	2016.1	2293.6
Surplus (+) or deficit (—) ...	— 50.3	— 180.5	— 283.6	— 152.2	— 93.5

Table 3.1(b) Government Capital Budget

(Rs. million)

	1976 - 77	1977 - 78	1978 - 79	1979 - 80	1980 - 81 (Budget Estimates)
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	
RECEIPTS					
Domestic Revenue	201.4	28.9	339.0	445.5	212.8
Transfer from Current Budget	(—)	(—)	(—)	(—)	(—)
Mauritius Development Loan State	(148.2)	(—)	(299.0)	(384.2)	(155.0)
Dividends from investment	(4.2)	(7.6)	(4.9)	(6.5)	(13.4)
Other	(49.0)	(21.3)	(35.1)	(54.8)	(44.4)
External Receipts	84.3	429.1	379.9	284.9	652.6
U. K. Grants	(0.1)	(—)	(—)	(—)	(—)
Other Grants	(4.9)	(1.6)	(1.0)	(1.8)	(1.5)
U. K. Loans	(15.6)	(8.8)	(2.0)	(16.6)	(26.5)
Caisse Centrale de Coopération Economique	(24.1)	(45.8)	(22.8)	(39.5)	(125.6)
World Bank Group Loans	(38.8)	(54.3)	(42.2)	(40.5)	(57.7)
Eurodollar Loans	(—)	(200.0)	(216.9)	(118.9)	(—)
International Monetary Fund	(—)	(113.9)	(42.2)	(1.3)	(—)
Other Loans	(0.8)	(4.7)	(52.8)	(66.3)	(441.3)
TOTAL CAPITAL REVENUE	285.7	458.0	718.9	730.4	865.4
EXPENDITURE :					
Economic Services	286.8	317.5	362.1	450.4	824.0
Agriculture, Forestry & Fisheries	(69.2)	(81.8)	(84.5)	(105.3)	(127.0)
Transport	(60.3)	(15.5)	(5.5)	(55.7)	(51.8)
Posts and Telecommunications	(22.4)	(20.9)	(42.9)	(17.0)	(25.2)
Works, Labour and Employment	(73.4)	(99.1)	(127.5)	(168.8)	(246.8)
Cooperatives, Commerce & Industry	(7.8)	(17.2)	(12.5)	(11.9)	(13.3)
Economic Planning and Development	(20.9)	(21.3)	(21.1)	(18.6)	(29.9)
Power, Fuel and Energy	(32.8)	(61.7)	(68.1)	(73.1)	(330.0)
Social Services	45.9	125.1	136.5	108.3	233.8
Social Security	(. .)	(0.1)	(. .)	(—)	(—)
Education	(18.3)	(65.0)	(66.9)	(72.9)	(88.0)
Health	(2.9)	(12.4)	(12.7)	(13.5)	(17.8)
Housing	(23.2)	(45.2)	(54.3)	(21.0)	(125.4)
Reform Institutions, Youth and Sports	(1.5)	(2.4)	(2.6)	(0.9)	(2.6)
Local Government	40.1	36.1	37.8	58.8	53.3
Central Administration and Other	112.6	167.2	132.9	268.5	379.5
TOTAL	485.4	645.9	669.3	886.0	1490.6
Surplus (+) or deficit (—)	— 199.7	— 187.9	+ 49.6	— 155.6	— 625.2

Table 4.1 Imports and Exports : Major Commodity Groups

(Rs. million)

I M P O R T S	1977	1978	1979	1978				1979				1980	
				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	756.0	171.0	165.8	179.6	180.3	152.2	195.4	182.5	225.9	257.8	253.7
Beverages and tobacco ...	32.0	23.0	27.3	7.8	7.4	4.8	3.0	6.4	6.6	6.0	8.3	8.1	5.8
Crude materials, inedible except fuels ...	95.6	105.3	129.4	20.4	30.0	26.9	28.0	20.9	31.7	31.8	45.0	34.8	59.8
Mineral fuels, lubricants, and related materials ...	275.3	280.7	526.3	79.5	67.0	72.3	61.9	75.5	133.3	100.1	217.4	152.3	165.5
Animal and vegetable oils and fats ...	79.1	86.4	96.1	15.5	22.1	24.5	24.3	21.1	24.3	31.5	19.2	41.9	13.7
Chemicals ...	212.3	201.7	269.4	40.1	46.6	68.1	46.9	42.2	70.3	72.4	84.5	64.0	87.4
Manufactured goods classified chiefly by material ...	790.3	857.9	999.5	206.2	214.8	216.7	220.2	209.4	244.0	271.5	274.6	255.5	310.5
Machinery and transport equipment ...	679.1	572.6	546.4	180.6	120.9	133.7	137.4	136.1	119.8	128.5	162.0	182.7	163.6
Miscellaneous manufactured articles ...	191.9	233.6	273.7	51.8	52.3	59.1	70.3	57.0	57.6	75.4	83.7	69.1	62.3
Commodities and transactions not classified according to kind ...	13.2	18.5	10.2	4.6	5.3	4.2	4.4	3.4	2.2	2.3	2.3	0.5	1.0
TOTAL ...	2,950.8	3,076.4	3,634.3	777.5	732.3	789.9	776.7	724.2	885.2	902.1	1,122.8	1066.7	1123.3
E X P O R T S													
Sugar ...	1,428.5	1,304.7	1,590.0	206.5	248.1	442.9	407.2	283.3	331.7	390.5	584.5	443.4	454.9
Molasses ...	41.1	34.3	69.2	1.8	2.3	10.8	12.9	10.6	8.0	34.8	15.8	31.1	13.2
Tea ...	43.5	55.3	39.4	11.8	16.8	13.9	12.8	13.4	13.1	2.6	10.3	11.0	15.6
Export Processing Zone Products ...	433.4	485.7	620.0	86.7	121.8	141.7	135.5	102.4	158.4	167.5	191.7	160.6	251.1
Other ...	63.0	73.3	63.4	19.1	11.3	30.1	16.2	8.8	17.9	19.0	17.7	7.7	20.1
Re-exports ...	32.0	33.8	50.7	7.0	13.5	9.5	5.9	7.5	12.3	20.2	10.7	12.7	17.0
TOTAL ...	2,041.5	1,987.1	2,432.7	332.9	413.8	648.9	590.5	426.9	541.4	634.6	830.7	666.5	771.9

Source : Customs and Excise Department, Government of Mauritius

Table 4.2. Merchandise Imports

c.i.f. (Rs million)

SITC Code	Standard International Trade Classification	1975	1976	1977	1978	1979*
00	Food and Live Animals ...	459.8	485.7	582.0	696.7	756.0
	Meat and Meat Preparations ...	35.2	47.6	73.8	88.4	104.8
	Dairy Products and Eggs ...	56.5	67.0	92.8	89.3	119.8
	Milk and Cream ...	(44.1)	(49.6)	(67.2)	(68.0)	(90.0)
	Fish and Fish Preparations ...	26.5	34.7	52.7	63.1	65.1
	Cereal & Cereal Preparations ...	253.9	222.1	218.2	283.9	290.4
	Rice ...	(132.9)	(130.0)	(106.1)	(163.9)	(147.3)
	Flour ...	(99.4)	(71.2)	(80.4)	(78.8)	(86.5)
	Other ...	(21.6)	(20.9)	(31.7)	(41.2)	(56.6)
	Fruit and Vegetables ...	43.5	57.2	64.4	87.6	81.5
	Vegetables ...	(23.3)	(32.5)	(28.9)	(47.6)	(33.9)
	Feeding Stuff for Animals ...	23.8	28.6	37.0	29.8	26.7
	Other ...	20.4	28.5	43.1	54.6	67.7
01	Beverages and Tobacco ...	16.5	18.9	32.0	23.0	27.3
	Alcoholic Beverages ...	9.1	12.0	14.6	9.6	12.8
	Unmanufactured Tobacco ...	4.9	4.2	12.2	9.8	9.9
	Other ...	2.5	2.7	5.2	3.6	4.6
02	Crude Materials, inedible, except fuels ...	48.6	64.0	95.8	105.4	129.4
03	Mineral Fuels, Lubricants and Related Materials ...	194.6	209.0	275.3	280.7	526.2
	Petroleum Products ...	192.7	206.3	272.3	274.6	515.0
	Other ...	1.9	2.7	3.0	6.1	11.2
04	Animal and Vegetable Oils and Fats ...	51.8	71.2	79.1	86.4	96.1
	Vegetable Edible Oils ...	35.2	47.2	54.0	52.4	67.0
	Other ...	16.6	24.0	25.1	34.0	29.1
05	Chemicals ...	180.3	167.8	212.3	201.7	269.4
	Chemical Elements & Components ...	24.4	37.1	42.1	51.7	12.0
	Medicinal & Pharmaceutical Products ...	27.0	25.7	41.9	36.0	48.2
	Fertilizers ...	63.6	21.9	29.8	24.0	35.7
	Plastic Materials, Regenerated Cellulose and Artificial Resins ...	15.7	23.5	30.1	30.8	40.1
	Other ...	49.6	59.6	68.4	59.2	133.4
06	Manufactured goods classified chiefly by material ...	468.1	632.1	790.2	857.9	999.5
	Rubber, Wood, Cork, Paper and Paper Board Manufactures ...	60.2	75.6	98.3	90.9	118.4
	Textile Yarn, Cotton and Other Textile Fabrics ...	138.9	220.3	256.9	251.6	241.8
	Lime and Cement ...	63.3	77.0	88.8	113.7	140.3
	Iron and Steel ...	72.1	86.8	122.4	131.0	169.4
	Manufactures of Metals ...	52.1	78.0	99.3	105.7	131.9
	Other ...	81.5	94.4	124.5	165.0	197.7
07	Machinery and Transport Equipment ...	441.3	580.0	679.1	572.4	546.5
	Machinery Other than Electric ...	213.1	258.2	254.5	304.8	75.8
	Electric Machinery ...	138.6	182.1	256.3	169.2	71.7
	Road Motor Vehicles ...	82.0	132.6	161.2	90.0	94.5
	Other ...	7.6	7.1	7.1	8.4	304.5
08	Miscellaneous manufactured articles ...	126.7	160.3	191.9	283.4	273.7
	Clothing ...	29.7	33.4	42.4	58.9	52.8
	Professional and Scientific Instruments... ..	31.0	41.8	42.4	45.5	9.6
	Other ...	66.0	85.1	107.1	129.0	211.3
09	Commodities and transactions not classified according to kind ...	7.6	8.7	13.1	18.5	10.2
	Total ...	1,995.3	2,397.9	2,950.8	3,076.4	3,634.3

Source : Customs and Excise, Department — Government of Mauritius

* Provisional data, (figures for 1979 are not comparable with those for previous years due to changes in classification).

Table 4.3 Imports — Main Sources of Supply

(Rs. million)

	1977	1978	1979	1978				1979				1980	
				1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
United Kingdom	523.8	457.0	488.5	123.5	119.6	125.0	88.7	103.2	121.6	126.7	137.0	140.2	157.2
Australia	156.8	168.3	184.4	36.4	39.8	42.3	49.7	45.2	39.1	43.5	56.6	57.1	65.6
Burma	60.4	28.5	5.2	14.2	12.6	0.3	1.5	0.6	0.4	0.9	3.3	0.9	0.4
China (Mainland) —	77.0	142.9	61.6	36.6	15.8	42.2	48.6	12.7	12.1	17.5	19.3	24.0	19.4
Federal Republic of Germany... ..	144.2	126.5	133.5	25.6	30.9	43.0	26.8	32.6	30.3	30.5	40.1	56.0	37.4
France	319.1	338.2	336.0	117.3	66.2	67.6	87.0	85.0	69.8	99.2	82.0	95.5	93.2
Hong Kong	89.6	80.8	81.9	22.1	20.8	20.0	17.9	19.0	17.4	26.0	19.5	21.5	21.2
India	94.9	126.3	169.5	25.9	28.9	29.5	42.2	46.1	49.8	40.2	33.4	87.7	40.8
Iran	130.3	84.3	54.6	15.7	21.6	27.0	20.1	43.0	10.9	0.7	—	—	—
Italy	52.9	74.8	91.8	13.5	18.0	15.6	27.7	20.1	29.0	13.1	29.6	38.7	38.2
Japan	222.5	181.5	176.7	54.8	58.7	32.6	35.4	29.1	35.2	48.2	64.2	48.2	60.9
Kenya	86.7	80.3	136.8	17.0	16.5	4.8	41.9	29.1	24.3	46.1	37.3	34.1	41.6
Malaysia	46.3	49.4	57.4	10.5	11.1	15.5	12.4	8.8	18.8	16.9	12.9	19.1	15.8
Netherlands	47.5	50.9	66.9	7.7	6.3	23.2	13.7	19.0	21.7	6.3	19.9	22.3	8.6
New Zealand	46.8	62.2	58.2	11.2	20.4	14.1	16.5	7.9	11.9	28.4	10.0	16.6	34.7
Republic of South Africa	312.3	358.8	496.9	91.2	97.3	91.1	79.2	85.1	129.1	114.4	168.3	145.6	198.5
Singapore	40.7	56.2	94.2	11.4	9.9	17.8	17.1	15.1	17.4	29.7	32.0	13.4	16.6
Thailand	26.4	9.0	44.7	1.1	2.5	1.4	4.0	2.0	22.9	19.2	0.6	1.6	1.9
United States of America	75.9	97.2	152.0	26.6	21.6	21.2	27.8	20.6	25.3	41.6	64.5	30.3	31.2
Belgium	40.6	55.2	37.5	7.2	12.4	9.4	26.3	14.6	9.0	7.2	6.7	10.0	6.9
Denmark	11.9	6.4	7.3	0.7	1.1	1.3	3.3	1.4	1.9	1.6	2.4	2.4	2.5
Austria	3.3	3.5	6.6	0.8	1.4	0.7	0.6	0.6	1.8	1.1	3.1	1.0	1.2
Other	340.9	438.2	692.1	106.5	98.9	144.3	88.3	83.4	185.5	143.1	280.1	200.5	229.5
TOTAL	2,950.8	3,076.4	3,634.3	777.5	732.3	789.9	776.7	724.2	885.2	902.1	1,122.8	1,066.7	1,123.3

Source : Customs and Excise Department, Government of Mauritius.

Table 4.4 Exports — Principal Countries of Destination

(Rs. million)

	1977	1978	1979	1 9 7 7		1 9 7 8				1 9 7 9				1 9 8 0	
				1st Qr.	2nd 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	1,545.8	197.5	284.3	198.2	242.3	454.3	394.2	287.0	363.4	418.2	477.2	478.7	507.5
Canada	58.6	44.5	20.8	—	0.2	—	30.3	13.9	0.4	0.1	0.1	0.1	20.5	0.2	—
United States of America	121.9	174.9	316.2	27.4	27.4	33.1	12.0	41.1	88.9	29.6	32.2	86.3	168.1	21.2	26.4
Republic of South Africa	47.4	40.8	13.5	14.2	11.1	11.8	13.6	11.3	4.1	3.7	2.4	2.3	5.1	7.8	5.5
Malagasy Republic.....	3.4	3.1	2.5	1.1	0.9	0.5	1.4	0.5	0.7	0.1	0.9	1.1	0.4	0.6	0.6
Réunion	20.7	21.0	33.2	3.9	5.6	3.5	5.0	5.8	6.6	5.4	7.5	10.3	10.0	6.9	19.2
Australia	6.2	3.7	5.0	2.2	1.0	1.1	1.0	1.0	0.7	1.4	1.7	0.8	1.1	2.0	0.6
Germany (Fed. Rep.)	64.6	43.8	70.7	11.1	14.6	9.7	8.7	11.3	14.1	11.4	17.4	16.2	25.7	13.6	24.6
Netherlands	44.3	44.5	23.2	5.7	6.9	8.1	14.7	13.3	8.4	2.7	6.1	8.9	5.5	2.8	18.5
France	159.2	145.8	267.6	34.3	43.5	25.1	47.3	42.6	30.7	57.2	73.5	48.4	88.5	87.9	103.8
Other	151.3	176.0	134.2	21.6	26.0	41.8	37.5	53.9	42.7	27.4	36.2	42.0	28.6	44.8	65.2
TOTAL	2,041.2	1,987.1	2,432.7	319.0	421.5	332.9	413.8	648.9	591.5	426.0	541.4	634.6	830.7	666.5	771.9

Source : Customs and Excise Department, Government of Mauritius.

Table 4.5 Foreign Exchange Reserves

(Rs. million)

	IMF Position (Net)	Bank of M'tius	Govt.	Statutory Bodies*	Commercial Banks			TOTAL
					Assets (1)	Liabilities (2)	Net (1) - (2)	
1975 March	—	648.1	31.0	1.6	19.7	6.2	13.5	694.2
June ...	—	562.0	28.4	0.8	21.4	14.1	7.3	598.5
Sept. ...	—	619.6	23.8	—2.1	26.1	12.3	13.8	655.1
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
July ...	—	148.9	4.6	2.4	58.7	105.4	—46.7	109.2
Aug. ...	—	88.8	3.4	2.4	59.4	138.6	—79.2	15.4
Sept. ...	—	257.1	10.3	2.2	47.2	100.8	—53.6	216.0
Oct. ...	—	306.6	10.2	3.0	87.2	99.7	—12.5	307.3
Nov. ...	—	266.9	13.1	3.0	54.2	110.8	—56.6	226.4
Dec. ...	—	257.9	11.9	3.0	63.6	122.1	—58.5	214.3
1980 Jan. ...	—	181.0	9.9	2.8	57.3	132.3	—75.0	118.7
Feb. ...	—	211.3	13.0	2.9	59.3	137.2	—77.9	149.3
March ...	—	340.7	10.5	2.8	65.6	147.2	—81.6	272.4
April ...	—	252.1	10.4	3.0	66.6	145.2	—78.6	186.9
May ...	—	359.7	10.0	3.7	68.7	143.9	—75.2	298.2
June ...	—	312.0	11.2	3.6	90.0	173.1	—83.1	243.7

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

Table 4.6 Balance of Payments

(Rs. million)

Item	1974		1975		1976		1977		1978		1979	
	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit
A. GOODS AND SERVICES	2150	1922	2329	2272	2486	2771	2690	3286	2740	3560	3283	4288
1. Merchandise	1798	1521	1848	1672	1768	2047	2030	2418	1969	2563	2427	3046
2. Non-monetary gold	—	5	—	7	—	8	—	12	—	17	—	9
3. Freight and insurance on merchandise	—	191	14	286	3	325	1	455	5	471	—	547
4. Other transportation	146	74	159	85	152	101	264	127	286	161	333	216
5. Travel	112	51	135	78	184	97	210	110	230	116	260	162
6. Investment income	26	20	60	45	98	59	34	51	35	83	24	130
on direct investment	(1)	(11)	(2)	(35)	(3)	(49)	(2)	(28)	(4)	(27)	(2)	(12)
Other	(25)	(9)	(58)	(10)	(95)	(10)	(32)	(23)	(31)	(56)	(22)	(118)
7. Other government	28	13	36	25	26	32	31	12	55	19	42	33
8. Other private	40	47	77	74	255	102	120	101	160	130	197	145
B. UNREQUITED TRANSFERS	103	20	93	23	67	25	108	24	115	30	125	47
9. Private	(41)	(11)	(49)	(13)	(46)	(20)	(52)	(23)	(60)	(27)	(67)	(35)
10. Government	(62)	(9)	(44)	(10)	(21)	(5)	(56)	(1)	(55)	(3)	(58)	(12)
NET TOTAL OF GOODS, SERVICES, AND TRANSFERS	311	—	127	—	—	243	—	512	—	735	—	927
C. CAPITAL (EXCLUDING RESERVES AND RELATED ITEMS)	7	—	239	—	—	302	195	—	301	—	292	—
NON-MONETARY SECTORS	12	—	255	—	—	319	117	—	329	—	275	—
11. Direct Investment and other private long-term	22	—	29	—	58	10	56	—	75	—	70	—
Direct investment liabilities	(24)	—	(33)	(—)	(24)	(—)	(20)	(—)	(28)	—	(27)	(—)
Other	—	(2)	(—)	(4)	(34)	(10)	(66)	(30)	(47)	—	(85)	(42)
13. Other private short-term	—	38	180	—	17	404	62	46	80	—	107	—
14. Local government	—	—	—	—	—	—	—	—	—	—	—	—
15. Central government	28	—	46	—	31	11	45	—	174	—	98	—
Loans received	(40)	(6)	(56)	(—)	(31)	(8)	(69)	(24)	(189)	(15)	(184)	(26)
Other liabilities	(—)	(1)	(—)	(25)	(—)	(—)	(—)	(—)	—	—	—	(60)
Assets	(—)	(5)	(15)	(—)	(—)	(3)	(—)	(—)	—	—	—	—
MONETARY SECTORS	—	5	—	16	17	—	78	—	—	28	17	—
16. Private institutions	—	5	—	16	19	2	78	—	—	28	31	14
Liabilities	(5)	(—)	(9)	(—)	(—)	(2)	(88)	(—)	—	(23)	(31)	(—)
Assets	(—)	(10)	(—)	(25)	(19)	(—)	(—)	(10)	—	(5)	(—)	(14)
17. Central institutions	—	—	—	—	—	—	—	—	—	—	—	—
D.18. ALLOCATION OF SDRs	—	—	—	—	—	—	—	—	—	—	22	—
E. RESERVES AND RELATED ITEMS	—	365	—	350	500	—	250	—	358	—	617	—
19. Liabilities	36	—	—	—	—	—	84	—	236	—	576	—
Use of Fund credit	(36)	(—)	(—)	(—)	(—)	(—)	(84)	(—)	—	—	(261)	(—)
Other	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(236)	—	(315)	(—)
20. Assets	—	401	—	350	500	—	166	—	122	—	41	—
Monetary gold	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)
SDRs	(25)	(—)	(1)	(—)	(—)	(6)	(3)	(—)	(5)	(—)	(6)	(—)
Reserve Position in the Fund	(—)	(21)	(—)	(42)	(—)	(—)	(42)	(—)	(—)	(—)	(—)	(—)
Foreign Exchange	(—)	(408)	(—)	(308)	(506)	(—)	(121)	(—)	(118)	(—)	(41)	(—)
Other claims	(3)	(—)	(—)	(1)	(—)	(—)	(—)	(—)	(1)	(—)	(—)	(6)
NET ERRORS AND OMISSIONS	47	—	—	16	45	—	67	—	76	—	—	4

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	205	190	6,260	36.9	28.3	22.5	32.9	665	3.50	10.6
1979	203	189	6,313	37.3	28.8	22.5	33.4	688	3.64	10.9

* 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	1,742.01
1979	278.7	688.4	967.1	38.5	604.3	324.3	2,144.28

* 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	1979
Industrial Crops							
Tea (Processed green leaf)	m/tons	19,646	15,777	21,678	23,607	25,733	25,718
Tobacco leaf ...	"	771	805	700	588	731	705
Vegetable, Pulses & Fruits							
Creepers ...	"	5,273	6,801	6,583	6,621	7,279	6,387
Groundnuts ...	"	1,545	1,270	1,150	1,094	1,428	1,082
Maize ...	"	1,684	1,195	1,584	1,328	1,144	1,171
Manioc ...	"	271	211	260	226	246	182
Sweet Potatoes ...	"	83	117	123	131	164	105
Potatoes ...	"	9,254	9,518	11,944	10,905	12,153	8,329
Rice ...	"	668	496	465	275	197	38
Tomatoes ...	"	6,715	6,021	5,439	6,928	7,254	8,359
Mixed Vegetables ...	"	12,055	9,877	9,028	8,191	8,687	8,158
Bananas ...	"	8,727	3,702	7,540	7,586	7,154	6,663
Pineapples ...	"	1,056	720	687	607	542	452
Meat & Fish							
Beef ...	"	n.a	879	1,006	1,107	464	583
Goat Meat ...	"	145	135	133	155	136	143
Mouton ...	"	43	70	33	43	37	41
Pork ...	"	579	745	604	472	491	523
Fish ...	"	3,636	3,582	4,678	5,657	5,197	4,193
Beverages							
Rum ...	H/litres	24,962	28,437	33,441	35,914	38,532	36,652
Beer & Stout ...	"	91,478	116,019	132,919	155,259	147,883	136,503
Country Liquor ...	"	52,594	38,984	22,575	25,685	26,894	31,816
Soft Aerated Beverages...	"	239,000	325,000	464,721	567,095	605,000	533,700

Source : Central Statistical Office, Government of Mauritius.

Table 5.4 : Pattern of EPZ Exports and Imports

(Rs. million)

	1974	1975	1976	1977	1978	1979
Total EPZ Imports	171.0	190.2	272.6	301.7	340.4	395.2
of which						
Raw Materials	(111.3)	(127.6)	(199.7)	(255.5)	(291.8)	(345.2)
Machinery and Equipment	(59.7)	(62.6)	(72.9)	(46.2)	(48.6)	(50.0)
Total EPZ Exports	135.6	196.4	308.6	433.4	484.5	583.1
of which :						
Clothing	(60.8)	(114.9)	(202.8)	(318.2)	(321.5)	(365.3)
Electric Components	(48.6)	(62.0)	(61.3)	(58.8)	(54.8)	(67.9)
Processed Diamonds and Synthetic Stones	(22.6)	(6.0)	(7.1)	(19.3)	(48.4)	(36.6)
Toys	(3.0)	(5.0)	(7.4)	(6.2)	(6.0)	(13.4)
Other	(0.6)	(8.5)	(30.0)	(30.9)	(53.8)	(99.9)

Table 5.5 : Direction of EPZ Exports

(Rs. million)

Country	1976	1977	1978	1979
EEC Countries	247.4	369.8	422.7	540.3
of which :				
France	159.6	157.8	116.8	140.1
Belgium	13.4	65.8	80.0	48.3
Federal Republic of Germany	43.9	57.8	39.7	59.9
United Kingdom	19.6	48.0	125.9	230.1
Netherlands	8.0	34.5	42.6	23.0
Other	2.9	5.9	17.7	38.9
Non-EEC Countries	61.2	63.6	61.8	79.8
of which :				
U.S.A.	35.9	34.2	42.7	62.4
Hong Kong	9.1	11.1	3.7	2.1
Sweden	1.8	5.8	2.0	0.4
Other	14.4	12.5	13.4	14.9
Total... ..	308.6	433.4	484.5	620.1

Source : Central Statistical Office, Government of Mauritius.

Table 5.6 Consumer Price Indices

MONTH	RURAL			URBAN			WHOLE ISLAND						
	1974	1975	1976	1974	1975	1976	1974	1975	1976*	1977	1978	1979	1980
January	164.7	192.9	226.1	169.3	198.1	234.5	166.7	195.1	229.8	105.3	114.6	125.9	177.5
February	166.8	205.5	228.6	172.3	210.7	236.9	169.2	207.7	232.2	106.3	116.1	127.0	184.3
March	169.3	206.3	229.5	175.7	212.1	237.9	172.1	208.8	233.1	107.1	118.7	127.9	186.9
April	179.5	200.8	232.7	184.3	206.1	243.7	181.6	203.1	237.5	107.8	119.6	127.8	188.5
May	183.7	202.6	235.5	186.9	208.4	246.6	185.1	205.1	240.3	109.4	119.8	128.9	187.8
June	187.4	205.3	239.2	190.1	212.0	249.9	188.6	208.2	243.8	111.2	120.6	131.7	190.4
July	188.4	204.0		191.0	212.6		189.5	207.7	102.6	112.7	121.1	134.4	
August	187.4	207.6		190.6	215.3		188.9	210.9	102.1	113.6	120.7	137.7	
September	186.6	212.6		190.0	220.4		188.0	216.0	102.5	112.3	120.8	137.9	
October	187.3	215.4		190.5	224.5		188.7	219.4	101.4	113.4	121.7	138.6	
November	189.7	217.8		192.9	227.2		191.1	221.9	102.5	113.1	122.6	159.4	
December	191.8	220.3		195.9	228.5		193.6	223.9	103.4	113.7	122.9	170.2	
Average	181.9	207.6	231.9**	185.8	214.7	241.6**	183.6	210.7	239.0**	110.5	119.9	137.3	185.9***
Percentage Change (Yearly)	+29.2	+14.1	+11.7**	+28.9	+15.6	+12.5**	+29.1	+14.8	+13.4	+ 9.2	+ 8.5	+14.5	+ 35.4***

* 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 twelve months on the basis of a conversion of the new indices to the 1962 base.

*** Six month's average.

Source : Central Statistical Office, Government of Mauritius.

**Table 6.1 : Number of Units and Employment in the Industrial Sector
(DC and EPZ UNITS)**

<i>Category</i>	<i>Number of Units Operating</i>			<i>Number Employed</i>		
	<i>June 1978</i>	<i>June 1979</i>	<i>June 1980</i>	<i>June 1978</i>	<i>June 1979</i>	<i>June 1980</i>
1. Units set up with a Development Certificate ...	121	125	124	9,061	9,022	9,130
of which :						
Hotels	(18)	(18)	(16)	(2,676)	(2,681)	(2,760)
Food and Drinks	(24)	(25)	(25)	(2,099)	(2,013)	(1,710)
Construction and Allied Industries ...	(17)	(16)	(18)	(1,077)	(1,006)	(1,198)
Chemicals and Allied Products including Fertilizers ...	(12)	(12)	(12)	(617)	(718)	(740)
Plastics, Leather and Rubber	(9)	(10)	(10)	(584)	(531)	(594)
Paper and Paper board	(5)	(5)	(5)	(317)	(289)	(294)
Garments	(6)	(9)	(8)	(412)	(418)	(474)
Miscellaneous	(30)	(30)	(30)	(1,279)	(1,366)	(1,360)
2. Units in the Export Processing Zone ...	87	86	93	17,409	19,759	21,972
of which :						
Textiles and Garments	(44)	(44)	(45)	(14,024)	(15,768)	(16,728)
Electric and Electronics Components ...	(8)	(7)	(7)	(1,516)	(1,905)	(2,076)
Plastics, Leather and Rubber	(15)	(13)	(11)	(916)	(1,087)	(1,666)
Toys and Maquettes	(4)	(3)	(3)	(276)	(233)	(274)
Synthetic Diamonds and Precious Stones ...	(7)	(7)	(7)	(325)	(453)	(429)
Miscellaneous	(9)	(12)	(20)	(352)	(313)	(799)
3. Total (1 + 2)	208	211	217	26,470	28,781	31,102

Source : Ministry of Commerce and Industry.

Table 6.2 Employment by Economic Activity ¹
(In Thousands)

Period		Agriculture & Fishing			Mining & Quarrying	Manu- facturing	Const- ruction	Electri- city	Com- merce	Transport, Storage & Communica- tions	Government Services		Other Services	Total
		Total	Of Which								Total	Of Which Relief | Development workers		
			Sugar*	Tea*										
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
September	1979 ...	59.7	53.1	5.1	.1	35.1	9.0	4.0	9.7	8.3	52.7	—	19.5	198.1
March	1980 ...	54.0	47.5	5.0	.1	36.4	8.2	4.7	9.3	8.7	54.5	—	20.9	196.8

¹ Excludes self employed and unpaid family workers.

* Covers plantations and factories.

Source : Survey of Employment and Earnings, Central Statistical Office Government of Mauritius.

Table 7.1 Gross National Product at Current Factor Cost

(Rs million)

	1969	1970	1971	1972	1973	1974	1975	1976	1977+	1978+	1979+
Agriculture, Forestry, hunting and fishing	224	222	262	353	494	1,323	1,034	1,066	1,100	1,142	1,480
Mining	1	1	1	2	2	2	4	7	9	11	12
Manufacturing	142	146	168	233	277	505	564	668	728	803	1,010
Construction	46	48	60	73	114	155	217	318	390	436	503
Energy, water and sanitary services	30	29	34	39	43	49	69	79	120	140	190
Transport, storage and communications	105	108	114	129	161	195	281	369	508	637	745
Commerce and Banking	109	111	112	149	203	265	345	446	585	629	750
Ownership of dwellings	68	70	71	74	77	83	94	107	131	162	180
Government services	46	51	53	61	76	105	140	204	231	291	314
Other services	116	126	141	166	203	259	342	474	617	760	856
Gross domestic product at factor cost	887	912	1,016	1,279	1,650	2,941	3,090	3,738	4,419	5,011	6,040
Net factor income from abroad	1	7	7	2	16	10	17	47	— 2	—30	—81
Gross National Product at factor cost	888	919	1,023	1,281	1,666	2,951	3,107	3,785	4,417	4,981	5,959

+ Revised

Source : Central Statistical Office, Government of Mauritius.

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

(Rs. million)

	1970	1971	1972	1973	1974	1975	1976+	1977+	1978+	1979+
(A) By type of capital goods										
a. Land ...	4	3	4	10	14	12	15	20	22	25
b. Dwellings ...	33	38	54	103	169	264	335	495	606	767
c. Non-residential buildings ...	23	30	34	76	156	201	265	282	307	282
d. Other construction and works ...	36	42	39	81	121	168	155	225	355	312
e. Transport equipment ...										
(i) Passenger cars ...	5	7	11	19	22	33	73	73	31	36
(ii) Other equipment ...	15	16	15	66	39	71	81	67	107	138
f. Machinery and other equipment ...	29	48	72	125	229	389	526	488	502	560
Gross Domestic Fixed Capital Formation ...	145	184	229	480	750	1138	1450	1650	1,930	2,120
(B) By industrial use										
a. Agriculture, forestry and fishing ...	23	28	20	38	84	120	169	118	161	187
b. Mining and quarrying ...	—	—	—	—	—	—	—	—	—	—
c. Manufacture ...	16	28	37	79	186	292	374	327	300	267
d. Construction ...	5	6	8	14	21	22	48	44	57	32
e. Energy, water and sanitary services ...	12	16	32	33	39	71	50	84	144	101
f. Transport, storage and Communications ...	32	35	42	126	134	184	197	257	298	415
g. Commerce and Banking ...	8	13	8	23	25	38	58	96	108	128
h. Ownership of dwellings ...	33	38	54	103	165	264	335	495	606	767
i. Government services ...	—	1	1	3	14	44	54	96	72	46
j. Other services ...	12	16	23	51	68	91	150	113	162	152
k. Legal fees, stamp duties, etc. ...	4	3	4	10	14	12	15	20	22	25
Gross Domestic Fixed Capital Formation ...	145	184	229	480	750	1138	1450	1650	1,930	2,120

+ Revised

Source : Central Statistical Office, Government of Mauritius.

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

(Rs million)

	1974	1975	1976	1977+	1978+	1979*
Consumption	2,044	2,321	2,764	3,801	4,278	4,994
Private	(1,684)	(1,878)	(2,178)	(3,075)	(3,442)	(4,136)
Public	(360)	(443)	(586)	(726)	(836)	(858)
Gross Investment	750	1,138	1,450	1,650	1,930	2,120
Private	(561)	(852)	(1,044)	(1,140)	(1,280)	(1,510)
Public	(189)	(286)	(406)	(510)	(650)	(610)
Increases in Stocks	—	—	+213	+85	+175	+583
Net Exports of goods and Services ...	422	—43	—324	— 594	—790	—875
Indirect taxes minus subsidies ...	—275	—326	—365	—523	—582	—782
Net factor income from abroad ...	10	17	47	—2	—30	—81
Gross National Product at Factor Cost...	2,951	3,107	3,785	4,417	4,981	5,959

+ Revised

Source : Central Statistical Office, Government of Mauritius

BOARD OF DIRECTORS

Mr. Goorpersad BUNWAREE — *Governor, Chairman*

Mr. Indurduth RAMPHUL — *Managing Director*

Professor M. E. LIM FAT — *Director*

Mr. Sacheedanand VEERASAMY — *Director*

Mr. Bashir CURRIMJEE — *Director*

Dr. Régis CHAPERON, CMG — *Director*

Mr. Balkrishna RAMPHUL — *Director*

MANAGEMENT AND BANK OFFICIALS

AS AT 30TH JUNE, 1980

<i>Governor</i>	— Mr. Goorpersad Bunwaree, D.P.S.A. (Oxon) D.E.D.I. (Washington)
<i>Managing Director</i>	— Mr. I. Ramphul, D.P.A. (Exon)
<i>Chief Manager</i>	— Mr. R. Tacouri, M.A. (Econ)
<i>Secretary</i>	— Mr. D. A. Moodely, Maitrise en Droit
<i>Inspector of Banks</i>	— Mr. C. Bunwaree, B.A. (Hons. Econ)

MANAGERS

<i>Banking and Currency Department</i>	— Mr. A. Teck Young Mr. B. Gujadhur, A.I.B.
<i>Secretary's Department</i>	— Mr. S. Rochecouste
<i>Exchange Control Department</i>	— Mr. A. K. Prithipaul

ASSISTANT MANAGERS

<i>Exchange Control Office</i>	— Miss A. Hawoldar
<i>Banking Office</i>	— Mr. V. K. Sonah

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