

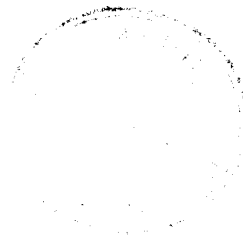


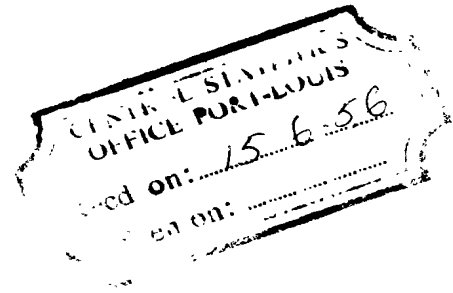
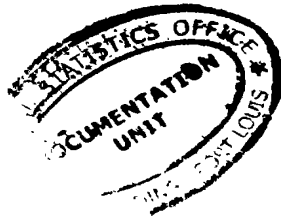
COLONY OF MAURITIUS

CENTRAL STATISTICAL OFFICE

The National Income
and
National Accounts
of
Mauritius

1948-1954



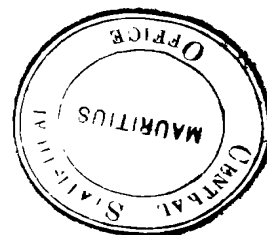


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FOREWORD

This publication being primarily destined for the information of persons not necessarily conversant with the technicalities of modern National Accounting, it has been thought advisable to add here and there explanations and quote certain definitions and concepts which will probably seem needless to the reader well informed of this subject.

The author claims for the above reason some excuse for this.

It is fortunate that a good measure of International agreement seems at present (1955) to have been secured on the definitions and methods relating to National Accounting. As stated in the introduction hereafter, we are indebted for this to the efforts of the Committee of Experts and to the Statistical Commission of the United Nations, whose recommendations have been largely followed here.

I gratefully acknowledge the unstinted help which was given to me by members of the Central Statistical Office in connection with the vast amount of compilation and calculation which had to be performed.

M. Herchenroder

Director
(M. HERCHENRODER)

Central Statistical Office,
November, 1955.



THE NATIONAL INCOME OF MAURITIUS 1948 - 1954INTRODUCTION

The first attempt at an official evaluation of the national income of Mauritius was made by the Central Statistical Office in December 1952. This was, in fact, a determination of the net National Product at factor cost for the year 1950. The calculations, since, have been improved and extended so as to cover not only the evaluation of the Net/Product for each year since 1948, but also annual evaluations of the Net National Expenditure at factor cost and of the National Income proper.

A great deal of preparatory work, including the rationalisation, improvement and integration of many sources of statistical information, the modernisation and co-ordination of methods of collecting data, had to be achieved before the calculation of the national income and the construction of the related tabular statements could with confidence be effected. For example, opportunity was taken of the Population Census of 1952 to make an island-wide survey of all the minor village industries and small activities of economic significance. This was repeated in 1955. The Census even provided for a survey and enumeration of individual incomes.

In many respects, the exiguity of the territory, the fact that it possesses only one main industry and that it has only one port of entry and outlet for exchanges with the rest of the world - hence that it is fairly easily surveyed - have proved to be very great advantages.

The Government of Mauritius had been anxious since 1949 to have an official estimate of the National Income, which is nowadays considered so essential for the planning of economic policy. But it was clear to the calculators from the start that the National Income calculations, to be useful, would have to be performed annually as a routine; the basic organisation was, in fact at the start, planned with this object in view. In 1951, compilations of Balance of Payments Statements and of Capital Formation aggregates were effected for the first time in Mauritius, commencing with the year 1948. National Income calculations began towards the end of 1952.

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/ National

As pointed out in an early Colonial Office circular⁺ despatch on this subject, modern methods of computing National Income must naturally reflect a large degree of international agreement.

The principles, definitions and methods used here in performing the calculations, and the structure of tabular statements have been almost entirely inspired and adopted from publications issued by the United Nations Committee of Experts on National Income - viz: - A system of National Accounts and Supporting Tables, Studies in Methods No. 2 U. N. 1953, and Methods of National Income Estimation, Studies in Methods F. No. 8, Statistical Office of the United Nations New York, 1955 - to quote only the latest manuals on this complex question.

Most grateful acknowledgements are in addition due to the Director and Staff of the Statistical Department of the Colonial Office for the guidance offered in numerous exchanges of correspondence and in their Statistical Notes communicated to the Mauritius Statistical Office.

Broadly stated, the sources of data utilised were:

The Report of the Census 1952; the Year Book of Statistics; the Annual Reports of Government Departments, of Local Authorities and of Constituted Bodies (Chamber of Agriculture, Chamber of Commerce, Agricultural Bank, etc.); Official documents and returns (Government Gazette, Financial Reports, etc.).

Preparatory to the Compilation of the National Accounting Tables were: the Capital Formation Estimates and the Balance of Payments Tables. Both these, as stated before, have been calculated annually prior to launching ~~into~~ the National Accounts.

In addition, where needed, information was collected ~~from~~ through numerous direct enquiries and special surveys. Details of the sources and methods of compilation are given in the appendix.

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It should be stated from the very beginning, that all the three usual statements relating to the National economy, viz:- the National Product account, the National Income account, and the National Expenditure account, have been compiled and computed quite independently. The features of the Mauritian economy and the data which have been found or made available are such that, fortunately, it is possible to perform these calculations and estimates individually and separately. In the end,

⁺ Circular 97401/71/49 of 25th July, 1949.

statistical discrepancies have naturally showed up between the individual aggregates obtained, but when all the quantities and items of the tables had been carefully reviewed and revised, the residual discrepancies in the final aggregates have not been found to be greater than 2% to 3%. The discrepancy has been as a rule taken care of in the less certain item of the table.

The more recent definitions and conventions accepted (1955) regarding the methods of national accounting have to some extent entailed revision and recomputation of former estimations; in particular, the concepts relating to depreciation and consumption of fixed assets and capital have had to be modified. Secondly, more proper allocations between the different sectors and activities of the economy have also been achieved.

The Net National Product aggregate is the one which is normally the first to be evaluated; when the calculations were for the first time attempted, it was thought that the evaluation of the Net National Product would yield the more reliable and the more accurate figure. Such is in fact the case with many Colonial economies and for most territories in a state of " underdevelopment ". But, gradually as more information was collected and more data became available, it became apparent that the Net National Expenditure was not more troublesome to evaluate and was probably just as accurate in its final result as the Net National Product.

It should be mentioned here that in the ~~past~~ recent years [†] ~~(since 1959)~~ the structure of the Government Budget has been considerably improved and modified so as to offer greater accessibility to and convenience for national accounting. This has in a great measure been achieved through the collaboration and guidance of the Central Statistical Office.

The National Income Table has so far been found to be the more difficult and the more intricate to work out, although in most well developed and advanced communities it is probably found to be the easiest and most reliable one. This ^{difficulty} was experienced on the one hand because of the unavailability hitherto of sufficiently complete income tax statistics; ~~however great improvements are to be expected in that direction;~~ ~~On~~ the second hand, the absence of national social security records deprives the calculators in Mauritius of an important and ready source of information, which is generally available in those communities mentioned above.

As would be expected, the Government Sector is the one for which absolutely complete and accurate data exist and are available.

† actually since 1942

It might be noted here, that Government is the second largest employer⁺ in the Mauritian economy.

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In the system of National Accounts which is made use of here, the whole economy is considered to be made up of three broad groups or sections viz:

1. The Enterprises in general which are made up of:

- (i) Private enterprises owned and run by individuals on their own account (i.e. unincorporated) and independent professionals.
- (ii) Corporations, private and public.
Public corporations are those enterprises which are established and regulated by public law and their management controlled by public authorities. (See p. 40)
- (iii) Government enterprises.
- (iv) Households only in their capacity as landlords of dwellings, whether they are renters or owners.
- (v) Institutions which, though primarily non-profit, are nevertheless established ^{by} particular branches of business in order to increase their activities or their efficiencies e.g. Chamber of Commerce, Chamber of Agriculture, Chamber of Brokers, etc.

2. The Households and Private Non-Profit Institutions:

By the latter are meant Unions, Charitable Bodies, Clubs, Associations, private schools, universities, private hospitals and clinics.

3. The General Government (Central and Local) which comprises the administration, education, defence and health services, and other non-profit activities to the exclusion of actual governmental enterprises.

The Economic activity itself assumes three major forms viz: production, consumption, and capital formation.

Besides the three main tabular statements of National Accounting mentioned above, and some subsidiary statements, an attempt has also been made in this paper to establish Capital Reconciliation Accounts for the three main sectors of the economy: (i) the Corporations, (ii) the Households and Private Non-Profit Institutions, (iii) the General Government (Central and Local).

+ Second only to the Sugar Industry which gives employment to an average of 55,000 persons. (An estimate) of Government employment reveals 19,000.

a survey

These have been supplemented by a net account of the exchanges of the Economy with the rest of the world viz: the External Transactions Account.

All these accounts have been drawn up in strict conformity with the System of National Accounting proposed by the United Nations Committee of Experts, allusion to which has already been made above.

THE NATIONAL INCOME AND RELATED AGGREGATES

The following definitions and particulars relate to the main tabular statements and aggregates which are set out hereafter:

- (i) The gross domestic product at factor cost is the value at factor cost of the product before deduction of provision for the consumption of fixed capital.

It differs from the gross domestic product at market prices by the addition of subsidies (if any) to production and the exclusion of indirect taxes. The net domestic product at factor cost is accordingly obtained by deduction from the above of the provision for capital consumption.

- (ii) The net national product at factor cost:

The difference between " domestic " and " national " concepts in the product accounts lies in the inclusion in " national " aggregates of the net factor income from the rest of the world. The net national product at factor cost is hence identically equal to the national income.

- (iii) The net domestic fixed capital formation is the gross fixed domestic capital formation less the provision for fixed capital consumption.

- (iv) The national income is the aggregate of the incomes accruing to all factors of production of the nation before deduction of direct taxation.

As a consequence of these definitions, the following relationships are obtained among the entries in the system of national accountings:

- | | | | |
|-----|---|---|-------------------|
| (a) | Gross domestic product at market prices | | Gross domestic |
| | <u>PLUS</u> Subsidies | = | product at factor |
| | <u>LESS</u> Indirect taxes | | cost |
| (b) | Gross domestic product at factor cost | | |
| | <u>PLUS</u> Net factor income from the | | |
| | rest of the world | = | National Income |
| | <u>LESS</u> Provision for the consump- | | |
| | tion of fixed capital | | |
| (c) | Net Exports | | Surplus of the |
| | <u>PLUS</u> Net factor income from the | = | nation on current |
| | rest of the world | | account |

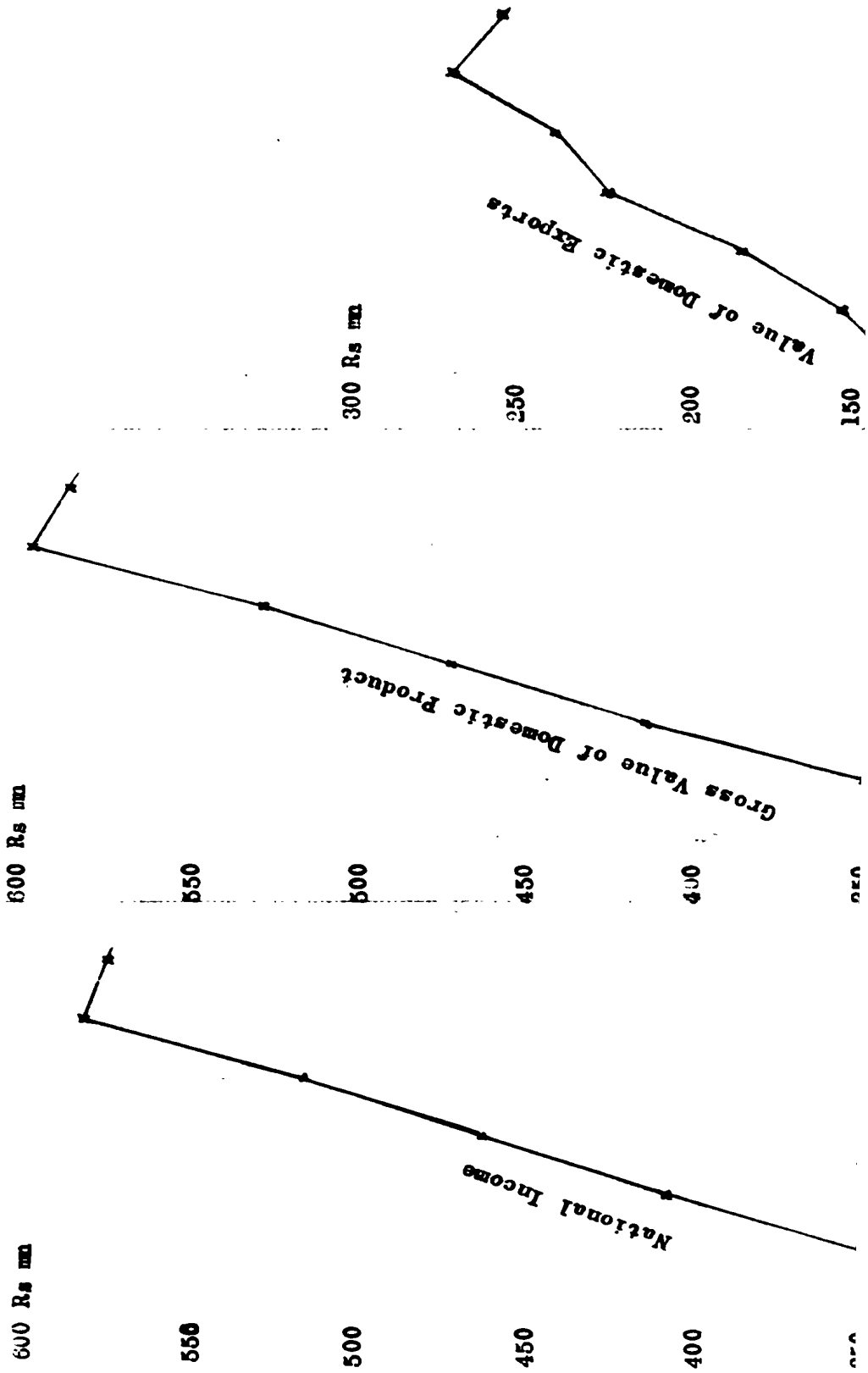
(d) Consumption expenditure

<u>PLUS</u>	Net domestic capital formation		
<u>PLUS</u>	Surplus of the nation on current account	=	National Income
<u>LESS</u>	Indirect taxes		
<u>PLUS</u>	Subsidies		

It is usual in the economy of large industrial and manufacturing countries to account for the increase or decrease in stocks of goods in assessing the full domestic capital formation.

The only large stocks of manufactured product in Mauritius would consist of sugar and, as in this case it is the total exported quantum of the crop from year to year which is taken into account, the question of changes in stocks does not arise.

TRENDS IN NATIONAL INCOME, GROSS VALUE OF DOMESTIC PRODUCT
AND VALUE OF DOMESTIC EXPORTS - 1948 - 1954



THE TABLES

The value of the net national product at factor cost (which is equivalent to national income), the value of Domestic Exports, and of Gross Domestic Product (at factor cost) for each of the years 1943 - 1954 are tabulated below (Tables I and II):

TABLE I
NATIONAL INCOME - 1943 - 1954

Unit = Rs 1 million

Calendar Year	National Income [#]	% Increase on 1943
1943	307	-
1949	349	14
1950	410	34
1951	435	51
1952	513	69
1953	533	90
1954	576	83

TABLE II
THE VALUE OF DOMESTIC EXPORTS AND GROSS DOMESTIC PRODUCT - 1943 - 1954

Unit = Rs 1 million

Calendar Year	Domestic Exports ⁺ (a)	Gross Domestic product [#] (b)	Ratio b/a
1943	138	305	2.21
1949	153	350	2.24
1950	136	415	2.23
1951	226	473	2.03
1952	241	539	2.20
1953	272	592	2.20
1954	257	527	2.23

+ Computed on the exportable value of the production of sugar for that year

At factor cost.

The relative increases since 1948 are shown for comparison in Table III:

TABLE III
INDEX NUMBERS

(1948 = 100)

Calendar Year	Domestic Exports	Gross Domestic product	National Income
1948	100	100	100
1949	118	118	114
1950	135	136	134
1951	164	155	151
1952	175	173	169
1953	197	196	190
1954	136	132	133

Tables V, VI and VII hereafter show in detail:

- (i) the sources of the National Income, viz: the industrial origin of the net national product at factor cost (Table V)
- (ii) the distribution of the National Income (Table VI)
- (iii) the net national expenditure or disposal of the National Income (Table VII)

In tables VIII, IX and X which follow, the previous results have been expressed as a percentage distribution of the total .

Particulars and explanations relating to the calculations for each table are given in the appendix.

GENERAL REMARKS

The gross domestic product of the Colony is very closely related to its domestic exports, as might be expected in a country which produces mostly semi-manufactured products, and consumes only a negligible fraction of its produce. This economy has the particular feature of having its main source of revenue in one single large industry - Sugar Manufacture - the exports of which constitute some 97% of the total domestic exports, while the local consumption of this produce amounts only to 4% of the whole production. The Colony, moreover, has no depot or transit trade to speak of and its additional factor income from abroad has in recent years represented only some 2% to 5% of the domestic exports proceeds. The degree of correlation between the gross domestic product and the domestic exports has been calculated using the corresponding data for each of the years 1948 - 1954. The correlation coefficient was found to be + 0.99 (~~see graph~~).

(fig. 2)

**CORRELATION BETWEEN GROSS VALUE OF DOMESTIC PRODUCT
AND DOMESTIC EXPORTS**

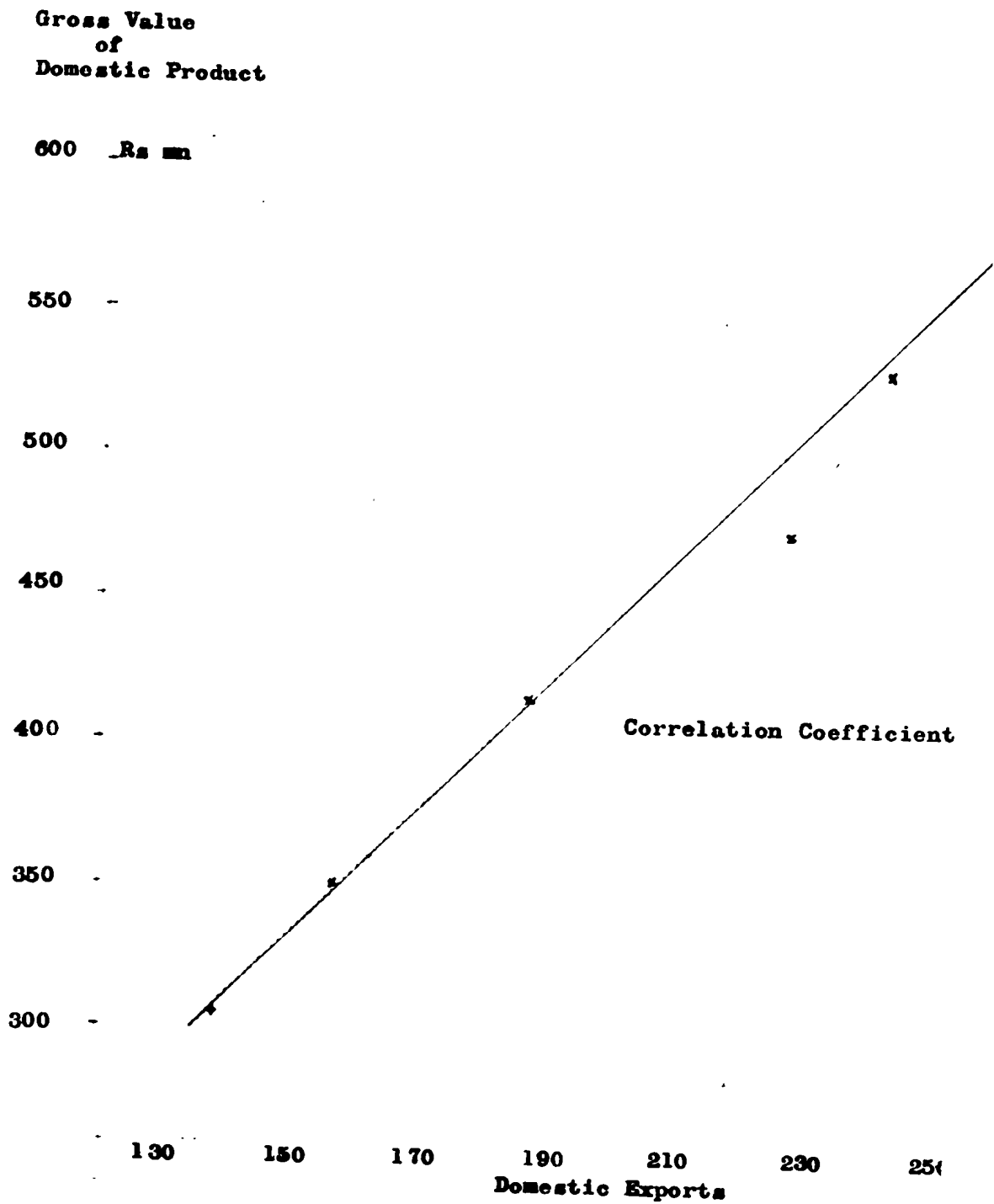


Fig. 2

From the data now available and reckoning on quantum and price indexes referred to pre-war, it is inferred that the National Income of the Colony in 1953 must have been around 90 million rupees.

intly The progressive monetary increase in National Income from 1948 *to* 1954 is ~~made up~~ *due to* in part *only* an actual increase in the total production of the Colony, and is, in the other part merely due to rise in prices.

The indexes for quantum of production *only* and price referred to 1948 are set out herebelow, with the national income assessed at 1948 prices:

TABLE IV

NATIONAL INCOME AT CONSTANT PRICES - 1948 - 1954

Calendar Year	Quantum of production <i>only</i>	Price	National Income at 1948 prices (Rs 1 mn)
1948	100	100	307
1949	106	107	326
1950	114	113	347
1951	124	125	372
1952	121	143	362
1953	135	145	402
1954	132	144	400

6 / From the above table it will be seen that, although from the consideration of mere monetary value, the increase in National Income has on the basis of the 1948 level reached in recent years 90% or thereabouts, yet from the point of view of real production *only* growth, the increase in *6* years has only been of the order of one third of the 1948 income i.e. 5% on the average per annum.

This is, however, quite remarkable in itself and compares indeed very favourably with best possible achievements in this respect at the present time.

The population increase between mid 1948 and mid 1954 has however, been 21%. When this is taken into consideration, it is found that the growth in real per capita income over the period 1948 to 1954 has only been on the average 1.4% per annum. (See Table page 21)

+ for net domestic product.

For comparison, a table of percentage increases in recent years in the National product or income of different countries has been added to the Appendix. The data for this and other tables have been extracted from a publication of the United Nations viz: Statistics of National Income and Expenditure (series H. 7 U. N. New York 1955).

Compared with 1938, the quantum of domestic production of Mauritius had, in 1953, increased by nearly 58%.

TABLE V
NET NATIONAL PRODUCT

Industrial Origin	Unit = Rs 1 million				
	1950	1951	1952	1953	1954
1. Agriculture, forestry, hunting & fishing	129	145	156	183	177
2. Mining & Quarrying	-	-	-	-	-
3. Manufacturing	95	109	122	132	128
4. Construction	17	20	23	28	29
5. Electricity, water & sanitary services	5	7	10	10	10
6. Transportation, Storage & Communication	46	56	62	79	82
7. Wholesale & Retail Trade	42	48	55	62	54
8. Banking, Insurance & Real Estate	4	5	6	7	7
9. Ownership of dwellings	34	34	36	36	38
10. Public Administration & Defence	9	11	14	15	14
11. Services	34	38	44	46	48
GROSS DOMESTIC PRODUCT AT FACTOR COST	415	473	529	598	587
LESS Provision for the consumption of fixed capital	- 15	- 17	- 18	- 21	- 23
NET DOMESTIC PRODUCT AT FACTOR COST	400	456	511	577	564
PLUS Net factor income from the rest of the world	+ 10	+ 9	+ 7	+ 6	+ 12
NET NATIONAL PRODUCT AT FACTOR COST	410	465	518	583	576

TABLE VI
NATIONAL INCOME

Unit = Rs 1 million

Distribution	1950	1951	1952	1953	1954
1. Compensation of employees	210	243	276	303	299
2. Income from farms, professions and other unincorporated enterprises received by households	79	85	96	116	107
3. Income from property received by households and private non-profit institutions	31	32	91	100	105
4. Saving of corporations	25	29	29	35	34
5. Direct taxes on corporations	10	14	19	21	24
6. General Government income from property and entrepreneurship	10	12	13	13	13
7. LESS Interest on public debt	- 2	- 3	- 3	- 3	- 4
8. LESS Interest on consumers' debt	- 3	- 3	- 5	- 2	- 2
9. NATIONAL INCOME	410	465	513	533	576

TABLE VII
NET NATIONAL EXPENDITURE

Composition	Unit = Rs 1 million				
	1950	1951	1952	1953	1954
1. Private consumption expenditure on goods & services	323	353	403	453	446
2. General Government consumption expenditure on goods and services	42	52	66	71	74
3. Net domestic fixed capital formation of private enterprises	42	44	43	49	32
4. Net domestic fixed capital formation of Government and public enterprises	3	12	13	21	21
5. Net exports of goods and services	+ 13	+ 23	+ 23	+ 21	+ 41
6. Net factor income payments from rest of the world	+ 10	+ 9	+ 7	+ 6	+ 12
7. NET NATIONAL EXPENDITURE AT MARKET PRICES	493	493	557	626	626
8. LESS Indirect Taxes	- 30	- 36	- 43	- 47	- 52
9. PLUS Subsidies	+ 2	+ 3	+ 4	+ 4	+ 2
10. NET NATIONAL EXPENDITURE AT FACTOR COST	410	465	518	583	576

TABLE VIII
THE GROSS DOMESTIC PRODUCT

(percentage distribution by type of activity)

Industrial origin	1950	1951	1952	1953	1954
1. Agriculture, Forestry, Hunting and Fishing	51.1	50.7	50.5	30.3	30.2
2. Mining and Quarrying	-	-	-	-	-
3. Manufacturing	22.9	23.0	23.1	22.1	21.3
4. Construction	4.1	4.2	4.5	4.7	4.9
5. Electricity, water and sanitary services	1.2	1.5	1.9	1.7	1.7
6. Transportation, storage and communication	11.1	11.3	11.7	13.2	14.0
7. Wholesale and Retail Trade	10.1	10.2	10.3	10.4	9.2
8. Banking, Insurance and real estate	0.9	1.1	1.1	1.1	1.1
9. Ownership of dwellings	3.2	7.2	3.3	6.0	6.5
10. Public administration and defence	2.2	2.3	2.7	2.5	2.4
11. Services	3.2	3.0	3.3	7.7	3.2
	100.0	100.0	100.0	100.0	100.0

TABLE IX
DISTRIBUTION OF THE NATIONAL INCOME
 (in percentage of the total)

Distribution	1950	1951	1952	1953	1954
1. Compensation of employees	51.2	53.5	53.3	52.0	51.2
2. Income from farms, professions and other unincorporated enterprises received by households	19.3	13.3	12.5	19.9	13.6
3. Income from property received by households and private non-profit institutions	19.3	17.6	17.5	17.1	12.2
4. Saving of corporations	6.1	3.2	5.6	6.0	5.3
5. Direct taxes on corporations	2.4	3.0	3.7	3.6	4.2
6. General Government Income from property and entrepreneurship	2.4	2.6	2.5	2.2	2.2
7. LESS Interest on public debt	- 0.5	- 0.6	- 0.6	- 0.5	- 0.7
8. LESS Interest on Consumers' debt	- 0.7	- 0.6	- 0.6	- 0.3	- 0.5
	100.0	100.0	100.0	100.0	100.0

TABLE X

PERCENTAGE COMPOSITION OF THE NET NATIONAL EXPENDITURE
(at factor cost)

Composition	1950	1951	1952	1953	1954
1. Private consumption expenditure on goods and services	78.8	75.3	77.3	78.6	77.4
2. General Government consumption expenditure on goods and services	10.2	11.2	12.6	12.2	12.9
3. Net domestic fixed capital formation of private enterprises	10.2	9.5	8.3	8.4	8.6
4. Net domestic fixed capital formation of Government and public enterprises	2.0	2.6	2.5	3.3	3.6
5. Net exports of goods and services	3.2	6.0	5.0	3.6	7.1
6. Net factor income payments from rest of the world	2.4	1.9	1.3	1.0	2.1
LESS Indirect taxes	- 7.8	- 7.7	- 8.3	- 8.1	- 9.0
PLUS Subsidies	0.5	0.8	0.2	0.7	0.3
	100.0	100.0	100.0	100.0	100.0

EXPENDITURE ON GROSS DOMESTIC PRODUCT - 1950-1954

(at market prices)

Annexure to Tables VII and I

	1950		1951		1952		1953		1954	
	Rs Mn	%	Rs Mn	%	Rs Mn	%	Rs Mn	%	Rs Mn	%
Private consumption expenditure	323	72.9	353	69.8	403	71.0	458	71.4	446	70.0
General Government consumption expenditure	42	9.5	52	10.3	65	11.4	71	11.1	74	11.6
Gross domestic fixed capital formation	65	14.7	73	14.4	74	13.0	91	14.2	76	11.9
Increase in stocks	-	-	-	-	-	-	-	-	-	-
Net Exports of goods and services	13	2.9	28	5.5	26	4.6	21	3.3	41	6.5
Expenditure on gross domestic product	443	100.0	506	100.0	568	100.0	641	100.0	637	100.0

REMARKS ON THE TABLES

confusion with the subject

Perhaps the simplest way to enable the ~~reader~~ reader to form an opinion of the facts revealed by these Tables of the structure of the Mauritian Economy, is to give him an opportunity to compare these facts with those of foreign economies. It is not proposed in this brief discussion to go to any great length in such an analysis but it will be possible to make some summary observations and give a few comparisons.

On the chapter of Productivity, Table VIII shows that the largest contributions to the domestic product are, in order of magnitude: Agriculture, Manufacturing, Transport and Communication and the Distributive Trade. All four types of activity contribute together to make up 75% of the total value of the domestic product, while agriculture by itself contributes not quite one third (30% - 31%) of the total. On this account, Mauritius would probably be classed among semi-agricultural communities; it is interesting here to put side by side to these features the per cent industrial distribution of the economically active population, as revealed by the Census 1952:

DISTRIBUTION OF THE INDUSTRIAL POPULATION OF MAURITIUS
(CENSUS 1952)

	Males ⁺ %	Females ⁺ %	Total %
Agriculture, Forestry, Hunting and Fishing	35	10	45
Manufacturing	12	2	14
Construction	9	-	9
Electricity, Water & Sanitary Services	1	-	1
Commerce	3	1	9
Transport, Storage & Communication	5	-	5
Services	10	7	17
	-----	-----	-----
	30	20	100
	=====	=====	=====

+ % of total economically active population

A United Nations rough classification[¶] of countries, according to the degree of economic development, groups among agricultural communities those countries in which 60% or more of all economically active

¶ Demographic Year Book 1952 - United Nations New York p. 16

males are engaged in Agriculture; a semi-industrial community is one which has 35% to 59% in Agriculture; while in an industrial country, less than 35% would be engaged in Agriculture.

5/ On this classification, Mauritius, with 35% of economically active males engaged in Agriculture, would take place among semi-industrial countries. Compared with the structure of the other economies set out in Appendix I, it would seem that, at 4% to 5%, the contribution of Construction to the economy is perhaps a little low, while Transport and Communication, considering the exiguity of the island, appear to be rather high at 11% to 13%.

When considering the distribution of the National Income, (Table IX) the main features which might be noted, are that somewhat over 50% of the total income goes to persons in employment, while workers on their own account, individual owners of enterprises, professionals and independent workers get slightly less than 20% for their share. The rentier, the owner of financial assets and property take from 17% to 18% of the community's income.

It is interesting to note that in one of the most advanced countries, the United States of America, the proportion of the National Income which goes to remunerate employees is as high as 68% while in the United Kingdom it is also very high : 64%.

Income from property is correspondingly much lower in these countries: 7% to 8%.

The level of savings for corporations in Mauritius, at 6% of the national income, compares very favourably with that obtained in advanced communities.

14/ Turning now to a consideration of the structure of the national expenditure, the outstanding feature to note is the fact that during the period under consideration some 12% of the ^{gross fixed capital formation} ~~total expenditure~~ was devoted to capital formation, and this has in the last year decreased to 9%.

Comparison with foreign economies seems however to indicate that the relative expenditure on this item in Mauritius is ^{among the lowest at} ~~rather lower than~~ present day levels obtained elsewhere. Quotations in Appendix I for some other countries afford the means of comparison.

TAXATION IN RELATION TO THE NATIONAL INCOME

The relative importance of Direct v/s Indirect Taxation in the economy varies considerably from one country to another, as can be verified from the table in the Appendix. The more " advanced " countries seem to favour a higher level of direct as compared with indirect taxation. The position in Mauritius is shown in the following table:

TAXATION EXPRESSED IN PER CENT OF NATIONAL INCOME - 1950 - 1954

Year	1950	1951	1952	1953	1954
	%	%	%	%	%
Direct Taxes	4	5	6	6	6
Indirect Taxes	7	8	8	8	9
Total Taxation	11	13	14	14	15

NATIONAL INCOME PER CAPITA 1943 - 1954

Year	Population (mid-year)	Actual per capita income	Real ⁺ per capita income	% increase or decrease
		Rs.	Rs.	
1948	438,797	700	700	-
1949	449,128	777	726	+ 3.7
1950	466,052	880	745	+ 2.6
1951	483,859	961	769	+ 3.2
1952	502,075	1,032	721	- 6.2
1953	516,525	1,129	778	+ 7.9
1954	530,461	1,033	754	- 3.1

+ i.e. Income reduced to constant prices (1943).

CURRENT AND CAPITAL

ACCOUNTS

TABLE XI

CURRENT ACCOUNT OF HOUSEHOLDS AND PRIVATE NON-PROFIT INSTITUTIONS

INCOME OF HOUSEHOLDS AND PRIVATE NON-PROFIT INSTITUTIONS

Source	Unit = Rs 1 Billion				
	1950	1951	1952	1953	1954
Compensation of employees	210	249	276	303	299
Income from farms, professions and other unincorporated enterprises	79	35	96	116	107
Income from property	31	32	91	100	105
LESS Interest on consumers' debt	- 3	- 3	- 3	- 2	- 2
Current transfers from General Government	2	4	4	3	7
INCOME	333	417	464	523	516

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CURRENT EXPENDITURE OF HOUSEHOLDS AND PRIVATE NON-PROFIT INSTITUTIONS

Structure	Unit = Rs 1 Billion				
	1950	1951	1952	1953	1954
Consumption expenditure	323	353	403	453	443
Direct taxes paid by households	7	10	12	12	13
Other current transfers to General Government #	1	1	1	1	1
Saving of households & private non-profit institutions	33	53	43	52	53
DISPOSAL OF INCOME	369	417	464	523	516

There may be differences of opinion here as to what truly constitutes mere transfers and what should be considered as payment for services of one kind or another. Items which have been included here are: fines, sales of educational books, drugs and stores, contributions by Government employees to social security (Widows' and Orphans' Pension Fund contributions), refund of public assistance, relief and repatriation costs.

TABLE XII

GENERAL GOVERNMENT CURRENT ACCOUNT

Source	CURRENT REVENUE					Unit = Rs 1 million
	1950	1951	1952	1953	1954	
Income from property & entrepreneurship on current transactions	10	12	13	13	13	
LESS Interest on public debt	-	-	-	-	-	
Indirect taxes	30	36	43	47	52	
Direct taxes on corporations	10	14	19	21	24	
Direct taxes on households	7	10	12	12	13	
Other current transfers from households*	1	1	1	1	1	
CURRENT REVENUE	56	70	85	91	99	

DISPOSAL OF CURRENT REVENUE

Structure	DISPOSAL OF CURRENT REVENUE				
	1950	1951	1952	1953	1954
Consumption expenditure	42	52	65	71	74
Subsidies	2	3	4	4	2
Current transfers to households	2	4	4	3	7
Saving on current transactions	10	11	12	10	16
DISPOSAL OF CURRENT REVENUE	56	70	85	91	99

* There may be differences of opinion here as to what truly constitutes mere transfers and what should be considered as payment for services of one kind or another. Items which have been included here are: fines, sales of educational books, drugs and stores, contributions by Government employees to social security (Widows' and Orphans' Pension Fund contributions), refund of public assistance, relief and repatriation costs.

See note to previous table

TABLE VIII
CURRENT ACCOUNT WITH REST OF THE WORLD

Unit = Rs 1 million

	1950	1951	1952	1953	1954
Exports of goods and services*	204	227	270	295	275
Net factor income payments to the nation	10	9	7	6	12
LESS Imports of goods and services	- 191	- 213	- 244	- 274	- 234
SURPLUS OF THE NATION ON CURRENT ACCOUNT	23	37	33	27	53

* As regards sugar, this item has been adjusted to include the value of the exportable ^{ed} quantum of the sugar crop of the year, instead of the actual calendar year exports.

TABLE XIV

THE FINANCE OF GROSS DOMESTIC FIXED CAPITAL FORMATION

Source	Unit = Rs 1 million				
	1950	1951	1952	1953	1954
Provision for the consumption of fixed capital	15	17	18	21	23
Saving of corporations	25	29	29	55	34
Net capital transfers from households and private non-profit institutions	12	15	13	17	20
Net capital transfers from General Government	3	12	13	21	21
Net international transfers received by corporations	10	5	0	5	-
Net borrowing of corporations	- 5	- 5	- 7	- 3	- 22
GROSS DOMESTIC FIXED CAPITAL FORMATION	65	73	74	91	76

TABLE IV

CAPITAL RECONCILIATION ACCOUNT

Unit = Rs 1 Million

	1950	1951	1952	1953	1954
A. CORPORATIONS					
Saving of corporations	25	29	29	35	34
Net international transfers received	10	5	3	5	--
Net borrowing of corporations	--	5	7	3	22
RECEIPTS (Net domestic fixed capital formation)	30	29	30	32	12
B. HOUSEHOLDS & PRIVATE NON-PROFIT INSTITUTIONS					
Net capital transfers to general Government	2	5	3	1	2
Saving	30	53	43	52	56
Net international transfers received	3	1	3	4	4
Net borrowing	21	34	29	30	30
RECEIPTS (Net capital transfers to domestic fixed capital formation)	12	15	13	17	20

Capital Reconciliation Account (continued)

Unit = Rs 1 billion

	1950	1951	1952	1953	1954
C. GENERAL GOVERNMENT					
Saving	10	11	12	10	16
Net Capital transfers from households	2	3	3	1	2
Net international transfers received	1	2	4	5	3
Net borrowing	-	-	-	+	-
	8	12	18	21	21
D. EXTERNAL TRANSACTIONS					
Surplus of the nation on current account	23	37	55	27	53
Net international transfers to corporations	10	5	3	5	-
Net international transfers to households	-	-	-	-	-
Net international transfers to general Government	1	2	4	5	3
	31	43	42	33	52
RECEIPTS					

RECEIPTS

(Net capital transfers to domestic fixed capital formation)

RECEIPTS

TABLE XVI
NET LENDING TO THE REST OF THE WORLD

Unit = Rs 1 million

Sector	1950	1951	1952	1953	1954
Corporations	5	5	7	8	22
Households and private non-profit institutions	21	34	29	30	30
General Government	5	4	6	-	-
TOTAL DISBURSEMENTS	31	43	42	33	52

APPENDIX ITABLE I

AVERAGE PER CENT REAL⁺ INCREASE IN NATIONAL INCOME IN SOME
COUNTRIES 1948 - 1953

Countries	Average % Increase per annum
Canada	5
Denmark	4
France	3
Finland	4
Norway	3
Netherlands	5
Spain	7
Sweden	2
Switzerland	3
Union of South Africa	5
United Kingdom	3
United States of America	5

+ i.e. increase in National Income at constant prices.

TABLE 2
INDUSTRIAL ORIGIN EXPRESSED AS PERCENTAGE OF NET NATIONAL PRODUCT (1952 - 1953)

Country	Canada	Denmark	Western Germany	India	Ireland	Italy	Japan	Kenya	Netherlands	New Zealand	Norway	Union of South Africa	United Kingdom	United States of America
Industrial origin	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Agriculture, Forestry, Hunting and Fishing	12	22	11	51	33	26	22	42	12	27	14	15	5	6
Mining and Quarrying	4	-	49	1		1	4	1	3	1	2	13	4	2
Manufacturing	30	28		15	26	32	23	11	36	24	33		38	32
Construction	6	7	7			4	5	3	6	5	9		6	5
Transportation, Storage and Communication	10	9	8			3	8	7		10	13		10	9
Wholesale and Retail Trade	14	16	9	17	15	13	17	17	20		12		12	17
Ownership of dwellings		4	1	4		1		5	4		1		3	
Public Administration & Defence	9	9	9	5	9	11	5	9	6	4	4		6	11
Other Services	15	5	6	7	17	4	16	4	13	29	12	14	16	18
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100

N.B. Public Utilities vis., electricity and water are included here in "Manufacturing".
Sanitary Services, Banking, Insurance and Real Estate are included in "Other Services"

TABLE 5

TAXATION EXPRESSED AS PERCENTAGE OF THE NATIONAL INCOME

Country	Direct Taxation	Indirect Taxation	Total Taxation	Year
<u>AFRICA</u>				
Union of South Africa	8 10	4	18 14	1952 ³
<u>AMERICA</u>				
Canada	13	8	21	1953
Honduras	2	6	8	1952
Mexico	2 3	6	8 9	1952 ²
Panama	2	6	8	1952
United States of America	20	3	23	1953
Argentina	4	8 4	8 8	1952 ³
Brazil	4	6	10	1953
Chile	8	8 9	14 17	1950 ³
Peru	4	11	15	1952
<u>ASIA</u>				
Burma	1	7	8	1953
Ceylon	6	12	18	1953
Malaya	1	4	5	1950
India	2	2	4	1951 ³
Japan	8	4	12	1953
Philippines	2	6	8	1953
<u>EUROPE</u>				
Austria	21	6	27	1953
Belgium	10	14	24	1952
Denmark	8	8	16	1953
France	20	7	27	1953
Ireland	7	13	20	1953
Italy	7	7	14	1953
Netherlands	23	7	30	1953
Norway	8	15	23	1953
Sweden	12	7	19	1953
United Kingdom	16	13	29	1953
<u>OCEANIA</u>				
Australia	16	8	24	1953
New Zealand	18	9	27	1953

Sources

Statistical Year Book of the United Nations 1954;
 Statistics of National Income and Expenditure
 (United Nations Series H. 7. 1955)

APPENDIX II1. THE NET NATIONAL PRODUCT
(REFERENCE TABLE V)SOURCES OF INFORMATION1. AGRICULTURE, FORESTRY, HUNTING AND FISHERY

- (a) Sugar Production: Annual Statistical Returns of Manufacturers; Year Book of Statistics; Annual Report of the Chamber of Agriculture; Financial Statistics of the Chamber of Agriculture; Annual Financial Statements of the Mauritius Sugar Syndicate.
- (b) Tea Production: Year Book of Statistics; Annual Report of the Tea Officer; Financial Statistics and Estimates from the Tea Officer; monthly survey of the market.
- (c) Aloe Fibre Production: Annual Report of the Mauritius Hemp Syndicate; Year Book of Statistics; Financial Statistical data from the Technological Section of the Department of Agriculture; Surveys and enquiries of the Central Statistical Office.
- (d) Tobacco Production: Annual Report of the Tobacco Board; Year Book of Statistics; Financial Statistics and Estimates from the Tobacco Board and Tobacco Producers' Association.
- (e) Forest Produce: Annual Report of the Forest Department; Statistical information from the Statistician, Forest Department. Includes estimation of private forest produce.
- (f) Foodcrops: Annual Report of the Food Production Board; Year Book of Statistics; monthly surveys of markets by the Central Statistical Office; Information supplied by the Food Production Board
- (g) Vegetable gardens and poultry farm produce and fruits: Investigations carried out by the Central Statistical Office; monthly surveys of markets; Enquiries from Producers.
- (h) Milk, butter and cheese: Investigations by the Central Statistical Office; Annual Survey of production; enquiries from Producers.
- (i) Fisheries produce: Annual Report of the Department of Fisheries; monthly surveys of markets by the Central Statistical Office; Enquiries from the Fisheries Department, from fishermen and intermediaries.

- (j) Meat produce: Monthly return from the slaughterhouses; monthly surveys of markets by the Central Statistical Office; Enquiries from producers, from intermediaries and distributors; Year Book of Statistics.
- (k) Manure: Investigations by the Central Statistical Office.

Services rendered by Government Organisations

Forestry, Irrigation Works, Food Production Control, Public Gardens, etc.

Sources: Annual Reports of Departments and of Municipal and Town Councils; Annual Financial Reports; Annual Trade Reports of the Customs Department.

2. MINING AND QUARRYING

Salt Production: Annual survey of production from producers; monthly surveys of markets by the Central Statistical Office; Statistical data from Supplies Control Department; Year Book of Statistics.

3. MANUFACTURING

- (a) Sugar, molasses and distillery produce: Annual returns furnished by Sugar Factories and Distilleries; Year Book of Statistics; Annual Report of the Chamber of Agriculture; Annual Financial Statements of the Mauritius Sugar Syndicate; Financial Statistics of the Chamber of Agriculture; Statistical information furnished by the Mauritius Distillers' Association; Monthly surveys of markets by the Central Statistical Office.
- (b) Manufactured Tobacco: Statistical information from the British American Tobacco Ltd.; Investigations by the Central Statistical Office of the wholesale and retail markets; Annual Report of the Tobacco Board.
- (c) Wine Manufacture: Annual report of the Excise Department; monthly surveys of the retail market by the Central Statistical Office; Investigations by the Central Statistical Office; Year Book of Statistics.
- (d) Bread Manufacture: Statistical Information from the Supplies Control Department and from Manufacturers; Investigations by the Central Statistical Office; monthly surveys of markets.
- (e) Minerals and carbonated water manufacture: Annual survey by the Central Statistical Office; Information furnished by Manufacturers and retailers.

- (f) Iron Works and Foundries: Information supplied by the main concerns .
- (g) Other Industries: Information from Census 1952 and the Special Census of 1955 of village industries and minor activities; Monthly surveys of the retail market; Annual Report of the Labour Department; Year Book of Statistics; Investigations by the Central Statistical Office.
4. CONSTRUCTION
- (a) Private Undertakings: Records of building permits of the Public Works Department and of Municipal and Town Councils; Information furnished by Principal Building Contractors and by the Government Architects and Public Works Authorities.
- (b) Central Government Undertakings: Annual Report of the Public Works Department; Annual Financial Report of the Government; Annual Report of the Development and Welfare Department.
- (c) Local Authorities Undertakings: Annual Financial Reports of the Municipal and Town Councils
5. ELECTRICITY, WATER AND SANITARY SERVICES
- (a) Electricity: Information supplied by the Electricity and Telephones Department; the Central Electricity Board and Private Concerns; Miscellaneous Official Reports; Investigations by the Central Statistical Office.
- (b) Water and Sanitary Services: Annual Financial Reports of the Government and of Municipal and Town Councils, Annual Report of the Public Works Department.
6. TRANSPORT, STORAGE AND COMMUNICATION
- (a) Goods Transport and Storage: Annual Returns of Sugar manufacturers; Year Book of Statistics; Annual Report of the Railway Department, of the Granary, Harbour and Quays Department; Annual Financial Report of the Government; Annual Report of the Police Department; Information furnished by the Government Transport Adviser; Statistical Information furnished by shipping and Insurance Companies; Investigations by the Central Statistical Office.
- (b) Passenger Transport: Annual Report of the Police Department; Annual Report of the Government Transport Adviser; Annual Financial Report of the Government; Investigations by the Central Statistical Office; Information supplied by Air Transport, Shipping & Insurance Agencies and by Domestic Shipping Companies.

- (c) Communications: Annual Financial Report of the Government; Statistical Information furnished by the Cable and Wireless Ltd; Annual Report of the Electricity and Telephones Department.
- (d) Water Transport: Investigations by the Central Statistical Office; Annual Report of the Harbour Department; Annual Report on Trade of the Customs Department.

7. WHOLESALE AND RETAIL TRADE

Annual Report on Trade of the Customs Department; Statistical Information published by the Supplies Control Department; Investigations by the Central Statistical Office; Monthly surveys of markets by the Central Statistical Office; Returns of the Police Department; Year Book of Statistics.

8. BANKING, INSURANCE AND REAL ESTATE

Balance sheets and Profit and Loss Accounts of Trading Banks; Annual Report of the Mauritius Agricultural Bank; Statistical informations and returns supplied by Banks; Annual Report of the Mauritius Co-Operative Central Bank; Annual Report of the Government Savings Bank; Informations from Balance of Payments Tables and Official Documents; Investigations by the Central Statistical Office.

9. OWNERSHIP OF DWELLINGS

Census 1952; Records of building permits issued by the Public Works Department and by Municipal and Town Councils; Investigations carried out by the Central Statistical Office

10. PUBLIC ADMINISTRATION AND DEFENCE

Annual Financial Report of the Government and Official Documents.

11. SERVICES

Year Book of Statistics; Annual Reports of Government Departments; Financial Reports of the Government; Government Gazette; Census 1952; Annual Reports of Public Service Associations; Annual Trade Report of the Customs Department.

PROVISION FOR THE CONSUMPTION OF FIXED CAPITAL

These provisions are designed to cover wear and tear and foreseen obsolescence of all fixed capital. In accordance with established practice, unforeseen obsolescence is usually treated as a capital loss, no provisions are included in respect of general Government assets such as roads, bridges, traffic installations.

Expenditure on maintenance and repairs are included in gross rental value for buildings and in current expenditure for the normal maintenance of government assets. Further, no provisions for the depletion of natural resources are included here.

Except where indicated by the concerns themselves (e.g. the Sugar Industry, the British American Tobacco Co. Ltd., the Cable and Wireless Co. etc.) the provisions are based on " Wear and Tear " allowances and depreciation rates of the Income Tax Department. In the case of minor industries, a survey of the capital worth of the plant is carried by qualified officials. As regards Government enterprises (Railway, Harbour, Quays, Public Works Plant, Machinery and Vehicles, etc.) the information is obtained from the department itself.

It should be noted, as stated above, that no provisions are made in respect of buildings and public assets like roads, bridges, etc. it is assumed in these cases that the current expenditure on repairs and maintenance keeps the value of the assets intact.

Sources

Statistical information and Annual Report of the Income Tax Department; Annual Financial Report of the Chamber of Agriculture; Information supplied by the Technologist of the Department of Agriculture; by Public Works Officials; and private concerns; Investigations by the Central Statistical Office.

2. NATIONAL INCOME

(Reference Table VI)

1. COMPENSATION OF EMPLOYEES

This is made up of: wages, salaries, and remuneration in cash and kind of all employees (before payment of taxes and deductions for social security); pay and allowances to dependents of armed forces; contributions by employers to the social security. To wages and salaries are added bonuses, fees, overtime and other allowances or supplements.

Sources

Census 1952; Annual Financial Report of the Government and of the Municipality and Town Councils; Financial Report of the Chamber of Agriculture; Annual Report and Statistical Information from the Income Tax Department; Annual Report of the Labour Department; Information furnished by the Military Authorities; Investigations by the Central Statistical Office.

2. INCOME FROM FARMS, PROFESSIONS AND OTHER UNINCORPORATED ENTERPRISES RECEIVED BY HOUSEHOLDS

This refers to the income in money and kind, before payment of direct taxes, accruing to households from the ownership of enterprises or from the exercise of professions or trade.

Sources

Annual Financial Report of the Chamber of Agriculture; the Year Book of Statistics; the Mauritius Sugar Syndicate Annual Statement; Census 1952; the Annual Financial Report of Government; the Department of Agriculture's reports and monthly returns; the Report of the Tobacco Board; the Annual Reports of the Forest Department, of the Food Production Board, of the Fisheries Department; Information furnished by the Sugar Technologist, the Tea Officer, the Distributors' Associations; Annual Report and Statistical returns from the Income Tax Department; Investigations and Surveys by the Central Statistical Office.

3. INCOME FROM PROPERTY RECEIVED BY HOUSEHOLDS AND PRIVATE NON-PROFIT INSTITUTIONS

This consists of income received from the ownership of land buildings and from the possession of financial assets, patents, copyrights, etc.

It is made up of:

- (a) Rent i.e. the net income to households and private non-profit institutions from the possession of land, buildings; for owner-occupied dwellings it includes an imputed income corresponding to the rental value. The rent here is net of insurance, repairs, rates and taxes, mortgage interests.
- (b) Interest and Dividends.
- (c) Grants to households and private non-profit institutions.

Sources

Census 1952; Returns from the Public Works Department, the Municipality and the Town Councils; Annual Reports of the Public Works Department; Annual Financial Report of the Government; Investigations by the Central Statistical Office; Financial Report of the Chamber of Agriculture; Annual Report of the Registrar General's Department; Annual Report and Statistical Returns of the Income Tax Department; Annual Report of the Post Office; Returns from Trading Banks; Annual Report and Returns from the Savings Bank; Official documents of the Balance of Payments.

4.

SAVING OF CORPORATIONS

Corporations, as the term is usually understood, refers to both private and public corporations, the latter being corporations formally established and regulated by public law, the shares being wholly or mainly owned by public authorities and the management controlled by public authorities. Public corporations of the type defined above do not exist in Mauritius but there are Government owned and managed enterprises like the Government Railways, the Central Electricity Board, the Tobacco Warehouse, the Hemp Sack Factory, etc... On the other hand, companies in Mauritius are described as "private" or "public", though, in fact, these companies are strictly private in the above sense. The legal definition of a "public company" in Mauritius is as follows:

A company constituted by an invitation to members of the public (i.e. to any person) to subscribe for shares. The minimum number of persons required by law for the constitution of a "public company" is seven.

A "private company" is defined (by law) as follows:

A company which by its articles:

- (i) restricts the rights of transfer of its shares;

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- (ii) limits the number of its members (subscribers) to fifty;
- (iii) prohibits any invitations to members of the public (i.e. to any person) to subscribe for any shares or debentures of the company.

The item of savings comprises that part of the income earned which remains after direct taxes and dividends have been paid i.e. the undistributed profits. It is made up of the actual amounts set aside as follows:

1. (a) Share of corporations in the total annual premium paid to the Cyclone & Drought Insurance Fund;
- (b) Share of the investment income accruing to the Fund;
- (c) Annual contributions to the Sugar Industry Rehabilitation Fund, to the Sugar Industry Depreciation Fund, to other Sugar Industry Saving Funds;
- (d) Undistributed profits of Sugar Companies.
2. Additions to the Reserve Funds and the Undistributed profits (after tax) of Banks, other Private Corporations, Commercial and Trading Companies.

Sources

Annual Report and Statistical returns of the Income Tax Department; Bank Balance Sheets; Annual Report of the Cyclone and Drought Board; Annual Report and Financial Report of the Mauritius Chamber of Agriculture; Records of the Registrar General's Department; Investigations by the Central Statistical Office.

5. DIRECT TAXES ON CORPORATIONS

Sources

Annual Report and Statistical Returns of the Income Tax Department; Annual Financial Report of the Government and Local Administrations.

6 & 7. GENERAL GOVERNMENT INCOME FROM PROPERTY AND ENTREPRENEURSHIP AND INTEREST ON PUBLIC DEBT

Sources

Annual Financial Report of the Government and of Local Administrations.

8. INTEREST ON CONSUMERS' DEBT

This consists of interest on all debts of households and private non-profit institutions incurred in their capacity as consumers e.g. interest on hire purchase system, on purchases on the instalment credit system, on money lenders' credit, on shopkeepers' credit, etc...

Sources

Investigations by the Central Statistical Office.

3. NATIONAL EXPENDITURE

(Reference Table VII)

SOURCES OF INFORMATION1 PRIVATE CONSUMPTION EXPENDITURE ON GOODS AND SERVICES

This is made up of:

- (a) Retained imported consumer goods at market prices (i.e. exclusive of capital goods, non-consumer goods and purchased imported goods by the General Government).
- (b) Imported consumer goods at market prices from the dependencies of Mauritius
- (c) Consumption of local produce at market prices

Sources

Year Book of Statistics; Census 1952; Annual Report on Trade of the Customs Department; Annual Financial Report of the Government and of Municipal and Town Councils; Cost of Living Surveys by the Central Statistical Office of households' consumption; Surveys by the Central Statistical Office of wholesale and retail marginal costs and profits.

- (d) Private expenditure on services: viz:- Health, Legal, Financial, Educational, Transport, Personal Services (domestic, servants, hairdressers, etc.).
- (e) Rental of dwellings, Water and Electricity: Census 1952; Year Book of Statistics; Annual Survey of new dwellings from records of Municipal and Town Councils and of the Public Works Department; Investigations by the Central Statistical Office.
- (f) Other Expenditure on Transportation (including private cars), Postal, Telephone and Telegraph and Radio Services; Recreation and entertainment; catering.
- (g) Balance of expenditure of residents abroad and of non-residents in the country.

Sources

Year Book of Statistics; Annual Financial Report of the Government; Census 1952; Statistics of Income Tax Department; Annual Reports of the Education and Medical Departments; Investigations by the Central Statistical Office

2. GENERAL GOVERNMENT CURRENT CONSUMPTION EXPENDITURE ON GOODS AND SERVICES

This comprises the net consumption expenditure of both the Central and Local (Municipal and Town Councils) Governments.

It does not include expenditure of a capital nature, nor current transfers to households (old age pensions, outdoor relief, charities).

Sources

Annual Financial Report of the Government; Annual Financial accounts of the Municipality and Town Councils.

3 & 4. NET DOMESTIC FIXED CAPITAL FORMATION

This comprises the expenditure on capital goods and works of both private enterprises and public (Government) enterprises.

It is made up of:

- (a) Purchase of capital equipment, both of foreign and of local origin;
- (b) New buildings and public works;
- (c) Capital expenditure on plantations.

Sources

Annual Returns from Sugar Companies; Annual Report of the Chamber of Agriculture; Annual Report on Trade of the Customs Department; Annual Returns by Local Manufacturing and Engineering concerns; Annual Report and returns from the Public Works Department; Financial Report of the Government and of the Municipal and Town Councils; Annual Financial Report of the Development and Welfare Funds; Annual Returns and Reports from the Tea Officer; the Tobacco Board; The Mauritius Hemp Producers Syndicate; Annual Report of the Forest Department; Information supplied by the Government Architect, the more important building contractors, the Statistician of the Chamber of Agriculture, of the Forest Department; Investigations by the Central Statistical Office.

5. NET EXPORTS OF GOODS AND SERVICES

This is made up of the balance of current transactions with the rest of the world; viz:

- (a) The annual net balance of visible trade + (merchandise);
- (b) The net exchange of services with the rest of the world viz:-
 - (i) Freight and Insurance on Trade;
 - (ii) Transportation of passengers;
 - (iii) Foreign Travel;
 - (iv) Insurance premiums and claims;
 - (v) Government transactions;
 - (vi) Miscellaneous e.g. brokerage and other fees, communications, advertising, subscription to press, lottery tickets and prizes, film rentals.

+ An adjustment to the visible balance of trade is effected here by using the value of exportable quantum of the crop for the year instead of the actual calendar year record of sugar exports. The necessity for this has been given in the Year Book of Statistics in the chapter dealing with the Visible Trade of the Colony.

Sources

Annual Report on Trade of the Customs Department; Year Book of Statistics; Monthly Returns from Banks; Post Office records and returns; Records of the Accountant General's Department; Financial Report of the Government; Balance of Payments Official documents; Investigations by the Central Statistical Office.

6. NET FACTOR INCOME FROM THE REST OF THE WORLD

This consists of:-

- (i) The net investment income from abroad (international investment income, interests, dividends, profits);
- (ii) Earnings of residents abroad (i.e. amount transferred to resident country/^{of}workers' earnings, of earnings of members of M.O.R., of R.P.C., etc.);
- (iii) Profits or losses on business activities;
- (iv) Copyrights, patents, royalties, rents.

Sources

Monthly returns from Banks; Returns from the Military

Authorities; Post Office records and monthly returns; Records of the Accountant General's Department; Balance of Payments Official documents; Statistical Information from the Income Tax Department; Investigations by the Central Statistical Office.

8 & 9. INDIRECT TAXES AND SUBSIDIES

Sources:- Annual Financial Report of the Government and of Municipal and Town Councils; Annual Report of the Supplies Control Department.

4. THE CURRENT ACCOUNTS

(Reference Tables XI - XIII)

1. THE CURRENT ACCOUNTS OF THE HOUSEHOLDS AND PRIVATE NON-PROFIT INSTITUTIONS

The sources from which, in general, the households finance their private current consumption expenditure are :-

- (i) Their own productive activity which may consist of:
 - (a) Wages, salaries, remuneration for service in the armed forces;
 - (b) Income from farms, professions, and other private enterprises.
- (ii) Transfers received from other parts of the economy viz :
 - (a) Income from property i.e. investment income, rent, interests, dividends, royalties, etc.
 - (b) Current transfers received i.e. unemployment insurance benefits, health insurance benefits, public assistance, old age pensions, gratuities.

The current account of this sector of the economy shows the incomes derived from different sources and the disposal of these incomes in consumption expenditure, direct taxes, current transfers to Government and savings.

2. THE CURRENT ACCOUNT OF GENERAL GOVERNMENT

This is drawn in similar lines as the account for households and private non-profit institutions.

The item: " Current transfers to Households " in the table of Disposal of Current Revenue consists of Old Age Pensions, Public Assistance, Charities, and is equal (with the sign reversed) to the corresponding item in the Table of Income of Households.

5. THE CAPITAL RECONCILIATION ACCOUNT

(Reference Table XV)

CORPORATIONSSAVING OF CORPORATIONS

Transferred from Table VI Item 4

NET INTERNATIONAL TRANSFERS RECEIVED

This is the balancing item of the table; partial confirmation for the entries is to be found in the Balance of Payments Table.

Sources

Local banking statistics; United Kingdom official banking returns.

NET BORROWING OF CORPORATIONS

The entries are made up as follows :-

- (a) External capital investments abroad of the amounts accruing to the Cyclone and Drought Fund (share of the corporations);
- (b) Reimbursement by corporations of capital loans from international sources;
- (c) Capital investments abroad of corporations.

Sources

Local Banking statistics; United Kingdom Official Banking returns; Annual Report of the Cyclone and Drought Board; Annual Financial Report of the Government.

HOUSEHOLDS AND PRIVATE NON-PROFIT INSTITUTIONSNET CAPITAL TRANSFERS TO GENERAL GOVERNMENT

This is made up of :-

- (a) Loans subscribed to the Government Development and Welfare Scheme;
- (b) Reimbursement of capital loans and advances.

Sources

Development and Welfare Financial Report; the Government Financial Report

SAVING

Transferred from Table XI

NET INTERNATIONAL TRANSFERS RECEIVED

This consists of net capital transactions and donations to and from the rest of the world.

Sources

The Balance of Payments table; Post Office returns of postal and money orders (inwards and outwards); Local Banking Statistics.

NET BORROWING

- (a) Share of households in the Annual external capital investments of the Cyclone and Drought Fund;
- (b) Private external capital transactions of households.

Source's

The Balance of Payments table; Local Banking statistics; United Kingdom Banking statistics.

GENERAL GOVERNMENTSAVING

Transferred from Table XII

This consists of Net surplus from current transactions plus income accruing from rent, royalties, interests and dividends.

Sources

Computed from data in the Government Financial Report; Financial reports of Local governing bodies: Municipality, Town Councils.

NET CAPITAL TRANSFERS FROM HOUSEHOLDS

This consists of :-

- (a) Loans privately subscribed to the Government Development and Welfare Scheme;
- (b) Reimbursements to the Government of capital loans and advances to the private sector.

Sources

Development and Welfare Financial Report; the Government Financial Report; Treasury records.

NET INTERNATIONAL TRANSFERS RECEIVED

Grants to the Mauritius Government from the United Kingdom Colonial Development and Welfare Fund.

Sources

Development and Welfare Financial Report; Treasury Records.

NET BORROWING

This consists of :-

- (a) Loans subscribed in the United Kingdom for the Development and Welfare Scheme;
- (b) A residual balancing item

Sources

Development and Welfare Financial Report; Treasury records; Balance of Payments table.

EXTERNAL TRANSACTIONSSURPLUS OF THE NATION ON CURRENT ACCOUNT

Transferred from Table XIII

NET INTERNATIONAL TRANSFERS TO CORPORATIONS

Transferred from Table XIV

NET INTERNATIONAL TRANSFERS TO HOUSEHOLDS

Transferred from Table XV B.

NET INTERNATIONAL TRANSFERS TO GENERAL GOVERNMENT

Transferred from Table XV C.