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NATIONAL ACCOUNTS AGGREGATES
(1987 - 1990)

MINISTRY OF ECONOMIC PLANNING & DEVELOPMENT
PORT LOUIS
MAURITIUS

National Accounts Aggregates

(1987 - 1990)

1. General

This issue of the Economic Indicators contains the main National Accounts tables relating to the years 1987 to 1990. Estimates in respect of the year 1988 have now been finalised, whilst those relating to 1989 are still provisional. A revised forecast for the year 1990 is also included.

It is now confirmed that the economy last year grew by 3.8% i.e. almost at the same level (3.9%) estimated earlier. This relatively low growth was mainly attributable to the low sugar output recorded in 1989.

A revised forecast of the real growth rate of Gross Domestic Product (GDP) in 1990 has been worked out on the basis of trade, production and employment data available for the first six months of the year. It is most likely that the economy this year will grow by 6.3% rather than the 5.7% predicted earlier in March 1990. This overall growth rate includes the effect of the recovery in the sugar industry sector (+14%) and a moderate pick up of the EPZ sector which will grow at an estimated 7% compared to 4% the previous year. Exclusive of sugar, however, the remaining sectors are expected to grow by around 5.5% compared to 6% last year and 9% in 1988.

GDP at market prices will reach Rs 36,500 million from Rs 31,600 million in 1989. The current price estimates for the year 1990 has been revised considerably upwards following the salary increases granted as from July 1990, higher import prices and the continued high level of inflation.

2. Output, 1989

2.1 Sectoral growth

GDP at factor cost grew by around 15% in nominal terms from Rs 23,200 million to Rs 26,500 million. Net indirect taxes amounted to Rs 5,100 million bringing GDP at market prices to Rs 31,600 million.

- The sugar sector recorded a negative growth of around 14% with a crop of 568,000 tonnes only, following the two cyclones Firinga and Krissy and the low extraction rate.

- The EPZ sector which had sustained an annual growth of around 25% during the past five years, witnessed a slow down in 1989. This sector is estimated to have grown by only 4% last year; the reduced growth is mainly attributable to the sharp decline recorded in the woollen sector where output is estimated to have dropped by 15% whilst the 'other garments' (cotton) sector maintained a high level of growth.

- The Tourism sector continued to grow at around 10% with some 253,000 tourist arrivals yielding Rs 2,800 million of gross foreign earnings.

- Other sectors which have fared well are the construction sector (+ 11%) and the Banking, Insurance and other Business Services Sectors (+ 10%).

2.2 Cost Component of GDP

The share of compensation of employees in GDP at factor cost stood at 47% and amounted to Rs 12,500 million of which General Government paid out some Rs 3,400 million. Gross Operating Surplus totalled Rs 14,070 million.

2.3. Consumption and Savings

Total consumption expenditure grew in nominal terms by 20% to reach Rs 24,855 million from Rs 20,724 million a year ago. After removing price effects in volume terms, consumption is estimated to have grown by around 6% compared to 8% in 1988 and 18.0% in 1987.

Consequently, Gross Domestic Savings amounted to around Rs 6,800 million and the savings rate (ratio of savings to GDP at market prices) dropped to 21.5% from 25.5% in 1988 and 27.4% in 1987.

2.4 Investment (Gross Domestic Fixed Capital Formation, GDFCF)

Investment in building, plant, machinery and transport equipment goods amounted to Rs 8,565 million. Compared with the 1988 figures, inclusive of aircraft, investment in 1989 is estimated to have registered a drop of around 7%. However, exclusive of aircraft, investment grew by 12%. The level of investment in the country as measured by the ratio of investment to GDP at market prices reached 27.1%.

The share of the public sector amounted to Rs 2,285 million representing 26.7% of the total. Investment by the Private Sector reached Rs 6,280 million and included the purchase of two ships costing around Rs 500 million.

Construction of buildings and other works was valued at Rs 4,140 million representing 48% of total GDFCF. The remaining Rs 4,425 million were invested in plant, machinery and transport equipment goods.

3. Output, 1990 (forecast)

3.1 Sectoral growth

GDP at factor cost will grow, in nominal terms, by around 16% to reach Rs 30,700 million. Net indirect taxes will amount to Rs 5,800 million bringing GDP at market prices to Rs 36,500 million.

The overall growth forecast of 6.3% for the year 1990 has been arrived at on the basis of the following assumptions made in respect of the main sectors of the economy :

<u>Sector</u>	<u>Real Growth Rate</u> <u>(1990. forecast)</u>	<u>Assumptions</u>
1. Sugar Industry	+ 14%	A sugar crop of 640,000 tonnes compared to 568,000 tonnes in 1989.
2. EPZ Sector	+ 7%	Growth rate revised upward from 4% in March based on exports reaching Rs 11,000 mn from Rs 9,057 mn in 1989.
3. Tourism Sector (Hotels & restaurants)	+ 8%	Tourist arrivals reaching 285,000 and Rs 3,250 mn of tourist earnings.
4. Finance, Insurance and Business Services	+ 8%	

Overall economy	+ 6.3%	
	=====	

4.2 Compensation of employees

Compensation of employees is expected to increase by Rs 2,000 million to reach Rs 14,500 million. The share of General Government will amount to Rs 3,700 million.

4.3 Consumption and savings

The high inflation rate expected this year will again push up consumption expenditure which is expected to increase by around 16% in nominal terms to reach Rs 28,700 million. In volume terms, a lower growth of around 4% is expected compared to 6% last year and consequently, Gross Domestic Savings will amount to Rs 7,800 million and the savings rate will stay at 21.4%.

4.4 Investment

Total investment in 1990 is forecast to grow by 18% in real terms to reach Rs 11,215 million from Rs 8,565 million last year. Investment level will consequently increase to slightly over 30% compared to 27% in 1989.

Investment figures for the year 1990 however includes an amount of around Rs 1,200 million representing the purchase of two aircraft by the National airline, another one by National Coast Guard and one marine vessel, viz The 'Mauritius Pride'.

The share of the public sector will amount to around Rs 4,000 million representing 36% of the total. This figure includes the purchase of the above mentioned aircraft and ship.

Construction of residential buildings is forecast to maintain a high growth of around 15%, and non-residential buildings will grow by around 20% mainly on account of hotel construction and aircraft sheds. Investment in construction of buildings and other works will therefore amount to Rs 5,485 million, the remaining Rs 5,730 million represent the purchase of plant, machinery and transport equipment.

Central Statistical Office
PORT LOUIS

October 1990

Annual growth rates of GDP (%), 1986 - 1990

(at factor cost)

	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u> ^{1/}	<u>1990</u> ^{2/}
GDP (including sugar)	+8.9	+8.4	+6.1	+3.8	+6.3
GDP (excluding sugar)	+8.4	+10.1	+8.7	+6.2	+5.5

1/ revised

2/ forecast

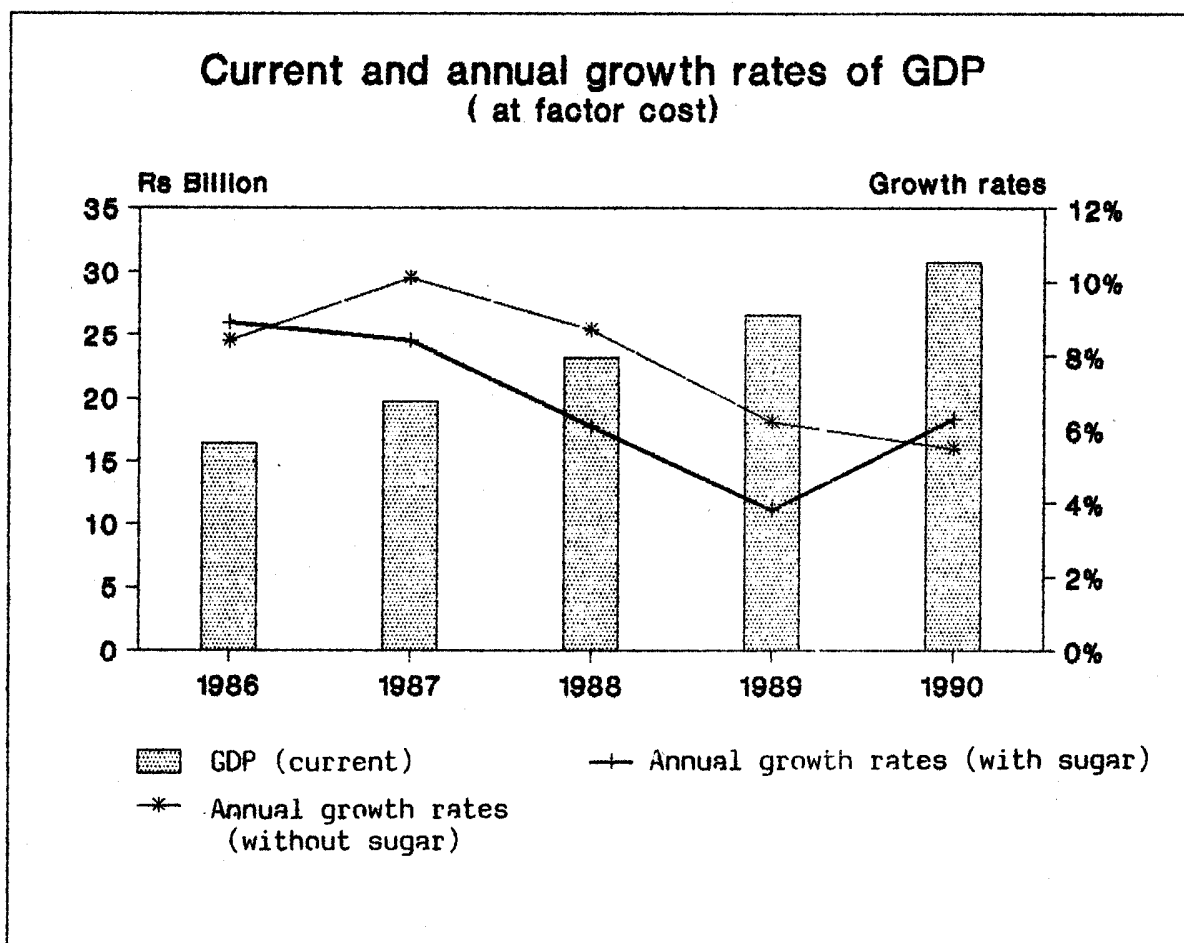


Table 1 - National Accounts - Main aggregates, 1987 - 1990

Main aggregates	Unit	1987	1988 ^{1/}	1989 ^{2/}	1990 ^{3/}
1. Gross domestic product (GDP) at factor cost	Rs Mn	19,695	23,181	26,570	30,730
Gross domestic product at market prices	"	23,576	27,803	31,646	36,530
Net factor income from the rest of the world	"	-538	-600	-303	-170
Gross national product (GNP) at factor cost	"	19,157	22,581	26,267	30,560
Gross national product at market prices	"	23,038	27,203	31,343	36,360
2. Per capita GNP at factor cost	Rs	19,085	22,212	25,851	29,666
Per capita GNP at market prices	"	22,951	26,759	30,790	35,266
3. Compensation of employees	Rs Mn	8,895	10,915	12,500	14,500
4. Final consumption expenditure	"	17,117	20,724	24,855	28,710
private	"	(14,395)	(17,215)	(20,925)	(24,310)
government	"	(2,722)	(3,509)	(3,930)	(4,400) ^{4/}
5. Gross domestic fixed capital formation (GDFCF)	"	5,090	7,990 ^{4/}	8,565	11,215 ^{4/}
private sector	"	(3,375)	(4,610)	(6,280)	(7,195)
public sector	"	(1,715)	(3,380) ^{4/}	(2,285)	(4,020) ^{4/}
6. Gross domestic savings	"	6,459	7,079	6,791	7,820
7. Net exports of goods and non-factor services	"	+498	-1,423	-2,474	-2,895
Exports of goods and non-factor services	"	15,639	18,565	21,347	24,750
Imports of goods and non-factor services	"	15,141	19,988	23,821	27,645

1/ final estimates

2/ provisional estimates

3/ revised forecast

4/ includes purchase of aircraft and marine vessel

Table 2 - Derived rates and ratios, 1987 - 1990

	1987	1988 <u>1/</u>	1989 <u>2/</u>	1990 <u>3/</u>
1. Annual real growth rate of (%) :				
Gross domestic product (GDP) at factor cost	+8.4	+6.1	+3.8	+6.3
Final consumption expenditure	+17.8	+8.0	+5.7	+4.2
Private	+19.7	+8.6	+6.1	+4.2
Government	+7.0	+5.2	+3.5	+3.8
Gross domestic fixed capital formation (GDFCF)	+24.7	+41.0 ^{4/}	-7.1	+18.0 ^{4/}
GDFCF (excluding boeing only)	+24.7	+17.0	+12.0	+11.5
2. Ratios				
Compensation of employees as a % of GDP at factor cost	45.2	47.1	47.0	47.3
Final consumption expenditure as a % of GDP at market prices	72.6	74.5	78.5	78.6
Private	61.1	61.9	66.1	66.6
Government	11.5	12.6	12.4	12.0
GDFCF as a % of GDP at market prices	21.6	28.7 ^{4/}	27.1	30.8 ^{4/}
Public sector's investment as a % of GDFCF	33.7	42.3 ^{4/}	26.7	35.8 ^{4/}
Gross domestic savings as a % of GDP at market prices	27.4	25.5	21.5	21.4

1/ final estimates

2/ provisional estimates

3/ revised forecast

4/ includes purchase of aircraft and marine vessels

Table 3 - Gross domestic product by industry group at current factor cost, 1987 - 1990

	Rs Million			
	1987	1988 ^{1/}	1989 ^{2/}	1990 ^{3/}
Agriculture, hunting, forestry and fishing	2,884	3,067	3,386	3,875
Sugar	(2,124)	(2,177)	(2,356)	(2,686)
Other	(760)	(890)	(1,030)	(1,189)
Mining and quarrying	25	27	30	35
Manufacturing	4,841	5,627	6,052	7,021
Sugar	(676)	(597)	(652)	(743)
E.P.Z.	(2,585)	(3,125)	(3,300)	(3,800)
Other	(1,580)	(1,905)	(2,100)	(2,478)
Electricity, gas and water	490	517	577	590
Construction	1,045	1,370	1,720	2,160
Wholesale & retail trade, restaurants and hotels	2,962	3,785	4,605	5,425
Wholesale and retail trade	(2,427)	(3,125)	(3,775)	(4,440)
Restaurants and hotels	(535)	(660)	(830)	(985)
Transport, storage and communication	2,075	2,425	2,920	3,356
Financing, insurance, real estate and business services	2,482	2,723	3,125	3,598
Ownership of dwellings	(1,610)	(1,715)	(1,900)	(2,102)
Other	(872)	(1,008)	(1,225)	(1,496)
Producers of government services	2,035	2,680	2,985	3,330
Other services	856	960	1,170	1,340
Gross domestic product at factor cost	19,695	23,181	26,570	30,730
Indirect taxes (net of subsidies)	3,881	4,622	5,076	5,800
Gross domestic product at market prices	23,576	27,803	31,646	36,530

1/ final estimates

2/ provisional estimates

3/ revised forecast

Table 4 - Gross domestic product by industry group at constant 1987 prices, 1987-1990

Rs Million

	1987	1988 ^{1/}	1989 ^{2/}	1990 ^{3/}
Agriculture, hunting, forestry and fishing	2,884	2,732	2,498	2,764
Sugar	(2,124)	(1,924)	(1,664)	(1,897)
Other	(760)	(808)	(834)	(867)
Mining and quarrying	25	26	27	28
Manufacturing	4,841	5,225	5,366	5,742
Sugar	(676)	(608)	(525)	(598)
E.P.Z.	(2,585)	(2,895)	(3,011)	(3,222)
Other	(1,580)	(1,722)	(1,830)	(1,922)
Electricity, gas and water	490	509	569	582
Construction	1,045	1,223	1,358	1,507
Wholesale & retail trade, restaurants and hotels	2,962	3,305	3,551	3,748
Wholesale and retail trade	(2,427)	(2,706)	(2,895)	(3,040)
Restaurants and hotels	(535)	(599)	(656)	(708)
Transport, storage and communication	2,075	2,262	2,432	2,566
Financing, insurance, real estate and business services	2,482	2,599	2,735	2,860
Ownership of dwellings	(1,610)	(1,644)	(1,685)	(1,725)
Other	(872)	(955)	(1,050)	(1,135)
Producers of government services	2,035	2,116	2,192	2,269
Other services	856	907	966	1,005
Gross domestic product at factor cost	19,695	20,904	21,694	23,071
Indirect taxes (net of subsidies)	3,881	4,269	4,414	4,674
Gross domestic product at market prices (Production approach)	23,576	25,173	26,108	27,745

1/ final estimates

2/ provisional estimates

3/ revised forecast

Table 5 - Gross domestic product by industry group - sectoral growth rates
(indices), 1988 - 1990 (Base year : 1987 = 100)

	1988 <u>1/</u>	1989 <u>2/</u>	1990 <u>3/</u>
Agriculture, hunting, forestry and fishing	94.7	86.6	95.8
Sugar	(90.6)	(78.3)	(89.3)
Other	(106.3)	(109.7)	(114.1)
Mining and quarrying	104.0	108.0	112.0
Manufacturing	107.9	110.8	118.6
Sugar	(89.9)	(77.7)	(88.5)
E.P.Z.	(112.0)	(116.5)	(124.6)
Other	(109.0)	(115.8)	(121.6)
Electricity, gas and water	103.9	116.1	118.8
Construction	117.0	130.0	144.2
Wholesale & retail trade, restaurants and hotels	111.6	119.9	126.5
Wholesale and retail trade	(111.5)	(119.3)	(125.3)
Restaurants and hotels	(112.0)	(122.6)	(132.3)
Transport, storage and communication	109.0	117.2	123.7
Financing, insurance, real estate and business services	104.7	110.2	115.2
Ownership of swellings	(102.1)	(104.7)	(107.1)
Other	(109.5)	(120.4)	(130.2)
Producers of government services	104.0	107.7	111.5
Other services	106.0	112.9	117.4
Gross domestic product at factor cost	106.1	110.1	117.1
Annual growth rate of the gross domestic product (%)	+6.1	+3.8	+6.3

1/ final estimates

2/ provisional estimates

3/ revised forecast

Table 6 - Gross domestic product by industry group - sectoral deflators, 1988 - 1990
(Base year : 1987 = 100)

	1988 <u>1/</u>	1989 <u>2/</u>	1990 <u>3/</u>
Agriculture, hunting, forestry and fishing	112.3	135.5	140.2
Sugar	(113.1)	(141.6)	(141.6)
Other	(110.1)	(123.5)	(137.1)
Mining and quarrying	103.8	111.1	125.0
Manufacturing	107.7	112.8	122.3
Sugar	(98.2)	(124.2)	(124.2)
E.P.Z.	(107.9)	(109.6)	(117.9)
Other	(110.6)	(114.8)	(128.9)
Electricity, gas and water	101.6	101.4	101.4
Construction	112.0	126.7	143.3
Wholesale & retail trade, restaurants and hotels	114.5	129.7	144.7
Wholesale and retail trade	(115.5)	(130.4)	(146.1)
Restaurants and hotels	(110.2)	(126.5)	(139.1)
Transport, storage and communication	107.2	120.1	130.8
Financing, insurance, real estate and business services	104.8	114.3	125.8
Ownership of dwellings	(104.3)	(112.8)	(121.9)
Other	(105.5)	(116.7)	(131.8)
Producers of government services	126.7	136.2	146.8
Other services	105.8	121.1	133.3
Gross domestic product at factor cost deflator	110.9	122.5	133.2

1/ final estimates

2/ provisional estimates

3/ revised forecast

Table 7 - Expenditure on gross domestic product at current prices, 1987 - 1990

Rs Million

	1987	1988 <u>1/</u>	1989 <u>2/</u>	1990 <u>3/</u>
Private consumption expenditure on goods and services	14,395	17,215	20,925	24,310
General government consumption expenditure on goods and services	2,722	3,509	3,930	4,400
Gross domestic fixed capital formation of the private sector	3,375	4,610	6,280	7,195
Gross domestic fixed capital formation of the public sector	1,715	3,380 ^{4/}	2,285	4,020 ^{4/}
Increase in stocks	+871	+512	+700	-500
Exports of goods and non-factor services	15,639	18,565	21,347	24,750
Goods (f.o.b. value)	(11,493)	(13,455)	(15,164)	(17,500)
Non-factor services	(4,146)	(5,110)	(6,183)	(7,250)
Less Imports of goods and non-factor services	15,141	19,988	23,821	27,645
Goods (f.o.b. value)	(11,701)	(15,628)	(18,384)	(21,645)
Non-factor services	(3,440)	(4,360)	(5,437)	(6,000)
Gross domestic product at market prices	23,576	27,803	31,646	36,530

1/ final estimates

2/ provisional estimates

3/ revised forecast

4/ includes purchase of aircraft and marine vessel

Table 8 - Expenditure on gross domestic product at constant 1987 prices, 1987 - 1990

Rs Million

	1987	1988 <u>1/</u>	1989 <u>2/</u>	1990 <u>3/</u>
Private consumption expenditure on goods and services	14,395	15,633	16,587	17,284
General government consumption expenditure on goods and services	2,722	2,863	2,964	3,076
Gross domestic fixed capital formation of the private sector*	3,375	4,140	4,890	5,055
Gross domestic fixed capital formation of the public sector*	1,715	3,055 ^{4/}	1,780	2,815 ^{4/}
Increase in stocks**	+871	+125	+185	+142
Exports of goods and non-factor services	15,639	17,531	18,110	19,033
Less Imports of goods and non-factor services	15,141	18,154	18,408	19,660
Gross domestic product at market prices	23,576	25,173	26,108	27,745

1/ final estimates

2/ provisional estimates

3/ revised forecast

4/ includes purchase of aircraft and marine vessel

* proportionate to investment at current prices

** includes all statistical discrepancies

Table 9 - Cost components of the gross domestic product at current prices, 1987-1990

Rs Million

	1987	1988 ^{1/}	1989 ^{2/}	1990 ^{3/}
Compensation of employees	8,895	10,915	12,500	14,500
of which paid by government*	(2,370)	(3,050)	(3,370)	(3,700)
Operating surplus	10,800	12,266	14,070	16,230
of which government industries	(103)	(79)	(37)	(40)
Consumption of fixed capital
Gross domestic product at factor cost	19,695	23,181	26,570	30,730
Net indirect taxes	3,881	4,622	5,076	5,800
Indirect taxes paid	(4,071)	(4,889)	(5,432)	(6,198)
Subsidies received	(190)	(267)	(356)	(398)
Gross domestic product at market prices	23,576	27,803	31,646	36,530

^{1/} final estimates

^{2/} provisional estimates

^{3/} revised forecast

* Government includes producers of government services, government industries and departmental enterprises

Table 10 - Composition of gross domestic fixed capital formation at current prices,
1987 - 1990

	<u>Rs Million</u>			
	1987	1988 ^{1/}	1989 ^{2/}	1990 ^{3/}
A. By type of capital goods				
(a) Residential buildings	850	1,075	1,495	1,965
(b) Non-residential buildings	800	1,215	1,620	2,265
(c) Other construction and works (including land improvement)	715	915	1,025	1,255
(d) Transport equipment				
(i) Passenger cars	255	295	380	470
(ii) Other equipment	470	1,970 ^{4/}	815	1,760 ^{4/}
(e) Machinery and other equipment	2,000	2,520	3,230	3,500
Gross domestic fixed capital formation	5,090	7,990	8,565	11,215
B. By industrial use				
1. Agriculture, hunting, forestry and fishing	290	230	200	235
2. Mining and quarrying	-	-	-	-
3. Manufacturing	1,460	1,875	2,130	2,180
4. Electricity, gas and water	310	455	605	405
5. Construction	115	165	250	430
6. Wholesale & retail trade, restaurants and hotels	485	750	1,305	1,760
7. Transport, storage and communication	1,180	2,860 ^{4/}	1,855	2,915 ^{4/}
8. Financing, insurance, real estate and business services	960	1,205	1,690	2,200
of which: ownership of dwellings	(850)	(1,075)	(1,495)	(1,965)
9. Producers of government services	200	275	325	920
10. Other services	90	175	205	170
Gross domestic fixed capital formation	5,090	7,990	8,565	11,215

1/ final estimates

2/ provisional estimates

3/ revised forecast

4/ includes purchase of aircraft and marine vessel

Table 11 - Composition of gross domestic fixed capital formation at constant 1987 prices, 1987 - 1990

	Rs Million			
	1987	1988 ^{1/}	1989 ^{2/}	1990 ^{3/}
A. By type of capital goods				
(a) Residential buildings	850	975	1,190	1,370
(b) Non-residential buildings	800	1,100	1,270	1,535
(c) Other construction and works (including land improvement)	715	820	815	895
(d) Transport equipment				
(i) Passenger cars	255	270	300	345
(ii) Other equipment	470	1,760 ^{4/}	630	1,260 ^{4/}
(e) Machinery and other equipment	2,000	2,250	2,465	2,465
Gross domestic fixed capital formation	5,090	7,175	6,670	7,870
B. By industrial use				
1. Agriculture, hunting, forestry and fishing	290	205	155	165
2. Mining and quarrying	-	-	-	-
3. Manufacturing	1,460	1,680	1,635	1,540
4. Electricity, gas and water	310	405	470	285
5. Construction	115	150	195	310
6. Wholesale & retail trade, restaurants and hotels	485	680	1,025	1,220
7. Transport, storage and communication	1,180	2,560 ^{4/}	1,440	2,065 ^{4/}
8. Financing, insurance, real estate and business services	960	1,095	1,345	1,540
of which: ownership of dwellings	(850)	(975)	(1,190)	(1,370)
9. Producers of government services	200	245	250	630
10. Other services	90	155	155	115
Gross domestic fixed capital formation	5,090	7,175	6,670	7,870

^{1/} final estimates

^{2/} provisional estimates

^{3/} revised forecast

^{4/} includes purchase of aircraft and marine vessel

Table 12 - Gross domestic fixed capital formation - real growth rates, 1988 - 1990

(Base year : 1987 = 100)

Type of capital goods	1988 ^{1/}	1989 ^{2/}	1990 ^{3/}
Residential buildings	114.7	140.0	161.2
Non-residential buildings	137.5	158.8	191.9
Other construction and works (including land improvement)	114.7	114.0	125.2
Transport equipment			
(i) Passenger cars	105.9	117.6	135.3
(ii) Other equipment	374.5 ^{4/}	134.0	268.1 ^{4/}
Machinery and other equipment	112.5	123.2	123.2
Gross domestic fixed capital formation	141.0	131.0	154.6
% Annual real growth rate of Gross domestic fixed capital formation	+41.0	-7.1	+18.0
% Annual real growth rate of Gross domestic fixed capital formation (excluding boeing only)	+17.0	+12.0	+11.5

Table 13 - Gross domestic fixed capital formation - deflators by type of capital goods, 1988 - 1990 (Base year : 1987 = 100)

Type of capital goods	1988 ^{1/}	1989 ^{2/}	1990 ^{3/}
Residential buildings	110.3	125.6	143.4
Non-residential buildings	110.5	127.6	147.6
Other construction and works (including land improvement)	111.6	125.8	140.2
Transport equipment			
(i) Passenger cars	109.3	126.7	136.2
(ii) Other equipment	111.9	129.4	139.7
Machinery and other equipment	112.0	131.0	142.0
Gross domestic fixed capital formation	111.4	128.4	142.5

1/ final estimates

2/ provisional estimates

3/ revised forecast

4/ includes purchase of aircraft and marine vessel