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INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

THE ECONOMY
OF
SOUTHERN RHODESIA

September 22, 1964

Department of Operations
Africa

**CONVERSION RATES FOR THE CURRENCY OF THE FORMER
FEDERATION OF RHODESIA AND NYASALAND**

1 Rhodesian pound (£)	=	2.8 U.S. \$
1 U.S. \$	=	£.357 or about 7 sh 3 d
1000 Rhodesian £	=	2800 U.S. \$
1 million Rhodesian £	=	2.8 million U.S. \$

THE ECONOMY OF SOUTHERN RHODESIA

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BASIC DATA

Area: 150,300 square miles

Population (1963): Total 4,070,000, increasing at almost 3.7% p.a. (1954-63)
Non-African: 240,000

Gross National Product per Head (1963): £71 (\$199)

Public Debt (January 1, 1964): External: £119.7 million (U.S. \$335.2 million)
Internal: £110.4 million (U.S. \$309.1 million)
Total: £230.1 million (U.S. \$644.3 million)

Debt service charges 1964 as % of total expected exports 1964: 10%
as % of exports net of income paid abroad: 12%

	<u>1954</u>	<u>1958</u>	<u>1959</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>
<u>Gross Domestic Product:</u> £ million	161.5	241.4	256.9	290.4	295.0	306.3
of which, in percentages:						
Agriculture - non-African	14.6	12.3	13.0	14.8	14.3	14.7
African	9.0	6.9	6.6	6.2	6.5	7.0
Mining	8.5	6.8	6.3	5.9	5.4	4.9
Manufacturing	12.8	14.6	15.3	16.1	16.5	16.4
Real GDP: (1954=100)	100	137	146	162	166	165
Per capita GDP: (1954=100)	100	120	124	129	128	123
Rate of growth (1954-1960)			7.3%			
Gross Fixed Investment (%GDP)	29.0	35.0	28.0	21.6	16.6	15.0
Taxation (% GDP)	13.7	17.0	16.9	16.6	18.1	16.5
<u>Money Supply</u> (December 31): (£ million - in Federal Area)	98.2	92.5	90.2	86.7	87.2	91.1
<u>Retail Prices</u> (Jan.1962=100):						
European	80.6	91.2	93.7	98.7	100.8	101.7
African	n.a.	96.2	n.a.	100.0	101.3	102.3
<u>Balance of Payments:</u> £ million						
Imports and net services	-71.5	-77.9	-79.3	-75.8	-62.6	-54.9
External Exports	49.5	56.1	64.3	78.3	79.7	82.1
Current Account Balance	-26.6	-50.3	-23.5	-12.2	0.8	6.6
<u>External Reserves</u> (December 31) For Federal Area	60.2	52.5	48.3	49.1	52.3	45.7
<u>Government Finances</u> (£ million)	<u>1961/62</u>	<u>1/</u> <u>1962/63</u>	<u>1/</u> <u>1963/64</u>	<u>2/</u> <u>1964/65</u>	<u>3/</u>	
Current revenue	25.3	25.5	47.0	68.9		
Current expenditure	24.9	26.4	48.6	68.8		
Surplus/deficit	0.3	-0.9	-1.7	0.2		
Capital expenditure	5.0	9.3	14.4	19.0		
External borrowing)						
Internal borrowing)	3.0	8.6	13.6	14.9		

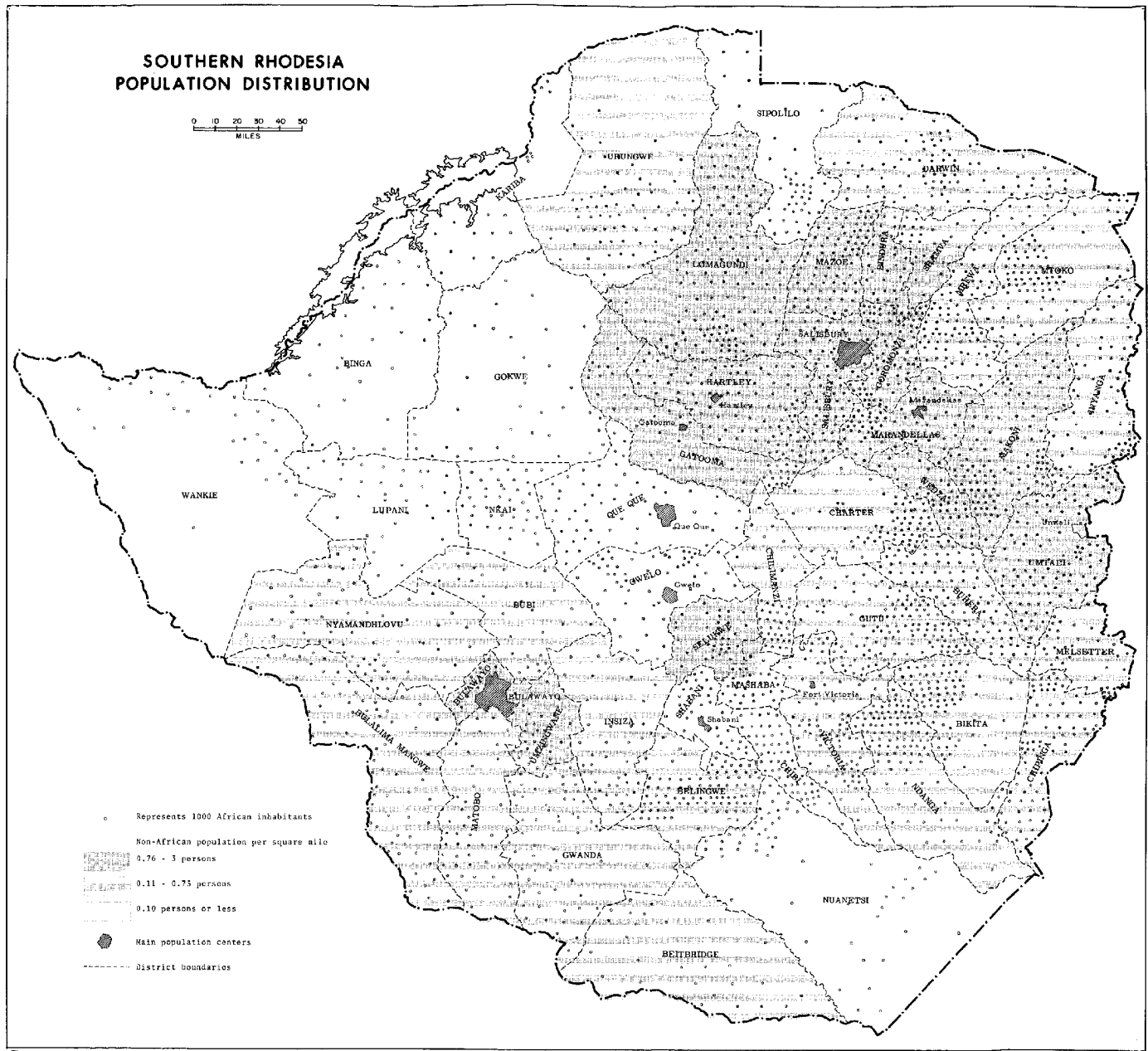
1/ Of Territorial Government.

2/ Of Territorial Government including partial transfer of Federal Government responsibilities.

3/ Estimates of position for normal year following transfer of Federal Government responsibilities.

SOUTHERN RHODESIA POPULATION DISTRIBUTION

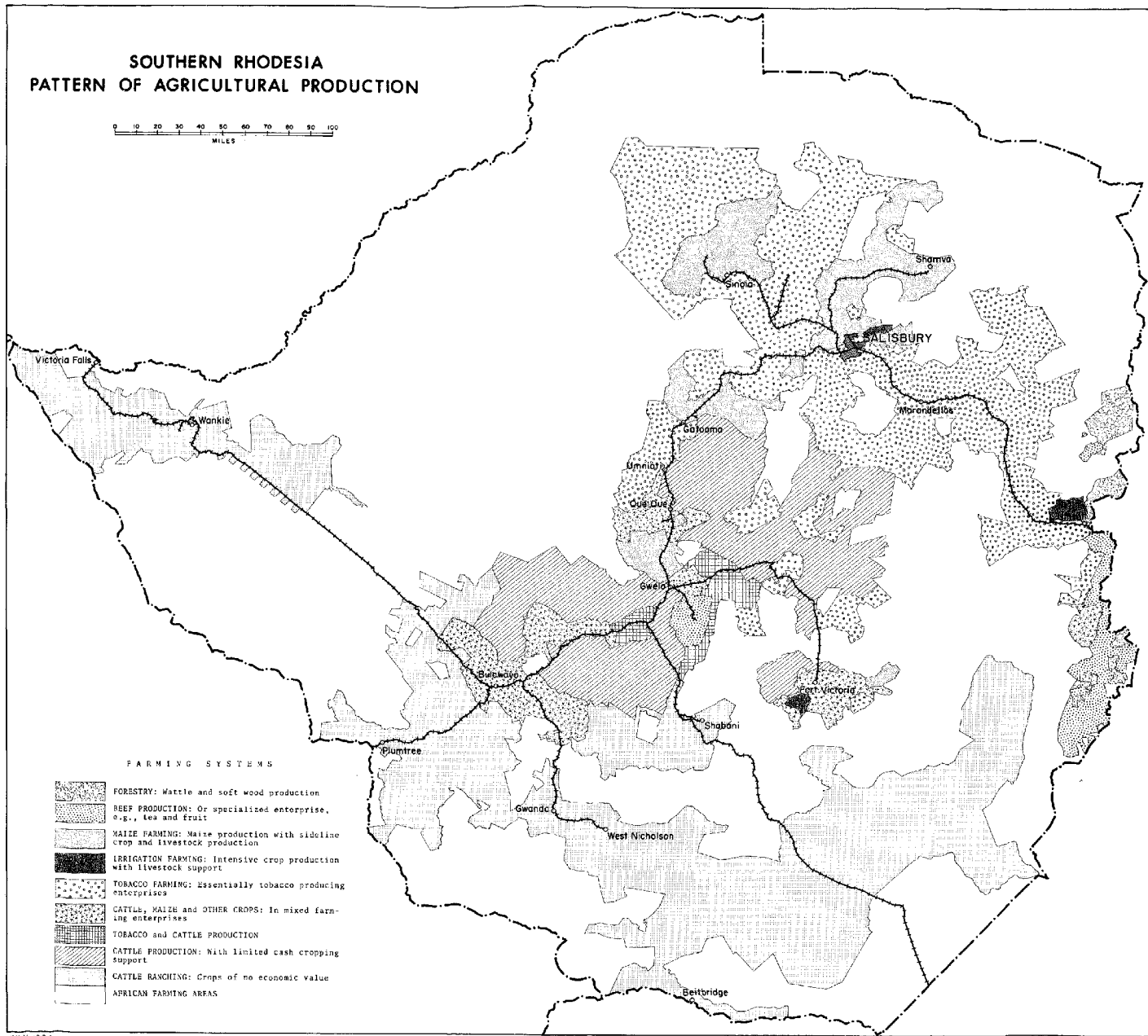
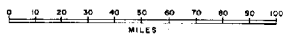
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JULY 1964

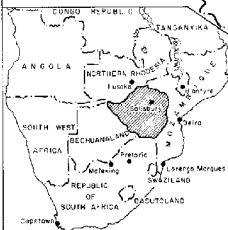
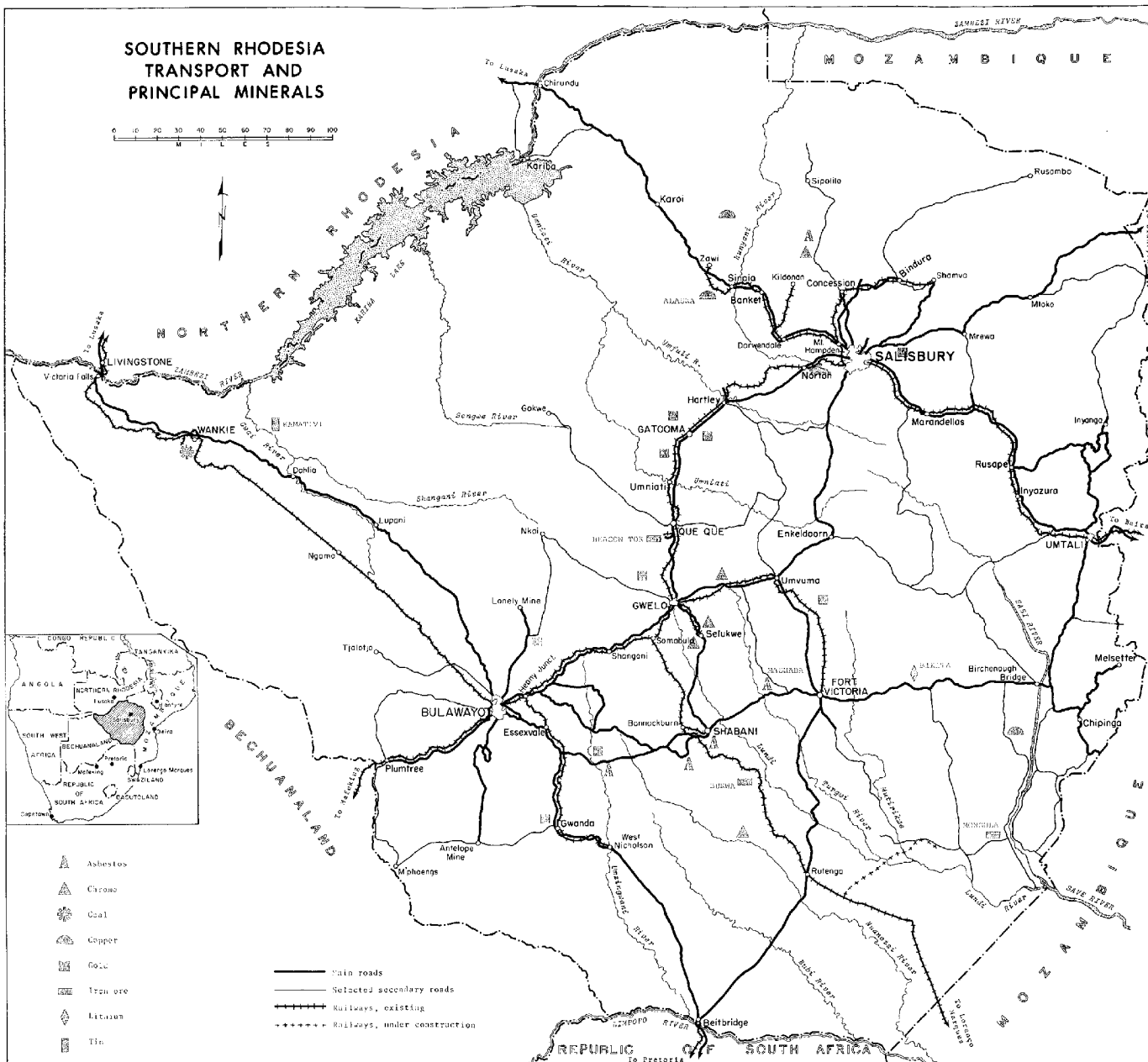
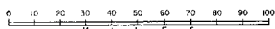
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SOUTHERN RHODESIA PATTERN OF AGRICULTURAL PRODUCTION



- FARMING SYSTEMS
- FORESTRY: Wattle and soft wood production
 - REEF PRODUCTION: Or specialized enterprise, e.g., tea and fruit
 - MAIZE FARMING: Maize production with sideline crop and livestock production
 - IRRIGATION FARMING: Intensive crop production with livestock support
 - TOBACCO FARMING: Essentially tobacco producing enterprises
 - CATTLE, MAIZE AND OTHER CROPS: In mixed farming enterprises
 - TOBACCO and CATTLE PRODUCTION
 - CATTLE PRODUCTION: With limited cash cropping support
 - CATTLE RANCHING: Crops of no economic value
 - AFRICAN FARMING AREAS

SOUTHERN RHODESIA TRANSPORT AND PRINCIPAL MINERALS



- Asbestos
 - Copper
 - Coal
 - Gold
 - Iron ore
 - Lithium
 - Tin
-
- Main roads
 - Selected secondary roads
 - Railways, existing
 - Railways, under construction

SUMMARY AND CONCLUSIONS

1. Southern Rhodesia occupies 150,000 square miles in Southern Africa between the Zambezi and Limpopo rivers. It is landlocked with its major outlets through Mozambique in the east, and the Republic of South Africa in the south. As a result of increasing pressure from the emerging African political parties in Northern Rhodesia and Nyasaland, the ten year old Federation of Rhodesia and Nyasaland was dissolved by Act of the British Parliament in December 1963, for Nyasaland, now renamed Malawi, to obtain independence in July and Northern Rhodesia in October 1964, both under African majority rule. No date was set for the independence of Southern Rhodesia which, accordingly, reverted to its pre-Federation status of self-governing colony within the Commonwealth.
2. The Rhodesia Front Party which forms the present government has at various times indicated that it was seriously considering a unilateral declaration of independence. Regardless of how serious this intention is held, the mere threat of such an action has already had the most adverse effect on business confidence and public confidence both at home and abroad, and on the availability of investment funds.
3. The need to find a broadly acceptable compromise between the extreme positions adopted by the Government and the African Nationalist Movement is urgent and important for political stability, the avoidance of civil disturbances and hence economic deterioration. In the absence of such a compromise, the economic prospects must be assessed with considerable reservations.
4. The country has a dual economy with a quarter of a million Europeans responsible for large-scale farming using modern methods and managing a medium-sized nucleus of manufacturing and mining enterprises with widely dispersed ownership, and 4 million Africans engaged in peasant agriculture and providing unskilled labor for European enterprises. This modern and, for Africa, sophisticated economy appears to be entirely dependent on European management and European skill for the foreseeable future and any political decision which ignored the need to retain European interest and participation would inevitably lead to a rapid deterioration in the economy. Unlike other countries for which a similar political decision has been made Southern Rhodesia has on the one hand a less educated and advanced African community to fall back on and on the other hand has a more complex and sophisticated economic structure to keep in operation.
5. During the lifetime of the Federation, Southern Rhodesia enjoyed an exceptional period of expansion benefiting from most of the favorable factors that followed from its establishment. Today Southern Rhodesia's free access to a wider market is in jeopardy, three separate currency areas

are to replace the single currency area, business confidence in Southern Rhodesia at home and abroad has been wilted away by political and economic uncertainty, and the emergence of an overriding need for a settlement of some kind with the African population. Furthermore, the inflow of a large number of trained and skilled immigrants bringing with them their own capital and savings has given way to a net outflow of emigrants and capital.

6. The Southern Rhodesia economy is in many ways one of the most balanced and diversified in Africa, well endowed in agricultural and mineral resources and enjoying a favorable climate for their exploitation. In addition, the country has attracted, on a remarkable scale, foreign private capital, European immigrants, and a wide range of managerial, professional and artisan skills which have been indispensable to the rapid mobilization of the country's resources. Perhaps the only resources today which are seriously under-developed are African manpower and African agriculture which is, apart from some un-representative areas in the country, quite out of line with the stage of development of the rest of the country. The country is also well equipped with roads, public utility services and social infrastructure although, again, the African share in education and health services is disproportionately low in comparison with the services enjoyed by Europeans. A not unimportant factor in attracting capital and European skills has been the availability of a reserve of low cost unskilled manpower, about one third of the total labor force is actually non-indigenous. There is, however, a growing volume of real unemployment and general under-employment of the African population which are together likely to pose substantial problems for any future government.

7. Southern Rhodesia probably needs to re-establish a minimum investment level of over £50 million (\$140 million) per year to recover lost ground and promote renewed economic expansion. In the past much of the investment came from private immigrants or from reinvestment of profits but even if an acceptable political solution can be found which precludes the need for any reversal within the foreseeable future, European residents and foreign private investors are likely to approach their investment decisions very cautiously for some years. Reliance will need to be placed on public savings and foreign institutional investment. For 1964/65 no public savings are envisaged and greater sacrifices will be required in the form of acceptance of increased taxation and drastic cuts in Government services before a significant contribution can be expected through government savings. There is at present no evidence that either the government or the public have considered these possibilities. Nevertheless, any renewed economic expansion will be dependent on a substantial increase in the domestic contribution to investment which itself will depend in the first instance on government initiative and public savings.

8. There are good prospects for an increase in agricultural production, assuming internal security and stability, and an increase in agricultural exports. Nevertheless, these will depend to a large extent on the prospects of finding new markets for sugar, meat, and tobacco. Since 1958 mineral production has shown very little change and while there are possibilities for increasing production for most products, price and market prospects are far from encouraging. There are, however, quite promising possibilities for the further processing of certain mineral products and

their export in a more transformed state, particularly in the case of pig iron, steel, chrome ore and lithium salts. Manufacturing industry has shown a small increase in volume over the last three years despite some setback in 1962 and under certain conditions this might be expected to continue. But any marked advance in industrial production is likely to be dependent on the development of exports and export markets and in particular the harmonization of industrialisation policies with Malawi and Northern Rhodesia combined with an agreement on a common market for a wide range of goods the manufacture of which is likely to be dependent chiefly on a much larger market.

9. So far as can be seen at present Southern Rhodesia should be in a position to improve the balance of payments on current account for the next year or two mainly by increasing exports and thereafter should be able to maintain a favorable balance of current payments. Foreign exchange reserves are likely to be maintained and perhaps slightly increased, but to the extent to which the exchange reserves increase and imports fail to expand it is probable that there will be a corresponding shortage of investment. On balance, in the absence of steps to bring about a progressive increase in African participation in government acceptable to both Europeans and Africans, it seems unlikely that Southern Rhodesia can hope to do more than maintain domestic production or at best to increase production per head above its present level of £70 per head by about 1% or 2% per year for the next four or five years. This would involve an overall growth rate of 4%-5% per year.

10. On the 1st of January 1962, Southern Rhodesia's external public debt totalled £120 million. The total external debt service charges in 1964 should amount to £11 million, or about 10% of expected earnings. The debt service position is, however, somewhat less secure due to the substantial burden of loan maturity to be faced on the present debt in 1970 which would increase the debt service then to £28.5 million. This represents mainly the repayment of publicly issued bonds on the United Kingdom market which would clearly involve considerable assistance from the United Kingdom either directly or in effecting a successful conversion. The debt service ratio is moderately high for an undeveloped country in the process of transition, but in the past Southern Rhodesia has achieved high standards of debt management and a competent administration. Given good management, good financial performance and internal stability it still could carry a significant addition to external debt. The needs of the country for foreign capital are substantial, but a fair proportion of investment resources available are likely to be required by African agriculture and education, sectors which will not increase Southern Rhodesia's future export earning capacity in the short run. In ideal circumstances it would therefore be desirable for Southern Rhodesia to seek a blend of conventional loans and soft money to assist in the next stage of its development.

11. From the narrowly economic point of view there are promising possibilities for continued expansion based on agriculture and the processing and transformation of agricultural and mineral products for export. However, the realization of this potential will be largely conditioned by the evolution of the political situation.

THE ECONOMY OF SOUTHERN RHODESIA

I. INTRODUCTION

Geography and Climate

1. Southern Rhodesia, a self-governing colony within the Commonwealth, occupies 150,000 square miles in Southern Africa between the Zambezi and Limpopo rivers. It is landlocked with its major outlets through Mozambique in the east, and the Republic of South Africa in the south. Most of the country lies on a plateau between 3,000 and 5,000 feet above sea level, with a lowland area (the lowveld) to the southeast and a mountainous highlands area along much of the eastern border. Although the country lies wholly within the tropics the climate of the plateau is temperate with a rainy season during part of the summer (October to April), and a dry season during the rest of the year.

Population

2. The total population of Southern Rhodesia was estimated to be 4.1 million at the end of 1963. There were 3.8 million Africans, 222,000 Europeans, and some 15,000 Coloreds and Asians. The African population has grown by 1 million over the past ten years or slightly more than 3% a year. The European population grew by 5.5% a year during the first six years of this ten-year period - primarily because of immigration - but this has since slowed down drastically and during 1963 and early 1964 there has even been a small net emigration due to the adverse economic and political situation and indecision over the future of Southern Rhodesia during the last five years.

II. THE POLITICAL SETTING

3. As a result of increasing pressure from the emerging African political parties in Northern Rhodesia and Nyasaland, the ten year old Federation of Rhodesia and Nyasaland was dissolved by Act of the British Parliament in December 1963, for Nyasaland, now renamed Malawi, to obtain independence in July 1964 and Northern Rhodesia in October 1964, both under African majority rule. No date was set for the independence of Southern Rhodesia which, accordingly, reverted to its pre-Federation status of self-governing colony within the Commonwealth.

4. The present Constitution of Southern Rhodesia came into effect in November 1962 and the first elections under this Constitution were held in December 1962. The Legislative Council numbers 65 members with 50 of its members elected by "A" Roll and 15 by "B" Roll voters. The "A" Roll franchise has a higher set of qualifications than the "B" Roll. Because of African nationalist opposition to the new constitution only 2,500 Africans out of an estimated 60,000 eligible voted. On the 31st of July 1962 there was a total of 90,000 voters on the "A" Roll and less than 10,000 voters on the "B" Roll. The electorate qualifications are, however, non-racial and persons of any race may be elected to any of the seats in Parliament.

5. The present government formed by the right wing Rhodesia Front Party which has never previously held power, was elected in April 1964 with 35 seats while the opposition, Rhodesia National Party, holds 29 seats. There is one independent, a European, elected from the "B" Roll. All of the "A" Roll seats are held by Europeans except for one held by a Colored representing a Salisbury constituency. Fourteen of the 15 "B" Roll seats are held by Africans who are members of the opposition Rhodesia National Party. Two African opposition groups are not represented in Parliament.

6. The Rhodesia Front Party which forms the present government has at various times indicated that it was seriously considering a unilateral declaration of independence. Regardless of how serious this intention is held, the mere threat of such an action has already had the most adverse effect on business confidence and public confidence both at home and abroad, and on the availability of investment funds.

7. The issue of independence stems from a more fundamental impasse between political leaders of the two racial groups. The African nationalist groups, on the one hand, appear to be committed to the immediate transfer of power to an African government. The present European governing party which has always been in opposition to its predecessor government's policy of progressively increasing the participation of Africans in government, has come to adopt a more rigid and uncompromising position towards the expression and representation of African nationalist opinion. This has been due in part to fear that the installation of an African Government would immediately lead to a serious deterioration in the operation of the economy and in internal security in view of the very small number of Africans with the minimum education and experience required to run the government.

8. The need to find a broadly acceptable compromise between the extreme positions adopted is urgent and important for political stability, the avoidance of civil disturbances and hence economic deterioration. In the absence of such a compromise, the economic prospects must be assessed with considerable reservations.

III. THE ECONOMIC SETTING

9. The dissolution of the Federation has terminated or placed in jeopardy many of the advantages accruing to its members. Even in the most favorable circumstances Southern Rhodesia's creditworthiness could not be expected to equal that enjoyed by the Federation during a period of general confidence in the expansion and prospects of a young, healthy and broadly based economy, rich in natural resources. During the lifetime of the Federation, Southern Rhodesia enjoyed an exceptional period of expansion benefitting from most of the favorable factors that followed from its establishment. Today Southern Rhodesia's free access to a wider market is in jeopardy, three separate currency areas are to replace the single currency area, business confidence in Southern Rhodesia at home and abroad has been wilted away by political and economic uncertainty, and the emergence of an over-riding need for a settlement of some kind with the African population. Furthermore, the inflow of a large number of trained and skilled immigrants bringing with them their own capital and savings has given way to a net outflow of emigrants and capital.

10. Under the favorable conditions that prevailed during the first six years of the Federation, governments were led to play a rather secondary, though important, role in the development of the economy, a role which was in part a function of the tempo and scale of activity and growth in the private sector rather than their determinant. In the absence of an acceptable political settlement with the African community or, given such a settlement, under conditions in which the future stake of Europeans in the country might remain in doubt for some years, the importance of the role of private investment is likely to be replaced by, and to a very much greater extent, dependent on a positive lead from government, on the launching of a large scale program of development, and on the creation of a suitable environment designed to encourage private investment.

11. The Southern Rhodesia economy is endowed with abundant agricultural and mineral resources and a favorable climate for their exploitation and with a well-developed range of industries, its production and exports are well balanced and diversified. In addition, the country has attracted, on a remarkable scale, foreign private capital, European immigrants, and a wide range of managerial, professional and artisan skills which have been indispensable to the rapid mobilization of the country's resources. Perhaps the only resources today which are seriously under-developed are African manpower and African agriculture which is, apart from some un-representative areas in the country, quite out of line with the stage of development of the rest of the country. The country is also well equipped with roads, public utility services and social infrastructure although, again, the African share in education and health services is disproportionately low in comparison with the services enjoyed by Europeans. A not unimportant factor in attracting capital and European skills has been the availability of a reserve of low cost unskilled manpower. There is, however, a growing volume of real unemployment and general under-employment of the African population which are together likely to pose substantial problems for any future government and a wide gap exists between African and European earnings.

12. The overall gross domestic product per head has been between £73 and £75 per annum during the past seven years but in 1963, 88,000 European employees were estimated to have an average income of £1,217 while 603,000 African employees had an average income of £114.

13. African employment in the last 10 years has increased from 559,000 in 1954 to a peak of 647,000 in 1960, falling to 602,000 at the end of 1963, most of the fall in the last three years being concentrated in the building industry, mining and agriculture. As mentioned above, one of the factors contributing to Southern Rhodesia's export competitiveness has been the relative abundance of cheap unskilled labor and this is due in part to the immigration of Africans from neighboring territories. In the 1961 Census out of a total of 613,000 Africans recorded in employment only 334,000, or 55% were of Southern Rhodesian origin; 45,000 from Northern Rhodesia and 117,000 from Nyasaland and the balance of 117,000 from neighboring countries. Since 1959 restrictions taken against these migrant workers have excluded all non-federal area workers from town work and since 1964 these restrictions have also applied to workers from within the former federal area. Exceptions are, however, made for needed skilled workers. On the other hand, skilled labor which is supplied almost entirely by the European population and new immigrants is in short supply. Legally, no discrimination exists to bar the employment of Africans in skilled occupations but until the late 1950's when trade unions were reorganized on an industrial basis and on the principle of payment of the rate for the job, membership of certain trade unions was determined on a racial basis and such trade unions were recognized for official reconciliation machinery which resulted in the effective exclusion of Africans from training and employment in skilled occupations. Only in the last four or five years, therefore, has it been effectively possible for Africans to obtain apprenticeship training and entry to skilled occupations; however, such entry continues to be seriously restricted by opposition to the principle of dilution or fragmentation of jobs. In 1964, for example, there were still only 20 Africans registered as apprentices and vacancies existed for over 1,000 apprentices. The handicaps to African advancement on the political scene have thus been paralleled by handicaps to opportunities to increase earning capacity in most skilled occupations.

14. During the last 10 years, Southern Rhodesia has enjoyed two quite distinct periods of development: a period of 4 years between 1954 and 1958 in which the country enjoyed a rapid increase in the volume of investment in the country; investment rose from £48 million in 1954 to £93 million in 1958 and in the same period GDP per head in real terms increased at an average rate of 4.6% per year. In 1958, partly because of earlier over-confidence and over-investment and partly because of a growing anxiety about the political future, there was a sharp contraction in private investment which was to some extent concealed by an increase in public investment. However, in 1959 and subsequent years, the total volume of investment fell rapidly and in 1962 fell below the level for 1954. There was a further fall in 1963. A serious aspect of the fall in the total investment is the rapid decline in investment in the official sector from a figure of £46 million in 1958 to £19 million in 1963. Gross investment now accounts for 13% of GDP compared with 33% at its peak and there are clear indications that both public and private investment will continue to fall.

Table 1. Expenditure on the Gross Domestic Product

(£ million)

At 1954 Market Prices

	<u>1954</u>	<u>1958</u>	<u>1959</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>
Private consumption	126.9	162.5	167.7	179.3	181.9	184.5
Government current expenditure	18.8	21.7	25.4	25.4	25.6	26.6
Gross capital formation	48.2	81.3	58.6	59.5	41.2	33.9
Net exports of goods & services	-22.0	-32.8	-8.3	13.8	31.8	36.2
Statistical discrepancy	-2.2	-0.6	4.0	-2.7	0.5	-1.7
Gross domestic product at market prices	169.6	232.1	247.4	275.3	281.0	279.5
Gross domestic product per capita	56.7	68.1	70.3	73.2	72.4	69.7
GDP growth rate (% p.a.)		8.2	7.0	5.5	2.0	-1.0
GDP per capita growth rate (% p.a.)		4.6	3.0	2.0	-1.0	-4.0

15. The full extent of the fall in total investment in recent years has, to some extent, been concealed by the completion of a number of large scale projects for which decisions had been taken before the prospects of Southern Rhodesia had crystallized; these include investments in an oil refinery, in motor assembly plants, a new asbestos mine, a timber project for the lowveld and a £5 million expansion scheme for the Hippo valley and Triangle irrigation estates designed to enable Southern Rhodesia to break into the world sugar market. To some extent these projects must be regarded as long-term commitments of investors made regardless of the short-term prospects, and their magnitude only serves to underline the extent of the general contraction in the volume of other private investment as a result of a fall in business confidence and public confidence in the ability of Southern Rhodesia to reach an acceptable racial settlement.

16. The trends in investment figures are reflected in the movement of the GDP but the full effects on GDP of the contraction in investment expenditure in the period 1959 to date is concealed by a remarkable increase in exports resulting from earlier investment. Only in 1962 was the increase in real GDP checked. In 1963 there was in fact a fall in GDP in real terms. It is probable that an annual investment at a rate of £50.0 million per year will be barely sufficient to maintain some degree of growth in per capita domestic product at present prices, in the absence of consumer confidence and buoyant purchasing power stemming from increasing exports.

IV. ECONOMIC DEVELOPMENT IN INDIVIDUAL SECTORS

Agriculture

17. Agriculture contributes some 50% of the value of total domestic exports and over 20% to the GDP compared with 25% and 5% respectively for mining and 25% and 25% respectively for the manufacturing industry. There are some 420,000 African cultivators on whom some 70% of the population depend for their livelihood. On the other hand there are 6,300 European farming units employing some 230,000 Africans and less than 5,000 Europeans. There is a marked dualism in the agricultural sector between European and African farming. They differ not only in level of technique and scale of operation and returns, but also in geographical location. The average African farmer cultivates some eight acres, the European farmer about 180, the average African farmer has less than 10 head of cattle, the European over 300, and average crop yields of African farmers are much inferior to those of the Europeans. Although African farmers planted 2.5 million acres against 0.9 million planted by Europeans, it is estimated that African agriculture contributed only £21 million to GDP in 1963 as against £45 million for European agriculture.

18. The apportionment of land between Europeans and Africans which is based on a series of land apportionment acts passed with the intention of preserving the rights of the established farmers and, not the least, to protect the African areas, explains part of the present dual economic situation and is one of the central problems in the development of agriculture and the whole economy of Southern Rhodesia. The principles of land apportionment originally envisaged that the urban areas would absorb surplus African rural labor but this has ceased to be true. Over the last 50 years the African population has increased approximately fourfold and the pressure for land within the apportioned areas has been mounting. During the past four years, in particular, the recession in the economy has not only checked emigration from the African agricultural areas to gainful urban employment, but has in fact led to a backflow into the tribal trust lands, apart from some movement into European irrigated sugar development schemes. Various plans are under consideration for dealing with the problems of overcrowded and under-productive native areas but all are based on the assumption that present land apportionment is not to be changed.

19. The European agricultural area comprising 37 million acres out of a total of 96 million acres is concentrated in a central strip running northeast and southwest including the two major cities Salisbury and Bulawayo. The land which includes both good and poor soils and high and low rainfall areas is held in large farms. It is used mainly for cattle raising and crop production under an extensive system of land management. Much of the land is used well below its capacity and there is considerable scope for intensification of production particularly in the more favorable areas.

20. European farmers produce most of the major export crop, flue-cured Virginia tobacco, and the bulk of sugar, as well as much of the market requirements of maize. Over 50% of European farms are based on livestock production keeping a cattle stock of 1.6 million head with an output of 368,000 head in 1963. European farms are in general efficient and highly

capitalized. They have benefitted immensely from efficient and widespread supporting services. Despite high transportation costs, production costs, including low labor costs, and quality of production, make them competitive on the world market for a number of products, some of which, particularly sugar and meat, have only recently come into large-scale export production.

21. The main pillars of the European agricultural economy apart from tobacco are livestock for meat, maize, sugar and cotton for internal consumption and export. Table 2 gives the trends in production of these commodities from European farms since 1954 and projections to 1968 made by the Southern Rhodesia Government, and also shows the estimated total value of African sales.

Table 2. European Agricultural Production and African Sales

	<u>1954/55</u>		<u>1959/62^{1/}</u>		<u>1962/63</u>		<u>1967/68</u>	
	<u>Quantity</u> <u>2/</u>	<u>Value</u> <u>3/</u>	<u>Quantity</u>	<u>Value</u>	<u>Quantity</u>	<u>Value</u>	<u>Quantity</u>	<u>Value</u>
<u>European Production</u>								
<u>Crops</u>								
Flue-cured tobacco	120.5	20.3	205.6	29.4	180.3	31.3	350.0	46.5
Maize	547.0	5.1	923.7	7.1	882.8	7.5	700.0	5.6
Sugar	3.3	0.1	36.2	2.0	90.4	6.3	437.0	14.0
Cotton	0.4	0.01	1.5	0.1	7.1	0.2	36.0	1.1
Others	-	2.0	-	4.7	-	5.8	-	7.5
<u>Livestock</u>								
Cattle	-	3.2	-	6.0	-	7.3	-	8.0
Others	-	5.9	-	6.0	-	9.5	-	10.9
Total	-	36.6	-	55.3	-	62.9	-	93.6
<u>African Sales</u>	-	3.7	-	4.2	-	4.0	-	5.1

^{1/} Four-year average.

^{2/} In million lbs. except for sugar which is expressed in thousand tons.

^{3/} £ millions.

22. Flue-cured Virginia tobacco is likely to remain of paramount importance contributing some 50% of the total value of European output. Production is anticipated to increase by some 10% per annum over a 1964 base figure of 250 million lbs. and at this rate of growth is expected to be absorbed into the world market at a price of 33 pence per lb. The effect of the poor 1962/63 season coupled with good climatic conditions and an over-optimistic outlook of the world market situation resulted in a bumper crop of over 315 million lbs. in the 1963/64 season. This crop has proved difficult to dispose of as U.K. manufacturers have been unwilling to increase their purchases much

above the figure of 105 million lbs. Negotiations are proceeding with Eastern European countries to sell the surplus. The Bank mission considered that, in view of the problems of marketing, Southern Rhodesia must expect to encounter serious difficulties in exporting more than some 240 million lbs. at an average price of 50 pence per lb. in 1968 and this would imply a maximum production target of about 280 million lbs.

23. Sugar production has increased at a spectacular rate since 1954, and Southern Rhodesian producers plan to produce by 1968 some 437,000 tons and to export some 315,000 tons. Given present market conditions it is difficult to see how this quantity of sugar can be disposed of at economic prices. Southern Rhodesia's chances of obtaining any significant quotas under the International Sugar Agreement and the Commonwealth Sugar Agreement, and for import into the U.S.A. appear to be small owing to the claims established by existing producer countries. It would also appear in fact that many of these countries are also building up their sugar output and have a comparative advantage. Apart from this exports will depend on the possibilities of entry into other markets, particularly in Asia, but high transport costs and falling sugar prices will have to be overcome. Southern Rhodesia's expectations for exports of sugar appear to be unrealistic and the mission could not look forward with any confidence to sugar making a contribution to exports of much more than some £5 million. This would mean a production figure of some 300,000 tons valued at about £9 million.

24. The expansion of the local textile industry and good prospects in the world markets are likely to result in a considerable expansion in medium to long staple cotton production now that disease control appears to be effective but maize production by European farmers is anticipated to decline as the alternatives of Burley tobacco and cotton may prove more profitable. European-owned cattle are increasing at the rate of 3% per annum, and market prospects, particularly for canned meats, appear to be favorable.

25. The majority of the 420,000 African farmers are subsistence cultivators, located in a number of reserves and native purchase areas situated east and west of the central European strip and with highly variable soil and rainfall conditions. Only the 8,000 farmers in the Native Purchase areas have entered fully into cash farming, although an estimated 145,000 sell their variable surpluses on the market. These are mainly farmers reached by the extension services. The African farming sector owns approximately 2.2 million cattle and supplies 50% of all cattle marketed each year. It cultivates about 3.3 million acres, the major part of the area suitable for cropping, and produces 50% of the maize crop, which accounts for the largest part of their agricultural activities, 60% of the wheat, 32% of the cotton and most of the small grains, groundnuts, sorghum and millet and beans grown in the country. Out of a total estimated output of £25 million, only £4 million was sold through organized markets in 1962. This figure, which has scarcely changed since 1954, is made up of sales of livestock £1.5 million, of maize £0.3 million, and of all other crops £2.2 million.

26. African agriculture is dominated by maize production, chiefly for home consumption, and cattle rearing. Present plans for development of maize and other grain crops in the African farming sector are unlikely to result in a large increase in production in the short period to 1968 and sales will be closely associated with the prices offered. Sales have been reduced rapidly

from some 25% of production in 1955 to some 6% in 1963 due to a decrease in maize prices paid by the Grain Marketing Board, from 25/6d per 200 lbs. in 1954 to 14/8d in 1962, and the reabsorption of landless persons and unemployed workers from the urban areas in recent years. Future production is expected to keep pace with population expansion and sales to follow the average for the ten-year period 1954 to 1963. Similarly, there is unlikely to be a large increase in cattle production. Whereas the European-owned cattle population is expected to increase at the rate of 3% per annum, the African-owned cattle population is anticipated to increase at around 1%. The problem of the African cattle economy is particularly grave. Africans own some 2 million head of cattle, representing the greater part of the African farmers' capital. Yet only some 5% of the cattle output are sold, representing less than 10% of the capital value of the herds. About 30% of the total African cattle population consists of unproductive animals and these use scarce grazings which could be used by better stock.

27. On the assumptions of the Southern Rhodesian Government, the total value of European agricultural production over the period 1963 to 1968 might be expected to increase by some 9% p.a. and of African sales by some 5%. The mission felt that an increase of from 5-6% p.a. for European production and possibly 2% p.a. for African sales would be more in line with past performance and probable market conditions.

28. In the lowveld area of the Sabi-Limpopo valleys where rainfall averages between 16" and 24" per year and cattle production for beef and cattle ranching has predominated in the past, the scale and tempo of commercial crop production under irrigation has been stepped up dramatically in the last five years, under large-scale private enterprise mainly financed from South Africa. Details of this development, and estimates of expansion to 1968 are given in Table 3.

Table 3. The Development of Lowveld Irrigation Agriculture in Southern Rhodesia

	<u>Unit</u>	<u>1954</u>	<u>1964</u>	<u>1968</u> (Forecast)
<u>European Irrigation Schemes</u>				
Area Irrigated	Acres	1,189	35,960	78,300
Sugar: Area	Acres	1,189	34,900	74,500
Production	Tons	17,168	197,000	345,000
Value	£ millions	-	10.1	11.0
Other crops	£ millions	-	0.01	2.9
<u>African Irrigation Schemes</u>				
Area Irrigated	Acres	4,662	6,500	8,500
Farmers	Number	1,160	1,800	2,120

Over 95% of the irrigated area is devoted to sugar production. African irrigation schemes cover less than 20% of the area of European irrigation agriculture. It is forecast that the area under European irrigation farming will increase by over 100% by 1968 whereas that under African Irrigation Schemes will expand by some 30% over the 1964 figure.

29. The expansion of crop production under irrigation in the lowveld over a short period of time has been spectacular both for its speed and irrigation construction works although a great deal of experimentation and research has been undertaken over the past 20 years. Nevertheless, there have been some unfavorable aspects; for example, the piecemeal development, the absence of any pre-investment enquiries and of economic studies of various aspects of the operation, inadequate provision for drainage, and for measures to reduce salt accumulation, and inadequate provision of social services. The over-riding factor in the recent tempo of development of this area has quite clearly been the prospect of rapid and substantial returns from large scale production of sugar.

30. Insufficient effort has been devoted to planning the development of African irrigation agriculture in the past, but a pilot scheme at Chisumbanje, involving the irrigation of some 6,000 acres of tribal trust land, is at present under consideration. Capital cost of the pilot project is estimated at £1.2 million but a large number of preliminary studies appear to be necessary before work could be undertaken. The Government recognizes that the main channel of economic development must be in agriculture but, so far as the African sector is involved, there is little sign of urgency and little understanding of the scale of resources demanded for a minimum effective effort. The European sector is already well established, has abundant land resources, and generally possesses a high degree of skill. The chief factor missing for any intensification of effort in this sector is capital and this can be channeled to the individual farmers through the Land Bank. In all other respects the European sector is largely self-sustaining and should need a very much smaller share of the available government resources which should be concentrated increasingly on the development of the African sector.

Forestry Activities

31. Southern Rhodesia has 2-1/4 million acres of demarcated forest and over 300,000 acres of private forest land concentrated in the relatively moist eastern highlands. There are 118,000 acres of pine, 60,000 acres of gum, and 65,000 acres of wattle, which is used in the tanning of leather. Exports of timber amounted to £0.9 million in 1963 mainly as sleepers and parquetry. The recently boosted production of railway sleepers in Barotse-land and the reduction of the Rhodesian teak area will make it difficult for Southern Rhodesia to maintain this export level in the future. The wattle industry has an annual output of some £0.5 million but world over-production of vegetable tans has resulted in a quota arrangement being reached whereby Southern Rhodesia's exports will be fixed at 13,000 tons per annum. Sawn softwood annual production amounts to 1.7 million cubic feet. Internal demand is of the order of 2.7 million cubic feet. However, imports of timber and builders' woodwork have decreased over the past five years owing to a sharp decrease in building and construction work with the dissolution of the Federation. Expansion is possible in pole production, particularly for tobacco barns, and further development of the pulp and paper industry which utilized 400,000 cubic feet of softwood logs in 1963 is under discussion.

Mining

32. Despite the mineral wealth of Southern Rhodesia the development of the industry over the last eight years has been disappointing. The contribution to the gross domestic product has dropped from 8.5% in 1954 to 5% in 1963; production of minerals in 1963 amounted to £23.7 million and exports, including ferro-chrome and pig iron, at £24 million accounted for about one-third of total exports. The country possesses large and valuable high grade reserves of coal, iron ore, chrome ore, asbestos and lithium as well as low grade deposits of these minerals and, in addition, gold, copper, tin, manganese and other less important minerals. Various factors, dieselisation and substitution of hydro for thermal power in the case of coal, declining world prices, high transport costs, and increased competition from other sources, including USSR in the case of chrome, have all exerted a depressing effect on output, export and investment in the industry and there still remain vast promising areas unexplored in depth. Steady improvement is noticeable only in copper and in the sundry minerals group (mainly due to increased production of iron ore and limestone). In terms of value, however, tin and lithium are the most important minerals in the latter group.

33. Legislation and financial and technical assistance encourages prospecting and exploitation of minerals. The main obstacle to increased output lies mainly in market demand, transport and, more recently, lack of finance for certain major operations has also tended to put a break on development. Future prospects depend mainly on export markets and the extent to which locally produced minerals can be processed or fabricated before export. This is particularly true of chrome ore, iron ore and lithium. In the case of gold, maintenance of the present output may depend to some extent on re-organization of the treatment of smallholders' output and also increased capital investment. Investment in copper and asbestos has been unchecked by the political climate but investment in other directions has not been forthcoming. Unless the political situation deteriorates further, an increase in production of 20% over the next four years seems possible.

Manufacturing

34. Between 1947 and 1962 manufacturing production tripled whilst employment more than doubled to some 95,000 in 1962. Since 1959, however, there has been a slight decline in employment. Notwithstanding the satisfactory postwar growth, the share of manufacturing in the gross domestic product (£50 million compared with £38 million in 1954), is still relatively low, at 16% of GDP.

35. Most manufacturing has been directed towards supplying the former Federal area with consumer goods and construction materials, gradually substituting domestic production for imports. The range and scale of manufacturing activities is surprisingly large for a small market largely as a result of tariff protection, the freight advantage enjoyed by domestic industry, and limitations on competition. Only the chemicals and heavy engineering sectors are as yet relatively underdeveloped.

36. The growth of manufacturing exports which has developed at a fairly satisfactory rate occurred primarily in products processed from local raw materials like ferro-chrome, pig iron, wattle bark extract, and canned meats and in some consumer goods for which entry was assured into South Africa, where contiguity and preference had given Southern Rhodesia an advantage (fabrics, clothing, footwear, radios). Exports of consumer goods to South Africa have been successively reduced, however, by South African protection while export expansion in the first category has been slowed down by political uncertainties and the unwillingness of foreign entrepreneurs to increase their stake. In aggregate terms exports of manufactured goods to countries outside the Federal area are still comparatively small, accounting for only about 6% of the value of manufacturing output. Exports to Northern Rhodesia alone have probably accounted for some 25% of total manufacturing output in the last year or so.

37. The industrial problem facing Southern Rhodesia today is a serious one. The country has moved rapidly along the road to industrialization and urbanization, and Africans are looking to manufacturing industries for an ever growing number of jobs. Yet, industrialization so auspiciously started has run into two important obstacles, the limitation of the market, aggravated by uncertainties as to the extent of future preference, if any, in Northern Rhodesia and, by far the more serious at present, lack of investor confidence in the political climate.

38. There are also problems of shortage of skilled labor, especially African, some built in rigidities in both transport and power rates, which in certain respects run counter to sound economic principles and in the next stage of development may well become a more serious obstacle to the development of export industries sensitive to high transportation and power costs.

39. At the stage of development already reached, the diminished home market no longer provides a basis for dynamic expansion whilst expansion based on production of consumer goods for a sub-regional African market does not hold out much hope given the economic and political ambitions of neighboring countries. Main reliance must therefore be placed upon the further processing for export of the country's agricultural and mineral production. Among potentially promising projects are: production and expansion of pig iron and fertilizers with their resulting increase in demand for coal, ferro-chrome, the development of lithium salts production, and further processing of forest products.

40. The possibilities of coordinated industrialization within the former federal area require serious study in the interest of the three territories affected since the perpetuation of a common market under some degree of moderate protection against outside supplies might well be a precondition for any further significant industrial growth in any one of the three territories. Since the bulk of the present manufacturing industry is located in Southern Rhodesia there may well be a case for accepting tariff protection in the other territories for industries which can operate economically within the confines of the narrow national markets, a reasonable division of major new industrial projects between the countries of the former federal area -

including some discrimination in favor of the less developed countries without a quid pro quo - and, finally, financial compensation for the sacrifices made either in foregoing cheaper imports or alternatively in collecting revenue from tariff duties on imports from Southern Rhodesia. A temporary one-year agreement of this nature has already been reached with Malawi. It is already evident that lack of business confidence has led to the postponement of investment decisions on projects, which appear to be sound commercial possibilities and of immediate economic benefit to the country, like the expansion of pig-iron and ferro-chrome production for export. Lack of business confidence has also been one of the factors in postponing a decision on the production of nitrogenous fertilizers for domestic use.

Building and Construction

41. The building and construction industry experienced an unusual boom in the 1950's leading to over-capacity in the industry and in the availability of residential and commercial building. At its height in 1957 the industry employed some 64,000 Africans and some 10,000 Europeans while output totaled over £60 million per year; however, political uncertainties and the fall in the investment climate in succeeding years caused a sharp reduction in building works and employment at the end of 1963 had fallen by 50% to barely 29,000 Africans and 5,000 Europeans. Many Europeans, artisans and skilled workers, have left the country to avoid unemployment.

42. Most of the contraction has been at the expense of the private sector of the industry since the public sector has maintained its own construction capacity, but cut down on work given out to private contractors by some 80% since 1958. The value of building plans passed by municipalities also reflects the steady contraction of work for private enterprise during the last six years, the actual value falling from a peak of £21.8 million in 1957 to £3.8 million in 1963. There seems little possibility of any significant upturn in private building and the development program of the government itself is unlikely to be increased much above its present diminished level without substantial external assistance.

Roads

43. The infrastructure in Southern Rhodesia is impressive. The road system is extensive, covering roughly 46,000 miles, of which 2,900 miles are tarred primary and secondary roads. About half of the roads are within the Tribal Trust lands. Up to 1961 road investment amounted to about £4 million per year, but has fallen since and amounted to only £2 million in 1963/64. At the higher level of expenditure contractors accounted for up to 50% of new works, but the fall in total expenditure has been borne almost entirely by a reduction in contracts given out.

44. Maintenance of this extensive system has been rather expensive, in 1963/64 around £3.2 million, but this figure is likely to be cut further. The problem facing the road authorities is that any continued contraction of funds for road investment will increase costs of maintenance on roads that should have been completely rebuilt. The utilization of roads is not high since population and vehicle density is low, 157,000 vehicles were

licensed in 1963, and other means of transport are available and used for the movement of goods traffic. This is mainly due to the land-locked nature of the country and long distances and limited competition between road and rail carriers.

Education

45. Southern Rhodesia has a comprehensive school system with primary, secondary, vocational and technical schools and a university college although the capacity of the latter is very much under-utilized. During the period of the Federation non-African and higher education was the responsibility of the Federal Government, while African education was in the hands of Southern Rhodesia administration. From 1964 the new Ministry of Education became responsible for all education. A major feature of African education is that 85% of all primary education is handled by missionary schools and much of the corresponding teacher training.

46. In the 1964 school year there were 638,000 pupils in primary schools, 610,000 Africans and 28,000 Europeans, 26,000 pupils in secondary schools, of which 9,000 Africans and 17,000 Europeans. There were a further 600 students at the University College, of which 180 were Africans. A considerable number of Europeans (400 in South Africa alone) and approximately 150 Africans were studying abroad, at the university level. The number of European graduates is unknown, but it is estimated that there are about 200 African graduates, most employed in teaching. About 80 Africans also enter teacher training, technical and agricultural colleges each year. The percentage of all African children attended school in 1962 in the following age groups: 6-1/2 - 11-1/2, town primary, 95%; 11-1/2 - 14-1/2, upper primary, 27%; 14-1/2 - 16-1/2, junior secondary, 4%; and 16-1/2 - 18-1/2, senior secondary, 1-1/2%.

47. The object of giving basic literacy for all children has been achieved but the wastage due to economic factors and lack of places provided is very high indeed. Although there are almost 50 African secondary schools, only two of these have forms V and VI with a total of barely 90 pupils in all in 1964. European education shows almost no drop in the percentage enrolled over the compulsory (for Europeans) seven years of primary education and four years of secondary education respectively.

48. The central government spent £12.5 million in 1963/64 on education in Southern Rhodesia; £5.8 million on African, £0.6 million on the University and £6.1 million on European and other higher education. Approximately £1 million was recovered in the form of tuition and boarding fees. It is apparent from these figures that the opportunities for secondary and higher education available to African children are inadequate and that a considerable increase in capital and recurrent expenditures, especially in the secondary school field, is essential to bring about the minimum advancement in education necessary for the African to play an appropriate role in the community. The share of total recurrent expenditure of government devoted to education is, however, high, approximately 17% and in order to meet African needs the government may have to seek means of reducing the proportion of the cost of European education met by government.

V. INTERGOVERNMENTAL SERVICES

Electricity Generation

49. On the dissolution of the Federation the governments of Northern Rhodesia and Southern Rhodesia agreed to retain the continued joint ownership and control through a Higher Authority and the Central African Power Corporation (CAPC) of the integrated system for the generation and transmission of electricity based on the Kariba hydro-electric project which was formerly operated by the Federal Power Board (FPB). The CAPC system has under its control the total generating capacity of Kariba, some 705 MW, and some 330 MW of the total of 483 MW of thermal capacity in Southern Rhodesia, in addition to some 13 MW of thermal capacity in Northern Rhodesia out of a total of 263 MW in that territory. Total electricity supplied to Southern Rhodesia amounted to 1,891 million kwh in 1963 of which Kariba supplied 1,576 million. In Northern Rhodesia the total electricity sent out amounted to 2,558 million kwh of which Kariba supplied 1,566 million kwh, imports from the Congo totalled 280 million kwh and other thermal and hydro plants in Northern Rhodesia provided the balance of 712 million kwh.

50. Sales by the CAPC (and the FPB) since the commencement of operations on December 28, 1959 to June 30, 1964, were lower than forecast in the Kariba Appraisal Report of June 1956. While sales in Northern Rhodesia, which were chiefly to the Copperbelt, increased much as expected, the rate of increase in Southern Rhodesia, due to the unsettled political situation, was much lower. A large increase in sales to the RCBPC is expected in 1966/67 after the second 330 KV transmission line from Kariba to Kitwe in Northern Rhodesia (the project proposed for Bank financing) is in operation and a new contract for increased supplies becomes effective.

51. During the next six years system demand is expected to increase at an average rate of nearly 7% per annum and reach 833 MW during 1969/70. Based on present estimates of load growth sufficient firm generating capacity should be available to CAPC to meet system demand up to 1975 when the Corporation plans to have the second stage of Kariba in operation.

52. The World Bank has been asked for a loan of £2.75 million to meet half the cost of a second transmission line from Kariba to Kitwe, together with the cost of expansion of related sub-stations. The existing line is now operating at practically its full capacity and it is necessary, in order to meet the increasing demands by the Copperbelt and to give greater security of supply, to install a second line and to increase existing sub-stations' capacity without delay. This additional security of supply to Kitwe is all the more important in view of the increasing reliance of the Copperbelt on Kariba in place of supplies from the Congo. Increase in demand will have the effect of further improving the financial position of the CAPC.

Railways

53. Rhodesia Railways is a statutory body operating under a new Higher Authority which was established on the dissolution of the Federation to control the Railways on behalf of the Governments of Northern Rhodesia and Southern Rhodesia. The integrated system extends over a total of 2,700 miles in Northern Rhodesia, Southern Rhodesia, and Bechuanaland; employment is provided for a total of some 30,000 people of all races. The Rhodesias are land-locked and the railway is the main artery for foreign trade, with connections with the Portuguese railways in Mozambique serving the ports of Beira and Lourenco Marques and also with the South African Railways, and with the BCK (Congo) railway. A new branch line financed entirely from Southern Rhodesia resources, is presently being built to serve the lowveld sugar estates.

54. Almost all the trade of Northern Rhodesia and Southern Rhodesia with overseas areas is carried on Rhodesia Railways and Mozambique railways via the ports of Beira and Lourenco Marques and foreseeable needs for increased transport capacity over the next 20 years could be met on existing railway lines by the purchase of extra rolling stock and locomotives and by construction of a few miles of additional railway lines (loops).

55. Tonnage hauled over the Rhodesia railway system increased by 50% between 1954 and 1960, but since then has been falling, partly due to a decrease in the tonnage carried by coal, coke and chrome ore, and gross ton-miles operated has fallen by about 2% per year since 1960. In 1961/62 increased wage costs coincided with a decrease in traffic and since then an increase of 10% in freight rates has coincided with and possibly influenced, a decrease of some 7% in ton-miles and the resultant smaller increase in freight revenue has been more than offset by the continuing rise in operating costs.

56. The future prosperity of the railway system will depend on the prospects of a steady expansion of traffic and revenues which will in turn depend upon an early settlement of the uncertainties which surround the future development of the two economies and, in particular, the political uncertainties in Southern Rhodesia and a resultant return of the general business confidence essential to a buoyant economy and rising demand for railway services.

Air Transport

57. The C.A.A. Corporation, a statutory body originally incorporated in 1946, was replaced by a similar body with the same name, following the dissolution, with responsibility for the operation of international and domestic air services on behalf of the three governments, Northern Rhodesia, Malawi and Southern Rhodesia. Under the general management and technical control of the Corporation, three national subsidiary air line companies were established in December 1963, in terms of the new agreement to take over from the Corporation its former responsibilities for the operation of domestic flights, management services and sales in its respective territory. The Corporation as a whole has operated at a profit in recent years, but since 1958 revenue traffic ton-miles have been some 20% below the peak reached in 1956 and 1957 apart from 1960. There have been no increases in the Corporation's rates and fares for the last six years, apart from minor adjustments.

VI. FINANCIAL AND FISCAL POSITION

Banking and Monetary System

58. It is in the financial sphere that the benefits of Federation were perhaps most clearly evident. From a relatively simple commercial banking service there grew up a sophisticated and close-knit financial system less subject to outside influences and capable of following policies appropriate to local conditions. One of the consequences of the dissolution is the decision to demonetize the Rhodesian currency of the former Federation and to establish in its place 3 territorial currencies to be issued by a new central bank in each of the three territories. In order to preserve continuity and prevent disruption until the new central banks are ready to assume their full authority, arrangements have been made for a transitional period until mid-1965 during which each of the territories, including Southern Rhodesia, will be able to make their individual arrangements. During this interim period the banking system, the money market and the stock exchange will continue unchanged. Thereafter certain adjustments may have to be made and some financial institutions may have to divide their activities on a territorial basis.

59. The present Rhodesian pound was issued at par value with pound sterling by the Bank of Rhodesia and Nyasaland. This Bank was also the banker for the four governments and the custodian for the external reserves of the Federation. It also administered the Salisbury clearing house and managed long-term and short-term internal loans raised by the Federal Government. A gradual transfer of these powers to the territorial counterparts is taking place. The Federal Bank now sells its own bank bills on the market and allocates the funds to the territorial governments which in return pay in their own individual treasury bills. A new central bank of Southern Rhodesia, Reserve Bank of Rhodesia, was established in May 1964 with slightly increased powers compared with the former Federal Bank by the addition of power to directly control credit in relation to deposits. Its first action has been to launch and underwrite an internal loan issue.

60. The new currency for each territory will be issued between November 1964 and February 1965 and the federal currency will cease to be legal tender by the middle of 1965 and shortly after that the Federal Bank will be dissolved. The total amount of currency in circulation within the Federal area amounted to £28 million at the end of 1963. It is estimated that £15-£20 million might be redeemed in Southern Rhodesia, which would entitle Southern Rhodesia to a proportionate claim on the Federal central bank's foreign exchange holdings or £30-£35 million out of a total amounting to £48.6 million at 31 December, 1963. These banking reserves exclude a very small volume of foreign exchange holdings of government funds, statutory bodies, banks and companies. At £30 million, the total foreign exchange holdings subject to the central bank's ultimate control would be about 30% of annual imports or the equivalent of 3-4 months' imports.

61. The former Federation had an established capital market, small but representative of all financial institutions and most of this has been inherited by Southern Rhodesia. The commercial banking system is largely

built on the traditions of the British branch banking system. There are now operating in Southern Rhodesia five commercial banks, branches of overseas companies, two merchant banks and two discount houses with combined assets in Southern Rhodesia estimated at some £90 million, a Post Office Savings Bank, which with the Post Office Savings Certificate Account has assets of about £30 million, four hire purchase finance companies, associated with overseas companies, £9 million, a government-owned Land Bank, primarily lending for housing and land improvement, £16 million, three building societies, £48 million, and a number of development companies and corporations operating like investment bankers. There are also a large number of insurance companies with total assets of over £80 million, most of them branches of foreign companies with head offices in the United Kingdom or South Africa. The Salisbury and Bulawayo stock exchange deal in both government and municipal stock and private securities and activity has increased appreciably over the last two-three years.

62. Commercial banks have operated over the whole Federal area with complete freedom of transfer. The overall advances/deposit ratio has recently fluctuated around 50% and the liquidity ratio around 35%. In the past the banks have made about 80% of their total advances in Southern Rhodesia; at the same time, only about 60% of their deposits have been obtained in Southern Rhodesia and the banks are generally heavier lent in Southern Rhodesia than in the rest of the former Federal area. The problem of establishing a relationship between advances and deposits originating in Southern Rhodesia more in line with the present requirements at a time when other factors also tend to have a regressive effect, and the banks own concern to restore a traditional balance in their accounts, may make the banking position difficult for some time.

63. The slow down of economic activity especially in the building sector and the increasing emigration of Europeans, involved building society institutions in 1960 and 1961 and the Post Office Savings Bank encountered serious difficulties in 1963 and 1964, necessitating Government intervention and support.

64. During the eight years 1954-1962 the governments of the Federation raised a total of £78.5 million abroad, £132.7 million locally and a further £33.0 million of short-term money locally, while the borrowing of companies abroad was recorded at £211 million and on the local stock exchange at £13 million. Domestic private financial resources therefore contributed to government resources or private investment to an average of some £20/25 million per year for the Federal area. At the end of 1963 the total value of Treasury bills outstanding was some £26 million, distributed as follows: Federal statutory bodies £11 million; Northern Rhodesia £5.5 million, Nyasaland £1.1 million and Southern Rhodesia £8.6 million. Other temporary borrowing by the Southern Rhodesia Government amounted to a further £5 million.

65. The break-up of the Federation has clearly diminished the size of the market for Government borrowing in the future and whilst it is anticipated that most of the financial institutions will continue to operate in Northern and Southern Rhodesia, the flexibility and pooling of resources will be partly lost.

Long-term borrowing by the Government may prove difficult in the next year or so but it is probable that it will be able to continue to rely on about £20 million of short-term money from the domestic market for the next year or so.

66. The monetary policies pursued by the central bank of the Federation during the last decade have been conservative and designed as far as possible to assist in the prevention of rising prices, and neither to impede economic growth nor to allow the balance of payments to get out of hand. The Reserve Bank of Southern Rhodesia may be expected to follow similar conservative policies in order to influence the volume of credit outstanding to the private sector and to smooth out fluctuations on the Bill market arising from business needs and excess liquidity. The tendency for the level of liquidity to rise might normally have led to some consideration of relaxation of exchange control and efforts to increase the rate of expansion of the economy. However, due to the continued uncertain political situation and the continued existence of funds seeking repatriation abroad it is unlikely that there would be any relaxation in this direction, while monetary and fiscal policies alone are unlikely to have any marked success in initiating expansion.

67. Exchange control, introduced by the Federal Government in February 1961 in view of the uncertain political situation and the risk that a large part of the liquid funds owned by residents in the Federation might be sent abroad, has been retained in effect by the Southern Rhodesia Government. The regulations were designed to control external capital transactions, and those transactions of a related nature such as the repatriation of earnings on exports and on external investment. These controls did not effect transactions of non-residents. At the moment there is also no control on transfers within the area of the former Federation.

Public Finance

68. Prior to the dissolution of the Federation, powers to raise revenue were divided between the various governmental authorities and in order to indicate the general trend of government revenue and expenditure in Southern Rhodesia these revenues and expenditures respectively of the former federal, territorial and local governments have been consolidated into single tables, Tables 25 and 26, covering the period 1954 through 1963. Double accounting has been eliminated as far as possible but some elements still remain, particularly in the field of interest payments and receipts. It is probable that in 1963, for example, the element of intra-governmental interest was of the order of £3 million and this amount would have to be deducted from both sides of the table.

69. The government authorities have relied for approximately 40% of their total revenue on direct taxation comprising taxes on income and profits of persons and companies plus a territorial surcharge on the net tax payable. Approximately 1/3 of total revenue has accrued from indirect taxes consisting mainly of customs import duties and excise taxes. Tax revenue accounts for approximately 70% of total revenue and interest, rent and profits of government enterprise plus transfers, including gifts and donations, account for the remainder.

Table 4: Recurrent revenue and expenditure of Southern Rhodesia

	<u>Government</u> (£ million)					
	<u>Actual</u> 1961/62	<u>Actual</u> 1962/63	<u>Estimate</u> 1963/64	<u>Actual</u> 1963/64	<u>Estimates</u> Amount	<u>1964/65</u> %
<u>Revenue</u>						
Direct taxes	12.3	12.8	12.8	13.9	25.4	36.86
Indirect taxes	8.0	7.6	9.2	15.4	22.9	33.24
Other revenue	<u>4.9</u>	<u>5.1</u>	<u>5.5</u>	<u>17.7</u>	<u>20.6</u>	<u>29.90</u>
Total current reven.	<u>25.3</u>	<u>25.5</u>	<u>27.6</u>	<u>47.0</u>	<u>68.9</u>	<u>100.00</u>
<u>Expenditure</u>						
General services	7.0	8.0	8.6	13.1	19.4	28.20
Community services	2.6	2.6	2.8	3.7	4.4	6.34
Social services	5.6	6.0	6.7	12.4	19.0	27.64
Economic services	2.6	2.1	2.1	6.8	8.7	12.72
Public debt	3.9	3.6	4.0	7.3	12.1	17.55
Other	<u>3.2</u>	<u>4.1</u>	<u>3.9</u>	<u>5.4</u>	<u>5.2</u>	<u>7.56</u>
Total current exp.	<u>24.9</u>	<u>26.4</u>	<u>28.1</u>	<u>48.6</u>	<u>68.8</u>	<u>100.00</u>
Current surplus/ deficit	0.3	-0.9	-0.6	-1.7	0.2	
Accumulated deficit	-1.7	-2.6	..	-4.3	-4.1	

Capital Receipts and Payments of Southern Rhodesia Government

Loan recoveries, etc.	1.7	2.1	1.7	2.6	4.2
New loans	3.0	8.6	2.8	13.6	1.9
Loans to be arranged	-	-	<u>3.5</u>	-	<u>13.0</u>
Total receipts	4.7	10.7	8.0	16.2	19.1
Capital expenditure	4.6	5.0	5.9	8.5	12.8
Debt repayment	<u>0.4</u>	<u>4.2</u>	<u>2.1</u>	<u>5.9</u>	<u>6.2</u>
Total payments	9.7	19.9	16.0	30.6	38.1

70. Since 1955 public savings have averaged about 3% of GDP. This covered between 15 and 25% of total government capital expenditure; the balance has been financed from loan recoveries and external and internal borrowing.

71. The dissolution of the Federation involved a drastic change in the responsibilities and rights of the former territorial government of Southern Rhodesia. The estimates for 1964/65 envisage total revenue amounting to £70 million, an increase over the comparable estimates for 1963/64 of £41 million which represents the share of revenue from sources in Southern Rhodesia which formerly accrued to the Federal Government. On the expenditure side, estimated expenditure for 1963/64 totalled £28.1 million, the corresponding figures for 1964/65 totalled £68.7 million, again an increase of £41 million. The biggest items of additional expenditure arise from the transfer from the federal government of responsibilities for non-African education, health, European agriculture, Posts and Telecommunications and defense. Approximately 22,000 ex-federal employees were transferred to the employment of the Southern Rhodesian Government.

72. Despite the tremendous problems involved in taking over, for the last 6 months of the financial year 1963/64, the responsibilities and functions of the Federal Government in Southern Rhodesia, the Government has kept the deficit for the financial year as a whole at the figure of £1.7 million. The estimates for 1964/65 provide for a balanced budget. The Southern Rhodesia Government has postponed any major policy changes and has attempted to avoid any increase in taxation, which might have the effect of discouraging investment or of encouraging further emigration by individuals. In order to balance its budget the government has therefore enforced considerable restraint in drawing up the estimates for 1964/65 and has reduced the total expenditure by some £6 million below the total estimated cost of maintaining pre-dissolution services. No surplus is available from the current budget for capital expenditure in 1964/65. The accumulated deficit at the 30th June 1964, amounted to £4.3 million and in accordance with its undertaking to consider the financial position of Southern Rhodesia in the light of the debt obligations assumed on the dissolution of the Federation, the United Kingdom made a gift of £4 million to liquidate a great part of the accumulated deficit leaving a balance of less than £300,000 to be carried forward.

Capital Receipts and Payments

73. Government capital expenditure in Southern Rhodesia has fallen from a peak of £43.8 million in 1957 to a figure of £25.1 million in 1963 at which level the growth of the economy has been checked and a decline has already set in. In the absence of any significant expansion of private investment the Government must expect to be faced with accelerated decline in the economy unless it can increase capital expenditure to something above the overall levels attained in 1962 and 1963. The figure of capital expenditure budgeted for 1964/65 is £19 million which includes debt repayment amounting to some £6 million. After allowing for local authority expenditure which amounted to some £10 million in 1963, Government expenditure in 1964/65 is likely to be only slightly in excess of the 1963 level. In terms of direct capital formation the Government is budgeting for expenditure of £6.7 million

in the 1964/65 period compared with an average of £11 million for both the Federal Government and Southern Rhodesia Government over the period 1956-1962.

74. To meet this capital program the Government is budgeting for loan recoveries of £4 million, long term loans of some £2 million and further loans still to be arranged of some £13 million. This figure appears to be somewhat optimistic. Even if some of this money could be raised abroad, and this would depend to a large extent on the willingness of the United Kingdom Government to provide assistance, it would still leave a substantial amount of long and medium term money to be raised on the local market. However, the Government was successful in raising externally some £2.7 million and internally some £7.4 million during the financial year 1963/64.

Development Planning

75. The economy of the Federation was not a planned economy in the sense that development is controlled and directed in terms of a comprehensive program of investment and allocation of resources by a Government planning authority. It was in fact a fundamental feature of the Federal and Territorial Governments' policy that economic activity in the Federation should be privately owned and operated and that the activity of governments in the economic field should in general be limited to providing the best possible climate for economic expansion including the provision of services to facilitate that expansion. The Governments of the Federation and individual territories recognized however that the provision of many of the elements of such an economic climate depended on the coordination of development plans and their formulation in the light of the best possible information of future development in the economy, both in the field of private enterprise and the public sector.

76. The governments' capital expenditure in Southern Rhodesia has been mainly directed towards investment in economic services, the most important sectors being electricity generation, railway transport and agricultural investment. In 1957 for example, just under 1/3 of the total resources went for investment in economic services, approximately 10% in community services including road and water development, some 5% in social services and between 3 and 4% in administrative services. The balance was used for the repayment of debt, miscellaneous expenditures of local authorities, public buildings of all kinds and for the finance of capital formation in other sectors of the economy. The capital programs of the three forms of government in practice proved to be well designed and balanced, governments seeking to provide the best possible climate for economic expansion, including provision for the services and institutional framework and infrastructure necessary to facilitate this expansion, leaving to private enterprise the responsibility and freedom for investment in productive activities.

77. The last development plan prepared by the Southern Rhodesian Government in conjunction with the other Governments of the Federation covered the 3 year period 1962-1965. There is no doubt, however, that any planning that it was possible for the Government to do before dissolution must have been subject to quite important reservations depending on the extent to which the various Federal services were to become a territorial responsibility or to be

operated as intergovernmental organizations. Similarly the allocation of Federal debt and consequential obligations must have important influences on future borrowing capacity. None of these factors could have been clearly foreseen and in practice the Government has had little choice but to operate on a year to year basis, keeping within the framework of its original proposals to the extent appropriate. There is now the additional problem of the deterioration of business and investor confidence in Southern Rhodesia. A National Economic Advisory Council has been established to advise Government on this and other related subjects. It seems clear however that a new concept of the role of government will be necessary if the government is to succeed in generating a new period of expansion in the circumstances existing in Southern Rhodesia today or which can be foreseen in the near future. It seems of vital importance that, in addition to the introduction of all practical measures likely to facilitate and encourage investment, the Government should give a lead to private enterprise and should indicate clearly at least in financial terms the scale of development which it envisages, for both the private and the public sectors, for a period of some years in advance in order to sustain business confidence in the future of the economy and stimulate private investment. As a corollary to this it seems desirable that some consideration should be given to the establishment of a suitable development planning organization.

VII. FOREIGN TRADE AND BALANCE OF PAYMENTS

78. Southern Rhodesia's domestic exports to countries outside the Federal Area have shown an average annual increase of about 7% over the last 10 years although the importance of individual groups has changed and the increases have been **irregular**. Mineral exports which were responsible for a third of the total in 1954 have now dropped to a quarter and during the last 7 years the total value has fluctuated between £20 and £24 million per year. Tobacco which accounted for 40% of the total value of exports in 1954 now accounts for almost 50% having increased from £21 million in 1954 to £38 million in 1963. Apart from tobacco, groups which have shown the most promising increase are meat and exports of ore and concentrates. The latter has increased from some £370,000 in 1954 to £4.5 million in 1963 and it is probably in this field that Southern Rhodesia should look for a substantial part of its future export growth. Exports of maize have fluctuated quite widely over the last 10 years from virtually nothing in some years to exports valued at almost £6 million in 1962. On the other side of the picture however is the fall in exports of textiles, clothing and footwear which accounted for over £5 million in 1954 and barely £2 million in 1963. Other manufactures have remained virtually unchanged apart from some slight increases in exports of mining and other machinery and quite buoyant exports of radios. The fall in exports of textiles and clothing reflects the increasing protection against these items built up by South Africa.

Balance of Payments on Current Account
£ million

	<u>1954</u>	<u>1956</u>	<u>1958</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>
Total external exports ^{1/}	49.5	54.8	56.1	68.9	78.3	79.7	82.1
Imports and net services ^{2/}	-71.5	-88.6	-77.9	-73.3	-75.8	-62.6	-54.9
Net export of goods and services	-22.0	-34.3	-21.8	- 4.4	2.5	17.1	27.2
Investment income receipts	4.8	7.3	6.1	6.4	6.8	3.3	2.6
Investment income payments	-10.9	-15.1	-15.9	-15.8	-18.3	-16.2	-17.7
Net transfers	1.5	3.0	1.3	1.3	- 3.2	- 3.4	- 5.5
Net current account balance	-26.6	-39.1	-50.3	-12.5	-12.2	0.8	6.6

^{1/} Exports to countries outside Federation.

^{2/} Imports and net services include re-exports and net exports of goods and services to Northern Rhodesia and Malawi.

79. Whilst it has been possible for the Southern Rhodesian authorities to estimate the value of domestic exports to countries outside the Federal Area during the period of Federation it has not been possible to estimate the value of the territory's imports and these have been derived together with net services as a residual item of net exports of goods and services. Imports and net services have fallen rapidly since 1961, changing the deficit of net exports of goods and services in 1960 into an increasing surplus. There is a large net export of investment income and transfers and despite the fall in domestic activity and general prosperity income payments have tended to be maintained, reflecting in part the unwillingness of enterprise to retain profits for further investment. The overall balance of payments on current account was as expected strongly adverse in the years following Federation; in 1958, for example, the adverse balance was estimated to have been some £50 million. With the steady contraction of imports however this fell to zero in 1962 and in 1963 there was a small surplus of £6.6 million. This picture may be changed to some extent as a result of the inclusion of investment income transactions between the two Rhodesias; however, it is possible that the payments to private enterprise in Northern Rhodesia on account of funds invested in Southern Rhodesian securities may be largely offset by receipts by Southern Rhodesia residents holding the Federal internal debt assumed by Northern Rhodesia.

80. An estimate of the value of actual imports by Southern Rhodesia made for 1962 which referred to imports from countries outside the Federal Area put this figure at £98 million and an estimate for 1964 based on the results of the first three months, ignoring seasonal fluctuations, give a figure of £99 million, including imports from other part of the former Federal Area. Trade with Northern Rhodesia and Malawi in the first three months of 1964 is shown in Table No. 44. This shows that Domestic exports to Northern Rhodesia in the first three months of the year amounted to £5.8 million and re-exports to £1.9 million, a total of £7.7 million compared with imports from Northern Rhodesia of barely £900,000. In the case of Malawi total exports are estimated at £1.2 million and imports at £170,000. If these figures are at all representative Southern Rhodesia's domestic exports to Northern Rhodesia and Malawi might be estimated at some £25 million a year, re-exports at some £9 or £10 million per year and imports from the two territories at about £4 million per year. This would mean that total exports in 1962 were probably of the order of £110 million and total imports about £100 million, giving an overall balance of trade of £10 million, and receipts from net services of £7 million. Aince the net payment for imports and net services declined in 1963, mainly as a result of a further contraction in imports, Southern Rhodesia's overall balance of trade for 1963 should have increased by at least a corresponding amount to somewhere between £15-20 million.

81. Southern Rhodesia's trade prospects are likely to be affected by a number of factors difficult to evaluate in advance because of the political issues involved. One is the extent to which Southern Rhodesia will be able to maintain its position in the Northern Rhodesian market following the removal by Northern Rhodesia in July 1964 of the suspension of duties on imports from Southern Rhodesia. Under the new arrangements the majority of Southern Rhodesian goods become dutiable in Northern Rhodesia at the same rates as those applicable to goods of United Kingdom origin. Exceptions to these rules include most foodstuffs and agricultural products which would continue to be duty free, cigarettes and tobacco which would continue to be dutiable at former excise rates, and certain clothes, tires and shoes, radio sets and parts which would be dutiable at concessionary rates. The position is, however, worsened by the reduction of many of the former protective tariff rates on products competing with Southern Rhodesian manufactures. It is unlikely that these changes will have an immediate effect on exports to Northern Rhodesia, but as foreign competitors establish contacts and new trading channels develop the impact of these changes is likely to be increasingly evident, and possibly of the order of 20-40% over the next three or four years. Another uncertainty arises from doubts as to the possibility of Southern Rhodesia obtaining either an adequate quota of sugar exports to the Commonwealth, the U.S. and under the International Sugar Agreement or to markets outside these agreements, particularly under conditions of increasing competition and falling prices. Southern Rhodesia's future trading privileges with the United Kingdom and Commonwealth countries may also be placed in jeopardy in the case of an unilateral declaration of independence.

82. If one can assume no further deterioration in the political situation within Southern Rhodesia, and between Southern Rhodesia and other countries, Southern Rhodesia's foreign trade position looks fairly promising,

with exports buoyant and imports likely to grow only slowly. Even after discounting Southern Rhodesia's own forecasts of its tobacco and sugar exports, exports over the next four or five years can be expected to grow at an average rate of about 3% or 4% per year. On the other hand, in the absence of a marked improvement in the political situation, it is unlikely that effective monetary demand, and more especially investors' confidence will improve sufficiently to bring about a significant increase in private investment. Without these conditions it is unlikely that imports will grow significantly. The continuation of a favorable balance of trade and a favorable balance of payments therefore seems likely. Even in the event of any improvement in the rate of investment which would have the effect of increasing imports part of this increase would be financed by an offsetting inflow of capital.

VIII. ECONOMIC PROSPECTS AND CREDITWORTHINESS

83. The political future of Southern Rhodesia is as yet undetermined and there appears to be little prospect for an early reconciliation between the two racial groups. In these circumstances any assessment of Southern Rhodesia's prospects is dependent on political developments and at this stage necessarily hypothetical.

84. The country has a dual economy with a quarter of a million Europeans responsible for large-scale farming using modern methods and managing a medium-sized nucleus of manufacturing and mining enterprises with widely dispersed ownership, and 4 million Africans engaged in peasant agriculture and providing unskilled labor for European enterprises. Southern Rhodesia has at one and the same time a relatively complex economy and, as has been seen, rather few Africans with university or other advanced qualifications. In these circumstances, the economy appears to be virtually dependent on European management and European skill for the foreseeable future, and any political decision which led to the withdrawal of European interest and participation would lead to a rapid deterioration in the economy.

85. Southern Rhodesia probably needs to re-establish a minimum investment level of over £50 million (\$140 million) per year to recover lost ground and promote renewed economic expansion. In the past, much of the investment came from private immigrants or from reinvestment of profits but, even if an acceptable political solution can be found which precludes the need for any reversal within the foreseeable future, European residents and foreign private investors are likely to approach their investment decisions very cautiously for some years. Reliance will need to be placed on public savings and foreign institutional investment. For 1964/65 no public savings are envisaged and greater sacrifices will be required in the form of acceptance of increased taxation and drastic cuts in Government services before a significant contribution can be expected through government savings. There is at present no evidence that either the government or the public have considered these possibilities. Nevertheless, any renewed economic expansion will be dependent on a substantial increase in the domestic contribution to investment which itself will depend in the first instance on government initiative and public savings.

86. There are good prospects for an increase in agricultural production, assuming internal security and stability, and an increase in agricultural exports. Nevertheless, these will depend to a large extent on the prospects of finding new markets for sugar, meat, and tobacco. Since 1958 mineral production has shown very little change and while there are possibilities for increasing production for most products, price and market prospects are far from encouraging. There are, however, quite promising possibilities for the further processing of certain mineral products and their export in a more transformed state, particularly in the case of pig iron, steel, chrome ore and lithium salts. Manufacturing industry has shown a small increase in volume over the last three years despite some setback in 1962 and under certain conditions this might be expected to continue. But any marked advance in industrial production is likely to be dependent on the retention of markets in Malawi and Northern Rhodesia. With the recent removal of the suspension of tariffs on Southern Rhodesian goods entering Northern Rhodesia, Southern Rhodesia must expect some contraction of this market and increasing competition from other sources. This can have quite serious repercussions in view of the existence already of a significant volume of excess capacity. Up to the present the shortfall in turnover has been met by reducing employment, increasing productivity and strict economy.

87. So far as can be seen at present Southern Rhodesia should be in a position to improve the balance of payments on current account for the next year or two mainly by increasing exports and thereafter should be able to maintain a favorable balance of current payments for a further two or three years providing the government takes steps to keep imports under control. Foreign exchange reserves are likely to be maintained and perhaps slightly increased, but to the extent to which exchange reserves increase and imports fail to expand it is probable that there will be a corresponding shortage of investment. On balance, in the absence of steps to bring about a progressive increase in African participation in government acceptable to Europeans and Africans, it seems unlikely that Southern Rhodesia can hope to do more than maintain domestic production or, at best, increase production per head above its present level of £70 per head by about 1% or 2% per year for the next 4 or 5 years. This would involve an overall growth rate of 4%-5% per year.

88. On the 1st of January 1964, Southern Rhodesia's external public debt totalled £120 million. The total external debt service charges in 1964 should amount to £11 million, or about 10% of expected earnings. The debt service position is, however, somewhat less secure due to the substantial burden of loan maturity to be faced on the present debt in 1970 which would increase the debt service than to £28-1/2 million. This represents mainly the repayment of publicly issued bonds on the United Kingdom market which would clearly involve considerable assistance from the United Kingdom either directly or in effecting a successful conversion. The debt service ratio is moderately high for an undeveloped country in the process of transition, but in the past Southern Rhodesia has achieved high standards of debt management and a competent administration. Given good management, good financial performance and internal stability it still could carry a significant addition to external debt. The needs of the country for foreign capital are substantial, but a fair proportion of investment resources available are likely to be required by African agriculture and education sectors which will not

increase Southern Rhodesia's future export earning capacity in the short run. In ideal circumstances it would therefore be desirable for Southern Rhodesia to seek a blend of conventional loans and soft money to assist in the next stage of its development.

89. From the narrowly economic point of view there are promising possibilities for continued expansion based on agriculture and the processing and transformation of agricultural and mineral products for export. However, the realization of this potential will be largely conditioned by the evolution of the political situation.

STATISTICAL APPENDIX I

SOUTHERN RHODESIA

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Table 1

Public Debt
(£'000)

<u>Description</u>	<u>Net amount out- standing as at January 1, 1964</u>
1. <u>External debt</u>	
Loans raised abroad by S. Rhodesia Government	67,194
Loans raised abroad by Federal Government	27,699
<u>Total External</u>	<u>94,892</u>
2. <u>Internal debt</u>	
<u>Long Term</u>	
Loans raised by S. Rhodesia Government in Federal Area	37,100
Loans raised by Federal Government in Federal Area	45,222
CAA Loan	873
Loan from Federal Power Board	1,416
Loan from Mining Companies	1,154
Loan from Contractor Finance	3,630
Loan from BSA	2,276
Loan from Rhodesia Railways Contributory Pension Fund	63
Land Purchase Contracts	500
<u>Total Long Term</u>	<u>92,232</u>
<u>Short Term (temporary debt)</u>	
<u>Treasury bills</u>	
- Government	3,536
- Statutory corporations	891
- Statutory corporations ^{1/}	5,235
Federal Treasury Promissory Notes	3,860
<u>Temporary Loans</u>	
- Government Funds	3,492
- Other Funds	1,104
Loan Certificates	5
<u>Total Short Term</u>	<u>18,123</u>
<u>Total Internal</u>	<u>110,355</u>
TOTAL PUBLIC DEBT	205,248
3. <u>External Debt Guaranteed</u>	
	24,840

^{1/} This figure includes Treasury Bill liability for Statutory Corporations apportioned to S. Rhodesia after the break up of the Federation.

Source: Central Statistical Office.

TABLE 2

SOUTHERN RHODESIA - ESTIMATED CONTRACTUAL SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT OUTSTANDING AS OF
 JANUARY 1, 1964 /1
 Debt Repayable in Foreign Currency
 (In thousands of U.S. dollar equivalents)

Year	Debt out- standing January 1	Payments during year			Year	Debt out- standing January 1	Payments during year		
		Amorti- zation	In- terest	Total			Amorti- zation	In- terest	Total
<u>Total debt</u>				<u>Privately-placed debt</u>					
1964	334,726	14,669	16,336	31,005	1964	8,597	4,301	374	4,675
1965	319,758	13,158	15,971	29,129	1965	4,296	139	203	342
1966	306,195	12,803	15,431	28,234	1966	4,157	147	196	343
1967	292,886	8,543	14,911	23,454	1967	4,010	156	189	345
1968	283,737	9,098	14,604	23,702	1968	3,854	166	181	347
1969	273,913	20,486	13,741	34,227	1969	3,688	175	173	348
1970	252,729	66,686	13,114	79,800	1970	3,513	187	164	351
1971	185,257	6,895	10,603	17,498	1971	3,326	198	155	353
1972	177,696	7,087	10,322	17,409	1972	3,128	210	145	355
1973	169,848	17,283	9,793	27,076	1973	2,918	573	129	702
<u>Publicly-issued bonds /2</u>				<u>IBRD loans</u>					
1964	211,528	5,130	9,914	15,044	1964	69,761	3,861	3,521	7,382
1965	206,099	7,102	9,853	16,955	1965	65,900	3,993	3,324	7,317
1966	198,592	6,975	9,595	16,570	1966	61,907	4,134	3,118	7,252
1967	191,111	2,627	9,366	11,993	1967	57,773	4,287	2,905	7,192
1968	187,878	3,139	9,358	12,497	1968	53,486	4,447	2,684	7,131
1969	184,013	14,309	8,802	23,111	1969	49,039	4,616	2,454	7,070
1970	169,006	61,509	8,498	70,007	1970	44,423	3,840	2,215	6,055
1971	106,711	1,546	6,247	7,793	1971	40,583	3,970	2,024	5,994
1972	104,499	1,556	6,237	7,793	1972	36,613	4,106	1,826	5,932
1973	102,182	11,212	5,995	17,207	1973	32,507	4,249	1,621	5,870
<u>U.S. Government loans</u>				<u>U.K. Government loans</u>					
1964	4,790	1,020	116	1,136	1964	40,050	357	2,411	2,768
1965	3,770	1,020	90	1,110	1965	39,693	904	2,501	3,405
1966	2,750	250	65	315	1966	38,789	1,297	2,457	3,754
1967	2,500	250	59	309	1967	37,492	1,223	2,392	3,615
1968	2,250	250	53	303	1968	36,269	1,096	2,328	3,424
1969	2,000	250	48	298	1969	35,173	1,136	2,264	3,400
1970	1,750	250	42	292	1970	34,037	900	2,195	3,095
1971	1,500	250	36	286	1971	33,137	931	2,141	3,072
1972	1,250	250	30	280	1972	32,206	965	2,084	3,047
1973	1,000	250	24	274	1973	31,241	999	2,024	3,023

/1 Does not include private debt guaranteed by government as the government does not recognize it as part of the service payments.

/2 Net accumulated sinking funds.

Statistics Division
 IBRD-Economic Department
 July 6, 1964

Table 3

ESTIMATED DE FACTO POPULATION
(thousand)

	<u>All Races</u>	<u>European</u>	<u>African</u>	<u>Colored</u>	<u>Asian</u>
1954 30th June	2,990	158	2,820	7.2	4.8
1955 30th June	3,090	165	2,910	7.6	4.9
1956 30th June	3,190	180	3,000	8.1	5.2
1957 30th June	3,300	191	3,090	8.5	5.5
1958 30th June	3,410	203	3,190	9.0	5.9
1959 30th June	3,520	210	3,290	9.4	6.3
1960 30th June	3,640	218	3,400	9.9	6.7
1961 30th June	3,760	221	3,520	10.4	7.1
31st December	3,820	222	3,580	10.7	7.3
1962 30th June	3,880	223	3,640	11.0	7.4
31st December	3,940	224	3,700	11.2	7.5
1963 30th June	4,010	224	3,770	11.5	7.7
31st December	4,070	221	3,830	11.8	7.7

Source: Central Statistical Office.

Table 4

ESTIMATED DE FACTO POPULATION OF THE MAIN TOWNS - 31ST DECEMBER 1963
(including nearby suburbs)

<u>Main Urban Areas</u>	<u>Africans</u>	<u>Europeans</u>	<u>Asians and Others</u>
Bulawayo	160,000	49,000	6,200
Fort Victoria	9,000	2,400	300
Gatooma	13,000	2,200	300
Gwelo	29,000	8,500	700
Que Que	15,000	3,100	400
Salisbury	220,000	89,000	6,400
Shabani	13,000	1,800	100
Umtali	35,000	9,000	900
Bankie	17,000	1,900	..

Source: Central Statistical Office.

Table 5

Migration of Non-Africans

Period	Immigrants		Emigrants		Net Migration	
	Europeans	Others	Europeans	Others	Europeans	Others
1955	13,300	70	5,100	..	+8,200	..
1956	18,100	90	5,100	..	+13,000	..
1957	17,400	70	5,100	..	+12,300	..
1958	12,900	90	5,300	..	+7,600	..
1959	8,146	188	4,600	..	+3,500	..
1960	7,430	201	5,900	..	+1,500	..
1961	6,627	198	8,000	..	-1,400	..
1962	6,062	134	7,400	..	-1,300	..
1963	5,091	206	10,540	110	-5,430	+90

Note: Migration only to or from countries outside area of former Federation of Rhodesia and Nyasaland.

Migration of African Males

Period	Territory of Origin (Immigrants) or Destination (Emigrants)											
	Immigration				Estimated Emigration				Estimated Net Migration			
	North- ern Rhode- sia	Nyasa- land	Other	Total	North- ern Rhode- sia	Nyasa- land	Other	Total	North- ern Rhode- sia	Nyasa- land	Other	Total
1954	11,221	42,334	57,513	111,068	15,200	33,000	52,300	100,500	-4,000	+9,300	+5,200	+10,500
1955	12,274	43,333	55,360	110,967	13,700	40,500	58,600	112,800	-1,400	+2,800	-3,200	-1,800
1956	8,738	46,790	58,669	114,197	10,300	42,000	64,200	116,500	-1,600	+4,800	-5,500	-2,300
1957	9,273	45,015	61,414	115,702	10,100	46,600	55,200	111,900	-800	-1,600	+6,200	+3,800
1958	10,271	44,290	52,797	107,358	9,400	45,900	52,400	107,700	+900	-1,600	+400	-300
1959	9,720	39,012	37,335	86,067	7,500	45,900	47,000	100,400	+2,200	-6,900	-9,700	-14,400
1960	8,687	37,500	32,896	79,083	7,600	42,800	37,200	87,600	+1,100	-5,300	-4,300	-8,500
1961	7,250	35,023	21,169	63,712	6,200	37,000	25,500	68,700	+1,300	-2,000	-4,400	-5,000
1962	7,398	29,681	13,526	50,605	4,700	30,400	24,800	59,900	+2,700	-600	-11,300	-9,200
1963												

Source: Central Statistical Office.

Table 6 A

EMPLOYMENT BY INDUSTRIAL SECTOR

Period	A. NON-AFRICAN EMPLOYEES								Total
	Agriculture, Forestry and Fishing	Mining and Quarrying	Manu- facturing	Con- struction	Electricity, Water and Sanitary Services	Commerce	Transport and Commu- nications	Services	
<u>Monthly Average:</u>									
1954	3,220*	2,860	10,990*	7,500	1,170	17,120	6,730	14,800*	64,400*
1955	3,300*	2,930	11,720*	8,100	1,180	18,150	7,590	16,000*	69,000*
1956	3,420*	3,060	12,280*	8,600	1,360*	19,190	7,850	16,860*	72,600*
1957	3,690*	3,010	13,600*	9,830	1,390*	20,960	8,350*	18,840*	79,700*
1958	3,820*	2,920	14,640*	9,440	1,510*	23,670	8,800*	20,760*	85,600*
1959	4,170*	2,830	15,050*	8,800	1,670*	24,600	9,100*	21,600*	87,800*
1960	4,400*	2,790	15,250*	8,640	1,550*	25,090	9,400*	22,240*	89,400
1961	4,410*	2,690	15,670*	6,660	1,540	24,280	9,740*	23,410*	88,400*
1962	4,500*	2,670	15,810*	6,090	1,290	23,790	10,200*	24,200*	88,600
1963	4,590	2,600	15,690	5,430	1,270	24,890	9,420	24,520	88,400
<u>End of Month:</u>									
1962 March	4,550*	2,670	15,760*	6,280	1,370	24,920	10,030*	23,700*	89,300*
June	4,500*	2,680	15,860*	5,990	1,300	23,940	9,990*	24,130*	88,400*
Sept.	4,430*	2,680	15,870*	6,050	1,200	23,040	10,110*	24,630*	88,000*
Dec.	4,530*	2,660	15,760*	6,040	1,300	23,250	10,650*	24,350*	88,500*
1963 March	4,630*	2,580	15,930*	5,900	1,280	24,540	9,670	24,530*	89,100*
March	4,640*	2,620	15,820*	5,900	1,290	25,050	9,660	24,080	89,100*
June	4,490*	2,610	15,680*	5,550	1,260	24,880	9,410	24,660	88,500*
Sept.	4,600*	2,590	15,490*	5,370	1,260	24,650	9,440	24,750	88,100*
Dec.	4,620	2,580	15,780	4,910	1,260	25,000	9,190	24,600	87,900

* Amended;

Note: The 1963 annual figures are not comparable with previous years to the extent indicated by the two series given for March, 1963; the figures below the line being based on a revised classification.

Source: Central Statistical Office.

TABLE 6 B

EMPLOYMENT BY INDUSTRIAL SECTOR (continued)

AFRICAN EMPLOYEES

Period	Agriculture, Forestry and Fishing	Mining and Quarrying	Manu- facturing	Con- struction	Electricity, Water and Sanitary Services	Commerce	Transport and Communi- cations	Services		Grand Total
								Private Domestic	Other	
<u>Monthly Average:</u>										
1954	218,000*	62,400	62,500*	51,000	5,200	25,600	12,100*	76,100	41,000	554,000*
1955	225,000*	59,600	66,100*	53,000	5,300	27,500	13,000*	79,200	44,300	573,000*
1956	228,000*	60,900	70,700*	58,000	5,400	31,200	13,700*	85,400	47,900	601,000*
1957	226,000*	60,700	74,000*	64,000	5,900	32,900	14,900*	88,000	52,200	619,000*
1958	230,000*	57,100	72,400*	64,000	6,300	34,200	15,100*	90,900	55,800	626,000*
1959	231,000*	52,500	74,200*	59,000	6,400	35,700	15,500*	92,700	58,300	625,000*
1960	240,000*	52,300	75,000*	57,000	6,700	36,100	16,000*	94,100	59,500	637,000*
1961	240,900*	48,500	74,300*	45,000	6,000	35,200	16,800	94,800	62,700	624,000
1962	243,900*	44,100	73,400*	36,800	5,600	34,800	16,600	95,200	61,200	612,000*
1963	257,300	40,500	66,500	30,800	4,400	33,200	14,500	95,000	61,100	603,000
<u>End of Month:</u>										
1962 March	255,000*	46,200	74,300*	40,000	5,900	35,900	16,900	95,200	60,600	630,000*
June	245,000*	44,100	75,900*	38,300	5,700	35,700	17,000	95,100	61,100	618,000
Sept.	219,400*	43,400	74,200*	37,000	5,400	34,200	17,100	95,300	62,500	589,000*
Dec.	256,100*	42,600	69,300*	32,000	5,300	33,600	15,300	95,400	60,500	610,000*
1963 March	276,700*	41,000	68,600*	30,700	5,300	33,100	14,900	94,900	61,700	627,000
March	276,700*	41,000	67,600*	30,700	4,500	34,200	14,900	94,900	62,400	627,000
June	250,800*	41,200	69,400*	32,300	4,300	33,000	14,500	94,800	60,100	600,000
Sept.	236,600*	40,500	66,900*	31,300	4,400	32,900	14,600	95,200*	61,900	584,000*
Dec.	265,000	39,300	62,200	28,700	4,300	32,600	14,100	95,000	60,500	602,000

* Amended.

Note: The 1963 annual figures are not comparable with previous years to the extent indicated by the two series given for March, 1963; the figures below the line being based on a revised classification.

Source: Central Statistical Office

TABLE 7 AVERAGE ANNUAL EARNINGS OF EMPLOYEES BY INDUSTRIAL SECTOR

Year	Agriculture, Forestry and Fishing	Mining and Quarrying	Manu- facturing	Con- struction	Electricity, Water and Sanitary Services	Commerce	Transport and Communi- cations	Services		Grand Total
								Private Domestic	Other	
<u>AFRICAN</u>										
1954	48	83	65	65	71	88	94	71	85	64
1955	50	87	78	76	73	94	106	76	89	70
1956	52	93	81	87	75	97	114	81	93	74
1957	54	97	97	94	87	99	129	84	105	81
1958	57	98	108	109	92	109	148	88	114	87
1959	58	101	115	109	117	115	159	91	115	90
1960	59	103	125	106	121	120	166	94	120	92
1961	60	108	142	118	129	129	193	98	146	100
1962	61	109	164	122	147	159	209	102	159	107
1963	67	115	184	150	156	165	243	105	168	114
<u>NON-AFRICAN</u>										
1954	833	1,169	973	1,022	1,118	685	1,042	843		884
1955	876	1,196	1,021	1,095	1,182	716	1,072	876		924
1956	996	1,299	1,070	1,130	1,129	790	1,117	950		988
1957	996	1,346	1,129	1,252	1,159	868	1,170	1,014		1,055
1958	975	1,391	1,176	1,271	1,217	964	1,225	1,005		1,090
1959	1,125	1,427	1,177	1,233	1,210	982	1,245	1,010		1,101
1960	1,156	1,453	1,212	1,291	1,294	995	1,249	1,063		1,131
1961	1,150	1,474	1,264	1,286	1,354	1,033	1,233	1,077		1,151
1962	1,166	1,512	1,297	1,289	1,391	1,073	1,302	1,097		1,183
1963	1,241	1,536	1,372	1,348	1,506	1,064	1,350	1,139		1,217

Source: Central Statistical Office

Table 8

Industrial Origin of the Gross Domestic Product
(£ million)

	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>
<u>Agriculture:</u>	<u>38.1</u>	<u>39.4</u>	<u>45.6</u>	<u>46.5</u>	<u>46.3</u>	<u>50.2</u>	<u>50.9</u>	<u>60.9</u>	<u>61.4</u>	<u>66.2</u>
a. Non-African	23.5	24.3	28.1	29.2	29.6	33.3	35.3	42.9	42.1	44.9
b. African	14.6	15.1	17.5	17.3	16.7	16.9	15.6	18.0	19.3	21.3
Mining and quarrying	13.7	14.9	15.5	15.6	16.4	16.2	17.9	17.2	16.0	15.1
Manufacturing	20.7	25.3	28.6	33.6	35.6	39.3	42.9	46.6	49.0	50.2
Building & construction	13.2	15.2	17.6	22.1	22.0	19.9	20.3	16.3	14.4	14.1
Electricity and water	4.0	4.5	5.4	6.3	6.6	7.2	10.3	12.2	12.1	12.9
Distribution	22.0	25.3	29.1	32.0	33.7	36.6	39.4	40.4	40.3	41.1
Banking, insurance and finance	1.9	1.3	2.0	2.7	3.8	4.4	3.7	3.6	3.8	4.1
Real estate	3.1	3.7	4.3	5.4	6.2	6.3	6.7	6.5	7.0	6.6
Ownership of dwellings	4.8	5.4	6.4	7.1	7.9	8.3	8.6	9.4	9.9	10.5
Transport and communica- tions	12.5	14.9	17.2	20.0	19.1	23.2	25.8	25.6	26.2	27.3
Public administration and defence	6.5	7.3	8.0	9.7	11.0	11.4	12.2	13.7	14.6	15.6
Education	3.3	3.8	4.3	5.4	6.0	6.3	6.9	8.3	8.7	9.4
Health	1.5	1.8	2.0	2.1	2.3	2.3	2.5	2.7	2.9	3.6
Domestic services	5.5	6.1	7.0	7.5	8.1	8.5	8.9	9.4	9.8	10.1
African rural household services	2.6	2.7	2.8	2.8	2.8	2.9	3.2	3.3	3.2	3.9
Services, other	<u>8.0</u>	<u>9.4</u>	<u>10.8</u>	<u>12.6</u>	<u>13.4</u>	<u>14.1</u>	<u>14.6</u>	<u>15.2</u>	<u>15.8</u>	<u>15.4</u>
 GROSS DOMESTIC PRODUCT AT FACTOR COST	<u>161.5</u>	<u>180.7</u>	<u>206.8</u>	<u>231.2</u>	<u>241.4</u>	<u>256.9</u>	<u>274.7</u>	<u>290.4</u>	<u>295.0</u>	<u>306.3</u>

Source: Central Statistical Office.

Table 9

EXPENDITURE ON THE GROSS DOMESTIC PRODUCT 1/

(£ million)

	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>
<u>AT CURRENT MARKET PRICES</u>										
1. Private consumption	113.9	124.9	137.2	156.2	163.0	169.7	178.2	186.8	192.4	197.8
2. African rural household consumption	13.0	13.4	13.9	14.0	14.0	14.7	16.1	16.3	16.1	19.6
3. Government current expenditure	18.8	18.0	21.2	24.4	27.4	32.2	31.9	36.6	38.7	42.6
4. Gross fixed capital formation	46.8	61.9	72.8	80.9	84.5	71.7	66.3	62.8	49.0	45.9
5. Net increase in stocks	1.4	6.3	10.5	5.6	8.3	-4.8	2.9	7.9	1.7	-2.7
6. Domestic expenditure	193.9	224.5	255.6	281.1	297.2	283.5	295.4	310.4	297.9	303.2
7. Net exports of goods and services	-22.0	-30.8	-34.3	-30.7	-41.8	-15.0	-4.4	2.5	17.1	27.2
8. Statistical discrepancy	- 2.2	- 4.0	- 1.4	- 5.4	- 0.6	4.3	1.4	- 2.9	0.5	- 1.9
9. Gross domestic product at market prices	169.6	189.7	219.9	244.9	254.8	272.8	292.5	310.0	315.5	328.5
<u>AT 1954 MARKET PRICES</u>										
1. Private consumption	113.9	122.5	130.0	145.0	148.0	152.2	156.6	161.9	163.2	164.4
2. African rural household consumption	13.0	13.3	13.4	13.9	14.5	15.5	16.1	17.4	18.7	20.1
3. Government current expenditure	18.8	17.2	19.5	20.3	21.7	25.4	23.6	25.4	25.6	26.6
4. Gross fixed capital formation	46.8	59.2	67.5	72.7	73.3	63.2	56.7	52.4	40.2	36.5
5. Net increase in stocks	1.4	6.0	9.5	5.0	8.0	-4.6	25.8	7.1	1.0	-2.6
6. Domestic expenditure	193.9	218.2	239.9	256.9	265.5	251.7	255.8	264.2	248.7	245.0
7. Net exports of goods and services	-22.0	-29.7	-26.1	-24.6	-32.8	- 8.3	2.3	13.8	31.8	36.2
8. Statistical discrepancy	- 2.2	- 3.6	- 1.2	- 5.1	- 0.6	4.0	1.3	-2.7	0.5	-1.7
9. Gross domestic product at market prices	169.6	184.9	212.6	227.2	232.1	247.4	259.4	275.3	281.0	279.5

1/ The estimates are very approximate.

Source: Central Statistical Office

Table 10

Gross Fixed Capital Formation by Sector and Industrial Use
(£ million)

	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>
<u>Private Sector</u>	<u>24.2</u>	<u>35.6</u>	<u>42.6</u>	<u>43.2</u>	<u>39.1</u>	<u>32.8</u>	<u>31.6</u>	<u>28.3</u>	<u>22.9</u>	<u>26.6</u>
Official Sector:										
Central Government	5.2	7.8	9.0	10.9	10.4	10.7	13.0	12.9	10.6	7.7
Local authorities	2.7	3.1	2.7	3.5	5.3	4.4	4.9	5.1	2.8	2.9
Government Enterprise	4.2	4.4	6.5	7.6	10.0	7.9	6.6	7.4	5.0	3.5
Public Corporations	10.5	10.9	11.9	15.9	19.8	15.9	10.4	9.2	7.6	5.3
<u>Total Official Sector</u>	<u>22.6</u>	<u>26.3</u>	<u>30.2</u>	<u>37.7</u>	<u>45.4</u>	<u>38.9</u>	<u>34.7</u>	<u>34.5</u>	<u>26.1</u>	<u>19.3</u>
<u>Grand Total</u>	<u>46.8</u>	<u>61.9</u>	<u>72.8</u>	<u>80.9</u>	<u>84.5</u>	<u>71.7</u>	<u>66.3</u>	<u>62.8</u>	<u>49.0</u>	<u>45.9</u>
Agriculture	5.0	6.7	7.3	7.5	7.4	7.5	10.2	11.3	9.4	8.9
Mining	5.0	5.2	2.9	3.1	3.2	2.6	3.1	3.8	4.7	2.8
Manufacturing	4.3	5.2	6.0	8.6	12.6	10.6	11.5	9.7	5.1	8.5
Building and construction	1.5	2.1	5.1	2.2	1.1	0.8	1.3	0.8	0.2	0.1
Electricity and water	6.7	11.4	10.5	13.8	22.6	17.7	12.4	9.2	5.3	4.7
Banking, insurance and finance	0.5	1.1	1.6	1.5	1.7	1.7	1.0	1.1	0.5	0.4
Government administration	1.7	1.7	2.3	3.1	3.3	3.5	3.0	3.6	3.0	1.9
Education	0.3	0.7	0.4	0.8	1.1	1.2	1.4	1.1	0.7	0.7
Health	0.4	0.7	0.7	0.5	0.6	0.3	0.2	0.3	0.3	0.2
Commerce and unallocated	21.4	27.1	35.9	40.0	31.0	26.1	22.3	21.8	19.8	17.8
<u>Grand Total</u>	<u>46.8</u>	<u>61.9</u>	<u>72.7</u>	<u>81.1</u>	<u>84.6</u>	<u>72.0</u>	<u>66.4</u>	<u>62.7</u>	<u>49.0</u>	<u>46.0</u>

Source: Central Statistical Office.

Table 11 A

Agricultural Production and Sales

A F R I C A N	1954		1958		1959		1960		1961		1962		1963		1968	
	Quant. lb.	Value £	Quant. lb.	Value £	Quant. lb.	Value £	Quant. lb.	Value £	Quant. lb.	Value £	Quant. lb.	Value £	Quant. lb.	Value £	Quant. lb.	Value £
Maize:																
Production	625.8		569.4		601.6		467.2		672.0		861.2		961.4		795.6	
Sales	175.2	1.6	107.1	1.0	146.6	1.2	101.8	0.9	241.7	1.6	109.5	0.6	64.8	0.3	175.0	1.4
Groundnuts:																
Production	102.4		136.4		109.4		102.8		138.6		207.0		225.4		..	
Sales	27.9	0.5	15.6	0.4	10.8	0.3	14.8	0.4	34.3	0.8	57.4	1.4	53.4	1.3	..	..
Cotton:																
Production	0.98		0.06		0.14		0.27		0.45		0.41		0.86		..	
Sales	0.98	0.1	0.06	..	0.14	..	0.27	..	0.45	..	0.41	..	0.50	..	..	1.5
Turkish Tobacco:																
Production	0.01		0.05		0.23		0.62		0.24		0.05		0.15		..	
Sales	0.01	0.00	0.05	0.01	0.23	0.03	0.62	0.07	0.24	0.03	0.05	0.01	0.15	0.02	..	..
Other Crops:																
Production	448.6		489.2		478.2		331.6		565.2		607.0		719.8		..	
Sales	37.3	0.4	38.7	0.3	25.8	0.3	14.0	0.1	54.5	0.6	37.1	0.7	38.2	0.3	..	..
Total Crops:																
Production	1,177.8		1,195.1		1,189.6		902.5		1,376.5		1,675.7		1,907.6		..	
Sales	241.4	2.6	161.5	1.7	183.6	1.8	131.5	1.5	331.2	3.0	204.5	2.8	157.0	2.2	..	2.9
Cattle:																
Disposal ('000)	255.5		279.8		281.2		408.6		183.6		182.8		198.9		..	
Sales ('000)	129.2	1.7	153.3	2.6	152.2	2.8	236.5	3.5	88.3	1.6	91.3	1.8	86.4	1.6	100.0	1.7
Others	..	0.5	..	0.4	..	0.4	..	0.5	..	0.3	..	0.2	..	0.4	..	0.5
Total Livestock	..	2.2	..	3.0	..	3.2	..	4.0	..	1.9	..	2.0	..	2.0	..	2.2
Total Sales		4.8		4.7		5.0		5.5		4.9		4.8		4.2		5.1

Source: Central Statistical Office.

Table 11 B
Agricultural Production and Sales

EUROPEAN	1954		1958		1959.		1960		1961		1962		1963		1968	
	Quant.	Value	Quant.	Value	Quant.	Value	Quant.	Value	Quant.	Value	Quant.	Value	Quant.	Value	Quant.	Value
	lb.	£	lb.	£	lb.	£	lb.	£	lb.	£	lb.	£	lb.	£	lb.	£
Tobacco:																
Virginia Flue																
cured	120.6)		117.0)		180.3)		207.0)		219.6)		215.6)		180.3)		350.0	46.5
Other	0.5)	19.3	0.4)	22.4	0.6)	25.9	1.3)	29.7	0.6)	31.0	0.2)	31.5	1.5)	32.2	4.2	0.5
Maize	547.0	5.0	718.0	6.6	765.3	6.6	629.9	5.6	1,190.3	9.3	1,109.1	7.2	882.8	7.5	700.0	5.6
Sugar Cane	66.0	0.1	253.6	0.3	253.6	0.5	569.0	1.4	739.4	2.1	1,335.4	4.1	1,808.6	6.3	974.0	14.0
Cotton	0.4	..	0.9	..	0.9	..	1.7	0.1	2.5	0.1	0.9	..	7.1	0.2	36.0	1.1
Potatoes	22.6	0.3	42.7	0.5	57.2	0.6	45.5	0.6	43.6	0.6	47.7	0.6	50.5	0.5	..	..
Other crops	30.1	1.0	17.0	1.2	18.5	1.3	21.1	1.5	33.3	1.8	33.6	1.7	36.7	1.9	..	6.0
Total	787.2	25.7	1,179.6	31.0	1,276.4	34.9	1,475.5	38.9	1,629.3	44.9	2,742.5	45.1	2,187.4	48.6	..	74.7
Cattle ('000)	162.4	3.2	173.5	4.0	228.5	5.3	248.4	5.6	280.5	6.9	274.3	7.1	299.9	7.3	..	8.0
Pigs ('000)	82.8	0.7	88.8	0.9	102.0	1.0	101.3	1.0	91.9	1.0	95.5	1.0	117.8	1.0	..	..
Other livestock		0.1		0.1		0.1		0.1		0.1		0.2		0.1	..	..
Dairy Produce		1.3		2.1		2.3		2.4		2.5		2.6		2.7	..	3.4
Other Produce		0.4		0.7		0.8		0.8		0.9		0.9		1.0	..	..
Change in size of herds		0.3		1.8		1.3		0.2		0.9		..		-0.1	..	..
Total Livestock		6.0		9.6		10.7		10.1		12.4		11.8		12.6		18.9
TOTAL EUROPEAN SALES (B)		31.7		40.6		45.7		49.0		57.2		56.8		60.6		93.6
TOTAL AFRICAN SALES (A)		4.8		4.7		5.0		5.5		4.9		4.8		4.2		5.1
GRAND TOTAL (A + B)		36.5		45.3		50.7		54.5		62.1		61.6		64.8		98.7

Source: Central Statistical Office.

Table 12

Value of Production by Major Industrial Divisions

Type of Industry	Number of Establishments	Gross Output	Materials and Fuels used	Work Given Out	Net Output	Total Number Employed	Total Wages and Salaries
		E'000	E'000	E'000	E'000		E'000
Mining:							
1956	-	23,755	7,386	122	16,247	49,751	6,604
1957	-	26,069	8,712	75	17,282	51,562	7,562
1958	-	26,348	8,755	154	17,439	52,589	7,975
1959	-	26,399	8,876	385	17,138	50,533	7,997
1960	142	27,652	8,716	98	18,838	44,764	7,279
1961	163	28,070	9,180	150	18,740	43,893	7,834
Manufacturing:							
1956	739	87,063	51,326	275	35,462	75,341	17,719
1957	923	104,945	62,611	449	41,885	83,982	21,206
1958	973	109,194	64,117	416	44,661	83,119	23,625
1959	967	120,067	70,860	377	48,830	85,315	24,746
1960	1,209	135,194	79,420	1,154	54,620	89,544	27,719
1961	1,279	148,737	86,911	1,100	60,726	91,797	31,062
Construction:							
1956	-	48,989	23,519	6,397	19,073	67,686	15,440
1957	-	65,926	29,351	7,642	28,933	74,477	19,806
1958	-	62,809	28,512	7,208	27,089	75,333	19,039
1959	-	58,523	24,292	7,525	26,706	71,317	17,877
1960	-	55,395	20,436	6,937	28,022	62,244	17,354
1961	-	47,476	18,954	5,445	23,077	55,653	15,526
Electricity and Water:							
1956	20	7,715	2,539	-	5,176	5,857	1,720
1957	21	9,017	3,368	-	5,649	5,881	1,820
1958	21	10,281	3,753	-	6,528	5,966	2,142
1959	23	10,979	3,634	1	7,344	6,247	2,422
1960	39	13,409	4,767	1	8,641	6,187	2,520
1961	39	19,392	5,785	-	13,607	5,803	2,599
Total Industrial Production:							
1956	-	167,522	84,770	6,794	75,958	198,635	41,483
1957	-	205,957	104,042	8,166	93,749	215,902	50,394
1958	-	208,632	105,137	7,778	95,717	217,007	52,781
1959	-	215,968	107,662	8,288	100,018	213,412	53,042
1960	-	231,650	113,339	8,190	110,121	202,739	54,872
1961	-	243,675	120,830	6,695	116,150	197,146	57,021

Source: Central Statistical Office.

Table 13

Mineral Production
(1 ton = 2,000 lbs.)

<u>Period</u> —	<u>Asbestos</u>		<u>Gold</u>		<u>Chrome Ore</u>		<u>Coal</u>		<u>Copper</u>	<u>Other</u>	<u>Total</u>	<u>Volume Index</u> 1961 = 100
	<u>'000</u> tons	<u>£'000</u>	<u>'000</u> fine oz.	<u>£'000</u>	<u>'000</u> tons	<u>£'000</u>	<u>'000</u> tons	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>		
1954	79.9	5,923	536	6,687	442.5	2,493	3,029	2,702	41	930	18,776	64.6
1955	105.3	7,052	525	6,582	449.2	2,192	3,654	3,422	261	1,005	20,514	72.8
1956	119.0	8,525	536	6,725	449.0	2,671	3,917	3,662	406	1,272	23,261	78.0
1957	132.1	9,016	537	6,748	654.1	4,517	4,247	3,920	334	1,229	25,764	88.9
1958	127.1	8,594	555	6,950	618.8	3,977	3,897	3,328	1,004	1,479	25,332	90.5
1959	119.7	7,405	567	7,081	543.1	3,031	4,143	3,839	2,008	1,639	25,003	90.9
1960	134.0	7,472	563	7,073	668.4	3,746	3,923	3,756	2,506	1,827	26,380	97.7
1961	161.6	8,747	570	7,164	590.1	3,364	3,387	3,259	2,695	1,987	27,216	100.0
1962	142.2	7,310	555	6,946	507.7	2,708	3,115	2,972	2,723	2,430	25,089	92.3
1963	142.3	5,997	566	7,101	412.4	1,895	3,021	3,078	3,234	2,340	23,735	91.7

Source: Central Statistical Office.

Table 14

OUTPUT OF CONSTRUCTION INDUSTRY
(£ million)

<u>Period</u>	<u>Total Construction</u>	<u>Public Sector's Direct Labor</u>	<u>By Private Contractor</u>		<u>Total</u>
			<u>For Public Sector</u>	<u>For Private Sector</u>	
1954	32.7	13.5	3.9	15.3	19.2
1955	35.7	13.9	7.8	14.0	21.8
1956	43.3	16.1	9.4	17.8	27.2
1957	61.6	18.0	14.7	28.9	43.6
1958	60.8	18.1	19.9	22.8	42.7
1959	53.9	19.2	15.2	19.4	34.6
1960	48.6	18.5	12.2	17.8	30.0
1961	42.3	19.6	10.8	11.9	22.7
1962	37.1	18.7	8.3	10.1	18.4
1963	..	..	3.9	8.9	12.8

Source: Central Statistical Office.

Table 15
Electrical Energy

	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>
<u>Installed Capacity</u> (December, Megawatts)										
Kariba	-	-	-	-	-	100.0	300.0	562.5	675.0	705.0
Other Producers	321.1	358.5	395.6	479.7	511.5	509.4	501.4	501.4	473.9	483.4
Total	321.1	358.5	395.6	479.7	511.5	609.4	801.4	1,063.9	1,148.9	1,188.4
Of which: hydro	0.5	0.5	0.5	0.5	0.5	100.0	300.0	562.5	675.0	705.0
thermal	320.6	358.0	395.1	479.2	511.0	509.4	501.4	501.4	473.9	483.4
<u>Electrical Energy sent out (kwh million)</u>										
Central African Power Corporation:										
Kariba to Southern Rhodesia	-	-	-	-	-	-	244.9	1,081.3	1,440.3	1,576.1
Kariba to Northern Rhodesia	-	-	-	-	-	0.5	801.6	1,124.4	1,296.0	1,565.9
Interconnected Thermal Stations in S. Rhodesia	-	-	-	-	-	-	448.1	297.4	131.8	105.4
Other Producers	968.7	1,106.4	1,231.5	1,353.9	1,462.3	1,530.2	893.1	278.4	121.6	121.8
Imports into Southern Rhodesia	1.0	1.1	1.0	12.5	33.8	61.5	71.2	71.1	80.7	87.6
Total to Southern Rhodesia Consumers	969.8	1,107.5	1,232.5	1,366.4	1,496.1	1,591.7	1,657.3	1,728.2	1,774.4	1,890.9
<u>Total Electricity consumption (kwh million)</u>										
Of which: by agriculture	24.9	30.5	36.0	41.8	49.2	61.5	69.1	69.4	76.8	81.5
by mining	281.2	297.3	317.2	341.3	373.4	377.0	390.6	398.7	383.9	389.2
by manufacturing industries	232.9	277.3	305.0	358.2	394.4	432.0	435.6	442.7	455.8	528.2
by domestic consumers	232.6	253.3	287.4	325.6	362.9	388.8	406.9	427.9	430.1	436.7
by others	97.9	114.3	138.8	161.1	185.2	193.4	211.5	223.3	254.3	273.4

Source: Central Statistical Office.

Note: Kariba is treated for all statistical purposes as a Southern Rhodesia producer. The power plant is located on the South Bank.

Table 16

RHODESIA RAILWAYS 1/

	<u>1954</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>
Passengers (thousands)	3,138	3,931	4,009	4,119	4,095
Freight (thousand tons):					
Coal and coke	2,764	3,531	2,990	2,820	2,389
Chrome ore	431	662	573	443	386
Copper	504	982	1,031	946	1,004
Other minerals	1,215	1,832	1,772	1,881	1,905
General goods	3,487	5,165	5,534	5,690	5,128
Total	8,401	12,172	11,900	11,780	10,812
Gross ton-miles (million)	7,829	11,089	10,757	10,646	10,385
Net ton-miles (million)	3,471	4,719	4,628	4,496	4,422
Average haul (miles)	413	388	417	382	396
Working receipts (£'000)	20,455	32,308	31,379	31,356	33,353
Working expenses "	16,099	25,104	26,645	28,332	28,065
Net Operating Revenue (£'000) 2/	4,356	7,204	4,734	3,024	5,289

1/ On behalf of Northern Rhodesia and Southern Rhodesia.

2/ Before deducting loan interest and expenses and contributions to sinking funds amounting to £3.8 million for the financial years ending in June 1961 and 1962.

Source: Central Statistical Office

Table 17

CENTRAL AFRICAN AIRWAYS 1/

	<u>1954</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>
	<u>Million</u>				
Revenue Traffic Ton-Miles Carried:					
(a) Passengers	6,827	8,134	6,904	7,003	7,437
(b) Freight	707	954	938	897	904
(c) Mail	<u>297</u>	<u>286</u>	<u>276</u>	<u>277</u>	<u>285</u>
Total	<u>7,831</u>	<u>9,373</u>	<u>8,118</u>	<u>8,177</u>	<u>8,626</u>
Usable Capacity Ton-Miles Flown	12,120	14,466	13,794	14,425	14,391
Miles Flown:					
(a) Revenue aircraft	4,653	3,663	3,459	3,473	3,412
(b) Revenue passengers	72,105	87,959	75,206	76,376	80,107
(c) Available seats	109,221	135,788	129,497	136,864	137,272
Number of Revenue Passengers carried	131	192	199	202	211
	<u>Percentage</u>				
Total Revenue Load Factor	65	65	58	56	60
Total Passenger Load Factor	66	65	57	56	58
	<u>£ '000</u>				
	<u>1953/54</u>	<u>1959/60</u>	<u>1960/61</u>	<u>1961/62</u> ^{2/}	<u>1962/63</u>
Revenue	1,700	3,029	3,237	2,770	2,890
Expenditure	1,796	2,956	3,110	2,521	2,614
Operating Surplus	-96	+73	+127	+249	+ 276

1/ On behalf of Northern Rhodesia, Nyasaland and Southern Rhodesia.

2/ Prior to 1962/63 non-operating revenues have been brought to account as separate revenue items. In 1962/63 and for purpose of comparison in 1961/62, they have been treated as a deduction from the appropriate expenditure heads. The original figures for 1961/62 were revenue £3,310,000 and expenditure £3,061,000.

Source: Central Statistical Office

TABLE 10
Consolidated Current Revenue and Expenditure in Southern
Rhodesia of Federal Territories and Local Governments
(L Million)

	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>
Revenue:										
Direct taxes	12.6	15.0	15.6	19.9	24.1	25.7	22.3	27.1	31.2	27.0
Indirect taxes	9.5	11.5	14.8	17.0	16.9	17.8	20.0	21.2	22.3	23.4
Interest	4.3	5.2	6.5	7.4	9.0	10.0	12.1	12.2	12.6	12.1
Other property income	2.9	3.3	3.9	4.1	5.0	5.4	5.5	5.6	5.3	5.0
Transfers	2.2	1.4	0.8	0.9	1.2	1.1	0.8	1.0	1.2	1.0
Total	31.5	36.4	41.6	49.3	56.2	60.0	60.7	67.1	72.6	68.5
Expenditure:										
Goods and Services	18.6	17.7	21.1	23.7	26.7	31.7	31.4	35.9	38.5	42.2
Subsidies	1.4	2.5	1.7	3.3	3.5	1.9	2.2	1.5	2.0	1.2
Interest	6.1	7.1	7.6	8.3	9.4	10.5	12.3	13.8	13.8	13.6
Transfers	3.6	4.4	4.4	5.3	6.2	6.5	7.3	9.3	10.5	10.9
Total	29.7	31.7	34.8	40.6	45.8	50.6	53.2	60.5	64.8	67.9
Current Surplus:	1.8	4.7	6.8	8.7	10.4	9.4	7.5	6.6	7.8	0.6
Total	31.5	36.4	41.6	49.3	56.2	60.0	60.7	67.1	72.6	68.5

Source: Central Statistical Office

TABLE 19

Consolidated Capital Expenditure in Southern Rhodesia by Federal, Territorial and Local Governments ^{1/}

£ Million

	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>
GENERAL SERVICES								
General Administration	0.5	1.3	1.1	1.7	1.5	2.1	1.8	1.7
Justice and police	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>	<u>0.1</u>	<u>0.4</u>	<u>0.5</u>	<u>0.2</u>	<u>0.4</u>
Total	<u>0.7</u>	<u>1.5</u>	<u>1.3</u>	<u>1.9</u>	<u>1.9</u>	<u>2.5</u>	<u>2.1</u>	<u>2.1</u>
COMMUNITY SERVICES								
Roads and waterways	2.5	3.3	3.8	3.6	4.0	4.1	2.4	3.1
Water supply, sanitation and fire protection	1.0	1.0	1.5	1.0	1.9	1.8	1.3	1.7
Other	<u>0.6</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.6</u>	<u>0.2</u>	-	-
Total	<u>4.1</u>	<u>4.5</u>	<u>5.6</u>	<u>5.0</u>	<u>6.5</u>	<u>6.0</u>	<u>3.6</u>	<u>4.8</u>
SOCIAL SERVICES								
Education	0.1	0.3	0.3	0.2	0.2	0.2	-	0.1
Health	-	-	0.1	-	-	-	-	-
Social security and special welfare services	-	0.1	0.3	0.2	-	-	-	-
Housing	2.0	1.4	1.5	1.5	1.8	2.6	1.6	1.8
Other	<u>0.1</u>	<u>0.3</u>	<u>0.1</u>	<u>0.2</u>	<u>0.3</u>	<u>0.1</u>	<u>0.1</u>	<u>0.3</u>
Total	<u>2.3</u>	<u>2.1</u>	<u>2.3</u>	<u>2.2</u>	<u>2.3</u>	<u>3.1</u>	<u>1.7</u>	<u>2.2</u>
ECONOMIC SERVICES								
Agriculture and non-mineral resources	1.4	1.9	2.1	3.4	3.1	4.4	3.7	0.9
Fuel and power	5.4	4.2	4.5	3.6	2.1	1.0	0.6	0.5
Other mineral resources, manufacturing and construction	0.3	-	-	-	0.1	0.3	0.1	0.1
Transport and communications	6.4	6.7	5.9	2.9	2.4	1.2	1.1	1.2
Other	-	-	-	-	-	-	-	-
Total	<u>13.5</u>	<u>13.1</u>	<u>12.4</u>	<u>9.9</u>	<u>7.8</u>	<u>6.9</u>	<u>5.6</u>	<u>2.8</u>
UNALLOCABLE								
Public debt charges	9.2	9.2	8.0	14.7	8.6	6.4	9.2	8.4
Transfers and loans to local authorities, n.e.s.	2.7	2.4	2.7	1.6	2.0	1.1	0.8	1.2
Public works, n.e.s.	1.8	2.2	1.9	2.0	2.3	2.4	2.3	1.1
Other	<u>3.8</u>	<u>8.8</u>	<u>4.3</u>	<u>5.4</u>	<u>3.4</u>	<u>2.4</u>	<u>1.8</u>	<u>2.5</u>
Total	<u>17.4</u>	<u>22.6</u>	<u>16.9</u>	<u>23.7</u>	<u>16.3</u>	<u>12.3</u>	<u>14.1</u>	<u>13.2</u>
TOTAL	<u><u>38.1</u></u>	<u><u>43.8</u></u>	<u><u>38.6</u></u>	<u><u>42.5</u></u>	<u><u>34.9</u></u>	<u><u>30.6</u></u>	<u><u>27.1</u></u>	<u><u>25.1</u></u>

^{1/} Includes expenditure on fixed assets only of Federal Government.

Source: Central Statistical Office.

TABLE 20

Southern Rhodesia Government Recurrent Expenditure 1961/62-1964/65

	(£000)							
	1961/62	1962/63	1962/63	1963/64	1963/64	1964/65		Increase In
	Actual	Estimate	Actual	Estimate	Actual	Estimates		Estimates
				June 1963	June 1964	June 1964	%	63/64-64/65
1. <u>GENERAL SERVICES</u>	<u>7,002</u>	<u>7,794</u>	<u>8,020</u>	<u>8,648</u>	<u>13,136</u>	<u>19,388</u>	<u>28.20</u>	<u>10,740</u>
(i) General Administration	1,901	2,816	2,617	3,154	4,719	7,137	10.38	3,983
(ii) Justice and Police	5,101	4,978	5,403	5,494	5,916	6,209	9.03	715
(iii) Defence	-	-	-	-	2,501	6,042	8.79	6,042
2. <u>COMMUNITY SERVICES</u>	<u>2,611</u>	<u>2,568</u>	<u>2,582</u>	<u>2,777</u>	<u>3,652</u>	<u>4,361</u>	<u>6.34</u>	<u>1,584</u>
(i) Roads and waterways	2,003	2,000	2,002	2,125	3,038	3,231	4.70	1,106
(ii) Water supply, sanitation, etc.	508	468	481	551	517	506	0.74	- 45
(iii) Other	100	100	99	101	97	624	0.91	523
3. <u>SOCIAL SERVICES</u>	<u>5,643</u>	<u>6,031</u>	<u>5,962</u>	<u>6,691</u>	<u>12,362</u>	<u>19,005</u>	<u>27.64</u>	<u>12,314</u>
(i) African education	4,780	5,155	5,123	5,846	8,345	6,078	8.84	6,027
European education	-	-	-	-	-	5,795	8.43	-
(ii) Health	-	-	-	-	3,237	4,896	7.12	4,896
(iii) Social security and welfare	531	548	531	533	489	1,522	2.21	989
(iv) Housing, n.e.s.	-	-	-	-	-	-	-	-
(v) Other	332	328	308	312	291	714	1.04	402
4. <u>ECONOMIC SERVICES</u>	<u>2,605</u>	<u>2,083</u>	<u>2,120</u>	<u>2,104</u>	<u>6,825</u>	<u>8,746</u>	<u>12.72</u>	<u>6,642</u>
(i) Agriculture and non-mineral	2,186	1,665	1,691	1,648	3,217	3,608	5.25	1,960
(ii) Fuel & power (under 4 iv)	-	-	-	-	-	-	-	-
(iii) Other mineral, manufacture, Constr.	419	418	429	456	934	889	1.29	433
(iv) Transport and communications	-	-	-	-	2,674	4,249	6.18	4,249
(v) Other	-	-	-	-	-	-	-	-
5. <u>UNALLOCABLE</u>	<u>7,068</u>	<u>7,422</u>	<u>7,699</u>	<u>7,917</u>	<u>12,657</u>	<u>17,262</u>	<u>25.10</u>	<u>9,345</u>
(i) Public debt service	-	-	-	-	-	-	-	-
Sinking funds and repayments	3,931	3,627	3,604	3,995	7,295	12,066	17.55	7,523
(ii) Transfers & loans to local authorities	-	504	528	548	-	402	0.58	-
(iii) Public works	1,123	1,225	1,261	1,061	1,801	2,314	3.37	1,655
(iv) Other	-	-	205	-	-	105	0.15	105
(v) Pensions	2,014	2,030	2,101	2,313	3,561	2,375	3.45	62
<u>TOTAL</u>	<u>24,929</u>	<u>25,898</u>	<u>26,383</u>	<u>28,140</u>	<u>48,632</u>	<u>68,762</u>	<u>100.00</u>	<u>40,625</u>

Source: Central Statistical Office.

TABLE 21

Southern Rhodesia Government Recurrent Revenue 1961/62 - 1964/65

	(1000)			1963/64	1963/64	1964/65	Increase in
	1961/62	1962/63	1962/63	Estimate	Actual	Estimates	Estimates
	Actual	Estimate	Actual	June 1964	June 1964	June 1964	63/64 to 64/65
<u>Fiscal Revenue</u>							
Income Tax	9,726	9,645	10,005	9,325	10,852	23,350	14,025
Personal Tax	2,644	2,750	2,814	3,500	2,998	2,150	-1,350
Customs & Excise duties on Motor Spirits	4,868	5,050	4,395	4,420	4,462	3,935	- 485
Other Customs & Excise duties	-	-	-	-	5,808	11,970	11,970
Other indirect taxes	<u>3,100</u>	<u>3,033</u>	<u>3,194</u>	<u>4,839</u>	<u>5,094</u>	<u>6,955</u>	<u>2,116</u>
Total fiscal	20,338	20,478	20,408	22,084	29,214	48,360	26,276
<u>Other Revenue</u>							
Post and telegraphs	-	-	-	-	2,211	4,975	4,975
Fees and Sales	269	292	356	367	1,085	2,372	2,005
Property Income	735	697	612	593	984	1,473	880
Recovery of Interest and of contributions to Sinking Fund	2,322	2,458	2,471	2,520	4,965	7,600	5,080
Miscellaneous	<u>1,590</u>	<u>1,537</u>	<u>1,669</u>	<u>1,989</u>	<u>8,499</u> ^{1/}	<u>4,151</u> ^{2/}	<u>2,162</u>
Total other	4,916	4,984	5,108	5,469	17,744	20,571	15,102
TOTAL REVENUE	<u>25,254</u>	<u>25,462</u>	<u>25,516</u>	<u>27,553</u>	<u>46,957</u>	<u>68,931</u>	<u>41,378</u>
Total Expenditure	24,929	25,898	26,383	28,140	48,632	68,762	40,622
Surplus Deficit	325	- 436	- 867	- 587	-1,675	+ 169	756
Accumulated Deficit	1,725	-	-2,592	"	-4,266	-4,097	"

1/ Includes shares of Federal Revenue Surplus, £4,355,000, of Federal Income Tax Revenue Account £824,000, and of cost of Federal services before dissolution, £978,000.

2/ Includes shares of Federal Revenue Surplus £825,000, and pension contributions of £1,225,000.

Source: Ministry of Finance

Table 22

Southern Rhodesia Government Loan Vote Receipts and Payments
1961/62 - 1963/64
 (£ thousand)

<u>Expenditure</u>	1961/62	1962/63	1963/64	1963/64	1964/65
	<u> </u>	<u>Actual</u>	<u>Est.</u>	<u>Actual</u>	<u> </u>
Treasury	143	4	4	204	304
Posts	-	-	-	159	355
Local Government	800	966	1,374	1,359	1,251
Housing	1,192	961	1,672	1,964	2,007
Public Works	163	249	336	637	1,782
Agriculture	-	-	-	-	467
Internal Affairs	766	649	290	289	541
Roads	731	881	1,009	1,556	1,920
Transport	-	-	-	309	653
Power	-	-	-	149	446
Lands	255	247	527	544	651
Water development	556	1,087	735	854	2,429
Justice	-	-	-	21	-
Industrial development	-	6	2	503	-
<u>Total</u>	4,605	5,047	5,949	8,548	12,814
Repayment of debt	419	4,239	2,093	5,898	6,240
Cost of raising loan ^{1/}	(22)	(3)	(79)	(3)	-
<u>Total</u>	5,024	9,286	8,042	14,446	19,054
<u>Receipts</u>					
Recoveries	1,709	1,954	1,747	2,610	4,152
Loans: long & medium term	2,828	8,404)	2,764	10,161	1,921
Temporary	176	199)	-	3,489	-
Loans to be arranged	-	-	3,531	-	12,980
Transfer from Rev. Account	-	173	-	-	-
<u>Total</u>	4,712	10,730	8,042	16,260	19,054
Surplus Deficit	-312	+1,444	-	+1,814	-

^{1/} Of which £3,962,000 in supplementary estimate.

Source: Ministry of Finance.

Table 23

LIABILITIES AND ASSETS OF THE BANK OF RHODESIA AND NYASALAND
(£ thousand)

End of Year	<u>Liabilities</u>										
	Capital	General reserve fund	<u>Currency in circulation</u>			<u>Deposits</u>				Other	Total
			Notes	Coin	Total	Fed. Govt.	Bankers	Other	Total		
1956	1,000	100	17,841	5,235	23,076	-	132	-	132	698	25,006
1957	1,000	200	19,204	5,190	24,394	8,156	8,798	2	16,956	1,275	43,825
1958	1,000	362	18,979	4,953	23,932	6,592	7,286	66	13,944	1,864	41,102
1959	1,000	853	19,490	4,854	24,344	9,759	7,116	1,961	18,836	1,613	46,646
1960	1,000	1,097	20,707	5,007	25,714	6,270	4,682	3,027	13,979	1,969	43,759
1961	1,000	1,195	22,209	5,101	27,310	18,840	5,055	3,565	27,460	2,428	59,393
1962	1,000	1,291	23,400	5,323	28,723	11,789	5,212	13,342	30,343	2,707	64,064
1963	1,000	1,383	22,853	5,162	28,015	11,695	5,344	8,076	25,115	2,165	57,678

End of year	<u>Assets</u>												
	<u>Gold and Foreign Assets</u>				<u>Internal Bills</u>			<u>Investments</u>				Other Assets	Total Assets
	Gold	Balances with Banks	Bills	Other	Total	Treasury Bills	Other Bills	Loans and Advances	Federal Government	Other Internal	Total		
1956	-	530	8,230	14,777	23,537	-	-	-	243	105	348	1,121	25,006
1957	-	1,694	25,185	13,484	40,363	985	-	-	202	105	307	2,170	43,825
1958	7	1,107	21,975	15,739	38,828	110	-	-	447	105	552	1,612	41,102
1959	7	2,529	24,945	16,329	43,810	490	-	580	1,057	-	1,057	709	46,646
1960	7	2,210	15,715	16,726	34,658	2,510	-	3,998	1,752	148	1,900	693	43,759
1961	7	3,723	25,175	16,680	45,585	4,355	-	5,562	2,384	403	2,787	1,104	59,393
1962	3,082	2,677	28,257	16,674	50,690	7,800	-	1,190	2,881	421	3,302	1,082	64,064
1963	5,320	1,118	22,226	20,011	48,675	-	-	951	3,398	492	3,890	4,162	57,678

Source: Bank of Rhodesia and Nyasaland.

Table 24

Banking Reserves
(Federal Area)
(£ thousand)

<u>End of Year</u>	<u>Central Bank</u>	<u>Commercial Bank</u>	<u>Total</u>
1954	20,742	39,465	60,207
1955	23,043	28,416	51,459
1956	23,537	36,099	59,636
1957	40,363	8,566	48,929
1958	38,828	12,517	51,345
1959	43,810	4,469	48,279
1960	34,658	-2,500	32,158
1961	45,585	3,553	49,138
1962	50,690	1,631	52,321
1963	48,675	-3,021	45,654

Source: Central Statistical Office.

TABLE 25

Liabilities and Assets of the Commercial Banks in Northern Rhodesia
Nyasaland and Southern Rhodesia
(£ 000)

End of Year	Liabilities				Notes and Coin	Money at Call	Assets					
	Balances due to Bank of Rhodesia and Nyasaland	Demand	Deposits Fixed and Savings	Total			Balances with Central Bank	Banks Abroad	Treasury Bills	Bills of Exchange	Advances	Invest- ments
1954	..	83,486	8,356	91,842	3,670	-	-	39,210	-	5,289	28,446	12,020
1955	..	85,563	9,751	95,314	4,555	-	-	28,159	-	8,326	37,503	12,061
1956	..	89,973	12,615	102,588	4,926	-	125	35,706	-	8,858	36,932	10,448
1957	..	79,888	17,455	97,343	4,830	-	8,597	8,501	830	11,089	43,587	11,144
1958	..	73,132	16,159	89,292	4,589	20	7,024	12,445	300	5,937	36,742	11,872
1959	..	69,784	20,615	90,399	4,017	3,530	6,914	4,403	1,035	6,586	42,383	12,736
1960	1,118	63,540	24,187	87,727	3,872	1,608	4,790	-2,564	-	6,667	52,231	13,590
1961	1,999	63,053	33,593	96,646	3,819	5,050	5,173	3,503	195	7,048	50,955	13,410
1962	792	62,438	39,738	102,176	4,023	8,586	5,253	1,578	1,775	6,330	50,805	14,296
1963	1,168	66,649	40,277	106,926	3,565	11,053	5,469	-3,067	2,185	5,982	55,660	14,289

Source: Central Statistical Office

Table 26
EUROPEAN CONSUMER PRICES INDEX
(January 1962 = 100)

Period Yearly Average	All Items	Food- stuffs	Drink and Tobacco	Clothing and Footwear	Rent and Rates	Fuel and Light	House- hold Stores	Servants' Wages	Vehicle Expenses	Miscel- laneous
1954	80.6	76.3	93.1	99.8	78.4	84.2	98.5	65.2	76.1	82.6
1955	82.0	77.1	89.1	97.5	82.3	88.2	98.5	67.8	79.2	84.0
1956	85.5	82.9	93.3	98.0	86.4	89.3	99.5	71.6	80.1	85.8
1957	88.2	86.7	94.6	97.5	88.7	95.4	99.6	74.5	82.7	88.3
1958	91.2	90.4	95.9	97.4	90.9	97.5	99.6	78.1	85.9	92.6
1959	93.7	93.8	97.2	97.9	93.5	98.1	99.8	84.0	87.8	94.8
1960	96.0	95.9	99.7	98.6	95.9	98.2	99.6	89.4	90.1	97.9
1961	98.7	99.6	99.6	99.5	98.3	99.6	100.1	95.1	94.2	99.4
1962	100.8	101.4	104.1	100.3	100.0	100.1	101.0	100.7	100.5	100.2
1963	101.7	101.8	106.4	101.1	100.1	100.2	101.3	104.8	101.7	101.3
1964										
January	102.1	100.7	105.3	102.3	100.1	101.9	102.1	107.1	102.1	103.8
February	103.2	100.9	105.3	102.3	100.1	101.9	102.2	107.1	102.0	109.6
March	104.1	101.6	118.0	102.5	100.1	102.7	102.2	107.1	102.1	109.5
April	104.5	103.2	117.8	102.5	100.1	103.5	102.3	107.1	102.1	109.6

Source: Central Statistical Office

Table 27

AFRICAN CONSUMER PRICES INDEX

(January 1962 = 100)

<u>Period</u>	<u>Salisbury</u>		<u>Bulawayo</u>		<u>Smaller towns</u>		<u>Weighted average</u>	
	<u>Food</u>	<u>All items</u>	<u>Food</u>	<u>All items</u>	<u>Food</u>	<u>All items</u>	<u>Food</u>	<u>All items</u>
1958 <u>1/</u>	95.6	96.4	96.0	97.0	92.5	94.3	95.1	96.2
1961	100.5	100.4	100.2	99.9	98.9	99.1	100.0	100.0
1962	102.3	101.8	101.3	101.2	100.6	100.7	101.5	101.3
1963	103.3	102.8	102.8	102.4	100.7	100.9	102.5	102.3
1964 March	104.5	104.0	104.2	104.0	102.0	102.8	104.0	103.8

1/ Figures refer to March only.

Source: Central Statistical Office.

Table 28

The Balance of Payments on Current Account
(£ million)

	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>
Total external exports f.o.r. <u>1/</u>	49.5	51.6	54.3	59.6	56.1	64.3	68.9	78.3	79.7	82.1
Imports and net services <u>2/</u>	-71.5	-82.4	-88.6	-90.3	-77.9	-79.3	-73.3	-75.8	-62.6	-54.9
Net exports of goods and services	-22.0	-30.8	-34.3	-30.7	-21.8	-15.0	-4.4	2.5	17.1	27.2
Total investment income receipts	4.8	5.6	7.3	5.7	6.1	5.2	6.4	6.8	3.3	2.6
Total investment income payments	-10.9	-11.8	-15.1	-17.4	-15.9	-15.8	-15.8	-18.3	-16.2	-17.7
Net transfers	1.5	1.5	3.0	1.8	1.3	2.1	1.3	-3.2	-3.4	-5.5
Net current account balance	-26.6	-35.5	-39.1	-40.2	-50.3	-23.5	-12.5	-12.2	0.8	6.6

1/ Exports f.o.r. at point of despatch to countries outside the Federation and before adjustment to valuation at the border. The figures are taken from "Supplementary Statistics on Merchandise Trade of the Federation of Rhodesia and Nyasaland." (Central Statistical Office, August 1963), pp. 16-23, revised June, 1964.

2/ Imports and net services including the adjustment of exports to the border valuation, re-exports and exports to Northern Rhodesia and Nyasaland are derived as the difference between estimated exports f.o.r. as shown and estimated net exports of goods and services, derived in the manner outlined on page 156 of the "National Accounts of the Federation of Rhodesia and Nyasaland, 1954-1962". Compared with Northern Rhodesia the magnitude of 'imports and net services' may well appear to be too low but the high level of Southern Rhodesia exports of goods and services to Northern Rhodesia should be taken into account.

Source: Central Statistical Office.

Table 29

Value of Domestic Exports (Including Gold Sales) Analysed by Commodity Groups
(£ thousand)

Period	Total	Agri- culture, Forestry and Fishing	Unmanu- factured Tobacco	Minerals	M a n u f a c t u r e s										
					Food Meat	Other Foods	Beverages and manu- factured Tobacco	Textiles	Cloth- ing and Foot- wear	Chemicals and Non- Metallic Mineral products	Basic Metal Indus- tries	Metal Manu- fac- tures	Machinery and Transport equipment	Miscella- neous Manu- factures	Miscella- neous Trans- actions
Estimates of Exports to Countries other than Northern Rhodesia and Nyasaland															
1954	49,379	270	20,947	16,602	2,928	147	182	2,296	2,954	577	369	438	590	989	90
1955	51,232	258	21,775	17,881	2,209	167	306	2,366	2,574	340	961	542	728	968	157
1956	54,312	262	23,437	20,619	1,726	403	430	1,356	1,801	747	1,302	207	812	973	237
1957	59,579	3,764	22,734	23,028	1,649	751	483	1,150	1,804	740	1,522	146	723	814	271
1958	56,123	2,419	23,439	20,814	1,959	421	551	935	1,797	616	1,263	156	787	802	164
1959	64,332	2,731	28,160	21,176	3,697	338	748	1,026	1,988	584	1,848	189	677	678	492
1960	68,880	830	31,497	23,851	3,675	492	585	703	2,065	568	2,464	153	855	673	469
1961	78,345	5,005	36,261	22,819	4,292	380	653	377	1,744	814	3,838	140	853	723	446
1962	79,672	6,796	34,251	22,139	4,651	753	821	452	1,766	707	4,497	188	1,313	773	565
1963	82,069	4,140	38,163	20,280	5,266	2,495	999	341	1,739	777	4,456	235	1,535	903	740

Source: Central Statistical Office.

Table 30

Index of Average Value of Domestic Exports (including Gold Sales) Analysed by Commodity Groups
(excluding parcel post and miscellaneous transactions)

Period	Total Excluding Gold	Total Including Gold	Agri- culture, Forestry and Fishing	Unmanu- factured Tobacco	Minerals	M a n u f a c t u r e s										
						Food		Beverages and Manu- factured Tobacco	Textiles	Cloth- ing and Foot- wear	Chemicals		Basic Metal Indus- tries	Metal Manu- factures	Machinery and Transport Equipment	Miscella- neous Manu- factures
						Meat	Other Foods				Mineral Products	& non- Metallic				
1954	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	-	100.0	100.0
1955	101.2	101.1	98.3	105.2	96.3	90.7	132.1	100.0	113.1	98.1	100.0	100.0	100.0	-	80.9	111.1
1956	91.1	92.1	95.0	86.1	97.5	92.9	123.6	99.8	95.5	95.8	98.9	98.9	98.9	-	68.2	97.0
1957	98.1	98.4	80.0	102.7	99.6	99.8	67.1	91.3	75.2	90.6	111.4	111.4	111.4	-	73.2	94.3
1958	96.0	96.4	78.4	100.2	96.3	93.8	96.2	95.3	66.3	88.5	113.5	113.5	113.5	-	75.8	90.5
1959	94.6	95.2	90.0	96.7	93.0	103.1	125.5	89.8	72.7	89.8	114.1	114.1	114.1	-	74.9	91.1
1960	97.0	97.3	70.0	97.0	96.8	112.4	127.6	91.5	70.0	95.3	111.3	111.3	111.3	-	60.2	99.2
1961	94.4	94.9	75.4	100.6	87.2	108.5	100.0	100.6	62.9	100.1	110.7	110.7	110.7	-	61.1	104.7
1962	88.4	89.4	74.0	92.8	80.7	116.4	96.0	102.4	58.2	106.4	92.0	92.0	92.0	-	63.8	111.9
1963	96.5	96.8	74.6	107.4	81.4	108.4	93.6	109.3	95.1	107.6	97.0	121.2	121.2	-	54.9	109.4

Note: for exports to Countries other than Northern Rhodesia and Nyasaland (1954 = 100)

Source: Central Statistical Office.

Table 31

IMPORTS
1962 and January/March 1964
 (£ million)

	<u>1 9 6 2</u>		<u>January/March 1964</u>		
	<u>From N. Rhodesia</u>	<u>From outside Federation</u>	<u>Total</u>	<u>Actual</u>	<u>At an annual rate</u>
Food and live animals		8.3		2.5	10.0
Beverages		0.7		0.2	0.7
Tobacco & tobacco manufactures		0.2		0.4	1.4
Crude inedible materials		4.2		1.0	4.0
Mineral fuels, etc.		5.9		1.5	5.8
Animal & vegetable oils and fats		1.0		0.2	0.7
Chemicals		8.8		2.0	8.0
Textile and clothing		14.7		3.4	13.4
Metal manufactures		8.2		2.6	10.4
Other manufactured goods		15.4		2.8	11.3
Machinery		15.9		4.5	17.8
Transport equipment		13.2		3.1	12.6
Other	—	—	—	<u>0.8</u>	<u>3.2</u>
Total	1.6	96.6	98.2	24.8	99.3

Source: Central Statistical Office. British Trade Commissioner.

Table 32

Direction of Trade
(January-March 1964)
(£ 000)

	<u>Imports</u>	<u>E X P O R T S</u>		
		<u>Domestic</u>	<u>Re-export</u>	<u>Total</u>
<u>STERLING AREA</u>				
United Kingdom	8,383.8	2,546.9	175.6	2,722.5
India	206.5	219.4	0.1	219.5
Northern Rhodesia	894.2	5,757.3	1,904.6	7,661.9
Nyasaland	172.5	813.9	343.8	1,157.7
Tanganyika	13.6	15.6	4.9	20.5
Kenya	29.1	70.4	13.0	83.4
South Africa	5,669.8	1,699.9	1,013.7	2,713.6
Australia	808.5	258.6	14.6	273.2
Other	630.9	984.7	215.0	1,199.7
Total	<u>16,808.9</u>	<u>12,366.7</u>	<u>3,685.3</u>	<u>16,052.0</u>
<u>EEC</u>				
France	413.8	51.9	4.4	56.3
Italy	500.1	223.5	8.9	232.4
F. R. of Germany	939.3	796.9	4.2	801.1
Belgium	169.4	235.4	1.0	236.4
Netherlands	540.1	126.2	2.7	128.9
Total	<u>2,562.7</u>	<u>1,433.9</u>	<u>21.2</u>	<u>1,455.1</u>
United States	1,585.2	948.2	9.5	957.7
Canada	449.0	149.6	12.9	162.5
Sweden	257.6	162.5	0.1	162.6
Japan	1,013.5	1,170.6	2.3	1,172.9
Other OECD countries	434.2	706.6	38.5	745.1
Congo (Leopoldville)	3.0	271.9	27.8	299.7
Iran	743.9	70.2	-	70.2
China	-	-	-	-
UAR	0.1	0.1	-	0.1
Poland	5.6	74.9	-	74.9
Czechoslovakia	36.2	17.2	-	17.2
Other countries	921.7	419.8	101.2	521.0
Total	<u>24,821.6</u>	<u>17,792.7</u>	<u>3,898.8</u>	<u>21,691.5</u>

Source: Central Statistical Office.

TABLE 33
Trade with Northern Rhodesia and Nyasaland
January - March 1964
(£ 000)

	<u>Northern Rhodesia</u>				<u>Nyasaland</u>			
	<u>Imports</u>	<u>Exports</u>			<u>Imports</u>	<u>Exports</u>		
		<u>Domestic</u>	<u>Re-export</u>	<u>Total</u>		<u>Domestic</u>	<u>Re-export</u>	<u>Total</u>
Food	81.3	456.9	50.5	507.4	108.4	123.8	15.2	139.0
Beverages and Tobacco	335.1	251.6	44.4	296.0	4.1	83.8	1.0	84.8
Crude materials	72.9	33.9	23.5	57.4	52.7	1.8	1.7	3.5
Mineral fuels	19.5	1,388.0	38.8	1,426.8	-	5.2	5.5	10.7
Animal and vegetable oils	0.2	78.9	0.6	79.5	-	4.4	0.04	4.4
Chemicals	0.6	460.1	218.2	678.3	0.08	70.3	33.1	103.4
Manufactured goods	301.8	2,248.8	624.8	2,873.6	5.9	420.0	120.1	540.1
Machinery and trans- port equipment	7.0	612.9	774.0	1,386.9	-	87.6	152.5	240.1
Other	<u>75.7</u>	<u>226.2</u>	<u>129.9</u>	<u>356.1</u>	<u>1.4</u>	<u>17.0</u>	<u>14.6</u>	<u>31.6</u>
Total	894.2	5,757.3	1,904.7	7,662.0	172.6	813.9	343.7	1,157.6

Source: Central Statistical Office.