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INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

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THE ECONOMY OF BRITISH GUIANA

February 27, 1959

### Currency Equivalents

\$1 British West Indian (BWI)	-	4 shillings 2d
\$1 BWI	-	U.S. cents 58.33
\$ BWI 1 million	-	U.S. \$583,333
1 £ sterling	-	\$ BWI 4.80
1 U.S.\$	-	\$ BWI 1.715

In this report, the \$ sign denotes British West Indian dollars, unless otherwise stated.

## P R E F A C E

Since the report of the survey mission organized by the International Bank in 1953 is readily available, the description of the economy in the present report is brief. Attention is focussed on the development of the Guianese economy in recent years and on its prospects.

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BASIC DATA

(1957, in BWI \$ million)

Population: 516,000

Population Growth: 3% per annum

Per Capita Gross Domestic Product: U.S.\$280

<u>Gross Domestic Product</u> (At Market Prices)		<u>Industrial Origin of GDP</u> (At Factor Cost)		<u>% of Total</u>
Private consumption	162.2	Agriculture, forestry,		
Government consumption	31.4	fisheries		24.6
Gross investment	63.8	Mining		10.9
Export surplus	<u>-9.3</u>	Manufacturing		12.4
Expenditure on GDP	248.1	Construction		12.1
		Private Services		22.1
Gross National Product	227.5	Rent		2.5
		Government		<u>15.1</u>
		Total		100.0

Money Supply, End of Year:

Notes and Coins	20.6
Demand Deposits	<u>15.5</u>
Total	36.1

Foreign Trade

Exports, f.o.b.	107.0	Imports, c.i.f.	118.9
Sugar and Products	59.9	Food, Beverages & Tobacco	23.8
Rice	9.2	Fuels	9.4
Bauxite	29.5	Chemicals	9.0
Gold and Diamonds	1.9	Textiles	6.8
Timber	3.2	Iron and Steel	6.3
		Machinery and Transport	28.2

Public Finance

Government Revenue	45.8	Current Expenditure	43.1
Of which:		Of which:	
Tax Revenue	(39.2)	Debt Service	(3.6)
Import Duty	(16.0)	General Administration	(3.4)
Income Tax	(15.9)	Defense and Police	(4.9)
Non-Tax	(6.6)	Economic Development	(9.8)
Grant Receipts	5.8	Social Services	(13.5)
Loan Receipts	<u>7.4</u>	Development Expenditure	<u>18.3</u>
Total	59.0	Total	61.4

Public Debt

(June 30, 1958)

Sterling Debt	35.9
Internal Debt	<u>7.9</u>
Total Long-Term	43.8

SUMMARY

1. British Guiana, a British colony since 1802, has achieved a considerable degree of self-government, particularly since the war. In 1953 the People's Progressive Party which until then had been considered a leftist splinter party won a majority, and Dr. Cheddi Jagan became Prime Minister. When serious frictions between the British authorities and the new Government developed, British troops were landed in the territory to prevent a communist coup and economic chaos, and the constitution was suspended. Between 1954 and 1957 the territory was governed under a provisional constitution but in the latter year elections were held for a majority of the members of the legislature and Dr. Jagan's party was returned to power. He, his wife, and three other representatives of his party became members of the Executive Council and assumed ministerial responsibilities. Since then cooperation between the British authorities and the Guianese political leaders has been satisfactory.
2. Although future political developments are uncertain, particularly since the question whether British Guiana will join the federation of The West Indies is unresolved, most observers are not seriously concerned about the possibility of a repetition of the events of 1953.
3. In 1957, the population of British Guiana was some 516,000 and per capita income equivalent to \$257, considerably higher than Brazil or Mexico. Since the population is growing at an annual rate of 3%, national income must grow at least at the rate of 4% or 5% to permit a reasonable increase in per capita income. Over the last ten years the growth rate was 4.75% per annum, and for the last five years, 6%. More than one-third of the total output in 1957 came from agriculture and the processing of agricultural products. Mining (mainly of bauxite, gold and diamonds), accounted for 11%; construction for 10%; and small-scale manufacturing, distribution, transportation, government and other services for the remainder.
4. The most important agricultural products are sugar and rice. Sugar is the country's most important export, but rice is growing in importance, both as an export, and because it provides food and employment for the rural population.
5. Bauxite, the second largest export, is mined by a subsidiary of Aluminium Limited of Canada and by Reynolds Metals. A subsidiary of Union Carbide is starting manganese mining. Manufacturing is limited to small-scale enterprises serving the local market.
6. British Guiana has no central bank but obtains its currency from the Currency Board of the Eastern Caribbean. The most important financial institutions are branches of Barclays Bank D.C.O. and of the Royal Bank of Canada, and the government-owned British Guiana Credit Corporation.
7. The high rates of economic growth of recent years are in part the result of a high level of gross investment, averaging 20% of gross domestic product in the last ten years. More than half of it has been financed

through the inflow of capital, partly in the form of direct investments, and partly as government loans and grants.

8. Export earnings have equaled about 40% of gross domestic product. In the last 10 years their value has increased almost threefold.

9. In 1958, government revenue amounted to \$48 million, recurrent expenditure to \$47 million and development expenditure to \$19 million. In the last five years, the government spent \$84 million on capital development and financed this expenditure as follows: \$14 million from revenue, \$48 million from loans and \$22 million from grants. The largest amounts were spent for agricultural development, mainly drainage and irrigation, for transport and communications, and for housing.

10. The prospects for the growth of the Guianese economy in the coming five or ten years are favorable because: (a) more land is being brought under cultivation; and (b) as a result of large foreign investments, the bauxite produced will in part be exported in the form of alumina worth ten times as much per ton, and manganese exports will begin.

11. In order to maintain a satisfactory growth of national production and income after 1964, the government plans to increase capital expenditure in the next five years and for that purpose to borrow a very substantial amount.

12. In view of the growth prospects of the economy, of foreign earnings, and of government revenue, it appears that British Guiana can contemplate financing a part of its development program abroad, but in view of the sharp increase in the debt burden which such borrowing could entail, every effort should be made to defer less urgent expenditures, current as well as capital, and to obtain from local savings as large a proportion as possible of the funds required.

## I. POLITICAL BACKGROUND

1. Originally a Dutch settlement, British Guiana has been a British colony since 1802. Like most other colonial territories it has achieved an increasing degree of self-government in the course of the last several decades. The movement toward complete self-government was accelerated after the war.

2. In 1953 there became effective a constitution providing for universal adult suffrage, a two-chamber Legislative Council and a ministerial system, and limiting the reserve powers of the Governor only to foreign relations, defense and the maintenance of law and order. The general election held in April of that year gave a majority to the People's Progressive Party (PPP) which until then had been considered a minor leftist splinter party. The leader of the PPP, Dr. Cheddi Jagan, became Prime Minister. In the course of the next few months, serious disagreements between the British authorities and the newly-appointed Government developed. They culminated in a series of strikes and Government-supported threats of physical violence, particularly on the sugar estates. In early October the British Government decided to suspend the constitution "to prevent communist subversion of the government and a crisis both in public order and in economic affairs." To maintain law and order, British troops were landed in British Guiana and the leaders of the PPP were ordered not to leave the district of their residence without permission. Thereafter normal conditions in the country's economic life were gradually restored.

3. The constitution was formally suspended in December 1953. Thereafter, British Guiana was administered in accordance with a "Constitution (Temporary Provisions) Order in Council" which provided for an Executive Council of three ex-officio members and not more than seven nominated members, and a Legislative Council likewise consisting only of ex-officio and nominated members. Some further changes in the constitutional arrangements were made in 1954. When the changes were announced, the British Government explicitly referred to the prevailing state of affairs as one of marking time in British Guiana's advance towards self-government.

4. The period of "marking time" was ended by an amendment to the Constitution announced at the end of 1956, under which not less than 14 members of the Legislative Council of not more than 28 members would be elected. In August 1957 the first elections under the new constitution were held and Dr. Jagan's PPP won 9 of the 14 elective seats. He, his wife, and four other PPP members of the Legislative Council became members of the Executive Council.

5. The Executive Council, which is presided over by the Governor, also includes the Chief Secretary, the Attorney General and the Financial Secretary as ex-officio members. Dr. Jagan holds the portfolio of Minister of Trade and Industry but is de facto recognized as the Chief Minister of the majority party.

6. There are, of course, considerable uncertainties in the present political situation, as there are in any situation where constitutional change is to be expected. But in recent years the cooperation between the PPP and the administration of the colony has been satisfactory, and the British authorities, in line with policies pursued in other self-governing territories, are considering granting an increasing degree of self government to British Guiana. The 14 elected and the 6 nominated members of the Legislative Council have just been appointed members of a committee to formulate proposals for further constitutional changes, to be submitted to the Secretary of State for Colonies. It is generally expected that the next constitutional change, the timing of which is still uncertain and itself a political issue, will see an increase in the effective power of the elected members of the Legislative and the Executive Councils, and the appointment of the leader of the majority party as Prime Minister.

## II. THE RESOURCES

### Economic Geography

7. The largest of the three Guianas, British Guiana borders on Venezuela, Brazil and Surinam and has a coast line of 270 miles. Its climate is characteristic of equatorial lowlands: high rainfall - 80 to 110 inches on the coast - and humid heat, with mean monthly temperatures along the coast varying within the narrow range of 79-82 degrees F.

8. The area of British Guiana is about 83,000 square miles, almost as large as that of Great Britain. Its population was estimated at the end of June 1957 at 516,000, less than 1% of that of Great Britain. The ratio of population to area is six persons per square mile, one of the lowest in the world. However, with 95% of the population concentrated in a coastal strip two to eight miles wide, British Guiana is faced with an insufficiency of arable land relative to the size of the rural population in the 'developed' coastal region.

9. Almost all agricultural and industrial activity of the territory is confined to the coastal strip. Much of the strip lies below the high tide level of the sea, from which it has been reclaimed and from which it must be protected by seawalls, dykes and drainage systems, laboriously constructed and expensive. A few miles inland the rich coastal alluvial soil gives way to sandy soils covered with dense hardwood forests. The forests, which account for 83% of the country's area, are divided by numerous rivers. Except for a few plantations on the river banks, some timber and mining camps and settlements of South American Indians, the forests are uninhabited. Two areas of grassland, the Rupununi in the Southwest and the Intermediate Savannas behind the Northeast coast, with leached sandy soil barely good enough to support a very extensive form of cattle raising, make up the remainder of the territory.

### Population and Population Growth (Tables 1-3)

10. With the exception of about 20,000 South American Indians most of whom live in the hinterland and who are generally referred to as Amerindians - to distinguish them from people from India - the entire population of British Guiana consists of immigrants and their descendents. The largest racial groups are the (East) Indians, the descendents of indentured laborers who remained in British Guiana after their work contracts with the sugar plantations expired. These still live mainly in the rural areas, working on sugar plantations or earning a livelihood as rice farmers. The urban population consists mostly of persons of African and mixed origin. They provide the labor force for manufacturing and mining, as well as the clerical staff in government. Although smaller in number than the Indians, they have set the social and cultural pattern of the colony, adapting a Western mode of life to local conditions. Europeans and persons of European extraction number about 12,000, two-thirds being of Portuguese origin.

11. The most important development in British Guiana in the last generation has been the eradication of malaria through the application of DDT. Within the last 15 years, the death rate has been almost halved, infant mortality has been brought down from 110 per 1,000 live births to 68. In the same period, the birth rate, which already was 35 per 1,000, has risen to over 40. With emigration of no more than 1,000 persons a year, the result has been a population growth of 3% a year or more.

12. This means finding jobs for 6,000 or 7,000 persons every year, and providing schools, hospitals, houses, etc. for 15,000 a year, and has made a reasonable rate of growth of production and consumption per head very difficult to attain. Fortunately, the eradication of malaria has also improved the physical strength and vitality of the working population and has led to an increase in production. But the productivity gains from this source cannot be repeated; from now on, the increase in numbers will have to be accompanied by additions to the supply of all other factors of production - arable land (which in British Guiana means primarily drained and irrigated land), fixed and working capital, and management and organization.

#### Production and Income (Tables 4-6, 9-10)

13. In 1957 the gross national product at market prices amounted to \$227.5 million, or \$440 (U.S. \$280) on a per capita basis. Leaving aside the conceptual and statistical difficulties of international comparisons of national income estimates, the British Guiana per capita figure compares rather favorably with that of neighboring Brazil (U.S. \$200), of Mexico (U.S. \$235) and of most other Latin American countries. One-fourth of the total output of British Guiana comes from agriculture, and the processing of agricultural crops accounts for another 10%. Mining, almost entirely for export, gives rise to 11% of the domestic output; construction (10%), distribution (15%), transportation, manufacturing other than agricultural processing, services of all kinds, rents and, finally, Government (13%) account for the remainder.

14. Agriculture. Although the 300,000 acres which are under cultivation in British Guiana are only about one-half of one percent of the total area of the colony, agriculture is the most important productive sector of the economy. The explanation is that the two main crops, sugar and rice, are produced under conditions of highly intensive cultivation. For the last 150 years, sugar has been the main crop and the most important single factor determining the country's economic fortunes. The sugar estates, with their regular pattern of irrigation and drainage canals and dykes and locks, their mills and workers' houses, have given the coastal area its peculiar landscape. Sugar is no longer preeminent but it is still the country's most important product and export commodity. In recent years sugar production has risen steadily, reaching a total of 285,000 long tons in 1957, and of 298,000 long tons in 1958. Only about 18,000 tons are retained for local consumption; the remainder, together with substantial quantities of rum and molasses, is exported. In 1957, export proceeds amounted to \$59.7 million or more than one-half of total exports. Because of lower free market prices the 1958 sugar, the molasses and rum check is likely to be much smaller. Sugar cultivation and processing, though highly mechanized and, with the exception of some 4,000

tons, entirely in the hands of two companies, Booker Brothers, McConnell and Company, Ltd., and Sandbach-Parker, Ltd., directly provides employment for about 20,000 persons and thus constitutes by far the largest source of wage income.

15. Rice is a recent addition to the territory's agricultural production. It is now second only to sugar in annual cash value, and by far the most important domestic food crop. Acreage under paddy has increased almost threefold in the last twenty years, mainly as a result of the food-growing campaign during the second World War. Since rice is almost entirely a peasant crop, and the average farm size is about seven acres, rice farming is much more important than sugar or any other commodity as a source of employment. According to one estimate, as many as 80,000 persons are engaged in rice farming. It is expected that in the next ten years the importance of rice as a means of livelihood and a source of export earnings will be further enhanced, by bringing under rice cultivation an additional 125,000 acres, a large proportion of the land which will become available on completion of the irrigation and drainage schemes now under way.

16. A great variety of other agricultural products is grown in British Guiana, but none accounts for more than a small fraction of total agricultural income. Coconuts, which provide vegetable oil for local consumption and the basic raw material for a recently expanded margarine and soap industry, coffee, citrus fruit, vegetables and corn are crops of some local significance. There are approximately a quarter of a million head of livestock in the territory, chiefly cattle, with smaller numbers of sheep, goats and swine. Except for some cattle in the Rupununi district, most of the livestock is concentrated on the coastal plains. British Guiana is a net importer of meat, dairy products and foodstuffs other than rice, sugar and sugar products.

17. Forestry. Income originating in forestry production has in recent years amounted to \$4-5 million. The value of lumber exports, mainly of greenheart logs and piling, has fluctuated between \$2.5 million and \$3.2 million a year. With the exception of two or three large mills, of which one is owned and operated by the Colonial Development Corporation (CDC), logging and sawmilling is in the hands of numerous small firms. Last year a chipboard factory was established by local and foreign private interests.

18. Mining. Mining is an old and important activity in British Guiana. The colonization of the area between the Orinoco and the Amazon, started more than 300 years ago with repeated attempts to locate and find a route to the legendary gold mines of El Dorado. British Guiana had its own gold rush in the 1890's, and after the first World War it was an important producer of diamonds. In recent years the production of diamonds and gold has become rather unimportant although, with the financial assistance of the CDC, attempts have been made to expand gold mining.

19. In the meantime, however, British Guiana has become the world's second bauxite producer. A subsidiary of Aluminium Ltd. of Canada - the Demerara Bauxite Company - accounts for about 90% of the bauxite production, and Reynolds Metals for the remainder. Although bauxite mining employs only a

small part of the country's labor force, it accounts for almost a third of British Guiana's exports, one-sixth of Government revenue and 9%-13% of net domestic output; it also gives rise to substantial income payments abroad. Investment in mining - by foreign companies - is continuing on a substantial scale. In the course of the last two years the Aluminium Ltd. Company of Canada has decided to double its investment in British Guiana by setting up an alumina plant at a cost of about U.S. \$33 million, Reynolds Metals are starting to expand their investment which at present is of the order of U.S. \$10 million, and a subsidiary of Union Carbide is in the process of investing approximately U.S. \$16 million in a manganese ore exploitation project in the otherwise empty northwestern part of the country. These developments will further enhance the importance of mineral production.

20. Manufacturing. Manufacturing industries other than those processing local primary products for export are still unimportant as a source of income and employment. But the range of manufacturing establishments, almost without exception small-scale, is rather impressive and attests to the entrepreneurial ability and technical aptitude of the population. The manufacturing sector comprises the production of cigarettes, matches, drugs and patent medicines, soap, biscuits, food preserves, etc. The latest addition is a brewery, the first major Guianese company financed by public subscription. One industrial undertaking of some importance is a ship and boat yard. This started some years ago with the production of steel barges (punts) used extensively on the sugar estates; it is now building vessels for coastal and inter-island transportation in the Caribbean.

21. Trade and Distribution. The entrepreneurship displayed in the new manufacturing undertakings stems directly from the mercantile tradition and experience of the territory. While the export trade is almost entirely in the hands of a few producers (e.g. sugar, bauxite) or of a statutory board (rice - see Annex A), the import business has provided the material basis for a large number of wholesalers, retailers, agents, etc., who combine commercial and financial acumen with social prestige, and who exercise considerable influence in political life and affairs of Government. The high proportion of the country's income originating in distribution, approximately 14%, is in part an indication of high profits; but it is mainly a reflection of the large volume of imports and, more generally, the important role which foreign trade plays in the economy.

22. Money, Banking and Credit (Tables 11-15). The currency of British Guiana consists of notes and coins issued by the Currency Board of the Eastern Group of British Caribbean territories, denominated in British West Indies dollars equivalent to 4 shillings and two-pence (£1 = \$4.80). Notes and coins are fully backed by sterling reserves which are held in cash or invested in Commonwealth securities. At the end of 1957, the note and coin circulation in British Guiana was estimated at \$20.3 million. The banking system of the territory consists of branches of Barclays Bank D.C.O. and the Royal Bank of Canada in Georgetown, both with several branches in the town and in other parts of the country. At the end of 1957, deposits amounted to \$33.7 million. Of this sum \$18.2 million was time and savings deposits, the remainder demand deposits. As in most other dependent territories, a substantial proportion (24%) of the banks' funds is held overseas. But it is indicative of the rapid advancement of the economy in the last ten years

that between 1950 and 1958 local loans and advances increased by 160%, while deposits abroad remained unchanged. The Post Office Savings Bank has done unusually well in British Guiana. Its deposits amount to about \$19 million (only a small part of which is invested in the country) and there are over 100,000 separate active accounts - better than one for every five persons in the country. There is also a building society with assets of \$4.5 million, consisting almost entirely of mortgage loans. There are many life insurance companies doing business in British Guiana, but they do not hold any local assets aside from real estate for their own use. In recent years, premium receipts on life insurance have exceeded \$4 million.

23. Since 1954, large amounts of medium and long-term credit for housing, agriculture and industry have been made available by the Government-financed British Guiana Credit Corporation. The Corporation was set up at the recommendation of the International Bank survey mission, with a capital of \$10 million. At the end of June 1958, its loan portfolio amounted to \$10.7 million.

24. Power. Since a large part of the territory's power requirements is produced by the consumers such as sugar estates, mines and pumping stations of drainage and irrigation works, the supply of power produced by public utilities is relatively small; it is confined to the areas of the capital of Georgetown, two other towns, and the Atkinson International Airport. Over 90% of the power supplied to the general public is produced in Georgetown by the Demerara Electric Company Ltd., a subsidiary of the International Power Company of Montreal. Installed capacity, all thermal, is 12,250 KW. At present, negotiations are under way for an extension and modification of the company's franchise and the installation of additional capacity. The only Government-owned power station, aside from small diesel units driving irrigation and drainage pumps, is at Atkinson Airfield, supplying power for the airport and to neighboring villages.

25. Transportation. Transportation is poor, partly for reasons of geography and partly because of neglect. Aside from loading facilities for bauxite on the Demerara and the Berbice rivers, the country's only harbor for ocean-going vessels is in Georgetown. The use of the otherwise adequate port is limited by the Demerara Bar, two miles from the harbor entrance, with a depth of only nine feet at low tide. Similarly, a bar at the mouth of the Berbice river has a depth of seven feet. These bars necessitate the transshipment of bauxite and the "topping" of vessels at Trinidad. The same procedure will have to be used for shipments of manganese ore, which will be taken out through a creek close to the Venezuelan border. An important part of the country's internal transportation system is coastal and river shipping, carried out mainly by numerous small operators, and supplemented by Government ferry and boat services.

26. Land transportation is made difficult and expensive by the numerous rivers and canals, by the high rainfall and the softness of the soil. The Government-owned railroad, running in two sections totalling 79 miles along the coast, has the distinction of being the oldest railroad on the South American continent. It is poorly maintained, expensive to operate and although some improvement has taken place in recent years, its revenue still covers only 60% of its operating expenses. The highway system of the country

consists of approximately 260 miles of roads stretching along the coastal belt and 58 miles of branch roads leading to settlements. Only about 75 miles have a hard surface. The remainder is built of burnt clay because there are no stone quarries in the coastal areas. There is no road communication between the coast and the interior; the interior can be reached only by trail or by air. There are many airstrips and landing pools in the interior. Fourteen thousand motor vehicles are registered in British Guiana, and since their number is constantly increasing there is considerable agitation about the poor state of the roads. But so far no satisfactory method of construction using readily available local materials and thus keeping cost at a reasonable level has been found.

#### Economic Growth (Tables 7-8, 16-20)

27. Estimates which cover the last ten years (1948 to 1957), and which may be considered reasonably reliable, indicate that the real gross domestic product increased at an annual rate of 4.75%, probably roughly the same as in the war and immediate postwar years. The reasons are: (a) heavy under-employment in agriculture at the beginning of the period, slowly absorbed through the expansion of paddy production and of construction activity; (b) a steady increase in the volume and value of exports and an improvement in the terms of trade; and (c) a high level of investment.

28. Gross fixed domestic investment exceeded 18% of gross domestic product in seven out of the last ten years. This was made possible by a large inflow of foreign capital to the private sector, by Government borrowing and the repatriation of public funds held abroad, and by grants from the United Kingdom Government. Domestic savings, including the excess of government revenues over current expenditure, financed on the average only 45% of total investment.

29. Export earnings, which in recent years have equalled about 40% of GDP have increased almost threefold in the last ten years. Price increases (which resulted in an appreciable improvement in the country's terms of trade) accounted for about one-half of the increase, larger shipments for the other half. Some exports recorded substantial gains: sugar increased from 136,000 tons to 255,000 tons; timber from 600,000 cubic feet to 1,400,000 cubic feet; and rice exports more than doubled.

30. The balance of payments reflects both the rise in export earnings and the receipt of large amounts of capital from abroad. On the one hand, current account earnings rose substantially and continuously. The use of foreign capital including grants, on the other hand, resulted in an increase of imports over and above that of exports, and in a current account deficit which in recent years has assumed sizeable proportions. The view that the balance of payments deficits have been caused by the inflow of capital and grant funds is borne out by the fact that over the last eight years (figures are not available for earlier years) the country's foreign exchange reserves - or what under a currency board may be considered akin to foreign exchange reserves - have increased. The increase, however, has been smaller than that of money income because, as pointed out before, a growing share of total bank deposits has been invested within the country rather than transferred abroad.

31. The destination of exports is related to their commodity composition. Bauxite and timber go to Canada and the United States, sugar to the United Kingdom, rice to the Caribbean, and some shipments of bauxite, timber and other commodities to continental Europe. Imports consist mainly of machinery and transport equipment (25% of total), manufactured consumer goods (35%), foodstuffs (20%), and fuels (8%); from two-fifths to one-half of all imports come from the United Kingdom and 20% to 30% from Canada and the United States. Because exports to the dollar area are normally considerably larger than imports from it, British Guiana is a net dollar earner on trade account, and probably also on total current account, in spite of the substantial income payments to the bauxite companies.

32. In the last ten years the price level, as reflected in the cost of living index for working class families, increased approximately 50%, or at a compound annual rate of 4%. The price rise was steep between 1948 and 1952, when the index rose by 36%, largely as a result of worldwide price increases, affecting prices of both exports and imports. Since then prices have been remarkably stable - inching up at a rate of less than 2% per year.

### III. THE PUBLIC SECTOR

#### Government Revenue and Expenditure (Tables 21-24)

33. In the last five years the Government spent a total of \$288 million, \$204 million to pay for recurrent outlays and \$84 million on capital expenditure. In the five-year period 1954-58, annual expenditure increased from \$42 million to \$66 million, or more than 50%. Current revenue came to \$214 million and was sufficient to pay for all current expenditure and leave a margin for capital expenditure. The remainder of capital expenditure was financed from the proceeds of loans raised in the London market and from the British Government (\$45.3 million) from local loans (\$2.8 million), from Colonial Development and Welfare grants (\$22 million) and from revenue surpluses from previous years (\$3.3 million).

34. Revenue. Total revenue as well as total tax revenue has increased almost two and one-half times in the course of the last ten years. It has grown slightly faster than net domestic product. It is now equivalent to 18% of the net domestic product as compared with 16% ten years ago. Among tax receipts, import duties account for approximately 40% of total revenue, and income taxes for about the same proportion. In years of high profit for business enterprises, income tax collections exceed import duties.

35. Tax Structure. The high income tax receipts are a reflection of the importance of foreign-owned business corporations, particularly of the sugar estates and the mines. About 85% of total income tax collections is accounted for by the company income tax which is levied on corporate profits at a rate of 45%. Personal income is taxed, after the usual deductions and allowances, at rates rising from 6% on the first \$1,200 of taxable income to 60% for taxable income in excess of \$10,800. Import duties (averaging 16 percentage points on most articles) are levied on the basis of a two-column tariff granting imperial preference to imports from the Commonwealth. Import duties are by and large moderate, averaging 14% ad valorem. The relatively low level of import duties indicates the virtual absence of domestic industries seeking and being granted tariff protection.

36. Recurrent Expenditure. In spite of a considerable expansion of Government investment in health, education, social assistance, etc. and great pressure to provide more Government services, recurrent expenditure has been kept within recurrent revenue, leaving a small surplus. Because in 1959 revenue is expected to be lower than in the current year, a small deficit is forecast: total expenditure of \$47 million and revenue of \$46.6 million.

37. This favorable picture is marred, however, by two types of expenditure which obviously do not constitute the best possible allocation of public funds. One is the persistently large losses incurred by the Government railroads. In 1957, total railroad receipts covered only 60% of total operating expenses and less than 56% of total cost, including capital charges. In the case of Government shipping services, receipts covered 58% of total cost. The other kind of expenditure which appears not to have been in the country's best interest arises

from the losses incurred by a series of commercial activities which the Agriculture Department has undertaken in recent years. It operates a milk pasteurization plant, a wholesale fish market, a bacon and ham factory and a central produce depot. Although they have no private competition, they all lose money, largely because they are forced by Government to pay uneconomically high prices for the commodities they purchase.

#### Development Expenditure

38. The first postwar program of public development expenditure in British Guiana began in 1947 with financial assistance under the United Kingdom Colonial Development and Welfare Act of 1945. The program was originally planned to cover the ten-year period 1947 to 1956. However, after five years, during which development expenditures totalling \$23 million were made, the Government asked the International Bank to organize a survey mission to advise on the level and direction of future development expenditures. The mission visited the country in 1953 and submitted a report and recommendations for a five-year program in the same year. The report was officially accepted as a basis for future development and an initial plan for 1954 and 1955 was prepared and its implementation started. Subsequently, in connection with United Kingdom legislation providing for Colonial Development and Welfare grants for another five-year period, a program was launched to cover the years 1956 to 1960. It was largely based on the recommendations of the Bank mission but provided for higher expenditure than had been recommended, particularly for social services. While the program recommended by the survey mission was expected to involve expenditure totalling \$66 million (of which \$57 million was capital expenditure), the 1956-1960 program adopted by the Government was estimated to cost \$102 million. Because of the usual lags in the execution of the program, and because the amount of grant and loan funds made available from the United Kingdom was smaller than had been expected, the program was revised and expenditure estimates reduced to \$96 million.

39. In the course of the last year the Government has begun preparation of a new program to start in 1960, on the basis of a United Kingdom announcement that aid from the British Government to dependent territories in the form of grants would continue for another five-year period beginning in that year, and that loans from the Treasury would be available for them.

40. A comparison between the International Bank survey mission recommendations and the capital expenditure of the last five years (1954 to 1958) shows:

- (a) total expenditures for the period amount to \$84 million, while the comparable figure of the mission recommendations is \$57 million;
- (b) the largest excess of actual over recommended expenditures occurred on drainage and irrigation schemes (\$6.9 million) - because of higher cost rather than major changes in the program - and on housing (\$10.5 million);

- (c) the shortfall of actual against recommended expenditure was greatest in the case of roads (\$2.6 million) because one of the major recommendations of the survey mission, i.e. improvement of the main coastal highway, still has not been acted upon, and road improvement in general has been lagging.

41. However, the high priority accorded to agriculture, particularly the development of more agricultural land and the improvement of land now under cultivation through drainage and irrigation, as well as to transport has remained unchanged. The continued need to concentrate development in these sectors is reflected in the proposals for the 1960-1964 program in which drainage and irrigation together with roads account for 54% of the total program.

42. The financing of the capital expenditure program was quite different from the financial arrangements which the survey mission had proposed. The mission had expected that \$34 million out of a total of \$57 million of total expenditure could be financed out of revenue surpluses, that total loans would account for \$12 million only, and that the remainder of \$11 million would be financed by C.D. & W. grants. Actually less than 20% of the total (of \$84 million) was financed from revenue surpluses, and more than 57% through borrowing operations. Grants from the United Kingdom Government were almost twice as large as the survey mission had assumed; they totaled \$21.8 million. Of the total borrowings of \$42.8 million, \$2.9 million were raised within the country through a local bond issue which was almost entirely sold to Widows' and Orphans' funds, welfare and rehabilitation funds of the sugar industry, and the Post Office Savings Bank.

43. The amount of \$45.3 million shown in the Appendix Tables as the sum of foreign loans includes short-term advances of \$27.3 million, mainly from the Joint Colonial Fund (a pool of Colonial governmental liquid reserves, maintained in London). This advance is to be repaid from the proceeds of an Exchequer Loan of £5,500,000 which the United Kingdom Treasury has promised to make available to British Guiana after legislation to that effect has been enacted in the United Kingdom. It is also planned to raise another local loan in the amount of \$7.2 million. It is expected that \$3.15 million of the loan will be sold to the Eastern Caribbean Currency Board.

#### Public Policy

44. The appraisal of the performance of the economy of British Guiana would be incomplete without some reference to the formulation and execution of public policy in economic and financial matters. As indicated before, the progress of the economy over the last ten years has been good, the fiscal operations of the government have on the whole been sound, and the overall pattern of development expenditures has been well suited to the country's resources and needs. There are, however, also a number of weak points, most of which have already been noted. The government railroads, ships and ferries run up disturbingly large losses, as do the various undertakings of the department of agriculture, such as the milk pasteurization plant, the fish market, the bacon and ham factory and the central produce depot. Direct public expenditure for housing has been much larger than was recommended by the Bank's

survey mission, and a disproportionately large part of the funds of the British Guiana Credit Corporation has been used to finance housing. The road improvement and construction program recommended by the survey mission, and accepted in principle by the government, has not been successful despite the large road improvement expenditures of recent years.

45. Most of these activities have one thing in common: an attempt by Government to redress the balance of the market place by subsidizing various groups, the consumer of transport services, the producer of vegetables, the tenant of public housing, the purchaser of publicly-financed housing, and the milk producer. Whether the public expenditure (or the loss of public revenue) incurred in the course of such intervention is the best possible use of public funds, and whether the economy and the objective of economic advancement would not be better served by an alternative use is a question to which there is no general answer since the merits of subsidy payments, and of other forms of intervention, differ in each case. But it is fairly clear that in British Guiana these measures, or failures to take remedial action, have had something to do with the fact that the development program was so much larger than that proposed by the Bank's survey mission, and that revenue surpluses available to finance capital expenditures were so small. Fortunately the authorities in British Guiana are becoming aware of this problem and its financial, and also its broader economic implications. The decrease in the allocation for housing in the next five-year program and the attempts to curb the growth of recurrent expenditure obviously are steps in the right direction.

IV. PROGRAMS AND PROSPECTS

Growth of Output and Exports (Tables 25 and 29-32)

46. The Guianese authorities have prepared a series of projections of the domestic product and of Government revenue and recurrent expenditure which, together with the development program and a projection of export earnings for 1963 prepared by the mission, provide a reasonably detailed basis for an appraisal of the country's over-all prospects five years hence. The mission also prepared some obviously more sketchy projections for 1968, or ten years from now. The derivation of the projections is explained in Annex A. They may be summarized as follows:

	<u>1952</u>	<u>1955</u>	<u>1957</u>	<u>1958</u>	<u>1963</u>	<u>1968</u>
GDP at Factor Cost (\$ million)	159.8	132.7	223.2	208.3	290.6	360
GDP at Market Prices	178.3	215.9	248.1	231.2	322.6	400
GDP at 1957 Market Prices	185.2	220.5	248.1	231.2	322.6	400
Annual Five-Year Growth Rate	-	-	6%	2.7%	5.5%	4%
Government Revenue	29.9	42.5	45.8	48.0	60.8	84
Recurrent Expenditure	28.5	40.0	43.1	47.0	57.6	74
Exports of Goods and Services	85.4	96.0	113.8	n.a.	163.7	192
Exports of Goods and Services, adjusted <u>1/</u>	85.4	96.0	113.8	n.a.	155.0	180
Annual Five-Year Growth Rate	-	-	6%	-	5.5%	3%

1/ For import content of additional exports, see Appendix A.

n.a. - not available.

47. The figures indicate that the economy should continue to grow at a fairly rapid rate. They take account of the following favorable factors:

- (a) Government outlays over the last few years to drain and irrigate more land for rice cultivation and other crops are about to pay off in the form of an increase in agricultural production available for domestic consumption but destined mainly for export;

- (b) The large investment in the production and processing of bauxite and manganese ore which is under way will raise the value of mineral exports from \$30 million to an estimated value of \$70 million by 1963 and \$85 million by 1968. However, since the processing of bauxite requires substantial imports of fuel and chemicals and gives rise to profits for the mining companies, increases in imports of these materials and in profit outpayments have to be set against the rise in exports;
- (c) The increase in the production and exportation of minerals and rice more than compensates for the fact that the production and export of sugar, which has always been the country's most important export commodity, are not expected to increase appreciably in the next 10 years.

48. The projections are believed to be conservative for 1963 and even more so for 1968. The 1968 estimates would be substantially higher if it had been assumed that the production of alumina would be increased beyond the capacity of the plant now under construction, and that public development expenditure in the five-year period 1964-68 would be substantially higher than it is now. Conversely the decline in the growth rates between 1963 and 1968 may also be taken as an indication of the need for a continuation of public development expenditures of sizeable proportions in that period - if a reasonable rate of growth in per capita income is to be maintained in the face of a population growth rate of 3% per year.

#### Public Revenue and Expenditure (Tables 26-28)

49. The projections of the gross domestic product and of the export of goods and services form the basis of the estimates of government revenue and expenditure over the next 10 years. These show that if present policies continue, current revenues will exceed current expenditures by only a small margin, leaving little surplus available to finance development. The revenue estimates are likely to be low since they do not allow for the possibility of large increases in Government revenue when the earnings of the mining or sugar companies are high. The indication that in the next five years revenue will increase more slowly than in the last decade is explained by the tax holiday which has been granted for the new investment of two of the mining companies and several new manufacturing establishments. The end of these tax privileges between 1963 and 1968 explains the high rate of revenue growth in the second five-year period.

50. The preliminary proposals for the development program for the five-year period between 1960 and 1964 provide for total expenditure of \$125 million compared with \$84 million for the current five-year program. In spite of this substantial increase, the program does not appear to be beyond the physical capacity of British Guiana to carry out, and it adequately reflects the priority rating of expenditure objectives. Almost one-third of the development budget has been allocated to drainage and irrigation and land settlement

schemes which undoubtedly command highest priority. Another fourth has been set aside for road construction and improvement, neglected in the current five-year program. One allocation which is prima facie doubtful is a sum of \$5 million for rural electrification.

51. The preliminary character of the expenditure proposals is underlined, however, by the fact that the phasing of them is rather unrealistic - it would not seem possible to increase expenditure from less than \$17 million in 1959 to almost \$28 million in 1960 - and it is still uncertain how the program will be financed. Present projections indicate that only \$13.6 million is to come from current revenue. As to the remainder of more than \$110 million, British Guiana authorities assume that even with substantial grant assistance by the United Kingdom about \$80 million will have to be borrowed. This would raise the public debt from \$49 million at the end of 1959 to over \$120 million at the end of 1964, and the annual debt service from \$3.7 million to \$8.6 million, or 14% of public revenue. If it is assumed that thereafter borrowing were to continue at the same or a somewhat higher rate, the ratio of debt service charges to Government revenue would increase further to almost 17% by 1968. Quite apart from the question of whether this money will be forthcoming, such a rapid rate of increase in the burden of public debt could not be supported for long. Thus, it appears that it is not only the availability of loan funds to British Guiana but also the fiscal burden of debt service which sets a limit on the total of loans to be raised within the country and abroad. This points to the need for scrutinizing the program very carefully to see what cuts in capital expenditure can be made, and at the same time making every effort to finance development to the greatest possible extent by means other than borrowing.

#### Public Debt (Tables 33-34)

52. At the end of June 1958 the Government and Government-guaranteed long-term debt was \$51 million, of which over \$43 million was owed abroad, mostly on sterling bonds issued in London. The latest issue of \$3.5 million was a 5% - 30-year bond floated in London in 1956. At the end of January 1959 the bond was quoted at 86. The domestic debt consists mostly of public issues denominated in B.W.I. dollars and held by various pension funds, trust funds and similar institutions. It totals \$7.9 million. As indicated earlier, the British Guiana Government authorities intend to convert a substantial amount of short-term debt contracted with the Joint Colonial Fund and the Civil Contingency Fund into two long-term loans. One, of \$5.5 million, is to be obtained from the U.K. Exchequer; the other of \$7.2 million, is to be raised locally.

53. The service on the long-term public debt consisting of interest and sinking fund contributions amounted in 1958 to \$3 million. As a result of the borrowing in 1959 it is expected to rise to \$3.7 million in 1959 and to remain above \$3 million until 1968. The service on the foreign debt alone amounts to \$2.5 million in 1958, to \$3.2 million from 1959 through 1963, and \$2.5 million for the following five years. The debt service increases to over \$6 million in 1968 because a sterling bond issue falls due in that year.

54. The debt service on the foreign debt at present outstanding and to be incurred in 1959 represents 3% or less of current foreign exchange receipts in 1960. However, if the British Guiana authorities were to succeed in raising all that they intend to borrow in the period 1960 to 1964 and if most of the loans were contracted abroad, the proportion of debt service to total foreign exchange earnings would rise considerably, in spite of the likelihood of a rather rapid growth in export proceeds. Assuming a gross rate of borrowing of \$16 million per year between 1960 and 1964 and a net annual increase in borrowing of the same amount in the next five-year period, the ratio of the service on the foreign debt to total foreign exchange earnings (corrected for the import content of additional exports) could increase to 5% in 1963 and to 7% in 1968.

PROJECTIONS FOR 1963 AND 1968

1. The rather detailed projections of the gross national product and of government revenue and expenditure for 1963 are a by-product of the development expenditure plans for the five-year period 1960-1964 prepared by the office of the Financial Secretary. They appear to reflect accurately the prospects of the Guianese economy in the next five years, and are consistent with the export projections prepared by the mission. They have been extended to 1968 on the basis of the assumption that the growth trends of the next five years (1959-1963) will continue during another five years for all components of the gross domestic product except those for which information to the contrary is on hand.

2. Since about 40% of the gross domestic product is derived from production for export, the most convenient point of departure for projections of the domestic product are the forecasts regarding the major export commodities. The estimates for these shown in Table 25 are consistent with those given in Tables 29 through 32.

3. Sugar. In the past, sugar accounted for as much as one-half of total merchandise exports. Indications are that the relative importance of sugar will decline and that the record sugar earnings of 1957 will not be reached again for a long time, unless prices increase substantially. There are three categories of sugar exports. One hundred and fifty-three thousand tons make up the quota of U.K. sugar imports from British Guiana that is sold at a negotiated price which varies from year to year and has fluctuated around the equivalent of 5.3 U.S. cents per pound over the last few years; this price is approximately 2 U.S. cents above the world market price. Since the spread of 2 U.S. cents per pound between the free world market price and the negotiated price has in recent years become established as normal and since 3.3 U.S. cents per pound appears to be more or less the long-run free price for sugar, it has been assumed that the 1958 price will continue. Thus, with a quota of 153,000 tons per year, annual export proceeds will remain at \$31.5 million.

4. The second category of sugar exports consists of the remainder of the British Guiana quota of 225,000 tons imported into the United Kingdom at the world market price and a premium equivalent to the difference between the preferential duty and the duty applicable to countries outside the Commonwealth. It has been assumed that these exports also will remain at a volume of 72,000 tons and a price equivalent to 3.3 U.S. cents per pound. The third category of sugar exports consists of the tonnage exported at the world market price which in 1957 was substantially in excess of 5 U.S. cents per pound but which is expected to fluctuate around 3.3 U.S. cents in the future. Since the sugar industry of British Guiana does not expect a change in the U.K. quota, except for an occasional supplementary allocation, and since it claims that an increase in production at the world market price would be unprofitable, it has no intention of expanding production. It has therefore been assumed that sugar exports will grow at an annual rate of 1% to allow for a gradual increase in productivity primarily in the form of an increase in the sugar content of the cane, with production growing at a

slightly higher rate to take care of the growth in domestic consumption. Domestic consumption at present amounts to about 18,000 tons per year. It is expected to grow pari passu with the population, i.e., at an annual rate of 3%.

5. Rum and molasses have in recent years accounted for exports valued in excess of \$6 million. It has been assumed that they will increase at an annual rate of 2%.

6. Rice. Rice exports are expected to increase threefold between 1957 and 1968. This forecast is based on two factors. One is the expected increase of acreage under rice cultivation, together with a decline in the variations of the yield of rice land due to droughts and floods. The increase in acreage under rice is based on the assumption, amply justified by the experience of recent years, that a very large proportion of the agricultural land made available as the result of the drainage and irrigation schemes now in process of completion will be put under rice, and that the schemes will also stabilize the production in areas now under rice cultivation. The forecast for 1968 is based on the assumption that in the next five-year plan (1960-1964) another 50,000 acres of land suitable for rice cultivation will be drained and irrigated. This assumption is in line with the public development program.

7. The export of rice is under the control of the Rice Marketing Board which was created as a wartime emergency measure and has continued to function ever since. It supplies rice to the British territories in the Caribbean under government-to-government contracts which are periodically renegotiated. At present, the firm purchase commitments of the British territories in the Caribbean are 60,000 tons per year, but until the current crop year which began October 1, 1958, British Guiana had never been able to meet the import requirements. The export projections of 85,000 tons by 1963 and 115,000 by 1968 imply that the import demand of the Caribbean area will gradually increase and that in addition British Guiana can gain access to new markets in the same area.

8. The officials of the Rice Marketing Board are convinced that these assumptions are justified. They are of the opinion that because of the quality preference and lower transport costs, the present export price of \$19.20 per bag of 180 pounds of the standard grade (parboiled, 25% broken) is competitive with rice from Far Eastern sources and from the United States, although the Guianese price is substantially higher than the same quality of Thai rice (£49.16.0 per ton, against approximately £43.0.0 per ton f.o.b. Bangkok). As to the possibility of gaining access to new markets, the Guianese experts are of the opinion that with the improvement in rice milling now under way, a shift from parboiled to white rice - the latter being in demand in non-British countries in the Caribbean - can be accomplished without great difficulty. These expectations appear justified, by and large, although the officials of the Marketing Board may be under-estimating the transitional difficulties likely to be encountered with the introduction of Guianese rice in new markets or, conversely, the production of new types of rice in British Guiana.

9. Minerals. Exports of minerals are expected to account for the largest part of the increase in export earnings of British Guiana in the next ten years. This forecast is based on the facts previously mentioned, that the Demerara Bauxite Company is engaged at present in the construction of an alumina plant, that a subsidiary of Union Carbide, the Northwest Guiana Mining Company, will start in 1959 the exploitation of manganese ore deposits, and that Reynolds Metals is expected to expand its bauxite mining operations.

10. Between 1951 and 1957 the volume of bauxite exports has been fairly steady, averaging 2.1 million tons annually. The value of the exports increased, however, because a growing proportion of bauxite - about 15% in 1957 - had been calcined for use as refractory or abrasive material. In 1958 production and export of metal grade bauxite declined sharply because of the fall in aluminum production. Exports of calcined bauxite (which commands a price three to four times that of metal grade) also declined because of a declining world demand.

11. The projections shown in Table 32 indicate that exports of metal grade bauxite are not expected to expand to the 1957 level within the next ten years, because alumina will in part take the place of bauxite exports. One ton of alumina has a metal content approximately equal to two tons of dried bauxite.

12. The projections are based on the assumption that the capacity of the alumina plant now under construction will not be expanded in the next ten years. However, if, as appears not unlikely, alumina production does expand in the sixties, the value of mineral exports is likely to exceed the 100 million ton mark by a substantial margin. Because of the large import requirements of fuel and chemical materials, particularly for production of alumina and calcined bauxite, the gross export figures, as shown in Table 31, have been adjusted to take account of these additional imports. In the estimates of the value of mineral exports it has been assumed that present prices will prevail in 1963 and 1968. The unit values shown in those years for metal grade and calcined bauxite are somewhat higher than those for 1958, because it is expected that better processing will improve quality.

13. Other Exports. Exports of sugar, rice, bauxite and manganese account for well over 90% of present and expected exports. The basis for the projection of other exports is shown in Table 29.

14. Gross Domestic Products. The assumptions underlying the projections of the components of the gross national product other than those covered in the balance of payments are shown in Table 25. They are based on the growth experience of these items in recent years, and on their structural relationship with exports and imports. The projections of the items "Distribution, Transport and Commerce" and "Finance Insurance and Other Services" take account of the fact that the demand for these services is likely to grow with the national, rather than with the domestic, product.

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TABLE 1

Mid-year Population Estimates, 1954-57

<u>Year</u>	<u>Thousands</u>	<u>% Increase</u>
1939	339	-
1940	344	1.5
1941	351	2.0
1942	358	2.0
1943	363	1.4
1944	366	0.8
1945	370	1.1
1946	377	1.9
1947	386	2.4
1948	397	2.8
1949	408	2.8
1950	420	2.9
1951	431	2.6
1952	444	3.0
1953	460	3.6
1954	472	2.6
1955	485	2.8
1956	500	3.1
1957	516	3.2

Source: U.N. Statistical Bulletin.

TABLE 2

Racial Composition of Population - End of 1956

East Indians	47%
Africans	35%
Mixed	11%
Amerindians	4%
Europeans	2%
Chinese	1%

Source: Report on British Guiana, 1957.

TABLE 3

Birth and Death Rates, 1940 - 1957

	<u>Births</u> (per 1,000 population)	<u>Deaths</u>	<u>Difference</u>
1940-45 average	35.1	19.7	15.4
1946-51	40.3	14.6	25.7
1955	43.2	11.9	31.2
1956	43.2	11.2	32.0
1957	41.7	10.9	30.8

Source: 1940-1951: Report of Survey Mission  
1955-1957: Report on British Guiana, 1957

TABLE 4

Gross Domestic and Gross National Products, 1948-1957  
(\$ million)

	<u>1948</u>	<u>1949</u>	<u>1950</u>	<u>1951</u>	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>
Private Consumption	87.3	96.4	108.1	120.2	130.0	136.1	143.7	146.2	158.5	162.2
Government Consumption	13.4	14.8	16.2	17.6	21.3	21.8	22.2	26.0	28.4	31.4
Gross Domestic Fixed Investment	21.9	25.2	27.4	30.1	25.9	26.9	36.1	45.5	48.0	64.3
Changes - Stocks	73.9	-1.6	-1.5	74.6	7.6	-2.4	72.3	7.5	7.1	-.5
Exports of Goods and Services	40.7	50.3	55.1	63.6	84.0	85.5	87.9	93.1	98.2	111.0
Expenditure on GDP & Imports	167.2	185.1	205.3	236.1	261.8	267.9	292.2	311.3	333.2	368.4
<u>Less: imports of goods and services</u>	-51.5	-56.2	-61.0	-73.9	-83.5	-72.8	-80.9	-95.4	-100.9	-120.3
Expenditure on GDP	115.7	128.9	144.3	162.2	178.3	195.0	211.3	215.9	232.2	248.1
<u>Less: factor income payments to rest of world</u>	-2.2	-4.9	-6.9	-6.5	-7.5	-10.3	-9.9	-9.4	-11.1	-15.3
<u>Less: depreciation allowance for foreign-owned assets</u>	-3.5	-3.6	-3.7	-3.9	-5.0	-4.4	-5.0	-5.3	-5.3	-5.4
Gross National Product GDP and GNP deflator (1957 = 100) <u>1/</u>	110.0	120.4	133.7	151.8	165.8	180.4	196.4	201.2	215.9	227.5
GNP at 1957 prices	149.9	163.1	167.1	173.3	172.3	186.7	205.2	205.5	217.6	227.5
GDP at 1957 prices	157.6	174.7	180.4	185.2	185.3	201.9	220.8	220.5	234.1	248.1
Rate of Growth of GDP (%)	-	710.9	73.3	72.7	70.1	79.0	79.4	-0.1	76.2	76.0

1/ Including changes in terms of trade.

Source: Basic data: 1948-52, D.A. Percival and W.P. O'Andrade, The National Economic Accounts of British Guiana, 1953-56, Dr. C. O'Laughlin: Study of British Guiana National Accounts (to be published); 1957: Government Statistician; Deflation: Government Statistician and mission estimate.

TABLE 5

Composition of Gross Domestic Product, 1948-57  
(Per cent of GDP)

	<u>1948</u>	<u>1949</u>	<u>1950</u>	<u>1951</u>	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>
Private Consumption	75.5	74.8	74.9	74.1	72.9	69.8	67.9	67.7	68.2	65.4
Government Consumption	11.6	11.5	11.2	10.8	11.9	11.2	10.5	12.0	12.2	12.7
Gross Domestic Fixed Investment	18.9	19.6	19.0	18.6	14.5	13.8	17.1	21.1	20.7	25.9
Changes in Stock	73.4	-1.2	-1.0	72.8	70.3	-1.2	71.1	70.2	..	-0.2
Current Account Balance	-9.3	-4.6	-4.1	-6.4	70.3	76.5	73.3	-1.1	-1.2	-3.8
Expenditure on Gross Domestic Product	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
(\$ million)	115.7	218.9	144.3	162.2	178.3	195.0	211.3	215.9	232.2	248.1

Source: 1948-52, D.A. Percival and W.P.O'Andrade, The National Economic Accounts of British Guiana, 1953-56, Dr. C. O'Laughlin: Study of British Guiana National Accounts (to be published); 1957: Government Statistician;

TABLE 6

Industrial Origin of Gross Domestic Product at Factor Cost  
1948 - 1957

	<u>1948</u>	<u>1949</u>	<u>1950</u>	<u>1951</u>	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>
Total Product (\$ million)	108.7	119.5	135.0	150.6	159.8	176.9	192.8	192.7	208.0	223.2
	(Per cent of Total)									
Agriculture, Forestry & Fisheries	24.5	23.3	24.2	26.0	32.4	30.0	28.2	26.7	25.3	24.6
Mining	8.2	9.6	9.6	10.3	8.6	11.3	12.7	9.9	11.3	10.9
Manufacture	17.6	17.4	17.0	14.8	14.7	15.2	12.4	13.5	11.2	12.4
Construction	6.9	8.3	8.4	8.1	6.2	6.2	8.4	9.6	10.3	12.1
Commerce & Finance	14.9	13.9	13.6	14.7	15.5	16.4	17.3	17.6	16.6	15.9
Transport & Communications	6.3	6.7	6.4	6.3	6.2	6.1	5.4	6.2	6.6	6.2
Rent of Dwellings	5.6	5.1	5.0	4.5	3.8	3.1	2.7	2.8	2.6	2.5
Government & Other Services	16.1	15.7	15.4	15.3	12.6	11.7	12.8	13.7	16.1	15.1

Source: 1948-57, D.A. Percival and W.P. O'Andrade, The National Economic Accounts of British Guiana, 1953-56, Dr. C. O'Laughlin: Study of British Guiana National Accounts (to be published); 1957: Government Statistician;

TABLE 7

Gross Capital Formation, 1948-1957

	<u>1948</u>	<u>1949</u>	<u>1950</u>	<u>1951</u>	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>
TOTAL (\$ million)	<u>25.8</u>	<u>23.6</u>	<u>25.9</u>	<u>34.7</u>	<u>26.5</u>	<u>24.5</u>	<u>38.4</u>	<u>46.0</u>	<u>48.1</u>	<u>64.3</u>
	(Per cent of Total)									
<u>I. Source of Funds</u>										
<u>Government</u>										
(1) Loans	-1.6	8.9	10.8	10.9	-	-	11.9	26.5	21.3	
(2) Grants	5.4	5.9	4.2	3.5	9.8	7.7	6.1	8.4	10.1	n.a.
(3) Savings	10.9	8.0	4.2	10.1	8.7	9.1	9.7	8.4	9.9	
<u>Foreign-Owned Companies</u>										
(4) Depreciation	13.6	15.3	14.3	11.2	18.9	17.9	13.1	11.6	10.9	) 54.9
(5) Reinvested Earnings and new capital	34.5	28.0	18.9	42.4	20.9	24.6	20.5	11.5	14.0	
<u>Local firms and households</u>										
(6) Depreciation	7.7	9.7	12.0	10.1	11.1	13.4	7.3	7.8	6.6	
(7) Savings	29.5	24.2	35.6	11.8	30.6	27.3	31.4	25.8	27.2	
Domestic Sources (3) + (6) + (7)	48.1	41.9	51.8	32.0	50.4	49.8	48.4	42.0	43.7	
Foreign Sources (1) + (2) + (4) + (5)	51.9	58.1	48.2	68.0	49.6	50.2	51.6	58.0	56.3	n.a.
<u>II. Use of Funds</u>										
Fixed Investment: Government	14.7	22.9	19.3	24.5	18.5	16.8	27.8	43.3	41.3	) 99.2
" " : Private	70.2	83.9	86.5	62.2	79.1	93.1	66.3	55.5	58.5	
Inventories	15.1	-6.8	-5.8	13.3	2.4	-9.9	5.9	1.2	.2	.8

Source: 1948-52, D.A. Percival and W.P. O'Andrade, The National Economic Accounts of B.G., 1953-56, Dr. C. O'Laughlin: Study of B.G. National Accounts; 1957: Government Statistician.

TABLE 8

Price Indices, 1948-57

1957 = 100

	<u>1948</u>	<u>1949</u>	<u>1950</u>	<u>1951</u>	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>
Consumer Prices	67	70	76	82	91	91	94	97	99	100
Deflator for Private Consumption	74	76	82	88	96	95	97	98	99	100
Deflator for Investment	66	63	69	75	81	84	85	98	98	100
Export Prices	51	56	65	69	83	86	85	83	89	100
Import Prices	81	79	86	101	109	103	98	97	100	100
Terms of Trade	63	71	76	69	76	80	87	86	89	100
Deflator for GDP and GNP										
(a) excluding changes in terms of trade	65	67	74	79	88	91	92	93	96	100
(b) including changes in terms of trade	73	74	80	88	96	97	96	98	99	100

Source: Government Statistician; for deflators.  
Government Statistician and Mission estimates.

TABLE 9

Agricultural Production

	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>
	<u>Acres under Cultivation (1,000)</u>					
Sugar Cane	82	79	87	79	77	86
Rice	134	113	156	153	118	137
Coconut	32	32	32	32	32	32
Ground provisions	21	21	22	22	23	23
Coffee	4	5	5	5	5	5
Fruit, including citrus	8	8	8	9	9	9
	<u>Production</u>					
Sugar Cane (1,000 tons)	2652	2740	2654	2695	2820	3090
Rice - Paddy (1,000 tons)	111.1	126.7	133.1	144.6	127.4	130.5
Cocanut (million nuts)	74	73	77	77	74	74
Ground Provisions (mill. lbs.)	60	60	55	65	74	67
Coffee (1,000 lbs.)	756	1200	1300	1300	1350	1400
Fruit, including citrus (1,000 lbs.)	13548	n.a.	n.a.	13071	13317	13604
	<u>Livestock (1,000 head)</u>					
Cattle	174	170	167	172	172	n.a.
Swine	25	22	22	37	n.a.	n.a.
Sheep and goats	55	50	49	49	n.a.	n.a.

Source: Government Statistician

TABLE 10

Production of Minerals, 1948 - 1957

<u>Year</u>	<u>Bauxite</u>		<u>Diamonds</u>		<u>Gold</u>	
	<u>Amount</u> (000 tons)	<u>Value</u> (000 \$)	<u>Amount</u> (000 Metric carats)	<u>Value</u> (000 \$)	<u>Amount</u> (000 oz.)	<u>Value</u> (000 \$)
1948	1,879	9,601	36.6	1,390	20.6	761
1949	1,763	12,022	34.8	1,172	21.1	884
1950	1,594	13,825	37.5	1,345	13.8	691
1951	2,105	16,417	43.3	1,798	14.7	805
1952	2,286	22,240	38.3	1,490	24.2	1,300
1953	2,275	22,227	35.3	1,360	21.0	1,238
1954	2,310	23,240	30.1	1,186	26.9	1,456
1955	2,435	25,471	33.3	1,349	23.8	1,404
1956	2,481	33,130	29.8	1,288	15.8	958
1957	2,202	31,559	29.0	1,390	16.5	990

Source: Government Statistician.

TABLE 11

Money Supply, 1950-57  
(£ '000)

<u>End of:</u>	<u>British Caribbean Currency Board Notes &amp; Coins</u>	<u>British Guiana Government Notes</u>	<u>Bank Notes</u>	<u>Demand Deposits</u>	<u>Total</u>
1950	-	9,431	744	9,696	19,871
1951	8,676	2,666	245	14,150	25,737
1952	10,559	810	121	13,482	24,972
1953	12,719	607	88	16,225	29,639
1954	14,742	468	67	16,424	31,701
1955	16,473	310	48	16,215	33,046
1956	18,258	281	43	14,616	33,198
1957	20,347	266	41	15,469	36,123

Source: Official Gazette.

TABLE 12

Banking Statistics

(\$ million)

	<u>LIABILITIES</u>			<u>Cash</u>	<u>ASSETS</u>	
	<u>Deposits</u>	<u>Deposits</u>	<u>Time &amp; Savings</u>		<u>Deposits Abroad Net 1/</u>	<u>Loans &amp; Advances</u>
End of:	<u>Total</u>	<u>Demand</u>	<u>Savings</u>			
1950	16.9	9.7	6.9	2.4	8.3	6.0
1951	21.1	14.1	7.0	3.0	10.0	7.0
1952	22.0	13.5	8.5	3.1	11.1	6.5
1953	28.8	16.2	12.6	3.0	13.9	9.2
1954	29.5	16.4	13.1	3.6	13.4	11.0
1955	29.7	16.2	13.5	4.0	8.5	12.8
1956	30.5	14.6	15.9	5.0	10.0	14.0
1957	33.7	15.5	18.2	5.5	8.1	15.7
Sept. 30 1958	33.8	13.2	20.6	3.4	6.1	22.2

1/ Amounts due from banks abroad, minus amounts due to banks abroad.

Source: Official Gazette

TABLE 13

International Reserves, 1952-57

(\$ million; valued at market prices, Dec. 31)

	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>
Currency Board <u>1/</u>	10.6	12.7	14.7	16.4	18.3	20.3
Post Office Savings Bank	14.0	15.7	16.5	15.9	14.6	14.0
Government Funds excluding sinking funds	.6	.6	.6	.4	.3	.3
Sugar Funds <u>2/</u>	7.7	9.2	10.8	10.8	10.9	12.1
Net Foreign Balances of financial institutions	<u>11.1</u>	<u>13.9</u>	<u>13.4</u>	<u>8.5</u>	<u>10.0</u>	<u>8.1</u>
Total <u>3/</u>	44.0	42.1	46.0	52.0	54.1	54.8

1/ Value of £ sterling investment assumed to be identical with amount of currency in circulation.

2/ Welfare, rehabilitation, pension, and other funds of sugar industry.

3/ Incomplete, not including foreign assets of other public and private funds, insurance companies, etc.

Source: Government Statistician.

TABLE 14

Monetary Savings  
(\$ million)

End of:	Total	Commercial Banks		Post Office	New Building Society		Increase
		Time Deposits	Savings Deposits	Savings Deposits	Shares	Deposits	
1950	n.a.	0.1	6.7	13.8	n.a.	n.a.	-
1951	22.4	0.1	6.9	14.2	1.0	0.2	-
1952	25.4	0.6	7.9	15.6	1.1	0.2	3.0
1953	29.6	1.9	10.7	15.4	1.4	0.2	4.2
1954	32.5	1.5	11.7	17.2	1.7	0.4	2.9
1955	34.9	0.5	13.0	18.7	2.2	0.5	2.4
1956	38.1	1.2	14.7	18.6	3.0	0.6	3.2
1957	41.7	0.8	17.4	19.0	3.9	0.6	3.6

Source: Official Gazette and Government Statistician.

TABLE 15

British Guiana Credit Corporation  
Condensed Balance Sheet  
1955 - 1958

	Years ending June 30:			
	<u>1955</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>
		(\$ thousand)		
<u>LIABILITIES</u>				
1. Treasury Advances:				
A. To Corporation for general purposes	3,528	7,016	8,781	9,434
B. To Corporation for loans to co-ops and farmers on Govt. recommendation	364	545	537	566
C. To Co-operative Credit Banks taken over by Corporation	1,021	1,021	1,021	1,021
D. Other advances taken over minus repayments to Treasury	298	245	53	39
2. Interest Accrued on A - D	65	126	149	163
3. Advances from British Guiana Rice Marketing Board	-	-	-	147
4. Sundry Creditors	53	63	61	53
5. Share of Co-op. Banks outstanding, etc.	<u>96</u>	<u>90</u>	<u>88</u>	<u>86</u>
Total Liabilities	<u>5,426</u>	<u>9,106</u>	<u>10,691</u>	<u>11,510</u>
<u>ASSETS</u>				
1. Cash	96	63	107	319
2. Loans Outstanding:				
A. On Corporation Account	4,062	7,792	9,447	9,956
B. Taken over from Co-op. Bank	697	421	277	188
C. On Government Account	364	545	537	566
D. On account of Rice Marketing Board	-	-	-	147
3. Sundry Debtors	8	7	6	7
4. Investment	14	14	14	14
5. Fixed Assets	57	84	114	117
6. Losses	<u>128</u>	<u>180</u>	<u>188</u>	<u>196</u>
Total Assets	<u>5,426</u>	<u>9,106</u>	<u>10,691</u>	<u>11,510</u>

TABLE 16

Domestic Exports, 1948 - 1957  
(\$ million)

	<u>Sugar</u>	<u>Rum</u>	<u>Molasses</u>	<u>Rice</u>	<u>Bauxite</u>	<u>Gold</u>	<u>Diamonds</u>	<u>Timber</u>	<u>Others</u>	<u>TOTAL</u>
1948	16.5	3.6	.3	2.1	9.5	1.9	1.1	1.6	36.6	
1949	21.1	4.8	.4	3.1	12.0	1.8	1.0	1.7	45.9	
1950	23.1	3.6	.6	4.0	13.8	1.9	1.2	1.9	50.1	
1951	27.3	2.9	1.0	4.4	16.4	2.2	1.8	2.2	58.2	
1952	41.9	1.9	1.8	6.3	22.2	2.4	2.0	2.3	80.8	
1953	38.3	1.9	1.1	9.5	23.5	2.0	2.5	2.7	81.5	
1954	41.4	2.3	1.0	9.3	23.2	2.1	2.1	2.7	84.1	
1955	40.3	3.1	.8	12.5	24.8	2.1	2.8	2.6	89.0	
1956	41.6	3.8	1.0	9.9	29.3	1.7	3.0	3.0	93.3	
1957	53.6	4.0	2.2	9.2	29.5	1.9	3.2	3.4	107.0	

(in thousands of: )

	<u>Tons</u>	<u>Pf.</u> <u>Glns.</u>	<u>Glns.</u>	<u>Tons</u>	<u>Tons</u>	<u>Oz.</u>	<u>M.</u> <u>Carats</u>	<u>C.ft.</u>
1948	136.7	3212.7	1734.1	17.6	1873.2	16.0	34.9	671.6
1949	173.8	3684.5	4101.9	26.1	1757.7	16.3	35.1	604.3
1950	173.3	2657.0	5870.9	29.1	1583.4	11.4	38.0	637.1
1951	180.3	2040.8	5512.3	30.1	2002.7	10.0	40.7	947.3
1952	234.2	1085.6	10791.0	27.7	2286.0	16.3	39.2	941.8
1953	211.8	1161.2	9382.5	39.4	2112.1	12.4	35.5	1033.1
1954	243.9	1594.3	9211.9	36.7	2125.5	17.0	30.4	935.9
1955	242.5	2160.2	6844.0	53.3	2169.2	14.0	33.2	1275.0
1956	245.9	2616.4	6209.2	41.3	2107.6	6.6	30.9	1288.4
1957	255.5	2815.6	9233.6	38.2	2021.2	8.3	28.4	1425.8

TABLE 17

Major Imports, C.I.F. 1948 - 1957  
(\$ million)

	<u>1948</u>	<u>1949</u>	<u>1950</u>	<u>1951</u>	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>
<u>Food</u>	11.0	10.8	13.6	14.1	16.8	16.0	18.1	19.7	20.6	21.6
Milk & Cream	1.0	0.9	1.5	1.6	1.7	1.7	1.9	2.6	2.9	3.3
Wheat Flour	4.0	3.1	4.0	3.6	4.7	4.5	4.7	4.2	4.0	4.5
<u>Beverages &amp; Tobacco</u>	.8	1.1	1.3	1.5	1.9	1.9	2.1	2.3	2.1	2.2
<u>Crude Materials exc. Fuels</u>	n.a.	n.a.	n.a.	n.a.	n.a.	.6	.6	.6	.6	1.0
<u>Mineral Fuels, Lubricants &amp; Related Materials</u>	3.4	2.7	4.4	4.9	5.7	6.0	6.5	7.6	8.4	9.4
Gasoline & Fuel Oils	2.8	2.2	3.6	4.0	4.6	5.1	5.6	6.7	7.5	8.2
<u>Animal &amp; Vegetable Oils &amp; Fats</u>	.5	.1	.2	.2	.5	.8	.6	.5	.7	1.2
<u>Chemicals</u>	n.a.	n.a.	n.a.	n.a.	n.a.	4.8	6.0	7.3	8.3	9.0
Fertilizers	1.1	1.5	1.1	2.6	1.7	1.2	1.7	2.1	2.9	2.5
<u>Manufactured Goods</u>	n.a.	n.a.	n.a.	n.a.	n.a.	17.0	19.6	25.5	25.6	32.9
Fabrics	4.1	5.2	5.7	6.3	6.8	5.9	6.7	6.5	6.2	6.8
Cement	0.4	0.4	0.5	0.6	0.6	.5	.8	1.0	1.3	1.7
Iron & Steel						1.2	1.8	3.2	2.9	6.3
<u>Machinery &amp; Transport Equipment</u>	7.5	7.5	6.9	8.2	14.9	17.3	17.8	20.7	23.0	28.2
Tractors	n.a.	n.a.	n.a.	n.a.	n.a.	1.8	1.8	1.9	2.3	3.2
Mining, Industrial Machinery	n.a.	n.a.	n.a.	n.a.	n.a.	7.1	6.8	5.3	7.7	9.8
Motor Vehicles	n.a.	n.a.	n.a.	n.a.	n.a.	2.3	2.3	3.6	3.5	4.4
<u>Miscellaneous manufactures</u>	n.a.	n.a.	n.a.	n.a.	n.a.	7.5	8.5	10.3	10.5	12.9
Footwear	1.3	1.2	1.5	1.7	1.6	2.0	2.1	2.4	2.4	2.7
<u>Miscellaneous</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>n.a.</u>	<u>.3</u>	<u>.4</u>	<u>.4</u>	<u>.4</u>	<u>.5</u>
TOTAL	47.4	49.8	55.1	66.9	82.7	72.2	80.2	94.8	100.2	118.9

Source: Government Statistician

TABLE 18

Domestic Exports by Destination, 1948-57  
(\$ million)

	<u>1948</u>	<u>1949</u>	<u>1950</u>	<u>1951</u>	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>
TOTAL	36.6	45.9	50.2	58.1	80.2	81.5	84.1	89.0	93.3	107.0
Dollar Area Total	18.6	24.8	29.6	32.8	42.8	36.5	40.1	40.1	48.1	47.8
U.S.A.	1.8	2.3	2.6	3.6	5.5	6.5	6.9	7.9	10.3	7.8
Canada	16.8	22.5	27.0	29.2	37.3	30.0	33.2	32.2	37.7	40.0
Sterling Area Total	17.4	20.5	29.9	24.4	36.6	43.5	42.3	46.1	42.0	55.2
U.K.	14.3	16.4	14.6	18.7	28.8	32.3	31.2	32.1	30.0	43.0
Caribbean	3.1	4.1	5.3	5.7	7.8	11.2	11.1	14.0	11.9	12.2
Europe	.2	.3	.5	.4	.7	.9	1.3	1.6	2.5	2.1
O.E.E.C. countries	.2	.3	.5	.4	.7	.9	1.3	1.6	2.5	2.0
Other Total	.1	.2	.1	.3	.1	.7	.3	.5	.8	1.8
Surinam	-	-	.1	-	.1	.2	.1	.1	.2	.2

Source: Government Statistician.

TABLE 19

Origin of Imports  
C. I. F.  
1948 - 1957  
(\$ million)

	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957
TOTAL	<u>47.4</u>	<u>49.8</u>	<u>55.1</u>	<u>66.9</u>	<u>82.7</u>	<u>72.2</u>	<u>80.2</u>	<u>94.8</u>	<u>100.2</u>	<u>118.9</u>
Dollar Area Total	<u>21.5</u>	<u>15.4</u>	<u>14.5</u>	<u>18.4</u>	<u>26.1</u>	<u>18.4</u>	<u>19.1</u>	<u>18.1</u>	<u>21.5</u>	<u>31.2</u>
U. S. A.	9.7	7.3	6.9	8.9	13.3	8.3	10.9	12.2	12.9	21.0
Canada	11.3	7.8	7.4	9.5	12.8	10.1	8.2	5.9	8.6	10.2
Other Dollar Area	.5	.3	.2	-	-	-	-	-	-	-
Sterling Area Total	<u>23.4</u>	<u>30.9</u>	<u>35.2</u>	<u>39.2</u>	<u>48.5</u>	<u>47.4</u>	<u>50.9</u>	<u>62.5</u>	<u>61.5</u>	<u>70.4</u>
U. K.	17.1	23.9	25.8	28.9	34.3	35.2	37.7	45.2	44.7	52.4
Caribbean	2.8	2.3	4.1	5.0	6.3	7.2	7.9	9.8	10.8	11.8
Other Sterling Area	3.5	4.7	5.3	5.3	7.9	5.0	5.3	7.5	6.0	6.2
Europe Total	<u>1.5</u>	<u>3.0</u>	<u>4.1</u>	<u>7.2</u>	<u>6.5</u>	<u>5.8</u>	<u>8.3</u>	<u>11.8</u>	<u>14.8</u>	<u>14.5</u>
O.E.E.C. Countries	1.4	2.6	3.4	6.4	5.6	4.8	7.1	10.1	12.3	11.9
Other European	.1	.4	.7	.8	.9	1.0	1.2	1.7	2.5	2.6
Other Total	<u>1.0</u>	<u>.5</u>	<u>1.3</u>	<u>2.1</u>	<u>1.6</u>	<u>.6</u>	<u>1.9</u>	<u>2.4</u>	<u>2.4</u>	<u>2.8</u>
Surinam	-	.1	-	.1	.1	.1	.1	.1	.2	.3

Source: Government Statistician.

TABLE 20  
BALANCE OF PAYMENTS, 1948 - 1957  
(\$ Million)

	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957
<b>I. CURRENT ACCOUNT</b>										
<b>A. Receipts: Total</b>	<u>49.9</u>	<u>51.5</u>	<u>56.6</u>	<u>65.1</u>	<u>85.4</u>	<u>87.0</u>	<u>89.4</u>	<u>96.0</u>	<u>100.0</u>	<u>113.8</u>
Merchandise exports, including preference pay- ment, excluding ships stores & aircraft fuel	37.8	47.0	51.8	59.6	82.4	83.9	86.3	91.5	95.7	109.1
Service Receipts	2.8	3.1	3.3	3.9	1.5	1.4	1.4	1.4	1.9	1.9
Investment Income: Private	0.4	0.4	0.5	0.6	.3	.3	.4	.4	.4	.4
Government & P.O.S.B.	0.8	0.9	0.9	0.9	.7	.8	.7	.8	1.0	1.2
Other: B.G. expenditures of U.K. forces	-	-	-	-	.2	.2	.2	.2	.3	.3
Remittances received	0.1	0.1	0.1	0.1	.4	.4	.4	1.7 a/	.7	.9
<b>B. Expenditure: Total</b>	<u>54.8</u>	<u>62.2</u>	<u>69.3</u>	<u>81.8</u>	<u>94.3</u>	<u>86.5</u>	<u>94.3</u>	<u>111.6</u>	<u>116.4</u>	<u>145.5</u>
Merchandise Imports, c.i.f.	<u>48.1</u>	<u>51.7</u>	<u>56.5</u>	<u>68.4</u>	<u>82.6</u>	<u>72.0</u>	<u>80.0</u>	<u>94.5</u>	<u>99.9</u>	<u>118.5</u>
Service Payments	2.7	3.5	3.7	4.5	.9	1.8	1.9	2.0	2.0	1.8
Investment Income: Profits of foreign-owned subsidiaries & branches	2.6	5.3	7.7	7.4	8.6	10.5	9.9	9.5	11.5	17.5
Interest on Public Debt	0.8	0.9	0.6	0.6	.9	.9	1.1	1.1	1.0	1.3
Remittances, Govt. contributions, pensions	0.6	0.8	0.8	0.9	1.2	1.4	1.4	4.4	2.1	2.4
<u>Current Account Balance (A-B)</u>	<u>-12.9</u>	<u>-10.7</u>	<u>-12.7</u>	<u>-16.7</u>	<u>-8.8</u>	<u>7.5</u>	<u>-4.9</u>	<u>-15.5</u>	<u>-16.4</u>	<u>-27.7</u>
<b>II. CAPITAL ACCOUNT</b>										
<b>C. Long-term Capital &amp; Grant Inflow: Total</b>	<u>14.8</u>	<u>11.7</u>	<u>9.8</u>	<u>30.3</u>	<u>13.1</u>	<u>12.3</u>	<u>18.5</u>	<u>14.5</u>	<u>24.0</u>	n.a.
Direct foreign investment in subsidiaries and branches	12.4	10.2	8.6	18.6	10.5	10.4	12.9	10.6	12.0	35.3
Government Loans	0.2	0.1	0.1	10.5	-	-	3.2	-	7.2	)
C.D. & W. Grants b/	2.2	1.4	1.1	1.2	2.6	1.9	2.4	3.9	4.8	)
<b>D. Capital Outflow, long-term, private</b>	<u>.2</u>	-	-	-	<u>.1</u>	<u>.1</u>	<u>.2</u>	<u>.5</u>	<u>.3</u>	) n.a.
<b>E. Balancing Items: Total</b>	<u>-1.7</u>	<u>-1.0</u>	<u>72.9</u>	<u>-13.6</u>	<u>-4.2</u>	<u>-12.8</u>	<u>-13.4</u>	<u>71.5</u>	<u>-7.3</u>	)
Changes-Govt.P.O.S.B. Securities holding(- inc.) <sup>c/</sup>	-4.5	71.2	71.5	-10.2	-3.3	-6.1	-1.6	7.8	7.2	)
Changes in Govt. holding short-term assets (-inc.)					72.8	71.6	7.6	73.2	-1.1	)
Changes in B.G. balances of foreign banks (- dec.)					-1.2			71.3	-1.3	)
Changes in overseas balances of B.G. banks (- inc.)	70.2	71.8	-0.2	-1.7	-9	71.5	72.3	73.6	-2	)
Errors and Omissions	72.6	-4.0	71.6	-1.7	-1.6	-9.7	-14.7	-7.4	-5.9	)
<u>Capital Account Balance (C, D &amp; E)</u>	<u>712.9</u>	<u>710.7</u>	<u>712.7</u>	<u>716.7</u>	<u>78.8</u>	<u>-5</u>	<u>74.9</u>	<u>715.5</u>	<u>716.4</u>	

a/ Incl. \$1.2 million transfer from U.K. to B.G. Government.

b/ Also includes small amounts of M.S.A. grants.

c/ Incl. payments to sinking funds.

n.a. not available

TABLE 21

Total Government Receipts and Expenditures, 1954-58  
(\$ Million)

	Actuals				Revised Estimates	TOTAL
	1954	1955	1956	1957	1958	1954 - 58
Recurrent Expenditure	33.4	40.0	10.2	43.1	47.0	203.7
Development Expenditure	8.5	17.5	20.6	18.3	19.0	83.9
<u>TOTAL</u>	<u>41.9</u>	<u>57.5</u>	<u>60.8</u>	<u>61.4</u>	<u>66.0</u>	<u>287.6</u>
Recurrent Revenue	36.2	42.5	41.9	45.8	48.0	214.4
(Excess of Recurrent Revenue over Recurrent Expenditure)	(2.8)	(2.5)	(1.7)	(2.7)	(1.0)	(10.7)
Loans - Foreign	4.3	11.0	7.4	7.4	15.2	45.3
Domestic	-	-	2.8	-	-	2.8
C.D. & W. Grants	3.2	3.9	6.1	5.8	2.8	22.0
<u>TOTAL RECEIPTS</u>	<u>43.7</u>	<u>57.4</u>	<u>58.2</u>	<u>59.0</u>	<u>66.0</u>	<u>284.3</u>
Change in Treasury Balances ( - increase)	- 1.8	∕ .1	∕2.6	∕2.4	-	∕3.3

TABLE 22

Government Revenue:- 1938, 1948, 1954 - 1959  
(\$ Million)

	Actuals						Revised Estimate	Preliminary Estimate
	1938	1948	1954	1955	1956	1957	1958	1959
Import Duty	2.9	7.1	12.0	14.5	14.8	16.0	15.7	17.0
Income Tax	.5	4.9	12.3	12.1	13.0	15.9	18.2	14.5
Excise Duty	.6	2.1	3.7	4.1	4.2	4.4	4.8	5.0
Other Tax Revenue	1.0	2.8	3.0	5.1	3.4	2.9	2.6	2.5
<u>Total Tax Revenue</u>	<u>5.0</u>	<u>16.9</u>	<u>31.0</u>	<u>35.8</u>	<u>35.4</u>	<u>39.2</u>	<u>41.3</u>	<u>39.0</u>
Fees, Fines, etc.	.3	.7	1.1	1.1	1.3	1.2	1.2	1.2
Revenue from Property and Enterprise	.7	2.0	3.3	3.4	4.2	4.2	4.5	5.2
Repayment of Loans	-	.1	.5	.5	.6	.6	.5	.7
Other	.1	.9	.3	1.7	.4	.6	.5	.5
<u>Total Revenue</u>	<u>6.1</u>	<u>20.6</u>	<u>36.2</u>	<u>42.5</u>	<u>41.9</u>	<u>45.8</u>	<u>48.0</u>	<u>46.6</u>
Import Duty as % of Imports	28	15	15	15	15	14	14	n.a.
Import Tax as % of Taxable Income	6	22	24	24	24	n.a.	n.a.	n.a.
Total Tax Revenue as % of Net Domestic Product	14	16	17	19	18	n.a.	n.a.	n.a.

TABLE 23

Recurrent Government Expenditures, 1938, 1948, 1954-59  
(\$ Million)

	1938	1948	1954	1955	1956	1957	Revised Estimates 1958	Preliminary Estimates 1959
<b>Debt Service:</b>								
Interest	1.1	1.0	1.2	1.3	1.7	2.5	3.2	3.7
Amortization	.3	.3	.7	.7	.9	1.1	1.1	1.3
<b>Administration:</b>								
General	.5	1.3	2.3	3.1	3.2	3.4	3.6	3.6
Defense, law and order	.7	1.7	3.6	4.4	4.7	4.9	5.0	5.1
<b>Economic Development:</b>								
Natural Resources	.4	1.5	2.7	3.7	3.9	4.3	5.4	5.1
Transport & Communications	.7	2.5	4.3	5.4	5.2	5.3	5.7	5.7
Miscellaneous	.1	-	.1	.2	.2	.2	.2	.2
<b>Social Services:</b>								
Health	.6	2.0	3.9	4.6	4.9	5.5	5.8	5.9
Education	.5	1.8	4.0	5.0	6.1	6.0	6.5	6.7
Social Assistance	.1	.6	1.1	1.4	1.5	1.6	1.7	1.8
Housing	-	-	.1	.1	.1	.1	.1	.1
Other	-	2.1	1.2	.8	.3	.3	.3	.3
Subventions to Local Government	.1	.2	.4	.4	.5	.5	.5	.5
Loans from Public Funds	-	.3	.9	.1	.1	.2	.3	.2
<b>Miscellaneous:</b>								
Building maintenance, etc.	.5	1.2	2.2	2.9	2.4	2.3	3.1	2.6
Pensions & gratuities	.4	.7	1.2	1.5	2.0	1.9	1.9	1.9
Other	.2	2.2	3.5	4.4	2.5	2.9	2.6	2.2
<b>Total Expenditure</b>	<u>6.2</u>	<u>19.4</u>	<u>33.4</u>	<u>40.0</u>	<u>40.2</u>	<u>43.1</u>	<u>47.0</u>	<u>47.0</u>

TABLE 24

## Development Expenditure, 1954 - 1964

(\$ thousand)

<u>Expenditure</u>	IBRD Survey Mission Recommendations <sup>2/</sup>	<u>Actuals</u> <sup>1/</sup>	1959 Preliminary Estimate	1960 - 1964 Preliminary Proposals
<b>Agriculture:</b>				
Sea & River Defenses	2,500	2,945	650	6,125
Drainage & Irrigation	11,880	17,752	5,909	35,800
Land Settlement	1,150	2,309	750	5,100
Research	2,067	3,322	679	4,500
Other	441	816	18	390
Forests	1,030	523	86	450
<b>Lands &amp; Mines:</b>				
Geological Survey)		1,259	400	2,300
Other Surveys )	300	691	150	952
<b>Transport &amp; Communications:</b>				
Air Transport	180	1,148	24	375
Ports & Steamers	2,680	5,791	1,650)	5,100
Railways	4,628	3,407	200)	
Roads	9,715	6,099	1,655	31,225
Postal & Telecommunications	5,100	5,135	1,900	-
Finance (Credit)	7,550	10,000	-	6,000
<b>Public Utilities:</b>				
Water Supply	375	2,181	330	1,500
Electricity	-	193	150	5,000
Education	975	1,342	425	2,495
Health	-	463	190	7,550
Housing	6,100	16,555	1,100	6,500
Miscellaneous	-	<u>2,018</u>	<u>395</u>	<u>2,950</u>
<u>Total</u>	56,671 <sup>2/</sup>	83,949	16,661	124,312
<b>Financed from</b>				
Revenue	33,700	14,006	-	13,600
C.D.& W. Grants	11,100	21,779	6,800	30,712
U.K. Loans	5,300	45,310	2,663)	80,000
Local Loans	6,571	2,854	7,198)	

<sup>1/</sup> For 1958 revised estimates.<sup>2/</sup> Adjusted to exclude expenditure treated as recurrent, and expenditure financed from other sources.

TABLE 25

Projection of Gross Domestic Product, 1963 and 1968  
(\$ million for 1963 and 1968 at 1958 prices)  
(\$ Million)

	Actual			Estimates			Remarks
	1952	1955	1957	1958	1963	1968 <sup>1/</sup>	
Agriculture							
Sugar cane	21.7	18.4	24.9	23.0	24.8	27	1% increase in volume; continued 1958 prices; consistent with export estimates.
Rice farms	10.1	9.7	8.5	6.2	16.0	20	Increase in rice farm land from 135,000 to 200,000 acres by 1963; 1958 prices continued.
Other crops and livestock	13.3	13.6	12.7	13.7	17.1	20	Other crops: 25% increase in acreage; livestock: one-third increase between 1955 and 1964.
Forestry and fishing	6.7	9.6	11.4	11.9	14.2	18	5% annual rate of growth.
Processing	17.3	19.8	19.6	17.0	24.0	28	Growth of same proportion as rice and sugar cane production.
Mining	13.8	19.1	24.3	19.0	52.0	70	Based on export projections allowing for local consumption.
Manufacture	6.0	6.3	8.0	8.2	9.5	12	Assumed to grow proportionately with all preceding items.
Construction	10.0	18.5	27.0	24.0	29.0	35	Based on public development expenditure estimate and private investment estimates.
Distribution, Transport & Commerce	30.7	40.9	43.3	41.0	54.0	72 )	Assumed to grow in proportion with preceding items.
Finance, Insurance, other services	7.6	10.5	10.2	9.5	12.2	16 )	
Rent of Dwellings	6.1	5.4	5.6	5.8	6.8	8	Based on population growth, 3% per year
Government	16.5	20.9	27.7	29.0	31.0	34	Based on budget projections.
GDP at factor cost	159.8	192.7	223.2	208.3	290.6	360	
GDP at market price	178.3	215.9	248.1	231.2	322.6	400	111% of GDP, at factor cost
5-Year Growth Rate per year	-	-	6%	(2.7%)	5.5%	4%	

<sup>1/</sup> Assuming continuation of 1957-63 growth trend, with certain modification (e.g. rice, minerals).

Source: 1952-57: National Accounts (cf. Tables 4 to 6, Statistical Appendix)  
1963: (unofficial) estimates of office of Financial Secretary  
1968: Rough Mission estimates.

TABLE 26

## Projection of Government Revenue, 1963 and 1968

(\$ Million)

	Actual			Revised Estimate Projections			Remarks
	1952	1955	1957	1958	1963	1968	
Import Duty	10.8	14.5	16.0	15.7	21.4	27	5% increase per annum, in accordance with GDP growth.
Income Tax	8.1	12.1	15.9	18.2	19.0	33	Personal income: 5% per annum; Company tax: assuming that by 1960 bauxite production will be restored to 1956/57 level; tax exemptions for alumina and manganese through 1963, but full tax liability in 1968.
Excise Duties	3.0	4.1	4.4	4.8	6.5	8	5% increase per annum.
Other Tax Revenue	3.1	5.1	2.9	2.6	3.4	4 )	Rough estimate.
Fees, Taxes, etc.	0.9	1.1	1.2	1.2	1.7	2 )	
Revenue from property, etc.	2.8	3.4	4.2	4.5	6.9	8	Allowing for manganese royalties, currency board profits, etc.
Repayment of Loans	0.3	.5	.6	.5	1.3	1 )	Rough estimates.
Other	.9	1.7	.6	.5	.7	1 )	
<u>Total</u>	<u>29.9</u>	<u>42.5</u>	<u>45.8</u>	<u>48.0</u>	<u>60.8</u>	<u>84</u>	
5-Year Growth Rate - per year			9%	8%	5%	7%	

Source: 1952-1963: Office of Finance Secretary  
1968: Mission estimates.

TABLE 27

Projection of Recurrent Expenditure, 1963 and 1968  
(\$ Million)

	<u>1952</u>	<u>1955</u>	<u>1957</u>	<u>1958</u>	<u>1963</u>	<u>1968</u>	<u>Remarks</u>
Administration	4.2	7.5	8.3	8.6	9.1	11 )	To 1963: 2% increase per year because of rapid expansion of services in recent years; 3% increase after 1963.
Economic Development	6.9	9.5	10.0	11.5	12.4	14 )	
Social Services	8.9	11.9	13.5	14.4	17.8	23	5% increase in line with GDP growth.
Local Government	0.3	0.4	0.5	0.5	0.7	1	
Maintenance of Public Buildings	2.2	2.9	2.3	3.1	3.9	5	To 1963: allows for high growth rate because of expansion of public buildings in recent years. To 1968: 4% per annum.
Pensions, etc.	4.4	6.0	5.3	4.8	5.1	6	Rough estimate.
<u>Total</u> , excluding debt service	26.9	38.2	39.6	42.9	49.0	60	
5-year growth rate	-	-	8%	7.5%	3%	4%	
Debt Service	1.6	1.8	3.5	4.1 <sup>1/</sup>	8.6	14	To 1963: Based on borrowing program for current, and 1960-64 development program (cf. Table 26), minus: interest to be recovered in various government departments. To 1968: 7% annual service on net borrowings of \$16 million.
<u>Total</u>	28.5	40.0	43.1	47.0	57.6	74	
5-year growth rate	-	-	8.5%	8.5%	4%	5%	
Revenue	29.9	42.5	45.8	48.0	60.8	84	
Current Surplus	1.4	2.5	2.7	1.0	3.2	10	
Debt Service as % of Revenue	5.3%	4.2%	7.9%	8.5%	14.1%	16.7%	

<sup>1/</sup> Including interest on short-term borrowing.

Source: 1952-1963: Office of Financial Secretary; 1968: Mission estimate.

TABLE 28  
 DEVELOPMENT PROGRAM, 1960 to 1964 - PRELIMINARY PROPOSALS <sup>1/</sup>  
 (\$ thousands)

	Expenditure				Proposed Allocation 1960-1964	Estimated Expenditure				
	Actual 1956	Actual 1957	Estimated 1958	Estimated 1959		1960	1961	1962	1963	1964
Agriculture - Projects	1,272	1,258	645	697	4,890	1,555	1,315	830	590	600
Civil Aviation	27	21	6	24	375	75	75	75	75	75
Drainage and Irrigation	3,339	3,936	6,508	5,909	35,800	9,200	9,050	5,700	5,300	6,550
Education	243	324	220	425	2,495	579	708	527	390	291
Finance (Credit Corporation)	2,348	1,041	156	-	6,000	1,000	1,250	1,500	1,250	1,000
Forestry	86	69	80	86	450	150	150	150	-	-
Geological Surveys	222	260	400	400	2,300	400	400	500	500	500
Health	25	82	179	190	7,550	1,750	1,500	1,500	1,400	1,400
Housing	3,968	5,054	3,250	1,100	4,500	1,000	1,000	1,000	1,000	500
Lands and Mines	198	133	162	150	952	200	188	188	188	188
Land Settlement	540	820	483	750	5,100	1,000	1,000	1,500	1,000	600
Public Works	2,787	2,948	2,268	2,635	41,800	7,800	8,500	8,500	8,500	8,500
Transport & Harbours	2,888	1,146	1,678	1,850	5,100	1,100	1,000	1,000	1,000	1,000
Miscellaneous	1,923	393	473	545	7,000	2,000	2,000	2,000	500	500
Post Office & Telecommunica- tions	711	824	2,528	1,900	-	-	-	-	-	-
	20,577	18,309	19,036	16,661	124,312	27,809	28,136	24,970	21,693	21,704

<sup>1/</sup> The totals are the same as shown in Table 26. The expenditure categories differ because Table 30 follows the pattern of administrative organization, while in Table 26 a functional breakdown is given.

TABLE 29

Export Projections, 1963 and 1968  
(\$ Million)

	<u>Balance of Payments Estimates</u>			<u>Projections</u>		<u>Remarks</u>
	<u>1952</u>	<u>1955</u>	<u>1957</u>	<u>1963</u>	<u>1968</u>	
<u>Merchandise Exports, f.o.b.</u>						
Sugar	41.9	40.3	53.6	50.4	52.3	(See Table 32 and Text.
Sugar By-products	3.7	3.9	6.2	6.8	7.6	(
Rice	6.3	12.5	9.2	20.3	27.5	See Table 33 and Text.
Bauxite	22.2	24.8	29.5	63.0	76.0	(See Table 34 and Text.
Manganese	-	-	-	4.0	6.0	(
Gold and Diamonds	2.4	2.1	1.9	2.0	2.0	No change expected.
Timber	2.0	2.8	3.2	4.3	5.5	5% increase per year.
All other, incl. adjustments	3.9	5.1	5.5	6.6	7.6	3% increase per year.
Total Merchandise Exports	82.4	91.5	109.1	157.4	184.5	
Other Current Receipts	3.0	3.5	4.7	6.3	7.3	4% of merchandise exports.
<u>Total Current Receipts</u>	<u>85.4</u>	<u>96.0</u>	<u>113.8</u>	<u>163.7</u>	<u>191.8</u>	
<u>Minus Import Content of</u>						
Additional Exports:	-	-	-	- 8.7	-11.8	See Table 32 - increase over 1957
<u>Adjusted Current Receipts</u>	<u>85.4</u>	<u>96.0</u>	<u>113.8</u>	<u>155.0</u>	<u>180.0</u>	
<u>5-Year Growth Rate</u>	-	-	6%	5.5%	3%	

Source: Mission estimate based on information provided by Government and mining companies.

TABLE 16

Projection: Exports of Sugar and By-products

1963 and 1968

	<u>1957</u>	<u>1958</u>	<u>1963</u>	<u>1968</u>	<u>Remarks</u>
<u>Sugar</u>					
<u>U.K. Quota:</u>					
Volume (1,000 tons)	153	153	153	153	
Negotiated price f.o.b. per ton \$	202	206	206	206	\$206 per ton equivalent to US 5.3¢ per lb.
Value (\$ million)	30.9	31.5	31.5	31.5	
<u>U.K. Preference</u>					
Volume (1,000 tons)	72	72	72	72	
Price f.o.b. per ton \$	222	127	127	127	\$127 per ton equivalent to US 3.3¢ per lb.
Value (\$ million), including preference premium	16.9	10.0	10.0	10.0	Preference premium assumed to be \$0.9 million.
<u>World Market</u>					
Volume (1,000 tons)	30	55	70	85	Volume of total exports (1,000 tons): 1958: 280; 1963: 295; 1968: 310, annual growth 1% of total exports.
Price, f.o.b. per ton \$	222	127	127	127	
Value (\$ million)	<u>6.7</u>	<u>7.0</u>	<u>8.9</u>	<u>10.8</u>	
<u>Total Value</u> (including preference provision; \$ million)	54.5	48.5	50.4	52.3	
<u>By-products</u>					
Rum (\$ million)	4.0	4.0	4.4	4.9	} Assumes a 10% increase every five years.
Molasses (\$ million)	2.2	2.2	2.4	2.7	
<u>Total Sugar and By-products</u>	60.7	54.7	57.2	59.9	

TABLE 31

Projection: Exports of Rice  
1963 and 1968

	<u>1955</u>	<u>1957</u>	<u>1963</u>	<u>1968</u>	<u>Remarks</u>
Acres planted, 1,000	130	118	205	260	( 1963 Projections of office of Financial Secretary
Production, 1,000 tons	87	83	138	180	( 1968 Projections: Mission estimate.
Exports, 1,000 tons	53	38	85	115	Mission estimate based on information provided by Rice Marketing Board.
Export Price (\$ per 180 lb. bag)	18.75	19.20	19.20	19.20	\$19.20 per bag of 180 lbs. is equivalent to £ 49.16 per ton.
Value (\$ million)	12.5	9.2	20.3	27.5	

TABLE 32

## Projection: Exports of Minerals

	1963 and 1968			
	1957	1958	1963	1968
<u>Bauxite</u>				
Metal grade bauxite, 1,000 tons	1,730	1,100	1,250	1,500
F.o.b. price per ton \$	11	11	12	12
Value (\$ million)	19.5	12.4	15	18
Calcined bauxite, 1,000 tons	290	175	550	800
F.o.b. price per ton \$	34.50	34.30	40	40
Value (\$ million)	10.0	6.0	22	32
Alumina, 1,000 tons	-	-	220	220
F.o.b. price per ton \$	-	-	120	120
Value (\$ million)	-	-	26	26
<u>Total Value (\$ million)</u>	29.5	18.4	63.0	76.0
<u>Manganese</u>				
Volume, 1,000 tons	-	-	240	360
F.o.b. price per ton \$	-	-	17	17
Value (\$ million)	-	-	4.0	6.0
<u>Imported materials and fuels, excluding capital equipment required for mineral production (\$ million)</u>	5.3	4.2	14.0	17.0

TABLE 33

## PUBLIC DEBT

	Gross amount (thousand)	Net <u>1</u> / amount	US \$ equivalent (million)
Outstanding June 30, 1958:			
<u>External Debt: Total:</u>	£ 10,669	£ 8,985	25.16
<u>Sterling Debt - public issues:</u>	£ 9,701	£ 8,017	22.45
3% - 1929-1980	£ 2,090	£ 1,647	4.61
3 $\frac{1}{4}$ % - 1942-1972	810	468	1.31
3% - 1934-1969	385	185	0.52
3 $\frac{1}{2}$ % - 1951-1968	2,180	1,862	5.21
5% - 1956-1985	3,540	3,466	9.70
4% Perpetual bond (Demerara Co.)	50	50	.14
4% Permanent annuity " "	390	390	1.09
3% Intercolonial loan, 1935-60	256	22	.06
Supplementary sinking fund		£ - 73	-.20
<u>Inter-government Loans</u>	£ 968	£ 968	2.71
U.K. 3%-3 $\frac{1}{2}$ % equated annuities	176	176	.49
CDC 4-3/4%, 1953-62 <u>2</u> /	792	792	2.22
<u>Internal Debt: Total:</u>	BWI \$ 9,393	BWI \$ 7,902	4.61
<u>\$ BWI Debt - public issues</u>	BWI \$ 9,273	BWI \$ 7,782	4.54
3 $\frac{1}{2}$ % debentures, 1946-1956	5,000	4,065	2.37
3 $\frac{1}{2}$ % 1929-1967	212)	223	) .13
3% 1917-1967	413)		
3 $\frac{1}{2}$ % debentures, 1951-1971	800	646	.38
4 $\frac{1}{2}$ % debentures, 1957-1986	1,534	1,534	.90
5% debentures, 1957-1987	1,314	1,314	.77
<u>Privately placed</u>			
Colonial Life Insurance Co. <u>2</u> / 7%	120	120	.07
<u>Total Outstanding, June 30, 1958</u>			<u>29.67</u>
<u>Loan Proposed for 1959</u>			
U.K. Exchequer Loan	£ 5,500		15.40
Internal Bond Issue	BWI \$ 7,198		4.20

1/ Net of accumulated sinking funds.

2/ Government guaranteed.

TABLE 34

Service Payment on Public Debt,<sup>1/</sup> - 1957 to 1972

(US \$ equivalent million)

Year	FOREIGN DEBT				DOMESTIC DEBT			
	Net amount outstanding Jan. 1	During year:			Net amount outstanding Jan. 1	During year:		
		Interest	Sinking Fund Contribution	Total Service		Interest	Sinking Fund Contr'tns	Total Service
1958	25.2	1.3	1.2	2.5	4.5	0.1	0.4	0.5
1959	40.5	1.1	2.0	3.2	8.7	0.1	0.4	0.5
1960	39.2	1.2	2.0	3.3	8.6	0.1	0.4	0.5
1961	37.7	1.2	2.0	3.2	8.4	0.1	0.4	0.5
1962	36.2	1.3	1.9	3.2	8.3	0.1	0.4	0.5
1963	34.7	0.7	1.9	2.6	8.1	0.1	0.4	0.5
1964	33.7	0.7	1.9	2.6	7.8	0.1	0.4	0.5
1965	32.6	0.7	1.9	2.6	7.6	0.1	0.4	0.5
1966	31.6	0.7	1.8	2.5	7.4	0.1	0.4	0.5
1967	30.5	0.7	1.8	2.5	7.2	0.1	0.4	0.5
1968	29.3	4.1	1.8	5.9	6.9	0.1	0.4	0.5
1969	24.9	0.6	1.6	2.2	6.7	0.1	0.4	0.5
1970	24.0	0.5	1.6	2.1	6.5	0.1	0.4	0.5
1971	23.1	0.5	1.5	2.0	6.2	0.1	0.4	0.5
1972	22.3	0.5	1.5	2.0	6.0	0.1	0.4	0.5

<sup>1/</sup> Outstanding as of June 30, 1958, and loans contemplated in 1959, as follows:  
 £ 5,500,000 Exchequer Loan and BWI \$7,198,000 national bond issue. Conditions assumed  
 for 1959 loans: 5-1/2% interest, 1% sinking fund contributions.

