

CHAPTER NINE

HUMAN RESOURCES DEVELOPMENT

- 9.1 Government recognizes that the most valuable resource in Zimbabwe is the people whose characteristics and qualities play a key role in the economy. Their importance in development is that they are the sources of ideas, policies, decisions and measures on investment and production, innovations and other opportunities all of which are essential for sustained development.
- 9.2 The importance of technical, scientific and professional skills in development is well understood and recognized, as are entrepreneurial and administrative abilities. Equally important, but often less recognized, are the skills and attitudes of the broad mass of ordinary workers, including small farmers and traders. Human resource development should, therefore, address itself to questions of determinants of the quality and the improvement and utilisation thereof, of all these people.
- 9.3 The nature and character of practical experience that individuals acquire in the course of their daily economic activities is an important factor in human resource development. The breadth of such experience for ordinary workers depends, in part, on their involvement in decision-making. At an early phase of development the knowledge and the attitudes which children acquire from their environment and society at large, play a critical role. Formal education and training — generally primary and secondary schooling, technical and vocational training, and ordinary and specialised higher education — all impart knowledge and specific skills, enhance the ability for further learning and mould attitudes towards work and social change. In Zimbabwe, where the availability of adequate health facilities and nutrition cannot be assumed, health and associated factors (such as adequate housing conditions) are part of the determinants of human resource development.
- 9.4 Population growth affects quantitative and qualitative aspects of human resources. In a number of countries rapid growth of population means higher levels of human resources which must be applied to sustain economic growth. In labour-surplus developing countries such as Zimbabwe, improvements in living standards can be accelerated with slower population growth, for three main reasons. A slower population growth means less investment (or less sacrifice in consumption) is required to maintain or increase capital per worker and hence productivity and also means that human resources could be more effectively developed as, for example, available educational resources per child would be greater. Finally, slower population growth means that the dependency ratio (that is, the proportion of people who are young and not immediately productive) is lower and a worker has fewer people to maintain.
- 9.5 Education, health and housing conditions, all of which are integral elements of human resource development, are discussed in Chapters Eighteen, Nineteen and Twenty respectively. This chapter deals mainly with population and training.

POPULATION

- 9.6 The transitional plan period is too short for population policies to have an impact on demographic trends. The plan, therefore, assumes a constant growth of 3.3 per cent per year. Similarly the population structure (that is, the sex ratio, distribution by age and the dependency ratio) is expected to remain the same over the plan period. Population growth will result in the continued increase of the proportion of the non-active population from about 51 per cent in 1980 to about 57 per cent in 1984/85. This means that Government has to allocate more funds to social consumption and human investment such as education, health and other social services at a time when funds are urgently required for expansion of productive capacity, which is the only sustainable basis for the future expansion of social consumption.

OBJECTIVES AND STRATEGIES

- 9.7 The major objectives for the development and deployment of human resources are:-
- (i) to increase the level and quality of human resources through formal and informal education and training, health and nutrition, and the creation of a work environment which enhances the acquisition of useful practical experience;
 - (ii) to integrate human resource development programmes, particularly education and training, to ensure their internal coherence and external consistency with social objectives and the requirements for economic growth and development;

- (iii) to ensure effective utilization of existing human resources by eliminating distortions and rigidities in the labour market such as racial, sexual or other forms of unjustified discrimination or preferences, including regional and/or tribalism;
- (iv) to utilize selectively expatriate workers (who will be needed to fill the short-term manpower gap) to develop domestic manpower resources; and
- (v) to mobilize various elements of the labour force such as the army, the youth, students, and the otherwise unemployed to participate in various development programmes such as the literacy, construction and reforestation programmes.

MANPOWER TRAINING AND DEVELOPMENT

Available skills

- 9.8 Preliminary results of the Manpower Survey indicate the level and distribution of the existing skills shortage, thus providing some guidelines for actions to relieve it. The results of the survey indicate that the agricultural labour force is predominantly unskilled, with the skilled constituting no more than 2 per cent in commercial farming. Skills content is expected to increase as a result of some mechanization and additional training provided in agricultural technology, veterinary sciences, and aspects of research. For the moment the sector does not appear to experience shortages of skilled manpower.
- 9.9 Mining is relatively skill-intensive and has recently suffered from loss of skilled labour. Upgrading of semi-skilled workers should increase the skill content from 3 to 6 per cent of the work force. Priority training areas are in mining, mechanical, civil, electrical, and metallurgical engineering and mining technology.
- 9.10 The demand for skilled manpower in manufacturing varies with industrial groups. Skills have been lost through emigration and therefore various types of training together with short-term recruitment of expatriates are required to attain the planned 11 per cent annual growth of the sector. To achieve this target a massive expansion of training and short-term recruitment of expatriates in civil engineering and architecture is required. In transport and communications training in engineering and technical disciplines is required to replace expatriates.
- 9.11 The electricity and water sector is highly skill-intensive with 17 and 45 per cent of the work force being professional or skilled and semi-skilled respectively. It is also necessary in the medium term to replace expatriates with citizens. Training in management, accounting and administration is required to fill vacancies and for expansion in the distribution, finance, insurance and real estate sectors. Although employment in non-material production is planned to increase at a slower rate than in material production, training of professional and technical personnel is required to achieve Government's goals for providing services nationwide, particularly in the communal areas.
- 9.12 The massive training needs of these sectors, if carried out in formal training institutions, require large amounts of resources to be allocated for this purpose at the expense of other equally pressing needs. It will, therefore, be necessary to supplement formal with informal and/or on-the-job training. The development of such training therefore is an integral and essential part of the plan.

Gap filling

- 9.13 Although in time training programmes will provide the required replacements for skills lost through retirement, emigration, and other forms of wastage and those required to fill jobs created by the planned growth of the economy, in the short term it will be necessary to employ expatriates to fill the short-term manpower gap. Expatriates will be engaged on a strictly short-term basis and in positions where an insufficient number of citizens possess the requisite skills. Training of nationals will form an essential element of expatriates' contracts.

Skills upgrading

- 9.14 Before independence most blacks were effectively barred from training in apprenticeship programmes and technical colleges. Nevertheless some workers acquired skills on the job for which there was no recognition. These workers require upgrading and/or certification of their skill levels through trade testing. They should form an immediate cadre of instructors for the training of new recruits.

Skill formation

- 9.15 Government has embarked on a programme for developing a comprehensive infrastructure for skills development centres and training institutions to achieve self-sufficiency in human resources. The formal education system is to be expanded, restructured and integrated with manpower development policies (see Chapter Eighteen). There will also be expansion of formal and non-formal technical training. Programmes operated by private organisations will be regulated and co-ordinated with Government-operated and Government-aided programmes through the Ministry of Manpower Planning and Development, the Public Service Commission, and the Ministry of Community Development and Women's Affairs.

Apprenticeship

- 9.16 The inherited apprenticeship system offered high standards of training reinforced by practical experience, but was available almost exclusively to whites. Since independence many apprentices and journeymen have left the country, creating skill shortages which are now limiting economic growth. To ensure that apprentices will in the future be available to the economy all apprentices are now being bonded for a period equal to the years they spend in training. It is planned to operate a central agency for recruitment and allocation of apprentices to sectors.

Institutional training

- 9.17 Enrolment at the two main technical colleges of Harare and Bulawayo will double during the plan period. In addition smaller institutions in Mutare, Kwe Kwe and Gweru will be expanded. Training abroad is expected to continue until the capacity of national institutions is adequate.

Training of trainers

- 9.18 The expansion of institutional training implies a corresponding expansion of instructors. To fill the existing shortage of instructors expatriate instructors on short-term contracts will be employed while Zimbabweans undergo training. A technical teachers college will be opened early during the plan period and it is expected that in time Zimbabwe will achieve self-sufficiency in technical instructors.

Vocational training

- 9.19 The National Vocational Training and Development Centre (NVTDC) will be established as the focal point for training activities to meet the needs for training semi-skilled workers. The functions of the NVTDC include development of training modules, for instructors and supervisors, development of skills tests for training modules and apprenticeship programmes, training of skills testing officers, and establishment of mobile units for testing in outlying areas. Four Regional Skills Centres and 300 Rural Skills Centres geared to the formation of locally needed skills will be under the NVTDC. A management training programme will be developed for industry and Government.

Co-ordination of other training programmes

- 9.20 To staff their services and train personnel for the private sector ministries and parastatals provide training programmes in a variety of disciplines as part of their personnel development programmes. These are normally for upgrading existing staff or for building on skills acquired informally. Government will ensure that such training programmes are of high standards, do not needlessly duplicate those of other institutions, and are consistent with national priorities for allocation of scarce resources. Government will provide incentives to stimulate private enterprises to undertake optimal levels of training.

Co-operatives and community development

- 9.21 Government is committed to the establishment of co-operatives in all fields of productive enterprise where this type of organisation is beneficial. Government will provide training for co-operative personnel so as to ensure democratic, orderly and profitable operations. Other support activities will be undertaken, such as research and the design of simple technologies for rural production. Government will also assist community self-help efforts, building on the long tradition of self-help and community effort in our society.

Disadvantaged groups

- 9.22 Although women comprise 51 per cent of the potential labour force they are conspicuously under-represented in formal employment. To encourage their greater participation Government will assist the formation and operation of creches and other means of liberating women from household duties. Government will remove economic, social and legal discrimination against the informal sector and will provide incentives to assist it to organize production and marketing of its goods and services more efficiently. The nation's youth are another target of special Government attention, which will be directed chiefly at equipping them with skills required for national development. Ministries have been formed with specific responsibility to look after the interests of these two groups. A third group, the disabled, will also receive special attention: rehabilitation and training programmes are under way which will assist disabled people to become productive members of society and self-reliant.

CHAPTER TEN

NATURAL RESOURCES

- 10.1 Zimbabwe has a relative abundance of natural resources. There are about 8,6 million hectares of potentially arable land (about 1,1 hectares per capita) and 5,4 million hectares of forests, national parks and wild life estates. Surface and underground water is potentially ample for irrigation, domestic consumption, power generation and industrial uses. Extensive mineral resources include gold, asbestos, coal and nickel. Energy resources include hydro, thermal and solar power potential as well as forests and woodlots.
- 10.2 In the past a significant degree of control over natural resources was in private and sometimes foreign hands. Government intends to increase the degree of public ownership, control and public access to the nation's common heritage and endowment and to ensure that the rate of exploitation of resources, especially of non-renewable resources, is consistent with the needs of present and future generations.

LAND

- 10.3 The existing uneven distribution of land is inefficient in terms of both land and labour productivity. Portions of the land in the commercial area remain unutilized or under-utilized while the communal areas are overcrowded, overgrazed and overcropped (see, for example, Chapter Eleven, paragraphs 11.10 and 11.11). During the plan period Government will formulate a long-term land use development and conservation plan. The plan will take into account the need for equitable access to land, its efficient use and management to ensure food self-sufficiency, maintenance of high levels of production for both domestic and external markets and generation of high levels of productive employment.
- 10.4 The resettlement programme will go some way towards redressing the inequities in land distribution and relieving some of the population pressure in the communal areas. However, this programme by itself will not provide a lasting solution to the problem posed by a rapidly growing population and finite land supply. Therefore, measures will be taken to improve productivity in communal lands, generate maximum off-farm employment and increase levels of employment in the industrial sector.
- 10.5 In the past, and particularly during the war, it was not possible to administer effective conservation measures in communal areas. As a result, erosion has been extensive and crop yields have been sharply reduced. During the plan period an active soil conservation programme will be implemented, involving technical measures and education of people to increase their consciousness of the importance of conserving our land resource.

WATER

- 10.6 Government will ensure the optimum development and utilization of water resources through carefully planned investment in this area and the application of appropriate control mechanisms. The previous neglect in the provision of water supplies in the communal areas is to be corrected.
- 10.7 Zimbabwe enjoys a mean annual rainfall of 675mm, but the distribution of available water resources varies considerably both spatially and over time. If storage of surface water and extraction of ground water from boreholes and wells are considered, there is a total potential of some 10 million m³ of water per annum available for agricultural, industrial, household and other uses, of which about 15 per cent is currently utilized, mainly in agriculture. In the next twenty years the demand for water available from internal sources may increase to 50 per cent. Zimbabwe is also entitled to a share of the international water in the Zambezi and Limpopo rivers. However, these sources are far from the main centres of population and for the present, in the case of the Zambezi, used primarily for hydropower.
- 10.8 The optimum development of water resources requires the preparation of development plans for each of the major river systems. Comprehensive plans for each river catchment with possible linkages between them will be formulated, with due attention being paid to environmental considerations. An investigation of the total demand for, and supply of, water in the economy together with the most economical ways of providing it will be carried out during the plan period.

- 10.9 The majority of people living in the communal areas have no adequate access to clean drinking water. To correct this, Government will provide storage reservoirs for the larger villages from which the water can be reticulated to communal standpipes or individual connections for schools, community premises, etc. In sparsely populated areas supplies will be provided from boreholes or wells. Supplies for irrigation and stock watering will be developed as part of integrated rural development programmes.

FORESTS

- 10.10 Zimbabwe's indigenous forests is of the open savannah type, comprising of comparatively slow-growing species. Deforestation threatens the indigenous forest resources because wood is the main source of fuel and building materials in communal lands. The problem is also increasing around urban centres where the demand for fuelwood is high. The requirements for forest products can be met by judicious management of the remaining indigenous forests combined with large-scale afforestation with exotic tree species. The role of forests and plantations in conserving soil and water supplies, maintaining their value, ameliorating the climate and enhancing the quality of both human and animal life require due attention.
- 10.11 Government's intention is to manage forest resources on the basis of multiple land use compatible with conservation of the environment. Forest extension services will encourage tree planting in communal lands, on lands adjacent to them, and in the vicinity of urban centres. Commercial plantations of exotic species will be established. To support these measures over the long term it will be necessary to expand training facilities and research services.

AQUACULTURE

- 10.12 Government will encourage the establishment of fishing co-operatives where there is access to suitable water supplies and the building and stocking of fishponds in rural areas as a means of contributing to productive employment and providing a supplementary source of protein. Research and training facilities are planned in the south-eastern lowveld.

CONSERVATION

- 10.13 An educational programme is under way to raise public awareness of the need for scientific land management and to inculcate a spirit of self-reliance in conservation measures. This programme is carried out through established institutions such as district councils, women's groups and schools.
- 10.14 Government intends to carefully study the environmental impact of development projects such as large hydro-power irrigation schemes.

PARKS AND WILDLIFE

- 10.15 Zimbabwe has rich, highly marketable wildlife resources which, if developed, will contribute significantly to the enhancement of rural productivity, especially in remote parts of the country or where the agricultural potential is low. Such resources can be used alone or with other forms of land use to diversify and increase production while downgraded land is being rehabilitated.
- 10.16 Wildlife provides considerable benefits to the nation through tourism, commercial fishing, game ranching, recreational hunting, angling, and handicrafts on the Parks and Wild Life Estate which occupies land that is generally unsuitable for agriculture. These resources will continue to be conserved, managed and developed for the present and future generations of Zimbabweans. Outside of the park areas, and particularly in remote, poorly developed parts of the country, wild-life resources can be managed and exploited for the benefit of the peasant population as an alternative source of income to agriculture. Government will encourage and assist appropriate land use practices and promote public awareness of the value of wild life resources.

MINERAL RESOURCES

- 10.17 Although a variety of commercially exploitable minerals occurs in Zimbabwe, only six account for 85 per cent of the current value of production. During the plan period studies will be undertaken to provide more geological information about the types and extent of the mineral resources. As already stated Government policy regarding the rate of exploitation of

non-renewable assets will be guided by the requirements of current and future generations of Zimbabweans.

ENERGY RESOURCES

- 10.18 Zimbabwe is an oil-importing country and does not seem to have oil deposits. Nevertheless it has considerable energy resources, principally from hydro power, coal, wood and, potentially, the sun.
- 10.19 A study of the demand for power and ways of meeting it up to year 2000 has been made. The proposed development programme includes both thermal and hydro power schemes. Continued co-operation with neighbouring countries in the production of power is envisaged, but with a gradual reduction of dependence on imported power.
- 10.20 A study on coal deposits will be undertaken with a view to recommending a programme for exploration and exploitation of this resource.
- 10.21 Steps will be taken to reduce the country's dependence on imported petroleum products which will include increased production and use of ethanol, the production of coal-based synthetic fuels, economy measures such as electrification of the transport system and conservation. Development of new and renewable sources of energy (solar and wind power and biogas) could in the long term make a significant contribution to the total energy requirements of the country. Energy pricing policies will aim at efficient utilization and adequate supply of energy.
- 10.22 Some 2,5 million people in the communal areas face a severe energy shortage. High population growth, density of settlement and demand for agricultural land, and the shortfall in the supply of fuelwood poses a serious problem in the future. Plans to meet this demand include a vigorous afforestation programme and a strategy to electrify growth points and densely populated communal lands before the end of the century. Strict conservation measures will be introduced in all energy sectors.

CHAPTER ELEVEN

RURAL AND AGRICULTURAL DEVELOPMENT

- 11.1 In 1980 the share of agriculture in GDP was just over 14 per cent while its share in total formal employment was 32 per cent. It is an important source of industrial raw materials and in 1981/82 accounted for 32 per cent of merchandise exports. For these reasons and the fact that more than 70 per cent of Zimbabweans live off the land, it is one of the most important sectors in the economy.
- 11.2 However, for historical, political, social, emotional and economic reasons, the sector faces some of the most intractable and difficult issues of development. At the heart of these issues are those of land reform, settlement and development conceived and implemented in a framework of a dynamic, integrated and expanding agriculture.
- 11.3 Of Zimbabwe's nearly 40 million hectares of land area, about 20 per cent (or 7.8 million hectares) is well suited for intensive farming and the rest for livestock. But both land and the agricultural infrastructure are highly inequitably distributed within the sector, which translates into inequitable distribution by racial groups. As already noted in Chapter Two, about 6000 (largely white) commercial farmers hold title to about 44 per cent of the total land area, or 46 per cent of the land outside urban areas and national parks. Most of the farms are in the three ecological zones most favourable for agriculture.* By contrast, land held under communal tenure constitutes 42 per cent of the total land area and is mostly in the poorer ecological zones but carries some 700 000 families. And yet it is estimated that with present technology, infrastructure and management systems the communal areas have a carrying capacity of no more than 325 000 families, or about 51 per cent of its present capacity. If effective and appropriate measures are not taken the situation will deteriorate because of the rapid growth of rural families, estimated between 30 000 and 35 000 per year.
- 11.4 Population pressure and inadequate provision of complementary agricultural inputs, including extension services, marketing and credit facilities, have greatly affected productivity of communal areas. This together with intensive cropping, soil erosion over the years, and poor land husbandry, has led to serious soil degradation in many areas.
- 11.5 As a result of a number of factors, including the present structure of agricultural production and marketing, communal areas consume 80 per cent of own production as against 14 per cent in the large-scale commercial farming sector. Over 90 per cent of the value of all agricultural produce marketed through official or formal channels is from the large-scale commercial sector, 2 to 3 per cent is from the small-scale commercial sector (former African Purchase Areas) and 5 to 7 per cent is from communal areas. However, apart from the subsistence production, communal areas are important suppliers of several marketed crops. Table 11.1 below gives the rough 1980/81 proportions of produce from communal areas and small-scale commercial farms.

Table 11.1
CROPS AND LIVESTOCK MARKETED DERIVED FROM THE COMMUNAL AREAS AND
SMALL-SCALE COMMERCIAL FARMS (1980/81)

Crops	Per cent	Livestock	Per cent
Maize	12	Beef	5
Cotton	21	Pork	4
Groundnuts shelled	90		
Sorghum	17		
Soyabeans	4		

- 11.6 Much of the poverty in Zimbabwe is concentrated in the rural areas, particularly in communal areas. It is estimated that about half the families have very few or no cattle (essential as draught power) and one-fifth have no rights to land. Average cash income in the communal areas is estimated as \$18 per month, or just over a third of the minimum wage for agricultural labour (\$50 per month) and about a sixth of the minimum wage for mining and industrial workers (\$105 per month).

* See paragraph 2, 7 in Chapter Two and Table 11.2 for a definition of agricultural land classification.

OBJECTIVES

11.7 Government will seek to achieve the following objectives in agriculture:

- (i) an acceptable and fair distribution of land ownership and use;
- (ii) a greater degree of economic security and welfare for the rural population;
- (iii) an increase in both land and labour productivity in all systems of agriculture;
- (iv) substantial increase in employment to engage a rapidly growing labour force;
- (v) achievement and maintenance of food self-sufficiency and regional security;
- (vi) extension of the role of agriculture as a major foreign exchange earner and source of inputs to industry;
- (vii) integration of the commercial and peasant agricultural sectors into a national agricultural system;
- (viii) conservation of land and environment for future generations;
- (ix) promotion of local markets and of interregional trade; and
- (x) development of human resources in rural areas to the full potential.

STRATEGY

11.8 The objectives in this sectors will be pursued through, *inter alia*, the following policies and programmes:

- (i) land resettlement programme;
- (ii) reform and expansion of structures of complementary services including agricultural credit, marketing, research, and extension;
- (iii) establishment of a number of production systems, including;
 - (a) communal farming and co-operatives;
 - (b) private/family and co-operative farms of a variety of sizes; and
 - (c) state farms;
- (iv) pursuance of appropriate agricultural pricing policies to achieve the objectives of food self-sufficiency and the extension of the role of agriculture as a significant foreign exchange earner;
- (v) a closer alignment of land use patterns and land capabilities;
- (vi) promotion of research in appropriate technology;
- (vii) deployment of various means at Government's disposal, including the land utilization tax, to ensure that unused and underutilized land and surface and ground water is efficiently utilized;
- (viii) development of water resources, elimination of tsetse flies, improvement of conditions of health in all areas, and promotion of research into suitable crops for arid areas; and
- (ix) encouragement and promotion of the establishment of small and medium-scale agro-industries.

RURAL DEVELOPMENT

The Structure of Land Use

- 11.9 Table 11.2 shows the distribution of land by legal classification across the natural regions. Commercial farm land carries a population of 1,7 million (of which some 5000 farmers hold tenure and over 320 000 families are workers), or 28 per cent of the population, on 40 per cent of the land area. Half of the commercial land is in natural regions I, II, and III, the ecological zones most suited for agriculture. The communal areas carry over twice the number of people (4,3 million) or 72 per cent of the rural population, on 42 percent of the land, of which three-quarters is in natural regions IV and V, land suitable mainly for extensive exploitation, principally grazing of livestock, rather than for intensive cultivation of crops.
- 11.10 Table 11.3 shows the proportion of potential arable land in each farm category that is cropped or left fallow. It is estimated (conservatively) that farms in the communal areas use 73 percent of arable land, allowing only 17 per cent to lie fallow. In many communal areas there is little spare capacity to accommodate potential young farmers without accelerating the land deterioration already occurring.
- 11.11 On the other hand utilization of potential arable land in the large-scale and small-scale commercial sectors is about 21 per cent and 18 per cent respectively. It is estimated that some 4,2 million hectares, much of it in the more favourable natural regions, are unutilized while nearly three million hectares are underutilized in the two sectors. The existence of such unutilized and underutilized land provides an opportunity for successful attainment of the objective of equality without sacrificing growth and development of the sector.

RESETTLEMENT

- 11.12 Government has already embarked on an ambitious resettlement programme using commercial farm land that is at present unutilized or underutilized. Subject to practical financial and economic constraints it is planned to resettle at least some 162 000 peasant families, a large number of which will be resettled over the plan period. The determination of Government to plan each settlement carefully and install a full settlement team to assist the settlers has slowed the rate of implementation at the beginning of the programme but crash training of personnel has eased the situation.
- 11.13 Capital expenditures for the resettlement programme over the plan period will total \$260 million in constant prices. The size, speed and progress of the programme will be subject to periodic review to ensure that the programme is meeting its multiplicity of objectives for integrated development rather than mere resettlement of people without development.
- 11.14 The programme is large, complex and faces a number of constraints. It will occupy a central place in the social, political and economic life of the country during and beyond the plan period. Three settlement models have been adopted. Model A provides for intensive village settlement of families with individual arable and communal grazing. Model C adds a core estate operated communally to the family holdings. And Model B provides for communal living and co-operative farming.

The Communal Farming Areas

- 11.15 Communal areas will be the target of much agricultural investment in the public sector. Government aims to achieve two goals in its investment programme: the alleviation of poverty and the introduction of institutional, production and service arrangements necessary for rural renewal.
- 11.16 Local official efforts will start with communal issues of land use and build upon co-operative traditions. Attention will be paid to management of common properties (arable and grazing land, forests and woodlots, and surface and ground water for drinking, livestock watering and irrigation); provision of common facilities (land and water husbandry structures, access roads, fencing, storage, rural electrification); and development of common services (agricultural extension, inputs and marketing, savings, and loan co-operatives, and joint traction, machinery and processing ventures).
- 11.17 Government will investigate the legal, institutional, social and economic aspects of the traditional communal system with a view to its modification to achieve the following:
- (i) membership of a local community expressed principally in terms of management of common assets; the individual right to a share in the communal assets, separated from individual, group or communal exploitation of them;
 - (ii) establishment of equal membership rights for men and women;
 - (iii) a control system, overseen by Government but managed by the members, to prevent over-exploitation and misuse of natural assets; and
 - (iv) realization of an agrarian system able to optimize land use patterns and maximize group and individual investment and effort.
- 11.18 Government's view is that the rural population should be the major beneficiaries from employment arising from both public and private investment on projects in these areas. This is to ensure that work opportunities become a means of furthering the potential for labour mobilization, income distribution, capital formation and technical innovation inherent in public and private rural investment.

Co-operative Development

- 11.19 The present economic and political climate in Zimbabwe provides an excellent environment for co-operative development. The co-operative movement, severely disrupted during the war, has been largely resuscitated and now provides a base for rapid expansion and reconceptualization. There are 330 producer co-operatives, a savings club movement soon to encompass 1 000 clubs, the Silveira House groups (which have a strong regional presence) and the beginning of co-operative farming ventures under the resettlement programme. Service and audit infrastructure is provided by co-operative unions, the Central Association of Co-operative Unions and the Department of Co-operative Development. What is still lacking are a credit league to boost the small credit union movement, a co-operative bank, specialized activities by co-operative groups (as with cattle management in the southern and western parts of the country), market societies to run market spaces, developed consumer and housing co-operatives, and well-staffed independent research and training institutions.

Table 11.2
DISTRIBUTION OF LAND ACCORDING TO NATURAL REGIONS
(in thousands of hectares and in percentages)

Natural Region	Large-scale Commercial land		Communal areas		Small-scale commercial land		Other land		Total	
	Area	Per cent	Area	Per cent	Area	Per cent	Area	Per cent	Area	Per cent
I	440,2	63	128,3	18	7,3	1	127,6	18	703,4	100
II	4 324,5	74	1 255,1	21	252,1	4	29,1	1	5 861,4	100
III	3 240,6	44	2 814,7	39	536,1	7	696,3	10	7 287,7	100
IV	4 025,8	27	7 307,3	49	523,0	4	2 696,2	20	14 782,3	100
V	3 648,4	35	4 774,0	46	97,6	1	1 921,1	18	10 441,1	100
Total	15 679,5	40	16 279,4	42	1 416,1	4	5 700,9	15	39 075,9	100

Table 11.3
ARABLE LAND 1980
(in thousands of hectares and in percentages)

	Large-scale Commercial land		Communal areas		Small-scale Commercial land		All sectors	
	Area	Per cent	Area	Per cent	Area	Per cent	Area	Per cent
Potential arable	4800	100,0	3300	100,0	500	100,0	8600	100,0
Under crops	620	12,9	1845	55,9	70	14,0	2535	29,5
Lying fallow	400	8,3	555	16,8	20	4,0	975	11,3
Cultivated	1020	21,2	2400	72,7	90	18,0	3510	40,8
Irrigated	151,7	3,2						

- 11.20 Government is carrying out an inter-ministerial study of the whole area of co-operatives which will form the basis for detailed policies on co-operative development.

AGRICULTURE

- 11.21 Agricultural output is expected to grow at 5 per cent per year over the plan period, which is significantly higher than achieved on a sustained basis in the past. Agriculture in the communal areas is expected to grow at an average real rate of 8 per cent per year over the plan period. Growth will be derived from a shift in crops away from extensive production of staples towards cotton, burley tobacco and groundnuts, from the greater commercial exploitation of small livestock (goats, pigs and poultry); from the start of peasant dairy co-operatives; and from additional and improved use of irrigation. The small-scale commercial sector which includes resettlement areas and enjoys better infrastructure and services than communal areas, is expected to grow at about 6 per cent while the commercial sector should grow at about 4 per cent per annum.
- 11.22 In view of a strong trend towards mechanization reinforced recently by increases in production costs and the diminishing size of commercial agricultural, employment in this sector will decline at a rate of 1 per cent per year with labour productivity expected to rise at 6 per cent per year over the plan period. The decline in employment will, however, be partly offset by the resettlement programme.

- 11.23 Agriculture's share of gross fixed capital formation will average more than 14 per cent over the plan period compared to just over 12 per cent in 1981.

The Commercial Sector

- 11.24 As a result of a reduction in the area cropped, production in the commercial sector declined between 1977 and 1979. There was a corresponding decline in employment and gross fixed capital formation. Future increases in output will require a rapid resumption of past levels of gross fixed capital formation as envisaged in the plan.

Agricultural Research

- 11.25 Zimbabwe has a solid base for agricultural research even though in the past crops such as munga (bulrush millet), rapoko (finger millet), edible dry beans and sunflower, which are important to peasant farmers in marginal crop areas but are of little commercial interest, have received little attention. Apart from crops, more research is needed into farming systems, storage and farm management and post-harvest losses. Intensified research in these directions will be integrated with extensive services involving peasant farmers in decision making and including opportunities for personal commitment through design of policies conducive to high rural family savings and investment.

- 11.26 At present investment in agricultural research is about 0.6 per cent of gross agricultural output — a respectable figure, but only in comparison with general underinvestment in developing countries. Government intends to ensure that this rises to at least 1 per cent of gross agricultural output over the plan period.

Agricultural Marketing

- 11.27 The existing well developed parastatal marketing bodies were established largely to serve the commercial sector along the line of rail. The need now is to adapt and reorient their functioning to incorporate the different requirements of communal and small-scale commercial area farmers.

- 11.28 Government intends to bring market outlets closer to small farmers. At present the Grain and Cotton Marketing Boards are completing expansion of official collection points for controlled products that they administer whose aim is that producers should not have to transport their crops more than 60 km. This limited goal requires heavy investment in specialised facilities with even larger investments required to achieve the goal that producers be able to dispose of their crops within a radius of 8km to 10km.

- 11.29 Government will work out arrangements to enable local government bodies to facilitate implementation of a two-part infrastructure scheme in communal and small-scale commercial areas. Elements of the scheme will be applicable in parts of the commercial farm sector where social services remain poorly developed. The two parts of the scheme are:

- (i) rural service centres designed and located to support; and
- (ii) a subsystem of periodic markets which would provide a close local service and market centre within 5 to 8 km of most homesteads.

Agricultural Pricing

- 11.30 In the past agricultural pricing policy was fairly effective in providing production incentives for commercial farmers, and has resulted in Zimbabwe almost achieving food self-sufficiency. It also succeeded in keeping food prices low albeit with heavy subsidies for urban dwellers. These achievements, however, have been attained at considerable costs in a number of areas, including the relative neglect of communal areas, the inequity of the food subsidy policy, some economic inefficiency arising from the fact that pricing policy was primarily determined on the basis of commercial farmers' production costs, and a heavy burden on the Treasury from what is evidently an inequitable food subsidy policy.

- 11.31 In future agricultural pricing policy will aim at achieving the following objectives:

- (i) promoting development in communal areas;
- (ii) promoting food self-sufficiency and regional security;
- (iii) maintaining food prices below the cost of production only for the poor and the lowest income groups;
- (iv) efficient land use and achievement of an optimal balance in production between crops and livestock as well as an optimal balance between different crops attained through introduction of export and import parity prices in price formation; and

- (v) ensuring that the timing of announcement of producer prices is early enough to influence production in the year in which they operate.

Agricultural Credit

- 11.32 Government recognizes that there is great scope for institutional credit in agriculture while at the same time acknowledging that the use of credit facilities needs to be accompanied by other satisfactory conditions to ensure their productive use.
- 11.33 The Agricultural Finance Corporation (AFC) will continue to provide credit to the commercial sector but in view of Government's emphasis on communal and resettled farmers it is expected to substantially increase its facilities to these farmers. In view of the large number of resettled farmers AFC will be expected to provide credit for, the financial resources of the organisation would need to increase enormously to make some impact on credit availability in communal areas and if they are not to suffer as a result.
- 11.34 As already noted Zimbabwe has the beginning of a strong co-operative movement. In the credit field the savings development movement, the Silveira Agricultural Group Scheme and the smaller Credit Union movement represent a variety of approaches to self-help, thrift, and the economic education of members and the community. The AFC will increasingly be involved in a wholesale/retail relationship with these organisations so as to increase official and banking industry support for the efforts.

Motive Power

- 11.35 Government intends to redress urgently the present energy deficit in communal areas. Direct action is necessary, but some of the fundamental relationships between man and renewable energy sources are essentially at the community and farmer levels. Government will launch energy and motive power programmes, institute price and other incentives, undertake complementary investments and provide services to ensure adequate provision of energy and motive power. Government will work effectively with organised groups and communities which control and are prepared to manage their natural resources.
- 11.36 Measures to be undertaken include the following:
- (i) investment and managerial support to communal, co-operative or private suppliers of traction and mechanical services;
 - (ii) investigation and design of a rural electrification scheme for productive investments and activities in rural areas and reducing the demand for fuel wood;
 - (iii) measures to heighten the elements of rural organisation and the design of living conditions and of crop and livestock production so as to advance joint ventures in energy production, consumption and conservation: woodlots, methane digesters, solar energy and other forms of appropriate technology; and
 - (iv) a national afforestation programme operating at village and regional level to optimize farmer, village and regional production of timber for fuel, construction and manufacturing purposes. The Forestry Commission will make arrangements with village and council bodies to produce forests on village land, roadsides or other suitable vacant plots. It will also raise forests itself, in partnership with councils especially where fuel wood shortages are acute.

INPUTS

- 11.37 Diesel fuel, raw materials for fertilizers, plant protection chemicals, equipment and bagging are essential to agricultural production. In formulating and implementing its foreign exchange strategy Government will, among other things, consider the following:
- (i) arrangements to optimize the relationship between foreign exchange allocations, production, export earnings and import substitution; and
 - (ii) long-term investments to make the country more self-reliant in feedstocks, chemicals, production of standardized equipment and machinery and introduction of more efficient storage and handling techniques suited to large and small farms and co-operatives

CHAPTER TWELVE

MINING AND QUARRYING

- 12.1 As already discussed in Chapter Two, the mining sector is highly diversified with about 40 different minerals produced including gold, asbestos, nickel, copper, coal, iron and chrome ores accounting for about 83 per cent of the total value of output. In 1981 it contributed over 5 per cent to GDP and about 7 per cent to formal wage employment. The sector is a major contributor to export earnings, accounting for 34 per cent of total merchandise exports and with more than 77 per cent of the value of its output exported.
- 12.2 The sector is operating under two major constraints. There is a shortage of skilled manpower, especially engineers and artisans. Because a large proportion of the output of mining is exported and much of it is bulky, the sector is highly dependent on availability of adequate transport facilities, which lately have constrained growth. It is currently experiencing economic difficulties arising from depressed world commodity markets and increasing production costs.

OBJECTIVES

- 12.3 The objectives of the mining sector are:

- (i) expansion of production to an optimal rate determined by the need to increase the sector's capacity to earn foreign exchange, and in view of minerals being wasting assets, expected prices for minerals;
- (ii) increasing the degree of domestic, particularly State participation, ownership, planning and control;
- (iii) ensuring that, in the marketing of Zimbabwe's minerals, the returned value is maximized for the benefit of Zimbabweans; and
- (iv) promoting domestic processing of minerals to manufacture of finished products.

STRATEGY

- 12.4 The critical shortage of skilled manpower will be overcome by stepping up on-the-job training, upgrading in mines and training in mining schools, both locally and abroad. In the interim there will be some reliance on expatriate personnel to fill the skills gap.
- 12.5 In view of the significant price instability of most mineral products, Government will consider measures to cushion producers from the most severe impacts of such instability and maintain steady production rates.
- 12.6 Government will provide effective and necessary fiscal incentives and financial and technical assistance to producers to stimulate and influence the rate of investment and production by mining companies.
- 12.7 A coal Resources and Utilization Prefeasibility Study is being undertaken to prepare a Coal Resources Inventory, which will assist Government in determining priorities in opening additional coal fields and uses.
- 12.8 The Zimbabwe Mining Development Corporation will be established and charged with the major responsibility for transforming the mining sector by increasing State participation in both established and new mining enterprises. On the marketing side, a corporation has been established, the Minerals Marketing Corporation of Zimbabwe, to assume control of marketing of mineral products and ensure maximum returned value to the economy. In addition to performing the function, the Corporation will also be involved in training Zimbabweans and in minerals marketing research.
- 12.9 Up to now geological mapping has been restricted to particular areas which are generally known to contain mineral deposits. Only 58 per cent of the total area of the country has been mapped. Government will encourage further exploration of mineral deposits to improve the information base for a comprehensive policy of mining exploitation and development.
- 12.10 In view of the considerable increase in construction activity envisaged during the plan period, measures will be taken to stimulate the production of limestone, building stones, sand and

gravels. It is expected that both production and employment in quarrying will grow at 10 per cent per year during the period.

GROWTH ESTIMATES

- 12.11 Value added at constant prices in mining and quarrying increased at a rate of 4 per cent annually between 1970 and 1974 but declined at a rate of 0.5 per cent a year between 1975 and 1979 and recorded a 9 per cent decline between 1980 and 1981. Because of the continuing recession in industrialized countries and escalating production costs, the sector's volume of output will decline in 1982/83. The decline is expected to be arrested in the second year of the plan, with growth taking place in the final year of the plan. Over the plan period mining will increase marginally from its 1981/82 level.
- 12.12 Employment is expected to increase at an average rate of 2.4 per cent per year or to about 75 200 in 1984/85. Output per worker is expected to decline at an annual rate of 1.5 per cent a year.
- 12.13 Gross fixed capital formation (GFCF) in the sector in 1981 was \$106 million, or 15 per cent of the total. It is estimated that cumulative GFCF in mining at current prices will be \$407 million over the plan period.

CHAPTER THIRTEEN

MANUFACTURING

- 13.1 The basic structure and characteristics of the manufacturing sector were outlined in Chapter Two.
- 13.2 There are five main issues relevant for the future growth and development of manufacturing. The first, and perhaps most important, is the formation and implementation of an industrial strategy for the sector. The strategy requires, among other things, promoting growth of labour-intensive, small and medium-scale industries to enhance its employment generation capacity. It also requires a comprehensive examination of the system of protection afforded to it through quantitative import controls, which has limited competition, allowed for economic inefficiency and oriented the sector towards the domestic market at the expense of exports.
- 13.3 The second issue concerns the heavy dependence of manufacturing on imported inputs. This dependence is exacerbated at the moment by the need not only to expand industrial capacity and replace a huge backlog of worn-out and outmoded machinery but also the need to maintain high levels of production. Because of the failure to promote industries in which the economy has a long-term comparative advantage — principally raw material processing and/or employing labour-intensive production methods — manufacturing has become a substantial net user of foreign exchange. The past import substitution industrialisation has brought significant benefits to the economy but at substantial costs. It has resulted in economic inefficiency and inequity arising from deterioration in terms of trade between manufacturing and agriculture and has caused relative capital intensity of the sector and thus failing to generate larger volumes of employment.
- 13.4 Third, the sector is operating under a skilled manpower constraint which seems to be worsening. This situation has resulted from past overreliance on imported manpower at the expense of development of local skills.
- 13.5 Fourth, industries are highly concentrated in the two main centres of Harare and Bulawayo, which account for over 70 per cent of the value of its gross output. In addition the manufacturing industries are generally highly concentrated.
- 13.6 Finally, the sector is under considerable foreign ownership control.

OBJECTIVES

- 13.7 Government policy and measures will seek:-
- (i) to expand the sector to enable it to meet the growing and changing patterns of demand and to actively encourage and promote greater backward and forward linkages within manufacturing and with other sectors like mining and agriculture. Particular attention will also be given to the establishment of small and medium-scale industries in rural areas;
 - (ii) to enhance the competitiveness of the sector's products on world markets and thus significantly strengthen its export earning capacity and prepare it for the eventual removal or reduction of the significant protection from world competition afforded by quantitative import restrictions and their substitution with tariffs;
 - (iii) to encourage and promote the adoption of labour-intensive technologies consistent with the country's factor endowment and thus enhance its capacity to generate a large number of jobs than is currently the case;
 - (iv) where desirable and economically efficient, to encourage further import substitution in areas such as energy, fertilizer production, heavy industrial machinery, light machine tools and electronics;
 - (v) to encourage and promote the training and upgrading of staff at all levels, including managerial, technical and skilled positions;
 - (vi) to encourage decentralisation of industries;
 - (vii) to encourage more local participation, ownership and control of industries by Zimbabweans; and
 - (viii) to encourage efficient use and conservation of energy and provide necessary assistance to the sector to adjust and adapt to high energy costs.

STRATEGY

- 13.8 A comprehensive industrial strategy will be formulated and articulated with elements applicable in the short-term implemented during the plan period. In particular, the strategy will

- address the question of the need, capacity and potential of the manufacturing sector to become more export-oriented than it is now. It will seek to identify and provide special encouragement to existing and new industries in which Zimbabwe has dynamic comparative advantage.
- 13.9 Efforts will be made to enhance the degree of labour intensity in manufacturing by:
 - (a) encouraging more labour-intensive industries to ensure that they grow faster than the average real growth for the sector; and;
 - (b) encouraging relatively more labour-intensive technologies in the sector.
 - 13.10 Because of the already high degree of import substitution which has taken place in the economy, further growth and development of the sector will have to come from consolidation, rationalisation, expansion and establishment of new industries and in the import areas of energy substitution, fertilizer production, pharmaceuticals, food processing, etc. The strategy will ensure that established industries are efficient and that their expansion is not limited by the size of the domestic market. In this regard Government will formulate and implement policies and measures to promote the efficiency and competitiveness of the sector during the plan period. Government will also formulate policies to encourage local ownership and control of enterprises.
 - 13.11 The training and development of managerial, scientific, technical and skilled personnel is a critical element in the industrial strategy. At present the sector is facing shortages of skilled manpower, resulting in their wages and salaries rising faster than justified by increases in productivity. This phenomenon is reinforcing inherited wage-salary structures which are not appropriate for or consistent with the labour surplus character of the economy and the equity objectives of Government. The strategy, therefore, requires increased supply of domestic skilled manpower and ensuring that remuneration for all manpower, and particularly skilled manpower, is consistent with domestic labour market conditions.
 - 13.12 The Zimbabwe Development Corporation will promote co-ordinated State participation in the economy and will, through its subsidiary, the Industrial Development Corporation, which will be revamped and re-oriented, accelerate State participation in manufacturing. These measures, along with encouragement and promotion of domestic private sector participation in manufacturing, will increase the degree of domestic (State and private) participation, ownership and control of the sector in a manner which yield maximum benefits to the economy.
 - 13.13 Government will assist small and medium-scale enterprises engaged in processing and manufacturing activities. Government will encourage the establishment of such enterprises throughout the country and especially outside the main centres of Harare and Bulawayo.
 - 13.14 A comprehensive review of direct and indirect policy instruments and regulations will be carried out with a view to designing or redesigning them to ensure that they more effectively promote the objectives, strategies and targets of the plan. Among the policies to be reviewed are the criteria for allocation of foreign exchange, export incentives, export promotion institutions and mechanisms, tax incentives, industrial licensing policy, advisory services etc.
 - 13.15 The success of the proposed industrial strategy will depend upon, among other things, a high degree of co-operation with the private sector, by far the dominant sector involved in production, investment, and (possible) financing of manufacturing activities. To this end Government will create a climate conducive to meaningful consultation, co-operation, and where appropriate, co-determination on matters of mutual interest with the private sector. The growth and development of the sector will also depend on regional cooperation with SADCC countries and on industrial strategies adopted in the context of the Africa Development Decade 1980-1990 of the OAU Lagos Plan of Action.

GROWTH ESTIMATES

- 13.16 Manufacturing is expected to achieve an annual real growth of 11 per cent over the plan period. This growth will be constrained by supply factors. On the demand side, it is expected that an excess demand situation will obtain in almost all sectors, and particularly in the food products, clothing and footwear, and civil engineering industries, reflecting the huge upsurge in demand for consumer and construction-related goods. On the supply side, the expected growth in manufacturing reflects existing industrial capacity, expected levels of investment (especially in replacement of equipment), and availability of inputs determined to a large extent by the availability of foreign exchange.
- 13.17 The planned growth rates together with the gross value of output for various industry branches are shown in Table 13.1 Table 13.2 shows the value added in each industry correspon-

ding to the output levels indicated in Table 13.1. The targets for a number of products considered essential for the implementation of the plan are shown in table 13.3.

Table 13.1 REAL GROWTH RATES AND GROSS OUTPUT
(value in millions of dollars at 1981 prices)

	Growth (per cent per year)	1982/83	1983/84	1984/85
Foodstuffs	12	735	823	922
Drink & tobacco	8	198	214	231
Cotton ginning & textiles	11	392	435	483
Clothing & footwear	8	185	200	216
Wood products & furniture	9	126	137	150
Paper & printing	11	150	166	184
Chemicals & petroleum products	13	434	490	554
Non-metallic mineral products	13	92	104	117
Metals & metal products	11	888	986	1094
Transport equipment	8	86	93	101
Other groups	10	39	43	45
TOTAL	11	3325	3691	4097

13.18 The planned growth of 11 per cent per year requires a corresponding growth in fixed capital formation. Estimates of gross fixed capital formation were made using 1981/82 as base year and taking into account the increases in the volume of output of various industries and reasonable assumptions on the incremental capital/output ratios. Estimates of capital formation for the years of the plan (in millions of dollars at 1981 prices) are as follows:

1982/83	265,0
1983/84	286,5
1984/85	309,5

Table 13.2 VALUE ADDED
(in millions of dollars at 1981 prices)

	1982/83	1983/84	1984/85
Foodstuffs	147,3	165,0	184,8
Drink & tobacco	117,5	128,1	139,7
Cotton ginning & textiles	221,2	245,5	272,6
Clothing & footwear	81,2	89,3	98,2
Wood products & furniture	41,2	44,9	49,0
Paper & printing	64,3	71,4	79,2
Chemicals & petroleum products	149,3	168,8	190,7
Non-metallic mineral products	47,5	53,7	60,7
Metals and metal products	324,0	359,7	399,2
Transport equipment	38,2	41,2	44,5
Other groups	54,1	59,7	65,7
TOTAL	1285,8	1427,3	1584,3

Table 13.3 PRODUCTION TARGETS FOR ESSENTIAL PRODUCTS
(in thousands of tonnes)

	1982/83	1983/84	1984/85
Meat	207,4	232,3	260,2
Refined sugar	162,9	178,2	195,0
Cement	651,0	749,7	863,3
Fertilizer	560,5	588,5	618,0
Steel	888,0	985,7	1094,1

- 13.19 The expected increase in output requires a corresponding increase in labour demand, particularly for skilled manpower. Estimates of labour requirements shown below are based on estimated yearly real growth rates in output for corresponding industries and the expectation that productivity will improve at an annual rate of 3,5 per cent over the base year 1981/82.

1982/83	192 300
1983/84	206 700
1984/85	222 100

CHAPTER FOURTEEN

ENERGY

- 14.1 The basic characteristics and past developments of the energy sector in Zimbabwe were discussed in Chapter Two (paragraphs 2.15 to 2.89). The sector is characterized by a number of related issues. First, is the issue of the optimal mix of various energy sources, an issue closely related to the price structure of energy. Second, is the economic burden of energy imports and the potential for reducing it by an energy substitution programme. Third, is that of energy conservation and, last is the question of financing the large investment outlays required by our energy demand and, therefore, its development programme.

OBJECTIVES

- 14.2 There are two main objectives of energy policy. One is to ensure adequate and secure supplies of energy to all sectors at prices promotive of the growth, development and equity objectives of Government. The other is to achieve, as far as possible, self-sufficiency and security in energy supply.

STRATEGY

- 14.3 The following elements are central to the energy development strategy in Zimbabwe:-
- (i) development of indigenous energy sources and reduction of the dependence on hydrocarbons and electricity imports;
 - (ii) a pricing policy for all energy sources which meets Government's growth and equity objectives and achieves an optimal energy balance, efficiency and conservation;
 - (iii) a comprehensive and effective programme for fuelwood development to arrest the rate of deforestation and ensure adequate supplies at affordable prices;
 - (iv) a comprehensive and effective programme of energy development to meet the urgent requirements of rural areas;
 - (v) development and exploitation of new and renewable energy sources; and
 - (vi) an optimal financial plan to meet the large investment requirements in energy development.

ENERGY DEVELOPMENT PROGRAMME

Coal

- 14.4 Estimated coal reserves are 30 000 million tonnes, of which only 3 million tonnes per annum are currently being mined at Hwange out of a total of 23 identified coalfields. A coherent coal utilization policy laying particular emphasis on the production of synthetic fuels, ammonia, power generation, and the use of coal in the metallurgical and agricultural industries will be developed and implemented.
- 14.5 A prefeasibility study to provide comprehensive information on quantities and quality of coals in Zimbabwe will be undertaken during the plan period. The study will carry out an in-depth evaluation of all coal deposits and put forward recommendations for an optimal exploitation and development programme as well as review existing and new technologies for coal conversion and determine their suitability for exploitation of Zimbabwe coals. The study will lay the groundwork for a possible project for the production of synthetic fuels and ammonia from coal.
- 14.6 Investigations will be undertaken into the feasibility of using coal tar fuel and coal gas as substitutes for diesel and LPG in industrial furnaces.
- 14.7 Gasification and carbonization of coals will be conducted to determine temperature and pressure factors and the quality and quantity of synthesis gas and carbonization products. Various industrial, commercial and household uses of the gas will be investigated.
- 14.8 Investigation and development of a suitable coal stove for communal areas will be carried out in co-operation with Hwange Collieries. Government will seek ways of promoting use of such stoves and coal in communal areas experiencing an acute shortage of fuelwood.

Electrical Power

- 14.9 A study of power requirements to the year 2 000 has been completed. It gives a basis for deciding on the least-cost sequencing of power projects. It is estimated that a power shortfall

- will occur in 1985/86, assuming Hwange I is commissioned in 1983.
- 14.10 Possible alternative plans to provide additional power in the short and long terms include the following:
 - (i) extensions at the Kariba complex, i.e. Kariba South and/or Kariba North;
 - (ii) Mupata Gorge high-level scheme;
 - (iii) Mupata Gorge low-level scheme;
 - (iv) the Batoka Gorge scheme; and
 - (v) Devils Gorge; and
 - (vi) development of the Hwange II thermal power project.
 - 14.11 Following presentation of a consultant's report on the power development programme and after careful consideration of the relevant factors, Government has decided that the sequence of power projects will start with Hwange Stage II Phase I followed by extension of Kariba South. These projects together with Hwange Stage I will ensure that the country has enough power supply up to the late 1980s and early 1990s although some power importation will still be necessary. Decisions on projects to meet requirements beyond the 1980s will be made during the plan period.
 - 14.12 The consultant's report noted above also considered alternatives for power imports, their possible costs, security of supply and technical feasibility. Zimbabwe could import some of its future power requirements from Mozambique or Zaire. The former alternative involves constructing a 330 KV line from Cabora Bassa dam, thereby allowing importation from one of the 400 MW generating units already in place. The second involves imports from the Inga dam in Zaire. Imports from this source would pass through transmission lines in Zambia. The major attraction of the alternatives is that they appear to be comparatively less costly (in terms of capital costs) and might give the Government some breathing space in which to find the best long-term solution. In addition, either or both of the two projects might obviate the need for heavy procurement costs associated with the former projects and thereby offer a relief, albeit a temporary one, on the electrical power budget. However, they involve a different risk factor which cannot easily be accommodated within Zimbabwe's requirements as well as possible complex technical difficulties.
 - 14.13 For the longer term Government has choices of major hydropower projects on the Zambezi which require co-operation with Zambia. In addition, there is potential for the development of small hydro projects on a number of small dams in the country about which studies will be carried out during the plan period.
 - 14.14 Electrification of densely populated urban and some rural areas will be completed during the plan period. A prefeasibility study will be undertaken on rural electrification with a view to electrifying planned growth and mining centres and commercial farms during the 1980s including densely populated communal lands later.

Liquid Fuels

- 14.15 Zimbabwe has no known reserves of oil and imports all its liquid fuel requirements, although on the basis of available geological information on the western and north-western region, petroleum potential cannot be totally ruled out. Efforts will be undertaken to reduce the country's dependence on imported petroleum products and to secure supplies at the lowest possible costs to the economy.
- 14.16 An investigation of the least-cost method of securing petroleum products covering issues of procurement, transportation, refinery processes, availability of crude types and global trends in the oil industry will be carried out. It will explore and make recommendations on various options, including the continued importation of refined products, procurement of crude oil for refining in Zimbabwe or offshore, and the importation of refined products from nearer sources.
- 14.17 The country currently produces 40 million litres of ethanol, which is blended with petrol (20 per cent ethanol), giving considerable savings on foreign exchange. Consideration of increasing the volume of ethanol production and the desirability of increasing the ethanol mix to 25 per cent will be made during the plan period. This may necessitate expansion of the existing sugar ethanol plant at Triangle and/or a new plant at Chisumbanje. In either case the true economic costs (aside from the purely financial ones) and benefits will be identified, quantified and evaluated. In addition, the decision for an additional ethanol capacity would need to be consistent with a decision on the suitable mode of procurement of petroleum products already noted.

- 14.18 Government will monitor developments in petrol, diesel and methanol production from coal. Tests on the suitability of our coals for various liquefaction processes will be undertaken as part of the study referred to in paragraph 14.5 above. Investigations will be undertaken into engine modifications necessary for the use of methanol as a transport fuel.

Electification of the Transport System

- 14.19 Feasibility studies on the complete electrification of the railway system, as well as the intra-urban transport system will be undertaken in the period of the plan. Electrification of the transport system will go a long way to reducing the diesel consumption in the country.

Fuelwood

- 14.20 As already noted in Chapter Two, fuelwood constitutes an important source of energy, particularly in rural areas. More than 80 per cent of the population depends totally on fuelwood for energy requirements, which is being consumed at a rate of more than 6 million m³ per year. Twenty seven districts have been described as critically short of fuelwood and the position is deteriorating rapidly. The rural development strategy therefore regards the adequate supply of fuelwood or alternative energy sources in rural areas as a critical requirement.
- 14.21 Rural reafforestation programmes will receive maximum attention. Areas for tree planting will be identified and a large countrywide reafforestation programme will be formulated and implemented during the plan period. Where necessary transport of fuelwood to some communal areas will receive Government attention.
- 14.22 Charcoal, which can be obtained from many organic substances, is less frequently used than fuelwood. A charcoal programme, which will include assessment of the suitability of fast-growing wood species, will be formulated and implemented. Efforts will be made to design and construct suitable kilns as well as better utilization of wood residues and other agricultural wastes for production of charcoal and briquettes.

New and Renewable Sources of Energy

- 14.23 In the medium and long terms new and renewable sources of energy could make a significant impact on the economy's total energy requirements both as substitutes for imported energy and as complements in the rural development strategy. In the field of solar energy efforts will be made to improve the performance of collectors, reducing the cost of solar water heating systems, while field testing of photovoltaic systems for isolated points such as schools, clinics and hospitals and work on solar refrigeration will continue. Biogas produced from animal and agricultural wastes under anaerobic conditions can be utilized for cooking, lighting and refrigeration. Research will be undertaken on cost reduction, plant design, feed materials operational parameters, microbiology and fermentation kinetics.

Conservation Measures

- 14.24 Strict conservation measures will be introduced in all energy sectors. A vigorous campaign will be conducted to make the public and industry aware of the need to conserve energy. Known ways of energy conservation will be widely disseminated to energy users while energy pricing policies will also be directed at efficient use and an energy audit of major users.

Institutional Development

- 14.25 At present coal is produced only at Hwange by Hwange Colliery, a subsidiary of the Anglo-American Corporation. However, production has been gradually declining since 1970 and Hwange Colliery alone cannot be expected to meet the output targets required for development. There is, therefore, the need for Government to play an increasing role in coal production. Government will, through the Mining Development Corporation, undertake joint coal development projects with either Hwange Colliery or any other company.
- 14.26 The generation, transmission and supply of electrical energy in Zimbabwe is presently undertaken by different bodies. There is the regional body, the Central African Power Corporation (CAPCO), responsible for the generation and transmission of power from the Kariba complex, while the Electricity Supply Commission (ESC) is responsible for the bulk supply and distribution of electrical energy. In addition, the cities of Harare, Bulawayo, Gweru and Mutare have their own (thermal) power stations. The present situation leads to inefficient use of resources through duplication of capital and effort. There is need, therefore, for creation

of a nationally unified and co-ordinated body to integrate these various bodies and to oversee the orderly development of domestic energy supplies. Such a body would also be charged with the responsibility for implementing the rural electrification programme.

- 14.27 Government will give consideration to setting up an Energy Advisory Council under the Ministry of Industry and Energy Development. It would have the responsibility of identifying and analysing current and projected energy requirements and supply potentialities on a national and regional basis. In particular it could also act as a data bank on which policy makers could rely for decision making.

CHAPTER FIFTEEN

CONSTRUCTION

- 15.1 There are several constraints which may limit the capacity of the sector. Over the past ten years the sector has suffered from two major adverse factors. The first has been the over-age and obsolete plant and machinery, the replacement of which has been constrained by the shortage of foreign exchange. The second has been the result of the economic recession, leading to considerable contraction. Between 1974 and 1976, for example, employment in construction declined from 64 300 to 40 600. Because of the lack of employment opportunities a large number of skilled people left the industry, thus creating a severe shortage of skilled manpower. The rehabilitation and expansion of the sector is likely to be constrained more by the shortage of skilled manpower than by the shortage of equipment. The manufacturing sector supplies inputs to the sector and it will be necessary for it to grow at the planned rate (or a higher rate) if it is not to constrain the development of construction. Pressure on the existing capacity in construction is evident from the fact that unit costs have recently risen considerably. The price index for building materials, for example, rose by 21 per cent in 1980 compared with 1979 while the average wages rose by 11 per cent. Similar evidence is in the increasing lags between plans approved, work in progress, appropriations and completions.

OBJECTIVES

- 15.2 The main objective for the sector during the plan period is to expand capacity to enable the industry to fulfil the construction requirements of the plan. During the plan period a suitable institution will be established for providing financial and other assistance to the sector, to promote domestic participation and establishment of new enterprises which may undertake the planned large volume of rural construction projects. Government will encourage research into the development of new, appropriate and viable local construction technologies. The planned investment programme will require an annual increase of about 15 per cent in construction capacity. Institutional framework for effective Government participation will be strengthened.
- 15.3 Many of the large construction companies in the country are foreign-owned. Such companies are welcome and indeed encouraged to participate in the sector but measures will be taken to encourage national companies to expand and to increase their share of construction output. The establishment of new small-scale companies will be assisted principally through SEDCO. Government will encourage training of Zimbabweans by private enterprises in the sector while assisting in the provision of public training facilities and other training infrastructure.
- 15.4 In recent years construction has been concentrated in the seven main towns. In 1980, for example, 61 per cent of all plans approved were for projects located in Harare. To promote Government's policy of decentralization and because a large share of development will take place away from the major centres, there will be more even distribution of construction activities throughout the country. The major part of these activities will be in housing, where it is necessary to reduce the huge backlog of requirements.

STRATEGY

- 15.5 In view of the urgent need for re-equipment in the industry it will be given high priority in the allocation of financial resources and foreign exchange. Because the sector is strategic, there will be an appropriate level of State participation in the sector.
- 15.6 In view of the overall shortage of skills in the industry leading to an unhealthy competition for skilled labour, and given the need for rationalizing, there is need to investigate the merits of establishing an organization to ensure the efficient and effective execution of plan projects and the role of the State in that process.
- 15.7 Popular participation will be encouraged and promoted by organizing voluntary youth construction brigades which will assist and complement the self-reliant activities of communities and construction co-operatives, both of which are central to Government policy in the sector. The National Army will also be called upon to engage in construction activities.
- 15.8 The construction sector is labour intensive, in which much of the labour is unskilled or semi-skilled. Training (much of which is on the job) in the required skills for the sector does

not normally take a long time. Therefore, a large number of unemployed youths, particularly demobilized ex-combatants, will thus be absorbed into the sector and given on-the-job training and thus generate a large pool of construction manpower in a comparatively short time.

- 15.9 The basic material inputs in construction are cement, bricks, stone, steel, paint, glass, electrical materials, wood, asphalt and bitumen. The import component of inputs in the sector is small. Bricks are made and stone is quarried locally. Cement and steel are also produced for export. Both the export of locally produced and the importation of essential materials will be controlled and regulated to ensure adequate supplies needed for plan activities.

GROWTH ESTIMATES

- 15.10 **Gross output** in construction followed general trends in the economy's performance during the 1970s. In the years of accelerated growth, 1970-1975, gross output rose by an average of nearly 8 per cent per year. Beginning in 1976 and up to 1979 it declined at an annual rate of just over 10 per cent so that by 1980 the volume of gross output was between 83 and 84 per cent that of 1970. The planned growth rate of the volume of gross output over the plan period is 15 per cent a year. By the end of the period the volume index will be about 127 (1970 = 100) though still lower than the 144 index achieved in 1974.

- 15.11 **Gross fixed capital formation** in construction activities fluctuated considerably in the 1970s. In 1976 the index was 164 compared to 120 in 1970 (1969 = 100); the respective index for 1980 was about 93. During the plan period GFCF (in current terms) will increase from \$36 million in 1982/83 to \$56 million in 1984/85 to a cumulative total of \$137 million. Its share in GFCF will increase from 2 per cent in 1981/82 to an average of 2.5 per cent over the plan period.

- 15.12 The trend in **employment** in the sector followed that of gross output. The average annual increase in employment was about 10 per cent between 1970 and 1974 with a slight decline in labour productivity. The decline in employment of nearly 9 per cent per year between 1975 and 1979 was accompanied by an annual decrease in labour productivity of 3.1 per cent. In 1980 the downward employment trend was reversed and employment rose from 40 600 to 42 200 but labour productivity continued to decline. It is expected that employment in the sector will surpass the 1974 peak, increasing at nearly 11 per cent per year during the plan period. In absolute terms, 5 700 more workers will be employed in 1982/83, 6 300 in 1983/84 and 7 000 in 1984/85 while labour productivity is expected to increase by 4.5 per cent per year.

- 15.13 During and beyond the plan period emphasis will be placed on reconstruction, improvement and expansion of the infrastructure. A great deal of this work involves self-reliance in which rural people initiate and participate in various types of construction programmes with the aid of an element that has been missing in the past: Government guidance and support, especially in the provision of technical know-how. A comprehensive institutional and financial mechanism oriented towards helping the rural people to build their own houses will be established and, as already noted in Chapter four a National Housing Authority will be set up to assist in the formulation of a consistent national housing policy.

CHAPTER SIXTEEN

TRANSPORT AND COMMUNICATION

- 16.1 The growth and development of the economy depends critically on the existence of an adequate and efficient transport and communications infrastructure. To meet expected increase in the demand for transport and communication services consequent on the planned economic growth and development, it will be necessary to expand and integrate all modes of transport and rationalise their services so as to ensure maximum efficiency.
- 16.2 The transport system has suffered from the effects of the war, severe shortage of foreign exchange, and of skilled manpower. Expansion has been minimal while much-needed replacement investment has not taken place, with the result that at independence, transport facilities were generally down, worn-out, or over-aged. It will be essential to replace vehicles and transport equipment and to extend transport facilities although the foreign exchange requirements will be large.
- 16.3 The present tariff structure encourages inefficient utilisation of scarce resources. Road transport services generally carry higher value goods at lower rates and capture a large part of the lucrative market, thus partly contributing to the railway's operating deficit. The present tariff structure is also partly responsible for the current resource misallocation in the sector with underutilisation of some and overutilisation of other facilities. A comprehensive review of the tariff structure is required to assist in the optimal allocation of resources in the sector.
- 16.4 Freight rates for road transport are not controlled and a casual examination of road operators indicates a high degree of profitability. On the other hand, user charges for road and related infrastructural facilities reveal a significant degree of subsidisation to operators. The present system of licensing for road hauliers is ineffective and poorly related to economic growth and development.
- 16.5 No single agency co-ordinates various aspects of the transport sector. The Ministry of Transport is responsible for the railways, civil aviation and Air Zimbabwe while the Ministry of Roads and Road Traffic is responsible for State roads and serves as the supporting agency for other local bodies, such as the District (formerly African) Development Fund, involved with construction and maintenance of parts of the road system. Effective co-ordination in the transport sector is desirable and will be effected during the plan period.
- 16.6 Investment in the sector will be directed at promoting growth and development especially in agriculture, industry, and regional and international trade. In rural development the plan calls for extension of transport and communications to serve formerly isolated areas in communal lands. A high priority is assigned to establishing and maintaining adequate, efficient and secure transport and communications routes, integrating the national economy and linking it with the rest of the world. High priority is placed on regional co-operation within SADCC in, among others, programmes of the Southern African Transport and Communications Commission (SATCC).
- 16.7 The road and railway systems need improvement and expansion to cope with the expected increase in goods and passenger traffic. Rehabilitation and modernisation of the national railway network has already begun with the electrification programme and the purchase of new locomotives and other equipment. Posts and telecommunications services will be improved and expanded to meet internal, regional and international economic and social requirements and to integrate a higher percentage of the rural (peasant) sector with the modern economy.
- 16.8 Reconstruction and maintenance of the main road networks which, in some cases, have reached the end of their useful life, will be reinforced with the extension and improvement of substandard gravel and narrow mat roads. A network of feeder roads will be built to serve the socio-economic needs of the communal areas. The expansion will also serve new development areas, reduce travel time between main centres of population and outlying areas, and reduce and eliminate danger spots.
- 16.9 Adequate and available track capacity of the railway system will continue to serve important industrial and mining centres. Where necessary, tracks will be strengthened, loops extended, and improvements in signalling made. The railways electrification programme, the first stage of which will be completed in 1983/84, is expected to reduce costs, demand for diesel fuel and skilled manpower.
- 16.10 It will be necessary to ensure that the services of Air Zimbabwe are efficient and comparable with those of other carriers offering similar services. This calls not only for the

modernisation of the fleet but also for the expansion of services. Expansion of domestic services and improvement of facilities at Harare, Bulawayo and Victoria Falls airports are also planned. Similarly diversifying into cargo freight is also envisaged.

- 16.11 The present huge backlog of plant and equipment requirements for improvement and extension of telecommunications services will need unusually heavy capital expenditures. Priority will be given to provision of an improved and adequate telecommunications system interlinking various parts of the country with each other as well as with the rest of the world.

STRATEGY

- 16.12 Government places a high priority on the rehabilitation of the transport and communications sector and will ensure that there are adequate supplies of vehicles, equipment and spare parts. The expansion programme will give a high priority to servicing new areas and expansion of cargo traffic.
- 16.13 In the medium and long term the shortage of skilled manpower will be overcome by upgrading and developing existing manpower and training programmes at all levels of skill. In the short term it will, however, be necessary to employ expatriates who have skills that are not available in the country.
- 16.14 A national transport study, on which plans for effective co-ordination will be based, will be conducted during the period. The strategy for the development of the sector will recognise the desire to protect the consumer by ensuring that reasonable freight and passenger rates apply without subsidising operators. A study will also be undertaken to determine whether, how and where, Government should get involved in shipping.
- 16.15 Zimbabwe will co-operate with other Member States of SADCC in programmes to reduce dependence on South Africa in transport, communications and port facilities. Together with its regional partners Government will work towards strengthening the transport systems within the Member States and towards effective co-operation in the movement of external trade traffic.

SUBSECTORAL PROGRAMMES AND GROWTH ESTIMATES

Railways

- 16.16 The National Railways of Zimbabwe (NRZ) has 3374 km of 1,067 metre gauge track serving the bulk of agricultural, mining and industrial activity in the country. It also operates a limited road motor service to points where no railways service is available. NRZ is linked with the rail systems of Mozambique, Botswana, Zambia and South Africa and provides transit traffic to Beira, Maputo and South African seaports for the Zambian and Zaire railways. The track condition is sound and ample capacity exists in most sections. Although the general condition of rolling stock is good and wagons and coaches can be manufactured locally, the effective capacity of locomotives has until recently been hard hit by lack of spares and lack of maintenance and repair skills. Recently additional locomotives have been purchased, some leased and others reconditioned. To ease the short-term skilled manpower shortage, expatriate diesel fitters and other technicians have been recruited.
- 16.17 Table 16.1 shows the expected wagon requirements for the plan period. The present stock amounts to about 12 500 general purpose and specialised wagons and the local industry is capable of producing a substantial number of wagons per year. It is also possible to convert some general purpose into specialised wagons as the traffic pattern changes. Pooling with neighbouring countries could further increase the wagons capacity.
- 16.18 The first stage of NRZ's electrification programme (Dabuka to Harare) cover 355 km of main line and 130 km of additional track for subsidiary stations, yards and sidings, and also involves the acquisition of 30 new electric locomotives. As already noted, electrification should reduce the consumption of liquid fuel, increase traffic capacity and reduce the requirement of skilled personnel.
- 16.19 As shown in table 16.2, rail tonnage declined by 6,5 per cent between 1980/81 and 1981/82 with export tonnage declining by 9,3 per cent. Over the plan period tonnage is expected to increase at an annual average rate of a little over 9 per cent. Most of the petrol, oil and lubricants (POL) imports will not be carried by rail.

Table 16.1 REQUIREMENTS FOR WAGONS

Wagon Type	1982/83			1983/84			1984/85		
	Avail-able	Require-ment	Surplus-Deficit	Avail-able	Require-ment	Surplus-Deficit	Avail-able	Require-ment	Surplus-Deficit
General purpose	10 357	8 769	1 588	10 504	8 181	2 323	10 558	7 609	2 955
Livestock	574	403	171	574	256	318	574	202	372
Container	206	252	-46	206	405	-199	206	139	-233
POL (jumbo) *	265	146	69	265	165	100	265	193	72
POL (standard) *	385	261	124	385	237	148	385	251	134
LPG	21	29	-8	21	27	-6	21	29	-8
Water tank	16	27	-11	16	27	-11	16	27	-11
Molasses tank	13	13	—	41	32	9	41	32	9
Molasses open	13	13	—	13	13	—	13	13	—
Tallow tank	12	26	-14	12	25	-13	12	26	-14
Bitumen and coal tar	27	44	-17	27	32	-5	27	32	-5
Edible oil	15	4	11	15	7	8	15	10	5
Explosives	31	38	-7	31	40	-9	31	40	-9
Goods guards van	205	220	-15	205	220	-15	205	239	-34
Refrigerated mech.	136	16	120	136	22	114	136	31	105
Refrigerated bunker	141	37	104	141	44	97	141	55	86

*With the opening of the Beira to Mutare pipeline the requirement for petrol, oils and lubricants (POL) wagons may eventually be reduced.

Assumptions:

- (a) ZISCO liner trains for coal and iron ore.
- (b) Unit trains for chrome ore from Shurugwe to Kwekwe.
- (c) Containerisation of an increasing proportion of export-import traffic.

Source: Traffic Review 1981

Table 16.2
TONNAGE MOVED BY RAIL
(in millions of tonnes)

	Actual 1980/81	Base year* 1981/82	1982/83	Projected 1983/84	1984/85
Local	8,40	7,82	10,30	10,44	10,99
Export	2,03	1,89	3,06	2,81	2,90
Import	1,95	1,96	1,63	1,69	1,70
Transit	1,02	0,85	0,91	0,77	0,72
TOTAL	13,39	12,52	15,90	15,71	16,31

*The first six months figures are actual while the others are estimates.

16.20 Because of the greater capacity of the port at Maputo and the steeper gradient of the line to Beira, it is cheaper to route traffic through Maputo than through Beira. There has been significant increase in the use of containers in recent years, a trend which can be expected to continue. In the short-term traffic will continue to move chiefly through South Africa ports since Mozambique ports are not yet adequately equipped to handle them. The expected distribution of traffic is shown in Table 16.3, in which transit traffic is not included and POL imports are expected to be insignificant.

16.21 Passenger traffic is of minor importance to the national railways system, although there has been a recent marked increase in low-cost travel. During the plan period a decision will be taken on the World Bank report on the feasibility of extending the railway system to passenger traffic from peri-urban to major urban areas.

Table 16.3
FOREIGN TRADE FLOWS
(in millions of tonnes and per cent of total)

To & From	1981/82		1982/83		1983/84		1984/85	
	Volume	%	Volume	%	Volume	%	Volume	%
South Africa	1 887	49	2 017	43	1 980	44	2 024	44
Maputo	1 309	34	1 923	41	1 800	40	1 840	40
Beira	77	2	94	2	90	2	92	2
Zambia	154	4	188	4	180	4	184	4
Zaire	424	11	469	10	450	10	460	10
TOTAL	3 851	100	4 691	100	4 500	100	4 600	100

- 16.22 The present railways tariff structure cross-subsidises low-value and high-value traffic, resulting in high-value traffic being diverted to road transport. This will be reviewed as part of the national transport study.

Civil Aviation

- 16.23 The capacities of Harare and Bulawayo international airports are inadequate and will become increasingly so as the volume of traffic increases. Work will be started on extension to the Bulawayo airport terminal building and improvements made to Charles Prince Airport. Possibilities for expanding existing terminal facilities and new terminals at Harare Airport will be investigated. Expansion of the airports at Victoria Falls, Masvingo, Buffalo Range, Kariba and Hwange will be considered and, if justified, subject to financial and other constraints, undertaken.
- 16.24 Air Zimbabwe has purchased two additional Boeing 707's. A study will be undertaken to determine the feasibility of expanding the airline's route structure to points in Africa and elsewhere in the world. In addition a comprehensive study of the corporation and its future development will be undertaken with a view to bringing it in line with the new circumstances and demand it is facing.

Roads

- 16.25 The roads construction, rehabilitation and maintenance programme is integrated with the development programmes in all sectors of the economy and takes into account the legitimate and urgent requirements of the rural areas. Large amounts of foreign exchange will be required for capital replacement and renewal as well as for some raw material imports. It will also be necessary to overcome the shortage of skilled manpower, especially that of engineers and technicians.
- 16.26 Responsibility for roads is shared between the Ministry of Roads and Road Traffic, municipalities, District Administrations, and rural councils. To expedite the construction of rural roads in the context of self-reliance more and more responsibility will be taken by local authorities, rural councils and local communities with necessary supporting technical assistance from Government.
- 16.27 The Ministry of Roads' road construction programme embraces the following: strengthening of *retirement roads*, (i.e. existing roads which are subjected to heavy traffic; construction of expansion roads to cater for development projects in all fields, including agriculture, mining, industry, tourism and commerce; upgrading of *improvement roads* which were constructed at low standard; and construction of socio-economic roads to serve the people and stimulate the economy in the communal areas. This programme is co-ordinated with that of the District Development Fund to ensure that feeder roads are properly maintained. Measures will be taken to ensure that growth points, service centres and resettlement schemes are adequately served. Special attention will be paid to certain parts of the country, such as the area bordering Mozambique in the East.

Road Transport

- 16.28 The present level of economic activity requires a 20 per cent increase in the number of heavy vehicles for the efficient movement of goods and people by road and the replacement of old and inefficient vehicles. The total additional heavy vehicle requirement is about 6 500 for the plan period. Thereafter replacement at the rate of 1 000 vehicles per year will be required.
- 16.29 At present buses run from communal areas and former African townships to the urban and industrial centres with insufficient links between communal areas and residential concentrations. It is intended to encourage the formation of transport cooperatives to provide services that will facilitate greater social and economic interaction among people in communal areas. Government is considering proposals for participation in the ownership and management of urban and inter-city passenger transport.
- 16.30 Consideration is also being given to State participation in freight haulage services. At present there is no economic inducement for goods transport companies to operate in the communal areas. Government will provide incentives to ensure that agricultural products are moved to markets. During the plan period a study will be carried out to determine how best the operations of the Road Motor Services could be revamped to extend them to communal areas.
- 16.31 Freight and passenger tariffs will be reviewed in the national transport study along with licensing regulations with a view to modifying the rate structure to ensure efficient utilisation of scarce resources.
- 16.32 Traffic accidents take a heavy toll in lives and property. The present traffic administration system is greatly in need of modernisation. The activities of the Traffic Safety Board are to be broadened in scope, including public education, and extended to cover a larger proportion of the population. This entails the acquisition of safety education equipment and the training of personnel. It is planned to expand the network of vehicle inspection depots and to extend the service to the rural areas for both vehicle inspection and driver testing. It will be necessary to provide equipment for the depots and train inspection staff.

Communications

- 16.33 A prime requisite for development is effective two-way communication between the masses and Government, in rural and urban centres, and between the several provinces and districts. Successive colonial regimes built a fairly extensive communications network in the urban areas and along the line of rail, with rural areas being neglected. This imbalance will be redressed by establishing integrated communication centres in rural areas to bring people closer together and to the centre of national life. The communication centres, to be established at designated points, will consist of a post office or sub-post office, a Post Office Savings Bank, and telephone facilities, including an exchange and public telephones. A ZBC station will be installed, where people can gather to listen to radio broadcasts. When electricity is available public television sets will be installed. It is planned that centres also have bookstores which will stock newspapers and magazines, Government and other publications.
- 16.34 The capital development programme for telecommunications also includes the modernisation and expansion of equipment for national and international services. It is planned to establish an earth satellite station to make possible direct telecommunications links with overseas countries. In conjunction with the earth satellite station a gateway exchange is under way to route telephone traffic to neighbouring countries and to serve as a staging point for traffic from other countries. It is also planned to strengthen direct links with SADCC countries and further to develop Zimbabwe's part in the Panaftel network. These measures should reduce the country's dependence on the South African network.
- 16.35 To implement the programme outlined above it will be necessary to expand training facilities, send engineers and technicians for training by the suppliers of equipment, and organise on-the-job training to follow up on formal instruction.

CHAPTER SEVENTEEN

DISTRIBUTION AND TOURISM

- 17.1 The distribution sector is a link between the consumer and the producer. It comprises wholesale and retail trade, restaurants, hotels and other tourist activities. Although largely in private hands, there is some participation by Government through statutory bodies, especially in agricultural products and in the tourist industry through the Tourist Board and the provision of facilities in national parks. Apart from this, Government's role up to now has been largely confined to the provision of infrastructure and to quality and price regulation. Price regulations in wholesale and retail trade are designed to protect the consumer while ensuring an adequate supply of regulated products.
- 17.2 Because of the concentration of population in urban centres and the larger markets these centres provide, commercial enterprises, like enterprises in other sectors, have tended to be better and larger in urban than in rural areas, adding to the inequity existing between the urban and rural sectors.
- 17.3 A poor road network for remote areas and lack of foreign exchange have limited the growth and development of the sector while the absence of bulk purchasing facilities for small retailers has tended to raise consumer prices, particularly in rural areas.
- 17.4 Generally, black tradesmen lacked opportunity to acquire expertise in management, even though wholesalers have attempted to give some guidance on costing of goods, sound buying principles, building design, store layout, cash flow, etc. Expansion of advisory services is, therefore, required if investment in distribution is to have a significant impact on the efficiency of the small business sector.

OBJECTIVES

- 17.5 The major objective is to expand and decentralize outlets into the rural areas to supply sufficient quantities of goods and services at prices comparable to those in urban areas. Government also intends to encourage and promote consumer and producer co-operatives and establish large-scale State trading organizations in the sector.

STRATEGY

- 17.6 State Trading Corporations (STCs) run on commercial principles will be established. They will be involved at both wholesale and retail levels with emphasis on the wholesale trade. They will lead the sector in implementing Government policies. For example, they will provide wholesale facilities in growth points and small rural distribution centres. Government will encourage the establishment and development of producer and consumer co-operatives in rural areas through education and training and provision of some services such as auditing and consultancies. Because of their size, STCs and co-operatives will enjoy economies of scale which will lower unit costs and, therefore, prices to consumers. The establishment and development of these organizations will also enhance the available skilled human resources in the sector.
- 17.7 Increased availability of foreign exchange and improvement in its allocation will remove an important constraint and will result in a higher level of economic activity with an important impact on the sector. The present system of foreign exchange allocation is under review. In the new system there will be no barriers to entry and there will be positive bias in favour of small enterprises especially co-operatives. A consistent set of criteria will be developed and implemented to ensure the attainment of Government objectives.
- 17.8 Government will play an active role in the expansion of advisory services for tradesmen. A Small Enterprises Development Corporation (SEDCO) is being established to provide financial assistance, training, and consulting services to consumer and trading co-operatives and small wholesale and retail enterprises. SEDCO training activities will strengthen business management capacity, while the consulting services will help the traders to make the best use of their resources and will back up the training.
- 17.9 The Tourist Development Corporation (TDC) will be established to promote tourism. It will be responsible for the overall planning and management of tourism. Government will

functions brought under a unified system of control where possible.

CHAPTER EIGHTEEN

EDUCATION

- 18.1 The attainment of our growth and development objectives and the establishment of an egalitarian socialist society critically depend on the effective development and direction of our human resources. The realisation of the full potential of the human being is a central objective of education which should, however, be integrated with growth and socio-economic development objectives.
- 18.2 Education is a basic need and a fundamental right; it develops the individual's potential to learn, respond to new opportunities, adapt to social change and participate effectively in the nation's political, social and cultural transformation. It is socio-economic activity which motivates, sustains and accelerates the rate of economic growth and development by providing society with the requisite productive, managerial and administrative skills. It is a means of meeting social and individual ends — access to social goods and services such as adequate nutrition, health services and decent living conditions. Equal access to educational facilities will help to redress the gross inequalities resulting from past discriminatory policies and practices.
- 18.3 The following choices face Government in planning a comprehensive and consistent education system which meets the demands of the new society:-
- (i) the choice at all levels between quantity and quality, given limited financial and human resources;
 - (ii) distribution of resources among primary, secondary and tertiary levels of education;
 - (iii) on the secondary and tertiary levels, the balance between science and technology and humanities;
 - (iv) in skills development, the balance between pre-employment formal training and in-service on-the-job training;
 - (v) the balance between the interests of the individual and those of the nation;
 - (vi) the content of education;
 - (vii) the choices concerning educational technology and organization; and
 - (viii) the size of the education budget in relation to training, health and other priority public goods as well as in relation to productive investment.
- 18.4 The effectiveness of the education system in achieving some of the nation's equity objectives depends on the manner of its financing. In the past the central Government provided financial support for the construction and equipment of schools in urban areas, whereas rural communities were expected to make a large contribution towards the building of their schools. Because of this it could take some time before a uniform minimum standard of school facilities can be provided throughout the country.

THE INHERITED SYSTEM

- 18.5 There are gross disparities at various levels in the system. There is an overall shortage of school places in relation to the school-age population but within this shortage there are inequities in educational opportunities between racial groups, different sexes, rural and urban communities, and socio-economic groups.
- 18.6 The total number of school places is insufficient in relation to the population of school-going age*. In the past most schools were overcrowded while some were half empty. School places were always sufficient for non-black but not for black children. The bulk of the wastage was among black children, whose drop-out rate in primary school was 45 per cent. Of those completing primary school, fewer than 20 per cent proceeded to secondary school, and these constituted only 7 per cent of the black population of secondary school age. Of these, 42 per cent did not complete four years of secondary education. Only a very small proportion of blacks went on to university or technical training.
- 18.7 The inherited education infrastructure is heavily biased in favour of the former non-African areas. In the former white schools the high quality of physical plant, the number of trained

* for example, in 1979 total enrolment was 41 per cent of the school-age population.

teachers, the low pupil/teacher ratios, the availability of teaching materials, all contributed to a better learning environment. In the former black schools the learning environment was generally poor.

- 18.8 Two dimensions of access to education — availability of places and ability to pay — worked against black children. As already noted, previous governments made little or no investment in schools in the rural areas, where communities financed the building of their own schools, while Government provided reasonably adequate infrastructure in urban areas, albeit differentially between races.
- 18.9 Fewer girls than boys obtained education because of a combination of the shortage of school places, the inability of black parents to pay, and certain unfavourable cultural values and attitudes. As a result there is a disproportionate number of black educated women in Zimbabwe.
- 18.10 There were insufficient educational opportunities for the non-school-age population, for both pre-school and adult education. Such opportunities, though badly needed, are still generally lacking.

MEASURES TAKEN SINCE INDEPENDENCE

- 18.11 *Rehabilitation of damaged facilities.* Soon after the new Government came to power, programmes began for reconstruction of war-damaged schools, mainly rural primary schools. Emergency measures were taken, such as conducting classes in the open air where schools were totally destroyed. In other places prefabricated roofing supported on pillars was provided to form open-sided classrooms, which were to be walled later through community self-reliant effort. This community involvement continues to be a vital force in the reconstruction and development programme.
- 18.12 *Increased enrolment.* Total school enrolment increased by 47 per cent in 1980 and a further 39 per cent in 1981. It is a consequence of the introduction of free primary education, increased secondary school places, and a reduction of fees in some secondary schools. These major strides in educational expansion have been achieved within the framework of the inequities of the past system.

OBJECTIVES

- 18.13 Government will seek to:-
 - (i) ensure equality of opportunity in so far as Government support for education is concerned;
 - (ii) ensure quantitative improvement through a significant expansion of educational facilities;
 - (iii) introduce significant qualitative changes, with particular attention to:
 - a) the relevance of education to national needs, including socio-cultural orientation and intellectual decolonization;
 - b) greater emphasis on teaching science and technology in secondary and post-secondary institutions.
 - c) the building of an adequate and rational capacity for management and research;
 - d) improvement of efficiency in the supply of especially higher educational services; and
 - (iv) ensure that investment in education and training and the financing thereof is rationally planned and is fully integrated with the investment in other activities in the public and private sectors.

STRATEGY

- 18.14 *Expansion.* While primary education has been free since independence, it is the intention of Government to eventually introduce universal compulsory and free primary education and to extend this to secondary education so that most children can have at least nine years of schooling.
- 18.15 Responsibility for rural primary schools will be vested in district councils, which will receive financial assistance from the central Government. Communities will assist in the construction and maintenance of schools by contributing labour and local materials. Apart from the obvious advantage of cost saving, this policy is intended to engender a sense of pride of

- ownership and is expected to enhance community spirit for co-operation and self-reliance.
- 18.16 In urban areas additional primary school places will be provided largely by extending existing facilities and by ensuring that urban communities contribute, through appropriate financial arrangements, to the financing of their own schools. A similar strategy will be adopted in respect of secondary schools with a larger proportion of central Government assistance. The financing of tertiary education and training, however, will be borne jointly by Government, the private sector, and individual beneficiaries of such education and training.
- 18.17 Expansion of teacher training capacity to cope with the rapid expansion of school enrolment will take two forms:-
- (i) to meet the immediate need, an unconventional programme for the upgrading of serving teachers has been undertaken, — the four-year programme combines residential courses, supervised teaching, correspondence study and vacation classes; and
 - (ii) conventional teacher training programmes are also being expanded by the enlargement of existing and establishment of new colleges. While Government Policy is to rely on local manpower supply wherever possible, some expatriate secondary school teachers are being employed as a temporary measure.
- 18.18 Plans for the development of the University of Zimbabwe should reflect the anticipated increase in high school graduates and the requirement for self-sufficiency in the supply of high level manpower. Overall university enrolment is expected to increase substantially over the next few years with most of the increase taking place in fields of the greatest manpower shortages such as technical and scientific fields. During the plan period the faculties of agriculture and veterinary science will be consolidated. A reduction in unit cost of university and other tertiary education and training services will be achieved over the plan period.
- 18.19 *Quality.* Government is committed to the attainment and maintenance of the highest possible quality of education and will ensure that the necessary inputs are supplied. Chief among these are the quality of teachers, schools and facilities, the pupil/teacher ratio, recurrent expenditure per pupil, and curriculum content. In the past the majority of teachers in non-black schools held standard qualifications and commanded relatively high salaries. Black pupils were taught by poorly paid teachers, many of whom did not hold standard qualifications. Former non-black schools and urban schools had far better facilities than rural schools for black children. The average pupil/teacher ratio in black schools was twice that for non-black schools. The ratio of expenditure per black and per non-black pupil declined during the 1970s. In 1978 the ratio was 1 to 11.25 as against 1 to 10 in 1970.
- 18.20 The recent expansion in enrolment has worsened the pupil/teacher ratio (especially the ratio of pupils to qualified teachers) in rural and black schools. Because of the teacher shortage it has been necessary to resort to the use of electronic and similar substitutes for "face-to-face" instruction. The democratization of access to education means that the high standard achieved in former white schools cannot, in the short-term, be attained for all schools. But despite the higher pupil/teacher ratio, it will be possible to achieve qualitative improvement through the adoption of new methods of instruction. It will not be possible to increase expenditure per pupil significantly and appropriate cost-effective technology and organization will be developed and implemented. During the plan period it will be possible to work towards correction of the racial and spatial imbalances in expenditure per child, plan for the eventual standardization of teacher recruitment and training qualifications, and provide adequate school places in all areas.
- 18.21 A new philosophy in curriculum development is being elaborated, the guiding principles of which include excellence and relevance. The new curriculum will be designed to promote the full development of the individual. It will be designed to ensure that appropriate skills and attitudes are imparted to pupils, who will be taught to appreciate the role of productive manual work and to undertake it.
- 18.22 *Post-secondary education.* Self-sufficiency at all levels of manpower and manpower training and development are high Government priorities. Investment in education and training will be fully integrated with investment in other socio-economic activities in the public and private sectors. Technical training colleges will be expanded, with a new college planned for the low veld and a number of independent schools given appropriate assistance to achieve recognized technical standards.
- 18.23 The University of Zimbabwe is expected to play a supportive role in national development, emphasizing disciplines with practical as well as theoretical relevance to the needs of the

economy. Encouragement will be given to applied research intended to make an effective contribution to Zimbabwe's social and economic development.

- 18.24 **Non-formal education.** A large proportion of adult Zimbabweans are illiterate or semi-literate. Past administrations showed little interest in eradicating illiteracy. Voluntary groups, notable the Adult Literacy Organization, have made heroic efforts under difficult circumstances to alleviate the problem. As Government views literacy as a right as well as an important instrument for effecting economic and social development, government-sponsored programmes of adult education will relate literacy to work experience and production activities as well as to household concerns such as hygiene and child care. They will be designed to create an awareness among adults of the role they can play for the benefit of society as a whole. So that these programmes can be channelled to the best effect, a nationwide mapping exercise on the degree of literacy has been started.

CHAPTER NINETEEN

HEALTH

- 19.1 Government regards access to adequate health facilities as a basic human right and is conscious of the importance of a healthy nation in the socio-economic development of the country. In the past much emphasis was placed on curative care, for which the annual expenditure amounted to 85 per cent of the national health budget. This was the case even though a high proportion of the health problems affecting the majority of the population arise from poor nutrition, lack of adequate sanitation and safe water, poor hygiene, substandard housing and ignorance of preventive health measures. In general these preventable problems are closely associated with poverty, ignorance and underdevelopment. For example, over 80 per cent of infant deaths are due to nutritional deficiencies, diarrhoea, intestinal diseases, communicable diseases (such as measles, pneumonia and tetanus) and maternity-related and neonatal problems.
- 19.2 Access to health facilities was inequitable in the past. Besides continuing racial and income discrimination, there is spatial imbalance in the provision of health services and an uneven distribution of qualified personnel. The rural population constitutes 80 per cent of the total population, yet hospital beds in rural areas number little more than half those in urban areas. While the country as a whole has one doctor per 8 000 people, it is estimated that in rural areas there is only one per almost 100 000 people. Private medical care, which enjoys some implicit subsidies, employs almost one-third of the nation's medical doctors and caters for a small, healthy, high-income group whose members are normally covered by medical aid schemes.

OBJECTIVES

- 19.3 In order to redress past and existing imbalances, anomalies and inequities, Government will develop a comprehensive and integrated national health programme which de-emphasizes curative care and focuses on preventive care and the promotion of healthful life styles. The main thrust of the programme will of necessity be in rural areas. A major target of the National Health Service, "health for all by the year 2 000" requires improvement of nutrition, limitation of the incidence of preventable diseases and a reduction in the rate of mortality, particularly infant mortality. While the main focus will be on preventive measures with particular emphasis on rural areas, there will, nevertheless, be due attention given to curative services.
- 19.4 A National Health Service will be established to implement the programme referred to in the preceding paragraph.
- 19.5 Spatial imbalance in the provision of health services will be redressed by increasing facilities in rural areas. The rural health programme will be integrated with other rural development programmes such as improvement of the rural infrastructure, education, housing, food production, water supply, and waste disposal.

STRATEGY

- 19.6 The salient features of the planned health services are the:
- (i) *personal contact* through village workers, who will serve between 50 and 200 families each and will constitute the first level of contact between the community and health service;
 - (ii) *proximity of facilities*. Health service centres will be strategically located to serve approximately 10 000 people each in areas with a radius of about 8km;
 - (iii) *popular participation*. The people will be encouraged to avail themselves to preventive care services and to take part in activities to improve hygiene and nutrition and control endemic diseases;
 - (iv) *health education*. There will be an intensive programme of health education at all levels. Increased involvement of older members of rural communities in health promotion and educational programmes will be fostered. Health staff will be trained in the basic principles of primary health care so as to be able to instruct specific target groups on health problems and encourage feedback from the grassroots level.
- 19.7 *The private medical sector*. The existence of lucrative opportunities for private medical practice, which enjoys implicit Government subsidies, threatens the viability of the proposed National Health Service and it is, therefore, necessary to establish effective Government control and regulation of the sector and to ensure that it pays the full cost of the services it supplies. This will require phasing

out the right of Government medical officers to operate part-time private practice, limiting access to Government facilities by private specialists, debarring immigrants from private medical practice, prohibiting the expansion of private hospital facilities, and eliminating all explicit and implicit subsidies to the private sector. The Medical, Dental and Allied Professions Council will be formed to reflect the new approach to medical services. As part of an assessment of the role of private practice in the nation's development the salaries of government medical personnel at all levels will be closely monitored to ensure that they are at a level sufficient to attract and retain the required medical staff. At the same time measures will be taken to ensure that malpractices in private medicine are eliminated.

- 19.8 *The role of traditional medicine.* The Traditional Medical Practitioners Act confers recognition to traditional practitioners and facilitates liaison between traditional and conventional medicine. It opens the way for scientific study and research on traditional medical lore, thus allowing it to be incorporated in the body of currently accepted medical knowledge. Association between the two systems of medicine will, however, continue to be informal for some time.

INSTITUTIONAL DEVELOPMENT

- 19.9 The National Health System (NHS) will have as its foundation the village health workers (VHWs). The rural health centres, each staffed by two medical assistants and a health assistant, will provide immediate support and supervision of the activities of the VHWs, who will refer to the health centres any patients and problems they are not capable of dealing with on their own. Technical, supervisory and administrative support will be provided by rural and district hospitals, while provincial and national hospitals will provide referral services and administer the system.
- 19.10 Government will investigate the possibility of expanding the provision of free health care within the constraints of the budget. The feasibility of national health insurance scheme will be examined and the efficacy of Medical Aid Societies will also be investigated.
- 19.11 *Village health workers* will be drawn from and selected by their communities. They will be remunerated by local authorities with some assistance from Government. After training at health centres or rural hospitals they will be provided with kits of health supplies and bicycles.
- 19.12 *Rural health centres* will be built where none exist at present and existing clinics will be upgraded where necessary. Mother and child care services will be provided at the centres, which will be run by qualified personnel.
- 19.13 *Hospitals* will provide a back-up service for health centres. Existing hospitals will be upgraded and new ones built in districts and urban centres where facilities are not adequate.
- 19.14 *Medical stores* are being decentralized to achieve quick distribution at all levels.
- 19.15 A national *nutrition* education programme will be launched, using health personnel, the media, and schools. Attached to every district hospital will be a nutrition village, which will play an important role in raising the general level of nutrition by providing mothers and children with nutritious foods and instructing mothers on diet and food preparation. The establishment of a national nutrition council, now under consideration, will be undertaken if Government should so decide.
- 19.16 *Training facilities* for medical auxiliaries will be established in each province. Schools of nursing and training of medical doctors will be expanded.
- 19.17 *Rehabilitation services for the disabled.* A national rehabilitation centre has been established. It is planned to expand the physio-therapy departments of provincial and district hospitals and train rehabilitation assistants. A multidisciplinary approach is to be adopted to enable disabled persons to become self-reliant and productive members of society.
- 19.18 *Malaria and bilharzia control.* Programmes to combat endemic disease will centre on participation by individuals, families, and communities. Village health workers, students, teachers, and others in the villages will be taught spraying techniques and other control measures for malaria. To combat bilharzia, snail control and chemotherapy will be applied in addition to the provision of clean water for household use. Control measures will be integrated with overall health measures. Most labour costs of the programmes will be covered by community effort.

CHAPTER TWENTY

HOUSING

- 20.1 Housing plays an important role in socio-economic development. It contributes directly to the population's well being and its productivity. It is also an important contributor to gross capital formation. In Zimbabwe where home ownership, especially among blacks, was highly restricted, housing can serve as an effective tool for wealth redistribution and for creating a better human settlements environment. It is for these reasons that the plan accords a high priority to housing conditions and envisages a situation in which every Zimbabwean family is provided with a decent home in a reasonably short time.
- 20.2 Several factors dominate the current housing situation in Zimbabwe, among which are the following:
- (i) inability of a large proportion of urban dwellers to afford decent accommodation,
 - (ii) a wide disparity in living standards between urban and rural inhabitants and between high and middle income and low income families,
 - (iii) the inheritance of a hierarchical socio-economic and racial stratification of society with an uneven distribution of income and wealth and income-generating opportunities between blacks and whites,
 - (iv) an acute shortage of urban housing for low income groups due partly to high population growth among blacks and an influx of the rural population into urban areas,
 - (v) generally poor and, in some cases, appalling housing conditions for workers on commercial farms and in some mining areas,
 - (vi) lack of a rural housing policy,
 - (vii) absence of a comprehensive and co-ordinated national policy for housing and human settlements,
 - (viii) escalation of building costs since independence.
- 20.3 In rural areas modern amenities are for the greater part non-existent and most of the traditional houses are poorly constructed. This problem extends to housing units for workers on commercial farms and some mines.
- 20.4 Estimates indicate that the 1.1 million peasant families will increase at an average of 45 000 persons per year during the present decade. The improvement of housing conditions for these rural families will depend on access to adequate arable land. The estimated resettlement cost per family ranges between \$2 000 and \$3 000 and an additional \$800 per family is needed for housing and related services. This illustrates the magnitude of the rural housing problem and calls for imaginative short and long term solutions.
- 20.5 Harare and Bulawayo account for more than 90 per cent of the urban population and the present high rate of population growth, coupled with the influx of rural population into urban areas, suggests that high rates of growth of urban population will continue beyond the plan period, aggravating pressure on the strained urban housing situation. Part of this problem results from the fact that in the past, Africans who migrated to urban areas were regarded as temporary workers who supplied cheap labour to commerce, industry and other areas of economic activity. Once their productive life was over they were expected to return to their place of origin in communal areas. Because of this past neglect, the housing backlog in urban centres is now estimated at 64 000 units. It is likely that this figure does not include a large number of families not registered on the waiting list. This excess demand for urban housing is manifesting itself in over-crowding, poor housing conditions, and an increase in the number of squatters, with serious implications for sanitation, health and other environment conditions.
- 20.6 The backlog of 64 000 housing units plus the estimated rate of increase of the backlog of 15 per cent can be eliminated in approximately eight years. In order to meet this target, it is necessary that 57 500 housing units be constructed during the plan period at a cost of about \$525.2 million. But the problem is that the supply of housing units has been falling short of demand. Until recently the public sector has constructed approximately 12 000 ultra-low-cost units per year. Worse still, the rate construction has declined substantially due to a combination of factors, including escalating costs of building materials, limited resources and the need to re-assess the present ultra-low-cost housing policy.
- 20.7 The urban housing requirements referred to above do not, however, constitute effective demand since even the price of low-cost-housing is beyond the reach of a large number of urban dwellers. Estimates for 1977 indicate that about 28 per cent of black wage earners could not afford a minimum housing solution; approximately 9 per cent could only afford a site with private service facilities; 33 per cent could afford a semi-permanent house; 9 per cent a core house and no more than 17 per cent a standard low-cost-house, while only 3 per cent could qualify for a building society bond.

- 20.8 The other factor contributing to the housing problem include the legal institutional framework, administrative controls and financing barriers. The inherited zoning laws and building codes restricted the provision of high-density housing to the city periphery, thus imposing high transport costs on low income groups. Lending institutions are not accessible to low income groups because they are designed to finance high-cost housing. Poor co-ordination of housing and shortage of skilled manpower in the construction industry contribute to inaccessibility of housing services and assistance to most urban dwellers. The situation is aggravated by the rigidity of designs of the building industry, architectural and planning concepts, as well as technical specifications which do not always permit innovations in design, materials and building methods appropriate for local conditions and values.

OBJECTIVES

- 20.9 The long-term objective in housing is to ensure that there is adequate housing and related services at affordable prices for all, irrespective of geographical location or socio-economic group. During the plan period the objective is to arrest the deteriorating imbalance between adequate housing requirements and supply (already noted).

STRATEGY

- 20.10 The major planning requirement for housing is formulation and articulation of a consistent and comprehensive national housing policy and strategy based on the objective stated above and incorporating elements of the housing with equity strategy discussed in Chapter Four. Collaborative efforts by government, local authorities and the people themselves are needed in order to overcome the housing problem. All housing programmes will be financed on the basis of full economic charges to the beneficiaries. Through local authorities, the State will continue to co-ordinate the supply of housing and related services (water, roads, sewerage, electricity, collection of wastes, educational, health, recreational and shopping services) in response to self-help effort and to clearly identified areas of priority need. Suitable controls will be established to protect land, buildings, rents, and related services from all forms of market exploitation.

- 20.11 In addition, policies and strategies in the housing sector will consider the following:

- (i) the character of the housing market, with particular emphasis on qualitative and quantitative elements of demand and supply;
- (ii) the optimal supply structure, given the socio-economic character of the economy and its population;
- (iii) the role of the public sector in the provision and financing of housing;
- (iv) aided self-help schemes with housing loan facilities, and service infrastructure provision by government;
- (v) establishment of building brigades, materials production brigades and housing co-operatives;
- (vi) the balance in development between urban and rural sectors and between new housing projects and improvement of existing ones;
- (vii) the problems of land supply in urban areas;
- (viii) elimination of slums and their replacement with serviced stands within the format of the aided self-help programme;
- (ix) the cost of supplying adequate housing;
- (x) the role of housing development in employment generation; and
- (xi) construction of completed houses consisting of a minimum of two bedrooms.

- 20.12 Some of the objectives and strategies stated above are translated into programmes and projects in Volume II of the plan.

CHAPTER TWENTY-ONE

COMMUNITY DEVELOPMENT AND SELF-RELIANCE

- 21.1 Community development and self-reliance play an important role in the national development process. But to do so it is essential to have an optimal allocation of functions and responsibilities between, on the one hand, the Central Government and its agencies and, on the other hand, local authorities and communities. Such an allocation envisages the Central Government, mobilising, at the national level, human, political and financial resources for the provision of national level goods and services and at the same time providing the appropriate national framework within which it allocates national level resources to assist development of self-reliant efforts of local authorities and communities in their financing local and community level goods and services.
- 21.2 In Zimbabwe the national framework for effective co-ordination of Central Government, local authorities and communities is largely influenced by:
- (i) the relative underdevelopment of most local authorities and communities in rural areas; and
 - (ii) the great disparities in the distribution of financial and organisational resources between the urban and rural communities. To redress this requires greater Central Government financial and organisational support being provided to the rural rather than urban authorities and communities.
- 21.3 Without effective national co-ordination and without consistent national framework defining the responsibilities of Central Government, local and community agencies, there is bound to be duplication and even waste of scarce resources. Much of the duplication is likely to involve the activities of the Ministries of Community Development and Women's Affairs, Local Government and Town Planning, Education, Health and Youth, Sport and Recreation and, possibly, Manpower Planning and Development. Community development in the context of the plan refers to community level organisation and coordination of non-governmental activities which complement, and are coordinated with, the appropriate activities of Central Government agencies.
- 21.4 The plan emphasis on the important role of people in development requires that community development provide the machinery for decentralisation and delegation of development responsibilities to local communities or distinct groups (e.g. women and youth), thus creating conditions conducive to development and reinforcement of the spirit of collective self-reliance. In this regard, by ensuring mass participation in the development process and the safe-guarding of national independence, community development helps to lay the foundation for Zimbabwe's independent democratic and socialist society.

OBJECTIVES

- 21.5 The following objectives of community development will be pursued:
- (i) improvement of the quality of life through collective self-reliant community effort;
 - (ii) promotion of social and cultural values conducive to development and dependability;
 - (iii) establishment of community improvement oriented structures;
 - (iv) development of community leadership as the basis for continued organised effort at the local level and for future socialist development at the national level;
 - (v) importing of community skills to enable them to be self-reliant in their development efforts;
 - (vi) development of non-formal education at the grassroots level;
 - (vii) promotion of community education in better health habits, hygiene, nutrition, family living and child care; and
 - (viii) development of community recreational facilities.

STRATEGY

Community Organisation

- 21.6 In view of the important role of organisation in effective mobilisation of resources, particularly when effected through collective self-reliance, Government will encourage and promote efforts of both urban and rural communities, to organise themselves into structures

for efficient cooperation. Government will encourage establishment of village committees in rural areas and local committees in urban centres. Specialised organisations will also be set up to deal with specific issues. The committee, as the principal grassroot organisation representing the people in a community, will be charged with general mobilisation of material, human, and financial resources of the community and will co-ordinate development activities at that level. Committees will be popularly elected to ensure that members are involved in, and responsible for, identification of their needs, taking their own decisions, and are involved in the execution of programmes affecting their lives. This will ensure that the broad masses are involved in the development process. To discharge their duties effectively, sub-committees will be created to deal with special issues of development such as, for example, planning, finance etc.

Mobilisation of Resources

21.7 Urban and rural communities will be encouraged to mobilise resources collectively and individually for application towards improvement of the quality of life, especially with regard to education, environment, housing, culture and recreation. Wealthier communities are better able to improve the quality of their lives but much needs to be done to enhance the capacity of poorer communities to improve the quality of life through collective self-reliance. Among other things, Government will encourage and assist the people through their committees to develop such projects as:

- (i) fish farming;
- (ii) poultry farming;
- (iii) construction of small farms;
- (iv) construction of feeder roads;
- (v) construction of houses;
- (vi) establishment of markets;
- (vii) construction of recreation facilities;
- (viii) fencing of communal grazing areas;
- (ix) construction of schools and clinics; and
- (x) development of improved technology to raise productivity.

Cooperatives

21.8 Co-operative organisation and development is an effective approach to national development at the community. It pools resources collectively and helps to realise economies of scale in production, marketing and finance. Some of the experience in mass organisation during the liberation war will be exploited to advance the co-operative movement in which Government will assist in educating the population on the benefits of co-operation and co-operative development. Conditions for the development of co-operatives are generally favourable. There are already some 300 mainly marketing co-operatives and numerous peasant mutual assistance associations such as farmers clubs and savings clubs; this paves the way for a more co-ordinated development of the co-operative movement. It is intended that co-operatives will be created in a number of areas; crafts, consumer, house construction etc. To assist the establishment and development of co-operatives, Government will:

- (i) centralise co-operative development policy and co-ordination;
- (ii) establish an operational research centre to provide information on co-operative development;
- (iii) provide training in co-operative management;
- (iv) institute popular education on the benefits of co-operatives; and
- (v) facilitate financial and technical support for co-operants.

Women's Programmes

21.9 With independence the position of women has become very significant in a number of activities such as community development. Government has, since independence, encouraged and assisted women to expand and consolidate their community responsibilities, a process which will be continued and accelerated. In relation to community development, the

women's movement operates at two levels: at the basic level women are trained in family skills such as budgeting, nutrition, hygiene, child care, housekeeping, sewing etc. at a higher level it is intended that the women's movement intensify its investigations into the problems inhibiting women from effectively participating in the wider community issues and programmes.

Youth Programmes

- 21.10 The youth are the backbone of the national development effort. At its inception Government recognised the important potential of the youth and has set in motion a process for its effective mobilisation for development. The youth dropping out of school at an early stage will be given generalised basic education in language, mathematics, metal work, agriculture, carpentry, simple mechanics, physical education, art, music and culture. Opportunities will be provided for further development and training for those likely to benefit from such training. It is intended to create district youth brigades who will help communities to realise development projects by providing skills which communities lack. Brigades which have acquired requisite skills would be mobilised to help communities establish community facilities and services. The youth will be trained in collective approach to work and will form an essential input in the cooperative movement.

Popular Education and Training

- 21.11 A massive literacy and numeracy campaign will be conducted to raise the generally low level of functional literacy among the (particularly rural) population. Use will also be made of the mass media, including radio and television, to inform and involve the people in national development. It is planned to develop a programme of diversified skills training to cater for all facets of development of certain groups. Special attention will be paid to the needs of the disabled.

Intersectoral Coordination

- 21.12 As community development embraces directly or indirectly the activities of Government and non-government agencies, the co-ordination of their work is necessary to avoid duplication and wastage of efforts. Absence of co-ordination will lead to confusion as to division of responsibilities, Government will therefore encourage the establishment of co-ordination committees at all levels of community development.

CHAPTER TWENTY-TWO

SUMMARY

- 22.1 The Three-Year Transitional National Development Plan seeks simultaneously to: (a) guide the economy in transition from the effects of the war and economic sanctions to normal economic conditions; (b) achieve rapid rates of economic growth; (c) redistribute income and wealth in the direction of egalitarianism; and (d) make basic initial steps towards transforming the inherited socio-economic system in the direction of a socialist and egalitarian society. It recognises a number of constraints and provides a coordinated and consistent framework for addressing them and mobilising the necessary resources for effective plan implementation. Government recognises that, in the end, the success of the plan depends on the commitment to it and on determination to achieve success for the benefit of all Zimbabweans — the means and the end of the envisaged development.

MAJOR PROBLEMS AND ISSUES OF SOCIO-ECONOMIC DEVELOPMENT

- 22.2 The achievement of growth with equity and transformation has to be based on a comprehensive and careful analysis of the character and resource constraints of the inherited socio-economic system and its interface with Government objectives. The analysis of the inherited economy in Chapter Two shows that the latter has reached a fairly advanced stage of development and has a well endowed resource base. It also shows that the economy:

- (i) is mixed and market-oriented and, run by agents largely unfamiliar with, possibly sceptical, or unsympathetic to, the economic potential of socialist systems;
- (ii) is characterised by social and economic dualism, with minority control of the means of production and distribution except for a small, though significant, public sector;
- (iii) has gross income and wealth inequalities operating at three different levels — between broad sectors, within sectors and among racial groups;
- (iv) has a high degree of foreign ownership and control, particularly in mining;
- (v) suffers from war damage, the distortionary effects of one and a half decades of economic sanctions and a severe shortage of foreign exchange;
- (vi) experiences a shortage of skilled manpower in spite of high rates of labour force growth and the failure of past manpower policies to provide training regardless of race and to create adequate expansion in employment;
- (vii) has a large and dynamic informal sector which has grown rapidly, partly because of the past inability to create sufficient jobs in the formal sector; and
- (viii) has a population that is growing at an estimated rate of 3,3 per cent per annum and of which more than 55 per cent is under 15 years of age.

OBJECTIVES AND STRATEGY

- 22.3 The direction, transformation objectives and strategy of the plan are discussed in Chapter Four. All stem from problems identified and solutions conceived within a framework of long-term goals and aspirations for an egalitarian, democratic and socialist society, and fully recognise constraints imposed by resource availability and by the inherited socio-economic system itself.

- 22.4 The major objectives are:

- (i) reconstruction of the war-damaged and sanctions-distorted economy;
- (ii) achievement of a high real rate of economic growth averaging 8 per cent per year over the plan period;
- (iii) generation of maximum employment opportunities to engage a rapidly growing labour force;
- (iv) greater equitable sharing of income and wealth (particularly land);
- (v) provision, extension and improvement of social services (i.e. education, health, social security, unemployment schemes and old age pensions) and economic services, as well as improvement and extension of the physical infrastructure; and
- (vi) undertaking measures for economic restructuring, including, in particular, measures for transformation towards socialist structures and institutions.

22.5 The development strategy for the plan is *growth with equity and transformation* — a strategy cast in a framework defining policies which must satisfy the following necessary conditions:

- (i) rapid and efficient economic growth and development with equitable distribution of income and wealth;
- (ii) attainment, progressively, of full employment and full mobilisation and development of Zimbabwe's human resources;
- (iii) people-oriented development and enhancement of self-help and collective self-reliance through co-operatives and community development efforts;
- (iv) greater participation in, and control of, the national economy by Zimbabweans; and
- (v) attainment, in time, of a socialist and egalitarian society.

22.6 In brief, the strategy requires a comprehensive structural and institutional reorientation of the inherited system and establishment of new institutions and organisations to underpin the new order. It requires greater State involvement in the economy, including establishment of State enterprises and promotion of cooperative development and worker participation. It gives high priority to economic reconstruction and achievement of high rates of domestic savings and investment while providing greater access to social services.

OVERALL ECONOMIC DEVELOPMENT

22.7 The attainment of high rates of economic growth occupies a central role in the development strategy of the plan because without growth, particularly given a growing population, standards of living will stagnate, indeed deteriorate, thus creating conditions that will make efforts of economic restructuring, income and wealth distribution and social transformation virtually impossible to attain. But to achieve and sustain high rates of growth requires expansion and enhancement of the economy's productive capacity. — that is, investment in both physical and human resources. Such investment rates can only be attained by restraining public and private consumption and so achieving high rates of savings. All the issues pertaining to the attainment of quantitative targets of the plan are presented in Chapter Five.

22.8 The broad assumptions and implications for the attainment of an average of 8 per cent real growth per year are:

- (i) an increase in the share of material production at the expense of non-material production;
- (ii) an annual increase of 3 per cent in formal employment;
- (iii) a total investment programme of \$6 096 million over the plan period constituting an average of 26 per cent of GDP. About 59 per cent of the investment will be in the public sector and 73 per cent in material production sectors;
- (iv) a large increase in foreign trade and foreign capital inflow with exports and imports constituting 26 and 23 per cent of GDP. ZIMCORD funds for the Public Sector Investment Programme are expected to account for 46 per cent of foreign capital inflow in that sector;
- (v) a substantial increase in gross domestic savings with its proportion in GDP increasing from 16 per cent in 1981/82 to over 20 per cent at the end of the plan period while aggregate consumption increases at a real rate of 6 per cent (2,5 per cent in *per capita* terms) and public consumption at 7 per cent; and
- (vi) a rate of inflation of 15 per cent per year.

22.9 Nearly \$3 600 million of the investment is expected to come from the private sector, over which Government has indirect control through fiscal, monetary and other policy instruments. Government recognises the need to stimulate private sector investment by, among other things, creating a favourable investment climate, providing detailed investment guidelines and taking necessary fiscal, monetary and other policy measures.

22.10 As already noted, the total investment programme over the plan period will be \$6 096 million and will constitute, on average, 26 per cent of GDP. While similar investment programmes have, in the past, been financed largely from domestic sources, this will not be possible during the plan period, primarily because the economy's saving behaviour has significantly changed.

22.11 The main elements of the financing of the plan are summarised below and discussed in detail in Chapter Six.

- (i) Domestic savings are expected to increase substantially, with their share in GDP increasing from 16 per cent in 1981/82 to over 20 per cent in 1984/85.

- (ii) The share of private savings in domestic savings and that of corporate savings in private savings will predominate even though declining over the plan period.
 - (iii) The balance of payments deficits on current account will be large, increasing from \$549 million in 1981/82 to \$800 million in 1984/85. Total and external debts will increase in absolute terms but declined substantially as a proportion of GDP. The burden of external debt will decline marginally over the plan period.
- 22.12 To implement the plan a number of fiscal and financial reforms will be undertaken, chief among which will be the integration of the budgetary system with annual development plans.
- 22.13 Issues of foreign trade, balance of payments and international co-operation are discussed in Chapter Seven, where it is noted that, primarily because of the size of the Zimbabwean economy and its high degree of openness, foreign trade plays a key role in its growth and development.
- 22.14 The transportation situation, Zimbabwe's geopolitical position in southern Africa, the dependence on primary commodities for exports and volume of trade with South Africa are among the most important issues of Zimbabwe's foreign trade. The objectives of the plan in this area include the need to reduce foreign trade risk emanating from the significant dependence on the South African market, the need to ensure adequate provision and availability of transport facilities and to increase the amount of foreign exchange earnings, currently a major constraint to development, and the need to promote exports of manufactured goods and reform of the foreign exchange allocation system.
- 22.15 Total import requirements at current prices are expected to nearly double over the plan period, rising from \$1249 million in 1981/82 to \$2314 million in 1984/85, with structural change in their composition in favour of capital goods. Exports are forecast to almost double over the same period, rising from \$1085 million in 1981/82 to \$2094 million in 1984/85, with the share of agricultural products increasing rapidly at the expense of mineral and manufactured exports. Primarily because of the unusually large import requirements for reconstruction and economic rehabilitation, deficits on trade balance, large ones on invisibles, and hence huge deficits on the current account balance are expected.
- 22.16 The problems of inequality between rural and urban regions and elements of their solutions are discussed in Chapter Eight. The dual spatial structure in land tenure and ownership has been biased in favour of the white segment of Zimbabwean society. The majority of black Zimbabweans live in overcrowded, neglected and economically underdeveloped communal areas while the whites and a small but growing black commercial farming community enjoy a more productive economic and agricultural infrastructure. The main objective of regional and urban development is to correct this existing imbalance in settlements and provision of infrastructure.
- 22.17 Government will resettle a large number of people from the poorer and overcrowded communal areas to more productive lands with better economic prospects. It will pursue policies that will minimize diseconomies of concentration of certain urban areas while promoting the establishment of growth points and service centres in rural areas.
- 22.18 Chapter Nine recognises three basic facts of Zimbabwe's human resources, namely that human resources:
- (ii) are the most valuable resource in the economy's development;
 - (ii) are both the means and end of development;
 - (iii) development includes elements such as practical experience gained through daily socio-economic activities, formal and informal education, including pre-school education, formal and informal training, including on-the-job training, and the role that ordinary workers can play in decision making, and health and housing conditions.
- The chapter then discussed factors affecting both the level and the quality of Zimbabwe's human resources.
- 22.19 Since education, health and housing conditions are discussed elsewhere in the plan, the chapter on human resources focuses on population growth and training. Population growth (estimated at 3,3 per cent per year) is seen as augmenting the human resources base but because the growth rate and the dependence ratio are high, population growth is also seen as limiting improvement in the quality of human resources. The shortage of skilled manpower is recognised in various sectors of the economy where it may act as a serious constraint on growth. The strategy for resolving the skilled manpower constraint includes upgrading existing staff, further training and, as a temporary measure, recruiting ex-

patriate workers. A number of training programmes to be undertaken over the plan period are identified.

22.20 Zimbabwe is relatively well endowed with natural resources, including land, water, forests, minerals etc. Some proportion of land in commercial farming has been unused or underutilised while over-population has created numerous settlement and development problems in the communal areas. During the war, land conservation measures were difficult to implement, with the result that there has been massive soil erosion. Deforestation constitutes a major ecological and economic problem while the large control of natural resources by foreign interests is a concern of Government. These and other issues are discussed in Chapter Ten.

22.21 Government will not only ensure that there is equitable land distribution but will also introduce measures for its conservation. It will formulate and implement a national water use and management policy to ensure efficient use and conservation and provide safe drinking water to as many people as possible in the rural areas. It will effect measures for reforestation and obtain further detailed geological information on the types and extent of the country's mineral resources.

SECTORAL ECONOMIC DEVELOPMENT

22.22 Chapter Eleven discusses the problems, issues and programmes of rural and agricultural development. The most pressing issues in rural and agricultural development centre around problems of land distribution, tenure, reform and settlement. Both the land and agricultural infrastructure are highly inequitably distributed by sector as well as by racial groups.

22.23 The communal areas suffer from mounting population pressure leading to a declining land: labour ratio. There is inadequate provision of complementary agricultural inputs, and services and facilities while intensive cropping and accelerated soil erosion have resulted in serious ecological problems. Transport, power, schools, health facilities and basic physical and social infrastructure are generally poorly supplied or simply non-existent in peasant or communal agriculture.

22.24 Government will pursue policies for effecting a desirable and fair distribution of land and land use. It will ensure a greater degree of economic security and welfare for inhabitants of communal areas. Measures will be taken to increase land and labour productivity and employment; to achieve and maintain food self-sufficiency; to extend the role of agriculture as a major foreign exchange earner; to integrate the two agricultural sectors into a national productive system, and to develop human resources in the rural areas to their fullest potential.

22.25 These objectives will be achieved through a number of measures, including a land resettlement programme involving a large number of families and including service facilities in agricultural credit, marketing, research and extension work. Government will establish State farms and assist in the establishment of cooperative farms and viable communal farms to increase agricultural output and productivity. Measures will be affected to develop water resources and eliminate diseases of various types in the rural areas. Finally, it will encourage, promote and assist the rural informal sector in order to absorb a growing labour force.

22.26 The problems and issues facing the mining sector are discussed in Chapter Twelve. The sector is predominantly foreign-controlled. It faces a shortage of skilled manpower, especially of artisans. Its problems have recently been exacerbated by transport bottlenecks, increases in production costs and depressed world mineral prices.

22.27 The main objectives in the mining sector are increasing production to earn additional foreign exchange and diversifying the minerals base; increasing domestic, especially State, participation; maximising returned value in marketing Zimbabwe's minerals; and encouraging domestic processing of minerals.

22.28 Government will seek to provide fiscal and financial incentives and technical assistance to producers. Training and upgrading of workers in mines and mining schools will assist in overcoming the shortage of skilled manpower, but as an interim measure it will be necessary to utilise expatriates with skills not at present available in the country. Government will establish the Zimbabwe Mining Development Corporation to assist State participation, while the Mineral Marketing Corporation will assume control on the marketing side.

- 22.29 The major requirement of the manufacturing sector is the formulation of an industrial strategy to address a number of issues facing the sector, including (a) the sector's high degree of dependence on imported inputs; (b) its concentration in the main centres of Harare and Bulawayo; (c) its inward orientation and small contribution to export earnings; and (d) its relative capital intensity. These issues, along with Government objectives and strategies for the sector, are discussed in Chapter Thirteen.
- 22.30 The major objectives for the sector include the need for its expansion, enhancement of its competitiveness on world markets, adoption of labour-intensive technology and decentralisation. Appropriate measures will be formulated and implemented to achieve its targets, which include the attainment of an overall growth rate of 11 per cent per year over the plan period. Government will also seek greater participation in the sector through the Industrial Development Corporation, which will be a subsidiary of the Zimbabwe Development Corporation.
- 22.31 Zimbabwe is comparatively self-sufficient in energy resources. Domestic supplies of coal, fuelwood and electricity constitute about 84 per cent of total energy requirements. The important issues in the energy sector include development of a consistent energy and energy pricing policy, conservation, fuelwood development to arrest the high rate of deforestation, development of alternative and renewable energy sources and the planning and development of major power projects, all of which are discussed in Chapter Fourteen.
- 22.32 During the plan period a prefeasibility study will be undertaken to establish the viability of coal-based ammonia and synfuels projects in the country; Hwange I Thermal Power Project will be completed; Hwange II Phase I will be introduced followed by the extension of Kariba South; a possible increase in ethanol production is being considered; while Government is expected to increase its role in coal production through the Mining Development Corporation.
- 22.33 The critical role which the construction sector plays in the plan, together with some of the problems which the sector faces, are discussed in Chapter Fifteen. The principal objectives in the sector are to increase capacity and employment. Government policy will reduce the large degree of foreign ownership through public participation in the sector. Government will encourage private sector training while providing public training facilities, especially for Zimbabwean youth in construction. Mass participation in construction will be encouraged and assisted by voluntary youth construction brigades and the army.
- 22.34 The problems and issues in the transport and communications sector are discussed in Chapter Sixteen. The main objective in this sector is extension of adequate transport and communication services to communal and remote areas. Measures will also be taken to maintain, improve and expand road and railway networks so that they can cope with the expected increase in goods and passenger traffic. The first phase of the electrification of the railways will be completed in 1983/84. Priority in foreign exchange allocation will be accorded for the purchase of additional vehicles and equipment and spares in the transport sector.
- 22.35 The major problems and issues in the distribution and tourism sector, including lack of bulk distribution facilities for small retailers which results in overpricing of goods in rural areas, are discussed in Chapter Seventeen. The shortage of foreign exchange, coupled with its present allocation system, which tends to favour established importers, is a major problem facing the distribution sector. In addition, there are problems of business management, stock control, and accounting procedures, particularly among small traders.
- 22.36 The objective is to expand and decentralise wholesale and retail trade into rural areas and supply them with goods and services in greater quantities and at reasonable prices. During the plan period measures will be effected to reconstruct the damaged infrastructure as well as to emphasise establishment of consumer and marketing co-operatives in urban and rural areas. Expansion and consolidation of business and consumer advisory services throughout the country will also be undertaken.

SOCIAL DEVELOPMENT

- 22.37 The structure of the inherited system of education, the measures Government has taken since independence, the objectives for the sector and the need for coherent educational policies and planning are all discussed in Chapter Eighteen. Education is recognised as a human right as well as an investment.
- 22.38 The objectives of educational policy include ensuring:
- (a) as far as Government support is concerned, equality of opportunity;

- (b) quantitative as well as qualitative improvements in the provision of educational services;
- (c) that investment in education is co-ordinated with that in training and that both are co-ordinated with the level of economic activity; and
- (d) equity in the way education is financed.

The need for its planning is emphasised because, among other things, it brings out in consistent way a number of choices which Government has to make, including:

- (a) the choice between quantity and quality,
 - (b) the allocation of resources between primary, secondary and tertiary education,
 - (c) the balance between science and technology and humanities,
 - (d) the relative size of the education budget, and
 - (e) unit cost of providing education.
- 22.39 Disparities in the provision of health services and in the distribution of hospital beds and other health facilities between urban and rural areas, inequitable distribution of qualified personnel and effective discrimination based on income, and historically, running on racial lines, together with generally inadequate health services, remain the most serious problems in the health sector. These and other issues are discussed in Chapter Nineteen. The main objectives of the health sector are the establishment and development of an integrated National Health Service based on primary health care emphasising preventative and promotive measures, and correcting the spatial imbalance in the provision of health services.
- 22.40 Spatial imbalance in provision of health care services will be redressed by increasing service facilities in the rural and other previously neglected areas. The rural health programme will be integrated with the rest of the rural development programme and will aim at providing adequate health services for all by the year 2000.
- 22.41 As a result of a number of factors, including rapid population growth and the general level of under development, particularly in the rural areas, Zimbabwe faces critical housing problems, the most important of which are discussed in Chapter Twenty. In rural areas, including commercial farms, families live in very poor housing conditions with inadequate water supply, systems for disposing of excreta, or other basic amenities. In urban areas there is significant overcrowding, poor housing conditions for the majority of people and an increasing squatter problem. To eliminate the existing housing backlog would require huge levels of investment. The new Ministry of Housing, in cooperation with the Ministry of Local government and Town Planning and Construction, together with the proposed National Housing Authority, will be expected to formulate and implement a coherent national housing policy and programmes based on policy of housing with equity.
- 22.42 Zimbabwe needs to develop new institutions and reorient existing ones in order to provide institutional and organisational support for the transition to more socialised forms of production and distribution, and launch appropriate community development programmes. Leadership skills need to be developed and broadened to facilitate the development of appropriate organisations at the village, communal and co-operative levels which will assist the masses to function better, or more productively, in their socio-economic environment. The role of the youth and that of women in development will be emphasised and unjustified discriminatory practices against them will be eliminated. These related issues are discussed in Chapter Twenty-One.
- 22.43 All Zimbabweans, including in particular the youth, are expected to play their respective roles in the provision of goods and services. The people will be encouraged to practice self-reliance wherever the whenever possible and to be responsible citizens intent on maximising the sense of oneness and nationhood. To address this and other issues Government will assist community development programmes and projects while training the masses in leadership skills.
- 22.44 The development task is imperative and urgent; the challenge is real and inexorable; the response must be rational, united, total and national.

STATISTICAL APPENDIX

Table 1.1

POPULATION: TOTAL, URBAN AND RURAL (at 30 June 1981)

	Census 1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Thousands of people													
Total Population	5100	5313	5494	5687	5886	6080	6284	6494	6704	6915	7127	7360	7600
of which: African	4847	5050	5220	5400	5590	5780	5980	6190	6410	6630	6860	7100	7360
Urban total	858	946	1024	1080	1172	1265	1342	1346	1335	1348	1385	1428	1524
of which: African	657	735	803	848	932	1019	1091	1096	1093	1113	1166	1213	1324
Rural total	4242	4367	4470	4607	4714	4815	4942	5148	5369	5567	5742	5932	6076
of which: African	4190	4315	4417	4552	4658	4761	4889	5094	5317	5517	5694	5887	6036
Indices (1969 = 100)													
Total Population	100,0	104,2	107,7	111,5	115,4	119,2	123,2	127,3	131,5	135,6	139,7	144,3	149,0
Percentage share													
Urban	16,8	17,8	18,6	19,0	19,9	20,8	21,4	20,7	19,9	19,5	19,4	19,4	20,1
Rural	83,2	82,2	81,4	81,0	80,1	79,2	78,6	79,3	80,7	80,5	80,6	80,6	79,9

Table 1.2 **EMPLOYMENT BY INDUSTRIAL SECTOR**
(in thousands of people)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
*Agriculture, livestock and forestry	307,5	297,8	310,9	342,3	356,6	365,6	363,8	356,1	346,2	341,4	335,2	327,0	297,0
Mining and quarrying	54,2	57,2	58,0	58,4	58,1	62,0	62,6	63,8	61,6	58,1	59,5	66,2	69,2
Manufacturing	104,2	114,7	121,6	130,7	139,4	151,3	156,0	153,6	145,1	139,3	144,7	159,4	174,0
Electricity and water	5,3	5,6	5,8	6,1	6,6	6,9	6,9	6,7	6,6	6,5	6,6	6,7	6,5
Construction	39,6	42,4	46,8	49,5	56,8	64,3	60,8	51,6	46,5	40,9	40,6	42,2	47,8
Distribution, restaurants and hotels	65,4	65,6	67,5	72,1	76,7	76,2	77,3	74,7	72,5	69,1	67,6	70,3	75,3
Transport and communications	35,4	36,5	38,9	41,0	42,3	43,8	45,3	45,7	45,5	44,0	43,4	45,6	49,2
MATERIAL PRODUCTION TOTAL	611,6	619,8	649,5	700,1	736,5	770,1	772,7	752,2	724,0	699,3	697,6	717,4	719,0
Education	30,9	31,0	31,0	31,9	33,3	34,7	36,0	36,9	36,6	34,9	33,8	41,9	58,8
Health	10,2	10,7	11,4	12,1	12,5	13,0	13,5	13,5	14,5	14,7	14,8	15,2	16,2
Public administration	37,6	39,0	39,6	40,1	41,4	43,4	48,9	53,8	60,6	68,3	73,7	71,1	83,2
Private domestic services	105,4	109,3	114,0	119,4	122,6	124,4	124,1	122,8	120,0	115,9	110,4	108,0	104,4
● Other services	39,8	43,5	45,5	49,3	51,2	54,3	55,0	54,2	54,5	53,1	54,4	56,3	61,0
NON-MATERIAL PRODUCTION TOTAL	223,9	233,5	241,5	252,8	261,0	269,8	277,5	281,2	286,2	286,9	287,1	292,5	323,6
TOTAL EMPLOYMENT	835,5	853,3	891,0	952,9	997,5	1039,9	1050,2	1033,4	1010,2	986,2	984,7	1009,9	1042,6

*Commercial sector only

● Includes finance, insurance and real estate

Table 1.2.1

EMPLOYMENT BY INDUSTRIAL SECTOR

	Thousands of people				Average percentage share			
	1970-1974	1975-1979	1980	1981	1970-1974	1975-1979	1980	1981
Agriculture, livestock and forestry	334,6	348,9	327,0	297,0	35,3	34,5	32,4	28,5
Mining and quarrying	58,7	61,1	66,2	69,2	6,2	6,0	6,5	6,6
Manufacturing	131,5	147,7	159,4	174,0	13,9	14,6	15,8	16,7
Electricity and water	6,2	6,7	6,7	6,5	0,6	0,7	0,7	0,6
Construction	52,0	48,1	42,2	47,8	5,5	4,7	4,2	4,6
Distribution, restaurants and hotels	71,6	72,2	70,3	75,3	7,6	7,1	7,0	7,2
Transport and communications	40,5	44,8	45,6	49,2	4,3	4,4	4,5	4,7
MATERIAL PRODUCTION TOTAL	659,2	729,6	717,4	719,0	73,4	72,0	71,0	68,9
Education	32,4	35,6	41,9	58,8	3,4	3,5	4,1	5,6
Health	11,9	14,2	15,2	16,2	1,3	1,4	1,5	1,6
Public administration	40,7	61,1	71,1	83,2	4,3	6,0	7,0	8,0
Private domestic service	117,9	118,6	108,0	104,4	12,4	11,7	10,7	10,0
Other services*	48,8	54,2	56,3	61,0	5,2	5,4	5,6	5,9
NON-MATERIAL PRODUCTION TOTAL	251,7	283,7	292,5	323,6	26,6	28,0	29,0	31,1
TOTAL EMPLOYMENT	946,9	1 013,3	1 009,9	1 042,6	100,0	100,0	100,0	100,0

* Includes real estate, finance and insurance, and other services n.e.s.

Table 1.2.2

 EMPLOYMENT BY INDUSTRIAL SECTOR
 AVERAGE ANNUAL PERCENTAGE CHANGE AND INDICES
 (Average annual percentage change)

	1970-1974	1975-1979	1979	1980	1981	1980	1981
Agriculture, livestock and forestry	3,5	- 1,7	- 1,8	- 2,4	- 9,2	89,4	81,2
Mining and quarrying	2,7	- 0,8	2,4	11,3	4,5	106,8	111,6
Manufacturing	7,7	- 0,9	3,8	10,2	9,2	105,4	115,0
Electricity and water	5,4	- 0,9	1,5	1,5	3,0	97,1	94,2
Construction	10,2	- 8,8	- 0,7	3,9	13,3	65,6	74,3
Distribution, restaurants and hotels	3,1	- 2,4	- 2,2	4,0	7,1	92,3	98,8
Transport and communications	4,4	- 0,2	- 1,4	5,1	7,9	104,1	112,3
NON-MATERIAL PRODUCTION TOTAL	4,7	- 2,0	- 0,2	2,8	0,2	93,2	93,4
Education	2,3	- 0,5	- 3,2	24,0	40,0	120,7	169,5
Health	5,0	2,6	0,7	2,7	6,6	116,9	124,6
Public administration	2,9	11,2	7,9	- 3,5	17,0	163,8	191,7
Private domestic services	3,4	- 2,4	- 4,7	- 2,1	- 3,3	86,8	83,9
Other Services	6,4	—	2,4	3,5	8,3	103,7	112,3
NON-METAL PRODUCTION TOTAL	3,8	1,2	0,1	1,9	10,6	108,4	119,9
TOTAL EMPLOYMENT	4,5	- 1,1	- 0,2	2,6	3,2	97,1	100,3

* Includes finance, insurance and real estate

Table 2.1

GROSS DOMESTIC PRODUCT AND GROSS NATIONAL PRODUCT (INCOME) (in millions of dollars)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
At current prices													
Gross domestic product at factor cost	941	1011	1168	1336	1450	1791	1916	2077	2087	2236	2608	3316	4147
Gross domestic product at market prices	1001	1079	1244	1419	1553	1861	2012	2179	2216	2339	2780	3531	4528
Gross national product at market prices	983	1058	1214	1384	1514	1821	1967	2121	2169	2299	2727	3485	4418
At constant 1969 prices													
Gross national product at market prices	983	993,9	1101,0	1232,3	1261,8	1397,3	1363,4	1352,6	1243,2	1220,3	1312,1	1510,0	1699,2
Gross national product at market prices per capita (in dollars)	192,7	187,1	200,4	216,7	214,4	229,8	217,0	208,3	185,4	176,5	184,1	205,2	223,6
Indices (per capita GNP 1969 = 100)	100,0	97,1	104,0	112,5	111,3	119,3	112,6	108,1	96,2	91,6	95,5	106,5	116,0

Table 2.2

GROSS DOMESTIC PRODUCT BY INDUSTRIAL SECTOR (in millions at current prices)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Agriculture, livestock and forestry	170	153	200	234	215	315	323	350	334	305	316	462	738
Mining and quarrying	65	71	72	76	104	136	131	152	149	158	191	267	217
Manufacturing	175	209	251	297	343	421	447	480	460	514	679	844	1098
Electricity and water	30	32	34	38	41	42	50	57	56	64	67	75	88
Construction	52	55	58	74	81	82	94	88	84	68	78	84	126
Distribution, restaurants and hotels	132	152	171	192	198	258	258	262	242	296	367	479	620
Transport and communications	91	88	103	114	122	138	159	172	184	191	209	230	262
MATERIAL PRODUCTION TOTAL	715	760	889	1025	1104	1392	1462	1561	1513	1596	1907	2441	3149
Education	32	35	40	43	48	55	65	73	76	86	98	169	253
Health	18	21	25	27	28	33	38	43	49	54	63	73	63
Public administration and defence	58	63	71	79	93	109	130	163	204	241	266	287	352
Private domestic services	28	30	33	35	37	40	45	49	52	54	53	65	74
Finance and insurance	33	37	41	53	59	73	86	92	102	109	126	161	189
*Other services	57	65	69	74	81	89	90	96	95	96	95	120	67
NON-MATERIAL PRODUCTION TOTAL	226	252	279	311	346	399	454	516	578	640	701	875	998
GDP AT FACTOR COST	941	1011	1168	1336	1450	1791	1916	2077	2091	2236	2608	3316	4147
GDP AT MARKET PRICES	1001	1079	1244	1419	1553	1861	2012	2179	2216	2339	2780	3531	4528

* Includes real estate and other services n.e.s. less imputed banking charges

Table 2.2.1

GROSS DOMESTIC PRODUCT BY INDUSTRIAL SECTOR

(Percentage share: GDP at factor cost = 100)

	1970-1974	1975-1979	1979	1980	1981
Agriculture, livestock and forestry	16,5	15,1	12,1	13,9	17,8
Mining and quarrying	6,7	7,1	7,3	8,1	5,2
Manufacturing	22,3	23,5	26,0	25,5	26,5
Electricity and water	2,8	2,7	2,6	2,3	2,1
Construction	5,2	3,9	3,0	2,5	3,0
Distribution, restaurants and hotels	14,4	13,0	14,1	14,4	15,0
Transport and communications	8,4	8,4	8,0	6,9	6,3
MATERIAL PRODUCTION TOTAL	76,3	73,7	73,1	73,6	75,9
Education	3,3	3,6	3,8	5,1	6,1
Health	2,0	2,3	2,4	2,2	1,5
Public administration	6,1	9,1	10,2	8,6	8,5
Private domestic services	2,6	2,3	2,0	2,0	1,8
*Other services	9,6	9,0	8,5	8,5	6,2
NON-MATERIAL PRODUCTION TOTAL	23,7	26,3	26,9	26,4	24,1
GDP AT FACTOR COST	100,0	100,0	100,0	100,0	100,0

* Includes real estate, finance and insurance, other services n.e.s less imputed banking service charges

Table 2.3

GROSS DOMESTIC PRODUCT AT FACTOR COST,
BY INDUSTRIAL SECTOR

(Indicies: 1969 = 100, at 1969 prices)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Agriculture, livestock and forestry	92,6	117,1	132,2	106,9	126,7	118,9	132,3	104,3	114,6	115,0	124,3	162,5
Mining and quarrying	114,5	121,2	125,0	137,6	133,7	135,2	147,2	140,4	133,2	132,6	129,8	118,9
Manufacturing	111,9	117,2	138,7	150,0	160,4	158,9	149,9	141,9	137,3	152,1	175,7	190,9
Electricity and water	105,8	112,0	100,0	121,8	101,2	104,1	94,8	64,6	75,3	70,1	75,6	73,9
Construction	107,4	119,3	130,5	151,9	157,1	147,6	117,1	104,2	86,1	84,4	82,3	99,5
Distribution, restaurants and hotels	111,0	121,3	130,5	137,1	149,9	147,3	136,8	131,5	127,9	132,1	166,4	193,6
Transport and communications	115,7	122,5	131,2	126,4	125,6	128,5	122,5	109,5	100,3	104,8	130,4	134,3
MATERIAL PRODUCTION TOTAL	107,3	118,9	131,2	132,2	140,9	138,1	134,8	120,8	118,8	123,4	140,8	159,4
Education	99,0	99,6	103,2	107,9	113,4	117,2	120,3	122,1	113,4	111,0	152,2	208,0
Health	104,9	111,8	118,6	122,6	127,4	132,3	132,3	142,2	144,1	145,1	149,0	158,8
Public administration	103,7	105,3	106,7	110,1	115,4	130,1	143,1	161,2	181,7	181,0	174,1	182,8
Domestic services	103,7	108,2	113,3	116,3	118,0	117,8	116,5	113,9	110,0	104,8	102,5	99,3
Finance and insurance	114,1	133,7	142,7	157,3	180,4	242,7	245,7	244,2	219,1	186,4	203,5	222,2
*Other activities	110,5	115,5	120,0	127,2	132,2	115,1	107,9	96,5	88,5	84,2	74,4	72,0
NON-MATERIAL PRODUCTION TOTAL	106,5	112,0	116,6	122,7	130,1	139,6	141,8	141,1	142,1	135,2	139,3	151,9
GDP total	107,1	117,3	127,7	129,9	138,3	138,5	136,5	126,4	124,4	126,2	140,5	157,6

* Includes real estate and other services, less imputed banking charges.

Table 2.3.1 GROSS DOMESTIC PRODUCT BY INDUSTRIAL
(Average annual percentage change)

	1970-1974	1975-1979	Index, 1974 = 100			1980	1981
			1979	1980	1981		
Agriculture, livestock and forestry	6,3	-1,2	0,3	8,1	30,8	93,4*	122,9*
Mining and quarrying	6,2	-0,2	-0,5	-2,2	-8,3	97,0	88,9
Manufacturing	10,0	-0,9	10,7	15,6	8,7	109,5	119,0
Electricity and water	1,2	-5,7	-6,9	7,8	-2,2	74,7	73,0
Construction	9,5	-11,4	-2,0	-2,4	20,9	52,4	63,3
Distribution, restaurants and hotels	8,4	-2,4	3,3	26,0	16,4	111,0	129,2
Transport and communications	4,9	-3,5	4,5	24,4	3,0	103,8	106,9
MATERIAL PRODUCTION							
TOTAL	7,2	-2,5	3,9	14,1	13,2	99,9	113,1
Education	2,6	-0,3	-2,1	37,1	36,7	134,2	183,4
Health	5,0	2,6	0,7	2,7	6,6	117,0	124,6
Public administration	2,9	9,5	-0,3	-3,8	5,0	150,9	158,4
Private domestic services	3,4	-3,3	-4,7	-2,2	-3,1	86,9	84,2
Finance and insurance	12,5	2,0	-14,9	9,2	9,2	112,8	123,2
Other services	5,7	-8,6	-4,9	-11,6	-3,2	56,3	54,5
NON-MATERIAL PRODUCTION							
TOTAL	5,4	0,8	-4,9	3,1	9,1	107,1	116,8
GDP AT FACTOR COST	6,7	-1,8	1,5	11,3	12,3	101,6	114,0

*1976 = 100

Table 2.4 LABOUR PRODUCTIVITY: VALUE ADDED PER EMPLOYED
(Indices ; 1969 = 100, at constant 1969 prices)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Agriculture, livestock and forestry	95,7	115,8	118,8	92,2	106,6	100,5	114,2	92,1	103,2	105,4	116,9	168,3
Mining and quarrying	108,5	113,3	116,1	128,3	116,9	117,1	125,1	123,6	124,3	120,8	106,2	93,1
Manufacturing	101,6	100,4	110,5	112,1	110,5	106,1	101,6	102,0	102,7	109,5	114,9	114,4
Electricity and water	100,0	102,3	86,9	97,7	77,8	79,9	74,9	51,9	61,4	56,2	59,9	60,3
Construction	100,4	100,9	104,5	105,9	96,8	96,1	89,9	88,8	83,4	82,3	77,2	82,5
Distribution, restaurants and hotels	110,6	117,5	118,4	116,9	128,6	124,7	119,8	118,5	121,0	127,8	154,8	168,1
Transport and communications	112,2	111,5	113,3	105,8	101,5	100,4	94,8	85,2	80,7	85,4	101,3	96,6
MATERIAL PRODUCTION												
TOTAL	105,8	112,0	114,7	109,8	111,9	109,3	109,6	101,8	103,9	108,2	120,2	135,6
Education	99,5	99,2	99,9	100,0	101,0	100,6	100,7	103,2	100,4	101,4	112,2	109,4
Health	100,1	99,9	99,8	100,2	99,8	99,9	99,9	100,0	99,8	99,9	99,9	100,0
Public administration	100,1	100,0	100,1	100,1	99,9	100,0	100,0	100,0	100,0	99,9	92,1	82,6
Private domestic services	99,9	100,0	99,9	100,1	99,9	100,1	99,9	100,1	100,0	99,9	100,0	85,2
Finance and insurance	111,9	119,0	116,9	119,7	126,2	139,7	136,4	130,8	117,1	98,9	100,3	97,5
Other services	100,0	100,0	100,0	100,0	100,0	100,0	100,0	98,5	100,0	100,0	100,0	98,1
NON-MATERIAL PRODUCTION												
TOTAL	102,1	103,9	103,2	105,3	108,0	112,6	112,9	112,7	110,9	105,4	106,6	105,1
GDP AT FACTOR COST	104,8	110,0	112,0	108,8	111,1	110,1	110,4	104,3	105,4	107,1	116,2	126,3

Table 2.4.1 LABOUR PRODUCTIVITY
(Average annual percent changes and Annual percent change)

	Average annual per cent change		Annual per cent change		
	1970-1974	1975-1979	1979	1980	1981
Agriculture, livestock and forestry	2,5	0,6	2,2	10,8	44,0
Mining and quarrying	3,4	0,7	-2,8	-12,1	-12,3
Manufacturing	2,1	-0,1	6,6	4,9	-0,4
Electricity and water	-4,1	-4,9	-8,5	6,5	0,8
Construction	-0,6	-3,1	-1,3	6,2	6,8
Distribution, restaurants and hotels	5,3	-0,1	5,6	21,1	8,6
Transport and communications	0,5	-4,2	5,9	18,4	-4,6
MATERIAL PRODUCTION					
TOTAL	2,3	-0,6	4,2	11,0	12,9
Education	0,2	0,1	1,0	10,7	2,6
Health	0,0	0,0	0,0	0,0	0,0
Public administration	0,0	*0,0	-7,7	-0,3	-10,3
Private domestic services	0,0	0,0	0,0	0,0	0,0
Finance and insurance	4,9	-4,3	-15,5	1,4	-2,8
Other services	0,0	0,0	0,0	0,0	0,0
NON-MATERIAL PRODUCTION					
TOTAL	1,5	-0,5	-0,5	1,2	-1,4
TOTAL ECONOMY (GDP at factor cost)	2,1	-0,7	1,6	8,5	8,7

* 1975-1978

Table 2.5 LABOUR PRODUCTIVITY
(Output per employed)
(Annual percentage change, constant 1969 prices)

	1970-1974			1975-1979			1979			1980			1981		
	O	E	O/E	O	E	O/E	O	E	O/E	O	E	O/E	O	E	O/E
Agriculture, livestock and forestry	6,3	2,5	2,7	-1,2	-1,7	0,5	0,3	-1,8	2,1	8,1	-2,4	10,8	30,8	-9,2	44,0
Mining and quarrying	6,2	2,7	3,4	-0,2	-0,8	0,6	-0,5	2,4	-2,8	-2,2	11,3	-12,1	-8,3	4,5	-12,3
Manufacturing	10,0	7,7	2,1	-0,9	-0,9	0,0	10,7	3,8	6,6	15,6	10,2	4,9	8,7	9,2	-0,5
Electricity and water	1,2	5,4	-4,0	-5,7	-0,9	-4,9	-6,9	1,5	-8,3	7,8	1,5	6,2	-2,2	-3,0	0,8
Construction	9,5	10,2	-0,6	-11,4	-8,8	-2,9	-2,0	-0,7	-1,3	-2,4	3,9	-6,1	20,9	13,3	6,7
Distribution, restaurants and hotels	8,4	3,1	5,1	-2,4	-2,4	0,0	3,3	-2,2	5,6	26,0	4,0	21,1	16,4	7,1	8,7
Transport and communications	4,9	4,4	0,5	-3,5	-0,2	-4,3	4,5	-1,4	6,0	24,4	5,1	18,4	3,0	7,9	-4,6
MATERIAL PRODUCTION															
TOTAL	7,2	4,7	2,3	-2,5	-2,0	-0,5	3,9	-0,2	4,1	14,1	2,8	11,0	13,2	0,2	12,9
Education	2,6	2,3	0,3	-0,3	-0,5	0,2	-2,1	-3,2	1,0	37,1	24,0	10,6	36,7	40,0	-2,4
Health	5,0	5,0	0,0	2,6	2,6	0,0	0,7	0,7	0,0	2,7	2,7	0,0	6,6	6,6	0,0
Public administration	2,9	2,9	0,0	9,5	11,2	-1,5	-0,3	7,7	-7,6	-3,8	-3,5	-0,3	5,0	17,0	-10,3
Private domestic services	3,4	3,4	0,0	-3,3	-2,4	-1,0	-4,7	-4,7	0,0	-2,2	-2,1	-0,1	-3,1	-3,3	0,2
Finance and insurance	12,5	7,2	4,9	2,0	6,6	-4,3	-14,9	0,7	-15,5	9,2	7,7	1,4	9,2	12,3	-2,8
Other services	5,7	5,7	0,0	-8,6	-8,6	0,0	-4,9	-4,9	0,0	11,6	11,6	0,0	-3,2	-3,2	0,0
NON-MATERIAL PRODUCTION															
TOTAL	5,4	3,8	1,5	0,8	1,2	-0,4	-4,9	0,1	-5,0	3,1	1,9	1,2	9,1	10,6	-1,4
TOTAL ECONOMY (GDP at factor cost)	6,7	4,5	2,1	-1,8	-1,1	-0,7	1,5	-0,2	1,7	11,3	2,6	8,5	12,2	3,2	8,7

O = output in terms of value added; E = employment; O/E = output per employed

Table 3.1 EXPENDITURE ON THE GROSS NATIONAL PRODUCT
(in millions of dollars, at current prices)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Private consumption	643	697	823	901	934	1080	1170	1270	1286	1381	1774	2352	2979
Net current expenditure by private non-profit making bodies	20	23	23	25	27	28	29	29	32	34	37	50	57
Net Government current expenditure	119	126	143	157	180	214	256	326	387	454	541	698	797
*CONSUMPTION TOTAL	782	846	989	1083	1141	1322	1355	1625	1705	1869	2352	3100	3833
Gross fixed capital formation	145	175	221	256	330	421	468	402	369	333	380	497	706
Increase in stocks	46	47	56	40	51	128	114	69	90	56	53	37	305
GROSS CAPITAL FORMATION	191	222	277	296	381	549	582	471	459	389	433	534	1011
DOMESTIC EXPENDITURE (at market prices)	973	1068	1266	1379	1522	1871	2037	2096	2164	2258	2785	3634	4844
Net exports of goods and services	28	11	-22	40	31	-10	-25	83	52	81	-5	-103	-316
GROSS DOMESTIC PRODUCT (at market prices)	1001	1079	1244	1419	1553	1861	2012	2179	2216	2339	2780	3531	4528
Less: net investment income paid abroad	-18	-21	-30	-35	-39	-40	-45	-58	-47	-40	-53	-47	-110
GROSS NATIONAL PRODUCT (at market prices)	983	1058	1214	1384	1514	1821	1967	2121	2169	2299	2727	3484	4418

* Statistical discrepancy included

Table 3.1.1 EXPENDITURE OF THE GROSS NATIONAL PRODUCT
(Percentage share, GDP = 100; at current prices)

	1970-1974	1975-1979	1979	1980	1981
Private consumption	62,5	59,5	63,8	66,6	65,8
Net Government current expenditure	13,2	18,2	20,8	21,2	18,9
CONSUMPTION TOTAL	75,7	77,7	84,6	87,8	84,7
Gross fixed capital formation	19,2	17,3	13,7	14,1	15,6
Increase in stocks	4,4	3,4	1,9	1,0	6,7
GROSS CAPITAL FORMATION	23,6	20,7	15,6	15,1	22,3
DOMESTIC EXPENDITURE (at market prices)	99,3	98,4	100,2	102,9	107,0
Net export of goods and services	0,7	1,6	-0,2	-2,9	-7,0
GROSS DOMESTIC PRODUCT (at market prices)	100,0	100,0	100,0	100,0	100,0
Less: net investment income paid abroad	-2,3	-2,1	-1,9	-1,3	-2,4
GROSS NATIONAL PRODUCT (at market prices)	97,7	97,9	98,1	98,7	97,6
Ratio of domestic investment resources to GDP	24,3	22,3	15,4	11,2	15,3

Table 3.2 EXPENDITURE ON THE GROSS NATIONAL PRODUCT
(Indices: 1969 = 100, at 1969 prices)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Private consumption	103,87	119,72	127,65	127,33	137,26	137,60	135,41	123,61	121,91	143,84	178,24	193,09
Net Government current expenditure	102,37	110,36	111,69	126,19	135,68	146,04	166,69	178,56	192,09	194,46	217,48	223,81
CONSUMPTION TOTAL	103,61	118,06	125,70	127,12	136,98	139,10	140,97	133,38	134,39	152,84	185,22	198,55
Gross fixed capital formation	114,96	132,01	150,39	185,83	214,17	210,24	160,63	132,28	103,15	96,06	116,54	128,35
GROSS CAPITAL FORMATION	101,78	119,53	126,04	143,79	194,67	171,60	123,07	102,96	75,15	69,82	52,66	140,24
Domestic expenditure (at market prices)	103,27	118,36	125,79	130,29	147,97	145,27	137,46	127,48	122,97	136,94	159,91	187,39
GROSS DOMESTIC PRODUCT (at market prices)	101,31	112,77	126,31	129,37	142,79	139,41	138,97	126,97	124,24	132,64	152,18	172,81
GROSS NATIONAL PRODUCT (at market prices)	101,11	112,01	125,36	128,36	142,15	138,71	137,60	126,47	124,14	133,48	153,62	172,85

Table 3.2.1 EXPENDITURE ON THE GROSS NATIONAL PRODUCT
(Average annual percentage change, at constant 1969 prices)

	1970-1974	1975-1978	1979	1980	1981	Index: 1974 = 100	
						1980	1981
Private consumption	6,6	-2,9	18,0	23,9	8,3	129,9	140,7
Private consumption per capita	3,1	-5,9	14,6	20,0	4,9	107,3	112,5
Net Government current expenditure	6,3	9,1	1,2	11,8	2,9	160,3	165,0
CONSUMPTION TOTAL	6,5	-0,5	13,7	21,2	7,2	135,2	144,9
Consumption per capita	3,0	-3,6	10,0	17,4	3,9	111,7	116,0
Gross fixed capital formation	16,5	-16,3	-6,9	21,3	10,1	54,4	59,9
GROSS CAPITAL FORMATION	14,8	-20,8	-7,0	-24,6	166,3	27,1	72,1
DOMESTIC EXPENDITURE (at market prices)	8,3	-4,6	11,2	16,6	17,5	107,3	126,2
GROSS DOMESTIC PRODUCT (at market prices)	7,5	-3,4	6,8	14,7	13,6	106,6	121,0
GROSS DOMESTIC PRODUCT per capita	4,0	-6,4	3,7	11,1	10,1		
GROSS NATIONAL PRODUCT (at market prices)	7,4	-3,3	7,5	15,1	12,5	108,1	121,6

Table 4.1 GROSS FIXED CAPITAL FORMATION BY INDUSTRIAL SECTOR
(in millions of dollars, at current prices)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981*
Agricultural, livestock and forestry	22	23	29	31	31	41	53	51	45	42	44	60	85
Mining and quarrying	17	25	27	20	21	34	40	60	66	59	83	81	106
Manufacturing	33	32	38	41	72	106	117	79	50	45	51	104	155
Electricity and water	5	9	17	29	39	34	43	31	26	21	20	46	57
Construction	3	3	3	5	5	11	10	8	4	2	5	5	11
Distribution, restaurants and hotels	8	10	14	16	14	16	16	6	6	6	6	8	14
Transport and communications	12	15	28	34	41	48	56	37	31	28	30	40	56
MATERIAL PRODUCTION TOTAL	100	117	156	176	223	290	335	272	228	203	239	344	484
Housing**	34	40	45	56	75	86	86	75	79	64	80	83	113
Education	2	3	5	5	7	11	11	13	13	12	9	10	18
Health	1	2	2	3	6	6	6	8	7	9	8	6	11
Public administration	4	6	5	8	9	16	18	18	24	29	27	34	49
Finance and insurance	2	2	4	5	6	5	4	7	9	9	10	12	17
Other services n.e.s. and unallocable	2	5	4	3	4	7	8	9	9	7	7	8	14
NON-MATERIAL PRODUCTION TOTAL	45	58	65	80	107	131	133	130	141	130	141	153	222
TOTAL GROSS FIXED CAPITAL FORMATION	145	175	221	256	330	421	468	402	369	333	380	497	706

Includes real estate, general purpose investment by Government, and urban development.**

Estimated.*

Table 4.1.1 GROSS FIXED CAPITAL FORMATION BY INDUSTRIAL SECTOR
(Percentage share, at current prices)

	1970-1974	1975-1978	1979-1981	1979	1980	1981
Agriculture, livestock and forestry	11,1	12,1	11,9	11,6	12,1	12
Mining and quarrying	9,1	14,3	17,0	21,8	16,3	15
Manufacturing	20,5	18,5	19,6	13,4	20,9	22
Electricity and water	9,1	7,7	7,8	5,3	9,3	8
Construction	1,9	1,5	1,3	1,3	1,0	1,5
Distribution, restaurants and hotels	5,0	2,2	1,8	1,8	1,6	2
Transport and communications	11,8	9,7	8,0	7,9	8,0	8
MATERIAL PRODUCTION TOTAL	68,5	66,0	67,4	62,9	69,2	68,5
Housing*	21,6	19,3	17,4	21,1	16,7	16
Education	2,2	3,1	2,3	2,4	2,0	2,5
Health	1,4	1,9	1,6	2,1	1,2	1,5
Public administration	3,1	5,7	7,0	7,1	6,9	7
Finance and insurance	1,6	1,9	2,5	2,6	2,4	2,5
Other services n.e.s. and unallocable	1,6	2,1	1,8	1,8	1,6	2
NON-MATERIAL PRODUCTION TOTAL	31,5	34,0	32,6	37,1	30,8	31,5
TOTAL GROSS FIXED CAPITAL FORMATION	100,0	100,0	100,0	100,0	100,0	100,0

* Includes real estate, general purpose investment by Government, and urban development.

Table 4.2 GROSS FIXED CAPITAL FORMATION BY INDUSTRIAL SECTOR
(Indices; 1969 = 100, at constant 1969 prices)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Agriculture, livestock and forestry	99,55	118,64	120,00	115,00	137,27	156,82	134,09	106,36	85,91	73,18	92,73	101,82
Mining and quarrying	140,00	142,94	100,00	101,18	147,65	153,53	204,71	201,76	155,88	178,82	162,35	164,12
Manufacturing	89,39	103,33	105,76	178,18	236,97	230,91	138,79	78,79	61,21	56,67	107,27	123,94
Electricity and water	172,00	306,00	494,00	636,00	502,00	560,00	360,00	270,00	188,00	146,00	312,00	300,00
Construction	96,67	90,00	143,33	136,67	270,00	216,67	153,33	70,00	30,00	63,33	56,67	96,67
Distribution restaurants and hotels	118,75	157,50	170,00	142,50	147,50	130,00	43,75	38,75	33,75	27,50	33,75	46,25
Transport and communications	119,17	210,00	241,67	279,17	295,00	304,17	178,33	134,17	105,00	91,67	113,33	123,33
MATERIAL PRODUCTION TOTAL	110,50	140,30	149,90	182,10	213,90	218,20	157,60	118,50	91,20	87,60	117,00	127,60
Housing*	112,06	118,82	140,29	180,00	186,47	164,71	127,94	120,33	84,41	86,94	82,94	87,65
Education	145,00	225,00	215,00	285,00	405,00	360,00	375,00	335,00	270,00	165,00	170,00	235,00
Health	190,00	180,00	260,00	490,00	440,00	390,00	460,00	360,00	410,00	290,00	200,00	290,00
Public administration	142,50	112,50	170,00	185,00	295,00	292,50	260,00	312,50	325,00	247,50	290,00	322,50
Finance and insurance	95,00	180,00	215,00	245,00	185,00	130,00	205,00	235,00	205,00	185,00	205,00	225,00
Other services n.e.s. and unallocable	240,00	180,00	130,00	165,00	260,00	260,00	260,00	235,00	155,00	130,00	135,00	185,00
NON-MATERIAL PRODUCTION TOTAL	122,67	129,78	151,56	194,22	214,67	192,44	167,33	162,89	129,78	114,89	115,56	130,00
TOTAL GROSS FIXED CAPITAL FORMATION	114,97	137,03	150,41	185,86	214,14	210,21	160,62	132,28	103,17	96,07	116,55	128,34

* Includes real estate, general purpose investment by Government, and urban development.

Table 4.2 GROSS FIXED CAPITAL FORMATION BY INDUSTRIAL SECTOR
(Average annual percentage change)

	1970-1974	1975-1978	Index, 1974 = 100		1981	1980	1981
	1974	1978	1979	1980			
Agriculture, livestock and forestry	7,0	-10,0	-14,8	26,7	9,8	67,6	74,2
Mining and quarrying	11,8	3,3	14,7	-9,2	1,1	110,0	111,2
Manufacturing	21,8	-27,0	-7,4	89,3	15,5	42,3	52,3
Electricity and water	43,8	-19,9	-22,3	113,7	-3,8	62,2	59,8
Construction	28,4	-40,1	111,1	-10,5	70,6	21,0	35,8
Distribution, restaurants and hotels	9,3	-25,6	18,5	22,7	37,0	22,9	31,4
Transport and communications	26,3	-20,2	-12,7	23,6	8,8	38,4	41,8
MATERIAL PRODUCTION TOTAL	16,7	-18,1	-3,9	33,6	9,1	54,7	59,7
Housing*	13,6	-17,4	2,1	-3,8	5,7	44,5	47,0
Education	34,1	-9,8	-38,9	3,0	38,2	41,9	58,4
Health	41,5	-0,3	-29,3	-31,0	45,0	45,8	65,5
Public administration	28,2	3,1	-23,8	17,2	11,2	98,0	109,4
Finance and insurance	18,7	7,5	-9,8	10,8	9,8	110,7	121,4
Other services n.e.s. and unallocable	34,3	-10,9	-16,1	3,8	37,0	52,6	71,4
NON-MATERIAL PRODUCTION TOTAL	16,9	-11,6	-11,5	0,6	12,5	53,8	60,6
TOTAL GROSS FIXED CAPITAL FORMATION	16,7	-16,3	-6,9	21,3	10,1	54,4	59,9

* Includes real estate, general purpose investment by Government, and urban development.

Table 4.3 GROSS FIXED CAPITAL FORMATION BY KIND OF ASSET
(in millions of dollars, at current prices)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980
Wages and salaries (labour income)	214	229	232	231	231	231	231	231	231	231	231	231
Property income	22	22	22	22	22	22	22	22	22	22	22	22
Rents	402	427	412	408	408	408	408	408	408	408	408	408
Gross operating profits	402	427	412	408	408	408	408	408	408	408	408	408
Total property income	424	451	424	416	416	416	416	416	416	416	416	416
Gross domestic income (at factor cost)	1011	1087	1087	1087	1087	1087	1087	1087	1087	1087	1087	1087
Plus indirect taxes	69	69	69	69	69	69	69	69	69	69	69	69
Less indirect taxes	44	44	44	44	44	44	44	44	44	44	44	44
Gross domestic income (at market prices)	1036	1112	1112	1112	1112	1112	1112	1112	1112	1112	1112	1112
Residential buildings	23	29	29	36	50	48	47	44	48	33	49	44
Non-residential buildings	18	30	38	43	69	77	74	78	66	66	91	91
Civil engineering works	45	59	69	75	98	118	123	111	101	78	54	109
CONSTRUCTION TOTAL	82	106	128	149	213	235	247	229	227	177	169	244
Transport equipment	19	23	28	37	43	53	58	44	35	40	81	61
Other equipment, plant and machinery	43	46	65	70	96	133	163	129	107	116	131	193
EQUIPMENT AND MACHINERY TOTAL	62	69	93	107	139	186	221	173	142	156	212	254
TOTAL	145	175	221	256	330	421	468	402	369	333	380	497

Table 4.3.1 GROSS FIXED CAPITAL FORMATION BY KIND OF ASSET
(Percentage share)

	1970-1974	1975-1978	1979-1981	1979	1980
Residential buildings	13,7	10,9		12,9	8,9
Non-residential buildings	14,1	18,8		17,4	18,3
Civil engineering works	29,9	26,3		14,2	21,9
CONSTRUCTION TOTAL	57,7	56,0		44,5	49,1
Transport equipment	13,1	11,2		21,3	12,3
Other equipment, plant and machinery	29,2	32,8		34,2	38,6
MACHINERY AND EQUIPMENT TOTAL	42,3	44,0		55,5	50,9
TOTAL GROSS FIXED CAPITAL FORMATION	100,0	100,0		100,0	100,0

Table 4.4 GROSS FIXED CAPITAL FORMATION BY KIND OF ASSET
(Indices : 1969 = 100)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980
Residential buildings	114,29	114,29	133,33	176,19	147,62	128,57	109,52	104,76	57,14	71,42	57,14
Non-residential buildings	115,38	184,62	230,77	238,46	353,85	346,15	300,00	284,62	261,54	161,54	184,64
Civil engineering works	124,39	141,46	141,46	178,05	200,00	178,05	148,78	117,07	90,24	46,34	82,93
CONSTRUCTION TOTAL	120,00	141,33	154,67	188,00	212,00	193,33	164,00	142,67	110,67	73,33	93,33
Transport equipment	118,75	137,50	156,25	162,50	193,75	200,00	131,25	93,75	62,50	137,50	100,00
Other equipment, plant and machinery	102,78	127,78	138,89	191,67	277,78	247,22	172,22	125,00	105,56	125,00	172,22
EQUIPMENT AND MACHINERY TOTAL	107,69	130,77	144,23	182,69	217,31	232,69	159,62	115,38	92,31	128,85	150,00
TOTAL GROSS FIXED CAPITAL FORMATION	114,97	137,03	150,41	185,86	214,14	210,34	160,62	132,28	103,17	96,07	116,55

Table 5.1 NATIONAL INCOME
(in millions of dollars, at current prices)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Wages and salaries (labour income)	514	559	625	699	781	904	1 050	1 154	1 248	1 332	1 502	1 881	2 346
Property income													
Rents	22	25	28	31	35	37	39	42	45	44	43	43	47
Gross operating profits	405	427	515	606	634	850	827	881	794	859	1 063	1 392	1 754
Total property income	427	452	543	637	669	887	866	923	839	903	1 106	1 435	1 801
Gross domestic income (at factor cost)	941	1 011	1 168	1 336	1 450	1 791	1 916	2 077	2 087	2 236	2 608	3 316	4 147
Plus indirect taxes	69	87	98	107	118	129	137	170	223	238	262	315	501
Less subsidies	-10	-19	-22	-24	-15	-59	-41	-68	-94	-135	-90	-100	-120
Gross domestic income (at market prices)	1 001	1 079	1 244	1 419	1 553	1 861	2 012	2 179	2 216	2 339	2 780	3 531	4 528
Less net investment income paid abroad	-18	-21	-30	-35	-39	-40	-45	-58	-47	-40	-53	-47	-110
Gross national income (at market prices)	983	1 058	1 214	1 384	1 514	1 821	1 967	2 121	2 169	2 299	2 727	3 484	4 418
Gross national income (at 1965 market prices)	899	909	1 007	1 127	1 154	1 278	1 247	1 237	1 137	1 116	1 200	1 381	1 554

Table 5.1.1.

NATIONAL INCOME (Percentage share; gross domestic income = 100)

	1970-1974	1975-1979	1979	1980	1981
Wages and salaries (labour income)	52,8	57,6	57,6	56,7	56,6
Property income	47,2	42,4	42,4	43,3	43,4
Rents	2,3	1,9	1,6	1,3	1,1
Gross operating profits	44,9	40,5	40,8	42,0	42,3
Gross domestic income (at factor costs)	100,0	100,0	100,0	100,0	100,0
plus indirect taxes	8,0	9,4	10,0	9,5	12,1
Less subsidies	-2,1	-3,9	-3,4	-3,0	-2,9
Gross domestic income (at market prices)	105,9	105,5	106,6	106,5	109,2
less net investment income paid abroad	-2,4	-2,2	-2,0	-1,4	-2,7
Gross national income (at market prices)	103,5	103,2	104,6	105,1	106,5

Table 5.2

GROSS DOMESTIC PRODUCT (AT FACTOR COST) BY SECTOR ORIGIN AND TYPE OF INCOME (Percentage share, at current prices)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980
GDP, total economy = 100												
Private sector	77,6	77,5	77,2	77,0	77,9	78,1	77,1	75,2	72,3	69,1	72,7	75,0
Public sector	22,4	22,5	22,8	23,0	22,1	21,9	22,9	24,6	27,7	30,9	27,3	25,0
Wages and salaries, total = 100												
Private sector	70,6	70,4	69,9	68,5	68,1	68,1	67,7	65,6	62,2	60,0	60,4	60,2
Public sector	29,4	29,6	30,1	31,5	31,9	31,9	32,3	34,4	37,8	40,0	39,6	39,8
Gross operating profit (includes rent), total = 100												
Private sector	85,9	86,3	85,8	86,0	89,0	88,1	88,3	87,1	87,3	82,5	89,3	94,5
Public sector	14,1	13,7	14,2	14,0	11,0	11,9	11,7	12,9	12,7	17,5	10,7	5,5
Private sector, total 100												
Wages and salaries	49,7	50,2	48,5	46,5	47,1	43,9	47,8	48,4	51,5	51,8	47,9	45,5
Gross operating profits	50,3	49,8	51,5	53,5	52,5	56,1	52,2	51,6	48,5	48,2	52,1	54,5
Public sector, total = 100												
Wages and salaries	71,6	72,7	70,9	71,4	77,0	73,1	76,8	76,8	81,5	77,1	83,5	90,5
Gross operating profits	28,4	27,3	29,1	28,6	23,0	26,9	23,2	23,2	18,5	22,9	16,5	9,5

Table 5.2.1 GROSS DOMESTIC PRODUCT (AT FACTOR COST) BY SECTOR OF ORIGIN AND TYPE OF INCOME
(Percentage share, at current prices)

	1970-1974	1975-1979	1969	1979	1980
GDP, total economy = 100					
Private sector	77,5	73,3	77,6	72,7	75,0
Public sector	22,5	26,7	22,4	27,3	25,0
Wages and salaries, total = 100					
Private sector	69,0	63,2	70,6	60,4	60,2
Public sector	31,0	36,8	29,4	39,6	39,8
Gross operating profit (includes rent), total = 100					
Private sector	87,0	86,9	85,9	89,3	94,5
Public sector	13,0	13,1	14,1	10,7	5,5
Private sector, total = 100					
Wage and salaries	47,2	49,5	49,7	47,9	45,5
Gross operating profits	52,8	50,5	50,3	52,1	54,5
Public sector, total = 100					
Wages and salaries	73,0	79,1	71,6	83,5	90,5
Gross operating profits	27,0	20,9	28,4	16,5	9,5

Table 5.3 WAGES AND SALARIES BY INDUSTRIAL SECTOR
(in millions of dollars, at current prices)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981*
Agriculture, livestock and forestry	52,8	53,3	56,3	62,6	70,7	80,6	93,4	103,2	112,2	120,1	137,8	149,7	187,4
Mining and quarrying	31,7	35,4	37,1	38,0	40,3	48,2	57,1	65,7	71,4	72,6	85,4	116,3	158,0
Manufacturing	94,7	107,8	120,1	141,8	160,7	193,3	226,6	244,9	253,5	267,0	307,0	401,8	536,3
Electricity and water	7,1	7,5	9,3	10,4	11,7	13,3	15,6	17,0	18,7	20,7	22,1	26,2	29,3
Construction	26,3	31,5	40,8	46,3	49,9	62,9	69,1	63,2	61,5	57,8	64,1	77,8	105,1
Distribution, restaurants and hotels	66,7	71,8	81,9	89,8	98,8	107,3	124,9	130,4	135,8	138,1	152,6	187,6	244,0
Transport and communications	61,8	65,0	70,9	77,9	85,6	95,4	108,4	121,5	128,0	133,7	147,8	188,7	236,6
MATERIAL PRODUCTION TOTAL	341,1	372,3	416,4	466,8	517,7	601,0	695,1	745,9	781,1	810,1	916,8	1 148,1	1 496,7
Education	31,6	33,8	39,2	42,7	47,7	54,6	64,5	72,2	76,0	85,8	97,7	168,2	216,1
Health	11,1	12,0	14,3	16,1	17,7	20,4	24,4	27,3	30,5	34,8	39,0	48,6	55,0
Public administration	49,0	51,8	58,6	65,8	77,5	91,3	109,1	140,5	180,1	215,3	243,5	263,3	281,7
Private domestic services	27,7	30,2	32,9	35,2	37,0	39,9	45,8	48,5	50,9	52,1	53,2	64,7	72,2
Finance and insurance	21,3	22,9	25,0	30,6	33,8	41,0	46,9	51,1	55,2	57,4	64,3	78,5	98,9
Other services	32,3	35,9	38,0	41,9	49,9	56,2	63,8	68,3	73,8	77,6	87,1	109,6	133,9
NON-MATERIAL PRODUCTION TOTAL	173,0	186,6	208,0	232,3	263,6	303,4	354,5	407,9	466,5	523,0	584,8	732,9	857,8
TOTAL	514,2	559,0	624,5	699,1	781,3	904,3	1 049,6	1 153,8	1 247,6	1 333,0	1 501,6	1 881,0	2 354,6

* Preliminary data

Table 5.4

WAGES AND SALARIES BY INDUSTRIAL SECTOR (Indices, 1969 = 100, at constant prices)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Agriculture, livestock and forestry	99,2	101,7	110,0	120,6	129,2	136,0	136,9	138,4	134,8	136,0	138,1	154,9
Mining and quarrying	109,8	111,7	111,4	114,5	128,7	138,5	145,4	146,7	135,6	140,4	178,5	217,7
Manufacturing	111,8	120,9	138,9	153,0	172,5	183,9	181,3	174,3	167,2	169,0	206,7	247,3
Electricity and water	104,2	125,4	135,2	147,9	157,7	169,0	167,6	171,8	173,2	162,0	180,3	180,3
Construction	117,9	147,9	163,1	171,1	202,3	201,9	168,4	152,1	130,4	127,0	144,1	174,5
Distribution, restaurants and hotels	105,8	117,1	124,9	133,6	136,0	143,9	137,0	132,5	122,6	119,2	137,0	159,8
Transport and communications	103,4	109,4	117,0	124,9	130,6	134,8	137,9	134,8	128,2	124,6	148,7	167,2
MATERIAL PRODUCTION TOTAL	107,3	116,4	126,9	136,8	149,0	156,6	153,3	149,1	140,8	140,0	163,9	191,6
Education	105,1	118,4	125,3	136,1	146,2	157,0	160,1	156,6	161,1	161,1	259,2	298,7
Health	106,3	122,5	134,2	143,2	155,0	169,4	172,1	179,3	185,6	182,9	213,5	216,2
Public administration	103,9	114,1	124,5	142,7	157,6	171,2	201,0	239,4	260,4	259,0	261,6	251,0
Private domestic services	107,2	113,3	118,1	120,6	121,7	127,1	122,7	119,5	111,6	100,0	113,7	113,7
Finance, insurance and real estate	109,3	112,1	120,4	139,3	147,1	151,7	148,3	148,6	142,4	140,6	165,3	181,1
Other services	105,6	112,2	133,3	143,2	162,9	169,0	168,1	168,5	159,6	157,3	179,3	202,8
NON-MATERIAL PRODUCTION TOTAL	106,0	114,7	124,6	137,4	148,3	157,5	165,3	175,5	179,2	176,1	206,3	216,5
TOTAL ECONOMY	106,8	115,8	126,1	137,0	148,7	156,9	157,3	158,0	153,7	152,2	178,2	200,0

Table 5.5

AVERAGE (MONTHLY) WAGES AND SALARIES BY INDUSTRIAL SECTOR* (Dollars per employed, at current prices)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Agriculture, livestock and forestry	14,3	14,9	15,1	15,2	16,5	18,4	21,4	24,2	26,9	29,3	34,3	38,2	52,6
Mining and quarrying	48,7	51,6	53,3	54,2	57,8	64,8	76,0	85,8	96,6	104,4	119,6	146,4	192,2
Manufacturing	75,7	78,3	82,3	90,4	96,1	106,5	121,1	132,9	145,6	159,7	176,8	210,1	256,8
Electricity and water	111,6	111,6	133,6	142,1	147,7	160,6	188,4	211,4	236,1	262,4	279,0	325,9	375,6
Construction	55,3	61,9	72,7	78,0	73,2	81,5	94,7	102,1	110,2	117,8	131,6	153,6	185,6
Distribution, restaurants and hotels	85,0	91,2	101,1	103,8	107,3	117,3	134,7	145,5	156,1	166,6	188,1	222,4	269,7
Transport and communications	145,5	148,4	151,9	158,3	168,6	181,5	199,4	221,6	234,4	253,2	283,8	344,8	403,2
Education	86,1	90,9	105,4	111,6	119,4	131,1	149,3	163,1	173,0	204,9	240,9	334,5	305,2
Health	90,7	93,5	104,5	110,9	118,0	130,8	150,6	168,5	175,3	197,3	219,6	266,4	282,9
Public administration	108,6	110,7	123,3	136,7	156,0	175,3	185,9	217,6	247,7	262,7	275,3	308,6	281,5
Private domestic services	21,9	23,0	24,1	24,6	25,2	26,7	30,8	32,9	35,4	39,3	40,5	49,9	57,5
Finance, insurance and real estate	199,4	212,0	221,6	245,2	253,8	294,5	323,0	351,9	377,1	398,6	442,8	523,3	597,2
Other services	87,1	86,7	87,7	89,8	103,7	109,7	123,9	135,2	145,4	157,3	171,6	208,5	235,9
Total economy	51,3	54,6	58,4	61,1	65,3	72,5	83,3	93,1	102,7	112,8	127,2	155,2	188,2

* Average (monthly) earnings = $\frac{\text{earnings}}{\text{employees} \times 12}$

Table 5.5.1 AVERAGE WAGES AND SALARIES BY INDUSTRIAL SECTOR
(Average percentage ratio; total economy = 100)

	1970-1974	1975-1979	1979	1980	1981
Agriculture, livestock and forestry	25,7	26,1	26,9	24,6	27,9
Mining and quarrying	90,5	92,8	94,1	94,3	102,1
Manufacturing	145,2	142,1	139,0	135,3	136,5
Electricity and water	222,7	227,6	219,4	210,0	199,6
Construction	118,0	107,7	103,5	99,0	98,6
Distribution, restaurants and hotels	167,2	153,1	147,9	143,3	143,3
Transport and communications	259,9	230,7	223,2	222,2	214,2
Education	178,6	178,8	189,4	215,5	162,2
Health	178,5	176,0	172,4	171,7	150,3
Public administration	223,7	229,5	216,5	198,8	149,6
Private domestic services	39,8	34,7	31,9	32,2	30,6
Finance, insurance and real estate	392,8	366,9	348,2	337,2	317,3
Other services	153,2	142,0	134,9	134,3	125,3
Total economy	100,0	100,0	100,0	100,0	100,0
Maximum/minimum ratio (finance/agriculture)	15,3 : 1	14,1 : 1	12,9 : 1	13,7 : 1	11,4 : 1
Transport/mining ratio	2,87 : 1	2,49 : 1	2,37 : 1	2,36 : 1	2,17 : 1*

* Transport/construction ratio

Table 5.6

AVERAGE (MONTHLY) WAGES AND SALARIES BY INDUSTRIAL SECTOR*
(Indices, 1969 = 100)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Agriculture, livestock and forestry	102,1	100,7	98,6	104,2	109,1	115,4	118,9	122,4	121,7	125,2	130,0	160,8
Mining and quarrying	104,1	104,3	103,3	107,0	112,5	119,9	123,4	129,2	127,1	127,9	146,4	172,3
Manufacturing	101,7	103,7	110,8	114,4	119,0	123,0	123,1	125,2	125,0	121,7	135,1	148,1
Electricity and water	98,3	114,2	118,1	119,4	121,7	129,7	132,8	137,7	139,3	130,3	142,2	147,0
Construction	109,9	125,3	130,9	119,3	124,6	131,6	129,5	129,8	126,2	124,1	135,3	146,7
Distribution, restaurants and hotels	105,4	113,4	113,3	113,8	116,7	121,8	120,0	119,5	116,1	115,3	127,4	138,6
Transport and communications	100,3	99,6	100,9	104,5	105,5	105,4	106,7	104,9	103,2	101,6	115,4	121,0
Education	103,7	116,7	120,2	125,0	128,8	133,3	132,8	130,8	141,0	145,8	189,2	154,8
Health	101,3	109,9	113,5	117,3	121,9	127,7	130,2	125,8	128,9	126,1	143,0	136,2
Public administration	100,2	108,3	116,8	129,5	136,5	131,6	140,4	148,5	143,4	132,0	138,4	113,2
Private domestic services	103,2	105,0	104,1	103,7	103,2	108,2	105,5	105,0	106,4	96,3	111,0	114,6
Finance, insurance and real estate	104,5	106,0	114,1	114,7	124,9	124,5	123,7	123,1	118,5	115,7	127,8	130,8
Other services	97,8	96,0	95,6	107,3	106,5	109,3	108,8	108,7	107,0	102,6	116,5	118,3
Total economy	104,7	108,6	110,5	114,8	119,5	124,8	127,3	130,4	130,4	129,2	147,4	160,2

Table 5.6.1 AVERAGE (MONTHLY) WAGES AND SALARIES BY INDUSTRIAL SECTOR
(Average annual percentage change; previous year = 100)

	1970/74	1975/79	1970/79	1979	1980	1981
Agriculture, livestock and forestry	101,8	102,8	102,3	102,9	103,8	123,7
Mining and quarrying	102,4	102,6	102,5	100,6	114,5	117,7
Manufacturing	103,5	100,5	102,0	97,4	111,0	109,6
Electricity and water	104,1	101,5	102,7	93,5	109,1	103,4
Construction	104,8	99,9	102,2	98,3	108,9	108,4
Distribution, restaurants and hotels	103,2	99,8	101,4	99,3	110,5	108,8
Transport and communications	101,1	99,3	100,2	98,5	113,5	104,9
Education	105,2	102,6	103,8	103,4	129,8	81,8
Health	104,1	100,7	102,3	97,9	113,4	95,2
Public administration	106,5	99,5	102,8	92,1	104,8	81,8
Private domestic services	100,7	98,8	99,8	90,6	115,2	103,3
Finance, insurance and real estate	104,6	98,5	101,5	97,7	110,5	102,3
Other services	101,4	99,3	100,3	95,9	113,5	101,5
Total economy	103,6	101,6	102,6	99,1	117,0	108,7

Table 5.7 PRICE CHANGES
(Indices; 1969 = 100)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
GDP at market prices:												
Deflator	106,4	110,2	112,2	119,9	130,2	144,2	156,6	174,4	188,1	209,4	231,8	261,8
Consumer price index												
all items*												
For higher income urban families	103,5	106,6	111,3	115,3	124,0	133,6	145,6	159,5	170,1	189,3	206,8	237,0
For lower income urban families	102,1	105,2	108,2	111,5	118,9	130,8	145,2	160,2	175,8	199,9	210,7	238,4
Agriculture**												
Producer prices	106,0	104,5	104,5	134,8	152,6	164,6	163,7	175,6	191,0	204,2	245,7	—
Unit value	103,9	101,6	104,0	130,5	147,4	158,5	158,8	168,2	181,0	192,1	229,7	—
Mining												
Unit value	99,1	95,1	98,0	112,6	140,8	150,0	178,4	192,8	215,9	267,9	365,6	364,1
Manufacturing												
Unit value	106,5	113,1	115,1	122,8	145,9	159,7	175,4	186,9	206,0	224,5	252,0	—
Building materials:												
total materials												
Price index	104,4	107,6	111,2	118,9	138,4	158,2	174,7	203,6	228,6	273,4	330,2	415,0
Foreign trade												
Imports: unit value	104,5	111,4	109,0	113,6	154,8	171,0	193,8	213,5	242,7	332,2	355,9	353,7
Exports: unit value	102,9	104,6	105,1	114,7	150,3	160,6	167,7	174,4	185,5	213,2	282,6	310,0
Terms of trade: indices	98,5	93,9	96,4	101,0	97,1	94,0	86,6	81,7	76,4	64,3	79,4	87,6

* Gross of sales tax and excise duty

** Commercial areas

Table 6.1

GROSS CAPITAL FORMATION AND ITS FINANCING (in millions of dollars)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Gross capital formation	191	222	277	296	381	549	582	471	407	389	433	534	1 011
Financed by													
1. Domestic sources:													
Domestic savings	196	209	222	298	366	479	494	477	399	414	359	377	601
2. External sources:													
Net balance on current account	-5	13	55	-2	15	70	88	-6	8	-25	74	157	410
Total of 1 and 2	191	222	277	296	381	549	582	471	407	389	433	534	1 011

Table 6.1.1

EXTERNAL SOURCES OF FINANCE (in millions of dollars)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Net exports of goods and Services	-27	-11	22	-40	-31	10	25	-83	-52	-81	5	103	316
Net investment income paid abroad	18	21	30	35	39	40	45	58	47	40	53	47	110
Net transfer payments	4	3	3	3	7	20	18	19	13	16	16	7	-16
Net balance on current account	-5	13	55	-2	15	70	88	-6	8	-25	74	157	410

Table 6.1.2.

PUBLIC CORPORATIONS Gross operating profits, gross capital formation and corporate savings as source of finance (in millions of dollars)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
GROSS OPERATING PROFITS	22	32	51	62	41	70	62	83	72	122	84	47*	88
Gross fixed capital formation	12	24	38	48	55	78	81	69	63	50	35**	72**	57**
Increase in stocks***	4	6	9	8	9	24	20	12	15	8	5	5	25
GROSS CAPITAL FORMATION	16	30	47	56	64	102	101	81	78	58	40	79	82
Financed by:													
Public corporate savings	19	16	29	39	19	45	36	52	37	95	61**	10**	69**
Other corporate sources	-3	14	18	17	45	57	65	29	41	-37	-21	69	13

* Railways' subsidy not paid

** Tentative pending publication of official data

*** Calculated due to overall figures given for all sectors

Source of data: Central Statistical Office.

Table 6.2

**CONSOLIDATED STATEMENT OF
CENTRAL AND LOCAL GOVERNMENTS' REVENUES AND EXPENDITURES
(CALENDAR YEAR)
(in millions of dollars)**

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Revenue													
Direct taxes	78,6	81,5	97,2	110,5	139,6	187,5	249,8	279,8	283,7	265,0	280,7	383,1	538,6
Indirect taxes	68,8	87,2	97,9	106,6	118,4	129,1	136,9	169,7	224,0	239,2	260,8	314,1	499,6
Other revenue	105,7	113,8	118,8	129,5	142,3	216,4	253,2	204,5	317,7	334,5	336,4	457,9	514,1
Total revenues	253,1	282,5	313,9	346,6	400,3	532,8	639,9	654,0	825,4	838,7	877,9	1 155,1	1 552,3
Expenditure													
Recurrent expenditure													
On goods and services	167,9	177,8	198,8	219,3	247,5	247,8	301,2	363,1	444,9	517,8	728,9	934,9	1 015,8
Transfer payments	74,8	90,7	38,9	97,8	115,1	155,5	146,8	187,7	243,7	307,1	306,6	418,3	548,0
Total recurrent expenditures	242,7	268,5	237,7	317,1	362,6	403,3	448,0	550,8	688,6	824,9	1 035,5	1 353,2	1 563,8
Capital expenditure	36,0	40,3	48,8	62,2	79,0	136,4	166,9	170,5	147,1	154,8	116,4	141,4	166,4
Total expenditures	278,7	308,8	336,5	379,3	441,6	539,7	614,9	721,3	835,7	979,7	1 151,9	1 494,6	1 730,2
Excess of revenues over expenditures	- 25,6	- 26,3	- 22,6	- 32,7	- 41,3	- 6,9	25,0	- 67,3	- 10,3	- 141,0	- 274,0	- 339,5	- 177,9

Table 6.2.1

**CONSOLIDATED STATEMENT OF
CENTRAL AND LOCAL GOVERNMENTS' REVENUES AND EXPENDITURES
(as percentages of gross domestic product)**

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Revenue													
Direct taxes	7,9	7,6	7,8	7,8	9,0	10,1	12,4	12,8	12,8	11,3	10,1	10,8	11,9
Indirect taxes	6,9	8,1	7,9	7,5	7,6	6,9	6,8	7,8	10,1	10,2	9,4	8,9	11,0
Other revenue	10,6	10,5	9,5	9,1	9,2	11,6	12,6	9,4	14,3	14,3	12,1	13,0	11,4
Total revenues	25,4	26,2	25,2	24,4	25,8	28,6	31,8	30,0	37,2	35,9	31,6	32,7	34,3
Expenditure													
Recurrent expenditure													
On goods and services	16,8	16,5	16,0	15,5	15,9	13,3	15,0	16,7	20,1	22,1	26,2	26,5	22,4
Transfer payments	7,5	8,4	7,1	6,9	7,4	8,4	7,3	8,6	11,0	13,1	11,0	11,8	12,1
Total recurrent expenditure	24,2	24,9	23,1	22,4	23,3	21,7	22,3	25,3	31,1	35,3	37,2	38,3	34,5
Capital expenditure	3,6	3,7	3,9	4,4	5,1	7,3	8,3	7,8	6,6	6,6	4,2	4,0	3,7
Total expenditures	27,8	28,6	27,0	26,8	28,6	29,0	30,6	33,1	37,7	41,9	41,4	42,3	38,2

Table 6.3

CENTRAL GOVERNMENT BUDGET ACCOUNT
(FINANCIAL YEAR)
(in millions of dollars)

	1969/70	1970/1	1971/2	1972/3	1973/4	1974/5	1975/6	1976/7	1977/8	1978/9	1979/80	1980/1	1981/2*
Revenue													
Direct taxes	78,2	84,0	104,5	122,9	155,4	217,0	269,6	280,1	288,5	261,3	315,9	437,5	619,6
Indirect taxes	67,5	77,0	87,0	92,8	99,2	113,2	113,8	170,0	203,9	213,6	245,9	339,7	586,7
Other revenue	59,1	53,5	52,5	54,3	63,8	70,3	78,9	80,8	117,8	105,3	114,1	172,0	124,4
Total revenue	204,8	214,5	244,0	270,0	318,4	400,5	462,3	530,9	610,2	580,2	675,9	949,2	1 330,7
Expenditure													
Recurrent expenditure													
On goods & services	125,2	125,8	141,5	152,5	180,8	216,5	242,1	311,2	411,0	481,8	613,6	606,2	759,6
Transfer payments	70,7	81,2	87,1	101,5	132,5	140,7	158,0	211,8	274,3	323,7	357,9	531,7	753,6
Total recurrent Expenditure	195,7	207,0	228,6	254,0	313,3	357,2	400,1	523,0	685,3	805,5	971,5	1 137,9	1 513,2
Capital expenditure	17,4	19,0	22,5	25,4	35,8	57,7	56,1	67,7	59,7	54,4	54,9	65,2	102,1
Total expenditures	213,3	226,0	251,1	279,4	349,1	414,9	456,2	590,7	745,0	859,9	1 026,4	1 203,1	1 615,3
Budget account deficit (-)/surplus	-8,5	-11,5	-7,1	-9,4	-30,7	-14,4	6,1	-59,8	-134,8	-279,7	-350,5	-253,9	-284,6

* Revised estimates

Table 6.3.1.

CENTRAL GOVERNMENT BUDGET ACCOUNT
(FINANCIAL YEAR)
(As percentage of gross domestic product)

	1969/0	1970/1	1971/2	1972/3	1973/4	1974/5	1975/6	1976/7	1977/8	1978/9	1979/0	1980/1	1981/2*
Revenue													
Direct taxes	7,5	7,2	7,8	8,3	9,1	11,2	12,9	12,7	12,7	10,2	10,0	11,1	13,0
Indirect taxes	6,5	6,6	6,5	6,2	5,8	5,8	5,4	7,7	8,9	8,3	7,8	8,6	12,3
Other revenue	5,7	4,6	3,9	3,7	3,7	3,6	3,8	3,7	5,2	4,1	3,7	4,3	2,6
Total revenue	19,7	18,4	18,2	18,2	18,6	20,6	22,1	24,1	26,8	22,6	21,5	23,8	27,9
Expenditure													
Recurrent expenditure													
On goods & services	12,0	10,8	10,6	10,3	10,6	11,2	11,6	14,2	18,0	18,8	19,4	15,3	16,0
Transfer payments	6,8	7,0	6,5	6,8	7,8	7,2	7,5	9,6	12,0	12,6	11,5	13,4	15,9
Total recurrent Expenditure	18,8	17,8	17,1	17,1	18,4	18,4	19,1	23,8	30,0	31,4	30,9	28,7	31,9
Capital expenditure	1,7	1,6	1,7	1,7	2,1	3,0	2,7	3,1	2,6	2,1	1,7	1,7	2,1
Total expenditures	20,5	19,4	18,8	18,8	20,5	21,4	21,8	26,9	32,6	33,7	32,6	30,4	34,0
Budget account deficit (-)/surplus	-0,8	-1,0	-0,5	-0,6	-1,8	-0,7	0,3	-2,7	-5,9	-11,0	-11,1	-6,5	-6,0

* Revised estimates

Table 6.4

CENTRAL GOVERNMENT FINANCING ACCOUNT
(FINANCIAL YEAR)
(in millions of dollars)

	1969/0	1970/1	1971/2	1972/3	1973/4	1974/5	1975/6	1976/7	1977/8	1978/9	1979/0	1980/1	1981/2*
Budget account deficit/ surplus (-)	8,5	11,5	7,1	9,4	30,7	14,4	-6,1	59,8	134,8	279,7	350,5	253,9	284,6
Contributions to sinking funds	3,8	3,9	4,1	4,6	5,1	5,8	6,6	6,8	6,7	7,6	10,0	12,1	8,3
Repayments of borrowings													
External	**	11,0	1,5	1,6	2,4	0,3	0,4	0,3	0,4	2,8	11,5	31,4	16,8
Domestic	29,2	28,7	31,6	41,6	55,4	43,9	63,8	85,4	60,6	52,7	76,0	123,9	110,0
Long-term loans and investments	19,8	32,1	44,7	57,3	47,6	59,1	49,5	38,4	38,1	28,2	30,5	98,4	139,3
Short-term loans	14,2	-23,9	-42,1	-13,6	-9,9	-6,1	0,3	32,7	-3,0	-6,4	6,8	-7,2	-7,0
Total	75,5	63,3	46,9	100,9	131,3	117,4	114,5	223,4	237,7	364,6	485,3	512,5	552,0
Financed by:													
Extraordinary income	—	—	—	—	—	—	—	—	—	—	—	49,3	—
Loan recoveries	17,8	10,6	15,1	20,5	20,4	22,1	19,2	21,8	18,0	12,8	12,8	10,4	11,7
International aid/loans	—	—	—	—	—	—	—	—	—	—	—	8,1	123,7
Borrowings	59,0	80,5	54,8	83,4	122,5	86,0	86,7	131,8	236,2	339,8	453,4	350,3	364,4
External	***	***	***	***	***	***	***	***	***	(128,9)	(96,0)	(40,2)	(152,8)
Domestic	***	***	***	***	***	***	***	***	***	(210,9)	(357,4)	(310,1)	(211,6)
Treasury bills: net increase or decrease (-)	3,9	-32,4	-13,6	-3,7	6,2	-16,4	24,3	52,9	0,6	30,1	23,7	29,2	29,0
Cash balances: drawings or additions (-)	-5,2	4,6	-9,4	0,7	-17,8	25,7	-15,7	16,9	-17,1	-18,1	-4,6	65,2	23,2
Total	75,5	63,3	46,9	100,9	131,3	117,4	114,5	223,4	237,7	364,6	485,3	512,5	552,0

* Revised estimates

** Less than \$100 000

*** Breakdown not available.

**Table 6.5 GROSS PUBLIC DEBT OF THE CENTRAL GOVERNMENT
AND LOCAL AUTHORITIES**
(in millions of dollars, end of the year)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Central Government													
External borrowings	145,1	132,3	129,7	116,8	113,0	92,1	93,8	78,1	88,5	223,7	353,4	414,8	514,2
Domestic borrowings	417,3	471,4	472,6	504,3	542,2	593,4	597,3	706,4	775,8	922,6	1 125,5	1 425,4	1 581,6
Other capital liabilities	5,7	5,2	4,9	4,9	4,7	4,6	4,5	4,0	3,6	3,5	3,5	3,1	2,8
Total for central Government	568,1	609,0	607,2	626,0	659,9	690,1	695,6	788,6	867,9	1 149,8	1 482,3	1 843,4	2 098,6
Local authorities (domestic borrowings)													
Long term	113,3	116,1	128,8	142,2	159,9	180,0	200,4	216,3	229,6	254,3	279,4	315,9	357,5
Short term	1,1	0,5	0,9	0,2	0,2	0,2	0,2	4,5	4,1	3,7	3,0	10,9	21,0
Total for local authorities	114,4	116,6	129,7	142,4	160,1	180,2	200,6	220,8	233,7	258,0	282,4	326,8	378,5
Total external debt	145,1	132,3	129,7	116,8	113,0	92,1	93,8	78,1	88,5	223,7	353,4	414,8	514,2
Total domestic debt	537,4	593,3	597,1	661,6	717,0	778,2	802,4	931,3	1 013,1	1 184,1	1 411,3	1 755,3	1 962,9
Gross public debt	682,5	725,6	726,8	778,4	830,0	870,3	896,2	1 009,4	1 101,6	1 407,8	1 764,7	2 170,1	2 477,1

Table 7.1

FOREIGN TRADE

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Value (in millions of dollars at current prices)													
GDP at market prices	1 000	1 079	1 244	1 419	1 553	1 861	2 012	2 179	2 216	2 339	2 780	3 531	4 528
Exports	230,8	258,7	290,2	349,1	389,1	531,2	531,3	557,4	550,8	609,3	715,7	909,2	959,3
Imports	199,5	235,0	282,5	274,7	308,6	438,3	461,9	382,7	388,1	403,7	549,3	809,4	1 027,7
Visible balance	31,3	23,8	7,8	74,4	80,5	92,8	69,4	174,7	162,7	205,6	166,4	99,8	-68,4
Percentage ratio to GDP													
Exports/GDP	23,1	24,0	23,3	24,6	25,1	28,5	26,4	25,6	24,8	26,0	25,7	25,7	21,2
Imports/GDP	19,9	21,8	22,7	19,4	19,9	23,5	23,0	17,6	17,5	17,3	19,7	22,9	22,7
Balance/GDP	3,2	2,2	0,6	5,2	5,2	5,0	3,4	8,0	7,3	8,7	6,0	2,8	-1,5
Unit value (Indices; 1969 = 100)													
Exports	100,0	102,9	104,6	105,1	114,7	150,3	160,6	167,7	174,4	185,5	213,2	282,6	310,0
Imports	100,0	104,5	111,4	109,9	113,6	154,8	171,0	193,8	213,5	242,7	332,2	355,9	353,7
Terms of trade	100,0	98,5	93,9	96,4	101,0	97,1	93,9	86,5	81,7	76,4	64,2	79,4	87,6
Volume (Indices; 1969 = 100)													
Exports	100,0	109,0	120,2	144,0	147,1	153,3	143,4	144,1	136,9	142,4	140,5	133,7	119,8
Imports	100,0	112,6	127,1	126,2	136,1	141,8	135,3	98,9	91,1	83,3	82,2	113,1	141,2

Table 7.2. EXPORTS BY SITC SECTIONS AND PRINCIPAL COMMODITIES
(in millions of dollars, at current prices)

SITC section and commodity	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Food	45,9	58,9	83,8	86,6	117,0	132,4	94,7	96,1	105,8	109,8	103,0	130,9
Sugar	4,9	8,5	16,4	12,6	33,8	43,7	21,7	12,9	10,9	20,6	47,4	54,8
Maize	15,5	17,9	25,9	20,3	35,2	48,1	22,0	22,2	25,4	17,0	7,4	34,7
Tea and coffee	2,2	2,5	2,8	3,7	4,8	6,9	10,4	13,9	19,6	17,6	13,1	15,8
Meat	18,1	23,1	30,6	42,3	35,1	27,3	33,3	36,6	37,3	37,8	18,6	8,6
Other foods	5,2	6,9	8,1	7,7	8,1	6,4	7,3	10,5	12,6	16,8	16,5	17,0
Tobacco and beverages	27,5	34,5	45,6	64,2	76,4	72,3	86,7	78,7	102,7	85,6	123,0	224,6
Tobacco (manufactured)	3,7	3,7	3,1	3,3	4,2	5,1	5,5	4,8	5,9	5,3	4,7	6,1
Tobacco (unmanufactured)	23,3	30,5	42,1	60,6	72,0	66,8	80,9	73,8	96,6	80,2	118,1	218,3
Beverages	0,5	0,3	0,4	0,3	0,2	0,4	0,3	0,1	0,2	0,1	0,2	0,2
Crude materials	57,8	61,2	68,7	77,4	95,4	90,0	120,1	125,7	125,4	147,3	170,1	166,6
Asbestos	21,6	24,0	22,7	27,8	34,4	43,8	60,3	63,1	57,3	70,5	80,1	75,9
Chrome ore	6,4	6,7	6,9	6,2	4,4	6,8	2,6	1,9	0,5	0,4	0,5	0,1
Cotton lint	13,8	16,8	23,2	21,3	37,2	19,1	36,6	36,5	40,1	46,4	57,2	60,3
Cattle hides	1,7	2,4	3,8	5,9	4,1	1,9	4,3	5,5	6,4	10,1	3,5	2,1
Other crude materials	14,3	11,3	12,1	16,2	15,3	13,4	16,3	18,8	21,1	19,9	28,0	28,2
Mineral fuels	7,8	5,7	3,3	2,1	2,6	4,4	6,2	7,2	7,9	9,5	11,6	10,4
Oils and fats	0,2	0,6	0,7	1,1	2,5	1,1	3,1	4,7	5,8	6,1	2,2	1,0
Chemicals	3,3	4,2	4,3	4,6	5,0	4,6	5,7	4,3	4,6	5,6	7,7	11,7

Table 7.2 continued

**EXPORTS BY SITC SECTIONS AND
PRINCIPAL COMMODITIES**
(in millions of dollars, at current prices)

SITC section and commodity	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Manufactured goods classified by material	73,2	71,3	83,7	106,4	143,3	129,7	159,3	149,0	168,3	216,3	288,6	238,8
Steel ingots and billets	8,5	8,7	9,8	8,5	8,7	8,0	11,2	19,8	22,8	26,0	34,2	24,2
Steel bars, rods and sections	1,0	2,5	1,9	3,8	2,3	1,9	3,9	5,3	17,0	31,9	33,0	17,6
Copper metal	20,1	15,3	21,0	28,4	42,8	29,3	30,3	29,0	26,5	31,3	24,6	18,3
Tin metal	1,0	1,3	1,4	2,1	4,1	3,4	3,8	5,4	6,3	8,5	8,6	8,3
Ferro-chrome	11,9	10,8	15,7	23,7	30,2	38,9	50,6	30,6	31,6	46,3	88,1	79,5
Nickel metal	14,9	15,5	16,2	17,6	19,2	19,6	28,3	30,8	36,5	37,9	52,8	46,8
Other manufactured goods classified by material	15,8	17,2	17,7	22,3	36,0	28,6	31,2	28,1	27,6	34,4	47,3	44,1
Machinery and transport equipment	12,8	10,5	11,4	10,4	15,1	15,6	13,1	12,0	14,1	14,7	15,2	19,2
Radios and parts	5,3	5,2	4,4	4,1	6,2	5,7	3,7	2,1	3,1	4,1	3,6	2,7
Cars and parts	0,1	0,1	0,1	0,1	0,1	—	0,1	0,1	0,1	—	—	0,5
Other machinery and transport equipment	7,4	5,2	6,9	6,2	8,8	9,9	9,3	9,8	10,9	10,6	11,6	16,0
Miscellaneous manufactured goods	16,0	19,6	21,0	24,9	29,1	26,7	28,2	21,9	23,3	50,2	66,0	84,9
Apparel	9,0	11,3	12,1	14,4	16,2	13,8	15,0	11,6	11,9	11,7	12,3	12,3
Footwear	2,8	3,8	4,2	4,9	5,4	5,1	5,7	3,9	4,1	4,6	5,1	6,1
Other miscellaneous manufactured goods	4,2	4,5	4,7	5,6	7,5	7,8	7,5	6,4	7,3	33,9	48,6	66,5
Total exports	258,7	290,2	349,1	389,1	531,2	531,3	557,4	550,8	609,3	715,7	909,2	959,3
Domestic exports	245,1	266,3	322,2	377,8	482,1	477,7	518,2	500,8	558,7	645,4	787,5	888,1
Gold sales	7,6	17,5	20,7	5,0	42,5	45,3	34,6	45,7	46,1	66,6	115,2	63,9
Re-exports	6,1	6,5	6,2	6,3	6,5	8,2	4,6	4,4	4,6	3,7	6,5	7,3

Table 7.3

**IMPORTS (f.o.b.) BY PRINCIPAL COMMODITIES,
SITC CLASSIFICATION**
(Value in millions of dollars, at current prices)

Commodity	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Food and live animals	12,3	13,0	9,5	13,0	14,5	14,3	7,2	6,4	4,6	9,7	28,0	15,3
Beverages and tobacco	1,5	1,2	1,2	1,7	1,5	1,5	1,2	1,3	1,4	2,1	3,7	2,2
Crude materials, inedible (except fuels)	12,5	11,7	12,1	14,0	21,3	17,3	14,2	12,0	13,1	18,5	26,1	33,4
Mineral fuels, lubricants and related materials	16,2	18,4	20,7	23,5	45,3	67,8	76,3	87,9	92,4	162,2	195,0	221,7
Animal and vegetable oils	1,0	1,4	0,9	0,7	3,0	2,1	2,0	1,9	0,4	2,2	6,5	8,5
Chemicals	26,8	32,4	32,5	34,5	68,2	61,9	48,9	54,3	60,5	76,4	108,9	142,0
Manufactured goods classified by material	71,3	76,6	75,7	80,3	112,2	89,0	74,2	70,9	69,6	94,6	149,3	196,6
Machinery and transport	74,8	107,4	100,8	116,5	135,7	166,6	120,2	109,8	102,1	126,7	208,6	327,4
Miscellaneous manufactured articles	16,6	17,2	15,5	17,1	21,6	20,1	18,3	18,7	20,2	25,6	39,1	51,9
Miscellaneous transactions	2,0	3,1	5,9	7,0	14,9	21,0	19,9	24,8	39,2	31,3	44,1	28,8
Total	235,0	282,5	274,7	308,6	438,3	461,9	382,7	388,1	403,7	549,3	809,4	1 027,7

Table 7.4

FOREIGN EXCHANGE BY PRINCIPAL USE*

(Percentages shares)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Development projects	3,8	4,9	3,6	4,0	3,9	4,3	5,3	3,4	4,3	4,2	4,4	4,6
Buildings	0,5	1,2	1,4	1,5	1,2	0,8	1,0	0,6	0,2	0,2	0,3	0,5
Industrial	1,5	1,4	1,1	1,6	1,4	1,8	2,2	1,6	2,7	2,6	2,5	2,5
Mining	1,8	2,3	1,1	0,8	1,2	1,8	2,1	1,1	1,3	1,4	1,7	1,6
Energy	5,9	6,1	6,6	7,1	11,3	17,0	19,9	20,3	21,8	24,0	22,2	16,6
Electricity	0,4	0,5	0,4	0,2	0,3	0,2	0,1	0,0	0,1	0,0	0,0	0,0
Petroleum fuels	5,5	5,6	6,3	6,9	10,9	16,8	19,7	20,2	21,8	23,9	22,1	16,6
Raw materials, spare parts, capital goods	57,1	54,2	53,1	52,6	50,1	40,5	50,1	51,2	50,9	47,3	50,5	50,4
Industrial imports	31,6	30,7	30,4	30,8	31,3	25,3	27,6	27,7	27,5	26,8	29,7	29,2
Commercial imports	25,4	23,5	22,6	21,8	18,7	15,2	22,5	23,5	23,4	20,5	20,8	21,2
Transport and communications	8,7	3,4	6,4	6,1	5,4	5,0	3,4	4,7	5,2	5,9	6,0	6,2
Railway, airways, CAPCO, PTC	2,2	0,9	1,9	1,7	1,3	1,7	1,7	1,8	2,1	1,4	1,1	1,0
Vehicles, passenger	4,1	1,4	2,5	2,7	2,1	1,3	1,0	1,7	1,6	2,3	2,2	2,1
Vehicles, commercial	2,5	1,1	2,0	1,7	2,0	2,0	0,7	1,2	1,4	2,2	2,6	3,2
Public sector maintenance	2,3	1,6	1,6	1,6	1,4	1,6	1,4	1,7	1,4	1,0	1,2	1,2
Government	2,0	1,2	1,2	1,3	1,0	1,2	1,2	1,4	1,2	0,8	1,0	0,9
Other statutory bodies	0,3	0,4	0,4	0,3	0,4	0,4	0,2	0,4	0,3	0,1	0,2	0,3
Other	22,2	29,8	28,7	28,5	28,0	31,6	19,9	18,7	16,3	17,6	15,8	21,0
Open general import licence	15,7	15,0	14,6	12,4	8,7	11,7	4,6	4,6	5,4	3,4	2,5	3,2
Re-exports	0,5	0,5	0,3	0,5	0,3	0,2	0,1	0,0	0,0	0,1	0,1	0,0
Unspecified	3,4	12,2	11,4	12,4	16,2	17,0	12,8	11,4	8,2	12,1	11,5	15,1
Reserve	2,5	2,1	2,5	3,3	2,8	2,6	2,5	2,7	2,8	2,0	1,6	2,6
Total	100	100	100	100	100	100	100	100	100	100	100	100

* As allocated by the Ministry of Trade and Commerce.

Table 7.5

BALANCE OF PAYMENTS : NET CREDIT
(in millions of dollars)

	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981●
Current Account													
Merchandise	32	28	3	63	89	69,9	47,7	153,6	144,3	182,2	139,1	68,4	-72,3
Services*	-5	-17	-25	-22	-58	-79,9	-72,7	-70,6	-92,3	-101,2	-134,1	-171,4	-243,7
Goods and services	27	11	-22	40	31	-10	-25	83	52	81	-5	-103	-316
Investment income**	-18	-21	-30	-35	-39	-40	-45	-58	-47	-40	-53	-47	-110
Transfer payments***	-4	-3	-3	-3	-7	-19	-18	-19	-13	-16	-16	-7	16
Investment income and transfer payments	-22	-24	-33	-38	-46	-59	-63	-77	-60	-56	-69	-54	-94
Net balance on recurrent account	5	-13	-55	2	-15	-69	-88	6	-8	95	-74	-157	-410
Capital Account													
Government and public authorities	—	—	—	—	—	-3,6	-6,3	-1,1	-7,3	117,2	111,6	-24,6	177,5
Private transactions****	—	—	—	—	—	63,8	96,1	11,6	16,1	-82,4	70,4	125,7	76,7
Net balance on capital account	10	26	31	-2	52	60,2	89,8	10,5	8,8	34,8	182	101,1	254,2
Net balance on current and capital account	15	14	-25	0,0	37	-8,8	1,8	16,5	0,8	59,8	108	-55,9	-155,8

* Includes shipping services, other transport services, travel

** Private labour income and property income included in investment income and excluded from goods and services

*** Non-commercial transactions excluded from transfer payments and included in goods and services

**** Statistical discrepancy included.

● Estimated: current account, CSO official
Capital account, Treasury official.