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SWAZILAND

BALANCE OF PAYMENTS
1969/70 & 1970/71



Ex 1

CENTRAL STATISTICAL OFFICE
DECEMBER 1973

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FOREWORD.

This report and the Balance of Payments tables have been prepared by Mr. G.C. Jones with the assistance of Miss N.B. Vilakazi. Mr. A. Rooke was responsible for the collection of the data, which took almost 18 months to complete. This report concerns only the Current Account and it is hoped that in future years with improvements and developments in the collection of data to produce more accurate information. In some cases no data at all was available, but this should be rectified in the future.

The co-operation of all who contributed information towards this publication is acknowledged with sincere thanks.

DR. M.M. HAMDI.
CHIEF STATISTICIAN.

DECEMBER 1973.

BALANCE OF PAYMENTS 1969/70 & 1970/71.

These figures relate only to the Balance of Payments on the Current Account, they do not include any transactions on the Capital Account.

From the notes on each section, it will be seen that in some cases a large number of assumptions and estimates have had to be made. In other cases no information has been available and consequently an item has been entered as NIL. Thus this statement of account is by no means complete, but with improvements currently being made it is hoped that more reliable estimates will be available to improve the accuracy of this publication in the future.

SUMMARY TABLE

RAND

	1969/70		1970/71	
	PAYMENTS	RECEIPTS	PAYMENTS	RECEIPTS
GOODS	38 118 500	45 981 000	43 719 821	51 783 000
SERVICES etc.	20 275 746	13 314 460	22 028 248	13 937 590
TOTAL	58 394 246	59 295 460	65 748 069	65 720 590

There is thus a surplus of R 901 214 in 1969/70 and in 1970/71 on the current account a deficit R27 479.

BALANCE OF PAYMENTS 1969/70RAND

ITEM	PAYMENTS	RECEIPTS
1. GOODS	38 118 500	45 981 000
2. SERVICES		
a) Freight and Insurance	NIL	NIL
b) Fares	409 303	18 000
c) Other Transport	336 000	5 545
d) Travel	2 236 512	2 200 000
e) Government Transactions	258 032	472 189
f) Other Services	6 079 610	200 100
3. INCOME PAYMENTS		
a) Investment	8 755 200	560 100
b) Other Interest	767 752	NIL
c) Other	836 100	134 309
4. TRANSFER PAYMENTS		
a) Private	7 206	234 400
b) Government	590 031	9 189 817
5. BALANCING ITEM	901 214	
TOTAL	59 295 460	59 295 460

BALANCE OF PAYMENTS 1970/71RAND

ITEM	PAYMENTS	RECEIPTS
1. GOODS	43 719 821	51 783 000
2. SERVICES		
a) Freight & Insurance	NIL	NIL
b) Fares	481 952	23 000
c) Other Transport	348 000	13 968
d) Travel	2 588 960	3 300 000
e) Government Transactions	209 699	584 107
f) Other Services	7 246 823	312 300
3. INCOME PAYMENTS		
a) Investment	8 559 000	1 193 400
b) Other Interest	1 376 582	NIL
c) Other	846 633	127 596
4. TRANSFER PAYMENTS		
a) Private	15 953	291 000
b) Government	354 646	8 092 219
5. BALANCING ITEM	-27 479	
TOTAL	65 720 590	65 720 590

ANALYSIS OF EXTERNAL PAYMENTS OF INTEREST AND
DIVIDENDS AND PURCHASE OF SERVICES FROM ABROAD
1969/70 AND 1970/71.

SECTOR	R 000's					
	1969/70			1970/71		
	DIVIDENDS	INTEREST	SERVICES	DIVIDENDS	INTEREST	SER- VICES
AGRICULTURE	242,4	489,8	90,0	530,5	91,5	102,5
FORESTRY		5,8	0,4		5,6	1,0
MINING	3135,7	0,7	2207,3	3178,2	48,4	2529,8
MANUFACTURING	3781,4	669,8	575,8	3223,3	1170,4	755,9
CONSTRUCTION		3,3	0,7		3,3	1,0
WHOLESALE AND RETAIL		18,4	180,8	23,9	33,2	390,9
HOTELS AND RES- TAURANTS		12,6	3,4		13,6	3,6
TRANSPORT		242,8	2527,3		57,6	2862,3
FINANCE SERVICES		-	20,3			42,8
REAL ESTATE & BUSINESS		6,1	27,8		6,7	11,1
HEALTH						4,7
EDUCATION			0,1			0,3
RECREATION	0,4		10,7	1,9		11,7
PERSONAL & HOUSEHOLD SERVICES	72,8	68,2	5,6	105,0	66,4	9,6
TOTAL	7232,7	1517,5	5650,2	7062,3	1496,7	6627,2

SOURCE: NATIONAL ACCOUNTS SURVEY 1969/70 AND 1970/71

PAYMENTS

1. GOODS

The main item under goods has been taken from the Trade Statistics adjusted so that the data refers to the years ending March 1970 and March 1971. The figure for the year ending in March 1970 is R38 085 000 and in March 1971 R43 842 000.

As imports are valued C.I.F. an adjustment of 1,3% is made for internal freight to obtain a net "at border" valuation.

Aircraft imports in the year ending March 1970 amounted to R 530 500 and in the year ending March 1971 to R 454 821.

It was not possible to include any figures for goods brought in under Technical Assistance schemes.

2. SERVICES

- a) Freight and Insurance on imports. These sums are included in import values and not separately identified.
- b) Fares: This item should include freight costs of immigrants baggage and cars but not information is available.
It does include:
 - i) South African Railways road transport passenger receipts R 37 000 for year ending March 1970 and R 42 000 for year ending March 1971.
 - ii) Passenger fares including Government air travel R 72 303 and R 89 952 respectively.
 - iii) An estimate of R300 000 for year ending 1970 and R350 000 for year ending 1971 for holiday, students and immigrants fares.
- c) Other transport: consists solely of R336 000 and R 348 000 for the respective years and is an estimate for freight on local goods carried by S.A.R. This item should also include resident air lines, purchases of fuel and landing fees abroad, freight on mail - but no information was available.
- d) Travel: This item includes expenditure abroad on hotels, petrol and private shopping - the largest item is expenditure by tourists.
 - i) The value of goods brought in from R.S.A. during 1970/71 by personal shoppers as revealed by the border checks was R1,43 million, it is therefore assumed that during 1969/70 the amount would be R1,3 million.

The total expenditure on hotel and petrol in the R.S.A. has been estimated at R600 000 in 1969/70 and R750 000 in 1970/71.

Tourist expenditure in Portugal (Mozambique) has been estimated from what little information is available at R250 000 in 1969/70 and R300 000 in 1970/71.

- ii) Business Travel abroad is taken from the National Accounts Survey for 1969/70 and 1970/71 but the figures which are R71 600 and R93 900 respectively are thought to be underestimates as many firms do not think of South Africa as being abroad.
- iii) Government Officials - on estimated figure of R14 912 for 1969/70 and R15 060 for 1970/71 are included.
- e) Government Expenditure
 - i) Wages and Salaries paid to foreigners by Swaziland missions abroad was R13 610 in 1969/70 and R21 691 in 1970/71.
 - ii) British Consul General Agencies in South Africa, and Crown Agents Commission in 1969/70 was R13 140 and in 1970/71 was R7 971.
 - iii) The operating Expenses of Swaziland High Commission offices abroad was R103 907 in 1969/70 and R180 037 in 1970/71.
 - vi) Foreign post and telephone charges were R127 375 in 1969/70 and R180 037 in 1970/71.
- f) OTHER SERVICES
 - i) Premiums less claims ~~are~~^{on} non-merchandise insurance, other than resident companies and branches amounted to R369 389 in 1969/70 and R546 490 in 1970/71.
 - ii) Other business services provided by non residents such as advertising, head office charges etc. amounted to R5 650 200 in 1969/70 and R6 627 200 in 1970/71.
See table.
 - iii) Estimated expenditure by diplomatic personnel abroad was R60 021 in 1969/70 and R73 133 in 1970/71.
 - vi) Other services such as magazine subscriptions, membership fees etc. could not be estimated.

3. INCOME PAYMENTS

- a) Investment Income:- Insufficient information is available as to the ownership of enterprises in Swaziland and no

estimates could be made for the earnings of branches of non-resident enterprises on the undistributed earnings of resident direct investment corporations accruing to non-residents. This item therefore only covers interest and dividends paid out of Swaziland as revealed in the National Accounts Survey. See table.

h) Other interest covers payments on government loans and includes loans on lent to Swaziland Railways and Swaziland Electricity Board. In 1969/70 this figure amounted to R767 752 and in 1970/71 to R1 376 582.

i) Other: the figures here refer to taxes paid by non-residents and from the income tax statistics this amounted to R836 100 in 1969/70 and R846 633 in 1970/71.

4. TRANSFER PAYMENTS.

a) Private: This covers a wide range of items; taxes, fines, visas, legacies, emigrants transfers of capital, immigrants recurrent transfers **abroad**, students grants, donations etc. - about which there is little information. Only amounts for visa fees R 5 806 for 1969/70 and R6853 for 1970/71 and donations by firms R1 400 in 1969/70 and R9 100 in 1970/71 have been included.

b) Government: This includes pensions paid abroad, contributions to international organisations and contributions to U.B.L.S. and totalled R590 031 in 1969/70 and R354 646 in 1970/71.

Other items have been treated as NIL because of lack of information.

R E C E I P T S

1. GOODS

Figures have been taken from the Export Statistics and for the year ending March 1970 the total was R 45 981 000 and for year ending March 1971 R51 783 000.

2. SERVICES

- a) Freight and Insurance - assumed NIL.
- b) Fares : an estimate of R18 000 for 1969/70 and R23 000 for 1970/71 has been included.
- c) Other transport: this includes sales of aviation fuel to foreign aircraft, landing fees and repairs and maintenance on foreign aircraft and freight on mail. Only the amount of landing fees R5 545 in 1969/70 and R13 963 in 1970/71 has been included.
- d) Travel: from informations provided by the tourist statistics R2,2 million has been included for 1969/70 and R3,3 million for 1970/71. Although these figures are subject to a large margin of error, current improvements in this field should improve estimates for future years.
- e) Government Transactions: this includes wages and salaries paid to Swaziland's residents by foreign embassies R25 022 in 1969/70 and R27 639 in 1970/71. The operating expenses of these embassies are also included R441 430 in 1969/70 and R552 255 in 1970/71. Post Office credits from outside Swaziland are included and these amounted to R5 737 in 1969/70 and R4 213 in 1970/71.
- f) Other services: business services provided by Swaziland's firms to non-residents amounted to R100 100 in 1969/70 and R162 300 in 1970/71. Also included in this section is an estimate of R100 000 in 1969/70 and R150 000 in 1970/71 for expenditure of diplomatic personnel in Swaziland. Other items such as membership dues and rents are treated as NIL because of lack of information.

3. INCOME RECEIPTS

- a) Investment Income: amounts of R382 900 in 1969/70 and R966 300 in 1970/71 are included as dividends and R177 200 in 1969/70 and R227 100 in 1970/71 as interest payments.
- b) Other interest has been taken as nil.

c) Other income receipts - the only item included is the Swazi mine workers remittances and there are said to be R134 309 in 1969/70 and R127 596 in 1970/71, but these are thought to be underestimates.

4. TRANSFER RECEIPTS.

a) Private - This covers a wide variety of items about much of which there is little information e.g. Tax refunds, lottery prizes, pensions from abroad, grants received by foreign students studying in Swaziland, transfers made by missions, legacies, doweries, lobola, donations, immigrants transfers of capital etc.

Donations from firms R34 400 in 1969/70 and R41 000 in 1970/71 are included and an estimate of R200 000 in 1969/70 and R250 000 in 1970/71 for mission transfers.

b) Government - from Government accounts.

i) Economic Aid Grants R1 502 133 in 1969/70 and R118 419 in 1970/71.

ii) Technical assistance grants by private institutions R131 879 in 1969/70 and R 127 891 in 1970/71.

iii) Taxes received from non-residents are shown as R84 600 in 1969/70 and R74 600 in 1970/71.

iv) Customs Union receipts R7 080 809 in 1969/70 and R 6 731 283 in 1970/71.

v) Grant-in-Aid from U.K. R428 500 in 1969/70 and R821 428 in 1970/71.

vi) O.S.A.S. receipts R261 896 in 1969/70 and R218 284 in 1970/71.