

(J) SURVEY OF CONSUMER INCOME AND OUTLAY 1963

The first all-island enquiry into consumer income and expenditure was conducted by the Central Bank in 1953. That enquiry was undertaken to fill a large gap in the statistical knowledge relating to income and expenditure that existed at that time. The results of that enquiry were very useful in formulating plans for economic development, in studies of tax burdens by income classes and income distribution and consumption patterns by various income groups.

In 1963 it was decided to supplement these data with more up-to-date information in order to study the changes in the pattern of income distribution and of consumption. Accordingly, the Central Bank conducted the second all-island survey of consumer income and outlay in 1963.

The first part of the report which gives the main results of the survey was published in 1964. The second part which gives the statistical tables is now with the printer.

This survey revealed that the average size of a household was 5.75 persons and that each household had 1.08 spending units (i.e. units that lived together and undertook a major part of their spending on consumption together). Each household had, on the average, 1.56 income receivers and 4.19 dependants. In every 100 households 437 persons had an education below the secondary level, 115 persons had a secondary education and 23 persons had either passed the SSC/GCE or had received a higher education. Employed persons numbered 159 in every 100 households while 25 members were unemployed.

A household had an average income of Rs. 416.19 for two months. The average bi-monthly income per spending unit was Rs 385.36. The bulk of this income (i. e. 76 per cent) was received from the main occupation. The subsidiary occupation accounted for 10 per cent of this income; property income (i. e. rent, dividends and interest) formed another 10 per cent, while transfers and other incomes accounted for the remaining 4 per cent.

The average expenditure for two months was Rs. 382.07 per spending unit. The expenditure on food was Rs. 214.85, of which Rs 58.96 was spent on cereals and cereal preparations, Rs. 33.72 on meat, fish and eggs, Rs 26. 55 on vegetables and fruits and Rs. 21.23 on sugar. The total bi-monthly expenditure on non -food was Rs. 167.22, of which Rs. 36.38 was spent on clothing, Rs. 27.86 on housing, Rs 31.92 on betel, tobacco and alcohol and Rs. 17.03 on fuel and light.

The average bi-monthly income exceeded average expenditure by Rs. 3.29. When the entire year 1962/63 is taken as the reference period, a spending unit had a net dis-saving of 3.8 per cent of income or Rs. 14.52 for two months. The contractual savings in the form of life insurance premia, and provident fund contributions constituted the bulk of the personal savings.

During the same reference period of one year in 1962/63 the average debt of a spending unit was larger than the total amount dis-saved, The amount of debt for two months was Rs. 23.79 and the average rate of interest paid on this debt was 17 per cent per annum. It is significant to note that 47.32 per cent of the spending units reported they were in debt during this period.