

(J) SURVEY OF PRIVATE INVESTMENT IN CEYLON

In 1965, the Central Bank completed an island-wide survey of private investment. The purpose of the survey was to fill a large gap in the available statistics relating to capital formation in the private sector. Data were collected on the volume and composition of private investment in Ceylon during the period April 1963 to March 1964. Data on the sources of finance for investment by households and certain other data were also collected.

The survey was carried out through a number of sub-surveys covering the various sectors of the economy, viz:

- (a) Fisher households,
- (b) Rural households,
- (c) Urban residential construction,
- (d) Companies (agricultural, industrial and service)
- (e) Non - Company establishments (agricultural, industrial and service).

Except in the case of companies, where full enumeration was attempted, each of the sectors was surveyed by drawing a sample. Different sampling designs were used to suit the different sectors.

The sub surveys covering fishing and rural households were carried out through personal interviews by Central Bank investigators. The other sub-surveys were done through postal questionnaires followed by personal calls in certain cases.

The major findings of the sub surveys have been published in the Central Bank Bulletins. It is proposed to publish the report in full together with all the statistical tables in a single volume.

In the case of companies, where a complete enumeration was attempted, the response rate was only about 75 per cent on the average and the investment figures relate only to the companies which responded to the questionnaire. In the case of the fishing sector, the survey had to be abandoned in the Northern and Eastern areas owing to the widespread dislocation and damage caused by the cyclone of December 1964, and the results do not cover these areas. In computing investment, expenditure in kind and imputed value of own labour and material were also taken into account, besides expenditure in money terms.

The results of the survey show a total investment of Rs. 555.5 million in the private sector in 1963-64. Residential construction was valued at Rs. 303 million while non-residential building construction accounted for a further Rs. 29.6 million. Investment in plant, machinery and all other equipment was Rs. 73 million. Expenditure on planting, replanting and upkeep of immature crops amounted to Rs. 71.2 million. The value of increase in stocks, which was also taken as a component of investment, was Rs. 59.3 million.

The total investment in the household sector was estimated at Rs. 374.7 million. Out of this, the contributions of rural, urban and fisher households were Rs. 300.5 million, Rs. 65.2 million and Rs. 9.0 million respectively. The investment in the corporate sector was Rs. 147.2 million composed of Rs. 60.3 million by industrial companies, Rs. 44.3 million by service companies and Rs. 42.6 million by agricultural companies. Non-company establishments accounted for a further investment of Rs. 33.6 million. Estimated investment by agricultural and industrial establishments was Rs. 26.9 million and Rs. 14.2 million respectively, while service establishments made a net disinvestment of Rs. 7.5 million owing to a running down of stocks.