

THE ECONOMY

IMPORT BILL UP

The country's import bill recorded a 55 per cent increase during the first five months of this year, compared with the value of imports during the period January-May 1976. Mainly responsible were the heavy increases in imports of food items and textiles. The food bill increased by as much as 85 per cent, despite the big drop in the imported prices of major food items. The value of imports of textiles and textile articles and raw materials

period. The quantity of flour imported increased by nearly 300,000 tons or 211 per cent over the period of the previous year. Value of imports, however, increased by only 126 per cent because of the 27.5 per cent drop in prices. There was only a 53 per cent increase in quantity of rice imported with a fall of only 8.7 per cent in the C & F price per ton.

The import of these three major items however, amounted to almost the entire quantities imported in 1976.

Imports of Rice, Flour and Sugar

<i>Imports</i>	<i>Jan. - May</i>		<i>Percentage Increase (+) Decrease (-)</i>
	1976	1977	
Rice			
Quantity : Th. Tons ...	223.6	341.9	52.91
Value : Rs. Mn. ...	384.0	536.7	39.8
C & F Price : Rs. per ton ...	1,717.59	1,569.94	-8.6
Flour			
Quantity : Th. Tons ...	141.8	441.4	211.3
Value : Rs. Mn. ...	293.9	662.9	125.6
C & F Price : Rs. per ton ...	2,072.55	1,502.02	-27.5
Sugar			
Quantity : Th. Tons ...	10.4	36.3	249.0
Value : Rs. Mn. ...	27.6	71.8	160.1
C & F Price : Rs. per ton ...	2,641.94	1,977.56	25.2
Total value of rice, flour and sugar—Rs. Mn.	705.4	1,271.4	80.2

for textile making registered a phenomenal 235 per cent increase during this five-month period of 1977.

The total value of imports during the first five months of this year amounted to Rs. 2,892.6 million as against Rs. 1,867.1 million over the same period last year. Nearly half the import bill during this year was on food imports. The three major food items of rice, flour and sugar cost the country as much as Rs. 917.6 million (according to the Customs Returns) or Rs. 1,721.4 million (according to the Food Commissioner). Details of the Food Commissioner's imports are given in the table above.

The total increase in the import value of these three major food items was Rs. 566 million or 80 per cent, when compared with the corresponding period last year. The highest increase was in sugar imports where the quantity imported increased by nearly 250 per cent. This total value, however, increased by only 160 per cent as a result of the 25 per cent drop in sugar prices over this

During the whole of 1976 a quantity of 419,000 tons of rice was imported as against 342,000 for the first five months of this year; 380,000 tons of flour, as against 441,000 for the first five months of 1977 and 45,000 tons of sugar as against 36,000 tons for the first five months of this year.

Total expenditure on imports had increased nearly 55 per cent according to Custom's Data. The main increases were as follows:

Product Group	<i>(Rs. Million)</i>	
	1976	1977
Vegetable products ...	716.3	1330.7
Textiles and Textile articles and raw materials for making textiles ...	77.1	258.9
Base metals and articles of base metals ...	106.0	125.8
Vehicles, aircrafts and parts thereof, vessels & certain associated transport equipment ...	62.8	87.2
Works of art, collectors' pieces and antiques (including miscellaneous items) ...	9.9	45.5
Others ...	896.9	1111.4
Total (adjusted) ...	1867.1	2892.6