

UNITED NATIONS

ECONOMIC COMMISSION  
FOR LATIN AMERICA  
AND THE CARIBBEAN



**FILE COPY**  
*Do not remove from office.*  
Distr.  
LIMITED  
LC/WAS/L.45  
25 September 97

ORIGINAL: ENGLISH

---

ECONOMIC SURVEY OF PUERTO RICO

1996

**ECONOMIC SURVEY OF PUERTO RICO  
1996**

**CONTENTS**

Part One:	The Evolution of the Economy, Fiscal Year 1996 . . . . .	1
I.	The Domestic Economy . . . . .	1
1.	Macroeconomic Aggregates . . . . .	1
2.	Sectoral Evolution . . . . .	2
3.	Employment . . . . .	3
4.	Prices and Incomes . . . . .	3
5.	Public Finances . . . . .	4
6.	Credit Markets . . . . .	6
II.	International Transactions . . . . .	6
Part Two:	Specific Issues . . . . .	8
1.	Puerto Rico Trade Relations with the Western Hemisphere. . . . .	8

## PART ONE

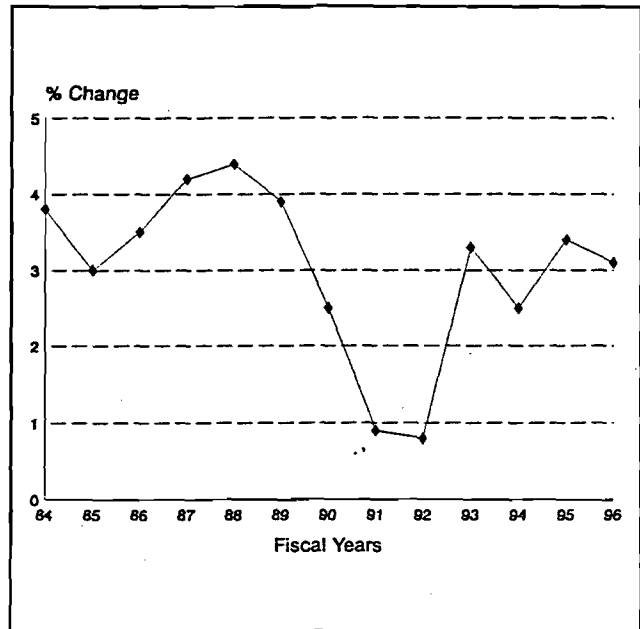
### THE EVOLUTION OF THE ECONOMY FISCAL YEAR 1996

#### I. THE DOMESTIC ECONOMY

During 1996, the economy of the Commonwealth of Puerto Rico continued the growing trend of the previous three-years, with a real gross product (GP) increase of 3.1%. Both a strong surge in investment, led by a 25% growth in construction, and increases in government and personal consumption contributed to the economy's growth.

Prices, as denoted by the Consumer Price Index, accelerated to 5.1%, the highest of the past six years. (Appendix, table 1-1)

Figure 1 Puerto Rico: Real Gross Product



#### 1. Macroeconomic Aggregates

In 1996, global domestic demand --consumption and investment-- grew 5.2%. Consumption increased by 5.4% in 1996, the highest rate of the past six years, with personal consumption counting for as much as two thirds of domestic demand. Most of the strength came from consumption of nondurable goods, which grew 8.5% during the year.

Conversely, investment growth decelerated from 10.4% in 1995 to 4.2% in 1996, in response to a reduction in machinery and equipment investment. Fixed investment, however, remained dynamic, with an 11.3% increase resulting from a 25% surge in construction investment. With this, in 1996 construction came to represent 13.6% of GP, compared to 11.5% in the previous year. Public sector investment, for the most part in infrastructure improvement, was responsible for more than half --55%-- of total construction investment.

Finally, in 1996, imports registered a slight 0.4% growth, while exports --after two consecutive years of growth-- decreased by 5.3% (Appendix table 1-2).

### 3. Employment

The unemployment rate in 1996 remained at 13.8% the same level of 1995. This was the result of two opposing forces, the growth of employment and the 3.9% expansion in the size of the labor force.

During fiscal year 1996, for the second consecutive year, the island experienced high growth in employment. According to the Puerto Rican Planning Board, in 1996, 41,000 new jobs were created, surpassing last year's growth of 40,000 and becoming the highest growth registered since 1988. The sectors that contributed the most to this increase are trade, finance, insurance and real estate, transportation, communications and other public services, services and the government.

In turn, the number of civilian persons (those 16 years and over) grew at 1.1%, with employment participation reaching the historic rate of 47.2%. A possible explanation to the latter is the increase in federal minimum wages from \$4.25 to \$4.75 per hour. (Appendix, table 1-8)

### 4. Prices and Income

Figure 4 Puerto Rico: Rate of Inflation

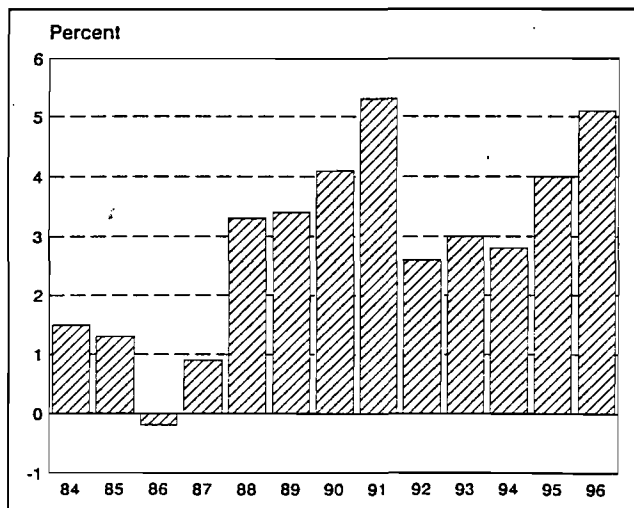
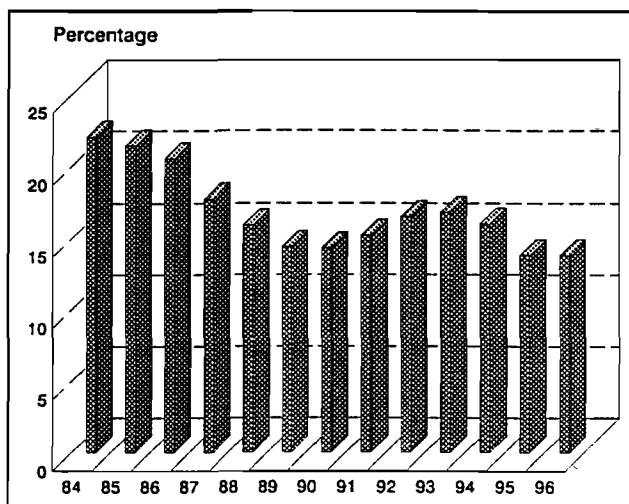
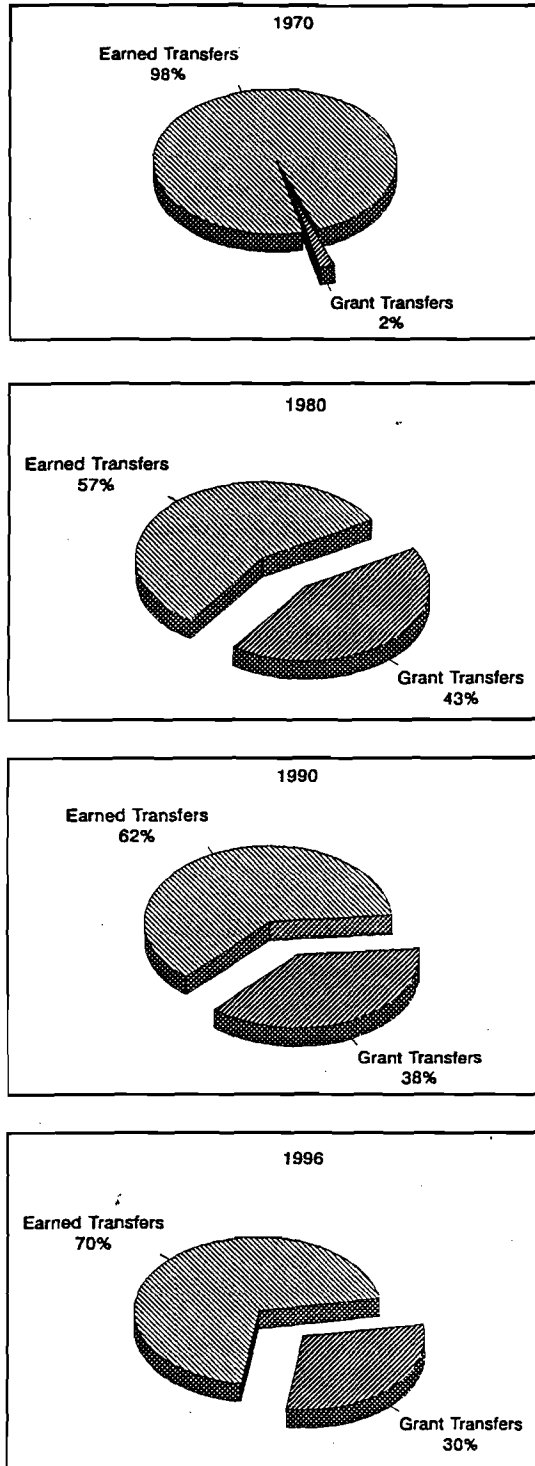


Figure 3 Puerto Rico: Unemployment Rate



The rate of inflation increased from 4% in 1995 to 5.1% in 1996. The acceleration is largely attributable to high petroleum prices. However, the Consumer Price Index (CPI) figure may be overestimating real price increases. The basket of goods used to calculate the CPI has not been significantly modified in twenty years, assigning a higher weight to food than is warranted by current consumption patterns. In 1996, food prices increased by 10% while all other prices increased considerably less. (Appendix, table 1-9)

**Figure 6 Puerto Rico: Composition of Federal Transfers**



The purchase of goods and services, including employee compensation and other purchases, grew 8.3%. Employee compensation, which accounts for more than half of government outlays, increased by 9.7% in 1996. This reflects increasing public wages, particularly those of teachers and the police.

Federal transfers to Puerto Rico amounted to \$6.7 billion in 1996, with transfers to individuals totaling \$6.6 billion. These transfers are broken down into two categories by the Puerto Rico

Planning Board: "earned transfers" and "granted transfers". Earned transfers, which in 1996 made up 70% of transfers to individuals, include veteran pensions, social security and Medicare. This portion of individual transfers increased at a rate of 15.5% in 1996, to more than \$4.6 billion. Specifically, Medicare transfers jumped by 60% in 1996.

Granted transfers, given unilaterally, include housing aid and nutrition programs, and other smaller transfers such as scholarships, student loans, transfers to NGOs, assistance to families in disaster areas and other transfers. Although these did not show significant changes in 1996, relative to the previous year, over time, however, granted transfers have become a smaller portion of total transfers to individuals. In 1980, granted transfers amounted to 43% of federal transfers to persons, while in 1996 they comprised only 30%.

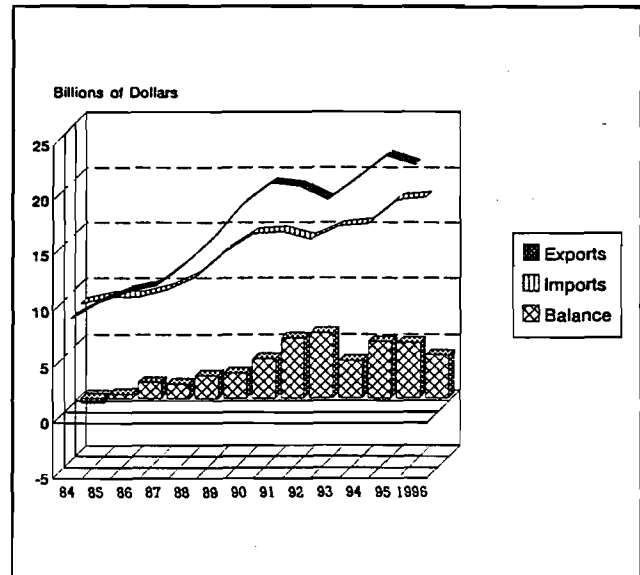
Public debt increased by 10.2% to \$17.6 billion, the highest of the past decade. This occurred in response to the 15% growth in the debt of public enterprises, which is 72% of all debt. According to the Puerto Rican Planning Board, this surge includes the amount used to refinance outstanding debt and to reduce the burden in the medium and long run. By contrast, the debt of the central government fell by 1.5%. (Appendix, table 1-13)

By country of origin, the United States remains Puerto Rico's main trading partner, representing 88% of Puerto Rico's exports and 62% of its imports. However, during the past years there has been an increase in trade with other countries.

In 1996, imports from countries other than the U.S. and the Virgin Islands, increased by 6.8%, while exports grew by 4.7%. (Appendix, table 2-3)

Overall in 1996, the deficit in the balance of goods and services, unilateral transfers and interests of the central and municipal governments, rose by \$558 million or the equivalent of 11.5%. In the capital account, the net increase in capital movements from foreign investments in Puerto Rico, grew by \$1.1 billion. (Appendix, table 2-4)

Figure 11 Puerto Rico: Merchandise Trade



Although imports from the US experienced a reduction of \$248.8 million, the mainland still remains the main supplier of imports to Puerto Rico with \$11.9 billion.

During 1996, the Caribbean represented 4% of Puerto Rico's total trade, amounting to \$1.8 billion, the island's second largest trading partner. The Dominican Republic continues to be Puerto Rico's main trading partner from the region, holding an 80% share and \$1.4 billion of Caribbean trade. The second largest trading partner from the Caribbean was Trinidad & Tobago with 6% or \$105.2 million. Besides the Netherlands Antilles, which make up 5% of trade with Puerto Rico, the remainder of the Caribbean countries have small individual shares of 1% and less. (Appendix, table 2-5)

Figure 13 Puerto Rico: Direction of Trade, 1996

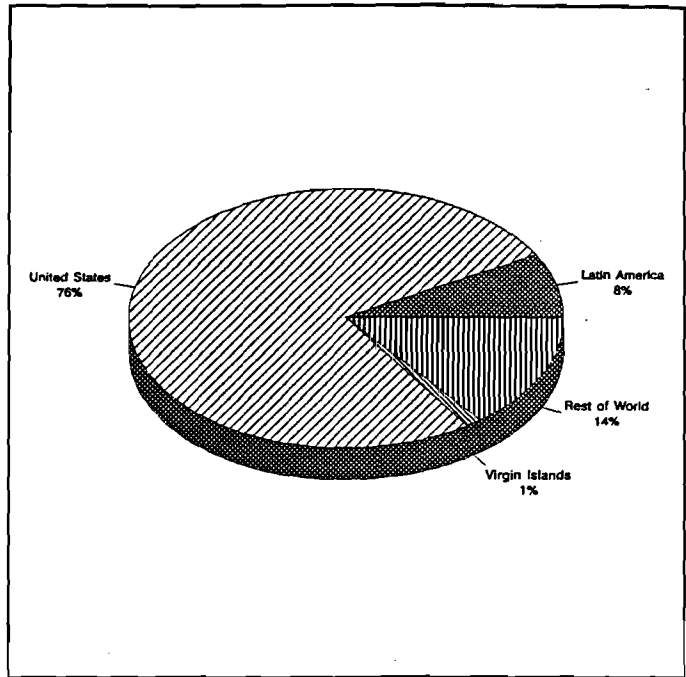
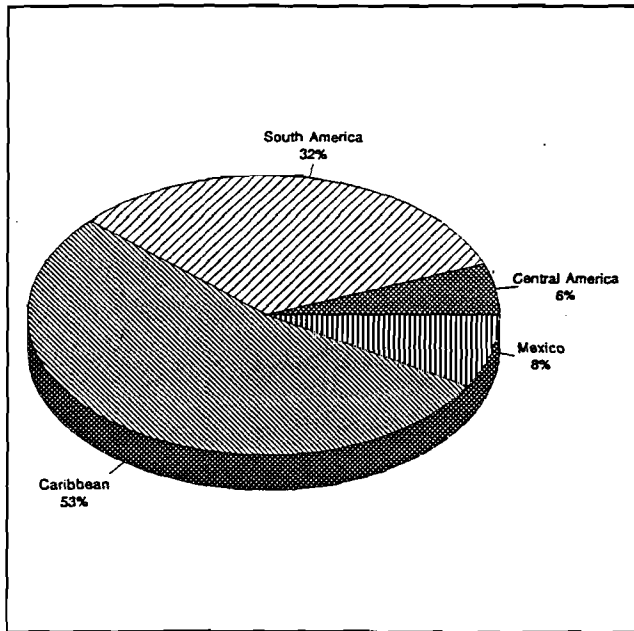


Figure 14 Puerto Rico: Trade with Latin America and the Caribbean by Region 1996



Part of the large proportion of trade with the Dominican Republic can be attributed to numerous companies from the US that have set up operations in Puerto Rico and the Dominican Republic, where manufacturing takes place among complimentary production plants.

Trade with South America expanded by 11.9%, to \$1.1 billion and represented 3% of Puerto Rico's total trade, a notable increase in comparison with the previous year decline of 17.9%. Over half of Puerto Rico's total trade with South America was with Venezuela, amounting to \$545 million. Brazil, Ecuador and Colombia followed, but with smaller shares of 16%, 14% and 12%, respectively. While Venezuela and Ecuador provide oil, Colombia is a source of coal, which also explains Puerto Rico's trade

imbalance with these countries. (Appendix, table 2-5)

**PART THREE**  
**STATISTICAL APPENDIX**



Table 1-1  
Puerto Rico: Main Economic Indicators

	1992	1993	1994	1995	1996 <sup>a</sup>
<b>Growth Rates</b>					
Real Gross Product	0.8	3.3	2.5	3.4	3.1
Rate of inflation	2.6	3.0	2.9	4.0	5.1
Wages	5.5	5.9	5.7	2.1	3.9
<b>Percentages</b>					
Unemployment rate	16.5	16.8	16.0	13.8	13.8
<b>Millions of dollars</b>					
Merchandise exports	21051.2	19790.7	21752.6	23811.3	22944.4
Merchandise imports	15387.3	16385.9	16654.2	18816.6	19060.9
Balance on goods & services, unilateral transfers, and interest.	-3370.1	-3686.3	-4210.5	-4837.4	-5396.5
<b>Thousands</b>					
Population	3564	3601	3654	3702	3726

Source: ECLAC, on the basis of data from the Puerto Rico Planning Board.

a. Preliminary Data

Table 1-3

## Puerto Rico: Gross Domestic Product by Industrial Sector

	<u>Millions of Dollars: fiscal years</u>				<u>Percent Share</u>		<u>Growth Rates</u>			
	1993	1994	1995	1996 <sup>a</sup>	1980	1996	1993	1994	1995	1996 <sup>a</sup>
Gross Domestic Product <sup>b</sup>	36992.5	39690.6	42606.5	45621.5	100.0	100.0	6.6	7.5	7.3	6.8
Agriculture	411.3	368.2	316.8	306.5	2.3	0.7	-2.1	-10.5	-14.0	-3.3
Manufacturing	15427.6	18748.1	17862.9	18860.7	36.3	41.4	8.8	21.5	-4.7	5.6
Construction & Mining	873.8	927.6	955.3	1003.0	2.8	2.2	4.8	6.2	3.0	5.0
Transportation	3009.0	3133.9	3284.3	3486.7	8.5	7.7	5.8	4.2	4.8	6.2
Trade	5303.1	5641.6	5959.4	6224.4	15.4	13.7	7.1	6.4	5.6	4.4
Finance, Insurance, & Real Estate	4896.6	5246.1	5595.7	5877.8	10.1	12.9	6.5	7.1	6.7	5.0
Services	3908.9	4332.3	4693.0	4991.0	8.6	11.0	9.6	10.8	8.3	6.3
Government	3881.3	3987.4	4440.2	4871.4	12.9	10.7	5.7	2.7	11.4	9.7

Source: ECLAC, on the basis of data from the Puerto Rico Planning Board.

a. Preliminary data.

b. Numbers do not add up due to statistical discrepancy.

Table 1-5

## Puerto Rico: Construction Activity Indicators

	<u>Millions of Dollars</u>					<u>Growth Rates</u>				
	1992	1993	1994	1995	1996 <sup>a</sup>	1992	1993	1994	1995	1996 <sup>a</sup>
Value of Construction	2644.3	2827.4	2942.4	3255.4	4115.1	0.4	6.9	4.1	10.6	26.4
Private	1114.1	1262.2	1424.7	1544.2	1857.6	-4.8	13.3	12.9	8.4	20.3
Public	1019.8	1008.0	1029.8	1150.7	1468.4	4.6	-1.2	2.2	11.7	27.6
Government	510.3	557.2	487.8	560.4	789.2	26.1	9.2	-12.5	14.9	40.8
Value of Permits Granted (*)	877.7	1006.6	1075.9	1432.0	1229.1	-11.9	14.7	6.9	33.1	-14.2
Private	687.0	723.3	874.8	939.5	868.0	-9.9	5.3	20.9	7.1	-7.9
Residential	352.1	384.3	406.0	524.1	540.0	-13.6	9.1	5.6	30.2	3.0
Non-Residential	334.9	339.0	468.8	415.4	328.0	-5.6	1.2	38.3	-11.4	-21.0
Public	190.7	283.3	201.2	494.8	366.1	-18.7	48.6	-29.0	145.9	-26.0
Residential	15.3	111.3	67.7	151.0	42.2	-72.3	627.5	-39.2	123.0	-72.0
Non-Residential	175.4	172.0	133.6	321.0	320.0	-2.2	-1.9	-22.3	177.0	-0.4
Cement <sup>b</sup>										
Production	29.7	30.5	31.8	32.8	35.4	-2.3	2.7	4.3	3.1	7.9
Sales	30.1	30.5	31.9	33.0	35.1	-1.0	1.3	4.6	3.4	6.4

Source: ECLAC, on the basis of data from the Puerto Rico Planning Board.

a. Preliminary data.

b. Thousands of bags, 94lbs.

(\*). In thousands

Table 1-7  
Puerto Rico: Tourism

						<u>Rates of Growth</u>				
	1992	1993	1994	1995	1996 <sup>a</sup>	1992	1993	1994	1995	1996 <sup>a</sup>
Visitors										
Number <sup>a</sup>	3730.0	3869.0	4022.6	4086.6	4110.2	6.4	3.7	4.0	1.6	0.6
Expenditure <sup>b</sup>	1519.7	1628.1	1728.3	1827.6	1898.3	5.9	7.1	6.2	5.7	3.9
Hotel										
Occupancy Rate %	67.8	69.9	70.1	68.0	69.0	-3.0	3.1	0.3	-3.0	1.5

Source: ECLAC, on the basis of data from the Puerto Rico Planning Board.

a. Thousands of people.

b. Millions of dollars.

Table 1-9

Puerto Rico: Consumer Prices  
Growth Rates

	1991	1992	1993	1994	1995	1996 <sup>a</sup>
Consumer Price Index <sup>b</sup>	5.3	2.6	3.0	2.8	4.0	5.1
Food	6.8	5.3	6.0	7.0	8.6	10.0
Housing	3.9	0.4	2.3	1.1	1.4	2.2
Clothing	-1.0	-3.6	-3.4	-1.9	-2.3	0.3
Transportation	8.3	1.4	2.6	-0.8	1.9	2.0
Medical Costs	5.2	7.1	5.8	2.9	5.0	4.9
Education & Leisure	4.6	0.3	-2.1	2.0	3.5	1.7
Other	3.2	0.3	0.4	2.8	-0.1	1.3

Source: ECLAC, on the basis of data from the Puerto Rico Planning Board

a. Preliminary data.

b. 1984=100

Table 1-11  
Puerto Rico: Net Government Receipts

	<u>Millions of Dollars</u>					<u>Growth Rates</u>				
	1992	1993	1994	1995	1996 <sup>a</sup>	1992	1993	1994	1995	1996 <sup>a</sup>
Recurrent Receipts	5900.2	6095.0	6885.3	7437.9	7852.3	1.9	3.3	13.0	8.0	5.6
From State Sources	3752.1	3972.3	4687.1	5035.1	5272.9	0.1	5.9	18.0	7.4	4.7
Income Taxes	2347.5	2412.4	2874.6	3239.7	3384.4	0.7	2.8	19.2	12.7	4.5
Individual	1122.3	1241.9	1414.3	1578.3	1709.1	-0.1	10.7	13.9	11.6	8.3
Corporate	1032.5	987.4	1123.1	1326.8	1367.7	9.6	-4.4	13.7	18.1	3.1
Other <sup>a</sup>	192.7	183.1	337.2	334.7	307.6	-27.5	-5.0	84.2	-0.7	-8.1
Excise Taxes	982.3	1099.2	1236.0	1293.8	1356.9	3.3	11.9	12.4	4.7	4.9
Other Taxes <sup>b</sup>	127.8	137.1	126.9	122.5	139.1	-47.8	7.3	-7.4	-3.5	13.6
Non-Taxable receipts <sup>c</sup>	294.4	323.7	449.5	379.1	392.5	33.2	10.0	38.9	-15.7	3.5
Non-State Sources	2148.1	2122.7	2198.1	2402.7	2579.4	5.3	-1.2	3.5	9.3	7.4
Federal Grants	1845.0	1852.2	1877.9	2089.3	2290.9	6.6	0.4	1.4	11.3	9.6
Other <sup>d</sup>	303.1	270.4	320.3	313.5	288.5	-1.7	-10.8	18.4	-2.1	-8.0

Source: ECLAC, on the basis of data from the Puerto Rico Planning Board.

a. Withheld to non-residents, Toll gate tax, certificate of deposit, interest subject to 17%, interest on dividends.

b. Property taxes, inheritance and gift taxes, licenses

c. Lottery proceeds, permits, fees, other income.

d. U.S. Customs duties and U.S. excise taxes on off-shore shipments are returned to Puerto Rico by the U.S. Treasury after deducting collection costs.

Table 1-13

## Puerto Rico: Transfers between the Federal Government, State Governments, &amp; other non-residents

	<u>Millions of Dollars</u>					<u>Growth Rates</u>				
	1992	1993	1994	1995	1996 <sup>a</sup>	1992	1993	1994	1995	1996 <sup>a</sup>
Total Receipts	5107.8	5477.7	5956.9	6262.0	6952.0	2.7	7.2	8.7	5.1	11.0
Federal government	4903.4	5279.0	5630.4	5934.1	6666.7	4.1	7.7	6.7	5.4	12.3
Transfers to individuals	4817.8	5186.1	5532.1	5860.2	6594.0	4.0	7.6	6.7	5.9	12.5
Social Security Benefits	2315.1	2462.8	2721.9	2911.9	3100.8	3.2	6.4	10.5	7.0	6.5
Medicare	487.1	516.6	570.4	661.3	1060.9	17.4	6.1	10.4	15.9	60.4
Veterans	383.1	404.5	414.0	438.9	471.2	3.6	5.6	2.3	6.0	7.4
Nutritional Assistance	956.7	975.1	994.9	1062.6	1076.6	4.5	1.9	2.0	6.8	1.3
Other <sup>b</sup>	675.9	827.1	831.0	785.5	884.4	-2.1	22.4	0.5	-5.5	12.6
Subsidies to Industry	85.5	92.8	98.3	74.0	72.7	13.5	8.5	5.9	-25.0	-1.8
State government	29.3	32.9	22.6	21.0	17.0	62.8	12.3	-31.3	-7.1	-19.0
Other non-residents	175.1	165.9	303.9	306.8	268.3	-29.0	-5.3	83.2	1.0	-12.5
Total Payments	1981.1	2089.2	2210.6	2322.7	2340.9	6.7	5.5	5.8	5.0	0.8
Federal government	1912.1	2020.6	2055.1	2153.0	2260.2	4.0	5.7	1.7	4.8	5.0
Transfers from Individuals	917.9	980.0	1002.6	1066.8	1133.2	6.2	7.6	2.3	6.4	6.2
Transfers from Industry	24.2	25.8	31.6	49.3	37.2	28.7	6.6	22.5	56.0	-24.6
Employer's contribution	760.7	806.7	810.1	852.6	899.0	6.5	7.2	0.4	5.2	5.4
Unemployment Insurance	209.3	208.1	210.8	184.3	190.8	-13.7	-0.6	1.3	-12.6	3.5
Other non-residents	65.0	62.4	149.3	164.7	75.6	298.9	-1.2	139.3	10.3	-54.0

Source: ECLAC, on the basis of data from the Puerto Rico Planning Board.

a. Preliminary data.

b. Includes Scholarships, student loan interest subsidies, U.S. civil service retirement pensions, housing assistance, assistance to families in disaster areas, transfers to private non profit institutions and other transfers.

Table 1-17

Puerto Rico: Deposits in Commercial Banks  
(30 June)

	<u>Millions of Dollars</u>					<u>Rates of Growth</u>				
	1992	1993	1994	1995	1996	1992	1993	1994	1995	1996
Total Deposits	18684.3	18687.6	19350.6	22572.7	25720.5	8.4	0.0	3.5	16.7	13.9
Public Funds	1116.7	1123.8	1297.1	1359.5	1676.6	41.9	0.6	15.4	4.8	23.3
Commonwealth Govt	1088.2	1107.9	1275.3	1255.3	1582.7	44.3	1.8	15.1	-1.6	26.1
U.S.A. Govt. & ot	28.5	15.9	21.8	104.2	93.9	-13.4	-44.2	37.1	378.0	-9.9
Private Funds	17567.6	17563.8	18053.5	21213.2	24043.9	6.8	0.0	2.8	17.5	13.3
Demand Deposits	2618.2	2879.2	3207.1	3579.9	5528.1	39.7	10.0	11.4	11.6	54.4
Savings Account	4123.2	4631.6	5101.5	6066.5	5416.1	39.1	12.3	10.1	18.9	-10.7
Time & C.D.'s	5152.4	4536.4	4503.2	6855.7	7645.0	-5.4	-12.0	-0.7	52.2	11.5
936 Funds	5673.8	5516.6	5241.7	4711.1	5454.7	-0.4	-2.8	-5.0	-10.1	15.8

Source: ECLAC, on the basis of data from the Puerto Rico Planning Board.  
a. Preliminary data.



Table 2-2  
Puerto Rico: Merchandise Imports

	<u>Millions of Dollars; fiscal years</u>					<u>Growth Rates</u>				
	1992	1993	1994	1995	1996 <sup>a</sup>	1992	1993	1994	1995	1996 <sup>a</sup>
Total Imports	15387.3	16385.9	16654.2	18816.6	19060.9	-3.3	6.5	1.6	13.0	1.3
Agriculture	161.1	178.0	287.9	323.5	358.8	-11.5	10.5	61.7	12.4	11.0
Mining	595.4	573.0	501.5	609.0	506.8	-32.8	-3.8	-12.5	21.4	-16.8
Manufacturing	14486.2	15491.6	15720.9	17755.5	18103.7	-1.4	6.9	1.5	12.9	2.0
food	2028.4	2020.7	2000.3	2011.2	2149.9	0.4	-0.4	-1.0	0.5	6.9
apparel & textiles	761.8	733.3	707.8	789.3	840.3	10.5	-3.7	-3.5	11.5	6.5
chemical products	3462.1	3688.8	3109.3	3637.8	4151.7	-6.2	6.5	-15.7	17.0	14.1
drugs & pharmaceuticals	2066.0	2244.6	1500.9	1682.6	1910.8	-10.0	8.6	-33.1	12.1	13.6
Petrol refining & related products	1047.8	1027.3	890.1	989.7	1159.4	-15.5	-2.0	-13.4	11.2	17.1
machinery, except electric	1020.8	1013.9	1128.4	1250.5	1382.4	-11.8	-0.7	11.3	10.8	10.5
electrical machinery	1467.1	1852.8	2441.4	3140.3	2447.2	6.8	26.3	31.8	28.6	-22.0
transport equipment	916.7	1227.8	1490.2	1821.8	1764.5	8.7	33.9	21.4	22.3	-3.1
professional & scientific instruments	632.9	747.4	691.9	776.2	856.7	20.3	18.1	-7.4	12.2	10.4
other manufacturing <sup>a</sup>	3448.6	3179.6	3261.5	3338.7	3351.6	9.3	-7.8	2.6	2.4	0.4
Other <sup>b</sup>	144.6	143.1	143.9	128.6	91.6	3.4	-1.0	0.6	-10.6	-28.8

Source: ECLAC, on the basis of data from Puerto Rico Planning Board

a. Includes tobacco, wood, paper, rubber, leather, stone, metal products and others.

b. Repair services and merchandise not classified.

Table 2-4  
Puerto Rico: Balance of Payments

	<u>Millions of dollars</u>				
	1992	1993	1994	1995	1996 <sup>a</sup>
Merchandise Trade Balance <sup>a</sup>	3356.2	3585.8	3987.5	4216.7	3950.9
Exports (goods)	22506.3	22028.0	23849.2	26049.9	25825.0
Imports (goods)	19150.1	18442.2	19861.7	21833.2	21874.1
Real Services (net)	-17.6	-27.6	67.9	59.9	144.1
Travel	784.2	852.0	931.5	994.2	1077.5
Transportation	-801.8	-879.6	-863.6	-934.3	-933.4
Factor income (net)	-11478.5	-12446.0	-13880.1	-15078.7	-16690.0
Investment income	-11485.6	-12447.4	-13727.0	-14854.2	-15984.2
Miscellaneous services	-500.1	-587.2	-699.6	-757.1	-705.8
Operating expenditures of federal agencies in P.R.	666.1	777.7	744.2	742.6	729.7
Net Capital movements	232.7	576.6	914.1	198.3	870.9
Investments in Puerto Rico	2135.5	564.3	2502.4	645.5	1775.8
Puerto Rican investments abroad	-2368.2	12.3	-1588.4	-843.8	-904.9
Unknown transactions	3603.2	3109.7	3296.5	5035.7	4529.7
Net interest of the Commonwealth and Municipal Government	-158.9	-189.1	-197.7	-210.0	-221.2
Unilateral Transfers (net) <sup>b</sup>	4770.0	5201.5	5614.5	5964.6	6690.2
Balance <sup>c</sup>	-3370.1	-3686.3	-4210.5	-4837.4	-5396.5

Source: ECLAC, on the basis of data from Puerto Rico Planning Board.

a. Adjusted merchandise

b. Includes private remittances, federal government, U.S. state governments, and transfers from other non residents.

c. Includes goods and services, unilateral transfers, and interest of the Commonwealth and municipal governments.

