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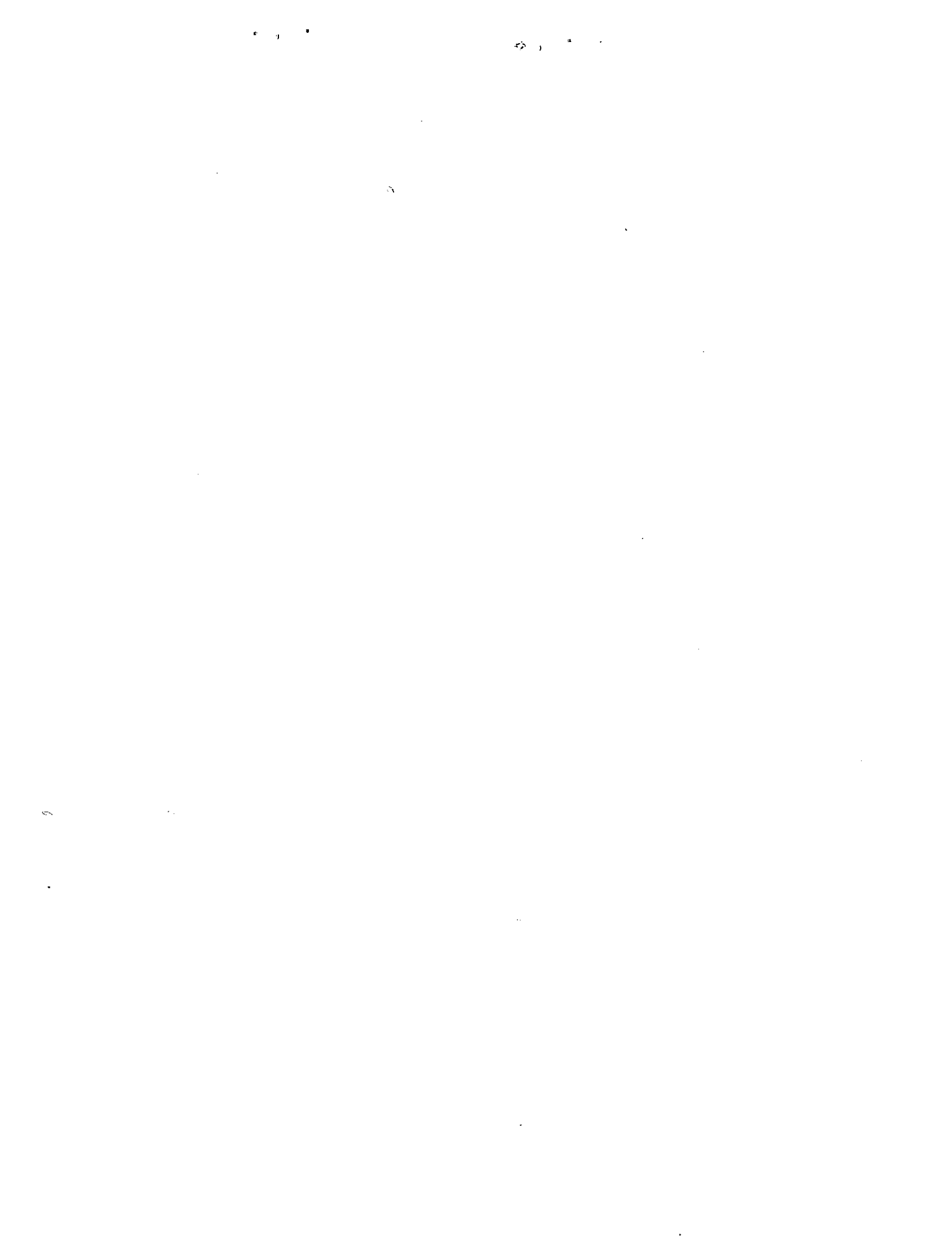
ECONOMIC ACTIVITY

— 1975 —

CARIBBEAN COMMUNITY
COUNTRIES



UNITED NATIONS
ECONOMIC COMMISSION FOR LATIN AMERICA
OFFICE FOR THE CARIBBEAN



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Date: 15 August 1976

ECONOMIC COMMISSION FOR LATIN AMERICA
Office for the Caribbean

ECONOMIC ACTIVITY

- 1975 -

CARIBBEAN COMMUNITY
COUNTRIES

(Prepared by Mr. W.L. Whittingham with the assistance of
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P R E F A C E

This is the fifth publication under the title Economic Activity - Caribbean Community Countries. As in previous issues emphasis is placed on the most recent period, in this case 1975, but revisions for earlier years are also incorporated. In addition, there is some increase in the scope and coverage of the Survey partly in response to comments on previous issues. It should be noted that the Bahamas is included for the first time this year. A separate Country Note has also been prepared for Grenada for the first time. Previously Grenada was included in the Section dealing with the West Indies Associated States.

Despite the limitations of the data, the publication bringing together as it does data on all the CARICOM countries, appears to meet some of the needs of Governments and business offices, as well as regional and other organizations interested in economic and social developments in the Caribbean sub-region.

15 August 1976

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INTRODUCTION

These country notes and the CARICOM sub-regional summary have been developed from those that were prepared for inclusion in the Economic Survey of Latin America, 1975, published by the Economic Commission for Latin America (ECLA). As a result of the availability of new and revised data, substantial revisions have been made to some of the country notes and statistical tables originally prepared for that Survey. Similar country surveys for some other Caribbean countries have been prepared by the ECLA Mexico Office and the ECLA Headquarters at Santiago, Chile.

The geographical coverage of this document extends to the Bahamas, Barbados, Grenada, Guyana, Jamaica, Trinidad and Tobago, Belize and the West Indies Associated States.^{1/} This coverage corresponds with present participation in the Caribbean Community which is a priority area of responsibility for the ECLA Office for the Caribbean.

Two major difficulties are encountered in preparing these notes. One is the unavailability of current data particularly in the less developed countries of the sub-region, at the time the Survey must be prepared for publication. The second is the relatively narrow scope of the statistics that are collected in most of the countries. These factors limit the coverage of the notes and necessitate the making of crude projections and estimates on very sketchy bases.

^{1/} The West Indies Associated States (Antigua, Dominica, St. Kitts-Nevis-Anguilla, St. Lucia and St. Vincent) and Montserrat are together an Associate Member of ECLA. Montserrat is included with the West Indies Associated States though strictly speaking its political status is not "... a State in Association with the United Kingdom," but a colony of the UK enjoying internal self-government. Grenada became independent in February 1974, and the Bahamas in July 1973. The latter two countries became full members of ECLA at its 16th Session held in Port of Spain, Trinidad, in May 1975.

Of the information utilized, monetary and fiscal data and retail price indexes are the most currently available. Official detailed external trade statistics are published with at best, a twelve to eighteen-month time lag. Presently, detailed trade figures for 1974 have been published only for Bahamas, Jamaica, Montserrat and Trinidad & Tobago. Preliminary global external trade figures such as total exports and imports, however, are generally available within six months of the period of reference for most countries. A few adjustments have been made to intra-CARICOM trade data especially where discrepancies have been observed between origins and destinations of goods, and for this reason some differences with national publications may be noted here.

Aggregated data in the Summary Section generally relate to the Caribbean Common Market Countries only (i.e. excluding the Bahamas) except for Gross Domestic Product data from which Belize is also excluded because of the absence of current National Accounts figures or sufficient basic data to permit making estimates. As of early 1976, National Accounts work had begun in both the Bahamas and Belize. The revising and updating of series of National Accounts estimates are underway in Barbados, Jamaica and Trinidad & Tobago. It is hoped that all this work will be completed during 1976, so that the revised estimates can be incorporated into the next issue of this publication.

In order to arrive at sub-regional aggregates it is necessary to convert much of the data to a single unit of account. The unit chosen is the Eastern Caribbean (EC) dollar with an exchange rate to the Pound Sterling of £1 = EC\$4.80 in the period under review.^{2/} Value figures for Belize have been converted at the rate Bze\$1.00^{3/} = EC\$1.20. The Trinidad and Tobago dollar had a one-to-

^{2/} The link of the EC dollar to the Pound Sterling has been severed as of 7 July 1976 and now the link is established with the US dollar at the rate US\$1.00 = EC\$2.70.

^{3/} Currency unit now officially designated Belize (Bze) dollar.

one relationship with the Eastern Caribbean dollar until 27 May 1976. The Barbados dollar had a one-to-one relationship with the EC dollar up to 5 July 1975,^{4/} the conversion rate used for the year is Bds\$1.00 = EC\$1.0712. The Guyana dollar was at par with the EC dollar up to 1971. As a result of devaluation of the Guyana dollar the rate used since 1972 is G\$1.00 = EC\$0.92105. The Jamaica dollar was converted at the rate of J\$1.00 = EC\$2.40 up to 1972; but the rate used for 1973^{5/} and 1974 is J\$1.00 = EC\$2.1746 and for 1975 J\$1.00 = EC\$2.3869. These adjustments are as a consequence of the two devaluations of the Jamaica dollar on 17 January and 20 February 1973. With respect to the Bahamas, one Bahamas dollar is taken as equivalent to EC\$1.9219 in 1972, in 1973 B\$1.00 = EC\$1.9592, in 1974 B\$1.00 = EC\$2.0532 and for 1975 B\$1.00 = EC\$2.1697.

The main sources of the economic and statistical information used in preparation of the Country Notes are listed at the end of this document. Most of the data were supplied by the Statistical Offices, Planning Units, Government Ministries and other national Agencies concerned with collection and analysis of these data. The Gross Domestic Product figures for the West Indies Associated States for early years were derived mainly from data published by the Office of the British Development Division in the Caribbean (located at Barbados). GDP estimates for most recent years were made in the ECLA Office for the Caribbean. The East Caribbean Currency Authority provided monetary data relating to the West Indies Associated States. In some instances, information on tourism has been furnished directly by national tourist organizations. We hereby express our gratitude for the co-operation received from so many organizations and individuals.

^{4/} On this date, the Barbados dollar was aligned to the US dollar at the rate US\$1.00 = Bds\$2.00.

^{5/} Calculated essentially as the weighted average of daily selling rates between 1 January and 31 March and average mid-month and end of month rates from March to December.

PART I

SUB-REGIONAL SUMMARY

A. EVOLUTION OF REGIONAL INTEGRATION

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The initial step towards the current economic integration efforts in the Caribbean area dates back to the Dickenson Bay Conference, 1965, which resulted in the first draft Caribbean Free Trade Association (CARIFTA) Agreement. It took another three years before a CARIFTA text acceptable to eleven countries in the sub-region was finalized. These trade arrangements which came into operation on 1 May 1968, diverged from the general pattern of most similar trade agreements in that all intra-area trade in goods qualifying for area treatment immediately became free of duty, with only a few specific exemptions. Provisions were incorporated into the Agreement for progressive elimination of duty on the exempted items over specified intervals.^{1/}

While the main emphasis was on promotion of intra-regional trade, considerable attention was given to formulating measures in pursuance of the wider objectives of the Agreement to "encourage balanced and progressive development"....."intensify the integration process"..... and "ensure that the benefits are equally distributed." The measures eventually agreed were adopted within the framework of the Caribbean Community and Common Market Treaty which superseded the CARIFTA Agreement from 1 August 1973. In addition to the measures for trade liberalization, arrangements adopted in subsidiary agreements provided for: the harmonization of fiscal incentives to industry; the gradual introduction of a common external tariff; the establishment of the Caribbean Investment Corporation (a venture providing for

^{1/} For a fuller discussion of the CARIFTA Agreement and the development of CARIFTA and the Caribbean Community, see "Towards Multilateral Economic Co-operation in the Caribbean"; and "The Caribbean Integration Programme (1968-1972)", POS/INT. 72/8 and POS/INT. 72/8 Corr. 1, and other papers, United Nations Economic Commission for Latin America, Office for the Caribbean; also "CARIFTA and the Commonwealth Caribbean", and "From CARIFTA to Common Market", published by the CARIFTA/CARICOM Secretariat, Georgetown, Guyana.

participation by both private sector enterprises and the Governments); the avoidance of double taxation between the more developed countries as a group and the less developed countries as a group, in addition to supplementary agreements governing intra-LDC double taxation and intra-MDC double taxation.

The integration programme is highly dynamic and consequently modifications are continually being made to its operational machinery. In summary a few of the recent developments are:

(a) Changes in the Structure of the Common External Tariff

(i) Conversion from double column tariff to single column tariff was introduced to conform with the requirements of the EEC/ACP Agreement (the LOME Convention) to eliminate discriminatory treatment between EEC member states by the CARICOM countries. At the same time there was some adjustment of rates to take account of the changing character of industrial production in the region. These new rates were implemented on 1 January 1976 by the four larger CARICOM countries and transitional arrangements were agreed for the other CARICOM countries.

(ii) Amendment to the CARICOM Rules of Origin

The present criteria for area treatment include in addition to being wholly or mainly produced in a CARICOM country, qualification on the basis of percentage of value added.^{2/} The latter criteria is being replaced by a Process List which will define the stage of processing of a commodity to qualify for Area of Origin duty-free treatment. The basic principle adopted is the BTN jump and its incorporation into the CARICOM Treaty is expected during 1976.

^{2/} See Appendix to Schedule II of the Annex to the Treaty establishing the Caribbean Community.

(b) Regional Agriculture and Industry Integration Projects

(i) Specific regional integration projects are being introduced in agriculture, the major one being a Regional Food Plan. The strategy is to establish a Caribbean Food Corporation in 1976, and under its umbrella to implement specific agricultural activities. These include a Corn/Soya bean Project located in Guyana, owned jointly by the Governments of Guyana, St. Kitts-Nevis-Anguilla and Trinidad & Tobago; and a similar Corn/Soya bean Project to be located in Belize owned jointly by the Governments of Belize and Jamaica. These projects are to provide consumption items and inputs to the livestock industry which is being developed. The Regional Food Plan also envisages expanded production of fish and fish products, and fruit and vegetable crops.

(ii) In industry initial steps are being taken towards aluminium smelting the first plant to be located in Trinidad and Tobago, owned jointly by the Governments of Guyana, Jamaica and Trinidad & Tobago. Feasibility studies for this project have already been completed. A joint Barbados/Guyana Cement plant is also being planned.

(c) Co-operation in Transportation

The two major developments in this area are improvement of air transport services in the Eastern Caribbean to serve the Associated States, and the reorganization of the West Indies Shipping Corporation, owned jointly by the Governments of the CARICOM countries.

Air transport co-operation involved direct assistance to the Associated States to facilitate acquisition of Leeward Islands Air Transport (LIAT). For this purpose a new company was formed in which all the CARICOM countries (except Belize) participate in the equity.

For shipping an Agreement was adopted establishing new basis for the West Indies Shipping Corporation and providing for an expanded five-year investment programme of nearly EC\$23 million for the acquisition of new cargo vessels. One of the new vessels has already been brought into service.

/(d)

(d) Co-operation in Finance and Payments

Studies are underway to establish CARICOM clearing arrangements for all intra-CARICOM trade payments. In addition arrangements were introduced for a balance of payments support scheme, and already in early 1976, one country secured balance of payments assistance under this Mutual Balance of Payments support scheme.

(e) Widening Caribbean Integration

Haiti's formal application for membership in CARICOM is under consideration and negotiations are awaiting the finalizing of reports on the implications for both sides and feasible steps to facilitate realization of the objective.

Formation of the United Nations Caribbean Development Co-operation Committee^{3/} provides a further step towards wider Caribbean co-operation particularly through the development of relations between the CARICOM and non-CARICOM countries.

(f) The Caribbean Development Bank^{4/}

The Caribbean Development Bank which has been actively engaged in national infrastructure and developmental projects, has now moved into the area of support for regional projects. In this regard the Bank approved loans in 1975 for Air transport (LIAT) - US\$5.8 million; Corn/Soya project (Guyana, St. Kitts-Nevis-Anguilla and Trinidad & Tobago) - US\$1.1 million; and Shipping (WISCO) - US\$1.9 million.

^{3/} See document E/CEPAL/CDCC/8/Rev.1.

^{4/} See Annual Report, 1975, Caribbean Development Bank, Barbados.

Dates of Significant Events in the
CARICOM Integration Process

1. 1965 - Dickenson Bay Conference - Antigua, Barbados, Guyana, formally initiated the process of formation of the Free Trade Area.
2. December 1965 - Signing of the first Draft Caribbean Free Trade Association (CARIFTA) Agreement.
3. 1 May 1968 - Caribbean Free Trade Association Agreement signed by Antigua, Barbados, Guyana and Trinidad & Tobago.
4. June 1968 - Conclusion of the East Caribbean Common Market (ECCM) Agreement among Antigua, Dominica, Grenada, Montserrat, St. Kitts-Nevis-Anguilla, St. Lucia and St. Vincent.
5. 1 July 1968 - Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia and St. Vincent acceded to the CARIFTA Agreement.
6. 1 August 1968 - Jamaica and Montserrat acceded to the CARIFTA Agreement.
7. 18 October 1969 - Signing of Agreement establishing the Caribbean Development Bank. Signatories included non-CARIFTA members: Bahamas, Belize, British Virgin Islands, Canada, Cayman Islands, Turks and Caicos Islands and the United Kingdom.
8. January 1970 - Caribbean Development Bank formally established.
9. May 1971 - Belize acceded to the CARIFTA Agreement.
10. October 1972 - Introduction of the ECCM Common External Tariff.
11. April 1973 - Signing of the "Georgetown Accord" by all CARIFTA countries except Antigua and Montserrat. This was an Agreement to proceed to establishing a Caribbean Community and Common Market.
12. July 1973 - Signing of the Chaguaramas Treaty by the more developed countries of the area, that is, Barbados, Guyana, Jamaica and Trinidad & Tobago. This is the formal Treaty establishing the Caribbean Community and Common Market.
13. August 1973 - (a) The Treaty of Chaguaramas came into effect; the Caribbean Common Market Agreement existing side by side with the CARIFTA Agreement; (b) Common External Tariff introduced by the signatories to the Treaty of Chaguaramas; (c) Establishment of the Caribbean Investment Corporation.

14. December 1973 - Montserrat signed the Georgetown Accord (See 11 above).
15. During 1973, two additional agreements were signed:
 - (a) Agreement for the avoidance of double taxation between the four more developed countries and the less developed countries (as groups).
 - (b) Agreement on the Harmonization of Fiscal Incentives to Industry,
(In addition an Agreement governing double taxation between the less developed countries was drafted).
16. April 1974 - Signing of the CARICOM Treaty at Castries by Grenada, Belize, Dominica, Montserrat, St. Vincent and St. Lucia.
17. 4 July 1974 - Antigua signed the CARICOM Treaty.
18. 26 July 1974 - St. Kitts-Nevis-Anguilla signed the CARICOM Treaty.
19. July 1974 - Signing at Kingston of the Mexico/CARICOM Agreement. This is an Agreement to establish a Joint Commission with terms of reference extending to the Educational, Scientific, Technical and Commercial Fields.
20. 29 May 1975 - Caribbean Agricultural Research and Development Institute (CARDI) came into force.
21. 6 November 1975 - Regional Corn/Soya bean Company registered registered in Guyana.
22. 30 April 1976 - The reorganized West Indies Shipping Corporation (WISCO) Agreement came into force.
23. 22 June 1976 - Interim Agreement on Balance of Payments came into force.
24. 21 July 1976 - Caribbean Drug Testing Laboratory was established.

PART I

SUB-REGIONAL SUMMARY

B. SUMMARY OF ECONOMIC ACTIVITY
IN THE CARIBBEAN COMMUNITY AREA

B. SUMMARY OF ECONOMIC ACTIVITY
IN THE CARIBBEAN COMMUNITY AREA^{5/}

THE DOMESTIC SECTOR

The important factors that influenced the trend of economic activity in the sub-region during 1975 were:

- (a) Price inflation
- (b) The level of commodity export prices
- (c) Balance of Payments performance
- (d) Commodity output

The year 1975 was the third consecutive year of double-digit inflation in the area. Overall, the rate of price increases during 1975 was considerably slower than in 1974 and was more nearly at the rates evident in 1973. Given the open nature of the economies, changes in the prices of imports continued to exert significant influence on internal price levels. Subsidies and other measures were employed to ensure that these increases were not passed directly on to consumers and it will be observed that the amplitude of increases in domestic prices especially in 1974 was substantially lower than the rate of increases in import prices.

However, domestic influences seem to have exerted considerable pressure also. For example, wage levels in many key sectors were increased in an effort to maintain the purchasing power of incomes. As the rate of increases in import prices fell in 1975 the level of subsidies were reduced in some countries. Domestic price rises (in response to higher import prices) would tend to be sticky so that if and when prices of some imported commodities fall domestic prices are not very likely to fall as much, if at all. The more

^{5/} Value figures quoted in this Section are in East Caribbean dollars. The EC dollar was linked to the Pound Sterling during 1975 and the fixed rate of exchange was £1 = EC\$4.80. The rates used for converting the various currencies to the EC dollar are quoted on page (iii) of the Introduction above.

rigid enforcement of price control in the sub-region has taken this into account with the effect that the overall rate of domestic price increases continued to decline into 1976, according to available monthly indexes.

Higher prices apparently affected both consumer and industrial demand and contributed to the generally sluggish output performance in 1975.

Taking all the major export commodities into consideration, price trends were mixed in 1975 though mainly on the upward side. Petroleum prices increased moderately and so did the price of a few major agricultural commodities and bauxite and alumina. Despite the increase in the average sugar price for 1975 compared with 1974, the end of December 1975 price was significantly lower than the mid-year figure. For 1976, prospects are for general weakening of agricultural commodity export prices, and the effect will be to further dampen activity in the agricultural sector.

Taken together as a region the balance of payments position is in surplus. However, detailed data show that this result was achieved mainly because of Trinidad and Tobago, but the Bahamas, Barbados and Guyana also recorded surpluses in 1974 and 1975. Jamaica recorded a significant payments deficit in 1975, much larger than the \$118 million surplus of 1974. By the end of 1975, Jamaica's international reserves had declined drastically and was equivalent only to about one month's imports. Except for Trinidad and Tobago, the balance of payments position has worsened in 1976, and given the poor prospects for increased export earnings and the high cost of borrowing the governments will need to continue to apply and possibly intensify restrictions on imports. Fortunately, for the moment Trinidad and Tobago's favourable position, resulting from the high earnings of its petroleum industry, enables that country to extend interim balance of payments support to other countries in the sub-region.

Commodity output performance appears to have increased overall in 1975 despite declines in certain important commodities. Such data as are available on employment suggest that employment levels

/may have

may have been maintained though rates of unemployment may have increased marginally.

Aggregated GDP for the sub-region (with the exception of Belize and the Bahamas) is provisionally estimated at around EC\$12,800 million in 1975, an increase of about 28 per cent over 1974 in current value terms. This growth rate is lower than the 34 per cent increase during the previous year, but is higher than the average annual rate of increase of just under 19 per cent during the five-year period, 1970 to 1975.

It would seem, on balance, that the economy has experienced some measure of real growth during the last five years although for 1974 and 1975 available data suggest very little increases in real output. The situation varies for each country and within countries from sector to sector. In general, real output in manufacturing appeared to be higher in 1975 than in 1974 but for mining and agriculture the opposite seems true. The services sectors do not appear to have experienced real growth in 1974 and 1975.

The sectoral data show that Agriculture, Mining and Government have been the leading sectors during the last two years. As explained elsewhere, it is the large increases in prices that are chiefly responsible for the high growth rate. Some services sectors were fairly active while others showed relatively weak performance. For example, Tourism has performed badly since 1973, and the relative contribution of the construction sector has declined. The Government sector, however, has been more dynamic, although the inflationary trend has impeded the implementation of various public development programmes.

By and large the years 1974 and 1975 saw a slowing down of progress in investment and industrialization except in few countries experiencing an inflow of finances. Most countries could only occupy themselves with trying to adjust to the economic shocks caused by the large price increases and private businesses and households seemed to be adopting a wait and see

/attitude.

attitude. The Government sector in most countries however made or continued attempts to further the process of structural and institutional changes in their drive toward economic development.

GDP aggregates are given in Tables I to III of the Statistical Appendix and a brief discussion of developments in the goods producing and services sectors is given below.

(a) The Goods Producing Sectors

Agriculture

In spite of the large increase, estimated at about 34 per cent, in agriculture GDP in 1975, to over EC\$1,200 million, economic activity in the sector was sluggish for the sub-region as a whole. This increase resulted chiefly from higher earnings from some of the region's major agricultural exports. Average export unit value of sugar in 1975 rose significantly above the levels of 1974. Output of sugar-cane, bananas, citrus and citrus products, pimento and copra was lower than in 1974. There were, however, increases in output of rice, cocoa, coffee and spices.

The performance of domestic agriculture, including livestock, fishing and forestry showed some improvement mainly in Guyana and Barbados.

During 1974, the major factor retarding output was the significantly higher prices of agricultural inputs, a major share of which are imported. In 1975, prices were much more stable; however, unfavourable weather conditions in most countries and industrial disputes adversely affected output. Increased emphasis is being placed on agriculture by most governments in order to achieve a greater degree of self-sufficiency in food production, and to reduce the huge food import bill.

Mining

Aggregated GDP for the mining sector is estimated to have increased by 35 per cent during 1975 to approximately \$2,380 million. This increase, however, was considerably less than the 90 per cent increase of 1974.

The mining sector aggregates^{6/} relate mainly to bauxite extraction and processing of alumina in Guyana and Jamaica and petroleum extraction and processing in Trinidad and Tobago. There is also extraction of minor minerals in Jamaica and Guyana and quarrying of sand, stone, etc. throughout the region.

The increase in current value terms reflects higher export prices generally, but also larger output of some commodities. Aggregated volume of bauxite and alumina production declined and therefore exports were lower in 1975 than in the previous year. However, while the combined output was significantly lower in Jamaica in 1975, output in Guyana was about the same as in 1974. Earnings from bauxite and alumina declined moderately in Jamaica in 1975 while earnings increased significantly in Guyana because of longer term contracts at favourable prices. The Jamaica position reflects deliberate cutbacks in response to the world-wide demand situation and also the effects of industrial disputes which reduced output. In Trinidad, extraction of crude petroleum grew substantially in 1975, but output of refined petroleum products registered a significant decline.

Manufacturing

Aggregated manufacturing GDP for the region is estimated to have increased by 27 per cent in current prices to about \$1,472 million in 1974. The rate of increase during 1975 was somewhat

^{6/} Prior to 1975, processing of crude petroleum in Jamaica was also included in the mining sector but the new national accounts system has reclassified this activity correctly to manufacturing.

slower, estimated at 23 per cent, for a total exceeding \$1,800 million. Despite the continued, though smaller increases in prices in 1975, it is estimated that in real terms, the sector experienced a mild increase compared with 1974. For example, available index of manufacturing production data for Barbados and Trinidad and Tobago indicate improvement in the sector during 1975. Preliminary national accounts data suggest a small increase also for Jamaica and Guyana.

Table 1
Selected Indexes of Manufacturing Production

	Barbados	Trinidad & Tobago
	(Average 1971 = 100)	(Average of 4 Qtrs) 1971 = 100 All Industry Index
1973	117.7	108.9
1974	112.2	115.6
1975	121.9	119.0

Source: Economic and Financial Statistics, May 1976, Central Bank of Barbados; Economic Indicators, October-December 1975, Central Statistical Office, Trinidad & Tobago.

Commodity output data showed mixed performance in 1975; important items such as sugar and its by-products, fertilizers and wheat flour decreased, while animal feeds and building materials increased.

The performance of the region's manufacturing sector is still, to a large extent, dependent on the availability of foreign raw materials and intermediate inputs which have been experiencing high increases in prices particularly since the fuel crisis of 1973. However, prices were lower or relatively stable for some imported inputs during 1975. But this did not provide the stimulation expected partly because the easing of prices occurred later in

/the year.

the year. In addition both domestic and foreign demand appears to have been sluggish and there was apparently uncertainty about future price and employment trends.

Efforts are being intensified to develop linkages in local industry in order to boost economic development and reduce the high degree of dependence and the vulnerability of the sector to external influences.

(b) The Services Sectors

Tourism

For the second successive year the performance of tourism in the CARICOM region was below its accustomed level of activity. Since 1973, the sector has been subjected to severe local and external stresses as a result of which growth in earnings of foreign exchange has been adversely affected. Higher prices and industrial disputes amidst social and political tensions in some countries, contributed to the reduction in the number of visitors to the area. Jamaica, for example, experienced a serious setback in 1975 when the two international airports had to be temporarily closed owing to strike action. Social unrest in Grenada and Dominica during 1973 and 1974 also seriously affected tourism. In addition, the economic recession in North America has affected the flow of visitors to the sub-region during the last two years.

Data in Table 2 show a decline in the number of "stop-over" visitors in all but one CARICOM country during 1975. The largest decrease of about 8.5 per cent occurred in Jamaica, while Bahamas experienced a 2.8 per cent decline. However, there was a small increase in the number of visitors to Trinidad and Tobago in 1975 as well as in 1974. Overall, the number of cruise ship passengers visiting the area increased moderately during 1975.

It is estimated that when final tourist expenditure data for 1975 become available for all the countries, the aggregated figure

/should show

should show a slight increase over 1974. It should be noted that there was an excess of tourist accommodation during 1975, as the average length of stay was generally lower and the hotel occupancy rate declined for most countries.

During 1976 CARICOM tourism should improve if the upturn of the USA economy, which began in late 1975 continues. Abatement of socio-political tensions within the area is expected also to have a favourable effect on increasing the number of visitors.

Table 2
Selected Tourism Statistics

	1973		1974		1975	
	No. of ^{1/} Tourists ('000)	Estimated Expendi- ture (EC\$ Mill.)	No. of ^{1/} Tourists ('000)	Estimated Expendi- ture (EC\$ Mill.)	No. of ^{1/} Tourists ('000)	Estimated Expendi- ture (EC\$ Mill.)
Bahamas	977	591.7	929	642.6	903	n. a.
Barbados	222	136.4	231 ^P	156.6	221	n. a.
Belize	51 ^R	n. a.	48	n. a.	37 ^{2/}	n. a.
Grenada	34	n. a.	15	n. a.	21	n. a.
Jamaica	418	251.8	433	263.6	396	278.8
Trinidad & Tobago	127	116.0 ^R	129	127.1	133	n. a.
West Indies Associated States	176 ^R	n. a.	180	n. a.	168	n. a.
TOTAL:	2,005	(1,095.9)	1,965	(1,189.9)	1,879	(278.8)

P = Provisional

n. a. = not available

R = Revised

^{1/} Excluding cruise ship passengers.

^{2/} As of July 1975.

Source: Official publications of the various States;
and data supplied ECLA by tourist offices.

Government Activities

Public sector activity was a major determinant of growth in the economy of the sub-region during 1975. Aggregated Government GDP in current value terms amounted to \$1,683 million, growing at a faster rate than in the previous year. Because of this increase, the share of the sector in total GDP reached 13.2 per cent compared with 12.3 per cent in 1974.

It is apparent that the sector was more dynamic in some countries than in others. Many countries were hard pressed for revenue to finance their recurrent and capital expenditures. Priorities had to be re-adjusted and in some instances projects were postponed temporarily, as most governments had to pursue a policy of fiscal restraint. By contrast, in Trinidad and Tobago activity was increased considerably on account of the substantial growth in petro-dollar receipts. The smaller countries with their already very low tax base were particularly hard-hit. It is observed that customs duties increased less rapidly in these countries during 1975 than in 1974, partly because of general restraints on imports and increased levels of duty-free imports from the Caribbean Common Market Area. Receipts from income taxes, the other major source of revenue, are also expected to show the same result when final figures become available.

Preliminary estimates of aggregated recurrent expenditure for the region show that the growth in 1975 was at a slightly slower rate than in 1974. The figure is put at \$3,291 million; about a 34 per cent rise. Much of this increase can be attributed to the higher cost of goods purchased by Government and increased wages and salaries paid to public employees. Wages and salaries account for a very substantial portion of recurrent expenditure especially in the smaller countries. The rate of increase in planned capital expenditure, though considerable in 1975, was much lower than the rate of growth in 1974. Capital expenditure declined in the Bahamas, Grenada and the West Indies Associated States but increased elsewhere.

/Preliminary

Preliminary figures on total official borrowing for the CARICOM Area in 1975 exceeded the 1974 figure by over 18 per cent. Gross public debt of Guyana and Trinidad & Tobago was reduced slightly in 1975. On the other hand, the debt increased by more than 42 per cent and 15 per cent in Jamaica and Barbados, respectively. External borrowing declined in Barbados and Trinidad and Tobago, but increased in Jamaica. It would seem, however, that the general policy of greater reliance on local sources for budgetary financing is continuing.

Construction

The construction sector plays a very important role in the overall economy, in terms of providing employment and creating linkages with other sectors such as forestry, manufacturing and services. The aggregated GDP current value figure shows an increase of almost 20 per cent over the 1974 total. However, there was a decline in the relative importance of the sector for the second successive year. The increase in GDP, to a large extent, must be attributed to higher prices, in spite of the fact that prices of building materials had not escalated at the same high rate as in the previous year.

Except in Trinidad and Tobago and Guyana, construction activity was relatively stagnant. The private sector in most countries appeared disinclined to undertake major investment in construction, reflecting the widely prevailing attitude of pessimism as to the course of future economic trends.

With respect to central government construction activity, unavailability of sufficient funds to finance projects limited the extent to which construction programmes could be implemented in some countries. However, in Trinidad and Tobago and Guyana, progress on public construction projects, including infrastructural development, was quite dynamic. Housing construction by government and quasi-government organizations have also been relatively buoyant.

/Hotel construction

Hotel construction, which in the 1960's and early 1970's had been a major determinant of activity in the sector has stagnated in the major CARICOM tourist areas. This slow down was caused by the lower number of visitors in recent years, and now the level of supply of accommodation has far surpassed the level of effective demand.

(c) Price Trends

The phenomenon of "double-digit" inflation continued into 1975, its third year of existence in the region. The price trends in the region may be described as following in a general way the pattern noted in major developed countries during the last three years. That is, prices rose at a more rapid rate than usual in 1973, sharply accelerating in 1974 and easing back in 1975 to about the rates of increase observed for 1973. In four cases, the rates of increase were lower than in 1973, the first year of really significant price rises. In five countries the rates of increase in 1975 were about one half or less than one half of the rates of increase in 1974.

Table 3
Percentage Changes in Retail Price Indexes

Country	Average Annual Rate of Change 1967-73	1971/ 1970	1972/ 1971	1973/ 1972	1974/ 1973	1975/ 1974
Antigua	10.98 ^{1/2/}	8.6 ^{2/}	9.0 ^{2/}	13.4 ^{2/}	24.8 ^{2/}	11.5 ^{2/}
Bahamas	n.a.	4.6	7.1	5.2	13.3	10.0
Barbados	9.4	7.5	11.8	16.9	38.9	20.3
Dominica	7.0	4.6	3.5	12.0	36.3	18.3
Guyana ^{3/}	3.8	1.0	5.0	7.5	17.5	8.0
Jamaica ^{4/}	8.8	6.7	5.9	19.2	27.2	16.5
Montserrat ^{5/}	n.a.	17.0	n.a.	9.8	18.6	25.4 ^{6/}
St. Kitts-N-A.	6.2	-1.7	6.3	10.3	28.4	10.7
St. Lucia	8.2	8.4	7.9	13.4	34.2	17.8
St. Vincent	8.3	6.5	2.6	16.3	35.5	14.2
Trinidad & Tobago	6.7	3.5	9.3	14.8	22.0	17.0

Note: These changes are based mainly on averages of official monthly or quarterly retail price indexes.

n.a. = not available

^{1/} Data for 1969-1973 price index is an average of January and July.

^{2/} Indexes for 1969-1973 are averages of January and July. 1974 and 1975 indexes are averages of January, April, July and October.

^{3/} Rate of change for 1967-1973 based on index (1956 = 100). Figures from 1971/1970 calculated from index (1970 = 100).

^{4/} Kingston Metropolitan Area.

^{5/} Indexes for Montserrat relate to March in 1973 and 1974, April in 1972 and June 1970 and 1971.

^{6/} Indexes for Montserrat relate to March 1974 and 1975. The base of the price index has been revised - March 1974 = 100.

Source: Calculated from official data.

/Increases in

Increases in the total indexes of the countries during 1975 ranged from 8.0 per cent to over 25 per cent. In 1974, the range of increases was from 13 per cent to nearly 40 per cent. It may be noted that in both years the lowest rate of price increases occurred in the Bahamas and Guyana, while the highest rates were registered in Barbados in 1974 and Montserrat in 1975. The Bahamas appears to be a special case with its economy so closely tied to that of the United States. In Guyana price controls are quite stringent and certain institutional arrangements have been implemented specifically to ensure lowest possible prices to consumers. Obviously, several factors are operative here, but it is of some significance that the import coefficient of Barbados and Montserrat are among the highest in the area.

On account of the dominance of food and beverages in the weight of the consumer price index in most countries, these groups of items exert a strong influence on the total index.^{7/} Moreover, the level of this index in virtually every country is higher than the level of the overall index. Fuel prices which had given a strong upward push to the overall index in 1974, rose only at a relatively moderate rate in 1975. Montserrat and St. Lucia are two exceptions to this general pattern. The trend in these countries suggests the operation of price control measures which may have caused the spreading effect of increases in fuel prices over the two-year period.

The CARICOM region remains extremely vulnerable to external influences on domestic prices as the economies continue to depend heavily on imported goods and services. Agriculture and manufacturing enterprises in the area rely to a large extent on imported raw material and intermediate inputs as well as capital goods. In addition a substantial portion of final consumption goods are imported.

^{7/} For example these groups account for about 49 per cent of the total weight in Trinidad and Tobago, 57 per cent in St. Lucia and nearly 59 per cent in Barbados.

Data shown in the tables below indicate the behaviour of commodity prices in external trade in the three recent years of highest price rises. The average unit value index of total world exports increased by over 41 per cent in 1974 and 8.5 per cent in 1975 (see Table 5). The primary commodity export price index increased by 71 per cent in 1974 but decreased by 2 per cent in 1975. That is to say that prices of primary commodities exhibited their usual volatile swings in the different phases of the economic cycle. The manufactured goods component of the export price index, on the other hand, was relatively more stable, increasing by 22 per cent in 1974 and 12 per cent in 1975.

The trends noted at the world level are somewhat similar to the trends revealed by import price data for Trinidad and Tobago which may be taken as reasonably representative of the situation in the region as a whole. Data are given in the tables below. Data for Barbados and Jamaica also corroborate the pattern indicated by the world-wide data; that is, that primary commodities exerted the major influence on prices in 1974, that foodstuff prices have either been relatively stable (or declining) in 1975, and that it is the manufactured goods component which was mainly responsible for influencing import prices (and domestic prices) upward in 1975. While it is not possible to impute a one-to-one relationship between the trends of import prices and domestic prices a certain sympathetic movement is apparent.

It is clear from the data that with the general depreciation of most currencies of the Area in terms of most of the important world currencies during the period 1972-1975, exchange rates have made a positive contribution to imported inflation. This impact of exchange rate depreciation cannot have been too great in the years 1972 to 1974 as shown in Table 4 below for Trinidad and Tobago. That is to say that the changes in import unit values in these years have been significantly higher than the rate of exchange depreciation in terms of SDR's. In 1975, however, while the rate of increases in import unit values were easing the rate of currency depreciation in Trinidad and Tobago and most other Area countries increased, hence the exchange rate played a more important role in that year in these countries. Note however, that

/the currencies

the currencies of the Bahamas, Barbados and Jamaica appreciated in terms of SDR's in 1975, so that for these three countries the exchange rate would have tended to mitigate import price increases.

It should be noted that Barbados and Guyana established fixed rates with the US dollar in the latter part of 1975 and Trinidad and Tobago in May 1976 in order to minimize this aspect of inflation.

Table 4
Percentage Changes in Exchange Rates^{1/} and Import
Unit Value Indexes - Trinidad & Tobago

	Import Unit Values	Exchange Rates
1972	8.9	- 2.2
1973	16.2	1.9
1974	128.2	4.8
1975	16.6	5.7

^{1/} National currencies per unit of SDR.

Source: Calculated from data in Quarterly Economic Report, October-December 1975, Central Statistical Office, Trinidad; and International Financial Statistics, June 1976, International Monetary Fund, Washington, D.C.

Table 5
Average Unit Value and Percentage Changes of Selected
Imports of Trinidad
(TT\$)

	Unit	1973	1974	1975 ^P	Percen- tage Change 1975/74	Percen- tage Change 1974/73	Percen- tage Change 1975/73
Maize (unmilled)	lb.	0.10	0.15	0.17	13.3	50.0	70.0
Wheat & Meslin (Unmilled)	lb.	0.9	0.19	0.20	5.3	111.1	122.2
Flour of wheat or of meslin	lb.	0.18	0.32	0.37	15.6	77.8	105.6
Milk, dried, fat 8 PC and over	lb.	0.78	1.02	1.33	30.4	30.8	70.5
Milk, dried, fat under 8 PC	lb.	0.57	0.96	0.95	-1.0	68.4	66.7
Butter, fresh or salted	lb.	0.92	1.11	1.27	14.4	20.7	38.0
Cod fish, salted, dried	lb.	0.87	1.47	1.48	0.7	69.0	70.1
Potatoes, not sweet	lb.	0.17	0.17	0.25	47.1	0.0	47.1
Onions	lb.	0.23	0.26	0.31	19.2	13.0	34.8
Poultry feed	lb.	n.a.	0.50	0.72	44.0	n.a.	n.a.
Oil seed cake of soya bean	lb.	0.31	0.23	0.25	8.7	-25.8	n.a.
Beef, veal, fresh, frozen	lb.	170	183	1.10	-39.9	7.6	-35.3
Pitch-pine worked coniferous	board ft.	0.51	0.71	0.72	1.4	39.2	41.2
White pine worked coniferous	board ft.	0.75	0.76	0.83	9.2	1.3	10.7
Crude petroleum under Petroleum Processing Agreement	Bbls.	7.38	25.09	28.69	14.3	240.0	288.8
Kraft paper and Kraft paperboard	lb.	0.25	0.41	0.49	19.5	64.0	96.0

Source: Calculated from data in External Trade Publications
of the Central Statistical Office, Trinidad & Tobago.

/Some other

Some other factors influencing price movements are wages, level of productivity, mark-up of distributors and governments' policies. Data are available on earnings and productivity for Trinidad and Tobago for the years 1971 to 1975. Growth in the level of earnings as shown in the Statistical Appendix table far exceeds the rate of increases in productivity and must therefore be contributing significantly to inflationary pressures in Trinidad and Tobago. Indications are that productivity increases, if any, could only be minimal in most of the rest of the countries of the Area. Such data on wages as are available indicate that wage increases, at least among government and unionized workers, have been large. Very little is known about distributors' mark-up in the sub-region, but from time to time there is downward revision ordered by the Price Control Authorities. These domestic factors together, represented a significant element in the inflationary situation in 1975.

Price control and other such governmental measures exert downward pressure on the price level and as such would tend to offset the positive movements noted above. Generally, anti-inflationary measures were tightened throughout the region during 1975. A wide range of policy instruments have been introduced in Jamaica recently. These measures include increased size and range of government subsidies, widening of the list of items under price control, establishment of a company to make bulk purchases of selected items abroad including grains and milk products, and comprehensive import licensing requirements. In 1975 rents in certain areas of Jamaica were "rolled-back" to levels existing in a selected base period, professional fees were frozen for a 12-month period and income and price guidelines were established. It is still too soon to make an evaluation of the effect of these measures, but considerable interest in the outcome has been demonstrated by other countries faced with similar problems.

Table 6
World Export Unit Value and Price Indexes
Of Selected Commodity Groups (1970 = 100)

	1973	1974	1975
All commodities ^{1/}	141	199	216
Manufactured goods	133	162	182
Primary Commodities ^{2/}	180	308	302
Food	175	233	219
Meat	177	161	176
Dairy produce	159	176	212
Cereals	184	262	232
Agricultural non-food	196	224	196
Oilseeds, oils & fats	188	263	191
Lumber & wood pulp	180	215	219
Crude petroleum	193	634	645
Crude fertilizers	115	283	517

^{1/} Unit value indexes.

^{2/} Price indexes.

Source: Monthly Bulletin of Statistics, June 1976,
United Nations, New York, U.S.A.

Table 7
Percentage Changes in the Average Unit Value of
Imports Index for Trinidad & Tobago

SITC(R) Section No.		1973-74	1974-75
0-9	TOTAL IMPORTS	128.2	16.6
0	Food	37.0	13.3
2	Raw materials	68.6	17.0
3	Mineral fuels	234.7	12.2
4	Oils and Fats	62.7	27.6
5	Chemicals	18.1	- 0.4
6	Manufactured goods	72.1	43.6
7	Machinery & Transport Equipment	14.9	32.0
8	Miscellaneous manufactures	25.2	11.2

Source: Calculated from data in Quarterly Economic Reports, October-December 1975, Central Statistical Office, Trinidad.

THE EXTERNAL SECTOR

(a) External Trade^{8/}

During 1975, the external sector of the CARICOM Area experienced a mixed performance. The More Developed Countries (MDC's) with the exception of Jamaica, experienced a relatively favourable year. However, when final trade data for the West Indies Associated States and the Bahamas become available the deficit on visible trade for the sub-region as a whole will be quite substantial. Generally, average prices of the chief export commodities tended to rise in 1975 while the average price of imports rose more slowly resulting in an improvement in the area's net commodity terms of trade.

For 1975 total imports for the Area are \$6,833 million, provisionally, an increase of 4 per cent over 1974. In all countries for which full-year data are available the rates of increase in the value of imports have been slower in 1975 than in 1974. That the overall increase was limited to 4 per cent is due chiefly to the reduction of imports of petroleum for refining in Trinidad and Tobago under the Petroleum Processing Agreement. Other factors contributing to the slower growth rate of imports are: the reduction of inflationary pressures in the Area's chief sources of imports and implementation of domestic economic policies geared to containing the growth of imports.

Data on exports of the CARICOM MDC's are set at \$6,561 million, 3.7 per cent above the 1974 figure. Following a similar trend as imports, total area exports have grown more slowly than in 1974. In all countries except Jamaica and Trinidad and Tobago the rate of growth in exports exceeded that of imports. Value of

^{8/} 1974 and 1975 data quoted in this Section exclude the Bahamas and the Less Developed Countries (LDC's). Import and export data for 1973 for the LDC's and for 1973 and 1974 for the Bahamas are given in Table X of the Statistical Appendix.

exports of Trinidad and Tobago declined in 1975 compared with 1974. This decrease is attributable to the smaller volume of crude petroleum exported for processing under the Processing Agreement. Although export prices were generally higher, Jamaica's volume of exports of some major commodities declined and thus negated, to a large extent, the potential benefits of the price rises.

Data on the geographical distribution of trade since 1973 relate to the MDC's only. The United States of America and the United Kingdom were the major trading partners as in 1974. The UK's shares in both exports and imports increased by about 4 percentage points in 1975 following declines in 1974, while the USA's share of imports increased significantly but exports hardly at all. Separate data for Latin America are unavailable for 1975 and are included in "Others". However, given the decline in imports of crude petroleum into Trinidad and Tobago in 1975, Latin America's share of imports is expected to experience a decline. Intra-CARICOM trade improved its relative share both of imports and exports compared with 1974, but the share in total trade is still below the level of 1972.

Table 8
Direction of Trade: 1969-1975
(Percentage Shares)

	1969	1970	1971	1972	1973 ^{1/}	1974 ^{1/}	1975 ^{1/}
<u>EXPORTS (f.o.b.)</u>							
UK	17.5	15.4	16.8	17.3	14.0	7.2	11.3
USA	38.7	43.4	37.8	38.1	44.3	53.3	54.1
Canada	9.0	6.5	5.3	4.4	3.3	3.3	2.2
Latin America	3.0	2.8	3.0	2.1	2.0	2.6	n.a.
EEC (Excluding UK)	2.7	2.2	2.3	2.7	2.5	3.4	2.3
CARICOM	7.9	8.1	9.2	10.5	10.7	7.4	8.3
Other Caribbean	5.7	6.1	5.4	6.1	n.a.	n.a.	n.a.
Others	15.5	15.5	20.2	18.8	23.2	22.8	21.8
TOTAL:	100.0	100.0	100.0	100.0	100.0	100.0	100.0

/Table 8 (Cont'd)

Table 8 (Cont'd)

	1969	1970	1971	1972	1973 ^{1/}	1974 ^{1/}	1975 ^{1/}
	<u>IMPORTS (c.i.f.)</u>						
UK	20.7	20.1	20.1	18.5	15.9	9.6	12.3
USA	25.4	27.3	25.3	24.8	25.7	19.3	28.0
Canada	7.6	7.3	5.8	5.8	5.9	3.7	4.0
Latin America	18.3	13.2	8.4	7.8	9.8	11.7	n.a.
EEC (Excluding UK)	6.1	6.8	6.9	6.7	8.4	5.1	5.4
CARICOM	5.4	5.5	5.7	7.1	6.5	6.3	7.3
Other Caribbean	1.2	1.4	0.6	1.1	n.a.	n.a.	n.a.
Others	15.3	18.3	27.3	28.1	27.7	44.2	43.0
TOTAL:	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Note: 1972 to 1975 data exclude Belize. The Bahamas is excluded throughout. Also see footnotes to Table XI of the Statistical Appendix.

n.a. = not available

^{1/} Data for MDC's only.

Source: Derived from Table XI of the Statistical Appendix.

The Area's traditional deficit on merchandise trade with the rest of the world, declined significantly in 1974 but rose by 18 per cent in 1975. However, the 1975 deficit was only \$53 million more than in the previous year so that the total deficit remained substantially below the levels that were typical of the pre-1974 period. As in 1974, deficits were recorded against most major trading countries and trading blocs with the exception of the USA where the area recorded a surplus of over \$1,500 million which, however, was about 25 per cent lower than the 1974 figure. The deficit with the UK decreased and so did the deficit with "Other countries" when allowance is made for the fact that Latin American figures are included in this latter group. On the other hand the deficit balances with Canada and the EEC increased.

Table 9
Area Balance on Merchandise Trade: 1969-1975
 (EC\$ Mill.)

	1969	1970	1971	1972 ^{1/}	1973 ^{2/}	1974 ^{2/}	1975 ^{2/}
UK	-193.3	-271.7	- 293.4	- 264.1	- 210.9	- 174.1	- 102.8
USA	91.3	104.8	3.9	17.3	201.3	2,104.3	1,572.5
Canada	- 21.8	- 80.0	- 73.2	- 195.9	126.6	- 37.4	- 128.9
Latin America	-406.7	-332.9	- 201.5	- 226.6	- 299.1	- 601.6	n.a. ^{3/}
EEC	-103.7	-156.5	- 175.5	- 175.0	- 233.9	- 120.5	- 211.2
Other Caribbean	79.7	87.4	99.1	99.4	n.a. ^{3/}	n.a. ^{3/}	n.a. ^{3/}
Others	- 93.3	-217.8	- 454.9	- 565.6	- 398.5	-1,461.7	-1,473.8
TOTAL:	-647.8	-866.7	-1,104.5	-1,345.1	-1,067.7	- 291.0	- 344.2

Note: Exclude Intra-area trade, as well as data for the Bahamas.

n.a. = not available

^{1/} Exclude data for Belize.

^{2/} MDC's only.

^{3/} Included in "Others".

Source: Derived from Table XI of the Statistical Appendix.

/The changes

The changes in the trade balances with the USA, Latin America and "Other countries" resulted mainly from the smaller volume of crude petroleum imported into Trinidad and Tobago in 1975 from Latin America and countries classified to "Others" and consequently the smaller volume of petroleum products exported to the USA.

The dominant factor in CARICOM trade with the rest of the world in 1975 have been the higher prices for sugar exports. Relative stability of import prices in 1975 compared with 1974 and the reduced level of petroleum trade were also significant factors.

Intra-CARICOM Trade

Growth in intra-Area trade has been lagging behind growth in total trade of the Area since 1973. Data on intra-Area trade for 1975 given in Table 10 below and in the Statistical Appendix indicate that the pace of increase in imports and exports have slowed down considerably compared with 1974. Bearing in mind the limitations of the available data, it is observed that exports grew by about 13 per cent over 1974 and imports by about 17 per cent. The rates of increase will be somewhat higher when the lacking data for Guyana and the LDC's become available.

Jamaica and Trinidad and Tobago account for a large part of intra-CARICOM trade, the former representing 42 per cent of intra-area imports and the latter 66 per cent of exports. It is apparent that Trinidad's exports of petroleum products to the region explain that country's dominant share of the trade.

Table 10

Annual Percentage Changes in CARICOM Intra-area Imports

	1969	1970	1971	1972	1973 ^P	1974 ^P	1975 ^P
Barbados	26.5	25.6	11.1	21.7	17.5	68.5	5.9
Guyana	10.2	16.3	7.1	16.8	60.7	81.6	n.a.
Jamaica	50.0	48.1	38.2	142.0	9.2	102.4	44.9
Trinidad & Tobago	37.5	22.3	19.0	28.8	-2.4	53.7	47.9
Sub-total (MDC's):	25.0	24.6	16.3	46.5	21.2	80.6	17.0 ^{1/}
ECCM Group	25.1	16.3	13.0	8.2	45.6	n.a.	n.a.
Belize	21.4	-3.9	8.2	n.a.	n.a.	n.a.	n.a.
Sub-total (LDC's):	24.7	14.1	12.5	n.a.	n.a.	n.a.	n.a.
GRAND TOTAL:	24.9	21.0	15.1	34.0 ^E	18.0 ^E	71.0 ^E	n.a.

Note: See footnotes to Table XII of the Statistical Appendix.

neg. = negligible

E = Estimate

P = Provisional

n.a. = not available

1/ Includes January to September 1975 data for Guyana.

Source: Derived from Table XII of the Statistical Appendix.

(b) Balance of Payments

Table XIII of the Statistical Appendix depicts the trends in the consolidated Balance of Payments of the four MDC's of CARICOM between 1970 and 1975. It will be observed that the overall surplus balance has followed an upward trend with deviations only in 1972 and 1973 when deficits were incurred. In 1974 and 1975 record surpluses in excess of \$800 million were achieved. It is noteworthy, however, that wide disparities exist in the net Balance of Payments positions of the individual countries reflecting the cumulative effect of changing economic circumstances from year to year. The

/surpluses achieved

surpluses achieved in 1974 and 1975 by Trinidad and Tobago, dominated the cumulated figures in these two years.

There have been deficit balances on the current account section of the consolidated Balance of Payments throughout the period. Similarly, deficits on the Merchandise Trade account component have occurred in every year of the period under review. However, the Merchandise Trade account deficits were considerably lower in 1974 and 1975 and in the earlier years. After 1972, export earnings of the countries rose considerably owing to increases in the prices of their export commodities. Import prices have also increased significantly. As a result, a considerable deficit on Merchandise trade exist in all countries of the Caribbean Common Market except Trinidad and Tobago and Guyana. In 1975, total export receipts decreased by about \$1,570 million below the 1974 figure, but as can be observed, a significant drop also occurred in import payments.

The Services account, too, has been in deficit for most of the period except for 1972 and 1973. The most important inflow item of the Services account is Foreign Travel, which reflects earnings from tourism. These receipts, however, have been insufficient to offset the huge deficit balance on Merchandise Trade and net investment income outflows. This latter item has been extremely large since 1974. Net transfer payments into the region have been positive during the period but experienced minor fluctuations up to 1973 and has since been declining. However, this item is relatively small compared with the major deficit items.

The huge deficits on Current account, have been offset to some extent by official and private foreign capital inflows. Net official borrowing for the region as a whole had been comparatively small but since 1973 has increased significantly. Private capital inflows on the other hand have been fairly large throughout the period, especially in Trinidad and Tobago, and Jamaica to a lesser extent, but are lower now, for the region as a whole, than in 1971. It is clear, however, that in spite of the currently favourable effect capital inflows have on the Balance of Payments additional strains

/are being

are being deferred to subsequent years when increased investment income outflows will have to be made. The data in Table XIII show that investment income outflows substantially exceeded Capital account inflows in 1974 and 1975.

Almost all CARICOM countries incurred a drop in reserves in 1972 and 1973, when the level declined by about \$140 million and \$150 million, respectively. In 1974 and 1975 huge increases were achieved for the region as a whole but in the case of Jamaica the level of reserves declined by almost \$176 million in the latter year, and the situation has worsened in 1976.

Balance of Payments data for the LDC's are unavailable but it should be noted that relatively large deficits are recorded annually on merchandise trade transactions. Moreover, foreign travel and capital inflows are not usually sufficient to offset the merchandise trade deficits. The need to conserve foreign exchange has been recognized and measures have been instituted recently in St. Lucia and St. Vincent among others of these countries in order to control outward transfer of funds.

Balance of Payments data for the Bahamas between 1970 and 1974 are given in Table XII of the Statistical Appendix to the Bahamas Country Notes. It will be observed that since 1971, there has been consistent annual increases in reserves, though these are relatively small.

The above analysis would suggest that there is a need for the creation of mechanisms among CARICOM countries for providing mutual Balance of Payments support. This need takes on more urgency in the light of the recent world monetary crisis and economic recession which have affected the flow of funds from developed countries. In December 1975 a Working Party was set up by the Second Conference of Heads of Governments of the Caribbean Community to prepare proposals for a Regional "Financial Safety Net". Further developments in this area are expected in 1976.

CARICOM COUNTRIES

TABLE I

GROSS DOMESTIC PRODUCT AT CURRENT FACTOR COST: 1973-1975
(EC\$ Mill.)

All Sectors	1973 ^{PR}	1974 ^{PR1/}	1975 ^E
Agriculture, Forestry & Fishing ^{2/}	618.7	886.4 ^{3/}	1,208.9 ^{3/}
Mining & Quarrying ^{2/4/}	927.8	1,764.4	2,380.5
Manufacturing ^{2/4/}	1,158.1	1,472.1	1,805.4 ^{5/}
Construction	716.9	872.2	1,043.2 ^{5/}
Transportation & Distribution ^{6/}	1,585.8	1,973.2	2,358.1
Government	955.9	1,232.3	1,683.3
All Others	1,463.7	1,736.6	2,305.6
TOTAL:	7,427.0	9,990.1	12,785.0

Note: (i) Exclude Belize and the Bahamas throughout.
(ii) Data for 1975 exclude Grenada.

P = Provisional R = Revised E = ECLA estimates.

1/ Grenada figures excluded from sector total but included in Grand Total.

2/ Sugar manufacturing for Barbados is included in Agriculture.

3/ Exclude the contribution of Domestic Agriculture for the West Indies Associated States.

4/ Petroleum refining for Trinidad & Tobago and alumina processing for Guyana and Jamaica are included in Mining and Quarrying; Quarrying for the West Indies Associated States, Grenada and Barbados is included in Manufacturing.

5/ GDP contribution for the West Indies Associated States is excluded from the appropriate sector figures but included in "Others".

6/ Includes Wholesale and Retail Trade, Storage and Communication.

Source: Official Gross Domestic Product estimates for Guyana and Jamaica; Estimates and projections have been made on the basis of official and other statistical sources.

CARICOM COUNTRIES

TABLE II

PERCENTAGE CONTRIBUTION TO GDP AT FACTOR COST

All Sectors	1973 ^{PR}	1974 ^{PR}	1975 ^E
Agriculture, Forestry & Fishing	8.3	9.0	9.5
Mining & Quarrying	12.5	17.7	18.6
Manufacturing	15.6	14.7	14.1
Construction	9.7	8.7	8.2
Transportation & Distribution	21.4	19.8	18.4
Government	12.9	12.3	13.2
All Others	19.7	17.4	18.0
TOTAL:	100.0	100.0	100.0

P = Provisional

R = Revised

E = ECLA's estimates.

Source: Derived from Table I.

CARICOM COUNTRIES

TABLE III

ANNUAL PERCENTAGE CHANGE OF GROSS DOMESTIC PRODUCT BY SECTORS

All Sectors	1973-74 ^{PR}	1974-75 ^E
Agriculture, Forestry & Fishing	45.5	34.3
Mining & Quarrying	90.2	34.7
Manufacturing	27.1	22.6
Construction	21.7	19.6
Transportation & Distribution	24.4	19.5
Government	28.9	36.6
All Others	18.6	32.8
TOTAL:	34.5	28.0

P = Provisional

E = ECLA's Estimates

R = Revised

Source: Derived from Table I.

CARICOM COUNTRIES
TABLE IV
GROSS DOMESTIC PRODUCT FOR SELECTED YEARS
 (At Current Values)
 (EC\$ Mill.)

Countries	1973 ^P	1974 ^P	1975 ^P
Barbados	423.1 ^{RE}	542.8 ^{RE}	668.5 ^E
Guyana	531.0	796.7	976.4
Jamaica	3,716.7 ^R	4,880.6 ^R	6,333.2
Trinidad & Tobago	2,358.0 ^E	3,310.0 ^{RE}	4,380.0 ^E
SUB-TOTAL (MDC's):	7,028.8 ^{RE}	9,530.1 ^{RE}	12,358.1 ^E
Grenada	66.9 ^E	67.1 ^E	n. a.
West Indies Associated States	331.5 ^{RE}	392.9 ^{RE}	426.9 ^E
TOTAL:	7,427.0 ^{RE}	9,990.1 ^{RE}	12,785.0 ^E

Note: Current GDP estimates are not available for Belize and the Bahamas.

P = Provisional

E = ECLA's Estimates

R = Revised

n. a. = not available

Source: Official Gross Domestic Product Estimates for Guyana and Jamaica; Estimates and projections have been made for other countries on the basis of official and other statistical sources.

CARICOM COUNTRIES

TABLE V

GOVERNMENT RECURRENT REVENUE AND EXPENDITURE - SELECTED YEARS
(EC\$ Mill.)

	1 9 7 3			1 9 7 4			1 9 7 5 ^P		
	Recur- rent Rev.	Recur- rent Exp.	Capi- tal Exp.	Recur- rent Rev.	Recur- rent Exp.	Capi- tal Exp.	Recur- rent Rev.	Recur- rent Exp.	Capi- tal Exp.
Barbados	136.5	143.5	30.5	151.2 ^R	150.3 ^R	32.9 ^R	214.1	187.8	47.9
Guyana	140.9 ^R	191.0 ^R	76.6 ^R	281.1 ^R	234.6 ^R	95.6 ^R	445.9	320.0	235.0
Jamaica	709.8	672.8	235.3	993.8	1,001.2	371.2	1,352.4	1,502.8	648.3
Trinidad & Tobago	476.0	425.0	148.2	1,217.1 ^R	668.0 ^R	633.3 ^R	1,686.5	800.3	968.5
TOTAL (MDC's):	1,463.2 ^R	1,432.3 ^R	490.6 ^R	2,643.2 ^R	2,054.1 ^R	1,133.0 ^R	3,698.9	2,810.9	1,899.7
Bahamas	213.2	183.2	26.4	247.6	220.3	72.5	290.5 ^{1/}	286.0 ^{1/}	57.1 ^{1/}
Belize	26.5 ^P	26.5 ^R	8.0 ^R	36.0 ^R	36.0 ^R	16.4 ^R	43.3	37.9	26.3
Grenada	18.1	20.1	4.5	15.2	20.2	3.5	18.6	24.0	1.8
West Indies Associated States	94.9	116.6	48.1	114.5	126.6	61.3	127.6 ^E	132.1 ^E	59.4 ^E
TOTAL CARICOM:	1,815.9 ^R	1,778.7 ^R	577.6 ^R	3,056.5 ^R	2,457.2 ^R	1,286.7 ^R	4,178.9	3,290.9	2,044.3

Note: (i) 1974 and 1975 data for some countries of the West Indies Associated States are revised or approved estimates.

(ii) Data (for 1973 and 1974) for Guyana and Jamaica are not quite comparable to earlier years because of devaluation of their currencies in terms of the East Caribbean dollar.

P = Provisional

R = Revised

E = Revised Budget estimates.

^{1/} Approved estimates.

Source: Government publications and data supplied ECLA.

CARICOM COUNTRIES

TABLE VI

PUBLIC DEBT AND DEBT SERVICING - SELECTED COUNTRIES
(EC\$ Mill.)

	1972	1973	1974	1975 ^P	1972	1973	1974	1975 ^P
	<u>BARBADOS</u>				<u>GUYANA</u>			
Gross Public Debt	104.0	130.5 ^R	178.4 ^R	200.8	480.3	607.0	634.7	623.4
Internal	72.0	75.6 ^R	136.2 ^R	158.1	n.a.	n.a.	n.a.	n.a.
External	32.0	54.9 ^R	42.2 ^R	42.7	n.a.	n.a.	n.a.	n.a.
Debt Servicing ^{1/}	8.8 ^{2/}	13.8 ^{2/}	19.9 ^E	n.a.	23.1 ^P	43.7 ^{2/}	46.2 ^E	n.a.
	<u>JAMAICA^{3/}</u>				<u>TRINIDAD & TOBAGO</u>			
Gross Public Debt	939.6	1,056.2 ^R	1,412.8 ^R	2,009.8	533.1	625.9	628.7 ^R	627.4
Internal	620.4	670.6 ^R	820.7 ^R	1,090.1	333.9	370.2	387.3 ^R	411.6
External	319.2	385.6 ^R	592.1 ^R	919.7	199.2	255.7	241.4 ^R	215.8
Debt Servicing	78.7 ^{1/}	96.8 ^{1/}	128.5 ^{1/}	141.1 ^{1/}	47.7	n.a.	n.a.	n.a.

P = Provisional

R = Revised

E = Budget estimates

n.a. = not available

^{1/} Fiscal year April to March, beginning in the year shown.

^{2/} Revised estimates.

^{3/} Jamaica's debt servicing include interest, commitment charges, principal instalments and management costs associated with the national debt.

Source: Official publications and data supplied ECLA.

CARICOM COUNTRIES

TABLE VII

RETAIL PRICE INDEXES FOR SELECTED COUNTRIES

	1972		1973		1974		1975	
	All Items	Food	All Items	Food	All Items	Food	All Items	Food
Barbados (Oct.1965 = 100)	154.8	161.1	180.9	189.7	251.3	273.8	302.3 ^R	335.0 ^R
Guyana (1970 = 100) ^{1/}	106.0	110.1	114.0	123.3	133.9	155.9	144.6	169.0
Jamaica (Jan.1975 = 100) ^{2/}	59.8	53.8	71.2	69.0	90.7	90.7	105.7	107.2
Trinidad & Tobago (Sept.1960 = 100)	151.7	155.0	174.2	184.4	212.5	239.7	248.6 ^R	280.3 ^R
Dominica (Apr.1964 = 100)	140.7	n.a.	157.6	155.2	214.8	213.8	254.1	252.3
Montserrat (Mar.1974 = 100) ^{3/}	76.8	n.a.	84.3	85.4	-100.0-	-100.0-	125.4	115.3
St. Kitts-N-A. (Apr.1964 = 100)	141.4	81.9	155.9	176.0	200.2	230.5	221.6	250.9
St. Lucia (Apr.1964 = 100)	155.4	153.8	176.3	182.4	236.6	n.a.	278.6	300.2
St. Vincent (Mar.1964 = 100)	144.9	139.0	168.5	168.7	228.4	235.6	260.8	269.2

R = Revised

n.a. = not available

^{1/} Food include beverage and tobacco.

^{2/} Food index includes beverages. Index for Jamaica refers to Kingston Metropolitan area.

^{3/} Food include non-alcoholic beverages. Indexes for Montserrat relate to March in 1973 and 1974, April in 1972. Indexes base April 1964 = 100 linked to index March 1974 = 100 at 1974.

Source: Official country publications; see also the Statistical Appendix to each country section of this document.

CARICOM COUNTRIES

TABLE VIII

INDEXES OF PRODUCTION, EMPLOYMENT, PRODUCTIVITY
AND AVERAGE EARNINGS IN MANUFACTURING

TRINIDAD & TOBAGO

	Domestic Production (Manufac- turing output)	All Employees			Production Workers only		
		Employ- ment	Producti- vity	Average Weekly Earnings	Employ- ment	Producti- vity	Average Weekly Earnings
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	104.8	106.3	98.6	106.6	104.7	100.0	104.3
1973	108.9	112.8 ^R	96.6	118.1	110.4	98.8	118.1
1974	115.6	110.0 ^R	105.2 ^R	136.4	107.6 ^R	107.6 ^R	135.1
1975	119.0	111.5	106.6	160.5	108.8	109.2	160.1

Notes: Data exclude ship and boat building.

R = Revised

Source: Quarterly Economic Report, October to December 1975;
and Economic Indicators, October to December 1975,
Central Statistical Office, Trinidad.

CARICOM COUNTRIES

TABLE IX

TOTAL EXPORTS AND IMPORTS OF CARICOM COUNTRIES
(EC\$ Mill.)

Year	Total Exports	Percentage Change	Total Imports	Percentage Change
1965	1,376.1	-	1,785.5	-
1967	1,511.8	9.9	1,884.2	5.5
1968	1,793.2	18.6	2,234.8	18.6
1969	1,904.3	6.2	2,539.6	13.6
1970	2,114.6	11.0	2,973.3	17.1
1971	2,231.2	5.5	3,320.2	11.7
1972	2,296.3	2.9	3,596.2	8.3
1973 ^E	2,714.7 ^R	17.6	3,962.0	10.3
1974 ^E	6,610.2 ^R	144.7 ^R	7,019.6	76.9
1975 ^{1/}	6,560.9	n.a.	7,055.5	n.a.

Note: Data for the Bahamas are excluded.

E = Include ECLA's estimates for some less developed countries; Belize only for 1974 and most of the West Indies Associated States for 1974 and Guyana for 1975.

R = Revised

n.a. = not available

1/ Exclude data for the West Indies Associated States.

Source: External Trade Reports of the various States; and data supplied ECLA.

CARICOM COUNTRIES

TABLE X

EXTERNAL TRADE OF CARICOM COUNTRIES: 1973-1975
(EC\$ Mill.)

	IMPORTS (C.I.F.)			EXPORTS (F.O.B.)		
	1973	1974	1975	1973	1974	1975
Antigua	94.5	143.8	n.a.	59.4	66.5	n.a.
Dominica	31.2	38.9	45.0	16.7	20.9	24.6
Grenada	42.5	38.1	52.8	14.4	19.4	26.9
Montserrat	12.1	15.3	n.a.	0.1 ^{1/}	0.3 ^{1/}	1.0
St. Kitts-N-A.	35.9	n.a.	n.a.	15.8	n.a.	n.a.
St. Lucia	74.2	91.1	n.a.	19.9	32.9	n.a.
St. Vincent	38.5	50.9	53.4	9.8	n.a.	n.a.
TOTAL (ECCM):	328.9	n.a.	n.a.	136.3	n.a.	n.a.
Belize	90.9	n.a.	222.6	64.1	n.a.	155.6
TOTAL (LDC's):	419.8	n.a.	n.a.	200.2	n.a.	n.a.
Barbados	328.6	418.3	432.6	103.7	172.3	218.6
Guyana	343.1	519.0	718.5	264.3	543.1	762.7
Jamaica	1,313.7	1,850.1	2,438.0	771.2	1,444.9	1,701.2
Trinidad & Tobago	1,556.8	3,777.6	3,243.8	1,375.3	4,165.9	3,878.4
TOTAL (MDC's):	3,542.2	6,565.0	6,832.9	2,514.5	6,326.2	6,560.9
Bahamas	1,497.3	3,918.5	2,573.6 ^{2/}	1,037.9	2,964.7	3,744.0 ^{2/}
GRAND TOTAL:	5,459.3	n.a.	n.a.	3,752.6	n.a.	n.a.

Note: Totals may not agree because of rounding.

n.a. = not available

^{1/} Domestic Exports.

^{2/} January to September.

Source: External Trade Reports of the various States;
and data supplied ECLA.

CARICOM COUNTRIES

TABLE XI

DIRECTION OF EXTERNAL TRADE: 1969-1975
(EC\$ Mill.)

	1969	1970	1971	1972	1973 ^{1/}	1974 ^{1/}	1975 ^{1/}
<u>TOTAL EXPORTS (F.O.B.)</u>							
United Kingdom	332.5	325.6	374.9	387.7	352.7	454.2	717.9
United States of America	736.4	916.7	842.6	855.6	1,113.2	3,373.7	3,432.1
Canada	171.4	137.7	119.1	99.4	83.6	208.7	137.3
Latin America (Continental)	57.1 ^{2/}	58.8	66.9 ^{3/}	47.0 ^{4/}	49.2	166.2	n.a. ^{5/}
EEC	51.9 ^{2/}	46.8	52.1	60.7 ^{4/}	63.7	215.7	147.9
CARICOM	150.2	172.2	204.7	235.9	268.9	465.6	524.2
Other Caribbean	109.3	129.9	120.1	157.3	n.a. ^{5/}	n.a. ^{5/}	n.a. ^{5/}
Others	295.5 ^{2/}	326.9	450.8	423.5	583.2	1,442.1	1,383.9
TOTAL:	1,904.3	2,114.6	2,231.2	2,247.1	2,514.5	6,326.2	6,343.3
<u>TOTAL IMPORTS (C.I.F.)</u>							
United Kingdom	525.8	597.3	668.3	651.8	563.6	628.3	820.7
United States of America	645.1	811.9	838.7	872.9	911.9	1,269.4	1,859.6
Canada	193.2	217.7	192.3	205.3	210.2	246.1	266.2
Latin America (Continental)	463.8 ^{2/}	391.7	277.4 ^{3/}	273.6 ^{4/}	348.3	767.8	n.a. ^{5/}
EEC	155.6 ^{2/}	203.3	227.6	235.7 ^{4/}	297.6	336.2	359.1
CARICOM	137.7	164.2	189.2	248.3	228.9	413.4	483.6
Other Caribbean	29.6	42.5	21.0	37.9	n.a. ^{5/}	n.a. ^{5/}	n.a. ^{5/}
Others	388.8 ^{2/}	544.7	905.7 ^{3/}	989.1 ^{4/}	981.7	2,903.8	2,857.7
TOTAL:	2,539.6	2,973.3	3,320.2	3,514.6	3,542.2	6,565.0	6,647.0

Note: Data from 1972 to 1975 exclude Belize. n.a. = not available

^{1/} Data for the MDC's. Guyana data for 1975 are for January to September.

^{2/} Others include EEC for Grenada and Latin America for St. Vincent.

^{3/} Others include Bolivia and Panama for Jamaica.

^{4/} Others include Latin America for Guyana and EEC and Latin America for St. Vincent.

^{5/} Included in Others.

Source: External Trade Reports and data supplied ECLA.

CARICOM COUNTRIES

TABLE XII

INTRA-REGIONAL TRADE: 1969-1975

(IMPORTS - C.I.F.)
(EC\$ Mill.)

Country	1969	1970	1971	1972	1973 ^P	1974 ^P	1975 ^P
Barbados	21.5	27.0	30.0	36.5	42.9	72.3	76.6
Guyana ^{1/}	32.5	37.8	40.5	47.3	76.0	138.0	110.7 ^{2/}
Jamaica ^{1/}	12.9	19.1	26.4 ^P	63.9 ^P	69.8	141.3	204.8
Trinidad & Tobago	22.0	26.9	32.0	41.2	40.2	61.8	91.4
SUB-TOTAL (MDC's):	88.9	110.8	128.9	188.9	228.9	413.4	483.5
ECCM countries	41.8	48.6	54.9	59.4	27.1 ^{3/}	n.a.	n.a.
Belize	5.1	4.9	5.3	n.a.	6.8	n.a.	21.2
SUB-TOTAL (LDC's):	46.9	53.5	60.2	(59.4)	(33.9)	n.a.	n.a.
GRAND TOTAL:	135.8	164.3	189.1	(248.3)	(262.8)	n.a.	n.a.

See footnotes at end of Table.

CARICOM COUNTRIES
TABLE XII (Cont'd)
INTRA-REGIONAL TRADE: 1969-1975
(EXPORTS - F.O.B.)
(EC\$ Mill.)

Country	1969	1970	1971	1972	1973 ^P	1974 ^P	1975 ^P
Barbados	14.2	16.7	18.8	23.2	28.2	37.8	42.6
Guyana ^{1/}	24.0	25.2	33.3	34.7	41.5	74.9	63.6 ^{2/}
Jamaica ^{1/}	22.6	27.2	31.2 ^P	42.0 ^P	48.5	63.9	71.6
Trinidad & Tobago	78.5	91.6	108.0	121.0	150.7	289.1	346.4
SUB-TOTAL (MDC's):	139.3	160.7	191.3	220.9	268.9	465.7	524.2
ECCM countries	9.5	10.2	11.7	15.0	11.6 ^{3/}	n.a.	n.a.
Belize	1.3	1.7	1.7	n.a.	3.9	n.a.	4.1
SUB-TOTAL (LDC's):	10.8	11.9	13.4	(15.0)	(15.5)	n.a.	n.a.
GRAND TOTAL:	150.1	172.6	204.7	(235.9)	(284.4)	n.a.	n.a.

Note: Guyana's figures revised to exclude molasses trans-shipped to Trinidad and Tobago, but previously shown as exports.

P = Provisional

n.a. = not available

^{1/} Guyana's figures for 1972 to 1975, and Jamaica's figures for 1973 to 1975 are not quite comparable to earlier years because of devaluation of their currencies in terms of the East Caribbean dollar.

^{2/} January to September.

^{3/} Antigua, Montserrat and St. Lucia only.

Source: Annual Overseas Trade Reports; and data supplied ECLA.

CARICOM COUNTRIES

TABLE XIII

BALANCE OF PAYMENTS OF THE MDC's: 1970-1975
(EC\$ Mill.)

	1970	1971	1972	1973	1974	1975
<u>MERCHANDISE TRADE (NET)</u>	- 455.9	- 678.0	- 809.6	- 787.6	- 9.0	- 189.8
Exports	2,024.8	2,102.2	2,217.8	2,544.2	6,305.9	4,733.2
Imports	2,480.6	2,780.2	3,027.5	3,331.8	6,314.9	4,923.0
<u>SERVICES (NET)</u>	- 183.5	- 63.1	62.2	114.3	- 253.6	- 595.2
Transport	- 77.6	- 37.5	- 26.9	- 9.9	108.8	2.9
Travel	236.7	301.7	331.1	382.1	424.8	387.4
Investment Income	- 361.2	- 364.8	- 258.0	- 309.1	- 823.1	- 856.7
Other	18.6	37.6	15.9	51.5	36.0	- 128.6
<u>UNREQUITED TRANSFERS (NET)</u>	48.6	43.5	54.4	48.5	32.4	28.2
<u>CURRENT ACCOUNT (NET)</u>	- 590.8	- 697.4	- 693.2	- 625.0	- 230.0	- 756.4
<u>CAPITAL ACCOUNT (NET)</u>	575.5	728.6	449.2	544.2	548.9	1,025.6
Private	511.5	603.8	296.3	344.7	480.9	555.7
Official borrowing	6.0	60.3	98.1	199.4	68.6	467.6
SDR's	32.5	28.9	29.6	-	-	-
Other	25.4	35.6	25.2	-	- 0.6	2.4
<u>CURRENT AND CAPITAL ACCOUNT</u>	- 15.1	31.1	- 244.0	- 80.8	318.8	269.1
<u>NET ERRORS AND OMISSIONS</u>	37.0	113.9	104.4	- 71.9	492.1	617.9
<u>SURPLUS OR DEFICIT</u>	21.9	145.1	- 140.0	- 152.7	810.9	887.0

Note: Data on merchandise trade are adjusted to Balance of Payments basis except 1975 for Guyana.

Source: Official country publications; and data supplied ECLA.

CARICOM COUNTRIES

TABLE XIV

PERCENTAGE CHANGES IN EXCHANGE RATES AND CONSUMER
PRICE INDEXES - SELECTED CARICOM COUNTRIES

Year	Barbados		Guyana		Jamaica		Trinidad & Tobago	
	Exchange Rates	Prices	Exchange Rates	Prices	Exchange Rates	Prices	Exchange Rates	Prices
1970/71	-1.3	7.5	-1.0	1.0	- 1.4	6.7	-1.3	3.5
1971/72	-2.7	11.8	5.4	5.0	- 2.7	5.9	-2.7	9.3
1972/73	2.0	16.9	1.9	7.5	13.7	19.2	2.0	14.8
1973/74	4.8	38.9	4.8	17.5	-	27.2	4.8	22.0
1974/75	-1.6	20.3	5.7	8.0	-	16.5	5.7	17.0

Note: Exchange rates calculated from averages given for the period expressed in terms of national currencies per US dollar. A negative sign indicates appreciation of the national currency.

- = nil

Source: Calculated from data in IMF International Financial Statistics for exchange rates and from official price data.

PART II
BAHAMAS COUNTRY NOTES

ECONOMIC SURVEY 1975

BAHAMAS

(Bahamas Dollars used throughout)^{1/}

There are no official GDP estimates for the Bahamas. However, a broad range of statistical data have become available which provide indicators of output trends in various sectors. In terms of structure, the Bahamian economy is service-oriented. Data on the economically active population from the 1970 Census indicate that more than 70 per cent of those employed were in the service sectors. The major areas of activity are hotel and restaurant operations, government, distributive trades, transport and communication (all except government with a strong tourism bias). In the productive sector construction predominates, followed by agriculture and manufacturing.

Viewed in another way, the economy may be characterised as externally oriented. On the one hand, external trade, dominated by imports of crude petroleum and exports of petroleum products, is important to the economy. On the other hand, tourism development has accelerated growth in investment and construction and made large contributions to Government revenues. Government revenue itself is heavily dependent on import duties, which accounted for between 55 to 60 per cent of total revenue each year during the period 1970 to 1975.

After increasing rapidly in the 1960's all the indicators of tourism except expenditure started to decline since 1974. Reversal of this trend depends on the progress of economic recovery in developed countries, especially the United States. Construction activities, predictably, have reflected the trend in tourism. It is therefore apparent that emphasis will need to be shifted to other construction, particularly private residential buildings and this process has already begun. Manufacturing activities are dominated by refining of crude petroleum. However, cement and hormone production have become important. Agricultural activities, including fishing and forestry, have long lost

^{1/} The par value of the Bahamas dollar has been set at B\$1.00 = US\$1.00 during the period covered by this Survey.

their major status but increased emphasis is now being placed on this sector. Gains are expected in terms of reduction of imports and provision of food for the tourist industry.

The level of external trade has risen phenomenally, exports rising to about \$1,444 million in 1974 and imports to \$1,908 million. Indications are that these levels were exceeded in 1975. The balance of payments position has been favourable for the most part during the last five years. It is estimated that there was some improvement in 1975.

Retail prices are apparently quite high. However, in recent years changes in the level of prices as measured by the Retail Price Index, have been lower than in the rest of the British Commonwealth Caribbean and in fact, only slightly higher than in the United States. A major part of the credit for this performance must be due to the enforcement of price-control regulations.

The recent unfavourable economic conditions world-wide have emphasised the importance of a diversified economy. Consequently, economic policy in the mid-1970's is being geared towards the development of the agricultural sector. However, recognising that the Bahamas has a natural advantage in tourism efforts are being expended in its further development. It is also expected that Government's activity will expand to more active participation in key areas of the economy, such as Tourism, Banking, Agriculture and Fishing.

PERFORMANCE IN THE MAJOR SECTORS

Tourism

The tourism sector is of major importance in the Bahamas and has been the main catalyst in economic growth since the 1960's. Although a pre-dominance of foreign ownership has existed in the industry, benefits have accrued to the national economy in terms of direct and indirect employment opportunities, and the inflow of foreign exchange. Tourism has also stimulated activities in other sectors such as construction, transportation and distributive trade.

The number of visitors to the country increased from approximately 368 thousand in 1961 to 1.33 million in 1975. The upward trend in arrivals was halted in 1973 but was reversed in 1974 and 1975.^{2/} Stop-over visitors is the most important category both in terms of absolute numbers and average expenditure. Comparative details are given in Table I of the Statistical Appendix. Stop-over visitors on average account for about 70 per cent of arrivals and over 90 per cent of estimated total tourist expenditure. After 1972, the number of stop-over visitors has been declining but their estimated expenditure has increased. The higher expenditure reflects price increases plus the fact that the average length of stay has also increased.

The sector depends to a large extent on the United States for the bulk of visitors - about 85 per cent of the total in 1972. The decline in the total number of stop-over visitors in 1973 is due entirely to the smaller numbers coming from the United States. Arrivals from all other major sources have been increasing though not rapidly enough to offset the reduced numbers from the United States. As of 1975, the United States share had declined to 73 per cent of total stop-over visitors.

Hotel construction was very rapid during the 1960's - the number of rooms increasing from 2,860 in 1961 to over 10,500 in 1970. Increases have been more moderate since then with an average addition of about 250 rooms each year though tapering off in 1974.

In 1970, out of an economically active population of 69.8 thousand persons, 23 per cent were directly employed in wholesale and retail trade, restaurants and hotels. Indirect employment is also generated in providing the significant amount of services such as electricity, gas and water, transportation, communication, etc. required by the sector. The tourism expenditure figures of nearly \$300 million may be compared with total government revenue of some \$120 million and domestic exports of \$1,000 million (or less than

^{2/} It should be noted however that the method of computation has been modified since 1973.

\$100 million excluding petroleum products) in 1974. It would appear though that significant opportunities exist to further maximise gains from this sector through development of backward linkages especially with agriculture and light manufacturing industries.

The tourist industry in recent times has been beset by problems. The energy crisis, and the subsequent increases in the price of petroleum products affected the travel industry throughout the world. These factors combined with "stagflation" in the North American economies, resulted in the decline in the number of visitors. Intensified promotion efforts are being made in the major markets and with the improved economic situation in the developed countries the trend should be reversed.

Construction

The construction sector has made very important contributions to economic activity in the Bahamas, although it would appear that this contribution has been decreasing in recent years. In terms of employment, the 1970 Population Census results showed that about 12 per cent of the economically active population were engaged in construction activities.

Data given in the Statistical Appendix indicate the magnitude of gross expenditure on construction, the trends in activity and the impact of government and tourism on the sector. In 1971 the value of buildings completed was just under \$22 million, the highest annual figure during the period 1971 to 1974. It is estimated that the value of construction completed during 1975 will be about the same level as the \$18.7 million recorded during 1974.

Hotel construction has been the major determinant of the level of activities in the sector, so much so, that the decline in hotel building in the 1970's has significantly affected the trend of the sector. Another factor to be noted is the large degree of reliance on imports for building materials with the notable exception of cement.

In view of the stagnation of hotel building, Government has been making strenuous efforts to stimulate private residential construction, especially at the lower end of the income scale. To this end, the Ministry of Housing guarantees mortgages to home-builders and provides infrastructure such as roads, water-supply, sewage, etc. on housing sub-divisions.

Table 1

Selected Data on Construction Activity

	Unit	1971	1972	1973	1974	1975 ^{2/}
Public expenditure ^{1/}	B\$'000	14,489	13,201	13,932	14,608	6,555
No. of buildings completed ^{3/}	No.	375	283	321	411	163
Value of buildings completed ^{3/}	B\$'000	21,774	10,737	15,585	17,948	8,776
Private homes		n.a.	n.a.	10,610	11,257	3,754
Commercial buildings		n.a.	n.a.	4,975	3,536	2,934
Public buildings		n.a.	n.a.	-	3,155	2,088
Tourist Accommodation (No. rooms completed)	No.	325	380	334	51	n.a.
Government fixed Capital formation						
Building Construction	B\$'000	4,946	8,418	9,932	n.a.	n.a.

n.a. = not available

^{1/} Data include expenditure on roads, public works and water supply.

^{2/} Data for January to June.

^{3/} Data for New Providence and Freeport only (comprises 75 per cent of the population)

Source: Annual Report, 1974; Quarterly Review, Vol. 2, No. 1, September 1975, Central Bank of Bahamas; Statistical Abstract 1972/1973; Quarterly Statistical Summary, 2nd Quarter, 1975; Government Revenue and Expenditure 1970-1973, Department of Statistics, Bahamas.

Government

The levels of Government revenue and expenditure have expanded every year during the period 1970 to 1975, except for 1971 when receipts and payments dropped by roughly 5 per cent. More often than not there has been a deficit on Government operations, so that it has been necessary to resort to borrowing, mainly from domestic sources. Fiscal data are given in Tables IV to VII of the Statistical Appendix.

Total government revenue increased from just over \$81 million in 1970 to about \$134 million in 1975 or by approximately 65 per cent. Government depends very heavily on import duty, (including "inland taxes" on cigarettes, radio, television, gasoline and other fuel oils) gaming and tourism taxes. Import duty is by far the most important, although its share has declined from an average of about 60 per cent of the total during 1970 to 1974, to an estimated 54 per cent in 1975. Non-tax revenue which accounted for just over 10 per cent of total revenue in 1970 has increased rapidly and in 1974 was nearly 16 per cent of the total. It should be noted here that there is no income tax in the Bahamas.

Total government expenditure increased from \$97.2 million in 1970 to an estimated \$158 million in 1975, an increase of over 62 per cent. Recurrent expenditure constitutes an overwhelming proportion of the total (just over an average of 85 per cent during 1970 to 1975). The share of recurrent expenditure dropped to about 75 per cent in 1974, as capital expenditure increased by about 161 per cent in that year. Capital expenditure in 1975 is expected to decrease by more than 25 per cent compared with 1974. Planned recurrent expenditure for 1975 is put at \$131.4 million, a 22 per cent rise over 1974. Government expenditure allocations are primarily for education, health, tourism and public works including water supply. Payments in the form of personal emoluments have remained at about 55 per cent of total recurrent expenditure during the period.

The national debt stood at \$61.4 million at the end of 1970 but by the end of 1974 amounted to \$108.2 million. Contingent liabilities in respect of Statutory Corporations would increase the level of the potential

/debt to

debt to \$141 million in the same year. The share of domestic borrowing which forms the bulk of Government borrowing increased slightly from about 64 per cent to nearly 69 per cent between 1970 and 1974. Interest payments are increasing but still account for only about 7 per cent of recurrent tax revenue.

Agriculture (including Fishing and Forestry)

Unlike most of the countries of the Caribbean region the Bahamas is not an agricultural economy though at one time this sector was of major importance. This observation is demonstrated by the fact that the size of the agricultural labour force has been declining. According to the 1970 Census of Population data 4,791 persons representing 6.9 per cent of the total labour force were involved in agriculture compared with 5,882 or 11.3 per cent in 1963. Basically, there are two groups of farming enterprises: (a) large-scale operations which produce vegetables for the U.S.A. markets and dairy and poultry products for the domestic market; and (b) small farmers involved mainly in subsistence agriculture, who also provide a limited volume of output for the domestic markets in the major population centres.

Production ranges over a wide variety of fruits, vegetables and root-crops but output of most of them is relatively small. The most important crops are tomatoes, citrus and bananas. Crude estimates of the value of crop output for 1973 and 1974 are put at less than \$2 million during each year.

Livestock production has fluctuated around a mildly increasing trend since the 1960's. Data on the number of animals slaughtered (at the public abattoir, New Providence) are given in Table 2 below. The number of sheep and goats slaughtered has generally decreased while slaughter of hogs and bovine cattle has increased.

Forestry output is predominantly for export and has involved at various times, the export of lumber, pulpwood and cascarilla bark (used in making certain beverages). Pulpwood forms the major export among the three and accounted for \$5.2 million of exports in 1972. Since then, however, the export values have been declining (see Table XI of the Statistical Appendix).

Table 2

Number of Animals Slaughtered at the Public Abattoir
(New Providence only)

Animal	1967	1968	1969	1970	1971	1972
Sheep	2,007	1,994	1,795	2,166	1,740	981
Goats	1,779	1,671	1,371	1,414	1,221	977
Hogs	1,926	2,229	2,228	2,537	2,862	4,631
Cattle	270	189	247	348	347	313
Total:	5,982	6,081	5,641	6,465	6,170	6,902

Source: Quarterly Statistical Summary, 2nd Quarter, 1975,
Department of Statistics, Bahamas.

The fishing industry has traditionally been shallow water or "banks" fishing, the activities of which are concerned chiefly with the catching of crawfish, mainly exported to the United States, scalefish and conch. Conch is consumed locally in significant quantities. Catching and export of crawfish is reserved exclusively to Bahamians. These exports amounted to \$0.5 million in 1970, increasing to \$4.1 million in 1974 but have apparently declined in 1975.

Agriculture in the Bahamas has been limited by the scarcity of good agricultural lands, low and erratic rainfall, inadequate water supply and low levels of technology. Active support is granted by the Government in the form of research and training, subsidies for fertilizer and other supplies and the protection of local crops through the imposition of high rates of tariffs on imports. This support is consistent with existing plans for the diversification of the economic structure of the country through the expansion and development of the agricultural sector.

/EXTERNAL SECTOR

EXTERNAL SECTOR

In the 1960's economic activity accelerated around the export of non-factor services, especially tourism while in the present decade, merchandise exports, have become more important. Other factors contributing to the predominant role of the external sector are dependence on imports for food and manufactured goods, foreign capital inflows and investment income outflows, and the fact that the Bahamas is an important financial centre especially for the important Eurodollar currency market. The Bahamas can therefore be characterised as an open economy.

External trade data for the period 1970 to third quarter 1975 are given in the tables of the Statistical Appendix. Total exports have grown from about \$90 million in 1970 to \$1,444 million in 1974, and by the end of the third quarter of 1975, the preliminary figure is approximately \$1,726 million. Domestic exports account for the major part of the total although re-exports have assumed very large proportions since 1973. Total imports have grown from \$337 million to \$1,908 million between 1970 and 1974.

The trend of the deficit balance on merchandise trade after declining very slightly between 1970 and 1973, rose sharply in 1974. The picture to the end of September 1975 is obscured by the fact that some imports of crude petroleum have not yet been brought to account. It would appear, however, that full-year figures will show a deficit on the balance of trade.

Domestic export activity has mainly been related to Standard International Trade Classification (SITC) Sections 3, 5 and 6, while imports are distributed over the entire range of the SITC. Petroleum and petroleum products dominate both import and export activity with exports of Hosiery, Cement and Rum increasing in importance.

The United States of America is the chief trading partner of the Bahamas, accounting for as much as 83 per cent of the country's exports in 1974, increasing from approximately 68 per cent in 1970.

The share of imports from the United States of America has declined from 54 per cent of total imports in 1970, to about 12 per cent in 1974, but this is due almost entirely to the rapid rise in petroleum imports from other countries.

Table 3
Distribution of Trade: 1970-75
(Per cent)

	1970	1971	1972	1973	1974	1975 ^{1/}
	<u>E X P O R T S</u>					
Canada	5.9	6.3	4.4	2.1	2.0	5.6
United Kingdom	7.3	3.1	2.4	2.3	1.4	1.3
CARICOM Countries	1.0	0.6	0.4	0.2	0.7	0.3
Other British Commonwealth Countries	1.7	0.5	0.5	0.3	0.5	0.9
United States of America	67.5	74.2	81.7	80.1	82.7	74.9
Other Countries	16.6	15.2	10.6	15.1	12.6	18.0
	100.0	100.0	100.0	100.0	100.0	100.0
	<u>I M P O R T S</u>					
Canada	3.5	2.5	1.6	1.2	0.5	0.5
United Kingdom	13.6	8.4	12.9	7.0	2.4	1.8
CARICOM Countries	1.3	1.0	1.1	1.2	1.5	0.1
Other British Commonwealth Countries	4.4	15.4	16.2	16.4	16.8	20.0
United States of America	53.9	31.1	28.4	23.9	12.1	16.7
Other Countries	23.3	41.5	39.9	50.3	66.7	60.9
	100.0	100.0	100.0	100.0	100.0	100.0

^{1/} January to September.

Source: Derived from Table XII of the Statistical Appendix.

/Imports from

Imports from "Other British Commonwealth Countries" and "Other Countries" have followed an upward trend largely on account of crude petroleum imports from Nigeria among the Commonwealth countries and from other oil producing African and Middle Eastern countries among the "Other Countries" group. For example, in 1974 imports from Nigeria amounted to \$320 million and from Saudi Arabia the figure was \$491 million; together accounting for about 43 per cent of total imports for that year.

CARICOM Trade

Trade relationships with the CARICOM countries are relatively weak.^{3/} Value of imports and exports have grown during the period but the relative shares have declined. Partial figures for 1975 suggest a decline in absolute terms. The chief CARICOM trading partners are Antigua, Barbados, Belize, Jamaica and Trinidad and Tobago. Imports from the CARICOM region, have ranged from crude petroleum and petroleum products from Antigua, Jamaica and Trinidad and Tobago to wood pilings and treated lumber from Guyana and Belize. Exports have mainly been re-exports of perfumery, cosmetics and toiletries.

Balance of Payments

Considering the period 1970 to 1974, the balance of payments as measured by changes in international reserves showed surpluses except for 1970 when reserves declined by \$5.0 million. Increases in the subsequent four years averaged \$7.0 million. There are indications of another surplus for 1975.

The current account has been in deficit throughout the period, except for 1972. Largely responsible for this deficit are the large merchandise imports and investment income outflows which are not completely offset by inflows from Travel, Transportation and local expenditure by Offshore Companies.

^{3/} Bahamas is a member of the Caribbean Community but not of the Caribbean Common Market.

Inflows on the Capital Account have usually been adequate to offset the Current Account deficits. Net inflows of private long-term capital, amounted to \$117.7 million in 1974 an increase of more than 47 per cent over 1973, and comprised the major portion of total capital inflows. Given these relatively large autonomous capital inflows into important areas of the economy, the balance of payments becomes an important indicator of domestic economic trends.

PRICES

The Bahamas have experienced relatively moderate price increases compared with most of the rest of the Commonwealth Caribbean countries during the last 10 years. Two retail price indexes are published, one for the island of New Providence (base November/December 1971 = 100), the other for Grand Bahama (base March 1974 = 100).^{4/} The indexes quoted below refer to the New Providence index since the structures and trends of the two indexes are quite similar. Moreover the Grand Bahama index is only available since 1974.

For the period 1970-1975 the average annual rate of change in the indexes is approximately eight per cent. It should be noted that the increases in the last two years were approximately thirteen per cent and ten per cent respectively. The lower rate of increase in 1975 reflects the gradual easing of price increases during that year in the United States of America.

The important groups in the index are food, including non-alcoholic beverages, which accounts for about thirty four per cent of the total weight; housing (including rent, utilities, household equipment and supplies) which accounts for twenty five per cent, and clothing and footwear, constituting ten per cent of the total weight. During the period 1970-1975 the food index dominated the retail price index both because of its weight and the magnitude of the changes in food prices,

^{4/} These two islands contained more than 75 per cent of the total population in 1970.

amounting to 57 per cent over the period. The clothing and footwear index increased by nearly fifty two per cent and the housing index increased by almost thirty six per cent during the same period.

The trend in import prices is the key determinant of the trend in domestic prices in view of the fact that local consumption of domestic products is relatively small. The other major factor in the retail price level is the government price control machinery. It would appear, that this machinery has been relatively effective, since a comparison with United States prices shows that especially in the last two years of double digit price inflation, the level of the Bahamas price index has not much exceeded the level of the United States price index. It should be noted here that the United States is the major single source of imports, excluding crude petroleum, into the Bahamas.

BAHAMAS

TABLE I

SELECTED DATA ON TOURISM (1970-1975)

	1970	1971	1972	1973	1974	1975 ^P
TOTAL NUMBER OF VISITORS (Excludes Transits)	1,243,344	1,396,643	1,443,401	1,448,810	1,275,640	1,329,120
Stopover visitors	891,479 ^{1/}	960,818 ^{1/}	1,036,210 ^{1/}	976,750	929,240	903,050
Cruise visitors	351,865 ^{1/}	435,825 ^{1/}	407,191 ^{1/}	462,390	386,680	421,280
Hotel Rooms available at end of year (Licensed hotels)	n.a.	10,847	11,227	11,561	11,612	n.a.
Average hotel room occupancy rate (Nassau) % ^{2/}	n.a.	n.a.	n.a.	59.3	63.7	n.a.
STOPOVER VISITORS						
Average length of stay (days)	5.88	5.90	6.17	6.53	6.97	6.9
Per diem expenditure (B\$)	41.17	45.14	41.82	44.09	47.95	n.a.
Per visit expenditure (B\$)	242.08	266.33	258.03	287.91	334.21	n.a.
Total expenditure (B\$'000)	215,809	255,895	267,373	281,219	310,558	n.a.
CRUISE VISITORS						
Per visit expenditure (B\$)	48.40	50.00	45.00	45.00	45.00	n.a.
Total expenditure (B\$'000)	17,030	21,791	18,324	20,808	17,401	n.a.
Grand total expenditure of stop- over & cruise visitors (B\$'000)	232,839	277,686	285,697	302,027	327,959	n.a.

n.a. - not available

P - Provisional

^{1/} Based on old series.

^{2/} Occupancy rate for Grand Bahamas in 1973 and 1974 - 53.4 and 50.2; Family Islands - 38.5 and 39.6

Source: Statistical Abstract, 1972-73, Department of Statistics, Bahamas; Annual Report on Tourism, 1974, Ministry of Tourism, Bahamas; and data supplied ECLA.

BAHAMAS

TABLE II

STOPOVER VISITORS - ARRIVAL BY COUNTRY OF RESIDENCE

(1972-1975)

Country of Residence	1972	1973	1974	1975
United States of America	860,840	793,010	704,430	662,000
Canada	94,070	113,440	144,520	150,700
UK/Europe	33,680	42,620	52,530	58,960
Of which: UK	(n.a.)	(n.a.)	(11,860)	(14,980)
Germany	(n.a.)	(n.a.)	(21,270)	(23,310)
France	(n.a.)	(n.a.)	(n.a.)	(n.a.)
Other countries	26,730	27,680	27,760	31,390
TOTAL:	1,015,320	976,750	929,240	903,050

n.a. = not available

Source: Annual Report on Tourism, 1974, Ministry of Tourism, Bahamas; and data supplied ECLA.

BAHAMAS
TABLE III
BUILDING STARTS (1970-1975)
(Values in B\$ '000)

Period	New Providence		Grand Bahamas		Other Family Islands		Total Bahamas	
	Number	Value	Number	Value	Number	Value	Number	Value
1970	1,485	51,030	n.a.	n.a.	n.a.	n.a.	(1,485)	(51,039)
1971	907	28,722	n.a.	1,401	n.a.	n.a.	(907)	(30,123)
1972	647	23,668	84	2,139	42	616	773	26,603
1973	481	18,540	81	873	146	28,763	709	48,179
1974	402	18,012	67	5,186	165	3,037	634	26,235
1975 ^{1/}	208	7,702	33	1,213	32	641	273	9,556

n.a. = not available

^{1/} January to June.

Source: Annual Report, 1974; Quarterly Review, Vol. 2, No. 1,
September 1975, Central Bank of Bahamas.

BAHAMAS
TABLE IV
GOVERNMENT FINANCING (1970-1974)
(B\$ '000)

	1970	1971	1972	1973	1974
Revenue	81,318	77,503	97,748	108,794	120,631
Tax Revenue	73,061	68,626	78,787	96,177	101,517
Non-Tax Revenue	8,258	8,877	18,962	12,617	19,114
Expenditure	97,229	92,059	97,765	107,032	142,645
Current Expenditure	76,602	79,580	86,101	93,500	107,325
Capital Expenditure	20,626	12,479	11,665	13,532	35,320
Net Lending ^{1/}	1,549	- 4,733	- 1,564	- 6,057	+ 2,864
Deficit (-) or Surplus (+)	-17,460	- 9,823	+ 1,547	+ 7,819	- 24,878
Domestic Borrowing	11,532	13,283	- 605	23,978	35,292
Treasury Bills	4,712	3,091	- 605	328	4,292
Local Loans	6,820	10,192	-	23,650	20,000
Other Government Securities	-	-	-	-	11,000
Foreign Borrowing	79	-	-	8,350	5,304
Government Securities	-	-	-	-	-
Other	79	-	-	8,350	5,304
Debt Repayment	- 2,527	- 4,650	- 4,492	- 24,386	- 4,356
Domestic	- 633	- 2,433	- 2,675	- 22,486	- 1,456
Foreign	- 1,894	- 2,217	- 1,817	- 1,900	- 2,900
Other Financing	7,331	84	406	- 9,120	- 8,590
Cash Balance Change (Decrease)	(1,045)	(1,244)	(3,144)	6,641	2,772

^{1/} Net Lending consists of the change in Government Advances over a period of time.
Included in Net Lending are loans as given in Government Expenditure Account.

Source: Quarterly Review, Vol. 2, No. 1, September 1975, Central Bank of Bahamas.

BAHAMAS
TABLE V
GOVERNMENT REVENUE
(B\$ '000)

	1970	1971	1972	1973	1974	1975 ^{1/}
TAX REVENUE	73,061	68,626	78,787	96,177	101,517	108,427
Taxes on Property	1,094	1,575	1,534	1,774	2,840	3,000
Excise Taxes	4,099	4,533	1,823	3,230	3,141	3,000
Selective Taxes on Services	6,935	5,797	8,483	9,483	9,598	n.a.
Business and Professional Licences	2,065	2,177	4,205	4,386	3,727	n.a.
Motor Vehicle Taxes	1,150	1,146	1,428	2,380	2,458	2,987
Departure Taxes	3,007	4,720	4,890	4,817	4,134	n.a.
Import Taxes	54,864	50,674	50,782	64,071	69,512	71,900
Stamp Taxes	3,296	2,378	4,039	5,174	6,474	5,750
Other Taxes	2,145	2,129	3,032	2,339	2,449	n.a.
NON-TAX REVENUE	8,258	8,877	18,962	12,617	19,114	25,457
Income						
Public Enterprises	211	432	678	853	256	n.a.
Other Sources	1,129	822	10,019	1,797	2,703	n.a.
Fines, Forfeits and Administrative Fees	1,199	1,656	2,296	5,682	4,405	n.a.
Sales of Government Property	420	185	148	112	32	n.a.
Other	5,299	5,781	5,822	4,173	11,718	n.a.
TOTAL TAX AND NON-TAX REVENUE*	81,318	77,503	97,748	108,794	120,631	133,884

* Excludes Refunds in respect of Incentive Acts and Other Refunds, except 1975.

n.a. = not available

^{1/} Approved Estimates.

Source: Quarterly Review, Vol. 2, No. 1, September 1975, Central Bank of Bahamas;

1975: Approved Estimates of Revenue and Expenditure, 1975, Ministry of Finance, Bahamas.

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TABLE VI

GOVERNMENT EXPENDITURE BY ECONOMIC CLASSIFICATION
(B\$ '000)

	1970	1971	1972	1973	1974	1975 ^{1/}
CURRENT EXPENDITURE	76,602	79,580	86,101	93,500	107,325	131,393
Consumption	64,360	66,665	72,588	80,362	94,259	99,322
Purchase of Goods and Services	26,608	25,480	24,766	28,496	35,413	34,656
Personal Emoluments	37,753	41,175	47,822	51,866	58,531	64,666
Transfer Payments (3+4)	12,242	12,925	13,513	13,138	13,066	32,071
Interest Payments	3,571	4,101	4,146	5,671	7,636	10,361
Domestic	2,046	2,697	2,796	4,026	4,227	n.a.
Foreign	1,524	1,404	1,351	1,645	3,409	n.a.
Subsidies and Other Transfers	8,671	8,824	9,367	7,467	5,430	n.a.
Subsidies	1,119	1,179	1,113	1,048	153	n.a.
Reimbursable Transfers to Public Enterprises	1,809	1,742	2,056	243	316	n.a.
Transfers to Households	3,374	3,584	3,673	3,813	2,034	n.a.
Transfers to Non-Profit Institutions	2,060	1,934	2,051	1,743	2,101	n.a.
Transfers Abroad	309	385	474	620	826	n.a.
CAPITAL EXPENDITURE	20,626	12,479	11,665	13,532	35,320	26,347
Capital Formation	16,513	10,732	10,049	11,467	34,977	n.a.
Acquisition of Assets	186	190	840	161	155	n.a.
Land	-	-	-	-	3	n.a.
Equities	186	190	165	161	152	n.a.
Capital Transfers to Non-Financial Public Enterprises	3,927	1,557	776	1,904	189	n.a.
TOTAL EXPENDITURE	97,229	92,059	97,765	107,032	142,645	157,740

n.a. = not available

^{1/} Approved Estimates.

Source: Quarterly Review, Vol. 2, No. 1, September 1975, Central Bank of Bahamas;

1975: Approved Estimates of Revenue and Expenditure, 1975, Ministry of Finance, Bahamas

BAHAMAS
TABLE VII
NATIONAL DEBT (END OF PERIOD)
(B\$ '000)

	1970	1971	1972	1973	1974 ^P	June 1975
DIRECT CHARGE						
EXTERNAL						
Government Securities	-	-	-	-	-	-
Other	22,274	20,057	18,565	31,614	34,018	30,313
TOTAL EXTERNAL	22,274	20,057	18,565	31,614	34,018	30,313
INTERNAL						
Government Securities held by Central Bank	8,000	8,000	8,000	-	309	-
Treasury Bills	7,211	10,302	9,697	10,025	14,318	14,318
Other Government Securities	-	-	-	-	10,691	9,000
Local Loans	23,920	31,679	29,004	30,345	48,889	47,171
TOTAL INTERNAL	39,131	49,981	46,701	40,370	74,207	70,489
TOTAL DIRECT CHARGE	61,405	70,038	65,266	71,984	108,225	100,802
CONTINGENT LIABILITIES						
Bahamas Electricity Corporation	10,610	12,498	11,167	16,213	14,853	10,293
Bahamas Telecommunications Corporation	11,126	13,365	18,344	20,869	17,910	16,599
TOTAL CONTINGENT	21,736	25,863	29,511	37,082	32,763	26,892
TOTAL NATIONAL DEBT	83,141	95,901	94,737	109,066	140,988	127,694

P = Provisional

Source: Quarterly Review, Vol. 2, No. 1, September 1975, Central Bank of Bahamas;
and data supplied ECLA.

BAHAMAS
TABLE VIII
SUMMARY TRADE DATA: 1970-1975
(B\$ '000)

	EXPORTS (F.O.B.)			Total Imports (c.i.f.)	Balance of Trade
	Domestic	Re-Exports	Total		
1970	n.a.	n.a.	89,602	337,484	-247,882
1971	247,282	19,270	266,552	511,321	-244,769
1972	315,704	27,709	343,413	484,895	-141,482
1973	410,995	118,753	529,749	764,261	-234,512
1974	1,008,548	435,331	1,443,879	1,908,377	-464,498
1975 ^{1/}	816,858	908,732	1,725,589	1,186,146 ^{2/}	+539,443 ^{2/}

^{1/} January to September.

^{2/} Some imports of crude petroleum for the quarter June to September excluded so that imports are understated, and balance of trade overstated.

Source: External Trade Statistics Report (Several issues); Summary Report of External Trade Statistics, 3rd Quarter 1975, Department of Statistics, Bahamas.

BAHAMAS
TABLE IX
IMPORTS (C.I.F.) BY SITC SECTION, 1970-1975
(B\$ '000)

SITC Section	1970	1971	1972	1973	1974	Jan-Sept. 1975
0 Food and Live Animals	47,682	49,629	51,458	59,495	65,618	43,516
1 Beverages and Tobacco	13,455	13,695	14,959	14,134	13,476	7,326
2 Crude materials, inedible except fuels	7,729	6,400	5,578	7,278	7,639	2,862
3 Mineral fuels, lubricants and related materials	59,153	288,448	256,935	470,252	1,594,499	1,021,828
4 Animal and Vegetable oils & fats	529	848	736	825	1,099	625
5 Chemicals	20,052	22,735	22,368	27,787	37,582	25,889
6 Manufactured goods classified by materials	47,598	35,557	47,158	68,643	72,427	25,961
7 Machinery and Transport equipment	78,302	51,141	47,724	72,777	68,770	31,176
8 Miscellaneous manufactured articles	61,418	41,002	36,127	40,748	44,987	24,457
9 Commodities and transactions not classified according to kind	1,565	1,866	1,852	2,322	2,278	2,506
TOTAL:	337,484	511,321	484,895	764,261	1,908,377	1,186,146

Sources: External Trade Statistics Report (Several issues); Summary Report of External Trade Statistics, 3rd Quarter 1975, Department of Statistics, Bahamas.

BAHAMAS

TABLE X

DOMESTIC EXPORTS (F.O.B.) BY SITC SECTIONS, 1970-1975
(B\$ '000)

SITC Section	1970 ^{1/}	1971	1972	1973	1974	Jan-Sept. 1975 P
0 Food and Live Animals	2,867	3,979	3,500	3,538	4,741	1,491
1 Beverages and Tobacco	7,061	5,315	11,431	15,914	13,697	9,151
2 Crude materials, inedible except fuels	6,522	4,060	11,299	10,729	10,601	5,593
3 Mineral fuels, lubricants and related materials	32,019	204,734	245,786	341,560	926,214	776,054
4 Animal and Vegetable oils & fats	neg.	-	-	-	-	-
5 Chemicals	10,794	15,921	28,274	22,503	38,285	19,253
6 Manufactured goods classified by materials	15,195	13,219	15,412	16,751	14,998	5,289
7 Machinery and Transport equipment	10,093	-	-	-	-	neg.
8 Miscellaneous manufactured articles	2,957	35	2	-	6	27
9 Commodities and transactions not classified according to kind	2,094	-	1	-	6	-
TOTAL:	89,602	247,282	315,704	410,995	1,008,548	816,858

^{1/} Total exports.

P = Provisional

Source: External Trade Statistics Report (Several issues); Summary Report of External Trade Statistics, 3rd Quarter 1975, Department of Statistics, Bahamas.

BAHAMAS
TABLE XI
VALUE OF PRINCIPAL DOMESTIC EXPORTS, 1970-1975
(B\$ '000)

Products	1970 ^{1/}	1971	1972	1973	1974	Jan-Sept 1975
Petroleum Products	28,749	180,400	207,774	229,783	664,595	541,467
Hormones	4,499	15,736	28,247	22,143	37,984	19,253
Cement	11,100	13,218	15,412	16,718	14,995	5,289
Rum	2,675	5,132	11,416	15,654	13,696	9,151
Pulp-wood	3,542	nil	5,179	3,762	2,834	551
Crude Salt	2,847	3,730	3,104	2,965	4,139	2,926
Sugar	1,316	1,978	nil	nil	nil	nil
Crawfish	462	1,568	2,343	2,076	4,117	1,005
TOTAL:	55,192	225,762	273,475	293,101	742,360	579,642

^{1/} Total exports.

Source: External Trade Statistics Report, 1970; Statistical Abstract, 1972/73; and Summary Report of External Trade Statistics, 4th Quarter 1974 & 3rd Quarter 1975, Department of Statistics, Bahamas.

BAHAMAS
TABLE XII
TRADE WITH MAJOR TRADING PARTNERS
(B\$ '000)

Trading Partners	1970	1971	1972	1973	1974	Jan-Sept. 1975
	<u>TOTAL EXPORTS</u>					
CANADA	5,303	16,764	15,078	10,864	29,038	97,439
U.K.	6,582	8,329	8,432	12,433	20,770	22,607
CARICOM COUNTRIES	908	1,749	1,342	848	10,112	5,625
OTHER BRITISH COMMONWEALTH COUNTRIES	1,560	1,419	1,593	1,428	6,981	15,246
U.S.A.	60,468	197,686	280,458	424,419	1,194,258	1,274,633
OTHER COUNTRIES	14,781	40,605	36,510	79,756	182,427	310,039
TOTAL:	89,602	266,552	343,413	529,748	1,443,586	1,725,590
	<u>IMPORTS</u>					
CANADA	11,847	12,988	7,816	9,111	8,997	6,048
U.K.	45,736	43,023	62,501	53,286	45,675	20,831
CARICOM COUNTRIES	4,366	4,934	5,228	9,096	28,156	1,209
OTHER BRITISH COMMONWEALTH COUNTRIES	14,939	78,949	78,483	125,445	321,243	237,581
U.S.A.	182,007	159,097	137,525	182,800	231,213	198,159
OTHER COUNTRIES	78,589	212,329	193,342	384,522	1,273,093	722,297
TOTAL:	337,484	511,321	484,895	764,261	1,908,377	1,186,146

Source: External Trade Statistics Report, 1974; Summary Report of External Trade Statistics, 3rd Quarter 1975, Department of Statistics, Bahamas.

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BAHAMAS

TABLE XIII

BALANCE OF PAYMENTS: 1970-1974
(B\$ Mill.)

	1970	1971	1972	1973	1974
<u>GOODS & SERVICES</u>	- 42.6	- 1.4	+ 91.9	- 50.2	- 48.1
Oil Trade	- 6.6	- 44.6	+ 21.0	- 21.3	-125.0
Other Merchandise (f.o.b.)	-218.9	-181.8	-143.6	-182.8	-167.1
Freight & Insurance	- 22.4	- 19.6	- 19.0	- 22.1	- 23.6
Travel	+213.1	+255.8	+260.9	+280.5	+305.7
Transportation	+ 11.3	+ 8.0	+ 9.2	+ 13.6	+ 50.0
Interest Dividends & Profits	- 27.5	- 27.7	- 46.2	-113.2	- 74.4
Of which: Government	(- 1.5)	(- 1.4)	(- 1.4)	(- 1.7)	(- 3.4)
Banks & Trusts	(- 13.0)	(- 9.0)	(- 15.6)	(- 58.2)	(+ 19.3)
Offshore Co's local expenses	+ 25.0	+ 27.0	+ 30.9	+ 31.0	+ 34.6
Other Government	- 3.0	- 1.2	- 1.6	- 2.0	+ 0.3
Non-Merchandise Ins.	- 1.4	- 2.4	- 2.7	- 3.4	n.a.
Other Services	- 12.2	- 14.9	- 17.0	- 30.5	- 48.6
<u>TRANSFERS</u>	- 15.7	- 17.1	- 17.5	- 17.6	- 17.1
Private	- 18.1	- 19.6	- 19.9	- 20.0	- 19.0
Government	+ 2.4	+ 2.5	+ 2.4	+ 2.4	+ 1.9
<u>CAPITAL</u>	+ 78.0	+ 92.8	+ 78.0	+ 90.6	+118.1
Private Long-term	n.a.	n.a.	+ 76.0	+ 79.9	+117.7
Property purchase	(n.a.)	(n.a.)	(n.a.)	(+ 33.4)	(+ 17.6)
Loans & Repayments	(n.a.)	(n.a.)	(+ 9.2)	(+ 1.9)	(+ 7.0)
Other Investments	(n.a.)	(n.a.)	(n.a.)	(+ 44.6)	(+ 93.1)
Public Corporations Loans	+ 5.2	+ 6.0	+ 3.8	+ 4.2	- 2.0
Government Loan	- 1.8	- 2.2	- 1.8	+ 6.5	+ 2.4
<u>AUTHORISED DEALERS (NET)</u>	n.a.	+ 2.0	+ 2.0	- 3.9	+ 7.1
<u>OTHER FINANCIAL INSTITUTIONS</u> (NET)	n.a.	n.a.	n.a.	n.a.	+ 6.3
<u>ERRORS & OMISSIONS</u>	- 24.7	- 69.4	-147.0	- 11.7	- 39.8
<u>CHANGE IN INTERNATIONAL RESERVES (+) = increase</u> <u>(-) = decrease</u>	- 5.0	+ 6.9	+ 7.4	+ 7.2	+ 6.5
Government	- 4.1	+ 2.8	- 5.5	- 0.8	- 1.1
Central Bank	- 0.9	+ 4.1	+ 12.9	+ 8.0	+ 1.6
Reserve Position in the Fund	-	-	-	-	+ 6.0

n.a. = not available

Source: Quarterly Review, Vol. 1, No. 5, June 1975 and
Vol. 2, No. 1, September 1975, Central Bank of
Bahamas.

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TABLE XIV

RETAIL PRICE INDEX (NEW PROVIDENCE ISLAND)

(Nov/Dec. 1971 = 100)

Period	Food	Housing	Clothing & Footwear	Transport	Health & Personal Care	Recreation & Reading	Other Goods & Services	All Items
Weights	0.343	0.250	0.101	0.091	0.070	0.044	0.101	1.000
1970	93.2	90.4	94.0	96.9	n.a.	n.a.	94.1	93.2
1971	97.7	94.6	97.5	98.4	n.a.	n.a.	98.5	97.5
1972	104.5	104.1	108.4	104.5	105.8	99.3	103.1	104.4
1973	110.8	107.0	113.1	108.2	109.9	111.1	111.5	109.8
1974	131.3	115.6	127.3	123.8	118.3	122.8	123.3	124.4
1975 ^{1/}	146.6	122.8	142.8	139.5	128.8	135.4	135.2	136.8
<u>1974</u>								
Qtr. I	123.9	112.6	122.1	118.5	114.8	117.1	180.0	118.8
Qtr. II	128.0	113.9	126.3	123.5	116.7	118.6	121.5	122.8
Qtr. III	133.2	115.8	128.6	125.8	119.3	124.0	123.4	125.3
Qtr. IV	140.1	119.9	132.2	127.5	122.5	131.4	130.2	130.5
<u>1975</u>								
Qtr. I	145.5	121.1	135.4	137.0	125.2	132.1	132.5	134.3
Qtr. II	146.6	122.3	144.6	139.2	127.4	133.6	135.7	136.6
Qtr. III	146.5	123.8	145.8	140.7	131.4	138.1	136.3	137.8
Qtr. IV	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Note: New Providence Island contains some 60 per cent of the total population.

n.a. = not available

^{1/} Average of January to November.

Source: Quarterly Review, Vol. 2, No. 1, September 1975, Central Bank of Bahamas; Retail Price Index (Monthly), Department of Statistics, Bahamas.

BAHAMAS

TABLE XV

PERCENTAGE CHANGES IN RETAIL PRICE INDEX

(Nov/Dec. 1971 - 100)

Groups	Weights	1971/70	1972/71	1973/72	1974/73	1975/74 ^{1/}
Food	.343	4.8	7.0	6.0	18.5	11.6
Housing	.250	4.6	10.0	2.8	8.0	6.2
Clothing & Footwear	.101	3.7	11.2	4.3	12.6	12.2
Transport	.091	1.5	6.2	3.5	14.4	12.7
Health & Personal Care	.070	n.a.	n.a.	3.9	7.6	8.9
Recreation & Reading	.044	n.a.	n.a.	11.9	10.5	10.3
Other Goods & Services	.101	4.7	4.7	8.1	10.6	9.6
All Items	1.000	4.6	7.1	5.2	13.3	10.0

n.a. = not available

^{1/} 1975 figure is the average of January to November.

Source: Derived from Table XIV)

BAHAMAS
TABLE XVI
SELECTED FINANCIAL STATISTICS
(B\$ '000)

SITC Sections	1973	1974	1975 ^{1/}
<u>MONEY SUPPLY (December)</u>			
(a) Demand Deposits	54,944	56,233	61,078
(b) Currency in Active Circulation	19,935	19,195	18,460
<u>QUASI MONEY (December)</u>			
(a) Savings Deposits	43,661	45,544	49,335
(b) Time Deposits	51,650	68,835	76,429
(c) Local Foreign Currency Deposits	35,758	18,446	16,846
<u>LOANS AND ADVANCES^{2/} (December)</u>			
1. Government	20,236	46,444	47,209
2. Mining & Quarrying	22,276	20,221	18,800
3. Hotel, Restaurants, etc.	51,463	29,280	29,411
4. Trade & Commerce (except 3)	46,990	31,141	30,020
5. Building & Construction	40,399	41,263	43,597
6. Real Estate	49,218	46,113	51,803
7. Personal Loans	31,574	40,202	38,791
<u>INTEREST RATES^{3/} - Quarterly Average (%)</u>			
Savings Deposit (per annum)	4.85	4.29	4.20
Averaged Fix Deposit (per annum)	7.09	7.76	7.54
Consumer Loans (per annum)	11.42	12.66	14.70
Commercial Bank prime lending rate (per annum)	9.00	9.50	9.50

^{1/} Represents data up to June.

^{2/} Bahamian and foreign currency.

^{3/} Bahamian dollar interest rates. 2 May 1972 to 16 October 1972 - Prime rate 7.5 per cent. 1975 data are an average of rates at end of first two quarters.

Source: Quarterly Review, Vol. 2, No. 1, September 1975, Central Bank of Bahamas; and data supplied ECLA.

Selected Information on the Bahamas1. GEOGRAPHY

Location: The islands stretch between Latitudes
20° - 27° North and Longitude 72° - 79° West.

Area: 5,353 square miles or 13,664 km²

Climate: Sub-tropical - Mean temperature 76°F
Mean humidity 79°
Average annual rainfall 56"

2. DEMOGRAPHYPopulation and Population Density 1970 Census

<u>Islands</u>	<u>Area</u> <u>Sq. mls.</u>	<u>Population</u>	<u>Population</u> <u>Density</u> <u>(per sq. ml.)</u>
New Providence	80	101,503	1,268.7
Grand Bahama	530	25,859	48.8
Biminis	11	1,503	136.6
Eleuthera Harbour Is. } and Spanish Wells }	200	9,468	47.3
Other islands	4,532	30,479	6.7
TOTAL	<u>5,353</u>	<u>168,812</u>	<u>31.5</u>

Crude Birth Rate: 22.4 per thousand (1973)

Crude Death Rate: 6.2 per thousand (1973)

3. LABOUR

Labour Force (Persons between ages 15-64): 89,354 (1970)

Labour Force as % of Total Population: 52.9 per cent

Employment - Economically active population: 69,791 (1970)

Economically active population as
% of Labour Force: 78.1 per cent
(1970)

4. ECONOMIC ACTIVITY

Gross National Product ^{1/} (Market price):	B\$380 million (1972)
Per capita GNP ^{1/} :	B\$2,240

1/ Tentative estimate of IBRD - World Bank Atlas 1974.

Note: US\$1.00 = B\$1.00

PART III
BARBADOS COUNTRY NOTES

ECONOMIC SURVEY 1975

BARBADOS

(Barbados dollars used throughout)

Gross Domestic Product at current factor cost is provisionally estimated at approximately \$627 million for 1975. This figure represents a growth rate of 15 per cent above the revised estimate of \$543 million for 1974. The average annual rate of growth for the three years 1972 to 1974 was approximately 20 per cent in current prices. Any improvement in Gross Domestic Product in real terms during 1975 could only be minimal and was aided by some improvement in agriculture and manufacturing.

The downturn in economic activity which existed for the greater part of 1975 was a continuation of the slowdown begun in 1974 and further aggravated by unfavourable climatic conditions for agriculture, such as intensive drought and excessive rains. Increase in the total supply of goods and services was affected both by the comparatively suppressed nature of domestic production, as well as by a reduction in imports. However, the level of goods available was not as low as would appear from production and import data since inventories are reported to have declined.

Overall, there appears to have been a slowdown in the growth of domestic demand commensurate with the trends in supply. Internal demand slackened during the year as the pace of both private capital investment and public capital expenditure (to some extent) were reduced. Levels of unemployment appear to have increased, affecting money incomes and a high level of price increases continued though considerably reduced below the 1974 levels. Consumer instalment credits at Commercial Banks increased during the year but not as strongly as had been feared, in view of the increased liquidity. It is noticeable also that more than half of the increase in consumer instalment credit during 1975 was for the purpose of expenditure on home improvement and real estate. Commercial Banks were excessively liquid in spite of which

/interest

interest rates on bank loans continued to be high - a fact which occupied the attention of the Central Bank in the pursuit of its monetary policy.

External demand also was not very buoyant and the increase in total export value was mainly as a result of price rises, especially for sugar. The balance on merchandise trade remained vastly in deficit although this deficit was lower than in 1974. The trade performance contributed to an improved Balance of Payments position reflected in a significantly higher level of international reserves than at the end of 1974. External debt remained at around the same level as in 1974 as government borrowing was mainly from local sources during the year.

The most important external influences on the economy of the country were the higher prevailing prices for sugar and some other commodities, the generally lower level of international price increases and repercussions of economic conditions existing in the United States of America, the United Kingdom and Canada. The latter influence had serious consequences for the demand for certain goods and services from Barbados, notably non-food manufactured goods and services. These were compounded by the sluggish output performance of some agricultural commodities which could have earned higher returns abroad.

Priorities in economic policy centered on raising the level of economic activity and increasing employment, while at the same time keeping the general level of prices down. The rate of inflation at 20 per cent was significantly lower in 1975 than in 1974 but unemployment appeared to have increased. There was evidence of lay-off, retrenchment and shorter work weeks for employees in industry, tourism, construction and distribution. However, some recovery was made in the employment of industrial workers in the latter part of the year. Moral suasion was used by the Central Bank to make commercial banks' lending rates to business more attractive and the Central Bank was empowered by new legislation to regulate consumer instalment credit. Additional funds out of the Sugar Export Levy were channelled

/into

into mortgage financing in an attempt to stimulate housing. The effects of expenditure from this source, on construction, however was only minimal in 1975. In addition, Government pursued a more balanced-budget policy and changed its currency alignment from the depreciating pound sterling to the US dollar just after mid-year.

Agriculture (including sugar manufacturing)

Despite a decline in sugar output, the industry's distribution to total economic activity increased significantly during 1975 as a result of higher prices received for sugar and sugar by-products. GDP in the sector increased by more than 50 per cent in current values while non-sugar agriculture GDP is also estimated to have increased but much less spectacularly. In terms of volume the increase for 1975 is estimated at approximately 5 per cent.

Sugar production which had stabilized at around 110 to 111 thousand tons between 1972 and 1974 declined to 97 thousand tons, a reduction of 12 per cent. There was also a reduction in the number of acres harvested as well as in the yield of sugar cane per acre. Persistent drought in the first half of the year, heavy showers during the reaping season and adverse soil conditions resulting from the practice of controlled burning of sugar canes contributed to the lower yield of sugar cane.

Climatic conditions also affected output of some other agricultural crops which failed to achieve the expected levels since heavy rains in the latter half of the year caused considerable damage to vegetable crops. However larger output of yams and cotton along with increased production of poultry-meat and eggs contributed to the overall increase in volume of agricultural production.

For many years, Government's policy has been to extract a levy from sugar export earnings and to utilize these to finance expenditures on social programmes. The Sugar Levy was increased in 1974 and again in 1975 as a result of the substantially higher prices prevailing for sugar in these years. Much of these funds were channelled into housing and agriculture including fishing during 1975.

Prospects for 1976 appear bleak in the light of the more or less permanent increases in production costs. Sugar prices also have declined sharply below the 1975 levels.

Mining and Manufacturing

Exploration and drilling for crude petroleum have been proceeding for some time in Barbados. While output of small commercial quantities had been achieved in 1973, a significant level of production (2.5 million gallons) was first achieved in 1974. Production in 1975, though curtailed on account of deficient storage facilities, amounted to 5.2 million gallons. Among the petroleum products, diesel oil production reached 18 million gallons, an increase of 19 per cent over 1974, gasoline increased marginally and fuel oil declined drastically by over 20 per cent. Production of the natural gas associated with the new crude petroleum discoveries commenced in October and it is estimated that natural gas located at two major drilling sites will make the country self-sufficient for about five years.

Industrial output was relatively low in the first half of 1975 compared with 1973 and 1974. However, the levels of output started recovery by mid-year and improved significantly during the last quarter of the year, with the result that the index of industrial production for 1975 exceeded that of 1974 by 8 per cent. The index for manufacturing increased by 9 per cent, electricity and gas by 5 per cent while quarrying declined by almost 23 per cent.

Tourism

Activity in the tourism sub-sector was generally below 1974 levels as reflected by data on tourist arrivals in the Statistical Appendix. Visitor arrivals returned to a total just below the level of 1973, a decline of 4 per cent under 1974. This development is of crucial importance to the industry since it is the first year that visitor arrivals have declined since tourism became a major area of economic activity in the island.

/The reduction

The reduction in tourist arrivals is explainable chiefly in terms of the reduction of visitors from the U.S.A. and Canada which exceeded the increase from all other countries together. The number of visitors from the United Kingdom increased by nearly 5 per cent and visitors from all other areas increased by more than 11 per cent. There was virtually no change in the number of visitors from the CARICOM area. The unfavourable situation in the sub-sector is further indicated by the fact that both hotel occupancy rates and average length of stay of visitors have also declined.

Aggregate tourism expenditure is expected to have increased somewhat, perhaps by no more than 10 per cent, on the basis of a 12 to 15 per cent increase in room rates and the general rises in prices including 20 per cent in transportation and 22 per cent in food and beverages. Accommodation for tourists also expanded during the year and will be further increased in 1976 as current projects are completed.

Table 1

Selected Data on Tourism

Year	No. of visitors	Arrivals from		Estimated Tourist Expenditure (Bds\$ Mill)
		Canada	United States	
1973	222,080	68,639	74,779	136.4
1974	230,718	77,246	66,237	156.6
1975	221,486	75,517	54,894	n.a.

Source: Economic & Financial Statistics, April 1976, Central Bank of Barbados, and data supplied ECLA.

Other Sectors

Government sector contribution to GDP is provisionally estimated at approximately \$100 million, an increase of 12 per cent in current prices over 1974. The sector remains a dynamic one in the economy

/of Barbados.

of Barbados. Recurrent revenue increased by 32 per cent while recurrent and capital expenditure increased by 17 and 36 per cent respectively.

Revenue benefited substantially from both the change in tax administration procedures whereby company taxes for 1974 and 1975 became due sooner after the end of the taxation period, as well as from the increased Sugar Export Levy, part of which is credited to General Revenue. However, the performance of Government revenue in 1975 must not be viewed as purely recurrent in nature since from fiscal year 1976/77 only one year's corporate income tax as usual will be due. Furthermore the lower sugar prices of 1976 will reduce the revenues obtained on account of the Sugar Export Levy.

Recurrent expenditure amounted to \$175.3 million and capital expenditure to \$44.7 million during the year. With the existing inflationary trends, an increase of 20 per cent in total expenditure in 1975 appears modest and reflects a continuation of Government's policy of fiscal restraint during a period of high liquidity in the banking system. The overall deficit of \$20.1 million recorded by Central Government was the lowest for some years. However this cannot be viewed as a significant reversal of the trend towards increasing deficits since, as has been mentioned earlier, there were abnormal factors favouring government revenue during 1975.

Activity in the relatively large distribution sector was stagnant and may even have declined in real terms both on account of a reduction in imports and the sluggish nature of domestic production for the greater part of the year. Retrenchment of employees also occurred in this sector. The revival of domestic production late in the year should have favourable consequences for the sector in early 1976.

Table 2

Selected Data on Government Operations

BDS\$ Million

	1973	1974	1975
Recurrent Revenue	136.5	151.2	199.9
Recurrent Expenditure	143.5	150.3	175.3
Capital Expenditure	30.5	32.9	44.7
Surplus (+) or Deficit (-) (to be financed)	- 37.5	- 32.0	- 20.1
National Debt (as of end of year)	130.5	174.8	200.8
Internal	75.6	136.2	158.1
External	54.9	42.2	42.7
Method of Financing Debt Increases ^{1/}			
Treasury bills	6.5	28.9	9.9
Debentures	4.5	10.8	18.5
Other (residual)	(15.4)	(8.2)	(-11.8)

^{1/} December to December changes.

Source: Compiled from data in Economic and Financial Statistics May 1975, April 1976, Central Bank of Barbados; Government Budget Estimates and data supplied ECLA.

The construction sector contributed to and also reflected the recessionary situation in the economy as all the indicators showed a downward trend. The value of construction materials in retained imports was lower than in 1974. No major public sector projects were undertaken and the construction activities of the National Housing Corporation declined. In addition the number of applications for building permits were about the same as in 1974. There was also retrenchment of employees in the sector.

A more favourable situation is expected in 1976 as a result of the injection of an estimated \$10m from the Sugar Export Levy into housing construction late in 1975.

THE EXTERNAL SECTOR

1975 is a most favourable year for Barbados in its international transactions. The reduction in the growth rate of the deficit on visible trade noted in 1974 progressed to such an extent that the absolute deficit fell below the 1974 level. This reduction is the result of movements both in imports and exports. On the import side the generally depressed nature of economic activity and the easing of the rate of increase in commodity prices during the year were instrumental in the decline in the value of imports by 3.5 per cent to about \$404 million. Export values on the other hand were boosted by the high prices received for sugar, and increased by 18 per cent to over \$204 million.

Considering the world inflationary situation, average unit values of both imports and exports are estimated to have increased. Average unit value of imports, however, are estimated to increase less than the average unit value of exports so that an improvement in the net commodity terms of trade is expected.

The Balance-of-Payments position strengthened in 1975 and the overall surplus is put provisionally, at \$33.6m, a significant improvement on the deficit of \$17.5m in 1973 and a surplus of only \$0.4m in 1974.

In 1975 the Current Account, which has generally been in deficit since the net inflow on services is insufficient to offset the visible trade deficit, recorded the lowest figure (\$68m), considering the period 1970-75. Travel is by far the largest of the Service Accounts and reflects tourist expenditure. Beginning in 1974 the transportation account has increased significantly. Transfer payments also increased by more than \$1m during 1975.

Net inflows on Capital Account after increasing sharply in 1973 has reverted to more "normal" levels. This trend reflects the decline in government foreign borrowing because the level of private capital inflows has been maintained. Private capital inflows assumed greater proportions than normally around May 1975. It appears that part of

/this inflow

this inflow was of a speculative nature, in response to indications that the Barbados dollar would be revalued and aligned to the United States dollar.

As a result of these transactions total reserves of the banking system rose to \$63m at the end of 1975.

Table 3
International Reserves of the Banking System^{1/} (1972-1975)
(Bds \$ million)

	1972	1973	1974	1975
MONETARY AUTHORITIES	54.7	64.6	62.8	81.9
Central Bank	(29.5)	(43.5)	(50.6)	(69.1)
Government	(16.8)	(13.8)	(3.1)	(2.5)
COMMERCIAL BANKS (net)	-17.4	-44.2	-33.5	-19.0
SAVINGS BANK	9.1	8.5	-	-
TOTAL BANKING SYSTEM (net)	46.4	28.9	29.3	62.9

^{1/} As at December each year.

Source: Economic and Financial Statistics, April 1976
Central Bank of Barbados.

Data on external trade with partner countries are given in Table IX of the Statistical Appendix. The notable changes are as follows: On the import side trade with the UK increased perhaps partly in response to downward pressure on prices as Sterling has depreciated vis-a-vis the US dollar. This increase is mainly at the expense of the CARICOM Area and "Other" countries including Latin America. On the export side the share of trade with the UK and US increased sharply while trade with CARICOM and "Other" countries including Latin America declined drastically, according to preliminary figures.

Table 4

Table 4
Trade with CARICOM Countries
(Bds \$ million)

	1971	1972	1973	1974 ^P	1975 ^P
<u>IMPORTS</u>					
Guyana	5.0	5.9	5.7	8.1	10.1
Jamaica	4.2	5.7	7.3	10.5	11.5
Trinidad & Tobago	18.4	22.5	26.2	49.5	44.5
Others	2.4	2.4	3.6	4.2	5.8
Total:	30.0	36.5	42.8	72.3	71.9
<u>TOTAL EXPORTS</u>					
Guyana	1.2	1.7	2.6	3.5	3.4
Jamaica	1.1	2.3	4.1	7.0	8.6
Trinidad & Tobago	4.6	6.7	8.1	10.0	12.2
Others	11.9	12.5	13.4	17.3	15.4
Total:	18.8	23.2	28.2	37.8	39.6

P = Provisional

Source: External Trade publications, statistical service, Barbados; and data supplied ECLA.

RETAIL PRICES

The rate of inflation as measured by the Consumer Retail Price Index increased at a slower pace in 1975 than in 1974. For the food and beverage component which has the greatest weight, the growth rate decreased from 44 per cent in 1974 to 22 per cent in 1975. This slower rate of increase influenced the All Items Index to a 20 per cent increase compared with a 39 per cent increase in 1974. Other subgroup indexes showing large increases in 1975 were clothing with nearly 29 per cent, transportation 19 per cent, education and recreation 18 per cent. In all cases the increases were substantially below the rates for 1974.

/Higher

Higher import prices have been a major factor in the inflationary process of the country. The depreciating value of the Barbados dollar in recent years has also exacerbated the import price rises. This depreciation resulted from the alignment with the weakened Pound Sterling and the consequent sympathetic decline. To offset the resulting increases in import prices as well as for considerations of monetary policy the currency was aligned to the United States dollar in July 1975. It is interesting to note that a 9 percentage point rise in the index occurred in July 1975 after which the percentage points increase in the index decreased each succeeding month of 1975.

BARBADOS

TABLE I

GROSS DOMESTIC PRODUCT AT CURRENT FACTOR COST
(BDS\$ Mill.)

Sector	1970 ^P	1971 ^P	1972 ^P	1973 ^E	1974 ^{RE}	1975 ^E
1. Sugar	27.1	24.0	24.7 ^{RE}	(29.8)	(47.2)	71.0
2. Domestic Agriculture	13.2	14.0	16.6	n.a.	n.a.	n.a.
3. Manufacturing	31.4	37.0	43.6	n.a.	n.a.	n.a.
4. Construction	27.5	28.2	29.0	n.a.	n.a.	n.a.
5. Distribution	71.2	78.2	84.0	(105.2)	(134.1)	(141.0)
6. Government	42.7	47.3	54.9	(70.0)	(89.0)	(100.0)
7. Transportation & Public Utilities	20.9	24.0	27.6	n.a.	n.a.	n.a.
8. Rent of Dwellings	11.1	12.2	13.4	n.a.	n.a.	n.a.
9. Services	44.8	56.6	60.0	n.a.	n.a.	n.a.
TOTAL:	289.9	321.5	353.8	423.1 ^R	542.8	624.0

P = Provisional

E = ECLA's preliminary estimates

R = Revised

n.a. = not available

Source: Economic Survey (Several issues), Economic Planning Unit, Barbados.

BARBADOS
TABLE II
GROSS DOMESTIC PRODUCT

Sectors	SECTORAL GROWTH RATES					PERCENTAGE CONTRIBUTION				
	Avg. of 1967-70	1971- 1972	1972 _E - 1973 _E	1973 _E - 1974 _E	1974 _E - 1975	1971	1972	1973 ^{RE}	1974 ^{RE}	1975
1. Sugar	- 7.6	2.9	(20.6)	58.4	50.4	7.5	(7.0)	(7.1)	(8.7) ^R	(11.4)
2. Domestic Agriculture	1.3	18.6	n.a.	n.a.	n.a.	4.4	4.7	n.a.	n.a.	n.a.
3. Manufacturing	22.9	17.8	n.a.	n.a.	n.a.	11.5	12.3	n.a.	n.a.	n.a.
4. Construction	22.6	2.8	n.a.	n.a.	n.a.	8.8	8.2	n.a.	n.a.	n.a.
5. Distribution	27.2	7.4	(25.2)	27.5	5.1	24.3	23.7	(25.0) ^R	(24.7)	(22.6)
6. Government	21.8	16.1	(27.5)	(27.1)	12.3	14.7	15.5	(16.6) ^R	(16.4)	(16.0)
7. Transportation & Public Utilities	14.4	15.0	n.a.	n.a.	n.a.	7.5	7.8	n.a.	n.a.	n.a.
8. Rent of Dwelling	17.4	9.8	n.a.	n.a.	n.a.	3.8	3.8	n.a.	n.a.	n.a.
9. Services	43.2	6.0	n.a.	n.a.	n.a.	17.6	17.0	n.a.	n.a.	n.a.
TOTAL:	17.7	10.0	(19.6)	(28.3)	14.9	100.0	100.0	100.0	100.0	100.0

E = ECLA's preliminary estimates

R = Revised

n.a. = not available

Source: Derived from Table I.

BARBADOS

TABLE III

ESTIMATED OUTPUT OF SELECTED AGRICULTURAL COMMODITIES
('000 lbs.)

Commodities	1972	1973 ^P	1974 ^P	1975 ^P
Yams	26,555	17,125	11,250	14,573
Potatoes	16,854	9,211	7,189	6,430
Tomatoes	862	1,086	964	979
Pigs (slaughtered)	3,805	3,219	2,075	n.a.
Cows and Calves (slaughtered)	985	1,000	822	n.a.
Goats and Sheep (slaughtered)	252	255	250	n.a.
Poultry	3,300	5,226	5,295	6,387
Eggs	1,885	1,900	n.a.	n.a.
Onions	2,500	1,800	1,814	1,800
Sugar-cane	2,336,320	2,401,280	2,107,309	1,862,939
Milk ^{1/}	4,543	4,792	5,164	n.a.
Cotton	51	113	153	450
Peanuts	500	250	344	n.a.
Pumpkins ^{2/}	800	850	411	556
Cucumbers	1,944	2,238	2,712	3,324
Cabbage	1,343	1,748	1,725	1,582

P = Provisional

n.a. = not available

^{1/} Milk purchased by the Pine Hill Dairy only.

^{2/} Grown on farms of 10 acres or more.

Source: Ministry of Agriculture, Science & Technology, Barbados.

BARBADOS

TABLE IV

OUTPUT OF SELECTED INDUSTRIAL COMMODITIES

Commodities	Units	Avg. of 1969-70	1972	1973	1974	1975
Sugar	'000 tons	145	111	111	110	97
Lard	'000 lbs.	1,670	2,390	2,182	2,685	2,468
Margarine	'000 lbs.	3,352	4,026	3,875	3,684	3,859
Animal feeds	'000 lbs.	36,075	56,256	60,193	46,168	62,699
Rum	'000 proof gals.	1,306	1,954	1,817	1,739	1,790
Beer	'000 lq. gals.	928	1,422	1,505	1,366	1,300
Malt beverages	'000 lq. gals.	501	678	621	856	616
Cigarettes	'000 lbs.	299	353	350	349	455
Soap	'000 lbs.	2,522	2,062	1,396 ^{1/}	nil	nil
Gasoline	'000 US gals.	n.a.	12,987	13,977	12,494	12,800
Diesel oil	'000 US gals.	n.a.	12,246	17,435	15,059	17,956
Fuel oil	'000 US gals.	n.a.	9,684	9,371	10,298	8,063
Electricity generated	Mill. k.w.h.	140	195	204	196	207
Natural Gas Production ^{2/}	Mill. cu. ft.	113	86	109	68	62
Crude petroleum	'000 US gals.	n.a.	n.a.	563	2,477	5,158

n.a. = not available

^{1/} Production of soap ceased in November 1973.

^{2/} Crude output from the recently opened oilwells.

Source: Quarterly Digest of Statistics, December 1973; Monthly Digest of Statistics, December 1974, Statistical Service, Barbados; and data supplied ECLA.

BARBADOS
TABLE V
INDEX OF INDUSTRIAL PRODUCTION
(1971 = 100)

	Total all Industries	Quarry- ing	Manufacturing			Electri- city and Gas	
			Total	Food	Beverages & Tobacco		Other manu- facturing Industries
Weights	1,000	29	800	151	170	259	171
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	111.6	100.6	110.9	108.6	114.9	110.9	116.6
1973	118.3	83.4	117.7	112.6	119.8	117.7	126.9
1974	112.3	71.2	112.2	110.8	97.7	116.1	119.3
1975	121.7	53.1	121.9	132.0	110.3	129.2	125.7

Source: Monthly Digest of Statistics, June 1975
Statistical Service, Barbados.

BARBADOS
TABLE VI
SELECTED IMPORTS
(BDS\$'000)

Principal Imports	Avg. of 1969-70	1973 ^P	1974 ^P	1975 ^P
Meat, fresh, chilled frozen	6,598.8	12,461.9	11,214.1	11,655.5
Meat, dried, salted, etc.	3,343.0	4,868.0	3,946.9	4,481.9
Milk and Cream	3,490.1	5,786.6	7,121.4	2,780.6
Fish, salted, smoked, & dried	815.2	757.2	1,686.3	1,522.3
Rice	2,463.4	3,847.6	7,595.3	6,463.9
Flour	3,059.8	5,309.0	9,450.3	9,013.0
Animal Feeds	4,983.8	5,778.4	7,203.3	4,384.6
Fish, canned & not canned	1,083.5	1,405.5	1,766.5	1,510.1
Lumber	5,159.3	7,668.6	8,759.2	8,893.8
Fertilizers	1,505.2	3,068.5	3,357.5	2,757.5
Paper & Paperboard manufactures	5,531.3	3,468.1	8,090.1	3,646.5
Motor cars	7,477.0	8,703.9	4,234.3	4,772.7
Cotton and rayon piece goods	4,932.3	12,000.0	10,695.4	12,136.2
Machinery - all kinds	32,737.8	50,151.8	47,846.7	64,419.7
Medical & pharmaceutical products	3,735.0	6,100.5	6,746.7	9,465.1
Alcoholic beverages	3,357.8	4,577.9	4,932.2	6,266.8
Petroleum & Petroleum products	13,541.8	20,734.8	63,377.4	70,197.4
TOTAL IMPORTS:	214,779.3	328,601.5	418,252.0	403,727.0

P = Provisional

Source: Overseas Trade (Several issues), Statistical Service, Barbados; and data supplied ECLA.

BARBADOS
TABLE VII
SELECTED EXPORTS
(BDS\$ '000)

Principal Domestic Exports	1973 ^P	1974 ^P	1975 ^P
Sugar	31,728.9	52,184.5	96,137.0
Molasses	4,136.7	7,885.8	11,759.0
Rum	4,724.3	4,984.9	4,347.4
Lard	452.8	473.3	784.3
Laundry soap	171.9	3.6	0.1
Sugar confectionery	335.3	463.5	354.1
Phonograph (gramophone records)	763.3	1,027.8	1,145.0
Electrical parts, n.e.s.	3,282.8	6,462.6	7,388.8
Crustacea & Molluscs (fresh)	1,397.4	1,009.3	1,827.6
Clothing	10,284.2	18,110.3	n.a.
Petroleum products	585.1	2,079.5	n.a.
Cigarettes	329.8	766.8	1,710.6
Margarine	1,582.8	2,097.8	2,290.7
Biscuits (Unsweetened)	210.7	368.8	294.9
Biscuits (Sweetened)	829.1	1,158.4	1,087.7
Onions	178.2	144.5	1,800.0
TOTAL EXPORTS:	103,699.3	172,269.2	204,063.0

P = Provisional

n.a. = not available

Source: Overseas Trade (Several issues), Statistical Service, Barbados; and data supplied ECLA.

BARBADOS

TABLE VIII

IMPORTS OF SELECTED BUILDING MATERIALS: 1972-1975
(BDS\$'000)

Items	1972	1973 ^P	1974 ^P	1975 ^P
Lumber	5,395.0	7,668.6	8,759.2	8,893.8
Shingles	45.9	58.2	56.5	135.9
Cement	2,960.2	3,200.4	3,712.6	3,225.3
Wall and Floor Tiles	355.7	782.0	413.6	382.5
Glass	669.6	687.8	563.6	1,026.7
Steel (assorted)	1,248.1	2,092.0	1,134.0	2,167.0
Galvanized sheets	1,259.3	1,635.2	1,420.1	1,477.9
Aluminium (assorted)	675.1	1,239.8	2,410.5	730.3
Structural parts of aluminium	1,857.9	256.5	366.9	1,304.3
Structural parts of iron and steel	981.6	901.5	2,355.7	1,097.6
Nails, bolts, nuts, etc.	411.4	295.3	413.2	753.7
Locks, padlocks, etc.	683.8	774.7	1,167.9	907.9
TOTAL:	16,543.6	19,592.0	22,773.8	22,102.8

P = Provisional

Source: Economic Survey, 1972, Economic Planning Unit, Barbados;
and data supplied ECLA by the Statistical Service, Barbados.

BARBADOS
TABLE X
TRADE BY SITC SECTIONS
(BDS\$ '000)

	0	1	2	3	4	5	6	7	8	9	TOTAL
	<u>IMPORTS (C.I.F.)</u>										
1972	63,002	6,086	6,723	15,823	3,782	23,050	56,039	54,847	33,171	7,914	270,435
1973	79,716	6,992	9,235	21,822	3,865	27,565	67,432	67,008	34,920	10,046	328,601
1974 ^P	94,120	7,596	12,016	66,359	7,516	34,756	79,649	60,148	42,487	13,606	418,252
1975 ^P	92,494	9,347	11,090	73,827	6,356	37,163	69,883	58,835	29,743	14,989	403,727
	<u>EXPORTS OF DOMESTIC PRODUCE (F.O.B.)</u>										
1972	35,533	4,802	209	378	1	3,329	6,248	4,299	8,305	6	63,103
1973	43,220	5,143	721	656	1	4,300	4,323	6,690	18,638	9	83,700
1974 ^P	69,612	5,822	1,473	2,081	16	4,867	5,956	8,977	24,031	21	122,856
1975 ^P	116,242	5,967	1,617	2,194	11	5,540	4,471	7,032	22,268	13	165,355
	<u>EXPORTS OF FOREIGN PRODUCE</u>										
1972	1,012	1,195	131	10,971	6	1,993	1,149	2,441	1,069	1,392	21,359
1973	985	1,016	196	8,981	1	2,453	1,432	2,546	1,000	1,389	19,999
1974 ^P	1,301	1,414	179	34,565	11	3,434	2,191	3,600	1,160	1,558	49,413
1975 ^P	639	746	102	27,139	13	3,603	1,264	2,696	797	1,709	38,708

P = Provisional

Source: Overseas Trade (Several issues), Statistical Service, Barbados;
and data supplied ECLA.

BARBADOS
TABLE XI
SELECTED TOURISM STATISTICS

	1970	1971	1972	1973	1974 ^P	1975 ^P
1. Number of visitors	156,417	189,075	210,549	222,080	230,718	221,576
2. Cruise ship visitors	79,635	79,159	100,086	116,312	119,524	98,546
3. Hotels and Guest House beds	7,000	7,446	7,518	7,740	8,224	8,450
4. Bed occupancy rate ^{1/}	45.9 ^{2/}	47.9 ^{2/}	48.3 ^{2/}	53.3	53.9	47.8
5. Tourist Expenditure (BDS\$ Million)	63.5	77.3	120.0 ^E	136.4	156.6 ^E	n.a.
6. Average length of stay of guest (days)	5 ^{3/}	6 ^{3/}	6 ^{3/}	7 ^{3/}	9	8

P = Provisional

E = Estimate

n.a. = not available

^{1/} Includes occupancy rates for Hotels, Apartments and Cottages and Guest houses.

^{2/} Occupancy rates for Apartments and Cottages excluded.

^{3/} Average length of stay in Apartments and Cottages excluded.

Source: Economic Survey, 1972, Economic Planning Unit, Barbados;
Monthly Digest of Statistics, December 1974, Statistical
Service, Barbados; and data supplied ECLA.

BARBADOS

TABLE XII

RETAIL PRICE INDEX, 1971-1975

(October 1965 = 100)

(Averages of monthly indexes)

Period	All Items	Food and Beverages	Household Operations & Furnishings	Clothing	Medical & Personal Care	Transportation	Education and Recreation	Housing
1971	138.4	138.1	127.4	126.9	153.3	124.8	150.2	151.7
1972	154.8	161.1	134.2	138.4	158.3	138.3	151.5	156.6
1973	180.9	189.7	153.6	157.6	171.1	158.7	182.0	186.7
1974	251.3	273.8	239.9	196.0	200.4	187.4	219.7	246.6
1975	302.3	335.0	274.0	252.5	237.4	222.3	259.9	269.0
January	285.2	313.8	263.1	240.4	222.6	204.4	250.0	263.9
February	289.8	319.4	265.7	243.7	226.3	205.2	253.0	268.8
March	292.9	324.2	266.3	244.5	228.9	205.1	252.4	268.8
April	289.7	318.5	268.4	241.7	231.1	205.1	255.5	267.8
May	293.3	322.8	270.9	244.6	238.7	206.2	256.5	269.1
June	297.9	329.5	274.6	248.1	238.1	208.5	256.5	268.6
July	306.3	342.0	275.9	258.1	239.9	208.9	256.5	270.4
August	312.7	347.5	281.7	261.8	243.8	244.7	259.7	270.4
September	316.1	353.0	281.3	263.8	243.5	244.8	262.4	270.6
October	313.0	347.8	280.5	256.7	244.1	244.8	272.1	269.4
November	316.7	353.2	279.9	263.5	245.7	245.1	272.0	269.8
December	314.0	348.6	279.9	263.5	245.7	245.1	272.0	269.8

Note: Annual indexes are averages of the monthly index.

Source: Statistical Service, Barbados.

BARBADOS
TABLE XIII
GOVERNMENT CAPITAL EXPENDITURE
(BDS\$ Mill.)

	1971/72	1972/73	1973/74	1974/75
Agriculture	2.4	1.6	2.0	9.1
Communications & Works	4.5	4.8	4.0	4.3
Health & Social Welfare	0.8	1.1	0.7	0.8
Education	2.0	1.1	-	3.3
Prime Minister's Development Works	2.0	1.8	4.9	5.9
Trade & Tourism	0.3	2.0	2.3	2.4
Other	9.5	6.7	13.5	11.2
TOTAL:	21.5	19.1	27.4	37.0

Note: Figures relate to fiscal years April to March.

Source: Economic Survey, 1972, Economic Planning Unit, Barbados; and data supplied ECLA.

PART IV
BELIZE COUNTRY NOTES

ECONOMIC SURVEY 1975

BELIZE

(Belize dollars used throughout)

Available indicators point to a slowing down in real economic growth in Belize in 1975. Agricultural production, both crop and livestock, declined below the level of 1974; however, preliminary data indicate an increase in output in the manufacturing sector. In addition to an increase in the volume of manufacturing production the value of output from the sector was enhanced by increased prices for sugar exports as well as for other goods.

Sugar prices were also the major determinant of trends in the external sector. The increase of over 53 per cent in the export unit value pushed up the value of total exports. Nevertheless, there was a substantial increase in the deficit on visible trade since total imports grew substantially. However, earnings from tourism are also expected to exceed the estimated level of 1973.

The level of output was influenced by both internal and external factors. Internally, government expenditure expanded significantly while on the other hand severe drought during the year adversely affected agricultural output. Externally, higher prices served to push up the values of exports while shortages and inflation in foreign countries resulting in higher prices for intermediate inputs into manufacturing restricted output to levels lower than expected.

Continued efforts by the Government in pursuing economic development included restructuring of the Development Finance Corporation which constitutes the most important source of medium and long-term capital for small investors. Within this strategy, greater emphasis has been given to channelling loans into agriculture, fisheries, forestry, industry and tourism.

/Agriculture

Agriculture

Except for significant price increases for the country's major export commodities, particularly sugar, there was a downturn in the performance of agriculture in 1975. Unusually hot, dry weather conditions adversely affected output in sugar-cane and citrus. On the other hand, indications are that timber production in 1975 was higher than in 1974 although export sales were lower than in 1974.

Unlike 1974, when favourable weather conditions stimulated an increase of almost 15 per cent in sugar-cane output, the quantity of sugar-cane produced during 1975 was slightly below the 1974 level. Similarly, output of citrus decreased by almost 14 per cent compared with a 12 per cent increase in 1974. The drop in citrus output is mainly attributable to a 27 per cent decline in the orange crop, which accounted for just under three-quarters of total citrus output during the period 1970 to 1974. It should however be noted that there was a 25 per cent rise in output of grapefruit in 1975. In addition to the unfavourable effects of the drought, the citrus industry experienced shortage of farm labour during the period of harvesting.

The available data also show that output of corn and red kidney beans in 1975 was maintained at roughly the previous year's level. The additional corn output expected from the increased planting from 28,000 acres in 1974 to 32,000 acres in 1975 did not materialise largely because of the drought. There were shortfalls in some other domestic commodities. Production of rice paddy fell for the second successive year (by over 35 per cent), while production of honey declined by about 18 per cent in 1975, in comparison with the 25 per cent increase in 1974.

Expansion in the Livestock sub-sector has been severely restricted partly because of higher cost of imported feedstuff and the adverse effect of the dry weather on pastures. Beef production for 1975 estimated at 1.6 million pounds reflects the second successive annual decline following the previously upward trend. Adverse market conditions in the USA for Belize livestock produce

/was also a

was also a disincentive to increased activity in the sub-sector. It is however, significant to mention that poultry output was apparently sufficient to meet consumption requirements during 1975.

On the whole the level of self-sufficiency in agriculture seems to have declined in 1975 compared with 1974 as output of some items needed to be supplemented by imports to satisfy domestic demand.

Manufacturing

In spite of a drop in some of the major agricultural inputs, into the manufacturing processes, namely sugar-cane, citrus and rice, economic activity in the sector showed some expansion during 1975.

Evidence of the diversification programme has already begun to materialise. The garment industry which is potentially a large earner of foreign exchange continued to expand. However, there was a small decline in export earnings from about \$8.3 million in 1974 to \$7.8 million in 1975. During 1975, two additional clothing establishments catering for domestic consumption were set up, while another is expected to come "on stream" in early 1976. It should be mentioned that the drop in export earnings in the garment industry was due mainly to depressed economic conditions in foreign markets and competition from other suppliers to these markets.

Production of beer and stout are estimated at one million gallons in 1975, reflecting a 30 per cent rise over 1974. Output of flour from the recently established flour mill averaged 1.2 million pounds monthly in 1975. Should this level of output be maintained, imports of wheat for milling will completely replace imported flour. There are indications, too, that economic activity increased in the paper products sub-sector with the expansion of the paper conversion plant.

Public Sector

There are indications of expanded economic activity in the Government sector during 1975 although both revenue and expenditure increased at a slower pace compared with 1974. Revenue receipts amounted to approximately \$36 million in 1975, as contrasted with \$30 million in 1974, reflecting a 20.4 per cent rise compared with a 35.5 per cent rate of increase in 1974. On the other hand, total expenditure rose from almost \$44 million in 1974 to about \$54 million during 1975,^{1/} indicating a 23 per cent rate of increase compared with 52 per cent during 1974. Recurrent expenditure for 1975 show only a 6.9 per cent rise while capital expenditure is expected to increase by 60.7 per cent. It is worth noting that capital expenditure accounted for an average of 30 per cent of total expenditure during the period 1972 to 1974. Recently revised estimates of capital expenditure of nearly \$22 million for 1975, if realized, would mean an increased share of total expenditure amounting to 41 per cent.

The slower rate of growth in public expenditure can be attributed largely to the determined policy to hold down recurrent expenditures as far as was possible in the face of rising prices.

Table 1
Government Recurrent Revenue
(Bze\$'000)

	1971	1972	1973	1974	1975 ^{1/}
Import duties	6,912	7,575	9,439	12,616	14,700
Export duties	95	115	639	790	2,000
Income tax	3,065	3,353	3,642	6,347	8,100
Other taxes, fees, licences, etc.	5,860	6,948	8,427	10,265	11,337
Total:	15,932	17,991	22,147	30,019	36,137

^{1/} Revised Budget Estimates.

Source: Estimates of Revenue and Expenditure, Government of Belize, and data supplied ECLA.

^{1/} The 1975 figures are revised estimates which are usually higher than actual expenditure.

The increased recurrent revenues were due primarily to better returns on import duties and income taxes. The Belizian public sector depends heavily on import duties which comprised almost 44 per cent of total recurrent receipts between 1970 and 1974; but this share declined to about 41 per cent in 1975. The contribution of income taxes, which had averaged just over 18 per cent during the same period (1970 to 1974) increased to account for over 22 per cent of total recurrent receipts in 1975. More significantly, the rates of increases in revenues from income taxes and import duties in 1975 were approximately 28 per cent and 17 per cent, respectively in 1975, compared with 74 per cent and 34 per cent, respectively in 1974. The rates of increases in revenue from other taxes were also lower in 1975.

The largest increase in government expenditure in 1975 were on economic operations and social services, 35 per cent and 23 per cent respectively. The concentration on these two very important categories, reflects the overall strategy to stimulate priority areas for expanding Belize's productive capacity and creating additional job opportunities.

Table 2

Selected Functional Classification on Central Government Expenditure
(Capital and Recurrent, 1972-1975)
(Bze\$'000)

Particulars	1972	1973	1974	1975 ^{1/}
<u>Administration (including Justice and Police)</u>	3,870	4,365 ^{2/}	4,508 ^{2/}	5,788 ^{2/}
<u>Transfer Payments</u>	2,008 ^{2/}	3,439 ^{2/}	4,351 ^{2/}	3,880 ^{2/}
Domestic	1,078	1,286	1,522	1,659
Overseas	930	2,153	2,829	2,221
<u>Economic Operations</u>	2,958 ^{2/}	3,256 ^{2/}	4,786 ^{2/}	6,471 ^{2/}
Agriculture & Fisheries)	1,347)	1,654	1,393	1,805
Forestry)			722	228
Lands and Surveys	398	503	621	752
Co-operatives & Credit Unions	67	73	86	112
Public Works	1,146	1,026	2,585	3,574
<u>Revenue Earnings Operations</u>	654 ^{2/}	719 ^{2/}	901 ^{2/}	1,024 ^{2/}
Broadcasting	161	183	254	303
Civil Aviation	153	120	146	196
Ports and Harbours	17	34	36	45
Post and Telecommunications	323	382	465	480
Water supplies	70	80	-	-
<u>Social Services</u>	5,141 ^{2/}	5,775 ^{2/}	6,518 ^{2/}	8,028 ^{2/}
Health	1,778	2,047	1,369	1,737
Housing	60	55	58	80
Social Development	232	176	198	240
Labour Services	42	78	53	103
Education	3,029	3,419	4,840	5,868
<u>Loans</u>	1,730	304	3,985	4,800 ^{3/}
<u>New Capital</u>	9,535 ^{4/}	6,663 ^{4/}	13,656 ^{4/}	21,948 ^{3/4/}
<u>Total Government Expenditure</u>	27,526	28,809	43,674	53,555

1/ Revised estimates.

2/ Recurrent only.

3/ Provisional estimates.

4/ Total capital expenditure

Source: Economic Survey, 1970 & 1971; Estimates of Revenue and Expenditure, 1973 & 1976; and data supplied ECLA.

/Other Sectors

Other Sectors

Since 1970 there has been an upward trend in total tourist arrivals, which though declining in 1974, showed signs of recovery in 1975. This pattern corresponds with recent trends in general economic activity in the USA, the country from which the majority of tourists originate. In 1974, arrivals were 4.3 per cent under the 1973 level, but by July 1975 arrivals had amounted to 77 per cent of the 1974 total. Preliminary estimates, taking into account the increases in prices, set tourists expenditure for 1975 above the \$6 million estimated for 1973.

The expectation of increased contribution of tourism to the economy is also reflected by a considerable expansion in hotel capacity. Ten hotels were added in 1975, thereby increasing room and bed capacity by 16 per cent and 23 per cent, respectively. With this expansion in accommodation however, the hotel room occupancy rate will have declined. The continuation of economic recovery in the USA is expected to give the sector a further boost.

Table 3
Tourism Statistics

	1971	1972	1973	1974	1975
Number of Hotels ^{1/}	n.a.	54	58	61	71
Number of Rooms	n.a.	525	563	618	759
Number of beds	n.a.	984	1,031	1,169	1,320
Number of visitors ^{2/} of which:	45,607	50,651	50,553	48,423	37,294 ^{3/}
Number of arrivals by air	17,860	20,600	26,008	20,956	11,506 ^{3/}
Number of arrivals by sea	521	484	618	1,666	1,026 ^{3/}
Number of arrivals by overland transport	27,226	29,289	23,572	23,363	23,849 ^{3/}
Number of arrivals by cruise ship	851	274	355	741	913 ^{3/}

n.a. = not available

^{1/} Hotels include Guest Houses and Motels.

^{2/} Includes long and short stay visitors but excludes intransit passengers.

^{3/} Data as of July 1975.

Source: Data supplied ECLA by the Belize Tourist Board.

/Available data

Available data on the banking sector indicate that liabilities and assets of Commercial banks increased by almost \$6 million during the year. At end December 1975 total deposits represented 83 per cent of total liabilities compared to 77.5 per cent in 1974, with savings deposits increasing by \$4.4 million, time deposits by \$3.4 million, and demand deposits by \$0.8 million. There was no notable change in Commercial banks' asset structure at the end of the year. Agriculture and the distributive trades continue to receive the greater part of total loans and advances, and together accounted for nearly 67 per cent of outstanding loans at year end. Loans to the manufacturing sector is still a small share of the total but increasing rapidly.

Table 4
Selected Data on Deposits by Type
At Commercial Banks as of 31 December
(Bze\$'000)

	1972	1973	1974	1975
Demand deposits	7,511	8,961	12,266	13,056
Time deposits	11,463	14,407	18,439	21,773
Savings	12,146	13,674	19,881	24,308
TOTAL DEPOSIT:	31,120	37,042	50,586	59,137

Source: Data supplied ECLA.

Table 5
Loans and Advances of Commercial Banks
Amount Outstanding as of 30 September
(Bze\$'000)

Sectors	1971	1972	1973	1974 ^{1/}	1975 ^{2/}
1. Agriculture, including land development	12,526	14,402	14,902	19,109	19,993
2. Fishing & Forestry	556	568	355	630	567
3. Manufacturing	739	1,353	1,577	1,727	2,893
4. Construction	2,594	1,954	2,525	3,302	3,769
5. Tourism	1,086	1,163	504	599	756
6. Distributive trades	6,749	9,571	10,135	11,651	14,270
7. Government and Statutory Bodies	3,194	5,061	5,128	5,267	4,754
8. Other	2,733	3,629	4,001	4,318	4,577
TOTAL:	30,187	37,701	39,127	46,603	51,559

^{1/} As of 31 December.

Source: Data supplied by the Central Planning Unit,
Ministry of Finance, Belize.

EXTERNAL SECTOR

Available data on external trade are given in the Statistical Appendix to this section.^{2/} Data for 1975 show significant increases in the value of both imports and exports compared with 1973. The value of imports is provisionally put at about \$186 million, an equivalent of 145 per cent increase over 1973, while total exports at almost \$130 million in 1975 reflected a rise of 147 per cent above the figure for 1973. The increases on both sides of the country's trading account are due more to price

^{2/} The figures for 1973 to 1975 are preliminary and subject to large changes at the detailed level.

increases than to increased volume of goods. The resulting balance on visible trade is a deficit in the order of \$56 million in 1975 as contrasted with just over \$23 million for 1973.

The share of food and live animals imports, which is still the largest SITC group, was reduced to about 24 per cent in 1975. Similarly, the shares of all other SITC groups except mineral fuels and lubricants declined because of the substantial increase in the value of imports of petroleum products. This latter group now accounts for around 18 per cent of total imports. Between 1973 and 1975 imports of petroleum products have risen from nearly \$5 million to around \$34 million - more than a six-fold increase.

On the export side food and live animals remain the dominant SITC group, accounting for an average of just under 83 per cent of domestic exports in the period 1973 to 1975. Sugar exports account for an overwhelmingly large portion of the total food group and the growth in value of this SITC group must be attributed primarily to higher prices for sugar. In spite of a 17 per cent drop in the volume of sugar exports in 1975, foreign earnings accruing to this item rose by 27 per cent. Volume of exports of citrus declined as a result of the lower output but higher prices, estimated at about 53 per cent above the 1974 level, caused export values to increase. Value of exports of fish including shell fish also increased but export values of logs and lumber and clothing decreased in 1975.

There has been no major change in the distribution of trade since 1972, but a slight increase in trade with non-traditional trading partners is evident. The United States of America and the United Kingdom continue to be Belize's main trading partners in order of importance. The United Kingdom's share of exports appears to have increased in 1975 because of the increased value of sugar shipments; the absolute dollar value increase between 1972 and 1975 was quite substantial. On the import side, the United Kingdom's share also increased in 1975 but the value is still much smaller than the United States' share. On its part the United States' share of exports have been increasing but its share of imports have declined slightly during the period.

Belize total trade with its CARICOM partners exceeded \$21 million in 1975 as contrasted with about \$14 million in 1974. Trade is carried on chiefly with the four More Developed Countries and one country, Jamaica, accounted for around 96 per cent of total trade in 1974 and 1975. Imports from the region amounted to \$17.6 million in 1975, \$16.9 million of which came from Jamaica. Domestic Exports amounted to \$3.4 million of which \$3.0 million went to Jamaica. The deficit on visible trade recorded by Belize with the CARICOM region increased from \$2.5 million in 1974 to over \$14 million in 1975.

Table 6
Total Imports, Exports & Balance of Visible Trade, 1967-1975
(Bze\$'000)

Year	Imports	Exports ^{1/}	Balance of Visible Trade
1967	36,952 ^R	20,671	-16,281 ^R
1968	44,201 ^R	23,621	-18,580 ^R
1969	49,331 ^R	28,772	-20,559 ^R
1970	55,611	31,333 ^R	-24,278
1971	59,065	31,687 ^R	-27,378 ^R
1972 ^P	68,671 ^R	40,155 ^R	-28,516 ^R
1973 ^P	75,767 ^R	52,379 ^R	-23,388 ^R
1974 ^P	n.a.	n.a.	n.a.
1975 ^P	185,525	129,653	-55,872

R = Revised

P = Provisional

n.a. = not available

^{1/} Exports include ships' stores and bunkers.

Sources: Trade Report, Customs Department, Belize City; Economic Survey, 1973, Ministry of Economic Planning, Belize; and data supplied ECLA.

Table 7
Trade with CARICOM Countries
(Bze\$'000)

	IMPORTS			DOMESTIC EXPORTS		
	1973	1974	1975 ^P	1973	1974	1975 ^P
<u>MDC's</u>						
Barbados	6 ^R	24 ^R	3	88	-	-
Guyana	64	68 ^R	96	44	10	-
Jamaica	5,432 ^R	8,650 ^R	16,921	2,822 ^R	4,475 ^R	3,039
Trinidad & Tobago	157	291	613	159	44 ^R	319
Total MDC's:	5,659 ^R	9,033 ^R	17,633 ^R	3,113 ^R	4,529 ^R	3,358
ECCM	-	-	1 ^R	20 ^R	1	1
TOTAL CARICOM:	(5,659 ^R)	(9,033 ^R)	17,634 ^R	3,133 ^R	4,530 ^R	3,359

P = Provisional

R = Revised

Source: Economic Survey, 1973, Ministry of Economic Planning, Belize; and data supplied ECLA.

Balance of Payments

Available data on some aspects of the country's balance of payments position are shown in Table IX of the Statistical Appendix. Historically, Belize has experienced a deficit on merchandise trade, but in 1975, the deficit increased significantly to about \$56 million compared with an average of just over \$26 million during the period 1971 to 1973.^{3/}

The total current account deficit is usually lower than the merchandise trade deficit because of net inflows on visitors' travel, foreign aid receipts and personal remittances, and despite annual

^{3/} Definitive data are not available for 1974 but it appears that both imports and exports, especially the latter, rose sharply during the year.

net investment income outflows. The current account deficit of \$8.3 million, as of 1973, is considerably lower than the two previous years' figures. Although outflows increased net inflows increased more rapidly. Subsequent to 1973, the deficit increased sharply. While official data are not available, crude estimates put the current account deficit at around \$35 million for 1975 but the final level will depend largely on whether the foreign aid figure of nearly \$15 million is actually forthcoming. Net inflows on the Capital Account were not sufficient to offset the current account deficits in 1971 and 1972 as shown in the table. The Capital Account data beyond 1972 are more speculative. However, indications are that the inflows during 1973 amounted to about \$16 million resulting in an overall surplus of some \$7.7 million. Data on estimated loan receipts of government for 1975 was less than \$5 million. Private capital inflow data are not yet available but the establishment of manufacturing and other foreign enterprises in 1975 indicate inflows which should assist considerably in reducing the \$35 million current account deficit.

BELIZE
TABLE I
OUTPUT OF SELECTED PRODUCTS

Items	Unit	1971	1972 ^P	1973 ^P	1974 ^P	1975 ^P
Sugar-cane	tons	632,629	667,654 ^R	718,230 ^R	824,074 ^R	813,000 ^R
Corn	'000 lbs.	35,000	32,209	35,500	28,200 ^R	28,000
Rice (paddy)	'000 lbs.	10,026 ^R	12,785 ^R	18,000 ^R	16,600 ^R	10,700
Timber	'000 cu. ft.	1,136	1,883	1,736	2,250	n.a.
Red kidney beans ^{1/}	'000 lbs.	2,000	2,500	2,500	2,750	2,750
Honey	'000 lbs.	230 ^R	185	292 ^R	364	298
Oranges ^{1/}	'000 lbs.	83,319	80,471	87,402	99,090	72,068
Grapes ^{1/}	'000 lbs.	30,067	33,684 ^R	31,239 ^R	34,160 ^R	42,791
Sugar	tons	64,851	69,967	70,170	88,887 ^R	82,874
Molasses ^{1/}	tons	22,960	24,521	26,130	27,042 ^R	n.a.
Rum	liq. gals.	20,019	22,198	n.a.	23,000	n.a.
Cigarettes	'000	81,765	89,877	84,000	97,255	n.a.
Clothing (outerwear)	pairs	418,978	548,486	951,460	1,500,000	n.a.

P = Provisional

R = Revised

E = Estimate

n.a. = not available

^{1/} Crop year ending in year shown.

Sources: Economic Survey, 1970-1973, Central Planning Unit, Belize;
and data supplied ECLA.

BELIZE

TABLE II

SELECTED DATA ON CATTLE AND POULTRY

	Dressed Poultry ('000 lbs.)	Exports of Live Fowls ('000)	Bovine Cattle Population ('000)
1966	90	14.2	n.a.
1967	150	12.5	n.a.
1968	300	15.1	28.7
1969	375	22.1	30.3
1970	1,450	24.6	38.4
1971	2,175	46.6	44.0
1972	2,500	31.7	45.0
1973	2,300 ^R	9.3	45.5 ^E
1974	2,400 ^R	5.9	45.0 ^E

n.a. = not available

E = Estimates

R = Revised

Source: Economic Survey, 1970 to 1973 editions;
and data supplied by the Central Planning
Unit, Ministry of Finance, Belize.

BELIZE
TABLE III
VALUE OF PRINCIPAL DOMESTIC EXPORTS
(Bze\$ '000)

Items	1971 ^P	1972 ^P	1973 ^P	1974 ^P	1975 ^P
Sugar (unrefined)	13,460 ^R	16,057 ^R	20,805 ^R	57,222	75,592
Molasses	953	804 ^R	1,433	1,198 ^R	2,039
Lobster	2,396	3,433	2,719 ^R	3,107 ^R	3,928
Shrimp					
Conch					
Fish, fresh or dried					
Bananas and Plantains	0.2	n.a.	-	-	51
Citrus juices	3,254	3,195	3,697 ^R	3,505 ^R	4,451
Grapefruit segments	381	658 ^R	641	1,511	760
Grapefruit and orange oil	102	109 ^R	121 ^R	545 ^R	71
Cucumber (fresh)	216	45	-	-	-
Live animals for food	133 ^{1/}	267	280 ^R	216 ^{2/}	n.a.
Logs and lumber	1,359	1,380	3,469 ^R	4,274	1,986
Outer garments ^{3/}	1,954	4,032	6,216	8,292 ^{4/}	7,759 ^{4/}
Honey	46 ^R	58 ^R	150	229	414

P = Provisional R = Revised E = Estimates
n.a. = not available

^{1/} Data for cattle, pigs and poultry only. ^{3/} May include re-exports.

^{2/} Data exclude export value for cattle. ^{4/} Data for clothing.

Source: Economic Survey, 1975; and data supplied ECLA.

BELIZE

TABLE IV

SELECTED MAJOR IMPORTS: 1973-1975
(Bze\$'000)

Commodities	1973 ^P	1974 ^P	1975 ^P
Live animals chiefly for food	11	-	87
Poultry, live	6	9	39
Meat & meat preparations	2,596	-	4,437
Poultry, killed or dressed	459	146	-
Meal & flour of wheat	2,096	3,662	3,852
Rice, not in husk	500	-	336
Fish & fish preparations	240	167	431
Milk & cream, all kinds	2,968	5,740	7,111
Coffee & cocoa powder	649	615	728
Butter, fresh and salted	852	1,165	1,633
Margarine & lard	1,796	930	3,513
Sugar, refined	342	880	512
Alcoholic beverages	1,750	2,913	4,341
Tobacco, unmanufactured	283	184	187
Cigarettes	454	935	-
Motor spirits & other petroleum products	4,599	19,009	33,158
Fertilizers, manufactured	549	1,381	1,626
Rubber tyres for cars, trucks, buses, etc.	522	993	1,556
Cotton piece goods	1,867	3,363	5,771
Artificial silk piece goods	1,051	-	-
Passenger road motor vehicles	2,855	9,174	13,904
Clothing, outerwear not knitted	764	3,440	897
Footwear	726	1,117	2,548
Refrigerators & mechanical self-contained units (domestic)	396	276	344
Vegetable oil	141	227	164

P = Provisional

Source: Data supplied ECLA.

BELIZE
TABLE V
VALUE OF DOMESTIC EXPORTS BY SITC SECTIONS
(Bze\$'000)

SITC Sections	1973 ^P	1974 ^P	1975 ^P
0 Food and Live animals	31,573	68,844	92,352
1 Beverages and tobacco	-	2	-
2 Crude materials, inedible except fuels	3,476	5,583	2,825
3 Mineral fuels, lubricants and related materials	nil	nil	-
4 Animal and vegetable oils & fats	nil	nil	16
5 Chemicals	171	546	86
6 Manufactured goods	-	13	54
7 Machinery & transport equipment	6	3	96
8 Miscellaneous manufactured articles	6,297	7,749	7,491
9 Commodities and transactions, n.e.s.	150	29	60
TOTAL:	41,673	82,769	102,980

P = Provisional

Source: Data supplied ECLA.

BELIZE

TABLE VI

VALUE OF IMPORTS BY SITC SECTIONS
(Bze\$ '000)

SITC SECTIONS	1973 ^P	1974 ^P	1975 ^P
0 Food and Live animals	19,505	29,597	44,796
1 Beverages and tobacco	3,108	4,438	4,784
2 Crude materials, inedible except fuels	559	1,191	372
3 Mineral fuels, lubricants and related materials	4,800	8,942	34,077
4 Animal and vegetable oils & fats	139	227	284
5 Chemicals	7,813	10,445	19,406
6 Manufactured goods	14,855	19,310	28,663
7 Machinery & transport equipment	16,129	20,693	37,691
8 Miscellaneous manufactured articles	8,433	13,634	15,063
9 Commodities and transactions, n.e.s.	426	589	389
TOTAL:	75,767	109,066	185,525

P = Provisional

Source: Data supplied ECLA.

BELIZE
TABLE VII
DIRECTION OF EXTERNAL TRADE BY MAJOR TRADING PARTNERS
(Bze\$ '000)

	EXPORTS			IMPORTS		
	1972 ^P	1973 ^P	1975 ^P	1972	1973	1975
U.K.	8,535	7,420	46,386	12,157	14,997	37,328
U.S.A.	16,625	26,184	49,818	24,473	25,429	59,894
CANADA	3,386	5,311	1,890	2,896	2,695	4,816
CARICOM	159	3,379	3,448	<u>2/</u>	5,659	17,634
LATIN AMERICA ^{1/}	7,871	8,445	18,613	5,830	8,911	17,161
EEC	-	-	-	7,572	7,973	18,696
OTHERS	3,579	1,640	9,498	15,743	10,103	29,996
TOTAL:	40,155	52,379	129,653	68,671	75,767	185,525

P = Provisional

1/ Continental Latin America.

2/ Included in others.

Source Data supplied ECLA.

BELIZE
TABLE VIII
BALANCE OF PAYMENTS FOR 1971-1973 AND 1975
(Bze\$ Mill.)

	1971	1972	1973 ^P	1975 ^P
<u>CURRENT ACCOUNT</u>				
Exports (f.o.b.)	31.9	40.2	52.4	129.7
Imports (c.i.f.)	59.1	68.7	75.8	185.5
Trade Balance	-27.2	-28.5	-23.4	- 55.9
Factor incomes (invisibles)	- 3.0	- 3.3	- 3.5	n.a.
Travel	3.3	3.5	4.0	5.5 ^E
Overseas Aid (UK)	9.3 ^{1/}	7.0 ^{1/}	8.7 ^{1/}	13.0 ^{2/}
Other Aid (Canada & UNDP)	1.3	1.5	1.5	n.a.
Remittances	3.0	3.6	3.6	n.a.
Other	0.6	0.7	0.8	n.a.
<u>BALANCE ON GOODS & SERVICES</u>	-12.7	-15.5	- 8.3	- 35.2 ^E
<u>CAPITAL ACCOUNT</u>				
Official Loans (net)	2.0	1.6	6.0	4.8 ^{2/}
Private capital inflows	8.0	6.3	10.0 ^E	n.a.
Total Capital Account	10.0	7.9	16.0 ^E	4.8 ^{3/}
Errors & Omissions	0.3	0.2	n.a.	n.a.
Surplus or Deficit (-)	- 2.4	- 7.4	7.7 ^E	n.a.

P = Provisional

E = Estimate

n.a. = not available

1/ Include British Military aid.

2/ Data for UK and Canada Development and other aid schemes.

3/ Data on loan receipts.

Source: Data extracted from Economic Surveys 1972, and 1973; Estimates of Revenue and Expenditure for the year 1976, Government of Belize; and data supplied ECLA.

PART V
GRENADA COUNTRY NOTES

ECONOMIC SURVEY 1975

GRENADA

(East Caribbean Dollars used throughout)

Official estimates of Gross Domestic Product are not available so assessment of economic activity has to be made on the basis of partial data and sectoral indicators. These tentative estimates have put the GDP in current values for 1970 at around \$56 million and for 1974 at about \$67 million.

For the period 1970 to 1973 annual increases in GDP averaged 6 per cent per annum followed by a levelling off in 1974 and a mild recovery in 1975. Very largely these trends reflect the movements in earnings from major agricultural exports, (the prices for which were relatively weak during the early part of the period) and the social unrest especially in the second half of the period 1970-1975. The indicators show that there was hardly any increase in real GDP.

The main impetus within the Grenadian economy derives from activities in the Agriculture, Government and Construction sectors. Agriculture, by far the most important, is predominant in terms of employment, and also in terms of value-added because of the indigenous nature of the production. Even in the more limited terms of foreign exchange earner agriculture has surpassed tourism as the major earner in the last two years. Tourism had generated significant activity in earlier years when hotel accommodation and the number of visitors were expanding rapidly. The performance of agriculture and tourism significantly influences Government, Construction and the Services sectors and is reflected in the balances on external transactions. Government spending stimulates economic activity in several sectors notably construction, but the construction sector has suffered from the general slow-down in economic activity in recent years. Industrial activity is relatively undeveloped, consisting mainly of production of a few items of food and beverages.

Analysis of trends and developments during the 1970-1975 period reveal a sympathetic movement of the performance of the sectors. Various

/data

data support this coincidence of trends. Among these are declining quantum of output, reduced imports and the consequent decline in revenues from customs duties, reduced lending by the banks, the build-up of foreign assets by the banking system, etc. While international developments have had some effect on agricultural commodity prices and the performance of the tourism sector, it appears that domestic factors were more significant. The major domestic influence seems to be the social unrest, which assumed great importance in 1973 and reached a peak in 1974. Coincidentally, with the diminution of unrest in 1975 a number of indicators have reversed the trend of the immediately preceding period.

There appears to be more favourable signs for 1976. For example, Grenada's membership in international institutions has resulted in commitments of assistance, much of it on favourable terms. Some projects have already been initiated and these are likely to be accelerated as 1976 proceeds. To some extent, therefore, the softening of commodity export prices which began in 1976 will be offset by the generation of activities in the domestic sector.

Agriculture

Historically, Grenada has been predominantly an agricultural economy. The development of agriculture has followed a pattern common to other countries of the Caribbean, whereby agriculture was organised mainly to supply raw materials to metropolitan centres, with production of subsidiary crops for domestic consumption as a secondary activity. Consequently, export oriented agriculture provides employment and income for a large part of the labour force. The domestic agriculture sub-sector is still, to a large extent, really subsistence agriculture and relates to a wide range of fruits, vegetables and root crops. It should be noted however, that there is an export trade with nearby Caribbean islands in these "domestic" crops.

The livestock and fishing sub-sectors are quite small. Cattle rearing is limited by the hilly terrain while fishing still is of the small-boat type, restricted to the coastal waters.

/Agriculture

Agriculture GDP at current factor cost during the period 1970 to 1972 is estimated to average about \$14 million or an equivalent of 23 per cent of estimated total GDP. Since then, the available data indicate that current value of agricultural output has been increasing under the impact of higher prices particularly for export commodities but also for locally consumed food crops.

Price increases were particularly high in 1974 for export crops but the rate of increase tapered off somewhat in 1975. On the other hand, prices of domestic crops increased significantly in 1975. During 1975 export unit value of cocoa beans and bananas indicated increases of 39.6 per cent and 28.4 per cent, respectively. There was, however, a decrease in the export unit value of nutmegs and mace. (See Table 3 below.) It should be noted that the prices received by farmers are related closely to export prices.

Production data on export commodities show wide fluctuations. For example, output of cocoa beans has declined annually since 1970, while banana production showed signs of recovery only in 1975 following four successive years of decline. However, banana output in 1975 was still more than 4 million pounds below the level of 1970. It should be noted, too, that output of both nutmegs and mace dropped during 1975 after their resurgence in 1973 and 1974.

Indications are that volume of output of "domestic agriculture" increased considerably in 1974 and 1975 although there were short-falls in a few crops and in cattle slaughtered. However, the higher prices of 1975 are expected to increase substantially the contribution of this sub-sector to total GDP.

Manufacturing

The scope of manufacturing activities is very limited in Grenada, confined mainly to the production of food items and beverages. Products such as sugar, cotton lint and essential oils have decreased in importance (or output has ceased) since the 1970's and only a few new products have emerged to replace them. Consequently, the indications are that there was little real growth in manufacturing output in recent years.

/During

During these years unofficial GDP estimates from different sources indicate that the sector share has remained close to 4 per cent of total GDP. Provisionally, GDP at current factor cost is estimated at just over \$3 million in 1973 as against \$2.6 million in 1972 and \$2.1 million during 1970. There has apparently been some increase in current value GDP in 1974 and 1975.

Although available data on output of industrial products show general improvement for 1975 compared with 1974, production levels in 1975 were still below the levels of earlier years. Output of beer, malt, coconut meal and cigarettes which had decreased significantly in 1974, made a strong recovery in 1975.

Construction

The Construction sector has been making an important contribution to the economy because of its capacity for manpower utilization and the generation of ancillary activities. The industry relies heavily on imported inputs and government's construction expenditure and the building of tourist accommodation have decisive impact on the trend of overall activity.

Various unofficial GDP estimates have been computed for this sector and show different current value figures. Up to 1970 the lowest of these estimates indicated a sectoral contribution of about 11 per cent of total GDP.

The country has experienced a lull in construction activity in both the private and public sectors since 1971. Large construction projects, especially in the hotel industry reached completion around 1971/1972, and the level of public sector construction stagnated around this time also. Rapidly rising cost of building materials in late 1973 and 1974, and the general decline in economic activity, also had a dampening effect on the sector's performance.

In 1975, signs of recovery became apparent. Public construction activities picked up again, particularly with the establishment of the Grenada Housing Authority in March 1975. This organization has as its top priority providing 4,000 low-income houses under a five-year programme to alleviate the country's acute housing shortage. By

December 1975, the Authority had constructed 45 houses and plans to complete a further 520 units by the end of 1976.

Tourism

Measured in terms of visitors and accommodation the tourist industry is relatively small. Just over six hundred beds were available in 1967, but the rapid expansion which occurred during 1968 and 1969 resulted in a doubling of the accommodation by the latter year. Increases in accommodation and the number of visitors continued up until 1972 when there were about 1,800 beds available; thereafter accommodation has remained stable. The dominant style of tourism is moderate to small size of hotel catering to what may be termed "international" standards. However, there are guest-houses and cottage accommodation, and a few of the more luxury-type hotels.

Table 1
Selected Tourist Statistics

	1970	1972	1973	1974	1975 ^P
Stop-over visitors	30,436	37,933	33,490	14,723	21,059
Cruise ship visitors	41,261	94,060	132,297	57,644	85,460
No. of cruise ship calls	125	183	259	117	153
No. of yacht calls	1,150	1,122	1,394	968	1,258
No. of hotel & guest-house beds	1,600	1,800	1,800	1,800	1,800

P = Provisional

Source: Data supplied by the Grenada Tourist Board.

Since the mid-1960's the balance has shifted to larger numbers of cruise-ship visitors than long-stay tourists. However, it is the long-stay visitors who provide the bulk of the revenue. Another characteristic of Grenada tourism is the predominance of North Americans in the total number of visitors. The United States alone accounts frequently for one-third or more of the total long-stay visitors. The number of West Indian visitors however, has been growing and is now almost at the same level as US visitors.

The weakest link in the tourist industry is the infrastructure especially the roadways, airport and air and ground transport facilities. Also, outside of the hotels there are few developed attractions. Furthermore, because of lack of sectoral linkages the country is not geared to provide a large share of the requirements of tourism and thereby loses potential benefits. Unofficial estimates in recent years show the amount of direct employment in the tourist sector at around 1,200 to 1,400 persons. Official estimates of tourism Gross Domestic Product are not available but some unofficial estimates indicate a figure in the vicinity of \$4 million during 1972 and 1973.

Available data indicate stagnation in the tourism sector after 1972. Firm data for 1973 show an increase of over 25 per cent in the total number of visitors compared to 1972, and a more than 50 per cent decline between 1973 and 1974. The number of long-stay visitors is estimated to have increased by 43 per cent in 1975 and cruise-ship passengers by 48 per cent but both were still far below the levels of recent years.

The lower trend in the performance of tourism was caused by both domestic and foreign factors. The period of social unrest in Grenada in 1973 and 1974 disrupted the tourist trade by discouraging visitors. There were also air transportation problems as the only scheduled airline service was on the verge of closing down and service was disrupted severely for some time. Furthermore, at the peak of the disturbances there was cessation of work at the deep-water harbour. In addition to these, economic recession in the USA, Canada and in other developed countries had repercussions on Grenada's tourism.

Government

The Government sector plays a major role in the economy of Grenada. In recent years its contribution to total GDP has been estimated variously at between 18 to 21 per cent. Estimates of Government GDP at current factor cost during 1971 to 1973 indicate relatively little improvement. The provisional estimates for 1974 is put at roughly \$14 million and tentative estimates indicate a 12 per cent increase for 1975.

/Total

Total Government recurrent revenue which had averaged about \$19 million during 1970 to 1973, declined significantly to about \$16 million in 1974. This decrease was due principally to lower economic activity in 1973 and early 1974 during the period of unrest. Indications are however, that recurrent revenue recovered to reach over \$21 million during 1975, due mainly to increased collection of import and export duty plus increased budgetary assistance.

It should be noted that although the sources of recurrent revenue are quite varied, customs duties on imports and exports account for a large percentage. Import duties alone averaged almost 34 per cent of total recurrent revenue (excluding grants) during 1970 to 1973, but the share declined to 25 per cent and 26 per cent in 1974 and 1975, respectively. The lower level of import duties since 1973 may be partly a result of increased imports from CARICOM countries - most of which enter duty-free. The other major single source of revenue is income tax.

Total Government expenditure has shown only minimal increases over the past five years indicating a lower level of real activity since prices and wages have increased during the period. During 1975 total expenditure amounted to \$26 million according to provisional figures reflecting a rise of 9 per cent above 1974. Recurrent expenditures, accounting for 93 per cent of the total, increased by about 19 per cent but this was offset by the sharp decline in capital expenditure.

The behaviour of the country's capital expenditure fluctuates from year to year with the number of projects initiated, which in turn depends largely on availability of foreign assistance. Capital projects have been seriously interrupted in the last two years. Recurrent expenditure on the other hand consists of a large element of inevitable government functions and services of a continuous nature. Consequently these are not normally subject to reductions.

In terms of areas of economic activity it is notable that Government expenditure on agriculture has been relatively small; social services and administration being the two major heads of expenditure. Construction and allied activities have also accounted for a sizeable share of the total but expenditure in this category has declined drastically in the last two years.

/Given

Given the levels of local revenue and total expenditure there is always a deficit that must be financed from non-tax sources. These deficits are financed mainly from grants (UK and Canada), loans and advances from commercial banks and more recently funds received from various issues of treasury bills and debentures.

EXTERNAL SECTOR

Historically, the economy has always depended heavily on export earnings from four major agricultural commodities. In addition, the lack of mineral resources and non-development of manufactures mean there is great reliance on imports for foodstuffs, fuels and manufactured goods.

Import and export co-efficients are quite high. During 1970 to 1972 total imports was about 75 per cent, on average, of Gross Domestic Product; but this proportion has since declined to approximately 60 per cent. The similar ratio for exports was about 22 per cent in 1970 and slightly higher for 1973, the last year for which definitive data are available. Considerable reliance is placed on foreign trade as a source of Government revenue. Goods entering into external trade also constitute the major part of the goods handled by the distributive sector.

The value of total exports have increased annually since 1970. The value of imports, after increasing in 1971, declined up to 1974 but preliminary figures indicate a significant increase of around 39 per cent in 1975. Total imports for 1975 is estimated at nearly \$53 million compared with about \$45 million in 1970. Total exports (of which domestic exports comprise about 95 per cent) was estimated at nearly \$27 million in 1975 compared with \$12 million in 1970. The preliminary deficit balance of trade is therefore estimated at \$26 million for 1975 and with the exception of 1974, is lower than the figure for every other year since 1970. During this period the visible trade deficit has consistently exceeded the level of domestic exports.

Table 2
Exports, Imports and Balance on
Visible Trade, 1970-1975
(EC\$'000)

Year	Domestic Exports	Total Exports	Imports	Balance of Visible Trade
1970	10,953.2	12,074.9	44,631.8	-32,556.9
1971	9,290.8	10,193.2	46,051.2	-35,858.0
1972	9,954.6	10,530.3	43,811.7	-32,281.4
1973	13,637.0	14,512.0	42,487.1	-27,975.1
1974 ^P	17,759.0	19,363.9	38,114.2	-18,750.3
1975 ^P	25,888.1	26,915.4	52,818.0	-25,902.3

P - Provisional

Source: Data supplied by the Statistical Office,
Grenada.

Export trade is dominated by four agricultural commodities, namely, bananas, cocoa, nutmeg and mace. These crops accounted for an average of 95 per cent of domestic exports from 1970 to 1972 but the share has declined slightly in more recent years.

Within the last three years the value of exports increased substantially, principally as a result of higher export prices, although there were slight increases in the volume of exports of some commodities. For example, average export unit values of bananas and cocoa increased substantially in 1974 and 1975. On the other hand, in 1975, there was a moderate decline in the export unit value of nutmeg and mace following significant increases in 1974. Volume of exports of nutmegs, mace and bananas all increased during 1975.

Historically, the United Kingdom is Grenada's main trading partner, accounting for an average of 42 per cent of total exports and 29 per cent of imports between 1970 and 1972. The UK's share of exports declined in 1973 but preliminary data for 1974 and 1975 indicate that the share has increased again to the levels of the earlier years. On the other hand, the share of imports from the UK declined in 1973 and indications are that this lower trend continued in 1974 and 1975. Trade

/with

with other countries of the European Economic Community generally increased during the period; imports fluctuating somewhat but exports consistently increasing. It may be noted that while Grenada's banana exports are destined for the UK, the bulk of its nutmegs, mace and cocoa are exported to other EEC countries, particularly West Germany and the Netherlands.

Grenada's trade with Latin America (excluding the Caribbean) is relatively small; the total trade exceeded \$2 million only since 1972. Between 1970 and 1973 total trade increased with imports into Grenada comprising the overwhelming bulk of this trade. Complete data are not available for subsequent years but preliminary figures suggest that Grenada's exports to these countries have declined in 1974 and 1975.

Some diversification of the trade pattern is suggested by the data as Grenada is apparently seeking to buy in the cheapest markets and thereby making increasing purchases from non-traditional trading partners. In this context imports from Japan have become important. There is also some increase in trade (mainly imports) with the Centrally Planned Economies.

Historically there has been a relatively large level of trade between Grenada and the other British Commonwealth countries, notably Trinidad and Tobago. Grenada is a member of the Caribbean Community and Common Market (CARICOM) having acceded to the Treaty of Chaguaramas in April 1974. Between July 1968 and that date Grenada was a member of the Caribbean Free Trade Association (CARIFTA), now superseded by CARICOM. The value of imports from Caribbean Common Market countries was just over \$11 million between 1971 and 1973. There are indications however that the level increased in 1974 and 1975. Exports on the other hand, have increased throughout the period 1971 to 1975. The values were relatively low prior to 1972 but have averaged more than \$1 million since 1973.

Because of its former status as a State in association with the UK, Grenada did not have balance of payments problems in the conventional sense. Despite the fact that there is a relatively large deficit, settlement of external debits would have been made out of the common Sterling pool maintained in London. However, with
/independence

independence in 1974, the situation will have changed, but it is not yet clear what new institutional arrangements have been made.

Inflows from tourist expenditures, migrants' and other remittances, on the current account, and public and private capital transfers contribute towards offsetting the merchandise trade deficit. Foreign private capital investment appears to have declined with the cessation of hotel construction around 1971/1972. Public sector inflows have increased somewhat and these take the form mainly of grants from the UK and Canada and a small amount of Government foreign borrowing.

Table 3
Export Unit Values of Selected Products
(EC\$ Per lb.)

Commodity	1970	1971	1972	1973	1974	1975
Bananas	0.059	0.057	0.053	0.087	0.176	0.226
Nutmegs	1.01	0.85	0.80	1.64	2.61	2.21
Mace	1.50	1.27	0.96	3.00	4.43	4.00
Cocoa	0.70	0.58	0.59	0.59	1.01	1.41
Lime juice	0.08	0.18	n.a.	0.13	n.a.	0.18
Cloves	n.a.	n.a.	n.a.	3.10	3.93	5.25
Lime oil	15.76	14.00	16.07	14.40	n.a.	11.00

n.a. = Not available

Source: Calculated from External Trade data.

GRENADA

TABLE I

GROSS DOMESTIC PRODUCT AT CURRENT FACTOR COST
(EC\$ Mill.)

Sectors	1970 ^P	1971 ^{PR}	1972 ^{PR}	1973 ^{PR}	1974 ^P
Export Agriculture	9.0	7.7	8.2	11.2	(13.7)
Other agriculture, Livestock & Fishing	5.5	5.6	5.7	5.9	n.a.
Mining & Manufacturing	2.1 ^R	2.5 ^R	2.6 ^R	3.2 ^R	n.a.
Construction	6.0	6.1	6.1	5.9	n.a.
Distribution	10.6	11.0	12.7	12.6	n.a.
Government	10.2	12.8	13.3	13.7	(14.2)
Others	12.8	14.0	14.0	14.4	n.a.
TOTAL:	56.2	59.6	62.7	66.9	(67.1)

P = Provisional

R = Revised

n.a. = not available

Sources: Based mainly on Economic Survey and Projections (Grenada), 1967,
British Development Division in the Caribbean, Barbados; and data
provided by Grenada.

(Adjustments have been made to projected figures on the basis of
data available in ECLA's files).

GRENADA

TABLE II

GROSS DOMESTIC PRODUCT: ANNUAL PERCENTAGE CHANGE

Sectors	1970- ^P 1971	1971- ^P 1972	1972- ^P 1973	1973- ^P 1974
Export Agriculture	-14.1	7.0	55.4	(22.3)
Other Agriculture, Livestock & Fishing	2.0	2.0	2.0	n.a.
Mining & Manufacturing	10.3	12.1	22.9	n.a.
Construction	2.4	0.1	- 3.3	n.a.
Distribution	3.8	15.1	- 0.6	n.a.
Government	25.2	3.9	3.0	(3.7)
Others	9.7	- 0.05	2.6	n.a.
TOTAL:	6.1	5.2	6.7	(0.3)

n.a. = not available

P = Provisional

Source: Derived from Table I.

GRENADA

TABLE III

GROSS DOMESTIC PRODUCT AT CURRENT FACTOR COST: 1970-1974

PERCENTAGE SHARES

Sectors	1970 ^P	1971 ^P	1972 ^P	1973 ^P	1974 ^P
Export Agriculture	16.0	12.9	13.1	16.8	(20.4)
Other Agriculture, Livestock & Fishing	9.8	9.5	9.2	8.8	n.a.
Mining & Manufacturing	3.7	3.8	4.1	4.7	n.a.
Construction	10.6	10.2	9.7	8.8	n.a.
Distribution	18.9	18.5	20.2	18.9	n.a.
Government	18.2	21.5	21.2	20.5	(21.2)
Others	22.8	23.6	22.4	21.5	n.a.
TOTAL:	100.0	100.0	100.0	100.0	(100.0)

P = Provisional

n.a. = not available

Source: Derived from Table I.

GRENADA
TABLE IV
PRODUCTION OF PRINCIPAL AGRICULTURAL COMMODITIES

<u>Principal Commodities</u>	<u>Unit</u>	<u>1970</u>	<u>1971</u>	<u>1972^P</u>	<u>1973^P</u>	<u>1974^P</u>	<u>1975^P</u>
Nutmeg	cwt.	37,086	35,258	32,495	32,627	38,942	35,748
Mace	cwt.	5,015	4,806	4,194	4,260	5,624	2,680
Cocoa beans	'000 lbs.	6,008	5,820	5,536 ^E	5,463	5,344 ^E	5,288
Bananas	tons	18,830	13,960	12,510.8 ^E	10,992.0	8,783.1 ^E	13,441
Copra	tons	573	728	n.a.	n.a.	147.6	199.2
Sugar-cane	tons	10,018	7,740	5,732 ^E	4,795.3	2,888.6	5,961

P = Provisional

E = Estimates

n.a. = not available

Source: Data supplied by the Statistical Unit, Ministry of Agriculture, Forestry & Fisheries; and the Statistical Office, Grenada.

GRENADA
TABLE V
OUTPUT OF SELECTED INDUSTRIAL PRODUCTS

Commodity	Unit	1970	1971	1972	1973	1974	1975
Sugar	tens	1,001.8	774.0	595.4	-	-	-
Rum	'000 proof gal.	104.6	93.1	80.3	56.9	83.9	91.9
Beer	'000 gal.	97.9	46.0	71.3	97.5	47.0	93.8
Cigarettes	'000 cartons	149.0	142.6	161.0	186.7	161.0	180.6
Malt	'000 gal.	17.0	9.0	9.2	9.3	5.5	18.7
Edible oil	'000 gal.	102.2	94.8	106.4	90.1	25.5	32.2
Nutmeg oil	'000 lbs.	-	-	-	-	-	3.3
Cotton	'000 lbs.	46.7	6.5	-	24.6	-	29.0
Coconut meal	'000 lbs.	391.8	351.0	408.1	325.1	88.8	166.9
Laundry soap	'000 lbs.	68.5	76.7	188.6	174.0	45.1	34.3

- = nil

Source: Data supplied by the Statistical Office, Grenada.

GRENADA
TABLE VI
GOVERNMENT RECURRENT REVENUE
(EC\$ '000)

	1970	1971	1972	1973	1974 ^P	1975 ^P
<u>SOURCE OF REVENUE</u>						
Import duties	6,401	6,839	6,000	5,570	3,818	4,933
Export duties	1,098	1,037	1,000	1,539	1,803	3,041
Consumption tax	765	856	600	1,210	837	1,231
Income tax	3,101	3,964	4,200	3,995	3,339	3,420
Other taxes, fees & licences, etc.	7,612	5,466	7,500	5,804	5,465	6,175
Aid funds	34	58	200	-	326	2,579
TOTAL:	19,011	18,220	19,500	18,118	15,588	21,379

P = Provisional

- = nil

Source: Data supplied ECLA by the Ministry of Finance, Trade & Industry, Grenada.

GRENADA
TABLE VII
SELECTED FISCAL DATA
(EC\$'000)

	1970	1973	1974	1975 ^P
Recurrent Local Revenue	n.a.	18,118	15,262	18,639
Recurrent Expenditure	20,166	20,082	20,223	24,003
Agriculture	n.a.	n.a.	976	1,191
Construction	n.a.	n.a.	1,347	1,976
Public Utilities	n.a.	n.a.	876	1,579
Social ^{1/}	n.a.	n.a.	9,542	10,317
Administration ^{2/}	n.a.	n.a.	6,118	7,077
Debt servicing	n.a.	n.a.	1,364	1,863
Capital Expenditure	3,071	4,515	3,468	1,837
Surplus or deficit	n.a.	-1,964	-4,961	-5,364
<u>Financing the deficit:</u>				
Grants	n.a.	-	326	2,579
Loans	-	-	-	161
Other	n.a.	1,964	4,635	2,624
National debt	n.a.	n.a.	18,831	n.a.

P = Provisional

n.a. = not available

- = nil

^{1/} Includes expenditure on education, health and other community services.

^{2/} Includes all expenditure on civil administration, including central services, police and courts.

Source: Data supplied by the Ministry of Finance, Trade and Industry, Grenada.

GRENADA
TABLE VIII
SELECTED DOMESTIC EXPORTS
(Quantity in '000 lbs; Value in EC\$'000)

Commodities	1970		1971		1972	
	Quantity	Value	Quantity	Value	Quantity	Value
Nutmegs	2,992.4	3,002.5	3,811.7	3,244.1	4,137.7	3,304.5
Mace	420.9	631.4	557.5	706.6	951.9	917.5
Bananas	42,176.7	2,504.5	31,273.2	1,767.3	29,166.5	1,557.8
Cocoa	6,204.3	4,325.6	5,774.4	3,330.0	5,811.1	3,441.6
Lime juice	1,700.3	129.2	76.1	13.7	-	-
Cotton	46.7	25.9	6.5	3.6	-	-
Cloves	-	-	-	-	-	-
Cinnamon	-	-	-	-	-	-
Lime oil	2.5	38.9	1.7	23.2	1.6	26.4
Nutmeg oil	-	-	-	-	-	-
Other spices	61.4	161.6	46.9	89.7	37.5	103.7

TABLE VIII (Cont'd)

Commodities	1973		1974		1975	
	Quantity	Value	Quantity	Value	Quantity	Value
Nutmegs	3,178.0	5,197.5	2,309.6	6,027.5	4,490.0	9,943.1
Mace	567.5	1,702.1	317.9	1,407.6	356.3	1,424.4
Bananas	22,742.7	1,966.5	18,618.5	3,276.9	28,944.9	6,525.6
Cocoa	6,022.4	3,573.7	5,351.1	5,423.0	4,794.2	6,762.7
Lime juice	23.6	3.2	16.4	17.1	403.8	73.9
Cotton	24.6	16.3	-	-	29.1	26.6
Cloves	14.4	44.7	52.1	204.6	5.6	29.1
Cinnamon	14.4	27.6	25.1	62.6	13.4	33.1
Lime oil	0.5	7.5	-	-	0.4	4.4
Nutmeg oil	-	-	-	-	3.3	80.6
Other spices	-	-	3.3	5.6	8.6	18.9

- = nil

Source: Data supplied by the Statistical Office, Grenada.

GRENADA
TABLE IX
DISTRIBUTION OF TRADE BY SITC SECTIONS
(EC\$ '000)

	0	1	2	3	4	5	6	7	8	9	Total
	<u>IMPORTS C.I.F.</u>										
1971	12,986	1,974	1,666	2,230	125	3,853	8,965	7,235	7,004	15	46,052
1972 ^P	13,384	1,356	1,703	2,342	118	3,825	7,632	6,781	5,696	24	42,811
1973	14,540	1,075	1,994	2,510	142	3,610	7,837	6,067	4,699	13	42,484
1974 ^P	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	38,114
1975 ^P	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	52,818
	<u>EXPORTS OF DOMESTIC PRODUCE</u>										
1971	9,222	9	7	-	-	23	5	-	21	3	9,290
1972 ^P	9,809	4	6	-	-	89	3	-	37	6	9,954
1973	13,440	n.a.	19	-	-	47	7	-	123	n.a.	13,637
1974 ^P	16,647	n.a.	2	-	-	n.a.	n.a.	-	379	n.a.	17,759
1975 ^P	n.a.	n.a.	n.a.	-	-	n.a.	n.a.	-	n.a.	n.a.	25,888
	<u>EXPORTS OF FOREIGN PRODUCE</u>										
1971	302	3	2	6	-	71	66	370	82	neg.	902
1972 ^P	211	4	6	19	-	41	34	191	68	neg.	576
1973	173	5	12	10	-	102	121	375	77	neg.	875
1974 ^P	n.a.	n.a.	n.a.	n.a.	-	n.a.	n.a.	n.a.	n.a.	n.a.	1,605
1975 ^P	n.a.	n.a.	n.a.	n.a.	-	n.a.	n.a.	n.a.	n.a.	n.a.	1,027

P = Provisional n.a. = not available - = nil neg. = negligible

Source: Data supplied by the Statistical Office, Grenada.

GRENADA

TABLE X

TRADE BY MAJOR TRADING PARTNERS
(EC\$'000)

Trading Partners	1973	1974 ^P	1975 ^P
<u>DOMESTIC EXPORTS BY DESTINATION</u>			
U.K.	4,791	7,260	11,333
U.S.A.	1,064	350	1,292
CANADA	319	423	501
LATIN AMERICA ^{1/}	314	57	255 ^{2/}
EEC ^{3/}	5,420	6,696	9,530
CARICOM	1,152	935	1,120
(ECCM)	(136)	(65)	(275)
OTHERS	577	2,039	1,857
TOTAL:	13,637	17,760	25,888
<u>IMPORTS BY ORIGIN</u>			
U.K.	11,307	n.a.	n.a.
U.S.A.	3,972	n.a.	n.a.
CANADA	3,365	n.a.	n.a.
LATIN AMERICA ^{1/}	1,349	n.a.	n.a.
EEC ^{3/}	5,011	n.a.	n.a.
CARICOM	11,541	n.a.	n.a.
(ECCM)	(124)	n.a.	n.a.
OTHERS	5,942	n.a.	n.a.
TOTAL:	42,487	38,114	52,818

P = Provisional

n.a. = not available

^{1/} Continental Latin America.

^{2/} Data for Argentina, Brazil and Venezuela.

^{3/} Exclude U.K.

Source: Data supplied by the Statistical Office,
Grenada.

GRENADA

TABLE XI

TRADE WITH CARICOM COUNTRIES
(EC\$'000)

	1971	1972	1973	1974 ^P	1975 ^P
<u>I M P O R T S</u>					
Barbados	1,230.0	1,413.8	1,485.8	1/	1/
Guyana	1,058.3	1,131.1	870.6	1/	1/
Jamaica	646.4	720.8	578.3	1/	1/
Trinidad & Tobago	8,229.8	7,957.9	8,322.7	1/	1/
TOTAL MDC's:	11,164.5	11,223.6	11,257.4	1/	1/
ECCM	70.9	356.6	123.6	1/	1/
Belize	n.a.	n.a.	160.2	1/	1/
TOTAL CARICOM:	(11,235.4)	(11,580.2)	11,541.2	1/	1/
<u>D O M E S T I C E X P O R T S</u>					
Barbados	17.6	38.9	80.7	54.6	70.8
Guyana	52.1	79.6	426.8	169.6	49.6
Jamaica	40.7	51.7	63.5	17.4	47.6
Trinidad & Tobago	110.7	463.4	445.0	627.5	677.3
TOTAL MDC's:	221.1	633.6	1,016.0	869.1	845.3
ECCM	20.2	63.3	136.0	65.4	275.2
Belize	n.a.	n.a.	-	-	-
TOTAL CARICOM:	241.3	696.9	1,152.0	934.5	1,120.5

P = Provisional

- = nil

n.a. = not available

1/ Data on import trade with CARICOM countries are not available.

Source: Data supplied ECLA by the Statistical Office, Grenada.

GRENADA
TABLE XII
SELECTED COMMERCIAL BANKING STATISTICS
AS OF 31 DECEMBER EACH YEAR
(EC\$'000)

	1971	1972	1973	1974	1975
Cash in hand	1,955	2,366	2,639	2,203	2,274
Total deposit	42,849	49,001	51,978	50,851	66,917
Demand deposit	(5,898)	(6,738)	(7,713)	(6,833)	(8,084)
Time deposit	(11,547)	(15,598)	(17,451)	(17,646)	(30,269)
Savings deposit	(25,404)	(26,665)	(26,814)	(26,373)	(28,564)
Balances due by foreign banks	5,059	1,022	2,487	8,136	13,395
Balance owing to foreign banks	6,438	12,963	14,826	20,525	14,985
Total liabilities	58,024	67,922	74,038	80,100	91,533

Source: Commercial Banking Statistics, July-December 1975,
 Research Department, East Caribbean Currency Authority,
 St. Kitts.

GRENADA
TABLE XIII
LOANS AND ADVANCES OF COMMERCIAL BANKS BY CATEGORY OF BORROWERS
(EC\$ '000)

	Amount Outstanding as of 31 December:				
	1971	1972	1973	1974	1975
Agriculture	2,397	3,031	2,010	2,484	4,789
Manufacturing	1,930	2,705	2,347	2,570	2,165
Distributive Trade	10,614	16,473	17,549	17,251	14,991
Tourism	5,247	4,925	4,054	4,128	3,611
Transportation	1,541	1,098	1,478	1,132	1,554
Public Utilities (gas, electricity & telephone)	662	657	1,021	872	919
Building & Construction	3,089	2,648	2,016	3,233	3,201
Personal Loans	5,260	7,667	8,197	7,258	6,784
Other advances	13,680	13,417	15,338	12,609	13,804
TOTAL:	44,420	52,621	54,010	51,537	51,818
Long term loans as % of total:	37.4	39.4	41.1	41.8	40.5

Source: Commercial Banking Statistics, July-December, 1975,
Research Department, East Caribbean Currency Authority,
St. Kitts.

Brief Background, Problems and Prospects
in the Grenada Economic Situation

Grenada is one of the most recent independent countries of the hemisphere, just emerging from the status of colony and having now to cope with the problems small countries face to be economically viable in a world of increasing social and economic complexity.

The Grenada position is important in that it is the first really miniscule state in the Western Hemisphere to acquire independence and appears to presage similar moves by other States of the Windward and Leeward Islands. ^{1/} The Grenada "experiment" may therefore serve as a model to these other countries who appear now to be somewhat dissatisfied with the limitations on sovereignty imposed by the status of being States in Association with the United Kingdom. ^{2/}

In addition to being newly independent, Grenada faces a number of problems, an understanding of which is important to comprehending recent economic trends. These problems may be classified broadly as being endowment related and institutional or structural. The endowment factors include the small size, both in terms of land area and population, the natural resource base and the topography of the country. ^{3/} The total land area is only 133 square miles including the Grenadine islands of Carriacou and Petit Martinique. Living in this relatively small space are 100,000 persons, so that while the population is absolutely small its density is relatively large. These problems are compounded by very hilly terrain, approximately 50 per cent of the total area being more than 500 feet above sea-level ^{4/} and

^{1/} The Government of St. Kitts-Nevis-Anguilla has announced its commitment to seek independence and Antigua and St. Lucia appear similarly inclined.

^{2/} In brief this status confers on these States complete independence in domestic affairs, the UK attending to matters affecting defence and external affairs.

^{3/} Selected data are given in ECLA/POS 75/6.

^{4/} See ECLA/POS 75/9.

these hills are relatively steep. Added to this is the fact that poor conservation practices have resulted in severe erosion; and these together represent severe impediments to agricultural development.

Another endowment limitation is the absence of known deposits of minerals in commercial quantities. Marine exploration for crude petroleum is in progress and successful oil strikes could change the position.

There are a number of factors that may be grouped under the heading structural or institutional. Most prominent among these is the openness of the economy manifested by the relatively high import and export co-efficients (estimated at around 60 per cent and 22 per cent, respectively, in 1973). This factor derives partly from historical (colonial) patterns and partly from the resources problem mentioned above. Other factors under this heading are the under-developed physical and institutional infrastructure, the unemployed and underemployed land and population and the general socio/political situation.

There is still a relatively large proportion of land that is under-utilized. Moreover land ownership is such that large numbers of people own small parcels of land and the hilly nature of the land makes access, cultivation and widespread use of modern agricultural machinery difficult. Except for the major export crops, marketing is not well organised. The undeveloped infrastructure extends not only to roads but also to institutions, communications and transportation systems as well. The level of unemployment was estimated at about 10 per cent according to 1970 Population Census data but is almost certainly much higher now.

The general socio/political situation has been unstable especially in the year preceding independence on 7 February 1974. This instability has undoubtedly contributed strongly to the recent stagnation of economic activity.

All these factors have had certain consequential effects. The small tax base and the stagnating levels of income plus inflation

/have

have created problems for government financing of much needed expenditure - both recurrent and for capital development projects. There has been a declining rate of expansion in the money supply after 1972 and increases in credit during this period is negligible, taking inflation into account. During 1974 there was a reduction in demand and savings deposits.

The flood damage caused by torrential rains between 9 and 10 November 1975 has further aggravated the position. Major damage of both a short and long-term nature was done to agriculture. In addition destruction was caused to roads, bridges, water supply and other infrastructure as well as to productive facilities.

In view of the foregoing the short-term prospects are not good and will depend to a large extent on the amount of external assistance forthcoming. Several international and regional institutions responded to the call for assistance after the floods, and the rehabilitation and reconstruction efforts should provide an immediate boost and improve infrastructure that will have later benefits. One side-effect of the flood damage may be an easing of socio/political tensions as efforts are directed to repair work.

The softening of commodity export prices in 1975, after the fairly substantial rises of 1974, seems to indicate that 1976 will not be a good year for agriculture. However, on the strength of the likely inflow of funds for rehabilitation and reconstruction the construction and government sectors should be very active. There should also be activity in agriculture, including land preparation and replanting of crops. Short-term vegetable crops should recover quickly. However, prices for the major crops will apparently continue weaker during 1976.

The agricultural sector is expected to receive a further boost by 1977 with the revival of sugar-cane cultivation on a scale to supply most of the country's needs. Other crops that are expected to be stimulated under the country's new diversification drive include onions, rice, irish potatoes and soya-beans. About 12,000 acres of land are ear-marked for the cultivation of these commodities with the help of technical assistance from international organizations.

One fundamental factor to any improvement in the economy of Grenada is the economic situation in the developed countries. This factor has importance both for commodity prices and for tourism. It would seem that tourism will not be buoyant in 1976 because of the effects of the flood damage and the pre-existing socio/political climate.

There should be some spill-over from the spending on rehabilitative works into the financial and service sectors so that the stage may be set for some growth into 1977 and beyond.

PART VI
GUYANA COUNTRY NOTES

ECONOMIC SURVEY 1975

GUYANA

(Guyana dollars used throughout)^{1/}

The economy of Guyana experienced a relatively favourable year in 1975, although Gross Domestic Product grew at a slower rate than in 1974. Preliminary estimates of \$1,060 million indicate a 23 per cent increase in GDP at current factor cost. While price increases were a major factor in the expansion there is ample evidence of real growth in the economy during the year.

Agriculture and manufacturing, especially sugar, made the largest contributions to GDP in 1975. Important increases were also made in construction and transport and communications.

Both exports and imports rose considerably with exports exceeding imports by an estimated \$48 million, but price was a more important factor than quantity in determining the level of trade during 1975. Government foreign borrowing contributed strongly to the net surplus on the balance of payments estimated at \$65 million.

The rate of inflation as measured by the Urban Consumer Price Index was considerably restrained during the year. The 8 per cent increase in 1975 was much lower than the 18 per cent inflation of 1974, and suggests that the government's anti-inflationary measures are meeting with some success.

The level of product was influenced strongly by both domestic economic policies and trends on the international scene. On the domestic front the public sector continued to assume greater importance especially in respect of investment decisions and a thrust towards development through increased self-sufficiency.

^{1/} The Guyana dollar which had been on par with the £ sterling, has been linked with the US dollar at a Central Rate of G \$2.55 to US \$1.00 as of October 1975.

Internationally, the relatively favourable prices obtained for sugar, bauxite, alumina and rice, were most important. In addition, the traditional link of the Guyana dollar to the pound sterling was severed in October 1975, in response to the declining value of the pound. The Guyana dollar assumed a fixed though adjustable parity with the US dollar at a central rate of G\$2.55 to US\$1.00. This move is expected to have a mitigating effect on price rises.

MAIN SECTORS

Agriculture

Gross Domestic Product (at current factor cost) of the agricultural sector is estimated at \$320 million, an increase of 32 per cent over 1974. The sector's contribution to total GDP has therefore increased to more than 30 per cent in 1975.

Sugar-cane and rice paddy comprise the bulk of agricultural output and consequently are the main determinants of trends in the sector. The acreage of sugar-cane harvested was about 27 per cent less than in 1974. Sugar yield, however, rose to more than 3 tons per acre compared with 2.43 tons in 1974 and restricted the decline in sugar production to only 9 per cent. The sugar-cane sub-sector benefited considerably from the increased earnings received for sugar exports. Climatic conditions had been favourable during the year. However, industrial disputes resulting in two major work stoppages negated, to some extent, the possible benefits from the excellent weather conditions and the comparatively high quality of sugar-cane. Rice paddy output increased by 14 per cent as a result of expansion in both the area harvested and in yield per acre. The rice industry was stimulated by factors such as higher prices, increased mechanization and improvement of water control facilities.

Increased output was also achieved in agricultural production, destined primarily for domestic consumption. The most notable of

/these was livestock

these was livestock, particularly meat and poultry production, with increases of 36 and 40 per cent, respectively. The country is now self-sufficient in fresh and pickled pork and to a large extent in processed pork products.

Increased emphasis is being placed on agriculture by the Government in order to make Guyana self-sufficient in food production. Agriculture received 23 per cent of government's capital expenditure in 1975, and as part of a wider regime of subsidies, the Marketing Corporation was enabled to guarantee purchase of farmers' produce at more remunerative prices than in previous years.

Mining and Quarrying

Gross Domestic Product of the sector is provisionally estimated at \$136 million, an increase of 16 per cent over 1974. Output of dried and calcined bauxite exceeded production for 1974 by a small margin. Output of alumina, on the other hand, suffered a marginal decline.

In spite of the recession in most consuming countries, favourable prices were received for exports of alumina and calcined bauxite especially. An important factor in the maintenance of buoyant prices was the existence of forward contracts for these two products. Sales of bauxite and alumina are estimated to amount to \$250 million, more than 24 per cent over the value for 1974.

During the year output of gold increased while full-year data on diamonds are expected to show a decrease from the 1974 level of output.

Manufacturing

This sector also increased significantly in 1975, but could not maintain the rate achieved for 1974. GDP at current factor cost is estimated at \$151 million, 25 per cent more than the figure for 1974.

/Sugar manufacture

Sugar manufacture and rice milling account for the major part of manufacturing GDP. The two activities representing almost 32 per cent of total manufacturing GDP in 1973, increased their combined share to 62 per cent in 1975. Price increases offset the lower volume of sugar sales in 1975.

Although world prices of sugar declined throughout the year the guaranteed price of sugar sales to the EEC and forward sales in the early part of the year at previously existing higher prices earned larger returns for the industry. The price of rice also increased in 1975.

Provisional data indicate that output of most of the major manufactured goods increased during the year. Notable among these was animal foods which by the end of the third quarter 1975 had already exceeded output for the entire 1974. Sugar was the only commodity to show a decline in volume of output.

Other Sectors

Construction GDP increased by approximately 26 per cent in 1975. While much of this increase is due to prices some portion is attributable to construction activities generated by government capital expenditure. For its part, Government sector GDP at current prices is estimated to have increased by approximately 12 per cent in 1975. However, Government's capital expenditure programme for the year increased by 146 per cent over the 1974 figure. Data on Government revenue and expenditure are given in Table XII.

THE EXTERNAL SECTOR

The rate of growth in Guyana's external trade transactions was not quite as high in 1975 as in the previous year. Data for the first nine months of 1975 indicate that exports and imports exceeded the total figure for the entire year of 1974. On the adjusted balance of payments basis value of imports for the full year is estimated

/at around

at around \$780 million, a 38 per cent increase, while exports are estimated to increase by 40 per cent to \$828 million.

The increase in domestic exports value is attributable largely to higher prices for sugar, molasses, rice, bauxite and alumina though prices of other commodities also increased. Prices of imports also increased by an estimated 25 per cent on average and appear to be particularly high for capital goods, imports of which could not be restricted if development projects were to be maintained.

The estimated levels of merchandise transactions reflect a surplus of about \$48 million (adjusted). The comparable figures for 1974 and 1973 were a \$35 million surplus and an \$84 million deficit, respectively. During 1975 the net balance on current account showed a deficit of \$35 million. The major deficit items were investment income outflows, declining slightly below 1974, and transportation which increased considerably in relative terms. Net capital movements, particularly official foreign borrowing, which increased more than two-fold, served to offset the current account deficit and resulted in a balance of payments surplus estimated at approximately \$65 million. As a result the country's net international reserves are estimated to have increased to around \$180 million at the end of December 1975.

RETAIL PRICES

The rate of price increases was remarkably curtailed in 1975 when compared with 1974. The average level of retail prices, as measured by the Urban Consumer Price Index (1970 = 100) increased by 8 per cent over the preceding year. In 1974 and 1973 the increases were 17.5 and 7.5 per cent respectively. The smaller rise in the price index is largely due to the behaviour of food, beverage and tobacco prices, for which group price increases were severely restricted compared with 1974. On the other hand increases in the

/price of clothing

price of clothing and some other commodity groups in 1975 remained closer to their 1974 growth rates.

It is estimated that import prices rose by 25 per cent. However, the true effect of import prices on the domestic price level is obscured on account of the government's policy of mitigating the effect of rising prices to the consumer.

Government's anti-inflation policy centered basically around four elements: (a) the maintenance of a rigid price control system, especially in the case of essential consumer food prices; (b) bulk purchasing; (c) government's involvement in distributive service activities; and (d) maintenance of a regime of subsidies for a wide range of consumer items including some public utility services. Almost \$37 million was expended in the process of direct subsidization.

TABLE 1
Percentage Changes in Consumer Price Indexes
(1970 = 100)

Year	All Items Index	SUB-GROUP INDEXES			
		Food, Beverages and Tobacco	Clothing	Housing	Miscellaneous
1970/71	1.0	1.2	4.8	0.4	-
1971/72	5.0	8.8	2.3	0.1	5.1
1972/73	7.5	12.0	11.8	0.3	5.9
1973/74	17.5	26.4	15.8	6.4	12.4
1974/75	8.0	8.4	10.6	5.5	8.1

- = nil.

Source: Derived from Table XIII of the Statistical Appendix.

GUYANA
TABLE I
GROSS DOMESTIC PRODUCT AT CURRENT FACTOR COST
(G\$ Mill.)

Sectors	1972	1973	1974	1975 ^P
Agriculture	92.7	93.5	242.0	319.6
Of which: Sugar-cane	(56.7)	(49.7)	(185.0)	(245.7)
Rice Paddy	(9.1)	(12.8)	(23.5)	(35.9)
Fishing	5.9	6.8	10.0	12.0
Forestry	5.6	6.0	7.5	10.0
Mining & Quarrying	89.7	80.5	117.0	135.8
Manufacturing	64.0	64.3	120.8	150.6
Of which: Sugar manufacturing	(19.9)	(17.5)	(65.0)	(86.3)
Rice milling	(2.1)	(2.9)	(5.8)	(6.3)
Transport & Communication	32.8	36.8	44.0	55.0
Engineering & Construction	42.7 ^R	47.0	54.0	68.0
Distribution	58.7	64.4	77.0	93.0
Rent of Dwellings)	50.7	56.0	63.7	71.0
Financial & Other Services)				
Government	86.5 ^R	121.2	129.0	145.0
TOTAL:	529.3 ^R	576.5	865.0	1,060.0

P = Provisional

R = Revised

Sources: Economic Survey of Guyana, 1973; and information provided
by the Statistical Bureau, Guyana.

GUYANA

TABLE II

ANNUAL PERCENTAGE CHANGE OF GROSS DOMESTIC PRODUCT BY SECTORS

	1972-1973	1973-1974	1974-1975 ^P
Agriculture	1.0	158.8	32.1
Of which: Sugar-cane	(-12.3)	(272.2)	(32.8)
Rice Paddy	(40.7)	(83.6)	(52.8)
Fishing	15.3	47.1	20.0
Forestry	7.1	25.0	33.3
Mining & Quarrying	-10.3	45.3	16.1
Manufacturing	0.5	87.9	24.7
Of which: Sugar manufacturing	(-12.1)	(271.4)	(32.8)
Rice milling	(38.1)	(100.0)	(8.6)
Transport & Communication	12.2	19.6	25.0
Engineering & Construction	9.8	15.0	25.9
Distribution	9.7	19.6	20.8
Rent of Dwellings)			
Financial & Other Services)	10.5	13.8	11.5
Government	40.3	6.4	12.4
TOTAL:	8.9	50.0	22.5

P = Provisional

Source: Derived from Table I.

GUYANA

TABLE III

PERCENTAGE CONTRIBUTION OF SECTORS TO GROSS DOMESTIC PRODUCT

Sectors	1973	1974	1975 ^P
Agriculture	16.2	28.0	30.2
Of which: Sugar-cane	(8.6)	(21.4)	(23.2)
Rice Paddy	(2.2)	(2.7)	(3.4)
Fishing	1.2	1.2	1.1
Forestry	1.0	0.9	0.9
Mining & Quarrying	14.0	13.5	12.8
Manufacturing	11.2	14.0	14.2
Of which: Sugar manufacturing	(3.0)	(7.5)	(8.1)
Rice milling	(0.5)	(0.7)	(0.6)
Transport & Communication	6.4	5.1	5.2
Engineering & Construction	8.2	6.2	6.4
Distribution	11.2	8.9	8.8
Rent of Dwellings)	9.7	7.4	6.7
Financial and Other Services)			
Government	21.0	14.9	13.7
TOTAL:	100.0	100.0	100.0

P = Provisional

Source: Derived from Table I.

GUYANA

TABLE IV

OUTPUT OF SELECTED AGRICULTURAL PRODUCTS

Commodities	Units '000	Average 1967-70	1973	1974 ^P	1975 ^P
Sugar	. tons	3,770	3,252	4,050 ^E	n. a.
Rice (milled)	tons	129	110	143	160
Coconuts	Nuts	50,567	61,074	40,000	31,300
Root crops	lbs.	48,575	62,678	55,000	44,000
Plantains	lbs.	49,975	55,016	36,000	32,500
Citrus	lbs.	20,275	23,759	22,000	24,000
Bananas	lbs.	12,079	18,234	15,200	n. a.
Coffee	lbs.	2,155	1,645	1,500	n. a.
Corn	lbs.	3,438	7,340	6,000	12,800
Tomatoes	lbs.	3,198	4,454	3,700	n. a.
Pineapples	lbs.	3,107	4,851	4,900	3,600
Beef	lbs.	8,908	9,612	8,300	8,500
Other Livestock ^{1/}	lbs.	2,407	3,197	2,600	3,500 ^{2/}
Poultry	lbs.	6,204	12,553	12,500	17,000

Note: Data from 1974 are not exactly comparable with earlier years because of changes in the method of estimation.

P = Provisional

^{1/} Pigs, sheep and goats.

^{2/} Pigs only.

Source: Economic Division of the Ministry of Agriculture, Guyana.

GUYANA

TABLE V

PRODUCTION OF SELECTED COMMODITIES

Commodities	Unit '000	1972	1973	1974 ^R	1975 ^{P1/}
<u>MANUFACTURING SECTOR</u>					
Sugar	Long tons	316	266	341	300 ^{2/}
Edible oil	Gallons	1,171	788	335	460
Margarine	lbs.	3,105	2,062	2,739	3,020
Flour	lbs.	76,945	84,159	81,656	67,443
Molasses	Gallons	19,888	17,080	21,467	12,065
Stockfeeds	lbs.	60,772	61,425	58,195	59,490
Rum	Proof gals.	4,336	4,729	6,044	3,757
Cigarettes	Number	487,510	488,541	491,130	390,800
Soap	lbs.	4,097	3,961	3,903	3,820
Paints	Gallons	162	214	325	450 ^{2/}
Timber	cu. ft.	5,983	6,592	8,806	6,360
<u>MINING SECTOR</u>					
Dried Bauxite	Long tons	1,625	1,665	1,383 ^P	966
Dried Refractory	Long tons	27	15	22	7
Calcined Bauxite	Long tons	693	636	727	577
Alumina	Long tons	256	234	311	294 ^{2/}
Alumina hydrate	Long tons	5	31	9	20 ^{2/}
Gold	Ozs.	4.0	7.5	12.2	13.5
Diamonds	Carats	47	53	30	14

R - Revised P - Provisional 1/ January to September, 2/ Full-year.
 Sources: Quarterly Statistical Digest, December 1973, Statistical Bureau, Guyana;
 and data supplied ECLA.

GUYANA
TABLE VI
EXPORTS OF SELECTED PRODUCTS
(G\$ Mill.)

Products	1972	1973	1974 ^R	1975 ^P
Bauxite	103.3 ^R	108.0 ^R	153.4	187.2
Sugar	101.8	75.9	284.8	403.0
Rum	5.6	7.3	14.5	16.0
Molasses	3.3	3.3	4.3	7.0
Rice	25.3	25.0	49.0	84.8
Timber	3.5	3.5	3.0	8.5
Shrimp	10.2	11.8	8.8	9.0
Diamonds	2.3	3.1	1.6	1.5
Alumina	28.3 ^R	26.9 ^R	47.5	62.8

R = Revised

P = Provisional

Source: Quarterly Statistical Digest, December 1973,
Statistical Bureau, Guyana; and data supplied
ECLA.

GUYANA
TABLE VII
DOMESTIC EXPORTS BY SITC SECTIONS
(G\$'000)

SITC Sections	1972	1973	1974 ^P	1975 ^{1/P}
0 Food and Live Animals	143,659 ^R	118,626	350,555	366,857
1 Beverages and Tobacco	6,357	8,457	15,909	12,778
2 Crude materials, inedible except fuels	136,886	143,177	204,393	193,590
3 Mineral fuels, lubricants and related materials	18	6	1	3
4 Animal and Vegetable oils and fats	177	185	1	-
5 Chemicals	3,059	3,632	3,996	4,396
6 Manufactured Goods classified by materials	4,334	5,813	6,141	5,504
7 Machinery and Transport Equipment	1,104	967	11	211
8 Miscellaneous manufactured articles	4,262	5,788	6,691	5,076
9 Commodities and transactions not classified according to kind	63	327	1,964	3,357
TOTAL:	299,920^R	286,978	589,662	591,772

P = Provisional

1/ January to September.

Source: Annual Account Relating to External Trade, 1972 & 1973; Quarterly Statistical Digest, December 1973, Statistical Bureau, Guyana;
and data supplied ECLA.

GUYANA
TABLE VIII
IMPORTS BY SITC SECTIONS
(G\$'000)

SITC Sections	1972	1973	1974 ^P	1975 ^{1/P}
0 Food and Live Animals	41,405	55,881	72,513	66,660
1 Beverages and Tobacco	2,687	3,745	3,279	2,427
2 Crude materials, inedible except fuels	1,617	1,485	6,063	6,814
3 Mineral fuels, lubricants and related materials	28,119	48,443	103,468	97,598
4 Animal and Vegetable oils and fats	3,136	3,563	12,469	5,822
5 Chemicals	35,737	45,509	67,257	65,645
6 Manufactured Goods classified by materials	76,993	91,924	139,096 ^R	134,710
7 Machinery and Transport equipment	78,550	91,233	122,226	162,767
8 Miscellaneous manufactured articles	28,715	29,774	38,356	33,496
9 Commodities and transactions not classified according to kind	923	945	2,328	2,379
TOTAL:	297,882	372,503	567,055 ^R	578,318

P = Provisional

1/ January to September

R = Revised

Source: Annual Account Relating to External Trade, 1973, Statistical Bureau, Guyana; and data supplied ECLA.

GUYANA

TABLE IX

TRADE WITH MAJOR TRADING PARTNERS
(G\$'000)

Trading Partners	1972 ^R	1973 ^R	1974 ^{PR}	Jan-Sep: 1973
<u>DOMESTIC EXPORTS BY DESTINATION</u>				
U.K.	88,140	84,922	123,477	126,921
U.S.A.	74,199	60,308	148,594	153,337
CANADA	18,918	14,496	26,465	19,597
LATIN AMERICA ^{1/}	5,189	5,554	25,651	6,424
EEC ^{2/}	20,065	23,242	35,009	32,796
CARICOM ^{3/}	37,698	42,674	66,130	69,040
(ECCM)	(5,500)	(6,063)	(7,643)	(7,564)
OTHERS	55,710	55,782	164,336	183,657
TOTAL:	299,920	286,978	589,662	591,772
<u>IMPORTS BY ORIGIN</u>				
U.K.	90,443	94,669	116,002	123,363
U.S.A.	72,256	90,202	145,869	169,139
CANADA	15,237	19,682	28,052	24,999
LATIN AMERICA ^{1/}	2,109	5,830	9,923	15,465
EEC ^{2/}	26,084	37,079	55,415	50,012
CARICOM	51,331	82,400	150,011	120,136
(ECCM)	(1,724)	(2,177)	(3,127)	(3,844)
OTHERS	40,421	42,641	61,783	75,155
TOTAL:	297,882	372,503	567,055	578,319

Note: Guyana's re-exports are quite small.

R = Revised P = Provisional

^{1/} Continental Latin America.

^{2/} Original six members.

^{3/} Figures revised to exclude molasses and bauxite trans-shipped through Trinidad and Tobago.

Source: Annual Account Relating to External Trade, 1973, Statistical Bureau, Guyana; and data supplied ECLA.

GUYANA
TABLE X
BALANCE OF PAYMENTS
(G\$ '000)

	1972	1973	1974 ^P	1975 ^P
<u>MERCHANDISE TRADE</u>				
Imports	-297,881	-372,503	-565,000	-780,000
Exports 1/	<u>299,848</u>	<u>288,107</u>	<u>600,000</u>	<u>828,000</u>
<u>NET BALANCE ON MERCHANDISE TRADE</u>	<u>1,967</u>	<u>- 84,396</u>	<u>35,000</u>	<u>48,000</u>
<u>SERVICES</u>				
Transportation	- 2,001	- 2,497	- 6,000	- 28,000
Freight & Insurance on International shipment	1,902	2,228	3,500	6,000
Foreign travel	- 3,780	- 9,820	2,500	- 3,000
Investment Income	- 23,374	- 25,601	- 42,000	- 40,000
Government Transactions	- 305	- 400	- 500	-
Other Services	- 5,566	- 12,900	- 7,000	- 9,000
<u>NET BALANCE ON SERVICES</u>	<u>- 33,124</u>	<u>- 48,990</u>	<u>- 49,500</u>	<u>- 74,000</u>
<u>NET BALANCE ON GOODS & SERVICES</u>	<u>- 31,157</u>	<u>-133,386</u>	<u>- 14,500</u>	<u>- 26,000</u>
<u>UNILATERAL TRANSFER PAYMENTS</u>	<u>- 2,068</u>	<u>- 3,127</u>	<u>- 8,000</u>	<u>- 9,000</u>
<u>BALANCE ON CURRENT ACCOUNT</u>	<u>- 33,225</u>	<u>-130,259</u>	<u>- 22,500</u>	<u>- 35,000</u>
<u>NET CAPITAL MOVEMENTS</u>	<u>31,658</u>	<u>74,179</u>	<u>66,000</u>	<u>117,000</u>
Official borrowing	20,418	44,190	51,000	109,000
Private borrowing	<u>11,240</u>	<u>29,989</u>	<u>15,000</u>	<u>8,000</u>
<u>TOTAL CURRENT AND CAPITAL TRANSACTIONS</u>	<u>- 1,567</u>	<u>- 56,080</u>	<u>43,500</u>	<u>82,000</u>
<u>ALLOCATION OF S.D.R.'s</u>	<u>5,402</u>	-	-	-
<u>NET ERRORS AND OMISSIONS</u>	<u>17,984</u>	<u>10,314</u>	<u>- 16,000</u>	<u>- 17,000</u>
<u>TOTAL SURPLUS OR DEFICIT</u>	<u>21,819</u>	<u>- 45,766</u>	<u>27,500</u>	<u>65,000</u>

N.B.: New series beginning 1972.

P = Provisional

1/ Adjusted to Balance of Payments basis.

Source: Data supplied by the Statistical Bureau, Guyana.

GUYANA

TABLE XI

SELECTED DATA ON THE EXTERNAL SECTOR
(G\$ Mill.)

	1970	1973 ^P	1974 ^P	1975 ^P
<u>TOTAL EXPORTS</u>	264.8	287.0	589.7	828.0
Of which: Sugar	77.6	75.9	284.8	403.0
Rice	18.1	25.0	49.0	84.8
Bauxite/Alumina	138.5	139.9	200.9	250.0
<u>TOTAL IMPORTS</u>	266.3	372.5	567.0	780.0
Of which: Consumer goods	92.6	119.4	106.7	59.9 ^{1/}
Of which:				
Food	30.3	40.2	44.1	22.4 ^{1/}
Raw material & inter- mediate goods	77.1	140.0	310.7 ^R	201.2 ^{1/}
Construction material				
Capital goods	96.6	105.6	143.0	115.6 ^{1/}
<u>SURPLUS (+) DEFICIT (-) ON CURRENT ACCOUNT</u>	-46.2	-130.3	-22.5	-35.0

P = Provisional

R = Revised

^{1/} Data for January to June

Source: Data supplied ECLA.

GUYANA
TABLE XII
SELECTED FISCAL DATA
(G\$ Mill.)

	1970	1973 ^R	1974 ^R	1975 ^P
Government Recurrent Revenue	133.0	153.0	305.2	484.1
Of which:				
Tax Revenue	119.2	135.4	277.1	454.8
Direct Tax (Income Tax)	50.1	57.3	75.2	104.3
Indirect Tax (Excise & Other)	28.7	47.7	168.7	310.5
Foreign Trade (Custom import duty)	40.3	30.4	33.2	40.0
Total Government Expenditure	175.8	290.6	358.5	602.5
Recurrent Expenditure	123.7	207.4	254.7	347.4
Of which:				
Personal emoluments	49.7	87.0	88.7	111.8
Capital expenditure	52.1	83.2	103.8	255.1
Fiscal deficit: Surplus (+)				
Deficit (-)	-42.8	-137.6	-53.3	-118.4
Internal financing of deficit				
Internal capital receipts	33.2	112.7	93.5	n.a.
Central Bank				
Placing of Public Value	n.a.	n.a.	n.a.	n.a.
(Public bonds)				
Others				
Selected ratios:				
i) Tax revenue as % of total expenditure	67.8	46.5	77.3	75.5
ii) Current savings as % of capital expenditure	17.8	-	48.7	53.6
iii) External capital receipt as % of capital expenditure	40.5	41.9	54.8	29.5
iv) External Financing as % of External & Internal capital receipts	38.8	23.6	37.8	n.a.

R = Revised

P = Provisional

n.a. = not available

Source: Economic Bulletin, No. 8, October 1974,
Bank of Guyana; and data supplied ECLA.

GUYANA
TABLE XIII
URBAN CONSUMER PRICE INDICES
(1970 = 100)

Period	All Items Index	SUB-GROUP INDICES			
		Food Beverages & Tobacco	Clothing	Housing	Miscellaneous
1970	100.0	100.0	100.0	100.0	100.0
1971	101.0	101.2	104.8	100.4	100.0
1972	106.0	110.1	107.2	100.5	105.1
1973	114.0	123.3	119.9	100.8	111.3
1974	133.9	155.9	138.8	107.3	125.1
1975	144.6	169.0	153.5	113.2	135.2

Source: Data supplied by the Statistical Bureau, Guyana.

PART VII
JAMAICA COUNTRY NOTES

ECONOMIC SURVEY 1975

JAMAICA

(Jamaica dollars used throughout)

Gross Domestic Product in purchasers' value at current prices is estimated at \$2,653^{1/} million in 1975, an increase of 18 per cent over 1974. Comparable increases for 1973 and 1974 are 22 per cent and 31 per cent, respectively. In view of the continued increases in prices at all levels it is estimated that there was a 2.3 per cent decline in real growth during 1975 compared with the increase of 1.3 per cent in 1974.

Agriculture, Mining, Manufacturing, Construction and the Government sectors continued to exert major influences on the economy. However, there were differences in the impact and direction of these influences in 1975. In current terms, agriculture and manufacturing increased quite significantly. Government and building and construction activities also increased but mining decreased.

The level of inflation was for the third consecutive year, quite significant. The only measure of price changes currently available is the consumer price index which showed an increase of 17.4 per cent for 1975 compared with 27.2 per cent for 1974 and 17.6 per cent for 1973. However, the magnitude of monthly price increases have been declining since the third quarter of 1975. It appears also that increases in import prices generally slackened during 1975 and in fact prices were lower or stable for some basic food items and raw materials. On the other hand the

^{1/} GDP figures have been revised as a result of the change in the National Accounting System to the UN Revised System of National Accounts. Figures are to be regarded as preliminary since the comprehensive review has not been completed. For further details see National Income and Product, 1975; Department of Statistics, Jamaica.

high wage rates demanded in collective bargaining continued. It would also seem that increased liquidity of the Banking system (in spite of the attempts of the monetary authorities to limit liquidity) plus the sluggishness of domestic production exerted some upward pressure on prices.

In the External sector, there was a deficit on merchandise trade to the extent of some \$309 million, which is nearly 66 per cent above the figure for the previous year. This situation resulted from a higher rate in the growth of imports than exports values. Despite some increase in Government foreign borrowing and the inflows on foreign travel, preliminary balance of payments showed a deficit of \$74 million. In 1974, the balance of payments figure showed a surplus of \$54 million.

The key determinants of the level of economic activity showed a mixed performance during 1975, prices were higher for the country's export commodities. But the effect of these higher export prices was offset by increases in the value of imported raw materials, and capital goods. On the negative side the level of output was affected inter-alia by drought conditions affecting livestock and crop production. The sugar industry was also affected by strikes. Industrial production was retarded by shortage of raw materials, strikes and other "industrial action" on the part of workers. The bauxite/alumina industry, in addition to being affected by strikes and faced with reduced demand for aluminium in world markets, curtailed output of bauxite and alumina. Further adverse effect resulted when one firm temporarily suspended its activities. Of importance not only to the level of production in 1975 but also to the future of the industry is the reaction of the companies to the steps being taken by government in an attempt to ensure for the country greater benefits from the bauxite/alumina industry. Tourism declined during the year and construction activities declined in real if not in current terms.

In view of the high level of unemployment and underemployment, more or less progressive deterioration in the level of foreign

/exchange

exchange reserves, especially after mid-year, the sluggishness of manufacturing activities and the chronic high level of unemployment and underemployment, the Government undertook a comprehensive review of its economic and fiscal policies. It was announced that the major goal of economic and fiscal policies are the achievement of self-sufficiency in food, housing and clothing. It was stated that a wide range of institutions would be established or strengthened and a large number of tools employed to attain these objectives as well as to combat the high rate of inflation. Among the tools to be employed are:

- (a) Incentives to stimulate production:- Credit facilities will be extended to encourage production utilizing local raw materials, to finance exports and to promote small businesses. The drive to bring additional land under cultivation is also to be intensified;
- (b) Compulsory payments are to be made by employers and employees into a National Housing Trust Fund which is to be used to finance "Worker Housing";
- (c) Establishment of minimum wages.

In addition, all imports have been brought under a licensing system, profits and wages guidelines have been established, price controls have been tightened and the Government undertook to reduce expenditure during the fiscal year, 1975/76. Clearly, it will take time to establish the institutions and to implement some of these measures. Results of these new policy directives will not be observable until 1976.

Agriculture

Agriculture Gross Domestic Product at current purchasers' values is provisionally estimated at \$203 million, compared with just over \$159 million in the previous year, reflecting a 28 per cent rise. This increase, however, is due principally to higher prices of goods rather than to expansion in volume of output, as output of many of the major crops declined. Real growth in the

/agricultural

agricultural sector during 1975 is estimated at just over 2 per cent compared with 1.1 per cent in 1974.

Volume of sugar-cane output which had recovered slightly during 1974 showed a 7 per cent decline during 1975 but sugar-cane farmers benefited from the fact that the average export price of raw sugar almost doubled during the year. Output of bananas declined for the fourth successive year, but prices were again favourable. Production of copra and pimento also declined. In contrast, output of cocoa, coffee and ginger improved slightly. The GDP contribution of these traditional export crops is estimated to have increased significantly to \$50.9 million as against \$35.5 in 1974.

Domestic agriculture^{2/} GDP for 1975 is provisionally estimated at approximately \$163 million. This figure represents an increase of more than 23 per cent above the estimate for the previous year. Expansion in this sub-sector also resulted mainly from higher prices in 1975, as output of a large number of root crops and vegetables declined on account of the serious drought during the year. Some crops were completely wiped out because of the lack of moisture. Available estimates of output of sweet potatoes and plantains, for example, indicate a fall of 27 per cent and 33 per cent, respectively.

With regard to the livestock sub-sector, the number of animals slaughtered increased considerably. It should be noted that the 1975 drought also caused considerable damage to pasture lands and contributed to the increased number of cattle slaughtered though the average weight per head was lower. Milk output remained at around the 1974 level while poultry and eggs production rose by 17.7 per cent and 5.8 per cent respectively in 1975.

Estimates of the fishing catch and output of the forestry industry indicate no increase in quantum of output.

^{2/} Include livestock and hunting, fishing and forestry and logging.

Mining, Quarrying & Refining

The level of activity in Mining, Quarrying and Refining was lower in 1975 than in the previous year. Gross Domestic Product of the sector, at current factor cost is provisionally estimated at approximately \$280 million, a decline of nearly 4 per cent. All sub-sectors contributed to the decline, but bauxite and alumina output showed the largest reduction and considerably depressed output of the sector because of their large share of the total.

Output of bauxite (mined) declined by 11 per cent, alumina by 18 per cent and gypsum by 11 per cent below the level of 1974. However the average export price for bauxite and alumina rose by 6.3 per cent and 3.5 per cent respectively. The quantum of exports of bauxite and alumina fell in 1975 after two years of successive increases. On the other hand exports of gypsum rose by nearly 6.5 per cent while local sales reached 70162 tons in 1975, which more than trebled the 20409 ton figure of 1974.

During the year the bauxite/alumina industry had been subjected to severe cutbacks in production, retrenchment of workers, temporary suspension of activities by one firm, and strained management-labour relations, resulting in strikes and "go-slows". The reduction in output and exports also resulted from curtailment of primary aluminium production by related firms in the producing countries in response to the depressed world demand for aluminium and the accumulation of inventories.

The Government's policy of gaining greater control of this very important sector of the economy progressed from the first stage of obtaining increased revenues from the bauxite industry by means of production levies and a change in the pricing formula for the commodities, to that of acquiring equity participation in local bauxite and alumina operations and the repurchasing of mined-out land.

Manufacturing

Manufacturing GDP at current factor cost is provisionally put at approximately \$422 million in 1975, the equivalent of almost

/19 per cent

19 per cent rise over the previous year. However, real growth was relatively small, in the order of 4.7 per cent; and in addition the average level of employment contracted during 1975.

Available output data on manufactured goods show mixed performance. Although the volume of output of sugar, rum and molasses declined marginally during 1975, these activities made a substantial contribution to the sector under the impact of higher export prices. For example, the average export unit value of sugar was \$551 per ton compared with \$276 in 1974. Lower output in 1975 were also registered for fertilizers, detergents, textiles, condensed milk, cigars and copra. There were, on the other hand, increases in output of ammonium sulphate, sulphuric acid, paints, tyres, cement, salts, soap, edible oils and fats, beverages, cigarettes, animal feeds and flour. Refining of petroleum products increased in terms of value but output figures for individual commodities showed a mixed performance.

The prices of imported raw materials and intermediate goods continued to increase though at slower rates than in 1974. This factor as well as the reduced demand for final products retarded expansion in various manufacturing sub-sectors. Strike action in some industries also contributed to the lower production levels. During the year a few firms went out of production while a few others reduced the level of operation.

Despite these trends in 1975, indications are that the manufacturing base is being broadened. Among the new manufacturing establishments under construction during 1975, were a factory to produce cassava flour from the local tuber and a new dairy products plant. The latter will increase capacity considerably. Expansion was also in process in printing and publishing supplies and in tyre manufacturing.

During the year, Government announced a package of new incentives to stimulate manufacturing activities as part of its policy of self-sufficiency in providing the basic necessities of housing, food and clothing. It is interesting to note that the first set of incentives given by Jamaica under the CARICOM Harmonization of Fiscal Incentives scheme were made during 1975 to twenty firms

/most of

most of which are expected to come on-stream in 1976. It is projected that these additional enterprises should provide about 900 jobs.

Construction

The contribution of the construction sector to total GDP increased to just over \$300 million in 1975 compared with approximately \$253 million in the previous year. However, the rate of expansion of 14 per cent during 1975 was much less than the 22 per cent rate of increase in 1974, but the share of the sector remained at more than 11 per cent.

During 1974, the large increase in the cost of building materials had considerably depressed the level of construction activities. However, in 1975 prices for building materials levelled off and this factor contributed to overall improvement in the performance of the sector.

It is significant to mention that private sector industrial and commercial construction activities remained at a low level in 1975. However, activity in housing construction projects was particularly high in 1975. Private building of single dwelling units as well as town-house apartment type projects made good progress. Also a large portion of public sector construction activities were in the area of low and middle income housing projects. Two thousand eight hundred and fifty-three housing units were completed during 1975 and another 4,631 were under construction at year end compared with 1,656 units completed and 3,922 under construction in 1974. The public sector was also very much occupied in the construction of infrastructure, and educational and health facilities during the year. Total expenditure on construction by the country's Urban Development Corporation and its subsidiary National Hotel and Properties (which are quasi-Government bodies) rose from \$18.2 million in 1974 to \$23.5 million in 1975. The involvement of such quasi-Government bodies and direct Central Government expenditure on construction activities therefore provided the main growth stimulus in the sector. This sector has maintained a dynamic position in the economy partly because of its substantial contribution to the level of fixed capital formation.^{3/} It should be noted also, that the sector employs about 5 per

^{3/} Under the old system of National Accounts the sector accounted for an estimated 49 per cent of gross fixed capital formation during 1974.

cent of the labour force and its importance is further emphasised through the backward linkages which are continually being established by wider use of local materials, for example, cement, bagasse board, paints, forestry products and gypsum.

Government Sector (Producers of Government Services)

Activity in the Government sector expanded considerably during 1975. Government GDP in purchasers' value at current prices, is estimated at approximately \$358 million, a 44.7 per cent increase for 1975 compared with a 33 per cent increase in 1974. The share of the sector rose from 11 per cent in 1974 to 13.5 per cent during 1975 making it the third largest contributor to total GDP.

The high level of Government expenditure provided much of the stimulus for expansion in the overall economy generally. During 1975, total Government expenditure increased from \$644 million to \$938 million. An important feature was the 59 per cent increase in the capital expenditure component, while recurrent expenditure grew by almost 37 per cent. It is significant to note that although there were increases in almost all categories of Government expenditure, allocations on economic services for the financial year April 1975-March 1976 were just under 46 per cent of capital expenditure. Within economic services agriculture continued to be Government's top priority. Other priority areas are housing, roads, particularly farm roads, water supplies and education, training and cultural development.

Government recurrent revenue increased much less rapidly than expenditure in 1975, by about 24 per cent. In the previous year, recurrent revenue grew by 40 per cent. Customs duties registered the most significant increase, about 41 per cent in 1975 as contrasted with less than 9 per cent in 1974, while the share of customs duties in total recurrent revenue was about 14 per cent in 1975. Income tax, the most important single source of recurrent revenue and which had accounted for an average of just over 39 per cent of total recurrent revenue between the period 1972 to 1974 grew by 22 per cent. During 1974, the rate of increase in income tax collections was almost 35 per cent.

Because of the faster rate of increase in expenditures the overall Government deficit rose to \$371.8 million, a 98 per cent increase over the 1974 figure. It has therefore been necessary to increase Government
/borrowing.

borrowing. Total gross national debt increased by nearly 30 per cent rising to \$842.0 million in 1975 from \$649.7 million in 1974. In 1973 Government borrowing from local sources exceeded loans from foreign sources, but this pattern changed in 1974 and the share of the debt due to foreigners increased to 60.6 per cent in 1975 as against 58.6 per cent in 1974.

Tourism

There was a down-turn in the level of activity in this sector during 1975. The performance of the sector was generally unsatisfactory in spite of a 4.3 per cent rise in the number of all visitors to Jamaica. This increase was due primarily to a large increase in cruise-ship passengers, whose average expenditure is relatively low compared with stop-over visitors (long stay and short stay visitors). It is significant to note that the total number of stop-over visitors declined by 8.6 per cent and that, again in 1975 there was excess tourist capacity. Largely because of the smaller number of this category of visitors, estimated tourist expenditure for 1975 fell to under \$117 million compared with about \$121 million in 1974. It is observed however, that the average length of stay improved slightly and so did the number of rooms, but room occupancy rate declined further.

The substantial increases in petroleum prices particularly in 1973-1974 coupled with the recession in the world economy had a dampening effect on the country's tourism. During 1975, the number of stop-over visitors from the United States of America, the most important market fell by 12.5 per cent and so did arrivals from the United Kingdom, Latin America and the Caribbean. On the contrary, arrivals from Canada and Continental Europe increased but these are relatively small compared to the United States' share. Industrial disputes and strikes, including strike action at the country's two international airports, directly affected the tourist industry. A few hotels closed down during the year and this further depressed employment and income in tourism.

Indications towards the end of 1975 that the American economy was definitely recovering is expected to have a positive effect on Jamaican tourism. At the same time attempts

/are being

are being made to streamline the industry to cope with world-wide changes. Then too, easing of social and political tension can help restore normalcy to the industry.

Table 1
Selected Tourism Statistics

	1972	1973	1974	1975
Number of Rooms	9,065	10,069	11,071 ^R	11,235
Number of Beds	17,944	19,897	21,827 ^R	22,220
Total visitors ('000)	493.5	517.4	530.7	553.3
Room occupancy rate (per cent)	48.9	50.3	43.8	43.5
Length of stay (nights)	7.9	8.3	8.4	8.8
Estimated expenditure (J\$ Mn.)	107.9	115.9	121.2	116.8

R = Revised

Source: Economic and Social Surveys, 1974 and 1975, National Planning Agency, Jamaica; Travel Statistics, 1974, The Jamaica Tourist Board, Jamaica; and data supplied ECLA.

Other Sectors

There were significant increases in the contribution of the financial institutions and real estate sectors in 1975. GDP at current purchasers' value for financial institutions grew by over 25 per cent while for real estate the increase was more than 23 per cent. However, real growth was negligible. In fact, there was an absence of major new investment projects comparable in size to those of previous years. Generally, the private sector did not respond to the investment incentives offered, instead businessmen took advantage of excess working capital to adjust their finance and inventories rather than to expand production.

Of the other sectors electricity and water supply increased significantly but this sector's share of total GDP is very small. The remaining sectors did not manage to keep pace with the overall economy.

CONSUMER PRICES

Relatively rapid price increases continued to be an important phenomenon in the Jamaican economy during 1975, despite the tightening of price control measures in recent years. The average level of retail prices as measured by the All Jamaica Consumer Price Index increased by 17.4 per cent in 1975 compared with 27.2 and 17.6 per cent in 1974 and 1973, respectively. The index for the Kingston Metropolitan Area rose by 16.5 per cent; the index for Other Towns increased by 17.8 per cent, while the Rural Areas Index showed an 18.5 per cent increase (see table 2)^{4/}.

The groups showing the largest increases are Household Furnishings and Furniture, Transportation and Food and Drink. In the All Jamaica Index, the Household Furnishings and Furniture group index rose the highest, by 27.6 per cent. However, this group represents only 3.2 per cent of the total index and consequently, the large increase did not significantly affect the movement of the overall index. The Transportation index which also accounts for a relatively small part of the total weight (4.9 per cent) increased by 18.5 per cent. More important is the heavily weighted Food and Drink group which, accounting for over 53 per cent of the weight of the total index, increased by almost 18 per cent in 1975.

During the year, a series of measures were instituted as part of a package designed to curb inflation. These measures involved the broadening and tightening of price control measures, the freezing of some professional fees and the granting of incentives to firms in the productive sectors to encourage the use of local raw materials and induce increased production of food. Guidelines for profits and dividends were to be

^{4/} These changes are derived from the new indexes (base January 1975 = 100), and differ slightly from those of the old indexes owing mainly to the increased scope and coverage of the index and the use of more recent expenditure patterns.

established and a national minimum wage of fifty cents per hour per eight hour day was announced. The effects of these measures will not be evident until 1976 since they were introduced only late in the year.

Table 2

Consumer Price Index

(January 1975 = 100)

Annual Percentage Changes "All Items" (1971-1975)

	Kingston Metropolitan Area	Other Towns	Rural Area	All Jamaica
1971	4.9	5.7	5.7	5.3
1972	6.6	4.5	4.5	5.4
1973	19.1	15.5	18.3	17.6
1974	27.4	26.8	27.0	27.2
1975	16.5	17.8	18.5	17.4

Source: Economic and Social Survey 1975, National Planning Agency, Jamaica and data supplied by the Department of Statistics, Jamaica.

EXTERNAL SECTOR

During 1975 the external sector was less dynamic than in 1974. Value of merchandise trade grew by 14.4 per cent compared with an increase of over 56 per cent in 1974. The evolution of external trade during the year was characterised by contrasting movements in the values of imports and exports, so that the adverse balance on merchandise trade increased. The net result of non-merchandise transactions was also adverse, and much greater than in 1974, consequently international reserves dropped to a precariously low level.

/The unadjusted

The unadjusted value of exports at around \$713 million in 1975, was only \$43 million above the total for 1974. Imports on the other hand, increased considerably to approximately \$1,021 million. The result is a deficit on merchandise trade of \$308.7 million, almost 66 per cent above the 1974 figure.

The level of exports in Jamaica is determined to a large extent by the value of primary and semi-processed products, the most important of which are alumina, bauxite, sugar and bananas. Taken together export earnings from these commodities increased but it should be noted that sugar and banana export values increased, while alumina exports were virtually the same as in 1974 and the export value of bauxite decreased. The volume of goods exported declined and reduced the potential favourable effects on the trade balance of price increases for the four principal domestic commodities and indeed other commodities as well. Foreign demand for bauxite and alumina declined as output of aluminium in the producing countries was cut back in keeping with world market conditions for the commodity. Sugar and banana exports suffered because of the lower output. Volume data on these commodities are given in the table on page 14 and other trade data are shown in the Statistical Appendix.

Table 3
Volume of Principal Domestic Exports

	Unit	1972	1973	1974	1975
Sugar	'000 tons	276	261	270	254
Bananas	'000 tons	127.0	107.7	72.3	68.1
Alumina	'000 tons	2,102	2,378	2,760	2,337
Bauxite	'000 tons	7,049	7,273	7,873	5,396
Cocoa beans	'000 lbs.	4,423	3,084	2,545	3,190
Coffee, unroasted	'000 lbs.	1,513	1,848	1,888	1,570

Source: External Trade Reports (several issues),
Department of Statistics, Jamaica;
Economic and Social Surveys, 1974 and 1975
National Planning Agency, Jamaica.

The level of imports in 1975 was 20 per cent higher than in 1974 which in turn was almost a 39 per cent increase over the previous year. The higher value of total imports in 1975 is the result of increases in import prices and occurred in spite of restrictions imposed on imports during the year. It is interesting to note that the value of imported capital goods rose by 37 per cent compared with an 11 per cent increase in 1974 and the share of these imports increased to 31 per cent of the total, more closely in line with the share in recent years.

On the other hand, raw materials imports rose by only 13 per cent in 1975 as contrasted with a 67 per cent increase in 1974. The lower rate of increase was due principally to the slower rate of increase in the price of fuel and stabilization or possible reduction in volume. Imports of food, too, showed a substantially lower rate of increase in 1975. However, imports of consumer non-durable goods, notably clothing, and consumer durables, especially motor vehicles, increased significantly.

Table XI in the Statistical Appendix shows Jamaica's trade with her major trading partners. Both import and export trade with Latin America showed significant increases in 1974, due mainly to petroleum price increases. Data on trade with this region for 1975 are not available, but the levels should be higher in 1974. The USA, followed by the UK remain Jamaica's most important individual trading partners. In 1975 however, the United States share of total exports declined by 8 per cent while that country's share of imports entering Jamaica rose slightly. On the other hand, the share of exports to the UK rose by about 8 per cent above 1974 but only back to the levels of 1972-1973. The share of imports from the UK also increased but only minimally.

Table 4

Percentage Shares of Trade by Major Trading Partners

	EXPORTS				IMPORTS			
	1971	1973	1974	1975	1971	1973	1974	1975
U.K.	20.2	22.8	15.4	22.9	19.7	16.4	12.4	13.1
USA	44.7	41.2	46.3	38.0	39.6	38.0	35.3	37.4
Canada	8.1	5.5	5.3	3.6	7.5	6.7	5.4	4.9
Latin America ^{1/}	0.8	0.5	1.6	n.a. ^{2/}	7.7	8.0	17.6	n.a. ^{2/}
EEC ^{3/}	0.7	1.5	0.9	0.8	9.0	11.6	8.1	6.5
CARICOM	4.5	6.3	4.4	4.2	2.4	5.2	7.6	8.4
Others	21.0	22.1	26.0	30.5 ^{2/}	14.2	14.1	13.6	29.7 ^{2/}

^{1/} Continental Latin America.

^{2/} Latin America included with "Others".

^{3/} Excluding UK

Source: Calculated from Table XII in the Statistical Appendix.

/Jamaica's total

Jamaica's total trade with CARICOM is still relatively small, approximately \$115.8 million in 1975; about 6.8 per cent of total trade. During the past four years to 1974, total trade, but especially imports, had increased very rapidly. In 1975, imports increased by approximately 32 per cent while exports increased by an estimated 3 per cent. There has been no noticeable change in the pattern of trade either in terms of major trading partners or most important commodities during 1975.

Balance of Payments

Preliminary data indicate a deficit in Jamaica's balance of payments position in 1975 following a surplus in 1974. The deficit on current account showed a sizeable increase of about 59 per cent which was only partially offset by the reduced level of net inflows on the capital account in 1975. The overall deficit amounted to \$73.6 million compared with a surplus of \$54.1 million in 1974.

Because of a faster rate of imports in 1975, merchandise trade adjusted to balance of payments basis resulted in a deficit of \$144.8 million. Net receipts on foreign travel, the major services account item, amounted to less than \$74 million decreasing for the second successive year. On the other hand, net outflow of investment income rose from \$61.5 million in 1974 to over \$84.3 million in 1975, and net outflow on account of freight and insurance increased to nearly \$131 million.

Net transfer payments showed an inflow of \$26.1, an increase of \$4.8 million over 1974. The increase was chiefly because of a significant reduction in Government payments to foreigners abroad but private transfers to foreigners also declined.

Jamaica experienced lower capital inflows compared with 1974. Official capital and government guaranteed loans increased by \$10 million but this amount was insufficient to offset the lower private capital account inflows.

/While in

While in 1974 there was a progressive improvement in the level of reserves from January to December, the position was almost reversed in 1975. Thus in spite of measures instituted to restrain the outflow of reserves, the situation worsened towards the end of the year. Total international reserves stood at about \$73.6 million at the end of 1975 representing just about one month's level of imports in 1975.

Intensive efforts were made, especially in the latter part of the year, to improve the balance of payments situation. Plans were made to restrain imports (c.i.f) to a level of \$900 million, by instituting a system of import licensing but this was not achieved. The incentives granted to firms in the productive sector in an effort to stimulate local production, could not have been effective in 1975 since they were introduced late in the year.

JAMAICA

TABLE I

GROSS DOMESTIC PRODUCT IN PURCHASERS' VALUES AT CURRENT PRICES 1969-1975

	1969 ^P	1970 ^P	1971 ^P	1972 ^P	1973 ^P	1974 ^P	1975 ^P
Total Agriculture	76.7	78.4	99.4	106.5	128.1	159.0	203.4
Export Agriculture	(27.4)	(22.9)	(24.0)	(24.8)	(25.2)	(35.5)	(50.9)
Domestic Agriculture	(49.3)	(55.5)	(75.4)	(81.7)	(102.9)	(123.5)	(152.5)
Mining, Quarrying & Refining	123.3	147.8	137.5	122.2	148.9	290.9	280.0
Manufacturing	158.4	179.6	200.6	231.1	279.9	359.8	426.7
Construction & Installation	152.4	189.9	186.1	185.5	216.5	263.4	300.1
Distributive Trade	161.9	179.8	204.6	239.3	278.7	360.6	404.0
Producers of Govt. Services	76.6	91.5	107.8	136.9	185.7	247.2	357.8
Electricity & Water	10.0	11.1	12.9	16.3	17.6	19.3	27.9
Transportation, Storage & Communication	52.3	63.4	77.5	93.2	122.3	151.0	178.7
Financial Institutions	42.5	55.9	59.7	65.0	80.9	105.6	132.3
Real Estate	81.1	97.7	104.8	120.2	149.2	176.1	217.0
Households & Private non- Profit Institutions	14.0	18.9	21.0	26.7	34.4	38.0	43.2
Miscellaneous Services	57.1	74.3	84.2	94.5	106.9	130.0	152.3
Less imputed service charges	18.5	21.8	25.7	31.7	39.9	56.4	70.1
TOTAL:	987.8	1166.5	1270.4	1405.7	1709.2	2244.5	2653.3

^P Data are preliminary and subject to further revision.

Note: Data for 1969-1974 include revised figures as a result of the introduction of a new National Accounting system.

Source: National Income and Product 1975, Department of Statistics, Jamaica.

JAMAICA

TABLE II

ANNUAL PERCENTAGE CHANGE IN PURCHASERS' VALUE OF GDP AT CURRENT PRICES

	1969-1970	1970-1971	1971-1972	1972-1973	1973-1974	1974-1975
Total Agriculture	2.2	26.7	7.1	20.3	23.4	27.9
Export Agriculture	(-16.4)	(4.8)	(3.3)	(1.6)	(40.9)	(43.4)
Domestic Agriculture	(12.6)	(35.9)	(8.4)	(25.9)	(20.0)	(23.5)
Mining, Quarrying & Refining	19.9	-7.0	-11.1	21.8	95.4	-3.7
Manufacturing	13.4	11.7	15.2	21.1	28.5	18.6
Construction & Installation	24.6	-2.0	-0.3	16.7	21.7	13.9
Distributive Trade	11.1	13.8	17.0	16.5	29.4	12.0
Producers of Govt. Services	19.5	17.8	27.0	35.6	33.1	44.7
Electricity & Water	11.0	16.2	26.4	8.0	9.7	44.6
Transportation, Storage & Communication	21.2	22.2	20.3	31.2	23.5	18.3
Financial Institutions	31.5	6.8	8.9	24.5	30.5	25.3
Real Estate	20.5	7.3	14.7	24.1	18.0	23.2
Households & Private non- Profit Institutions	35.0	11.1	27.1	28.8	10.5	13.7
Miscellaneous Services	30.1	13.3	12.2	13.1	21.6	17.2
TOTAL:	18.1	8.9	10.8	21.6	31.3	18.2

Source: Derived from Table I.

JAMAICA

TABLE III

PERCENTAGE DISTRIBUTION TO GROSS DOMESTIC PRODUCT IN PURCHASERS' VALUE AT CURRENT PRICES

	1969	1970	1971	1972	1973	1974	1975
Total Agriculture	7.8	6.7	7.8	7.6	7.5	7.1	7.7
Export Agriculture	(2.8)	(2.0)	(1.9)	(1.8)	(1.6)	(1.6)	(1.9)
Domestic Agriculture	(5.0)	(4.7)	(5.9)	(5.8)	(6.0)	(5.5)	(5.8)
Mining, Quarrying & Refining	12.5	12.7	10.8	8.7	8.7	13.0	10.5
Manufacturing	16.0	15.4	15.8	16.4	16.4	16.0	16.1
Construction & Installation	15.4	16.3	14.7	13.2	12.7	11.7	11.3
Distributive Trade	16.4	15.4	16.0	17.0	16.3	16.1	15.2
Producers of Govt. Services	7.8	7.8	8.5	9.8	10.9	11.0	13.5
Electricity & Water	1.0	1.0	1.0	1.2	1.0	0.9	1.1
Transportation, Storage & Communication	5.3	5.4	6.1	6.6	7.2	6.7	6.7
Financial Institutions	4.3	4.8	4.7	4.6	4.7	4.7	5.0
Real Estate	8.2	8.4	8.3	8.6	8.7	7.8	8.2
Households & Private non- Profit Institutions	1.4	1.6	1.7	1.9	2.0	1.7	1.6
Miscellaneous	5.8	6.4	6.6	6.7	6.2	5.8	5.7
Less imputed service charges	1.9	1.9	2.0	2.3	2.3	2.5	2.6
TOTAL:	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Derived from Table I.

JAMAICA

TABLE IV

OUTPUT OF SELECTED AGRICULTURAL PRODUCTS

Commodities	Units	Average 1968-69.	1972	1973	1974 ^P	1975 ^P
Sugar-cane, milled ^{1/}	'000 long tons	4,201	4,068	3,584	3,786	3,524
Bananas ^{2/}	'000 long tons	152	127	108	72	68
Citrus ^{1/ 3/}	'000 boxes	1,331	1,102	1,062	1,007	1,028
Pimento	long tons	2,735	2,475	2,536	2,613	1,729 ^{2/}
Copra	short tons	17,846	17,391	14,680	9,411	6,856
Cocoa ^{1/}	long tons	1,917	2,333	2,071	1,593	1,771
Coffee ^{4/}	'000 boxes	230	215	308	240	380
Ginger	'000 lbs.	959	1,314	1,498	1,714	1,860
Milk production	Mill. quarts	37.5	42.0	41.0	43.0	43.0
Eggs ^{5/}	Mill.	196.0	122.5	136.0	139.0	147.0
Cattle, slaughtered	No. heads	61,359	59,470	64,051	66,865	89,684
Hogs, slaughtered	No. heads	117,426	126,410	150,895	99,674	87,923
Poultry	Mill. lbs.	24.1	34.3	44.7	50.8	59.8
Plantains	Mill. lbs.	22	60	59	58	39
Coconuts	'000 nuts	134,880	117,719	98,541	70,016	n.a.
Sweet potatoes	'000 lbs.	30,500	43,976	35,550	45,442	33,200

P = Provisional

n.a. = not available

^{1/} Crop year ending in year shown.

^{2/} Export only.

^{3/} Deliveries to Packing and Processing Plants.

^{4/} Crop year beginning in year shown,
deliveries to Coffee Industry Board.

^{5/} Commercial egg production.

Source: Economic and Social Survey, 1975, National Planning Agency, Jamaica; Production Statistics, 1974, Department of Statistics, Jamaica; and data supplied ECLA.

JAMAICA
TABLE V
OUTPUT OF MINING AND REFINING

Commodities	Unit	Average 1970-71	1973	1974 ^P	1975 ^P
Bauxite (Mined)	'000 long tons	12,130	13,276	14,986 ^R	13,346
Alumina	'000 long tons	1,770	2,466	2,806 ^R	2,299
Gypsum (Mined)	'000 long tons	307	365	265 ^R	236
Petroleum Products:					
Fuel oil	'000 imp. gal.	187,716	228,556	212,942	174,501
Gasoline	'000 imp. gal.	80,970	78,476	60,050	62,163
Kerosene & Jet fuel	'000 imp. gal.	43,035	49,571	45,325	35,180
Diesel oil (auto & marine)	'000 imp. gal.	74,122	79,674	60,713	75,685
Asphalt	'000 imp. gal.	4,544	5,205	6,582	8,171
Propane & Butane	'000 imp. gal.	7,741	14,407	12,957	11,602
Lubricating oil	'000 imp. gal.	4,738	5,409	4,653	5,130
Lubricating grease	'000 lbs.	4,029	4,456	4,757	5,487

P - Provisional

R - Revised

Source: Economic and Social Survey, 1975, National Planning Agency, Jamaica; Production Statistics, 1974, Department of Statistics, Jamaica; and data supplied ECLA.

JAMAICA

TABLE VI

OUTPUT OF SELECTED MANUFACTURED COMMODITIES, 1972-75

	Units	1972	1973	1974	1975
Sugar	long tons	373,255	325,950	366,509	354,882
Rum & Alcohol	liq. gals.	3,657,341	4,033,979	4,850,157	4,731,411
Molasses	long tons	143,523	129,420	121,188	119,716
Stout & beer	'000 gals.	11,132	12,473	12,715	14,577
Cigarettes	'000	1,570,846	1,480,477	1,546,493	1,625,352
Cigars	'000	21,000	22,000	18,562	15,318
Copra	'000 short tons	18	14	9	7
Edible oil	'000 gals.	2,725	2,664	2,264	2,611
Edible fats	'000 lbs.	14,904	12,494	13,047	14,958
Soap	'000 lbs.	15,920	11,842	11,756	13,212
Detergents	'000 lbs.	11,432	10,472	11,264	11,205
Condensed Milk	'000 lbs.	54,803 ^R	56,675	63,764	63,384
Textile (Cloth)	Yds.	8,465,020	7,520,260	9,187,778	7,780,184
Cement	tons	424,083	397,033	392,821	399,128
Flour	'000 lbs.	112,984	97,069	83,242 ^R	86,515
Sulphuric Acid	tons	13,574	13,317	10,957	15,087
Paints	Gals.	1,571,240	1,496,521	1,311,782	1,543,067
Steel	tons	16,747	17,824	16,392	20,767
Tyres & Tubes ^{1/}	Nos.	316,576	355,513	327,208	386,842
Bagasse Board	'000 sq. ft.	12,413	10,190	10,259	8,189
Fertilizers	tons	41,426	46,698	55,509	46,769
Ammonium Sulphate	tons	4,177	4,973	5,085	6,565
Salt	tons	15,313	14,870	10,325	15,837
Animal feeds	Mill. lbs.	270.7	220.2	301.3	381.7

R = Revised

^{1/} The figure for 1971 shown in Economic Survey 1974, has been revised to 287,930.

Source: Production of Statistics, 1974, Department of Statistics, Jamaica; and data supplied ECLA.

JAMAICA
TABLE VII
GOVERNMENT REVENUE, EXPENDITURE AND NEW BORROWING
(J\$ Mill.)

	1972	1973	1974 ^P	1975 ^P
Income Tax	108.9	128.9	173.6	211.8
Customs Duties	57.9	53.0	57.6	80.1
Excise Duties	52.9	56.6	55.5	51.3
Other Revenue	54.5	87.9	170.3	222.4
TOTAL RECURRENT REVENUE	<u>274.2</u>	<u>326.4</u>	<u>457.0</u>	<u>565.6</u>
Recurrent Expenditure	234.7	309.4	460.4	629.6
Capital Expenditure	99.2	108.2	170.7	271.6
Sinking Fund & Direct Debt Payment	10.2	13.8	13.2	37.2
TOTAL EXPENDITURE	<u>344.1</u>	<u>431.4</u>	<u>644.3</u>	<u>938.4</u>
DEFICIT TO BE FINANCED	<u>- 69.9</u>	<u>-105.0</u>	<u>-187.3</u>	<u>-372.8</u>
NET BORROWING	<u>68.7</u>	<u>107.6</u>	<u>158.6</u>	<u>187.2</u>
Local	43.8	64.6	65.7	73.8
Foreign	24.9	43.1	92.9	113.4
Cash Balance changes (- denotes increase)	1.2	- 2.6	28.7	184.6
TOTAL GROSS NATIONAL DEBT (End year)	<u>384.3</u>	<u>485.7</u>	<u>649.7</u>	<u>842.0</u>

P - Preliminary

Sources: Revenue and Expenditure data adjusted to Calendar year basis from data in Estimates, Government of Jamaica; and Bulletin, Bank of Jamaica (Several issues). National Debt figures from Report and Statement of Accounts, 31 December 1973 and 31 December 1974; and Statistical Digest, Vol. VIII, No. 2, February 1976, Bank of Jamaica.

JAMAICA

TABLE VIII

ALL JAMAICA CONSUMER PRICE INDEX

(January 1975 = 100)

ANNUAL AVERAGES OF MONTHLY INDEXES

1970-1975

GROUP	1970	1971	1972	1973	1974	1975
Food and Drinks	51.2	54.6	57.2	71.3	92.0	108.4
Fuels & other						
Household Supplies	50.5	64.0	58.7	65.9	90.2	103.8
Housing	55.0	57.2	60.3	70.1	92.6	106.8
Household Furnish- ings & Furniture	54.3	51.2	60.6	64.7	82.1	104.8
Personal Clothing & Accessories	59.6	63.9	69.2	74.8	89.3	104.0
Personal Expenses	59.3	59.5	62.2	71.3	87.9	102.9
Transportation	58.2	59.6	61.8	64.6	85.3	101.1
Miscellaneous Expenses	57.5	65.5	76.0	81.9	92.1	107.2
All Items	54.7	57.6	60.7	71.4	90.8	106.6

NOTE: All Jamaica Consumer Price Indexes are a revised series with January 1975 as the base date.

Source: Economic and Social Survey, 1975, National Planning Agency, Jamaica, compiled from publications of the Statistical Department.

JAMAICA
TABLE IX
WEIGHTS AND ANNUAL PERCENTAGE CHANGE OF (ALL)
JAMAICA CONSUMER PRICE INDEXES 1970-1975
January 1975 = 100

Category	Weights	1970- 1971	1971- 1972	1972- 1973	1973- 1974	1974- 1975
All items	100.00	5.3	5.4	17.6	27.2	17.4
Food & Drink	53.28	6.6	4.7	24.6	29.0	17.8
Fuel & Other						
Household supplies	5.13	6.9	8.7	12.2	36.8	15.0
Housing	8.87	4.0	5.4	16.2	32.0	15.3
Household Furnish- ings & Furniture	3.18	5.8	18.3	6.7	26.8	27.6
Personal Clothing & Accessories	8.15	7.2	8.2	8.0	19.3	16.4
Personal Expenses	8.43	0.3	4.5	14.6	23.2	17.0
Transportation	4.86	2.7	3.6	4.5	32.0	18.5
Miscellaneous Expenses	8.10	13.9	16.0	7.7	12.4	16.3

Source: Economic and Social Survey, 1975, National Planning Agency; Jamaica.

JAMAICA
TABLE X
DOMESTIC EXPORTS BY TYPE OF PRODUCTS
(J\$ Mill.)

Category	1972 ^P	1973 ^P	1974 ^P	1975 ^P
<u>Primary Products</u>				
Of which: Bauxite	68.4	79.5	134.7	106.9
Bananas	11.8	16.4	11.5	14.7
Pimento & Ginger	3.8	4.7	5.6	4.6
Coffee, not roasted	1.2	1.7	2.6	2.2
Cocoa beans	1.1	0.9 ^R	1.2	1.4
Citrus	0.6	0.6	0.5	2.0
Others	2.2	5.3	6.0	5.3
Sub-total:	<u>89.1</u>	<u>109.1^R</u>	<u>162.1</u>	<u>137.1</u>
<u>Semi-processed Products</u>				
Of which: Alumina	119.9	147.8	346.7	346.9
Sugar, unrefined	33.8	35.4	76.6	139.7
Molasses in bulk	1.1	1.6	1.0	-
Others	1.4	5.3	2.9	4.8
Sub-total:	<u>156.2</u>	<u>190.1^R</u>	<u>427.2</u>	<u>491.4</u>
<u>Manufactured Goods</u>				
Of which: Clothing	6.8	4.6	4.2	4.2
Mineral fuel, lubricants & related products	7.8	8.2	9.4	10.3
Citrus products	3.1	1.6 ^R	1.5	2.5
Rum & other Alcoholic beverages	6.0	5.8	12.4	13.5
Manufactures of metal	1.2	1.5	2.6	2.3
Others	22.4	26.8 ^R	33.7	38.1
Sub-total:	<u>47.3</u>	<u>48.5</u>	<u>63.8</u>	<u>70.9</u>
TOTAL:	<u>292.6</u>	<u>347.7</u>	<u>653.1</u>	<u>699.4</u>

P = Provisional

Source: Economic and Social Surveys, 1974, and 1975
National Planning Agency, Jamaica.

JAMAICA
TABLE XI
IMPORTS BY TYPES OF PRODUCTS
(J\$ Mill.)

Category	1972 ^P	1973 ^{PR}	1974 ^{PR}	1975 ^P
<u>CONSUMER GOODS</u>	<u>165.4</u>	<u>145.4</u>	<u>182.3</u>	<u>212.6</u>
<u>Food</u>	<u>71.3</u>	<u>76.4</u>	<u>111.2</u>	<u>118.1</u>
Of which: Dairy Products	9.4	9.8	20.7	25.9
Meat & meat preparation	16.3	16.7	19.8	25.9
Fish & Fish preparation	12.1	10.3	13.0	19.4
Cereals & Cereal preparation	16.8	22.6	42.1	41.4
Fruits & vegetables	6.3	6.1	7.3	6.1
Other	10.4	10.9	8.3	9.4
<u>Non-Durable</u>	<u>43.3</u>	<u>30.6</u>	<u>33.0</u>	<u>43.8</u>
Of which: Textiles	13.1	4.4	5.2	4.9
Medical & pharmaceutical products	6.7	5.0	7.6	7.0
Clothing	5.8	6.6	6.8	8.7
Other	17.7	14.6	13.5	22.2
<u>Durable</u>	<u>50.8</u>	<u>38.4</u>	<u>38.1</u>	<u>50.7</u>
Of which: Motor vehicles	21.7	16.8	17.9	24.3
Watches & Clocks	2.4	1.7	1.6	1.7
Manufactures of metal	2.3 ^R	1.7	1.8	2.5
Other	24.4	18.2	16.8	22.2
<u>RAW MATERIALS</u>	<u>179.0</u>	<u>263.5</u>	<u>439.4</u>	<u>494.3</u>
Fuels	44.4	67.0	177.4	195.5
Chemicals	38.1	50.5	71.7	89.6
Food & Tobacco	23.1	43.0	64.1	62.8
Textiles	17.4	28.0	34.8	36.7
Paper & Paperboard	14.9	17.1	22.8	25.3
Other	41.1	57.8	68.6	84.4
<u>CAPITAL GOODS</u>	<u>148.2</u>	<u>205.6</u>	<u>229.1</u>	<u>314.5</u>
Construction material	35.6	63.6	88.9	89.2
Transport Equipment	28.1	36.6	34.2	78.7
Other machinery & equipment	84.7	99.9	98.3	137.3
<u>OTHER</u>	<u>0.6</u>	<u>5.5</u>	<u>7.7</u>	<u>9.3</u>
<u>TOTAL:</u>	<u>493.2</u>	<u>614.5</u>	<u>850.8</u>	<u>1021.4</u>

P = Provisional

R = Revised

Sources: Economic and Social Surveys, 1974, and 1975
National Planning Agency, Jamaica.

JAMAICA
TABLE XII
TRADE WITH MAJOR TRADING PARTNERS
(J\$ '000)

Trading Partners	1972 ^P	1973 ^P	1974 ^P	1975 ^P
<u>EXPORTS BY DESTINATION</u>				
U.K.	65,015	80,889	102,437	162,959
U.S.A.	131,572	146,140	307,701	270,978
CANADA	16,125	19,652	35,069	25,444
LATIN AMERICA ^{1/}	2,822	1,860	10,735	n.a. ^{5/}
EEC	2,542	5,300 ^{2/}	6,281 ^{2/}	5,649 ^{2/3/}
CARICOM (including Belize)	17,514	22,299	29,362	29,991 ^{4/}
(ECCM)	(2,121)	(2,400)	(3,203)	(2,957) ^{4/}
OTHERS	65,169	78,507	172,861	217,679
TOTAL:	300,759	354,647	664,446	712,700
<u>IMPORTS BY ORIGIN</u>				
U.K.	93,799	100,939	105,325	133,907
U.S.A.	182,045	233,263	299,917	382,311
CANADA	35,188	41,143	46,102	49,558
LATIN AMERICA ^{1/}	38,292	49,389	149,805	n.a. ^{5/}
EEC	42,537	71,100 ^{2/}	68,591 ^{2/}	66,514 ^{2/3/}
CARICOM (including Belize)	26,610	32,100	64,983	85,818
(ECCM)	(599)	(1,400)	(1,206)	(1,978)
OTHERS	74,695	86,566 ^R	116,000	303,292
TOTAL:	493,166	614,500	850,781	1,021,400

P = Provisional

R = Revised

n.a. = not available

^{1/} Continental Latin America.

^{2/} Data exclude U.K, EEC territories and Ireland but include Denmark for 1973 and 1974.

^{3/} Include data for Surinam.

^{4/} Domestic exports only.

^{5/} Included in "Others".

Source: External Trade Reports, Department of Statistics, Jamaica; Economic & Social Survey, 1975, National Planning Agency, Jamaica; and data supplied ECLA.

JAMAICA
TABLE XIII
BALANCE OF PAYMENTS: 1972-1975
(J\$ Mill.)

	1972	1973	1974 ^R	1975 ^P
<u>MERCHANDISE</u>				
Exports (f.o.b.)	302.4	357.2	630.7	736.7
Imports (f.o.b.)	423.4	518.4	737.6	881.5
Net Balance	-121.0	-161.2	-106.9	-144.8
<u>SERVICES*(NET)</u>				
Freight and Insurance	- 62.1	- 76.8	-104.6	-130.7
Other Transportation	7.6	8.7	12.8	23.0
Foreign travel	74.5	90.4	88.6	73.5
Investment Income	- 43.2	- 52.8	- 61.5	- 84.3
Government Transactions	10.0	10.0	11.8	13.2
Non-Merchandise Insurance	- 14.3	- 19.8	- 21.7	- 21.0
Other Services	8.9	13.2	8.4	3.1
<u>NET BALANCE ON SERVICES</u>	- 18.6	- 27.1	- 66.2	-122.9
<u>NET BALANCE ON GOODS & SERVICES</u>	-139.6	-188.3	-173.1	-267.7
<u>NET TRANSFER PAYMENTS</u>	22.3	24.0	21.3	26.1
Private	27.7	30.7	29.6	28.1
Government	- 5.4	- 6.7	- 8.3	- 2.0
<u>BALANCE ON CURRENT ACCOUNT</u>	-117.3	-164.3	-151.8	-241.6
<u>NET CAPITAL MOVEMENT</u>	+ 59.8	+124.7	+221.1	+192.0
Official	18.6	107.4	150.1	160.0
Private	48.9 <u>1/</u>	17.3	71.0	32.0 <u>1/</u>
Net errors and omissions	-	11.9	- 15.0	nil
<u>TOTAL CURRENT AND CAPITAL TRANSACTIONS</u>	- 48.3	- 27.7	+ 54.1	- 73.6
<u>ALLOCATION OF SDR's</u>	4.7	-	-	-
<u>TOTAL SURPLUS (+) OR DEFICIT (-)</u>	- 43.6	- 27.7	+ 54.1	- 73.6

* Note: The figures for 1972 and 1973 have been revised to take account of a new method used to determine investment income for the bauxite/alumina companies and travel overseas by Jamaicans.

P - Provisional

R - Revised

1/ Private capital and net errors and omissions.

Source: Economic and Social Surveys 1974 & 1975, National Planning Agency, Jamaica.

PART VIII
TRINIDAD & TOBAGO COUNTRY NOTES

ECONOMIC SURVEY 1975

TRINIDAD & TOBAGO

(Trinidad & Tobago dollars used throughout)

Higher prices for Trinidad and Tobago's principal exports, especially petroleum and related products and sugar provided the main stimulus to the country's economy during 1975. Crude estimates of GDP at current factor cost is put at approximately \$4,380 million, reflecting a 32 per cent rise in 1975 compared with a 40 per cent increase during the previous year. Prices, as measured by the Index of Retail Prices (1960 = 100) rose less sharply (17 per cent) in 1975, and the indication is that there was some real growth in the economy. This conclusion is supported by the increases noted in some quantum of output figures.

Preliminary estimates show that mining, agriculture, construction and the Government sectors made the greatest contribution to Gross Domestic Product during the year although all sectors grew in absolute terms. In all cases price increases were more dominant than volume in determining the value of output. Volume of output of crude petroleum increased while refinery throughput decreased. In terms of quantity, output of sugar and citrus declined, but coffee and cocoa output were higher than in 1974. Government's expenditure on construction projects served to boost the contribution sector as private construction activities seemed relatively sluggish. Activity in the manufacturing sector increased slightly in real terms during the year.

Several sectors of the economy were affected by the particularly severe industrial disputes in the petroleum and sugar industries, and in some public utilities. The combined impact of these disputes resulted in many lost hours of operating time and retarded output.

/Developments

Developments in the external sector particularly in the developed countries had severe impact on the local economy. Among these were higher prices for most (if not all imports), higher prices for domestic exports, curtailment of output in some sub-sectors of manufacturing and in construction activities as shortages of imported raw materials developed. The value of both exports and imports declined mainly as a result of reduced trade in petroleum and petroleum products. However, there was both a favourable balance on merchandise trade and on the overall balance of payments so that a large increase in net foreign reserves resulted in 1975.

The Trinidad and Tobago dollar, linked as it is to the Pound Sterling, showed considerable weakness declining from around TT\$2.03 per US dollar in January 1975 to around TT\$2.35 per US dollar in December 1975. It should be noted however, that the prices of the two principal exports, petroleum and sugar, are fixed in US dollars so that with depreciation export receipts are increased in terms of Trinidad and Tobago dollars. It is clear, however, that the depreciating currency has contributed to imported inflation.

Retail prices rose by 17 per cent on average during 1975 compared with a 22 per cent rise in 1974. While food prices exerted a strong moderating influence on the index, the prices of services exerted pressure in the opposite direction. Wages and salaries of unionized workers in the key industries were raised significantly during 1975. In general, it does not appear that any impact has been made on the relatively high levels of unemployment.

Agriculture

In spite of favourable weather conditions and relatively high prices during 1975, quantum of output showed only slight overall improvement. However, GDP of the sector increased by more than 31 per cent but the contribution to total product declined marginally.

Volume of output of sugar-cane declined by approximately 12 per cent because of industrial disputes but GDP of the sugar sub-sector increased appreciably. This increase derived from the high

/export

export prices for sugar negotiated with the EEC countries and higher prices on open market sales. Available data on volume of output of cocoa and coffee indicate a strong recovery following the setback caused by the drought of 1973. On the other hand, production of citrus declined considerably.

Of those crops mainly for domestic consumption, meat, copra and vegetable production, in particular, increased and these sub-sectors benefited further from higher prices.

Manufacturing

Manufacturing activities were not buoyant in 1975 and although there was some growth, the increase was smaller than the previous year in both real and value terms. GDP of the sector, in current values, is estimated at approximately \$559 million, about 14 per cent above the 1974 level.

The index of manufacturing production increased by 3 per cent in 1975 compared with a 5 per cent increase in 1974. As the most comprehensive measure in production available this index is a good indicator of real changes in manufacturing. At the major sub-division of industry level the pattern of change was mixed although the majority of these sub-divisions showed increases. Metallic products and miscellaneous manufacturing registered the largest increases followed by the very important food processing industry. Beverages and tobacco manufacturing was virtually stagnant while textile and paper, printing and publishing both declined.

At the more detailed product group level metal furniture increased by more than 88 per cent recovering from the sharp declines of 1973 and 1974. Grain and feed mills and saw milling each increased output by approximately 31 per cent. Production in the important cement industry increased by more than 7 per cent in 1975 following a 9 per cent decline in 1974. Alcoholic beverages declined but this was offset by an increase in output of non-alcoholic beverages. Household

/appliances

appliances also recovered part of the substantial decline experienced in 1974 but output was still about 12 per cent below the level of 1973. Assembled motor vehicles remained at approximately the same level as in 1974 and about 2 per cent below the level of 1973. On this basis it is clear that price increases were more important than volume increases in the improvement of the sector during 1975.

Unfavourable local and external factors limited expansion of manufacturing activities during the year. On the domestic front, industrial disputes in sugar, petroleum and some service sectors disrupted the production processes in various ways resulting in loss of many man-hours of work and a fall in the output of some finished goods. In addition, the recession and high level of price inflation in the industrial countries affected both the cost and ready availability of imported inputs into the sector.

Table 1

INDEX OF DOMESTIC PRODUCTION
(Average of 4 Quarters of 1971 = 100)

<u>Industry</u>	<u>Weight</u> <u>'000</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>
Food processing industry	202	108.7	110.0	130.6	146.9
Drink and Tobacco	136	111.1	124.6	133.2	134.5
Textile, knitted garments and footwear	145	74.5	69.4	78.9	77.6
Printing, Publishing and paper converters	98	107.6	132.5	145.0	118.3
Wood products/matresses	34	79.2	69.8	75.7	76.9
Chemical Products	63	109.3	87.5	88.6	93.9
Building materials	88	113.0	110.7	101.2	98.7
Assembly - type and related industries	97 ^{1/}	126.1	128.6	112.6	119.3
Manufacture of metallic products	72	107.7	131.6	138.9	158.6
Miscellaneous manufacturing industries	10	138.9	115.0	117.7	140.1
Total:	945^{1/}	104.6	108.9	115.7	119.0

^{1/} Excludes ship and boat building

Source: Quarterly Economic Report, April-June 1973; and Economic Indicators, October-December 1975; Central Statistical Office, Trinidad.

/Mining & Refining

Mining & Refining

The mining and refining sector, accounting for over 36 per cent of total GDP in 1975, continued to be the dominant sector. In spite of industrial disputes in the early months of 1975, GDP at current factor cost increased significantly to an estimated \$1,587 million, an equivalent increase of about 55 per cent. However, this figure represents a slower rate of growth than the 93 per cent increase of the previous year. The increased contribution resulted from a larger output of crude petroleum and higher world prices for petroleum and petroleum products.

Production of crude petroleum for 1975 is estimated at just under 79 million barrels, about a 15 per cent rise above the previous year's figure. The increased output comes exclusively from exploitation of marine resources on the East coast of Trinidad. Most of the indigenous crude petroleum from the East coast are exported. Presently, the local refineries are geared to process heavier petroleum whereas the locally extracted crude is essentially a lighter type of petroleum.

Imports of crude petroleum declined by 39 per cent during 1975, while crude petroleum exports increased by almost 52 per cent. Consequently petroleum refinery throughput which has been declining at an accelerating rate since 1971 continued this trend in 1975 declining by approximately 39 per cent. Exports of petroleum products have therefore also declined. Industrial disputes were a major factor in this industry as well.

Indications are that the improvement in output and sales of natural gas which began in 1974, continued during 1975. Production of natural gas particularly from the East coast, is projected to rise substantially when the various high level energy-using industries come on stream, within a few years. Asphalt production declined once again continuing the trend of the last six years. It is interesting to note that the fall of export sales in 1975 is being offset to some extent by an increase in local consumption of asphalt.

/Construction

Construction

The contribution of the construction sector to GDP in 1975 is estimated to have increased by approximately 30 per cent above the 1974 figure to \$216 million. Public sector construction, particularly school buildings and highways contributed strongly to this increase. It appears though that most of this improvement was due to higher prices.

An indication of the price increases may be seen by examination of the index of retail prices of building materials which increased by more than 23 per cent during 1975. Materials for floors and walls, paints, and fittings and small wares showed the largest percentage increases in prices. Wage rates also apparently accounted for a significant share of the increases. Indexes of minimum wage rates of manual workers in construction increased by some 30 per cent in 1975 compared with 1974.

Data on completion of buildings are not available but figures on construction plans approved show an 11 per cent decline in floor space in 1975 compared with 1974. Most of this decline related to dwelling houses. This would seem a serious problem in the light of the acute housing shortage facing the nation. There were several factors affecting the level of real output in this sector. Among these were industrial disputes which seriously disrupted output of cement and bricks and blocks. There was also an impact derived from difficulties with transportation as a result of shortage of petroleum products owing to the labour dispute in the petroleum industry. Furthermore, a shortage of skilled labour was experienced on certain construction projects.

The construction sector is very important to the economy, particularly because it is a large employer of labour and a relatively large share of the inputs into the sector is produced locally. But there are fundamental problems facing the sector. In addition to low productivity and rising cost of material and labour, there is the acute shortage of skilled construction labour. These problems will create a severe bottleneck for the

/numerous

numerous proposed construction projects, including the energy based industries, that are scheduled to be started within the next few years.

Table 2
Approved Building Plans

Year	All Buildings		Dwelling House ^{1/}		Commercial & Industrial		Other Buildings	
	No. of Plans	Floor Space sq. ft.	No. of Plans	Floor Space sq. ft.	No. of Plans	Floor Space sq. ft.	No. of Plans	Floor Space sq. ft.
1972	3032	4167440	2797	3330079	73	371288	162	466073
1973	3280	4440513	3112	3720997	61	390949	197	328627
1974	3157	4221761	2995	3652342	57	237532	105	331887
1975	2456	3744519	2322	3104431	49	329564	85	310524
% change <u>1975</u> 1974	-22.2	-11.3	-22.5	-15.0	-14.0	+38.8	-19.0	-6.4

^{1/} Dwelling houses include private dwellings and commercial or industrial buildings combines.

Source: Quarterly Economic Report, October-December, 1975,
Central Statistical Office, Trinidad.

Other Sectors

Among the remaining sectors, Government made the largest contribution to total GDP. The rate of increase, however, fell to approximately 27 per cent as against a 36 per cent rise in the previous year. Total expenditure rose from \$1,301 million in 1974 to roughly \$1,769 million in 1975 as Government increased spending on both the current and capital accounts. A significant feature of this expenditure is the 48 per cent increase in funds for capital development projects.

The economic situation in North America continued to affect tourism adversely and the flow of visitors rose only marginally in 1975. Reduction in the number of cruise-ship passengers visiting

/the country

the country since 1973 is most notable. Another contributory factor is the higher cost of travel as a result of the 1975 hike in fuel prices. It is expected that total tourist expenditure for 1975 will only exceed the figure of \$127 million in 1974 because of price rises, but in the midst of the present lull in the tourist industry, available tourist accommodation has increased.

Table 3
Selected Data on Tourism Statistics

Year	No. of Visitors ^{1/}	Cruise-ship Visitors	Tourist Expenditure \$m
1969	96710	96830	35.5
1970	88500	88750	43.2
1971	112540	81280	65.8
1972	115290	66390	97.7 ^R
1973	127150	92400	116.0 ^R
1974	129110	45540	127.1 ^P
1975	133330	37310 ^{2/}	n.a.

^{1/} Data for stop-over visitors. R = Revised

^{2/} Data for January-September. n.a. = Not available

Source: Monthly Travel Report, September 1975, Central Statistical Office,
Review of the Economy 1975, Government Printery,
Port of Spain, Trinidad, and data supplied ECLA.

Other sectors made important contributions to GDP during the year despite their lower growth rates. The performance of indicators of activity in the financial sector was very good. Distribution on the other hand appeared to reflect mainly increases in prices.

/PRICES

PRICES AND WAGES

The inflationary trend which began in 1972 continued through 1975, but at a decelerated rate. The overall index of retail prices showed a 17 per cent rise in 1975 compared with 22 per cent increase in 1974. The services component of the index increased by 23 per cent during 1975, strongly influencing the index upward. Other large increases were recorded for fuel and light, drugs and toilet preparations, but their influence on the overall price index was relatively minimal because the combined weight in the total index is small.

Those increases were offset to some extent by the slower rate of growth of the food index, which increased by 17 per cent compared with a 30 per cent rise during 1974. The restrained level of the food index was due primarily to Government control of food prices, increased subsidy on a wider range of food items, as well as the easing in the growth rate of the price of imported food items.

Imported inflation and shortages of a wide variety of commodities in industrial countries continued to affect the price levels in Trinidad and Tobago unfavourably.

In 1975, higher wages and salaries in both the public and private sectors were induced by rising prices. Furthermore, a substantial portion of wage settlements in 1975 included adjustment mechanisms related to upward movements in the index of retail prices. This feature in wage settlements in Trinidad is relatively new, having become popular only since 1972 when the high levels of increases in the index of retail prices began.

Wage settlements in key unionized sectors of the economy were considerably higher during 1975 than previously. For example, over a three-year period, workers in the nation's largest sugar enterprises received a 100 per cent increase in wages; workers in two major oil companies obtained a 57 per cent increase and daily paid employees in central and local government received an additional 53 per cent. Indices of minimum wage rates for manual workers in all

/industries

industries increased on average by almost 23 per cent compared with 1974. Similar indices for workers in building and construction, manufacture of sugar and manufacture of food, beverages and tobacco show increases of 30 per cent, 56 per cent and 14 per cent, respectively.

Increases in wages and salaries in 1974 and 1975 for non-unionized workers seem to have been considerably lower and thus income inequality may have been further aggravated during the year.

Amidst rising wage rates, the level of unemployment continued to be relatively high; officially estimated at 15 per cent during 1974.

Table 4
Selected Indicators of Price Movements

	Index of Retail Prices (Sept. 1960 = 100)		Index of Retail Prices of Food (Sept. 1960 = 100)		Index of Minimum Wage Rates ^{1/} (Feb. 1956 = 100)		Index of Retail Prices of Bldg. Materials (1968 = 100)	
	Per Cent Change	Per Cent	Per Cent Change	Per Cent	Per Cent Change	Per Cent	Per Cent Change	Per Cent
1969	130.8	2.5	127.4	2.4	239.7	5.2	104.7	4.7
1970	134.1	2.5	132.9	4.3	251.7	5.0	111.7	6.7
1971	138.8	3.5	139.0	4.6	268.0	6.5	119.6	7.1
1972	151.7	9.3	155.0	11.5	302.7	12.9	129.3	8.1
1973	174.2	14.8	184.4	19.0	334.3	10.4	149.9	15.9
1974	212.5	22.0	239.7	30.0	374.1	11.9	201.1	34.2
1975	248.6	17.0	280.3	16.9	459.0	22.7	248.1	23.4

^{1/} Data for average of May and November for manual workers

Source: Quarterly Economic Report, January-March and October-December 1975 and Economic Indicators, October-December 1975; Central Statistical Office, Trinidad & Tobago.

/EXTERNAL

EXTERNAL TRADE

Merchandise Trade

Provisional data on external trade transactions for 1975 reveal a decline in both imports and exports compared with 1974. The value of imports decreased by approximately 14 per cent and exports by 7 per cent. However, a favourable balance of about \$635 million was realised on visible trade in the current period compared with \$389 million surplus in 1974 and a deficit of almost \$182 million during 1973.

The drop in the value of exports from over \$4,166 million in 1974 to just above \$3,878 million in 1975 must be attributed principally to a substantial reduction in both the quantum value of exported petroleum products. The decline in exports of these commodities occurred because a lower volume of crude petroleum for refining under the Processing Agreement entered the country during 1975. Decreases in the quantity of some other exports such as sugar, fertilizers and ammonium compound also contributed to the lower level of export value. It should be noted that the export unit values of these three items increased during 1975; sugar grew by over 148 per cent, fertilizers by 24 per cent and ammonium compound by 72 per cent in 1975 compared with 1974.

Higher prices for sugar propelled food exports to a 46 per cent increase. There were however increases in all the SITC sections except crude materials and mineral fuels and lubricants and chemicals which declined by 13 per cent, 10 per cent and 3 per cent respectively.

The change in the value of imports was more substantial falling from almost \$3,778 million in 1974 to \$3,244 in 1975. The lower value of imports was primarily caused by a 39 per cent decline in the volume of imported crude petroleum despite the higher prices prevailing in 1975. Increases in the order of 123 per cent for imported machinery and transport equipment SITC group and 65 per cent for imported manufactured goods (SITC groups 6 and 8 combined) were insufficient to counteract the fall in the value of mineral fuels, lubricants and related materials.

Available data show an improvement in the country's net terms of trade. The net terms of trade index (1964 = 100) had reflected a downward trend after 1970. However this trend was reversed in 1975 when the index rose to 101.0 compared with 93.5 in 1974. On the other hand the income terms of trade shows more fluctuation since 1970 and as of 1975 was only 2 per cent above the level of the base year 1964. This index decreased for two successive years (1971 and 1972) then improved during 1973 and 1974. However there was a decline in 1975 reflecting a lower volume of domestic exports.

Table 5

Overseas Trade Indices and Terms of Trade

(Base year 1964 = 100)

Year	<u>DOMESTIC EXPORTS</u>		<u>IMPORTS</u>		<u>TERMS OF TRADE</u>	
	Volume Base Wtd.	Unit value Base Wtd.	Volume Base Wtd.	Unit value Base Wtd.	Net ^{1/}	Income ^{2/}
1970	128.2	109.1	128.0	145.6	95.1	96.1
1971	124.0 ^R	122.8 ^R	147.5 ^R	161.0 ^R	76.3 ^R	94.42 ^R
1972	126.8	124.8	142.9	175.4	71.1	89.97
1973	125.9	162.8	146.4	203.9	79.5	100.08
1974	135.4 ^R	435.6	195.9	465.2	93.5 ^R	126.38 ^R
1975 ^P	101.2	547.6	204.0	542.6	101.0	102.28

R = Revised

P = Provisional

^{1/} Net terms of trade is derived from dividing domestic export unit value index by the import unit value index and multiplying the results by 100.

^{2/} Income terms of trade is derived from multiplying the net terms of trade by export volume index.

Source: Quarterly Economic Report, October-December 1971 and October-December 1975, Central Statistical Office, Port of Spain, Trinidad.

/Table VII

Table VII in the Statistical Appendix shows relative changes in the distribution of the country's trading relations. The USA remains Trinidad and Tobago major trading partner for both exports and imports. However, the share of exports to the USA increased from about 61 per cent in 1974 to 66 per cent during 1975, while the share of imports from the USA doubled in 1975. Imports from Latin America dropped substantially in 1975 to 1.8 per cent as against 10 per cent the previous year owing to lower imports of crude petroleum.

Trinidad's trade with the CARICOM region remains very important and the shares of exports to and imports from the area grew during 1975. In absolute terms, Trinidad's exports to the CARICOM Area increased by over \$57 million while imports rose by almost \$30 million. The country's trade surplus with the CARICOM partners therefore was about \$255 million compared with \$227 million in the previous year. Trade with the region is dominated by the more developed countries (MDC's) which account for roughly 93 per cent of imports and over 80 per cent of exports in 1974 and 1975.

Balance of Payments

Balance of payments data for 1971 to 1975 are given in Table VIII in the Statistical Appendix. After registering a surplus in 1971 and deficits in 1972 and 1973 the overall payments position improved considerably in 1974 and 1975. In these two latter years there was a balance of payments surplus of over \$667 million and \$968 million, respectively as contrasted with a deficit of almost \$33 million in 1973.

The main contributors to the much improved position were the surpluses gained on merchandise transactions (adjusted to balance of payments basis) of \$474 million and \$399 million in 1974 and 1975, respectively. In addition substantial inflows were registered on the transportation and net private capital accounts. On the other hand, there was a large offsetting increase in net investment income outflow. Other services which had been showing a growing net inflow since 1971 declined drastically to show a \$102 million deficit in 1975. Net foreign travel receipts also declined by 30 per cent in 1975 and

/transfer

transfer payments to foreigners, especially unofficial transfers, increased sharply.

Another interesting development in the last two years is the net outflow on government foreign borrowing after years of net inflows. This situation resulted mainly from the improved revenue position of the government as a result of increased revenue from the petroleum industry. The Government has been in a position to accelerate payments on its foreign debt and to make loans to certain CARICOM countries suffering balance of payments disequilibria.

TRINIDAD & TOBAGO

TABLE F

GROSS DOMESTIC PRODUCT AT FACTOR COST: 1960, 1970, 1973, 1974, 1975

	Millions of TT Dollars (Current Prices)					Percentage Shares				
	1960	1970 ^E	1973 ^E	1974 ^E	1975 ^E	1960	1970	1973	1974	1975
Agriculture, Forestry Fishing & Quarrying	108.4	128.5	118.5	188.0	247.0	12.5	7.7	5.0	5.7	5.6
Mining & Refining of Petroleum, Asphalt & Gas	263.4	350.6	530.0	1,024.0 ^E	1,587.0	30.4	21.1	22.5	30.9	36.2
Manufacturing	108.2	313.8	419.0	487.0	555.0	12.5	18.9	17.8	14.7	12.7
Construction	40.6	73.5	124.5	166.0	216.0	4.7	4.4	5.3	5.0	4.9
Transport & Distribution	149.6	304.8	408.0	502.0	602.0	17.2	18.3	17.3	15.2	13.7
Government	82.5	188.2	294.0	400.0	506.0	9.5	11.3	12.5	12.1	11.6
Public Utilities	40.6	87.2	115.0	543.0	667.0	4.7	5.2	4.9	16.4	15.2
Ownership of Dwellings	16.8	60.5	349.0			1.9	3.6	14.8		
Banking & Finance	20.0	56.2				2.3	3.4			
Other Services	34.9	98.5				4.0	5.9			
TOTAL:	865.0	1,661.8	2,358.0	3,310.0	4,380.0	100.0	100.0	100.0	100.0	100.0

E = ECLA estimates.

E = Revised

Source: Draft Third Five-Year Plan, 1969-1973; Government of Trinidad & Tobago; and ECLA Staff estimates.

TRINIDAD & TOBAGO

TABLE II

GROSS DOMESTIC PRODUCT SECTORAL GROWTH: 1960-70, 1970-73, 1972-75
(Percentages)

	Average Annual Rate of Growth 1960-1970	Average 1970- 1973	1972-1973	1973-1974	1974-1975
Agriculture, Forestry, Fishing & Quarrying	1.7	- 2.6	-11.9	58.6	31.4
Mining & Refining of Petroleum, Asphalt & Gas	2.9	17.1	37.9	93.2	55.0
Manufacturing	11.2	11.2	13.6	16.2	14.0
Construction	6.3	23.1	17.5	33.3	30.1
Transport & Distribution	7.4	11.3	17.6	23.0	19.9
Government	8.7	18.7	16.8	36.1	26.5
Public Utilities	7.9		12.2		
Ownership of Dwellings	13.7				
Banking & Finance	10.9	5.1	22.9	17.0	22.8
Other Services	11.0				
GDP AT CURRENT FACTOR COST:	6.7	12.4	19.0	40.4	32.3

Source: Derived from Table I.

TRINIDAD & TOBAGO

TABLE III

PRODUCTION OF SELECTED AGRICULTURAL COMMODITIES

Commodities	Units	1972	1973	1974	1975 ^P
Sugar-cane	'000 tons	2,535	1,977	1,943	1,709
Cocoa beans ^{1/}	'000 lbs.	10,628 ^R	6,971 ^R	9,173 ^R	11,552
Coffee beans ^{1/}	'000 lbs.	7,275 ^R	5,989 ^R	4,277 ^R	8,871
Citrus fruits (whole fruits)					
Oranges	'000 lbs.	24,955	1,554	24,656	6,576
Grapefruits	'000 lbs.	40,607	9,768	38,979	13,813
Citrus (juices)	'000 gals.	2,342	313	2,144	698
Meat					
Beef & Veal	'000 lbs.	3,244 ^R	3,444	3,237	2,707
Pork	'000 lbs.	3,905	5,335	4,363	3,463
Mutton	'000 lbs.	106	107	118	117
Poultry ^{2/}	'000 lbs.	39,558 ^R	40,068 ^R	43,057 ^R	59,611
Eggs ^{3/}	'000 doz.	4,354	3,938	3,573 ^R	4,068
Fish ^{4/}	'000 lbs.	6,908 ^R	6,744 ^R	5,998 ^R	6,641
Milk ^{5/}	'000 gals.	2,266	1,592	1,601 ^R	1,590
Tobacco	'000 lbs.	553	732	688	629
Copra	tons	12,346	11,614	6,600	8,800

P = Provisional

^{1/} Deliveries to principal exporters.

^{3/} Data shown represent commercial production.

^{5/} Principal producers only.

R = Revised

^{2/} Live weight of poultry (broilers)

delivered to the processing plants.

^{4/} Fish delivered to principal markets.

Source: Quarterly Economic Report (several issues); Quarterly Agricultural Report, October-December 1975, Vol. 2, No. 4, Central Statistical Office, Trinidad; Statistical Digest, Central Bank of Trinidad & Tobago; Co-operative Citrus Growers Association of Trinidad & Tobago Limited; Sugar Manufacturers Assoc.

TRINIDAD & TOBAGO

TABLE IV

OUTPUT OF SELECTED INDUSTRIAL PRODUCTS: 1972-1975

Products	Units	1972	1973	1974	1975 ^P
Sugar	'000 tons	230.9	181.1	183.4	160.0
Rum	'000 p. gals.	2,473	2,443.7	4,341.3	3,837.3
Beer & Stout	'000 l. gals.	4,596	5,230	4,538	5,420
Tobacco & Cigarettes	'000 lbs.	1,790	2,009.8	1,771.5	1,562.7 ^{1/}
Edible oil	'000 gals.	2,087.4	2,044.9	1,339.7 ^R	1,791.7
Margarine, Lard & Butter substitute	'000 lbs.	12,205.8	14,050.3	16,349.6	14,550.1
Soap	'000 lbs.	11,951.3 ^R	13,134.9	11,832.2	14,081.8
Cement	'000 tons	283	249.1	237.7	254.9
Bricks & Blocks	'000	27,472	25,774	25,029	20,101
Fertilizers	'000 short tons	629	459	411	381.4
Assembly Industries (n.e.s.)					
Motor vehicles	Number	10,984	8,982	5,999	8,000
Radios & T.V's	Number	29,754	33,528	25,100 ^{2/}	27,160
Gas cookers	Number	23,964	15,351	9,125 ^{2/}	...
Refrigerators	Number	20,387	20,718	16,472 ^{2/}	...

P = Provisional

R = Revised

... = not available

^{1/} January to September.

^{2/} January to November.

Source: Annual Statistical Digest, 1971/72, and Quarterly Economic Report, October-December 1975, Central Statistical Office, Trinidad; Statistical Digest, April 1976, Central Bank of Trinidad & Tobago; and data supplied ECLA.

TRINIDAD & TOBAGO

TABLE V

DISTRIBUTION OF IMPORTS BY SITC SECTIONS
(TT\$ Mill.)

SITC Sections	1960	1970	1974	1975 ^P
0 Food	70.6	103.4	250.3	285.1
1 Beverages and Tobacco	8.2	8.1	12.6	17.5
2 Crude materials, inedible except fuels	9.0	13.0	25.0	27.3
3 Mineral fuels, lubricants and related materials	171.1	578.5	2,716.4	1,640.2
4 Animal and Vegetable oils & fats	2.6	9.0	23.0	20.3
5 Chemicals	22.7	47.4	116.5	150.0
6 Manufactured goods classified chiefly by materials	90.5	139.4	312.9	456.5
7 Machinery and transport equipment	89.1	135.5	240.3	534.7
8 Miscellaneous manufactured articles	36.7	46.3	75.6	103.6
9 Miscellaneous transactions and commodities, n.e.s.	4.2	6.5	5.2	8.6
TOTAL:	504.6	1,087.0	3,777.8	3,243.8

P = Provisional

Source: Annual Overseas Trade Report, 1974; Overseas Trade Bi-Monthly Report, December 1975, Vol. 25, No. 6, Central Statistical Office, Trinidad.

TRINIDAD & TOBAGO

TABLE VI

DISTRIBUTION OF EXPORTS BY SITC SECTIONS
(TT\$ Mill.)

SITC Sections	1960	1970	1974	1975 ^P
0 Food	56.9	81.5	158.8	232.1
1 Beverages and Tobacco	3.5	2.8	12.3	15.6
2 Crude materials, inedible except fuels	6.5	6.9	9.4	7.8
3 Mineral fuels, lubricants and related materials	393.5	744.2	3,759.5	3,376.3
4 Animal and Vegetable oils & fats	0.1	1.0	0.1	0.4
5 Chemicals	10.5	76.2	140.9	136.9
6 Manufactured goods classified chiefly by materials	8.1	19.6	28.3	35.9
7 Machinery and transport equipment	5.9	9.4	19.4	28.0
8 Miscellaneous manufactured articles	3.4	18.8	34.0	41.6
9 Miscellaneous transactions and commodities, n.e.s.	3.3	2.9	3.6	3.8
TOTAL:	491.7	963.3	4,166.3	3,878.4

P = Provisional

Source: Annual Overseas Trade Report, 1974; Bi-Monthly Overseas Trade Report, December 1975, Vol. 25, No. 6, Central Statistical Office, Trinidad.

TRINIDAD & TOBAGO

TABLE VII

DIRECTION OF EXTERNAL TRADE
(TT\$ Mill.)

	1972	1973	1974 ^P	1975 ^P
		<u>EXPORTS (f.o.b.)</u>		
United Kingdom	87.0	64.1	92.5	148.4
United States of America	451.7	722.7	2,523.1	2,574.6
Canada	29.5	21.8	98.2	44.9
EEC ^{1/}	31.3	24.0	138.9	80.3
Denmark and Ireland	5.2	5.1	29.6	18.1
CARICOM	121.0	150.7	289.1	346.4
Latin America ^{2/}	34.9	41.1	122.2	60.3
Others	310.9	345.8	872.7 ^R	605.4
TOTAL:	1,071.5	1,375.3	4,166.3^R	3,878.4
		<u>IMPORTS (c.i.f.)</u>		
United Kingdom	188.3	176.1	206.6	285.8
United States of America	274.4	251.9	401.7	702.1
Canada	53.0	65.3	82.0	84.1
EEC ^{1/}	61.4	69.9	91.7	100.3
Denmark and Ireland	8.3	9.5	11.7	17.6
CARICOM	41.2	40.2	61.8	91.4
Latin America ^{2/}	136.3	216.2	380.4	60.0
Others	708.2	727.7	2,541.9 ^R	1,902.5
TOTAL:	1,471.1	1,556.8	3,777.8^R	3,243.8

R = Revised

P = Provisional

1/ Original six members.

2/ Continental Latin America.

Source: Annual Overseas Trade Reports; Bi-monthly Overseas Trade Report, Vol. 25, No. 6, Central Statistical Office, Trinidad.

TRINIDAD & TOBAGO

TABLE VIII

TRINIDAD & TOBAGO'S TRADE WITH CARICOM COUNTRIES
(TT\$ Mill.)

	I M P O R T S					E X P O R T S				
	1970	1972	1973	1974 ^P	1975 ^P	1970	1972	1973	1974 ^P	1975 ^P
TOTAL:	26.9	41.2	40.1	61.8	91.4	91.6	121.0	150.7	289.2	346.4
Jamaica	9.1	17.4	18.8	25.0	36.0	11.6	31.6	40.6	92.2	118.5
Guyana	11.5	14.0	10.1	22.5	35.9	31.6	36.1	49.4	99.4	120.4
Barbados	2.7	6.5	7.4	9.7	13.4	17.3	20.8	24.2	45.7	45.8
ECCM Countries	3.7	3.1	3.3	4.3	5.3	31.1	32.0	36.3	51.4	60.8
Belize	neg.	0.2	0.5	0.3	0.8	0.1	0.5	0.2	0.5	0.9

P = Provisional

neg. = negligible

Source: Annual and Monthly Overseas Trade Reports,
Central Statistical Office, Trinidad.

TRINIDAD & TOBAGO

TABLE IX

SELECTED EXPORTS
(Values in TT\$'000)

Commodities	Quantity Unit	1 9 7 3		1 9 7 4		1 9 7 5	
		Quantity	Value	Quantity	Value	Quantity	Value
Sugar	'000 tons	146	44,357	174	107,067	109	166,307
Molasses	'000 l.gals.	9,264	5,871	6,185	5,423	4,014	2,340
Rum	'000 l.gals.	1,398	6,182	2,771	7,341	2,688	8,194
Cocoa beans	tons	3,375	5,765	3,743	9,727	4,744	13,692
Citrus							
Oranges ^{1/}	'000 lbs.	1,003	114	2,067	386	1,479	331
Grapefruits ^{1/}	'000 lbs.	1,290	309	3,984	1,426	1,332	323
Orange juice	'000 l.gals.	31	60	391	1,146	264	1,060
Grapefruit juice	'000 l.gals.	198	443	223	597	237	714
Coconut oil (unrefined)	l. gals.	11	neg.	68	0.7	95	0.7
Coconut oil (refined)	l. gals.	43,650	320	1,239	10	17,842	217
Cement	tons	...	4,646	...	4,392	...	4,787
Fertilizer	'000 tons	153	14,910	133	27,508	107	27,394
Ammonium compound	'000 tons	238	20,552	220	23,680	197	36,666
Natural asphalt (dried)	tons	47,030	3,876	43,982	4,657	30,447	4,239
Crude petroleum	'000 barrels	33,476	268,689	47,474	1,221,036	55,135	1,444,897
Petroleum products	'000 barrels	...	861,247	...	2,531,756	...	1,931,417
Coffee beans	'000 lbs.	4,333	3,571	1,774	1,565	6,918	5,915

... = not available

^{1/} Include canned.

Source: Annual Overseas Trade Report, 1974; Bi-Monthly Overseas Trade Report, December 1975, Vol. 25, No. 6, Central Statistical Office, Trinidad; and data supplied ECLA.

TRINIDAD & TOBAGO

TABLE X

TOTAL TRADE AND PETROLEUM TRADE UNDER PROCESSING AGREEMENT
(TT\$ Mill.)

	IMPORTS			EXPORTS			Net Exports Minus Net Imports
	Total	Petroleum Under Processing Agreement	Net	Total	Petroleum Under Processing Agreement	Net	
1969	968.5	486.5	482.0	950.3	446.9	503.4	+ 21.4
1970	1,087.0	529.9	557.1	963.3	476.1	487.2	- 69.9
1971	1,329.3	624.5	704.8	1,041.6	573.0	468.6	- 236.2
1972	1,471.1	666.6	804.5	1,071.5	546.5	525.0	- 279.5
1973	1,556.8	761.7	791.5	1,375.3	683.6	691.7	- 103.4
1974	3,777.8	2,688.8	1,089.0	4,166.3	2,398.3	1,768.0	+ 679.0
1975	3,243.8	1,628.6	1,615.2	3,878.4	1,697.8	2,180.6	+ 565.4

Source: Overseas Trade Report, (Several issues), Central Statistical Office, Trinidad; and data supplied ECLA.

TRINIDAD & TOBAGO

TABLE XI

BALANCE OF PAYMENTS, 1971-1975
(TT\$ Mill.)

	1971	1972	1973 ^P	1974 ^P	1975 ^P
CURRENT ACCOUNT					
(i) Goods and Services:					
Exports f.o.b. ^{1/}	1,060.7	1,143.7	1,410.2	2,246.4	2,007.0
Imports c.i.f. ^{2/}	1,325.1	1,467.5	1,532.7	3,772.2	1,607.7
Balance of Visible Trade	- 264.4	- 323.8	- 122.5	474.2	399.3
Services:					
Transportation ^{3/}	88.4	93.8	127.7	275.1	232.1
Foreign Travel	21.9	45.6	69.6	84.3	58.7
Investment Income	- 123.1	- 132.8	- 170.7	- 650.7	- 618.7
Other	11.7	14.3	61.8	52.2	101.6
Balance on Services	- 1.1	20.9	88.4	- 239.1	- 429.5
Balance on Goods & Services	- 265.5	- 302.9	- 34.1	235.1	- 30.2
(ii) Transfer payments (Net)					
Private	4.5	4.3	4.3	4.3	25.3
Official	- 13.7	- 11.7	- 13.7	- 18.4	- 19.2
CAPITAL ACCOUNT					
(iii) Capital inflows (Net)					
Private sector (Net)	222.7	164.9	62.1	153.4	497.1
Public sector (Net)	42.4	48.0	64.5	- 147.1	- 15.2
(iv) Net errors & omissions	52.5	51.8	- 107.3	448.8	561.2
(v) Surplus or deficit (-)	42.9	- 45.6	- 32.8	667.5	968.4
FINANCING THE DEFICIT					
(vi) Net foreign reserve movement (- increase)					
	- 42.9	45.6	32.8	- 667.5	- 968.4

P = Provisional

1/ Adjustments in "Overseas Trade" exports comprise addition of coverage adjustment and subtraction of ship stores and bunkers.

2/ Adjustment in "Overseas Trade" imports comprise addition of coverage adjustment and subtraction of freight paid to resident carriers.

3/ Includes fire gnt.

Source: The Balance of Payments of Trinidad and Tobago, 1973, Central Statistical Office, Trinidad; and data supplied ECLA.

TRINIDAD & TOBAGO
TABLE XII
SELECTED MONETARY STATISTICS
(TT\$ Mill.)

	1972	1973	1974	1975 ^P
<u>MONEY SUPPLY</u>	247.7	235.5	308.9	442.0
Of which:				
Demand deposits ^{1/}	141.2	138.1	184.5	274.8
Currency in circulation	106.6	97.4	124.4	167.2
<u>DEPOSITS</u>	679.8	766.7	1,016.2	1,313.1
Demand	141.2 ^R	138.1 ^R	184.5 ^R	274.8
Time ^{1/}	228.5 ^R	336.5 ^R	483.1 ^R	554.5
Savings	310.1	292.1	348.6	483.8
<u>LOANS & ADVANCES OF COMMERCIAL BANKS</u>	521.1	665.4	712.3	927.2
Of which:				
Manufacturing ^{2/}	114.0	120.8	130.2	148.7
Construction	9.3	19.1	21.0	32.6
Agriculture & related activities	12.9	16.8	19.3	21.5
Mining & refining of petroleum & gas	15.4	13.0	12.0	27.2
Other mining & quarrying	3.0	2.8	8.1	5.9
Distributive Trade	109.9	111.8	110.5	122.2

P = Provisional

^{1/} Excludes Central Government.

^{2/} Asphalt mining and processing included in manufacturing.

Source: Quarterly Economic Report, October-December, 1975, Central Statistical Office, Trinidad.

PART IX
WEST INDIES ASSOCIATED STATES

ECONOMIC SURVEY 1975

WEST INDIES ASSOCIATED STATES

(East Caribbean dollars used throughout)

GENERAL DEVELOPMENTS

The economies of the West Indies Associated States^{1/} continued to be subjected to severe stresses during 1975. Fortunately, the inflation trend of 1973-1974 abated to some degree and this is reflected in a lower rate of increase in the value of imports, as well as in the levels of the Retail Price Indexes. Unemployment levels remained relatively high with increasing numbers of new entrants to the labour force annually, and a rate of general economic expansion too slow to create the significant increases in job opportunities necessary to alleviate social pressures.

Aggregated GDP at current factor costs for 1975 is provisionally estimated at \$427 million, or an increase of about 9 per cent compared with nearly 19 per cent in 1974. It is estimated that the economy of the West Indies Associated States did not experience any growth in 1974 and 1975 in real terms.

Among the goods producing sectors the contribution of agriculture recorded the most significant improvement. Growth in this sector was due primarily to higher prices for bananas and sugar. In fact, a marked decline in banana output in St. Lucia and to a lesser extent in the other two major producing countries was projected for 1975. Government GDP is estimated to show just under a 14 per cent increase while construction activity showed no significant improvement. It is worth noting that construction activities improved considerably in Dominica during 1974-1975, while the level of activity in St. Kitts-Nevis-Anguilla, St. Lucia and Antigua showed only slight improvement. Economic activity in the manufacturing sector remained at a low level during 1975.

^{1/} The members of the West Indies Associated States are now: Antigua, Dominica, Montserrat, St. Kitts-Nevis-Anguilla, St. Lucia and St. Vincent. Grenada attained independence on 7 February 1974, and so the figures for all years shown in this text have been adjusted to exclude this country.

/With respect

With respect to the external sector, tourism activity stagnated generally in 1975 and the foreign earnings anticipated from the industry are not being realised. Moreover, the industry has not generated significant growth in related industries. Economic recession and spiralling inflation in the major areas from which visitors come is the primary cause of the stagnation in the sector. Earnings from exports rose in 1974 and 1975 but so did payments for imports and the deficit balance on visible trade.

The weakening of export prices in 1976 poses significant problems for these countries. More intensive efforts will be necessary to increase agricultural and industrial output and employment.

Agriculture

Aggregated Gross Domestic Product in Agriculture at current factor cost for 1974 is provisionally estimated at roughly \$80 million. This estimate reflects a 41 per cent rise over 1973, a much higher rate of increase than was registered in any year during the period 1970 to 1973. However, indications are that the sector was much less dynamic in 1975 and GDP is estimated to have increased by 11 to 13 per cent. The percentage contribution of the sector in total output in 1975 is therefore expected to show a small increase for the third successive year.

The substantial increase in agriculture GDP during 1974 was due principally to the improved performance of the export sub-sector, which accounted for about 52 per cent of Agriculture GDP during the period 1972 to 1974. Preliminary projections for 1975 indicate the sub-sector contribution has increased to nearly 60 per cent. Of the major export commodities, bananas had the greatest impact, both in terms of volume and value of output in 1974. Output of bananas was lower in 1975 but was compensated for by higher prices. For 1975 it was the sugar price however that was dominant while prices for the spices and cocoa beans weakened. The quantity of output of the tree crops was directly affected by the weather pattern during

/1973-1975.

1973-1975. (There was a severe drought in St. Lucia during 1975). Thus output increased in 1974 but declined in 1975 following the vagaries of the weather.

The contribution of the domestic sub-sector (including forestry and fishing) to total agriculture GDP has been surpassed by the export sub-sector since 1972, largely because of higher price increases for export commodities. However, current value of output in the sub-sector has increased annually. GDP of this sub-sector is provisionally estimated at approximately \$28 million in 1973. Indications are that the contribution to GDP increased in the order of about 30 per cent in 1974. Unfavourable weather conditions and market glut of some commodities during 1975, considerably reduced the value of output in that year.

Throughout the West Indies Associated States the domestic sub-sector is gradually being transformed. More attention is finally being given to cultivating a wider variety of crops including carrots, onions, ginger, sweetpotatoes as well as fruits and vegetables. Available data indicate increases in output of some of these crops.

Increased quantities of root crops and fruits are being exported to the CARICOM Area and extra-regional markets including the UK, Canada and USA. However, there is need for rationalizing marketing, production and processing activities to avoid the cycles of gluts and scarcity that continually plague the region.

Livestock, fishing and forestry remain relatively small. Development efforts are underway in some countries to increase activity in these sub-sectors to satisfy some portion of domestic demand.

Government Sector

The Government sector occupies a relatively important position in the economies of the Associated States, and accounts for around 19 per cent of estimated total GDP. Aggregated GDP of the Government sector activities is projected at \$83 million in 1975, an

/increase

increase of 9.8 million or 13.5 per cent over 1974. In 1974, the sector achieved an estimated rate of growth of slightly more than 16 per cent compared with the previous year.

Data on government receipts and expenditure are given on tables III and IV in the Statistical Appendix. It should be observed that some data, mainly for 1975, represent first estimates or revised estimates. As such, they are very provisional and are likely to be revised considerably (especially in the case of planned capital expenditure) when actual data become available.

Recurrent expenditure continued its upward trend in 1975, but at a slower rate; 4.4 per cent in 1975 compared to 8.6 per cent in 1974; in both instances well below the rate of inflation. Planned capital expenditure was about \$2 million lower than in 1974. In the light of economic conditions in donor countries, and the countries' own weak fiscal position, actual capital expenditure for 1975 can be expected to be further reduced.

Aggregated recurrent revenue for 1975 is estimated to amount to over \$127 million, an increase of 11.4 per cent over 1974.^{2/} Significant increases in revenue were achieved mainly from two categories, Income taxes and Miscellaneous taxes, fees, licences, etc. Import duties from which a considerable amount of revenue is obtained is estimated to remain at about the same level as in the previous year partly reflecting the attempts of the governments to restrict the level of imports.

As in previous years the aggregated recurrent account showed a deficit. However, the gap between recurrent expenditure and recurrent revenue appears to be stabilizing. Allocations for capital development projects further aggravate the fiscal deficit of total governments' transactions and demonstrate the need for additional sources of revenue.

^{2/} Recurrent revenue estimates are usually closer to the actual figures than are expenditure estimates.

Table 1
Aggregated Government Recurrent Revenue
(EC\$'000)

	1970	1972	1973	1974 ^P	1975 ^P
Import duties	24,249	25,960	27,748	27,362	27,456
Export duties	1,368	936	2,769	2,806	790
Consumption taxes	5,669	9,605	10,703	13,386	14,784
Income tax	14,756	17,759	20,876	23,728	28,157
Other taxes, fees, licences, etc.	23,300	29,061	30,171	40,512	46,220
Grants-in-aid	5,186	5,501	4,619	8,763	10,157
TOTAL:	74,528	88,822	94,886	114,492	127,564

Note: Data represent actual receipts, except Dominica in 1973, Antigua, St. Kitts-Nevis-Anguilla and St. Lucia in 1975, which are Revised Budget Estimates.

P = Provisional

Source: Government Estimates of the Six States and data supplied ECLA.

Tourism

The performance of the tourism sector has been generally unsatisfactory after 1972. During the years 1973 to 1975 the contribution of the sector to total GDP did not increase appreciably and was in fact rather depressed in some countries. It seems clear that the sector has lost some of the momentum of the late 1960's and this is particularly difficult for those countries where tourism was relied upon to generate employment and boost foreign currency earnings.

Table V in the Statistical Appendix gives some indication of performance in the sector. It is observed that tourism activity in Montserrat, St. Vincent and St. Lucia increased between 1972 and

/1974,

1974, but there has been a downturn in activity in Antigua, Dominica and St. Kitts-Nevis-Anguilla after 1972. Overall the total number of visitors declined by almost 4 per cent during 1974 compared with 1973, mainly because of a 13 per cent drop in the number of cruise visitors and despite a 2.5 per cent rise in the number of stop-over visitors. The situation was reversed in 1975 with a 28 per cent increase in cruise-ship visitors and a 7 per cent decline in stop-over visitors. Only Montserrat and St. Kitts-Nevis-Anguilla experienced any meaningful increase in stop-over visitors during 1975.

Table 2
Selected Visitors Statistics, 1973-1975
('000 persons)

	1973	1974	1975 ^P
Stop-over visitors	176	180	168
Cruise-ship visitors	114	99	127
TOTAL:	290	279	295

P = Preliminary estimates.

Source: Data supplied by the several States.

Estimated visitors expenditure declined slightly between 1973 and 1974 and is projected to increase only slightly, if at all, in 1975 and only on the strength of price increases. The gradually increasing level of tourist accommodation has been outstripping the number of visitors so that hotel occupancy rates have declined. For example, during 1974, the occupancy rate for St. Kitts-Nevis-Anguilla was 18.4 per cent as against 18.6 per cent in the previous year. In Antigua, the rate increased from 49 per cent in 1973 to 54 per cent in 1974, but declined to 45 per cent in 1975. The average length of stay in countries for which data are available (Antigua, Dominica and St. Kitts-Nevis-Anguilla) has remained virtually stable between 1973 to 1975.

Tourism in the Associated States has continued to suffer the ill-effects of recession in the North Atlantic countries, in spite of the mild economic recovery indicated in these countries during 1975. Nevertheless, the majority of the Associated States' tourists continue to come from this region. However slightly more than half of the visitors to St. Kitts-Nevis-Anguilla originate from the Caribbean region. Of course, there continued to be local as well as external factors accounting for the deceleration in the rate of development of tourism in the Associated States. On the local front, some islands are still in the throes of attempting to cope with social and political problems. High prices of goods and services and the higher cost of travel have also adversely affected tourism in the region.

Other Sectors

Among the other sectors, distribution and construction make the largest contributions to total gross domestic product. During 1974 the GDP of the distribution sector was estimated at nearly \$76 million. This figure represents a 21 per cent increase over the previous year. However, in 1975 distribution sector GDP is estimated to rise by only about 6 to 7 per cent.

Construction GDP is projected to show no significant increase during 1975 following only an 8 per cent rise in 1974 and relative stagnation in the three previous years. In recent years, the bulk of construction activity has occurred in St. Lucia and Antigua but as activity tapered off in these islands, the pace increased in Dominica beginning in 1974 with the construction of the Dominica deep-water harbour.

With respect to the financial sector, available data for 1975 indicate some expansion, although the pace of economic activity was less dynamic than in 1974. Commercial banks liabilities and assets expanded less rapidly registering a 15 per cent rise in 1975 as against 22 per cent in 1974, while commercial bank lending showed only a 6 per cent rise in 1975

/as contrasted

as contrasted with a 13 per cent increase in 1974. Deposits, which form a large portion of bank liabilities increased by 16 per cent in 1975 compared with almost 24 per cent increase in 1974.

It is significant to note that demand deposit declined by over 10 per cent in 1975 but was more than offset by the 33 per cent increase in time deposit and 11 per cent rise in saving deposits. It seems that there was a shift from demand deposits to interest bearing deposits. Such a situation seems to reflect low expectations of economic activity and perhaps a postponement of investment decisions.

PRICES

Since 1973, the West Indies Associated States have experienced unusually high price increases as indicated by the individual countries' Retail Price Indexes. In 1974, the rate of price increases throughout the region was more than twice as high as in 1973. However, in 1975, there was a marked deceleration in the rate. In general, the rate of increase for most countries was back to the levels experienced in 1973 but this rate is still far greater than the rates experienced previously.

Again this year the trend in overall prices was led by the movements in food and beverage prices. Except for Montserrat and St. Lucia, fuel prices have shown only moderate increases. The group designated "Household operations and miscellaneous" grew significantly in all countries except Antigua during 1975. This may reflect more stringent price controls in Antigua during the year and it should be observed that price increases in this country was next to the lowest of all.

The substantial drop in the rate of increases during 1975 can be attributed both to external and internal factors. Beginning with the latter part of 1974, there was a slackening in the rate of inflation in the developed countries of Western Europe and North America from which the West Indies Associated States purchase

/the bulk

the bulk of their imports. This situation is reflected closely in the general price trends of the Area. On the domestic front, the institution of more stringent price control measures and increased emphasis on consumption of locally produced commodities have also exerted downward pressure on prices.

THE EXTERNAL SECTOR

Transactions in the external sector continue to be centred upon importation of a wide range of goods and exportation of a few commodities, mostly of agricultural origin. In spite of the fact that the West Indies Associated States is an agricultural area, the region imports a large amount of food, in addition to manufactured goods. Efforts are being made to diversify production with a view to increasing exports as well as offsetting the sharply rising import bill, but so far notable success has not been achieved. The value of imports into the West Indies Associated States is very high and in some instances, total imports exceed estimated levels of Gross Domestic Product.

The Statistical Appendix shows available external trade data. A negative visible trade balance characterises each country's merchandise trade transactions. Provisional data for 1973 put the aggregated trade deficit for the region as a whole at over \$163 million but this figure was 14 per cent lower than in the previous year. However, the preliminary figure for 1974 is estimated at around \$220 million, an equivalent of 34 per cent increase over the amount for 1973. Partial data for 1975 indicate a further rise in the trade imbalance. During 1973, the rate of increase in exports was 49 per cent; for 1974 the increase is estimated at about 25 per cent. The aggregated value of exports for 1975 is projected to increase by not much more than 20 per cent. On the other hand, imports grew more slowly between 1972 and 1974. In 1973, the increase was in the order of about 5 per cent and in 1974 by an estimated 33 per cent. Like exports, the

/rate of

rate of increase in the value of imports for 1975 is not expected to rise as fast as in 1974.

The marked increase in the value of external trade transactions between 1972 and 1975 must be attributed to sharp increases in the prices of exported commodities, notably bananas, petroleum products and sugar and in the higher prices for imported goods. It appears that volume increases were insignificant and in fact there were decreases for some commodities, notably bananas. Petroleum production in both 1974 and 1975, and therefore exports, have suffered as a result of the damage caused in Antigua by the 1974 earthquake. There was damage to storage tanks and the volume of petroleum products exports dropped sharply during 1974. Recovery was slow in 1975 and is reflected in the fact that imports of crude petroleum declined by more than 50 per cent in terms of volume. The higher levels of these exports achieved in 1975 therefore depended on sales from previously existing inventories.

WEST INDIES ASSOCIATED STATES

TABLE I

ESTIMATES OF GROSS DOMESTIC PRODUCT AT CURRENT FACTOR COST
(EC\$ Mill.)

Sector	1970 ^{PR}	1971 ^{PR}	1972 ^{PR}	1973 ^{PR}	1974 ^{PR}	1975 ^E
Export Agriculture	22.4	22.3	25.8	29.2	43.0	55.5
Other Agriculture, Livestock & Fishing	23.1 ^{1/}	25.3 ^{1/}	25.5 ^{1/}	27.9 ^{1/}	3/	n.a.
Mining & Manufacturing	12.6	13.8	15.4	16.3	17.1	n.a.
Construction	36.7	40.8	40.9	40.6	43.8	n.a.
Distribution	49.4	55.9	60.6	63.0	75.9	81.5
Government ^{2/}	42.3	48.5	54.9	62.7	72.8	82.6
Others	69.4	76.1	83.1	91.6	140.3 ^{3/}	n.a.
Hotels	(14.0)	(16.2)	(20.2)	(19.8)	n.a.	n.a.
TOTAL:	255.9	282.7	306.2	331.3	392.9	(426.9)

R = Revised. Revisions have been made on the basis of more definitive data.

P = Provisional

E = ECLA's preliminary projections.

n.a. = not available

^{1/} Include Antigua's export agriculture.

^{2/} Include Public Utilities.

^{3/} GDP data for Other Agriculture, Livestock & Fishing are included in Others.

Source: Based mainly on Economic Survey and Projections (several issues), British Development Division in the Caribbean, Barbados, and data provided by the territories.

(Adjustments have been made to projected figures on the basis of data available in ECLA's files).

WEST INDIES ASSOCIATED STATES

TABLE I (a)

GROSS DOMESTIC PRODUCT AT CURRENT FACTOR COST
(EC\$ Mill.)

	ANTIGUA			DOMINICA		
	1973 ^{PR}	1974 ^E	1975 ^E	1973 ^E	1974 ^E	1975 ^E
Export Agriculture	} 3.5	} 4.0	n.a.	9.0	11.4	n.a.
Other Agriculture, Livestock & Fishing				7.0	7.0	n.a.
Mining & Manufacturing	6.5	7.5	n.a.	7.3	6.8	n.a.
Construction	22.0	25.0	n.a.	3.2	4.0	n.a.
Distribution	12.5	15.5	n.a.	11.5 ^R	10.2	n.a.
Government	38.4	45.0	n.a.	10.5	20.2	n.a.
Others (Hotels)	(9.5)	(11.5)	n.a.	(2.0)	(2.2)	n.a.
TOTAL:	89.9	104.0	(110.0)	51.9^R	56.4	(63.4)

Note: Totals may not agree because of rounding.

P = Provisional

R = Revised

E = ECLA's estimates

n.a. = not available

Source: ANTIGUA: - Statistical Yearbook, 1975, Statistics Division, Ministry of Planning, Development and External Affairs, Antigua; and data supplied ECLA.

DOMINICA: - ECLA's estimates.

WEST INDIES ASSOCIATED STATES

TABLE I(a) Cont'd

GROSS DOMESTIC PRODUCT AT CURRENT FACTOR COST
(EC\$ Mill.)

	MONTSERRAT			ST. KITTS-NEVIS-ANGUILLA		
	1973 ^E	1974 ^E	1975 ^E	1973 ^E	1974 ^E	1975 ^E
Export Agriculture	0.02	0.01	n.a.	5.8	8.1	n.a.
Other Agriculture, Livestock & Fishing	2.2	n.a.	n.a.	4.9	n.a.	n.a.
Mining & Manufacturing	0.3	0.3	n.a.	1.2	1.2	n.a.
Construction	4.6	4.5	n.a.	10.4	13.0	n.a.
Distribution	2.5	3.1	n.a.	6.8	6.7	n.a.
Government	3.6	4.9	n.a.	10.2	11.7	n.a.
Others	4.1	7.1	n.a.	9.0	16.4	n.a.
(Hotels)	(0.9)	(0.9)	n.a.	(0.8)	(0.8)	n.a.
TOTAL:	17.3	20.0	(21.2)	48.3	57.2	(76.5)

Note: Totals may not agree because of rounding.

E = Estimates

n.a. = not available

Source: MONTSERRAT:- ECLA's estimates

ST. KITTS-N-A.:- ECLA's estimates

WEST INDIES ASSOCIATED STATES

TABLE I(a) Cont'd

GROSS DOMESTIC PRODUCT AT CURRENT FACTOR COST
(EC\$ Mill.)

	ST. LUCIA			ST. VINCENT		
	1973 ^{RE}	1974 ^E	1975 ^E	1973 ^{RE}	1974 ^E	1975 ^E
Export Agriculture	7.8	16.4	n.a.	6.6	7.1	n.a.
Other Agriculture, Livestock & Fishing	4.5	n.a.	n.a.	5.8	n.a.	n.a.
Mining & Manufacturing	2.9	2.7	n.a.	1.4	2.1	n.a.
Construction	7.4	7.1	n.a.	4.3	4.8	n.a.
Distribution	17.5	22.3	n.a.	11.0	14.7	n.a.
Government	16.9	21.2	n.a.	8.2	9.2	n.a.
Others	17.3	27.7	n.a.	12.3	19.8	n.a.
(Hotels)	(3.1)	(3.6)	n.a.	(3.6)	(4.9)	n.a.
TOTAL:	74.3	97.4	(97.3)	49.6	57.9	(58.6)

Note: Totals may not agree because of rounding.

R = Revised

E = Estimates

n.a. = not available

Source: ST. LUCIA:- ECLA's estimates

ST. VINCENT :- ECLA's estimates

WEST INDIES ASSOCIATED STATES

TABLE II

ESTIMATES OF GROSS DOMESTIC PRODUCT

	Sector Contribution					Annual Percentage Change			
	1970 ^{PR}	1971 ^{PR}	1972 ^{PR}	1973 ^{PR}	1974 ^{PR}	1970- 1971 ^{PR}	1971- 1972 ^{PR}	1972- 1973 ^{PR}	1973- 1974 ^{PR}
Export Agriculture	8.8	7.9	8.4	8.8	10.9	- 0.4	15.7	13.2	47.3
Other Agriculture, Livestock & Fishing	9.0	8.9	8.3	8.4	n.a.	9.5	0.8	9.4	n.a.
Mining & Manufacturing	4.9	4.9	5.0	4.9	4.4	9.5	11.6	5.8	4.9
Construction	14.3	14.4	13.4	12.3	11.1	11.2	0.2	- 0.7	7.9
Distribution	19.3	19.8	19.8	19.0	19.3	13.2	8.4	4.0	20.5
Government ^{1/}	16.5	17.2	17.9	18.9	18.5	14.7	13.2	14.2	16.1
Others	27.1	26.9	27.1	27.6	n.a.	9.7	9.2	10.2	n.a.
Hotels	(5.5)	(5.7)	(6.6)	(6.0)	(6.1)	(15.7)	(24.7)	(-2.0)	(20.2)
TOTAL:	100.0	100.0	100.0	100.0	100.0	10.5	8.3	8.2	18.6

P = Provisional

R = Revised

^{1/} Include Public Utilities.

Source: Derived from Table I.

WEST INDIES ASSOCIATED STATES

TABLE III

RECURRENT AND CAPITAL EXPENDITURE
(EC\$ '000)

	1971	1972	1973	1974 ^P	1975 ^P
<u>RECURRENT EXPENDITURE</u>					
Antigua	22,248	22,854	39,237	33,990	35,755 ^{1/}
Dominica	13,254	13,181	17,583	15,916	18,496 ^{1/}
Montserrat	4,186	4,384	5,238	7,275	8,055
St. Kitts-N-A.	13,562	14,266	15,507	18,419	24,151 ^{1/}
St. Lucia	15,936	21,747	21,806 ^R	31,679 ^R	34,237 ^{1/}
St. Vincent	14,524	15,890	17,207	19,283	11,392 ^{2/}
TOTAL:	83,710	92,322	116,578	126,562	(132,086)
<u>CAPITAL EXPENDITURE</u>					
Antigua	750	878	3,842 ^{1/}	4,260	3,666 ^{1/}
Dominica	8,195	19,429	5,614	3,351	15,339 ^{1/}
Montserrat	2,428	2,543	1,537	2,489	4,500
St. Kitts-N-A.	10,309	10,717 ^{1/}	12,657 ^{RE}	21,488 ^{RE}	5,330 ^{1/}
St. Lucia	1,444	8,849 ^{1/}	19,979 ^E	23,574 ^E	28,380 ^E
St. Vincent	6,236	4,591	4,472	6,157	2,206 ^{1/}
TOTAL:	29,362	47,007	48,101	61,310	59,421
GRAND TOTAL:	113,072	139,329	164,679	187,881	(191,507)

Note: Figures are Actual Expenditure except where otherwise specified. Actual capital expenditure generally is much lower than the estimates.

P = Provisional

R = Revised

E = Government approved estimates

^{1/} Revised Estimates.

^{2/} Data for January to June 1975.

Source: Government estimates of the Six States; and data supplied ECLA.

WEST INDIES ASSOCIATED STATES

TABLE IV

GOVERNMENT RECURRENT REVENUE
(EC\$'000)

	Import Duties	Export Duties	Con- sump- tion Taxes	Income Tax	Other Taxes Fees & Licences etc.	Grants in aids ^{1/}	Total
					<u>1 9 7 3</u>		
Antigua	6,402	13	2,986	5,670	9,054	-	24,125
Dominica	2,786	271	2,925	3,465	2,769	-	12,216 ^{2/}
Montserrat	1,550	-	-	972	1,156	1,258	4,936
St. Kitts-N-A.	2,920	197	1,069	2,162	6,331	2,161	14,840
St. Lucia	8,852	288	2,329	5,831	6,843	-	24,143
St. Vincent	5,238	-	1,394	2,776	4,018	1,200	14,626
TOTAL:	27,748	769	10,703	20,876	30,171	4,619	94,886
					<u>1 9 7 4^R</u>		
Antigua	6,297	9	3,366	5,790	12,917	4,840	33,219
Dominica	2,693	302	3,296	3,337	3,047	-	12,675
Montserrat	1,976	-	-	1,537 ^R	1,160	1,399	6,072 ^R
St. Kitts-N-A.	3,164	208	2,165	2,715	9,784	1,924	19,960
St. Lucia	8,136 ^R	287	3,221 ^R	6,731 ^R	8,824 ^R	-	27,199
St. Vincent	5,096	-	1,338	3,618	4,780	540	15,372
TOTAL:	27,362	806	13,386	23,728	40,512	8,703	114,492

WEST INDIES ASSOCIATED STATES
TABLE IV (Cont'd)
GOVERNMENT RECURRENT REVENUE
(EC\$'000)

	Import Duties	Export Duties	Con- sump- tion Taxes	Income Tax	Other Taxes Fees & Licences etc.	Grants in aids ^{1/}	Total
					<u>1 9 7 5^P</u>		
Antigua	7,500	11	3,700	6,500	12,352	4,800	34,863 ^{2/}
Dominica	3,467	400	4,083	3,228	2,549	2,050	15,777
Montserrat	1,933	-	-	2,136	1,217	1,791	7,077
St. Kitts-N-A.	3,367 ^{2/}	194 ^{2/}	2,520 ^{2/}	3,344 ^{2/}	12,562 ^{2/}	1 ^{2/}	21,988 ^{2/}
St. Lucia	7,296 ^{2/}	185 ^{2/}	4,481 ^{2/}	8,630 ^{2/}	8,164 ^{2/}	-	28,756 ^{2/}
St. Vincent	3,893	neg.	3 [/]	4,319	9,376 ^{3/}	1,515	19,103
TOTAL:	27,456	790	14,784	28,157	46,220	10,157	127,564

Note: Receipts are actual except where otherwise indicated.

^{1/} Include loans to finance recurrent expenditure.

^{2/} Revised Budget Estimate.

^{3/} Data on consumption tax are included in other taxes, etc.

P = Provisional

R = Revised

- = nil

neg. = negligible

Source: Government Estimates of the Six States;
and data supplied ECLA.

WEST INDIES ASSOCIATED STATES

TABLE V

SELECTED DATA ON TOURISM

	No. of ^{1/} Tourists	Estimated Expenditure (EC\$'000)	Tourist 2/ Accommodation (No. of beds)	No. of ^{1/} Tourists	Estimated Expenditure (EC\$'000)	Tourist 2/ Accommodation (No. of beds)
	1 9 7 2			1 9 7 3		
Antigua	72,328	n.a.	2,334	72,786	15,735	2,218
Dominica	15,294	n.a.	n.a.	14,904	1,213	437
Montserrat	10,102	n.a.	203	10,727 ^R	1,583	230
St. Kitts-Nevis-Anguilla	16,245	3,700	n.a.	14,937	3,400	675
St. Lucia	42,399	8,575	1,139	45,809	8,712	2,161 ^R
St. Vincent	16,902	n.a.	704	16,606	3,289	856
TOTAL:	173,270	n.a.	n.a.	175,769	33,932	6,577
1 9 7 4			1 9 7 5 ^P			
Antigua	69,854	12,252	2,388	62,971	n.a.	2,496
Dominica	13,710	1,378	437	13,779	n.a.	441
Montserrat	10,754 ^R	1,562	228	12,055	n.a.	236
St. Kitts-Nevis-Anguilla	13,251	3,300	691	14,658	3,300	(877) ^E
St. Lucia	51,816	9,874 ^R	2,179 ^R	47,564	9,196 ^{3/4/}	2,179 ^{3/}
St. Vincent	20,822	5,115	897	16,579	n.a.	897
TOTAL:	180,207	33,481	6,820	167,606	n.a.	7,126 ^E

n.a. = not available

R = Revised

E = Estimate

^{1/} Excluding cruise-ship passengers.

^{2/} Refers to first class hotels and guest houses.

^{3/} Data for January to November 1975.

^{4/} Data for January to November 1975 exclude yacht expenditure.

Source: Annual Report and Statement of Accounts for the year ended 31 March 1975, East Caribbean Currency Authority, St. Kitts; and data furnished by the States.

WEST INDIES ASSOCIATED STATES

TABLE VI

SELECTED FINANCIAL STATISTICS FOR SELECTED YEARS
(EC\$'000)

	At 31 December:				
	1971	1972	1973	1974	1975
Commercial Banks' Liabilities	216,532	265,732	311,428	378,224	434,362
Total deposits	182,122	215,180	241,527	299,153	346,360
Time deposit	48,524	64,955	78,852	114,895	152,323
Savings deposit	107,077	119,506	126,094	133,249	148,243
Demand deposit	26,521	30,719	36,581	50,989	45,784
Commercial Banks' Loans & Advances	132,827	178,998	208,811	236,082	249,501
Manufacturing	9,110	10,951	11,604	11,223	18,641
Agriculture	12,383	13,750	17,956	18,660	18,568
Tourism	13,486	20,036	19,750	21,474	20,697
Building & Construction	14,710	20,724	20,903	27,457	25,521
Distributive trade	26,076	34,279	37,864	44,349	50,123
Loans & Advances as % of total deposits	72.93	83.19	86.45	78.91	72.03
Interest rates, prime lending in the Leeward Islands	8.75	8.5	9.2	10.7	10.1
Savings deposit rate in the Leeward Islands	3.5	3.5	4.3	4.5	3.7
Interest rates, prime lending in the Windward Islands	8.5	8.25	9.4	10.6	10.5
Savings deposit rate in the Windward Islands	3.75	3.5	3.8	4.2	3.2

Source: Commercial Banking Statistics, July-December 1975, East Caribbean Currency Authority, Research Department, St. Kitts; Annual Digest of Statistics, 1974, East Caribbean Common Market Secretariat, Antigua.

WEST INDIES ASSOCIATED STATES

TABLE VII

RETAIL PRICE INDEXES AND PERCENTAGE INCREASE

Period	ANTIGUA ^{1/}		DOMINICA		MONTserrat ^{2/}		ST. KITTS-N-A.		ST. LUCIA		ST. VINCENT	
	Jan. 1969 = 100	% Change	Apr. 1964 = 100	% Change	Mar. 1974 = 100	% Change	1964 = 100	% Change	Apr. 1964 = 100	% Change	Mar. 1964 = 100	% Change
1970	108.0	-	130.0	-	64.5	-	135.3	-	132.9	-	132.6	-
1971	117.3	8.6	136.0	4.6	75.4	17.0	133.0	-1.7	144.0	8.4	141.2	6.5
1972	127.8	9.0	140.7	3.5	76.8	1.8 ^{3/}	141.4	6.3	155.4	7.9	144.9	2.6
1973	144.9	13.3	157.6	12.0	84.3	9.8	155.9	10.3	176.3	13.4	168.5	16.3
1974	180.9	24.8	214.8	36.3	-100.0-	18.6	200.2	28.4	236.6	34.2	228.4	35.5
1975	201.7	11.5	254.1	18.3	125.4 ^{4/}	25.4 ^{4/}	221.6	10.7	278.6	17.8	260.8	14.2

Note: Indexes are averages of monthly figures except as indicated below.

^{1/} For Antigua (1969-73) price index is an average of January and July. Subsequently indexes are averages of January, April, July and October.

^{2/} Indexes for Montserrat relate to March in 1973 and 1974, April in 1972 and June in 1970 and 1971. Indexes base April 1964 = 100 linked to index March 1974 = 100 at 1974.

^{3/} June to March increase.

^{4/} Relate to March 1974 and March 1975.

Source: Official country publications and data supplied by the respective Statistical Offices.

WEST INDIES ASSOCIATED STATES

TABLE VIII

VALUE OF TOTAL TRADE, SELECTED YEARS
(EC\$'000)

	IMPORTS	EXPORTS	BALANCE	IMPORTS	EXPORTS	BALANCE
	1 9 7 2			1 9 7 3		
Antigua	90,976	34,639	- 56,337	94,504	59,445	- 35,059
Dominica	34,693	13,459	- 21,234	31,209	16,738	- 14,471
Montserrat	12,080	370	- 11,710	12,148	686	- 11,462
St. Kitts-N-A.	30,563	12,117	- 18,446	36,131 ^R	16,576 ^R	- 19,555
St. Lucia	68,690	15,118	- 53,572	74,170	19,234 ^R	- 54,936 ^R
St. Vincent	35,239	6,704	- 28,535	37,986 ^R	9,966 ^R	- 28,020 ^R
TOTAL:	272,241	82,407	-189,834	286,148	122,645	-163,503
	1 9 7 4 ^P			1 9 7 5 ^P		
Antigua	143,750	66,468	- 77,282	n.a.	n.a.	n.a.
Dominica	38,918	20,949	- 17,969	45,036	24,647	- 20,389
Montserrat	15,299	1,048	- 14,251	n.a.	1,024	n.a.
St. Kitts-N-A.	27,094 ^{1/}	21,870 ^{1/}	- 5,224 ^{1/}	n.a.	n.a.	n.a.
St. Lucia	91,115	32,909	- 58,206	71,222 ^{1/}	26,573 ^{1/}	- 44,649 ^{1/}
St. Vincent	50,873	n.a.	n.a.	53,352	n.a.	n.a.
TOTAL:	(367,049)	(142,244)	n.a.	n.a.	n.a.	n.a.

R = Revised

P = Provisional

n.a. = not available

^{1/} Data for January to September.

Source: External Trade Reports; and data supplied ECLA.

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WEST INDIES ASSOCIATED STATES

TABLE IX

EXPORTS BY SELECTED DESTINATIONS
(EC\$ '000)

	USA	UK	CANADA	EEC	LATIN AMERICA ^{1/}	CARICOM	OTHERS	TOTAL
					<u>1 9 7 2</u>			
Antigua ^{2/}	7,199	650	8,445	3/	3/	4,052	1,523 ^{3/}	21,849
Dominica	592	10,212	33	251	-	1,598	773	13,459
Montserrat ^{4/}	neg.	12	neg.	-	-	85	24	122
St. Kitts-N-A.	22	7,227	30	-	-	661	4,177	12,117
St. Lucia	321	8,712	17	232	66	5,675	95	15,118
St. Vincent	362	4,058	154	3/	3/	2,044	86 ^{3/}	6,704
TOTAL:	9,220	34,654	8,937	(4,190)	(353)	15,090	(8,111)	80,556 ^{2/4/}
					<u>1 9 7 3</u>			
Antigua ^{2/}	12,215	1,541	5,325	18	2	3,677	36,667	59,445
Dominica	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	16,738
Montserrat ^{4/}	1.9	6.6	-	-	-	99.0	579.0	686.5
St. Kitts-N-A.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	16,609
St. Lucia	1,165	11,628	187	178	63	5,714	299	19,234
St. Vincent	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	9,966.1
TOTAL:	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	105,940.7 ^{2/4/}

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WEST INDIES ASSOCIATED STATES
TABLE IX (Cont'd)
EXPORTS BY SELECTED DESTINATIONS
(EC\$ '000)

	USA	UK	CANADA	EEC	LATIN AMERICA ^{1/}	CARICOM	OTHERS	TOTAL
					<u>1 9 7 4</u>			
Antigua ^{2/}	22,468	3,785	93	12	1,378	7,175	31,557	66,468
Dominica	400.1	16,759.3	26.7	94.4	5.9	2,856.5	803.5	20,949.4
Montserrat	6.1	6.9	0.6	neg.	-	120.0	126.0	260.6
St. Kitts-N-A.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	21,870.0 ^{5/}
St. Lucia	606	22,139	103	337	451	8,841	432	32,909
St. Vincent	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	(14,035) ^E
TOTAL:	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	(156,492) ^{2/4/}

Note: Some totals may not agree because of rounding.

neg. = negligible

n.a. = not available

- = nil

E = Estimate

^{1/} Continental Latin America.

^{2/} Excludes bunkering.

^{3/} "Others" include EEC and Latin America.

^{4/} Domestic Exports only.

^{5/} Data for January to September.

Source: External Trade Reports; and data supplied ECLA.

WEST INDIES ASSOCIATED STATES

TABLE X

IMPORTS BY SELECTED AREAS OF ORIGIN
(EC\$ '000)

	US	UK	CANADA	EEC	LATIN AMERICA ^{1/}	CARICOM	OTHERS	TOTAL
					<u>1 9 7 2^R</u>			
Antigua	16,274	18,942	7,236	2/	2/	8,768	39,756 ^{2/}	90,976
Dominica	3,844	8,939	1,967	3,560	1,590	8,272	6,521	34,693
Montserrat	1,830	3,726	1,477	897	39	2,428	1,683	12,080
St. Kitts-N-A.	3,678	8,538	3,138	2,415	584	4,976	7,233	30,562
St. Lucia	10,169	21,519	5,751	6,826	1,744	12,524	10,158	68,690
St. Vincent	3,073	9,911	3,274	3,117	304	10,357	5,203	35,239
TOTAL:	38,868	71,575	22,843	16,815 ^{2/}	4,261 ^{2/}	47,325	70,554 ^{2/}	272,241
					<u>1 9 7 3</u>			
Antigua	14,910	20,341	5,904	5,288	29,795	8,005	10,261	94,504
Dominica	3,924	9,080	2,633	4,115	3/	6,358	6,096 ^{3/}	32,206
Montserrat	2,096	3,313	921	1,183	360	2,937	1,339	12,148
St. Kitts-N-A.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	15,300 ^{4/}
St. Lucia	12,044	21,979	3,993	6,157	4,392	16,136	9,469	74,170
St. Vincent	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	38,495
TOTAL:	(32,974)	(54,712)	(13,451)	(16,743)	(34,547)	(33,436)	(27,165)	266,832

WEST INDIES ASSOCIATED STATES
TABLE X (Cont'd)
IMPORTS BY SELECTED AREAS OF ORIGIN
(EC\$ '000)

	USA	UK	CANADA	EEC	LATIN AMERICA ^{1/}	CARICOM	OTHERS	TOTAL
					<u>1 9 7 4</u>			
Antigua	17,639	16,889	6,407	4,099	44,313	11,374	43,029	143,750
Dominica	3,975	11,315	3,829	3,468	1,203	9,729	5,399	38,918
Montserrat	3,610	4,018	1,540	1,175	465	3,548	943	15,299
St. Kitts-N-A.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	27,094 ^{5/}
St. Lucia	15,739	23,863	7,931	7,310	3,988	21,956	10,326	91,115
St. Vincent	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	50,873
TOTAL:	(40,963)	(56,085)	(19,707)	(16,052)	(49,504)	(46,607)	(59,697)	367,049

Note: Some totals may not agree because of rounding.

n.a. = not available

R = Revised

^{1/} Continental Latin America.

^{2/} Antigua's trade with EEC and Latin America included in "Others".

^{3/} Data for Latin America included in "Others".

^{4/} Data for January to June.

^{5/} Data for January to September.

Source: External Trade Reports; and data supplied ECLA.

WEST INDIES ASSOCIATED STATES

TABLE XI

EXPORTS OF SELECTED ITEMS

(1973-1975)

	1973 ^P		1974 ^P		1975 ^P	
	Quantity	Value	Quantity	Value	Quantity	Value
(Quantity in '000 tons; Value in EC\$ Million)						
<u>BANANAS</u>						
Dominica	28.0	5.2	31.8	12.5	27.9	14.4
St. Lucia	35.4	10.2	50.0 ^R	21.2 ^R	25.3 ^{1/}	14.7 ^{1/}
St. Vincent	23.1	4.6	18.9	6.8	16.4	8.1
TOTAL:	86.5	20.0	100.7	40.5	(69.6)	(37.2)
<u>SUGAR</u>						
St. Kitts	22 ^E	6.5 ^E	21.7 ^E	n.a.	21.8	27.4
TOTAL:	22 ^E	6.5 ^E	21.7 ^E	n.a.	21.8	27.4
<u>ARROWROOT</u>						
St. Vincent	0.714	0.6	0.926	0.8	0.648	0.8
TOTAL:	0.714	0.6	0.926	0.8	0.648	0.8
<u>NUTMEGS AND MACE</u>						
(Quantity in '000 lbs; Value in EC\$ '000)						
St. Lucia	14.4	16.4	38.5	79.3	22.5 ^{1/}	37.4 ^{1/}
St. Vincent	269.0	259.2	326.6	341.1	306.7	330.9
TOTAL:	283.4	275.6	365.1	320.4	n.a.	n.a.

WEST INDIES ASSOCIATED STATES

TABLE XI (Cont'd)

EXPORTS OF SELECTED ITEMS
(1973-1975)

	1973 ^P		1974 ^P		1975 ^P	
	Quantity	Value	Quantity	Value	Quantity	Value
<u>COCOA BEANS</u>						
(Quantity in '000 tons; Value in EC\$ Million)						
Dominica	168.8	132.0	127.3	217.8	133.9	226.4
St. Lucia	197.3	161.9	285.3	421.4	207.2 ^{1/}	235.2 ^{1/}
St. Vincent	36.6	24.6	26.5	43.8	n.a.	n.a.
TOTAL:	402.7	318.5	439.1	683.0	n.a.	n.a.
<u>PETROLEUM PRODUCTS</u>						
(Quantity in '000 barrels; Value in EC\$ Million)						
Antigua	3,654.5	43.2	1,731	47.9	2,054	52.2
TOTAL:	3,654.5	43.2	1,731	47.9	2,054	52.2

P = Provisional

R = Revised

E = Estimate

n.a. = not available

^{1/} January to September only for St. Lucia.

Source: Official External Trade Reports; and data supplied ECLA.

WEST INDIES ASSOCIATED STATES

TABLE XII

ESTIMATED OUTPUT OF SELECTED COMMODITIES

ANTIGUA

Commodities	Unit	Average 1970-71	1972	1973	1974	1975
Raw cotton	'000 lbs.	18.5	125	773	154	208
Sweet potatoes	'000 lbs.	370 ^{1/}	1,129	306	29	518
Yams	'000 lbs.	298 ^{1/}	724	376	148	88
Tomatoes	'000 lbs.	67 ^{1/}	320	181	121	232
Lobsters	'000 lbs.	227.5	170.4	210.5	250	280
Animal feed	'000 lbs.	n.a.	222.9	293.7	256.2	374.3
Rum	'000 proof gals.	159,000 ^{2/}	339,000 ^{2/}	163.3	149.7	178.4
Wine	Proof gals.	n.a.	n.a.	1,986	3,105	3,780
Cotton lint	'000 lbs.	10.4	39.7	258.1	153.5	208.4
Cotton seed oil	'000 lbs.	n.a.	n.a.	362	230	244
Petroleum products	'000 barrels	4,004.5	5,044.5	4,354.2	2,157.0	1,071.0
Clothing (outerwear & underwear)	dozs.	420,000 ^{3/}	689,000 ^{3/}	17,745	16,655	17,580

n.a. = not available

^{1/} Data for 1971 only.

^{2/} Value of rum exported.

^{3/} Value of clothing exported.

Source: Statistical Yearbook, 1975, Statistical Division, Ministry of Planning, Development and External Affairs, Antigua; and data supplied ECLA.

WEST INDIES ASSOCIATED STATES

TABLE XII (Cont'd)

ESTIMATED OUTPUT OF SELECTED COMMODITIES

DOMINICA

Commodities	Unit	Average 1970-71	1972	1973	1974	1975 ^E
Bananas	'000 lbs.	92,470	82,896	62,651	91,392	91,392 ^E
Cocoa beans	'000 lbs.	199	267	168.8 ^{1/}	431	431
Citrus fruits (fresh) ^{1/}	'000 lbs.	5,054.3	7,118.3	7,495.4	7,699.1	7,990.5
Limes	'000 lbs.	n.a.	n.a.	n.a.	6,720	n.a.
Oranges	'000 lbs.	n.a.	n.a.	n.a.	72,000	n.a.
Grapefruits	'000 lbs.	n.a.	n.a.	n.a.	14,336	n.a.
Copra	tons	1,604	2,102	2,449	2,600	2,600
Lime juice	'000 gals.	173	320	359	n.a.	n.a.
Lime oil	'000 lbs.	29.4	16.9	16.4	n.a.	n.a.
Coconut oil (raw)	'000 gals.	97 ^{2/}	161	193	n.a.	n.a.
Coconut oil (refined)	'000 gals.	177	5,038	4,180	n.a.	n.a.
Coconut meal	'000 lbs.	1,802	4,108	3,026	n.a.	n.a.
Rum	'000 gals.	108.8	75.4	66.8	n.a.	n.a.
Soap	'000 lbs.	544.0	692.6	989.8	n.a.	763
Bay oil	'000 lbs.	44.5	63.1	68.0	88.0	4.8
Tobacco	'000 lbs.	96.5	93.4	93.2	n.a.	n.a.
Pumice	'000 cu. yds.	34.1	85.7	155.7	n.a.	n.a.

E = Estimates

n.a. = not available

^{1/} Quantity exported.

^{2/} Data for 1971 only.

Source: Data supplied ECLA.

WEST INDIES ASSOCIATED STATES

TABLE XII (Cont'd)

ESTIMATED OUTPUT OF SELECTED COMMODITIES

MONTSERAT

<u>Commodities</u>	<u>Unit</u>	<u>Average 1970-71</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>
Bananas	'000 lbs.	47.5	110	110	120	100
Limes	'000 lbs.	109	22	330	350	350
Sweet potatoes	'000 lbs.	12.5	87	180	200	1,000
Cotton (raw)	'000 lbs.	183	68	46	10	92
Carrots	'000 lbs.	29.5	30	100	150	100
Tomatoes	'000 lbs.	168	140	162	200	90
Mangoes	'000 lbs.	n.a.	221	200	200	300
Pepper & Pimento	'000 lbs.	131.5	179	25	25	50
Tamarinds	'000 lbs.	n.a.	94	153	150	n.a.
Cottonseed meal	'000 lbs.	52.9	50.0	43.2	n.a.	n.a.
Cotton lint	'000 lbs.	157.6	160.0	64.0	2.9	29.4
Lime juice	gals.	n.a.	n.a.	966	1,100	n.a.
Recapped tyres	EC\$'000	n.a.	n.a.	82.9	83.3	88.8

n.a. = not available

Source: Data supplied ECLA.

WEST INDIES ASSOCIATED STATES
TABLE XII (Cont'd)
ESTIMATED OUTPUT OF SELECTED COMMODITIES
ST. KITTS-NEVIS-ANGUILLA

Commodities	Unit	Average 1970-71	1972	1973	1974	1975
Sugar-cane	'000 tons	298	243	211	217	n.a.
Cotton (raw)	'000 lbs.	43	n.a.	n.a.	n.a.	n.a.
Copra	tons	102.5	n.a.	n.a.	n.a.	n.a.
Sugar	'000 tons	26.0	27.0	24.0	26.1	25.1
Molasses	'000 tons	10.5	7	7	7	n.a.
Aerated beverages	'000 gals.	485	627	565	501	n.a.
Beer & Malt	'000 gals.	134	145	208	136	n.a.
Cotton lint	'000 lbs.	13	37	n.a.	n.a.	n.a.

n.a. = not available

Source: Digest of Statistics, No. 9, January to December 1973; Statistical Department, St. Kitts-Nevis-Anguilla; and data supplied ECLA.

WEST INDIES ASSOCIATED STATES

TABLE XII(Cont'd)

ESTIMATED OUTPUT OF SELECTED COMMODITIES

ST. LUCIA

Commodities	Unit	Average 1970-71	1972	1973	1974	1975
Bananas	'000 lbs.	116,494	111,702	86,627	99,396	70,823
Nutmegs & Mace	'000 lbs.	17	23	28.0 ^E	28.4	22.5 ^{1/}
Cocoa beans	'000 lbs.	233	260	220	265	226
Copra	tons	6,093	5,981	6,721	5,300	6,080
Coconut oil (raw)	'000 gals.	613	869	1,099	n.a.	858
Coconut oil (refined)	'000 gals.	146	215	416	498	454
Coconut meal	'000 lbs.	2,970	3,995	5,001	3,507	4,110
Laundry soap	'000 lbs.	706	543	875	1,784	1,316
Rum	'000 gals.	136	152	152	150	163
Ginger	'000 lbs.	303	608	1,694	1,706	665 ^{1/}
Sweet potatoes	'000 lbs.	114	237	25	198	n.a.
Carrots	'000 lbs.	46	44	193	46	n.a.
Avocado	Number	24,603	19,408	182,888	32,685	n.a.
Plantains	'000 lbs.	323	422	296	749	n.a.
Tomatoes	'000 lbs.	40.5	51.1	83.8	125.2	n.a.
Limes	'000 lbs.	23.6	68.9	65.1	68.6	n.a.

n.a. = not available

E = Estimates

^{1/} Quantity exported for January to September.

Source: Data supplied ECLA.

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WEST INDIES ASSOCIATED STATES

TABLE XII (Cont'd)

ESTIMATED OUTPUT OF SELECTED COMMODITIES

ST. VINCENT

<u>Commodities</u>	<u>Unit</u>	<u>Average 1970-71</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>
Bananas	'000 lbs.	80,975	55,691	44,984	48,032	41,003
Sweet potatoes	'000 lbs.	8,000	3,163	4,256 ^E	6,000 ^E	4,000
Nutmegs & Mace	'000 lbs.	142.5	239	269 ^R	327 ^E	307 ^{1/}
Ginger	'000 lbs.	n.a.	n.a.	200 ^E	600 ^E	2,500 ^E
Carrots	'000 lbs.	n.a.	n.a.	650 ^E	1,600 ^E	1,400 ^E
Peanuts	'000 lbs.	130	124	200 ^E	200 ^E	240 ^E
Yams, tannias & eddoes	'000 lbs.	6,000	3,107	3,420 ^E	5,000 ^E	2,800 ^E
Copra	tons	2,600	6,406	4,303	6,233 ^E	n.a.
Coconut oil (raw)	'000 gals.	n.a.	n.a.	62	223	-
Coconut oil (refined)	'000 gals.	n.a.	n.a.	166.0	207.3	125.0
Arrowroot	'000 lbs.	1,550	1,800	2,005	1,800	1,899
Coconut meal	'000 lbs.	n.a.	n.a.	942.0	400.6	386.5
Rum	'000 gals.	n.a.	n.a.	89.9	92.8	45.1

E = Official estimates

R = Revised

n.a. = not available

^{1/} Quantity exported.

Source: Data supplied ECLA.

JAMAICA	External Trade External Trade Annual Bulletin External Trade Bulletin (Monthly) Statistical Abstract Production Statistics Consumer Price Indices The Labour Force Economic and Social Survey Economic Bulletin Statistical Digest	Department of Statistics. National Planning Agency. Bank of Jamaica.
MONTSERRAT	Overseas Trade Report Statistical Digest	Statistical Office.
ST. KITTS- NEVIS-ANGUILLA	Digest of Statistics External Trade of St. Kitts- Nevis-Anguilla	Statistical Unit, Ministry of Trade, Development, Industry & Tourism.
ST. LUCIA	Annual Statistical Digest Overseas Trade of St. Lucia Quarterly Overseas Trade Report	Statistical Department, Ministry of Development, Planning & Statistics.
ST. VINCENT	Annual Trade Report Quarterly Overseas Trade Report Digest of Statistics	Statistical Unit.
TRINIDAD & TOBAGO	Annual Statistical Digest Annual Overseas Trade Report International Travel Report Balance of Payments Economic Indicators Quarterly Economic Report Statistical Digest	Central Statistical Office. Central Bank of Trinidad & Tobago
GENERAL	Economic Survey and Projections (for most of the Associated States) Economic and Financial Review Annual Report and Statement of Accounts	British Development Division in the Caribbean, Ministry of Overseas Development (UK). East Caribbean Currency Authority.

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community countries, 1975.



