

mild irritant for some investors, as is the stamp tax on investments of approximately 0.1 per cent per month, to a maximum of 12 months or 1.2 per cent. Profits on foreign investments can be repatriated immediately, while the original capital outlay can be repatriated only after one year.

Chile is very competitive in a number of foreign markets with exports, worth an estimated US\$14.5 billion in 1994, being almost equally divided between the Americas, Asia and Europe. Chile is pursuing a policy of export diversification both in terms of markets and products, and a policy of trade liberalization with countries of the hemisphere.

Due to strong investment and export performance, the Chilean economy, by October 1995, had grown by 8.4 per cent in the previous 12 months. Overall, continued growth means the growth of income for most workers and growing government revenue to fund increased social expenditures. This situation will allow the government to continue its fight against poverty.