

St. Lucia

Throughout the 1960's and most of the 1970's, the economy of St. Lucia expanded rapidly, with growth experienced in agriculture (mainly bananas and coconuts), tourism and, more recently, manufacturing. However, natural disasters and a decline in private investment due to political instability showed economic growth in 1979-80. After a decline of close to 5% in 1980, the economy grew about 3% in 1981 based on a significant recovery in agriculture and the manufacturing sector which more than offset the stagnant tourism conditions. It is hoped that return to power this year of Prime Minister Compton will mean a return to political stability which is essential for recovery in the tourism sector and expansion in the industrial sector.

In the agricultural sector, bananas accounted for 17% of GDP during 1981, with coconut and cocoa following in importance. Projects are planned by the Government in not only agricultural rehabilitation but also in forestry. Major fisheries development is projected.

In addition to its Oil Transshipment Terminal, St. Lucia has been successful in attracting investment in electronics, garment and toy industries and manufacturing activity also includes the processing of food and beverages and production of cardboard boxes. The Compton Government is committed to the private sector and encourages foreign investment. The National Development Corporation has responsibility for promoting foreign investment and indigenous industrialization. Major economic infrastructure projects form priorities for the recently - elected Government in its strategy for economic recovery. Among these are the development of the Vieux Fort Industrial Free Zone, construction of the South Western Coastal Road as well as other road projects, planning and construction of the Roseau Dam, and the Castries Port and Tourist Berth rehabilitation. The Government's factory shell construction program is continuing and several small resort complexes are planned. In addition, the private sector is currently planning the expansion and refurbishing of existing tourist facilities.