

Note on Grenada

Grenada is the most southerly of the Windward Islands. The population of 110,000 is primarily of African descent, with some East Indians and whites. The economic base is provided by bananas, cacao, nutmeg and tourism and the per capita income is approximately \$300.00 (U.S.). The capital and main population centre is St. George's.

Basically, the form of government in Grenada is similar to that of Canada, the Legislature consisting of a Senate and a House of Representatives. There are two political parties -- the governing Grenada United Labour Party (GULP) under Premier E.M. Gairy, which in the latest General Election, February, 1972, won 13 of the 15 seats in the House of Representatives; and the Grenada National Party (GNP), led by H.M. Blaize, which has the remaining two seats.

Since 1967, Grenada has been an "Associated State," enjoying internal self-government while external relations and defence are administered by the British government. A critic of "Associated" status, Premier Gairy has, since 1969, advocated independence for Grenada.

In common with other Leeward and Windward Islands, Grenada carries a chronic balance of payments deficit, importing two and a half times more goods than it exports. Despite this, the economy has been fairly stable until recently. Poor world prices during 1970 - 72 for the island's two leading exports -- bananas and nutmeg -- put the island's economy under severe strain.

The primary thrust of bilateral relations is the Canadian development assistance programme which has given assistance for the development of basic infrastructure in Grenada (and the other Associated States). This assistance is currently funding development of a water distribution system and the construction of a fish storage plant. In addition, Canada has provided teachers, advisors, and training programmes in education, mental health, technical trades, economics and food and veterinary sciences. Since 1968, Canadian development assistance to Grenada has amounted to \$1,822,000.

Grenada has recently experienced some violence and is subject to strike action on the part of port workers and of employees of the electrical and telephone systems. These troubles have not directly involved Canadians on the island, of whom there are about 60.