## DECLASSIFIED = DÉCLASSÉ

1. TERMAE AFFAIRS = AFFAIRES CERTIMIZED

and two other M.P.'s were arrested and jailed in Miami on drug charges. They were sentenced to 8 to 10 years. Mr. Nathaniel Francis is now the Chief Minister. Recent by-elections returned 3 PNP members including Mrs. Saunders.

The Turks and Caicos Islands are economically dependent on British financial support (aid from the United Kingdom in the 1984/1985 fiscal year totaled 14.3 percent of the US \$12.5 million budget). The islands themselves are almost totally devoid of resources and agriculture is confined to subsistence farming. Government is the main employer with more than 40 per cent of the labour force on the payroll. In 1984, GDP was US \$30 million and per capita GDP US \$4,010 (relatively high by Caribbean standards). At the present time almost everything used and consumed in the islands comes from Miami, and the US dollar is the legal tender. The main source of government revenue is customs duties.

Salt was the industry on which the islands were first founded and which provided the principal livelihood until the industry was displaced by mechanized production elsewhere. Although local waters abound with a great variety of fish, the fishing industry has never been organized on a large scale commercial basis (a fishing industry exists only in the South Caicos Islands). The islands' principal industries at present involve frozen crawfish and conch products. No taxes are levied on land property or income. In 1962, a total of 13,342 tourists visited the islands, although the tourist potential of the area has not yet been fully exploited. A 652 unit Club Méditerranée tourist village opened on the Island of providenciales in December of 1984 and has done well enough to justify a planned expansion. In recent years, considerable revenue has been generated by the use of the islands as a refueling stop for aircraft carrying drugs from south America to the United States.

People of African descent make up over 90% of the population. Birth rates are high, unemployment exceeds 30 percent and many Islanders leave to seek work in the Bahamas. It is estimated that up to 14,000 Turks and Caicos nationals live and work in the Bahamas. Most settlements do not have piped water or electricity, most roads are unpaved, and communications are difficult with both intra-island and inter-island telephone links meagre and unreliable. The only reasonably equipped health centre is on Grand Turk. The educational system is limited and there is an absence of vocational training geared to the islands' needs.