

Montserrat

The economy of Montserrat continued to perform well in 1981, with a growth rate estimated at 4.6% based on industrial expansion, public investment, tourism and construction and banking. Tourism construction is the dominant sector of the economy, with current development focussed on vacation villas as opposed to conventional hotel facilities. It represents about 14% of GDP. Economic development is also based on industry (manufacturing accounts for 6% of GDP) and agriculture (5% of GDP). Agriculture is presently being revived following years of decline. The industrial sector offers good prospects, given Montserrat's political stability, good investment climate, relatively skilled labour force and healthy industrial relations record. The Government has successfully attracted new industries to Montserrat, for example through its programme of factory shell construction and the direct promotion of cottage industries. The factory shells are being used by companies in electronics, flour bag manufacturing, garment and knitwear manufacturing and the important sea island cotton project.

Government spending is planned in further factory shells, public buildings including schools, various agricultural projects and a possible significant expansion of tourist facilities (Little Bay). Prospects are for continued growth in the economy of 3-4% over the next few years.