In order to find to what extent tobacco production can be a viable enterprise in Trinidad in view of the variable climate, high labour costs, and lack of experience of the farmers, close contact was maintained with a sample group of tobacco farmers to determine their production costs, returns, and efficiency in the cultural operations.

The sample of 21 farms had a mean gross margin per acre of $568, variable costs of $1,032 and returns of $1,600 per acre. Returns appeared to vary directly with costs, the greatest variation being in the cost of labour. The wide range of gross margins, from a negative value of $238 up to $1,296 per acre, was attributable mainly to variations in returns, which in turn were thought to be due largely to differences in the managerial skill of the farmers, and the attention which they devoted to the crop.

The effects of unfavourable weather could be alleviated, in part, by efficient management and prompt action by the farmers, and were less severe on well-drained sandy soils.

Yields in 1967/68 were about 60% higher than in previous years, due to increased fertilizer use, and to improved management by the farmers. By local standards, tobacco production can be a very profitable agricultural enterprise; future policy should be aimed at improving the quality of the leaf.