

ABSTRACT

Historically, Trinidad and Tobago has been heavily dependent on imported beef supplies. The interrelationships between the markets for imported and locally produced beef have practical significance for the future development of the beef industry. This study attempts to determine procurement and distribution policies and practices, pricing, and assess the performance of the marketing system for fresh and frozen beef in Trinidad and Tobago. Aspects of the study included a statistical analysis of the consumption of beef, determination of market margins, and a measurement of price variability.

Data were obtained through a national survey of firms in the industry by means of questionnaires and personal interviews. Additional information was obtained through literature reviews, published and unpublished statistics, and from personnel of government and private agencies involved in beef marketing.

It was hypothesised that the beef marketing system contributed to stagnation in the local beef industry, price inflation and unjustified price variability. A subsidiary hypothesis was that, the consumption of beef depended on such pertinent variables as, the price of beef, the price of pork, the price of chicken and the *per capita* disposable income of the consumers.

From the analysis it was found that the hypotheses could not be rejected. Analytical results indicated that the consumption of beef was influenced by the price of pork and the price of chicken, but not by the price of beef nor the *per capita* disposable income. However, these results should be used cautiously, as the effects of governmental impositions on

the economic forces of supply and demand in the form of price controls and the quota system, were not tested. This is an area in which further research needs to be carried out.

Judging by the criterion of the percentage of sales controlled by the largest single firm, the three largest and six largest firms, the greatest degree of concentration was indicated in the wholesale activity, followed by the import sector. Concentration was lowest in the retail activity. A lower degree of concentration characterises the market for the locally-produced commodity.

It was recommended that concentration be decreased in the import and wholesale activities, by instituting a more equitable distribution of quota allocation. This must be coupled with a more efficient pricing policy, so that together they can eliminate any unnecessary price variability and result in a lower price to the consumer. A complete reassessment of the Import Quota System needs to be undertaken since it has not been achieving all the goals for which it was originally intended.