

ABSTRACT

This study falls in the area of National Income Accounting. It attempts to derive estimates of Gross Domestic Capital Formation for the years 1966 to 1968 for the Trinidad and Tobago economy. The two standard approaches are followed viz. the Commodity Flow and the Demand Method. By the first of these methods, estimates of Gross Capital Formation by type of asset are derived for the entire economy from trade and production data. The second method derives the estimates by type of asset and industrial sector from an analysis of the expenditures of firms reported to the Central Statistical Office, and from published and unpublished balance sheets. Estimates of stock accumulation are also made from the returns of firms. An attempt is also made to identify the sources of financing Gross Capital Formation. This exercise serves to emphasise the peculiar structural characteristics of the economy and the extent to which funds are free to flow from one sector to another. Finally a brief analysis is given of the principal findings of this study. The discussion is conducted against the background of the dominant trends in the economy over the past two decades.