

THE ECONOMICS OF TOBACCO PRODUCTION IN TRINIDAD AND

TOBAGO.

INTRODUCTION.

The total annual consumption of tobacco in Trinidad is approximately 700,000 lb. Of this amount about 600,000 lb. to the value of £45,000 comes from the United States in the form of unmanufactured leaf (1).

The amount of tobacco grown locally is very small, consisting of about 40,000 lb. grown annually in Tobago, and about 4,000 lb. grown in Trinidad itself. (Figures for 1931-32 crop).

There is an import duty of one dollar and fourteen cents (\$1.14) on unmanufactured leaf containing less than 25% moisture other than that grown in Tobago, which brings in a revenue to the Colony of approximately £160,000 per annum (2).

Although Tobago grown tobacco comes in duty free, the grower can barely get twenty cents a pound for his crop, which means that the manufacturer who buys Tobago grown tobacco has over a dollar plus the amount he pays for imported leaf with which to reimburse himself for the difference in quality between the tobacco grown in Tobago, and the leaf he imports from the United States.

As a result of Great Britain going off the gold standard, the exchange is also against the local manufacturer who buys in the United States.

The object of this paper is to try and show:-

- (1) Why more tobacco is not grown locally.
- (2) Why in spite of the high import duty of \$1.14, the grower in Tobago only receives 20¢ a lb. for his crop.
- (3) Where the 40,000 lb. of tobacco grown in Tobago goes.
- (4) To discuss and criticize the cultivation and prospects of tobacco growing in Trinidad and Tobago, with special reference to the marketing of the leaf.

In a letter dated 22nd March, 1932 from the Director of Agriculture to the Professor of Agriculture at the Imperial College, Trinidad, which was a reply for information concerning the above subject, Mr. Warley says:-