

Discussion Report

Discussion opened on the question of whether consideration had been given in Dominica to the production of timber, or processed products based on exotic fruits such as apples, grapes and citrus. In response to this and other questions the following main points emerged:

(1) A conscious effort was being made in Dominica to develop agriculture through land-use planning. It was agreed that whilst some consideration could be given to the production possibilities for timber and fruit processing in the short run, it appeared that because of financial constraints major commitments in these directions would only be possible in the long term. An assessment of the present situation indicated a concentrated effort on the development of current crops rather than on the introduction of new crops. Furthermore, the whole question of agricultural processing possibilities needed thorough examination in the light of the Caribbean Free Trade Area Agreement.

(2) It was thought that the consideration of production possibilities for territories like Dominica should not be restricted to the commodities listed in the Agricultural Marketing Protocol because this would unnecessarily restrict efforts towards the diversification of agriculture. Moreover, examination

of the list of commodities annexed to the Protocol relative to the physiography of Dominica suggested that serious consideration ought to be given to the production of crops during the off-season.

(3) Whilst it was considered that the production of commodities such as exotic fruits during the off-season would be likely to strengthen Dominica's competitive position within the regional trade area, it had to be recognised that production costs were high due, for example, to an unfavourable topography. However, there might be scope for cost reductions through mechanisation.

(4) It was thought that Dominica's case pointed to the need for the use of standardised methods of costing throughout the entire Area. However, it had to be recognised that, even then, cost structures would differ appreciably between different territories due to wide variations in the intensity of labour and capital use.

(5) It was agreed that inter-territorial comparisons of agricultural cost structures would be affected not only by the availability and accuracy of the basic data but also by considerations of opportunity cost, or the role of shadow pricing.