

May 12, 1981 - 81/88

The Acting Chairman's Summing Up at the Conclusion of the
1980 Article IV Consultation with Grenada
Executive Board Meeting 81/79 - May 11, 1981

In discussing the 1980 Article IV consultation with Grenada, Directors supported the broad thrust of the staff appraisal. They noted the progress made in strengthening the public finances in the recent past and stressed the importance of the continued advances in this area. An improved saving performance on the part of the public sector was seen as an essential element for the support of a program of accelerated capital formation, while allowing for a reduced reliance on foreign sources of financing over the longer term.

Directors also attached considerable importance to the pursuit of a prudent wage policy aimed at ensuring the maintenance of the competitiveness of the export and tourist sectors, and the achievement of the medium-term growth potential of the economy. Encouragement was given for the Grenadian authorities to eliminate the multiple-currency practice arising from the tax on foreign exchange as soon as it is practicable.