

2004-2005 SECTORAL DEBATE PRESENTATION  
BY DR. THE HON. PAUL ROBERTSON, MINISTER  
OF DEVELOPMENT ON MAY 11, 2004

1 SALUTATIONS

2 INTRODUCTION

MISTER SPEAKER.... FOLLOWING ON THE COMPLETION OF THE BUDGET DEBATE AND THE APPROVAL OF THE ESTIMATES OF REVENUE AND EXPENDITURE BY BOTH HOUSES OF PARLIAMENT IT IS MY HONOUR AND PRIVILEGE TODAY TO OPEN THE SECTORAL DEBATE.

MR. SPEAKER, IN THE SECTORAL DEBATE A YEAR AGO, I SAID THAT "THE ECONOMIC FUNDAMENTALS ARE SOUND AND THERE ARE GOOD REASONS TO FEEL A LOT MORE CONFIDENT ABOUT THE FUTURE THAN SOME SURVEYS HAVE SUGGESTED." THE ECONOMIC AND FISCAL OUT TURNS ALREADY REPORTED TO THE HOUSE BY THE MINISTER OF FINANCE AND PLANNING HAVE CONFIRMED THAT OUR CONFIDENCE WAS BASED ON A SURE FOUNDATION.

I SAID THEN, AND I SAY AGAIN, MISTER SPEAKER, THAT FAR FROM INDICATING A NEED TO CHANGE FUNDAMENTALS, THE MESSAGE FROM THE FINANCIAL MARKETS AND THE REAL ECONOMY IS THAT THE FOUNDATIONS FOR ACCELERATED GROWTH ARE ALREADY IN PLACE BUT, AT THE SAME TIME, WE HAVE TO HAVE THE FORTITUDE TO REDOUBLE OUR EFFORTS AND STAY THE COURSE.

DURING THIS PRESENTATION HERE TODAY MR. SPEAKER, I WILL:

- PROVIDE EVIDENCE TO SUPPORT THE POSITION THAT THE JAMAICAN ECONOMY IS IN A PHASE OF STRONG ECONOMIC GROWTH AND THAT THIS GROWTH IS SUSTAINABLE.
  
- I WILL OFFER IN SUMMARY FORM A REVIEW OF THE PROSPECTS IN THOSE FOR WHICH I HAVE BEEN ASSIGNED PORTFOLIO RESPONSIBILITIES NAMELY:
  - 1) BAUXITE AND ALUMINA INDUSTRY
  - 2) INVESTMENT AND EXPORT PROMOTION,  
AS WELL AS SOME OTHER KEY AREAS OF THE ECONOMY, INCLUDING
    - 1) TOURISM
    - 2) INFORMATION AND COMMUNITY TECHNOLOGY

### 3) SHIPPING AND BERTHING

### 4) CONSTRUCTION

- NEXT, I WILL FOCUS ON SOCIAL DEVELOPMENT WITH PARTICULAR EMPHASIS ON THE AREAS FOR WHICH I HAVE PORTFOLIO RESPONSIBILITY, NAMELY, INITIATIVES TO ENHANCE GENDER EQUITY AND COORDINATION OF THE SOCIAL INTERVENTIONS TO CREATE ECONOMIC OPPORTUNITIES IN SOME URBAN COMMUNITIES THAT HAVE BEEN SERIOUSLY AFFECTED BY VIOLENCE.
  
- FINALLY, I WILL CONCLUDE THE PRESENTATION WITH A SUMMARY AND ANALYSIS OF HOW THE DEVELOPMENT PROJECTS WILL CONTRIBUTE TO MORE ROBUST ECONOMIC GROWTH AND JOB CREATION IN THE SHORT TO MEDIUM TERM.

THE OBJECTIVE IS TO LAY THE BASIS FOR COLLEAGUES ON BOTH SIDES OF THE HOUSE TO CONTRIBUTE IN AN ANALYTICAL WAY WHETHER IN SUPPORT OR CRITICALLY AS WE SEEK TO DETERMINE THE CORRECT STRATEGIES FOR OUR ECONOMY.

THE MESSAGE I AM CONVEYING IS SIMPLE: THE JAMAICAN PEOPLE HAVE PERSEVRED, THE VISION IS BEING REALISED: GROWTH IS AT HAND.

### 3 RECENT ECONOMIC PERFORMANCE

THE JAMAICAN` ECONOMY EXPERIENCED GROWTH OF 2.1% IN 2003, MAKING IT THE FIFTH CONSECUTIVE YEAR OF POSITIVE GROWTH AFTER THE YEARS OF NEGATIVE GROWTH BETWEEN 1996 AND 1998.

STRONG GROWTH WAS RECORDED IN THE AGRICULTURE AND MINING SECTORS WHERE OUTPUT INCREASED BY 5.7% AND 4.8% RESPECTIVELY. GROWTH ALSO OCCURRED IN THE SERVICES SECTORS OF ELECTRICITY AND WATER, TRANSPORTATION, COMMUNICATION AND THE FINANCIAL SECTOR.

SPECIFICALLY SPEAKING TO THE AREA OF MINING FOR WHICH I HAVE RESPONSIBILITY, 2003 WAS A YEAR OF RECORD PRODUCTION OF ALUMINA IN WHICH 3.84 MILLION TONNES WERE PRODUCED, AN INCREASE OF 5.9% ABOVE 2002 AS INDICATED BY THE MINISTER OF FINANCE.

TOTAL BAUXITE PRODUCTION WHICH STOOD AT 13.5 MILLION TONNES WAS THE SECOND HIGHEST IN OUR HISTORY AND THE HIGHEST IN 29 YEARS.

GROSS FOREIGN EXCHANGE EARNINGS BY THE BAUXITE INDUSTRY REACHED US\$773.5 MILLION OR 8.6% ABOVE THE LEVEL OF EARNINGS IN 2002.

VERY IMPORTANTLY, INVESTMENT LEVELS IN THE INDUSTRY INCREASED IN 2003, RISING BY 38.4% TO REACH US\$149.6 MILLION UP FROM US\$108.1 MILLION IN 2002 AND JUST US\$83.5 MILLION IN 2001. IT IS IMPORTANT TO NOTE THAT THE EXPANSION OF THE JAMALCO PLANT BY 250,000 TONNES WHICH WAS DUE TO BE COMPLETED BY DECEMBER 2003 CAME IN AHEAD OF SCHEDULE.

AS WAS ALREADY INDICATED BY THE MINISTER OF INDUSTRY AND TOURISM, THE TOURIST INDUSTRY CONTINUED ITS REBOUND FROM THE DEVASTATING EFFECTS OF 9/11, RECORDING GROWTH IN ALL THE KEY INDICATORS OF STOP-OVER ARRIVALS BY 6.6%, CRUISE PASSENGERS BY 30.4% AND GROSS FOREIGN EXCHANGE EARNING BY NEARLY 11%.

IN THE INFORMATION AND COMMUNICATION TECHNOLOGY SECTOR, THERE WAS INCREASED ACTIVITY CONTINUING THE TREND ESTABLISHED SINCE THE LIBERALISATION OF THE

COMMUNICATION SECTOR IN 2002. THE LIBERALISATION OF THE SECTOR HAS RESULTED IN REDUCED COST THEREBY ENHANCING JAMAICA'S COMPETITIVENESS IN IT-ENABLED SERVICES SUCH AS, SOFTWARE DEVELOPMENT, BUSINESS PROCESS OUTSOURCING SERVICES AND CONTACT CENTRES. AS THE PRIME MINISTER INDICATED IN HIS BUDGET PRESENTATION WE ARE NOW POSITIONED AS A LEADING OFF SHORE LOCATION FOR ICT SERVICES.

IN 2003 ACTIVITY WAS CONCENTRATED IN NETWORK EXPANSION BY CABLE AND WIRELESS, OCEANIC DIGITAL AND DIGICEL. AFFILIATED COMPUTER SERVICES--- A FORTUNE 500 COMPANY, E-SERVICES AND WEST CORPORATION, AMONG OTHERS, ALL EXPANDED THEIR ACTIVITIES SIGNIFICANTLY.

AS A RESULT OF THE EXPANSION IN THE SECTOR, EMPLOYMENT HAS GROWN TO OVER 15,000 AND IS EXPECTED TO REACH 20,000 BY 2005. WHILE THE EXPANSION HAS BEEN CONCENTRATED IN MONTEGO BAY, THE CORPORATE AREA AND PORTMORE ARE ATTRACTING BUSINESS.

THE AGRICULTURAL SECTOR WITNESSED AN IMPROVEMENT IN OUTPUT OF DOMESTIC FOOD CROPS, BUT SOME EXPORT CROPS SUCH AS SUGAR AND COFFEE WERE STILL FEELING THE EFFECTS OF THE ADVERSE WEATHER CONDITIONS IN 2002. IN

THE CASE OF BANANAS PRODUCTION HAS STABILIZED AFTER THE CLOSURE OF VICTORIA BANANA IN 2002. WHILE THERE HAS BEEN SIGNIFICANT INVESTMENT IN THE SECTOR BY TWO COMPANIES. THE MINISTER OF AGRICULTURE WILL NO DOUBT GIVE A FULL ACCOUNT OF THE PERFORMANCE OF THE SECTOR.

ONLY THE MOST FANATICAL OPPONENTS WOULD FAIL TO SEE THAT THE TREND IS HEADING IN THE RIGHT DIRECTION. THE VITAL ISSUE IS WHETHER THIS REPRESENTS A FLASH IN THE PAN OR SURE STEPS FORWARD.

#### 4. GROWTH PROSPECTS

THE PRIME MINISTER AND THE MINISTER OF FINANCE HAVE ALREADY INDICATED THAT ACCELERATION OF THE PACE OF ECONOMIC EXPANSION AND CORRECTION OF THE FISCAL DEFICIT ARE THE TWIN IMPERATIVES OF THE GOVERNMENT'S ECONOMIC PROGRAMME FOR THE CURRENT FISCAL YEAR.

THE MAIN CHALLENGE IS TO IMPLEMENT MEASURES THAT WILL BOOST ECONOMIC GROWTH WHILE, AT THE SAME TIME, REINFORCE THE PROCESS OF FISCAL CORRECTION AND VICE VERSA SO AS TO CREATE A VIRTUOUS CIRCLE.

THE BEST PROSPECTS EXIST IN TOURISM, MINING, SHIPPING AND BERTHING, ICT, AGRICULTURE AND CONSTRUCTION. THEY WILL INVOLVE INCREASED OUTPUT FROM EXISTING CAPACITY AS WELL AS INVESTMENT TO CREATE NEW CAPACITY AND EXPAND EXISTING CAPACITY.

THIS IS NOT A SIMPLE MATTER !!

A PRIMARY REQUIREMENT FROM THE STATE IS FOR EFFECTIVE COORDINATION OF THE AGENCIES RESPONSIBLE FOR APPROVALS, PERMITS, LAND ACQUISITIONS AND SO ON.

OTHER IMPORTANT MATTERS INCLUDE TIMELY IMPLEMENTATION OF INFRASTRUCTURE PROJECTS DIRECTLY RELATED TO PRODUCTION AND STABILITY IN THE KEY MACRO ECONOMIC VARIABLES OF INFLATION, INTEREST RATES AND EXCHANGE RATES.

THE FRAMEWORK FOR LONG TERM DEVELOPMENT OF THE ECONOMY AS SET OUT IN THE NATIONAL INDUSTRIAL POLICY (NIP) EMPHASIZES INVESTMENT AS A KEY DRIVER OF GROWTH AND EXPORT AS THE BASIS FOR BUILDING AND SUSTAINING TARGETED AREAS OF COMPETITIVE ADVANTAGE AND PROVIDING MARKETS FOR INCREASED PRODUCTION.

IN THIS REGARD JAMPRO HAS LAUNCHED A NATIONAL EXPORT STRATEGY, EXPORT 2010 WHICH IS DESIGNED TO INCREASE THE VOLUME OF JAMAICAN EXPORTS WHICH WILL UNDOUBTEDLY HAVE A POSITIVE IMPACT ON THE FISCAL DEFICIT.

I WILL NOW TURN, MISTER SPEAKER TO A MORE DETAILED EXAMINATION OF SOME OF THE KEY ECONOMIC SECTORS, STARTING WITH THE BAUXITE AND ALUMINA INDUSTRY FOR WHICH I HAVE PORTFOLIO RESPONSIBILITY.

## 4 BAUXITE AND ALUMINA INDUSTRY

### *4.1 PRODUCTION INDICATORS*

AT THE SAMETIME BAUXITE AND ALUMINA MUST REPRESENT (IN CONJUNCTION WITH TOURISM ALREADY INTRODUCED BY MINISTER ASSAMBA) THE BEST PROSPECT FOR SUSTAINABILITY.

OVERALL INDICATIONS ARE THAT WE WILL HAVE ANOTHER RECORD YEAR OF **TOTAL BAUXITE OUTPUT IN THE REGION OF MILLION TONNES AND RECORD ALUMINA OUTPUT OF ABOUT 4.2 MILLION TONNES.** WE ALSO EXPECT GROSS FOREIGN EXCHANGE EARNINGS FROM THE SECTOR TO EXCEED US \$950 IN 2004, ABOUT A 20% JUMP OVER 2003.

AS THE PRIME MINISTER REPORTED, MISTER SPEAKER, JAMALCO WILL BEGIN ITS US\$690 MILLION EXPANSION LATER THIS YEAR. THIS WILL INCREASE PLANT CAPACITY BY 1.4 MILLION TONNES AND GENERATE SOME US\$300 MILLION OF ADDITIONAL FOREIGN EXCHANGE A YEAR.

DURING THE CONSTRUCTION PHASE, WHICH WILL CONTINUE TO 2007, OVER 2,500 JOBS WILL BE CREATED. AND TO ENSURE THAT THE NECESSARY SKILLS ARE AVAILABLE, WE ARE VERY PLEASED THAT JAMALCO, IN CONJUNCTION WITH HEART-NTA, WILL ESTABLISH A MODERN STATE-OF-THE-ART TRAINING FACILITY AT ITS FORMER MINING HEADQUARTERS AT BREADNUT VALLEY.

WHILE WE ARE CONFIDENT ABOUT THE GROWTH PROJECTIONS AND CONTRIBUTION OF THE INDUSTRY WE ALSO HAVE TO ENSURE THAT BAUXITE LANDS ARE SECURED FOR MINING; THAT MINED OUT LANDS ARE REHABILITATED AND THAT THERE IS A BASIS FOR SUSTAINABLE DEVELOPMENT OF COMMUNITIES IN BAUXITE MINING AREAS EVEN AFTER MINING OPERATIONS HAVE CEASED.

#### ***4.2 PROTECTION OF BAUXITE LANDS***

AT THE CURRENT RATE OF MINING OF OVER 14 MILLION TONNES OF BAUXITE PER YEAR AND TAKING INTO ACCOUNT THE INCREASED OUTPUT LEVELS AFTER THE PLANNED EXPANSION, WE CAN LOOK FORWARD TO CONTINUOUS EARNINGS AT CURRENT LEVELS FOR AT LEAST THE NEXT 40 YEARS. THIS HOWEVER IS LARGELY CONTINGENT ON CAREFUL MANAGEMENT OF THE BAUXITE BEARING LANDS TO ENSURE THAT THESE RESERVES ARE NOT STERILIZED AS A RESULT OF ILLEGAL ENCROACHMENT AND THE ERECTION OF PERMANENT STRUCTURES.

BAUXITIC SOILS COVER APPROXIMATELY 30 PERCENT OF THE SURFACE OF JAMAICA, WITH AT LEAST 70 PERCENT LOCATED IN THE POPULATED AREAS IN MANCHESTER AND ST. ANN.

A MOST SERIOUS CHALLENGE FOR ALL OF US THEREFORE IS THE COMPETITION FOR LAND BETWEEN MINING COMPANIES AND THE PERSONS WHO REQUIRE LAND FOR AGRICULTURE, HOUSING AND OTHER USES WHICH AFFECT THEIR BASIC EXISTENCE.

UNLESS WE MEET THESE CHALLENGES, THERE IS A REAL THREAT TO THE FUTURE OF THE INDUSTRY. BAUXITE LANDS THEREFORE MUST BE PRUDENTLY MANAGED AND PROTECTED

AS PART OF JAMAICA'S OVERALL RESERVES MANAGEMENT PROGRAMME.

TO THIS END JBI AND THE BAUXITE LAND MANAGEMENT COMMITTEE HAS SUBMITTED A PROPOSAL INVITING THE CABINET TO CONSIDER THE APPROVAL AND ENDORSEMENT OF THE ACTIONS NECESSARY TO GIVE EFFECT TO THE WORK AND RECOMMENDATION OF THE COMMITTEE AND FOR EFFECTIVE MANAGEMENT OF BAUXITE BEARING LANDS.

THE PROPOSAL ALSO SEEKS THE COLLABORATION OF THE OFFICE OF THE CABINET (DEVELOPMENT), THE JAMAICA BAUXITE INSTITUTE, THE BAUXITE COMPANIES, AND OTHER GOVERNMENT MINISTRIES AND DEPARTMENTS IN SECURING THE FUTURE OF THIS INDUSTRY.

THIS WAS PROMPTED BY CONCERNS REGARDING THE LACK OF STATUTORY AUTHORITY OF THE BLMC AND DELEGATED MINISTERIAL AUTHORITY, AS WELL AS CONCERNS REGARDING SQUATTING, ILLEGAL SUBDIVISION AND THE TAKE-OVER AND UTILIZATION OF BAUXITIC LANDS BY OTHER GOVERNMENT AGENCIES, ALL OF WHICH REDUCE THE AVAILABILITY OF ORE FOR FUTURE MINING OPERATIONS.

THE CABINET HAS MANDATED A THOROUGH REVIEW OF THIS MATTER AND I WILL BE MAKING A FULL SUBMISSION IN TWO WEEKS FOLLOWING WHICH I WILL REPORT TO PARLIAMENT.

#### **4.2.1 MINED OUT LANDS**

IN THE MEANTIME, I AM AWARE OF THE CONCERNS REGARDING THE SEEMING NON-UTILIZATION OF MINED OUT LANDS WHICH I WILL SEEK TO ADDRESS HERE.

BY ITS VERY NATURE, A MINING PLAN CONFINES THE ACTUAL MINING OF BAUXITE TO A NARROW AREA SERVED BY ACCESS ROADS WITHIN ANY MINING LEASE. THIS MEANS THAT AT ANY POINT IN TIME, THERE ARE THOUSANDS OF ACRES OF LAND WITHIN A GIVEN LEASE THAT ARE EITHER BEING HELD FOR FUTURE MINING OR WHICH HAVE BEEN MINED OUT AND ARE IN VARIOUS STAGES OF RESTORATION AND USE.

THE LANDS COVERED BY ACTIVE BAUXITE MINING LEASES IN JAMAICA ARE LOCATED IN THE PARISHES OF MANCHESTER (ALPART/WINDALCO/JAMALCO), ST, ANN (KJBC/WINDALCO), ST. ELIZABETH (ALPART) AND CLARENDON (JAMALCO).

THE AREA COVERED BY THESE FIVE ACTIVE SPECIAL MINING LEASES TOTALS APPROXIMATELY 103,195.19 HECTARES. UP TO DECEMBER 2003, THE BAUXITE MINING COMPANIES IN

JAMAICA TOGETHER MINED-OUT A TOTAL PIT AREA OF ABOUT 5369.56 HECTARES BROKEN DOWN AS FOLLOWS:

COMPANY	PIT AREA MINED OUT AS AT DEC. 31, 2003
ALPART	1061.06 HA - ST ELIZABETH & MANCHESTER
JAMALCO	520.0 HA - CLARENDON (MOCHO)-
KJBC	1396.8 HA - ST.ANN
WINDALCO EWARTON	660.0 HA - ST.ANN
WINDALCO KIRKVINE	1105.7 HA - MANCHESTER
REYNOLDS	626 HA - ST. ANN

*(SOURCE : MINES AND GEOLOGY DIVISION 2004)*

OF THIS, THE TOTAL PIT AREA WHICH HAS BEEN RESTORED AND CERTIFIED IS APPROXIMATELY 3840 HECTARES OR 72%. MOST OF THE MINED OUT AREA IS LOCATED IN THE PARISHES OF ST ANN AND MANCHESTER.

ON THE MATTER OF EFFICIENT AND PROFITABLE USE OF LAND, THIS GOVERNMENT IS PROMOTING BOTH MAXIMUM UTILIZATION OF BAUXITE LAND NOT JUST IN THE PRE-MINING STAGE BUT IN THE POST MINING STAGE AS WELL.

IN FACT, PROGRAMMES TO ALLOCATE PRE-MINED LAND FOR AGRICULTURAL USE THROUGH TENANT FARMER PROGRAMMES

ARE PART OF THE BAUXITE COMPANIES' OBLIGATIONS UNDER THE GOVERNMENT/COMPANY AGREEMENTS. THE TENANT FARMER PROGRAMMES CARRIED OUT BY THE COMPANIES IMPACT ON MANY PERSONS WHO LIVE IN MINING COMMUNITIES.

ALPART FOR EXAMPLE LEASES OVER 6000 HECTARES OF LAND TO OVER 1,300 FARMERS IN ST. ELIZABETH AND SOUTH MANCHESTER. WINDALCO HAS CONTINUED THE TRADITION OF THE FORMER ALCAN TO OPERATE AN EXTREMELY VIBRANT TENANT FARMER PROGRAMME ON 5490 HECTARES OF LAND AND INVOLVING OVER 2500 SMALL FARMERS IN MANCHESTER, ST. ANN AND ST. CATHERINE. SIMILAR PROGRAMMES ARE CARRIED OUT ALTHOUGH TO A MUCH LESSER DEGREE BY KAISER IN ST. ANN AND JAMALCO IN CLARENDON.

THE PROBLEM WITH MINED OUT LANDS IS THAT IF NOT PROPERLY RESTORED, WHAT IS LEFT IS THE PRESENCE OF LARGE TRACTS OF IDLE MINED-OUT LANDS IN AREAS WHICH WERE FORMERLY PRODUCTIVE.

ADDITIONALLY, THE PHYSICAL APPEARANCE OF LARGE TRACTS OF MINED OUT LAND IS AESTHETICALLY UNPLEASANT.

PUTTING MINED-OUT LAND TO PRODUCTIVE AND PROFITABLE USE IS CRITICAL, ESPECIALLY CONSIDERING THE GROWING DEMAND FOR LAND FOR RESIDENTIAL, AGRICULTURAL AND PUBLIC USES. THIS HAS BEEN THE MAJOR FOCUS OF EFFORTS BY BOTH THE BAUXITE COMPANIES AND THE JAMAICA BAUXITE INSTITUTE AND IT HAS BEEN LARGELY SUCCESSFUL.

FOR EXAMPLE, IN EXCESS OF 60 % OF WINDALCO'S RECLAIMED LANDS ARE BEING USED BY SOME 790 TENANT FARMERS IN MANCHESTER FOR AGRICULTURAL PRODUCTION, THE DOMINANT ACTIVITY BEING THE CULTIVATION OF FOOD CROPS, ORCHARD CROPS AND BEEF AND DAIRY CATTLE PRODUCTION.

SIMILARLY, AT LEAST 30 PERCENT OF ALPART'S MINED-OUT LAND IN MANCHESTER AND ST. ELIZABETH IS LEASED TO SMALL FARMERS.

ALSO, ACTIVE AGRICULTURAL RESEARCH ON MINED-OUT BAUXITE LANDS IS BEING CARRIED OUT BY THE LANDS DIVISION OF THE JAMAICA BAUXITE INSTITUTE. EXPERIMENTAL PLOTS OF CASSAVA, CASTOR BEAN, SCOTCH BONNET PEPPER, PEANUTS, PINEAPPLE AND VARIOUS OTHER CASH CROPS HAVE BEEN ESTABLISHED ON MINED-OUT LANDS AT SCHWALLENBURGH, RIVERHEAD AND HYDE PARK AND

SKIPTON IN ST. ANN AND IN MOCHO CLARENDON.

THE RESULTS INDICATE THAT MINED-OUT LANDS ARE CAPABLE OF PRODUCTION LEVELS EQUAL TO THOSE OF OTHER LANDS WHEN SELECTED CROPS AND THE APPROPRIATE MANAGEMENT PRACTICES AND LEVELS OF INPUTS ARE EMPLOYED.

### **HOUSING AND RESETTLEMENT**

MINED OUT LAND IS ALSO BEING PUT TO OTHER CONSTRUCTIVE USES. IN MANCHESTER, MORE THAN 200 HECTARES OF MINED OUT LAND HAVE BEEN USED FOR THE DEVELOPMENT OF NO LESS THAN 15 RESETTLEMENT SUBDIVISIONS BY THE FORMER ALAN. THESE INCLUDED SUBDIVISIONS AT COMFORT AND HOPE AND BY ALPART IN CENTRAL AND SOUTH MANCHESTER. MAJOR HOUSING DEVELOPMENT HAS COMMENCED ON MINED OUT LANDS AT MORELAND AND SIMILAR PLANS ARE IN PLACE FOR THE USE OF PERTH JUST OUTSIDE MANDEVILLE IN MANCHESTER.

ALLOCATIONS OF MINED-OUT LAND ARE MADE AS WELL ON THE BASIS OF COMMUNITY NEEDS FOR SOCIAL AND PHYSICAL INFRASTRUCTURE AND FOR ECONOMIC ENTERPRISES.

WHILE THESE DEVELOPMENTS ARE NOTEWORTHY, THERE IS RECOGNITION THAT WITH ABOUT 23 -25 PERCENT OF THE MINED OUT BAUXITE LANDS ARE STILL CONSIDERED TO BE NON-PRODUCTIVE AND IDLE, THERE IS MUCH WORK TO DO. THE JAMAICA BAUXITE INSTITUTE IS WORKING CLOSELY WITH THE BAUXITE COMPANIES TO PROMOTE THE PLANNING FOR PRODUCTIVE USE OF MINED-OUT LANDS.

#### ***4.3 BAUXITE COMMUNITY DEVELOPMENT PROGRAMME (BCDP)***

THE BAUXITE COMMUNITY DEVELOPMENT PROGRAMME (BCDP) WHICH IS BEING IMPLEMENTED BY THE JAMAICA BAUXITE INSTITUTE IS NOW IN ITS EIGHTH YEAR.

THE PROGRAMME WAS ESTABLISHED IN OCTOBER 1996, IN RECOGNITION OF THE CHALLENGES FACED BY PERSONS WHO LIVE IN CLOSE PROXIMITY TO BAUXITE MINING AND ALUMINA OPERATIONS. THE MAIN GOAL OF THE PROGRAMME IS TO REINVEST EARNINGS FROM THE BAUXITE/ALUMINA INDUSTRY BY PROVIDING FUNDS TO IMPLEMENT LONG-TERM SUSTAINABLE PROJECTS IN COMMUNITIES AFFECTED BY BAUXITE MINING AND ALUMINA PROCESSING OPERATIONS.

THE PROGRAMME IS EXPECTED TO LEAD TO IMPROVEMENTS IN STANDARDS OF LIVING IN THE AFFECTED COMMUNITIES AND TO ENSURE THAT THERE IS "LIFE AFTER BAUXITE". MR. SPEAKER, THE FACT IS THAT BETWEEN THE BCDP AND THE BAUXITE COMPANIES SEVERAL BILLION DOLLARS HAVE BEEN INVESTED IN A RANGE OF SOCIAL AND ECONOMIC PROJECTS IN THESE COMMUNITIES, THEY COVER AGRICULTURE, EDUCATION, HEALTH, ROADS, WATER SUPPLY, HOUSING AND A RANGE OF SOCIAL AMENITIES.

THE VISION FOR THE BCDP WAS THAT PROJECTS UNDER THE PROGRAMME WOULD DIRECTLY ADDRESS THE ISSUES OF INCOME GENERATION AND EMPLOYMENT IN THE BAUXITE AREAS.

THIS MEANS THAT THE BULK OF THE PROJECTS APPROVED AND EXPENDITURE SHOULD BE GEARED TOWARDS AGRO-INDUSTRY, SMALL BUSINESS DEVELOPMENT AND SKILLS TRAINING; THEREBY ENSURING THAT PERSONS IN THE COMMUNITIES, WOULD SECURE THE MEANS OF LIVELIHOOD LONG AFTER BAUXITE MINING CEASES.

THE TRUTH, HOWEVER, IS THAT PROJECT IS BEING SERIOUSLY CHALLENGED BY A CONSISTENT DEMAND FOR FUNDING FOR

ROAD REPAIRS AND OTHER INFRASTRUCTURAL TYPE PROJECTS PROPOSED MAINLY BY MEMBERS OF PARLIAMENT THROUGH THEIR \$2.0 MILLION ALLOCATION, AS WELL AS BY REPEATED REQUESTS BY COMMUNITY COUNCILS FOR FUNDING FOR REPAIRS AND CONSTRUCTION OF SCHOOLS, COMMUNITY CENTRES AND POSTAL FACILITIES.

THIS IS INDEED A WORRYING TREND ESPECIALLY IN THIS PRESENT PHASE OF IMPLEMENTATION OF THE PROGRAMME AS INFRASTRUCTURAL PROJECTS ACCOUNT FOR 56.4 PERCENT OF EXPENDITURE.

MISTER SPEAKER, WE WILL BE MAKING EVERY EFFORT TO IMMEDIATELY RE-ORIENT THE PROGRAMME TOWARDS ITS ORIGINAL OBJECTIVES AND PUT A CAP ON EXPENDITURE ON INFRASTRUCTURAL PROJECTS SO THAT, BY THE END OF THIS CURRENT PHASE, THE EXPENDITURE ON PRODUCTIVE, SELF-SUSTAINING AND INCOME GENERATING PROJECTS WILL BE INCREASED FROM WHILE LESSENING THE AMOUNTS SPENT ON INFRASTRUCTURE THE PORTION ALLOCATED TO INFRASTRUCTURE TO UNDER 30 PERCENT.

THIS WILL REQUIRE A CONCERTED EFFORT BY THE BCDP TEAM TO ACTIVELY ASSIST THE COMMUNITIES WITH THE IDENTIFICATION AND DEVELOPMENT OF LONG-TERM SELF-

SUSTAINING PROJECTS, IN COLLABORATION WITH THE MEMBERS OF PARLIAMENT. IT WILL ALSO MEAN ADHERING STRICTLY TO THE ORIGINAL INTENT OF THE PROGRAMME TO ENSURE "LIFE AFTER BAUXITE".

IN SUMMARY, WE BELIEVE THE BCDP HAS BEEN OF GREAT BENEFIT TO PEOPLE IN THE BAUXITE PRODUCING REGIONS.

INDEED, OVER 15,000 PERSONS SPREAD AMONG MORE THAN 100 COMMUNITIES HAVE BENEFITED FROM THE IMPLEMENTATION OF THE PROGRAMME SINCE ITS INCEPTION. IT HAS BEEN MARKED BY A HIGH DEGREE OF COOPERATION BETWEEN THE JAMAICA BAUXITE INSTITUTE AND THE MAIN IMPENDING AGENCIES RADA, IICA, MIDA THE SDC AND THE PARISH COUNCILS, OTHER MAJOR PUBLIC UTILITIES AND THE BAUXITE COMPANIES.

WE WISH TO SEE MORE REPRESENTATION AT THE JOINT BAUXITE COUNCIL MEETINGS BY THE ELECTED REPRESENTATIVES AND OTHER COMMUNITY LEADERS AND A GREATER CONCERN BY COMMUNITY MEMBERS FOR THEIR LONG-TERM ECONOMIC SURVIVAL.

## 5 INVESTMENT AND EXPORT PROMOTION—JAMPRO

JAMPRO HAS BEEN GIVEN THE MANDATE FOR INVESTMENT AND EXPORT PROMOTION. IN THIS REGARD, MR. SPEAKER, I WILL NOW TURN TO THE BUSINESS OF INVESTMENT AND EXPORT PROMOTION AND TRADE AND THE ACTIVITIES OF JAMPRO OVER THE PAST YEAR AND THE PROJECTIONS FOR 2004-2005.

### *5.1 EXPORT PROMOTION*

THE YEAR SIGNALLED AN INTENSIFICATION OF OUR EXPORT DRIVE, EXPORT 2010, THE EXPORT DEVELOPMENT WHICH, AMONG OTHER THINGS, IS DESIGNED TO:

- CONTROL THE GROWTH IN THE TRADE DEFICIT BY 2010
- IMPROVE THE QUALITY OF SUPPORT SERVICES PROVIDED TO EXPORTERS

- PREPARE FOR THE IMPENDING COMPETITION FROM THE FREE TRADE AREA OF THE AMERICAS (FTAA), ECONOMIC PARTNERSHIP AGREEMENT (WITH THE EXPANDED EUROPEAN UNION) AND TARIFF LIBERALIZATION UNDER THE WORLD TRADE ORGANIZATION (WTO);
- MAXIMIZE THE IMPACT OF IMPROVEMENTS SPECIFICALLY IN ROADS, TELECOMS AND PORT INFRASTRUCTURE.

EXPORT 2010 WAS ENDORSED BY THE PUBLIC SECTOR THROUGH THE NATIONAL DEVELOPMENT COUNCIL AND BY THE PRIVATE SECTOR THROUGH THE JAMAICA EXPORTERS ASSOCIATION.

SOME OF THE SPECIFIC AIMS OF EXPORT 2010 ARE:

- IMPLEMENTATION OF PROGRAMMES AND POLICIES TO REVERSE THE DEFICIT IN TRADE OF GOODS AND SERVICES BY 2010
- COORDINATING ALL PROJECTS RELATED TO THE COMPETITIVENESS OF EXPORTS OF GOODS AND SERVICES
- GENERATING GREATER EXPORT EARNINGS (INCLUDING FOREIGN EXCHANGE EARNINGS IN TOURISM) BY, *INTER*

ALIA, BUILDING ON THE STRENGTH OF THE NATIONAL BRAND

- ACCELERATING THE DEVELOPMENT OF THE CULTURAL INDUSTRIES

### 5.1.1 INVESTMENT PROMOTION OUTCOMES

OVERALL JAMPRO LAST YEAR TARGETED THE INFORMATION AND COMMUNICATION SECTOR, TOURISM, MANUFACTURING, MINERALS AND FILM AND ENTERTAINMENT AS THE KEY AREAS TO ATTRACT MAJOR INVESTMENT. WE HAVE HAD GOOD RESULTS IN ALL THESE SECTORS BUT I WOULD JUST LIKE TO MAKE A FEW COMMENTS ON THOSE AREAS IN WHICH THE AGENCY WAS DIRECTLY INVOLVED IN ATTRACTING THE INVESTMENT OR PROMOTING EXPORT.

ONE INDICATION IS THAT JAMPRO-ASSISTED CLIENTS GREW EXPORT SALES OVER THE PAST YEAR IN LINE WITH THE 20% TARGET.

UP TO DECEMBER 2003, CLIENTS CLASSIFIED AS LARGE (I.E. WITH EMPLOYMENT OF GREATER THAN 200 AND SALES OF OVER US\$750,000) GREW THEIR EXPORTS BY 16%, WHILST THE SME CLIENTS GREW THEIR EXPORT SALES BY 23%.

IN ADDITION TO THE GOOD NEWS IN EXPORT DEVELOPMENT, THE STELLAR PERFORMANCE HAS TO BE THE FILM AND MUSIC OUTTURN. 126 PROJECTS WERE FACILITATED WHICH MORE THAN DOUBLED THE FILM EXPENDITURE TARGET.

FILM SPENDING REPRESENTS A SIGNIFICANT SERVICES INFLOW INTO THE ECONOMY AND A STIMULANT TO THE TOURISM, TRANSPORT, COMMUNICATIONS AND AGRICULTURE INDUSTRIES. IN THIS REGARD, SOME J\$854 MILLION IN SERVICES INFLOWS WERE SPENT THROUGH JAMPRO FACILITATED PROJECTS. THIS WAS ASSOCIATED WITH SOME 1,495 JOBS, OR 99% OF TARGET.

### **5.1.2 INVESTMENT OUTLOOK 2004-2006**

THIS YEAR, THE TARGET SECTORS REMAINED:

1. INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT);
2. MANUFACTURING; AND
3. LEISURE INDUSTRIES (SPECIFICALLY TOURISM, FILM, MUSIC & ENTERTAINMENT).

THE PORTFOLIO INVOLVES PROJECTIONS BASED ON PROSPECTS ABOUT TO ENTER THE INVESTMENT PROJECT LIFE

CYCLE OR PROJECTS ALREADY IN VARIOUS STAGES OF THAT LIFE CYCLE.

FY TARGETS 2004-2006		J\$ MILLION		J\$ MILLION	
SECTOR	FY 2—4-2005		FY 2005-2006		
	CAP. EXP	EMP.	CAP EXP	EMP	
INFORMATION TECHNOLOGY	5,500	2,400	5,000	2,500	
LEISURE (TOURISM)	3,600	1,000	6,000	1,000	
MANUFACTURING & MINERALS	2,000	600	2,600	1,000	
FILM, MUSIC & ENTERTAINMENT	900	2,000	400	1,700	
<b>TOTAL</b>	<b>J\$12000M</b>	<b>6,000</b>	<b>J\$14,000</b>	<b>6,200</b>	

WE BELIEVE THAT AS THE SURGE OF TELECOMS SPENDING TAPERS OFF, TOURISM WILL REGAIN ITS DOMINANT POSITION AS AN INVESTMENT SECTOR BY 2005. CONTACT CENTRES WILL, HOWEVER, REMAIN THE FOCUS OF EMPLOYMENT GENERATION.

### 5.1.3 MANUFACTURING OUTLOOK

WE REMAIN OPTIMISTIC IN FORECASTING MANUFACTURING OUTCOMES FOR INVESTMENT.

THIS VIEW IS INFORMED BY THE SIGNIFICANT INVESTMENTS WHICH AGRO PROCESSORS, MINING, CHEMICAL SUPPLIERS AND PRINTERS CONTINUE TO UNDERTAKE THROUGH PROGRAMMES INCLUDING THE MODERNIZATION OF INDUSTRY PROGRAMME.

IN 2003, MANUFACTURERS SPENT APPROXIMATELY J\$2 BILLION ON IMPORTING CAPITAL EQUIPMENT TO RETOOL THEIR PLANTS, WHICH ALTHOUGH SLIGHTLY DOWN FROM THE J\$2.6 BILLION IN THE PREVIOUS YEAR STILL REPRESENTS SIGNIFICANT RETOOLING SPENDING.

BASED ON OUR PROSPECTS, WE FORECAST THAT MANUFACTURING EXPANSIONS WILL CONTINUE.

IN THIS REGARD, WE EXPECT THE REALIZATION OF VARIOUS TELECOMS PREPAID CALLING CARD MANUFACTURING PROJECTS.

WE CONTINUE TO COURT PROSPECTS IN THE SAUCES, BAKERY, BEVERAGES (ALCOHOLIC AND NON ALCOHOLIC), RECYCLING, PLASTICS, CONSTRUCTION, BEDDING/SLEEP SYSTEMS, ENERGY AND RICE PRODUCTION SUB-SECTORS.

## 6 TOURISM

TOURISM INVESTMENTS REPRESENT THE LARGEST COMPONENT OF THE OVERALL INVESTMENT PORTFOLIO AND INVOLVE;

- CREATION OF NEW RESORT DEVELOPMENTS
- EXPANSION OF EXISTING HOTELS
- REDEVELOPMENT OF HERITAGE SITES
- CRUISE SHIP PORT DEVELOPMENT
- DEVELOPMENT OF ATTRACTIONS

MR. SPEAKER, AS THE HOUSE HAS ALREADY HEARD FROM THE PRIME MINISTER AND OUR TOURISM MINISTER IS ABOUT TO WITNESS SOME NEW KINDS OF INVESTMENTS THAT WILL BRING US CLOSER TO REALIZING THE POTENTIAL THAT WE KNOW JAMAICA POSSESSES.

THE SPANISH HOTEL CHAINS ALONE ARE BUILDING 13 NEW HOTELS WITH 5,000 NEW ROOMS, CREATING 10,000 NEW JOBS. THE TOTAL VALUE OF THAT INVESTMENT IS US \$550-600 MILLION.

THEN THERE IS THE HARMONY COVE PROJECT, ANNOUNCED BY THE PRIME MINISTER. THE FOUR 5-STAR HOTELS,

INCLUDING A 1,000 ROOM FACILITY, WILL PLACE JAMAICA AT THE FOREFRONT OF THE CONVENTION MARKET AMONG CARIBBEAN DESTINATIONS.

AND THE CINNAMON HILL DEVELOPMENT, ALREADY UNDER CONSTRUCTION IN ROSE HALL MONTEGO BAY WILL, OVER THE PERIOD OF ITS IMPLEMENTATION GENERATE US \$300MILLION IN INVESTMENT WITH THE CONSTRUCTION OF HOTEL ROOMS, VILLAS AND SHOPPING VILLAGE.

TAKEN TOGETHER, THESE INVESTMENTS WILL PLACE THE COUNTRY IN THE POSITION TO REALIZE THE TARGETS UNDER THE MASTER PLAN TO CONSTRUCT 11,000 NEW ROOMS, GENERATE JOBS AND EARNINGS. DIRECT EMPLOYMENT IS EXPECTED TO MOVE FROM 75,000 TO 125,000 OVER 10 YEARS.

AS THE MINISTER ASSIGNED BY THE PRIME MINISTER TO FACILITATE THE RAPID IMPLEMENTATION OF THESE PROJECTS, I HAVE BEEN INTIMATELY INVOLVED IN COORDINATING THE WORK OF THE RELEVANT MINISTRIES AND AGENCIES. I INTEND TO INTENSIFY THE EFFORT TO ENSURE THAT THE PROJECTS ARE NOT DELAYED BY BUREAUCRATIC HUMBUG.

MR. SPEAKER, IT IS CRITICAL THAT WE DO EVERYTHING POSSIBLE TO REALIZE THESE INVESTMENTS IN THE SHORTEST POSSIBLE TIME, BECAUSE OF THE STRONG POSITIVE IMPACT THAT WILL RESULT IN TERMS OF ECONOMIC GROWTH, JOB CREATION AND FOREIGN EXCHANGE EARNINGS.

AT THIS PARTICULAR JUNCTURE IN THE WORLD TOURIST INDUSTRY THESE OPPORTUNITIES ARE BECKONING AND WE HAVE TO SEIZE THEM.

THE FACT IS THAT IT HAS BEEN SOMETIME SINCE THE SPANISH HOTEL CHAINS HAVE SHOWN INTEREST IN INVESTING IN JAMAICA AND, AS THE PERSON WHO MADE THE INITIAL OVERTURES IN THE MID-1990S WHEN I WAS THE MINISTER OF INDUSTRY AND COMMERCE AND HAD RESPONSIBLE FOR INVESTMENT PROMOTION I UNDERSTAND ONLY TOO WELL THE IMPORTANCE OF PROVIDING THE NECESSARY LEADERSHIP AND ENABLING ENVIRONMENT FOR THE REALIZATION OF THESE INVESTMENTS.

THE FIRST OF THE NEW HOTELS TO BE BUILT BY THE SPANISH CHAINS ARE SLATED TO COMMENCE CONSTRUCTION IN AUGUST BUT THE INVESTORS ARE ANXIOUS TO START

EARLIER AND I WILL BE MAKING EVERY EFFORT TO EXPEDITE THE PROCESSING OF THEIR APPROVALS.

CONSTRUCTION OF THE OTHER HOTELS WILL COMMENCE EARLY NEXT YEAR AND IN EVERY CASE THE INVESTORS HAVE DEMONSTRATED THEIR KEEN-NESS IN BRINGING FORWARD THE START UP DATES. THIS IS BEING FUELLED BY THE ANTICIPATED SHORTAGE OF HOTEL ROOMS IN THE CARIBBEAN PARTICULARLY IN JAMAICA FOR THE WINTER SEASONS 2004 AND 2005.

## **7 SHIPPING AND BERTHING**

SHIPPING AND BERTHING IS ONE OF THE STRATEGIC INDUSTRY CLUSTERS OF THE NATIONAL INDUSTRIAL POLICY AND IS BEING LED BY THE PORT AUTHORITY OF JAMAICA. THE PAJ IS PURSUING AN AGGRESSIVE INVESTMENT PROGRAMME TO EXPAND THE KINGSTON TRANSSHIPMENT PORT AND THE CRUISE FACILITIES IN OCHO RIOS, MONTEGO BAY AND PORT ANTONIO.

THE PROJECTED INVESTMENT FOR 2004/5 IS J\$5.2 BILLION UP FROM J\$2.8 BILLION 2003/4 AND J\$1.8 BILLION IN 2002/3.

TRAFFIC THROUGH THE KINGSTON TRANSSHIPMENT PORT IS EXPECTED TO GROW BY OVER 6% IN 2004/5. THE ACTIVITIES OF THE PORT AUTHORITY ARE ALSO REFLECTED IN SHARP INCREASE IN CRUISE ARRIVALS AT ALL THE CRUISE SHIPPING PORTS.

## **8 CONSTRUCTION (HIGHWAY 2000)**

MR SPEAKER, MEMBERS ARE FULLY AWARE OF PROGRESS ON THE BUILDING THE HIGHWAY 2000 WHICH WAS ANNOUNCED IN 1999 BY THE PRIME MINISTER AS CENTRAL TO THE GOVERNMENT OF JAMAICA'S MILLENNIUM PROJECTS.

WITH THE OPENING OF THE HIGHWAY, PORTIONS OF THE ISLAND THAT WERE NOT PREVIOUSLY AVAILABLE FOR DEVELOPMENT WILL NOW BE IN EASY ACCESS TO SOME OF THE BEST TRANSPORTATION LINKS IN THE ISLAND. THIS AUGURS WELL FOR THE POSSIBILITIES OF CREATING NEW BUSINESS VENTURES IN ECO-TOURISM, FARMING, AND A VARIETY OF INDUSTRIAL ENTERPRISES, AND THE EXPANSION OF EXISTING BUSINESS ACTIVITIES.

THIS IS WHY WE ARE CURRENTLY DEVELOPING A COMPREHENSIVE DEVELOPMENT PLAN FOR THE HIGHWAY 2000 CORRIDORS. THE PLANNING PROCESS BEGAN IN FEBRUARY

THIS YEAR AND WE EXPECT THAT IT WILL BE COMPLETED BY AUGUST.

THE AIM IS TO PROVIDE THE ORDERLY DEVELOPMENT REQUIRED FOR THE SETTLEMENT AND DEVELOPMENT OF THE LANDS THAT ARE BEING MADE AVAILABLE ALONG THE HIGHWAY'S CORRIDOR.

THE SEGMENT OF THE HIGHWAY THAT WILL BE THE SUBJECT OF THE WORK TO BE UNDERTAKEN IN THIS PLANNING PROJECT IS PHASE 1 AND PART OF PHASE 2, STRETCHING FROM CLARENDON PARK TO PORTMORE IN STY. CATHERINE.

THE PLANNING PROCESS IS BEING SPEARHEADED BY NATIONAL ENVIRONMENT & PLANNING AGENCY (NEPA), WITH GENERAL COORDINATION BY THE MINISTERS OF DEVELOPMENT AND LAND & ENVIRONMENT. THE FUNDING FOR THE PROJECT IS BEING PROVIDED BY THE DEVELOPMENT BANK OF JAMAICA LIMITED (BDJ) IN ASSOCIATION WITH THE PLANNING INSTITUTE OF JAMAICA (PIOJ).

THE PLAN WILL BE INFORMED BY OF RELEVANT DATA GATHERED FROM SEVERAL PUBLIC AND PRIVATE SECTOR ENTITIES. INTEGRAL TO THE PLANNING PROCESS ARE SCHEDULED MEETINGS BETWEEN THE PLANNING TEAM AND

VARIOUS STAKEHOLDER GROUPS - INCLUDING LOCAL COMMUNITY INTERESTS, AND BUSINESS ENTITIES WITH ACTUAL OR PROPOSED INTERESTS IN THE DESIGNATED PLANNING AREA.

I AM TODAY TABLING A MINISTRY PAPER THAT SETS OUT THE DETAILS THAT THE DEVELOPMENT PLAN WILL ADDRESS. IN SUMMARY THE PLAN WILL SEEK TO:

- RATIONALIZE COMPATIBILITY OF LAND USES
- CLEARLY DEFINE THE GROWTH CENTRES WITHIN THE HIGHWAY 2000 SEGMENT FROM PORTMORE TO CLARENDON PARK.
- DEVELOP STRATEGIES AND GUIDELINES FOR LAND USE AND DEVELOPMENT OF THE LANDS IN THE CORRIDOR.

## 9 SOCIAL DEVELOPMENT INDICATORS

A CRITICAL UNDERPINNING OF THE INVESTMENT AND GROWTH PROCESSES IS SOCIAL STABILITY AND THEREFORE IT IS ESSENTIAL AS WE ACCELERATE THE INITIATIVES TO EXPAND

THE ECONOMY THAT ATTENTION IS PAID TO CERTAIN HUMAN AND SOCIAL DEVELOPMENT INDICATORS.

WE ARE WELL AWARE OF GAPS THAT EXIST IN THE EDUCATION SYSTEM AND THE PROBLEMS OF CRIME AND VIOLENCE. THE PRIME MINISTER IN HIS PRESENTATION SPOKE TO SOME OF THE ISSUES AND THE RESPECTIVE PORTFOLIO MINISTERS WILL INDICATE MORE FULLY HOW THE GOVERNMENT INTENDS TO TREAT WITH THEM.

BUT, AS THE PERSON RESPONSIBLE FOR COORDINATING THE DEVELOPMENT AGENDA I MUST HOWEVER STRESS THAT WE WILL ONLY REALIZE OUR FULL POTENTIAL AS A SOCIETY AND A PEOPLE THROUGH AN EDUCATED, CREATIVE, DYNAMIC AND SKILLED SOCIETY.

WE FACE SERIOUS CHALLENGES IN ALL THESE AREAS BUT THESE ARE NOT INSURMOUNTABLE. FOR EXAMPLE, WE HAVE TO BUILD ON THE ACHIEVEMENTS IN HEALTH WHICH HAS RESULTED IN IMPROVED MORTALITY RATE AND LIFE EXPECTANCY. THE GAINS MADE IN RESPECT OF UNIVERSAL ACCESS TO ELECTRICITY AND SAFE WATER MUST ALSO BE SUSTAINED AND IMPROVED UPON.

IN RELATION TO THOSE SOCIAL DEVELOPMENT AREAS FOR WHICH I HAVE PORTFOLIO RESPONSIBILITY I WOULD NOW LIKE TO REPORT ON THE ACTIVITIES AND FUTURE PLANS FOR SOCIAL INTERVENTION IN SELECTED URBAN COMMUNITIES, THE SOCIAL AND ECONOMIC SUPPORT PROGRAMME AND GENDER EQUITY.

### **9.1 SOCIAL INTERVENTIONS IN SELECTED URBAN COMMUNITIES**

**MISTER SPEAKER,** WORK CONTINUED ON THE SOCIAL INTERVENTION PROGRAMME IN SOME DISTRESSED COMMUNITIES WHICH HAVE BEEN PART OF THE SPECIAL INITIATIVE BY THE JAMAICA CONSTABULARY FORCE SUPPORTED BY THE JAMAICA DEFENCE FORCE.

THERE WAS CLOSE COLLABORATION DURING THE YEAR AMONG MORE THAN FORTY AGENCIES AND DEPARTMENTS IN GOVERNMENT, NON-GOVERNMENTAL ORGANISATIONS, INTERNATIONAL DEVELOPMENT PARTNERS, PROFESSIONAL GROUPS AND THE PRIVATE SECTOR. THROUGH THE COLLABORATION AND CONTRIBUTION OF ALL THESE AGENCIES WE HAVE BEEN ABLE TO RECORD SOME MODEST

IMPROVEMENTS IN THE TARGETED COMMUNITIES DURING THE LAST FISCAL YEAR.

PRIORITY HAS BEEN GIVEN TO THOSE COMMUNITIES WHERE SOCIO-ECONOMIC SURVIVAL WAS MOST CHALLENGED BY THE ANTI-CRIME INITIATIVE. THESE INCLUDE: HANNAH TOWN; DENHAM TOWN; PAYNE AVENUE AND MCCOY LANDS; PARADE GARDENS (TEL-A-VIV/SOUTHSIDE); MOUNTAIN VIEW; KINTYRE; AND CANTERBURY.

BASED ON ACTUAL INTERVENTIONS OVER THE PAST YEAR, WE CAN SAY THAT MODEST GAINS WERE MADE IN SEVEN COMMUNITIES, WITH UNSATISFACTORY PROGRESS SO FAR IN ONE. FOLLOWING IS AN ILLUSTRATION OF THE INTERVENTIONS:

### **9.1.1 HEALTH AND SANITATION**

- HEALTH/INFORMATION FAIRS HAVE FACILITATED THE REGISTRATION OF BIRTHS FOR OVER 200 CHILDREN AND ADULTS WHOSE BIRTHS AND FIRST TIME IMMUNIZATION; 65 ELDERLY RECEIVED MEDICAL/EYE EXAMINATIONS.

### **9.1.2 EDUCATION AND YOUTH DEVELOPMENT**

- SCHOLARSHIPS TO ENABLE ATTENDANCE AT HIGH SCHOOL, THANKS TO PRIVATE SECTOR SPONSORS
- ASSISTANCE TO PAY FEES
- HOMEWORK CENTRES

### **9.1.3 DISPUTE RESOLUTION**

- DISPUTE RESOLUTION/VIOLENCE PREVENTION TRAINING
- THE UNDP/GOJ COLLABORATION SAW THE CIVIC DIALOGUE PROCESS BRINGING TOGETHER STAKEHOLDERS

### **9.1.4 EMPLOYMENT AND EMPOWERMENT**

IN AN EFFORT TO GET THE RESIDENTS READY FOR EMPLOYMENT, SOME SPECIFIC ACTIVITIES ARE IN TRAIN:

- IN TWO COMMUNITIES TWO HUNDRED AND FORTY PERSONS (240) ARE BEING TRAINED IN MULTIPLE SKILLS AND FORTY FIVE (45) PERSONS IN COMPUTER SKILLS WITH FUNDS FROM THE HEART TRUST/NTA AND THROUGH THE COLLABORATION OF NGOS

- IN FOUR COMMUNITIES, ENTREPRENEURIAL/CONSTRUCTION/ COMPUTER AND OTHER SKILLS TRAINING IS BEING CONDUCTED OR HAS BEEN COMPLETED FOR ALMOST 300 PERSONS.

OUTSIDE THESE TARGETED COMMUNITIES WE HAVE PRELIMINARY EVIDENCE OF A TURNAROUND IN THE COMMUNITY OF GRANT'S PEN WHERE A SPECIAL INTERVENTION IS UNDERWAY. WE ARE DISCUSSING THE FEASIBILITY OF USING THE 'BEST PRACTICE' EXPERIENCE OF GRANT'S PEN TO STRUCTURE SOCIAL INTERVENTION IN OTHER DISTRESSED COMMUNITIES.

ON BALANCE, MISTER SPEAKER PROGRESS UNDER THE SOCIAL INTERVENTION PROGRAMME HAS NOT BEEN DRAMATIC. WE HAVE BEEN TRYING TO MAKE SURE THAT THE RESIDENTS IN THE COMMUNITIES ARE EMPOWERED.

## **9.2 SOCIAL AND ECONOMIC SUPPORT PROGRAMME (SESP)**

MR. SPEAKER, I NOW WISH TO TURN TO THE SESP ON WHICH I WILL MAKE A BRIEF COMMENT AS THERE IS NOT MUCH THAT IS NEW ON WHICH TO REPORT.

I WISH TO REFER TO THE REFORM THAT THE UNIT HAS BEEN UNDERTAKING TO IMPROVE EFFICIENCY AND TRANSPARENCY IN MEETING ITS STATED OBJECTIVES.

THE HOUSE WILL RECALL, I AM SURE, MY REFERENCE IN LAST YEAR'S BUDGET DEBATE TO THE FACT THAT CONSIDERATION WAS BEING GIVEN TO EFFECTING CERTAIN CHANGES TO THE PROGRAMME, THE MAIN ONE BEING THE INTRODUCTION OF A NEW TARGETING MECHANISM FOR THE ALLOCATION OF BENEFITS ON AN INDIVIDUAL BASIS.

AND THE INTENTION HERE, MISTER. SPEAKER, IF I MIGHT REMIND YOU, IS TO ENSURE THAT BENEFITS REACH ONLY THOSE WHO GENUINELY FALL WITHIN THE AMBIT OF THE NATIONALLY DEFINED SOCIAL SAFETY NET.

THE MODEL BEING USED, WHICH IS BASED ON THAT OF THE PATH PROGRAMME, IS FULLY COMPUTERISED AND IS EXPECTED TO BECOME OPERATIONAL BY SEPTEMBER OF THIS YEAR.

MR. SPEAKER

THE SYSTEM IS CURRENTLY BEING PILOT - TESTED. BUT PERMIT ME SIR TO HERE APPEAL TO THE MEMBERS OF PARLIAMENT IN WHOSE CONSTITUENCIES THE PILOT IS BEING UNDERTAKEN TO ENCOURAGE THEIR CONSTITUENTS TO CO-OPERATE SO THAT THE SEPTEMBER DEADLINE CAN BE MET.

### **9.3 GENDER EQUITY**

THE GOVERNMENT OF JAMAICA HAS HISTORICALLY PLACED THE ISSUES OF SOCIAL JUSTICE AND GENDER EQUALITY AT THE FOREFRONT OF ITS POLICY AGENDA.

AT THE REGIONAL AND NATIONAL LEVELS, JAMAICA'S COMMITMENT TO IMPROVING THE LIVES OF WOMEN IS REFLECTED IN IT BEING A SIGNATORY TO SEVERAL CONVENTIONS. MANY OF OUR PRIORITIES ARE ALSO REFLECTIVE OF THOSE OUTLINED IN THE CARICOM AND COMMONWEALTH PLANS OF ACTION.

UNFORTUNATELY, HOWEVER, SOME OF JAMAICA'S LAWS HAVE LAGGED BEHIND INTERNATIONAL NORMS WITH RESPECT TO EQUALITY FOR WOMEN AND MEN.

AS SUCH, WE HAVE BEEN PLACING AN EMPHASIS ON THE MUCH-NEEDED LEGAL REFORMS TO ADDRESS THE IMBALANCES AND IRREGULARITIES IN JAMAICAN LEGISLATION AFFECTING WOMEN.

BASED ON A THOROUGH LEGAL REVIEW OF 42 PIECES OF LEGISLATION, CONDUCTED ON BEHALF OF THE BUREAU OF WOMEN'S AFFAIRS, SEVEN (7) PIECES HAVE BEEN IDENTIFIED AS PRIORITY.

I HAVE ALREADY GIVEN MY COMMITMENT TO WORK WITH THE MINISTER OF JUSTICE, THE BUREAU OF WOMEN'S AFFAIRS AND ALL RELEVANT MINISTRIES AND AGENCIES THEIR PASSAGE INTO LAW.

OF THE SEVEN, THE PROPERTY (RIGHTS OF SPOUSES) ACT, HAS ALREADY BEEN TABLED AND APPROVED BY BOTH HOUSES, AND IS AWAITING THE GOVERNOR GENERAL'S APPROVAL BEFORE ENACTMENT.

THE REMAINING SIX PIECES ARE, THE MAINTENANCE ACT, THE CHARTER OF RIGHTS BILL, THE DOMESTIC VIOLENCE ACT, THE OFFENCES AGAINST THE PERSONS ACT, THE INCEST PUNISHMENT ACT AND THE SEXUAL HARASSMENT LEGISLATION.

IN KEEPING WITH THE EMPHASIS WHICH IS BEING PLACED ON GENDER ISSUES I AM PLEASED TO TABLE IN PARLIAMENT THIS AFTERNOON A MINISTRY PAPER PERTANING TO THE REESTABLISHMENT OF THE GENDER ADVISORY COMMITTEE.

### **9.3.1 COMMUNITY PROGRAMMES**

THE BUREAU OF WOMEN'S AFFAIRS IS ENGAGED IN A NUMBER OF PROGRAMMES TO FOSTER ECONOMIC, SOCIAL AND COMMUNITY EMPOWERMENT, ESPECIALLY AMONG POOR RURAL WOMEN AND THEIR FAMILIES.

### **9.3.2 GENDER-BASED VIOLENCE**

THE BUREAU WILL ALSO CONTINUE TO ADDRESS THE ISSUES OF GENDER-BASED VIOLENCE. THROUGH FUNDING FROM THE CANADA/CARICOM GENDER EQUITY PROGRAMME, THE BUREAU PLANS TO CONDUCT A SERIES OF EIGHT (8) WORKSHOPS FOR PERSONNEL IN THE JUSTICE SYSTEM IN EIGHT RURAL PARISHES- ST. MARY, ST. ANN, ST. THOMAS, WESTMORELAND, TRELAWNY, HANOVER, ST. ELIZABETH AND CLARENDON, AND A SERIES OF EIGHT (8) WORKSHOPS IN SCHOOLS IN FIVE PARISHES- KINGSTON AND ST. ANDREW, CLARENDON, TRELAWNY, ST. ELIZABETH AND HANOVER.

## 10 SUMMARY AND CONCLUSIONS

MR. SPEAKER, THE MINISTER OF FINANCE AND PLANNING HAS PRESENTED THE GOVERNMENT'S MEDIUM TERM PROGRAMME WHICH PROJECTS THE ACHIEVEMENT OF FISCAL BALANCE BY 2005/6. DESPITE ADVERSE FACTORS THE TARGET FOR 2003/4 FISCAL TARGET WAS ACHIEVED AND THE GOVERNMENT IS COMMITTED TO MEETING THE TARGET OF A FISCAL DEFICIT OF 3-4% OF GDP 2004/5. IT HAS DEMONSTRATED THE WILL TO CARRY THROUGH THE MEASURES NECESSARY TO CREATE A STABLE ENVIRONMENT FOR HOUSEHOLDS AND BUSINESSES, HAVING BROUGHT INFLATION TO SINGLE DIGITS FOR SIX CONSECUTIVE YEARS.

IN 2003 GDP GROWTH WAS 2.1% UP FROM 1.1% IN 2002 AND I AM CONFIDENT THAT BARRING EXTERNAL SHOCKS OR DOMESTIC SHOCKS WE WILL EXCEED THE TARGET OF 2.5% WHICH HAS BEEN SET FOR 2004.

MY CONFIDENCE IS BASED ON THE EVIDENCE OF GROWTH WE HAVE PRESENTED TO THIS HOUSE AND THE NATION.

MY CONFIDENCE IS BASED ON THE INVESTMENT PLANS THAT HAVE COME OUT OF THE PIPELINE AND ARE IN THE GROUND.

MY CONFIDENCE IS BASED ON INTERNATIONAL RECOGNITION OF JAMAICA AS ONE OF THE TOP TEN ECONOMIES WITH RESPECT TO BUSINESS FACILITATION WHICH SHOULD STIMULATE INCREASED INVESTMENT, JOB CREATION AND EXPORT EARNINGS.

IT IS BASED ON OUR COMMITMENT TO ADDING TO THIS YEAR'S OUTCOME ANOTHER J\$26 BILLION IN INVESTMENT WHICH SHOULD BE ASSOCIATED WITH 12,200 REGULAR (I.E. NON-CONSTRUCTION) JOBS.

BUT MORE THAN ANYTHING ELSE, MR SPEAKER, IT IS BASED ON OUR UNSHAKEABLE FAITH IN THE RESILIENCE, INGENUITY, CREATIVITY AND ENTREPRENEURIAL SPIRIT OF THE JAMAICAN PEOPLE.