

FROM VISION TO REALITY:

Nurturing

SEEDS

- ▶ SECURITY
- ▶ ENERGY AND ENVIRONMENT
- ▶ EDUCATION AND SKILLS
- ▶ DEVELOPMENT OF INFRASTRUCTURE
- ▶ SOCIAL PARTNERSHIP AND UNITY

FOR PEACE,
OPPORTUNITY & PROSPERITY

PRESENTED BY:
PRIME MINISTER, THE MOST HONOURABLE
ANDREW MICHAEL HOLNESS, ON, PC, MP

2023
**BUDGET
DEBATE**

THURSDAY
MARCH 16
2PM GEORGE WILLIAM
GORDON HOUSE



GOVERNMENT OF JAMAICA

FROM VISION TO REALITY:

Nurturing S.E.E.D.S for
Peace, Opportunity and Prosperity.

PRIME MINISTER OF JAMAICA

The Most Hon. Andrew Holness, ON, PC, MP

BUDGET **DEBATE 2023**

THURSDAY, MARCH 16 **2P.M.**

GORDON HOUSE

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ACKNOWLEDGEMENT

INTRODUCTION

Madam Speaker, as we gather here today, I am filled with an overwhelming sense of gratitude, appreciation, and positivity.

Thanks to the Almighty for carrying our country through the difficult times over the last three years. Despite trials and tribulations, we are here today as a testament to the unwavering power of God's love, grace and promise of hope and prosperity.

Madam Speaker, I thank my family for their love and support, particularly Juliet and my Mom who I know is watching overseas. I thank my colleagues in Cabinet for their counsel, our Parliamentary caucus, Party members, and the people of West Central St. Andrew for their loyal support. Let me acknowledge my personal staff and advisors, those hardworking public sector workers, and board members who make the achievements I will report today possible.

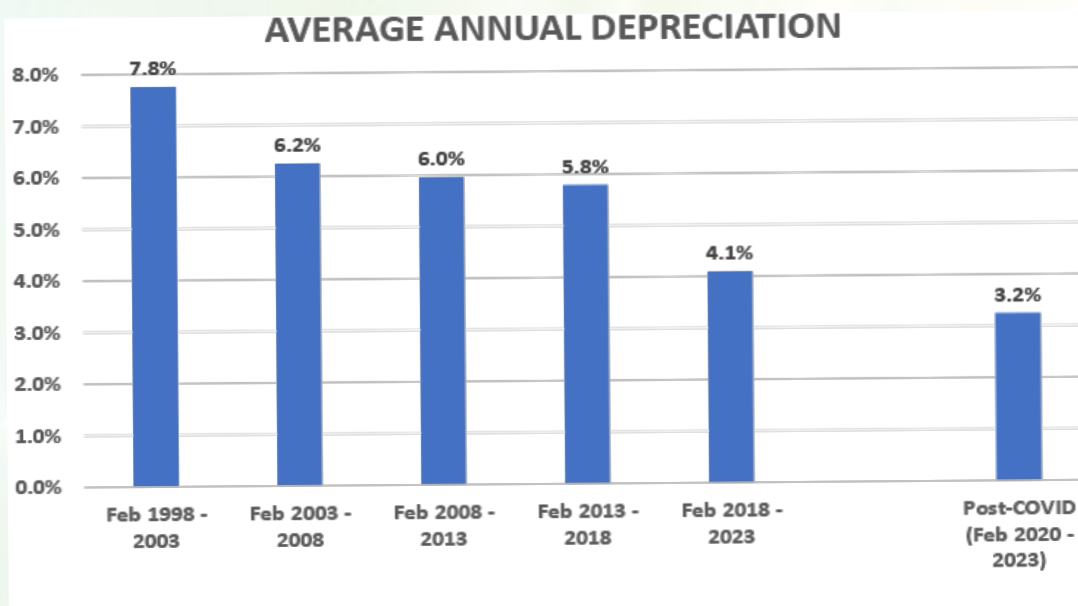
Madam Speaker, I am happy to see our friends from the Diplomatic Corps sharing this occasion with other friends and officials in the gallery. These proceedings are being broadcast on various platforms, and I am told that there is significant viewership, both locally and in the diaspora. Let me welcome you to our Parliament and thank you for joining.

Madam Speaker, it is my great pleasure to share the incredible story of Jamaica's remarkable rebound in the face of global economic shocks from the pandemic, supply chain disruptions, war in Ukraine, and high global inflation. Against all odds, our nation has defied expectations and delivered an economic recovery that has captured the world's attention.

Consider these impressive achievements:

- Seven consecutive quarters of economic growth, surpassing pre-pandemic levels in real output
- More than 150,000 jobs created or restored, driving the unemployment rate to a historic low of approximately 6%
- Net International Reserves at US\$3.93 billion, up by 26% from pre-COVID levels
- International recognition for our nation's exceptional response to the pandemic and strong economic recovery, as evidenced by Fitch's revised rating outlook to Positive from Stable
- Enduring the worst global health and economic crisis in a century without triggering a debt, balance of payments, or currency crisis
- In the midst of a global economic fall out and retrenchment in employment this Government did not layoff one public sector worker or reduce pay.

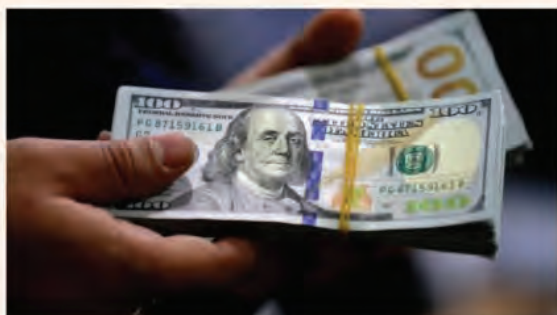
Madam Speaker, these achievements speak not only to the resilience and determination of our people but also to the sound policies and bold actions taken by your Government.



Madam Speaker, the graph now being displayed shows the average annual depreciation rate of the Jamaican dollar relative to the US dollar for five-year periods over 25 years from February 1998 to 2023. The graph shows that over the last five-year period from February 2018-2023, Jamaica recorded an average annual depreciation of 4.1%. This is the lowest of any five-year period in the last 25 years. If we look at the post-pandemic period February 2020-2023, the annual depreciation rate is 3.2%.

Strong dollar fuels wave of emerging market currency devaluations

Economists say more countries likely to follow Egypt, Pakistan and Lebanon in letting currencies weaken



Devaluation stokes inflation by making imports more expensive, and raises the cost of servicing foreign-currency debts. © AFP/Getty Images

The Devaluation Run in Emerging Markets Is Just Getting Started

- Indebted frontier nations need devaluations for IMF funding
- Argentina, Bangladesh, Nigeria seen likely to devalue next



China to Get Old Before It Gets Rich, Jefferies Says

By Karl Lester M Yap, Colleen Goko and Zijia Song

February 12, 2023 at 8:00 AM EST Updated on February 13, 2023 at 6:56 AM EST

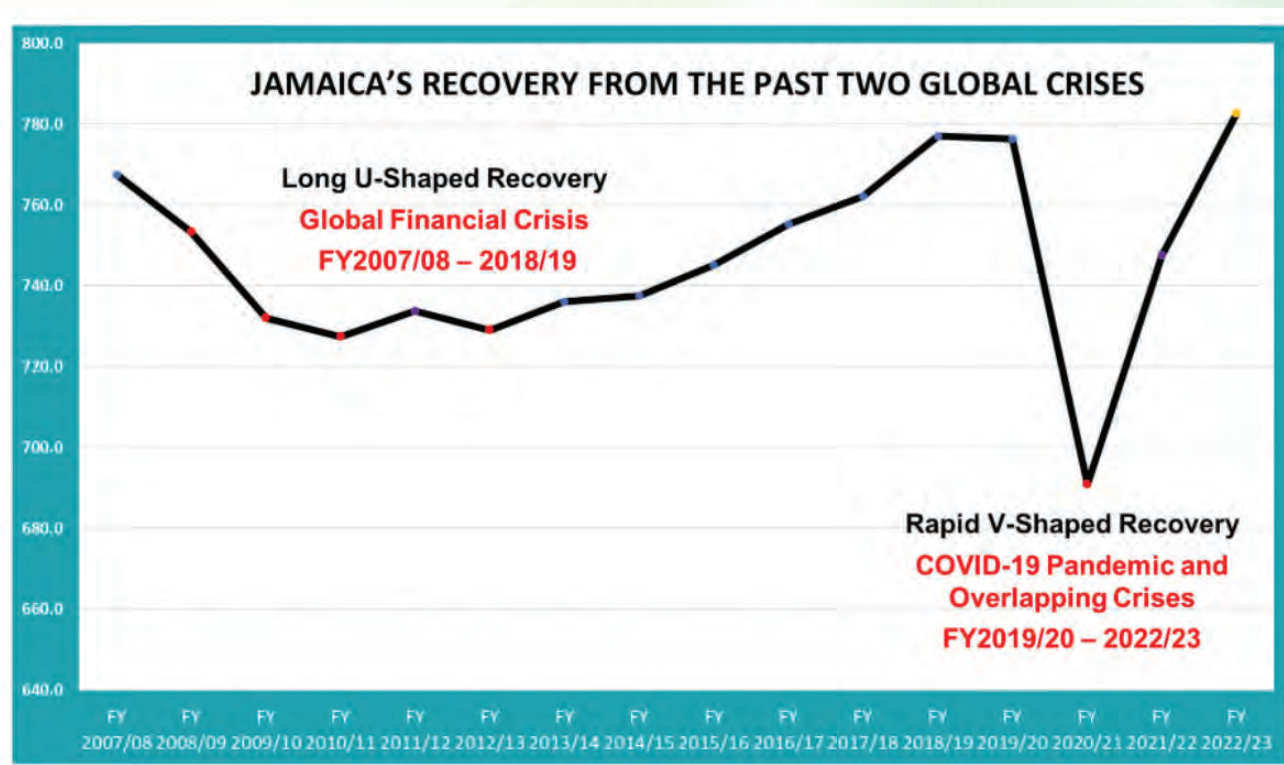
Madam Speaker, in the face of balance of payments crises and significant currency depreciation in several developing countries, Jamaica has achieved a remarkable feat. For most of our independent history, the exchange rate and currency depreciation would figure prominently in public discourse and certainly in the budget debate. However, my Government, the Andrew Holness Administration, your Government, our Government, has taken a different approach by establishing a vision of an independent central bank with an inflation-fighting mandate, which has helped to minimize the inflation differential between Jamaica and its main trading partners.

As a result, despite experiencing high global inflation and factors outside our control, we have avoided the added inflation caused by currency depreciation, which would have made import prices even higher for Jamaicans.

Despite this strong macroeconomic performance, we acknowledge that far too many Jamaicans are not experiencing the benefits of our national economic progress in their own personal circumstances. Too many Jamaicans continue to feel the weight of financial hardship on their shoulders, and we empathize with them deeply. We recognize that while economic growth is important, it must be accompanied by equity and inclusivity to ensure that the benefits of progress are shared widely and fairly, rather than concentrated in the hands of a few. Understanding the historical inequities and the deep mistrust the people have of the system to share fairly, your Government has never taken our focus off the poor and most vulnerable.

The Government concentrated efforts on creating the conditions for the fastest recovery possible because a long period of economic fall-out hits the poor the hardest. Nevertheless, with tax revenues falling precipitously and massive spending for the COVID-19 response, your Government undertook the largest social welfare transfer in Jamaica's history, the CARE programme to cushion the blow for the most vulnerable.

We remain mindful that global economic headwinds have not abated, and the global economic outlook remains highly uncertain. The World Bank has forecast a deceleration in global growth to 1.7 per cent in its Global Economic Prospects report released in January 2023. Jamaica must therefore maintain its fiscal discipline posture while at the same time targeting support to the poor and vulnerable in ways that will build their resilience.



Our approach to managing crises in the past has left us weak, vulnerable, and without any reserves or buffers to respond to further shocks. This is why it took us 14 years to recover from the economic shocks of the mid-1970s, 11 years to recover from the global financial crisis of 2008, and why we are still recovering from FINSAC. However, thanks to the deliberate policy choices made by the Government, Jamaica has staged a strong and swift recovery from the combined effects of COVID-19 and the overlapping global crises of the past three years. We have recovered all lost economic output and restored all jobs lost during the pandemic. More importantly, we continue to pay down our debt and strengthen our buffers to respond to any future crisis, making Jamaica stronger and more resilient than ever before. It is with immense pride that I say to the people of Jamaica, we have staged a strong recovery, and we can stand here in this debate and say to the people, **NO NEW TAXES!** No matter how they try to spin it, twist it, lie about it, or deny it, the clear reality for everyone to see is that there are **NO NEW TAXES!**

Madam Speaker, in last year's budget presentation, I articulated a Vision of a Strong and Resilient Jamaica and how the Government was Sowing SEEDS for a future of **Peace, Opportunity and Prosperity**. This year, my presentation will highlight the tremendous progress that we continue to make in nurturing those SEEDS and day by day bringing that Vision into Reality for all.

From Vision to Reality *Nurturing SEEDS for a future of Peace, Opportunity and Prosperity*

S – Security

E – Energy and Environment

E – Education and Skills

D – Development of Infrastructure

S – Social Partnership and Unity

Madam Speaker, one of the seeds we are currently planting, enabled by the disciplined fiscal performance of the Government, is the Compensation Review. This is one of the most far-reaching social and economic reforms in our history. The compensation review has been talked about for years, the unions have been asking for it and we promised to do it. These kinds of far-reaching reforms, by their very nature, will be contentious as the various bargaining groups bring to the table and try to resolve long standing inequities and anomalies in their compensation, and the Government tries to balance the demands within the framework of the fiscal envelope and

the general public sector reform objectives. Everyone involved in the process knows that this is a once-in-a-lifetime opportunity to properly establish a logical, transparent, functional, efficient, and equitable compensation system for the public sector. When this is complete, we would have set the stage/planted the seed the for a more efficient public service. However, there are dangers to all parties if the process results in instability and agreements are not concluded in a reasonable time. The Government, understanding the moment, will continue to be reasonable, encouraging and patient, I therefore encourage all groups to come to a settlement as quickly as possible, and I thank those who have settled.



2023 BUDGET PRESENTATION

SECURITY

FROM VISION TO REALITY:
NURTURING S.E.E.D.S

FOR PEACE, OPPORTUNITY & PROSPERITY

SECURITY

Madam Speaker, every Jamaican wants to feel that they can pursue their interests within the law without fear of violence. Everyone wants to feel secure. The array of threats to personal security and security of the state (our national institutions, public assets, strategic interests, and shared values) is wide ranging and multidimensional. However, for most Jamaicans, National Security is primarily about controlling crime, and this is understandable, given the high level of social violence and public disorder citizens experience in some communities across Jamaica. We, therefore, understand the recurring calls for a crime plan, meaning immediate action to contain crimes on the streets of communities.

The truth is, however, violence and crime, particularly murders, have become more than a community-based or citizen-level threat for which a localized or single entity response would be sufficient. Crime and violence can no longer be seen only as a policing problem. While more policing resources are a necessary element to controlling crime, it is not sufficient by itself to sustainably reduce crime and violence in society.

Madam Speaker, we must acknowledge that in nature and extent, crime and violence has become a public health epidemic and a threat to the proper functioning of the state. Meaning that the scale of crime and violence, is so extensive that it is:

- impacting public resources and the national economy,
- undermining the ability of the state to deliver services which weakens public confidence in the state, and
- damaging the reputation and brand of the country in the global marketplace

From a public health perspective in Jamaica, physical assaults, that is the intentional use of violence in:

- domestic disputes,
- intimate partner affairs,
- disciplining children,
- business dealings,
- or in a criminal act,

cause severe trauma and loss of life. In fact, assault continues to be the leading cause of death in the 15-49 age group. This is compounded by the mental health trauma to loved ones and persons who witnessed the violent act. The social normalization and increasing propensity to use violence requires a broader response, beyond law enforcement. It requires focus beyond the symptoms which manifest as crime and violence, to a far deeper analysis of the social, cultural, and historical factors that drive aggression, hate, lack of respect for authority, low socioemotional regulation, antisocial behaviours, and a lack of value for the inviolability of the person and the sanctity of life. A 2019 Capri study on scamming, gangs and violence, framed and explained the problem by saying, “Jamaica’s extreme violence problem is often considered in relation to crime, ... but it is widely understood that violence is ingrained in the social and cultural norms of the majority of Jamaican households and communities. It is accepted that Jamaica is engulfed by a dominant culture of violence. Jamaica’s extraordinary high-impact-violence situation is thought to be the result of a confluence of factors. Centuries of oppression under enslavement and colonialism, followed by decades of political tribalism with violent criminal groups being affiliated with political parties, augmented by the violence associated with drug trafficking and other criminal enterprises, and fueled by poverty, weak family structures, and weak social institutions. These have cemented a culture of violence that has persisted and worsened since Independence in 1962.”

The question for this generation is, how do we change this definition of ourselves?

Madam Speaker, an important part of the response to crime and violence, in addition to the “more policing” approach, must be the engagement of critical social, emotional, and psychological services and support, for the victims, perpetrators, loved ones (those emotionally connected to the victim and the perpetrator), and the witnesses (those who were not directly the target of the violence but who observed it, oftentimes children). This is the most underdeveloped part of Jamaica’s crime and violence response plan. There have been several projects established by the Government to address this element of the crime plan over the years, the most notable is the Citizens Security and Justice Programme, and violence interruption strategies, such as the Peace Management Initiative, and we note the work of other civic initiatives such as Violence Prevention Alliance, and the PSOJ’s Project Star. The JCF, through its Community Safety and Security Branch, the Domestic Violence Centres, and their School Resource Officers also does significant violence interruption on the social side. On the clinical and mental health side there are some resources as well that offer support to victims of violence and crime to help them to cope. The challenge has been that the efforts are disparate, limited in reach and scope and mainly implemented in project form with short-term grant budgets. They have had some local impact, but the gains have not been sustained because of the projectized nature of the support which needs to be institutionalized, mainstreamed, and budgeted.

Madam Speaker, in October 2019 I established the National Commission for Violence Prevention, so far, among other activities, they have:

- reviewed the violence prevention initiatives of 22 MDAs, 6 NGOs and other entities,
- reviewed over 45 violence prevention programmes that have been implemented between 2015-2021,
- analyzed the 696 individual interventions implemented at the community level over the period 2015-2021, and
- facilitated collaboration, coordination and data sharing between the various entities

From these undertakings, the Commission is now developing a 10-year evidence-based National Action Plan with recommendations for legislative changes, institutional building, governance, and best practices around a full national mobilization to control and reduce violence as a feature of our culture. The objective is to create a comprehensive all-of-society enterprise to engineer a social and cultural transformation of the Jamaican society and culture away from crime and violence. We are seeking to bring about a cultural revolution in Jamaica. We expect the Commission to deliver its report in the coming Fiscal Year, noting that preliminary work has been done in terms of resource allocation planning, legislation and institutional arrangements necessary to execute the plan.

Madam Speaker, in addition to the social and public health threat, crime and violence is now a systemic threat to the proper functioning of the state to enforce its laws, deliver justice, protect its borders, and secure its revenues. When criminals routinely seek to kill or intimidate witnesses, they weaken the ability of the justice system to convict them. When criminals deliberately seek to befriend and enlist the protection of police officers and public officials, they compromise the ability of the state to effectively enforce the law. When criminals seek to infiltrate our ports and airport, they compromise the ability of the Government to control our borders. When criminal gangs seek to extort public works, this is a direct and a brazen attempt to use state resources to

advance criminal enterprise. We have seen elements of this along the South Coast Highway Improvement Project and the resulting impact on crime particularly in the Bull Bay area. In the coming fiscal year the Government will be undertaking several major infrastructural projects across the island. The National Security Council discussed this specific type of threat and tasked the JCF and MOCA to establish special security operations around these projects to ensure that our major infrastructure projects are not hijacked by criminals seeking to illicitly benefit from public resources through extortion or holding up work schedules.

Madam Speaker, the prevalence of criminal gangs organizing violence against citizens and the state, in furtherance of their criminal enterprise, cannot be taken lightly. Testimony in the recently concluded gang trials gave insight into the cruel and calculating nature of gang operations and how they try to use violence to spread fear and weaken the state, including trying to deliberately increase the murder rate. Organized violence by gangs amounts to criminal terrorism! While the motive may not be for a political cause, their objective is to weaken any authority that could restrict their enterprise. The verdict in the recent anti-gang trial is a victory for Jamaica. I want to commend the JCF and their investigators, and the DPP and their prosecutors, who put the case together, and I believe special mention must be made of the two main witnesses who made great personal sacrifices. The NIB indicated in 2020 that there were approximately 389 gangs operating in Jamaica with 250 being active gangs. When we multiply what we now know about the gang operations from the trials, across the 250 active gangs we begin to get an understanding as to why on average 75% of murders are gang-related in Jamaica, why conflicts escalate so quickly, why they last so long, and why so many deaths occur as a result. Every day, several gangs are at work plotting which bar they will rob, which delivery truck they will hijack, which business they will extort, which rival they will attack, and sadly, who they will kill for fun! Organized violence is a national emergency, which requires enhanced preventative powers to disrupt the activities of the gangs, control the space in which they operate, control the movement of their members, increase their surveillance, and cut off their source of funding, and divert their recruits.

Madam Speaker, it is in this context that we have used limited and localized States of Public Emergency, to slow the build-up of gang terrorism and its devastating impact on communities and the undermining effect on the state. The SOEs work every time they are deployed, because they are targeted at those on whom strong intelligence has indicated their involvement in creating the threat to life and property on so extensive a scale in the community, that if the state does not act immediately the threat will materialize and rapidly escalate.

Madam Speaker, the JCF does not only disrupt the violence of gangs through the SOEs, but every year, the security forces interrupt at least 300 planned murders through our intelligence capabilities. The SOEs combined with our intelligence operations, and the gang cases we continue to put before the courts, have helped to suppress the murder rate, however the root cause, organized violence from gangs is always trying to push the murder rate up. It is a continuous struggle, but we are building the capacity to overcome the gangs in a sustainable way.

Madam Speaker, while there have been several well-written and comprehensive national security strategy plans and crime plans, none of them have had system-wide implementation. In 2017 my administration, brought together the myriad of security strategies and agencies, under an institutionalized National Security Council as a committee of Cabinet, to coordinate and direct

the implementation of a master plan of action to secure Jamaica. Plan Secure Jamaica focuses effort on ten discrete strategic subject areas. These areas are:

PLAN SECURE JAMAICA				
Direction and Coordination by National Security Council				
Strategic Areas of Focus and Responsible Agencies				Cross-cutting Actions
1	Violence and Crime Gangs and Organized Violence	MNS, JCF, JDF, MOCA, Corrections, Customs, MOHW, MOJ, HEART, NCPV	Citizen Security Element	1. Improve legislative framework, 2. Improve leadership and management of agencies, 3. Increase funding capital and human capacity building, 4. Develop mutually aligned partner support, 5. Digitize and integrate technology, and 6. Develop local community participation and stakeholder support and ownership.
2	Public Order Public Transportation, Traffic Ticketing, Night Noise and Entertainment, Waste Disposal, Vending	JCF, ITA, TA, Municipal Authorities, NSWMA, NWA		
3	Community Safety	JCF, Jamaica Fire Brigade, SDC, MOHW, MOEY, MOJ, ODPEM, SDC, MLG, NLA, LAMP, NWA		
4	Justice	MOJ, AG, JCF, MOCA, Courts		
5	Crisis Response and Resilience	ODPEM, JDF, JCF, NWA, Met Office, OPM		
6	Corruption	Contractor General, MOCA, Integrity Commission, INDECOM, JCF, TAJ, Customs	State Security Element	
7	Territorial Integrity	JDF, JCF, PICA, Customs, MNS, PAJ,		
		MAJ, Civil Aviation, AAJ		
8	Cyber Defense	JCF, MOCA, JDF, MSET, MNS		
9	Critical Infrastructure Protection	JCF, JDF, NWA, Fire Brigade, Utilities, PAJ, MAJ, Port Security Corps		
10	Economic and Environmental Security	JCF, JDF, MICA, F, MEGJC, NEPA, Municipal Authorities, MOCA, MT, PAJ		

In all these 10 areas there are cross-cutting strategies to improve the legislative framework, improve leadership and management of the various responsible agencies, increase funding for capital and human capacity, develop mutually aligned partner support, digitize, and integrate technology, and develop local community participation and stakeholder support and ownership.

Madam Speaker, legislatively under Plan Secure Jamaica:

- we have created a new regime for illegal firearms. Since its passage in November last year, 247 persons have been charged with illegal possession of a prohibited firearm under the Firearms Act.
- we are in the process of passing a New Bail Act,
- we have tabled amendments to Offences Against the Person Act to increase the minimum penalty for murder and will soon introduce further amendments to align the penalties for associated offences.
- amendments to the Finger Prints Act are being completed for tabling in the coming Fiscal Year,
- a new Offender Management Policy and Corrections Bill are being prepared,
- to further protect our borders, our revenues and economy we are now updating our Customs Act. Jamaica Customs is now a permanent member of the National Security Council. Through this more strategic cooperation over 81 weapons have been discovered coming into the country, and
- the Enhanced Security Measures Bill will be tabled in the coming Financial Year.
- In terms of public order, we have passed and started the implementation of the Road Traffic Act and we are updating the fines under the NSWMA Act.

Madam Speaker, in terms of resources, we can safely say that no other administration has spent more on security than we have. After years of neglect and under investment in capital budget, and building human capacity, the ongoing transformation of the JCF and the JDF is visible. This Government has spent on average JA\$9.7b on capital investments in National Security over the last eight years since 2016, compared with approximately JA\$3.2b over the 8-year period prior to 2016. We have invested three times as much in security than the previous administration. And still there is a long way to go to build the capacity of the JCF, JDF, and MOCA to be at the level where it can effectively control and reduce crime in a sustainable way.

Nevertheless, **Madam Speaker**, we can report significant progress in the buildout of our security forces. The JCF of today is not the same as the JCF of 10 years ago. Under project ROC 134 police facilities out of a targeted 200 facilities have either been newly built, refurbished, expanded or are in progress. I can identify with the investment in police infrastructure, in my own constituency the new Olympic Gardens Police Station was built. Additionally, I opened the renovated and expanded Port Antonio Police Station, and broke ground for the new Stony Hill police station. It is not only police stations, additional classrooms and the Medical Services Branch at the National Police College of Jamaica were constructed and the Police Emergency Communication Centre was relocated to improved facilities. This year we will start the process to construct a new divisional headquarters in Spanish Town for St. Catherine North and a new divisional headquarters for Westmoreland. By the end of the project this administration would have significantly improved the built infrastructure of the JCF, improved the working conditions of its members and the quality of service to the public.

This major budget commitment is being used as well to modernize and expand the capabilities of the JCF through:

1. The expansion of the JCF's radio communication and microwave network,
2. The implementation of the Station Records Management System (SRMS) which is being rolled out at 23 locations currently with another 120 locations to go live by the end of FY 2023/2024.
3. The acquisition of the Multi-biometric Identification System (MBIS) to facilitate efficient processing of criminal records.

4. The implementation of the E-Ticketing System, with over 800 electronic ticket machines in the hands of the traffic police islandwide, already accounting for more than half of the tickets issued to date.
5. The procurement of a C5 (Command, Communications, Computation, Control, Coordination) Centre that will massively increase situational awareness and response capabilities by connecting and integrating JamaicaEye, communications system, traffic management systems and other public safety electronic systems, into one intelligent processing area.

The JCF has also increased its investment, recruitment and training capabilities over the last three years. As a result, the size of the force has increased from approximately 11,000 to close to 13,000 over the past two years, closer to its establishment of 14,000. On average the JCF is now recruiting 1,250 trainees per year under this improved training system. Approximately 400 to 450 members retire, or otherwise leave the force per year. Currently we net approximately 800 additional members per year. For the first time in decades, we are growing the force, not only in number of recruits but in the quality of the personnel joining.

Madam Speaker, the JCF has taken on the ambitious task of becoming ISO 9001 certified and received its first certification last year. ISO9001 is a rigorous international standard for quality management systems for organization. Not many local organizations have this certification, and our JCF has received certification in this regard.

Madam Speaker, transformation does not happen overnight, the change is sometimes so discrete it is imperceptible, especially when the change is happening internally. I wish to commend the Commissioner of Police and thank the hard-working men and women of the JCF for their committed effort and dedicated service to the country.

Madam Speaker, I will say a few words about the JDF as Minister of Defence and Chairman of the National Security Council. The JDF is critical to all lines of effort in Plan Secure Jamaica. In Citizen Security the JDF continues to support the JCF in security operations generally and within Zones of Special Operations (ZOSO), along with the efforts of the Joint Anti-Gang Task Force, yielding the recovery of over 350 illegal weapons.

In the specialized area of Cyber Security, the JDF is establishing a Cyber Academy to train personnel and create a professional cyber workforce for Cyber Security and defence for the Jamaican Government and industry. This is an area in which we are woefully short of skills and the first cohort should commence in the coming Fiscal Year.

In the coming Fiscal Year, the JDF will take delivery of two additional offshore patrol vessels to strengthen maritime domain awareness and control over our territorial waters. The maritime capacity continues to bear fruit in combatting the illicit drug trade and organized crime and protecting our fishing stock and other maritime assets. The JDF is also managing the ongoing buildout of the Coastal Surveillance System that includes long-range radars to help secure our 1,022 km coastline and Global Maritime Distress and Safety System (GMDSS) will give greater domain awareness to our Coast Guard to provide security to users of our waters as well as search-and-rescue services when needed.

Madam Speaker, the **Jamaica National Service Corps (JNSC)** Programme remains one of our most critical post-school efforts for youth engagement. To date 5,242 Jamaican youth have been trained through the JNSC. Three thousand four hundred and forty seven (3,447) have

transitioned into the regular branches of service of the JDF. Graduates of the JNSC programme receive certification which gives them a competitive advantage in the labour market. JNSC graduates have transitioned into the JCF recruitment programme, and other public sector and private sector entities. In 2022, four hundred and ninety-one (491) JNSC participants successfully completed their one-year training and entered the Regular JDF. Currently, there are 1,066 JNSC recruits in varying stages of training in the programme.

Madam Speaker, after six years of operation of the JNSC, we know that the model works in creating a pool of skilled and trainable workers in the fields of security, logistics, engineering, vocational trades, and information technology. It is now time to scale up this programme in a significant way as one of our strategies to reintegrate our unattached youth into the workforce and divert them from joining gangs. Starting this year, HEART/NSTA will increase its collaboration with the JDF/JNSC to recruit an additional 2,000 youth to the programme yearly.

This is not only a security imperative it is also an economic imperative as the country approaches full employment. We must ensure that our out-of-school population is directed into the workforce with work-ready knowledge, skills, and attitude.

In summary, **Madam Speaker**, Jamaica recorded 63 murders in 1962, however, violence has always been a part of our history of enslavement and colonialism. As we emerged as an independent nation struggling to build our economy and overcome poverty and social inequality, violence became a pronounced feature of our social struggle through the use of politically organized and related violence. The association with politics, in some ways legitimized the producers of violence. Though our politics eventually matured away from using violence, by then violence generally, and organized violence in particular, had become an aggravating feature of crime. By the 1990s, organized intentional fatal violence – gang-related murders - escalated as gangs started to use violence in furtherance of the regional narcotics trade. By 2005, 43 years after Independence, Jamaica recorded its highest murder tally of 1,647. Violence as a social disease and a behavioural problem has now become a public health crisis of epidemic proportions. On top of this social context, violence is now a dominant feature of crime, particularly fatal violence organized by gangs in furtherance of their criminal enterprise. Both streams of violence have devastating impact on the quality of life and security of the citizen, however, violence in its organized form pursuing criminal enterprises, be it the drug trade, lottery scamming, extortion, human trafficking, guns trafficking, counterfeit goods, cybercrimes, or turf wars, is now at a level where it is a threat to the effective functioning of the state. By any definition, the current situation is not acceptable in a free and democratic country and can only be described as a state of emergency.

Madam Speaker, this administration has seen the problem for what it is and has implemented a comprehensive programme of policy and legislative reforms, institutional building and governance, increased investments in infrastructure and capacity, along with more tactile responses of increased policing and use of emergency powers. What has taken 60 years to manifest will not be corrected overnight and we understand that it is a process. Just as we overcame violence as a feature of our politics by pursuing electoral reform and building the institution of the ECJ and making the budget allocations to fund it, similarly I am confident that with the reforms, institutions and funding we will overcome social violence and organized violence and crime. We will restore Jamaica to the peaceful, respectful, loving, civil and prosocial values we embraced in 1962 as an independent nation.

Madam Speaker, I am committed to this!



2023 BUDGET PRESENTATION

ENERGY AND ENVIRONMENT

FROM **VISION** TO **REALITY**:
NURTURING S.E.E.D.S

FOR PEACE, OPPORTUNITY & PROSPERITY

ENERGY AND ENVIRONMENT

Energy

Madam Speaker, we cannot over emphasize the vital role that energy plays in growth and socio-economic development, and we must increase our resilience and ability to withstand shocks through careful policy approaches.

In 2022, the Electric Vehicle Strategic Framework as well as the governing Fiscal Policy was approved by Cabinet and the Order governing importation of electric vehicles was issued. However, it restricted importation to cars and SUVs. The Government will be removing that restriction to include a wider range including electric motorbikes.

Madam Speaker, Jamaica has increased its renewable energy more than four-folds from 3% in 2015. The Government is finalizing the Integrated Resource Plan (IRP) 2 that will outline the roadmap to achieving 50% renewables by 2030. No new fossil fuel plants are contemplated under IRP 2.

IRP 2 has outlined just under 2,050 MW of potential renewable resources islandwide and considers wind, hydro, solar and battery energy storage systems (BESS) as the most cost-efficient options to achieve 50% by 2030. The Draft IRP 2 is now being presented to various stakeholders for discussion and feedback. Thereafter, it will be finalized and presented to the Cabinet for consideration and approval.

Madam Speaker, as we undertake this transition, it must be undertaken very carefully as the changing mix and natural intermittency of these renewable resources can create challenges for the grid's ability to balance supply and demand. It is not simply a question of building more solar or wind power plants. A balance is required between developing renewable energy and system reliability to avoid power outages and disruptions.

Climate Change

Madam Speaker, for developing nations such as Jamaica, the issue of climate change is particularly relevant. Small Island Developing States, like Jamaica, have limited impact on driving rate of climate change. We are, however, the ones most at risk and bearing the brunt of the crisis. The fact that 70% of Jamaica's population lives within five kilometres of the sea, highlights the great risk we face from sea level rise. The current drought and the exponential increase in fires should make it self-evident that we are already experiencing the impact of climate change.

We are already seeing the impact of slow onset events, such as saltwater intrusion in our wells, deteriorating soil quality and lower pollination rates, and are always at risk from catastrophic weather events such as hurricanes.

Jamaica is not sitting idly by. We are strategically addressing our inherent vulnerability with the appropriate focus on building resilience, while honouring our moral obligations to reduce our emissions.

Madam Speaker, Jamaica has been a strong voice on the international stage in advocating for Climate Justice and increased mobilization of Climate Finance particularly for Small Island Developing States.

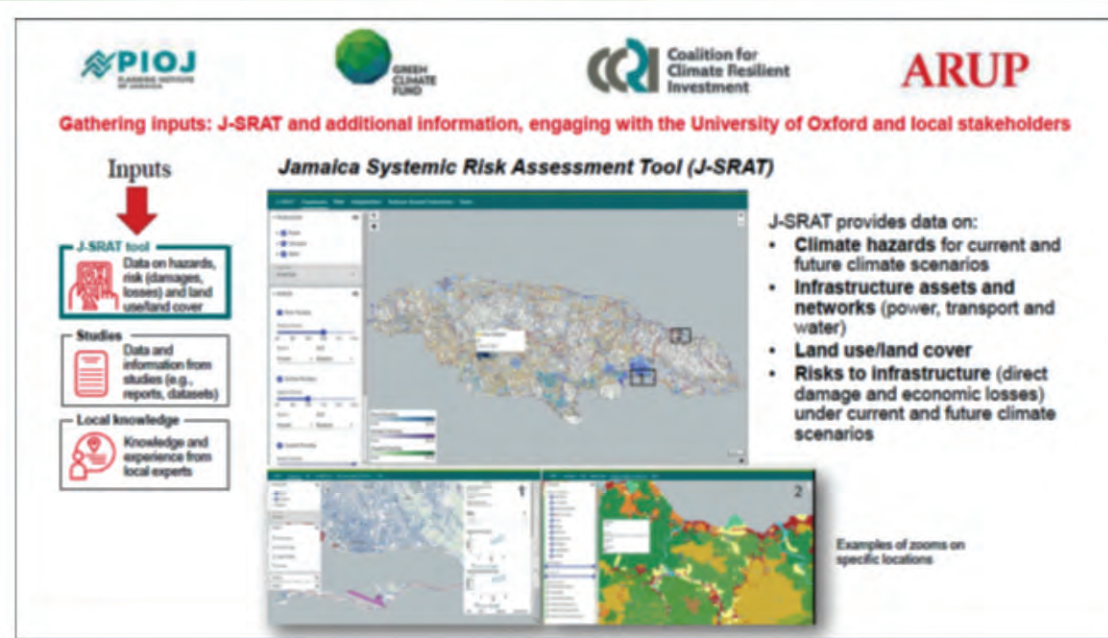
In 2018, I represented the Government of Jamaica, at the request from the Secretary-General of the United Nations, together with the President of France Emmanuel Macron and Emir of Qatar, to lead a political initiative to mobilize Climate Financing to support the implementation of the Paris Agreement.

Last year, as co-chair of the NDC Partnership with the United Kingdom, we launched a new Global Finance Strategy aimed at mobilizing urgent funding for climate action.

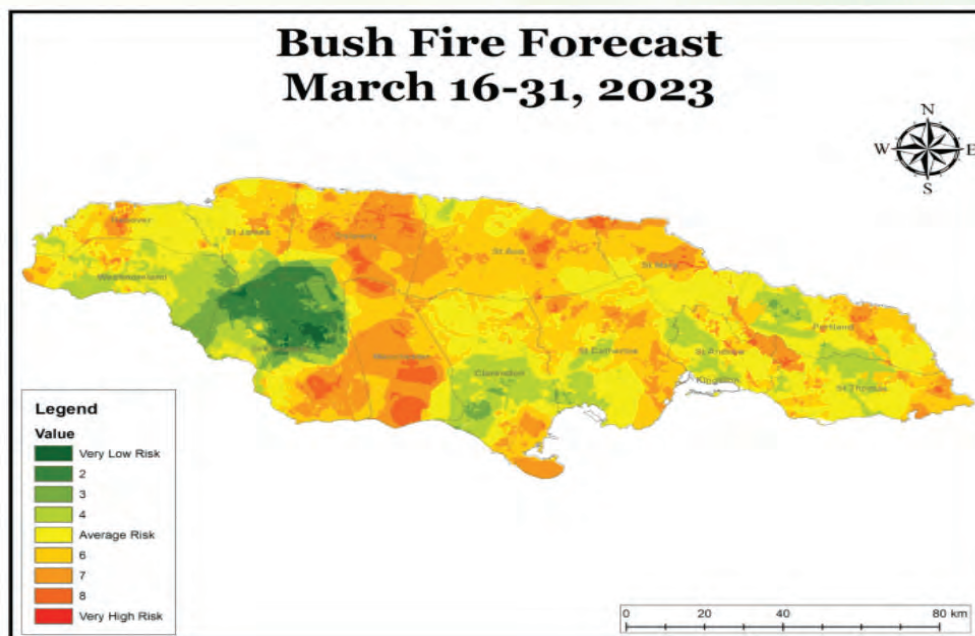
Climate Resilience

Madam Speaker, the next phase of Jamaica's development, must be designed through the Climate Lens, and must include a macro-economic strategy that builds resilience in all facets of national life if Jamaica is to adapt to the existential threat.

Madam Speaker, in partnership with the Coalition of Climate Resilient Investment (CCRI), the Green Climate Fund (GCF), the United Kingdom - Foreign, Commonwealth and Development Office (FCDO) and Oxford University, we have designed an analytic and predictive tool to assist in decision making around climate resilient infrastructure investments. Jamaica is the first country globally to use this Systemic Risk Assessment Tool, or J-SRAT, to evaluate the strength of infrastructure as it relates to climatic events.



Madam Speaker, earlier in the fiscal year we announced the development of a Bush Fire Warning Index and Management System to monitor areas prone to wildfires. This digital platform will provide the necessary information to update communities and emergency responders on the threat of fires. The use of a common alerting protocol, and continuous public education are vital elements in this fight.



Madam Speaker, our commitment also spans support to the public transport sector, and I want to pause here and use the opportunity to thank the German Federal Government for its International Climate Initiative (IKI) which provides a grant of approximately four million euros to support e-mobility to Jamaica. The project will seek to introduce new and disruptive technologies leading to long-term emission reductions, accompanied by capacity-building measures.

Climate Finance

Madam Speaker, the Government continues to put itself in a position to access climate-related financing. Recently, the Minister of Finance announced that the IMF had approved US\$764 million under the newly created “Resilience and Sustainability Facility (RSF)” to strengthen physical and fiscal resilience to climate change, advance decarbonization of the economy, and manage transition risks.

This Honourable House will recall that Jamaica was the first in the Caribbean region, and the first of any small island state, to independently sponsor a catastrophe bond that currently provides us with financial protection of up to US \$185 million against losses from named storms for three Atlantic tropical cyclone seasons ending in December 2023.

In addition to these facilities, Jamaica has already mobilized significant Climate Finance including US\$68M of projects already deployed and the Bank of Jamaica (BOJ) has been receiving technical support from the French Development Agency (AFD) to further strengthen Jamaica’s financial sector as it relates to climate change.

Madam Speaker, the Jamaica Social Investment Fund (JSIF) is now able to receive additional funding to implement climate-related projects, with its recent designation as an Accredited Entity (AE) with the Green Climate Fund (GCF). As the first and only accredited GCF Direct Access Entity (DAE) in the country. JSIF's accreditation will strengthen support for climate projects at the community level.

The Planning Institute of Jamaica (PIOJ) and Development Bank of Jamaica (DBJ) have also applied to be Direct Access Entities, and we expect this process to be completed in the upcoming fiscal year.

Environment

Madam Speaker, allow me to update the House on the gains made in modernizing the country's Environmental Policy and Legislative frameworks. It has always been this Administration's position that the thematic areas of **Sustainability, Protection and Restoration** must be mainstreamed in our Policy construct.

Environmental Policy Framework

Madam Speaker, we have completed work on an unprecedented number of policies in this financial year and, at the appropriate time, I will ask for a recommitment to allow for the tabling of the following policies and legislation.

The Ministry of Economic Growth and Job Creation has finalized four (4) new national policies, and one (1) strategy of great importance.

A) “Watersheds Policy” Green Paper

- Firstly, we have completed work on a new “**Watersheds Policy**” **Green Paper**, a critical tool for the management of our watersheds, which has again been brought into sharp focus by the ongoing drought. I look forward to the proactive engagement of stakeholders in advancing this policy initiative as we move to finalize the current draft as a national policy.

B) Policies governing Climate Change and Emissions

Additionally, **Madam Speaker**, the Government has already completed work on two critical companion policies:

- **updated Climate Change Policy Framework**, and;
- **new Emissions Policy Framework**.

These policies provide a clear road map for how Jamaica intends to respond to the existential threat of climate change, and at the same time improve our air quality through the reduction of harmful emissions. Three implementation examples are the transition of our transportation fleet to electric mobility, motor vehicle tailpipe testing under the new Road Traffic Regulations, and the strengthening of the legislative framework to address open burning.

C) Beach Access and Management

Madam Speaker, all Jamaicans must have access to our beautiful beaches – this is without question. These beaches must be of a good quality and properly regulated to ensure safety, security, economic livelihood, and enjoyment for all citizens. Our beaches are not only a source for recreation, but a significant element of our tourism and the fisheries sectors. The development of the Beach Access and Management Policy is advanced, and the document will be ready for tabling within the first quarter of the new fiscal year.

D) Ecologically Sensitive Areas

Madam Speaker, last year in my contribution to the Budget Debate, I announced a new policy initiative which will serve to further strengthen environmental protection in the country. Fifteen Ecologically Sensitive Areas (ESAs) across the island have been identified for enhanced protection.

These geographical areas will have restrictions on the types of activities that may be permitted in order to preserve their hydrological or ecological functions and services. Low-impact development, such as ecotourism, may be permitted in these areas, subject to restrictive conditions and approval from the relevant regulatory authorities.

Madam Speaker, not only have we completed the policy work, but we have also moved swiftly to implementation. I ask Members to turn their attention to the screens, as I declare the 15 ESAs:

1. Industry Cove, Hanover
2. Bogue, St. James
3. Montpelier, St. James
4. Winns Morass and Oyster Bay, Trelawny,
5. Bengal, St. Ann
6. Dunn's River, St. Ann
7. Fern Gully, St. Ann
8. Holland Bay, St. Thomas
9. Long Mountain, St. Andrew
10. Palisadoes - Port Royal Protected Area Conservation Zones
11. Shooter's Hill, St. Catherine
12. Hellshire Hills and Goat Islands, St. Catherine
13. Canoe Valley, Manchester – Clarendon
14. Great Bay, St. Elizabeth
15. The Negril Great Morass, Hanover – Westmoreland



Madam Speaker, this policy work is designed to ensure that our ecological assets are protected for generations to come. At the core of these, and other initiatives is the call for protection of 30% of our land and marine areas by 2030. I am pleased to report that the global target has been concretized, with the adoption of the Kunming-Montreal Global Biodiversity Framework in Montreal last December. These commitments are important but must be supported with ACTION. To date, Jamaica has protected, under law, more than 25% of its landmass and 15% of its Exclusive Economic Zone, however, **Madam Speaker**, we will complete the 30% target for protection of our landmass, five years earlier - by 2025!

Madam Speaker, last year, the Government completed work to designate the Cockpit Country Protected Area, over 78,000 hectares of land located in central Jamaica. Additionally, in this financial year, we declared the Black River Protected Area under the Natural Resources Conservation Authority Act.

Madam Speaker, you would recall that I made a further commitment to make the **Pedro Cays and Surrounding Waters** a protected area. This has now been completed. The designation gave due consideration fishing and this policy creates the boundaries that will guide the fisherfolk of the Pedro Cays toward the path of sustainability and ultimately greater prosperity. In my hand is the Gazette showing the Protection Order, and on the screens is the map of the area now protected.

Madam Speaker, in the new financial year, the Government will be finalizing the Overarching Protected Areas Policy as well as new Protected Areas Regulations under the NRCA Act.

Madam Speaker, this Government is moving from **Vision to Reality and nurturing the SEEDS for Peace, Opportunity and Prosperity**.

Ecosystem Restoration

Madam Speaker, it is clear that the Government is actively pursuing greater legislative and practical protection for our environment. We have however also been pursuing significant restoration efforts. In 2019, I announced a National Tree Planting Initiative, which had a target of the planting of Three Million Trees in three years; in essence, one tree for every Jamaican. I am pleased today to report that through the efforts of the Forestry Department and many national stakeholders, we have passed the mark of 2.5 million trees planted nationally.

Madam Speaker, I have directed the Forestry Department to coordinate and work with the National Works Agency (NWA) to ensure that along all new road work projects, trees will be planted to soften the impact of the infrastructure as well as improve the aesthetics of the area, increase biodiversity and contribute to the reduction of the 'heat island effect', particularly within our urban spaces. So, for instance, along the corridors of East Kings House, Lady Musgrave and Arthur Wint Drive, they will plant and nurture over 3,000 new trees during and after the road widening exercise. Along Highway 2000, they will begin this month with the planting and nurturing of over 10,000 trees. **Madam Speaker**, in the process of development we know that sometimes trees are removed. I have further directed the Forestry Department to procure equipment which will assist in relocating some trees during the development process.

Major Rivers

Madam Speaker, we all can recall the horrific chemical pollution incident which adversely impacted the health of the Rio Cobre River and the livelihoods that depend on it. We cannot continue to use our rivers as dumping grounds for solid waste, effluent discharge and as sewers. The practice of illegal aggregate mining in our rivers is also of deep concern to the Government.

I have directed the Ministry of Economic Growth and Job Creation and NEPA to establish a Technical Working Group to examine all matters related to the use and health of the Rio Cobre River Basin. Three (3) key outcomes of the work of this Technical Working Group will include a plan to cease ALL effluent discharge to the river, the development of a road map to provide legal protection for rivers under the NRCA Act, and the design of an Early Warning System. Retired University of the West Indies lecturer, Dr. Anthony Greenaway, has kindly accepted Chairmanship of this Technical Working Group.

Development Orders

Madam Speaker, I am pleased to update this Honourable House of the following achievements:

- We have confirmed the Kingston and St. Andrew and Pedro Cays Development Order
- NEPA has prepared master plans for the Half Way Tree and Constant Spring Road planning areas that are now being finalized and it is anticipated that the plans will be approved by the Town and Country Planning Authority within the first quarter of the new financial year

Madam Speaker, it is further anticipated that we will be in a position to confirm Development Orders for St. Thomas, St. Elizabeth and the Municipality of Portmore early in the new financial year.

Madam Speaker, despite the robust economic contributions made by the construction sector, the Government cannot ignore the negative impacts from some of these developments as well as the impact on our citizens who live within close proximity. **Madam Speaker**, not all developers, contractors and investors present major challenges. Some endeavour to comply with the environmental safeguards, the planning laws, the Building Act and Building Code. However, others pay little regard to them. They negatively impact spaces, for example, destroying trees and foliage, damaging verges and roads and leaving behind concrete spill hazards. They do this without facing any compensatory measures to return the areas into the liveable spaces.

The Government has taken the decision to impose impact fees, to mitigate against damage of improper and unprofessional development. From these impact fees the NWA and the Municipal Authorities where appropriate will execute a programme to remediate/restore the areas.

The impact fees will be predicated and determined by using a calculation that will take into account the condition of communities prior to the start of construction. The rationale, purpose, structure of fees, management as well as the details on the administration and operation of the impact fees will be outlined in a Ministry Paper to be tabled within the first quarter of the new fiscal year.



2023
BUDGET
PRESENTATION

EDUCATION AND SKILLS

FROM VISION TO REALITY:
NURTURING S.E.E.D.S

FOR PEACE, OPPORTUNITY & PROSPERITY

EDUCATION and SKILLS

Madam Speaker, Education was the hardest hit sector during the pandemic, and it will take the longest to recover. One of the areas of response from the Government during the pandemic for which credit must be given was the massive effort to eliminate the “digital divide”. Three hundred and eighty-four (384) schools now have adequate broadband connectivity. Through various initiatives over 150,000 laptops and tablets were issued to teachers and students.

Madam Speaker, approximately 120,000 primary and high-school students were not showing up online or using any of the other modalities during the pandemic. More troubling was that schools were unable to account for them. The “Yard-to-Yard Find the Child” Initiative launched by the Ministry of Education and Youth in January 2022 was very successful in getting the children back into the classroom or online. I am pleased to report, **Madam Speaker**, that school attendance is better than pre-COVID levels.

During the pre-pandemic school year 2018/2019, approximately 80% of students attended school. Post-pandemic (Feb 2023), that number has climbed to 84% or 347,500 students. Additionally, schools are reporting that they are in contact with all their students. This is in sharp contrast to the high number of unaccounted-for children during the pandemic.

Madam Speaker, we will not leave any child behind. Our efforts will shift now to treating with the economic situations that primarily cause approximately 16% of our children to be absent from school. We know that if children are absent from school, very little formal learning is taking place. It will be hard for them to catch up so we must get all our children in school.

This Government has introduced special interventions to enable students to recover more quickly. These include extra teaching time for students through summer school and extra lesson/homework programmes, psychosocial engagement, parental engagement, as well as the provision of digital learning resources. Schools are being assisted by technical teams including student-support coaches, special education officers, curriculum officers, national numeracy and literacy coaches and community relations officers to implement the plan, to track progress and to address learning challenges. Virtual sessions for a variety of subject areas continue to be available on our eHome network and on PBCJ. **Madam Speaker**, I want everyone to appreciate the magnitude of this task and that it is not something that can be achieved overnight. It will require sustained effort. It cannot be done by schools and teachers alone. Parents, and indeed all citizens, have a critical role to play in the development of our children.

Madam Speaker, beyond the COVID recovery efforts, the Government continues to focus on a broader transformation of the education system. The Education Transformation Oversight Committee (ETOC) chaired by Dr. Adrian Stokes continues to work closely with the Ministry of Education and Youth on implementation of the recommendations of the Education Transformation Commission chaired by Professor Orlando Patterson. The consultants engaged to prepare the detailed implementation plan have submitted a draft which is now under review. The project implementation team is in place and an announcement will soon be made regarding the Chief Transformation Officer.

HEART/NSTA Trust

Madam Speaker, a historical feature of the Jamaican society is high unemployment. For the first time in our history, Jamaica is approaching full employment with an unemployment rate in the region of 6%. This is a very positive sign for the country, but one which must be carefully

managed. At this level of employment, there will be labour shortages which will impact business operations and output. A labour shortage can become a constraint on growth and we have been hearing complaints from various sectors. The problem is not that we do not have the people to work: there are approximately 739,000 Jamaicans who are outside the labour force, and we estimate that approximately 150,000 are unattached youth who are not actively seeking employment. The policy objective now must be to get more Jamaicans into the labour force with work-ready attitudes and requisite skills at all levels. The critical and core mission of the HEART/NSTA Trust now is to increase the supply of trained labour to industry.

Madam Speaker, with the merger of JFFL and the NYS into HEART, the consolidated entity, HEART/NSTA Trust is perfectly positioned to meet the need of persons who are in the job market or preparing themselves for the job market, in addition to attracting and recruiting those persons who are not currently in the labour market. A new Executive Director has been appointed for the HEART/NSTA Trust, Dr. Taneisha Ingleton, and she has been charged by the board to increase recruitment, and industry alignment of training by the agency.

Madam Speaker, in the current Fiscal Year 133,577 trainees are enrolled in courses, and 50,632 have been certified, an increase of 48% over the previous year. A cohort tracer study of graduates conducted during the 2022/2023 Financial Year showed that ninety-one percent (91%) were working full-time jobs and eighty-three percent (83%) indicated that they utilized the technical skills learnt in their current or previous jobs. The Trust has enrolled 13,324 adult literacy learners and certified 2,892 through the High School Diploma Equivalency. The HEART/NSTA Trust is working!

Madam Speaker, in furtherance of the policy directive to increase the size of the trained labour force, effective April 1, 2023, the HEART/NSTA Trust will remove all tuition and administrative fees for its programmes up to level 4 (Associate Degree). This will allow for access to vocational training for all Jamaicans regardless of economic status. This will be a game changer for poor underserved youth who see fees as an obstacle for participation in formal training.

Madam Speaker, the HEART/NSTA Trust has been directed to modernize its offering in response to the trend worldwide towards automation, smart manufacturing, artificial intelligence and high-value services. The Trust is developing Centres of Excellence and STEAM Labs at several of its institutions.

- The HEART College of Innovation and Technology will focus on Information Security, Mobile Application Development and Mobile Robotics.
- The Chocolate Hole Campus will offer vocational training such as Optoelectronics, Mechatronics, Robotics, Programme Logic Control, Geomatics and Geospatial Services, Industrial Electronics and Renewable Energy.
- National Tools and Engineering Institute has established a STEAM Lab focused on training in renewable energy, with additional labs to come which will offer training in Instrumentation, Electro-Hydraulic, Pneumatic, Electro Motor Controls and CNC Programming.
- HEART College of Construction will host a Centre of Excellence focusing on Welding and Industrial Automation.
- Ebony Park Academy will host a Centre of Excellence with a focus on Soil Testing and Tissue Culture.

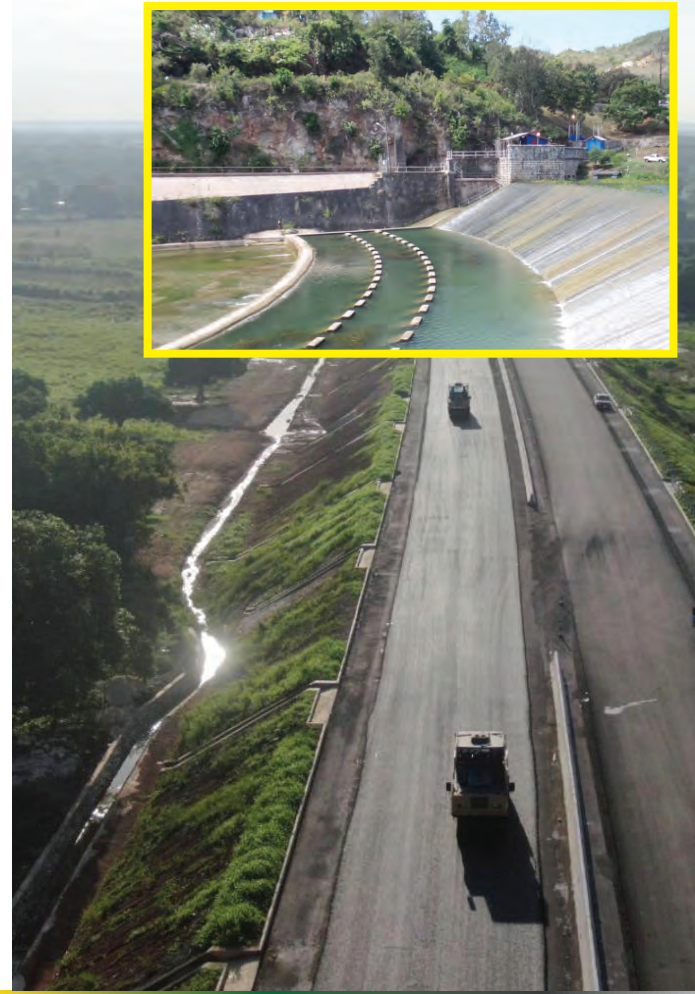
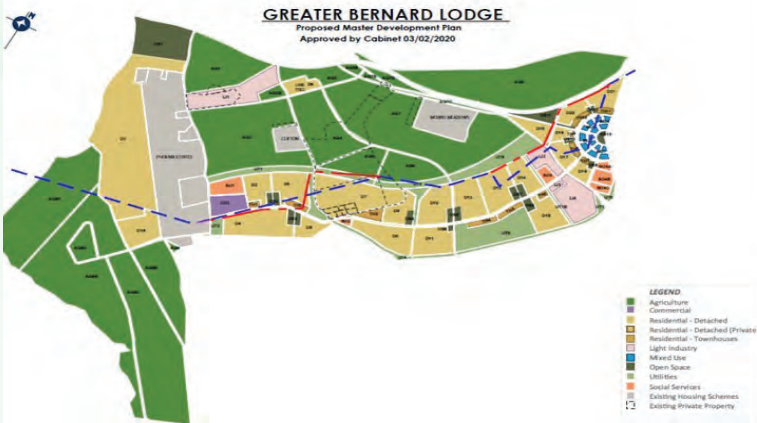
Madam Speaker, the Trust continues to forge strategic partnerships with stakeholders to provide competent and certified workers to meet the needs of industry. Examples of these partnerships include:

- **Amber Group Limited** - This partnership was established to promote software innovation in Jamaica through the training of coders and software developers through the Amber HEART Coding Institute. Five hundred (500) youth will be trained under the agreement. Two cohorts have been trained and all have been employed. The Government considers this a pilot programme, for a much larger initiative which is being developed to train coders, data scientists and software engineers in Jamaica.
- **China Harbour Engineering Company Limited (CHEC)**, is the largest construction company operating in Jamaica, and is probably the largest employer of skilled and unskilled, local and foreign workers. On the signing of the Montego Bay Perimeter Road construction project the Government made it a condition that there must be technology and skill transfer to locals, therefore all untrained workers must go through a process of training and certification. This partnership was forged to facilitate the training and certification of up to 1,000 workers in various skill areas to meet the needs of the Construction Sector including general construction, electrical installation, welding, and carpentry. Recruitment has commenced with youth engaged from communities in St. James, including Irwin, Tucker, Norwood, Cornwall Courts, Rose Heights, Farm Heights and Green Pond.
- As mentioned before, HEART will also partner with the JDF to boost recruitment through the JNSC programme by 2,000 trainees. The Trust will also continue its collaboration with the Ministry of Education HOPE/LEGS programme to provide a special internship for 500 promising 5th and 6th form graduates who have not matriculated to further studies, to secure placement in Government entities or with other private sector partners for a period of one year. During the internship participants will be supported with a stipend of \$70,000 monthly and assisted with the establishment of bank accounts and passport and other civil documents. There will also be a savings component where each candidate will receive a lumpsum of \$120,000 after completion. They will participate in core employability skills and personal development training, but their functional development will come through on the job exposure and mentorship which, after an evaluation, could lead to permanent employment.

Madam Speaker, an area of concern often raised with me by Members of Parliament is the community-based training programme. Some MPs have found the programme quite useful in bringing training engagement to rural areas and underserved communities. The programme has been under review and is being evaluated against the type of skills required by the market and the facilities and resources needed for effective delivery in the community-based modality. I am inclined to support a return of the programme on a justified case-by-case basis.

Madam Speaker, ensuring a steady flow of trained workers, aligned with industry demand is critical to sustain growth of the economy. I am confident that the special programmes outlined, along with the traditional programmes, and the removal of all access charges and fees, will significantly increase the number of persons seeking training to join the workforce. It will also reduce the structural mismatch between the skill requirements of the market and the level of skills available in the workforce.

Madam Speaker, we are the Labour government. We believe work is the way to your independence and prosperity. The Most Honourable Edward Phillip George Seaga established HEART to give every Jamaican the opportunity to work and earn through acquiring a skill. We believe that if you give a man a fish, you feed him for a day; but if you give man a skill, you feed him for life.



2023 BUDGET PRESENTATION

DEVELOPMENT OF INFRASTRUCTURE

FROM VISION TO REALITY:
NURTURING S.E.E.D.S

FOR PEACE, OPPORTUNITY & PROSPERITY

DEVELOPMENT OF INFRASTRUCTURE

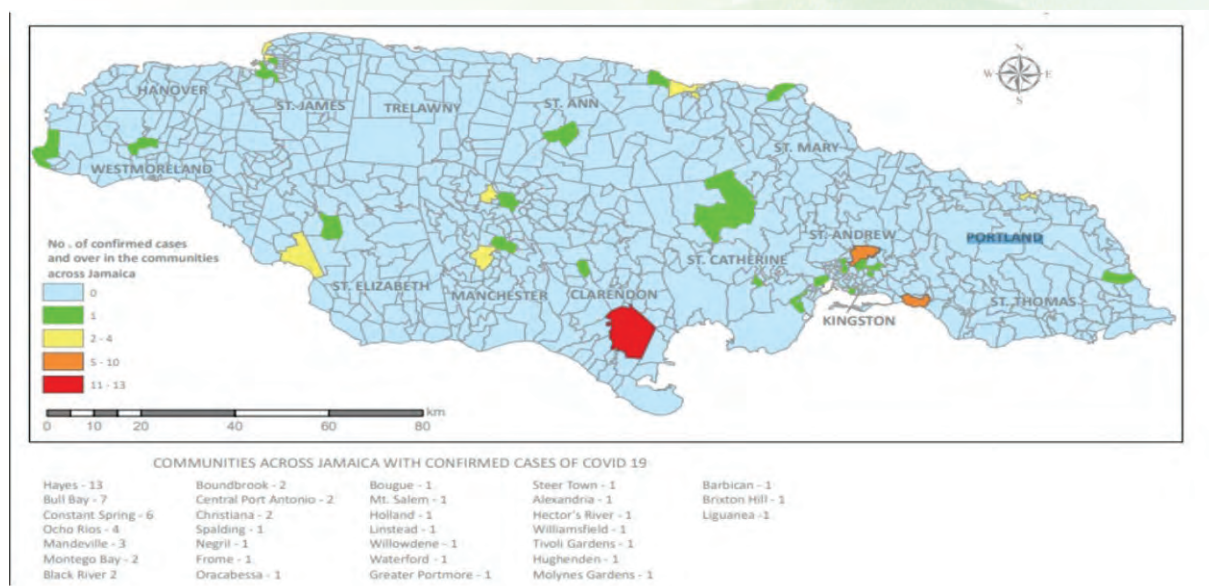
Madam Speaker, I will now turn to the matter of the development of our nation's infrastructure. As we all know, strong and well-maintained infrastructure is the foundation of any thriving society, providing support for economic activity and connecting our communities to the services they need. Well-planned, well-built and well-maintained infrastructure improves quality of life.

Madam Speaker, the key infrastructure agencies were put together under the Ministry of Economic Growth and Job Creation to create synergies, alignment and focused planning. As I seek to update this Honourable House on how we are turning visions into reality in our development of infrastructure, I will first spend a few moments on the quiet powerhouse, the National Spatial Data Management Branch of the Ministry of Economic Growth and Job Creation.

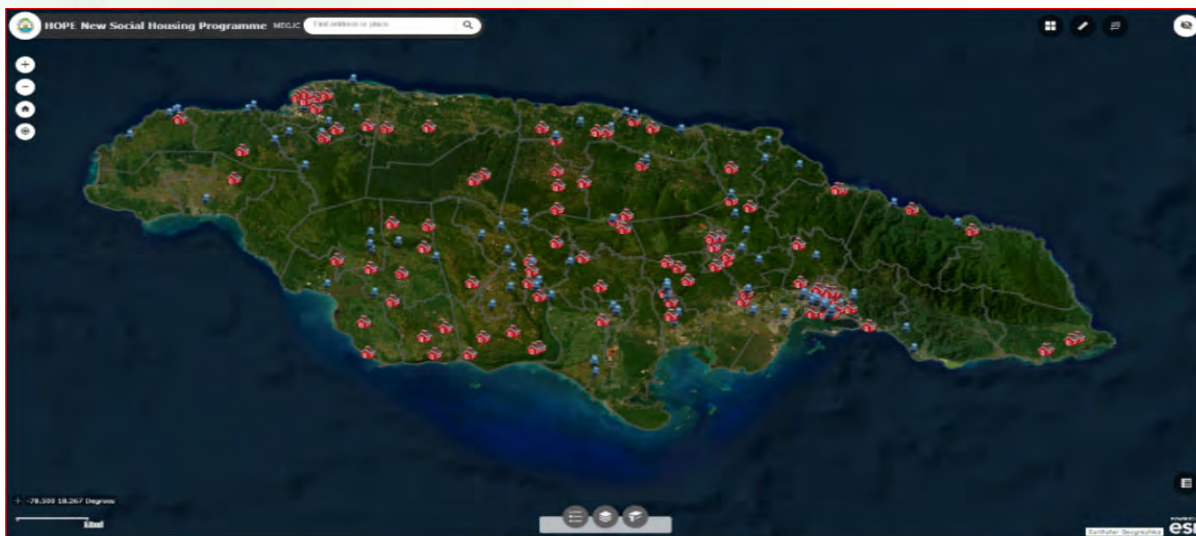
National Spatial Data Management Branch (NSDMB)

The **National Spatial Data Management Branch (NSDMB)** mission is to manage the capability to digitally capture, store, process and coordinate Jamaica's geographic data to support decision making for national development. Essentially, the guiding concept of geographic information systems is to capture everything that happens and tie it precisely to a location. A GIS system captures what happened, it could be an accident, construction of a school, a robbery, or a bushfire, then it captures when it happened, and then it establishes the geographical location of what took place. Once we know what occurred in any space, when it happened, and where it happened, then we can start to answer other critical questions about what is happening around us. Having recorded, when, when and where, we can probe that information to answer the why, the who and how incidents happen.

Madam Speaker, during the COVID-19 pandemic we relied heavily on the GIS data capture of the Ministry of Health to make decisions about quarantining communities based on the concentration of the number of cases, and the location specific physical features.



We have used it to define areas for the Zones of Special Operation by looking at the historical concentration of murders. We are currently using this system in our planning response for the current drought affecting the country. This data is driving our resource allocation decision as to which communities are in the most urgent need of trucked water. We use it to track activities under the New Social Housing Programme to determine availability of lands to government-owned land in proximity to applicants who are not able to secure rights to build a permanent structure on the land they currently occupy, by overlaying their current address with the NLA GIS data base.



Madam Speaker, I highlighted this little-known capability of the Government to address the concern that development is taking place in a haphazard manner. I am the first to concede that Jamaica's spatial development has been historically unplanned or poorly planned. As you drive around and see the spatial layout of the country, you ask yourself, why was the road aligned so close to the coast or alongside a river, why would we allow the main street of a town to also be the main highway, why didn't we build our road around the town, why do we build highways, such as the North Coast Highway corridor and then allow numerous points of entry and exit on to the highway. An investment that should have been a highway has now become a congested local street.

Madam Speaker, this administration is taking planning seriously, we are using cutting edge technology and data-driven processes to make decisions about the spatial development of our country.

On the issue of land titling, this Government has already undertaken a comprehensive review of our laws in relation to land ownership and has made amendments to The Registration of Titles Cadastral Mapping and Tenure Clarification (Special Provisions) Act in 2020/2021, which has enabled the processing of matters under systematic land registration via an adjudication process.

Madam Speaker, when the Opposition formed Government, in the 4 years between 2012 and 2016, they issued in total three thousand eight hundred and five (3,805) titles. With the comprehensive reform that we have done, last year we issued four thousand, two hundred and twenty-five (4,225) titles under our new systematic registration programme and an additional one thousand, seven hundred and twenty three (1,723) under programmes of the NLA. This is a total

of five thousand, nine hundred and forty eight (5,948) titles issued last year. Madam Speaker, up to February of this financial year, we have already issued in total 4,331 titles, which means approximately 10,000 Jamaicans over the last two years who before now had no titles for their lands, have received their title, giving them a greater sense of security and an asset base, sowing their seeds of prosperity.

Madam Speaker, we are not the government of “Chaka Chaka”. We are the government of orderly, smart, robust, aesthetic, resilient, long-lasting and equitable development.

Water

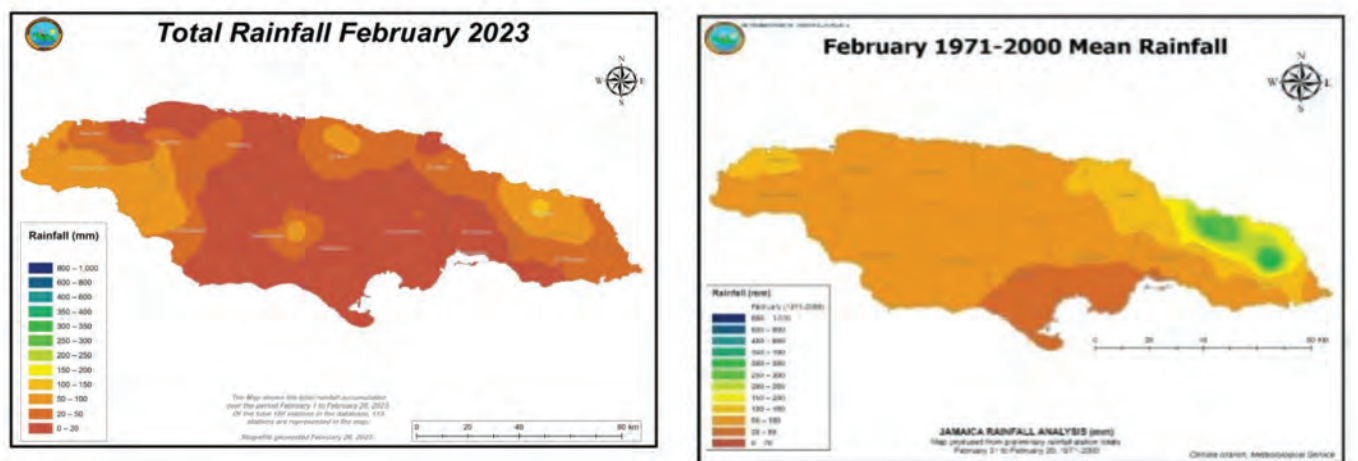
Madam Speaker, the discussions related to water cannot commence without an assessment of the current drought.

Drought

Jamaica experienced reduced rainfall from as early as October last year. The reduction has worsened since, we had:

- in November 2022, 62% of our 30-year average rainfall,
- in December 2022 it declined to 47%, and
- in January 2023 it declined to 32% of our 30-year average rainfall.

Indications from February data are that the trend continues.



Against this backdrop, the Drought Management Committee proactively convened in December and briefed Cabinet in January of the worsening situation. Initial conservation steps were taken at NWC and NIC facilities and trucking of water commenced, through NWC and the Municipal Authorities. The condition has persisted and an initial allocation of \$150 million has been made, of which \$30m is for the Ministry of Local Government to assist Municipal Authorities, \$20m for the purchase of household water tanks, and the remaining \$100m to enable MPs to respond to requests for trucking of water. Though the impact is being experienced nationally, the parishes of Clarendon, St. Thomas, Portland, St. Mary, and Westmoreland have been most affected. I am pleased to report that the process has started, and the primary areas of focus are the worst

affected communities in rural constituencies which have been allocated an initial \$1m as an emergency response. GIS data is being used to classify the communities and direct the funding.

Madam Speaker, the drought is having a devastating impact on our farmers and the National Irrigation Commission (NIC) is coordinating that response. Throughout the fiscal year, the NIC has invested approximately \$90 million on drought mitigation efforts and has allocated a further \$110 million to mobilize emergency support to our farmers.

This represents the initial emergency response of the Government coming to the end of the fiscal year. If the need for a stronger response arises, it will be dealt with in the new fiscal year.

Madam Speaker, the Cabinet will review the reports of the Drought Management Committee and will soon determine if Conservation Orders should be issued. Until then, I am repeating my pleadings with citizens to conserve their use of this precious commodity. Fix leaks, report leaks, reduce washing cars and watering lawns and do not leave the faucet running.

Madam Speaker, we are developing a better understanding of drought cycles in Jamaica and how to respond effectively to them. It should be noted that we have been in a drought for some time now but the utility supply of water, particularly across the Corporate Area and Portmore, has not been significantly affected to this point. This is partially due to the significant investment that your Government has made in water infrastructure. Here I wish to highlight the multibillion-dollar investment to install a new pipeline along the Mandela Highway and Spanish Town Road. This investment has added significant robustness to our water supply capabilities. I also wish to highlight the success of the Non-Revenue Water Reduction project in the Corporate Area and Portmore which has improved the financial position of NWC but is also the greatest potable water conservation effort of the Government. Less leaks mean more water reaches the consumer at a better pressure and more water remains in storage for future use.

At this stage of the drought, communities outside of the NWC's utility supply are most affected. These areas are mostly served by local water supply systems catchments, entombments, or springs and would be immediately affected if there is an interruption in rainfall. The communities themselves may not be able to afford proper household storage of water or to adopt greater water resilient practices such as rainwater harvesting.

Madam Speaker, I am happy to report that in the upcoming financial year, the Government will make available 10,000 Polyethylene Water Tanks or "Black Tanks", to needs-assessed households across Jamaica, starting with a focus on the areas most affected by the drought. Households on PATH and households recommended by MPs assessed by the Ministry will qualify for the tanks according to the rules of the programme. All the tanks issued will be placed on our National GIS Database. This will give us valuable information about household storage capacity and how to plan for the delivery of water to those tanks.

Madam Speaker, a parallel project is to assist households to convert these tanks where possible into rainwater harvesting systems connected to their roof. The HEART/NSTA Trust will be tasked with developing a National Service Corps of trainee plumbers and future water engineers to install these tanks and convert them into rainwater harvesting systems. This will be a 5-year programme, with the objective that every water-vulnerable household must have storage and rainwater

capabilities to withstand drought and water service disruption. **Madam Speaker**, we are going to procure these 10,000 tanks starting in the next financial year. We will do this for the next five years so that is 50,000 tanks. With the accelerating adverse effects of climate change, droughts are likely to recur with increasing frequency and severity. Early in the new fiscal year, we will table a Ministry Paper with “Guidelines for Rainwater Harvesting”, which will support town planning efforts, as we mainstream and eventually move to make mandatory, the practice of rainwater harvesting in driving water resilience. I am also pleased to advise the country that the Water Resources Authority has completed Jamaica’s Water Resources Master Plan, and I will be tabling it in the coming fiscal year.

NWC

Madam Speaker, during the last financial year, the NWC recorded significant achievements, both at the strategic and operational levels, resulting in a stronger more robust utility, able to better carry out its mandate. NWC’s financial performance has shown a worthy turnaround moving from a net loss of \$2.13 billion in 2021/22 to a net year-to-date profit of \$2.73 billion as of January in FY 2022/23. This performance means that the NWC is now much less of a fiscal risk to the Government.

Capital Projects

Madam Speaker, over the last fiscal year, there has been a marked increase in the system coverage, reliability, and level of service with several projects being completed and commissioned into service in 2022/23 funded from the NWC’s resources. These projects include:

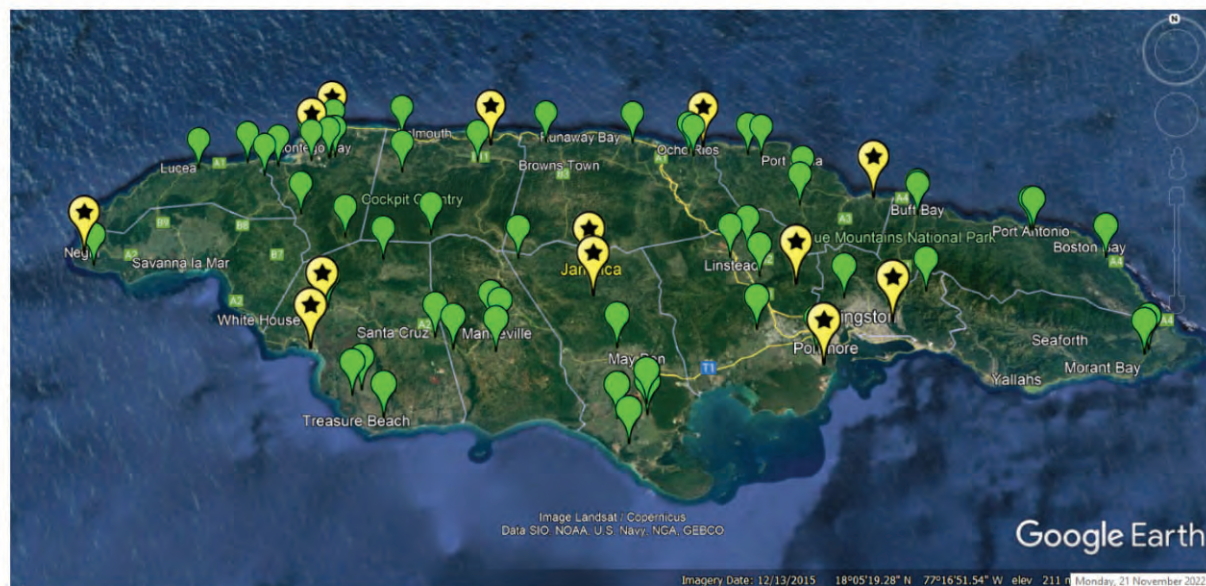
- The Baron Hill to Samuel Prospect pipeline replacement works in Trelawny
- A new distribution network to serve persons in the New Building area of Nain, as a part of the Essex Valley to Junction Water Supply System in St. Elizabeth
- Replacement of aged pipeline service to the greater Black River area including between Luana through Middle Quarters to New Holland as well as from Sandy Ground into the town of Black River
- Extension of pipelines to supply the community of Mile Gully in Christiana
- A new full supply scheme including development of a new source, pipelines and storage tank in the Mason River / Bullhead Mountain / Douglas Castle communities which straddle the border of Clarendon and St. Ann
- Extension of the Negril Water supply system to serve Non Paniel, Mount Airy, Retirement, Orange Hill and Negril Spots, Westmoreland
- Several secondary storage tanks to improve reliability and reduce energy consumption at Frazers Hill in St. Thomas, Liberty in St. Ann, Westgate in Montego Bay, York Town in Clarendon

Madam Speaker, these projects have increased the capacity of the NWC to deliver water by upwards of 5 million gallons per day and will positively impact a population of 200,000 persons.

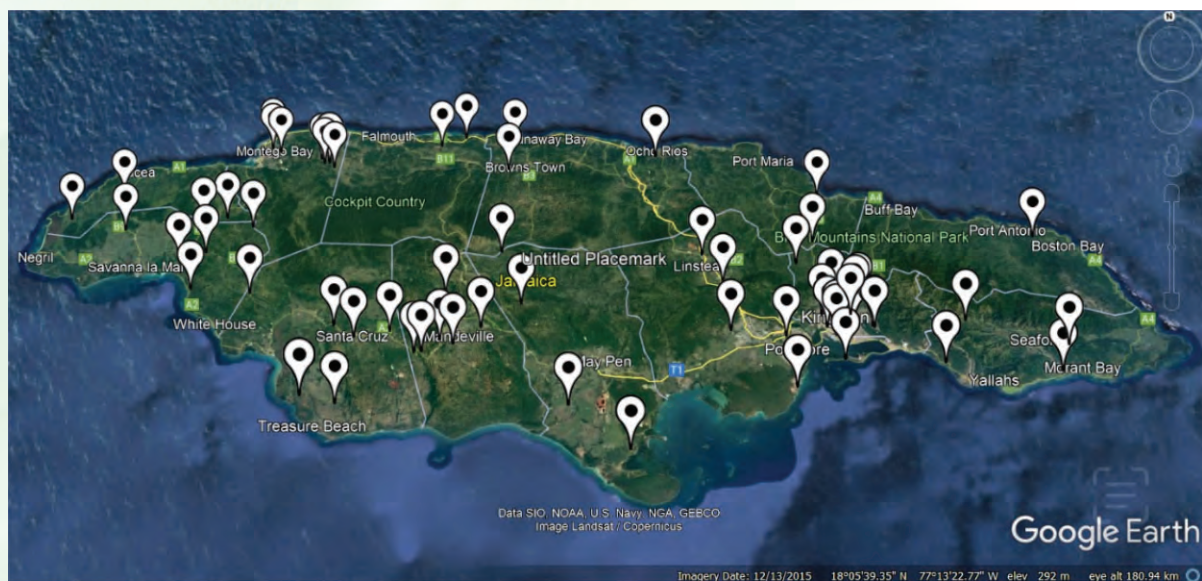
These projects are in addition to the previously mentioned JA\$6b capacity upgrade in Kingston and St. Andrew, with the installation of new major transmission mains along Mandela Highway, Six Miles, Spanish Town Road, Beeston Street, South Camp Road and connecting along the Palisadoes Road into Port Royal. In addition, the replacement of the secondary transmission and

distribution lines along Waltham Park Road and within Whitfield Town was completed. Another major pipeline replacement will include the Ferry to Rock Pond/ Forest Hills via Plantation Heights.

Madam Speaker, projects to improve the quality and reliability of potable water supply have been implemented across the length and breadth of Jamaica.



Madam Speaker, the graphic on the screen represents the geographic locations of projects completed by the NWC in this fiscal year, representing in excess of \$4 billion of Capital Investment. The yellow pins are projects which had commissioning ceremonies, whereas those with the green pins were completed but had no commissioning ceremony.



Madam Speaker, the graphic which is now on the screen represents the geographic locations of projects which are under way, either in construction or in procurement, to be completed by the NWC in the coming fiscal year. This represents more than \$7 billion of capital investment. The NWC has never been able to undertake this level of investment before on the strength of its own balance sheet. In times past the NWC was a burden to the Government and taxpayers, today we are proud to say that the NWC is an efficiently run public utility, capable of investing in its expansion from its own resources while keeping its services affordable and supporting national development.

Madam Speaker, several other islandwide water supply upgrading and expansion projects are planned for 2023/24. Twenty-one projects with projected expenditure of over \$2.5 billion, will see NWC's services being extended to new communities, including:

- Essex Hall, St. Andrew
- Black River to Treasure Beach Water Supply Improvement, St. Elizabeth
- Hounslow Water Supply, St. Elizabeth
- Dornoch Water Supply, Trelawny
- Jericho Well No 1 to Ewarton Transmission Main, St. Catherine
- Juno Crescent Well Electro-Mechanical & Pipeline Works, Clarendon
- Jordon Well No 1. To Aguata Vale to Highgate, St Mary
- Maggoty to Newton Water Supply – St. Elizabeth
- Minard's Well to Brown's Town Pipeline – St. Ann
- Morant Bay to Spring Well Station – St. Thomas
- Mount Royal Booster Station – St. Catherine
- Rock River Water Supply & Dam – Clarendon
- Rosemount (Camelot) to Discovery Bay Water Supply – St. Ann
- Savanna-La-Mar Water Supply Upgrades – Westmoreland
- Santa Cruz By-Pass Pipeline – St. Elizabeth
- Wakefield to Bunkers Hill Water Supply – Trelawny
- Western Spanish Town to St Johns Road – St. Catherine

These projects will include new pipelines, installation of storage tanks, and replacement of aged pumps.

Madam Speaker, as a policy of this administration, every new major roadway construction or upgrade must have provision for water mains, sewage and telecommunication. This means that planning is joined up between NWA and NWC, to ensure utility grade water supply is available for existing and potential developments. The SCHIP project is a perfect example, the people of St. Thomas will have some of the best roads in Jamaica, and will also have access to reliable, utility-grade water supply. Plans are being finalized for work along East King's House Road, Lady Musgrave Road, Arthur Wint Drive and Tom Redcam Drive, in Kingston and St. Andrew, and Grange Lane and Braeton Road in St. Catherine for major water infrastructure upgrade in coordination with the NWA.

Madam Speaker, we have been “turning on the pipes” in long-suffering communities across the length and breadth of Jamaica. There is no more fulfilling feeling than seeing the faces of citizens when these projects are complete. I have directed the NWC to pursue forty-five (45) small projects

to install new systems or incorporate existing small local systems to extend coverage to communities which are presently inadequately served. It is expected that the associated expenditure of \$200 million will have an impact on the lives and well-being of close to 40,000 persons.

Madam Speaker, the Government is investing in improved delivery of potable water, but there is acknowledgement that we must also invest in our interaction with the public. Several strategic initiatives are being pursued by the NWC which will have a meaningful impact on the efficiency of its operations as well as customer service satisfaction.

Customer Service

The NWC has ramped up its programme to install 450,000 SMART customer meters. Madam Speaker, for far too long there has been a trust deficit between the NWC and its customers, these electronic meters will provide a more accurate registering of the actual household consumption.

In addition, the NWC is pursuing technology which will allow for the remote reading of meters as well as the automation of alerts to customers whenever substantial consumption variances occur. Already approximately 190,000 of these meters have been installed islandwide and the remaining 260,000 will be in place within three years, thereby covering all of NWC's customer base.

Madam Speaker, the NWC has moved to consolidate its customer communication activities, by firstly establishing its own in-house Contact Centre and linking this to its Control Centre. It is projected that in two years the NWC will have concluded the build-out of its Supervisory Control and Data Acquisition (SCADA) system which will allow two-way communication between the Control Centre and the facilities in the field.

Madam Speaker, the NWC has developed and is presently carrying out final testing of its Mobile Application which will provide account status, bill payment, connection and reconnection applications, reports, and notifications.

Non-Revenue Water

Madam Speaker, as a result of the Non-Revenue Water Reduction and Control programmes recently completed in KSA, the level of physical leaks and consumer waste of water have been reduced from 26.4 to 15.4 million gallons daily – a 42% reduction - between 2015 and now.

Madam Speaker, in Portmore, the project is now in its second year, and has already achieved savings of 1.6 million gallons daily as well as a 30% reduction in energy consumption.

We must translate the successes we have had in KSA and Portmore to the rest of the island. I am pleased that the World Bank-sponsored Foundation for Competitiveness and Growth Programme (FCGP) is financing the services of a consultant to prepare the design of the proposed non-revenue water performance-based contract. The project is estimated to cost US\$303 million over a fifteen (15) year period.

Energy Usage

Madam Speaker, the NWC is the largest single user of electricity in the island, with its 24 hour pumping and purification systems. During the global energy shocks of 2022, the NWC saw months with energy bills surpassing \$1 billion. For this reason, I was happy to launch a Public-Private Partnership project which will build a floating photo-voltaic system at the Mona Reservoir. This project will result in an investment of over \$68 million USD, 45MW of Firm Capacity and \$1 billion JMD in annual value to the NWC. The project has completed its test phase and will start full construction in May 2023.

Madam Speaker, in the coming fiscal year, the NWC will spend in excess of \$900 million to ensure more efficient pumping operations, while also deploying more renewable energy within their operations.

Wastewater

Madam Speaker, the expansion and development of Jamaica's towns and cities requires investment in public sewerage network and wastewater management. The predominance and concentration of household systems may pose a threat to underground water. The NWC is pursuing strategic investments in new and expanded sanitary sewerage systems to facilitate the development of populated areas such as Falmouth, Negril, downtown Kingston, St. Andrew and South East St. Catherine/Portmore.

A comprehensive policy is being formulated to guide the master planning, funding and implementation of the public sewer utility. The buildout over time will incorporate private developers in sharing the cost of the public sewer network. A comprehensive series of projects to sewer sections of St. Andrew is already underway to both replace aged systems and increase coverage. A case in point is the Mona housing development which started in 1958, 65 years ago. Sewerage was not a consideration at the time. The old absorption pits and septic systems have reached the end of their useful lives and many are collapsing. The NWC is now building out a sewer network for Mona and surrounding areas. Other communities are being sewered as well, sewer mains have been laid in parts of Olympic Way, Bay Farm Road and several other areas.

In addition to laying sewer mains, over the next three (3) years, the NWC will be upgrading fifteen (15) wastewater treatment plants to ensure safe public health conditions and eliminate any negative impact on the environment. These plants are located in St. Thomas, Portland, St. Mary, St. Catherine and Clarendon. Ultimately, many of these stand-alone sewerage systems have to be rationalized and connected where possible. This underpins the urgent need to double the capacity and upgrade the Soapberry Facility. In order to secure the investment needed to do the upgrade, the Soapberry facility will be divested and Cabinet recently approved KPMG, as the transaction managers to guide the commercial development of the project. We expect that investments to start the expansion will begin in 2024.

Greater Mandeville Water Supply Improvement

Madam Speaker, the Greater Mandeville Water Supply Improvement is a major capital project, aimed at effecting substantial improvements to the service levels in communities extending from Pepper in St Elizabeth to the full limits of the town of Mandeville. The works being implemented include source development, new transmission mains, electro-mechanical pumping equipment

and associated storage tanks. Implementation is scheduled for completion in 2024. Total capital deployed to date is \$680 million. The project will cost more than \$3 billion upon completion.

Rio Cobre Water Treatment Plan

Madam Speaker, the long-awaited Content water project, which was proposed in 2009, to provide water to the Corporate Area from the Rio Cobre, has finally been settled commercially under a PPP framework. The water purchase agreement was signed in November 2022 for the establishment of a water treatment plant at Content in St. Catherine to provide 15 million imperial gallons per day. Construction is expected to begin in June 2023 and will last 24 months. This arrangement will fundamentally improve the supply stability to Kingston and St. Andrew and Portmore and support growing housing and commercial developments.

Madam Speaker, this Government is moving from Vision to Reality. So many projects and plans that have been spoken about for decades are finally being completed by this Government.

Hydro Electricity

Last year, **Madam Speaker**, I advised the country that the Government is considering a major integrated water and energy project utilizing the well-established Pumped Hydro Storage and Hydro Electricity concepts. This would solve both water and energy challenges and make us truly a green country. One element of the project is not new and has been studied several times over with many detailed reports. The Mahogany Vale Dam was first proposed in a 1967 report as a possible solution for augmenting the potable water supply for the city of Kingston. The project was later abandoned in the 1970s in favour of a less capital intensive but lower yielding Rio Cobre Water Supply Scheme. In 1983, the Yallahs Pipeline Project was started as the first phase of the Blue Mountain Water Supply Project which would have included the building of a tunnel, a dam, and hydroelectric station. The Yallahs Pipeline was completed in 1986 and now brings water from the Yallahs and Negro Rivers in St Thomas to the Mona Reservoir to meet the needs of parts of the Kingston and St. Andrew. In 2010 the project was resurrected, and attempts were made through JAMPRO to attract investors.

Madam Speaker, as Prime Minister, I find myself taking on so many nation building projects that should have been done years ago, but for whatever reason, successive governments just could not find the wherewithal to execute. The need for such a project is beyond question, the consideration back then was only the harnessing of supply for Kingston. Today, we must also secure reliable water supply for the developments which are being planned for the eastern end of the island. Further on, I will report on the progress being made on the developments for St. Thomas and Portland.

Madam Speaker, I am declaring that this Government intends to pursue the development of the Mahogany Vale Project as a national priority. The financial and technical analyses will require development partner assistance and we have started to pursue various avenues of support, including climate change funding. Shortly I will announce an enterprise team to manage the project.

Irrigation

Madam Speaker, this administration with support from United Kingdom has undertaken the biggest spend in Jamaica's history on irrigation, investing billions in the Essex Valley Irrigation Scheme to serve parts of St. Elizabeth, Manchester, and the Southern Plains Irrigation Scheme which will serve farmers in parts of Clarendon and St. Catherine. The projects experienced challenges during COVID but it is now moving apace.

Madam Speaker, there is another transformational irrigation project that we have spoken about for decades but as a country we have not got it done. The Plains of St. Elizabeth are among the most fertile in our country. The farmers, despite not having irrigation, have proven to be the best in the world. Through the support of the French Government, we undertook a feasibility study to take water from the Black River and use it to irrigate the plains of St. Elizabeth. Not only is the project feasible but the team of French engineers have already designed the system and costed its implementation.

Madam Speaker, I am announcing today that we will be moving ahead with the project and designating the Pedro Plains Irrigation Scheme as a National Strategic Project. We will be bringing water to over hundreds of farmers from communities including Flagaman, Greenfield, Southfield and Top Hill. It is estimated that this project will cost approximately US\$200 million United States dollars and will be financed through a combination of our own resources, grants and loan funding from the French Government. For decades, farmers have been clamouring for these irrigation systems and we are getting it done.

A Seamless and Connected Jamaica – Road Works

Madam Speaker, last year, I would have highlighted the stages of key road infrastructure projects. This year I will report progress on these and expand on the vision for a more seamless and connected Jamaica.

The National Road Operating and Constructing Company Limited (NROCC) is currently executing two major projects. The first is the Southern Coastal Highway Improvement Project (SCHIP) – Part A from May Pen to Williamsfield constructing approximately 23 km of a four-lane highway and upgrading of approximately 5 km of the existing Melrose Hill Bypass to a four-lane Rural Arterial Divided Highway. This is now 90% complete and will be opened in August 2023. After the construction is finalized, the highway will be the property of the Government of Jamaica for which an operating concession will be negotiated.

The second major project, **Madam Speaker**, is the much-anticipated Montego Bay Perimeter Road where we broke ground on July 16, 2022. This US\$274.5M project includes the Perimeter Road, Long Hill Bypass, Upgrade of West Green Ave and Barnett Street, and a Drainage Study of the Montego Bay area.

This Design-Build contract speaks to a one-year design period, with a scheduled start date in July 2023. Many of the activities done so far include pre-construction work (surveying, soil testing, design, provisions for a batching plant and land acquisition). **Madam Speaker**, citizens will see construction activities ramp up during the first quarter of FY2023/24.

Madam Speaker, let me also highlight three current NROCC projects:

1. Southern Coastal Highway Improvement Project – Williamsfield to Hodges

Madam Speaker, my administration plans to extend the Southern Coastal Highway Improvement Project further westward from, Williamsfield in Manchester, to Hodges in St. Elizabeth. The scope of the project includes improvements of the existing road infrastructure as well as bypasses for Mandeville, Spur Tree, Junction, Southfield and Black River. **Madam Speaker**, these bypasses are necessary to ensure that we do not create bottlenecks which impede the flow of traffic and defeat the purpose of building the highway.

2. Caymanas Highway Interchange

Madam Speaker, two toll roads exist in Jamaica, the North-South Highway and the East-West Highway (which includes the Portmore access via the Causeway). Presently, users on either toll road are forced to exit on to the Mandela Highway if they intend to access the other toll road. This inefficiency will be resolved with the design and construction of a full grade-separated interchange between the North-South Highway and the East-West Highway in the Caymanas vicinity with the pre-construction works slated for FY2023/24. This is just one step in the long-term plan to build out a fully connected road network across Jamaica that allows users to move seamlessly across the island.

3. North Coast Highway PPP

Madam Speaker, based on the most recent traffic numbers along the North Coast Highway, several areas have already exceeded the 15,000 vehicles per day threshold which was contemplated in the original traffic studies, resulting in growing congestion.

Sea Castles to Greenwood has the largest capacity deficit and improving this corridor to four lanes would allow an increase in the daily capacity to approximately 39,800 vehicles. Fortunately, this corridor does not have any major geometric constraints to improving the existing alignment. The Discovery Bay to Salem segment, on the other hand, has several entry and exit points, and encroachments and limited reservations, that constrain capacity and the potential for widening the corridor to four lanes, therefore a bypass option is being considered. The Salem to Mammee Bay section is also being considered for expansion since the existing road can reasonably accommodate it.

The plan as conceived is to upgrade approximately 60 km of roadway between Sea Castles to Mammee Bay from two lanes to four lanes costing US\$568 million and to be implemented under a Public-Private Partnership. NROCC has signed an agreement with the International Finance Corporation (IFC) which would guide development of the project.

NWA

Southern Coastal Highway Improvement Project – Part B Eastern Section

Madam Speaker, our work on the Southern Coastal Highway in the eastern section of the island being undertaken through the NWA is also at an advanced stage. This flagship project is much more than just a new road. We are:

- Widening and realigning the existing road to make it safer and more efficient,
- Upgrading the drainage,
- Building new bridges,
- Installing new water and sewer lines,

- Installing ducts for fiber optic cables, to support our National Broadband Communication Initiative, and
- Building sidewalks, installing streetlights and markings, and putting up signs to keep everyone safe on the road.

The eastern end of the project includes, a 17.4km 4-lane roadway from Harbour View to Yallahs Bridge, this is 87% complete with practical completion scheduled for April 2023, and the rehabilitation and resurfacing of 123.65 km of existing roadway from Yallahs Bridge to Port Antonio and Morant Bay to Cedar Valley broken down in 15 sub project packages. Ten of these packages, currently underway are in various stages of completion, and are expected to be completed in December 2023. The final five packages are scheduled to commence in 2023/24 and are expected to be completed in March 2025.

Madam Speaker, the plight of our citizens who have endured significant disruption to their daily lives due to these works is not lost on us. That is why your Government continues to examine the progress carefully with a view to making changes for better execution. Steady progress is being made and already communities are benefiting from the improvement in the infrastructure. This is the largest public investment in the parish, certainly since the Morant Bay Rebellion. Through the CHASE Fund, a museum will be built in Morant Bay to ensure that current and future generations are rooted and grounded in the knowledge of our rich cultural and historical heritage. It is the intention of this Government to develop the full potential of the Parish of St. Thomas which has largely been neglected since colonial times.

Special Capex Programme

Madam Speaker, I am pleased to announce the Government's J\$13 billion Special Capital Expenditure (CAPEX) Programme targeting six strategic high-traffic corridors will commence in earnest this fiscal year:

	PROJECT	STATUS	PROJECTED Start
1.	Dualization of Grange Lane Municipal Boulevard to Madrid Avenue	Contracting stage	Q1 2023/24 (Apr-Jun 23)
2.	Arthur Wint Drive to Tom Redcam to Camp Road	Final Studies & Designs	Q2 2024/25 (Jul-Sep 23)
3.	East Kings House Road and Lady Musgrave Road Barbican Road to Hope Road to Trafalgar Road	Final Studies & Designs	Q2 23/24 (Jul-Sep 23)
4.	Braeton Road and Hellshire Main Road	Final Studies &	Q2 2023/24
5.	Sandy Gully Bridge on Washington Boulevard (north side) Pembroke Hall to Ken Hill Drive	Final Studies & Designs	Q3 2023/24 (Oct-Dec 23)
6.	New Portmore Access Mandela Entry into Portmore; Bridge over Rio Cobre (Phase 1)	Final Studies & Designs	Q1 2024/25 (Apr-Jun 24)

This comprehensive programme comprises road and drainage improvements, potable water and sewer line upgrades, traffic management & road safety improvements, installation of street lighting, and provision of underground ducts for fibre optic cables to enable future broadband connectivity.

Investing in Community Roads

Madam Speaker, the Government has allocated JA\$6.9b to address road and bridges repair and maintenance and other costs dealing with civil infrastructure. This is clearly not enough to deal with all the roads in Jamaica which are in need of attention. We have made excellent progress on dealing with our highways and main thoroughfares. However, it is now time to address our secondary roads and our local roads. The Minister of Finance announced the Shared Prosperity through Accelerated Improvement to our Road Network (SPARK) programme where we will allocate JA\$40b to repairing approximately 2,000 secondary and local roads over the next three years.

Madam Speaker, by any standard repairing 2,000 roads is significant and requires a dedicated and effective management to undertake the exercise. However, it is in the scale of the project where economies and efficiency will make the planning, procurement and contracting less onerous and time consuming, and implementation and materials per kilometre of road less expensive. The NWA has already begun scoping the project and setting criteria for prioritization and selection of the roads to be repaired.

Madam Speaker, we do not want to waste resources excavating newly paved roads to repair water or other utilities. Using our GIS capabilities, the NWC and NWA will collaborate to determine the roads where water mains would not pose an issue for the overlay of the roads. Where water mains are old, or in need of upgrade, then those roads would still be treated under this programme, however they would be placed in a different implementation stream, since they would require more complex engineering and materials. Roads where no additional works are required, other than sidewalks and small retaining structures, would be the first to be selected for milling and overlay. This would immediately address many community roads, parochial roads and secondary roads where the road surface has been scoured or filled with potholes, but the subsurface, and drainage is generally intact.

The programme will also focus on resurfacing some “white roads”, these are roads where the asphalt has lost friction due to the type of aggregate used and the polishing effect of traffic over time. Improvement of intersections to include widening, installation of jersey barriers, signage and signaling would be done where the NWA deems necessary. Only public thoroughfares, meaning roads on the NWA register and the Municipal Authority register will be repaired under this programme. Housing scheme roads will be considered on a case-by-case basis.

Madam Speaker, MPs have been lobbying for a long time for such a programme, it is finally being developed, and they will play a key role in engaging and consulting their constituents in making recommendations on the roads to be repaired and the order of priority in which they are done. Further criteria will be applied to ensure value for money. The recommended roads must justify the expenditure and order of priority based on the volume of traffic they carry, the interconnectivity they facilitate, and the number of residences, businesses, and public facilities along the road.

Madam Speaker, we intend to finalize the policy framework and start the process of selection by June of this year. Roads that are assessed which only need overlay and other minor works will be prepared for immediate procurement.

Bridge Development & Maintenance

Madam Speaker, this year the NWA plans to construct three new bridges at a cost of just over JA\$1b, the Troy Bridge in Trelawny, Craigmill Bridge in Portland, and the Spring Village Bridge in St. Catherine. The NWA has already completed the designs and costings for these bridges and is now going through the public investment justification phase before going to procurement.

We know that there are many more bridges that need to be repaired and we are currently designing a programme to address the general replacement and repair of bridges island wide which will be announced in the next budget.

Public Transportation

Madam Speaker, I could not speak about roads without emphasizing that an efficient and orderly public transportation sector is not only critical for the development of any well-run society but is also essential for the daily lives of Jamaican citizens. Our vision is to have a professional transportation sector that is operated with pride, where the investors and operators are the strongest advocate for order and high-quality service from their industry. I know there are a significant number of transport operators who view public passenger transport as a formal business. However, too many operators see it as a hustle. We want to assist our transport operators to create a real industry out of public transportation. I have heard the voices of our public transportation operators and I am convinced that there is a critical mass that share this vision to develop a first-world public transportation sector.

Madam Speaker, the transport sector is multi-faceted and made up of a number of stakeholders, including drivers, owners/investors, and owners who are also drivers. Their concerns are varied and include the rising expenses that they are faced with, the need to access affordable financing to retool, and issues relating to appropriate places to stop, disembark and take on passengers. Some have expressed to me that they have no special facility for health insurance or pensions. While the transport sector is largely a private operation, there is a significant public service they provide and this Government is willing to work with our transport operators in meaningful ways to address their issues and improve their conditions. In the coming weeks, I will be arranging consultations with the various taxi groups to further explore their concerns.

Madam Speaker, to support the public transportation sector, the Government will be implementing the following:

1. **Cutting of renewal fees** for Route Taxi, Hackney Carriage, Rural Stage Carriage, and Contract Carriers of public passenger vehicles by 30% for a period of one year. This incentive is given to allow operators to regularize themselves and avoid tickets. During this period the Ministry of Transport and Mining has been directed to establish an updated database of all operators. While over 9,000 operators were able to benefit from the CARE programme to the tune of approximately \$300 million, too many operators were not able to access the programme for a variety of reasons including lack of registration or incomplete registration with the relevant authority at the relevant date.
2. **We must improve the quality of service, behaviour and awareness of our drivers. We will be introducing a short course for all Public Passenger Vehicle drivers to be**

administered by the Island Traffic Authority in collaboration with the HEART/NSTA Trust. Drivers will be invited to register for the course focused on the new RTA, defensive and courteous driving techniques, maintenance and sanitation procedures for vehicles, assistance with establishing bank accounts and digital wallets, and the use of digital payment technologies. **All drivers who register and complete the course will be formally certified and receive a \$25,000 grant from the Government. Specifically for motorcycle riders, we will be making 10,000 helmets available free of cost for those who go through a short course.**

3. Last year the Government announced a special loan window for transport operators to refleet or upgrade their vehicles. We are currently recrafting the existing DBJ loan facility to facilitate access on **preferential terms for persons who would like to change their current vehicle or motorcycle to an electric vehicle or motorcycle.** Our preliminary analysis shows that electric vehicles could be very efficient for certain types of taxi operations.

4. The NWA has been directed to collaborate with the Ministry of Transport to **assess the adequacy of parking, loading bays and approved stops in all urban areas and townships and along all approved routes.** Where these facilities overlap with roads on the SPARK programme they will be addressed as the roads are improved. The NWA will however prepare a specific budget for high use and critical loading areas and parking area to be funded in the next budget.

Madam Speaker, we want to transform public transport in Jamaica, the above measures along with the 100 electric buses announced last week is a significant seed in that transformation.

HOUSING

Housing Starts

Madam Speaker, the table displayed shows the progress achieved on the Government's commitment to build 70,000 houses. With current developments, completed, under construction, in negotiations, budgeted, or in planning and design, we have in train 57,212 units of the 70,000 we have committed to building.

Table 1: Actual and Planned Housing Starts

	ACTUAL STARTS	PROGRAMMED				TO BE PROGR AMMED	TOTAL STARTS
	TO 2022/23	2023/24	2024/25	2025/26	TOTAL		
NHT	3,350	8,595	14,539	13,596	40,080	3,000	43,080
HAJ	3,383	2,612	837	1,500	8,332	5,668	14,000
GREATER BERNARD LODGE DEVELOPMENT	1,680	1,320	2,000	2,000	7,000	8,000	15,000
SOCIAL HOUSING	150	550	550	550	1,800	-	1,800
GRAND TOTAL	8,563	13,077	17,926	17,646	57,212	16,668	73,880

National Housing Trust

The National Housing Trust continues to align its strategic efforts and its business model towards facilitating the efficient production of low-cost housing solutions for its contributors.

The Trust has progressively increased its annual expenditure and investment in housing (i.e., mortgage financing and housing construction financing). The NHT's housing expenditure increased from \$21.59 billion in 2013/2014 to \$46.51 billion in 2021/2022 and will further increase to a projected \$48.17 billion by the end of the 2022/2023 financial year. The Trust is projected to achieve 1,742 starts and 1,677 completions for the 2022/2023 Financial Year and there are 5,198 units currently under construction across 24 projects in the housing portfolio.

NHT Special Projects

Madam Speaker, as someone who grew up in a housing scheme house and understands the deterioration and blight that has overtaken many of these schemes due to lack of maintenance and the passage of time, in 2019, I announced the Scheme Upgrade Programme. The programme started out with 49 schemes and has now expanded to 86 communities. Of this, 48 have been completed and 10 are in progress. The remainder are in various stages of planning. A total of \$1.8b of the \$4b budgeted for the programme has been expended to date. In the 2023/2024 Financial Year, the NHT will provide an additional \$2b allocation to facilitate the rehabilitation of other non NHT but GOJ-developed housing schemes.

Let me mention a few of these schemes which would have been developed years ago under the Ministry of Housing and the Sugar Workers Housing Project.

The Trust is projected to achieve 1,742 starts and 1,677 completions for the 2022/2023 financial year and there are 5,198 units currently under construction across 24 projects in the housing portfolio.

HOUSING DEVELOPMENT – SCOPE OF WORKS	PROJECT OR PROJECT EXPENDITURE	COMMENTS
Annette Crescent Apartment Complex , Kingston & St. Andrew Developer: Ministry of Housing Scope of Works: Phase I - Paving of Parking Area & Connection to NWC's Sewage System Scope of Works: Phase II – Updates to Apartment Complex to include painting, application of waterproofing membrane, upgrades to common areas	Project Budget - \$40M Expenditure to Date - \$2.6M	Phase I – Completed Phase II – In Planning
Shrewsbury Phase I , Westmoreland Developer: Sugar Industry Housing Limited Scope of Works – Rehabilitation of roads and drains	Project Budget - \$60M	Discussions are in progress regarding the scope of Works. This should be completed in order for the Works to be tendered in May 2023.
Hayes/New Town Housing Scheme , Clarendon Developer: Sugar Industry Housing Limited Scope of Works – Rehabilitation of roads and drains	Expenditure to Date: \$44.4M	Project is at Practical Completion

HOUSING DEVELOPMENT – SCOPE OF WORKS	PROJECT OR PROJECT EXPENDITURE	COMMENTS
Scope of Works – Rehabilitation of roads and drains		
Hayes/New Town Housing Scheme , Clarendon Developer: Sugar Industry Housing Limited Scope of Works – Rehabilitation of roads and drains	Expenditure to Date: \$44.4M	Project is at Practical Completion
Lionel Town , Clarendon Developer: Sugar Industry Housing Limited Scope of Works – Rehabilitation of roads and drains		Project is out to tender.
Stockholm , St. Mary Developer: Ministry of Housing Scope of Works – Rehabilitation of roads and drains	Expenditure to Date: \$48.4M	Project is at Practical Completion
Hague Housing Scheme , Trelawny Developer: Sugar Industry Housing Limited Scope of Works – Rehabilitation of roads and drains	Project Budget - \$60M Expenditure to Date: \$50.2M	Project is at Practical Completion.
Duhaney Park Condominium , Kingston & St. Andrew Developer: JV with Ministry of Housing Scope of Works – Painting of building, application of waterproofing and installation of canopies	Expenditure - \$30.7M	Project Closed

The NHT's Five-Year Housing Programme

Madam Speaker, the National Housing Trust has committed to 43,000 housing starts, representing just over 60% of the national target of 70,000 housing solutions. Consequently, the NHT embarked on a Five-Year Housing Plan for the period 2021/2022 to 2025/2026. Under the current housing programme, the NHT will prioritize housing developments at price points accessible to contributors in the lowest income groups.

Though the Housing Plan is currently behind schedule because of the disruption of the pandemic, the NHT expects to achieve its target of housing starts. To date, NHT has identified projects, lands and programmes which will produce 47,685 housing starts over a five-year period ending in the 2025/2026 financial year.

The main mechanism through which the NHT will deliver its Housing Programme will be the Developers Programme and the Guaranteed Purchase Programme (GPP). The following details the Five-Year Housing Plan, by parish:

PARISH	NUMBER OF SOLUTIONS	PROJECTS
St. Catherine	3,322	Bernard Lodge (Dunbeholden) (280); Hellshire Phase 5 (150); Old Harbour (2,000); Villages of Colbeck 5 (492); Villages of Colbeck 6 (400)
St. James	2,552	Barrett Hall (1,565); Spot Valley (418); Adelphi (217); Irwin (86); Mount Salem (180); Canterbury (86)
St. Elizabeth	2,173	Luana (360); Friendship Oaks Phase 2 (543); Holland Estate (600); Brompton Manor 2 (600); Kensington (600)
St. Ann	2,507	Minard (492); Bromley (1,065); Ridge Estates (600); Glasgow (350)
Kingston and St. Andrew	1,226	Ruthven Towers Phase 2 (234); Surbiton Apartments (70); Howard Avenue Apartments (280); St. Paul's Lane (22); Bay Farm Road (72); Rasta City (130); Bellrock (18); Institutional Loan Programme (400)
Westmoreland	2,062	Negril Spot (1,040); Fontabelle (355); Barham (120); Orolands (520); Shrewsbury 2 (27)
Hanover	2,555	Point Resettlement (135); Ramble (500); Hopewell Point (1,920)
Clarendon	6,383	Toby Abbott (350); Longville 4 (5000); Sheekles 2 (300); York Town (33); Carlsberg Estate (200); Longville Park Pen (500)
Manchester	1,968	Mount Nelson (1,468); Albion (500)
Trelawny	2,600	Dry Valley (1,300); Dundee (1,300)
Portland	905	Woodstock (600); Passley Gardens (305)
St. Mary	360	Galina (300); Industry Pen (60)
St. Thomas	2,685	Rozelle (660); Leith Hall (2,000); Hector's River (25)
TOTAL	31,298	

Policy Response to Housing Market Developments

Madam Speaker, historically, the National Housing Trust (NHT) has referenced developments in the housing market to inform adjustments to loan limit and interest rate structures. This is done periodically to improve affordability for all contributors. In 2019, the NHT loan ceiling was increased from \$5.5 million to \$6.5 million—an 18.2% increase; interest rates for all mortgagors were reduced and the income bands were realigned.

In keeping with the policy position that subsidies should be applied where they are most needed, a new interest rate band will be introduced effective July 1, 2023 for persons earning over \$100,001.00 per week at a 5% interest rate.

Proposed Adjustments to the Income Band & Interest Rate Structure

NEW INCOME BAND & INTEREST RATE STRUCTURE			
Existing Income Bands and Interest Rates		New Income Bands and Interest Rates Effective July 1, 2023	
Income Band	Interest rate	Income Band	Interest rate
minimum wage to \$30,000.99 weekly	0%	Minimum wage - \$30,000.99 per week	0%
\$30,001.00-\$42,000.99 weekly	2%	\$30,001.00 - \$42,000.99 per week	2%
above \$42,001.00 weekly	4%	\$42,001.00 – \$100,000.99 per week	4%
		Over \$100,001.00 per week	5%

Madam Speaker, the distribution of NHT contributors by the income bands shows that 66% of NHT contributors are eligible for mortgage financing at 0% interest and less than 8% of contributors will fall into the new 5% rate band.

Review of the NHT Loan Limit

The Trust is mindful that housing construction costs, influenced in part by global supply chain issues and energy prices have increased significantly over the past five (5) years. Therefore, a review of the NHT's loan limit has been undertaken, with the intent of improving the affordability to contributors. As a result, the loan limits will be increased to bring the maximum benefit in closer alignment with prevailing market conditions.

Madam Speaker, effective July 1, 2023, the general loan limit for a single applicant will be increased to \$7.5m, up from \$6.5m—a 15% increase. However, where a single contributor is buying a housing solution priced at \$12m or less, the contributor may access up to \$8.5m towards mortgage financing for that unit. **Madam Speaker**, this is to incentivize housing developments in the affordable housing for low income earners. This will also create more effective demand for housing solutions at the targeted price point.

The NHT will continue to provide 100% financing for NHT Scheme units (houses built by the Trust), subject to the availability of funding for such purposes.

Two persons applying jointly will be able to access funding of up to \$15M, up from \$13M.

Madam Speaker, in 2022, the NHT re-introduced its policy to allow up to three (3) contributors to co-apply for a single NHT Scheme unit (two-bedroom units or larger) to better improve affordability. A key provision of this policy is that proof must be established that the applicants are bona fide family members, and have demonstrable kinship ties (for example, wives, husbands, children and siblings). In light of the proposed revised loan limits, three co-applicants will be able to access funding of up to \$21m, up from \$19.5m.

Madam Speaker, the limits will also be increased for Home Improvement Loans, House Lot Loans, 10+ Loans for Public Sector Workers and 15+ Loans from \$2.5 million to \$3.5 million.

Minimum wage earners contributing to the NHT for a minimum of 7 years will be eligible for an increased home grant of \$3.5 million, up from \$2.5 million, toward the construction of a starter home or improvement of an existing structure.

Housing Agency of Jamaica

Madam Speaker, I will give a brief update on the activities of the Housing Agency of Jamaica which is to undertake 14,000 housings solutions out of the 70,000 to which we committed. The HAJ has achieved approximately 4,000 housing starts to date. Over the next four (4) years, the HAJ is projecting approximately 10,000 housing starts and just over 6,000 deliveries. The Government has heard the calls from citizens in the rural areas and I am happy to announce that approximately 95% of these solutions will be constructed in the parishes of St. Catherine, St. Elizabeth, St. James and Trelawny.

Madam Speaker, in my constituency, there are several informal settlements. After a fire which destroyed several board structures, I took the opportunity to rebuild and regularize the area. Regularizing unplanned communities can be quite challenging and rebuilding them is a complex undertaking. With the help of the NHT, JSIF, NWC and the HAJ, we were able to clear a half-acre section of the 3 ½ acre community to build 24 new housing solutions for the persons who were burnt-out and those whose structures we decided to replace. A critical element of the project was sewerage connection to facilitate the density of households on the land. Decanting the families to start construction was another challenge, however, the residents are resourceful, and the constituency fund was able to support rent for some families. Construction work has started, and the units are contracted to be completed in a record 6 months based on the prefabricated building methodology used. Speed of construction is critical for projects like this as the dislocation and discomfort to families can be frustrating and residents could easily lose hope in the process.

Madam Speaker, there are many small informal settlements like the St. Pauls Lane project which need urgent attention. The key is to shorten the construction time, so that relocation and household disruption is minimized. We are carefully studying this project to see how we can apply the modality to other informal settlements. The intention is to replicate and scale up this project across the island.

Madam Speaker, this Government has rapidly increased the pace of new housing solutions to give affordable options to all Jamaicans. Last year, on the Bernard Lodge Development it was discovered that unapproved and unplanned housing was being constructed. The persons building the houses were scammed into believing that they had legitimately purchased the land. The situation was quite unfortunate and is a cautionary tale to all persons involved in land transactions. The Government could not allow the unapproved construction to stand. Our policy is orderly and equitable development. The SCJ has been directed to find alternative sites for those persons who have come forward to claim the unapproved structures which were taken down. One young lady, Shaniel Francis was understandably very distraught at the situation of being scammed and her unfinished structure taken down.

Madam Speaker, I went to visit the people and we had open and frank discussions about informal settlement of land. I spoke with Shaniel and others who were affected and assured them that because we are a Government of equity, and a Government that truly cares about the people, we will ensure that they get access to own land legally and for which they can get a title. Today, Shaniel is the first of those affected in the land scam at Bernard Lodge to be allotted a plot of land and I will be assisting her with the legal building of her house.

Port Authority of Jamaica

Port Royal Museum

Madam Speaker, the Port Authority continues to invest in the historic national asset of Port Royal. Construction work on the Port Royal Museum building is advancing and is slated for completion by the end of May 2023. Following that, the selected operators will build out the museum interior and displays. It is anticipated that the facility will be operational by December 2023.

Port Antonio

Madam Speaker, the House will recall that in 2022, I had given directions to the PAJ to develop the East Harbour as a cruise port and to develop the lands surrounding West and East Harbours, Titchfield Hill, Navy Island, Boundbrook and the Folly Lands utilising a PPP framework to construct appropriate hotels, resorts, residences, shopping, galleries, and restaurants.

Madam Speaker, the concept is to create a low-density, high-value, sustainable tourism product, that is in keeping with the unique character of Portland. This long-term development will be the largest and most ambitious of its type in the region and will bring jobs and opportunity for the people of Portland.

The procurement process for the award of a consultancy contract to develop the Master Plan for the entire area is complete. The Master Plan is the first and probably the most important step in any such development. It not only defines the development and determines the location of infrastructure, it also establishes the logical sense of how the proposed development will connect to the surrounding area. It is expected to be ready by September 2023, following which various components which flow from the plan will be mobilized.

Public Bulk Port for Aggregates

Madam Speaker, regional demand for aggregates has expanded significantly as a result of the closure of large quarries serving the North American market, the increased demand for limestone to facilitate construction of buildings and infrastructure in fast-growing areas such as Guyana, and housing construction in Turks and Caicos, Cayman Islands and other countries.

Jamaica has the opportunity to satisfy some of this demand and various local businesses have been seeking to identify potential locations from which aggregates can be mined and exported to the respective countries. Logistics, however, is a critical element of the considerations to ensure success by reducing the cost of transport and mitigating the impact to road infrastructure.

I have tasked the Port Authority to explore the feasibility of developing ports in Trelawny and St. Thomas where there are concentrations of quarries and medium/large operators. Construction of a new public aggregate port is expected to cost in the region of US\$20 million and will take over a year. In the meantime, to address the short-term requirements, the PAJ has been exploring the use of ports belonging to the bauxite and alumina firms (Reynolds, Port Kaiser, Port Rhodes, Rocky Point, Port Esquivel) and the gypsum port.

Madam Speaker, the private sector can be assured that the Government, through the PAJ will do whatever it can to support the development of this new mining opportunity.

Port Expansion and Near Port Logistics

Madam Speaker, members will recall last year, our ports experienced significant congestion. It was a clear sign that the Port of Kingston needs more capacity. The Port Authority is now in negotiations with the concession operator of the port, Kingston Freeport Terminal Limited, to lease sections of the West Lands (between the port and the Portmore Causeway) to accommodate an expansion of the storage area to reduce congestion on the terminal.

In addition to container storage capacity, there is growing demand for near port logistics, assembly and light manufacturing. The Port Authority has developed plans to build out more of these facilities. The only land now available to facilitate the near port logistics expansion is Tinson Pen. I have directed that the Port Authority, the Airports Authority, and the NWA develop a comprehensive plan to enable use of the Tinson Pen lands for this purpose. This will involve the transfer of operations of the Tinson Pen Aerodrome to the Norman Manley International Airport. Marcus Garvey Drive would be realigned to run behind the Tinson Pen Lands releasing approximately 100 acres of land to be seamlessly incorporated into the curtilage of the port.

Madam Speaker, these two developments, along with ongoing work on the Caymanas Special Economic Zone (CSEZ), will set the stage for a doubling of the capacity of the Port of Kingston and fulfil the shared vision of Jamaica becoming a logistics hub. This administration is taking the bold steps to turn vision into reality.

Urban Development Corporation

Madam Speaker, the mandate of the Urban Development Company (UDC) is to ensure the planned and orderly development of Jamaica in a sustainable and holistic manner, within the framework of national priorities. The UDC's priority projects over the next five years are:

Portmore Resilience Park/Climate Change Park

Madam Speaker, the Harmony Park in Montego Bay has transformed the recreational life in the city and as we move closer to declaring parish status for Portmore, the UDC will create a centralized park in Portmore that will be a hub for recreation, sports, wellness, and will be an entertainment space for the community. The development will be on a 26-acre property; 18 acres will be used for the park, approximately five acres reserved for the Ministry of Transport, and 2.75 acres reserved for a commercial space. The value of investment is \$3 billion. Construction is expected to begin in August 2023 and is estimated to last two years. The park will be named "Resilience Park" for its focus on using climate smart designs and technology to ensure sustainability.

Kingston Harbour Park

Madam Speaker, the Minister of Finance in his address updated Parliament on advancements with the World Bank to develop aspects of the linear park concept I announced in 2021 for the development of 21 kilometres of the Kingston Waterfront, from Ocean Boulevard in downtown Kingston to Port Royal in East Kingston.

Madam Speaker, the project area will be sectioned to allow for implementation on a phased

basis:

Segment 1 – Downtown to Ministry of Foreign Affairs Building; with an investment value of JMD4.5 billion. This is the immediate focus area to anchor the wider development of Downtown Kingston

Segment 2 – Rae Town to Harbour View; with an investment value of JMD13 billion, and

Segment 3 – Harbour View to Port Royal.

Funding negotiations have been initiated with the World Bank and the Caribbean Development Bank. Consultancy Services for feasibility studies and designs are now being procured.

The New Houses of Parliament Building

The UDC will manage the construction of the new Houses of Parliament building at the National Heroes Park. **Madam Speaker**, the bids to commence the construction are currently being evaluated. It is our intention to break ground in the first quarter of 2023/24 and start construction in the second quarter with estimated completion in June 2025. The new Parliament building will become the fulcrum of development to transform downtown Kingston. I will be declaring the Parliament construction a National Strategic Project to signal the importance and priority nature of the project. The vision of the founding fathers of the nation was that National Heroes Park would become the administrative seat of government, with the Parliament in the centre of the park and ministries and civic buildings surrounding. The intention to do this was clear with the location of the Ministries of Finance, Social Security and Education. Like so many of our national vision and plans we have been distracted, diverted, indecisive or just incapable of turning vision into reality, not realizing that the longer we wait the harder it is to get done. Let us be the generation of Jamaicans who get things done.

Factories Corporation of Jamaica

Madam Speaker, the FCJ has been mandated to develop integrated business complexes across the island. I am happy to report to the nation that during 2022/2023, the FCJ completed the Garmex Redevelopment and Expansion Project with a total of 126,000 sq. ft of space and 71% of the space is now fully occupied. Applications are currently being reviewed for the remaining 29% of the space.

In addition, construction of the next two phases have started and this will facilitate the development of another 250,000 sq.ft. of space making the Garmex Freezone complex, the largest industrial and commercial complex in the English-speaking Caribbean with approximately one million square feet of space. Of special note, the Government has mandated that 30 percent of the space being developed be dedicated to small and medium-sized businesses.

Morant Bay Urban Centre

Madam Speaker, in 2017, we announced the Morant Bay Urban Centre. Though we were set back by the pandemic, the construction phase of the project got underway in April 2022 with the start of preparatory works. Full construction has now begun on the spaces dedicated to some of the major anchor clients. Among the entities that will take space at the Town Centre are the St Thomas Municipal Corporation, the Ministry of Justice through the St. Thomas Parish Court, all other government entities located in Morant Bay and several private sector companies including

banks, BPOs and quick-service businesses. The old Goodyear factory which has been idle for decades is now being transformed into the new hub of economic and social activity for the Parish of St. Thomas. The development will employ over 3,000 persons and bring modern services and facilities to the people.

Boundbrook Urban Centres

Madam Speaker, the Boundbrook Urban Centre in Port Antonio follows the model of the Morant Bay Urban Centre and is closely related to the plans outlined earlier for the redevelopment of Port Antonio. The architectural design for the project is complete and it is going through the approvals and permitting process. One hundred and twenty-six thousand square feet (126,000 sq.ft) of rentable space will be constructed, already 54% has been reserved through signed space reservation agreements.

Negril Town Centre

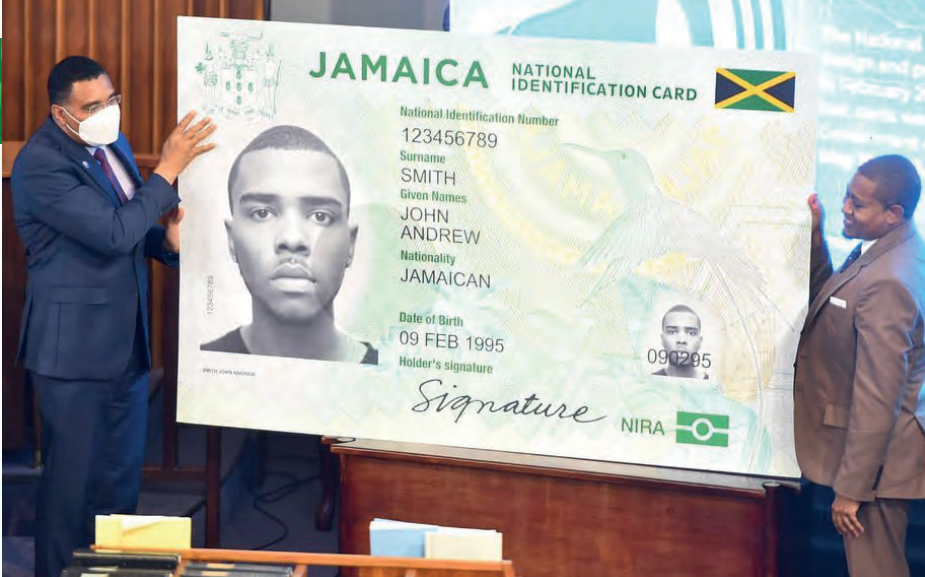
Madam Speaker, Negril is one of our premier tourist destinations and in need of a comprehensive plan to realize its potential. Within the upcoming fiscal year, we will present a comprehensive development plan which will include an International Airport, a public beach park, a craft village and with the help of the United Nations Environment Programme (UNEP), a restored Royal Palm Reserve.

As a fast-growing town, Negril is without any major commercial, industrial, or civic complexes. I have tasked the FCJ with developing an Urban Centre for the town similar to the Morant Bay Urban Centre. The FCJ has identified land strategically located in the centre of the town and has started consultation with the relevant stakeholders regarding its use.

Integrated Waste Management Project

Madam Speaker, the Integrated Waste Management Enterprise Team is currently holding consultations on the draft final Business Case for the Integrated Solid Waste Management Public-Private Partnership Project, which will provide a more environmentally friendly and sustainable way of collecting and treating solid waste in Jamaica.

This project will involve investments by the Private and Public Sectors where the private party, through a long-term contract, will design, finance, build, operate and transfer world-class waste management infrastructure and facilities. The Government is confident that this new system will optimize waste collection and transportation and will introduce more efficient and environmentally friendly treatment methods such as waste-to-energy technology and a sanitary landfill, designed and operated to meet current international environmental standards.



2023 BUDGET PRESENTATION

SOCIAL PARTNERSHIP AND UNITY

FROM VISION TO REALITY:
NURTURING S.E.E.D.S

FOR PEACE, OPPORTUNITY & PROSPERITY

SOCIAL PARTNERSHIP AND UNITY

Madam Speaker, allow me to briefly speak about our National Partnership Council. Last year we committed to continue to strengthen our Social Dialogue Framework and in that vein, we were able to sign our new Partnership Agreement - **A Partnership for Jamaica's Strong and Sustainable Recovery**, with five (5) strategic pillars, namely: Prosperity, Peace, People, Planet and Partnership. The agreement was signed by our Trade Unions, Civil Society Groups, the Church, the Private Sector and the Leader of the Opposition on behalf of the Opposition.

Our Partnership Council and its Coordinating Committee have had regular meetings and have examined significant issues such as the Rio Cobre pollution, education transformation and crime. Last year, through the work of Acorn and the Partnership Council, Jamaica took another fundamental step in entrenching the Partnership through the declaration of the region's first ever National Partnership Day. Now, on October 25, every year, we will commemorate Jamaica's National Partnership Day.

Madam Speaker, we have recommended the Vale Royal Talks and I want to thank the Umbrella Group of Churches for hosting the recent rounds of talks on February 19, 2023. The meeting focused on important issues of National Security and Constitutional Reform. These talks have now become part of Jamaica's democratic institutional tradition and I am optimistic that the talks will foster greater consensus on challenging national issues. **Madam Speaker**, I am pleased that, with the naming of the Opposition representatives, the work of the Constitutional Reform Committee, which will advise on the process to transition Jamaica to a Republic, can now commence in earnest.

Finally, I would like to use this platform, **Madam Speaker**, to express my deepest gratitude to Ward Mills, who has been a foundation member of Jamaica's Partnership Council and who has indicated that he would finally like to enjoy a fulsome retirement from public life. He has served this country, the Partnership Council and the concept of social dialogue well and we all applaud his invaluable contribution.

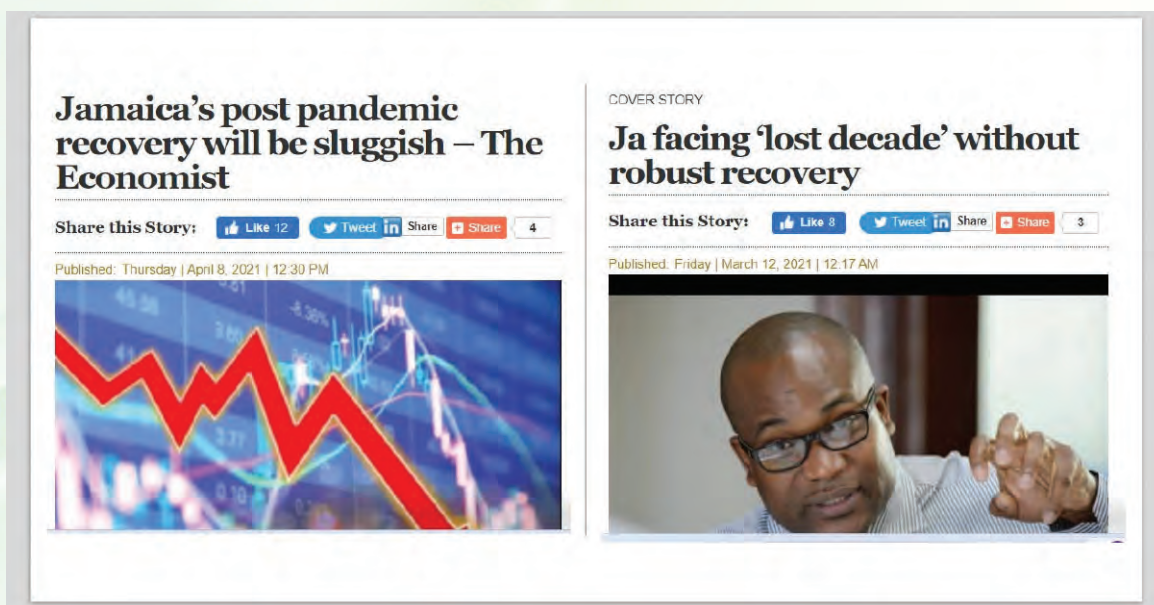
Madam Speaker, this Government is committed to working in partnership with all stakeholders to herald a new era of **Peace, Opportunity and Prosperity**.

CONCLUSION

Madam Speaker, there can be no denying that the overlapping global crises of the past three years have been the most severe in eight decades, and their impact has been felt by developed and developing countries alike. In Jamaica, we have faced a crisis of unprecedented magnitude, one that no previous government has had to grapple with. Despite these challenges, I am proud to say that Jamaica has remained steadfast and resolute.

Jamaica stands tall among the family of nations, respected for our remarkable resilience and strength.

- Economic output is higher than before COVID
- More Jamaicans are employed than before COVID



- Our debt as a percentage of GDP is lower than before COVID

Madam Speaker, consider the predictions for Jamaica during the pandemic:

- The Gleaner Cover Story of March 12, 2021 said “Ja facing ‘lost decade’ without robust recovery”
- An article in the Gleaner on April 8, 2021 was headlined “Jamaica’s post pandemic recovery will be sluggish”

Madam Speaker, Professor Orlando Patterson's recent book has aptly referred to Jamaica as "The Confounding Island". Despite the numerous challenges faced by our nation, we have managed to defy the predictions of the sceptics and achieve an economic recovery that can only be described as miraculous. For much of our history, Jamaica was viewed as a cautionary tale of poor economic management, but today we are hailed as a shining example of successful crisis management. Our recovery has been swift and impressive, and we have become renowned globally not only for the speed of our world-class athletes but also for the speed of our economic

FROM VISION TO REALITY: Nurturing S.E.E.D.S for Peace, Opportunity and Prosperity



Jamaica's economic performance 'close to a miracle', says *Financial Times*



turnaround.

Madam Speaker, Jamaica was top ranking in the recovery of certain sectors, in particular the hotel and tourism sector. Montego Bay was ranked the No. 1 International Tourist Destination in the third quarter of 2022 ahead of Punta Cana, Cancun, Orlando, Paris, Milan and Madrid.



Madam Speaker, the success that we celebrate today is not solely attributed to the Government, but rather it belongs to every Jamaican who has played a role in our nation's progress. From the valiant efforts of our healthcare workers, police officers, firefighters, and teachers, to the contributions of our farmers, construction workers, tourism workers, retailers, transport workers, BPO workers, and entertainers, indeed every Jamaican has made a vital contribution to our collective success. It is a triumph that we all share, and one that every Jamaican should take pride in.

However, **Madam Speaker**, we must acknowledge that this achievement has not been without

its challenges. The Jamaican people have made significant sacrifices. It is the right of every Jamaican to benefit from this success, and this administration believes in sharing prosperity. As our economy continues to grow stronger, we continue to work to ensure that the economic benefits are shared widely and equitably to reach every Jamaican.

Madam Speaker, this administration is fully committed to providing minimum wage earners with a liveable wage. As part of this commitment, the Minister of Finance has announced a Trillion Dollar Budget with **NO NEW TAXES**. This is a clear strategy by this Government to ensure that there is no erosion of the income of Jamaicans.

We recognize that the contribution of minimum wage earners, such as household workers, artisans, labourers, store clerks, and security personnel, is vital to the success of our manufacturers, hotel professionals, lawyers, doctors, and teachers in meeting our national productivity and service targets.

Therefore, we are pleased to announce that starting from June 1, 2023, the national minimum wage will increase from \$9,000 per 40-hour work week to \$13,000 per 40-hour work week, representing a 44% increase - the largest percentage increase that any Government has ever given to minimum wage earners in Jamaica in the last 20 years.

Madam Speaker, since assuming office in 2016, the minimum wage has increased from \$6,200 to \$13,000, a 110% increase over seven years. Cumulative inflation over that period is less than 50%, and even in US dollars, it represents a 66% increase. This Government has done more than any previous Government to create prosperity for Jamaica and Jamaicans, and we are proud to share the gains with all.

Madam Speaker, I know everyone is wondering what the Government intends to do for the security industry.

The security industry supports every other industry in Jamaica. **Madam Speaker**, this administration is deeply saddened by the fact that in recent times so many of our security guards have come under attack and too many have lost their lives on the front line. We have engaged employers in the security industry to improve the conditions of work for our security guards, ensuring that the necessary statutory payments are made so that they will qualify for housing and national insurance pension.

Today, I announce a significant increase in the minimum wage for our industrial security guards. The minimum wage for industrial security guards will move from \$10,500 per week to \$14,000.

Madam Speaker, these increases will also take effect from June 1, 2023.

Madam Speaker, I now turn to our National Insurance Scheme and National Insurance Pensioners. Members will recall that the actuarial review of 2013 showed a dismal state of affairs and that the sustainability of the NIS was threatened if immediate steps were not taken. In fact, the projections at that time were that cash flow would be negative by 2025 and the Scheme would be bankrupt or run out of money by 2033. **Madam Speaker**, the administration that I lead, took decisive and deliberate steps to implement a raft of reform measures, the last of which was implemented in 2022. Today I can stand here and say that those measures have borne fruit. The latest actuarial review, which was completed in January 2023, shows that the viability and life of

the Scheme has been extended by some 15 years.

Madam Speaker, pensioners are among the groups that have been ravaged by the recent high inflation. I am therefore pleased to announce that, based on the performance of the National Insurance Fund and the recommendation of the actuaries, the old-age, widow, widower and invalidity pensions and all other benefits payable under the National Insurance Scheme will be increased. Effective April 1, 2023, the flat rate for the minimum weekly pension will be increased by 74% moving from \$1,700 to \$3,000 per week. Those pensioners who currently receive \$2,550 per week will now receive \$3,500 per week a 37% increase and those at the top will receive a 24% increase moving from \$3,400 to \$4,200 per week.

Madam Speaker, a number of other benefits under the NIS will also be increased effective April 1, 2023 and will be announced by the Minister of Labour and Social Security.

Madam Speaker, none of this would have been possible if, like previous crises –the oil shocks of the 1970s, FINSAC, and the global financial crisis of 2008, Jamaica had emerged weak, vulnerable and without any reserves or buffers to withstand future shocks. We can share the gains because we have a strong economy. Through bold and prudent management and the grace of God, Jamaica is stronger and more resilient today than before COVID.

Madam Speaker, the slide now being displayed shows that by any objective measure Jamaica is in a far better place today than when my administration assumed office in 2016.

	2016	NOW
Unemployment rate	13.7%	6.6% (latest available July 2022)
Youth unemployment rate	32%	16.7% (latest available July 2022)
12-month currency movement	Devaluation of 5.4%	Revaluation of 0.3%
Net International Reserves	US\$2.3 billion	US\$3.9 billion
Debt to GDP	120%	80%
Corruption Perception Index	Index 39/100 Global Ranking 83rd	Index 44/100 Global Ranking 69th
Poverty Prevalence Rate	21.2%	11.0% (latest available 2019)

- Unemployment has declined from 13.7% to 6.6%.
- Youth unemployment has declined from 32% to 16.7%
- Our exchange rate is much more stable. In the 12 months before I assumed office, the Jamaican currency depreciated

by 5.4%. In the last 12 months, the currency has appreciated by 0.3%

- Our net international reserves have increased by 70% from US\$2.3 billion to US\$3.9 billion
- Our Debt-to-GDP has declined by 40 percentage points from 120% to approximately 80%
- Our Corruption Perception Index has improved from 39 to 44 and our global ranking has improved from 83rd to 69th. **Madam Speaker**, no administration has invested more in building and strengthening the national anti-corruption framework and institutional capacity. The current Integrity Commission was established under this administration, **Madam Speaker**.
- And most importantly, **Madam Speaker**, the Poverty Prevalence Rate was 21.2% when my administration came to office and we reduced it to 11% before the onset of the pandemic. While the figures are not yet available, we expect that there would have been an increase during the pandemic.

Madam Speaker, Jamaica is moving in the right direction.

- When the Opposition Leader talks about taking Jamaica in a “new direction”, I don’t know which direction he is talking about but I know Jamaicans do not want to go back to the days of “run wid it”.
- The Opposition Leader also cited increased tax collections under this administration as evidence of tax increases.
- **Madam Speaker**, for decades, Jamaicans have been saying to the Government – increase tax revenue by growing the economy and by improving enforcement and collection, not by putting more taxes on an already overburdened population. **Madam Speaker**, this administration has done exactly that.

Madam Speaker, Jamaica’s strength and resilience in the face of the unprecedented challenges of the past three years is a testament to how far we have come in our quest for economic independence. It is the most tangible testament that Jamaica is headed in the right direction. It is the clearest demonstration of what we can achieve as a nation if we work together with focus and determination.

I have never been more convinced that as a country, we will be better able to manage the challenges that may lie ahead and take advantage of the opportunities that will emerge even as we move boldly to take charge of our own destiny with the Eternal Father guarding us with His mighty hand. **I have never been more convinced that a future of Peace, Opportunity and Shared Prosperity for all Jamaicans is within our reach.**

Madam Speaker, in the words of Matthew 7: 24-25, we are building Jamaica like “a wise man who built his house on the rock, the rain came down, the streams rose and the winds blew and beat against that house; yet it did not fall because it had its foundation on the rock”.

We as Jamaicans have faced adversity on this journey. The road has not been easy, and we have encountered many obstacles along the way.

In the true indomitable Jamaican spirit:

- let us continue our journey on the path set,
- let us not regress to failed ideologies,
- let us not look back on the destructive policies from which we have escaped,
- let us not veer off the path of fiscal discipline, social transformation and economic development, to wander into the wilderness of promises.

We know we have come too far and made much progress to turn back to them. Their time has passed!

Jamaicans, we stand together.

We are strong, we are capable, and we are determined.

Let us keep pushing forward, together, to realize the glorious potential of our blessed land.

May God Bless Us All and May God Bless Jamaica Land We Love.

