

Gov't Will Work to Amicably Resolve Pension Issues – PM

PRIME MINISTER the Most Hon. Andrew Holness is assuring public sector stakeholders that the Government will work to amicably resolve any issues they may have with the proposed pension scheme reforms.

“The posture of the Government will be to work towards resolution and not antagonism. When we are talking about the quality of life in the future for our people, who have worked very hard and are ready to retire, it shouldn't be on the basis of contention,” he emphasised.

The Prime Minister was addressing Sagicor Group Jamaica Limited's Pension Investment Seminar at the Jamaica Conference Centre in downtown Kingston on February 21.

Mr. Holness said he has been following the public discourse and listening to the concerns being presented by the various stakeholders, and that a cooperative



Prime Minister the Most Hon. Andrew Holness (centre), observes as President and Chief Executive Officer of Sagicor Group Jamaica Limited, Richard Byles (left), explains an interactive chart depicting various aspects of retirement planning which was mounted as part of Sagicor's Pension Investment Seminar, held at the Jamaica Conference Centre in downtown Kingston, on February 21. At right is Sagicor Chairman, R. Danny Williams.

approach will be taken in addressing these matters.

In the meantime, the Prime Minister informed that as part of its economic strategy, the Government will be looking at how best

to match pension funds with long-term investments, such as infrastructure and real estate.

“The best way to secure pension funds is to have them tied into long-term

income generating projects such as infrastructure projects, because the infrastructure will be around 50 years from now, generating income,” he said, adding that the Economic Growth Council has started to examine how this can be done.

Public sector pension reform is aimed at making the system more affordable and sustainable for the State, while providing adequate pension benefits.

PIOJ Projects Growth of 3% for 2017/18

The Planning Institute of Jamaica (PIOJ) is projecting growth of three per cent in Gross Domestic Product (GDP) for the 2017/18 fiscal year.

This is based on the productive activities in both the goods and services industries, led by strong showing in agriculture, forestry and fisheries.

In the agency's forecast, the construction industry is expected to be bolstered by efforts of the Government to accelerate implementation of major road infrastructure projects, under the Major Infrastructure Development Programme (MIDP).

Preliminary data for January from the hotel and restaurant sector indicate that airport and cruise passenger arrivals grew by 1.2 per cent and 10.1 per cent, respectively. The electricity and water category experienced growth of 2.3 per cent.

Director General of the PIOJ, Dr. Wayne Henry, who spoke at the agency's quarterly press



Director General at the Planning Institute of Jamaica (PIOJ), Dr. Wayne Henry

briefing on February 22, at his Oxford Road offices, expressed concern about the “potential impact” that drought might have on agriculture in some areas.

Dr. Henry said the PIOJ forecasts a “positive impact” from the reopening of the Alpart plant in St. Elizabeth, this year.

He emphasised that all must be done to ensure that approved capital projects are implemented as planned, so that “full growth is materialised”.

Work Progressing on Dredging of Kingston Harbour

WORK IS progressing on the dredging of the Kingston Harbour under phase one of the Kingston Container Terminal (KCT) expansion project.

The project which is being undertaken by concessionaire Kingston Freeport Terminal Limited (KFTL), the project involves the deepening of the entry channel and reinforcing the quay at Port Bustamante to allow for access by the New Panamax vessels passing through the region following the recent expansion of the Panama Canal.

It is expected to be completed by December 2018 at a cost of approximately US\$150 million.

Minister without Portfolio in the Ministry of Economic Growth and Job Creation, Hon. Dr. Horace Chang, reported that there has been an increase in productivity at the port since the KFTL



Minister without Portfolio in the Ministry of Economic Growth and Job Creation, Hon. Dr. Horace Chang (left), listens as Chief Executive Officer of Kingston Freeport Terminal Limited, Olivier Tretout, explains the scope of work being undertaken to dredge the Kingston Harbour, during a tour of the project site at Port Bustamante on February 21.

took over operations last July.

He informed that the KCT is now handling 1.5 million twenty-foot equivalent units (TEUs) of throughput, up from 1.3 million TEUs, and “they are rising on a steady slope upwards”.

“When the work is complete, you will be seeing significant increase; and that means not only an increase in labour force but there will be an increase in business activities,” Dr. Chang told reporters, following a tour of Port Bustamante on February 21.

He assured that his Ministry would be working closely with the concessionaire to ensure that the work is developing smoothly and efficiently.

KFTL is a subsidiary of the global terminal operators CMA CGM Group.

BOJ Reports 14.8% Increase in Credit to Private Sector

THE BANK of Jamaica (BOJ) is reporting that commercial bank credit to the private sector grew by 14.8 per cent as at December 2016.

BOJ Governor, Brian Wynter, said that this is higher than for the corresponding period in 2015, when credit to the sector went up by 9.5 per cent. He said, in real terms, loans grew by 12.8 per cent for 2016, compared to 5.7 per cent in 2015.

Mr. Wynter was speaking at the quarterly media briefing at the BOJ auditorium, downtown Kingston on February 22. The BOJ Governor attributed the uptick in private sector credit to a reduction in Government's borrowing from the local market.

He said borrowing by the Government and its agencies diverted the flow of financial resources from the private sector,



Bank of Jamaica Governor, Brian Wynter

making investment harder and more costly, thus impeding growth. This scenario is commonly referred to as ‘crowding out’.

“Now with several quarters of ‘crowding in’, we are witnessing a long-overdue correction, and we can now consider that the era of Government ‘crowding out’ has come

to an end,” Mr. Wynter said.

Mr. Wynter said the sustained increase in commercial bank credit has also supported Jamaica's improved economic performance over eight consecutive quarters, with GDP growing between one and two per cent during the December 2016 quarter.

Informal Settlements to be Regularised

RESIDENTS OF four informal settlements in St. Catherine and St. Andrew are to benefit from regularisation of their housing developments.

The Government will be upgrading these properties at an estimated cost of \$12.5 million.

This follows Cabinet's approval of the compulsory acquisition and improvement of the four privately owned parcels of land.

Details were provided by Minister of Education, Youth and Information, Senator the Hon. Ruel Reid, at a post-Cabinet press briefing at Jamaica House on February 22.

“These parcels of land will be improved to regularise the settlement arrangements that currently exist, because there are persons, over time, who may have been squatting on these parcels of land, and the Government now has to



Minister of Education, Youth and Information, Senator the Hon. Ruel Reid

move in to (formalise) the situation in those areas,” he told JIS News.

He informed that the Government will put in proper infrastructure and facilitate legal ownership of the lands.

The specific areas to be developed are Lot R 140 Sydenham, St. Catherine; part of 81 St. Johns Road, St. Catherine; part of 12 Cedar Valley Road, St. Andrew; and parts of 6 Cedar Valley Road, St. Andrew.

Tourism Minister Visits Trench Town Culture Yard



Tourism Minister, Hon. Edmund Bartlett, ‘takes a spin’ in a Volkswagen bus belonging to late reggae recording artiste, Robert Nesta Marley, at the Trench Town Culture Yard Museum on February 23.