



OFFICE OF THE PRIME MINISTER

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New Year's Message 2010 From

PRIME MINISTER, HON BRUCE GOLDING

My fellow Jamaicans. This past year was a tough one – tough for many of you, tough for the government, tough for Jamaica.

It was a year in which we felt the full-blown effect of the global crisis with the closure of three of our four alumina plants, significant job losses and downturn in the economy.

There are signs that the worst has passed. The global economy is beginning to recover but that recovery is likely to be slow. Banks, especially those in the United States, our major trading partner, are hesitant to lend, having not fully recovered from the fallout of the last two years.

New banking regulations will not allow them to finance consumer spending as they did in the past. This will have an impact on our own pace of recovery – recovery in the bauxite/alumina industry and the export sector, tourist arrivals, foreign investment and remittance flows. It is a sharp reminder to us of the need to strengthen and diversify our own economic base, creating new industries, new centres of growth and targeting new markets.

The harsh experiences of last year also tell us that we have to put our house in order. If ever we needed to learn some hard truths, it is that borrowing and borrowing in order to spend what we have failed to earn is the surest path to ruination. The IMF agreement being negotiated is necessary to help us through the current crisis but it is our own resolve to contain expenditure, eliminate waste and corruption, increase our earnings and our revenues that will secure the brighter future we all want for Jamaica.

Although the economy experienced difficulties last year, we achieved significant success in tourism where we enjoyed a modest increase in stopover arrivals despite the global recession, outperforming all other competing Caribbean destinations. Agriculture was another area of significant success with strong growth recorded last year. We will build on these successes in the new year.

The tight fiscal constraints we will continue to face in the medium term mean that the private sector must be encouraged and facilitated to lead the way in expanding economic activity. This is as it should be but is now more crucial than ever. That is why reducing the rate of interest – not simply taxing it – is our strategic direction.

That is why increasing further the flow of credit to micro, small and medium-size enterprises is our strategic direction because they are the surest way to fast-start the economy and create jobs. That is why the start-up this year of a number of major investment projects on which we have been working diligently is also our strategic direction because they will create vertical and horizontal linkages for local businesses to develop or expand.

2010, in many ways, will be a defining year. It will pose many challenges that we must be bold enough to confront and overcome. It will also provide opportunities that we must be alert enough to take advantage of. We are expecting the economy to return to a path of growth by the middle of the year, modest though it is likely to be, but a new beginning which we must accelerate.

Recovery is one thing but we must also tackle the development deficit that has plagued us for so long, for the many years of anaemic growth. Developing our human resources is at the centre of our long-term strategy because no country can be developed unless its people are equipped with the education, training and technology to drive its development. The Education Transformation Programme is being accelerated and several significant new initiatives have already been introduced. To succeed, however, it must be a joint effort and parents and students themselves, in particular, must do more to support the learning process. The education of our children must be taken much more seriously.

Crime is another major obstacle to development. The number of murders committed last year, while still less than the level of 2005, is way beyond what any stable society can tolerate. This year will also be a defining year for our security forces to demonstrate that they can apply the intelligence capability and all the available resources to defeat the criminal elements that are so effectively undermining our development, to demonstrate, also, their continued resolve to rid themselves of the criminals in uniform who are sabotaging their efforts to fight crime. They are assured of the support of the government. They must also be assured of the support of the people, individually and in their communities, because they can never succeed without that support and they must conduct themselves in a manner that will encourage that support.

Despite all of last year's troubles and trials, we must be mindful of those moments of greatness and special mention must be made of the superb performance of our athletes in Berlin. They not only lifted our spirits but they reminded us that we have it in us to be the best in the world and that if we can do so well on the track, we can do as well in so many other areas.

We must be thankful, too, that we experienced no major natural disaster last year. God knew that we had had enough in recent years and we are thankful. Despite all our problems, we are still a God-blessed nation.

We approach the new year with courage and confidence – courage because we have been through tough times before and we have never been intimidated by difficulties and challenges; confidence because while we are not yet out of the woods, the light is beginning to pierce through the darkness.

I wish for each of you success and good fortune in the New Year. And I wish for Jamaica a year of peace, progress and an advance to prosperity.

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