

SECTORAL PRESENTATION

HONOURABLE MINISTER, DR MORAIS GUY, MINISTER WITHOUT PORTFOLIO (WITH RESPONSIBILITY FOR HOUSING)

INTRODUCTION

Mr. Speaker, my presentation this afternoon, to this Honourable House, is set within the context of the challenges being faced within the shelter sector and the policies and programmes that this Government is pursuing or is seeking to pursue to bring about meaningful improvements.

Mr. Speaker, a new study by the Inter-American Development Bank (IDB) entitled "[*Room for Development: Housing Markets in Latin America and the Caribbean*](#)" is indicating that, one in three families in Latin America and the Caribbean, or 59 million people, currently live in dwellings that are either unsuitable for habitation or are built with poor materials and lack basic infrastructure services.

Data as recorded in the Economic and Social Survey of Jamaica (ESSJ) on the output of Jamaica's formal housing sector has indicated Mr. Speaker, that an average of **Three Thousand Six Hundred and Nine (3609)** solutions were built annually between 2006 and 2011. According to the Draft National Housing Policy (2011), this recorded output compared with estimated need implies a sustained annual deficit of **Nine Thousand (9,000) to Fifteen Thousand (15000)** housing units. The Draft Policy further implies that there is a strong correlation between the deficit in the formal sector and the increase of squatter housing over the corresponding period.

It is therefore imperative, Mr. Speaker that a range of options be pursued amongst them attracting private sector investments, so as to expand the stock of affordable housing and improve the existing ones. As a

Government, we must boost investment in key infrastructure and improve regulation to increase the provision of affordable serviced land with proper security of tenure for low-income households.

Critical to the mix, Mr. Speaker, is the need to enact legislation that will allow for greater provision of mortgage financing for low-income households. This will require changing some of our archaic laws to address issues pertaining to land titling and mortgage financing, as well as the restructuring of some of our public agencies to improve their efficiency in meeting the needs particularly of the poor.

Concomitantly, Mr. Speaker we must develop more comprehensive property registries; facilitate and implement incentives for mixed land development; utilize more efficient and cost cutting building techniques and; explore options that foster the development of a rental market that allows for the creation of private enterprises that specialize in the provision of rental units for the low-income population. Of course, Mr. Speaker all these measures must be undergirded by housing policies that offer households greater flexibility to meet their housing needs.

Mr. Speaker, I now wish to speak specifically to some of the initiatives that we will be undertaking as a Government to increase the supply of housing solutions available on the market.

PLANS AND PROGRAMMES

Facilitation with Food for the Poor

The Vision 2030 Development Plan, Jamaica, recognizes housing as an important facet of the economic and social development of Jamaica. The availability of affordable housing however, remains one of the most pressing socio-developmental problems faced by the country. Mr. Speaker, the problem is further compounded by the inability of consumers to access adequate funds from private and public sector lending agencies to acquire solutions. Additionally, where low income housing exists they are generally woefully substandard.

Mr. Speaker, as the Most Honourable Prime Minister announced in her budget presentation, the Government will be embarking on a housing intervention project in the inner city and informal communities throughout Jamaica via two initiatives under the Jamaica Emergency Employment Programme (JEEP). The primary objective of these initiatives is to alleviate the poor living conditions of vulnerable households, such as the indigent. Concomitantly, the intervention will bring about an improvement in the health, economic and social conditions of the beneficiaries primarily by providing access to housing and secondarily by providing employment.

The initiatives are a part of a five (5) year Programme that will be rolled over annually.

Mr. Speaker, the Ministry of Transport, Works and Housing will be working with Food for the Poor (FFP) to provide 1200 wooden units in the amount of J\$500 Million Dollars under one initiative and another 600 concrete units in the amount of US\$9.18 Million Dollars over the first year of the Programme. It is anticipated that implementation of the projects will commence in mid-July 2012 once the approvals are in place.

Mr. Speaker, I want to acknowledge the involvement of the PetroCaribe Development Fund and the NHT for recognizing the plight of our indigent as well as those of the lowest income earning band and rising to the challenge to provide funding for the two initiatives. Mr. Speaker, central to the undertaking of the initiatives will be the utilization of some of the unskilled labour primarily from the communities in which construction is taking place.

Mr. Speaker, in addition to the solutions that will be offered under the GOJ/Food for the Poor Initiatives, the Government through the Housing Agency of Jamaica Limited (HAJ) will be delivering approximately **Two Thousand One Hundred (2100)** solutions to the market during the 2012/13 fiscal year. The NHT will also be delivering **One Thousand Seven Hundred and Fifty-five (1,755)** solutions to the market, which includes **Nine Hundred and Eighteen (918)** at Longville (Phase 3) Clarendon, which is at the practical completion stage; **Two Hundred and Fifty-nine (259)** at Perth (Phase 1), **One Hundred and One (101)** at Hampden, Trelawny and **Two Hundred and Twenty-six (226)** at Hellshire (Phase 4).

Partnership with the National Housing Trust

Mr. Speaker, the Ministry has taken steps to engage the National Housing Trust (NHT) in playing a more facilitatory role in the plans, programmes and projects that the Ministry and its housing agencies are pursuing. Two such areas, that we are seeking to collaborate on Mr. Speaker, are the Small Contractors Programme and the Inner-City Housing Programme (ICHP).

Small Contractor Programme

Mr. Speaker, we may well remember the benefits that the Small Contractor Programme brought to the local economies in the late 1970's when they were a part of the NHT building team. Recently it was brought to my attention that the NHT has schemes to build out, but cannot find suitable small contractors to take up offer, due to their inability to meet the registration requirements of the NCC. Mr. Speaker, we must be mindful of the contribution that small contractors can and do play in boosting employment in the economy. During the year, Mr. Speaker, the Ministry along with the NHT will be looking at the registration requirements of these small contractors to formulate policy measures to enhance their ability to participate in the Small Contractors Programme, whilst increasing efficiencies and reducing the final cost of solutions.

Inner-City Housing Programme (ICHP)

Mr. Speaker, this Honourable House is all too well aware of the Inner-city Housing Programme that was being implemented by the NHT in response to the issues of urban blight and squatting.

Mr. Speaker, the Ministry is looking to work with the NHT to complete those projects that had started, but had been halted. One such project, Mr. Speaker, is the one at Majesty Gardens, where a couple weeks ago the contractor started construction.

Already a comprehensive development plan is being prepared by the UDC for the community and its environs. Likewise, the NHT has undertaken a socioeconomic survey of the residents and HEART Trust/NTA is putting in place a plan to satisfy the training needs of the residents. The PIOJ is also playing a critical role with the support of the Caribbean Development Bank

(CDB) in administering a development fund for the community aspect of this project. Consultation will also be undertaken with businesses in and around the community to provide employment opportunities for the residents. Of significance Mr. Speaker, is that this intervention factors in all aspects of the human development –physical, social, economic.

Vital to the success of this Programme Mr. Speaker, is the need to find a model that accords greater responsibility to individuals for the maintenance of their units. We must recognize the latent energy and skills of the residents and involve them in the improvement and on-going maintenance of their community and environs.

Separation of Infrastructure from Certificates of Title

Mr. Speaker, security of tenure facilitates improved access to the economic potential of property through sale; aid the establishment of income generating activities on site and; provides a secure base from which to access more economic opportunities that are available. Undoubtedly, in the long run such opportunities contribute to the economic growth and development of the country. Here Mr. Speaker, I am reminded of the quote of that great visionary, the Right Excellent Norman Manley who said

“LAND IS THE ONLY SOURCE OF THE MATERIAL LIFE OF THE PEOPLE. IT PROVIDES FOOD AND SHELTER. IT FURNISHES WORK AND WEALTH. IT IS THE BASIS OF ALL

PRODUCTION, OF ALL DEVELOPMENT, OF ALL SECURITY, OF ALL GROWTH. IT IS IN VERY TRUTH THE ROOT OF OUR BEING.”

And mindful of that, Mr. Speaker I would therefore like to posit that rather than focusing solely on the formal, registered tenure types that are often inaccessible to the poor, that as a Government we also embrace more flexible legal formulae for guaranteeing security of tenure to the often informal, innovative tenure types. Mr. Speaker, this proposal I guarantee you will secure equitable access to land in an incremental way and allow for a minimum level of change, while improving land market efficiency and protecting the interests of low-income groups.

During this financial year, the Ministry will be pursuing avenues to delink the land titling process from infrastructure. By so doing, Mr. Speaker, we will be able to free up the value of various properties and grow GDP. However, Mr. Speaker, it is being proposed that a caveat be put on the certificates of title generated from the process, signifying that the owner has responsibility for the incremental development of infrastructure. Mr. Speaker, for this proposal to be effective, it must be confined to schemes that existed before and must be supported by sunset clauses. Likewise, solutions derived from this process cannot be sold until the infrastructure component is in place. It will also provide the flexibility to enable upgrading when the resources of the dwellers increase.

Infill Housing

Mr. Speaker, the problem of poor housing condition and undeveloped infrastructure is most acute in our inner city communities which display the

most glaring manifestations of urban blight. The most obvious characteristics, Mr. Speaker, pertain to the issues of poverty, lack of employment opportunities, unstable families, high fertility rates, illegal or insecure tenure, weak delivery of public services and potentially high crime rates. A structured and targeted programme is required, Mr. Speaker to arrest the decay and transform these communities into centres of life and hope.

Mr. Speaker, the Ministry will be pursuing various approaches to ensure the renewal of our urban areas. This will include collaboration between, for example, public/private entities; government to government and housing agencies and residents. Mr. Speaker, integrative policy options will also be utilized to ensure that beneficiary empowerment is bolstered and that civic pride is fostered within the communities.

Social Housing Programme

The Ministry remains committed to its vision for all Jamaicans to have access to affordable, safe and legal housing solutions. As such, now more than ever there is a need for intervention programmes to address particularly the needs of the poor and vulnerable. The Social Housing Programme is therefore a vehicle through which the great demand for housing among this target group can be met. It is my intention this year Mr. Speaker to work with the NHT to restart this Programme and we have started the process. This Programme has worked well for us in the past and every effort must be made for it to be sustained.

As you may be aware Mr. Speaker, the Social Housing Programme is an initiative that was conceived by the former Prime Minister, the Most Honourable Percival Patterson, to allow the needy the ability to build, rebuild or repair the dwellings. The Programme as conceptualized provides benefits under two modalities, namely:

- the provision of building material to effect repairs to an existing structure
- the provision of a complete unit.

Mr. Speaker from 2004 up to 2009 when the Ministry of Housing implemented the Programme, a total of 50,496 families had benefited from the Programme.

Squatter Management

Squatting remains one of our biggest social challenges with a staggering 15 to 35% of Jamaicans estimated to be living in squatter settlements or abandoned buildings which lack basic infrastructure such as water or sanitation.

A Rapid Assessment of Squatting undertaken by the Squatter Management Unit (SMU) within the Ministry in 2008 identified over 700 settlements accommodating an estimated twenty per cent (20%) of the country's population. Mr. Speaker, you will note that this figure is in stark contrast to that being bandied about - that there are one million persons living in squatter communities across the country. The assessment also revealed three types of squatting in Jamaica: agricultural, residential and commercial with the most dominant type being residential.

Mr. Speaker, it is my intention to tackle this pervasive problem in a comprehensive way, beginning by strengthening of the capacity of the staff within the Unit to better undertake the tasks at hand. Despite the fiscal situation, the Ministry will therefore expand the Unit to reflect a more regional operational outfit, so as to facilitate greater direct involvement in the prevention and containment of squatting, particularly on public lands.

Another area that I will be seeking to address, Mr. Speaker is ways to obtain the support of the different Ministries under which various pieces of legislation exist that can be applied to address varying issues related to squatting.

This year, Mr. Speaker, the Ministry will be giving consideration to enacting a modern Trespass Act. The current Act, was drafted in 1851 and it is the thinking that a modern Trespass Act will take into account both urban and rural environment with focus on public and private trespass.

JAMAICA MORTGAGE BANK

Shelter Bonds

The Jamaica Mortgage Bank (JMB) proposes to commit J\$2.4B for its investment programme for the financial year 2012/2013. As such, the JMB is currently in advanced discussions with two major wholesale lending institutions for loan amounts equivalent to J\$2.5 billion, in the first instance. Approvals are expected to be granted before the end of July 2012. Mr. Speaker, the funds sourced will be used to help create mortgages and build houses by on-lending to Credit Unions, financial intermediaries and developers as part of the routine operations of the Bank.

Mr. Speaker, it may be recalled that in 2008 the JMB was granted approval to issue tax-free shelter bonds to fund its investment programmes. To date, a total of \$2B has been approved, the last approval of \$1B being granted in November 2009. The Bank is now seeking to obtain approval from the Ministry of Finance to issue an additional J\$2B worth of tax free shelter bonds. It must also be noted that the Bank has the capacity to mobilize and disburse approximately \$5B annually, however being mindful of the

depressed nature of the sector, a conservative approach is being taken to the bond issue.

Policy and Legislative Support

Mr. Speaker, the Ministry will also be taking steps to strengthen the legislative and policy framework governing mortgages in an attempt to revitalize the housing market. Some of the initiatives that are being actively pursued are:

Strengthening of the Secondary Mortgage Market

The Ministry through the Jamaica Mortgage Bank (JMB) is focusing on strengthening the Secondary Mortgage Market (SMM). This will provide a source of capital market funding through the JMB, thereby providing liquidity to mortgage lending institutions for the creation of additional mortgages. Since the reactivation of the SMM facility in 2011, much interest has been generated in the mortgage market and the Primary Mortgage Market has become very competitive resulting in the lowering of interest rates from a high of 16.95% to a low of 9.4%. Some of the key benefits of the SMM to borrowers are: greater access to mortgage financing and reduced mortgage rates resulting from increased competition.

Mr. Speaker, the bank projects to finance over **One Thousand Five Hundred (1,500)** mortgages over its medium term SMM Programme starting from 2012/13 to 2016/17.

Amendments to the Mortgage Insurance Act

Mr. Speaker, The Ministry is seeking to amend the Mortgage Insurance Act to increase the percentage of the appraised value of a property for which mortgage indemnity insurance can be provided. On the advice of the JMB, the percentage is being increased from 90 to 97 percent. This amendment will reduce the burden of a high down-payment, which currently is between 10 - 15 percent, and closing costs. Essentially, the proposed amendment is aimed at making mortgages more accessible to the average Jamaican trying to acquire a home.

Mr. Speaker it is the intention of the bank to have the mortgages issued under the SMM insured. As such, the bulk of the mortgages issued under this programme will form a part of the **One Thousand Five Hundred (1,500)** undertaking-to-insure that is expected to be issued over the medium term under the Mortgage Insurance Indemnity (MII) Plan.

Home Deposit Financing Programme

Another initiative that will be pursued via the JMB is the Home Deposit Financing Programme. Mr. Speaker, it has long been recognized that finding a deposit, continues to be a major hurdle to home ownership for many Jamaicans. The JMB, in its quest to find innovative responses to the problem, is developing a Home Deposit Financing Facility (HDFF). Under the HDFF, the JMB will make funds available to financial intermediaries for on-lending to their customers as a deposit loan. The maximum amount which will be given as a loan will not exceed 15% of the sale price of the property and the property being acquired should not exceed \$15 million.

Construction Financing

Additionally, Mr. Speaker Under the Construction Financing Programme, the bank will finance up to 100% of the construction cost (infrastructure and house construction cost) and will be seeking to fund housing construction projects with unit prices of \$12 million and below at interest rate as low as 9.95% to developers. In this regard, the bank projects to finance over **Seven Thousand (7,000)** housing solutions under its medium term construction financing programme from 2012/13 to 2016/17.

HOUSING AGENCY OF JAMAICA (HAJ)

Jamaica Economic Housing Project

Mr. Speaker, at this time I must give recognition to the former Minister of Housing, Dr. Horace Chang, for the role he played in effecting the Jamaica Economic Housing Programme between the Governments of the Republic of China and Jamaica. Arising from this agreement Mr Speaker, a total of **Three Thousand Four Hundred and Ninety-Two (3492)** housing solutions will be implemented over thirty-six (36) months (from 5/1/12) under the Programme.

To date Mr. Speaker, two (2) works contracts with aggregate value of \$130M RMB (\$US 19.006M) have been executed with COMPLANT for the first section of the work programme. This includes:-

- Contract No. 1 to execute the main water and sewer infrastructure works to serve the St. Ann Cluster of projects , and
- Contract No. 2 to complete the Brownfield projects at Belle Air.

Mr. Speaker, the projects are intended to increase the provision of affordable shelter solutions particularly for tourism workers and lower income wage earners.

Completion of Outstanding Operation PRIDE Projects

Mr. Speaker, I now wish to focus on the Government's position regarding the Operation PRIDE Programme. I must let you know that as a Government we maintain our belief in this excellent concept which resulted in many communities of Jamaicans from differing socio-economic backgrounds benefiting from green-field and brownfield sites solutions.

Today, I assure you, Mr. Speaker, that during this fiscal year, we will be taking every step possible to reactivate those PRIDE projects that are deemed most feasible. Already, many stakeholders who have invested their hard earned savings in the Programme, but have not yielded a benefit, have met with me to air their concerns. I wish to assure them that, where feasible, every effort will be made to address their concerns.

Mr. Speaker, I also wish to inform you that this Government still supports the community based incremental development approach, which was the cornerstone of the entire programme. Likewise, Mr. Speaker, the Government will continue to embrace the utilization of starter standards and guidelines in the implementation of the projects, so as to address the peculiarities of the beneficiary communities. It is however imperative Mr Speaker, that sustainability of the Operation PRIDE Programme be examined within the context of the limited financial resources available for development projects and in light of the limited fiscal space within which the Government has to operate.

Mr. Speaker, the restoration of the Programme will also be examined within the context of the increasing environmental and technical standards to be met. Emphasis will also be placed, Mr. Speaker, on the governance structures within the communities and the ways in which they can be utilized to harness the human and financial capital at the community level, to move the Programme forward in a sustainable way.

Titling Programme 2012

Mr. Speaker, in this Jamaica's 50th year of Independence, the Ministry has launched a Titling Programme which is aimed at further empowering a large segment of the Jamaican population who reside in Operation PRIDE schemes all across Jamaica. Over 10,000 Operation PRIDE beneficiaries will now be afforded the opportunity of having their individual splinter titles transferred to them, thereby providing security of tenure for lands which beneficiaries have occupied for decades.

I am pleased to announce, Mr. Speaker, that that programme has already started with two such Title Handing Over Ceremonies so far (St. Benedicts in East Rural St. Andrew and Wentworth in Central St. Mary) and this process will continue across the island throughout this financial year.

Mr. Speaker, as was mentioned earlier in my presentation, by separating land ownership from infrastructure development, the Ministry has succeeded in providing benefits which are commensurate with land ownership; these benefits include:

- Title recipients being able to access secured loans from NHT, Building Societies, Credit Unions and other financial institutions to construct and/or improve their homes, and by extension their communities;

- Incorporation into mainstream society, as title recipients will be able to pay property taxes for their lots and be counted as proud home owners;
- Legal access to formalized services and amenities, which include formalized electricity and water connection;
- Legal status and recognition from NGO's and charitable organizations, in order to assist in community development;
- The incremental development of communities, with financial institutions being able to offer secured construction loans to assist in further infrastructural development;
- More orderly and organized communities and transferrable assets which can be passed on from generation to generation.

This programme will undoubtedly benefit individual Operation PRIDE allottees, and the Jamaican society on a whole. I remain steadfast in my view that, by reinstating pride in self and community, many of the social ills which are associated with informal settlements, can be addressed, and communities enhanced. The titling programme will therefore have far reaching benefits, not only in this our 50th year of Jubilee, but in many years to come, as it takes us closer to our 2030 Vision:

"Jamaica, the place of choice to live, work, raise families and do business".

Policy Shift HAJ

Mr Speaker, in the face of limited resources, partnership must become an integral part of the operation of the Housing Agency of Jamaica (HAJ). As such, steps will be taken shortly to effect a policy change, which will result in HAJ undertaking the following:

- entering into more public/private partnerships arrangements aimed at building its technical capacity to manage the design and on-time delivery of its solutions; and
- embarking on a comprehensive housing programme that takes into account the various options currently being provided as a Ministry to persons in the lower two quintiles.

Mr. Speaker, this new policy thrust is aimed at ensuring the financial viability and efficiency of the HAJ, while satisfying the shelter needs of its various constituents.

POLICY AND LEGISLATION AMENDMENT

Proposed Changes to the Rent Restriction Act

Since the inception of the Rent Restriction Act in 1954, the Act has been amended eleven times, the latest being in 1983. Mr. Speaker, this tells you how antiquated many of the provisions are. The Ministry has therefore taken steps to amend the Act to provide effective regulation and clear guidelines as to the roles and obligations of tenants as well as landlords in the rental sector.

Mr. Speaker, the following are amongst the issues that the amendment will be seeking to address:

- ◆ Reconciling the interests of landlords and tenants thus ensuring that neither party is disenfranchised.
- ◆ Having rents to be at affordable levels.
- ◆ Instituting measures to yield a significant increase in the production of low and middle income housing to level the playing field.
- ◆ Decontrolling commercial rentals – as the demand for commercial space does not outweigh the supply of public and commercial rentals
- ◆ Setting minimum standard for the letting of premises

- ◆ Formulating a mechanism to determine the market value for properties
- ◆ Establishing efficient procedures for dealing with delinquent tenants
- ◆ Bringing the collection of Security Deposits under the ambit of the Act
- ◆ Having the Rent Tribunal adjudicate on all rent related cases taking the burden off the Resident Magistrates Courts.

Coupled with the proposed amendments to the Rent Restriction Act, the Ministry is also taking steps to facilitate more regional sittings of the Rent Board. This entails the strategic appointment of suitable persons from the different regions to hear cases, while utilizing space available at the regional Housing Offices, thus reducing the cost to the Ministry, as well as, lessening the burden on plaintiffs and defendants to travel all the way into Kingston.

Status of Draft National Housing Policy

The Ministry has taken steps to formulate a National Housing Policy and Implementation Plan to give strategic direction to Jamaica's housing sector and to enable the Government to meet its vision/target of providing access to adequate and secure shelter for all Jamaicans by 2030.

Mr. Speaker, the policy and implementation plan are intended to address the perennial housing crisis which has been evolving since the 1950's by specifically seeking to, amongst others:

- i. Promote a wide range of housing choices for all income levels
- ii. Develop a framework to promote the sustainable use of resources in the housing sector
- iii. Foster partnerships with the private sector and other providers to increase the supply of additional housing solutions to meet projected demand
- iv. Implement programmes to maintain the present housing stock and rehabilitate blighted areas through promoting reinvestment in these areas and infill housing
- v. Rationalise the roles of the public sector agencies directly involved in the provision of housing

- vi. Provide a framework to support the delivery of social housing particularly for the vulnerable and disadvantaged; and
- vii. Streamline the role of the housing finance sector to increase accessibility and reduce bureaucracy.

Currently, Mr. Speaker, the Technical Staff of the Ministry and its agencies, as well as, the members of the newly constituted Housing Boards, are reviewing the proposals embodied to ensure their adequacy in addressing the very complex issues at hand, as well as to ensure that they dovetail into the policy framework of this administration. Thereafter, the Technical Review Committee (TRC), which is comprised of various stakeholders within the housing sector, will work with the Ministry's Technical staff to obtain approval of the proposals by the Cabinet.

PUBLIC TRANSPORTATION SYSTEM

Mr. Speaker, a few weeks ago there was a public demonstration by members of a taxi association. It occurred during a time when my colleague, Minister Davies, was away re-negotiating the contract for the delivery of buses from Belgium. As Minister without Portfolio in the Ministry of Transport Works & Housing, I undertook a series of meetings with Taxi Associations and the Transport Authority where discussions were held regarding the way forward for the transport sector.

We recognize Mr. Speaker, that the government alone cannot satisfy the demands of the public transportation sector. There is definitely a need for partnerships to be established to effectively serve the various stakeholders. We however, recognize that there is disorder and mayhem in the system and this government, through the Transport Authority is therefore embarking on the following programmes to bring improvements to the

sector:

1. Training and Certification of Public Passenger Vehicle Operators;
2. Integrated Monitoring Mechanisms;
3. Strengthening of the Licensing and Legislative Framework and Regulatory and Monitoring Ability of the Authority and
4. Rationalization of Route Taxi Associations.

Training & Certification of Public Passenger Vehicle Operators

- In accordance with regulation 120 of the Road Traffic (Amendment) Act (1988), there will be an introduction of mandatory training for all public passenger vehicle operators in the sector. This will be a joint training programme between the Transport Authority and the HEART Trust/NTA. Upon completion, participants will be issued permits which are similar to the identification cards currently being used by Hackney Carriage operators.
- A re-introduction of metered taxi service for Hackney Carriage operators across the island in order to upgrade and modernize this group of operators and provide for easier identification and regulation of the sector is being contemplated.

Integrated Monitoring Mechanisms

- An integrated monitoring mechanism among the Courts, Transport Authority, Police, Island Traffic Authority and Tax Administration Jamaica which will facilitate the provision of timely reports on Public Passenger Vehicle (PPV) operators convicted of criminal/traffic offences or who have outstanding tickets and warrants will be pursued.

Strengthening of the Licensing and Legislative Framework and Regulatory and Monitoring Ability of the Authority

In an effort to enhance and strengthen the licensing, legislative and monitoring capacity of the Transport Authority, the following activities are being undertaken:

- An extensive review of the Transport Authority and Road Traffic Acts is currently underway to provide the appropriate recommendations for amendments to the legislative framework for public passenger vehicle operators.
- A national Feasibility survey in order to make strategic decisions regarding the development of the public transportation system, as well as, to assess the demand and supply on all established routes and introduce new routes as is necessary. This will provide the platform for a route rationalization exercise aimed at increasing the viability of investments in the sector (the principle of quality versus quantity).

- The implementation of a suspension and revocation policy for recalcitrant drivers;
- Introduction of the requirement to provide proof of address for all applicants for road licences, permits and badges;
- The re-introduction of via points on route taxi licences. Mr. Speaker, the removal of the via points has resulted in uncertainty among commuters as to the exact route to their destination. This has also created chaos, mayhem and congestion in the main townships across the island. The via points structure will therefore provide greater safety for the commuting public, in particular children, who may get lost, if an operator utilizes an unfamiliar route.

Rationalization of Route Taxi Associations

Mr. Speaker, the landscape of public transportation can be further improved with the re-organization of the operations of Route Taxis. When the Taxi Associations were formed in 2000, it was the intention that these Associations would play a key role in the organization of the route taxi operations. Additionally, they were encouraged to lobby their common interests in respect of certain benefits for their members, such as insurance coverage and the purchase of spare parts. Most have not lived up that initial intent.

In order to establish service standards and to address the foregoing concerns, the Ministry of Transport, Works and Housing, will be implementing a Rationalization Programme for all fifty-one (51) Route Taxi Associations over the next four (4) months. Reviews of membership, dues, operational efficiency and service delivery will form an integral part of the process.

Mr. Speaker, in light of the foregoing, the rationalization process will result among other things in the following:

- Associations with membership numbering fewer than 100 persons being required to consider the options of dissolution or merging with other Associations;
- Establishment of a cap on the number of Associations per parish. As such, each parish will be assigned a limit of two or three Associations.

Mr. Speaker, the policy framework mentioned has been outlined to a wide cross section of the Associations and umbrella groups and there is constant dialogue and discussions in a bid to reach consensus.

Recently, Mr. Speaker, an organization representing some of the umbrella groupings which formed themselves into the PPV Modernizing Council met with us in the Ministry of Transport, Works and Housing. What is interesting though Mr. Speaker is that they have decided to formulate a plan to self-regulate and police their operations, based on their own recognition that the industry is not delivering the standard of service required. They have even

introduced a regulatory software programme which they have developed and which has piqued our interest and to this end we are pursuing further consultations to determine its applicability.

What is even more interesting is that these proposals in the main are on the same page as the proposal emanating from the Transport Authority. What this suggests Mr. Speaker is that both sides recognize the importance of the industry and the need to work to ensure its sustained viability.

The Ministry therefore welcomes such a move; in fact encourages such a move. Mr. Speaker, as an administration we believe that this move will redound to the benefit of the travelling public as well as the operators. We are continuing the dialogue and we encourage all other groups which have not yet come on board to do so and, we stand and remain ready to initiate dialogue.

We seek as a government, Mr. Speaker to have consensus as opposed to confrontation and in the consensus building process our regulatory authority, the Transport Authority will take the lead role

CLOSING

Mr. Speaker, this is an interesting and challenging time for the shelter sector. The issues are many; the financial resources are few. Through these tough economic times however, we are committed as a Government to providing safe, affordable shelter for all, while creating jobs and stimulating the local economy.

We must however recognize that “One hand can’t clap”; investments and collaboration between multiple levels of government and the private sector are critical to advancing affordable housing solutions. This Ministry in furtherance of the abovementioned statement is committed to ensuring that

the policy measures are realized.

Mr. Speaker, in this the 50th year of our nation's independence, we commit to "Housing the People of Jamaica – One Community at a Time". This is indeed "A Mission with a Vision".

I thank you Mr. Speaker.