

Peace, Productivity, Prosperity

Budget 2025 Highlights

PRIME MINISTER, Dr. the Most Hon. Andrew Holness during his contribution to the 2025/26 Budget Debate announced a raft of measures aimed at accelerating growth for Peace, Productivity and Prosperity.

National Housing Trust

- Effective July 1, the National Housing Trust (NHT) will raise the loan limit for individual borrowers to \$9 million, up from \$7.5 million. For two co-applicants, the combined maximum loan limit will be increased from \$15 million to \$17 million, and for three co-applicants, it will move to \$23 million from \$21 million.
- For individual mortgagors purchasing a unit priced at \$14 million or less, the NHT will provide a loan of up to \$12 million, subject to availability.
- For construction of houses by individual contributors, the loan limit will be increased to \$11 million and for two co-applicants, it will be \$17 million and for three applicants, \$23 million.
- The NHT will reduce the wait time to access home improvement loans from 10 years to seven years. The loan limit for this benefit will be increased to \$5 million, up from \$3.5 million.
- For contributors who earn less than \$30,000 weekly, the deposit requirement on open market loans will be reduced to 2%, if the housing solution being acquired is priced at or below \$14 million. The service charge will also be reduced for prospective mortgagors who earn \$30,000 or less each week, from 2% of the loan amount to zero. For prospective mortgagors earning above \$42,000 the weekly charge will remain 5%.
- The NHT is modifying its eligibility requirement for home grants for minimum wage earners contributing for a minimum of seven years, creating access for more contributors. The maximum qualifying income for home grants of \$3.5 million will now be \$30,000 per week.
- Retired or current contributors earning \$30,000 per week or less who accessed a Build-on-Own-Land or Construction Loan benefit to construct a housing unit comprising two bedrooms



Prime Minister, Dr. the Most Hon. Andrew Holness, makes his contribution to the 2025/26 Budget Debate in the House of Representatives on March 20.

or less, for which that unit has remained incomplete for two years or more, the NHT will offer the mortgagor an additional loan of up to the difference between the balance of the borrower's current loan and a limit of \$11 million, subject to affordability.

Where additional funds are not able to bring the unit to a habitable stage, or, in the case of pensioners, there is insufficient income to support a loan arrangement, the NHT may provide a Home Grant of up to \$3.5 million to assist in bringing the unit to completion.

Safeguarding the most Vulnerable

- The Government has announced a \$1-billion Solidarity Programme that will provide one-time cash grants of \$20,000 to 50,000 vulnerable Jamaicans. To be eligible for the grant, individuals should not be beneficiaries of the Programme of Advancement Through Health and Education (PATH), the Social Pension Programme, National Insurance Scheme (NIS) or the Reverse Income Tax Credit.
- The national minimum wage will be increased from \$15,000 to \$16,000 per 40-hour work week, effective June 1, 2025, representing a 6.7% increase.
- The HOPE for Children Trust Fund, which will provide long-term savings accounts for eligible Jamaican children, will be seeded with \$200 million by the Government in the upcoming fiscal year.

Government to Invest in National Security

- Border security will be enhanced with the acquisition of 24 surface interceptor vessels. In addition, a Customs Mutual Assistance Agreement with the United States (US) is being finalised, which will enable greater intelligence sharing to strengthen port security and protect the country's national and economic interests.

Increased Access to Water

- The Rio Cobre Water Treatment Plant project has now entered the construction phase, with completion scheduled for the end of 2026.
- The Greater Mandeville Water Supply Improvement Project is being undertaken at a cost of \$2.7 billion.
- Six major projects funded by the Caribbean Development Bank are being undertaken by Rural Water Supply Limited which will significantly improve access and transform the lives of more than 38,000 Jamaicans.

Comprehensive Road Works to Continue

- Work is to commence within the next six weeks, on 126 roads under the Shared Prosperity through Accelerated Improvement to our Road Network project.
- The Government is to invest \$2 billion to enhance key entrance corridors leading into the capital city, Kingston.
- The Southern Coastal Highway Improvement Project

is now 95% complete. The remaining segments, from Yallahs Bridge to Port Antonio and Morant Bay to Cedar Valley, will reach completion by June 2025.

- Under the Accelerated Bridge Renewal and Priority Bridge Programmes 55 critical bridges are being upgraded or replaced.
- Open road tolling, a state-of-the-art system that will allow vehicles to be charged electronically without having to stop at a toll booth is to be introduced.

Infrastructure Development

- The Government of Jamaica will take steps to designate the North-South Highway Extension as a National Development Project.
- Planning and development are under way for the Lucea/Hopewell Bypass, which will improve connectivity and ease congestion along the North Coast. This new 27-kilometre, four-lane rural arterial roadway will begin near Reading, St. James, and extend westward through Hanover, ultimately terminating near the town of Lucea. To further enhance traffic flow, the project will include strategically placed link roads connecting the bypass to the North Coast Highway, allowing motorists to seamlessly navigate around Lucea and Hopewell, which will also reduce congestion in those towns.

Initiatives for the Agricultural Sector

- The General Consumption Tax (GCT) Act is to be revised to redefine eligible vehicles to include versatile options including panel vans and small trucks. These vehicles will now benefit from the existing 20% duty concession that currently only applies to pickup trucks.
- Cold storage capacity is being expanded with ground broken for a \$124 million state-of-the-art facility in Kirkvine, Manchester. Procurement process is to commence for the refurbishment of the Coleyville cold storage facility.
- Civil engineering work for the \$30-billion Pedro Plains Irrigation Scheme, which will benefit over 5,000 farmers is to commence.
- Government will be investing \$6.3 billion over the next six years in the renovation of Bodles and other research stations.
- GCT Act to be amended to make seeds zero-rated.

Preparing the Youth for the Future

- Government to expand Apprenticeship Programme in critical industries that urgently need more skilled labour. Over the next two years, 300 young people will receive paid, hands-on training alongside industry professionals. Each participant will earn a weekly stipend of \$13,500-\$16,500, with 10% set aside as compulsory savings.

- Artificial Intelligence (AI) Workforce Readiness Strategy to be implemented. This includes integrating AI and coding into school curricula at all levels and promoting dedicated teacher training programmes on AI and launching a Prompt Engineering course through HEART/NSTA Trust to train students and Public Sector professionals in using AI tools effectively.

Phased Introduction of Rural Bus System

- Starting September 2025, a dedicated school bus system will be implemented for rural Jamaica to ensure equitable access, improved attendance, and enhanced safety, while easing financial burdens on families. Phase one is already under way, with the Jamaica Urban Transit Company (JUTC) expanding services in Clarendon; Morant Bay, St. Thomas; and Linstead, St. Catherine, providing affordable transportation for students.

Smart Energy Loans

- Effective July 1, 2025, the Smart Energy Loan amount will be increased from the current \$1.5 million to \$2.5 million. To improve accessibility of the loan for lower income contributors, the applicable interest rate will now be zero to 5% in line with income bands rather than a fixed 5%.

- Effective July 1, 2025, private sector mortgagors will have the option for either a cash refund or the application of their refund amounts to their existing mortgage obligations, provided that the loan is free of arrears.

Factories Corporation of Jamaica

- The Garmex Freezone Redevelopment is making significant progress. Once completed, Garmex will house over one million square feet of industrial and commercial space, making it one of

the largest industrial complexes in the Caribbean.

Motor Vehicle

- Certificate of Fitness - The first certificate for new motor vehicles will be issued for 5 years. For used vehicles, 10 years old or less, the validity period for Certificates of Fitness will be 3 years. For vehicles older than 10 years, the current yearly renewal will remain.
- Motor vehicle registration - Motorists currently have an option to renew motor vehicle registration for six months or for one year. A two-year renewal option will be introduced.

Digital Transformation

- To drive this national transformation, the new Information Communications and Technology Authority will come into being at the commencement of the new fiscal year.
- Post Offices are set to become Digital Service Centres. When the upgrades are completed, these service centres will enable Jamaica Post to rapidly expand its premium services and provide modern spaces for National Identification and Registration Authority (NIRA) to expand access to civil registration and national identification services.

Newport West Road Development

- The Government will be entering into a Public-Private Partnership arrangement involving the Port Authority, the Jamaica Customs Agency, the National Works Agency, the Shipping Association of Jamaica and Kingston Wharves Limited for repairs to the road infrastructure in Newport West at a cost of over \$80 million.

Agriculture

- The Parnassus Agro-Park, which benefitted from the Southern Plains Agricultural Development (SPAD) Project, has now been completed. Over 60 farmers have been approved, and this new agro park will commence operations in April. The SPAD Project, as a whole, has benefited over 800 farms in total.

Special Economic Zone for Creatives

- In the 2025/2026 fiscal year, the Government will expand the Special Economic Zones (SEZs) framework to encompass music, film, and art production.



The 52B departs Grande Hole in St. Mary for Half Way Tree in St. Andrew from as early as 5:30 a.m.

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Workmen undertake pipeline works in Gutters, St. Elizabeth, under the Greater Mandeville Water Supply Improvement Project on March 14.

ADVT.