

## **A MISSION WITH A VISION**

### **2012/2013 Budget Debate Presentation by PM the Most Hon. Portia Simpson Miller**

#### **SALUTATION & ACKNOWLEDGEMENTS**

Mr. Speaker, it is a great honour and privilege for me to address this Parliament, in a budget debate as Prime Minister once again. For this, I owe a great debt of gratitude to the people of Jamaica for their vote of confidence in me and in the team that I lead.

It is with deep humility and a sense of history that I say thanks today.

I must begin with thanking Almighty God, who has always held me steady and kept me sure. “He is my rock and my Salvation; He is my fortress”.

I thank the Jamaican people for their consistent prayers and words of encouragement. I think of the children of Jamaica. Their names are written across my heart. It is their sparkling eyes and pure hearts that give me energy and motivation. They give me the strength to persevere, to never stop working; and to never stop searching for the right solutions in these difficult times that demand even more than our best efforts.

Mr. Speaker, I crave the indulgence of this Honourable House as I thank:

- my husband Errald for his love, understanding and support;
- my housekeeper Marva for her continued loyalty and devotion;
- my brother, sisters and other family members for always standing by my side, as a constant reminder of the importance of family; and
- the members of my Security Team for their vigilance and dedication to duty.

I extend my gratitude to you, Mr. Speaker, the Clerk of the Houses of Parliament and her staff, for the continued professionalism and commitment to the administration of the affairs of the Houses of Parliament.

I acknowledge and thank the Officers and Members of the People’s National Party. Thank you all for the work you continue to do under very difficult circumstances.

I pay tribute to all the members of my constituency of South West St Andrew who continue to demonstrate their confidence in my representation.

Permit me, Mr. Speaker, to thank and acknowledge all newly elected members of the nation's Parish Councils, the KSAC and the Portmore Municipality and in particular the Mayors and Deputy Mayors. I have to make special mention of the three Councilors from my own constituency of South West St Andrew.

I must also express my thanks to the Public Servants in the Office of the Cabinet and the Office of the Prime Minister. I thank the Ministers and staff of the two Ministries for which I have portfolio responsibility.

I also extend gratitude to all those who serve in the other Ministries. The Public Service can be assured that it will be given respect and appreciation by my Administration. I expect, in turn, that it will operate to the highest level of professionalism and exercise care in carrying out its duties to the Jamaican society.

I wish to thank my personal staff and the Members of the Prime Minister's Task Force for their dedication to service and their commitment to excellence. Thank you all for the fine work you continue to do.

### **Tribute to HRM**

Mr. Speaker, on behalf of the Government and people of Jamaica, I wish to pay public tribute to Her Majesty Queen Elizabeth the Second on the occasion of her Diamond Jubilee.

There is no doubt that Her Majesty has been a gracious and engaging lady and a model of dedication to duty. We will dedicate more time for tributes to Her Majesty tomorrow.

### **The People Spoke**

Mr. Speaker, I have listened keenly to everyone in these debates. Given all that has been said, I will be setting the record straight.

Fortunately, Mr. Speaker, no one can seriously, or successfully, question my love for the Jamaican people and my dedication to them. The people of Jamaica have not only heard my words but they know my heart. They know

my deeds. They know that mine has been a life of unquestionable service. My record of commitment to ensuring that the interests of the people are protected stands as a testament. This is why on December 29<sup>th</sup> 2011 the people spoke with their votes.

In the current debate I have been accused of all manner of things. But truth will prevail and I have full confidence in the trust of the people of Jamaica. I want to assure you that I have heard your voices. I have listened and will continue to respond to your concerns.

### **THE STATE OF OUR NATION**

Mr. Speaker, let me set the record straight. My Government was elected to power less than six months ago.

#### **Background to the Crisis**

Mr. Speaker, we on this side acknowledge that there are several aspects of the economic crisis which faces the country which result from factors which are outside the control of any Administration or any individual. It would be either naïve or dishonest to suggest otherwise. The number of countries with formerly powerful economies that are on the brink of economic collapse is evidence of this.

Some of the world's greatest economies have still not fully recovered from the recession. The European economic powers ranging from Italy to France to Spain are seeking to devise solutions which will simultaneously address their fiscal challenges even whilst protecting social stability. Earlier today the Ministers of Finance from the G20 countries held an emergency meeting to consider a new strategy to address the deepening economic crisis in the Euro Zone.

Here in Jamaica, we on this side of the House can speak to these issues with total frankness. We are on record, both within and outside of Parliament, warning the then Government, immediately after it came to office, of the looming crisis and the need to take action.

We did not make these statements in order to create panic. We did so as we recognized that, unless the potential dangers were addressed, we could further damage an already fragile economy. It is also a matter of record that our advice was rejected. In a manner of speaking, we were “laughed out of court”.

It is hard to forget the Opposition Spokesman on Finance, in his role as Minister of Finance & Planning dismissing our warnings. He argued that, rather than taking defensive measures we should be bold and seize the opportunities brought forward by the crisis.

This approach to macro-economic management informed the design of their first budget, which projected expenditure levels which simply could not be financed. We are not being wise after the event. We said it then. We characterized the budget as lacking credibility.

Rather than accepting the empirical evidence presented during the initial months of fiscal year 2008/09, the then Government sought to stick by its expenditure budget. They borrowed way beyond the amounts projected thus pushing up interest rates and increasing inflation.

Let no one forget that when we left office in September 2007, interest rates, totally determined by the market, were just over 11%; the debt stock was J\$950 Billion and the debt to GDP ratio was 107%. The increase in the debt stock over the period September 2007 to December 2011 illustrates my point.

The public debt as at September 30, 2007 was J\$973 billion. By December 3, 2011 it had jumped to \$1.6 Trillion, an increase of over 60%.

As the debt increased over the period the economy remained sluggish. Finance Minister Shaw then began a ‘borrowing binge’. He had found a cheaper way to put the country into more and more debt. My administration is now reaping that bitter harvest. The reality is that the fiscal accounts have not recovered from that wild adventure of 2008/09.

This Honourable House should recall that in the Fiscal Year 2009/2010, four different sets of revenue measures were brought to the House:

- In April – Ministry Paper 26 Tax Measure
- In May – The Revised Revenue Measure
- In September – The Supplementary Tax Measure, and
- In December - The Enhanced Revenue Measure

They broke it; we now have to fix it

Mr. Speaker, let me remind the country that we have been in office for just over five months. Don't blame us for your mismanagement.

If you on that side believe that the Jamaican people in just over 5 months have already forgotten what they went through for 4 years under your government, you are sadly mistaken.

You have, by your reckless borrowing, created many new members of the poor. Now that you are out and want to get back in, suddenly you are pretending to be champions of the poor.

Let me caution you with the words of a wise man, "People don't care that you know unless they know that you care." I am proud of our history of caring, on this side: caring for those cast aside - the lost, the least and the left-outs – and we will always care and take the right actions to prove that we do.

This is why under my leadership, my government, despite the challenges, will do everything in its power to reduce the debt and restore growth in the economy. It is in that context that some of the unavoidable, hard decisions had to be taken.

Mr Speaker, the Third Supplementary Estimates for the Fiscal Year 2011/12, which this House passed in March, represented the first step in making the public aware of the true fiscal situation.

It is imperative as we go forward that any attempt to disguise the reality of our situation be rejected. The eventual penalties always exceed the cost of facing the truth the first time around.

Mr. Speaker, our country had been brought to a very low point. We knew that taking up the reins of government would be very challenging.

- When we became the government, what we found to be most challenging of all, was the state in which the previous administration left the economy
- The country was battered and bruised. Remember?
- For eighteen months there was no review by the IMF. Remember?
- The economic 'hole' deepened. Remember?
- The debt ballooned. Remember?
- You were there. Remember?
- The country was drifting out of control. Mr. Speaker, they were all there.

They broke it. Now we have to fix it.

Mr. Speaker, during the last five months, every member of this team has been deeply preoccupied with addressing the economic challenges facing the country.

Let me give just one example. The Jamaica Development Infrastructure Programme (JDIP) was a US\$400 Million loan over four years. We thought, upon assuming Government that approximately US\$200m would have been left in that fund. .

To our horror we found that they had spent and committed all but US\$2 Million. Two million United States dollars was left of the US\$400 Million in less than two years, with many projects still incomplete.

Over expenditure in the first year and a half of the JDIP contributed significantly to widening of the fiscal deficit last year. And dealing with that over expenditure was the reason this government had to present the Third Supplementary Budget earlier this year

They broke it. Now we have to fix it.

Mr. Speaker, if we are to fix the economy and create the basis for sustainable economic growth and jobs for our people, we have to take courageous steps to tackle the growing debt and stimulate growth. Each sector of the society must play its part.

In taking the necessary tough decisions, we will protect the most vulnerable.

This has been my lifelong philosophy from which I will never depart. History will judge each generation by its treatment of those who cannot help themselves.

Mr. Speaker, we had to weigh many things; the most critical of which was how it would impact every man, woman and child; particularly the most vulnerable among us. We also had to weigh the fact that during the campaign we had made certain promises.

### **RESPONSE TO REVENUE MEASURES**

Mr. Speaker, we made a promise before the elections to relieve the burden of the GCT on electricity, particularly for the poor and struggling middle class.

The Minister in his presentation to the Parliament presented a set of measures. Since then, there have been numerous requests for us to extend these benefits to all householders.

We have heard the cries of the people. We have listened and feel the pain. It was not possible to fulfill all the promises in the five months based on the conditions we found. As a responsive government, after discussion with the Minister of Finance, **the decision has been taken to completely remove GCT on electricity bills for all residential customers.**

The Minister when he closes the Budget Debate tomorrow will speak further to this and other matters dealing with the revenue measures.

### **A MISSION WITH A VISION**

Mr. Speaker, I would now like to share with the nation where we are going and how we plan to get there. We are a nation on a mission with a vision.

Every nation must have a vision to guide its mission. If it does not, there is the danger that our efforts will be fragmented and our energies diluted. In this presentation I will be concentrating on five priority areas. They are:

1. Growth and Development with Jobs
2. Creating a Sense of Ownership and Empowerment
3. Education, Training and Certification

4. Community Development
5. Core Values and Principles - Restoring Discipline, Civility and Values

### **Growth and Development with Jobs**

Mr. Speaker, every time we have a challenge we talk about putting more people on welfare. We have been doing that again and again. Is it really working? We must revise our welfare system to protect the most vulnerable in the society.

We must move people from welfare to wellbeing and from wellbeing to wealth creation. We must provide our people opportunities for training, certification and jobs consistent with the dignity of our citizens.

The macro-economic framework of this government is designed to stimulate local investment and unleash the entrepreneurial spirit of our people while expanding and facilitating access to capital for small and micro enterprises.

We have also embarked upon on an aggressive programme to attract foreign investors. The recently held International Investors Forum was an excellent step in that direction. We commend the previous administration for laying the groundwork for that event. Now we will translate that effort into real investments.

### **Energy**

Mr. Speaker, Energy Security and affordable energy are crucial to our national development. We have to urgently address our energy situation or we will not be able to capitalize on the various opportunities that are likely to come our way. The Minister responsible for Energy will address this Parliament in detail on the subject but I will use the opportunity now to say a few things.

In regard to the conversion from fuel oil to LNG, we are awaiting the outcome of the bids and any subsequent negotiations for the provision of necessary infrastructure and the supply of the LNG.

We are also encouraging the use of renewables such as wind, water, solar, as well as the use of recovery of waste and biofuels.

Conservation must be practiced in homes, farms, factories, offices, hotels and while we go about our daily business in cars, buses, trucks.

As Government, we will be setting the example by undertaking several projects to reduce our own use of fuel. We are taking the lead in the national conservation effort across all public sector entities. The target is to reduce the government's electricity bill by some 30% this year. The pilot project will begin at the Office of the Prime Minister.

Mr. Speaker, I am also aware of the hardships that people have been facing with respect to the price of gasoline at the pumps. The Cabinet decided to appoint a special Committee to examine the components of the prices of petroleum products. I look forward to sharing the findings of the Committee with the public.

### **Investments**

Mr. Speaker, regarding investment, we recognize that we have to quickly translate concepts into real investment projects which will stimulate growth and generate jobs.

Much attention has been given to what has now been dubbed the three mega projects to be implemented through the Ministry of Transport, Works and Housing.

The first of these is the North to South leg of Highway 2000. This project which began in 2007, and for which I broke ground, entails construction of a Toll Highway linking Mandela Highway to the Linstead bypass. This then leads to Mount Rosser, to Moneague and on to Ocho Rios.

The construction of the Toll Way, will open up several development opportunities in the central part of the country. In addition, this will significantly cut travel time and save energy.

Mr. Speaker, we are talking about an investment which will result in over US \$720 Million being pumped into this economy. But it does not end there.

In addition, our discussions with the investors include the development of housing and commercial areas served by the corridor. Once again, we are

thinking long term. We are positioning our country for investments and development.

The second mega project is the modernization of the existing Kingston Container Terminal to accommodate the new container ships which will be seeking a port location. This will allow Jamaica to leverage its geographic position and take advantage of the expansion of the Panama Canal. We will negotiate to get the best deal for Jamaica as we will not allow this significant opportunity to pass us by.

Mr. Speaker, the third mega project relates to the proposed development of a new container terminal on lands at Fort Augusta. These lands will be used for the expansion of the Kingston Container Terminal and will be twinned with the planned establishment of a Free Zone facility on lands at Caymanas.

This government is committed to working closely with our International partners, including members of the Private Sector from France, China, Brazil, as well as our traditional partners from the United States, the United Kingdom and Canada or wherever meaningful investments can be found.

I invite all of us in this House and across Jamaica to support these projects. I encourage our private sector to be prepared to take full advantage of these opportunities.

Mr. Speaker, Jamaicans in the Diaspora will not be left out in this process. Partnership with our Diaspora is critical to opening doors and enabling participation in investments at home.

We are now actively engaged in negotiations for many other projects in the ICT and Tourism Sectors. The respective portfolio Ministers will elaborate on these opportunities in their presentations during the Sectoral Debate.

This clearly demonstrates that this Administration will once again make Jamaica open for business. When we left office, Foreign Direct investment had reached a high of US\$1.7 Billion. We have done it before; we will do it again.

### **Cultural and Creative Industries Development**

Mr. Speaker, our cultural and creative industries need to be given a much greater focus as part of our economic development agenda. Whether it is our music, our cuisine, our dance and other forms of our artistic expression, they all represent significant value with tremendous economic potential in an increasingly globalised world.

In fact, in modern times, cultural and creative industries go beyond traditional arts and culture to include architecture, software development, media and sport.

All the elements involved in maximising the economic benefits from our cultural and creativity activity cannot continue in an unplanned manner. We have to take a new approach to how we treat with our cultural and creative industries.

This will require the development of a Cultural and Creative Industries Policy; which will consider and utilize a rapid advancement in technology and the strong Jamaican brand in the global marketplace.

We will be establishing a National Commission on Cultural and Creative Industries.

This Commission will assist the Government in establishing the enabling policy and legislative frameworks to maximize the benefits of the cultural and creative industries. This process recognizes that cultural and creative industries span sectors administered by nine ministries of government. This sector will see joined-up Government at work.

### **Jamaica Emergency Employment Programme**

Another area of job creation is through the Jamaica Emergency Employment Programme which has already provided more than 5800 jobs across several sectors.

In fact JEEP has exceeded initial expectations. In this Fiscal Year, Phase II of the JEEP will be rolled out.

#### Phase II of JEEP

Mr. Speaker, regardless of the criticisms which have been leveled at the programme, it is interesting that every single Member of Parliament has reacted positively to the opportunity to provide employment and carry out productive activities in her/his constituency. We expect that this involvement will continue in Phase II of the programme.

There will be projects from the Ministry of Agriculture, HEART NTA, the National Works Agency, Ministry of Labour and Social Security, Ministry of Housing and the National Housing Trust. The total amount which will be spent during this fiscal year will be just over \$6 Billion. This financing has been identified and secured.

We are keeping our commitment to move our people from welfare to well-being and from well-being to wealth creation. Mr. Speaker, JEEP was not an empty election promise. It is about restoring dignity through gainful employment to thousands of Jamaican families. JEEP is putting Jamaicans back to work. We are stimulating the economy.

There are two initiatives under JEEP about which I am particularly excited and which I will now share with the nation. The first relates to addressing the housing needs of thousands of Jamaicans living in poverty.

The Government will collaborate with Food for the Poor in providing FREE OF COST 1,200 housing units each year for poor households throughout Jamaica. The lands for these housing units will come either from the beneficiaries themselves or government owned lands.

The second housing project under JEEP is again in collaboration with Food for the Poor. Under this initiative, Food for the Poor, the Ministry of Housing and the National Housing Trust will collaborate in providing starter units for contributors earning between \$5,000 and \$7,500 weekly.

Mr. Speaker, even with the best will in the world, this group of contributors has been underserved for years.

Again, Mr. Speaker, we are combining State resources with private investment to achieve economic growth to improve living conditions and to train and employ workers. Joined up government. Joined up outcomes. Building the country.

My Administration intends to create sustainable economic growth and development with jobs.

### **Creating the Ownership Society**

Mr. Speaker, I wish to focus on sheltering our nation's families. This is an area where the role and work of the National Housing Trust is pivotal.

We need to take a moment to recall the period and circumstances in which the Trust was created. It was a time not unlike now. We were immersed in discussions with the IMF and our public sector workers were faced with a wage freeze.

Similarly, this government is committed to drive change in how infrastructure development in Jamaica is undertaken by public bodies. We need more coordination and collaboration. It starts this year.

It is this government's commitment, Mr. Speaker, to also drive policy initiatives that will support the efforts of the National Housing Trust to make housing more affordable for the workers who contribute to the Trust; and especially those who are most vulnerable.

### **Housing and Sheltering a Nation**

Mr. Speaker, Members of the House may be aware that approximately 55% of NHT contributors earn less than \$10,000 per week. The Housing Trust is therefore coming up with a number of new measures to assist this vulnerable group.

In order to facilitate the process, the Government has agreed to grant the NHT tax free-status in respect of GCT, stamp duty, property tax and transfer tax for the next two years. The NHT will pass on this benefit thereby enabling more affordable housing for that category of beneficiaries.

NHT Home Grant allocation for the last two quarters ending December 2011 and March 2012 totalled \$336 Million and benefitted 280 qualified applicants who earn \$10,000 per week or less.

Commencing this month, these grants to the tune of \$1.2 Million for each qualified applicant will be allocated daily on a first come basis to qualified walk-in contributors. This is not a one-time arrangement. It is a policy that will remain in place for the foreseeable future.

Ten per cent of the total home grant will be reserved for qualified applicants with disabilities.

There is more, Mr. Speaker.

Effective September 1, 2012:

- Contributors who qualify for loans at 3% interest will now only repay at 1%
- Contributors who qualify for loans at 5% will now pay only 3%.

These special reduced rates will apply for three years.

Also effective on September 1, hotel workers who earn \$10,000 per week or less and who have applied for an NHT mortgage during the next three years, will receive a 1% reduction below the normal rate.

There is still more:

The 1% interest rate reduction for public sector workers, which was originally due to expire on March 31 next year, has been extended to March 31, 2015. Contributors will therefore enjoy that benefit for two additional years.

The NHT will introduce a new Mortgage Partner Policy aimed at more affluent contributors. These are settled homeowners who typically do not apply for their refunds and who do not anticipate accessing a benefit from NHT.

They may however have a trusted friend, family member or caregiver or gardener, helper or staff member they would want to help. The mortgage partner will forego their NHT homeowner benefit but can qualify for a Home Improvement loan after 15 years. The mortgage beneficiary who is assisted can also access a Home Grant, if eligible, to improve their affordability.

The Government is also making a commitment to give suitable housing lands to the NHT to add to their land bank, in furtherance of their housing programmes.

**And now we really ‘tun up de ting’.**

Within the next 2 months, the National Housing Trust will be advertising 3 new developments, for which subsidies will be announced. They are:

- In Clarendon, Longville Phase 3, there will be 918 solutions
- In Manchester - Perth 1, Mandeville - 259 serviced lots
- In St Thomas, Creighton Hall - 140 serviced lots

The NHT will contribute \$10 Million this year to JEEP. This is for its administration of training, certification and employment promotion. Youth in NHT schemes including those in the inner cities will benefit from this training programme. It will seek to facilitate greater impact of sweat-equity in home construction.

NHT will also continue its recently introduced practice of allocating up to 15% of its scheme solutions to young professionals.

These are real, tangible solutions to provide better living conditions and a sense of pride and dignity for our people. NHT will also be considering more housing solutions for the middle income

That, Mr Speaker, is how we ‘tun up de ting’!

A few weeks ago I visited with the very hard working men and women in the Jamaica Defence Force at Up Park Camp. As Minister of Defence, I toured a number of areas including their living quarters, and Mr Speaker, I was most distressed to see the deplorable condition in which our soldiers are living.

I immediately brought this to the attention of the new NHT Chairman and asked that he discuss with his Board ways and means to immediately address an outstanding agreement on this matter. I am pleased to announce that the JDF will be allocated \$1.6 Billion to rebuild Lathbury Barracks at Up Park Camp, using its Engineering Battalion.

The soldiers defend our nation. This government defends their right to better living conditions.

Mr. Speaker, I discover how much money the JDF saves the Government by performing a number of projects at Up Park Camp themselves, including making blocks.

Mr. Speaker, housing does not just mean shelter, it also means job creation. It means the hardware stores will increase their sales; it is about stimulating the economy. It is about listening to the voice of Bob Marley so that our people will not have rock stone for their beds.

### **Land Administration and Management Programme**

Mr. Speaker, I now turn to the issue of land distribution and registration.

Too many Jamaicans cannot show evidence of ownership of their land. There are 450,000 parcels of land in the Register Book of titles, but there are hundreds of thousands of parcels that are not registered.

Too few people can produce tax receipts of land tax payments. Many are not willing to pay for the cost of administering the estate when they do not see the benefits.

This Administration is committed to creating an empowered ownership society through the titling and registration of property. In this our Jubilee year, Project LAMP will be re-engineered. Through this programme, more Jamaicans will finally get the title that show that they formally own the parcels of land on which generations of their families have lived and toiled.

We remain convinced that ownership of land and housing is a major driver in the process of building national pride and social responsibility. And that is why we are using every opportunity to move Jamaicans into full and rightful ownership.

Mr. Speaker, when faced with challenges, this Government finds creative and sustainable solutions. We remain undaunted!

### **Education, Training and Certification**

#### **A Nation of Learners**

Mr. Speaker, education is a personal asset, a national good and a necessary investment. The provision of education continues therefore to be a shared responsibility between the State and the family.

Access to schooling is now almost universal. However, the challenge to achieve quality education across the board remains a major objective of this government.

Without neglecting any level of the system, we will focus on improving quality in Early Childhood institutions and the early grades of our Primary schools. I have always believed that if we 'start them right we will make them bright'. Research data support this view.

Mr. Speaker, it is also important for us to ensure in the medium term that we increase opportunities for training in the relevant skills for a productive workforce. The Ministry of Education will strengthen its linkages with employers, labour market analysts and agencies for national and international certification to ensure that our graduates are more readily employable or are prepared for self-employment.

Our people of all ages possess a wealth of talent and creativity. We are creating an education and training system which provides the best support for our learners. It will be flexible enough to re-skill qualified persons so that they can adapt to changes in the labour market.

### **Labour Market Reform**

Mr. Speaker, education, training and certification link directly with another critical element of economic development - Labour Market Reform.

Recently I opened the skills training centre at the Browns Town Community College. I was told by its Principal that there are overseas employers needing upwards of 2000 trained and certified trailer drivers at a salary level equivalent to \$86,000 Jamaican dollars.

Opportunities abound globally for skilled workers. We must prepare our people to take advantage of them.

## **Jamaica's 50<sup>th</sup> Anniversary Scholarship Programme**

Mr. Speaker, this year, the Government of Jamaica, with the generous support of the Petro-Caribe Fund, will award 50 scholarships to students island-wide. The scholarships will be awarded based on academic merit and financial need. They will be distributed as follows:

- 20 to GSAT Students
- 20 to Undergraduate students entering university in the Jubilee year; pursuing science, technology and entrepreneurship
- 10 to Post-graduate students doing research in neutraceuticals to create new industries, sport management and cultural industries

The scholarship programme is estimated to cost \$205 Million. The Jamaica 50 Scholarship Programme is a sound investment in Jamaica's future.

## **Community Development**

This government is committed to investing in community development. The Community Development and Renewal Programme will play a major part in the transformation of our cities, towns and villages.

The community renewal programme aims at violence reduction and community development projects in 100 of the most vulnerable and volatile areas across the island.

These 100 communities account for up to 83 per cent of murders, 73 per cent of major crimes, and 43 per cent of informal settlements.

This programme is a targeted intervention which is aimed at transforming communities and the lives of the persons who live in these communities. This programme complements the Citizens Security and Justice Programme.

The National Housing Trust has already allocated 150 Million Dollars to the down town Inner City Housing Programme for the UDC to implement. Other government agencies will also continue to invest in our communities.

Last Month, I signed a J\$1.4 billion agreement with the European Union to be invested in poverty reduction, and community renewal. This is to be

implemented by the Jamaica Social Investment Fund (JSIF). The funds will be invested in those 100 vulnerable communities I mentioned earlier.

Once again we thank our international partners, the European Union for their invaluable contribution and dedication. They have been working with several government entities. The government is grateful to the EU for its 'buy-in' of our approach and for coming on board to provide valuable grant assistance

As part of investing in social infrastructure in communities and to enhance community policing, the NHT will contribute \$25 Million towards the establishment of a police post in Longville, Clarendon.

JSIF also has an important role to play in the development of rural and urban communities. The Agency will be spending approximately 450 million dollars in this fiscal year. Some of the communities to benefit from this allocation are:

- Africa, Spanish Town
- Flankers in Montego Bay,
- Browns Hall, Homestead and Central Village in St Catherine

In addition to that, JSIF will be required to implement projects in excess of J\$2.7 billion, plus a potential additional J\$770 million from the Petro Caribe Development Fund.

I have charged the PIOJ and the new boards of the UDC and NHT with the mission of building a Jamaica where people can realize their dreams of a decent life in planned communities.

### **Urban Development Corporation (UDC)**

Mr. Speaker, I have given the UDC the mandate to reposition itself as a catalyst for urban development. They are to utilize national development strategies to stimulate investments that are aligned to the development plans of the country.

Lands owned by the Corporation must also be strategically used and must conform with the government's development goals.

The transformation and revitalization of Downtown Kingston is a priority. Let us recognise the city of Kingston, now 320 years old, as one of our important heritage sites. We are actively working towards its revitalization and renewal.

Markets across Jamaica will also be retrofitted in a collaborative effort between the UDC and respective Parish Councils. It is critical that we provide a comfortable environment in which vendors can sell and consumers can shop in comfort and safety.

For our 50<sup>th</sup> Anniversary, the Linstead Market with its rich history and prominent position in our folklore, has been chosen for special treatment.

### **Simon Bolivar Cultural Centre**

Mr. Speaker, Members of this Honourable House are aware of the historical and cordial relations that Jamaica has enjoyed with the Bolivarian Republic of Venezuela.

The construction of a Cultural Centre has been facilitated by a grant from the Government of Venezuela and resources from the Government of Jamaica. The Government has approved an additional expenditure of US\$1 Million to complete the Centre.

The Centre will promote and showcase our cultural heritage and will also complement other cultural development projects being planned as part of the redevelopment of Downtown Kingston.

### **Sport and Community**

Sport is the most powerful unifying force in World. It is no different in Jamaica. In this our 50<sup>th</sup> anniversary, we must recognize the contribution of our outstanding sportsmen and women in. This is a very active year for sport in Jamaica. As our team leaves for the Olympics in England, our prayers go with them. We wish our Reggae Boyz well in their quest for qualification on their road to Brazil.

This Administration has clearly defined sport as an integral part of the country's development. Every community has a sporting element. Sport will increase social harmony and economic development while pursuing

opportunities for Jamaicans to engage in sport for recreational purposes and to support healthy lifestyles.

The Government of Jamaica intends to achieve the following objectives in the medium term:

- Establish a National Sports Museum
- Establish a Sport and Wellness Centre
- Re-establish the National Sport Council

As part of our Rural Development Strategy, the Government, acting through the Sports Development Foundation, will be restoring and rehabilitating twelve (12) sport facilities in sugar dependent areas at a cost of \$213.7M.

### **Core Values and Principles - Restoring Discipline, Civility and Values**

Mr. Speaker, I now turn to the issue of the deteriorating attitudes and values being displayed across our society.

We recognize the importance of strong, positive core values in building successful lives and in building a successful nation. We must rekindle the compassion, trust and love toward each other that generations of Jamaicans before us have demonstrated.

It is the social capital of trust in each other and in our institutions that enables us to work together to create secure and prosperous communities. It is by living the core values of respect and tolerance that we build a society that respects the rights of all.

It is by upholding the values of honesty and truthfulness that we achieve accountability and transparency in governance, and through commitment to the values of discipline and punctuality that we achieve excellence and international competitiveness.

I want respect and trust to be a principal defining characteristic of my Administration. We want to go further and build trust as a national feature of our life as a people.

We want that trust to embrace all of Jamaica as we reshape the value system in charting our path for the next fifty years.

We want to provide a blend of opportunity and respect out of which we can build the hope and strengthen the trust.

Trust in our institutions is an absolute imperative as we celebrate the past and look to the future.

The administration which I lead has committed itself to transparency and to leading by example.

We intend to follow through on the legislation which will strengthen the anti-corruption mechanisms in the protection of public finances and in creating a level playing field for all.

What is required is an attitudinal shift and radical changes in behavior. Part of our emphasis on core values **is** how we treat with our most vulnerable in society – including our children, our elderly, and persons with disabilities.

### **Protecting our Children; Safeguarding our Future**

Mr. Speaker, an area in which many of us will have to change our behavior is the way in which we treat our children. There are some worrying **signs**. **Some** 6,482 children were reported missing between 2009 and April 2012. Last year alone 2,126 of our children went missing.

Mr. Speaker, this is an average of almost 6 children per day going missing in this small island of ours.

What is even worse is that in its five years of existence the Office of the Children's Registry (OCR) has received 25,023 reports of abuse against children. Of these there have been 7,245 reports of sexual abuse.

This is shameful and disgraceful!

If the true character of a nation and its potential for sustainable growth and development **are** to be judged from the way we treat our children and other vulnerable groups of persons, then we are not looking so good as a society.

While many legislative, institutional and programmatic successes have been achieved in child protection, much more is required.

Let me pay tribute to the mothers and fathers who take care of their children. When individuals become parents they have a personal responsibility for their care and protection.

I do not know which mother or father's stomach did not turn at the tale of the four year old boy who was sexually abused by a man. What beast would do that? There is also the disgraceful incident of the nine year old girl being sexually assaulted by an adult male. How could it take nine days for this to be discovered?

What man or woman can accept that a fifteen year child could have been, as have been reported, held by her own mother for a man to sexually assault her?

I want to ask that mother, "Who are you? Where did you come from"?

Shameful, brutal and disgraceful! She will have to answer to the Law and to Almighty God.

The relevant government agencies will take the strongest possible action when these atrocities occur. We must unite as a nation against those who abuse our little boys and little girls.

Some significant successes have been achieved by previous Governments led by this side of the House and built on by our colleagues on that side of the House.

These relate to the development, implementation and strengthening of institutional arrangements for delivering services to children. They include the work of the Child Development Agency, the Office of the Children's Registry, the Office of the Children's Advocate and the Early Childhood Commission.

The promulgation of the Child Care and Protection Act and the strengthening of the Sexual Offences Act to protect children against sexual abuse and to increase punishment for such abuse, are among the vital steps taken in the interest of our children. Through the Ministry of Youth and Culture we are strengthening the capacity of the Child Development Agency to respond to the growing number of reports from the Office of Children's Registry.

The Minister of Youth and Culture, on behalf of the GOJ, signed a J\$1.2 Billion Action Plan with UNICEF for focused intervention for child protection and development over the next five years.

### **Persons with Disabilities**

Mr. Speaker, the community of persons with disabilities is another vulnerable group within the Jamaican society. As we move forward, we must put in place sustainable policies which will redound to their improvement. My Administration is committed to this process and commencing this year we will be enacting the National Disabilities Act which we started in 2004.

Mr. Speaker, the Government is also committed to empowering persons with disabilities through education. As part of this commitment, we will be providing persons with disabilities who are pursuing education with assistance in the area of modern technology to assist with their education.

One of the major priorities of this Administration is to provide employment for our people, including persons with disabilities. I have already given instructions to the Ministries implementing the JEEP to ensure that persons with disabilities are employed in the project.

Mr. Speaker, I am encouraged that the National Youth Service through its summer employment programme continues to include persons with disabilities in their various programmes.

### **FUNDAMENTAL ISSUES**

Mr Speaker, in previous years during my contribution to the Budget Debate, I spoke about the role of the Parliament in finding lasting solutions to some of the major challenges which face our people.

## **National Security**

This year the Government of Jamaica will be redoubling its efforts at creating a safer and more secure society.

Mr. Speaker, we will complete the new National Security Policy. This will provide us with a comprehensive framework to guide the national security apparatus and the administration of the criminal justice system.

It will also provide a basis for mobilizing and winning national support at all levels and from all sectors of society.

The National Security Policy will also frame our cooperation and collaboration with our international partners. As a major strategy, the Government of Jamaica will be moving to “take the profit out of crime”. The intention is to dismantle and suppress the criminal gangs and organized criminal groups, as well as their facilitators.

We will continue the work to strengthen the capacity of our security forces to confront the criminal and violent forces in our society while being mindful and respectful of the rights of all our citizens. We will also improve our social intervention programmes. The Minister of National Security will expand on these measures when he makes his presentation.

## **Minimum Wage**

This Government, values immensely the contribution of every single Jamaican worker to the building of this nation. We will do everything in our power to secure their well-being.

Mr. Speaker, we are aware that the purchasing power of minimum wage workers such as domestic workers, store clerks and security guards has been reduced. This has implication for the standard of living of the workers at this level.

I have asked the Minister of Labour to request that the Minimum Wage Commission conduct a review of the current minimum wage with the aim of making an adjustment during the course of this year.

The Minister of Labour will provide greater details when he addresses this Honourable House.

## **Foreign Policy**

Mr. Speaker, I wish to take this opportunity to comment on our foreign policy. In the modern era, our foreign policy is an extension of domestic policy and we should also be mindful that despite our size, we must see ourselves as making a contribution to peace, good order and sustainable development around the globe. We must play our part in advancing the welfare of the whole human race.

Jamaica's international reputation has taken a severe battering over recent years.

Our Administration has faced challenges related to the loss of trust that we inherited. Our administration has begun to reconstruct those broken foreign relations fences and the response has been good.

There can be no doubt that since Jamaica's interests – economic and otherwise – remain substantially tied-up with those of our traditional partners, a central pillar of our foreign policy must be the continued nurturing and strengthening of these relations.

Mr. Speaker, we have officially opened our Embassy in Kuwait and we have also established an Embassy in Brazil. We are also taking steps to enhance our representation on the African continent, through the accreditation of a special representative to the African Union.

Mr. Speaker, our Diaspora communities contribute far more than family remittances, and have the potential to increase investment in our economy.

We will establish an Inter-Ministerial Committee on Diaspora Affairs involving all the relevant Ministries and Agencies of Government to ensure that the linkages are in place for fuller participation of our nationals living overseas.

Mr. Speaker, this Administration will seek to revitalize CARICOM to make it fulfill the promise which the founding leaders envisaged. We strongly believe that CARICOM working at its best, is an important instrument in the management of our relations with the hemisphere and the wider world.

Mr. Speaker, this Government's foreign policy will be determined by what is best for Jamaica, what is best for the region, and what we consider to be best for the advancement of humanity.

We are a small country but we will be making every effort to ensure that our voice and presence continue to be heard and felt in positive and productive ways.

## **CLOSING AND CALL TO ACTION**

Mr. Speaker, as I close, I have outlined exactly where we are. I have restated my commitment to move more of our people from welfare to wellbeing and wellbeing to wealth creation. I have outlined some of the measures that will take us there.

### **People Power**

We were swept into this place on a wave of people power. It was a mandate for change. We have come with the belief that profound collective wisdom resides in our nation. We must listen to the people and use their wisdom to steer us in the right direction.

All of us who form this government are joined in one purpose, one mission and one goal - to make Jamaica a phenomenal country. We recognize that there are indeed 'many rivers to cross', but 'we are Jamaicans' and we have the capacity for greatness.

It is said that the politics of governance is the 'art of the possible', that is, working together to craft and achieve the best outcomes within a democratic framework.

Since January, as a government, we have also learned that politics in these times is very often the 'art of the *impossible*'

We are being called upon to turn "can't do" and "hard-to-do" into "must do" and "will do".

Mr. Speaker, we have a lot of work to do:

- We have to grow our economy and create jobs for our people

- We have to find a way, the right way, to make development happen.
- We have to create a trained, educated and certified workforce
- We have to foster a sense of making our nation one large family of families, one large community-of-communities, indeed, 'one nation under God'.

To accomplish these things will require doing what is necessary. What is necessary is not always what is popular. We must have the strength of character and the fortitude to change our ways of thinking, to be open and receptive to new ways of doing things. We will need to have the moral fiber to admit to our mistakes; and the courage to make the adjustments.

Our plan for progress is based on a progressive perspective that always places people at the centre of power. This is what we believe at the core of our beings and it will not change when it is convenient or expedient.

We on this side of the house are always guided by the abiding progressive principles of 'people power'.

Mr. Speaker, we cannot allow ourselves to be paralyzed by cynicism. We cannot be stunted and stopped in our tracks by those who shout the loudest about populism and promises. This is not a government that will create a spin to tell you that our mistakes were planned, nor will we take a stand only when risks are slight.

Mr. Speaker, it will take phenomenal strength, sacrifice, understanding and hard work, to build a prosperous Jamaican family. It means finding ways, being creative and innovative. We must approach our mission with a vision.

I have always said our nation is like a family. Sometimes we will agree and at other times we will not. But as a family we must look beyond today at the bigger picture. We must look beyond the here and now to the future.

We are 'Out of Many, One people'. We are all in this thing together and we have to work it out – together.

I say to my Jamaican people 'Keep heart'. These are tough times indeed.

In this our fiftieth year we have to rise with the power of our ancestors and shine, like the brilliant Jamaican sunshine over the Blue Mountains after a

long, dark night.

We are faced with the many choices, but we have only one option. We must band together to build a better Jamaica.

I pray that God will continue to bless our land and guide our people.