

BUDGET  
**DEBATE**  
2025



# A BETTER ECONOMY

for All *Jamaicans*

**JULIAN ROBINSON, MP**

**Shadow Minister**

Finance, Planning  
and Public Service

## Salutations

Madam Speaker, I stand to deliver the Opposition's response to the 2025 Estimates of Expenditure. I am deeply grateful to the Almighty for the strength and health to do so. I remain steadfast in my faith that His grace will continue to guide me through both the challenges and triumphs that lie ahead.

Madam Speaker, my commitment to serving this country is rooted in my unwavering belief in the principles of the People's National Party (PNP). It is both an honour and a privilege to be entrusted with this responsibility. I extend my gratitude to our Party Leader and Leader of the Opposition, Mark Golding.

I thank my colleagues on both sides of this Honourable House. A special thanks to my constituents in South East St. Andrew, who have given me the privilege to serve and advocate on their behalf.

I also wish to acknowledge my hardworking constituency team, including my two dedicated councillors: Jesse James Clarke and the esteemed Mayor of our capital city, His Worship Councillor Andrew Swaby. His Worship continues to work tirelessly for the people of Kingston and St. Andrew. This team also includes constituency secretary, Ivy Hill, organiser, Sonia Forbes, and the other members of the executive.

Above all, I am profoundly grateful to my family. To my wife, Mariame, for her boundless love, patience, and unwavering support. To my father and siblings, whose love and encouragement have been a pillar of strength. To my aunts and other relatives who continue to support me. And finally to my children, PJ and Amara, who remind me every day why I dedicate myself to public service—to build a better Jamaica where they, and all our children, can have the brightest possible future.

Madam Speaker, this is my fifth and final budget presentation as Opposition Spokesman on Finance. The next time I rise to speak in a budget debate, I fully intend to do so from the other side of this Honourable House.

As I have aimed to do in my previous presentations, I will demonstrate that the Opposition has a firm understanding of the economic challenges facing our nation. More importantly, I will outline meaningful solutions and establish why the People's National Party is the right choice to lead Jamaica forward. When the people step into the ballot box later this year, they should know that they are voting for progress, for solutions, and for **'a better economy for all Jamaicans'**.

However, before I begin, Madam Speaker, I must take a moment to acknowledge and congratulate the Minister of Finance and the Public Service for making history

as the first female to hold this post and the first woman to open the budget debate. This is a significant milestone and a testament to the progress of women in politics.

### The Jamaican Economy Today

Madam Speaker, the context in which we are having this debate is one defined by the Holness administration's near decade-long tenure, and the undeniable fact that the JLP has governed for **14 of the last 18 years**. This is the government's **10<sup>th</sup> budget — three ministers of finance. This is their second innings. The game is over. It is time to assess the scores.** Over the past nine years, we have witnessed the continuation of economic policies that have done little in lifting Jamaica out of a low-wage, low-tech, low-productivity, and ultimately low-growth economic model. The fact is that, if all we do is tinker around the edges, which this government continues to do, our economy will remain stagnant—trapped in a low-value-added, low-income system that simply cannot deliver a better quality of life for the majority of the Jamaican people. Madam Speaker, low productivity remains one of our biggest obstacles to growth. Without serious investment in skills training, innovation, and modern infrastructure, we will never break free from this cycle of mediocrity.

Madam Speaker, Tuesday's budget presentation from the Minister was more of the same old approach that has left Jamaica stuck in low growth and high hardship. We heard no serious, coordinated strategy to grow the economy and no aggressive push to improve productivity. Instead, it was more tinkering around the edges while Jamaicans continue to struggle. This government is clearly out of ideas and out of time!

But, Madam Speaker, while they have no real growth plan, we do. Today, you will hear from this side of the House:

1. A bold strategy to sustainably grow the economy at higher levels.
2. A targeted programme to tackle the cost-of-living challenges in the short-term for our young Jamaicans, struggling parents, and our elders—65 years and over.
3. A concrete plan to reduce energy costs and lower people's light bills.
4. A decisive approach to addressing high interest rates and excessive bank fees.

5. A comprehensive strategy to empower and expand the MSME sector, including access to financing, tax incentives, and access to government projects.
6. A responsible approach to negotiating public sector wages that ensures fairness and respect.
7. A plan for investing in our nation's creative industries and digital content creation.
8. A plan for education—one that prioritizes access, equity, and quality to equip our people with the skills needed for a modern economy.

Unlike them, we are not here to tinker at the edges. We are ready to lead with real solutions that put the Jamaican people first!

### Boasts of Macroeconomic Stability

This government boasts of macroeconomic stability, while people's quality of life is going down. Stability without meaningful transformation is simply never enough for where we need to be in our economic development. And, Madam Speaker, we are not knocking the importance of macroeconomic stability—we understand its value. In fact, it was under the last PNP administration that the heavy lifting was done to secure the macroeconomic foundation that exists today.

But let us be clear: macroeconomic stability is not an end in itself—it is a means to an end. And that end must be higher, sustained growth that translates into better living conditions for not just some Jamaicans, but for all Jamaicans. Instead, this government has presided over an economy that remains **structurally weak —with struggling industries—overly reliant on imports, with no real strategy for industrial expansion, export-driven growth, or the creation of high-value jobs**. Madam Speaker, they continue to come with short-term gimmicks to grab headlines and make people feel good only for today, but our long-term future is not secured. It is time to secure our long-term future of high growth, high wages and high-tech Jamaican society. **The JLP with their short-term feel-good economic policies do not UNDERSTAND the long-term ASSIGNMENT!**

I have said it before and will say it again; the economy needs a transformative vision and creative leadership—**not the piecemeal, short-sighted policies** of the last nine years.

## Government Borrowing and the Truth About the Budget

Madam Speaker, the government has been going around telling Jamaicans that they don't need to borrow to fund projects, claiming that everything is financed from tax revenues. But this is simply not true.

Let's set the record straight, Madam Speaker. For the upcoming fiscal year, the government plans to borrow J\$158.4 billion to help finance the J\$1.3 trillion budget. The current fiscal year ending, they borrowed approximately J\$198 billion. So, they must be honest with the Jamaican people—they are borrowing to fund the budget. Stop pretending that the entire budget is covered by tax revenues.

And for full transparency, Madam Speaker, let me share this with the House. The total public debt stock is estimated to reach **J\$2.22 trillion** by the end of FY 2025/26. By the end of FY 2028/29, the government projects that it will rise **to J\$2.34 trillion**. For full context, by the end of FY2015/16, the total public debt was estimated at **J\$2.07 trillion**. So despite their claims, the absolute value of the debt has actually increased under their administration.

These, Madam Speaker, are not my numbers—they come directly from the Minister's own Fiscal Policy Paper. The government must be transparent about the true state of the country's finances.

## Strawman Fallacy

Madam Speaker, on Tuesday, the Minister made a **shocking accusation**. She claimed that some people have been **riling up Jamaicans** to demand that the **Net International Reserves (NIR)** be used to fix current issues. I have searched wide and far and can find no one who has made such a demand.

What the Minister did was to **create a strawman argument**—fabricating a false position so she could have something to attack.

We on this side **fully understand** the importance of the NIR—when it should be used and how it should be used. So I am asking the Minister **to identify who made such a demand**.

## PNP Rescued the Economy; Holness Cannot Claim Paternity

Madam Speaker, this JLP administration has gone to great lengths to downplay and deny the PNP's critical role in achieving the macroeconomic stability that the country



enjoys today. They would have the Jamaican people believe that they single-handedly "fixed" the economy—as if history started in 2016.

But, Madam Speaker, their memory seems to be stubborn. So let me remind them exactly what happened under the last PNP government. **Let me remind them that the economic foundation they now stand on was built by the superior economic management of the PNP. Without our leadership from 2012-2016, the country's economic fundamentals would still be in the perilous state, that they were in at the end of 2011 when the JLP left office.**

Madam Speaker, when the PNP was doing the hard work of fixing the economy, many on that side criticised, resisted, and, in some cases, outrightly tried to obstruct us. **One of the loudest voices against us was none other than the current Prime Minister himself!**

But, Madam Speaker, look at them now!

Now that the macroeconomic fundamentals **are bearing fruit**, now that the **returns on the structural and tax reforms we implemented are leading to higher revenues**, they suddenly want to **claim paternity for the success!** It is because of the tax reforms we implemented that efficiency in tax collection has increased over time, resulting in higher tax revenues. This is why they can say NO NEW TAXES.

Well, **let me be clear**—Andrew Holness and his government **cannot claim paternity for fixing the economy!** If they try, **they would be getting a jacket!** And, Madam Speaker, **he can't now turn up pretending to be the 'baby father' for fiscal discipline—because DNA results would say A NUH FI HIM PICKNEY!**

They would also rather we forget that it was the People's National Party (PNP) administration from 2012-2016 that saved the economy and restored domestic and international confidence in our credibility as a nation.

But, Madam Speaker, we recall the years that the economy experienced fourteen (14) consecutive quarters of negative growth from 2007 to 2010, only to achieve a mere 1.51 per cent real GDP growth in 2011. The country received downgrades from international rating agencies. **Madam Speaker, I was astonished at how the Finance Minister conveniently skipped over the 2007-2011 period of the JLP government during her history lesson on Tuesday.** You would think they were not in government! During the 2007-2011 period, total public debt, unemployment, and poverty all increased. Madam Speaker, I did not make up this. They are from the Planning Institute of Jamaica's (PIOJ) Medium Term Socioeconomic Policy Framework.

The failing economic situation was worsened by poor fiscal management. The JLP's Audley Shaw, as Finance Minister during their 2007-2011 administration, attempted, frankly, when it was too late, to tackle the fiscal challenges. They introduced the Fiscal Responsibility Framework (FRF) and rolled out the Jamaica Debt Exchange Programme (JDX)—which they were required to do to secure the IMF's Stand-By Arrangement (SBA). The IMF called them “prior conditions”.

**But, Madam Speaker, just like a Christmas pay cheque—here today, gone tomorrow!**— their commitment to fiscal reform didn't last very long. Their own missteps cut short those efforts. And before long, the economy was on life support, gasping for stability.

In 2011, with Andrew Holness as a senior cabinet minister and Leader of Government Business, **the JLP abandoned and effectively ended the 27-month Stand-By Arrangement with the International Monetary Fund (IMF)**, this according to the IMF's 2011 Article 4 staff report. Madam Speaker, when I say abandoned, I mean they didn't even take the last two tests.

Trevor Alleyne, the then IMF's mission chief to Jamaica, captured the severity of that period in an interview with the *Financial Times*, stating, “They [the JLP-led government] did it without consulting us. That's when I knew the programme was in trouble.” As my good friend, Horace Dalley, would say, they couldn't even send them a text message!

This collapse of the IMF programme under the JLP's watch not only strained relations with the Fund but also affected funding from other multilateral organizations. Following the IMF's decision, the World Bank, the Inter-American Development Bank, and the European Union all withheld their support in 2011. **Madam Speaker, the international financial community turned its back on us**, complicating our ability to meet the IMF's strict requirements and contributing to significant macroeconomic instability.

**By 2012, Jamaica was on the precipice of an economic collapse**, with no access to the international capital markets and public debt soaring to an unprecedented 134 per cent of GDP. Madam Speaker, this was a dire period in our nation's history, a time **when our very survival as a viable nation was at stake**. The central government's fiscal deficit at the end of FY 2011/2012 was 6.2% of GDP. Inflation was at 7.3% by the end of FY 2011/12, according to the Government of Jamaica's Fiscal Policy Paper.

The Jamaican people, yearning for a departure from this poor fiscal management, entrusted the economy to the PNP in 2012.

We managed to renegotiate a new IMF agreement with the support of our international allies, which provided a financial lifeline for Jamaica. But Madam Speaker, make no mistake about it; it was a painful negotiation! **The IMF felt we had to be taught a lesson because of how the previous JLP had managed the agreement.**

Dr. Peter Phillips, the father of the fiscal transformation, in an article written by the Financial Times, recalled, “My first few weeks were spent in a dialogue of the deaf... there was a view that it would take a complete collapse to force Jamaica to change. My job was to convince the IMF that we were serious this time. But there was a big trust deficit.”

We were making no progress on our own in negotiating a deal with the IMF. The JLP left a bitter taste in their mouth. The Financial Times published an article quoting an IMF insider who was part of those negotiations. According to this insider, meetings between the IMF staff and the Jamaican negotiation team would often start with an IMF official making a grim joke, saying, **"Has Jamaica crashed yet?!"**



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Under a starlit sky at the Jamaican prime minister's immaculately maintained garden in 2017, Christine Lagarde sang "La vie en rose" clutching a bouquet of roses. The guests hooted with approval when the International Monetary Fund's managing director finished her impromptu Edith Piaf serenade. As well they should, for this was a night for celebration.

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It was Portia Simpson Miller who used her international political capital to get our friends in the U.S. Congressional Black Caucus to intervene on Jamaica's behalf. **Thanks to Portia! Thanks to the PNP's strong diplomatic relationships! Thanks to US Congresswoman Maxine Waters!** This intervention is what saved us from total collapse.

But now, Madam Speaker, the JLP and Andrew Holness want to rewrite history. They want to claim they "fixed" the economy. **This is textbook choppa behaviour—they want to scam the truth, chop up the facts, and pass them off as their own. But no more, Madam Speaker!**

In 2013, the IMF agreed to provide the necessary financial support, albeit insisting on stringent austerity measures. Many doubted Jamaica's ability to meet these conditions. Yet, Madam Speaker, through careful fiscal management and the implementation of robust economic reforms under the PNP, Jamaica successfully met all of the IMF's requirements and stabilized the Jamaican economy.

Madam Speaker, then Opposition Leader Andrew Holness said, "the PNP is passing IMF tests but failing the test of the People." **It was our passing of these tests, our adherence to fiscal discipline and our efforts in reducing debt that handed the JLP a more stable economy with more fiscal space than we ever had.**

Look at this, Madam Speaker, when we were being fiscally disciplined, he said we were failing the people's test. But now they want to say that fiscal discipline can nyam. What can go so, Madam Speaker?



## 'Fiscal discipline can nyam,' PM Holness tells critics

1 Comment • Make a comment

By Alicia Dunkley-Willis Senior reporter  
dunkleya@jamaicaobserver.com

February 24, 2025



During our tenure, we undertook a challenging debt restructuring and committed to maintaining a 7.5 percent primary budget surplus. By the time we left office, we had reduced public debt to approximately 120 per cent of GDP. We upheld an unparalleled level of fiscal discipline, tightened fiscal policies, and rolled out a comprehensive economic reform programme. This programme focused on structural reforms to stimulate growth and employment, significant fiscal adjustments backed by broad institutional reforms, and debt reduction to ensure the sustainability of public debt while safeguarding financial system stability.

In July 2015, Jamaica under the PNP raised US\$2 billion on the international capital markets at the lowest rates ever. A third of the funds were used to buy back outstanding debt, including a portion of the PetroCaribe debt from Venezuela. This transaction ultimately saved Jamaica over US\$300 million in debt service. It reduced Jamaica's debt-to-GDP ratio by approximately 10%. Yet, when we pursued this transaction, the JLP and Andrew Holness criticized it and opposed it. They said it couldn't work!

### **Like a lizard on a limb, the JLP continues to draw bad card on PetroCaribe**

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Christopher Burns

August 7, 2015



## PetroCaribe transaction lowers Ja's debt servicing by US\$300m

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We also enhanced the fiscal rules to guarantee prudent fiscal management. Moreover, Madam Speaker, we supported the creation of the Economic Programme Oversight Committee (EPOC), which has been transformed today into the Independent Fiscal Commission, comprising representatives from the business community, labour unions, civil society, and government officials, to monitor the progress of reforms and government fiscal management.

These measures we implemented yielded substantial results. Jamaica's fiscal deficit was eliminated, achieving a 0.4% surplus of GDP by FY 2014/15; the public sector surplus rose to 1.4% of GDP in FY 2015/16.

In 2015, inflation dropped to 3.7% and was the lowest rate seen in nearly five decades. By February 2016, fiscal year inflation had further eased to 3.1%. This period of economic progress did not go unnoticed; both Standard & Poor's and Moody's raised Jamaica's credit rating in June 2015, with Fitch following suit in early 2016. Additionally, Jamaica made significant strides in the World Bank's Doing Business 2015 report, climbing 27 places from 85th to 58th among 189 countries.

The international community recognized the PNP's achievements. During her visit to Jamaica in 2014, IMF Managing Director Christine Lagarde praised Dr. Phillips and the PNP administration, stating, **"I wanted to pay tribute to Minister Phillips and his colleagues...for what has been a clear change of course...making the hard choices and successfully completing four reviews."** She described the

programme's success as "astonishing," a testament to Jamaica's disciplined and transparent economic management.

## Leadership for the times - IMF boss salutes Portia, Peter for putting Jamaica back on track

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Published: Sunday | June 29, 2014 | 12:00 AM



From left: Prime Minister Portia Simpson Miller, IMF Managing Director Christine Lagarde, Finance Minister Dr Peter Phillips, and Horace Dalley, minister without

Madam Speaker, it was our commitment to macro-fiscal stability and prudent fiscal management that rescued the economy. The structural and fiscal reforms we implemented laid the groundwork for the positive macroeconomic stability we enjoy. Many of the JLP's initiatives today, continue the fiscal policies laid out by the PNP. **We birthed economic stability after the JLP botched attempt at it in 2009, we are committed to it in 2025 and will ensure that we entrench it so that no one can play with this important foundation for high and sustained economic growth, Madam Speaker.**

## Dismal Economic Growth

Madam Speaker, let us examine this government's poor track record on economic growth—despite their grand posture of having the "strongest economic fundamentals in history." When they came to office in 2016, they promised sweeping prosperity for all Jamaicans. Yet, nine years later, ask the average Jamaican if they have seen this prosperity, and they will tell you—**"Prosperity? Where? And for who?"**

Maybe there has been prosperity—but **only for the well-connected few, those with ties to this government.** But make no mistake; for too many Jamaicans, life remains a struggle.

What this government has neglected to tell the people is that prosperity doesn't just appear out of thin air—it is the result of strong, sustained economic growth. Growth is what allows a government to create the conditions for prosperity. Higher economic growth means higher salaries for workers, you can now afford the lifestyle you want to live, it means more revenue for the government to invest in better schools, safer communities, improved hospitals, and reliable infrastructure. Without growth, there is no real progress—just survival. This is exactly what we have been doing for the last nine years – just surviving. And for many Jamaicans, they are hanging on by a very thin thread.

Madam Speaker, on the need for growth, don't just take my word for it. The Minister of Finance herself, in her Fiscal Responsibility Statement within the Fiscal Policy Paper 2025/26, admitted: ***"Jamaica must look to achieve higher levels of economic growth to create fiscal space, through higher national incomes and revenues, to meet higher public expenditure demands."***

So, by their own admission, growth is the key to delivering the resources our country needs. And yet, after nearly a decade in office, what have they done to boost growth?

If they couldn't deliver sustained levels of higher growth in nine years, when, by their own admission, Jamaica had the best fiscal foundation in history, why should we believe they will do it in the next five?

In fact, Madam Speaker, the government's own growth projections for the next four years tell us everything we need to know—they don't expect the economy to grow much at all. Just look at this: **they project a mere 2.2% (recovery) growth for 2025/26. But it gets worse. Their own estimates predict just 1% growth in 2026/27, 1% in 2027/28, and again, 1% in 2028/29.**

Madam Speaker, we cannot continue like this. This level of growth cannot lift the standard of living for Jamaicans. The people of this country deserve better. And let me be clear—I'm not making up these numbers. These are their projections,



published in their own Fiscal Policy Paper (hold up the fiscal policy paper). Their own figures show that even they have no confidence in their so-called growth strategy!

But, Madam Speaker, let's look at the hard data from STATIN. The economic growth figures prior to the COVID pandemic were:

Year	Growth
2016	1.5%
2017	0.7%
2018	1.8%
2019	1.0%

Madam Speaker, the average growth rate for the four years before the COVID pandemic was **1.25%. Less than 2%.**

The economic growth figures during and post the COVID pandemic are:

Year	Growth
2020	-9.9% (COVID)
2021	4.6% (Recovery)
2022	5.2% (Recovery)
2023	2.6% (Recovery)
2024	-0.9% (PIOJ est.)

Madam Speaker, this government likes to claim that economic growth under its administration has only been disrupted by external shocks—the COVID-19 pandemic in 2020 and Hurricane Beryl in 2024. But this narrative is misleading, and the data tells a different story.

The truth is, the economy was already in decline long before COVID-19 arrived in March 2020. The government would have us believe that growth was strong during the early years of the Holness administration and that the pandemic was the only thing that derailed it. That is simply not true. The data from STATIN tells a very

different story—one that this government is dodging. **It tells us that we are going in the wrong direction.**

Before the pandemic, economic growth was already falling in 2019, quarter after quarter:

- April to June 2019: Growth was 1.3%.
- July to September 2019: It fell to 0.6%.
- October to December 2019: The economy stalled completely—0% growth.

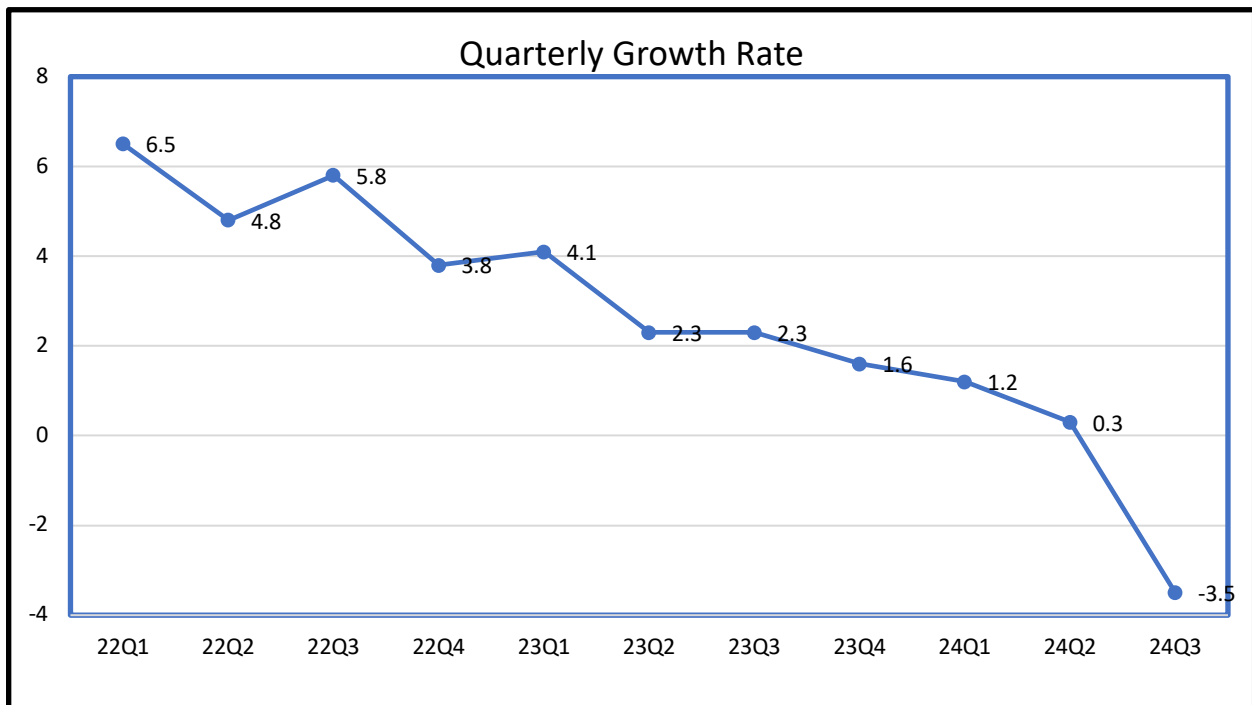
No COVID, no hurricane—just plain economic decline because of misplaced priorities failed growth strategies.

Fast forward to 2024, and we see the same story repeating itself. The Planning Institute of Jamaica (PIOJ) estimated that real growth for the first half of the year was a mere 0.8%. And let's be clear—that figure doesn't even account for the impact of Hurricane Beryl in July. *PAUSE HERE*. The chart below shows the economy suffering three consecutive quarters of deceleration before Hurricane Beryl arrived:

- October to December 2023: 1.6%
- January to March 2024: 1.2%
- April to June 2024: 0.3%

**LOOK AT THE CHART BELOW!**

This is not an economy on a path to prosperity. This is an economy struggling to stay afloat.



And for the record Madam Speaker, Jamaica was among the very few Caribbean countries that did not record growth after Hurricane Beryl. Most other Caribbean countries recorded growth. Why is this Minister?

### Nine Years, Three Finance Ministers—Poor Growth

This JLP government has had nine years in office, with record-high tax revenues and macro-fiscal stability, yet they have failed to make the necessary meaningful investments to create a new economic model to spur growth. And where has that left us? With two consecutive quarters of negative economic growth in the last half of 2024—the accepted definition of an economic recession.

And now, Madam Speaker, the Minister of Finance has chosen to avoid admitting the truth. The internationally accepted definition of a recession is two consecutive quarters of economic contraction.

Madam Speaker, let's be real with the Jamaican people. There's no need to mislead them, especially our children in school who have been taught what a recession is. The country is in a recession. If we don't acknowledge that, how can we even begin to fix it?

Let me explain it for the government. There are different types of recession, and each one tells us a different story about how recovery will unfold:

- **V-Shaped Recession:** A sharp dip in the economy followed by a quick, strong recovery.

- **U-Shaped Recession:** A prolonged period of decline and stagnation, then a slow, gradual recovery.
- **W-Shaped Recession (Double-Dip):** A brief recovery, only to fall back into another period of decline.
- **L-Shaped Recession:** A deep, long-lasting slump with slow recovery.
- **K-Shaped Recession:** Some sectors bounce back quickly, while others continue to struggle or get worse.

Jamaica might recover fast and **we hope so**. But let's not pretend we're not in a recession. The facts are clear. It's time we face the reality and act accordingly!

### The Government's Pivot to Growth

Madam Speaker, in November of last year, the government unveiled its so-called "Pivot to Growth" initiative under the flashy slogan ASPIRE—a six-pillar strategy they claim will usher Jamaica into a new era of economic transformation.

But let's be real, Madam Speaker—**this is just "5 in 4" repackaged and rebranded.**

We all remember the big song and dance that came with the "5 in 4" initiative back in 2016. There was even a grand Economic Growth Council established, complete with high-profile meetings and plenty of fanfare. They promised 5% economic growth in four years—but what did we actually get?

A measly **1.25%** average growth over those four years. The highest growth figure in the four years was less than **2%. It was 1.80%.**

This government has mastered the art of making grand announcements—but does not deliver on the commitments. And when you question them, you get arrogance and excuses. Madam Speaker, it would take my entire speaking time to list the number of plans they've announced but failed to deliver on!

And for their so-called ASPIRE? Madam Speaker, it will EXPIRE before it achieves a thing.

Madam Speaker, when backed into a corner on their failure to grow the economy, the government's argument is that they had to "fix" the economy first before they could pivot to growth.

But this is totally wrong.

The idea of a "pivot" gives the impression that you do one thing first, and then once that's successful, you move on to the next. But that's not how economies

function! Growth and stability must go hand in hand. Their lack of understanding of how you drive economic growth is precisely why high and sustained economic growth has escaped the Holness administration for nearly a decade.

Madam Speaker. When they came into office in 2016, they said the economy was fixed so we can now focus on growth. That is why they announced the “5 in 4” growth aspiration. Oh, they have been aspiring for a very long time Madam Speaker! So if the economy was fixed, why are you now saying that you needed to fix the economy before you could grow it?

To truly ASPIRE, this government needs more than a catchy slogan:

1. Governance must be at the forefront—led by someone with credibility, vision, and competence.
2. A real economic growth pole must be established. Macro-economic stability is not a growth strategy—it’s simply a part of the foundation on which a growth strategy is built.
3. The services industry must be prioritized, with a focus on logistics, technology, reimagined tourism sector and global trade. I will speak more on this later.

So, if the Holness administration was serious about growth, they would have ditched the slogans and started doing the real work. **But for them, the only pivot they will see in the coming weeks or months is when we on this side PIVOT to that side.**

### NMIA Securitization Transaction

Last year, the government entered into the capital markets with a securitization deal, selling-off revenues from the Norman Manley International Airport (NMIA) concession for the next 12 years—all the way to 2036. They patted themselves on the back, calling it a sophisticated and innovative financial move. They praised themselves for their “creativity” in handling the country’s finances.

But here’s what they didn’t tell the people:

This wasn’t some grand financial masterstroke—it was done because the government simply didn’t have enough tax revenue to fund the current budget.

This, Madam Speaker, is what happens when you preside over an economy with low growth. You have to take future revenues to pay for current consumption.



## Low Unemployment

The latest labour force figures from the Statistical Institute of Jamaica (STATIN) show unemployment at a record low of 3.5%. On the surface, it is good news that more Jamaicans are engaged in work. However, while we acknowledge the low unemployment rate, we must ask: What kind of jobs are being created?

A closer look at the labour market reveals a troubling reality—many Jamaicans are working in contract-based, and precarious jobs with little to no security. They earn unstable incomes and lack basic employment benefits such as paid sick leave, vacation leave, and maternity leave. Even more alarming, only a small percentage of the workforce can expect a pension in retirement.

This is not the hallmark of a thriving economy. This is the consequence of Jamaica's low-wage economic model. The People's National Party (PNP) is committed to fixing the broken contract labour system, and the Leader of the Opposition will outline in greater detail our plans in his address on Tuesday.

### A Look at Those Outside the Labour Force

Another critical insight from STATIN's data is the large number of Jamaicans who remain outside the labour force—either unable to find work, uninterested in looking, or unable to participate due to systemic barriers.

As of October 2024, 687,500 Jamaicans were classified as outside the labour force. Also, 108,900 young people were not working, not in school, and not in any training programme.

This is a direct consequence of an economic model that fails to generate quality, high-paying jobs.

Madam Speaker, employment alone does not equate to prosperity. What matters is the quality of jobs, the wages paid, and the ability of Jamaicans to live decent lives.

A low unemployment rate does not mean much when:

1. Workers are trapped in low-paying, insecure jobs
2. Half of the population struggles to afford food
3. Tens of thousands of young people are disengaged from work and education

This government cannot pat itself on the back for 3.5% unemployment while ignoring the deeper crisis of low wages, job insecurity, and economic inequality. The PNP believes in an economy that works for the many, not just the few. It's time to uplift

workers, and create real opportunities for all Jamaicans. And we on this side will do it.

### The Harsh Reality: More Work, But More Struggle

Madam Speaker, there is a disconnect between the data that more Jamaicans are employed and the stark reality of hardship many of them face. In January 2025, a new report by the United Nation's Food and Agriculture Organization (FAO) found that between 2021 and 2023—a period when the economy should have been rebounding from COVID-19 and long before the impact of Hurricane Beryl—a staggering 55.1% of Jamaicans experienced moderate or severe food insecurity.



Let that sink in: More than half of the population is struggling to afford nutritious and balanced meals. Many Jamaicans are underfed and living in financial distress—despite being employed. So yes, more Jamaicans may be working than ever before, but what they are earning is simply not enough.

Madam Speaker, what is even more alarming is that when the FAO compared Caribbean countries, only Haiti had a worse food insecurity record than Jamaica. Let that sink in—only Haiti fared worse than us! Even more disturbing, while other Caribbean nations made progress or remained the same Jamaica's food insecurity *increased* between 20121 and 2023.

Let that sink in:

Moderate or Severe Food Security					
	Haiti	Jamaica	Trinidad & Tobago	Barbados	Bahamas
2019-2021	82.5	50.3	43.3	31.1	17.2
2021-2023	82.8	55.1	43.3	31.1	17.2

## Cost of Living

Madam Speaker, it goes without saying that the cost of living crisis is one of the greatest challenges facing Jamaicans today. The harsh reality is that what the average Jamaican can afford today is far less WITH THE SAME AMOUNT OF MONEY than what they could in 2016. And while this administration may want to distance itself from the issue, and blame it on the global economy the fact remains: this is the economy they have presided over for the past nine years. They have not grown the economy to allow us to have more income to afford a higher cost of living.

It's not just food and household goods that have become harder to afford. Electricity bills are higher. Water bills are higher. Energy and utilities are essential for daily life, yet Jamaicans are struggling to keep the lights on and the water running. Under this government, they waited too long to take steps to reduce the cost of energy or improve efficiency, and instead, Jamaicans are left paying the price—literally. The PNP has a plan to address the high energy cost, which I will share shortly in my presentation under our growth strategy.

OUR GOVERNMENT WILL prioritize making life more affordable for the average Jamaican. The reality is we need higher levels of income, and that can only happen if the economy grows faster and stronger.

**The (PNP)'s policies to address the cost of living crisis is a three-tiered approach, tackling the issue in the short term, medium term, and long term to provide immediate relief, ensure economic reform, and drive sustainable growth.**

In the short term, to address the cost of living, we are proposing targeted policies that cater to **different demographics**, ensuring support for a **broad cross-section of society**:

1. Young People

2. Parents with Children
3. Elderly Citizens

### Adjustment of Student Loan Bureau Payment Terms

Madam Speaker, under a PNP government, we are committed to easing the financial burden on young Jamaicans as they transition from education to employment. To achieve this, we will extend the post-graduation moratorium on student loan repayments by an additional six months, giving graduates more time to secure stable employment before their repayment obligations begin. – *Commitment #1*

But we will go even further, Madam Speaker. We will introduce a structured system allowing borrowers to renegotiate their repayment terms based on their income. Once borrowers are making payments under these adjusted terms, we will remove their delinquency status – *Commitment #2*. This critical reform will ensure that young professionals are not unfairly penalized on their credit scores, which would otherwise hinder their ability to access car loans, mortgages, or other essential financial services.

### Introducing the EASE Programme—A Solution for Cost of Living Pressures

One of the biggest financial burdens on struggling Jamaican families is the daily cost of sending their children to school—not just bus fare, but lunch money. Many parents simply cannot afford it. And for too many children, this means inconsistent attendance or going to school hungry, unable to focus, unable to learn, and ultimately unable to achieve their full potential.

That is why, Madam Speaker, the Opposition is committing to introducing the EASE Programme—**Ensuring Adequate Sustenance for Education** – *Commitment #3*. It will be a real solution to ease the financial pressure on parents while ensuring that no child in Jamaica has to learn on an empty stomach. **We are EASING the pressure, Madam Speaker.**

E - Ensuring

A - Adequate

S – Sustenance for

E - Education

The EASE Programme will guarantee that every **needy** student from primary to secondary school receives one nutritious meal per day at school, with a long-term plan to expand to include breakfast as well. This is a solution that will put money back in the pockets of parents who are already struggling with the rising cost of living. With this initiative, parents will no longer have to worry about finding lunch money every morning. That extra money can now go towards food at home, bills, and other critical household expenses.

The government will say that students already receive meals in schools. But let's be clear—this is limited to those on the PATH Programme, and the truth is that many struggling families do not qualify for PATH due to some of its requirements. **We on this side know that even if a family doesn't meet PATH's criteria, it doesn't mean they aren't struggling. That is the difference between us and them.** The reality is that thousands of children go to school hungry every day simply because their parents are barely getting by.

The EASE Programme will be phased in smoothly, ensuring an efficient rollout that maximizes impact while maintaining fiscal responsibility. This is what leadership should look like, Madam Speaker—finding practical solutions that make life easier for the people, not just tinkering around the edges.

The Opposition Leader Mark Golding will address our transportation plan in his presentation, but let me say this: If you can't afford lunch money, chances are you can't afford bus fare either. So we are making sure that parents don't have to choose between food and education. Send the child to school, and we will ensure they eat. That is what responsible, people-centred governance looks like. That is the PNP's commitment to the Jamaican people.

### **Flat Rate for Elders' Water Bills – National Water Commission**

Madam Speaker, another key commitment to tackle the cost of living crisis will focus on our elderly citizens. Jamaicans aged 65 and older will benefit from a capped, flat-rate water bill to ease their financial strain - **Commitment #4.**

To determine this rate, a special committee will be established to assess and set a fair and sustainable fixed amount, using historical consumption patterns as a basis. However, Madam Speaker, this policy will be designed in a way that avoids moral hazard—that is, it will prevent situations where consumers, knowing their bill is



capped, might engage in excessive or wasteful water usage. The system will be structured in a way that still promotes responsible consumption.

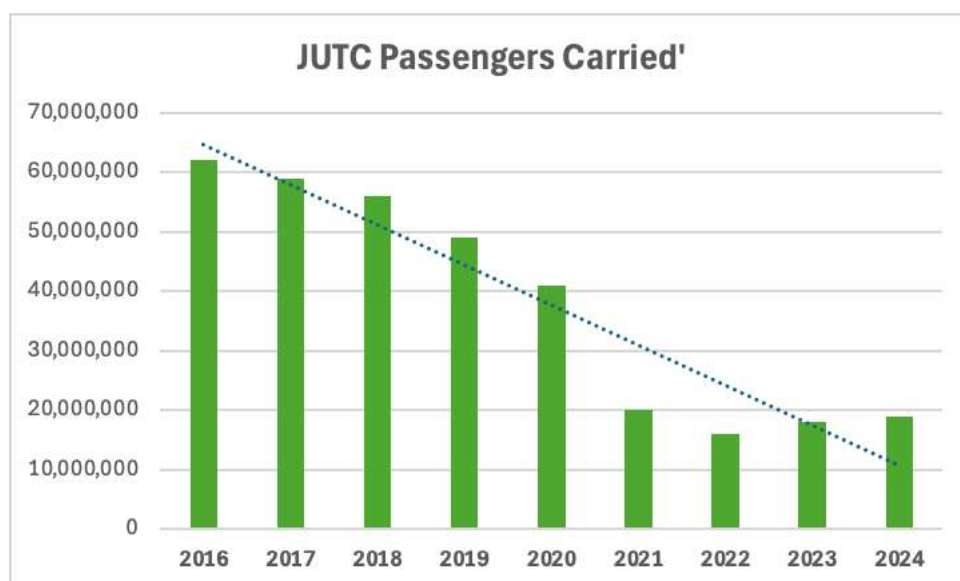
## State of JUTC

Madam Speaker, I want to turn our attention to the state of the Jamaica Urban Transit Company (JUTC), because it exemplifies a much bigger issue—this government’s failure to invest in the essential services that directly impact people’s lives AND THE COST OF LIVING.

Public transportation is a necessity for thousands of Jamaicans. It determines whether children get to school on time, whether workers arrive at their jobs without stress, whether families have a few extra dollars in their pockets at the end of the day. Yet, the JUTC has been systematically run down under this administration.

When the PNP left office in 2016, the JUTC was carrying approximately 62 million passengers per year. Today, nine years later, the company is projected to have carried just 19 million in FY2024/25—a massive decline that reflects the lack of investment and planning in our public transportation system. After 8 years in office, this government moved to procure 100 new buses. Now in their 9<sup>th</sup> year, they have told us that they will procure another 100 buses.

They allowed the fleet of buses to run down and now that they have just procured replacements, they are victory dancing and cartwheeling. This is COMPLETELY UNACCEPTABLE, Madam Speaker. While we acknowledge the allocation in the budget, we must be clear: this will not be enough to revive the JUTC. Our commitment, Madam Speaker is to restore JUTC back to its 2016 levels.



The underinvestment in public transportation hurts real people every single day. Commuters wait for hours at bus stops, uncertain whether a bus will come, forcing them to be late for work and school.

- Many are forced to pay more FOR ALTERNATIVE, stretching their already limited budgets.
- THE COUNTRY lose productivity because they start their days stressed and exhausted from unreliable transit.
- Families suffer because long waiting times reduce quality time at home, and parents worry about their children stranded at bus stops.

This isn't just about inconvenience—it's about the cost of living, the economy, and the daily struggles of ordinary Jamaicans. And yet, this government boasts about macroeconomic success while the quality of life continues to decline.

### Public Sector Bureaucracy and Governance Failures

Madam Speaker, I sympathize with every public sector group that has had to endure the government's approach to wage negotiations. The way this administration has handled the compensation review process has led to repeated protests, frustration, and public outcry from sector groups.

There was the problem with teachers over graduate pay and retirement age. We have seen both groups of doctors - Junior doctors and Consultants - taking industrial action in recent times in defence of items agreed on but not implemented. We have seen the agitation among UTECH staff as well as firefighters and Correctional officers. Something is wrong in the relations between the Government and the Unions.

At the heart of the issue is the government's tendency to sign an agreement with public sector workers, only to ignore or try to change it later. To make matters worse, their response time to communication from unions and worker representatives is painfully slow. Time and time again, the government only shows up at the discussion table when there is public pressure or the threat of industrial action.

This is bad governance, plain and simple. It is an approach rooted in arrogance that only deepens distrust in the government. Madam Speaker, it's not rocket science—if the government makes a commitment, it must follow through. And if it later finds that it cannot meet its obligations, then communicate honestly and promptly with the workers to find a solution.

**Instead, what they are trying to do is “chop” the public sector workers.**

There was the denial of increments to the public sector workers. My understanding is that the Union expect this to be restored this year. Can the Minister confirm that the increments will be paid to public sector workers as per the agreement with JCTU?

When the PNP was in government, we established the Public Sector Monitoring Committee, a critical platform that brought unions to the table, ensuring consultation, transparency, and trust in decision-making. What has become of that committee?

Under this administration, it has been abandoned—shutting out public sector workers, silencing their voices, and forcing them to resort to industrial action just to be heard. The next PNP government will restore this committee because we believe in dialogue, respect, and fairness – [Commitment #5](#). As Michael Manley so powerfully put it, we will restore the voice at the workplace.

Our public sector workers are far too important to be sidelined, left outside, and forced to disrupt services just to have their concerns addressed. We can do better for them. We will do better for them—by building a stronger, fairer economy that works for all.

### **Tackling High-Interest Rates**

Madam Speaker, currently we have high-interest rates in the financial environment. And we understand why the independent central bank increased and maintained elevated interest rates between 2021 and 2023. It was a necessary step to cool inflation and maintain price stability.

However, the Bank of Jamaica's key policy interest rate, which influences the interest rates charged by commercial banks on loans and credit facilities, has been on a downward trend. Since August 2024, the central bank has consecutively lowered its rate by a total of 100 basis points (1%), bringing it to 6%.

However, despite this clear signal from the central bank, we have seen virtually no movement from commercial banks in reducing lending rates where they can. This highlights a serious problem with Jamaica's monetary transmission mechanism.

Madam Speaker, we have heard repeated calls for commercial banks to lower their interest rates—from the Minister of Finance, the Minister of Investment, the MSME Alliance, and myself—yet the banks have refused to act.

**The PNP has a three-pronged strategy to fix this, and at the core of our approach is improving competition in the banking sector.**

The problem is that there is a highly concentrated banking sector. Madam Speaker, a part of the reasons interest rates are not MOVING DOWN is that the banking sector lacks real effective competition. And I know that the central bank is working on some measures to improve competition such as the e-KYC system.

While there are 11 deposit-taking institutions (DTIs) regulated by the BOJ, the reality is that two banks—NCB and Scotiabank—control approximately 70% of the consumer banking market. This duopoly means that if these two banks do not lower their interest rates, the smaller banks—which lack significant market share—will not move either. Simply put, there is no pressure for banks to compete by lowering rates.

One of the key steps a PNP government will take to increase banking competition is to end the long-standing practice of where the vast majority of funds held by government ministries, departments, and agencies are deposited only in NCB and Scotiabank. **We are going to open up government deposits to all banks using a competitive system – *Commitment #6***

Madam Speaker, this is a massive amount of money, approximately 10% of all deposits held across DTIs, that these two banks hold effortlessly, using it to fund their lending activities, without needing to compete for these deposits.

By allowing smaller banks to hold government deposits, we will:

1. Increase competition— Smaller banks will have access to more lower cost funds, allowing them to expand their lending activities and compete more aggressively with lending rates.
2. Improve monetary policy transmission—With more competition for deposits, banks will have greater incentives to pass on lower interest rates to borrowers, ensuring that central bank rate cuts actually benefit the public.
3. Encourage fairer banking practices—Breaking the dominance of a few banks will create a more balanced, consumer-friendly financial sector.

But we won't stop there, Madam Speaker.

The second part of our strategy is to take a serious look at the asset tax that banks are currently required to pay. We understand the concerns raised by the banks about this tax, which is part of their cost structure. A fiscally prudent PNP government is committed to phasing out the asset tax over five years. We will do this while we assess the revenue performance and make adjustments - *Commitment #7*.

In truth, Madam Speaker—it was the PNP that introduced the asset tax under Dr. Peter Phillips' leadership as Minister of Finance. But let's also be clear: it was never meant to be permanent. It was a temporary measure, implemented to increase

government revenues so that Jamaica could meet the strict conditions of the IMF programme, including the 7.5% primary surplus target.

But then, Madam Speaker, the JLP came into office and maintained the tax.

Now, Madam Speaker, if we are to phase out the asset tax, then the banks must be willing to meet us halfway. That brings us to the third part of our strategy—tackling exorbitant bank fees.

We believe that banks should either remove some of these fees altogether or at least put reasonable caps on them where possible - [Commitment #8](#). And let's not forget, Madam Speaker, that when Fitz Jackson brought his private member's bill to Parliament to regulate banking fees, the government had a chance to stand with the people. But what did they do? Every single one of them voted against it. So on this matter point, we certainly know where they stand. We commit to bringing back the private member's bill and have it debated in the Parliament – [Commitment #9](#).

## Our Plan for Economic Growth and Development: The Four-E Strategy



### The Need for Export-Led Growth

The truth is, the current economic model is broken, and if the government continues to rely on the same policies, the transformation we so desperately need will never



come. We need bold leadership that doesn't simply manages, but instead creates a future where Jamaica competes globally, fosters high-income industries, and provides every Jamaican with the opportunity to thrive. **Celebrating a debt-to-GDP ratio of 60% will not create a competitive economy.**

We must begin by changing how we view growth. To truly advance, Jamaica must pursue a future where value-added exports play a larger role. Jamaica will never become wealthy by selling to three million people. We must look beyond our shores to create export-generated wealth.

Our focus must shift towards producing and exporting goods and services that generate higher value. This includes promoting industries that capitalize on our creativity, our intellectual capital, and our natural resources.

Jamaica can lead the region in producing innovative products in fields like agro-processing, manufacturing, and digital creative services. We must actively work towards being known for excellence in products that are 'Made in Jamaica' and command premium prices on the international market, not just for offering cheap labour.

### **A More Deliberate Role for the State**

However, achieving this vision requires a more strategic role for the state to coordinate and facilitate the productive process through agile policy-making and strategic investments in growth inducing areas. The government has a critical role to play in accelerating this transformation. The state must not simply be a bystander but an active partner, investing strategically in areas that enable high growth and high value added industries.

This is why the PNP is unveiling for its next government its Four-E- Strategy: Energy, Efficiency, Education and the Emerging Economies, which will create the export-led growth for us. In truth, we have been saying this for a long time now.



Madam Speaker, the cost of energy is a major component in the productive process for all countries. Exorbitant energy cost makes it exceptionally difficult for firms to be truly competitive on the global market. For too long, Jamaica's high energy costs have been a major barrier to economic growth, making it difficult for our manufacturers, agro-processors, and emerging industries to compete internationally. If we are serious about export-led growth, we must be just as serious about energy reform.

Cost of electricity in Jamaica is more than US\$0.40/kWh, which is among the highest in the world and can be compared to countries with electricity rates as low as US\$0.22/kWh. During the Last PNP Administration, electricity rates were declining and reached at US\$0.236/kWh. We will decrease it further will more liberalisation of the market.

A PNP government will not accept the status quo where high electricity costs drain businesses, stifle innovation, and make Jamaican products uncompetitive in global markets.

Lowering energy costs will allow businesses to expand, create higher-paying jobs, and produce goods that can stand tall on the world stage. This is why energy reform is at the core of our **Four-E Strategy**—because without affordable energy, Jamaica's economic potential will always be limited.

I will now outline the PNP's plans for democratizing electricity in Jamaica so it is more affordable for Jamaicans, which will be done in phased implementation:

#### **Commitment #10. Expanding Affordable, Accessible, and Renewable Energy**

- Introduce more flexible service and payment options.
- Expand renewable energy (solar, wind, etc.), including solar technology for residential use.
- Scale up net billing and power wheeling for distributed generation.

#### **Commitment #11. Transparent Pricing & Electricity Market Reform**

- Disaggregate electricity bills into clear components: Generation, Transmission, Distribution, System Losses, and Supply Charges.
- Eliminate the single buyer/single seller model to foster competition.
- Set standardized inspection costs for solar installations.
- Impose regulatory caps on system losses to hold JPS accountable

#### **Commitment #12. New Market & Regulatory Structure**

- Introduce multiple independent power producers (IPPs)..
- Allow large consumers (e.g., SEZs) to contract power directly from generators.
- Merge dispatch, transmission, and distribution into one regulated entity with three separate licenses.
- Fully privatize remaining government-owned JPS generators.

#### **Commitment #13. Supporting Vulnerable Customers & Special Considerations**

- Offer discounted rates and incentives for vulnerable populations, including senior citizens.

#### **Commitment #14. Legislative, Policy & Regulatory Overhaul**

- Amend laws to allow full liberalization of the electricity market.

This plan will be implemented on a phased basis as we move to ensuring consumers starting to see more affordable bills in the shortest possible time.

### **Electricity Theft Programme**

Madam Speaker, on Tuesday, the Minister announced a new electricity theft programme aimed at tackling the issue of illegal electricity usage. However, what she chose not to mention is that it has taken them nine years to revive the very same initiative that was started under the last PNP administration.

I know this, Madam Speaker, because I was the Minister of State in the Ministry of Science and Energy when the programme was first introduced.

At that time, the Jamaica Social Investment Fund (JSIF) and the Jamaica Public Service (JPS) collaborated on a \$30 million project to regularize electricity usage in seven inner-city communities in Kingston and St. Andrew. Under this initiative, homes were rewired and legally connected to JPS' main supply, providing residents with safe and reliable electricity access.

This project, known as Project Step-Up, was officially launched on November 18, 2014 following the signing of a Memorandum of Understanding (MoU) by JSIF Managing Director, Scarlett Gillings, and JPS President and CEO, Kelly Tomblin, at the University of the West Indies, Mona.

More than just a technical fix, the initiative acknowledged that the issue of electricity theft requires both technical solutions and social intervention. It was a forward-thinking approach aimed at addressing the root causes of illegal electricity connections while ensuring vulnerable communities could access electricity in a safe and legal manner.

So, Madam Speaker, while the Minister presents this as a new initiative, let us be clear—it is merely the continuation of a project that was started almost a decade ago. The real question is: Why has it take them so long to continue a programme that was already making a difference?

## \$30 Million Electricity Regularisation Project Launched

By: ATHALIAH BAKER, November 19, 2014

### THE KEY POINT:

The Jamaica Social Investment Fund (JSIF) and Jamaica Public Service (JPS) are collaborating on a \$30 million project to regularize electricity in seven inner-city communities in Kingston and St. Andrew.



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## Efficiency in Business and Government



The next pillar of our strategy is efficiency in business expansion, commerce, and government. Madam Speaker, if Jamaica is to achieve export-led growth, we must ensure that our businesses—particularly our Micro, Small, and Medium Enterprises (MSMEs)—are operating efficiently. MSMEs are the backbone of our economy, accounting for over 60% of employment and generating 44.4 billion JMD in sales revenue. This sector will be a key focus of the next PNP government.

Despite their importance, these businesses continue to struggle due to structural barriers that limit their ability to grow, innovate, and compete on the global stage. **This is why Efficiency is a key pillar of our Four-E Strategy.** To increase exports, our businesses must be agile, productive, and able to compete with international players. But we cannot expect efficiency from them while they are burdened with limited access to financing, excessive red tape, poor infrastructure, and high energy costs. Madam Speaker, we must understand that efficiency is not just about doing things faster—it's about creating an economic environment where businesses can grow without unnecessary obstacles. A PNP government will focus on removing these roadblocks and creating an environment where MSMEs can scale up, integrate into regional and global supply chains, and become key drivers of economic transformation.



## What will the PNP do to support MSMEs?

A 2022 Country Private Sector Diagnostic Report and the Updated MSME & Entrepreneurship Policy highlight several barriers to MSME growth.

### *1. Access to Finance*

Only 17% of MSMEs can access credit from banks, while 53% rely on personal savings to fund their operations. This lack of financing severely limits their ability to expand, invest in new technology, or hire skilled employees.

*What will we do* : The PNP will reform the loan structure at the Development Bank of Jamaica (DBJ) to make accessing DBJ loans more attractive for MSMEs. The Government may claim that DBJ is already providing loans to MSMEs, but the reality is that millions of dollars earmarked for MSME financing go unused each year because the cost of accessing these loans is simply too high. The current fee structure at DBJ acts as a major disincentive, preventing small businesses from securing the funding they need. Additionally, the DBJ facility currently excludes micro-enterprises—businesses earning \$15 million or less in annual revenue—further limiting access to much-needed financing.

For example, using a scenario based on current DBJ loan conditions, a borrower is required to pay an upfront cost ranging from \$690,000 (at a bank rate of 2% + GCT) to \$1,035,000 (at a bank rate of 5% + GCT). This does not include the cost of obtaining audited financial statements, a loan requirement that can cost a small business up to or more than \$500,000 for two years of records.

The PNP will backload the loan amount with these fees and allow the borrower to pay over the life of the loan and not have to face the need for finding that lumpsum up front. . We will also expand DBJ loan access to include micro-enterprises, ensuring businesses with annual revenues of \$15 million or less can also benefit - *Commitment #15*.

We will also expand DBJ loan access to include micro-enterprises, ensuring businesses with annual revenues of \$15 million or less can also benefit.

### **2. Regulatory and Tax Burdens**

Cumbersome regulations and high compliance costs discourage MSMEs from formalizing and scaling their businesses. The process of registering, licensing, and

complying with tax obligations remains too complex and costly for many entrepreneurs, forcing them to operate in the informal economy.

**Corporate Tax Exemption for 3yrs for New MSME:** To provide greater financial flexibility for MSMEs to grow and develop, the PNP will exempt new MSMEs from corporate income tax for an initial three-year period, with the possibility of an extension to five years - *Commitment #16*. Additionally, when this initiative is launched, businesses that started before its implementation and are still within their first one to three years of operation will also be eligible for the exemption. This policy will encourage MSMEs to enter the formal economy, allowing them to access government support and institutional benefits without the immediate burden of corporate income tax.

### 3. Accessing Government Funded Projects

Government support programs meant to assist MSMEs are often fragmented and uncoordinated, leading to inefficiencies. Instead of providing a clear and structured support system, these initiatives are scattered across various agencies, making it difficult for business owners to navigate available resources. MSMEs also struggle to access government procurement opportunities, securing only 1.1% of government contracts. This prevents small businesses from benefiting from state-led economic activity, further limiting their growth potential.

#### **What will we do: Carve out a portion of the Government Funded Projects for MSME**

In the procurement process, the PNP will ensure that a specific percentage of government projects is carved out for MSMEs, through a competitive procurement process, mandating that, where possible, Ministries, Departments, and Agencies (MDAs) prioritize and award Government of Jamaica (GOJ) projects to these businesses - *Commitment #17*. This policy will create more opportunities for MSMEs to participate in the formal economy, stimulate local entrepreneurship, and drive sustainable economic growth.

#### **Public Procurement, the Capital Budget and Efficiency**

Madam Speaker, government procurement is in a poor state. It is slow, inefficient, and riddled with bureaucratic delays. In many cases, it takes months—sometimes even years—for procurement processes to be completed, stalling critical projects and holding back national development.



This inefficiency is one of the core reasons why, for two consecutive years, the government has failed to spend its full capital budget.

Madam Speaker, let's put this into perspective: capital expenditure—already making up less than 9% of the total budget—is the single most impactful area of government spending when it comes to economic growth. This is the money that builds our infrastructure, modernizes our economy, and advances national development. Yet, in this fiscal year alone, the government underspent the capital budget by \$19 billion.

### **A PNP Government Will Fix This**

The next PNP government is committed to overhauling the procurement system while safeguarding transparency and accountability.

As Minister of Finance, I will eliminate unnecessary and outdated steps in the procurement process to speed up approvals without compromising integrity. Specifically, I will review the public investment appraisal process to ensure that it runs more efficiently and effectively.

I will also explore the re-establishment of the Development Council—an initiative that existed under the Patterson administration, which significantly improved the efficiency of government procurement, which is vital for the implementation of projects - [Commitment #18](#). Madam Speaker, Jamaica cannot afford to have billions in unspent funds while roads, schools, and hospitals remain in disrepair. A PNP government will ensure that capital projects move forward efficiently, delivering the infrastructure and economic growth that Jamaicans deserve.

### **More Efficiency in Public Service**

Efficiency in government is a necessity. Yet, too many Jamaicans still endure long wait times, excessive paperwork, and outdated processes. Small businesses struggle for months to obtain simple permits, while inefficiency in healthcare, procurement, and public services stifles growth and opportunity.

### **Accelerate Digital Transformation**

The Electronic Transactions Act (ETA) of 2006 made e-signatures legally valid, yet the government still clings to handwritten signatures, delaying contracts, licenses, and approvals. While some agencies have embraced e-signatures—particularly during COVID-19—adoption remains inconsistent.

Madam Speaker, these simple solutions will be implemented under a PNP government:

1. Mandate e-signatures across all ministries and agencies for faster processing.
2. Develop a centralized e-signature platform for secure, authenticated transactions—following successful models like Singapore's SingPass or Estonia's eID.
3. Update legislation if necessary to ensure e-signatures are standard across government services.
4. Train public servants and citizens in the use of e-signatures to build confidence in the system.
5. Implement robust security measures, such as Public Key Infrastructure and multi-factor authentication, to protect data integrity.

Digital transformation must be a priority, not a talking point. We need user-friendly online portals where citizens can apply for services and track progress remotely. Government processes must be simplified—removing redundant steps, eliminating unnecessary signatures, and making efficiency a core principle of governance. Inefficiency is not just an inconvenience—it is a barrier to Jamaica's progress. It wastes time, stifles opportunity, and erodes public trust.

## The Emerging Economies



Emerging sectors are industries in the early stages of development with high growth potential. They are often driven by new technologies, products, services, or ideas. These industries typically have access to natural and productive resources, but they also come with high risks, lower barriers to entry, and complex regulatory challenges.

Globally, emerging industries are becoming increasingly important, especially for small and island developing states like Jamaica. However, unlocking their full potential requires strong government prioritization, strategic policies, and targeted support programs. Without a clear and sustained approach to identifying and nurturing these sectors, Jamaica will struggle to maximize economic opportunities.

The PNP has identified three priority emerging sectors that will drive Jamaica's future growth and development:

1. The Digital Economy (Gold Economy) – Science, technology, and innovation.
2. The Cultural & Creative Economy (Orange Economy) – Includes sports, media, and nutraceuticals.
3. The Environmental Economy (Blue & Green Economies) – Focuses on ecological heritage, tourism, and sustainability.

While these industries are not entirely new, they are still in the early stages of structured development in Jamaica. A PNP-led government will take bold steps to ensure these sectors become powerful drivers of economic transformation.

### Strengthening the Cultural & Creative Industries for Export Growth

Jamaica's creative and cultural industries hold immense potential to drive growth, yet many talented individuals and small businesses in this sector struggle due to a lack of structured support. Emerging TikTokers, YouTubers, and digital content creators are already shaping the global digital content space, building audiences of millions and generating income—all without government involvement. Imagine what could be achieved if structured support was in place. With the right investment and policies, the government can catalyse a creative boom, turning raw talent into globally competitive brands that contribute to Jamaica's economy.

***What will we do to support:*** To unlock the full potential of the creative sector, the PNP will establish a **J\$1 billion Creative Economy Support Fund**—a game-changer in developing small creative businesses into export-ready enterprises - *Commitment #19*.

This fund, which will be managed by the Development Bank of Jamaica (DBJ), is a re-prioritization of spending, reflecting the PNP's strong focus on export-led growth and the pivotal role of the creative economy in this strategy.

#### How the Fund Will Work:

- **Source of Funds:** The J\$1 billion will come from discretionary spending within the government's programmed budget, redirecting funds toward industries with high economic potential.
- **Purpose:** The fund will support small businesses in the creative sector by helping them:
  - Develop business plans to structure and scale their ventures.
  - Expand into new markets, making Jamaican talent more competitive on the world stage.
  - Access working capital to sustain and grow their operations.
  - Build out entertainment spaces for festivals and events, further boosting the tourism and creative economy.



At the heart of our Four-E Strategy is Education, the foundation upon which our economic transformation will be built. Without a strong base in literacy, numeracy, and critical thinking, all other investments in skills training, infrastructure, and industry will fall short. If we do not fix the crisis in basic education, no amount of spending on STEM or workforce training will be enough to propel Jamaica forward.

The PNP believes in a radical shift in how we approach education—one that prioritizes foundational skills, links learning to productivity, and ensures that every child, regardless of background, has access to quality education from the start. This is how we will equip Jamaicans with the skills they need to compete in an economy driven by high-value exports and innovation.

### Literacy and Numeracy First

One of the greatest failures of the current government has been its misallocation of education resources. Instead of pouring money into ineffective “pathway” programmes, the PNP will redirect funding to early childhood and primary education, where it can make the greatest impact. The ability to read, write, and do basic arithmetic is the foundation of productivity in any modern economy. If we fail here, we will continue to see a workforce unprepared for the demands of global competition.

A PNP government will:

- Ensure that every child leaves primary school fully literate and numerate, implementing national interventions to close the devastating learning gaps left by the pandemic. In this regard, we will review the automatic progression of students who can't read or write at the required grade level - *Commitment #20*
- Retrain teachers to focus on literacy and numeracy mastery in the early years, equipping them with the tools needed to build strong academic foundations.
- Restructure curricula to prioritize literacy and numeracy from the earliest levels, rather than allowing students to be pushed through the system without these essential skills.

## Aligning Education with Productivity & Industry Needs

Education cannot exist in isolation from the economy. It must be directly linked to workforce readiness and productivity. That is why the PNP will:

- Align education with industry needs, ensuring that our workforce is trained in the skills that drive economic growth.
- Expand technical and vocational training in high-demand sectors, so that students graduate with practical, employable skills.
- Reform HEART to focus on equipping Jamaicans with skills for high-income industries, including digital services, advanced manufacturing, and agro-processing.
- **We will implement a policy where the Government will match the costs that a company spends in upskilling their workers. This will incentivize businesses to invest in the development of their employees, ensuring that workers gain the skills needed to improve productivity and drive economic growth—all while reducing the financial burden on employers- *Commitment #21.***

## A Fair & Equitable Education System for All

The current government's emphasis on building new STEM schools, without fixing fundamental education issues, is reinforcing educational inequality. We cannot build a two-tiered system where only a privileged few benefit from high-quality learning opportunities while the majority of students struggle with basic skills. This will be akin to an apartheid system. The PNP will not support an education system that



deepens inequality. Instead, we will invest in a fair, inclusive, and world-class education system that serves all Jamaican children, not just a select few. Our commitment is to fix the foundation, empower teachers, and create a system that ensures that every Jamaican child—no matter their background—can succeed. This is how we build a skilled, competitive, and productive workforce. This is how we lay the groundwork for a stronger economy. This is how we ensure that Jamaica moves forward—not just for some, but for all.

## OTHERS PLANS UNDER A PNP GOVERNMENT

### Logistics Industry- Potential for Growth

Jamaica is at a crucial point in its economic journey, with the opportunity to leverage its strategic location, natural resources, and skilled workforce to become a global trade and logistics hub. To achieve this, we must develop key industrial clusters, create sustainable employment, and transform priority sectors to drive long-term growth.

Building on the foundation of the Jamaica Logistics Hub Initiative, we must expand our vision beyond trade facilitation to include industrial growth and job creation. By doing so, Jamaica can integrate into global supply chains, attract investment, and ensure that the benefits of our logistics hub extend across the economy.

The world is moving toward interconnected supply chains and regional trade networks, and Jamaica is perfectly positioned to serve as a gateway between the Americas and global markets. To capitalize on this, a future PNP government will develop strategic industrial clusters, focusing on high-growth sectors that align with our competitive advantages:

### Key Industry Clusters for Growth

One area we can look into is the Agro-Processing Industrial Park, which would encompass agro-processing, food production, refrigeration, and logistics. This cluster could strengthen links between agriculture, retail, and hospitality, improving efficiency in storage, transportation, and export.

The Advanced Manufacturing & Technology Park could focus on industries such as the digital sector, medical devices, ICT, electrical products, and BPO/KPO. By driving technological innovation and R&D, this cluster would leverage Jamaica's skilled workforce and its access to global markets.

The Logistics & Distribution Hub would capitalize on Jamaica's strategic location as a transshipment hub, boosting warehousing, ports, and transportation infrastructure. This hub would also incorporate ICT for supply chain management and agro-processing.

Another promising sector is the Home Appliances & Electronics Park, which would focus on the production of refrigerators, freezers, and other home appliances. By consolidating manufacturing and assembly in one space, we could enhance local capacity and improve export potential.

These proposed clusters and parks represent significant opportunities to diversify and grow our economy, create jobs, and increase global competitiveness. By focusing on sustainability and inclusivity, we can ensure that these developments benefit all Jamaicans and position the country for long-term success

### Agriculture: A Pathway to Growth and Sustainability

Agriculture remains a cornerstone of Jamaica's economy, offering significant potential for growth, job creation, and food security. However, to unlock its full potential, we must focus on enhancing key areas such as research and development (R&D), irrigation, and access to financing.

First, **research and development** in agriculture is crucial to modernizing farming practices and increasing productivity. By investing in R&D, we can develop new, high-yield crops, improve pest control methods, and discover sustainable farming techniques. This would not only increase the efficiency of our agricultural output but also help farmers adapt to climate change and market fluctuations. In particular, developing drought-resistant crops and innovative farming technologies can position Jamaican agriculture as a leader in the Caribbean region.

Next, **irrigation** is a critical factor in ensuring the sustainability of our agricultural sector. Many of our farmers still rely on rain-fed agriculture, making them vulnerable to climate variability and droughts. A well-structured irrigation system could help mitigate these challenges by providing reliable water sources throughout the year. Investing in modern irrigation infrastructure, such as drip irrigation and rainwater harvesting systems, would boost crop yields, conserve water, and improve overall farm productivity. While we acknowledge that efforts are being undertaken to expand irrigation, approximately 18% agricultural lands in Jamaica have access to irrigation.

Finally, **access to financing** remains a major barrier for many farmers, particularly smallholders. Without proper financial support, farmers struggle to invest in modern technology, expand their operations, and weather the challenges of fluctuating markets. By improving access to affordable credit, particularly through microfinancing and agricultural loan programs, we can enable farmers to invest in the tools, resources, and training they need to grow. Additionally, partnerships with financial institutions can create tailored financing options that suit the unique needs of the agricultural sector.

By prioritizing these areas—research and development, irrigation, and access to financing—we can create a more resilient, sustainable, and prosperous agricultural sector in Jamaica. This will not only improve the livelihoods of our farmers but also strengthen food security and drive long-term economic growth.

### Strengthening Tourism's Impact on Local Development

Madam Speaker, our tourism industry has enormous potential for growth. It is one of the few industries we have a competitive advantage in. The tourism industry impacts the construction industry as well as local transportation, farmers, entertainers, restaurants, furniture manufacturers, alcohol and other beverage producers, in addition to the taxation and direct employment benefits.

More than any other industry, tourism has the potential for significant economic growth. Jamaica is a convenient location with a premium brand and a dynamic and exciting product including reggae music, great food, beautiful beaches and wonderful people. A future PNP administration will work with the industry stakeholders to facilitate more local investment so more of the capital and profits will stay here.

We also need to provide more incentives for local hoteliers to increase the % of their supply chain which is purchased locally. This would benefit both the hoteliers as well as the farmers and other local suppliers.

We will transform tourism into a more inclusive and equitable driver of national development. Government investment will be used to empower local businesses, create lasting economic opportunities for communities, and ensure that more Jamaicans share in the success of our tourism sector.

## How will we do it?

### 1. Enhancing Linkages with Local Sectors

We will formalize structured partnerships between tourism stakeholders and local businesses—farmers, artisans, manufacturers, and community-based enterprises—to ensure more Jamaicans benefit from the tourism industry’s success.

### 2. Expanding Local Investment Opportunities

We will create more avenues for Jamaicans to invest in the tourism sector, particularly for small and medium-sized enterprises (SMEs). This will include special financing options, investment incentives, and government-supported training programmes to equip entrepreneurs with the skills and resources needed to own, manage, and expand businesses within the tourism value chain. Our goal is to increase local ownership in the industry and ensure greater economic returns stay in Jamaica.

### 3. Promoting Cultural Heritage, Creative Industries, and Experiential Tourism

We propose expanding government funding of the Tourism Enhancement Fund (TEF) to better develop and market Jamaica’s rich cultural heritage, historical sites, festivals, music, and art. This includes a dedicated creative industry support unit to maximize the sector’s local and export earnings potential. As part of this vision, we will establish public-private partnerships to develop entertainment hubs adjacent to newly designated Tourism Jewel Zones, allowing for seamless integration of culture, entertainment, and tourism.

## Conclusion

The PNP’s mission from Day 1 when we form the next government is growth—not just any growth, but a deliberate, inclusive, and sustainable expansion that reaches every corner of Jamaica. Growth that transforms our economy by moving beyond low-wage jobs to high-value industries, fostering innovation, and driving value-added exports. This means creating better-paying jobs, improving infrastructure, and empowering local businesses to compete on the global stage. Our focus is on growth that doesn’t just inflate numbers but improves lives, lifts families out of poverty, and creates opportunities for all Jamaicans, regardless of background. This is how we will build a

resilient economy—one that benefits the many, not the few, and addresses the urgent challenges of today while preparing for the opportunities of tomorrow.

Madam Speaker, the government's proposed budget fails to effectively tackle the pressing issues that continue to hinder our nation's economic progress. While certain aspects of the budget are commendable, they fall short of addressing the deep-rooted struggles faced by the majority of Jamaicans.

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The necessary transformation will require strategic investment in critical sectors such as education, entrepreneurship, energy, and productivity. Madam Speaker, the People's National Party is committed to an approach that combines fiscal responsibility with innovative, bold leadership to break free from the cycle of low growth that has limited Jamaica's potential. Our people deserve better, and it's time for a change that will empower them to thrive. We are ready to lead and drive this transformation for the betterment of our nation. The come!

**Thank you all.**