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CHIEF EXECUTIVE OFFICER'S REPORT
MARCH 2013

Economic Highlights

Estimates of Expenditure for 2013/14

On April 4th, 2013, the Government of Jamaica (GOJ) tabled the Estimates of Expenditure for fiscal year 2013/14. The Estimates shows that the GOJ plans to spend approximately J\$520.89 billion in the upcoming financial year compared to J\$602.53 billion in 2012/13.

In money terms, this level of expenditure is about J\$81.64 billion or 13.5% less than expenditures during FY 2012/13 and 2.9% less than the J\$536.44 billion spent two years ago during FY 2011/12. The reduction in the 2013/14 Budget is not as severe as it seems however, as it largely reflects a J\$91 billion reduction in debt repayment as a consequence of the National Debt Exchange. Still, outlays for most ministries and departments were shaved, or only slightly increased from one year ago, and with inflation projected to average about 7.0% for 2013/14 many ministries and departments will experience real reductions in their allocations.

Table 1 (a) Functional Classification of Expenditures (J\$ billion)

	2013/14	2012/13	Variance
Recurrent	\$370.5b	\$367.7b	\$2.77b
Capital A	\$124.1b	\$211.3b	-\$87.2b
Capital B	J\$26.3b	\$23.47b.	\$2.8b
Total Capital (A+B)	\$150.38b	\$234.80	-\$84.4b
Total Recur + Cap	\$520.89	\$602.53b	-\$81.9b

Main Areas of Expenditure

Interest	\$119.6b	\$129.5b	-\$9.92b
Amortization	\$105.7b	\$196.4b	-\$90.7b
Interest & Amortization	\$225.24b	\$335.3	-\$100.6b
<i>% age of Budget</i>	<i>43.2%</i>	<i>54.8%</i>	<i>-11.6%</i>
Wages & Salaries	\$160.0b	\$142.9	\$17.1b
<i>% age of Budget</i>	<i>30.7%</i>	<i>23.1%</i>	<i>7.6%</i>
Programs & Overheads	\$135.6b	\$136	-\$0.4b
<i>% age of Budget</i>	<i>26.0%</i>	<i>22.1%</i>	<i>-4.9%</i>

Main areas of Expenditure

Table 1(a) shows the allocation of the Budget according to broad accounting categories and general objectives. The figures show that as in the past several years, the largest allocation in the budget goes to Interest and Amortization. In 2013/14, these expenditures are down to 43.2% of the Budget, compared to J\$335.3 billion or 54.8% one year ago. Table 1 (a) also shows that the main growth area of the budget are



wages and salaries of public sector workers which are estimated to grow by almost 12% to J\$160.0 billion compared to J\$142.9 billion in 2012/13, and now account for 30% of public expenditure. Though the GOJ and public sector unions have agreed to a wage freeze, some J\$17.0 billion was allocated in the budget to enable the GOJ to honour wage agreements with workers from as far back as seven years ago. When the J\$105 billion in debt repayment is subtracted from total capital expenditures of J\$150.4 billion, actual expenditures on capital works will amount to only J\$44.0 billion.

Impact on Economic Growth

The question on many persons minds is whether such a closely-cropped budget can positively impact economic growth.

Growth can be impacted from both the revenue or expenditure side of the budget. Though the Government has not yet outlined its plans on how the budget will be funded, Finance Minister Peter Phillips introduced a J\$15.9 billion Tax Package in February 2013 as part of the pre-condition for a new Agreement with the International Monetary Fund and has indicated that the Government will implement no new taxes when the financing of the budget is announced.

Some of these taxes, especially those which return the taxes on unregulated companies to 33.3% from 25% will negatively impact the level of output and employment and indirectly aggregate demand. Along with the widely mooted property tax increase for later in 2013, these increases will have a contractionary effect on the economy.

On the expenditure side of the budget, the most notable provision with an expansionary impulse is the J\$34.4 billion infrastructure improvement project to be largely funded by a US\$350 million loan from China Ex-Im Bank supported by a contribution of J\$5.1 billion from the Jamaican Government. It is likely too that expansionary impulses should flow from the infrastructure and civil engineering works from public bodies like the National Water Commission when they are announced.

But possibly more than these expenditure measures, economic growth could be positively impacted by the GOJ's actions making it easier to do business in Jamaica and other long-delayed structural reforms to Government operations and the business environment.

Other Local News

Net International Reserves

During February 2013, Net International Reserves declined by an additional -US\$69.52 million to US\$939.53 million compared to US\$1,009.05 million at the end of January 2012. February's decline continues the decline in NIR, which apart from small month over month gains has steadily declined over the past 20 months from US\$2,602.4 million in April 2011. This is not unexpected, as the factors driving the decline in NIR - weak export performance and declining confidence in the Jamaican economy and currency - have not abated. Year over year (Feb 2012 to Feb 2013) the NIR is down by -US\$935.12 million; while for the first two months of 2013, the NIR has declined by -US\$186.05 million - almost double the rate of decline for the first two months of 2012.

At the end of February 2013, gross reserves were adequate to finance 11.92 weeks of "goods and services" imports, dipping below the 12 weeks international benchmark of reserves adequacy for the first time in 4 years. This was still above the 9.6 weeks of reserves that obtained in February 2009.

Foreign Exchange Rate

US Dollar: During February 2013, the Jamaican dollar depreciated by an additional J\$2.97 to J\$97.11 compared to J\$94.14 at the end of January 2013. Indeed, throughout March 2013, the J\$ continued its decline to J\$98.62 and seem well on its way to breaching the J\$100 to US\$1.00 level. For the first two



months of 2013, the Jamaican dollar is down -J\$4.13 or 4.44% against the USD compared to -J\$0.46 or 0.53% in for all of 2012. This retreat into the safe haven USD is largely driven by uncertainty about when and what will be the terms of a new GOJ/IMF agreement; but more fundamentally, by diminishing confidence in the medium to longer-term prospects for the Jamaican economy.

Pound & Canadian Dollar: During February 2013, the J\$ appreciated by an additional J\$0.94 or 0.62% against the GBP to J\$148.79 from J\$149.72 in January 2012. Against the CAD, the J\$ depreciated in February 2013 by J\$3.32 or 3.12% to sell for J\$97.00 compared to J\$93.88 in January 2012. Usually, the J\$ trades in a proxy relation with the USD in regards to GBP and CAD demonstrating sharp up and down movements aligned to similar movements of USD on international markets. Despite the divergent movements of J\$ in relation to GBP and CAD in February 2013, the J\$ proxy relation to the USD continued to hold true. Due to differing prospects for the British and Canadian economy, GBP depreciated sharply against USD during February 2013, while CAD rose based on improving prospects for the Canadian economy. The movements in the J\$ reflected these differing perceptions.

Interest Rates

Though the average saving rate and the average lending rate held steady in February 2013 (and over the past three months) at 2.07% and 17.23% respectively, there were notable movements and initiatives concerning interest rates.

To recall, in January 2013, Finance Minister Peter Phillips announced the outlines of a tentative agreement with the IMF which included a new 'National Debt Exchange' (NDX) that involved exchanging approximately J\$860 billion in existing GOJ bonds for instruments with lower interest and longer maturities. The immediate effect of this NDX was a reduction in interest rates of 1-5% on bonds included in the exchange.

As with the earlier JDX, one consequence of the NDX was a recalibration of rates to lower levels on a number of GOJ instruments. Prior to the NDX, interest rate on the 6-month Treasury Bill had jumped by 66 bps in the two previous months to 7.47% in January 2013. But at the February T-Bill auction, after the NDX was announced, interest rate on the 6-month T-Bill fell to 5.75%. Taking their cue from what was happening to treasuries, the BOJ announced a 50 bps cut in its 30-days CD to 5.75%. It is noteworthy however, that at the March 2013 treasury bill auction, interest rate on the 6-month T-Bill had again risen to 6.22%, showing that administrative actions by the GOJ cannot hold rates below the risk premium demanded by the market. In another initiative, the BOJ had in October 2012 introduced a 49-day CD at 6.81%; a 182-day CD at 7.18% and a 364-day CD at 7.38% - the longest instruments issued by the BOJ in three years - to mop-up excess Jamaican dollar liquidity that was putting pressure on the exchange rate.

These rate movements and initiatives illustrate that Jamaica's money markets are under stress because of uncertainty and Jamaica's weak economic fundamentals.

Inflation

The rate of inflation increased by 0.6% during February 2013. The on-going devaluation of the Jamaican dollar was a major influence on higher prices given Jamaica's high import dependence. The divisions recording the highest increase in the consumer price index were "**Alcoholic Beverages and Tobacco**" - up 2%; and "**Clothing and Footwear**" - up 1.4%.

Higher prices for 'Wines and Spirits' contributed to the rise in 'Alcoholic Beverages and Tobacco'; while a 1.6% rise for 'Clothing' and a 1.4% rise for 'Footwear' contributed to the rise in 'Clothing and Footwear'.

Two divisions - "**Housing, Water, Electricity, Gas and Other Fuels**" and "**Furnishings, Household**

Equipment and Routine Household Maintenance” each recorded increases of 1.0%. The increase in the former reflected rising costs for electricity, gas and other fuels as well as tradesmen fees; while the rise in the latter, was due to wide-ranging increases on household furnishings, equipment and kitchen utensils. **“Miscellaneous Goods and Services”** rose by 0.9% due to higher prices for personal grooming items and services, jewelry, and visa and legal services.

Two divisions - **“Health”** and **“Transport”** each recorded increases of 0.5%. The increase in **“Health”** reflected higher prices for ‘Medical Products, Appliances and Equipment’ and for ‘Health Services’. The rise in **“Transport”** was due to higher prices for new cars, fuels and lubricants and spare parts.

Prices rose by only 0.4% in the most heavily-weighted **“Food and Non-Alcoholic Beverages”** division and this served to restrain the overall rise in inflation in February 2013. The two groups that make up this division, ‘Food’ and ‘Non-Alcoholic Beverages,’ recorded increases of 0.2% and 2.7% respectively. In the group ‘Food,’ increases were recorded for ‘Milk, Cheese and Eggs’ - up 1.0%; and ‘Fruits’ and ‘Oils and Fats’ - up 0.8% and 0.7% respectively. These increases however were tempered by a 1.4% decline in prices for ‘Vegetable and Starchy Foods’. Within the group - ‘Non-alcoholic Beverages’, prices rose by 2.6% for ‘Coffee, Tea and Cocoa’ and by 2.8% for ‘Mineral Waters, Soft Drinks, Fruit and Vegetable Juices’.

Two divisions - **“Transport”** and **“Communication”** were flat on the month while **“Recreation and Culture”** rose by 0.2%.

For the calendar year to date, the rate of inflation was 1.3%; the point-to-point rate (Feb ‘12 to Feb ‘13) of inflation was 8.1%, compared to 6.6% one year ago and the fiscal year to date rate was 7.6%. These rates are all higher than in 2012.

Fiscal Accounts

During the eleven month period (Apr-Feb) of fiscal year 2012/13, the Government of Jamaica ran a fiscal deficit of -J\$62.64 billion. This fiscal deficit was J\$3.83 billion or 5.8% better than the -J\$66.47 billion budgeted and J\$17.77 billion or 22.1% better than the -J\$86,074.3 billion deficit recorded during the corresponding period of FY2011/12. This better than expected out-turn on the fiscal deficit largely resulted from a severe J\$19.74 cutback in expenditure which more than compensated for an equally sharp shortfall of J\$15.90 billion in Revenues and Grants.

Revenue: Total Revenues & Grants to the GOJ during Apr-Feb 2012/13 was J\$300.99 billion. This was - J\$15.90 billion or 5.02% short of the budgetary target of J\$316.89 billion though it was J\$16.15 billion or 5.7% greater than Revenues and Grants collected during Apr-Feb 2011/12.

Of 25 revenue heads, only 5 came in (moderately) above target during the eleven months of FY2012/13. This largely reflects the recession in the Jamaican economy. The main outperformers were: ‘SCT’ - up J\$1,730.2 billion; ‘Tax on Interest’ - up J\$1001.0 million and ‘Stamp Duty (Local)’ - up J\$656.2 million. ‘Tax on Dividend’ - up J\$314.6 million; and ‘Motor Vehicle Licenses’ - up J\$14.1 million, also came in above budget.

Among the main underperformers on the revenue account were: ‘PAYE’ - down -J\$4,154.3 million below budget; ‘SCT (Imports)’ down -J\$2,892.8 million; and ‘GCT (Imports)’ - down -J\$2,258.5 million. ‘Customs Duty’ also underperformed the budget to the tune of -J\$2,245.1 million, while ‘Other Companies Taxes’ came in at -US\$1,705.6 million below budget.

Expenditure: With one month to report before the end of FY2012/13 total expenditure was J\$363.6 billion. This was -J\$19.74 billion or -5.15% less than the J\$383.36 billion budgeted, and J\$1.63 billion or

–0.4% less than expenditures for the corresponding eleven months of FY2011/12. To meet the IMF Primary Surplus requirement of 7.5% of GDP and to compensate for the below target performance of Revenues, the GOJ was forced to slash expenditures. The main areas of under expenditure were: 'Capital Programmes' - down J\$10.01 billion; and 'Recurrent Programmes' which were under-spent by J\$5.38 billion or 6.4% below the J\$84.28 billion budgeted. The GOJ also achieved significant savings on interest payments totalling J\$5.4 billion, paying out J\$53.4 billion with saving of J\$2.67 billion on 'Domestic Interest' relative to the J\$56.17 billion budgeted, while savings of J\$2.2 billion or 6.27% on 'External Interest' (J\$32.86 billion) were also realized. Expenditures of J\$135.9 billion on 'Wages and Salaries' were however modestly above budget to the tune of J\$1,078 million. The GOJ is clearly making a draconian effort to contain expenditures to achieve the agreed primary surplus target of 7.5% of gross domestic product recently agreed with the IMF.

Fiscal Outturn

The fiscal deficit for FY2011/12 (Apr-Mar 2011) was -J\$80.74 billion. For FY2012/13, the GOJ is projecting a fiscal deficit of J\$48.0 million. It seems quite likely that the GOJ will meet the fiscal deficit target during the typically revenue-rich month of March.

The Primary Surplus - a measure of the country's ability to service its debt from revenues, was J\$39.97 billion in 2011/12. Under pressure from the IMF, the GOJ has upwardly revised its primary surplus target from J\$60 billion to J\$75.0 billion for FY2012/13. With one month before the end of FY2012/13, the primary surplus of J\$61.06 billion was roughly in line with the new 11 month target of J\$62.65 billion which was largely achieved by a J\$19.74 cutback in expenditures on capital and recurrent programs. Expectations are that the GOJ will meet the primary surplus target by co-opting surpluses from the National Housing Trust and other public bodies.

Tourism

Stopover arrivals in January 2013 were 161,455 - a decrease of –4.7% below the 169,355 stopovers recorded in January 2012. However, the number of cruise passengers increased by 7.3% in January 2013 to 179,910 visitors, compared 167,745 in January 2012.

Regionally, stopovers from the US increased by 0.9% in January 2013 to 86,301 compared to 85,571 in January 2012. This extends the increase from the US market recorded in calendar year 2012, when stopovers increased by 2.6% with 1,257,669 arrivals, compared to 1,225,565 in 2011. From the Canadian market, stopovers decreased by 14.5% during January 2013 (the second consecutive monthly decrease in 19 months) with 47,765 arrivals compared to 55,839 in January 2012. The numbers of visitors from Canada were up 6.4% to 403,200 visitors compared to 378,938 visitors during 2011.

Visitors from Europe, including the UK, declined by –4.6% in January 2013 to 19,845 visitors compared to 20,798 arrivals in January 2012. For calendar year 2012, visitors from Europe declined by –12.1% to 208,568 compared to 222,428 in 2011, which also declined by 12.1% from 253,000 in 2010. January 2013 decline therefore extends the two year decline recorded in calendar years 2012 and 2011.

Stopover arrivals from the Caribbean recorded a small –1.9% decline during calendar year 2012 to 64,984 visitors compared to 66,216 visitors in 2011. For the first month of 2013, stopovers from the Caribbean are down 5.8% to 4,279 visitors compared to 4,029 in January 2012. On the other hand, stopovers from Latin America were up by 27.0% in January 2013 to 2,500 continuing their strong 50.9% increase (to 25,037) recorded in 2012.

During calendar year 2012, cruise visitors to the Island increased by 17.3% to 1,320,083 visitors on top of a strong 23.4% increase in 2011 reflecting the impact of the opening of the Falmouth Port. In January 2013, cruise visitors are up 7.3% to 179,910 visitors compared to 167,745 arrivals in January 2012. Total



Visitors to Jamaica during January 2013 were 341,365 - a 1.3% increase relative to 337,100 visitors during January 2012.

Bauxite

Production of alumina in February 2013 declined by -5.24% to 143,242 tons compared to 151,165 tons in February 2012. For its part, production of crude bauxite in February 2013 increased by 6.38% to 387,506 tons relative to 364,267 tons in February 2012.

The soft conditions in the global economy during 2012 resulted in Jamaica's production of alumina falling by -10.86% to 1,753,505 tons compared to 1,959,238 tons during 2011. Production of crude bauxite was also down -7.46% to 4,759,647 million tons relative to 5,143,463 million tons during 2011.

For the first two months of 2013, alumina production is down -6.77% to 288,815 relative to 309,781 in 2012, while production of crude bauxite at 774,945 tons is also slightly below output during the first two months of 2011, which was 775,185 tons.

External Trade

During 2012 Jamaica's total expenditure on merchandise imports grew by 2.4% or US\$155.5 million to US\$6,594.9 million when compared to 2011. Earnings from exports also increased, moving by US\$87.5 million or 5.4% to US\$1,709.8 million. This resulted in the trade deficit increasing by 1.4% to US\$4,885.1 million above the US\$4,817.0 million recorded for 2011. As for the past several decades, the largest contributor to the import bill was 'Mineral Fuels etc' – up US\$79.4 million to US\$2,390.3 million or 36.2% of imports; while 'Food' imports rose by 2.2% to US\$959.2 million or 14.5% of imports. 'Chemicals', another large contributor to imports, rose 5.8% to US\$923.9 million or 14.0% of imports. Mitigating these increases, 'Machinery and Transport Equipment' declined by 1.4% to US\$919.4 million while 'Manufactured Goods' declined by 3.4% to US\$623.7 million.

On the side of exports, traditional exports fell by US\$46.7 million to US\$813.8 million largely reflecting a decline of 12.5% in alumina exports to US\$508.0 million compared to US\$580.7 million in 2011. This was only partially compensated by a US\$40.7 million rise in exports of 'Manufactures' to US\$154.9 million due to increased sugar and rum exports. Non-traditional exports rose on its part by US\$153.6 million or 22.8% to US\$823.3 million due largely to a 41.6% rise in 'Other' exports, largely on a quadrupling of 'Chemical' exports to US\$205.1 million and a 6.8% rise in 'Food' exports to US\$144.8 million.

The large US\$4,885.1 million imbalance in Jamaica's merchandise trade was only partially compensated by a surplus on Services of US\$751.0 million; remittances of US\$1,872.7 million; and net official and private investment inflows of US\$2,131.6 million. Accordingly, net international reserves declined.

Stock Market

During February 2013, market capitalization decreased by J\$30.12 billion or -5.2% to close at J\$553.0 billion. All six indices on the Jamaican Stock Exchange declined. The main **JSE Market Index** declined by 5,069.8 points or -5.69% to close at 84,049 points. The **JSE Combined Index** declined by 5,149 points or -5.69% to close at 85,339 points. The **JSE All Jamaican Composite Index** declined by 7,580 points or (-8.81%) to close at 78,414 points and the **JSE Select Index** declined by 179.5 points or (-7.70%) to close at 2,152 points. Also declining were the **Junior Market Index** - down 36.04 points or 5.73% to close at 592.5 points and the **JSE Cross Listed Index** of mostly foreign companies operating in Jamaica, which fell by 16.6 points or 1.90% to close at 857.4 points.

Market volume was moderate in February 2013 with 224.839 million units valued at J\$1.974 billion changing hands, compared with 51.5 million units valued at J\$719.3 million in January 2012.



The Global Picture

Global data for the first quarter of 2013 was decidedly mixed, but the emerging consensus is that economic performance in many regions of the world during Q1 2013 was less than expected. In the United States, Weekly Jobless Claims appeared to peak in February 2013 at 330,000, but in March 2013 jobless claims climbed for three consecutive weeks and had risen to 385,000 in the last reading. US Non-farm Payrolls of 88,000 for March 2013 also disappointed, coming in well below the 190,000 expected. US Monthly Auto-sales and ISM Manufacturing came in less than expected, but Construction Spending beat expectations, and for the first time in 4 years the Case/Schiller House Price Index indicated that median home prices in the US were rising instead of falling.

Though there were notable improvements in the data for many countries, the situation in Europe continued to roil markets. To qualify for a bailout of its financial system, Cyprus was forced to agree to a massive 60% cut on deposits greater than US\$100,000 within its banks. This fed fears the precedent had been set for large cuts in savers' deposits in the event of future bailouts of countries.

China's data showed signs of increasing stabilization, but in Japan's three decade fight against deflation, the new Finance Minister commenced a massive quantitative easing program which will involve the Bank of Japan purchasing 70% of Japanese Government bonds.

Investors are now anticipating Q1 2013 company earnings to see more clearly where the global economy is headed.

CORPORATE GOVERNANCE COMMITTEE

The committee meets bi-monthly and will meet again in April 2013.

STANDING COMMITTEE ON NATIONAL SECURITY

The highlights of the meeting held on March 19, 2013 are as follows:

- *Proposed Security Forum with Minister Bunting* - The long awaited, and much discussed Security forum in Clarendon will take place on Thursday April 11 at Hotel Versailles in Clarendon and the Clarendon Chamber of Commerce and other stakeholders in the parish are collaborating with The PSOJ to bring business people out. The event will be a luncheon and will see the partnership of exclusive sponsor, Columbus Communications partnering with the PSOJ and the Clarendon Chamber of Commerce to stage the event. Minister of National Security, Mr. Peter Bunting will be the Guest Speaker and will address the Clarendon business community on the topic: ***"Invest in National Security: Fastest Return on Investment"***.
- The Ministry of National Security is seeking greater collaboration with the business community and will be inviting business persons to tangibly partner with the government to assist in providing needed resources for the security forces.

ENERGY & ENVIRONMENT COMMITTEE

Highlights of the Committee meeting held March 27, 2013:

- Further to discussions at February's Committee meeting, it was suggested that Former Head of the OUR, Mr. J. Paul Morgan be invited to be the Guest Speaker at the PSOJ Chairman's Club Forum. On March 26th Mr. Morgan addressed the business community on a number of energy-related issues facing the country and offered several recommendations he believes will assist in finding workable solutions. The event was well attended and received very good print and electronic media coverage.



- Following the energy audit of the PSOJ, Mr. Eaton Haughton of Caribbean Esco contacted the Private Financing Advisory Network (PFAN) to ascertain if they would fund the retrofitting of the PSOJ, making it a model site for energy conservation. Mr. Haughton and representatives of PFAN will meet on April 26 to discuss same. At that meeting, PFAN will advise if they will provide a grant or a loan with payment from savings. After the meeting President Zacca and members of the Executive will review the agreement and determine how to proceed with the Project.
- The Committee draft scorecard was reviewed. Several recommendations were made in order to have it adopted as the official measuring document for the Committee.

CRIME STOP

The Crime Stop Coordinator's report highlighted the following for the month of March 2013:

- The number of calls received was 78, a decrease of 1 less than the 79 received in February.
- The number of tips received via the organisation's revamped website was 13, four more than the nine that was received in February.
- The success ratio was 1 in 9, compared to 1 in 7 in the previous month.
- The number of calls made to 311 was 65, 5 less than the 70 recorded in February.
- The number of arrests made was five, one more than the previous month.
- A total of \$21,200 was paid out in March, a mere \$700 more than the \$20,500 paid out in February.
- \$4,945,400 was the value of narcotics recovered, compared with a value of \$1,712,400 for the narcotics recovered in February 2013.

NOTE (1) BREAKDOWN OF TIPS RECEIVED FOR MARCH, 2013

6	ILL FIREARM/AMMO	10	DRUGS	11	LOTTERY SCAM
16	GUNMEN	1	SUSP/PERSONS	2	ROBBERY
3	MURDER	1	ILL/ACTIVITIES	2	STOLEN PROPERTY
3	WANTED MEN	1	THREAT	2	SUSP/ACTIVITIES
1	PRAEDIAL LARCENY	1	CONSP TO STEAL	2	GUNS/DRUGS
1	INCEST	1	LARCENY	1	ADD/INFORMATION
	CHILD IN NEED CARE &				
1	PROT.	3	FRAUD	3	QUERY
5	CARNAL ABUSE	1	SHOOTING		

MEMBERSHIP COMMITTEE

The Committee did not meet.

MEMBERSHIP

New Members

The PSOJ welcomed the following prospects who became members during the month of March:

- SMS
- Caribbean Producers Jamaica
- Mona Geoinformatics
- Creditinfo Jamaica Limited

Applications for membership approved by PSOJ Executive and now awaiting payment:

- Toyco Ltd T/A Hotel Four Seasons
- Interglobal Technology Solution

Prospects sent information during the period:

- HB Capital
- Young Entrepreneurs' Association
- Fosrich
- Andrea Graham
- Judith James
- Jamaica Association of Composers & Producers

MEMBERSHIP UPDATE

Membership as at	Corporate	Associations	Individuals	New Members	Resigned	Total
Opening balance December 2012 257	186	23	48			257
January 2013 257	186	23	48	6 – Corp	5 – Corp 1 - Ind	257
February 2013 257	187	23	47	1 Individual	Nil	258
March 2013 258	187	23	48	4 Corp	Nil	262

- Companies who resigned in January: Stocks & Securities, The Business District, William Wilson, Advanced Digital. Archway Caribbean was bought out by Stronghold Data Solutions (PSOJ member)
- Laurence Stewart – migrated

COMMUNICATION TO MEMBERS

The following correspondences were sent to members:

1. March 7, 2013 – email from President Zacca advising members of the resignation of PSOJ CEO, Mrs. Sandra Glasgow.
2. March 8, 2013 – email with JIS link regarding Heads of Agreement signing between the Government and some Public Sector Unions/Associations, who agreed to change their negotiating cycle from two to three years, along with wage restraint from 2012 to 2015. President Zacca attended the signing ceremony and gave remarks.
3. March 8, 2013 – email inviting members to Chairman's Club Forum with Guest Speaker, Mr. J. Paul Morgan former Head of Office of Utilities Regulation
4. March 11, 2013 – email inviting members to the first quarter Executive Lyme at the Caribbean Producers of Jamaica – Cru



5. March 14 – email to members advising of the change in venue of the Chairman's Club Forum from the Wyndham to the Knutsford Court Hotel due to the unfortunate situation at Wyndham where fire destroyed all the ballrooms and the kitchen.
6. March 18
7. March 21, 2013 - email advising that the Canadian High Commission will be hosting a forum on Corporate Social Responsibility (CSR), entitled: *Engaging the Media to promote Trust and Competitiveness in Governance – Every Stakeholder's CSR* at the Mona Visitor's Lodge.

PROJECTS

IDB/NCB PROJECT- ATN/12712-JA

The Project Management Office (PMO) has received IDB's non-objection to submitting a request for the First Disbursement. The payment was subsequently lodged to the Project Account.

A Planning Committee comprising of individuals mainly from the NCB Marketing Team are currently planning a SME Conference which is scheduled to be held in June. The conference is intended to provide information to help small businesses succeed in the marketplace and to promote the value of small businesses to the other SMEs seeking small business partners.

A site visit is planned for Thursday, April 4, 2013 to the Ritz-Carlton Spa and Resort and the Iberostar Grand Resort to ascertain which hotel would be most ideal for the hosting of this conference.

Requests for quotations have been sent to selected individuals and firms for the Case Writing and the Training and Technical Assistance consultancies. The deadlines for submission are March 29 and April 5 respectively. We have since received three (3) quotations for Case Writing Services, these are currently being reviewed.

YUTE

YUTE Commences Pre-Skills Programme in Whitfield Town

YUTE Cycle 3 Pre-Skills Training programme began on March 4, 2013 and targeted the participants living in both the Whitfield Town and Maxfield Communities. One centre is in operation and is located at 20 Whitfield Avenue, Kingston 13. Unlike the other Pre-Skills Training Cycles, classes are held from Mondays to Fridays between the hours of 3:00 to 6:30 pm and sometimes on Saturdays.

Before the centre was established, a significant amount of work was undertaken to renovate the space. On initial inspection of the space, it was found that lighting fixtures were needed, the walls needed painting and the floor and windows needed thorough cleaning. Items such as paint and painting materials, lighting fixtures, and cleaning agents were procured. Cleaners, a painter and an electrician were engaged to create an appropriate environment for learning.

There are two Pre-Skills Trainers at the centre and over 60 participants. The participants are currently engaged in literacy, numeracy training and entrepreneurship training (using the Junior Achievement model). In addition, they attended a two-day Entrepreneurship Training Workshop (March 15 and 22, 2013) which introduced them to the basics of Entrepreneurship.

Photo 1 and 2 – Before (left) and After Pictures of the Classroom used for Pre-Skills training



YUTE Mentorship Programme Expands

YUTE welcomed 19 volunteers to its mentorship programme following a comprehensive one-day training in preparation for working with YUTE participants on March 24. They join a cohort of over 600 volunteers who provide support, guidance and advice to young adults preparing for employment.

Mentorship is an integral part of the YUTE programme. The volunteers support participants who are making an effort to positively engage with the wider society. Mentors provide critical encouragement and guidance to help mentees develop and reach positive academic, career, personal and social goals. Two hundred mentors are needed to support participants currently engaged in skills training.

This latest cohort comprising largely of University students, educators and social workers were coached on the most effective means to support the reinvestment process of youths as they explored topics ranging from the building of mentorship relationships, to conflict resolution, goal setting and human behaviour. Training was conducted by facilitators the National Youth Service (NYS).

Photo 3: Newly trained volunteers who will shortly commence mentoring



**YUTE Entrepreneurship Programme makes strides**

The YUTE entrepreneurship programme undertook several training sessions in March. Participants at the Caribbean Maritime Institute commenced Junior Achievement training on 2013 March 1, while those at Whitfield Pre-Skills commenced their training on 2013 March 27.

Entrepreneurship Orientation

The second day of Entrepreneurship Orientation sessions were conducted on 2013 March 4, 5 and 13 at the JBDC Incubator and Resource Centre with participants from CMI, Bars to Go, IWED and Jan's Catering.

On 2013 March 15 and 22, 52 and 59 persons, respectively attended the Entrepreneurship Orientation at the JBDC Incubator and Resource Centre.

Micro-Franchise

The YUTE PMO met with Grace Kennedy (GK) on 2013 March 18 to discuss the rollout of the micro-franchise businesses. GK indicated 3 possible business opportunities:

- Vending (scheduled for September but 2 -3 opportunities available now)
- Grocery operation (available to commence in 2013 April) and
- Hot dog (scheduled to begin in 2013 June)

GK has requested the résumés of persons interested in grocery/vending. Eight résumés were submitted to them. The YUTE PMO is awaiting feedback from GK.

The YUTE PMO also met with Musson and they have indicated a rollout date of April 2.

MARKETING AND PUBLIC RELATIONS DEPARTMENT**Meetings/Functions/Events**

- March 20 – Executive Lyme
- March 22 – Mentoring of Emerging Entrepreneurial Leaders Dinner
- March 26 – Chairman's Club Forum

March 20 – PSOJ Executive Lyme

The first quarter Executive Lyme was held on Wednesday March 20 at CRU, Caribbean Producers of Jamaica's new location on Lady Musgrave Road. PSOJ members and prospective members showed up and gave tremendous support. Based on the feedback we received, the event was a great success. It was well attended, with good food and lively company, and enjoyed very good exposure in the print media. The success of the evening could not be possible without the support of our sponsors – International Asset Services, CPJ, Jamaica Broilers, Rainforest and The Marketing Counsellors.

March 22 – Mentoring of Emerging Entrepreneurial Leaders Dinner

Friday March 22 saw the first Mentorship Dinner for the year 2013 at the usual venue, Spanish Court Hotel. The Guest Mentor was Group Executive Director, Culture and Leadership Development at Jamaica Money Market Brokers, Mrs. Donna Duncan Scott. Mrs. Duncan Scott delivered a very inspiring talk outlining her family's entrepreneurial experience, the modus operandi at the JMMB and how their vision of love is inculcated into the company's operations. Seven young entrepreneurs were present as well, along with Chairman of the Membership Committee, Mr. Christopher Reckord, Hon. Secretary Mr. Christopher Barnes, CEO Mrs. Sandra Glasgow, Mrs. Karis Flowers and Ms Violet Vassell.

March 26 – Chairman's Club Forum

The former Head of the Office of Utilities Regulations (OUR), Mr. J. Paul Morgan was the Keynote Speaker at the PSOJ's Chairman's Club (Breakfast) Forum, held Tuesday March 26, 2013 at the Knutsford Court Hotel. Given Mr. Morgan's position as former Head of the OUR and the pending appointment of a new head of the OUR, Mr. Morgan shared his thoughts on the topic, "*Energy – Strategic for Jamaica's Growth*". He also gave his views on how the new leadership of the OUR should contribute to ensuring the development of an energy sector that will help to drive growth in the economy

PSOJ Media Mentions**Print:**

1. **March 13, 2013** - Jamaica Observer, Special Advertising feature, St. James Youth training and Job Placement project.
2. **March 13, 2013** - The Western Mirror, Special Advertising feature, St. James Youth training and Job Placement
3. **March 14, 2013** - Jamaica Observer West, front page and Pg3, 130 youngsters in St. James graduate from ICT project under the European Union Banana support programme.
4. **March 24, 2013** - Jamaica Observer, Pg6, Highlights (Photograph) of the PSOJ Executive Lyme held at CPJ Cru
5. **March 25, 2013** - The Gleaner, Pg A5, Highlights (2 Photograph) of the PSOJ Executive Lyme held at CPJ Cru
6. **March 27, 2013** - Jamaica Observer , Pg 14B, CSR just as important as the business along with photograph of President Christopher Zacca
7. **March 28, 2012** - The Gleaner, Pg A7, Ja's energy problem needs urgent attention and long with photograph of J. Paul Morgan, Sandra Glasgow and Bernadette Barrow at the PSOJ Chairman's Club Forum
8. **March 30, 2013** - Jamaica Observer, Pg6, Photograph of Christopher Zacca and peter Thomas at the debut of OMG! Girl.

Speeches/Remarks Delivered by Mr. Zacca

1. **March 6, 2013** – Remarks delivered at a Signing Ceremony re wage freeze for public sector workers held at Jamaica House.
2. **March 25, 2013** – Presentation delivered at Canadian High Commission's Forum on Corporate Social Responsibility at the Mona Visitor's Lodge.
3. **March 26, 2013** – Remarks delivered at Chairman's Club Forum held at Knutsford Court Hotel. Topic- Energy: Strategic for Jamaica's Growth.

Electronic and Online Mentions:

1. **March 7, 2013 | 8:27 am** - PSOJ Promises Support For Civil Servants Amid Wage Freeze
<http://jamaica-gleaner.com/latest/article.php?id=43296>
2. **March 7, 2013** - Glasgow Resigns As PSOJ CEO
<http://jamaica-gleaner.com/latest/article.php?id=43320>
3. **March 3, 2013** - Show us the plan and we'll help; Private sector pledges support for police adopt-a-community strategy
http://www.jamaicaobserver.com/news/Show-us-the-plan-and-we-ll-help_13734237
4. **March 6, 2013** - Jamaica debt sustainable under IMF programme
http://www.jamaicaobserver.com/business/Jamaica-debt-sustainable-under-IMF-programme_13784268



5. **March 06, 2013 | 7:27 PM** - Gov't, public servants reach wage-restraint deal
<http://www.jamaicaobserver.com/news/Gov-t--public-servants-reach-wage-restraint-deal>
6. **March 10, 2013** - A good time to bury bad news; cash, politics, media and corruption
http://www.jamaicaobserver.com/columns/A-good-time-to-bury-bad-news--cash--politics--media-and-corruption_13800883
7. **March 14, 2013** - Raring to go! - 130 youngsters in St James graduate from ICT project
http://www.jamaicaobserver.com/westernnews/Raring-to-go_13850538
8. **March 24, 2013** - PHOTO: 'Executive Lyme
http://www.jamaicaobserver.com/business/PHOTO-Executive-Lyme_13920525
9. **March 27, 2013** - CSR just as important as the business
http://www.jamaicaobserver.com/business/CSR-just-as-important-as-the-business_13955788

Radio/Television Interviews with Mr. Zacca:

1. **March 6, 2013** – Interview with BBC Reporter re the IMF agreement was done at the PSOJ's offices at 9am.
2. **March 14, 2013** – Interview with Ralston Hyman on Power 106 at 9:30am.

Radio/Television Mentions:

1. **March 6, 13** – Excerpts of Mr. Zacca's remarks that were given at the wage freeze signing ceremony were carried on TVJ's Prime Time News.
2. **March 26, 2013** - Excerpts from J. Paul Morgan speech at the PSOJ's Chairman's club forum Re: Energy – strategic for Jamaica's growth aired on TVJ News at 7pm.

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