

**ANNUAL
REVIEW OF
PERSON'S
WORK PLAN**

JULY 1992

I. OVERVIEW

At last year's Retreat, it was decided that the Organisation needed to increase its public relations activities in order to counter a very negative public perception of the private sector which was developing, largely as a result of the very high inflation and the falling value of the Jamaican dollar.

However, it was also recognised that the Organisation needed to be put on a firm financial footing and that every effort had to be made to do this during the up-coming financial year. In this regard, a drive to collect a special one-time contribution from the members was to become a major priority and at the end of the year, this collection drive had brought in approximately 3.142 million dollars. This was somewhat below the original target of 4 million dollars, but it has nevertheless enabled the Organisation to liquidate its current debts and has enabled us to complete the year with a small operational surplus.

In December 1991 the existing Executive Committee was returned to office. The President, Hon. Dennis Lalor and Vice-Presidents, Messrs Joseph M. Matalon, Douglas Orane and William McConnell were elected to their former positions. Mr Aulous Madden was elected Honorary Secretary and Mr Delroy Lindsay was elected Honorary Treasurer, replacing Mr Richard Downer who retired due to the pressure of other commitments. The Associations membership on the Executive remained the same as the previous year:

Mr Edward Ashenheim	-	Jamaica Employers' Federation
Mr Desmond Blades	-	Jamaica Chamber of Commerce
Mjr. Anthony Robinson	-	Jamaica Manufacturers' Association
Ms Lucille Lue	-	Jamaica Hotel & Tourists Association
Mr Abe Williams	-	Small Businesses Association of Ja.
Mr Douglas Folkes	-	Jamaica Bankers' Association
Mr Karl James	-	Jamaica Exporters' Association

The President of the SBAJ changed during the year and Mr Albert Grey replaced Mr Williams.

At the end of October 1991, Mr Delroy Lindsay formally demitted office as Executive Director and in January 1992, Mr Charles Ross was confirmed in that position.

The finances of the Organisation continued to be an area of concern and during the year, two important initiatives were undertaken. A special general meeting of the membership approved a substantial increase in the subscription rates of the Organisation to take effect in the 1992/93 financial year. This increase was necessary to fill the gap in the Organisation's finances which had been temporarily closed by the proceeds of the special contribution drive.

Another important initiative was the programme initiated by Vice-President, Joseph M. Matalon to redeem the debentures which were secured by the Organisation's office building. This redemption was carried out at no cost to the Organisation and in such a manner as to provide very tangible benefits to the debenture holders. The proposals were well received by all, except two of the holders, and we hope that, with time, they too will participate in the programme.

The past year has been a momentous one both for the PSOJ and for the country as a whole. During the course of the year, we have seen the government embrace and implement many of the policies which we have been advocating over the past years.

The year begun with the President hosting a 3-day seminar at the Pegasus Hotel to discuss the implementation of the National Game Plan. The National Game Plan is a series of co-ordinated policy reforms drawn up by the PSOJ with the explicit objective of bringing about sustainable economic growth. The seminar was attended by leading members of the private sector, international lending agencies, Ministers of government and top Civil Servants. At the end of the deliberations, an Action Plan was prepared and presented by the President to the Prime Minister with an offer from the PSOJ to work with the government on the implementation of the objectives and recommendations of the Game Plan.

The recommendations and concepts of Game Plan were accepted by the Prime Minister and the President also managed to get from USAID, a commitment to contribute towards the financing of the implementation of the National game Plan. Despite the initial agreement on the part of the government, it took months of persistent lobbying by the President and Officers of the PSOJ to bring the project to the point of implementation, which is where it stands at the moment. The process was not helped by the change of personnel at Jamaica House, but USAID financing is about to be made available to establish a secretariat and the government has maintained their commitment to the project.

The Officers and Executive were also involved in a number of critical meetings with the government concerning the removal of exchange controls and the implementation of the General Consumption Tax. Both of these government initiatives took place during a period of severe economic instability and there were serious reservations about them in certain sectors of the government.

It would not be unreasonable to say that PSOJ's advocacy in favour of these causes contributed in some small way to their adoption by government. Despite the initial reservation regarding the General Consumption Tax, the tax has been widely accepted by the population and is providing government with a substantial amount of revenue.

The President and some members of the Executive Committee also attended meetings of the National Planning Council during the year. This forum provided a regular exchange of ideas between members of the government, the private sector and organised labour and allowed for discussion on current matters of concern.

In addition to the above matters, the President and the Officers held other meetings with ministers of government and members of the Leader of the Opposition's "Shadow Cabinet" to discuss matters of concern to the private sector. At the changing of the guard at Jamaica House, courtesy calls were paid on the out-going and in-coming Prime Ministers to offer them both best wishes from the PSOJ.

The past year was indeed an eventful one as far as developments in the local economy were concerned. There was a dramatic fall in the value of the Jamaican dollar and the highest level of inflation in recent history was recorded during the course of the year. We saw the suspension of exchange controls, the introduction of the GCT, and in April of this year, we saw the "Butch Stewart Initiative" to halt the slide of the Jamaican dollar and to re-value it. To a great degree, we were all quite surprised at the sudden increase in the pace of the process of economic reform.

The government appointed a committee under the chairmanship of Professor Rex Nettleford to examine the role of government in a liberalised economy and to make recommendations for changes in the present structure of government in order that it function efficiently in the new environment. The Nettleford Committee produced some very far reaching recommendations and government is now in the process of establishing the mechanisms for implementing them.

Many of the recommendations of the Nettleford Committee "dovetailed" very neatly with the policy position of the PSOJ and indeed, many of the policy reforms which are now being undertaken have been advocated by the PSOJ for many years.

During the year, we were very active in stating publicly the policy position of the PSOJ. The second edition of the Economic Policy Framework was published and was presented to a wide cross-section of people in public life and in the academic world. We also held, in co-operation with the German Embassy and the DSE, a symposium on the free market economy at which papers were presented by three German scholars and also by local technical experts. The three German experts also met the Nettleford Committee and presented their papers and other documents to the Committee.

They were particularly emphatic on the need to establish an independent central bank and may have influenced the committee to include this among their final recommendations to the government. In fact, the Ministry of Finance has recently established a committee to review the Bank of Jamaica Act, to make recommendations to increase its independence from the Ministry of Finance.

The Legislative Action Committee was also successful in persuading the government to remove from the draft of the Competition Act those sections which the private sector found objectionable.

During the course of the year, the Hirst Audit of the Police Force which was undertaken at the instigation of our National Security Committee was completed and submitted to government. The report is far reaching in its recommendations and it will now require concerted pressure on government to have its recommendations implemented.

The past year has been somewhat of a "watershed" in terms of the approach of government to economic policy and national developments. The tide has turned decisively in favour of the private sector views and while there are still some major logistical questions to be resolved, it would seem that there is growing national consensus that the free market will offer us the best avenue for fast and sustainable development.

II. ADMINISTRATION

STAFFING

Staff turnover during the year under review was high. The Executive Director, Executive Assistant, Director of Economic Research and Business Development, Director of Communication and the Communications Assistant all resigned.

	Resigned	Replacements
Delroy Lindsay (Executive Director)	31/10/91	Charles Ross
Joseph Cox (Dir. of Economic Research and Business Development)	15/08/92	Michael Tharkur
Judymay Mitchell (Executive Assistant)	31/12/91	E. Evans-Coombs
Julie Chen (Director of Communications)	31/07/92	Marcia Ormsby
Judith Smalling (Communications Assistant)	27/03/92	Margaret Nash
Errol Thompson (Messenger)	16/12/91	Michael Nash

All positions have now been filled and the staff complement stands at 20.

Following the resignation of Delroy Lindsay, Charles Ross assumed duties of General Manager in September 1991, and thereafter appointed to Executive Director in January 1992. An addition has been made to the Executive Office, that of a Junior Secretary, (Winsome Virgo) to deal with routine matters.

2. INTERNAL HUMAN RESOURCE DEVELOPMENT

Staff Training was restricted to computer orientation. The need exists for staff to become fully aware of the use of the library system.

It is hoped to begin in-house desk-top publishing in the near future and members of staff will be trained to use this facility.

The intended introduction of a study leave and bonding programme for staff members wishing to upgrade their skills is still being investigated.

3. STAFF BENEFITS

The benefits as provided by Life of Jamaica are being revised for upgrading and the investment of Pension funds being investigated for revision.

Staff continue to express the need for more training opportunities and benefits.

As a contribution to their health and healthy environment, staff continue to insist that no smoking be allowed in the building.

4. BUILDING THE ENVIRONMENT

The Air conditioning system is not adequate for the requirements of the building resulting in frequent malfunctioning and extensive checks and repairs to the units. This situation is being addressed and recommendation has been made for four (4) mini split units to be installed in the Annex to boost the total system.

The Security Service has been reduced to daytime only (7:00 a.m. - 7:00 p.m.) since July 1992 and has been working satisfactorily.

Complete check of the lighting has been made - bulbs replaced, starters, shades, etc.

Landscaping of the grounds is being maintained as well as supply of plants in the offices. There needs to be a bit of landscaping - terracing on the mound at the front, cutting of some of the older trees and reviving of some at the front of the grounds.

The absence of a restroom continues to be an on-going concern.

A photocopier had to be purchased to assist with the volume of documents to be reproduced.

5. **RJR SHAREHOLDING**

Hon. Secretary, Aulous Madden, continues to be PSOJ's representative on the RJR Board of Directors at the Company's Annual General Meeting.

6. **MEETINGS AND SEMINARS**

Coordination of meetings of Council, Executive Committee Chairmen's Club, Officers, Annual General Meeting, Retreat, Standing Committee on National Security, PSOJ (Holdings) Limited Board, Constitution Reform Committee and 'Special' Meetings are carried out by the staff of the Executive Office.

Chairmen's Club continued to meet on an adhoc basis. The Standing Committee on National Security under the chairmanship of Col. Trevor MacMillan met on the 2nd Friday of each month. The Committee continued its efforts for the implementation of legislation governing Private Security companies through the Ministry of National Security as well as Fire Safety and Prevention in collaboration with the Jamaica Fire and Emergency Services. The committee part sponsored the Assistant Commissioner of the Jamaica Fire Brigade to pursue a training course on International Fire Prevention at the Fire Service College in England.

The Environment Committee has embarked on an environmental project to produce six (6) environmental documentaries. Sponsorship has been received from the Bauxite companies for the production of three (3) of these.

III. FINANCE & MEMBERSHIP

The Organisation closed the financial year with Net Current Assets of 2.222Mn dollars compared with 1.229 Mn in 1991 an increase of 992k dollars over prior year.

At the beginning of the year our net cash balance stood at 2043Mn dollars compared with 2.813Mn dollars as at the 24/7/92. Our cash balance increased by 770k dollars over the previous year. The main factors contributing to the increase are as follows:

1. Special One-time Contribution of 4Mn dollars.

The sum realized from special contribution is 3,142Mn dollars for the years 1991 and 1992.

2. The payment of 1992/93 Subscription is 992k dollars.

OPERATING RESULTS

The Organisation recorded a surplus of 1.316MN dollars for the year. This is due mainly to the Special One-time subscription mentioned above plus the initiative to redeem the debentures.

The above-mentioned surplus was achieved as a result of the Organisation realizing the sum of 760k dollars from special one-time contribution and 996k dollars from the redemption of the debentures.

Our deficit would have been 440k dollars if these initiatives were not employed.

REDEMPTION OF DEBENTURES

On the 28/5/92, Mr. Joseph Matalon, Vice President, initiated the programme to redeem the 1986 and 1989 debentures. As at the 21/7/92, ten of the nineteen debenture stocks have been redeemed and the indication for the remainder to be redeemed is quite favourable.

INFLATION

There has been a marked reduction in the rate of inflation over the past two months. The rate when annualized is averaging 35% compared with a rate of 80.2% up to December '91 and 105.7% in March '92.

As a result of the very high inflation rate our costs increased significantly over the budget for the financial year 1991/1992. Subscription rates were increased by 68% in order for us to keep pace with the spiraling increases in the cost of our day to day activities.

MEMBERSHIP

The Committee is now chaired by its new Chairman Mr. Anthony Bell, Managing Director of J. Wray & Nephew Ltd.

The Committee has been meeting on a regular basis since its re-activation.

During the past months a review of the list of delinquent members has been conducted and recommendations were sent to the Executive Committee for action to be taken.

As an ongoing educational programme it was agreed that the Communications Division include sections of the "Articles of Association and Memorandum" in the quarterly editions of Enterprise.

Our membership growth is an important aspect of the committee's terms of reference as the committee seeks to recruit quality members to the Organisation.

M E M B E R S H I P

	<u>JULY 92</u>	<u>JULY 91</u>	<u>INCREASE/ DECREASE</u>
INDIVIDUALS	67	72	(5)
COMPANIES	224	236	(12)
ASSOCIATIONS	21	21	0
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Subtotal	312	329	(17)
OVERSEAS	59	59	--
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	371	388	(17)
	===	===	==

PSOJ & (HOLDINGS) LTD
CONSOLIDATED BALANCE SHEET

	1992	1991	Increase/ Decrease
<u>CURRENT ASSETS</u>			
Cash and Bank	2,813,373	2,302,099	511,274
Accounts Receivable	740,516	918,512	(177,996)
Taxation Recoverable	40,373	40,373	0
	<u>3,594,262</u>	<u>3,260,984</u>	<u>333,278</u>
<u>CURRENT LIABILITIES</u>			
Current Maturities of Long Term Liabilities	63,000	87,500	24,500
Accounts Payable	376,394	435,485	59,091
Subscriptions Received in Advance	933,049	1,248,815	315,766
Taxation	0	2,167	2,167
Bank Overdrafts	0	258,508	258,508
	<u>1,372,443</u>	<u>2,032,475</u>	<u>660,032</u>
Working Capital (Deficit)	2,221,819	1,228,509	993,310
Discount on Issue of Debenture	194,434	389,352	(194,918)
Premium on Redemption of Debenture	284,085	591,840	(307,755)
Investments	157,504	157,504	0
Fixed Assets	3,571,773	3,725,070	(153,297)
	<u>6,429,615</u>	<u>6,092,275</u>	<u>337,340</u>
	=====	=====	=====
<u>FINANCED BY:</u>			
Surplus/Deficit	1,316,136	(705,726)	2,021,862
Capital Reserve	1,613,937	1,614,449	(512)
Special Project Funds	1,518,698	1,708,170	(189,472)
Long Term Liabilities	1,980,844	3,475,382	(1,494,538)
	<u>6,429,615</u>	<u>6,092,275</u>	<u>337,340</u>
	=====	=====	=====

PSOJ & HOLDINGS LTD.
SCHEDULE OF FIXED ASSETS

<u>At Cost</u>	<u>Land & Buildings</u>	<u>Furniture & Fixtures</u>	<u>Motor Vehicles</u>	<u>Total</u>
July 31, 1991	2,992,988	981,411	369,848	4,344,247
Additions		37,976	61,418	99,394
Disposal				
July 24, 1992	2,992,988	1,019,387	431,266	4,443,641
<u>Depreciation</u>				
July 31, 1991	246,834	313,809	58,334	619,177
Change for the Year	65,295	101,143	86,253	252,691
July 31, 1992	312,229	415,052	144,587	871,868
<u>Net Book Values</u>				
July 31, 1992	2,680,759	604,335	286,679	3,571,773
July 31, 1991	2,746,054	667,502	311,514	3,725,070

RESULTS OF OPERATION

<u>REVENUE</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>
Subscription	2390	2896	(506)
Publications	240	210	30
Viewpoint	212	220	(8)
Seminar	27	100	(73)
Luncheon	361	125	236
Miscellaneous	346	20	326
Sub-Total	3576	3571	5
Interest on Investments	594	280	314
Special Contribution	2259	830	1,429
Total	6429	4681	1,748
	=====	=====	=====
<u>EXPENSE</u>			
Staffing	1925	2040	115
Redemption of Debenture	503	87	(416)
Utilities	330	304	(26)
Luncheon	320	154	(166)
Publications	249	142	(107)
Viewpoint	159	96	(63)
Seminar	20	15	(5)
Other Expenses	1607	1244	(363)
Total	5113	4082	(1,031)
	=====	=====	=====
Surplus	1,316	599	717

EXPLANATION OF VARIANCES

Revenue

Revenue exceeds the budget by 1.748 mn dollars as a result of the following reasons:

- (1) The amount received for special one time subscription was 1.54 mn dollars.
- (2) The Redemption of Debenture resulted in income of 1.499 being realized.
- (3) The interest income exceeded the budget as a result of high yield short term investments of our excess funds.

Expense

The Budget is overrun by 1.031 mn dollars which is due mainly to the following reasons;

- (1) The cost of Redemding the Debentures was 503k dollars.
- (2) Travelling & Entertainment excooded the Budget by 168k dollars as a result of the depreciation of dollars for foreign travel.
- (3) The cost for the Hall of Fame Dinner was 176k dollars.

PSOJ & (HOLDINGS) LTD
BUDGET AUGUST 1, 1992 - JULY 31, 1992
BALANCE SHEET

CURRENT ASSETS

Cash & Bank	3,135,000
Accounts Receivable	113,171
Taxation Receivable	40,373
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	3,288,544

CURRENT LIABILITIES

Current Maturities of Long Term Liabilities	63,000
Accounts Payable	120,000
Subscriptions Received In Advance	2,000,000
	<hr/>
	2,183,000
Working Capital	1,105,544
Investments	157,504
Fixed Assets	3,325,773
	<hr/>
	4,588,821
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FINANCED BY:

Capital Reserve	1,613,937
Special Projects Fund	1,500,000
Long Term Liabilities	44,864
Surplus Bfwd	1,316,000
Surplus Current Year	114,000
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	4,588,821
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PSOJ & (HOLDINGS) LTD.
1992 - 93 BUDGET

	REVENUE/EXPENSE		
REVENUE	92-93 BUDGET	1992 ACTUAL	INCREASE/ DECREASE
Subscription	4000	2390	1610
Publications	420	240	180
Viewpoint	270	212	58
Seminar	50	27	23
Luncheon	200	361	(161)
Miscellaneous	350	346	4
Sub-Total	5290	3576	1714
Interest on Investments	875	594	281
Total	6165	4170	1995
	=====	=====	=====
EXPENSES			
Staffing	2900	1925	(975)
Travelling & Entertainment	300	258	(42)
Stationery	160	147	(13)
Publications	283	249	(34)
Repairs/Maintenance	250	237	(13)
Utilities	429	330	(99)
Depreciation	246	253	7
Audit	125	102	(23)
Insurance	75	80	5
Motor Vehicle	65	32	(33)
Legal Fees	50	1	(49)
Bank Charges	20	10	(10)
Meetings	125	73	(52)
Luncheon	160	320	160
Professional Services	45	17	(28)
Training	50	29	(21)
Seminar	45	20	(25)
Viewpoint	180	159	(21)
Other General	100	166	66
Postage	15	6	(9)
Lease M/V	222	158	(64)
Lease Photocopier	106	35	(71)
Refurbishing	100	0	(100)
Total	6051	4607	1444
	=====	=====	=====
Surplus	114	(437)	551

CASH FLOW
1992/93 BUDGET

	<u>Aug 92</u>	<u>Sept</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec 92</u>	<u>Jan 93</u>	<u>Feb.</u>	<u>Mar.</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>Jul 93</u>	<u>Total</u>
<u>INFLOW</u>													
Subscription	1500	500	273									2000	4273
Other Receipts	<u>173</u>	<u>195</u>	<u>351</u>	<u>303</u>	<u>79</u>	<u>90</u>	<u>353</u>	<u>53</u>	<u>90</u>	<u>302</u>	<u>116</u>	<u>85</u>	<u>2190</u>
Total	1673	695	624	303	79	90	353	53	90	302	116	2085	6463
<u>OUTFLOW</u>													
Operating Expense	382	439	569	563	333	444	517	417	482	459	433	425	5463
Accounts Payable	<u>188</u>	<u>188</u>											<u>376</u>
Demand Loan	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>282</u>
Total	593	650	592	586	356	467	541	441	506	483	457	449	1121
NET FLOW	1080	45	32	(283)	(277)	(377)	(188)	(388)	(416)	(181)	(341)	1636	342
OPENING BALANCE	1293	2373	2418	2450	2167	1890	1513	1325	937	521	340	(1)	293
CLOSING CASH BALANCE	2373	2418	2450	2167	1890	1513	1325	937	521	340	(1)	1635	1635

REVENUE
1992/93 BUDGET

	<u>Total</u>	<u>Aug 92</u>	<u>Sept</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec 92</u>	<u>Jan 93</u>	<u>Feb.</u>	<u>Mar.</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>Jul 93</u>
Subscription	4000	3227	500	273									
Publications	420		92	292			12			12		12	
Viewpoint	270	24	24	30	24		24	24	24	24	18	24	30
Seminar							25			25			
Luncheon	200	50			50			50			50		
Miscellaneous	350	29	29	29	29	29	29	29	29	29	29	30	30
	<u>5290</u>	<u>3330</u>	<u>645</u>	<u>624</u>	<u>103</u>	<u>29</u>	<u>90</u>	<u>103</u>	<u>53</u>	<u>90</u>	<u>97</u>	<u>66</u>	<u>60</u>
Sub-total													
Interest on Investments	875	120			250			250			255		
	<u>6165</u>	<u>3450</u>	<u>645</u>	<u>624</u>	<u>353</u>	<u>29</u>	<u>90</u>	<u>353</u>	<u>53</u>	<u>90</u>	<u>352</u>	<u>66</u>	<u>60</u>
Total	====	====	===	===	===	==	==	===	==	==	===	==	==

EXPENSE
1992/93 BUDGET

	Total	Aug 92	Sept	Oct.	Nov.	Dec 92	Jan 93	Feb.	Mar.	April	May	June	Jul 93
Staffing	2909	206	206	206	206	207	267	267	267	267	267	267	267
Travelling & Entertainment	300	15	15	15	70	15	15	80	15	15	15	15	15
Stationery	160	13	13	13	13	13	13	13	13	14	14	14	14
Publications:													
Diary	175			175									
Enterprise	48		12				12			12		12	
Annual Report	60		60										
Repairs/Maintenance	250	20	20	21	21	21	21	21	21	21	21	21	21
Utilities	429	35	35	35	36	36	36	36	36	36	36	36	36
Audit	125	10	10	10	10	10	10	10	11	11	11	11	11
Insurance	75	6	6	6	6	6	6	6	6	6	7	7	7
Motor Vehicle	65	5	5	5	5	5	5	5	6	6	6	6	6
Legal Fees	50			45		1			1		1	1	1
Bank Charges	20	1	1	1	1	2	2	2	2	2	2	2	2
Meetings	125	5	5	5	28	5	10	10	12	15	10	10	10
Luncheon	160	40			40			40			40		
Professional Services	45		25							20			
Training	50	4	4	4	4	4	4	4	4	4	4	5	5
Seminar	45						20			25			
Viewpoint	180	15	15	20	15	0	15	15	15	19	15	16	20
Other General	100	8	8	8	8	8	8	8	8	9	9	9	9
Postage	15	1	1	1	1	1	1	1	1	1	2	2	2
Lease H/V	222	18	18	18	18	18	18	19	19	19	19	19	19
Lease Photocopier	106	8	8	9	9	9	9	9	9	9	9	9	9
Refurbishing	100				100								
Depreciation	246	20	20	20	20	20	20	21	21	21	21	21	21
Total	6051	430	487	617	611	381	492	567	467	532	509	483	475
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Surplus	114	3020	158	7	(208)	(352)	(402)	(214)	(414)	(442)	(157)	(417)	(415)

IV. COMMUNICATIONS

1. INTRODUCTION

The Division continued to place emphasis on the advantages of private enterprise and a free market economy. On an on-going basis, members and non-members were provided with relevant information on various issues and policies.

ACTIVITIES

2. PSOJ Viewpoint

Of the 45 programmes aired between August 1991 and July 1992, the Executive Director moderated 10; the former Director of Communications moderated 6 and Vivian Rochester was the moderator for 29 programmes (see appendix I). Presentations of the 1992 Grace Kennedy Foundation Lecture Series ran from April 16 - 30.

3. Private Sector Focus

A total of Forty-eight (48) topics were covered in the Sunday Gleaner feature (see appendix II).

4. Enterprise

For the period under review, four (4) issues of this quarterly newsletter were prepared and distributed. The next issue should be ready by early October.

5. Other Publications

* The Annual Report on the Jamaican Economy was distributed in October.

* The Economic Policy Framework was officially launched in May. In addition to copies distributed to public officials and Members of Parliament, a number of copies were sold to members and non-members of the PSOJ at a minimal cost.

* The 1993 Executive Diary is being prepared and should be available by mid-October.

6. **Speeches, Messages, Statements**

The Division drafted some 10 speeches and a total of twelve (12) Messages were prepared for various organisations and associations (see appendix III).

7. **Press Releases**

Fourteen (14) news releases were issued to the media (see appendix IV).

8. **Special Meetings**

Media representatives were invited to a special meeting in May to discuss the "Dollar Initiative" as initiated by Gordon 'Butch' Stewart, as well as the private sector's support for this "window of opportunity".

V. HUMAN RESOURCE DEVELOPMENT DIVISION

Cooperative Agreement between USAID and PSOJ for the Health Sector Initiatives Project (HSIP)

A cooperative agreement between USAID and PSOJ was signed in August 1990 and is effective for five years, from September 1, 1990 to August 31, 1995. Under the terms of the agreement US\$821,000.00 will be provided to the PSOJ, US\$550,000.00 of which will be used to provide technical support to the private sector health care.

Newspaper advertisements were placed in the Daily Gleaner to inform the general public of the existence of the project and to invite proposals for possible funding. In addition, brochures on the project were sent to a selected sample of doctors throughout the country in a direct mail campaign.

There have been a number of responses to the advertising and direct mail campaign. While a number of these responses fit into the areas in which the project can provide assistance, most did not.

However from the responses, it appears that what it needed by the medical profession is access to low interest financing to assist in acquiring equipment for their office. Unfortunately, under the terms of the project, it is not able to support the purchase of capital equipment.

REVIEW OF THE PROJECT

During January 1992 a management audit of the project was conducted by USAID. As a result of this audit, a strategic plan for the total Health Sector Initiatives Project (i.e. the agreement between the Government and USAID and PSOJ and USAID) was prepared.

The new Strategic Plan and revised Cooperative Agreement allows the Organisation to be more pro-active. The PSOJ will be employing an insurance specialist to initiate projects to expand the coverage of health insurance to the public, but targetted especially to low income groups. USAID has made arrangements to provide technical assistance to our insurance specialist.

PROJECT ACHIEVEMENTS TO DATE

- 1) Preparation of the Investment Climate Report;
- 2) Funding for Workshop of Caribbean College of Family Physicians;

- 3) Funding of Blue Cross/Ministry of Health Feasibility Study for a National Health Insurance Scheme in St Ann;
- 4) Preparation of brochures on project;
- 5) Advertisement campaign in Daily Gleaner, March 1992;
- 6) Direct mail campaign to medical practitioners;
- 7) Preparation of new Life of Project budget as part of revised Cooperative Agreement;
- 8) Preparation of Scope of Work for insurance specialist.

HEALTH COMMITTEE

Chairman, Leslie Chung, Managing Director, British Caribbean Insurance Company

The Committee continues to meet on a montly basis and to provide guidance to the Coordinator, HSIP on the projects to be funded under the project.

In addition the Committee provides a forum for an exchange of views between the various interests in the health sector.

EDUCATION

- a) G Arthur Brown Scholarship (Management Accounting at UWI)

Interviews of ten (10) Candidates nominated by UWI were held on June 24-25, 1992. Based on the scores and discussions among the interviewing panelists, it was decided to split the award between Mr Andre Wedderburn and Miss Celia Chambers. They were awarded \$15,000.00 each.

- b) Canada/Jamaica Training Project

The project has continued to provide assistance to Candidates in the public and private sectors for training in Canadian as well as local and regional institutions.

Despite advertisements in the press and articles in the Enterprise, the number of applicants from private sector companies remains disappointingly low. This however, may be due to the fact that candidates have to be nominated by their firms. These firms are required to guarantee that a position will be held for the candidates upon completion of their studies. In addition, successful candidates are bonded to their companies for a number of years.

It was felt that small and medium sized companies to whom the programme is targetted are not in a position to guarantee a position to students a number of years down the road. In addition, workers do not wish to be bonded to companies, but wish to be free to accept more lucrative jobs.

MISCELLANEOUS

Assistance continues to be provided to institutions such as the Scientific Research Council for its annual Conference.

Mrs Williams continues to represent the PSQJ on the Board of the Jamaica Cancer Society and the Overseas Examination Committee.

VI. ECONOMIC RESEARCH AND BUSINESS DEVELOPMENT

RESEARCH ACTIVITIES

During the year under review, many papers including detailed economic research, occasional papers, economic briefs and articles were completed. These papers were carried out on the following subjects: International Trade, Taxation, Structural Economic Reform, Agribusiness, Manufacturing, The Jamaican Economy, Reviews/Analyses/Summaries of The Banking Act, The Common External Tariff, The General Consumption Tax, The North American Free Trade Agreement, Exchange Control, U.S.A. National Drug Strategy among other papers.

As is evident from the listing of papers above - many of these papers were done in response to ad hoc requests, which militated against the quality of some the papers. In addition to this constraint, the lack of a wide range of relevant economic material within the staff library also constrained the output of the department.

A POLICY FRAMEWORK FOR ECONOMIC GROWTH AND DEVELOPMENT IN JAMAICA II - A PROGRESS REPORT, March 1992

The Progress Report of the PSOJ's main philosophical document was completed and published in March 1992. It recommended the free market system as the best economic framework and strategy for Jamaica as well as outlined additional requirements for effective functioning of the liberalization process.

ECONOMIC RESEARCH AND BUSINESS DEVELOPMENT PROPOSALS:

A) BUSINESS INTENTION SURVEY PROPOSAL

A Project Proposal to evaluate the feasibility of conducting a PSOJ Business Intention Survey on the theme - problems and prospects has been completed and presented to the Economic Policy Committee. The proposed study should include:

A Macro-Economic Analysis of Jamaica in the World Economy with selected sectoral studies on two of the following topics:

- a) Finance, Insurance and Business Services
- b) Agribusiness and Manufacturing
- c) Tourism - entertainment/music and
- d) Data Processing Services

The cost of this project is estimated at J\$622,500. This figure includes costs for Manpower Training, Administration, Consultancy and Printing. Effort is being made to attract sponsorship to underwrite some of these costs.

B. PUBLIC SECTOR ADMINISTRATIVE REFORM PAPERS:

PSOJ in association with an economist attached temporarily to the Organisation is in the process of completing a series of papers on the Public Sector Administrative Reform Programme. These papers are being prepared on Bureaucratic Impediments to Export and Investment.

ANNUAL REPORT 1991

The Annual Report has been completed and at the time of writing was still with the printers. The timeliness of this report was compromised by the absence of adequate personnel within the department.

LIBRARY

During the review period the staff library of the institution was fully functional, but with a limited range of materials suitable to conduct analytical economic research. Also, the need for cataloguing of information continues to constrain the productivity of the department.

POLICY COMMITTEES

During the review period the Division had several policy committee meetings, first under the chairmanship of Mr. Joseph Matalon and then by Mr. Delroy Lindsay. The committee was involved in the evaluation of a number of research papers, most important was the Progress Report mentioned above.

SERVICES

The Division supplied the PSOJ's membership with technical support including the provision of data support, economic summaries and briefs.

MISCELLANEOUS

In an attempt to further the aims of disseminating the philosophy of free enterprise to the Jamaican society, thirteen articles were prepared for publication in the Daily Gleaner, The Financial Gleaner and Enterprise. Members of the division also participated in selected radio programmes: PSOJ Viewpoint, Straight Talk and Financially Speaking. Numerous interviews were granted to members of the local and international media/trade promotion organisations, multi-lateral and bi-lateral institutions as well as researchers.

ECONOMIC RESEARCH & BUSINESS DEVELOPMENT - THE ROLE OF P.S.O.J. IN THE 1990'S.

Since the formation of the P.S.O.J. in 1976, the organisation has been very strong and effective in economic research and lobbying. The economic reforms that have been implemented in Jamaica over the last two years partly results from the efforts of P.S.O.J.'s work. However, with liberalization and the establishment of a conducive macro-economic environment, the organisation should now shift its focus towards the provision of additional services in the areas of business development.

This shift will be necessary to assist the P.S.O.J.'s members in their efforts to reap the benefits of the present reforms. In order to accomplish this the organisation should consider the following:

MARKETING THE MARKET SYSTEM & ENCOURAGING BUSINESS DEVELOPMENT:

The Economic Research & Business Development Division of the P.S.O.J. has as its raison d'être:

"the supply to the private sector of economic research, analysis and information which facilitates decision-making and the expansion of business".

The organisation must now set clear goals for programmes that will allow it to expand its activities in such areas as:

Investment and export trade promotion,

Technical assistance and project packaging,

Sectoral and product market research,

Training and publishing.

Specifically, P.S.O.J. should endeavour to deliver the following services and publications (at a profit) on a periodic basis:

information on export opportunities in the markets of Jamaica's main trading partners for members interested in expanding foreign trade

match-making services aimed at bringing together Jamaican exporters and foreign importers

organize and execute trade delegations annually

referral service to institutions providing trade promotion services

an annual export directory

a quarterly trade magazine

VII. NATIONAL CRIME PREVENTION FUND

ADMINISTRATION

During the year under review, Mr Charles Ross joined the PSOJ. He became the eighth member of the PSOJ committee who direct the business of the Fund. The committee currently comprise the following members:

Mr Michael Hirst	- Chairman
Mr Lester Spaulding	- Deputy Chairman
Mr Delroy Lindsay	- Hon Treasurer, PSOJ Limited
Mr Charles Ross	- Executive Director, PSOJ Limited
Col Trevor Macmillan	- Chairman, PSOJ's Standing Committee on National Security
Mr Neville James	- Island Broadcasting Services
Mr Earl Patrick	- Berger Paints Limited
Supt Neville Wheathe	- Jamaica Constabulary Force

The Co-ordinator, Jennifer Cheesman, answers directly to the Executive Committee. Her responsibilities include:

- Administration of the Fund's business, including the "Crime Stop" programme.
- Writing/directing/producing "Crime Stop" advertisements and news releases.

FUNDING

All costs to the programme, including administration, advertising and reward payout, continued to be covered by:

1. Media and related bodies contributing on an ongoing and regular basis, free time and space, design and production facilities for advertisements, posters, stickers and the like;
2. Interest accruing to the million dollar fund donated by private sector bodies;
3. The police, who provide free office space and personnel to man the telephone hotlines;
4. The PSOJ secretariat, with provision of a recording secretary at the Fund's monthly committee meetings, and accounting services at a nominal fee of \$1000 per month.

PROGRESS

Accounts

The balance sheet dated July 31, 1992 showed a net book worth of \$1,101,498 and an operating deficit of \$23,560. This deficit represented a lower sum than that budgetted for the period.

COMPUTERIZATION OF THE CRIME STOP DETAILS

Two (2) computers were acquired and a "Crime Stop" computer programme developed to facilitate proper record keeping and statistical output relating to calls. A telephone counsellor was trained to use the programme to enter call details on a daily basis and to teach other counsellors to use the programme.

LINK WITH THE NATIONAL DRUG AND FIREARM INTELLIGENCE UNIT

Liaison was established between "Crime Stop" and the newly created National Drug and Firearm Intelligence Centre (NDFIC). Information phoned in to "Crime Stop" relating to firearms and drugs are relayed weekly to the NDFIC to aid intelligence gathering and to facilitate police investigation. The NDFI's responsibility to "Crime Stop" would be in terms of providing feedback on police investigations into the reports.

MEDIA ADVERTISEMENTS

- i) Thirty-six (36) television, radio and newspaper "Crime Stop" Crime-of-the-Month advertisements and a 30-second radio corporate advertisement publicising the programme's successes were produced in the period under the revision.

The advertisements were broadcast/published free of cost by JBC TV and radio, Radio Jamaica, KLAS FM, The Gleaner and the Star in more than 4000 spots including prime time spots.

- ii) In January of 1992, Irie FM and the Record newspaper joined in the "Crime Stop" media campaign.
- iii) JBC TV increased the number of broadcasts of the crime-of-the-month advertisementsf from 2 to 3 per month.
- iv) Henri Hendricks who voiced the "Crime Stop" advertisements withdrew his services to the programme in April, 1992. Mark Gentles of Vidquip Limited (the video production company that provides television equipment and facilities to the programme at a reduced cost) undertook to voice the ads at no cost.

MONTHLY REPORT AND STATISTICS

Twelve monthly reports with "Crime Stop" statistics were submitted to the committee for review.

NEWS RELEASES

Ten (10) news releases reporting "Crime Stop" successes were issued to, and carried in all daily news media over the period. The release of June 1992 generated a front page feature on the programmes's achievements in a June issue of The Sunday Gleaner.

PUBLIC RESPONSE

Strong public response resulted in 1285 calls bringing the total number of telephone calls made to "Crime Stop" since its inception on September 6, 1989 to 3777. Police investigations into calls during the period under review led to 82 arrests including 17 for murder.

REWARD PAYOUT

The Fund paid out \$31,700 over the period under review. This brings the average reward paid out to \$386.58 per arrest.

OPERATIONAL CONSTRAINTS

Inability to raise the additional funds needed to support a potentially dynamic operation had the following implications:

- a) Additional media programmes geared towards apprehension of criminals and crime prevention could not be produced;
- b) Additional staff required to support the existing operations could not be recruited;
- c) Additional funds needed to pay for the escalating cost of rental of television equipment and facilities will necessarily reduce the \$1,000,000 capital fund.
- d) Office facilities provided by the Commissioner of Police could not be refurbished to facilitate occupancy.
- e) The Fund continued to operate without an efficient motorcar for the Co-ordinator's use.

RESIGNATION

Jennifer Cheesman, the Co-ordinator, tendered her resignation effective August 31, 1992.