



TIGHTER FISCAL POLICY - The Way Forward

by Charles Ross, Executive Director, PSOJ

The supreme irony of our present situation is the fact that it is the weakness of our fiscal policy which has led to this very heavy reliance on monetary policy as the tools for stabilization.

THE recent exchange rate stability and increased inflows of foreign exchange to the official system have drawn many and wide-ranging comments from various members of the public and from economic pundits. There has been much speculation as to where the foreign exchange is coming from, how long it will stay here and consequently how sustainable is the present buoyancy in the foreign exchange market.

It seems that the far from greeting the present situation with relief many people seem to be trying to create a state of heightened anxiety with regard to the present mix of economic policies. When one steps back a little and looks at the actual outturn in the foreign exchange market, in the first eight months of the year, one notices that the total amount of foreign exchange purchased during that period of 1994 is only about 5% more than the total purchased during the same period of 1992. There is therefore very little additional or new foreign exchange coming into the system, especially when one considers that in 1994 there has been a virtual convergence between the parallel market rate of exchange and the official rate. In contrast, in 1992 there was a small and growing spread between the parallel and official market rates. It is therefore unlikely that we are at this time experiencing substantial inflows of foreign capital whether for purposes of interest rate arbitrage or money laundering.

In fact the present debate would be far more productive if it were to centre on the present mix of monetary and fiscal policies and the medium to long-term implications for the social and economic welfare of the country. A meaningful evaluation of these policies must therefore look at the costs - economic, social and financial - of these policies and the benefits obtained from them and contrast these with the cost of alternative strategies and the benefits which may be obtained from them.

The present heavy reliance on monetary policy as a tool of achieving economic stability and in particular the high cost to the budget of the open market operations which are the principal tools of that monetary policy, do have a number of negative consequences even though they have succeeded in bringing about exchange rate stability. Firstly, there is a tremendous increase in the cost of servicing local debt which has been incurred by these open market operations and places a heavy burden on both the recurrent and capital budget. These charges on the budget pre-empt funds which could be spent on the social services such as health and education and also pre-empt money which could be spent on investment to maintain and expand the physical infrastructure of the country.

The supreme irony of our present situation is the fact that it is the weakness of our fiscal policy which has led to this very heavy reliance on monetary policy as the tool for stabilization. This fact is cause for serious concern as even in the present scenario, fiscal policy (Continued on page 3)

Enterprise is a quarterly publication
of the Private Sector Organisation
of Jamaica.

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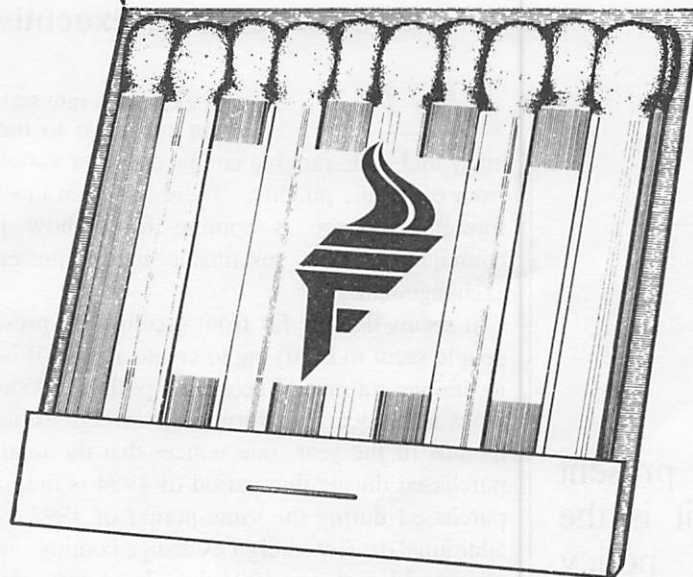
Production:

Denise Gray-Gooden

Typesetting:

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- The Way Forward

(Cont'd from page 1)

has an important and a crucial role to play in achieving sustainable economic stability and growth. The fiscal surpluses which the public sector should be generating under the present programme should be used to pay down the Government's local debt and thus reduce the burden of debt servicing on the budget. They would also have a dampening effect on the growth of money supply instead of fuelling it by borrowing money from the Bank of Jamaica to finance the interim deficits. The question that one must ask at present is whether the public sector is in fact generating the required level of surplus and if the surplus that it is generating is being used to reduce its outstanding loans. So long as this is not happening, there will be no end in sight to the present policies of high interest rates and active open market operations and larger and larger portions of the budget will have to be used to service a

growing stock of local debt.

In this regard, one has to again question the reason for the continued build-up of public sector deposits in the financial system. Why aren't these deposits being used to pay down the Government's obligations to the central bank, and to thus reduce the huge overhang of Jamaican dollars which must be continually sterilized by issuing high interest-bearing Government debt instruments. This is a conundrum which must surely be explained to the public as a matter of urgency.

At the end of the day the authorities must be congratulated for having had the fixity of purpose to stick to their policy framework until it began to yield at least some of the results which were desired. If nothing else, it has been demonstrated that a sufficiently tight monetary policy will stabilize the exchange rate, and there can now be little doubt that in the short to medium term, monetary policy can

achieve the desired objectives with regard to inflation and exchange rate stability. However, the cost in reduced economic output and lost employment could be severe, not to mention the burden that will be placed on the public purse for years to come through the interest and principal cost associated with the financial instruments which must be issued to mop up the excess liquidity and bring down the rate of growth of money supply.

It is therefore absolutely essential that government make every effort to tighten its fiscal policy and increase its use of fiscal measures to bring about economic stability. A good place to start this effort would be to look at the stock of public sector deposits in the financial system and to use these to pay down its obligations to the central bank. This could be done in a phased programme and carefully coordinated with a relaxation of monetary policy, so as not to introduce any new shocks to the financial system. □

The Urban Development Corporation invites proposals for lease / concessions for the following properties:

Roaring River Great House, St. Ann

•

Two Sister's Cave, Hellshire

•

The Old Caymanas Golf and Country Club Building, St. Catherine

•

Victoria Pier (Restaurant), Kingston Waterfront

Proposals, including details of plans for the property, should be sent no later than October 31, 1994 to:

The Estate Manager



12 Ocean Boulevard, Kingston Mall
Tel: 922 8310-4 Telefax: 922 9326

MEMBERSHIP



A HAPPY OCCASION! Bank of Jamaica Governor Jacques Bussieres seems to have been responsible for the humorous moment being shared by (from left) Executive Director Charles Ross, ICWI Chairman the Hon. Dennis Lalor and PSOJ President Douglas Orane. Occasion was the PSOJ's Membership Luncheon which was held at the Wyndham Kingston Hotel in August. Mr. Bussieres was the guest speaker at the Luncheon and addressed issues relating to money supply and interest rates, among others.

NEW CHAPTER? Central Jamaica Membership Coordinator Ruel Crawford (second right) had the undivided attention of the Head Table as well as the audience as he outlined the work that his Committee had been doing in Central Jamaica. Discussions are now underway for the possible establishment of a chapter in Central Jamaica. From left are Director of Membership & Finance Hugh Perrin, Executive Director Charles Ross, President Douglas Orane and Membership Committee Chairman Anthony Bell. This Luncheon was held at the Astra in Mandeville in July.



WELCOME! PSOJ President Douglas Orane presented the Organisation's Membership Certificate to Sandra Lorde of Computer Creations Limited during the Membership Luncheon held in Mandeville in July. That company was one of several new members to receive Certificates at the function. Ann Marie Hendriks, Membership Coordinator, assisted Mr. Orane with the presentations.

NEWS

PSOJ Membership Luncheon

Highlights of President's Report (August 1994)

Electoral Reform

PSOJ's supplement on Electoral Reform was published by the Gleaner Co. Limited on Wednesday, August 10.

National Planning Council

NPC continued to meet with usual reports/discussion on Jamaica's economic behaviour. The PSOJ's efforts to have a more focussed agenda at these meetings met with the Chairman's (Minister of Finance) approval. Specific items of national interest will now be included on the agenda for detailed discussion.

Crime and Violence

Crime Stop programme continued to do well. Special thanks to those members who had already contributed to Crime Stop's Fundraising Campaign. Others were urged to make their donation - big or small - in order to ensure continuation of this successful programme.

Human Capital Development Project

PSOJ was awaiting final approval from IDB which will be funding the project. This joint PSOJ/JTURDC/IDB project will be re-training, re-orienting and re-placing approximately 3,000 workers who may become unemployed because of structural adjustment.

Industrial Policy

The green paper had been released to the public for discussion/comments.

Central Jamaica Luncheon

The Membership Luncheon in Mandeville, which was held in July, was successful with a wide cross section of Central Jamaica's entrepreneurs in attendance. A request for the establishment of a Central Jamaica Chapter of the PSOJ is to be discussed by the Executive Committee. ■

WELCOME!

Welcome the newest members of the PSOJ:

Companies:-

Automotive Sales and Rentals Limited
Computer Creations Limited
Pulse Investments Limited

Individuals:-

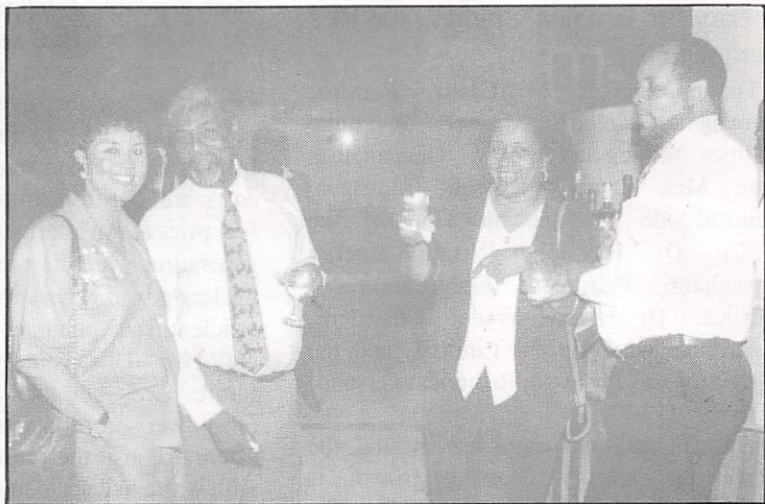
Mrs. Jean Anderson
Miss Annette Eccles
Ms Pamela Smith
Miss Jennifer James
Mr. Ransford A. Neil
Mr. Leslie Dawes
Mr. Derrick McAnnuff

Congratulations

The PSOJ Officers and members heartily congratulate the following members of the private sector who were recently conferred with national honours and awards.

The recipients are:-

Hon. Dennis Lalor, O.J.; Oliver E. Jones, C.D.; Owen Karl Melhado, C.D.; R.C. Chantrielle, C.D.; Daisy M. Coke, C.D.; Herman R. Fennell, O.D.



GETTING TOGETHER: Members of the PSOJ relaxing at the Organisation's Membership Get-together which was held at the offices of the PSOJ in June. Seen here enjoying the evening are (from left) Diana McIntyre-Pike (The Astra), Ray Campbell (Associated Chamber of Commerce), Blossom Ormsby (Travel Experts Ltd) and Ruel Crawford (C & L Engineering and Construction).



ENVIRONMENTAL NEWS

SUSTAINABLE ENERGY FOR JAMAICA

By Marshall Ogle
PSOJ Environment Committee

(Summary of "A Presentation and Panel Discussion on Sustainable Energy for Jamaica", held at the PCJ auditorium in August).

The presenter was Mr. Godfrey Perkins, Permanent Secretary, Ministry of Public Utilities, Mining and Energy. The panelists were Mrs. Denise Tulloch, Manager, Demand-Side Management Unit of the JPSCo, Dr. Raymond Wright, Energy Consultant, Petroleum Corporation of Jamaica, Dr. Barry Wade, Chairman, Environmental Solutions Limited, and the moderator was Professor Bishnodat Persaud, Director, UWICED.

The presentations revolved around the theme that energy demand growth is growing at a faster rate than GDP. The future energy needs are expected to peak at 600MW. Neither the government nor the utility company has the resources to meet this demand. The Energy Policy being developed is emphasizing deregulation, energy conservation and privatisation. To this end a regulatory frame work is being developed and alternate energy supply development will be encouraged.

The high cost of oil has led to greater use

of oil substitutes and the use of alternate energy sources. Jamaica has not done much in putting its interest in alternative energy into practical use.

There are a wide range of power generation alternatives to power generation from oil. Power generation from oil is fuel intensive and generation costs are sensitive to any variation in fuel prices. An alternate form of power generation which is capital intensive is nuclear power generation. The smallest efficient size plant available today is 600MW. This would easily meet our future needs but total dependency on one power source has its disadvantages. There are also the problems associated with waste and accidents. Other energy sources are alcohol photovoltaics, solar heating, solar cooling, passive cooling solar thermal, ocean thermal energy conversion, wind energy, hydropower and biomass to name a few.

Greater emphasis needs to be placed on renewable energy as well as increasing energy efficiency through persuasion and incentives. The residential and commercial sectors are the sectors with the largest potential for

Source of Life

September 6, 1994 was an important day for the PSOJ Environment Committee. It was the day of the official launching of *SOURCE OF LIFE*, the PSOJ's first in a series of documentaries on the environment.

This 27 1/2 minute documentary, which was sponsored by the bauxite companies, focussed on water - its importance to mankind, pollution and other problems, as well as possible solutions.

Arrangements are being made to have this informative documentary broadcast on both JBC TV and CVM TV. In addition, plans are also being made to encourage companies to purchase copies for themselves and the schools which they have adopted under the Adopt-A-School Programme. Community based groups will also be encouraged to purchase copies.

Persons wishing to order copy/copies of *SOURCE OF LIFE*, at a cost of \$750 each, should contact the PSOJ Secretariat.

energy savings. The utility company needs to use incentives like rebates and leases to consumers to encourage them to use electricity more efficiently.

The Demand Side Management Unit of JPSCo has embarked on such a Programme. A study funded by an international lending agency is currently under way. Some twenty site visits and audits will be conducted by the JPS in the Industrial sector. Approximately 100 residential customers are being targeted under a special programme to install energy saving devices. Rebates and incentives will be offered to customers for installing energy saving devices.

The need to balance energy usage, economic growth on one hand and the environment on the other has moved the concept of "sustainable development" into the limelight. ■

THE APPLICATION OF ETHICS TO ENVIRONMENTAL MANAGEMENT - ONE COMPANY'S EXPERIENCE

- Dr. Art Reid, PSOJ Environment Committee

Alcan Jamaica Company shares the view of the public at large that prevention of environmental degradation should be a common objective of all of us. As inhabitants of planet earth we share a common heritage and we have a vested interest in preserving the integrity of the environment for present and future generations. To some extent we are all polluters and we therefore have an obligation to work together to find practical solutions to environmental impairment rather than attempting to apportion blame. Industrial activity particularly in developing countries has often been implicated, with some justification, in causing environmental degradation. It has also been alleged that Industry's pre-occupation with accumulating profits has led at times to unethical practices as companies try to maintain a competitive edge in a difficult economic environment.

This paper will discuss one Company's experience in applying ethical considerations to its environmental management practices in pursuit of its goal of being a good corporate citizen.

The measures adopted include inter alia:

- Published policies on the environment, industrial waste management and productivity.
- Establishing a value system for business conduct
- Respect for the letter and spirit of local legislation
- Focus on human resource development and employee involvement.
- Establishing and maintaining an effective community outreach programme.

ETHICS in essence are the embodiment of moral principles and they prescribe rules of conduct which most people would consider a prerequisite for civilized behaviour. Ethics may also be considered as a practical demonstration of conscience, which brings to mind the biblical injunction that we should do unto others as we would that they should do unto us. Public perceptions and expectations differ however on the precise mechanisms for its application. Nowhere is this dichotomy of views more evident than in determining the relevance and feasibility of applying ethical principles to business.

Alcan Jamaica Company is a joint venture between the Government of Jamaica and Alcan Aluminium Limited. In common with all Alcan subsidiaries, Alcan Jamaica Company is

guided in its operations by the Purpose, Objectives and Policies of the parent Company.

In 1984, the Company established certain values which it applies to all its operations including the area of Environmental Management. These values are as follows:-

- Respect for the individual
- Openness in communication
- Consistency in action
- Excellence in execution
- Integrity of behaviour

Through this medium Alcan Jamaica Company strives to achieve a blend of ethical behaviour and technical competence in its Environmental Management practices. An essential first step toward achieving this goal was the formal publication of the Company's Mission Statement, Environmental Policy Statement and Implementation. Other published policies include the Industrial Waste Management Policy and the Productivity Policy. In all these policy statements Alcan's commitment to environmental protection is clearly stated. In pursuit of this goal Alcan Jamaica Company employs a judicious mix of waste minimization initiatives, environmental impact assessments and mitigative or ameliorative measures as appropriate. Alcan Jamaica Company has always recognized that its human resources are its most important resources. This is clearly demonstrated in the Company's Mission Statement which declares that nothing could be achieved without the active involvement and participation of its employees.

Our Productivity Policy reinforces this position by offering tangible rewards and recognition to those employees who identify opportunities to effectively reduce accidents, promote safety, protect the environment, prevent waste, reduce costs and increase productivity. It is Alcan's Policy in Jamaica to achieve compatibility between the environment and its processes and products. In pursuit of this goal, Alcan Jamaica Company takes those practical steps necessary to prevent or abate adverse impacts on the environment which may result from its operations and products. Local legal standards are respected and appropriate changes implemented quickly to achieve compliance where necessary. However, regulatory imperatives are not the only motivation for the Company's commitment to environmental protection. The parent Company has established minimum standards for environmental management which

THE APPLICATION OF ETHICS TO ENVIRONMENTAL MANAGEMENT (Cont'd)

must be met by all group companies worldwide. In cases where no local environmental standards exist, Alcan Jamaica Company uses International Standards as well as the corporate minimum standards to establish in-house standards for its guidance. In many cases the in-house standards are more stringent than comparable international standards. Other tools which the Company employs in its quest for excellence in environmental management are:

- Incorporation of the most appropriate environmental protection technology in new projects and equipment.
- Use of periodic audits and risk assessments to monitor environmental performance and establishment of action plans for corrective action.
- Establishment and maintenance of Emergency Preparedness Action Plans.
- Communication of environmental objectives and plans to employees and surrounding communities.

Sustainable Development is the Key

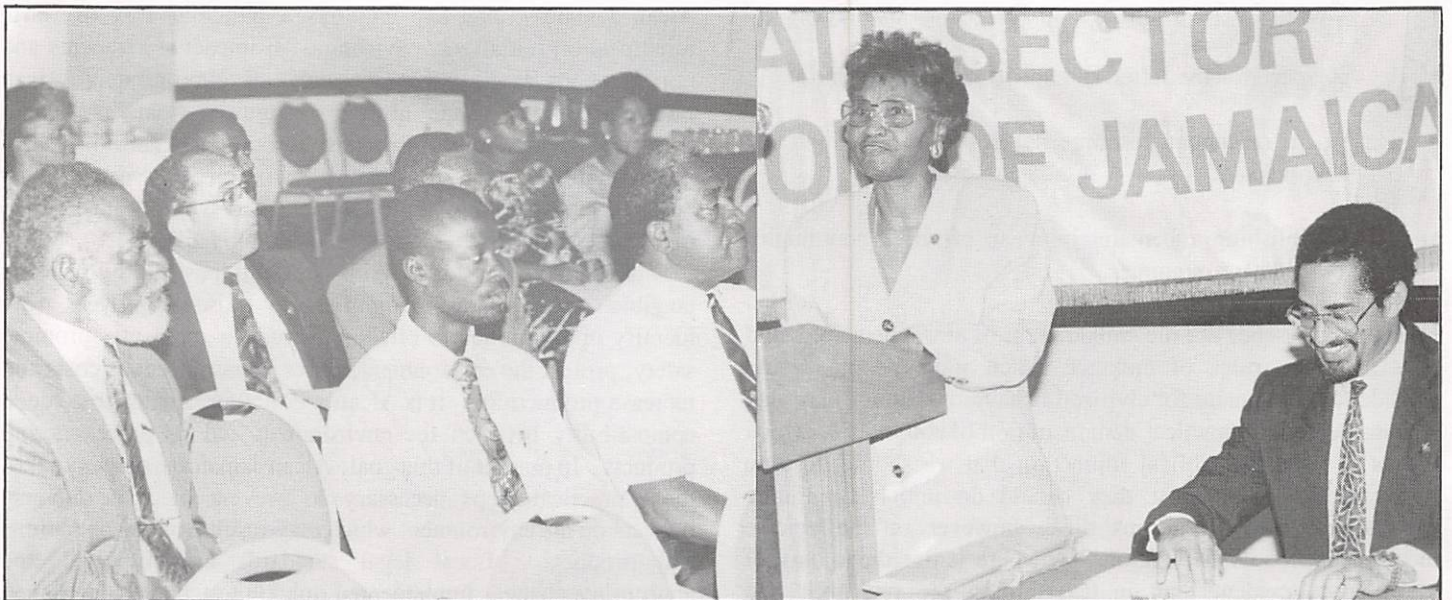
Industrial development and technological change have often been implicated in environmental degradation, particularly in developing countries. It is inevitable that industrial development

will have some environmental impact and that tradeoffs may be necessary in some circumstances. However, most of the potential negative impacts can be avoided or mitigated by careful risk assessment and the implementation of ameliorative measures as appropriate. This in essence is sustainable development which seeks to meet the needs of the present without compromising the ability of future generations to meet their needs.

Although there was no regulatory imperative to do so, Alcan Jamaica Company in 1989 demonstrated its commitment to this concept by establishing a Chair in Caribbean Studies and Sustainable Development at the University of the West Indies at a cost of US\$350,000. This was enhanced in 1994 by a further US\$210,000 to ensure that the Chair is properly funded for 5 years.

Another example of the Company's commitment to sustainable growth and the preservation of biodiversity in a mining environment was the opening in 1993 of two orchid sanctuaries, one at West Martins Hill and the other at Moneague. By establishing these two orchid sanctuaries comprising some 100 species and 100,000 plants at the West Martins Hill facility alone, Alcan Jamaica Company was voluntarily blazing a new trail. This is because these sanctuaries are believed to be the only facilities of this kind anywhere in the world.

In addition to this initiative, the Company's pioneering efforts in the reclamation and restoration of mined-out land have attracted national and international acclaim. In its environmental management programme, Alcan Jamaica Company's primary objective is one of containment at source for all



PSOJ AND THE ENVIRONMENT: All eyes were focussed on the Hon. Gloria Knight as she spoke about the work of the PSOJ Environment Committee. Occasion was the Launch of the Organisation's first documentary on the environment "Source of Life". The function was held at the Jamaica Pegasus Hotel on September 6. Listening attentively were ALFRAMEC's Albert Francis, RADA's Winston Simpson, ALCAN's Dr. Ari Reid and, in the second row, ESL's Dr. Barry Wade and EFJ's Executive Director Dr. Terrence Thomas (partly hidden). Beside Mrs. Knight is PSOJ's Executive Director Charles Ross.

THE APPLICATION OF ETHICS.... (Cont'd)

emissions and effluents leaving its Plants, Port and Mining areas.

In cases where this containment is not completely successful and where neighbouring communities may be adversely affected, fair compensation for any assessed damage is offered to those affected. The establishment of this compensation programme was not triggered by regulatory pressure. Rather it was a tangible expression of good corporate citizenship and a recognition that no company can expect to survive and prosper if its activities are not in harmony with the goals and aspirations of the host community.

Alcan Jamaican Company has used a multifaceted approach in its efforts to achieve responsible environmental management. Great emphasis is placed on improving environmental awareness not only among our employees and senior management, but also among the citizens of the communities adjacent to our Plants.

On an annual basis, management and technical personnel with environmental responsibilities are required to sign formal letters of representation attesting inter alia to ethical business conduct, adherence to sound internal accounting controls and non-involvement in activities which constitute a conflict of interest. Continuing dialogue is maintained with the Regulatory Authorities re the establishment of practical environmental standards which incorporate site specific considerations.

In addition to the foregoing, Alcan Jamaica Company has established an extensive monitoring programme for quantifying discharges to air, water and land. Some parts of this programme have been in place for over thirty years, long before there was any regulatory imperative to do so.

Finally, we intend to continue and intensify our programme of community outreach activities. This will in some cases involve activities beyond the scope of our core alumina business and will include provision of skills training, establishment of community centres and health clinics, sponsorship of sporting activities and cultural endeavours, and support of educational institutions. Alcan Jamaica Company is committed to this approach not because of any regulatory pressure but because, as partners with our host community, we would like to help our neighbours achieve their goals and aspirations. While it is unrealistic to be all things to all people, we remain willing to extend a helping hand within the limits of available resources.

In closing, I would like to leave you with a quotation attributed to an American Indian Chief in Seattle:

"This we know: Earth does not belong to man.

Man belongs to the earth.

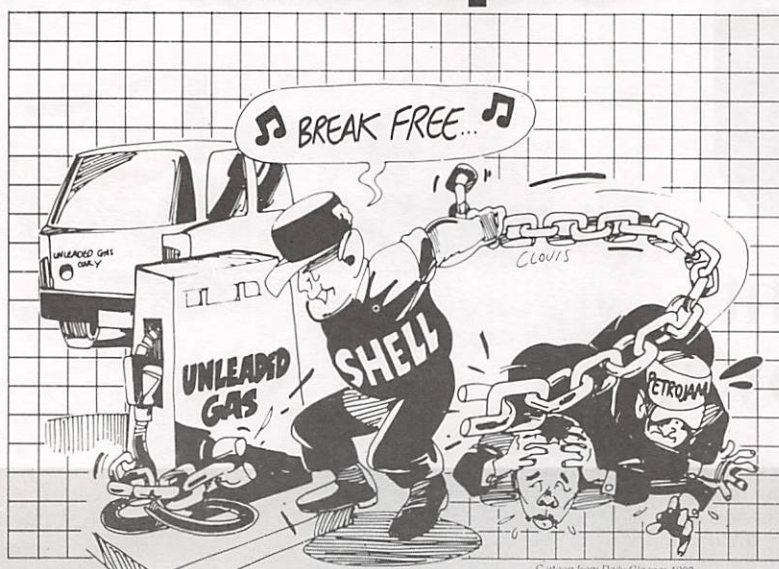
All things are connected like the blood that unites us all.

Man did not weave the web of life.

He is merely a strand in it.

Whatever he does to the web he does to himself."

Sometimes, Leadership carries a price



Cartoon from Daily Gleaner 1980

That was certainly the case when we introduced unleaded gasoline to Jamaica in June 1990.

It was an idea whose time had come. All around the world, unleaded gasoline was outstripping sales of other gasolines. Consumers knew that unleaded was environmentally superior, which is why more and more cars were being designed to use it.

BRINGING THE BEST TO JAMAICA

Shell Jamaica saw a marketing opportunity for itself and a chance to help reduce environmental degradation in the country.

Part of a large international organisation, Shell was able to introduce to Jamaica this world-wide improvement in gasoline technology. It also meant that for the first time in nearly fifty years,

the Jamaican motorist was getting a real choice at the pump.

CHANGING THE INDUSTRY

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BREAK FREE



DECISIONS CARRY RISK

In business, every decision carries some risk and leadership often carries a price.

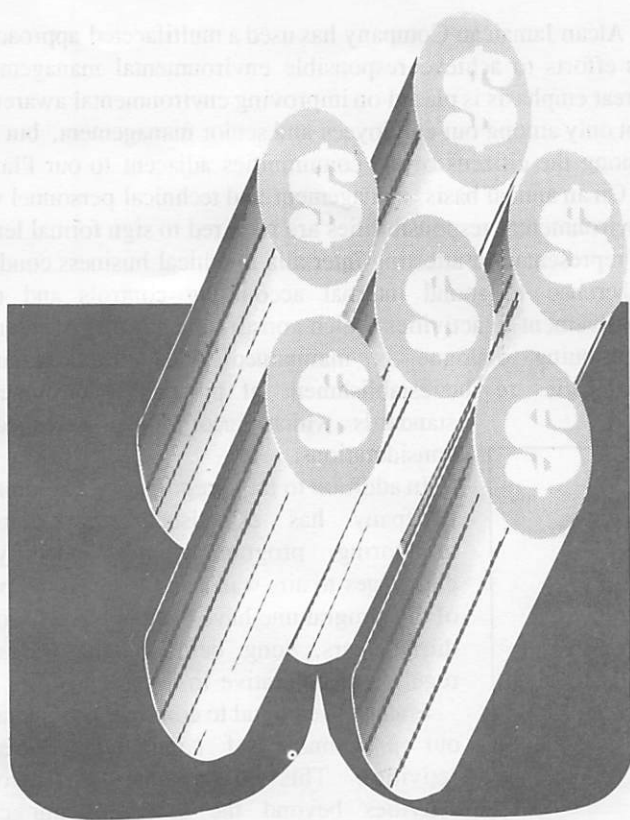
At Shell, we know this well. But our business decisions are continuously guided by what is good for our enterprise combined with what serves our customer's interests.

CORPORATE INTEGRITY

As we continue to bring to Jamaica the best in worldwide technology, corporate integrity will constantly be our guide.



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THE NATIONAL CRIME PREVENTION FUND - "CRIME STOP"

"Crime Stop" was launched by the Private Sector

Organisation of Jamaica in September 1989, as a means of assisting the Jamaica Constabulary Force in its fight against crime. The programme gives rewards to members of the public who anonymously call the "Crime Stop" offices and provide information that leads to the arrest and/or conviction of criminals and to the recovery of drugs, stolen items and illegal firearms.

Since its inception, the programme was operated on the interest earned on the J\$1 million deposited in various interest bearing instruments over the years. This J\$1 million was raised by Mr. Butch Stewart in 1989 when he was president of the JHTA as a resource for the private sector to help fight crime.

In 1993 it became very evident that the programme could no longer function on its existing funds and a major funding raising drive was launched. To date a total of J\$3.023 million has been raised with J\$6 million being the target.

The National Crime Prevention Fund is directed by a Board of Directors under the Chairmanship of J. A. Lester Spaulding, Radio Jamaica Limited. Mike Hirst of McCann Erickson (Ja) Limited is the Deputy Chairman, with Jennifer Cheesman was the first Co-ordinator of Crime Stop as Secretary. The other members of the Board of Directors are Charles Ross, Executive Director of the PSOJ, Delroy Lindsay, Vice President, PSOJ, Neville James, KLAS FM and Earl Patrick from Grace Kennedy and Company. The JCF representative on the Board is currently ASP Ionie Ramsay.

In December 1992, Mrs. Prudence Gentles took over the job as Coordinator of Crime Stop and answers directly to the Board of Directors.

Since its inception in September 1989, over 6300 calls have been received. These calls have helped lead to the arrest of 707 people, of which 128 were charged with murder.

In 1993, information from Crime Stop led to the arrest of "Scarface" who was on the Most Wanted List and

Vivian Blake who is now awaiting extradition to the U.S.A. on charges of murder and drug trafficking. Information to Crime Stop also led to the arrest of the two men responsible for a triple murder in Edgewater.

Since the start of this year, information to Crime Stop has led to 174 arrests. The arrest of the four members of the Watson family of K9 Security for drug trafficking, the arrest of two men for the murder of Dr. Ted Aldridge, the arrest of one man for the murder of Father Ron Pieters are but a few of the programme's success stories.

Since the start of this year Crime Stop has helped solve three murders which have been featured on the "Crime-of-the-Month" programme. One man was arrested for the murder of Arnold Dell which was the "Crime-of-the-Month" feature for December, 1993 and two for the murder of Malcolm Hibbert which was featured in August, 1993. More recently, one man was arrested for the murder of Elsie Parkes which was featured in June 1994.

Information to Crime Stop also led to the recapture of the ninth escapee from the Mandeville LockUp and also led to the arrest in June of some sixty eight illegal immigrants in Montego Bay who were part of a large illegal immigration ring.

On the drug scene, information to Crime Stop this year has led to the recovery of over 340 lbs. of cured ganja, 3 acres of growing ganja, 31/2 lbs cocaine and a quantity of crack. Two ganja compressing machines have also been seized this year.

In October last year "Crime Stop" launched its "Reward for Guns" campaign in which rewards were offered for the recovery of illegal firearms. This campaign ended in June this year and has led to the successful recovery of 48 illegal firearms. Of the 48 firearms recovered, 6 were submachine guns, 24 were semi automatics and the balance were revolvers and rifles. A total of \$265,000 was paid out in rewards under the "Reward for Guns" campaign. ■



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TRADE SHOWS



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This Exhibition is a part of a CBI-sponsored three-phased programme aimed at improving the chances of entrepreneurs in developing countries to enter the Western European Market.

The CBI office in Rotterdam must receive completed application forms by December 1, 1994.

TRADE INDEX OF JAPAN

The Standard Trade Index of Japan 1994-95 is that country's premier English-language Trade Directory. It provides detailed information on approximately 7,000 Japanese manufacturers, business and trading firms. Jamaican companies interested in establishing links with the Japanese market should consider purchasing this important publication at a cost of US\$304.00 inclusive of air mail postage. Order forms may be obtained from the PSOJ Secretariat.

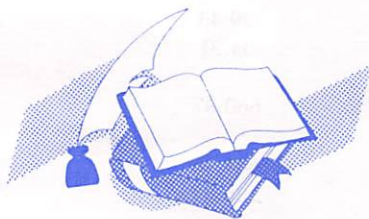
SEMINARS

Matchmaker XIII, 1995

- CBI will be sponsoring a three-week seminar "Matchmaker XIII, 1995" from January 16 to February 3, 1995 in Rotterdam.

The objective of this intensive seminar is to create an incentive for trade promotion and trade to Western Europe by upgrading and enlarging the knowledge of senior managers of trade promotion organisations.

Deadline for receiving completed application forms is October 25, 1994. Interested persons should contact the PSOJ Secretariat for further details on this seminar. ■



EDUCATION OPPORTUNITIES

Hubert H. Humphrey Fellowships

Jamaican professionals and administrators who would like to spend one year at an American University in order to enhance their professional competence should consider applying for one of the 1995-96 Hubert H. Humphrey Fellowships. These are usually granted to professionals with a commitment to public service in both the public and private sectors.

Applications are also being invited for the 1995-96 Hubert H. Humphrey Fellowships in the field of substance abuse research. These are being offered by USIA and the National Institute on Drug Abuse (NIDA) in Washington.

Candidates should have a medical degree or a doctoral degree in the health, behavioural or social sciences.

Details on both these fellowships are available from Mrs. Angella Harvey, USIS Exchange Assistant, Telephone: 929-4850-9.

AAUW Fellowships

Applications are being invited for the 1995-96 American Association of University Women (AAUW) Educational Foundation's International Fellowships. These one-year fellowships are awarded annually to women with outstanding academic and professional backgrounds who are interested in pursuing graduate studies or advanced research at specific American institutions.

The PSOJ Secretariat or USIS may be contacted for further information. ■

DATES TO REMEMBER

October 19 - November 7
Joint Public/Private Mission to the Far East.

November 8
Hall of Fame Dinner
at the Jamaica Pegasus Hotel.

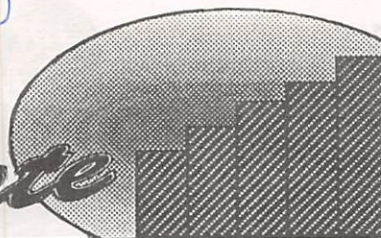
November 17
Membership Luncheon in Montego Bay.

November 24
PSOJ's Annual General Meeting
followed by Membership Get-Together
at the Wyndham Kingston Hotel.

November
1994 Business Behaviour Survey
(Date and Venue to be advised).

ECONOMIC

Update

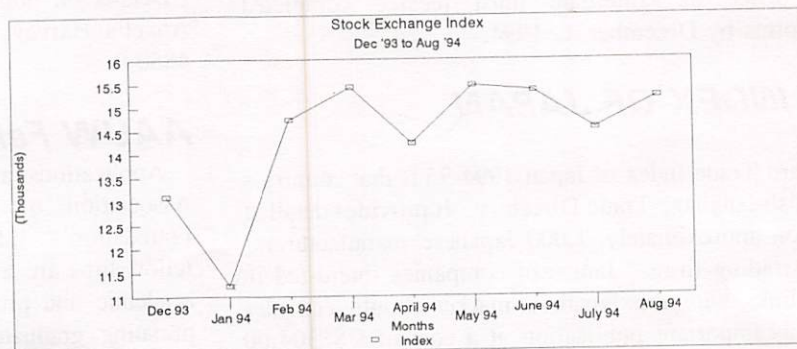


UPDATE ON SELECTED ECONOMIC INDICATORS

INTEREST RATES (%)

	Dec 93	March 94	June 94	Sept July 94
Fixed Deposits(J\$100,000 and over) 3 to 6 months	21.49	21.53	21.44 (May)	21.43 21.30
Loan Rates (Avg)	61.32	66.90	65.50 (May)	65.00 61.30
Jamaican Treasury Bill (6 months yield)	48.31	50.61	46.38	44.36 38.08
Certificate of Deposits (clearing rate - 3 months)	50.00	52.50	45.95	43.45 39.30

STOCK EXCHANGE Index



COMMERCIAL BANKS (J\$M)

	Dec 93	March 94	June 94	July 94
Assets and Liabilities	62291.80	71322.80	76741.9	78760.50
Loans and Advances	23614.70	24657.00	28514.0	28015.3
Deposits	45676.80	51774.40	54702.0	55884.6
Liquidity Ratio (%)	50.00	50.00	50.00	50.00
Actual Liquidity (%)	50.24	53.53	53.19	53.63

OTHER FINANCIAL INSTITUTIONS (J\$M)

Assets and Liabilities (Nov. 93)	11419.20	11876.60
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BALANCE OF PAYMENTS (US\$M)

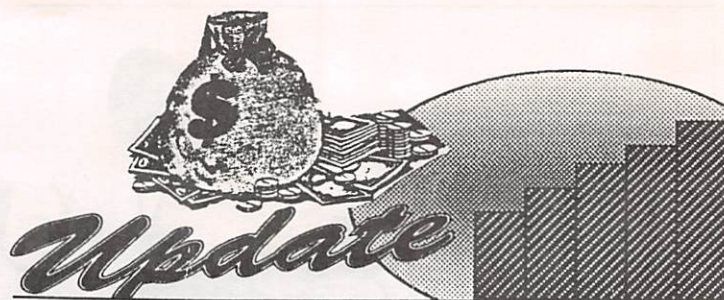
	Jan-May 93	Jan-May 94	%Change 94/93
Merchandise	-324.00	-374.40	15.56
Exports (fob)	465.60	475.20	2.06
Imports	789.60	849.60	7.60
Services (net)	182.70	249.60	36.62
Foreign Travel	351.70	367.50	4.49
Investment Income	-120.50	-65.90	-45.31
Other	-48.50	-52.00	7.22

GOODS AND SERVICES

Transfers (net)	-141.30	-124.80	-11.68
Private	150.50	194.80	29.44
Official	130.10	181.40	39.43
	20.40	13.40	-34.31

Current A/C

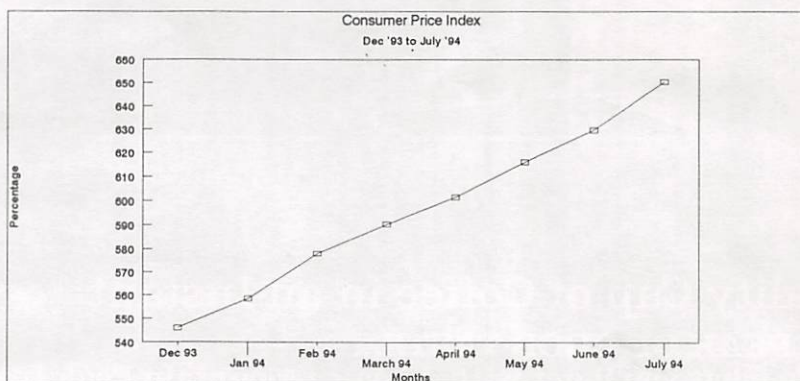
	9.20	70.00	660.87
Net Capital Movements	7.70	57.30	644.16
Official	-24.40	-57.60	136.07
Private (including net errors and omission)	32.10	97.60	204.05
Divestment	0.00	17.30	



UPDATE ON SELECTED ECONOMIC INDICATORS (Cont'd)

Change in reserves (BOJ) (Minus = increase)	-16.90	-127.30	653.25		
EXCHANGE RATES	<u>Dec 93</u>	<u>March 94</u>	<u>June 94</u>	<u>Sept 94</u>	<u>Aug 94</u> <u>Nov. 94</u>
US\$ = J\$	32.70	33.36	33.58	33.43	33.54
BR. Pound = J\$	42.60	45.64	48.69	50.48	49.40
Can\$ = J\$	21.80	23.44	23.43	23.81	23.42
FOREIGN CURRENCY A/C (US\$M)	<u>Dec 93</u>	<u>March 94</u>	<u>June 94</u>	<u>Sept 94</u>	<u>Aug 94</u>
Commercial Banks	428.40	584.60	625.73	639.1	630.00
Other Institutions	70.20	66.90	N/A	N/A	N/A
INTER BANK TRADING (US\$)	<u>Dec 93</u>	<u>March 94</u>	<u>June 94</u>	<u>Sept 94</u>	<u>Aug 94</u>
Purchases	78.70	99.29	121.29	123.52	105.6
Sales	79.60	96.34	122.28	123.92	105.4
FISCAL ACCOUNTS (J\$M)	<u>Apr 93-Mar 94</u>	<u>Jan-Mar 94</u>	<u>Apr-Jan 94</u>	<u>Sept 94</u>	
Revenue	34243.00	10738.0 N/A	N/A	19086.0	
Expenditure	41256.90	10220.6 N/A	N/A	19174.4	
Deficit/Surplus	(7013.9)	517.4 N/A	N/A	(887.4)	
% of GDP	7.03	0.39 N/A	N/A	0.06	
NATIONAL DEBT	<u>Dec 93</u>	<u>Mar 94</u>	<u>April 94</u>	<u>May 94</u>	
Internal (J\$M)	22289.50	N/A	N/A	N/A	
External (US\$M)	3647.20	3673.90	3678.4		
SELECTED MONETARY INDICATORS (J\$M)	<u>Dec 93</u>	<u>Mar 94</u>	<u>June 94</u>	<u>July 94</u>	<u>Sept 94</u>
Money Supply (M1)	14523.30	16238.10	16226.90	13116.30	15091.4
(M1 and Quasi-Money) M2	39492.30	43068.20	45940.80	45849.90	49662.8
Net International Reserves (US\$M;BOJ)	-80.12	56.05	171.20	220.62	271.68
Credit to Public Sector	-2408.10	-5909.80	-5554.60	-3716.90	5094.8
Credit to Private Sector	21148.00	22811.40	25034.80	24687.10	27713.4

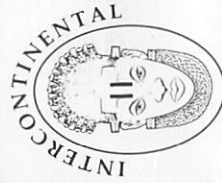
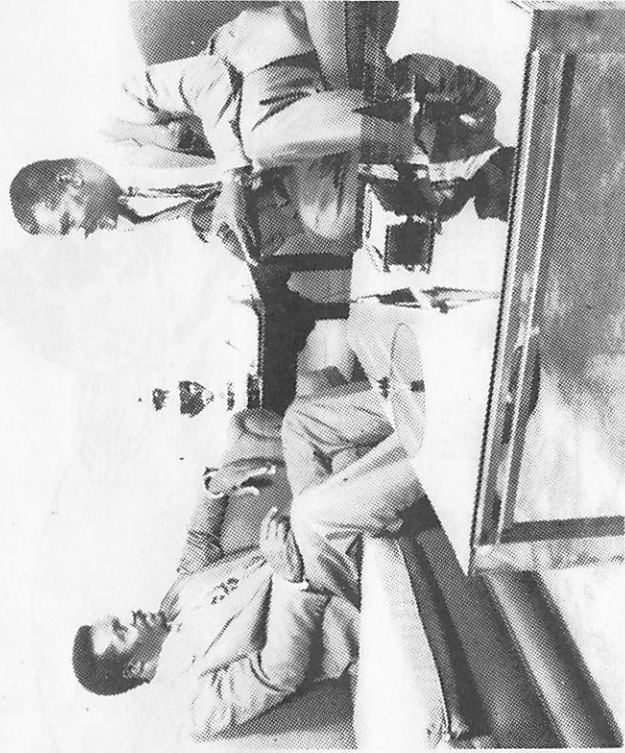
CPI- DEC '93 to JULY '94



Year to date (Jan-July) Inflation Rate = 19.1%

Oct.

.24.9



INTERCONTINENTAL MERCHANT BANK LTD.

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