

## PARTNERSHIP FOR PROGRESS

For the past two years, the Partnership for Progress (PFP) group has been working to build a broad-based Agreement, to implement tangible measures to move the economy forward, reduce crime and violence and create consensus on major issues of national interest.

The birth and subsequent growth of the *Partnership for Progress* arose from the PSOJ's 2003 Annual Economic Seminar. At this seminar, an Irish team of presenters told a remarkable story of Government, Opposition and the unions coming together to put their country first. In October 2003, a Jamaican team visited Ireland and since November 2003, a wider grouping has been working towards the creation of a social partnership for Jamaica.

During the visit to Ireland, the Jamaican group was warned by Padraig O'hUiginn, a lead player in the legendary turnaround of the economy, that it took them three years to forge the first of several agreements, and that, with every agreement, it became more difficult to achieve consensus. Powerful trade unionist, Bill Attley, also pointed out that the partners had to accept that *'the pain and suffering associated with turning the economy around would have to be shared equally across the society'*.

In October 1987, the first Social Partnership Agreement, the Irish Programme for National Recovery, was agreed. At its core, it embodied trade union support for a radical correction of public finances. The arduous steps included a freeze on recruitment within the public sector for three years and no industrial action during the period of agreement. In return for the unions' cooperation, Government froze the cost of electricity and taxes on fuel and other services.

Measures such as these had a powerful effect on the Irish economy. In the 1980s, the Irish economy was in crisis, with 17 % unemployment and 12 % inflation. By 2001, Ireland's unemployment rate had moved to 4 % and its massive investment in education resulted in a 164 % increase in school leavers holding university degrees. With a low tax regime, free



Irish Presenters, Kieran Mulvey and Bill Attley, with Prof. Trevor Munroe and Douglas Orane  
PSOJ Annual Economic Seminar, May 2003

remission of profits, a supportive regulatory framework and a huge pool of well educated people, investment flowed in. The rate of migration fell and jobs became so plentiful that 40,000 overseas recruits had to be brought into Ireland.

Today, Ireland has gone from being one of the three poorest members of the European Union to being the richest country, after Luxembourg, with a per capita GDP higher than that of Germany, France and Britain.

There are important parallels between Ireland prior to 1987 and Jamaica today. These include high national debt, government dependency on borrowing and taxation to pay for current expenditure, difficulty in balancing the budget, high real interest

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# JAMAICA ENVIRONMENTAL TRUST

## ENVIRONMENTAL GROUPS CALL FOR EFFECTIVE RECYCLING PROGRAMME IN JAMAICA

A network of non-governmental and community-based organisations in Jamaica has called on the Jamaican government to urgently implement an effective recycling programme for the country. The Coalition for the Protection of Environmental Rights recently submitted a petition containing over 200 signatures to the Minister of Land and Environment calling for the government to implement legislation and financial incentives to encourage investment in recycling, as well as to press for greater inclusion of civil society in waste management policy discussions.

The Coalition is particularly concerned about the government's failure to implement the environmental levy on packaging material announced in 2003. *"The announcement of the levy resulted in a reduction of Recycle for Life's activities, thereby severely curtailing recycling efforts,"* commented Wendy Lee, Executive Director of Northern Jamaica Conservation Association (NJCA). *"Since then, PET plastic bottles have been piling up everywhere and there is no effective programme to deal with them."*

The Coalition is concerned that the government's failure to implement the levy is reversing the progress made in

establishing good recycling practices in schools and some communities. In this regard, PET plastic bottles were singled out as the single most visible example of poor waste management practices by their accumulation in waste dumps, drains, beaches and gullies where clogging leads to increased flooding.



*"An effectively managed recycling programme will definitely reduce the volume of solid waste entering the sea ...on which our tourism economy depends. Cleaner beaches, rivers and streams will also reduce waterborne diseases and contribute*

*positively to the nation's health and social well-being,"* Chloe Hosang, Executive Director, Friends of the Sea.

The Jamaica Environment Trust (JET), one of the members of the Coalition, currently works with Sweet Craft Limited, Minott Services and Garbage Disposal & Sanitation Systems to collect **PET bottles, newspaper, cardboard and glass** for recycling. For further information, please contact: Jamaica Environment Trust, 11 Waterloo Road, Kingston 10, Tel: 960-3693, Fax: 926-0212, E-mail: [jamentrust@cwjamaica.com](mailto:jamentrust@cwjamaica.com), Website: [www.jamentrust.org](http://www.jamentrust.org).

## PARTNERSHIP FOR PROGRESS

(Continued)

rates and low growth. Both economies are small and highly dependent on trade with primarily one country.

Despite many differences, the PFP working committee has been working assiduously for nearly two years. In January 2005, their first recommendations to the government in a draft Memorandum of Understanding addressed "fiscal stringency, including a suggested cap on the public sector wage bill, creation of a Monetary Policy Committee, privatisation, tax reform, debt swap initiative, education reform, and crime".

PSOJ President, Beverley Lopez described the collaborative process used to draft the MoU, with various sections sent to the relevant parties for their input and approval. "The section on education has already been approved by Maxine Henry-Wilson and her Opposition counterpart, Anthony Johnson," she said. The Jamaican PFP is a first step along a very hard road, and there are many more areas to be hammered out. We must keep in mind

Matt Connolly's words, *"What we did was to stop blaming each other for the problems and sought solutions, but, more importantly, accepted the pain that goes with difficult decisions."*

**"What we did was to stop blaming each other for the problems and sought solutions, but, more importantly, accepted the pain that goes with difficult decisions."**

The PFP recently experienced some disappointment at the postponement of the August 18 signing of the PFP Memorandum of Understanding. The postponement is bearing out the warning that forging such agreements can be a long and arduous process, and that, in order to succeed, we must be prepared to stay the course.

A key requirement for the PFP is the partners' continued buy-in to a process that will require long-term vision, as well as continued short-term sacrifice. In the long term, we hope to build a partnership that can last indefinitely, leading to longer periods than the initial agreements, eventually creating a consensus spanning political administrations throughout the years.

# VMBS...

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# The Printing Association of Jamaica (PAJ)

**T**he Printing Association of Jamaica (PAJ) was revived in 2003, with the main objective being to strengthen the Jamaican printing industry, to foster better management, increased growth and greater lobbying influence.

As of 2003, the size of the printing industry in Jamaica was estimated at JA \$7.5 billion, with approximately 1,200 employees. Over the past 10 years, the output of the industry has declined by 26.4% and there has been a noticeable shift in demand from local printing services to those sourced from abroad. The decline can be attributed to several factors, including low barriers to entry, which has resulted in over-capacity, depressed prices and a reduction in the ability of firms to upgrade their equipment.

Trade liberalization and exchange rate fluctuations have also exposed the structural weaknesses of the industry, leaving it ill-prepared to compete against foreign companies. The resulting fall in revenues and profits made investments in equipment (man-made capital) and people (human capital) difficult. A reinforcing cycle of *decapitalization* emerged, leaving a legacy of an under-capitalized industry.

Encouragingly, some steps are being taken to improve the environment that the industry requires to successfully compete. A 2004 survey highlighted the main issues affecting the industry and proposes a programme to effectively improve their strategies.



**Michele Hamilton, PAJ  
President**

The PAJ invites Jamaican companies to **PRINT JAMAICAN**, thereby helping to contribute to the GDP, creating and retaining jobs in Jamaica and saving foreign exchange. Customers will benefit from competitive quotes and pricing, faster turnaround time and no shipping or courier delays.

The Association is presently reviewing various projects that will increase the capacity of the industry on a whole. In association with HEART/NTA, the PAJ is reviewing a training programme which will help to provide a pool of skilled labour for its members. The Association is also working to create a Printers Association Credit Bureau, which will serve as a central point to compile a list of bad creditors and will be responsible for registering customer complaints. Finally, the Association will host an awards ceremony in 2006 which will seek to identify and recognise members of the industry for their individual efforts and achievements.

The formation of the PAJ is a welcome development. It has the potential to move the industry towards a more prosperous future. The challenge ahead is to take the lessons learned from the industry's exposure to international competition in order to undertake the necessary structural and strategic initiatives that will enable the industry to embrace further trade liberalization. The Printing Association of Jamaica invites all printers and stakeholders in the industry to join, support and strengthen the Association.

## JOB CREATION AWARDEES AUGUST 2005

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- INNOVATIVE CORPORATE SOLUTIONS
- NATIONWIDE NEWS NETWORK



Cable & Wireless President and CEO Rodney Davis (centre), with representatives of: NEWPORT-FERSAN (JAMAICA) LTD., KINGSTON BOOKSHOP, CHAS E. RAMSON LTD. AND GRACEKENNEDY



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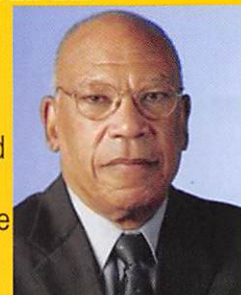


## BULLETIN BOARD



CEO, Mrs. Lola Fong Wright (seated, extreme left) with Geoffrey Bowes (seated centre) with participants of the PSOJ Corporate Governance Seminar held September 8-11 at Sans Souci Resort and Spa.

## PSOJ ANNUAL HALL OF FAME



Dr. Marshall Hall, CD, has been selected as the PSOJ Annual Hall of Fame Awardee for the year 2004.

The Banquet to recognise and induct Dr. Hall will be held this year on **Tuesday, October 25** at the Hilton Kingston Hotel.

We encourage you to book your tickets with the PSOJ and look forward to sharing this significant and celebratory event with you this year.



Mrs. Beverley Lopez presenting CERTIFICATE OF MEMBERSHIP to Mrs. Lorna Green, President, Women Business Owners' (Jamaica) Limited at the PSOJ ANNUAL GENERAL MEETING/Induction Ceremony on September 13, 2005