

INTRODUCTION

Mr. Speaker, I am honoured once again to stand in this Honourable House to report on the performance of the Ministry of Labour and Social Security over the last financial year and our plans for the next year.

I want to thank the Most Honourable Prime Minister for the tremendous support she continues to give to the labour agenda and the process of supporting and empowering vulnerable Jamaicans.

Mr. Speaker, I also want to thank the Permanent Secretary, the directors and staff of the Ministry, tripartite partners, other stakeholders and development team members for their invaluable work in advancing the interests of the Ministry.

Mr. Speaker, this presentation is taking place at a time when the country fashioned and is implementing an IMF programme and we are confronting varied challenges in every sector. But opportunities must be created and hopes must be fulfilled. The Labour and Social Security Ministry has the integral role of managing and promoting labour relations, employment and social security to achieve economic expansion and social equity.

WELCOMED RELIEF:

It is smiles all around as Honourable Derrick Kellier greets children in Albion, St. Thomas, during a tour in December 2012 to observe restoration activities following the distribution of hurricane relief cheques to persons in Eastern Jamaica.



PRODUCTIVITY REVOLUTION

Mr. Speaker, since I was entrusted with these portfolio responsibilities, I have been on a mission to create a productivity revolution in Jamaica.

I have very strong confidence in the transformational powers of productivity, and this explains why my contribution to the 2012/2013 Sectoral Debate was titled: *“Improved Productivity and Labour Market Efficiency: Pathways to Decent Work and Social Protection”*.

It should come as no surprise to anyone in this Honourable House, Mr. Speaker that I continue to emphasize productivity as a critical component of my contribution to this 2013/2014 Sectoral Debate.

Mr. Speaker, I continue to champion the cause of productivity because it is the prudent thing to do. I continue to champion the cause of productivity because it is a central plank of the growth agenda of this administration, of which I am a proud member.

Mr. Speaker, MLSS is committed to ensuring that Jamaica maintains a laser-like focus on productivity growth. This is because productivity growth is a strategy that can simultaneously accomplish most of the development goals articulated by this Government. These include, but are not limited to:

- Accelerating and sustaining respectable growth in gross domestic product (GDP) that will lead to improved standards of living for our people. In this regard, I must emphasize that there is a strong positive correlation between productivity and living standards.
- Attracting high value-added foreign investments accompanied by appropriate technology and innovation;
- Generating employment and decent jobs across all sectors of the national economy;
- Reducing inflationary pressures, ensuring price stability and building consumer and producer confidence;

Mr. Speaker, every Jamaican must make it a habit and mindset to produce more goods and services from each unit of input that is at their disposal. In other words, we must produce more with less. We must produce two ears of corn where only one grew previously.

Productivity enhancement is a task that workers, supervisors, managers, entrepreneurs and trade unions must all embrace.

PRODUCTIVITY AT WORK:

Hon. Derrick Kellier (right) and Mr. David Wan (left), president of Jamaica Employers' Federation (left), listen as Mr. Gregory Khan, Managing Director, points out details of activities at Uniforms Limited in Kingston, during a recent factory tour.



WHY IS PRODUCTIVITY GROWTH IMPORTANT?

“*The Jamaica Country Economic Memorandum: Unlocking Growth*”, published in 2011 by the World Bank observed that Jamaica’s disappointing economic performance over the past four decades is due to low productivity growth.

It concluded that Jamaica’s productivity (however measured) lags significantly behind most countries in Latin America and the Caribbean (LAC) as well as our major trading partners.

Over the 40 year period (1960-1999), average labour productivity or output per worker increased at 0.7% annually. This performance was low relative to that of our trading partners – Barbados (1.5%), Trinidad and Tobago (1.5%) and Singapore (4.27%).

During the 13-year period (2000-2012), average labour productivity declined precipitously with Jamaica registering negative labour productivity growth of 0.83% annually. In contrast, our trading partners registered positive average labour productivity growth - Barbados (0.2%), Trinidad and Tobago (3.2) and Singapore (1.72).

During the 13-year period (2000-2012) total factor productivity in Jamaica fell at an average annual rate of 0.9%. In other words, each year Jamaica produced 0.9% less output using the same amount of inputs. Barbados also recorded negative total factor productivity growth of 0.4%. In contrast, Trinidad and Tobago achieve total factor productivity growth rate of 4.0% and Singapore 1.8%.

In simple terms, this means that productivity cannot wait; it must receive urgent priority attention now.

Mr. Speaker, this administration is on a mission to improve the standard of living of our people - and this will only be achieved if we increase our productivity. Increasing one’s personal productivity does not mean that you have to work harder; it means

that you have to find creative ways to **work smarter**. Find ways to be more efficient, effective and be relentless in eliminating waste from everything.

As individuals, as teams in organizations and as “Team Jamaica”, we must become more productive so that we can reduce our cost of production, increase the demand for our goods and services locally and overseas, export more high quality products and services and grow our market shares. When we succeed in doing these things, we will have laid the foundation for sustainable economic growth and creation of decent jobs for our people.

STRATEGIC PRIORITIES FOR JAMAICA PRODUCTIVITY CENTRE

It is for this reason, therefore, Mr. Speaker, that, despite constraints, the budget of the Jamaica Productivity Centre has been increased by 27%, moving from J\$45.376 to J\$57.748 million in this fiscal year (2013/2014).

This will allow the JPC to scale up its strategic priorities to support the administration’s growth agenda. The priorities that will be addressed by the JPC this year include:

1. The launch of a strong public education and awareness campaign aimed at promoting productivity as a core national value.
2. Strengthening the capacity of our public institutions to deliver responsive, high quality and cost-effective goods and services. This will include, among other things, re-engineering business processes to eliminate unnecessary steps and improve responsiveness.

For example, the JPC is currently streamlining the processes associated with the delivery of benefits under the National Insurance Scheme (NIS). The aim of this exercise is to radically reduce the waiting time from application to delivery of benefits.

3. Intensifying training for managers, supervisors and workers aimed at enhancing overall productivity and worker satisfaction including performance based compensation and workplace wellness. This training is expected to result in greater labour-management cooperation and industrial harmony. In particular, the JPC and JAMPRO will cooperate in providing customized services to fifteen (15) firms under JAMPRO’s Export Max programme.
4. Promoting productivity and competitiveness within private sector firms by facilitating the adoption of technology and innovation in areas such as institutional strengthening, innovations in new products, processes, systems, marketing and branding. This will be accomplished using a multi-agency approach that can be replicated across firms, industries and sectors.
5. Promoting and facilitating the Development of An Energy Services Company (ESCO) Industry in Jamaica. This project is jointly

funded by the Government of Jamaica and the European Union and will involve total expenditure of J\$72 million over the next three years. **Successful implementation of the project will result in increased energy productivity**, increased numbers of energy efficiency and renewable energy sub-projects, **reduced energy consumption and cost savings**, new businesses and new jobs and reduction in fuel imports.

Mr. Speaker, since productivity growth can be so transformative, I want to invite my fellow Parliamentarians to become Productivity Ambassadors. I also want to make a special appeal for my fellow country men and women at all levels, including the media, to ensure that they are more productive today than they were yesterday. Productivity ought to be an issue around which we can - and must - unite.

JPC/JICA COOPERATION

Meanwhile, Mr. Speaker, the capacity of the Jamaica Productivity Centre to provide productivity improvement solutions to private and public sector organizations continues to be boosted by the assignment of Japanese productivity experts to the Centre. I wish to express my gratitude to the Japan International Cooperation Agency (JICA) as well as the Japanese people for this technical support.

FLEXIBLE WORK ARRANGEMENTS

An important aspect of improving productivity and competitiveness, Mr. Speaker, is the effective and efficient use of time. The current economic situation in Jamaica indicates that the implementation of Flexible Work Arrangements is now a necessity; not a choice. We can no longer afford to be complacent in light of global economic challenges.

A Committee chaired by Professor George Eaton in 1994 critically examined the Jamaican labour market and made recommendations which would enhance the country's competitiveness regionally and internationally. The implementation of Flexible Work Arrangements was one of the fundamental recommendations emanating from the Eaton Report.

*PREPARING FOR
THE GLOBAL
MARKETPLACE:*

*Hon. Derrick Kellier
(left) greets Trainees
at the HEART
Trust/NTA
Vocational Centre in
Rockfort, East
Kingston, at a recent
Open Day
Exposition.*



TYPES OF FLEXIBLE WORK ARRANGEMENTS

Mr. Speaker, the term 'Flexible Work Arrangements' refers to a variable work schedule, and incorporates the following:

- Flexi-time which allows the worker and employer the opportunity to arrange the traditional 40-hour work week as best suits their needs
- Part-time work with benefits
- Telecommuting
- Job-sharing
- Compressed work week.

Flexible work arrangements are not new to the Jamaican landscape and are evidenced in industries such as hospitality, tourism and health. To facilitate across-the-board implementation, several pieces of legislation are being amended to remove restrictive clauses, for example The Holidays With Pay Act, The Shops Regulations, The Women (Employment of) Act, The Post Office Regulation, The National Minimum Wage Act and Orders, The Towns and Communities Act and The Apprenticeship (Motor Mechanic Trade) Order, among others.

FLEXIBLE WORK ARRANGEMENT POLICIES

Both Houses of Parliament approved the policy with respect to the implementation of Flexible Work Arrangements. The following are some of the critical aspects of that policy:

- There should be no set eight₆ hour or ten hour work day but

the work day should be capped at a maximum of twelve (12) hours.

- The work week should consist of forty (40) hours.
- All seven (7) days of the week should be considered as possible normal working days.
- Overtime should be earned after the worker has completed forty (40) hours.
- A public education campaign on flexible work arrangements is to be implemented.

Mr. Speaker, Jamaica stands to reap many of the potential benefits of Flexible Work Arrangements including:

- Increased employment as persons exploit part-time work, opportunities for second employment and job-sharing.
- Increased productivity.
- More time for family and personal interests particularly, if a compressed work week is utilized.
- Greater availability of services to customers due to varied opening hours and more business days, and the resultant reduction in absenteeism to carry out personal business during working hours.
- A reduction in the traffic congestion now experienced during peak hours.

Mr. Speaker, every effort will now be made to ensure that Flexible Work Arrangements become a reality in Jamaica. A Ministry Paper will be tabled shortly, and drafting instructions issued to the Office of the Chief Parliamentary Counsel to facilitate the requisite legislative amendments.

*PRODUCTIVITY
FOCUS:*

Hon. Derrick Kellier explains the productivity campaign to David Wan (second right), president of the Jamaica Employers' Federation (JEF), CEO Brenda Cuthbert (left) and other members of the Federation during a courtesy call meeting at his North Street office.





*EXPANSION FOR
COMPETITIVENESS:*

*Hon. Derrick Kellier in
discussion with Captain
Michael Belcher of
Kingston Container
Terminal (KCT) during a
tour of operations at
Port Bustamante
in Kingston.*

OCCUPATIONAL SAFETY AND HEALTH ACT (OSHA)

Mr. Speaker, it is impatient of debate that the safety and health of all employees in the Jamaican workplace must be given priority if we are to achieve the high levels of productivity and performance necessary to put this country on a path of sustained growth.

Over the years, there have been various workplace incidences leading to injuries and fatalities which impacted negatively on both employers and employees. For example, recently there has been an upturn in the number of buildings found to contain asbestos in their structural materials. As such, the need for the long awaited Occupational Safety and Health legislation is again brought into sharp focus.

Last year during my Sectoral Debate Presentation, I gave a commitment to table the OSHA by the end of the 2012/2013 financial year. Notwithstanding our inability to do so, I am even more determined now to ensure that the Bill is enacted into law as soon as possible.

The most recent draft of the legislation was received by the Ministry in January 2013 and was reviewed by the Attorney General's Chambers which necessitated further redrafts. After this process is complete, the Ministry's intention is to table the Bill within this legislative year and I urge all my fellow members in this Honourable House to lend their support to its speedy passage at the appropriate time.

STABLE INDUSTRIAL RELATIONS

Meanwhile, Mr. Speaker, the Industrial Relations section has continued its mission of promoting and maintaining industrial peace throughout Jamaica, given that a stable environment is important for productivity and growth.

This is very evident, Mr. Speaker, in the number of disputes being reported and the number of disputes resolved. In 2011/2012, two hundred and eighty nine (289) disputes were reported and, of this number, the Ministry was able to resolve one hundred and ninety nine (199) or 69%.

Last year, three hundred and seventy nine (379) disputes were reported and we were able to settle 320 cases or 84%.

Despite some increase in the number of reported cases, Mr. Speaker, I am happy to report that the Ministry has the capacity and the mechanism to respond and settle most of these cases.

This, Mr. Speaker, is due to the stakeholders in our industrial relations landscape – Management and Labour represented by the Trade Unions – becoming increasingly aware of the importance of industrial stability to the nation. It also demonstrates the maturity that is needed in building a nation as we strive for a productivity revolution to stimulate growth in the economy.

Mr. Speaker, the figures do not lie. Despite the increase in the number of disputes reported, there has been a 40% decrease in the number of work stoppages - a clear signal that the Jamaican workforce is operating in a robust and mature industrial relations environment.

ENERGIZING CORPORATIONS FOR ACTION:

*Hon. Derrick Kellier
(centre) exploring issues
relating to management
and the workplace with
Brenda Cuthbert (right),
chief executive officer of
the Jamaica Employer's
Federation and Brazilian
Ambassador Antonio F.
DA Costa E Silva at the
recent JEF Convention
in St. Ann.*



To this end, Mr. Speaker, the Ministry continues to work with organizations, schools and other institutions to sensitize the nation about the Labour Code and Labour Laws.

Mr. Speaker, I would like to take this opportunity to formally recognize the Jamaica Household Workers Union as a licensed association to represent and promote the interests of some important players in the process of nation-building. The Association was duly recognized by the International Labour Organization (ILO).

BENEFICIAL IMPACT OF OVERSEAS EMPLOYMENT

Mr. Speaker, I now turn to the Overseas Employment Programme managed by the Ministry. Its contribution to the development of the Jamaican economy cannot be over emphasized. Significant impact has been made in the alleviation of unemployment, poverty reduction, the development of the rural economy and improved access to education and healthcare.

The programme has also been an important source of remittances, and during 2012/2013, Cdn\$16 million was remitted by workers to Jamaica – representing 20 percent of their earnings for the year.

During 2012/2013, a total of 11,138 Jamaicans benefitted from placement under the programme. An increasing number of these opportunities are being identified in the Canadian Labour Market, and Mr. Speaker, approximately 6, 237 of the numbers placed were accounted for in the Canadian market.

The totals for the United States Agricultural and hospitality programmes were 3,269 and 1,295 workers, respectively.

FARM WORKERS GIVE BACK TO JAMAICA:

Farm workers from Gebbers Farm in Washington State, USA, pose with Hon. Derrick Kellier (right), Permanent Secretary Mr. Alvin McIntosh (second left) and Mrs. Laurette Adams-Thomas, General Manager, following the handing-over of a cheque for \$250,000 to the Golden Age Home in Kingston.



DIVERSIFYING OPPORTUNITIES IN CANADA

In a bid to diversify and expand available offerings, much emphasis has been placed on exploring areas which promise significant possibilities. The approach has been to forge strategic alliances with partners in key sectors, for example, in the Canadian Labour Market.

Mr. Speaker, during my visit to Canada last year, discussions were held with the relevant Ministers and Officials at the federal and provincial levels regarding the development of a framework to guide the movement of certified and skilled workers. The aim is to secure mobility agreements at this level so that more avenues to new employment opportunities can be realized.

Mr. Speaker, since my visit, several new employers have come onboard, as they now look to Jamaica to supply a range of new skills to fill the gaps in the Canadian labour market. These include Class 1 trailer drivers, heavy duty technicians/mechanics and welders.

Up to March 2013, 69 drivers, 66 heavy duty technicians and 2 welders departed the island to take up employment in the Canadian provinces of Alberta, British Columbia, New Brunswick, New Foundland, Nova Scotia, Saskatchewan and Ontario.

Currently, Mr. Speaker, 188 drivers and 38 heavy duty technicians are at various stages of processing.

EXPANDING OPPORTUNITIES IN OTHER AREAS



NON-TRADITIONAL EMPLOYMENT:

Hon. Derrick Kellier (second right) and Permanent Secretary Alvin McIntosh (right) speak with Mr. Chris Thomas (second left) and Mr. Glen Mortimer, executives from Tim Horton quick service restaurant chain in Canada during a recent courtesy call.

Opportunities in the Canadian hospitality/fast food sector are also expanding rapidly as the Ministry prepares to enter into a Memorandum of Understanding (MOU) with fast-food chain Tim Horton's Corporation to supply experienced workers to that establishment.

Actually, Mr. Speaker, during the period April 10 -13 this year, a number of Tim Horton's officials - along with several franchise holders - held a job fair in Jamaica. They conducted interviews in three locations across the island and established a pool of workers who are to

be prepared for dispatch upon demand. Thirty-eight (38) persons from that pool are now being prepared for departure. Recruitment was also conducted by McDonalds during the last week of May.

Meanwhile, Members of this Honourable House will be excited to know that activity in relation to the Seasonal Agricultural Workers Programme is expected to grow by at least 10%. In anticipation of this, the Ministry recently conducted a recruitment exercise to pre-select 2000 persons for¹the Canadian Farmwork Programme.

Some of these persons are already being processed for departure.

A few weeks ago, the Ministry was asked to supply skilled tyre technicians for several companies in Canada. In particular, representatives from WESTCAN - a leading bulk transportation company in Canada - came to Jamaica in May to conduct training and provide certification to these technicians to prepare them for entry into Canada.

EMPLOYABILITY AND SKILLS TRAINING

Mr. Speaker, in order for Jamaica to capitalize effectively on these employment opportunities, the workforce must be equipped - i.e. trained and certified. Potential candidates must have basic academic competence and I use this opportunity to draw attention to the broader issues of employability and skills development.

Mr. Speaker, the country will have to place renewed emphasis on building a workforce that is trained and relevant for the global marketplace. This will also involve ensuring that graduates from the secondary level of the education system are able to perform basic mathematical operations, manipulate the English language and are computer literate. **These are imperatives for the global labour market.**

Of course, Mr. Speaker this will require our engagement in further bilateral and other more specific international arrangements, mainly at the sectoral or industrial levels. The training methodologies developed and undertaken will reflect the labour market needs of particular corporations, companies or sector groups.

In this regard, Mr. Speaker, the Ministry is already involved with several overseas companies and in discussion with several others. Even as I speak, potential candidates are being prepared to obtain certification in order to take up employment opportunities in Canada.

ISSUING WORK PERMITS

In relation to the issuing of work permits, this process is guided by an Inter-Ministerial Committee which meets on a bi-weekly basis to review and make recommendations for approval. This group provides invaluable expertise to the process of granting a work permit. The committee also conducts research into the needs of the market and assist in carrying out investigations to minimize the reported incidence of human trafficking.

Mr. Speaker, the Ministry is currently exploring the possibility of implementing a tiered work permit fee structure along with a pre-approved point system to assist us in streamlining the issuance of work permits in various sectors such as agriculture, telecommunication etc. This is being done in an effort to encourage local entrepreneurship and productive investments.

Mr. Speaker, let me emphasize that all these measures are being implemented to protect the Jamaican worker and to prevent unscrupulous persons from compromising our work permit system.

COMBATTING CHILD LABOUR

Arising from the aforesaid, Mr. Speaker, the Government remains committed to international treaties and convention relating to the fight against child labour. The problem persists and Jamaica continues to benefit from ILO/IPEC - the ILO'S largest technical programme working to eliminate child labour by 2016. Mr. Speaker, we believe strongly this to be an effort worthy of support.

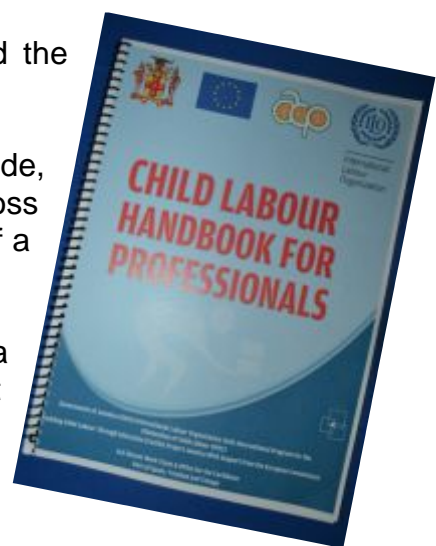
Meanwhile, Jamaica is still reliant on the 2002 Survey conducted by STATIN, which indicated that there were over 16,000 children engaged in some form of economic activity for that particular reference. We cannot overstate the importance of current and reliable data to guide programme and policy formulation.

Discussions are being held to undertake a **DIP STICK** Survey as part of the wrapping up exercises for the **Tackling Child Labour through Education (TACKLE)** Project. The results will be used to implement more targeted and focused interventions in the areas identified by the survey for urgent and immediate attention.

ACHIEVEMENTS UNDER THE TACKLE PROJECT

Since 2009 Jamaica has been working with the ILO to implement the **TACKLE** Project, funded by the ACP-EU commission. This phase of the project is coming to an end shortly having achieved the following:

- A Handbook on Child Labour for use by professionals and the general public.
- Four (4) Baseline Surveys including a Knowledge Attitude, Practices and Behaviours (KAPB) Survey in 30 schools across Jamaica. It is expected that this will lead to the development of a module on child labour for the education system.
- Training of Seventy (70) members of the Jamaica Constabulary Force, who were sensitized to law enforcement issues surrounding Child Labour. It is expected that before the close of the Project, Advocacy Material will also be developed for members of the Judiciary and other members of the Legal Fraternity.



Mr. Speaker this would be first anywhere in the World where the TACKLE Project is being implemented.

- Direct support provided for children and their families engaged in Child Labour. Children were exposed to remedial education and skills training before mainstreamed into the regular system. Parenting support workshops were held for parents. In addition parents were also supported by small income generating projects.

Mr. Speaker, at this point, we would like to express our gratitude to our development partners, - the ILO, EU/ACP - for their continued support of our efforts to combat child labour.

NATIONAL MINIMUM WAGE

I turn to a matter which is dear to the heart of the Honourable Prime Minister. In September 2012, the Government increased the National Minimum Wage by eleven (11%). The rate for Industrial Security Guards is now \$7,320.40 - moving from \$6,655.00. The National Minimum Wage is \$5,000 per 40-hour week (up from \$4,500).

Mr. Speaker, this Administration has committed itself to doing an annual review of the National Minimum Wage in an effort to protect the vulnerable in the society. Minimum wage reviews forms an important part of our social protection strategy, and is in keeping with the Decent Work Agenda which the International Labour Organization (ILO) has been promoting and to which the country is a signatory.

To this end, Mr. Speaker, the Minimum Wage Commission has been asked to conduct the necessary consultations and make recommendations for change, where possible.

INCREASED PATH BENEFITS

Mr Speaker, I turn to the important matter of social security provisions to protect and empower vulnerable citizens of the land, including the marginalized, seniors and persons with disabilities.

Mr. Speaker, the Programme of Advancement Through Health and Education (PATH) remains a viable method of providing support to families in need. The programme currently provides support to approximately 413,000 beneficiaries in 138,000 families island-wide.

As previously announced by the Honourable Prime Minister, the social protection allocation in this year's budget for the Ministry has been increased from \$3.1 Billion to \$4 Billion, an increase of 22.37%

The Government will this year be improving the value of the PATH benefit by 15% for all categories of beneficiaries. In addition, a special provision will be made for the elderly in PATH families whose benefits will be increased from J\$900.00 to J\$1,500.00 per month, a 67% improvement.

PATH BURSARIES

Mr Speaker, students from PATH families in tertiary level institutions represent the clearest sign of breaking the intergenerational cycle of poverty through education. Therefore, starting September 2013, the Ministry will be providing bursaries to PATH students registered in Universities and Colleges.

*EMPOWERING
STUDENTS FOR
THE FUTURE:*

*Hon. Derrick
Kellier (seated
second left) pose
with awardees
following the
PATH 10th
Anniversary
Tertiary
Scholarship
Awards Ceremony
in November
2012.*



These bursaries are performance driven and will require the recipient to achieve a desired academic performance standard to be decided by the institution. Bursaries will be valued up to J\$100,000.00 and J\$100M has been budgeted to provide 1,000 bursaries in this fiscal year.

PATH TRANSPORT ALLOWANCES

Mr. Speaker, our studies indicate that one of the main causes of non-compliance by PATH students is their inability to pay for transportation. This is especially true where students have to travel long distances to attend school, and are required to take more than one bus or taxi from home.

To address this issue, the Ministry is working with the Ministry of Education to finalize the details of a proposed PATH Transportation Allowance. This new benefit is scheduled to be piloted at the start of the new school year in September. Under the pilot, we will target 20,000 PATH children in primary and secondary schools who have been consistently non-compliant because of transportation constraints.

This intervention will be channelled through schools that are identified as having high rates of non-compliance. It is projected that the selected schools will see attendance rates improve by 10%, while there should be a similar reduction in non-compliance rates among the students.

STRATEGIES FOR STRENGTHENING SOCIAL PROTECTION SYSTEMS

Mr Speaker, the Government in negotiations with the IMF incorporated in our developmental plan the strengthening of all aspects of the social protection system to ensure that vulnerable members of the society are protected. The strengthening and expansion of the social protection system is, therefore, a critical element of the agreement and I wish to take the opportunity to update this Honourable House on

the status of some of the strategies to be pursued:

1. Enhance and Expand the National Welfare to Work Strategy

The Ministry has completed the pilot intervention for Steps to Work and is now in the final stages of designing a strategy for the island-wide roll out of the programme. This will be completed by August 2013. Steps to Work will continue to target working age members of PATH families to provide them with training and on the job experience to enable them to seek and retain employment.

2. Complete the Re-certification Exercise for PATH Families, thereby increasing the effectiveness of the targeting of beneficiaries under PATH. In March this year, the Ministry began the process of recertifying approximately 38,000 families islandwide. To date, over 10,000 families have been assessed. The field exercise is to be completed by July 2013, after which the data will be analysed to inform the exit strategy for eligible PATH families.

3. Graduation/Exit Strategy for PATH Families

The Planning Institute of Jamaica (PIOJ) is in the final stages of developing a holistic Social Protection Strategy for all Jamaicans. The defined mission of the strategy is “Self Help within a Supportive Environment”. As such, an important element of the discussion is defining mechanisms for welfare households to be empowered to work and earn their way out of poverty.

The Government’s commitment to this process is captured within the concept of defining a graduation or exit strategy. This means that all families selected for graduation from PATH, including those deemed eligible by the results of the Recertification Exercise, would be empowered to meet their basic needs and have the means for income security. Through assistance from the World Bank, the Ministry and the PIOJ have already begun to craft the critical elements of the strategy, and this exercise is to be completed by the end of July.



YOUTH IN TRAINING:

Participants receive hands-on training at a Steps-To-Work Summer Camp.

PERSONS WITH DISABILITIES

Mr Speaker, in November of last year, the Jamaica Council for Persons with Disabilities (JCPD) hosted the Inaugural Disability Friendly Awards Gala. This initiative was held to acknowledge and celebrate the contributions and experiences of Persons with Disabilities – an important constituent within the Ministry’s portfolio of responsibilities. We also highlighted the outstanding contributions of individuals or organisations to improve the lives of this vulnerable group.

This was done in partnership with the Consul General to Toronto, Canada Mr. Seth George Ramocan, who himself has been working with his wife Mrs. Lola Ramocan to provide assistance for Persons with Disabilities here in Jamaica.

They also assisted us in arranging the attendance of the Guest Speaker for the Gala, His Honour David Onley, Lieutenant Governor of Ontario, Canada, who is

himself a high-achieving Person with a Disability. His Honour returned to Jamaica in April to lead a research delegation with a view to providing assistance to the Sir John Golding Rehabilitation Centre.



Additionally, the Ministry recently received three (3) Forty-Foot containers with CAN\$10,000 worth of rollators (wheeled walkers) from the Consul General and the Lt Governor of Ontario, which will significantly improve the mobility and independence of 3,000 of our Persons with Disabilities.

We welcome these interventions, and take the opportunity to thank His Honour David Onley and the Ramocans for their continued kind support for Persons with Disabilities here in Jamaica.

*DISABILITY
FRIENDLY
AWARDS GALA:*

His Honour David Onley (second left), Lieutenant Governor of Ontario, Canada, and his wife Ruth (left) sign the visitor's book at Jamaica House during a courtesy call on the Prime Minister, The Most Honourable Portia Simpson Miller (second right) in November 2012. Looking on is Hon. Derrick Kellier.

At the Awards Gala, the Honourable Prime Minister presented the top award, the “*Prime Minister’s Award for Excellence in Disability Reform*” to Senator Floyd Morris. All will agree that this award was well deserved, as Senator Morris’ passionate advocacy and dedicated service to the disabled community merit no less accolade.

Mr. Speaker, I pause at this time to recognize another achievement by this remarkable Jamaican, as Senator Morris is now President Floyd Morris, following his recent elevation to the position of President of the Senate.

The Ministry wishes to offer our congratulations to our former Minister of State on his appointment, and wish him all the best in his new role. Having worked closely with President Morris in his stint as State Minister, and in his current role as a member of the National Advisory Board on Disabilities, we are happy to claim him as one of us.

He has shown us time and again that though he may be blind, he definitely does not lack vision, and we are confident that he will excel as President. We know as well, that he will continue to promote the welfare of Persons with Disabilities in his new role, as he is always looking out for them. (No pun intended).

REGISTERING PERSONS WITH DISABILITIES

Following on the success of the Gala in bringing awareness to Persons with Disabilities, the Ministry is currently collecting data and preparing a detailed socio-economic report on the status of persons with disabilities in the society.

Mr. Speaker, through this support, we will be provided with significant information to design targeted interventions to strengthen the programmes which support the disability sector. As part of this data gathering effort, the JCPD is conducting a mass registration drive. This is to ensure that all persons with disabilities can be supported by interventions to empower them to make their contribution to national development.

The Japanese Social Intervention Fund, through the World Bank, has provided a grant of approximately J\$250 million to provide services for persons with disabilities in addition to J\$56 million that had previously been secured through the IDB. Specifically, these funds are being used for institutional strengthening for the agencies dealing with persons with disabilities, skills development for persons with disabilities to enter the world of work and grants for entrepreneurial and economic activities.

Mr. Speaker, I am encouraging all persons with disabilities to participate in the registration process so that we will be able to better plan for them – and I place it as a responsibility of all MPs to ensure that persons with disabilities within their constituencies are recognized and catered for.

I use this opportunity to thank our development partners for the on-going support to improve the quality of life for persons with disabilities.



REHABILITATION GRANT:

*Honourable Derrick
Kellier presents Ms.
Karen Thomas with a
cheque for assistance
under the Ministry's
Economic Assistance
Programme for persons
with disabilities.*



EARLY STIMULUS:

Hon. Derrick Kellier participates in a reading session with children registered under the Early Stimulation Programme.

EARLY STIMULATION PROGRAMME

I turn to the Ministry's Early Stimulation Programme (ESP) which, over the past five years, has seen significant increase in the number of children registered. The programme currently serves approximately 1,500 children with various types of developmental disabilities - **and has a waiting list of over 200.**

Mr. Speaker, the Ministry is aware of the importance of early detection, intervention and stimulation for all children, and more so for children with special needs. In this regard, I am pleased to announce that the grant funding mentioned earlier will include components for strengthening the delivery of service to young children with special needs, training of workers catering to the developmental needs of children and providing technical assistance to the ESP.

We are cognizant of the fact that the reach of the ESP programmes is limited to the eastern end of the island because they currently have locations in Kingston and Portland only. We will therefore be continuing our efforts to extend these services to other sections of the island where we identify children with special needs.

The type of transformation that is needed is a mammoth task which will require partnerships with other like-minded entities in both the public and private sectors. We are currently in discussions with a new private sector partner that has expressed an interest in working with us in expanding the reach of the ESP.

We welcome their willingness to participate in this area, and hope that we will soon be able to officially welcome them as partners in what should be a long and fruitful collaboration. I must also use the opportunity to thank those long serving Non-Governmental Organizations that continue to partner with us to provide services for or advocate on behalf of Persons with Disabilities.

SENIOR CITIZENS - REVISING NATIONAL POLICY FOR SENIOR CITIZENS

Mr. Speaker, the 2011 Population Census conducted by the Statistical Institute of Jamaica (STATIN) has brought into sharp focus the changing demographics of the country. It highlights the fact that the population is ageing rapidly, and provides a clear guide that appropriate measures have to be taken to ensure that our social security systems are responsive to the needs of the modern Jamaican society.

Data from the Census indicates that there are 305,163 persons aged 60 years and older in Jamaica. This represents approximately 11.3% of the total population of almost 2.7 million. It is projected that, by the year 2050, the elderly population will reach 25% of the total population.

The Ministry has been monitoring these demographic variations for some time. As a result, we have been constantly reviewing and adapting the relevant programmes and services in order to mitigate the impact of the ageing population on our ability to provide effective social protection for our citizens.

At this juncture, a key response to our ageing population must also include the review of existing policies and legislation for our seniors. The existing National Policy for Senior Citizens was tabled in Parliament by the then Minister of Labour and Social Security, the Hon. Portia Simpson, in 1997. It is, therefore, critical for this policy to be reviewed at this time to develop appropriate responses and strategies to address the demands associated with the rise in the elderly population.

The study by the Mona Ageing and Wellness Centre on “Ageing in Jamaica Today”, which is being spearheaded by the patron of the National Council for Senior Citizens, Dr Denise Eldemire Shearer, will provide us with additional data which will guide the revision of the policy. The 2012 Jamaica Survey of Living Conditions conducted by STATIN also fielded a module on the elderly, and those findings should also be useful in directing and validating appropriate policy interventions.

The review of the policy will also ensure that the laws of Jamaica are consistent with the conventions and instruments that are currently being crafted in the international arena, and is a strategic action in keeping with the medium term framework of the Vision 2030 Jamaica - National Development Plan.



*ACTIVE AGEING:
Hon. Derrick Kellier
examines craft items
produced by members
of the National
Council for Senior
Citizens (NCSC)*

VIABILITY OF THE NATIONAL INSURANCE FUND (NIF)

Mr. Speaker, the ageing population also has a direct impact on the management of the various social security programmes administered by the Ministry, and have guided the evolution of the programmes over the years.

For example, there have been periodic reviews of the National Insurance Scheme (NIS) to provide meaningful benefits for an ever-increasing pension population, while ensuring the long term viability and sustainability of the National Insurance Fund (NIF) in the face of declining contributor numbers.

This Honourable House will recall that in January of this year benefits under the scheme were increased. It is projected that benefit payments for this fiscal year will total about J\$13.3 Billion. Contribution rates have also been adjusted to ensure that the increased benefits can be maintained.

All Jamaicans can rest assured that the NIF will continue to meet its obligations to our pensioners and contributors. The present value of the Fund is approximately \$65 Billion, in spite of the impact of the National Debt Exchange.

Meanwhile, there is to be a focus on identifying developmental projects in which the NIF will participate and is consistent with the government's growth strategy. Some of these investments include:

- The development of several NIS properties across the island;
- A US\$15 million development of Braco Resorts as part of our continued thrust in the tourism sector;
- Increasing funding towards our small and medium sized enterprise (SME) business to total J\$1.5 billion.

Other initiatives will be announced at a later date, as soon as the details have been finalized.

UNEMPLOYMENT INSURANCE

Mr. Speaker, in recent times, the financial crisis and the attendant rise in layoffs and redundancies has brought attention to one benefit that is not currently offered.

I speak, of course, about Unemployment Insurance, which has become an even more important topic for discussion due to the economic challenges facing businesses both locally and internationally.

In December of last year, this Ministry partnered with the Planning Institute of Jamaica in hosting a major Labour Market Forum. At that Forum, key stakeholders engaged in discussions to generate consensus on the way forward for the establishment of an Unemployment Insurance Scheme.

Following up on the positive outcomes achieved from that successful conference, a Steering Committee has been established to examine the feasibility of introducing Unemployment Insurance as a viable option within the labour market. The

Committee will be tasked with leading the formulation and implementation process of such a Scheme.

We are also receiving technical assistance from our multi-lateral partners who have commissioned studies which will offer recommendations toward the development of an appropriate Unemployment Insurance model for Jamaica.

UPDATE ON HURRICANE SANDY

Mr. Speaker, it would have been remiss of me to address the nation today without mentioning the passage of Hurricane Sandy last year.

On October 24, 2012 Hurricane Sandy passed over the island affecting approximately 17,000 households. The Cabinet approved \$650 million to assist victims whose houses suffered severe or minor damages.

On November 15, 2012 – three weeks after the Hurricane – I led a team from the Ministry to Portland to hand out the first batch of cheques to affected persons in one of the worst hit areas.

Those persons who suffered severe damages were assisted with \$60,000 and those with minor damages with \$30,000. Six hundred and forty nine million, one hundred and forty thousand (\$649,140,000) was disbursed to 16,409 persons whose houses suffered severe and minor damages in 11 parishes. Food packages, tarpaulins and other relief items were also distributed to thousands of needy families after the disaster.

Mr. Speaker, much has been said about the response of the Ministry and the various volunteer groups that assisted in the assessment process, some positive and some negative. What I would like to say today is that while the exercise may not have been perfect, I am satisfied that we were able to provide relief assistance to the persons affected in a very short time.

This speaks to the urgency with which we approached the task of providing for our fellow citizens in their time of need. I want to take the opportunity to congratulate all of the Ministry's staff and our partners on the assessment team for their efficient work in identifying those in need and delivering assistance.

I must add, however, that we have taken note of the concerns and will be putting measures in place to mitigate the effects of similar challenges if and when we have other natural disasters. As such, we continue to work with ODPEM and other partner agencies to further refine the response and assessment processes.

The Ministry of Transport, Water and Housing (MTWH) was mandated to coordinate with Food for the Poor on the construction of houses for those families whose homes were totally destroyed.

Minister Guy has already provided an update in his contribution to the Sectoral Debates.

REDUCING VULNERABILITY THROUGH JEEP

Mr. Speaker, the Government of Jamaica in 2012 implemented the ground-breaking Jamaica Emergency Employment Programme (JEEP). The Ministry, one of the implementing agencies, embarked on a Workforce Intervention Programme as a part of a national objective for job creation and employment generation.

The programme was designed to reduce the burden caused by unemployment for the most vulnerable in the society, with a view to assist individuals move from a state of welfare to a state of well-being. Of the 478 participants engaged a total of 175 persons have been retained.

An income of \$6,000 per week was paid for three (3) months by the Ministry and then matched by the employers for an additional three (3) months. Please also note, Mr. Speaker that this amount was above the Minimum Wage and so, would have placed the participants in a better wage category when compared to others.

Over 200 employers participated in the Ministry's JEEP program and in speaking with many of these employers; the repeated response has been a very positive one with all expressing an interest in the continuity of the programme.

Mr. Speaker, we would like to take this opportunity to thank all those private sector companies who participated in this thrust to lift vulnerable individuals from a state of welfare into well-being.



JEEP TOUR:

From left, Hon. Derrick Kellier, Mr. Derrick Rochester, Managing Director, and Ms. Diane Spence, Director at the Ministry of Labour and Social Security, observe food processing activities at Southern Fruits and Food Processors in St. Elizabeth, where over 30 participants were employed under the Ministry's Jamaica Emergency Employment Programme (JEEP).

SECOND PHASE OF JEEP

Mr. Speaker, because of the success and gains of JEEP under this Ministry, the decision has been taken to continue this programme in this fiscal year with a J\$50 million allocation.

In addition Mr. Speaker, last year when I led Jamaica's delegation to the 101st Conference of the ILO, I took the opportunity to discuss with officials the development of a response to both the specific infrastructure and employment needs in our rural communities.

In response, the ILO engaged the services of a Consultant who visited Jamaica, carried out the required research and presented his findings. The result was the development of a project which could be in the form of an extension to Phase One of the JEEP Project.

The broad objective of the Project is 'to demonstrate and develop a model for rural road construction and maintenance and erosion control using appropriate techniques that create rural employment and enhance income security for the poor that is viable, effective and cost effective and can be applied in other areas of Jamaica'.

The Project is to be piloted over an eighteen month period in two rural communities after which it is expected that it will be rolled out nationally. Funding will be sourced from international financial institutions to support its roll out.

Mr. Speaker, the estimated cost of the pilot is US\$1.2 million. The Ministry will utilize a multi-agency approach in the implementation of this project.

LEGISLATIVE REFORM

Important proposals for amendment and reform include:

1. Disability Bill

Mr. Speaker, the Ministry continues to pursue strategies aimed at fully protecting the rights of persons with disabilities, a central plank of which is the enactment of the Disabilities Act. When enacted, the Bill will promote, protect and facilitate the full and equal enjoyment of all fundamental rights and freedoms by persons with a disability in education, training, employment, political office, public life, health care, housing and public transportation.

Mr. Speaker, I am pleased to advise that the drafting process is moving apace and we expect that Bill will be tabled for debate in the legislative year 2013-2014.

2. The Caribbean Community (Free Movement of Skilled Persons) Act

Mr. Speaker, the Ministry is also moving ahead with plans to amend the Caribbean Community (Free Movement of Skilled Persons) Act to further facilitate the unencumbered travel of particular categories of Jamaican workers under the CARICOM Single Market regime. Since the inception of the Act in 1997, 2745 persons (Jamaicans and other Caribbean nationals) have been granted skilled national certificates.

The regime has provided employment opportunities to our nationals in other member states and has promoted the transfer of skills and experience in the occupations where nationals are afforded free movement. These include education, health care, and journalism.

The amendment to the law is intended to make provision for the implementation of fees for the issuing of skilled nationals certificates and the formalization of a single certificate system.

Mr. Speaker the legislative process is far advanced and the Bill will be tabled within a few weeks.

CONCLUSION

Mr. Speaker in my presentation today, I have sought to present the main planks of the Government's labour and social security policies, which are expected to contribute to the country's all-important growth agenda.

The goal is to inculcate a productivity culture which will result in improved living standards for all Jamaicans.

None of the areas are exclusive and all of them – industrial relations, occupational health and safety, flexible-work arrangements, national minimum wage, manpower employment and deployment, work permits, child labour elimination, social protection strategies – are inter-connected and inter-related.

A necessary partnership involving the Government, workers, trade unions, employers, and international organizations will be important to preserving industrial harmony, while improving the working environment will motivate the workforce to lift productivity and competitiveness.

Members of this Honourable House have been reminded of their responsibilities in speeding up legislations aimed at modernising our labour and social security systems.

We will work together to build an overseas employment programme, dedicated to the protection of Jamaicans as they earn and return – and contribute to GDP and national development.

In the international arena, we remain committed to the principles of the ILO's Decent Work Agenda and the elimination of the worst forms of child labour.



Unquestioned, too, Mr. Speaker, is our continued commitment to protecting the vulnerable, the disadvantaged and challenged in the Jamaican society.

All of these are related to our primary objective of improving the country's levels of productivity. If we are to successfully build our nation and shape our society in the 21st century; if we are to raise standards of living for every Jamaican, this will only come through increased productivity!

Mr. Speaker, we need the commitment and contribution of every able-bodied Jamaican in helping to build a strong and resilient Productivity culture in Jamaica.

We must move forward in a spirit of unity and cooperation, resolved to increasing productivity, promoting a viable market economy, providing people with opportunities, and building a better and stronger Jamaica land we love.

Hon. Derrick Kellier, CD, MP

Minister of Labour and Social Security

APPENDIX

MINISTRY OF LABOUR AND SOCIAL SECURITY BUDGETED EXPENDITURE FOR 2013/2014

FUNCTION / SUB FUNCTION / PROGRAMME	\$'000
SOCIAL SECURITY AND WELFARE SERVICES	
Early Childhood Development	41,978
Poor Relief Services	269,174
Public Assistance Services	515,156
Private Sector Social Welfare Organizations	28,433
Golden Age Homes	259,680
National Insurance Scheme Administration	456,491
National Insurance Scheme Benefits	13,313,547
SUB TOTAL FOR SOCIAL SECURITY AND WELFARE SERVICES	13,770,038
LABOUR RELATIONS AND EMPLOYMENT SERVICES	
Executive Direction and Administration	499,703
Training	5,070
Regional and International Cooperation	7,344
Regional Direction and Administration	48,046
Manpower Services	219,775
Promotion and Supervision Peace and Safety	466,823
SUB TOTAL FOR LABOUR RELATIONS AND EMPLOYMENT SERVICES	1,246,761
CAPITAL B - SOCIAL SECURITY AND WELFARE SERVICES	
Social Protection Project	382,551
Social Protection Support to the Food Price Crisis	6,000
Support to Improve the Lives of Persons with Disabilities	34,000
PATH Conditional Transfer Programme	39,500
Integrated Social Protection and Labour Programme	4,363,834
Advancing Decent Work for Domestic Employees	1,441
Social and Economic Inclusion of Persons With Disabilities	35,000
SUB TOTAL FOR CAPITAL B - SOCIAL SECURITY AND WELFARE SERVICES	4,862,326
CAPITAL B - ENERGY CONSERVATION AND MANAGEMENT	
Developing an Energy Services Company Industry in Jamaica	24,826
SUB TOTAL FOR CAPITAL B - ENERGY CONSERVATION AND MANAGEMENT	24,826
MLSS TOTAL BUDGETED EXPENDITURE FOR 2013/2014	19,903,951

NOTES