

Jamaica's Budget and IMF Agreement, JUST

JAMAICANS UNITED FOR SUSTAINABLE DEVELOPMENT

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We commend the efforts of the Minister of Finance in coming to grips with some of the most difficult problems in the economy as outlined in his presentation yesterday, in an effort to move the economy from the current state of depression, through to embarking on a path to growth. JUSD has been consistently advocating for a re-negotiation of the IMF agreement and for stimulation in the economy to provide jobs and to attack the worst aspects of unemployment and poverty throughout the country.

This approach of a revenue neutral budget, the proposed extension of the IMF agreement and some of the policies outlined will essentially give more confidence to the market, provide more room and make more capital available to entrepreneurs who must now, as a priority, dedicate their efforts to investment and production. At the same time the banks will become more competitive because of the removal of unnecessary transfer costs for accounts and more latent capital will be made available in the economy through the removal of estate duties and probate costs, particularly for a host of small farmers and landowners who will now be able to access the National People's Cooperative Banks and other institutions for financial assistance.

These efforts along with the Petro Caribe initiative for urban and rural infrastructure development, the reduction in student loan costs and the \$10 billion NWC project are all first steps in the right direction. There is more to be done and JUSD will in particular agitate for the most effective use of the IMF extension proposal and a new, clear, investment code and divestment strategy for the country's assets and equity in dealing with all sectors in the society.

However, relentless efforts must be made to root out corruption, non-performance and waste in the society as well as crime. Civil society and the Trade Unions have to become fully engaged in the co-management of the economy and see to it that every initiative announced through the Budget is implemented without delay. We must advocate relentlessly for the re-negotiation of oil supplies for the country and the new measures proposed for alternative energy sources and JPSCO's operations as the immediate reduction in the cost of energy is priority number 1 for Jamaica.

The Government needs to reconsider the stated reliance on the recovery of the US economy which is bogged down with old economic policies and further engagement in war. The world has changed we need to become more associated with the new dynamos of India, Brazil, Malaysia, Singapore, Russia and to clean up our act with China. The understanding of the Petro Caribe arrangement illustrates this reality.

Encouraging start to end the crisis. The Minister has to become more consultative and seek the best advice at all times, but it going to be up to the Jamaican people to determine the outcome.

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