

CABINET AGENDA ISSUES – 12 DECEMBER 2016

The House is asked to note the following matters which were considered by the Cabinet at its meeting held on 12 December 2016:

1. Contracts;
2. Legislation;
3. Annual Reports;
4. Board Appointments;
5. Guidelines for the Public Investment Management System (PIMS);
6. Tourism Workers Pension Scheme;
7. Approval to Develop the National Youth in Agriculture Policy and Action Plan; and
8. Reports.

Each matter shall be elaborated on in turn.

1. Contracts

1.1. Award of Contract by the Jamaica Information Service – Renovation of Office Space at 5-9 South Odeon Avenue to Relocate the Television Studio from Arnold Road

Cabinet approved the award of a contract in the amount of \$125,100,870.95 to Y.P. Seaton & Associates Company Limited for the renovation of office space at 5-9 South Odeon Avenue.

The Jamaica Information Service is to relocate its television studio from Arnold Road and is renovating its office space at 5-9 South Odeon Avenue to accommodate the relocation exercise.

1.2. Award of Contract – Supply of Aluminium Sulphate – National Water Commission

Cabinet approved the award of a contract in the amount of \$205,075,416.00 to Industrial Chemical Company, for the supply of 3,900 metric tons of aluminium sulphate to the National Water Commission.

The National Water Commission utilises aluminium sulphate as a chemical reagent in its water treatment process.

1.3. Contract for Servicing and Inspecting the Fire Water System at PETROJAM Limited

Cabinet approved, the award of a contract in the amount of \$110,427,442.16 to Quality Plus Contracting Company Limited for the servicing and inspecting of the fire water system at PETROJAM Limited for a two-year period.

The fire water system is the primary fire-fighting tool used at PETROJAM Limited's facilities, and needs to be serviced and inspected as per the Protocol for Servicing and Inspecting fire water systems.

1.4. Contract for D-14 Catalyst for Petrojam Limited

Cabinet approved, the award of a contract in the amount of US\$610,228.81 to Albemarle Corporation for the replacement of a D-14: Gas Oil Hydrofiner Catalyst at the Petrojam Refinery.

The catalyst is used in the D-14: Gas Oil Hydrofiner vessel to remove the impurities of sulphur and nitrogen to reduce the occurrence of equipment corrosion.

1.5. Management and Delivery of Training by Management Institute for National Development (MIND) for the Human Capital Management Enterprise System/Payroll (HCMES/Payroll)

Cabinet approved the award of a contract in the amount of US\$518,341.00 to the Management Institute for National Development for the management and delivery of training for the roll-out of the Human Capital Management Enterprise System/Payroll for approximately 27,000 employees in 14 entities.

The Government of Jamaica received financing from the IDB towards the Public Sector Efficiency Programme to purchase and install a Human Capital Management Enterprise System (HCMES). A part of the financing for the HCMES is for the delivery of training in the use of the supporting software.

1.6. Variation of Contract with United Nations Conference on Trade and development (UNCTAD) to Facilitate Integration of Port Community System with Customs System and Implementation of ASYCUDA Performance Measurement Programme in Jamaica Customs

Cabinet gave approval for the variation in the amount US\$642,000.00, to the contract with United Nations Conference on Trade and Development (UNCTAD) for the implementation of specified extensions to the Jamaica Customs ASYCUDA World Integrated Customs Management System.

The contract, originally valued at US \$1.75 million, is for the development interfaces to facilitate integration between the customs system ASYCUDA World and the Port Community System, and for the implementation of the performance management programme in conjunction with the World Customs Organization, to optimize the productivity and integrity of customs operations using the ASYCUDA World system.

2. Legislation

The Companion Bills Entitled "The Tax Collection (Amendment) Act, 2016", "The Property Tax (Amendment) Act, 2016" and "The Land Valuation (Amendment) Act, 2016"

Cabinet gave approval for the tabling of the companion Bills entitled "The Tax Collection (Amendment) Act, 2016", "The Property Tax (Amendment) Act, 2016" and "The Land Valuation (Amendment) Act, 2016" in the Houses of Parliament.

The Bills collectively seek to assist in maximizing property tax revenue and, to a lesser extent, facilitate the legitimate recognition of the part played by local government in the administration of property taxes.

3. Annual Reports

Cabinet considered the Annual Reports of the:

- (i) Caymanas Track Limited for the Financial Year 2015/2016; and
- (ii) Postal Corporation of Jamaica for the Financial Year 2015/2016.

The Reports will be tabled in Parliament at a later date.

4. Board Appointments

4.1. Maritime Authority of Jamaica

Cabinet approved the appointment of Mr. Donovan C. Walker and Mr. Ian Rose as members of the Maritime Authority of Jamaica with effect from 12 December 2016 to 24 April 2019, when the tenure of the Authority will expire.

4.2. Montego Bay Metro Company Limited

Cabinet approved the appointment of Mr. Andrew Chin as a member of the Board with effect from 12 December 2016 to 17 April 2019, when the tenure of the Board will expire.

5. Guidelines for the Public Investment Management System (PIMS)

Cabinet approved guidelines governing the operation of the Public Investment Management System (PIMS).

The PIMS provides a common framework for the preparation, appraisal, approval and management of public investments within the Specified Public Sector (SPS), irrespective of the source of funding or procurement and implementation modalities. The SPS excludes self-financed public bodies whose operations are certified by the Auditor General as being of a commercial nature. The PIMS seeks to address systemic weaknesses in the government's public investment management system in relation to the planning, design and prioritization of projects for funding.

6. Tourism Workers Pension Scheme

Cabinet approved:

- (i) the establishment by an Act of Parliament of a defined contribution tourism workers' pension scheme, with contributions payable by both employers and employees;
- (ii) an endowment of \$1 Billion from the Tourism Enhancement Fund to the Pension Fund to be created, to assist in bridging the initial gap of the Tourism Workers Pension Scheme;
- (iii) the required amendment to the Tourism Enhancement Fund Act;
- (iv) the granting of the same tax privileges to the Tourism Pension Scheme as enjoyed by, and available to- all superannuation funds and retirement schemes that were approved under the Income Tax Act; and
- (v) the issue of the necessary drafting instructions to the Chief Parliamentary Counsel.

The establishment of a defined contribution pension scheme for tourism workers, with contributions provided by both employer and employee, beginning initially with the accommodations sub-sector, has been deemed necessary as the majority of tourism workers currently have no arrangements for post-retirement income.

7. Approval to Develop the National Youth in Agriculture Policy and Action Plan

Cabinet approved the development of the National Youth in Agriculture Policy and Action Plan.

The Policy and Action Plan are aimed at developing and attracting youth entrepreneurs and sophisticated investors to the agricultural sector, as well as providing the basis for a legislative framework to address the challenges currently affecting youth participation in agriculture. The introduction of the Policy is vital to facilitating food and nutrition security; and it is intended to provide the framework for guiding all the agencies and institutions contributing to the development of the agricultural sector, using the youth population as the vehicle.

8. Reports

8.1. National Forum Health Financing Toward Universal Health in Jamaica: International Experiences and Policy Options

Cabinet considered a report from the Minister of Health advising of the National Forum on Health Financing toward Universal Health in Jamaica held at the Pegasus Hotel, Kingston, over the period 8 to 9 December 2016.

The report informed that the holding of the forum was the inception of a series of collaborative and awareness building events, designed to bring together government and relevant stakeholders to discuss feasible options for health-financing alternatives for Jamaica, with an emphasis on the national health insurance scheme as well as to encourage discussion on different options and perspectives among participants; and to seek harmony among various national and sector strategies.

8.2. High-Level Meeting on Information Systems for Health (IS4H) Advancing Public Health in the Caribbean Region

Cabinet considered a report from the Minister of Health advising of the outcomes of a high-level meeting on Information Systems for Health (IS4H), geared towards strengthening public health in the Caribbean Region, held in Kingston during the period 7 to 8 November 2016.

The report informed that the meeting, which included a number of Ministers of Health from countries of CARICOM, leading regional health experts, United Nations (UN) agencies and international government representatives, explored how the use of new information tools and technologies could improve public access to health coverage and services. It also provided information on the objectives of the meeting, as well as the four strategic approaches, including universal access to health and universal health coverage, health in all policies, e-Government and open and big data initiatives.

8.3. Loss of Airfield Lighting at the Norman Manley International Airport (NMIA), Kingston, 26 November – 1 December 2016

Cabinet considered a report from the Minister of Transport and Mining, advising of the partial loss of the runway and taxiway lighting at the Norman Manley International Airport (NMIA), Kingston, over the period 26 November to 1 December 2016.

The report informed that the loss of lighting was an unusual occurrence and was the result of a defective electrical supply circuit. The situation was addressed by the Engineering, Maintenance and Projects Units of the Airport Authority of Jamaica/Norman Manley International Airport Limited, assisted by a technical team from Telecommunications, Sales and Service Limited, a local company. It further informed that during the period of partial loss, a number of battery-operated emergency lighting lanterns were utilized in an effort to ensure that the airfield maintained compliance with the operating standards.

8.4. Minister of Health's Visit to Canada, 1-3 November 2016

Cabinet considered a report from the Minister of Health, advising of the outcome of the visit to Food for the Poor in Ottawa, Canada, during the period 1 to 3 November 2016.

The report informed that the Minister was the featured speaker at the Annual Thanksgiving Lunch hosted by Food for the Poor Canada. It also noted the various meetings between the Minister and high-level health officials in Toronto. In terms of the way forward, the report informed of possible funding to be provided by Health Canada for the proposed Mosquito Unit at the University of the West Indies, as well as the formalization of an agreement for training of Jamaican nurses.

The Honourable House is asked to note the foregoing.



Andrew Holness, MP
Prime Minister
31 January 2017