MINISTRY PAPER No. 5/ - 2019

CABINET AGENDA ISSUES - 10 JUNE 2019

The House is asked to note the following matters which were considered by the Cabinet at its meeting held on 10 June 2019:

- 1. Contracts;
- 2. Board Appointment;
- 3. Joint Venture Agreement for the Shooters Hill Housing Development in Portmore, St. Catherine;
- 4. Human Employment and Resource Training/National Training Agency Hosting of International Labour Organisation/Cinterfor Sub-regional Workshop; and
- 5. Analysis of the 2017 Poverty Rate.

Each matter shall be elaborated on in turn.

1. Contracts

(i) Supply and Delivery of Bulk Fuels to the Harbours Department of the Port Authority of Jamaica Cabinet approved the award of a contract in the amount of \$233,276,849.63 to the Petroleum Company of Jamaica Limited for the supply and delivery of 1,663,824 litres of automotive diesel oil, 32,730 litres of ultra-low sulphur diesel, and 90,000 litres of 90-octane unleaded gasoline, to the Harbours Department of the Port Authority of Jamaica (PAJ), for a period of three (3) years.

To carry out its operations, the Harbours Department of the PAJ uses large amounts of fuel, which will be provided through this contract.

(ii) Extension and Variation of Contracts for the Supply of Medical Sundries, National Health Fund Cabinet approved the extension and/or variation of six contracts for the supply of medical sundries for a period of 12 months for the National Health Fund, as follows:

SUPPLIER	Original Contract (US\$) 18 Months	Variation (US\$) 12 Months	Revised Sum (US\$) 30 months
Renal Dynamics LLC Sund	1,203,439.00	800,000.00	2,003,439.00
Medical Dispos./ Morningside Sund	1,190,289.00	600,000.00	1,790,289.00
Shanghai Channelmed	976,102.18	420,000.00	1,396,102.18
Troge	864,300.00	600,000.00	1,464,300.00
Scientific Supplies & Tech Sund	862,919.09	570,000.00	1,432,919.09
GST Corporation	479,762.34	300,000.00	779,762.34

Due to unavoidable delays in the commencement of new procurement arrangements for sundries, current suppliers have been asked to extend or vary their current contracts for a period of twelve (12) months up to 30 November 2019.

2. Board Appointment

Creative Production and Training Centre

Cabinet approved with the appointment of members to the Board of Directors for a period of three (3) years, with effect from 10 June 2019 to 9 June 2022 as under:

- 1) Ms. Rochelle Cameron Chairman;
- 2) Mr. Lenford Salmon Deputy Chairman;
- 3) Mr. Elon Parkinson;
- 4) Mr. Delroy Morgan;
- 5) Mr. Kenrick Barnaby;
- 6) Mr. Franklyn St. Juste;
- 7) Dr. Dennis Howard;
- 8) Mrs. Shirley McLean-Brown; and
- 9) Ms. Jo-Anne Archibald.

Joint Venture Agreement for the Shooters Hill Housing Development in Portmore, St. Catherine Cabinet gave approval for the Minister of Housing and the Housing Agency of Jamaica Limited to enter into a Joint Venture Agreement with RiteSolutions Developers Limited for the construction of 623 one, two, and three-bedroom housing units on 63.55 hectares (157 acres) of land in two phases

over a period of 58 months at Shooters Hill in Portmore, St. Catherine.

This proposal is in accordance with the Housing Public-Private Partnership Policy (2008) which provides the framework for housing Joint Ventures (on land owned by Government) and housing facilitation projects (on privately-owned lands).

4. <u>Human Employment and Resource Training/National Training Agency Hosting of International Labour Organisation/Cinterfor Sub-Regional Workshop</u>

Cabinet gave approval for the hosting of the International Labour Organisation (ILO)/Cinterfor subregional workshop by the Human Employment and Resource Training/National Training Agency (HEART Trust/NTA), scheduled for 19 to 21 June 2019.

The HEART Trust/NTA will host the workshop for English-speaking, Caribbean Association of National Training Authorities (CANTA) Member States, which allows English-speaking Caribbean technical and vocational education and training (TVET) institutions, to assess the gaps and challenges that exist in the Caribbean, strengthen the sub-regional coordination and cooperation mechanism, and contribute to greater visibility of the vocational training agenda of the members of CANTA.

5. Analysis of the 2017 Poverty Rate

Cabinet considered a report from the Ministry of Finance and the Public Service on the poverty rates for 2017, calculated from the Jamaica Survey of Living Conditions (JSLC) data.

The report informed that in 2017, the economy grew by 1.0 per cent and registered an increase in the number of people employed by 26,200 by July 2017 but, despite the positive outturn, the overall poverty rate increased by 2.2 percentage points to 19.3, compared to 17.1 percent recorded in 2016, due to increases in the Kingston Metropolitan Area (KMA) and Other Towns.

The report further informed that the regional poverty rates were 17.1 percent for the KMA and 20.1 percent in Other Towns and Rural Areas, respectively; the overall increase in poverty reflected regional increases of 5.2 percentage points in the KMA and 4.1 percentage points in Other Towns; and conversely, the poverty rate recorded for Rural Areas was similar to the rate recorded in the previous year, that is, 20.1 percent in 2017 compared with 20.5 percent in 2016.

The report also informed that the KMA, after recording declines for four consecutive years, registered the largest increase in poverty, reflecting a decline in mean per capita consumption in real terms by 30.0 percent; and an increase in poverty was recorded for Other Towns for the second consecutive year, which worsened the standard of living in that region. It advised that despite a contraction in the agriculture sector due to severe flooding in 2017, rural area poverty remained stable at 20.1 percent and noted that the measures introduced by the Government assisted in curtailing an increase in the poverty rate.

The Honourable House is asked to note the foregoing.

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July 2019

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