



THE PLANNING INSTITUTE OF JAMAICA

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DROUGHT CONDITIONS PUT CURB ON GROWTH; AGRICULTURE DECLINES FOR JULY TO SEPTEMBER —PIOJ

Drought conditions during the months of June and July severely impacted agricultural production which weakened the overall performance of the economy for the July to September period. Real GDP was estimated to have contracted by 0.8 per cent, due to a decline in the Goods-Producing Industry, down 5.5 per cent, as the Services Industry grew by 0.6 per cent. This announcement was made by Director General, **Planning Institute of Jamaica (PIOJ), Mr. Colin Bullock**, during the Institute's quarterly press briefing, this morning, Wednesday, November 19, 2014, as he provided an update on the performance of the economy and the indicators of well-being that track Jamaica's progress towards achieving the *Vision 2030 Jamaica* goals. Implementation of major growth inducing projects, he explained, and initiatives to improve the competitiveness of the business environment, are expected to result in a turnaround in the economy over the short to medium term.

Agriculture recorded the largest decline within the Goods Producing Industry, down 21.0 per cent during the period following three quarters of consecutive growth. All other Goods-producing industries registered declines (Mining & Quarrying down 2.0 per cent and Manufacturing down 0.2 per cent) with the exception of Construction which showed an increase of 1.2 per cent. Improvements were however seen in the performance of most Service industries, said the Director General, with the exception of Government Services, down 0.2 per cent and Electricity & Water, down 0.8 per cent.

Within the Labour Market, the total employed labour force increased by 16, 700 persons to 1, 124, 600 compared with the corresponding period last year. The total unemployed labour force decreased by 22, 200 persons in July 2014 (compared with the level recorded in July 2013). The unemployment rate was 13.8 per cent or 1.6 percentage points lower than the rate recorded for July 2013.

According to the Director General, prospects for growth within the upcoming October to December period remain positive with real GDP expected to grow within the range of 0.5 per cent to 1.5 per cent. Continued strengthening of confidence levels, contingent on the successful completion of the sixth quarterly IMF review, as well as a possible rebound within the Agricultural industry should spur growth.

Governance, Social and Environment Indicators

Under the Vision 2030 Jamaica-National Development Plan framework, Education, Labour Force Quality and Security Status were the three indicators under review. Under Education, 38.6 per cent of students sitting the CSEC examinations in 2014 attained passes in five or more subjects, including English Language and/or Mathematics. This represented an increase of 6.7 percentage points from the 31.9 per cent of students attaining similar passes in 2013. Labour Force Quality continued to show improvements with an average of 26.0 per cent of the total labour force having vocational or professional certification based on the quarterly labour force survey for July 2014. This represented an increase of 1.4 percentage points from 24.6 per cent in the July 2013 survey. Crime rates continued to trend downward, under Security Status, in terms of Category 1 Crimes, including Serious and Violent and Acquisitory Crimes. A total of 236 Category 1 Crimes per 100,000 population were committed over the period January to September 2014, showing a decline of 12.8 per cent from 271 per 100,000 population over the similar period in 2013. Murder rates also trended downwards for the January to September 2014 period to 27.0 per 100,000 population, down 17.8 per cent from 32.9 per 100,000 population over the similar period last year.

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