The Planning Institute of Jamaica's Review of Economic Performance, July–September 2026 Media Brief November 24, 2026

1. Overview – Current Economic Context

Ladies and gentlemen, good morning. Before I provide the details on economic performance, let me take this opportunity to remind you of the purpose of these quarterly economic estimates provided by the PIOJ. These preliminary figures are released approximately six weeks after the end of each quarter and are based on the most current data available from key sources. They provide an early indication of economic trends and performance across major industries.

The release of preliminary estimates aligns with international best practices, where it is standard procedure for economies to publish early indicators ahead of final official figures. In the case of Jamaica, the PIOJ releases the preliminary growth estimate within the first six weeks following the end of the quarter being reviewed, and STATIN releases the official GDP figures at the end of the 3rd month following the quarter being reviewed.

The preliminary out-turn is used by various stakeholders, including our International Development Partners, the Private Sector, as well as the Government, for whom the magnitude and direction of sectoral performance is critical to inform planning and policy-related decisions.

Today, we are reporting that the economy contracted by an estimated **2.7%** during the July–September 2026 quarter, relative to the corresponding quarter of 2025. The estimated out-turn for the review quarter largely reflected the downturn in most industries due to the lingering impact of Hurricane Melissa. The hurricane led to an estimated decline in domestic demand as a result of a reduction in the Employed Labour Force and lower levels of business and consumer confidence.

However, there are encouraging signs that the recovery is gaining traction, as while economic activity remained below that of the corresponding quarter of 2025, the pace of contraction has moderated with each successive quarter. This progressive easing in the rate of decline suggests that recovery efforts are beginning to take hold, providing a foundation for a more sustained recovery in the periods ahead.

2. Real Sector Developments

Developments in the Goods-Producing Industry

The Goods-Producing Industry is estimated to have contracted by **7.3%,** reflecting lower output in all industries with the exception of Construction.

Agriculture

Real Value Added for the **Agriculture, Forestry & Fishing** industry contracted by **18.9%**, largely reflecting lower output for both the Other Agricultural Crops and Traditional Export Crops sub-industries. This out-turn stemmed from weather-related shocks, namely the residual effects of Hurricane Melissa compounded by drought conditions associated with the El Niño effect.

Output from the *Other Agricultural Crops* component was estimated to have declined by 17.8%. Lower production was recorded for eight of the nine crop groups, with the largest decreases recorded for: Legumes 47.0%; Plantains, 45.8%; Potatoes, 25.0%; Vegetables, 22.1%; and Condiments, 20.8%.

However, increased output was recorded for Cereals, up 13.4%.

Traditional Export Crops contracted by 44.2% due to lower output in three of four crop groups. Declines were recorded for, Banana, 44.8%; Coffee, 22.7%; and Cocoa 74.0%.

Animal farming was estimated to have increased by 4.8% due to the combined effect of higher Poultry meat production, up 6.2% and higher egg production, up 0.2%.

Mining & Quarrying

Real Value Added for **Mining & Quarrying** fell by 23.5%, due to lower output in the Bauxite & Alumina and Quarrying sub-industries. Lower output stemmed from the lingering effects of Hurricane Melissa on operations which caused infrastructure damage.

Alumina production fell by 24.5%, reflecting a fall in the alumina capacity utilization rate to 28.6%, down 9.2 percentage points, compared with the corresponding quarter of 2025.

Crude Bauxite production also decreased, with output down 37.6%. The average bauxite capacity utilization rate fell to 20.8%, down 12.5 percentage points.

The *Quarrying sub-industry* was estimated to have declined by 52.6%, reflecting lower production for six of the ten industrial minerals surveyed. The largest absolute contractions were recorded for Sand & Stone, Whiting, Shale, and Gypsum.

Manufacturing

Real Value Added for the **Manufacturing** industry decreased by an estimated **1.8%,** due to lower output in the *Food, Beverages & Tobacco* and *Other Manufacturing* sub-industries.

The contraction in the *Food, Beverages & Tobacco* sub-industry stemmed from reduced production of Sugar, down 14.9%; Flour, down 4.8%; Corn Products, down 2.1%; and Rum & Alcohol, down 18.6%.

A further contraction was tempered by increased production of Edible Fats, up 7.1%; Broiler Meat, up 6.8%; Dairy Products, up 4.5%; and Carbonated Beverages, up 3.5%.

In the case of the *Other Manufacturing* sub-industry, the contraction primarily stemmed from lower production of Petroleum Products and Non-metallic Minerals. Production of all Petroleum Products surveyed decreased, led by: Automotive Diesel Oil, down 70.3%; LPG, down 60.8%; Turbo Fuel, down 46.0%, and Gasoline, down 28.6%. The refinery service factor declined by 18.9 percentage points to 73.6% due to the closure of the refinery for twenty-five days during the quarter.

Lower output of the Non-metallic Minerals category stemmed from, declines in the production of Cement (down 10.2%) and Clinker (down 30.8%).

Construction

Real Value Added for the **Construction** industry was estimated to have increased by **1.4%**, extending its growth momentum for a second consecutive quarter. Growth was the result of an expansion in the *Building Construction* component while the *Other Construction* component was estimated to remain flat. The industry's performance

was supported by a 9.0% real increase in the sales of construction-related inputs. Additionally, cement supply increased by 11.7% to 355 536 tonnes.

The performance of the *Building Construction* component was mainly due to the growth in the residential category. Housing starts by the NHT increased by 209.9%, primarily driven by new housing starts at the Greater Bernard Lodge development, as well as the construction of semi-permanent homes for beneficiaries impacted by Hurricane Melissa.

The flat performance of the *Other Construction* component was reflective of the marginal increase in capital expenditure on civil engineering activities, largely stemming from:

1. National Road Operating & Construction Company (NROCC), disbursed $4.5 billion, an increase of 28.9% relative to the corresponding quarter of 2025. Expenditure during the review quarter was primarily on the Long Hill bypass component of the Montego Bay Perimeter Road project.

However, lower capital expenditure was recorded for:

1. National Works Agency, which disbursed $1.6 billion, a decline of 18.1% relative to the corresponding quarter of 2025. The expenditure during the quarter was associated with road construction works on the SPARK programme and the Troy Bridge.

2. JPS, which disbursed $0.7 billion, down 62.1% relative to the corresponding quarter of 2025. Disbursements during the quarter included expenditure on activities related to the transmission, distribution and generation of electricity, and
3. Port Authority of Jamaica, which disbursed $0.3 billion, down 80.8%. This expenditure was for works related to construction at the Falmouth Cruise Pier, the Montego Bay Free Port and the Caymanas Economic Zone.

Developments in the Services Industry

The Services Industry was estimated to have contracted by 1.1%, relative to the corresponding quarter of 2025, reflecting lower Real Value Added for six of the nine services industries.

Electricity, Water Supply & Waste Management

The **Electricity, Water Supply & Waste Management** industry was estimated to have contracted by **2.1%,** reflecting lower electricity and water consumption. This stems from decreased demand associated with reduced economic activity, as well as the impact of drought conditions on water production.

Electricity consumption fell by 1.0%, reflecting lower consumption in three of the six categories, namely:

- Largest Power (single locations with a minimum peak demand of 2000 kVa), down 17.8%;
- Large Power (Businesses using more than 500kVa), down 12.8%; and

- Power Service (large businesses using more than 25 kVa but less than 500 kVa), down 1.1%.

These decreases were partially counterbalanced by, increases in:

- Residential, up 4.1%;
- General Service (small businesses using less than 25 kVa), up 3.7%; and
- Street Lighting & Traffic Signals, up 0.2%.

Water consumption decreased by 4.2%, reflecting the combined impact of a 6.9% decline in the Western Division and a 2.8% decline in the Eastern Division. The downturn largely reflected the drought conditions which prevailed during the quarter. Lower consumption was recorded in 11 of the 14 parishes including, Kingston & St Andrew, down 4.4%; St James, down 9.9%; St Ann, down 4.0%; and Clarendon, down 7.9%.

Transport & Storage

Real Value Added for the **Transport & Storage** industry declined by **4.5%** relative to the corresponding quarter of 2025. This was due to lower levels of activity in both the Transport and Storage components of the industry, driven by a decline in:

- the air transport sub-component, reflecting a 22.6% downturn in passenger movement, stemming from Departures (down 23.2%); and Arrivals (down 22.4%); and

- maritime transport activities, reflecting a 4.7% decrease in total cargo handled, due to Port of Kingston, down 5.7%, and Outports, down 0.3%.

Wholesale & Retail Trade; Repairs; Installation of Machinery Equipment (WRTRIM)

Real Value Added for the **WRTRIM** industry was estimated to have expanded by 0.4%, due to:

- An estimated real increase of 1.2% in real gross sales; and
- Growth in the related Construction industry.

Higher sales were recorded for six of the eight categories, including:

- Minerals, Fuels, Lubricants & Petroleum Products, up 17.3%
- Textiles, Clothing, Shoes & Jewellery, up 11.0%
- Hardware, Building Supplies and Electrical Goods and Machinery, up 8.5%; and
- Wholesale of Household Goods & Office Equipment, up 8.0%.

Financial and Insurance Activities

Real value added in the **Financial and Insurance Activities** industry grew by 2.7%. This out-turn was attributed to greater revenues earned at deposit-taking institutions from net interest income, fees and commission.

Accommodation & Food Service Activities

Real Value Added for the **Accommodation & Food Service Activities** industry was estimated to have declined by **10.3%**,

reflecting the unavailability of some hotel rooms for rehabilitation, as well as higher airfares which adversely affected travel demand. Preliminary data indicate that stop-over arrivals for the quarter was 572 943 visitors, representing a decrease of 17.9%. Preliminary Foreign exchange earning for the quarter was US$896.9 million, a decrease of 12.2%.

GDP Performance: January–September 2026

For the first nine months of 2026, real GDP was estimated to have decreased by **3.2%.** This reflected lower Real Value Added of 7.0% for the Goods Producing Industry, and 2.0% for the Services Industry.

The most significant contributors to this decline were Agriculture, Forestry & Fishing, down 17.4%; Mining & Quarrying, down 24.4%; and Accommodation & Food Service Activities, down 13.1%.

3. Employment Update….

Turning to highlights of the July 2026 Labour Market Survey fielded by STATIN, the data indicated that:

- The **Employed Labour Force was 1 419 200** as at July 2026, a decrease of 21 900 persons.
- The **unemployment rate was 3.4%**, up 0.1 percentage point. The **youth unemployment rate was 9.7%**.
- The number of persons outside the labour force grew by 21 800, reaching 687 300 individuals.

4. Short-Term Economic Outlook: October–December 2026 and Fiscal Year 2026/27

We will now turn to the short-term prospects for the Jamaican economy. The prospects are generally positive, reflecting the ongoing recovery efforts from the devastating impact of Hurricane Melissa. This outlook stems from forecasted higher levels of output for most industries due to the low production base in the corresponding quarter of 2025. The industries which were most impacted are expected to record strong growth, particularly Accommodation & Food Service Activities; Transport & Storage; Electricity, Water Supply & Waste Management; Information & Communication; as well as Agriculture, Forestry & Fishing.

Specifically, economic activity is projected to strengthen, supported by improved weather conditions following the easing of the drought/dry spell, which is expected to boost agricultural production and water output. Growth is also anticipated to benefit from the reintegration of hotel rooms that were temporarily removed for rehabilitation and repair following damage sustained during Hurricane Melissa. In addition, continued momentum in the Construction industry, particularly in the residential and civil engineering components, is expected to provide further support to overall economic growth.

Preliminary data for October 2026 indicate that total bauxite production grew by 4.7%, reflecting a 4.9% increase in alumina production as crude bauxite production declined. With respect to tourism

performance preliminary data indicate that for October 2026, total airport arrivals was 148 912, a decline of 2.7%. This outturn is the first single digit contraction since the shock of Hurricane Melissa and represents a significant moderation in the rate of decline in monthly tourist arrivals.

In light of the foregoing, it is projected that the economy will grow within the range of **4.5%–5.5% during October–December 2026**. This performance would end four consecutive quarters of year-on-year economic contraction, reflecting the gradual recovery.

In light of the foregoing, the economy is expected to return to an overall positive out-turn for fiscal year 2026/27, within the range of **1.0% to 2.0%**.

5. National Social Protection Committee (NSPC) Annual Policy Forum

The quarterly estimates outlined above provide an indication of how the Jamaican economy is performing. Equally important to national development is the capacity of households to participate in the economy and withstand changes in circumstances. Unemployment, serious illness or the loss of a livelihood following a natural disaster can extend beyond an immediate loss of income, affecting a family's ability to keep a child in school, meet care costs or return to work. Access to support is therefore critical, underscoring the direct bearing

of an effective social protection system on Jamaica's economic prospects.

Recently, the Planning Institute of Jamaica convened the National Social Protection Committee's Annual Policy Forum under the theme *Repositioning Social Protection in a Digital Jamaica: Enhancing Delivery, Bridging the Gap*. The Forum brought together government and non-government partners working on digital inclusion, complemented by the International Labour Organization's insights from other countries' experience in digital social protection delivery. Discussions centred on a key national question: How can Jamaica leverage digital investments to extend social protection and improve the quality of public support, leaving no one behind?

Effective coordination among public institutions is essential, as households experiencing income loss may require assistance from multiple agencies. Timely referrals, follow-up and confirmation of support can improve service delivery. The ICT Authority's public sector digital transformation work is relevant in this regard, although effective coordination also requires agreement on information-sharing, data protection and institutional responsibilities. These are important considerations for the National Social Protection Committee and the PIOJ's work with partner agencies under the National Poverty Reduction Programme.

Hurricane Melissa underscored the need for responsive social protection systems.

Through the Social Protection for Increased Resilience and Opportunities (SPIRO) Project, a partnership between the Government of Jamaica and the World Bank, the Ministry of Labour and Social Security is strengthening the information systems that underpin major social protection programmes and labour market services. This will help agencies identify people's needs earlier and respond more effectively.

As we strengthen those systems, we must pay equal attention to how people actually use the services. At the Forum, the National Council for Senior Citizens and the Jamaica Council for Persons with Disabilities drew attention to the need for assisted services and compatibility with assistive technologies. The SlashRoots Foundation showed how co-design can help address those needs by involving the people who will use a service from the outset.

Accessible services must go hand in hand with opportunities to develop digital skills. The Ministry of Education, Skills, Youth and Information highlighted how technology can support learners at risk of exclusion. The value of partnership was also highlighted in the work of HEART/NSTA Trust and the National Council for Senior Citizens, which are helping varying groups to build the confidence to use digital devices and applications independently.

The same attention to people's experience must guide how we deliver benefits. The Bank of Jamaica highlighted that electronic payments can make benefits quicker and less costly to access. For a household relying on those funds to pay for essentials, what matters is:

- whether the money is available on time,
- whether it can be accessed securely and conveniently, and
- whether help is available if something goes wrong.

As we approach the final three years of Vision 2030 Jamaica, these are practical considerations for advancing our first national goal of empowering Jamaicans to achieve their fullest potential. Guided by the Jamaica Social Protection Strategy, we must ask whether we are reaching people previously excluded, responding as household needs change and keeping essential services available during disruptions.

Through its chairmanship of the National Social Protection Committee and the National Poverty Reduction Programme Committee, the PIOJ will continue to bring partners together to strengthen a social protection system that upholds people's rights, supports them throughout their lives and enables them to participate fully in Jamaica's development.

6. Best Practice Symposium (Parenting)

Through its Community Renewal Programme (CRP), the Planning Institute of Jamaica (PIOJ) also recently hosted the 11th Annual Best Practice Symposium for Social and Community Development, followed by a Parenting Village at the Emancipation Park. The two-day initiative focused on the role of positive parenting in child development, violence prevention, family strengthening and community transformation.

Key insights included:

- Positive parenting, non-violent caregiving and early childhood stimulation promote healthy child development and violence prevention.
- Parenting interventions should be evidence-informed and responsive to family circumstances.
- Successful scaling requires early planning, contextual adaptation while preserving core programme components, and continuous monitoring. The UWI's Reach Up programme, implemented in 21 countries and being scaled through two versions at Jamaica's maternal and child health clinics by the Ministry of Health and Wellness, was highlighted as an example.
- Collaboration among government, communities, development partners and civil society is vital to strengthening family support.

Key recommendations from the Forum included:

1. Expand evidence-informed parenting programmes, particularly in vulnerable communities.
2. Strengthen coordination and referral systems among service providers.
3. Document, evaluate and scale successful interventions while preserving essential programme components.
4. Strengthen monitoring and evaluation of parenting programmes.
5. Sustain the Parenting Village through periodic implementation and wider outreach.
6. Support the review and dissemination of the National Parenting Support Policy.

7. Update and disseminate UNICEF Jamaica's 2020 Directory of Services for Children and Families, and
8. Strengthen public education on positive parenting and available support services.

7. Conclusion

In summary, during the review quarter, the Jamaican economy continued to be affected by the lingering effects of hurricane Melissa as well as the drought conditions which have prevailed since early 2026. Following declines in the first two quarters of fiscal year 2026/27, the expectation is that the economy will record relatively robust rates of economic growth in the second half of the fiscal year, particularly given the very low base recorded in the latter half of FY2025/26. The industries which recorded the sharpest downturn following Hurricane Melissa are expected to lead the recovery and record strong performances during this period as output levels normalize.

Key factors expected to influence performance during the latter half of FY2026/27, include:

a. An expected easing in the drought conditions which has been impeding the recovery effort in agricultural production during the period April–September 2026
b. Continued strengthening of the momentum in the Construction and WRTRIM industries which have already recorded positive performances in the April to June 2026 quarter

c. Expected strengthening in the performance of Accommodation & Food Service Activities as more hotel rooms become available following the repairs and renovation work necessitated by Hurricane Melissa.

Economic growth is also expected to be supported by a steady strengthening in domestic demand reflecting anticipated improvements in the employed labour force as well as in consumer and business confidence levels.

Furthermore, economic growth among Jamaica's main trading partners is anticipated to progressively drive external demand. Additionally, a potential de-escalation or resolution of the ongoing conflict in the Middle East could alleviate pressures arising from elevated energy costs, thereby supporting productive activity. Growth prospects are further expected to benefit from continued progress in reconstruction, rehabilitation, and restoration efforts.

In closing, I want to acknowledge and thank the very dedicated team here at the PIOJ. I encourage all Jamaicans to continue to collaborate in advancing our recovery and building a stronger, more resilient Jamaica, as we sustain our efforts to make ***Jamaica, the place of choice to live, work, raise families and do business.*** May God continue to bless Jamaica, land we love.