

8 DECENT WORK AND ECONOMIC GROWTH



GOAL 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Context

Jamaica continued to make progress in building economic resilience to achieve sustained inclusive economic growth and job creation through macroeconomic and business environment reforms. However, as a small, service-oriented (approx. 76 per cent of GDP), open economy (total trade approx. 90.0 per cent of GDP in 2019), that is highly indebted, the COVID-19 pandemic and the associated Public Health & Social Measures (PHSM) implemented to stem its spread globally and domestically, resulted in a worsening in GDP and labour market indicators in 2020. The level of decline was exacerbated by the fact that approximately three out of every five persons that are in the labour force have never received any formal training,⁹³ which hindered their ability to pivot and the lack of economic diversification, especially in Jamaica's export basket (highly concentrated in Tourism and Alumina). Over the years, the labour market has grappled with unemployment, underemployment and a high level of informality, at a time when the working-age population has been increasing 0.2 per cent annually.⁹⁴ The country has implemented several strategies to address these issues in its quest to promote sustained, inclusive growth and decent work.

The previous VNR highlighted structural issues in Jamaica that contributed to anaemic economic growth, low productivity, as well as high levels of informality. Progress has been made in addressing these issues. However, the COVID-19 pandemic has highlighted the deficiencies and vulnerabilities in the economy and labour market and has presented an additional obstacle along the road to achieving decent work in Jamaica.

The review for the period 2018–2022 summarizes key achievements, issues and challenges concerning decent work and economic growth.

⁹³ According to an October 2020 labour force survey, 807,600 persons were reported as having no training, from a labour force of 1 297 700. Source: The Jamaica Labour Force Survey 2020 Annual Review.

⁹⁴ Source: The Jamaica Labour Force Survey 2020 Annual Review.

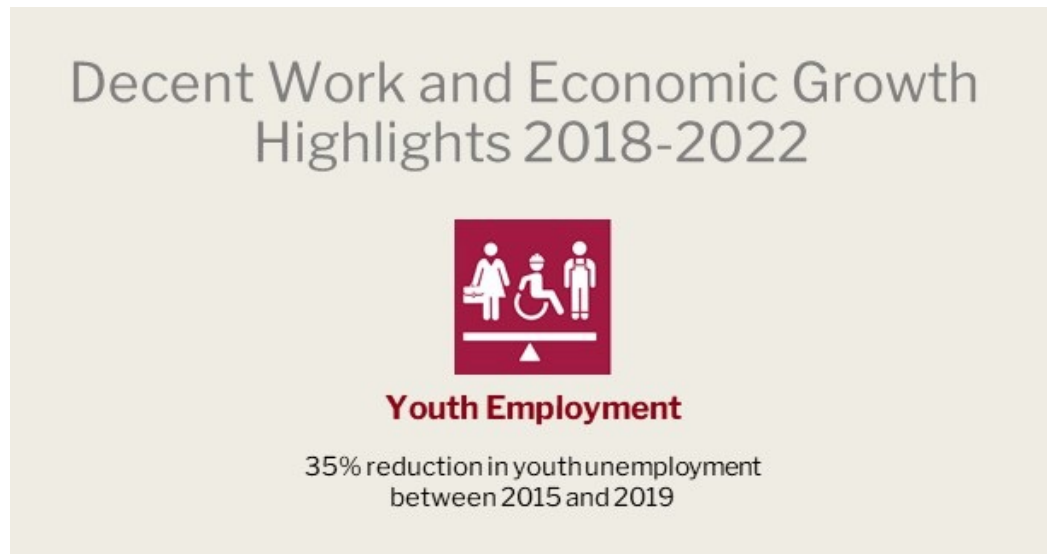


FIGURE 37: HIGHLIGHTS DECENT WORK AND ECONOMIC GROWTH (2018–2022)

Discussion

Target 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors

Over the years, productivity has been an issue in Jamaica. During the 2018–2021 period, the GOJ through the Jamaica Productivity Centre (JPC) continued to prioritize and promote national productivity-conscious culture. It is estimated that the growth rates for selected productivity indicators were as follow:

- Growth of labour productivity at 0.6 per cent in 2018, after consecutive years of negative growth caused by gains in employment exceeding real GDP growth (Figure 38).
- Capital Productivity grew by 0.6 per cent in 2018 and declined by 0.6 per cent in 2019.
- Total Factor Productivity grew by 0.7 per cent in 2018 and declined by 1.2 per cent in 2019.

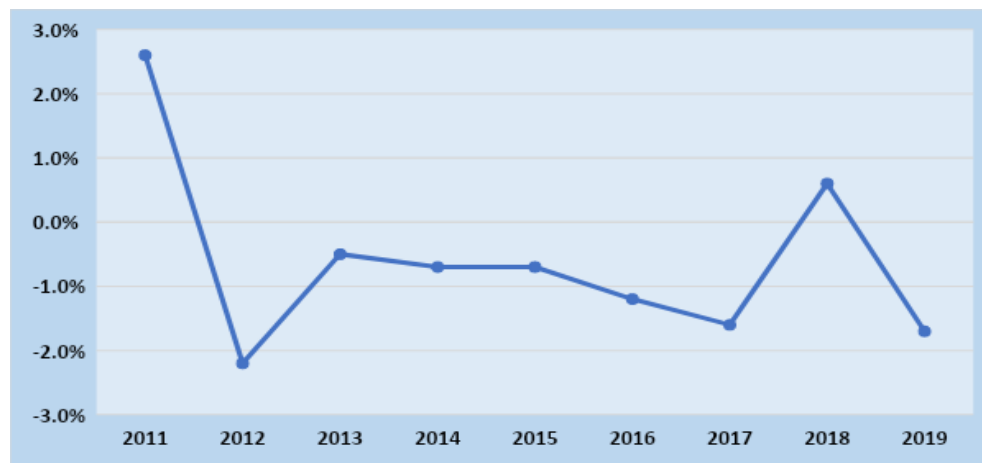


FIGURE 38: ANNUAL VALUE ADDED PER WORKER 2011–2019
SOURCE: JAMAICA PRODUCTIVITY CENTRE

In 2019, the employed labour force increased by 2.6 per cent. This exceeded the rate of real GDP growth (0.9 per cent) and resulted in labour productivity declining by 1.7 per cent. The decline in Capital Productivity by 0.6 per cent reflected capital stock growing more than the rate of GDP. This was an indication of increased investments. Factors such as workforce skills, quality of management, governance, and investment climate, among other things (not including factors of production) affected the total factor productivity negatively.

The onset of the COVID-19 pandemic in 2020 put a strain on Jamaica's already low levels of productivity. There was a worsening of already weak aggregate demand, slowing international trade and decreased gains in human capital attainment, which have all hampered global productivity growth. Preliminary data suggest that output per worker in Jamaica for the April–June 2020 period declined by an estimated 8.7 per cent compared with the similar quarter of the previous year.⁹⁵

This decrease mainly represented record reduction in economic activity related to travel, tourism, personal care services and agriculture. For April–June 2021, preliminary estimates for output per worker indicated a 5.4 per cent increase. This reflects the economy's march toward recovery. This increase has been supported by productivity gains in areas such as ICT and manufacturing as well as the gradual restart to travel and tourism activities. The growing need for ICT is notable, as the pandemic has presented some opportunities with increased instances of remote work, online schooling, and expanded internet access and e-commerce activity. Additionally, the closing of brick & mortar branches and increased use of technology in some industries such as Finance & Insurance Services and Water & Electricity have encouraged capital deepening (the increase in capital relative to labour) which will continue to support improvements in labour productivity. Notwithstanding the opportunities, significant challenges were also experienced with regards to: inadequate bandwidth, lack of ICT and device access, in particular in the rural areas etc.

Target 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services

High levels of informality have been a longstanding issue in Jamaica with estimates of up to 44.0 per cent of GDP.⁹⁶ The number of persons informally employed in 2020 was 453 500 or 46.8 per cent of non-agricultural employment, a significant decline from the 477 200 persons in 2018.

To combat the many development and growth challenges associated with high levels of informality, the government has collaborated with the ILO to provide technical training and entrepreneurial coaching for micro and small business operators in the agriculture and fisheries sectors. This will enable registered farmers and fisher folks to become formalized. Additionally, the government continued to provide a range of services through key agencies such as the Jamaica Business Development Corporation (JBDC) covering all stages of the business development cycle while also supporting existing informal MSMEs on the path to formalization.

The GOJ has also persisted with the implementation of the updated MSME and Entrepreneurship Policy (2018) that seeks to reduce the number of informal businesses by facilitating an enabling policy and programmatic environment for business formalization. Formalising MSMEs can broaden the tax base but also provide net benefits to firms and

95 Source Jamaica Productivity Centre

96 IADB. 2017. Estimating the Size of the Informal Economy in Caribbean States

employees in the form of government support. As at 2021, MSMEs contributed 13.3 per cent of taxes paid by firms, despite accounting for 91.5 per cent.

Other notable activities to aid with formalization included improving the ease of doing business by streamlining and simplifying the business registration process; facilitating online access to services; and introducing incentives such as the removal of the minimum business tax. Despite these efforts, challenges remain in reducing informality within the Jamaican economy.

Target 8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead

The GOJ continued to enact policies and programmes to improve the efficiency in the production and consumption of global resources, these include the revision of the National Water Sector Policy and Implementation Plan in 2019, which is built on six guiding principles that include sustainability and efficiency. Programmes such as Energy Efficiency & Conservation and Energy Management and Efficiency were implemented to increase energy efficiency in government buildings and fuel conservation in road transportation. Data challenges remain in measuring the impact of these initiatives on material footprint, material footprint per capita, material footprint per GDP, domestic material consumption, domestic material consumption per capita, and domestic material consumption per GDP.

Target 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

Jamaica continued to make strides in reducing unemployment over the years with the total unemployment rate reaching a record low of 7.2 per cent in October 2019 (figure 39), a reduction of 1.5 percentage points compared with the corresponding period in 2018.



FIGURE 39: UNEMPLOYMENT RATE 2011–2021
SOURCE: STATISTICAL INSTITUTE OF JAMAICA

These gains were, however, eroded by the onset of the COVID-19 pandemic which negatively impacted unemployment levels resulting in an increase to 12.6 per cent in July 2020. Steady recovery of jobs in subsequent months has since resulted in an unemployment rate reflecting pre-pandemic levels recording 7.1 per cent in October 2021.

The data when disaggregated by sex indicated that the female unemployment rate has improved over the years. Before

the pandemic, the female unemployment rate moved from 18.5 per cent in October 2015 to 8.6 per cent in October 2019 (Figure 40). This progress was reversed somewhat by pandemic related unemployment in 2020 and has recovered by October 2021 to 9.0 per cent. Despite the progress made over the period, female unemployment has continued to lag behind their male counterparts, although the gap has narrowed.

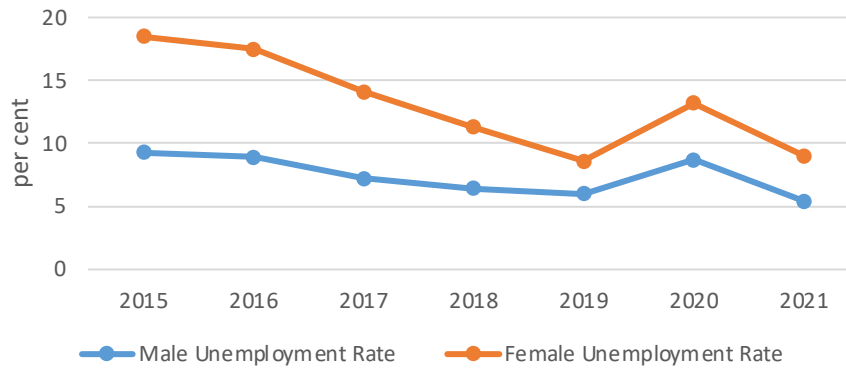


FIGURE 40: UNEMPLOYMENT RATE (OCTOBER SURVEY) BY SEX 2015–2021
SOURCE: STATISTICAL INSTITUTE OF JAMAICA

While there have been improvements in employment levels among females, female labour force participation continues to be an issue when compared with male participation rates (Figure 41). Social and cultural norms have defined women as homemakers and have resulted in them bearing most of the care responsibility in the home, and thus limiting their participation. Care responsibilities coupled with lower-wage prospects act as a disincentive to participate in the market⁹⁷ despite improved educational attainment among females.

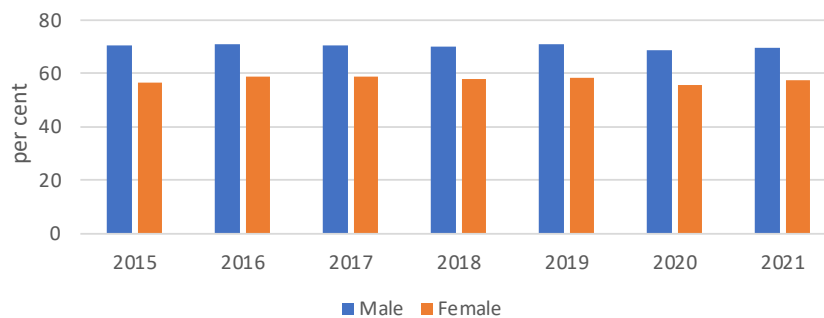


FIGURE 41: LABOUR FORCE PARTICIPATION (OCTOBER SURVEY) BY SEX 2015 – 2021
Source: Statistical Institute of Jamaica

Increased care responsibilities brought on by disruptions in the education system and limited child care facilities resulted in women leaving the labour force.⁹⁸ This was evident in Jamaica, where the female labour force participation rate in October 2020 was 2.7 percentage points lower than in 2019 (figure 41). While participation levels increased in 2021

⁹⁷ International Growth Centre. n.d. "IGC." Increasing women's participation in the workforce. <https://www.theigc.org/impact/increasing-womens-participation-in-the-workforce/>.

⁹⁸ Boesch, Diana, and Katie Hamm. 2020. "Valuing Women's Caregiving During and After the Coronavirus Crisis." American Progress. June 3. <https://www.americanprogress.org/article/valuing-womens-caregiving-coronavirus-crisis/>.

indicating a return to the labour market, they remain below the pre-pandemic rate. This is concerning as labour force participation is important for the economic empowerment of women, the achievement of SDG 5 and economic growth and inclusion.

In addition to women, employment amongst the youth segment of the population remains an issue. Tackling youth unemployment has been a challenge for several reasons. Traditionally youth unemployment has been high due to insufficient education and training, a lack of working experience and high wage and occupational aspirations.⁹⁹ Over the years, Jamaica has made strides in reducing youth unemployment. Between 2018 and 2021, the youth unemployment rate declined from 24.9 per cent in October 2018 to 18.9 per cent in October 2021. Despite this success, general dynamics remain a concern as the female youth unemployment rate continues to outpace males (figure 42).

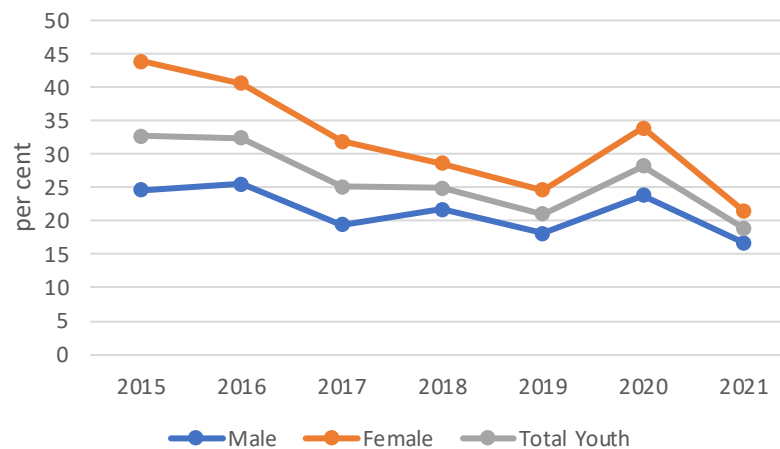
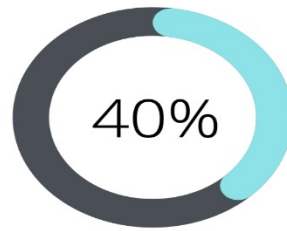


FIGURE 42: YOUTH UNEMPLOYMENT RATE (OCTOBER SURVEY) BY SEX 2015 – 2021
SOURCE: STATISTICAL INSTITUTE OF JAMAICA

The COVID-19 pandemic has added to the mounting issues related to youth unemployment. At the height of the pandemic youth unemployment rose to 30.3 per cent in July 2020. This increase is not surprising since youth tend to hold less secure jobs. While youth unemployment rates decreased in 2021, youth accounted for 40.0 per cent of the unemployed labour force.

99 International Labour Organization. n.d. "ILO." The Challenge of Youth Unemployment in the Caribbean: The Role of. https://www.ilo.org/wcmsp5/groups/public/---americas/---ro-lima/---sro-port_of_spain/documents/publication/wcms_224314.pdf.

Youth in Unemployed Labour Force



of Jamaica's unemployed labour force are youth
(14-24 years)
as at October 2021.

FIGURE 43: YOUTH UNEMPLOYMENT
SOURCE: STATISTICAL INSTITUTE OF JAMAICA 2022

Target 8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training

The mark of any progressive society is the level of investment in the development of the youth population. While some progress has been achieved in reducing youth unemployment, the youth unemployment rate does not provide a full picture of the labour market situation of youth nor does it give a full understanding of the challenges facing youth. Estimates from the Jamaica Youth Activity Survey (JYAS) 2016 indicated that 43.0 per cent of Jamaican youth were in the labour force and 56.0 per cent were engaged in education.¹⁰⁰ Of those in the labour force, however, 38.0 per cent were unemployed and 11.6 per cent were both inactive and out of school. Overall, the number of youth not in employment, education, or training (NEET) was 28.0 per cent. This statistic shows the potential youth labour market entrants and highlights the need to address youth engagement through bespoke policy and programmatic interventions to better utilize the youth population.

The GOJ has sought to create and strengthen several policies and programmes aimed at reducing the number of NEET youth. Some of these included the continued implementation of the National Youth Policy (2017) and the engagement of youth through the Youth Innovation Centres (YICs) that target at-risk youth. The YICs aim to provide support to youth and expose them to training and labour market opportunities. In 2018, approximately 17 000 youth were engaged at YICs. Additionally, the Housing, Opportunity, Production and Employment (HOPE) Programme since inception in 2017, has enrolled 40 000 young persons with the intention of providing among other areas, training, mentorship and work placement.

In 2019, the merger of the Human Employment and Resource Training/ National Youth Service Training Agency Trust (HEART/NSTA) with the National Youth Service, Jamaica Foundation for Life Long Learning and the Apprentice Board, was finalized. The functions and resources of the agency are expected to better support training, improve employability, and improve the quality of graduate output and expansion of training opportunities available to unattached and at-risk youth and adults in Jamaica. The trust continues to deliver skills training and certification, access to apprenticeship opportunities and summer work programmes. Data from 2019 indicate that 926 males and 3 297 females were enrolled in the Unattached Youth Programme with 59 males and 182 females gaining certification.

100 ILO. 2018. Jamaica Youth Activity Survey, 2016. https://www.ilo.org/ipec/Informationresources/WCMS_IPEC_PUB_30058/lang--en/index.htm

Target 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms

The engagement of children in work that is dangerous and that affects growth and well-being continues to risk the achievement of the SDGs. In the JYAS, it is reported that approximately 38 000 children aged 5-17 years are affected by child labour¹⁰¹ in Jamaica.

To tackle child labour, over the period, the GOJ continued to develop The National Action Plan (NAP) to eliminate child labour. This was done through institutional strengthening, increased public awareness, increasing access to social assistance for children and families affected by child labour and enabling the withdrawal, rehabilitation and reintegration of affected children into schools and/or communities. Initial implementation of The Child Labour Risk Identification Model developed with support from the ILO and the Economic Commission for Latin America and the Caribbean (ECLAC) also began in 2021. The model is expected to enable the identification of locations and industries where child labour is likely to occur. Additionally, the GOJ approved an updated National Plan of Action to Combat Human Trafficking (2018–2021) in March 2019 and completed the development of a National Action Plan to Combat Child Labour through the Country Level Engagement and Assistance to Reduce Child Labour (CLEAR II) Project.

Despite these efforts, the lack of consistent data through frequent child labour surveys to properly track and monitor progress in combating child labour and the funding required remains a gap. Due to the data gap, it is difficult to analyse the impact of the COVID-19 pandemic on child labour. However, it is argued that the pandemic will push more children into work.¹⁰² Disruption in the education system and a loss of livelihood will increase the risk of child labour in poorer marginalized households.

Target 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

In its bid to continue working towards the full achievement of target 8.8, protecting labour rights and promoting a safe and secure working environment for all workers, work continues around the Occupational Safety and Health (OSH) Bill. In 2020, a settled draft of the Bill was received and circulated to key stakeholders for comments. The Bill was considered by the Legislation Committee of Cabinet which approved its tabling. This piece of legislation will repeal the Factories Act and is expected to establish health and safety standards for all workplaces. The enactment of the OSH legislation will enable the ratification of over thirty (30) ILO Conventions, Protocols, and Recommendations. Despite the already protracted time taken to develop the draft OSH Bill, the pandemic has resulted in the need for further revision of the draft Bill in light of safety issues, among other things, in the workplace highlighted by COVID-19. The GOJ is also looking to amend the Minimum Wage Act and make amendments to the National Minimum Wage Order and Employment Agencies Regulations to ensure that Jamaica is compliant with the ILO Domestic Workers Convention (C189) which ensures the effective promotion and protection of the human rights of Domestic Workers.

101 Child labour, as defined by the ILO, is work that deprives them of their childhood, potential and dignity.

102 UNICEF. 2020. "COVID-19 may push millions more children into child labour – ILO and UNICEF." UNICEF. June 12. <https://www.unicef.org/lac/en/press-releases/covid-19-may-push-millions-more-children-child-labou>

Target 8.9 By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products

The Ministry of Tourism implemented policies to achieve the target over the review period. These include a Tourism Workers' Pension Act in March 2020, aimed at the creation of a pension scheme for tourism workers and a National Community Tourism Policy to support community-based tourism enterprises with a focus on innovation, entrepreneurship, and collaboration within communities.

The Tourism Networks Policy and Strategy was also developed to promote inclusive and sustainable tourism development through a more integrated, diversified, and responsive value chain that supports increased visitor arrivals and expenditure. One of the major strategies implemented from the Strategy is the Agri-Linkage Exchange programme (ALEX). The ALEX was developed in 2018 to strengthen the linkages with the agriculture industry through a web enabled commodity and telemarketing exchange.

The Jamaica Centre for Tourism Innovation (JCTI) was created to ensure that Jamaicans have access to higher paying jobs in the tourism sector by providing them with world-class internationally benchmarked certification. Since its establishment, the JCTI has facilitated the certification of more than ten thousand persons. In addition, in 2021, the JCTI partnered with the University of the West Indies Law Faculty to deliver a certificate programme called Tourism & The Law. JCTI implemented a tutor certification programme to facilitate the certification of middle managers. In keeping with the goal of extending tourism's reach into the high schools, the JCTI signed a new Memorandum of Understanding with the MOEY in 2020, to underpin the expansion of the Hospitality & Tourism Management Programme (HTMP) in high schools.

Target 8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all

The Bank of Jamaica Act was amended during the review period allowing the bank to enhance its governance and autonomy. To ensure that all Jamaicans, especially those underserved by the financial system, can save safely and increase their resilience to financial shocks, the National Financial Inclusion Strategy was created. The Insurance Act is being amended to allow for the development of a micro-insurance regulatory framework.

Lessons Learnt and Best Practices

Building resilience, both economic, social and environmental is essential for Jamaica to meet the targets under Goal 8. Shocks, whether environmental (e.g., hurricanes), Social (e.g., health related), or economic (e.g., global recession) can derail the progress made under Goal 8 and set back the country's progress by decades. Therefore, safeguards must be put in place to ensure that sound fiscal and monetary policies are implemented to place Jamaica in a position to address these shocks, limit their impact and lessen the recovery period resulting from these events.

The insufficient diversification of the Jamaican economy, especially in the country's export basket, resulted in a significant falloff in economic output when the economy was negatively impacted by the COVID-19 pandemic and the PHSM was implemented to stop its spread. However, fiscal and monetary measures implemented to mitigate the fallout in economic activities, have begun to bear fruit and have positioned Jamaica to make a relatively quick recovery when compared with past shocks. Output is expected to reach pre COVID-19 levels in 2024 and Employment in 2023. This was made possible by the economic reform programme being implemented that led to countercyclical policy, which was not possible in the 2008-2009 Global economic crisis because of Jamaica's unsustainable fiscal position.

Another factor that played a role in the speed of recovery in output and jobs after the shock was the formation of a high-level economic task force that include members from the public sector, private sector, trade unions and civil society. This assisted in a shared vision on the way forward to address the economic fallout and build resilience to achieve Goal 8.

The MOT established The Global Tourism Resilience and Crisis Management Centre to assess (research/monitor), plan for, forecast, mitigate, and manage risks related to tourism resilience and crisis management. The Ministry also prepared a Disaster Risk Management framework aimed at addressing the institutional arrangements for disaster risk management in the sector along with the requirements for planning, disaster risk assessments, and response and crisis communication. The framework will outline the importance of disaster risk management in strengthening the resilience of the tourism sector and promoting continuity of operations in the face of a disaster. In 2020 the MOT embarked on two projects aimed at building the resilience of the sector through the provision of templates on Disaster Risk Management and Business Continuity Planning customized for the tourism sector.

The COVID -19 Pandemic

Pre-COVID-19, beginning in 2018, Jamaica had surpassed its pre-global economic crisis of 2008-2009 output level and was on a trajectory of growth. This resulted from sustained reforms that seek to improve the macroeconomic environment as well as the ease of doing business. The Economic Reform Programme started in 2013, supported by the International Monetary Fund (IMF) was designed to reduce public debt, facilitate job creation, improve labour force productivity and maintain the macroeconomic stability. Additionally, prudent fiscal management led to a reduction in the debt to GDP ratio and facilitated the crowding in private investment. The expansion was propelled by increased domestic and international demand, particularly for Tourism services. Despite this GDP per capita growth remained anaemic, with the largest increase in 2018 of 1.7 per cent (Figure 44). Growth was relatively low due to a lack of economic diversity, crime, dependence on certain industries (tourism) and relatively low levels of productivity. The Hotels & Restaurants industry was the main driver of growth, expanding by 1.6 per cent in 2018 and 4.9 per cent in 2019. Increases in the room stock via regular private sector investments as well as marketing in major source markets led to increased visitor arrivals over the two years.

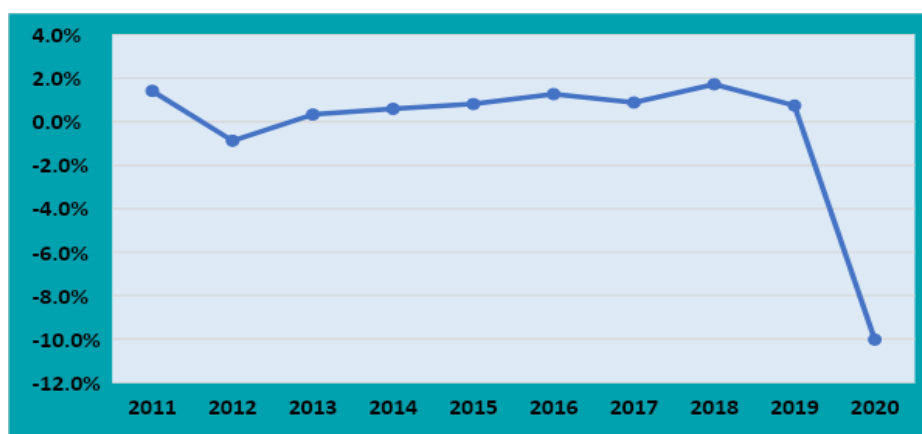


FIGURE 44: ANNUAL REAL GDP PER CAPITA GROWTH RATE 2011-2020
SOURCE: STATISTICAL INSTITUTE OF JAMAICA

The level of economic activity in 2020 was the lowest since 2002, and mainly reflected a fallout in activities that relied on face-to-face interaction and people movement, such as Tourism. COVID-19 and the PHSM implemented, which included: temporary closure of airports, work from home orders, shift to virtual school, restrictions on gathering and movements of people, resulted in the following industries recording significant declines:

- Hotels & Restaurants – fell by 53.8 per cent, mainly reflecting a decline in Stopover Arrivals by 67.2 per cent
- Other Services (which include Recreational, Cultural & Sporting Activities) – fell by 23.5 per cent, mainly as a result of a decline in total visitor arrivals (both stopover and cruise passenger arrivals) by 68.6 per cent.
- Transport, Storage & Communication – fell by 12.3 per cent reflecting mainly declines in air, sea and land transportation.¹⁰³

To mitigate the impact of COVID-19 on the economy, various initiatives were implemented to temper the negative impact on the lives and livelihood of Jamaicans, especially the most vulnerable. These included tax cuts and transfers. One of the key initiatives implemented was the COVID-19 Allocation of Resources for Employees (CARE) programme, a temporary cash transfer programme that eased the economic fallout on Jamaicans.

The ability of the GOJ to implement a fiscal stimulus was due to the relative strength of the macro economy pre-pandemic owing to economic reforms that were undertaken over the last decade that led to a significant decline in the country's debt to GDP ratio from 135.3 per cent in 2013 to 94.6 per cent in 2019. It was also facilitated by a suspension of the fiscal rules under the Disaster Risk Management Act and a two-year extension to FY 2027/28 to meet the debt to GDP target of 60 per cent.

Recovery

The Jamaican economy is on the road to recovery, as the economy has grown by 4.6 per cent in 2021 relative to 2020. Growth was facilitated by a relaxation of PHSM implemented domestically and globally because of increased vaccination rates. Industries that recorded the strongest growth over the first 9-months of 2021 were:

- Hotels & Restaurants up, 37.2 per cent
 - Relatively high vaccination rate and growth in the main source market contributed to a 39.5 per cent increase in Stopover arrivals relative to the corresponding period of 2020.
- Construction up, 9.0 per cent
 - Relatively low real interest rates and public capital expenditure particularly on the South Coast Highway Improvement Programme
- Agriculture Forestry & Fishing up, 8.3 per cent
 - Programmes to enhance productivity and recovery in Hotels & Restaurant industry and the Food, Beverages & Tobacco subindustry.

Way Forward

To accelerate the recovery progress and by extension work towards achieving Goal 8, the following recommendations were made by the economic task force:

- Build a COVID-19 Resilient Economy
- Recommit to, and Accelerate, Macro-Fiscal Reform and Business Climate Improvements
- Restore Tourism
- Deepen Local Supply Chains
- Strengthen Resilience
- Boost Public Sector Efficiency and Private Sector Competitiveness
- Digitize and Modernise Jamaica
- Diversify Jamaica's Economic Base
- Increase Formalisation
- Strengthen the Social Safety Net and Pursue Labour Market Reforms
- Increase GOJ Technical Resource Capacity
- Collection of consistent and reliable data to address data gaps

Challenges

- The economy, however, remains vulnerable to spikes in COVID-19 domestically, which may derail the pace of recovery. New variants such as Delta and Omicron have contributed to more restrictive PHSM locally and globally, which have slowed the pace of growth. Therefore, the rate of vaccination locally and globally will play a pivotal role in the pace of recovery, as the uncertainty associated with more restrictive PHSM has the potential to slow the pace of reopening and new investments.
- Supply side bottlenecks have contributed to higher inflation rates, which has led to tightening of monetary policy locally and globally. This also has the potential of slowing the pace of recovery in Jamaica.
- As the nation strives to achieve first-world status and enhance economic development, more investment is needed in technology and innovation initiatives that are aimed at improving productivity. The GOJ supports this focus on boosting innovation through various initiatives and building capacity in the area of research and development. The pandemic has therefore quickened the pace with which the nation has approached the Fourth Industrial Revolution as the increased adoption of technology supports productivity improvements. The relaxing of COVID-19 measures, continued adoption of new technologies and efforts towards digitalization are expected to have a continued positive impact on productivity. However, additional variants,

low vaccination rates and uncertain business environments will apply downward pressure on productivity growth.

Resource Requirements

Jamaica will require resources, both funding and technical expertise, for the following:

- Support from international partners to conduct surveys on child labour and youth not in education, employment or training, frequently
- Technical support for the implementation plan of the National Youth policy where youth employment is a thematic area
- Support from international partners is needed to further develop the blue and green economies in Jamaica. The skills necessary for jobs, especially technical jobs, are lacking.
- Funding and the transfer of knowledge are required to broaden the education curriculum to increase awareness among students of the job and business possibilities in these areas. Training programmes would therefore be required to aid in the development of the requisite skills.