

**THE PLANNING INSTITUTE OF JAMAICA**

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**NEWS RELEASE**

**FOR IMMEDIATE RELEASE**

**DATE: Wednesday, February 22, 2017**

**ECONOMY RECORDS GROWTH FOR 3rd QUARTER OF THE FISCAL YEAR – OCTOBER–DECEMBER 2016**

The Jamaican economy recorded growth of 1.3 per cent for the October–December quarter of 2016. This represents eight consecutive quarters of economic growth and reflected higher value added from both the Goods Producing and Services Industries. The Goods-Producing Industry grew by 3.0 per cent, while the Services Industry was up by 0.8 per cent. For the calendar year, real GDP is projected to have grown by 1.4 per cent, and represented the 4th consecutive year of stronger economic growth. Director General, Planning Institute of Jamaica, Dr Wayne Henry, revealed the results this morning, Wednesday, February 22, 2017, at the Institute’s quarterly press briefing. The October–December performance was driven by the Agriculture, Forestry & Fishing; Hotels and Restaurants; and Electricity & Water industries which grew by 16.0 per cent, 2.7 per cent and 2.3 per cent, respectively.

Within the Goods-Producing Industry, while Agriculture, Forestry & Fishing recorded the strongest growth, increases were also registered for Construction, up 0.8 per cent and Manufacture, up 0.2 per cent. Conversely, Mining & Quarrying experienced a decline of 12.0 per cent. Under Services, all industries registered increases, with the exception of Producers of Government Services (down 0.2 per cent). The performance during the quarter took place against the background of a quarterly inflation rate of 0.9 per cent; a fiscal deficit of $5.7 billion; and a real depreciation of the exchange rate of 0.2 per cent relative to the US dollar.

Based on the October 2016 Labour Market Survey undertaken by STATIN, the Director General also revealed positive indicators for the Labour Market. The total employed labour force increased by 34 000 persons to 1180800 relative to October 2015. The unemployment rate at October 2016 was 12.9 per cent compared with 13.5 per cent at October 2015. .

Dr Henry stated that the short-term prospects for the January–March 2017 quarter were positive, and would be led by the performance of the Agriculture, Forestry & Fishing industry in addition to continued strengthening of the performance of most industries relative to the similar quarter of 2016; continued low rates of inflation; and anticipated strengthening of consumer and business confidence levels. Real GDP is projected to grow within the range of 1.0 per cent to 2.0 per cent during January–March 2017 vis-à-vis January–March 2016.

**Labour Force, Security and Poverty Indicators**

The Director General pointed out that of the 67 indicators monitored under Vision 2030 Jamaica, 64.2 per cent have shown improvement over the baseline year 2007, based on data up to December 2016. Based on the quarterly Labour Force Surveys conducted by STATIN during 2016, the average number of persons who are trained and certified, that is, persons who have indicated that they received Vocational or Professional Certification, increased by 4 350 persons in 2016 relative to 2015.

Dr Henry noted that in reporting on Security Status, we report on the indicator ‘Category 1 Crimes’ which are subdivided into two groups—Serious & Violent Crimes, and Acquisitory Crimes—in keeping with the classifications of the Jamaica Constabulary Force. Category 1 Crimes include murder, shooting, rape, aggravated assault, robbery, break-ins and larceny. A total of 290 Category 1 Crimes per 100 000 population were committed over the period January–December 2016, a decline of 11.3 per cent from 327 per 100 000 population over the similar period in 2015. However, the murder rate for January–December 2016 was 49.5 per 100 000 population, up 12.5 per cent from 44.0 per 100 000 population over the similar period in 2015.

In relation to poverty indicators, Dr Henry reported that during 2013, the Poverty Rate was 24.6 per cent, representing an increase of 4.7 percentage points compared with 2012. However, for 2014, the Poverty Rate fell by 4.6 percentage points to 20.0 per cent, representing the first downward movement recorded for the national poverty rate since 2007.

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