



**Remarks by
Honorable G. Anthony Hylton
at the
Economic Growth Symposium
Economic Growth through MSMEs: Creating an
Integrated Strategy
At the Knutsford Court Hotel
Thursday, 2 October 2014 at 5:30pm**

Salutations and Preamble:

- Hon. Julian Robinson, Minister of State, Ministry of Science, Technology, Energy and Mining
- Dr. Wayne Wesley, Executive Director, HEART Trust/NTA
- Mr. Rickert Allen, Vice President, HEART Trust/NTA
- Dr. Wayne Henry, Vice President, Government Affairs, Bank of Nova Scotia
- Dr. Matt Andrews, Associate Professor in Public Policy at the Harvard Kennedy School
- Dr. Brad Cunningham, Africa Program Fellow, Centre for International Development, Harvard Kennedy School
- Members of the press;
- Ladies and gentlemen...

It is my pleasure to join you at this Economic Growth Symposium. As today is the final day of the symposium, it is fitting for me to commend all the people from my Ministry, the HEART Trust/NTA and the MSME Alliance among others, for making this Symposium a success. Yesterday's all day event was indeed a meeting of minds which facilitated academic and practical discourse on economic growth, national wealth and prosperity through our micro, small and medium enterprises (MSMEs).

No doubt, our key presenters, Professor Andrews and Research Fellow Dr. Brad Cunningham from Harvard University have provided much food for thought and that much reflection is warranted. I know they have had the opportunity to look across the globe and have drawn upon their research to offer their thoughts and recommendations on matters of policy formulation and strategy as they relate to economic growth.

The subject matter of economic growth occupies a central place in the work of my Ministry; and so it is quite fitting that I share with you some of the key policy directions and foci of the growth agenda. At the Ministry we have embarked on a mission to get the business environment more competitive as we seek to implement the core logistics-centered economy initiative. Several

policy initiatives and reform efforts are being carried out in support of improving the business environment.

MSMEs are the backbone of the Jamaican economy and account for approximately 30% of jobs. In light of this, the MSME and Entrepreneurship Policy was adopted and launched in 2013 to provide a comprehensive framework for implementing measures that can reduce impediments to growth and development of MSMEs. This is essential to our growth agenda.

Ladies and gentlemen, while it is true that large-scale enterprises drive global value and supply chains; and that modern industry and commerce pivots around these arrangements, they also include the MSMEs. They are nimble and adaptable to the changing needs of the market. The MSMEs provide value-added to the global value-chain, and it is for this reason that I have never spoken about the growth agenda and the Jamaica Logistics Hub initiative without emphasizing the role of our MSMEs in achieving sustained economic growth with jobs.

The integration of MSMEs in the global supply chain is about the participation of domestic based value-added industries, especially in emerging and new industries for which a competitive advantage can be demonstrated. This is the basis for the push towards the

development of our creative industries through ICT -- including animation and digital technologies.

The question of adopting global standards and practices, is therefore brought to the fore as MSMEs will otherwise be unable to take advantage of the opportunities that the logistics centred economy will provide.

To deal with this shortfall, the Ministry of Industry, Investment and Commerce and its agencies have been engaged in providing support in standards development through the Bureau of Standards Jamaica (BSJ), business development support through the Jamaica Business Development Corporation (JBDC), access to financing through the Self Start Fund and the Micro Investment Development Agency (MIDA) and advancing intellectual property ownership and control through the Jamaica Intellectual Property Office (JIPO).

Indeed, all hands are on deck. We have also advanced seminal pieces of legislation such as the Security Interest in Personal Property (SIPP) Bill and the Bankruptcy and Insolvency Bill that was tabled on Tuesday in Parliament.

At this point, we may highlight the impediments to trade and investment as the growth of MSMEs is not only about preparation through capacity building and adopting international standards. In this regard, I would refer you to the initiatives, being coordinated by the National Competitiveness Council (NCC), of which I am chair. The council guides the business reform agenda that is central to improving the business environment in order to facilitate trade and investment.

The export-led growth targeted by the Logistics Hub Initiative requires not only critical transportation and industrial infrastructure; it is supported by legislative and administrative regimes that can speed up the flow of business transactions in a manner that encourages investors to establish businesses in Jamaica in preference to our regional and global competitors. The ever-changing competitive capabilities of countries remain key to the competitive dynamics of global investment and trade activities across the world, and call for major policy focus in the quest to achieve sustained economic growth and improved living standards.

Our country's growth agenda is an ambitious one, but as can be seen in the improvement in various indices such as the Logistics Performance Index, the Global Competitiveness Index and the

Doing Business Report, our country is on the rise. The important element is that we have fixity of purpose to ensure that economic growth is achieved amidst an equitable distribution of income and wealth.

In closing I want to reiterate that MSMEs are essential to the economic growth of our country. Any plan for economic growth must therefore incorporate MSMEs.