

**SPEAKING NOTES
FOR
PRIME MINISTER
RT. HON. P.J. PATTERSON, Q.C., P.C., M.P.
AT
KINGSTON TRANS-SHIPMENT CONTAINER PORT
ON THURSDAY, APRIL 8, 1999**

Salutations

PERFORMANCE

The Port has an enviable record of performance

- 1,000 per cent growth between 1975 and 1998
- Kingston now has links with 100 ports in 32 countries
- Container Port is internationally recognised as one of the major ports in the hemisphere
- Also recognised as a leading trans-shipment port in the Central and Caribbean Region.
- Has become a model for the development of other ports in the Region

COUNTRY'S MARITIME ACTIVITIES

The country's maritime activities constitute the hub around which its international and commercial trade is undertaken.

The Kingston Container Port is the enactment of a vision for the exploitation of the country's strategic geographic location.

- Incorporates an ultra modern terminal, accessible to international carriers.
- A trans-shipment centre for worldwide distribution of third-country cargo.
- The Gordon Cay development represents a major investment in the future and considerably enhances competitiveness of the Port of Kingston.

PORT OPERATIONS ARE FINANCIALLY VIABLE

- ◆ 96% of revenue is in foreign exchange
- ◆ In 1998 port earned approximately US\$50M
- Port operations employ some 2,200 person with annual earnings of J\$1.5 billion
- Assets of Port Authority at 1998 over J\$7B

PRODUCTIVITY /COMPETITIVENESS

- Maritime industry is fiercely competitive
- Major producers in order to maintain competitive advantage are applying downward pressure on freight and port handling cost.
- Ship capacity is now growing faster than the rate of growth in world trade
- Rapid technological innovations are taking place
 - Larger and faster vessels
 - More modern infrastructure
 - More efficient equipment and systems
- More strategic alliances are being formed in order to pool resources and achieve greater efficiency
- Within past 5 years, two new ports in Panama and one in the Bahamas

JAMAICAN'S POSITION

- Jamaica cannot afford to be left behind
- We too must strive for cost effectiveness
- Workforce must be well trained, discipline and dedicated in order to increase productivity
- Port must meet established efficiency and productivity standards in all areas
- Failure to meet these standards will result in the contraction of business
- We cannot afford for this to happen

SECURITY

- Security on the ports has traditionally been of serious concern
- Have had experience in the past of shipping lines threatening to pull out because of drug findings on the ports
- Need to be rigid, fierce and fearless in our combat against contraband goods and drugs
- Cannot afford for this industry to be destroyed because of the greed of a few
- Workers must be the eyes and ears in helping to protect their livelihood and the industry – It is your jobs which are at risk.
- We must all stand up against corruption and illegality – not a job for the police and security personnel alone
- Our gains can be easily wiped away if we are not vigilant

IMPROVEMENTS BEING IMPLEMENTED

- ♦ Stream-lining maintenance
- ♦ Training and re-training programmes
- ♦ Computerisation
- ♦ Re-organising operational procedures
- ♦ Improved, state-of-the-art communications system
- ♦ Improved industrial relations climate
 - Dialogue with management, trade unions and workers in the setting of productivity targets and standards
- Constant improvements and upgrading of security

FUTURE DEVELOPMENTS

- ◆ Third phase of Gordon Cay
- ◆ Expansion to handle additional volumes by the year 2001
- ◆ Berth extension
- ◆ Increasing container storage space
- ◆ Super Gantry Cranes
- ◆ Straddle Carriers

POTENTIAL AND CHALLENGE

- The Port resource is pivotal to Jamaica's future
- The substantial investments can bear fruits well into the future
- The necessity to capitalise is an urgent imperative

WE ALL HAVE A STAKE

Major financial and physical investments in infra-structure, cannot by themselves produce long-term results

The human factor is necessary to convert the physical investment into tangible national benefits

All who are privileged to earn a living from these activities have a vested interest in ensuring that the port is positioned to produce maximum overall benefits well into the future.

Commendations are in order for those who have served with distinction to achieve success to date.

Appreciation to Unions for responsible approach – Partnership not confrontation.

The Government has done its part and will continue to do even more

BUT

- The real challenge is for all of us to make it work
- If we do, all of us will benefit

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