Salutations:

Greetings/ Thanks to Constituents, Staff of the Ministry

Mr. Speaker, colleagues of this Honourable House, as I make my maiden contribution to this sectoral debate, I speak in a Jamaica which has made her mark in many areas of national and international pursuits. I also speak in a Jamaica where much is yet to be accomplished. As my responsibility in this Government relates to the development of our mineral resources, I speak also of a Jamaica that is fairly rich in several of these resources. I am totally convinced that the time has now come for greater use to be made of these resources.

Mr. Speaker, I wish to remind this Honourable House and the nation of the importance of the minerals industry. Its impact on host communities is usually immediate and real. This is illustrated by the growth of towns such as May Pen, Mandeville, Nain, Santa Cruz, Junction and Browns Town, just to name a few. It is our intention to highlight the industry's contribution and importance to national development, and to ensure that its future development is sustainable.

Mr. Speaker, minerals are the patrimony of our people. They are also non-renewable assets which, if not properly managed will undermine the process of national development.

The use of minerals is central to the development of modern societies. We must, however, ensure that in seeking to exploit our mineral resources we adopt measures that facilitate wholesome development of communities and a lasting contribution to the nation. We only need to reflect on the blight that has overtaken towns such as Lydford and Maggotty after the closure of the bauxite mining operations. A stark example is the temporary closure of ALPART in 1985

which affected Mandeville. It is questionable if the town would have recovered as soon as it did had ALPART been closed indefinitely.

In this presentation, Mr. Speaker, I wish to lay the framework for developing a broad-based integrated Minerals Industry. At all times our focus will be on creating value-added products and obtaining the related benefits. This approach provides for greater earning potentials and stronger linkages with different segments of the economy. These include engineering and fabricating companies, financial houses, manufacturers, haulage contractors, equipment and accessories manufacturers and repairers, distributors and educational and research institutions.

THE USE OF MINERALS

Mr. Speaker, the multifaceted uses of minerals are so intricately linked to various aspects of modern living that they are taken for granted. Minerals provide metals, fuels, medicines, jewellery, construction aggregates and various other products for domestic, commercial and industrial uses.

JAMAICA'S MINERALS INDUSTRY

Let me emphasize, Mr. Speaker, the minerals industry **does not only** comprise the Bauxite and Alumina Sector. There has always been an Industrial Minerals Sector, which has been performing fairly well over the last few years, and is a centre of focus for the Ministry. And not to be left out, is the Base and Precious Minerals Sector.

BASE AND PRECIOUS MINERALS SECTOR

Mr. Speaker, extensive mineral exploration conducted in the 1980s by the Mines and Geology Division (MGD) in collaboration with the Canadian International Development Agency (CIDA) indicated the existence of gold, silver and copper in potentially commercial quantities.

Mr. Speaker, gold has for the last year been attracting record prices of between US$800.00 – US$975.00 per ounce. This is three times the price realized when the mine at Kraal, Clarendon was operating in the early 2000s. Also, copper prices have soared from a low of US$2,240/tonne in 2000 to currently over US$8,500/tonne.

In line with these historically high prices, I am pleased to report that there has been an increase in the number of applications to prospect for gold and copper.

However, Mr. Speaker, communities must recognize that there is also a responsibility on their part as host communities to exercise the necessary patience and understanding to nurture these operations. We must not repeat the mistakes of the past. Kraal, Clarendon provides us with a good example of how not to proceed. This operation had promise, but due to the impatience of the workers industrial strife played a large role in bringing it to a halt.

My constituency borders Kraal, and I know that wages of $20,000 per fortnight is not to be scoffed at. During 2001 - 2004 that was good money.

In speaking with small shopkeepers in Cupits, Pennants, Kraal and Ballards River they will tell you how business has slowed down since the closure of the operation in 2004. ‘Right now, Mr. Speaker, nutten nah gwaan.’ And it is our job ‘to mek it gwaan.’

Mr. Speaker, I now turn to the Bauxite and Alumina Industry.

THE CHANGING FACE OF THE BAUXITE AND ALUMINA SECTOR

Mr. Speaker, we all know that the Bauxite and Alumina Sector constitutes the foundation of our minerals industry. The industry, Mr. Speaker, has gone through radical changes.

Mr. Speaker, between 1952 and 1984, four companies dominated the sector: ALCAN, ALCOA, Reynolds and Kaiser. However, these familiar names are no longer the dominant players in the local industry.

I dare say, Mr. Speaker, that were we to ask the question in a Schools Challenge Quiz, 'who are the new players?', very few would have the correct answer. Perhaps, Mr. Speaker, the question should be tabled in this Honourable House. The answer to the question posed, Mr. Speaker is:

UCRusAl, Hydro Aluminium, Noranda Aluminium, Century Aluminium, ALCOA, the Government of Jamaica (GOJ) through Clarendon Alumina Production Limited (CAP) and the Jamaica Bauxite Mining Limited (JBM).

In this new dispensation UCRusAL dominates, accounting for roughly 52% of total alumina production in Jamaica, which represents 23% of the alumina in the UCRusAl network.

UCRUSAL and JBM own the Ewarton and Kirkvine plants, which operate under the name Windalco. UCRusAL owns 93%, and the JBM the remaining 7%.

UCRusAL (65%) and Hydro Aluminium (35%) own the ALPART plant.

Noranda Aluminium (US) and Century Aluminium (US) (49%) and the Jamaica Bauxite Mining Limited (51%) are the equity partners in the St. Ann Jamaica Bauxite Partners Limited, previously known as Kaiser Jamaica Bauxite Company.

ALCOA (55%) and the Government of Jamaica, through Clarendon Alumina Production Limited (CAP) (45%), operate the JAMALCO plant in Clarendon.

Mr. Speaker, one of the challenges impacting the monitoring of the global bauxite and alumina industry is the rapid change in the ownership of the companies.

This has several implications:

1. It slows the speed of decision-making,
2. It negatively affects funding for investments, and
3. It often negatively affects the sensitivity to local conditions.

This administration understands the evolution of the industry, and is fully committed to working with the new and existing investors to ensure its continued viability and international competitiveness.

In terms of annual output, in 1974, Jamaica was ranked as the third largest producer of bauxite and alumina. At the end of 2006, we were ranked the 5th largest producer of both bauxite and alumina. Despite setbacks, we are still holding our own. We cannot afford to be complacent. If we do, we will slip further in the league tables.

Mr. Speaker, the sector's continued competitiveness is being affected by several local and global challenges. They include:

1. The escalating cost of energy and caustic soda,
2. Competition from more cost efficient producers, and
3. Changes in the quality of the bauxite, and the necessity to more effectively manage the bauxite lands and bauxite reserves.

Mr. Speaker, whereas in 2001 the average unit cost of producing a tonne of alumina was US$127.80, in 2008 it has increased to US$330.00 in some plants. This places us at a disadvantage against several of our competitors, such as

Australia and Brazil. Increases in the cost of energy, caustic soda, mining and related inputs are the primary factors that have been responsible for the upward movement in local production costs. At the same time, with larger and newer plants, several of our competitors have moved ahead of us.

Considering the challenges and the opportunities, Mr. Speaker, the Ministry is actively seeking to reposition the Minerals Industry. As part of the process, the Bauxite and Alumina Sector continues to renew itself. This process is informed by the vision of being involved in the higher levels of the value chain. This must include the possibility of participation in the smelting and extrusion of aluminium products.

To this end, the sector continues to implement measures to remain profitable and competitive.

RESEARCH AND DEVELOPMENT

Mr. Speaker, research and development has been largely left to the bauxite and alumina companies. This is not in our best interest. It is therefore necessary that the requisite resources to afford the research of the chemistry, mineralogy and processability of difficult bauxite ores be made available to the JBI.

The areas of research in which the JBI has been involved include:

i. Bauxite reserves exploration
ii. Bauxite ore processability
iii. Use of rehabilitated bauxite lands
iv. Use of red mud residue, and
v. Modelling the underlying economics of the local industry relative to international counterparts.

It is important, Mr. Speaker, to recognize that many of the existing local players, unlike the former operators, have limited research facilities in Jamaica. This highlights the importance of strengthening the research capabilities at the JBI.

CONTRIBUTION TO THE ECONOMY

Mr. Speaker, the Bauxite and Alumina Sector accounts for almost sixty percent of Jamaica's merchandise exports and **one-third** of the total export of goods and services. It also accounts for over 85% of the local Mineral Industry's reported annual earnings.

In 2007 the sector's **gross export earnings** increased by **over 14%** to reach **US$1.312 billion,** exceeding the US one billion dollar mark for the third successive year.

The retained earnings from levy, taxes, royalties, wages, salaries and other expenditures amounted to **US$583 million**, representing an 8% increase over the previous year.

Mr. Speaker, the Bauxite and Alumina Sector stands to gain immensely from the high value-added **alumina component** of bauxite. This is especially driven by the current high prices for aluminum on the world market, and continued improvements by the local investors.

THE GLOBAL ENVIRONMENT

Mr. Speaker, the global outlook for the Minerals Industry, particularly the Bauxite and Alumina Sector, is extremely positive. Jamaica remains one of the top five producers of bauxite and alumina, and other segments of the industry, especially the Industrial Minerals Sector, are showing increased promise.

Mr. Speaker, the expanding role of the emerging economies such as Brazil, China, India and Indonesia, has dramatically increased worldwide demand for metals and raw materials.

Significantly, Mr. Speaker, the ongoing growth in the emerging economies has effectively suppressed the projected fallout associated with the economic downturn in the US and other major economies.

THE CHANGED STRUCTURE OF GLOBAL PRODUCTION AND CONSUMPTION

Mr. Speaker, China is now the dominant player in the global bauxite and alumina sector. They are the leading producer and consumer of aluminium, producing 12.62 million tonnes or 33% of world production and consuming 37.81 million tones, representing almost 32% of the global consumption of aluminium! By contrast, North American output was up 5.7% and that of Western Europe - a mere 2.3%.

Mr. Speaker, in respect of alumina, world production in 2007 increased 8.8% or by 5.98 million tonnes to **74.9 million tonnes**. Jamaica's normal output of just over 4 million tonnes accounted for below 6% of global output, while world consumption grew by **12.7%** (8.39 million tonnes) to **74.57 million tonnes**.

These figures indicate the tremendous opportunity that exists for Jamaica to increase its share of the global alumina market.

Mr. Speaker, projections for **total bauxite production** in the current calendar year point to an increase of 3.0% to an overall total of **14.9 million tonnes**. **Alumina** output is also projected to increase to almost **4.0 million tonnes** and **crude bauxite production** of approximately **4.6 million tonnes**. About 70% of the output would be accounted for by production in the higher value-added

alumina segment. Such an outcome, with the current favourable price situation continuing for most of the year, should push **export revenues** up by some **15.5%** to approximately **US$1.50 billion**.

FUTURE PROSPECTS AND THE NEAR-TERM OUTLOOK

Mr. Speaker, in recent years there has been a hectic pace of investment in smelter capacity in several countries. This trend is projected to continue for the near term. Finding adequate and secure supplies of alumina has therefore become crucial to the stable development of the global industry.

In light of a global move towards reducing the weight of automobiles, to meet the more stringent mileage requirements in various jurisdictions, aluminium use has spiked. Aluminium is the second most-used material behind steel in the automobile industry. Aluminium continues to make inroads in other applications, notably building construction and power transmission lines. The evidence therefore suggests that global demand for alumina will remain relatively strong in spite of expected downturns in some of the major economies.

In order to benefit from these favourable market conditions, the local companies are seeking to expand.

EXPANSION POTENTIAL

Mr. Speaker, WINDALCO and ALPART are conducting the necessary studies to guide possible expansion. These should get off the ground once the energy issue has been resolved.

INTERNAL CHALLENGES

Mr. Speaker, the Bauxite and Alumina Sector has in the past year been faced by numerous challenges. The tripartite bauxite and alumina sector Memorandum of Understanding (MOU) of 1998 between the Bauxite and Alumina companies, the

Trade Unions and the Government is important for stability and productivity in the industry. This agreement needs a review.

Mr. Speaker, when reviewing the MOU a primary aim must be to fine-tune the objectives and mechanisms and, most importantly, effectively respond to local and global developments that have occurred over the past decade. Failure to do so could have negative consequences on the sector's competitiveness, especially in light of the escalating production costs.

Mr. Speaker, the **Productivity Incentive Schemes** remains in place at all the companies. The programme includes a high level of worker participation in deciding operational issues that impact on productivity. By encouraging active worker participation, these schemes have served to lift morale, generate efficiencies and costs savings, and to enhance output and promote all-round productivity.

ENERGY AND THE BAUXITE AND ALUMINA SECTOR

Mr. Speaker, we now come to the burning issue of energy. Our energy intensive Bauxite and Alumina Sector relies exclusively on imported fuel. The current spiraling cost of energy is therefore a major threat to its continued viability and international competitiveness. The current situation is reminiscent of the first International Oil Shock of 1973, when between October 1973 and December 1974 the price of oil moved from less than US$3.00 per barrel to US$12.00 per barrel.

Mr. Speaker, between 2002 and 2007 oil prices moved from an average of US$25.00 per barrel to US$65.00. By January 2008 average prices had jumped to US$84.00, and have continued to increase. At the beginning of July 2008, the price of a barrel of oil hit a high of US$145.00. Mr. Speaker, between September 2007 and July 2008, the average price for a barrel of oil has increased by 100%.

In 2006, the sector consumed over 9.551 million barrels of fuel oil, representing 33% of all imports of oil. In comparison, the public electricity generating sector consumed 6.390 million barrels, which represent 22% of oil imports. In 2007, the cost of fuel oil consumed by the sector was estimated at approximately US$ 420 million.

Mr. Speaker, the current situation requires a disciplined diversification of the energy mix as well as the sources of supply. In the near future LNG and coal are likely to present appealing diversification possibilities.

The conversion to coal as part of a broader co-generation strategy has enormous possibilities of enhancing power generation efficiency, and operational cost effectiveness.

Mr. Speaker, it is critical that whatever fuel source is decided upon, we must be able to install the necessary infrastructure and capacity within the shortest possible time. Every day lost increases our exposure and threatens the viability of the industry.

Notwithstanding, the direction in which we are pointed, we must at all times be mindful of the environmental impact of the fuel type selected.

THE MINERALS INDUSTRY AND THE ENVIRONMENT

Mr. Speaker, environmental issues arise whenever mining is conducted. How we treat with them is a matter of serious concern to the host communities and the government.

Mining inevitably generates noise, dust, gases, and effluents, including 'red mud' by the Bauxite and Alumina Sector. Environmental monitoring and control systems are, therefore, essential to the running of the industry. We take

environmental complaints seriously, and will ensure that the environment will be able to sustain a vibrant economy after mining. The Government's policy is therefore to mitigate negative environmental impacts that may be associated with the industry.

LAND REHABILITATION

Mr. Speaker, I want to assure this Honourable House that we take seriously and treat with urgency the challenges as well as the socio-economic and environmental concerns associated with the rehabilitation of mined lands.

The Ministry's Mines and Geology Division (MGD) has responsibility for monitoring the rehabilitation of mined-out lands. The Mining Regulations require that:

- mined-out lands be restored within 3 years after the completion of mining.
- failure to restore mined-out lands attracts a penalty of US$25,000 per hectare, up from US$11,000.00.
- failure to restore lands within the stipulated 3 years attracts an additional penalty of US$2,500.00 per hectare for each year during which the piece of land remains unrestored.

As at the end of 2007, the total acreages disturbed since the inception of bauxite mining in 1952 was 7,944.40 hectares. Of this amount, 5,224.03 hectares or 64 per cent had been certified by the Commissioner of Mines as having been satisfactorily restored. The remaining 36% of the acreages disturbed, Mr. Speaker, is at different stages of mining and rehabilitation.

Since the introduction of the above-mentioned penalties in 2004, the quantity of land certified has increased by over 70%.

Significantly, the JBI and the bauxite mining companies have carried out crop experiments on rehabilitated lands that have shown their suitability to produce several crops. These include - Scotch Bonnet Pepper, Sweet Pepper, Peanuts, Tomato, Pumpkins, Cucumber, Cabbage, Cauliflower, Cassava, Sweet Potato, Red Pea, Pineapple and String Bean.

Mr. Speaker, the yields of these crops are as good or better than the national average on lands that have never been mined.

I invite the Minister of Agriculture to work closer with us to design programmes that will facilitate the best uses of these lands. A visit to the JBI's nursery at Hope Gardens should be a must for all members of this Honourable House.

It is of interest to note, Mr. Speaker, that in an earlier period, when Kaiser operated on the South Coast, the then Chief Minister, The Right Excellent Norman Manley, in a 1957 paper dealing with the "Agricultural Operations of the Bauxite Companies in Jamaica," noted that: 'The work in Jamaica on these fields is attracting attention from all over the world because if early indications of productivity ... are maintained, Jamaica will quite truly have reached the stage of 'eating its cake and still having it', as the lands would have been made to yield their bauxite and at the same time increase their agricultural productivity."

It is for this reason that we are in a position to report to this Honourable House the performance of the companies in the rehabilitation programme:

1. **ALPART**

Restored over 300 hectares to agricultural production in Manchester and St. Elizabeth. These lands have been leased to tenant farmers who are producing sweet potatoes, peppers, pumpkins, peanuts, tomatoes, yams and raising goats and cattle.

2. **WINDALCO**

In 2007 approximately 200 hectares of crops were planted on mined-out lands yielding some 150 tonnes. There are roughly 790 farmers producing cash crops, orchard crops and raising livestock on mined-out lands in Manchester under the tenant farmer programme.

3. **SABL**: Since 2003, some 109 hectares have been rehabilitated to crops.

Mr. Speaker, I believe these efforts are commendable and should not go unnoticed. After all, the sector is usually on the receiving end of so much harsh and negative criticism.

Mr. Speaker, we have now arrived at a juncture where we need to move beyond the mere rehabilitation process. We are therefore moving to integrate these lands and infrastructure such as wells, haul roads and buildings created by the mining companies into the community and national development process.

This approach requires long-term, broad-based and integrated planning involving agencies of the state, such as the Town and Country Planning Authority (TCPA), the National Environment and Planning Agency (NEPA), the National Works Agency (NWA) and the respective Parish Councils.

The result is that mining becomes more intertwined into national and community development. The lands in particular could be used to drive development, including the construction of new townships. Additionally, Mr. Speaker, the Bauxite Community Development Programme (BCDP), established in 1996 and managed by the JBI in concert with several stakeholders, especially the Joint Bauxite Community Councils, continues to empower communities near bauxite mining and alumina processing facilities. This is done by reinvesting a portion of the earnings from the sector in long-term sustainable projects in these

communities. These projects include infrastructure development, investments in agriculture, small enterprises, and skills training.

THE MANAGEMENT OF MINERAL-BEARING LANDS

The management of the country's mineral-bearing lands is important. We have traditionally used moral suasion to convince persons not to build on mineral-bearing lands. There is currently a Bauxite Land Management Committee (BLMC), which is responsible for the management of bauxite-bearing lands. This, Mr. Speaker, needs to be made more effective and to consider the management of other mineral-bearing lands.

Once the BLMC is working effectively, we will seek to expand its role into becoming the National Mineral-Bearing Lands Management Committee (NMBLMC).

The NMBLMC will focus on:

i. The effective rehabilitation of all mined lands and their timely release to prospective end users.
ii. Establishing and managing the zoning, allocation and use of mineral-bearing lands.

Bringing this NMBLMC into being will require the enacting of the appropriate legislation.

Mr. Speaker, I now turn my attention to our other mineral resources, primarily the industrial minerals.

INDUSTRIAL MINERALS

The industrial minerals group of interest to us is limestone, gypsum, sand and gravel, hard volcanic rocks (from which skid resistant aggregates are produced), clay, semi-precious minerals, marble, shale and pozollan. Significantly, there are large quantities of world-class quality limestones which have application across a broad spectrum of industries.

In this sector, Mr. Speaker, we have been limited to small-scale limestone, sand and gravel, and marble-working quarrying activities. These operations are mainly located in rural and semi-rural communities, supplying the local construction sector. Recognizing the significance of these small operators, the MGD has been working closely with them to upgrade performance.

The work being done by the Ministry indicates that the sector plays a more significant role in our development than has generally been thought and we recognize the need to reposition the sector so as to allow it to grow effectively.

The Ministry is prepared to do all we can to facilitate their continued growth. Recently, Mr. Speaker, we have had multinationals such as Cemex, the TCL Group (Carib Cement) and Lafarge investing in Jamaica. Over the next few years the sector will begin to complement the more mature Bauxite and Alumina Sector, and the moniker the 'poor cousin' will fade away.

The presence of these world-leading companies is expected to raise operational standards, create more employment, and introduce higher levels of research and development and improved technology. We must ensure that they transform the sector into a far more vibrant and visible part of the economy.

Mr. Speaker, the time has come for us to hasten the diversification of the entire minerals industry with the emphasis on the production of value-added products.

Operations such as the Caribbean Cement Company, Dyna Metro Incorporated, Hodges Minerals, Lydford Mining Company, Rugby Jamaica Lime and Minerals, and Somerset Enterprises have given an indication of the value that local companies in this sector can add to the economy.

Mr. Speaker, we are convinced of the merits and viability of Jamaica creating an integrated limestone industry. In fact, the process has started. However, it needs to be streamlined and expanded. Within another year the country will not only produce all the cement it needs, it will be exporting the product. Locally owned companies have started to supply ground calcium carbonate (GCC) to paint, soap and fertilizer manufacturers. These manufacturers were importing this material several years ago at 25% above the cost at which it is now being supplied by the local companies.

BENEFITS TO HOST COMMUNITIES

The anticipated investment of the incoming large investors will have a positive impact on the host communities. CEMEX has announced an investment of some US$300 million to develop a limestone operation at Salt River, Clarendon. At the peak of construction it will employ a significant number of persons with total salaries and wages amounting to US$23 million per year. Additionally, US$25 million per annum will be spent to hire the services of local contractors, including engineering and maintenance companies. This development is sited in an economically depressed area. We intend to ensure that as much of these benefits as is possible will be available to competent persons in the host and adjoining communities.

Mr. Speaker, we recognize that institutional and legislative changes will need to be effected to facilitate the development of the Industrial Minerals Sector. The introduction of a Comprehensive Minerals Development Act and the creation of

an institution that is specifically charged with developing the sector are crucial issues being undertaken by the Ministry.

Mr. Speaker, mining is a very capital intensive sector. We in Jamaica have the perception of a quarry as a small, poorly managed, ugly operation. We are, however, Mr. Speaker embarking on the transformation of the sector. We recognize that apart from a few of the quarries, the majority are undercapitalized.

I believe, Mr. Speaker, that the system must assist the local investors in this sector. The 'little man' must be assisted to become a 'big man'. While we recognize the necessity for maintaining environmental and mining standards, we intend to build a climate in which the small operator can be accommodated. Access to financing and the operating framework are areas which need to be addressed.

We will give every support to persons who wish to upgrade the level of their operations to the required standards.

INVESTMENT OPPORTUNITIES

Mr. Speaker, we see ourselves in this Ministry as the 'shepherd' to guide development and investment in the sector. We cannot sit by and wait for investments to come to us. Instead, it is our duty to point people to investment opportunities in the sector. We invite serious and interested investors to look at opportunities such as:

1. The need to supply a shortfall of 100,000 tonnes of lime to satisfy existing demand in the Bauxite and Alumina Sector and other segments of the economy. Mr. Speaker, this demand is likely to increase as the industry expands. Other sections of the economy will also utilize smaller quantities

of lime. There is also a growing possibility to export to the Caribbean and the USA.

2. There is an increased demand for GCC, PCC, gypsum, lime, limestone aggregates and sand in sections of the Southern USA and the Caribbean.

3. There is also a need for hydrated lime which is used in purifying steel, sugar and paper.

SAND QUARRYING

Mr. Speaker, sand quarrying is and can be a very viable business, which supplies the needs of the building and construction sector. There is also a relatively small, but growing export market.

Recently, a number of multi-million dollar operations have come on stream. Most notable are Coast to Coast, Earth Crane Haulage, Jamaica Pre-Mix/Lafarge, Shaggoury Aggregates.

The quarrying of several of the nation's rivers, especially those in the eastern section of the country, has been necessary to control siltation and limit the possible impact of flooding. The siltation of the rivers has in several instances gotten worse, and hence the need to constantly remove the accumulated material or risk the devastating impact of flooding which would have been complicated by silted channels.

While we understand the importance of this practise, it is now necessary to rationalize between sand quarrying and river training. This is especially so since it is often very difficult to distinguish between the two.

As we develop this industry, we cannot stand idly by while the environment is destroyed. Mr. Speaker, we have to prevent damage to adjoining lands, private property and public infrastructure caused by poor quarry practises.

Illegal quarry operations will not be tolerated, and the security forces will be deployed to respond to these activities.

Mr. Speaker, for many years we have sought to encourage the manufacturing of sand from limestone and volcanic rocks. We are again inviting interested parties to consider the opportunities in this sector.

POSSIBLE REVENUES TO BE EARNED FROM THE SECTOR

Mr. Speaker, in 2007, Quarry Taxes amounted to $70 million. If the 16.5% GCT on quarry products is considered, an additional $330 million would have been contributed to the national coffers. But far beyond this, Mr. Speaker, an integrated and properly developed Industrial Minerals Sector has the capacity to contribute between US$180 million – US$320 million per annum to the local coffers. This is new money, and is inclusive of earnings from direct foreign and local sales.

We are committed, Mr. Speaker to ensuring that the people of this country see the real and tangible benefits from the exploitation of its mineral resources. When properly managed, mining contributes to the development of stable communities, improvements in infrastructure and utilities, and increased wealth and well-being of a people. This is particularly the case, Mr. Speaker, when mining is properly integrated with manufacturing, engineering, construction, education, research, finance and other segments of the economy. We are certain that we can do this, and are committed to doing it.

CONCLUSION

Mr. Speaker, I think I can almost say with confidence that the industry is poised for significant development. We must consolidate the achievements of the past as a rich platform for making the requisite contribution to the national objective of attaining developed country status by 2030.