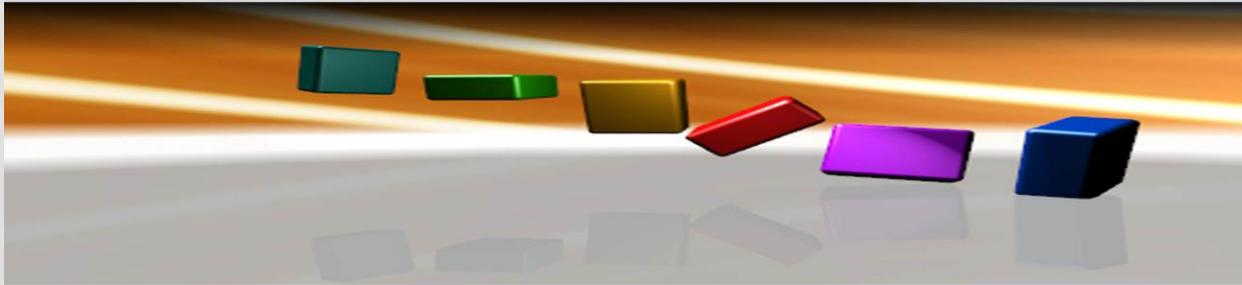




MINISTRY OF LABOUR & SOCIAL SECURITY



NATIONAL EMPLOYMENT REPORT

Issues and Trends in the Labour Market (2008-2012)

- **Employment and Labour Market Policies**
 - **Labour Market Analysis and Intervention**
 - **Macro-Economic Policies for Development**
 - **Social and Economic Policies and Impacts**
 - **Social Protection Programmes**



National Employment Report (2008- 2012)

Published by Ministry of Labour and Social Security
1F North Street
Kingston
Jamaica W.I.
Telephone: (876) 922-9500 – 14
Fax: (876) 922-0996

Prepared and typeset by the Planning, Research & Monitoring Unit of the
Ministry of Labour and Social Security

Copyright © 2015 by
Ministry of Labour and Social Security
All rights reserved

Revised May 2015

MESSAGE



I am pleased to be associated with this National Employment Report (NER) which is being released by the Ministry of Labour and Social Security.

This is because the mission of reducing high unemployment and generating decent jobs for Jamaicans is pivotal to the growth agenda to which this Administration is committed.

We know that unemployment lies at the core of poverty. Therefore, the creation of productive employment opportunities is essential to achieving poverty reduction, sustainable economic growth, personal well-being and social development.

The National Employment Report (NER) provides a comprehensive analysis of the major labour market issues which impact development, as well as economic and social challenges. The Report covers the period 2008-2012.

The Ministry takes pride in analyzing trends in employment and other labour related indicators which assists in policy making decisions. In fact, the indicators highlighted by this NER will provide guidance for the formulation of strategies and targets to focus on the national priorities of economic growth, job creation and public sector transformation.

The strategies must be geared towards:

- Addressing the decline in productivity levels;
- Creating a flexible work environment;
- Creating a forum in which a job seeker and potential employer can meet;
- Providing labour market information (LMI);
- Addressing the needs of persons with disabilities; and
- Providing temporary employment for the unskilled.

In fact, comprehensive guidelines from the policy could lead to the development of a National Employment Policy, focusing on a competent labour force, promotion of decent work and increased access to employment.

Increased productivity, efficiency and competitiveness are critical for creating a labour force which is competitive, locally and overseas.

Of great importance is factor productivity which takes into account human capital, innovation, technology and environmental factors. These are essential to drive the Jamaican labour force to

effectively capitalize on opportunities which are expected to stimulate growth such as shipping, logistics, tourism, agriculture, energy sector and business process outsourcing.

The Ministry continues to facilitate employment through its Labour Market Information System (LMIS) by guiding persons into areas of employment opportunities. Persons are also gaining employment through the Electronic Labour Exchange, a component of the LMIS as well as the Overseas Employment Programmes. These interventions are outlined in the NER, which also analyses the scope and coverage of social protection for vulnerable Jamaicans.

The Ministry hopes that this NER will prove useful to policymakers, economists, financial and academic professionals, and other stakeholders.

A handwritten signature in black ink, appearing to read 'Derrick Kellier', with a long horizontal stroke extending to the right.

Honourable Derrick Kellier, CD, MP
Minister of Labour & Social security
May 2014

MESSAGE



This second National Employment Report (NER) from the Ministry of Labour and Social Security provides analysis of the labour market and employment trends for the period 2008-2012.

The NER outlines the rationale for preparing the report and its purpose within the context of the growth agenda and a broader employment policy framework. It also looks at the economic and social profile of the country during 2008 to 2012.

A summary of the macro-economic objectives and policies that have been implemented in order to achieve economic development was also reviewed for the period.

The NER analyzes labour market indicators such as population, the labour force, employment to name a few. It also identifies how the Ministry of Labour and Social Security, along with other public sector agencies and Non-Governmental Organizations intend to deal with issues of the labour market. The strategies included are geared towards addressing the decline in productivity levels, creating flexible work environment and providing labour market information (LMI).

The NER also analyses the scope and coverage of social protection. Finally, it summarizes the major issues within the Jamaican labour market as well as the strategies the Government has adopted to address them.

The Ministry of Labour and Social Security is charged with the task of addressing issues of labour and social security. The provision of information which is essential for policy making will therefore continue to be a major focus of the Ministry.

A handwritten signature in black ink, appearing to read 'Alvin McIntosh'.

Alvin McIntosh, CD, JP
Permanent Secretary
Ministry of Labour & Social Security
May 2014

ACRONYMS

BOJ	: Bank of Jamaica
BWA	: Bureau of Women's Affair
C&WJ	: Cable and Wireless Jamaica
CAP	: Career Advancement Programme
CAPE	: Caribbean Advanced Proficiency Exam
CARICOM	: Caribbean Community
CCT	: Conditional Cash Transfer
CSEC	: Caribbean Secondary Education Certificate
CSME	: Caribbean Single Market and Economy
CVQ	: Caribbean Vocational Qualification
ELE	: Electronic Labour Exchange
EPA	: Economic Partnership Agreement
ESP	: Early Stimulation Programme
EU	: European Union
GOJ	: Government of Jamaica
GDP	: Gross Domestic Product
HEART Trust /NTA	: Human Employment and Resource Training Trust/ National Training Agency
HQI	: Housing Quality Index
IDB	: Inter-American Development Bank
IDT	: Industrial Dispute Tribunal
ILO	: International Labour Organization
IMF	: International Monetary Fund
IPEC	: International Programme for the Elimination of Child Labour
JADEP	: Jamaica Drugs for the Elderly Programme
JBDC	: Jamaica Business Development Centre
JCPD	: The Jamaica Council for Persons with disabilities
JDX	: Jamaica Debt Exchange
JPC	: Jamaica Productivity Centre
JSLC	: Jamaica Survey of Living Conditions
JTB	: Jamaica Tourist Board
LAC	: Labour Advisory Commission
LIME	: Landline Internet Mobile Entertainment
LMI	: Labour Market Intelligence
LMIS	: Labour Market Information System
LMITAC	: Labour Market Technical Advisory Committee
LRIDA	: Labour Relations and Industrial Disputes Act

MEFL	: Micro Enterprise Financing Limited
MIDA	: Micro Development Agency
MIIC	: Ministry of Industries, Investment and Commerce
MOE	: Ministry of Education
MLSS	: Ministry of Labour and Social Security
MSE	: Micro and Small Enterprises
MSME	: Micro, Small and Medium Enterprises
MWAC	: Minimum Wage Advisory Commission
NCTVET	: National Council on Technical and Vocational Education and Training
NCYD	: National Centre for Youth Development
NDP	: National Development Plan
NEP	: National Employment Policy
NEP	: National Energy Policy
NER	: National Employment Report
NHF	: National Health Fund
NIS	: National Insurance Scheme
NPGE	: National Policy for Gender Equality
NRVS	: National Vocational Rehabilitation Service
NSEP	: National Summer Employment Programme
NVQ- J	: National Vocational Qualification of Jamaica
NYS	: National Youth Service
ODA	: Official Development Assistance
OSH	: Occupational, Safety and Health
PATH	: Programme of Advancement Through Health and Education
PCEB	: Pay and Conditions of Employment Branch
SSF	: Self Start Fund
STATIN	: Statistical Institute of Jamaica
TACKLE	: Tackling Child Labour Through Education
UCJ	: University Counsel of Jamaica
UDC	: Urban Development Corporation
WCJF	: Women's Centre of Jamaica Foundation
WIHCON	: West Indies Home Contractors Infrastructure
WTO	: World Trade Organisation
YES	: Youth Empowerment Strategy

TABLE OF CONTENTS

Acronyms -----	i
List of Tables -----	v
List of Figures -----	vi
Executive Summary -----	1
Chapter 1 -----	5
Introduction-----	5
Chapter 2 Summary of economic and social performance -----	7
2.1 Economic Profile-----	7
2.1.1 Gross Domestic Product (GDP)-----	7
2.1.2 Performance by Sector-----	8
2.1.3 Investment Levels and Interest Rates-----	10
2.1.4 Employment: Structure, Growth and Quality-----	11
2.1.5 GDP growth and employment-----	13
2.1.6 Minimum wages and the average weekly earnings for large establishment-----	13
2.2 Social Profile-----	15
2.2.1 Poverty and the working poor-----	15
2.2.2 Housing-----	16
2.2.3 Crime-----	17
2.2.4 Health-----	18
2.2.5 Education and Training-----	19
Chapter 3 Summary of stated Macro-economic and monetary policy objectives -----	25
3.1 Economic Policies and Objectives-----	25
3.1.2 Summary of Economic Policies-----	25
3.2 Overview of major ongoing/planned public and private investment programmes-----	28
Chapter 4 Analysis of the Labour Market -----	30
4.1 The labour market trends: Structure and growth-----	30
4.1.1 Demography-----	31
4.1.2 Structure and Growth of Employment-----	33
4.1.3 Unemployment: characteristics and recent trends-----	38
4.1.4 Child Labour-----	40
4.1.5 Labour Migration-----	40
4.1.6 The informal sector-----	43
4.1.7 Productivity-----	46
4.1.8 Industrial Relations-----	50

Chapter 5 Labour Market Interventions -----	53
5.1 Productivity-----	53
5.2 Recruitment of Expatriates through issuing of work permits-----	54
5.3 Industrial Relations -----	55
5.4 Health and Safety in the workplace-----	57
5.5 Informal Sector and its implications for decent work -----	58
5.6 Child Labour -----	58
5.7 Youth Development -----	59
5.8 Education and Training -----	60
5.9 The Labour Market Information System (LMIS)-----	63
5.10 Empowering persons with disabilities-----	64
5.11 Social Protection -----	65
5.12 Senior Citizens -----	66
5.13 Gender Affairs -----	66
Chapter 6 Social Protection -----	68
6.1 Scope and coverage -----	68
6.2 Main Issues in Social Protection -----	72
6.2.1 Social protection in the informal sector-----	72
Chapter 7 Conclusion -----	74

References

LIST OF TABLES

Table 1	Total GDP at Constant (2007) Prices by Industry (J\$ (Billion))-----	7
Table 2	Estimated Net Official (Government) and Private Investment-----	11
Table 3	Interest Rates on Domestic Currency: Overall Weighted Domestic Interest Rates on Savings (%) and Loans Jamaica -----	11
Table 4	Employment by Occupational Group -----	12
Table 5	Weekly Earnings of Employees in Large Establishments in Jamaican Dollars-----	14
Table 6	Prevalence of Poverty in Jamaica by Region -----	15
Table 7	Percentage Distribution of Main Source of Drinking Water -----	16
Table 8	Total Crimes by Parish in Jamaica-----	17
Table 9	Age Group and ex of Persons Arrested for Selected Major Crimes -----	18
Table 10	Life Expectancy and Mortality Rates, Jamaica -----	19
Table 11	Number of Deaths-----	19
Table 12	Enrolment and Output of Heart Trust/NTA-----	20
Table 13	School Attendance for Primary and Secondary School -----	21
Table 14	Number of Students That Passed Five CXC Subjects Including Mathematics and English-----	21
Table 15	Output of Trained Personnel by main Occupational Grouping -----	22
Table 16	Output of Semi-Skilled and Skilled Graduates of Heart Trust/NTA-----	23
Table 17	Population Growth Statistics-----	31
Table 18	Population by Age and Sex -----	32
Table 19	Labour Force and Participation Rate -----	33
Table 20	Employed Labour Force by Sector -----	34
Table 21	Educational Attainment of the Employed Labour Force-----	36
Table 22	Main Streams of Migration from Jamaica -----	41
Table 23	Overseas Employment by Type of Programme -----	42
Table 24	Overseas Employment by Sex -----	42
Table 25	Number of Approved Work Permit by Sectors -----	43
Table 26	Total Labour Force by Type of Employment-----	44
Table 27	Informal Sector Employment by Age Group-----	44
Table 28	Labour Productivity Levels by Industry -----	47
Table 29	Average Growth of Capital Productivity and Capital Intensity -----	49
Table 30	Industrial Disputes by Sector -----	50
Table 31	Industrial Disputes by Cause -----	51
Table 32	Total Disputes Disposed of -----	51
Table 33	Work Stoppage by Sector-----	52

LIST OF FIGURES

Figure 1	Average Contribution to GDP by Sectors-----	8
Figure 2	Investment in Jamaican Economy -----	10
Figure 3	Employed Labour Force by Training Received For Both Sexes -----	13
Figure 4	Percentage Changes of Employment and Real GDP -----	13
Figure 5	National and Security Guard Weekly Minimum Wage-----	14
Figure 6	Percentage Passes In General Proficiency at Grade I – III for English Language and Mathematics-----	22
Figure 7	Rate of Employment by Sector -----	35
Figure 8	Underemployment by Sector and Sex -----	37
Figure 9	Percentage Employed By Hours Worked-----	38
Figure 10	Number of Unemployed Persons-----	39
Figure 11	Numbers of Unemployed Youth and Adult in Jamaica by Gender -----	39
Figure 12	Informal Sector Employment by Industry Group-----	45
Figure 13	Informal Sector Employment by Occupational Group and Gender -----	46
Figure 14	Total Factor Productivity Growth Rates-----	48
Figure 15	International Labour Productivity Levels-----	49
Figure 16	International Comparisons of Average Labour Productivity Growth Rates -----	50
Figure 17	Number of Industrial Dispute Disposed of and to be Disposed-----	52

Executive Summary

This edition of the National Employment Report (NER) examines the employment situation in Jamaica for the period 2008-2012.¹ The period was chosen since the *Labour and Productivity Sector Plan of the Vision 2030 Jamaica: National Development Plan* gave a comprehensive review of employment and the labour market up to 2008. While focusing primarily on issues which affect the labour market, the NER takes into consideration economic and social factors which impact employment. It also examines ongoing policies and programmes aimed at addressing problems within the labour market.

Chapter One (1) outlines the rationale for preparing the report and its purpose within the context of a broader employment policy framework i.e., a National Employment Policy (NEP).

Chapter Two (2) looks at the economic and social profile of the country during 2008 to 2012. These socio-economic conditions contributed to the changes in employment over the period.

The economic profile showed the performance of the Gross Domestic Product (GDP) for major economic sectors. The main highlights for the period included:

- A dominant Service industry which averaged 79.8 per cent of real GDP compared to a 24.7 per cent for the Goods Producing industry.
- An average GDP contribution of 18.2 per cent by “Wholesale & Retail Trade; Repair & Installation of Machinery” which is the largest sector.
- A negative impact of the global recession on the economy which resulted in a fall in the demand for manufactured goods internationally.
- A decline in demand for manufactured products globally as a result of the recession which impacted negatively on the production of bauxite and alumina locally. The Mining & Quarrying industry fell by 50.4 per cent in 2009 and employment contracted by 43 per cent in the same year.
- The negative effect of natural disasters on the growth of the “Agriculture, Forestry and Fishing” sector.
- A high energy bill which negatively impacted businesses and employment.

The economic profile also presents a brief analysis of employment in terms of its structure, growth and quality.

On a social level, the major highlights of the period were significant improvements in access to health care, maternal health care, increased life expectancy and reduced

¹The previous NER which was the first edition examines the period 1999-2004.

infant mortality rates. Other areas which were reviewed include poverty, crime, educational levels and housing.

Chapter Three (3) presents a summary of the macro-economic objectives and policies that have been implemented in order to achieve economic development. The Growth Agenda forms a major part of the plan to accomplish this goal. The strategic priorities of the Agenda include: fiscal and monetary policy reforms; economic growth; enhanced competitiveness and productivity. The areas which are expected to stimulate growth include Shipping, Logistics, Tourism, Agriculture and Business Process Outsourcing.

The Report also presents an overview of major public and private investment programmes undertaken from 2008 to 2012. It highlighted that for the period under review, investment projects were largely found in Hotel and Tourism, Information Communication and Technology and Construction, Roads and Works.

Chapter Four (4) examines the labour market, by analyzing the following indicators:

- The Population
- The Labour Force
- Employment
- Unemployment
- Underemployment
- Informal Employment
- Labour Migration
- Industrial Relations

Chapter Five (5) outlines several labour market issues and identifies how the Ministry of Labour and Social Security, along with other public sector agencies and Non-Governmental Organizations intend to or are addressing them. The strategies are geared towards:

- Addressing the decline in productivity levels;
- Creating a flexible work environment;
- Creating a forum in which job seekers and potential employers can meet;
- Providing labour market information;
- Addressing the needs of persons with disabilities; and
- Providing temporary employment for the unskilled.

Chapter Six (6) analyses the scope and coverage of social protection. It looks at social insurance i.e. the National Insurance Scheme (NIS). The achievements of social assistance programmes such as the Programme of Advancement Through Health and Education (PATH) were also reviewed.

The concluding **Chapter Seven (7)** summarizes the major issues within the Jamaican labour market as well as the strategies being undertaken by Government.

Chapter One

Introduction

Over the years, unemployment has been increasing in Jamaica². This could lead to a further worsening of crime and violence that serves as an impediment to investment, growth and development. In addition, problems such as the decline in productivity and the low skill level of the labour force could impact negatively on the country's competitiveness and impede the growth of the economy. These issues could threaten the ability to accomplish the goals and objectives of the *Vision 2030 Jamaica: National Development Plan (NDP)* in particular its *Labour Market and Productivity Sector Plan* which provides a comprehensive analysis of the labour market up to 2008. The Plan seeks to achieve:

- An efficient and effective labour market;
- Higher levels of human and social capital formation and trust;
- Full and satisfying employment; and
- A level of national productivity that is internationally competitive.

The Government recognizes that in order to address some of the economic and social problems, there has to be a major focus on growing the economy. As a consequence, a plan of action has been outlined by the Government through its Growth Agenda.

Growth Agenda

This National Employment Report provides a comprehensive analysis of some of the issues which will be addressed by the Growth Agenda. These include:

- Fiscal and monetary policy reforms aimed at creating a stable, predictable and resilient macroeconomic environment;
- Structural reforms aimed at significantly strengthening Jamaica's external competitiveness and productivity; and
- Social Stability

The Agenda is also designed to foster development in several sectors such as tourism, logistics and shipping which can lead to increased employment.

National Employment Policy (NEP)

Despite the formulation of strategies to achieve the goals laid out in the National Development Plan, a specific policy to promote employment i.e. a National Employment Policy (NEP) is not in place. As stated by the International Labour Organization (ILO), a

²According to the Statistical Institute of Jamaica, the average unemployment rate in 2012 was 13.9 % which was the highest since 2006.

NEP is a “concerted and coherent vision of a country’s employment objectives and ways to achieve them”. The development of NEPs is essential to promote full and productive employment as well as decent work. The NEP should outline strategies to increase employment. These include labour market programmes, education and training provisions to equip the labour force with the requisite skills, special interventions to address the needs of various labour market groups and initiatives to enhance the adequacy of social protection schemes.

The Policy can be used for several purposes which include:

- Providing a vision and coherent framework for all stakeholders;
- Facilitating the means through which Local and Central Government can be more cohesive in their approach towards employment; and
- Raising public awareness on critical issues to ensure agreement on priority actions and the assignment of responsibilities.

Globally the issues of employment have become more varied and multidimensional as not only quantitative issues such as high unemployment rates are of concern. Qualitative issues, including “emerging new forms of employment, working poverty, discriminatory practices, and violations of fundamental labour rights”³ are also of concern. According to the *Guide for the formulation of National Employment Policies*, during the period 2012-2013, sixty-seven (67) countries requested advice from the ILO on formulating NEPs.

A country’s employment policy may vary. For example, it may have a declaration in the constitution and primary legislations as in the case of Nicaragua and Panama which stipulate that “work is a right and that the State shall elaborate employment policies aimed at full employment”. Some countries may also incorporate employment policies in their poverty reduction strategies or national development plans. In Indonesia, the national development framework integrates employment objectives while Honduras incorporates its National Decent Employment Generation Plan into its poverty reduction strategy.

The ILO Convention, C122 indicates that an Employment Policy should be based on analytical studies of the size and distribution of the labour force and trends in employment, unemployment and underemployment. This is the approach utilized in the preparation of this as well as the previous NER⁴. The current NER provides analysis for the period 2008-2012. This period was chosen since the *Labour and Productivity Sector Plan* gave a comprehensive review of employment and the labour market up to 2008.

³ Guide for the formulation of National Employment Policies

⁴ The previous NER covered the period 1999-2004

Chapter Two

A Summary of Economic and Social Performance

2.1 Economic Profile

2.1.1 Gross Domestic Product (GDP)

Real GDP for the period 2008-2012 averaged \$736.9 billion⁵ (See Table 1). The highest level (\$760.8 billion) occurred in 2008 while the lowest (\$724.1 billion) was recorded in 2010. Throughout the period, an increase was recorded only in 2011 which grew by 1.4 per cent relative to 2010. The period was also characterized by a dominant Service Industry which averaged \$587.9 billion (79.8 per cent) compared to \$181.8 billion (24.7 per cent) for the Goods Producing Sector.

Table 1
Total GDP at Constant (2007) Prices by Industry (J\$ (billion) 2008-2012)

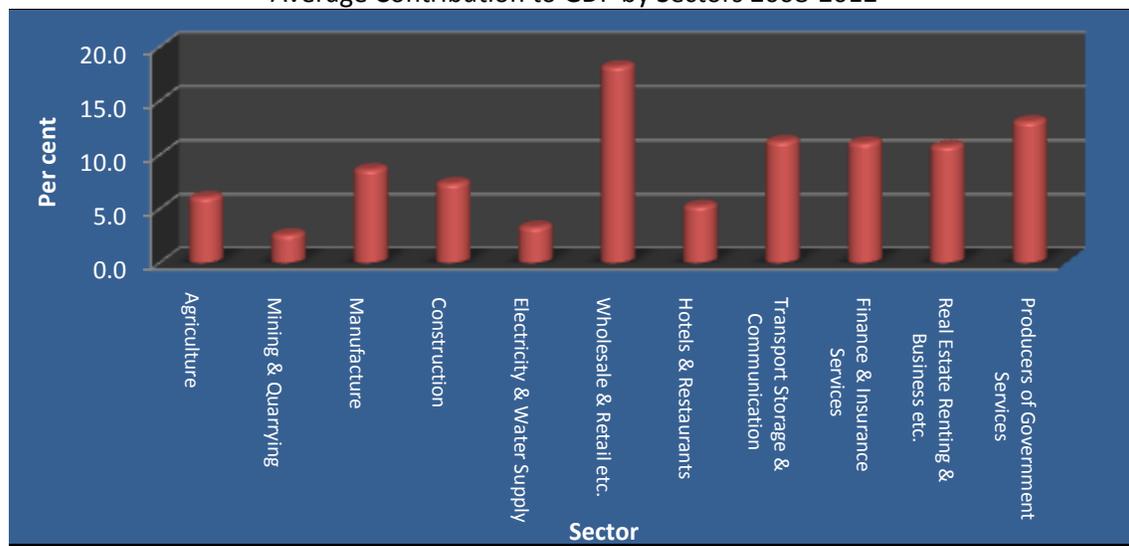
Industry	Total GDP Constant Prices						Growth Rate				
	2008	2009	2010	2011	2012	Average 2008-2012	2008	2009	2010	2011	2012
<i>Agriculture, Forestry and Fishing</i>	38.4	43.7	43.7	48.3	49.4	44.7	-6.2	14	0	10.3	2.3
<i>Mining & Quarrying</i>	31.5	15.6	15.0	17.8	16.3	19.2	-2.7	-50.4	-4.2	19.1	-8.7
<i>Manufacture</i>	67.5	64.2	61.6	62.7	62.3	63.7	-0.5	-4.8	-4.1	1.7	-0.7
<i>Construction</i>	59.0	53.9	53.2	53.6	51.3	54.2	-7.6	-8.7	-1.3	0.8	-4.4
GOODS	196.3	177.5	173.5	182.4	179.2	181.8	0.00	-9.6	-2.2	5.1	-1.8
<i>Electricity & Water Supply</i>	24.7	25.2	24.2	24.2	23.7	24.4	0.9	2.2	-4.3	0.3	-2.2
<i>Wholesale & Retail, Repair of Motor Vehicle & Equipment</i>	141.5	136.3	131.1	131.5	129.6	134.0	-0.5	-3.7	-3.8	0.3	-1.4
<i>Hotels & Restaurants</i>	36.8	37.6	38.8	39.6	40.3	38.6	2.1	2	3.4	2	1.8
<i>Transport Storage & Communication</i>	87.3	84.2	82.0	80.4	80.4	82.9	-3.1	-3.5	-2.7	-1.9	-0.1
<i>Finance & Insurance Services</i>	81.6	84.1	81.2	81.0	81.6	81.9	3	3	-3.4	-0.3	0.7
<i>Real Estate Renting & Business Activities</i>	81.0	80.0	79.2	78.9	78.5	79.5	1.4	-1.2	-1	-0.4	-0.5
<i>Producers of Government Services</i>	96.3	96.0	96.3	96.8	96.7	96.4	0.1	-0.3	0.3	0.5	-0.2
<i>Other Services</i>	50.3	50.4	49.7	49.9	50.5	50.1	0.6	0.2	-1.4	0.4	1.2
SERVICES	599.5	593.8	582.5	582.4	581.3	587.9	0.0	-0.9	-1.9	0.0	-0.2
<i>Less Financial Intermediation Services Indirectly Measured (FISIM)</i>	35.0	36.5	31.9	30.6	29.7	32.8	-2.3	4.3	-12.7	-4.1	-2.9
TOTAL GROSS VALUE ADDED AT BASIC PRICES	760.8	734.8	724.1	734.2	730.8	736.9	-0.8	-3.4	-1.5	1.4	-0.5

Source: Economic and Social Survey Jamaica 2008-2012

⁵All GDP figures are expressed in 2007 Jamaican dollars.

The “Wholesale & Retail, Repair of Motor Vehicle & Equipment” sector made the largest contribution to total GDP, averaging 18.2 per cent (See Figure 1). Meanwhile, “Mining and Quarrying” was the smallest with 2.6 per cent.

Figure 1
Average Contribution to GDP by Sectors 2008-2012



Source: Economic and Social Survey Jamaica 2008-2012

2.1.2 Performance by Sector

Wholesale and Retail, Repair of Motor Vehicle & Equipment

During 2008-2012, this sector averaged \$134.0 billion⁶ in real GDP and contributed 18.2 per cent to the economy. The sector experienced a fall in GDP between 2009 and 2011 as a result of a decline in consumers’ purchasing power and confidence level due to uncertainty in the economy brought about by the global recession.

Producers of Government Services

“Producers of Government Services” was the second largest sector, averaging \$96.4 billion⁷ with a 13.1 per cent contribution to the national GDP. The largest decline in GDP (0.3 per cent) occurred in 2009 relative to 2008. The sector was impacted by the global economic downturn which resulted in a reduction in Government expenditure, including the hiring of public servants.

Transport, Storage and Communication

This sector was ranked the third largest contributor to GDP with 11.2 per cent or \$82.9 billion.⁸ A steady decline in GDP was observed from 2008-2012 due to the reduced activities at the ports from the decline in exports of bauxite and alumina.

⁶See Table 1

⁷Ibid

⁸Ibid

Financing and Insurance Services

During the review period, GDP for Financial and Insurance Services averaged \$81.9 billion and contributed 11.1 per cent to the economy, making it the fourth largest contributor. The sector contracted in 2009 and 2010 due to reduction in consumer and business confidence, a decline in the purchasing power of individuals and a fall in the national employment levels.

Real Estate, Renting and Business Activities

GDP averaged \$79.5 billion for the review period while contribution to the economy was 10.8 per cent. The sector recorded increased output in 2008 but subsequently declined as a result of the fall out in the global economy and reduced consumer spending.

Manufacturing

This sector averaged \$63.6 billion in GDP with a contribution of 8.6 per cent. The highest value added output was recorded in 2008 and the lowest in 2010. Businesses were negatively impacted by high operational costs associated with increased electricity and oil prices as well as competition from cheaper imported products.

Construction

GDP for the "Construction" sector averaged \$54.2 billion for the review period and contributed 7.4 per cent to the economy. A decline was recorded for all the years except 2011. The sector was impacted by the global financial crisis which lowered the demand for residential construction as well as private and public projects.

Agriculture, Forestry and Fishing

Average GDP for the period was \$44.7 billion with a contribution of 6.1 per cent to the economy. GDP fluctuated throughout the period as a result of bad weather conditions, competition from imported agricultural products, praedial larceny and the high cost of fertilizers.⁹ Despite these setbacks the sector recorded an output of J\$48.1 billion in 2011, an increase of 10.0 per cent relative to 2010. The increase was attributed to a 1.0 per cent expansion in export crops and 16.5 per cent growth in other agricultural crops.

Hotels and Restaurants

GDP averaged \$38.6 billion¹⁰ and contributed 5.2 per cent to total output. The "Hotels and Restaurant" sector recorded the largest growth in GDP at an average rate of 2.2 per cent per annum during 2008-2012. The positive growth in the sector resulted from an increased demand in the Restaurant component. Despite the recession and competition from cheaper destinations, data from the Jamaica Tourist Board (JTB) revealed that the number of tourist stop-over arrivals to Jamaica steadily increased. This was attributed to

⁹ Jamaica Country Assessment, Preliminary Draft (April 2012)-Vision 2030.Planning Institute of Jamaica. Retrieved on January 10, 2013@www.vision2030.gov.jm/.../ ...

¹⁰Ibid

increased promotional activities by the hoteliers and JTB as well as the construction of several Spanish hotels.

Electricity and Water Supply

This sector averaged \$24.4 billion¹¹ in GDP while contribution to the economy was 3.3 per cent. A 3.4 per cent decline was observed in 2010 due to the fall in the demand from the Manufacturing sector and an increase in energy prices. Despite an increase in water production, farmers continued to experience loss of revenues due to drought conditions, signalling the need for increased water storage during the rainy season.

Mining and Quarrying

GDP for the Mining sector averaged \$19.2 billion¹² and declined by 50.4 per cent in 2009 compared to 2008. The sector was negatively impacted by the decline in the global demand for aluminium products, particularly from the automobile industry. In 2009 three bauxite and alumina plants were closed, however one was re-opened in 2011.

2.1.3 Investment Levels and Interest Rates

Data from the Bank of Jamaica indicated that the estimated net investment in Jamaica during the period 2008 to 2012 ranged from US\$408.5 million in 2009 to US\$1.92 billion in 2011 (See Figure 2).

Figure 2
Investment in Jamaican Economy 2008-2012



Source: Economic and Social Survey Jamaica 2008-2012

The figures for official (Government) investments fluctuated during the years under review (See Table 2). Lower investments occurred in 2009 and 2012 due to reduced borrowing on the international capital market. Both the official and private investment figures were also impacted by the divestment of some Government assets such as Air Jamaica Ltd. in 2010.

¹¹Ibid

¹²Ibid

Table 2
Estimated Net Official (Government) and Private
Investment 2008- 2012

Net Investment	Investment in millions of US dollars				
	2008	2009	2010	2011	2012
Official	518.9	254.7	967.7	497.9	238.6
Private	590.6	153.8	173.5	1422.4	852.3
Total	1,109.5	408.5	1,141.2	1,920.3	1,090.9

Source: Economic and Social Survey Jamaica 2008-2012

During the period 2008 to 2012, the domestic weighted interest rates on loans averaged 24.6 per cent. Throughout the same period, the domestic weighted interest rates on savings steadily declined from 6.3 per cent in 2008 to 1.5 per cent in 2012 (See Table 3).

Table 3
Interest Rates on Domestic Currency: Overall Weighted Domestic Interest Rates on
Savings (%) and Loans Jamaica 2008-2012

Year	Interest Rates on savings	Interest Rates on loans
2008	6.3	24.9
2009	5.9	25.3
2010	2.4	25.9
2011	2.0	21.7
2012	1.5	25.2

Source: Bank of Jamaica

2.1.4 Employment: Structure, Growth and Quality

When compared to 2008, employment increased for only two categories of workers in 2012 (See Table 4)¹³. “Professionals, Senior Officials & Technicians” increased by 8,025 and “Service Workers, Shop & Market Sales Workers” by 7,550. The largest decline was recorded by the “Craft and Related Trade Workers” (29,850), followed by “Elementary Workers” (24,825).

On closer examination of the size of the occupational groups, “Professionals, Senior Officials and Technicians” comprised the largest segment of the employed labour force (20.3 per cent) followed by “Service Workers, Shops and Market Sales Workers”(19.7

¹³STATIN, The Labour Force (various years)

per cent) then “Skilled Agricultural and Fishery Workers” (18.5 per cent). “Plant and Machine Operators & Assemblers” was the smallest group (5.8 per cent).

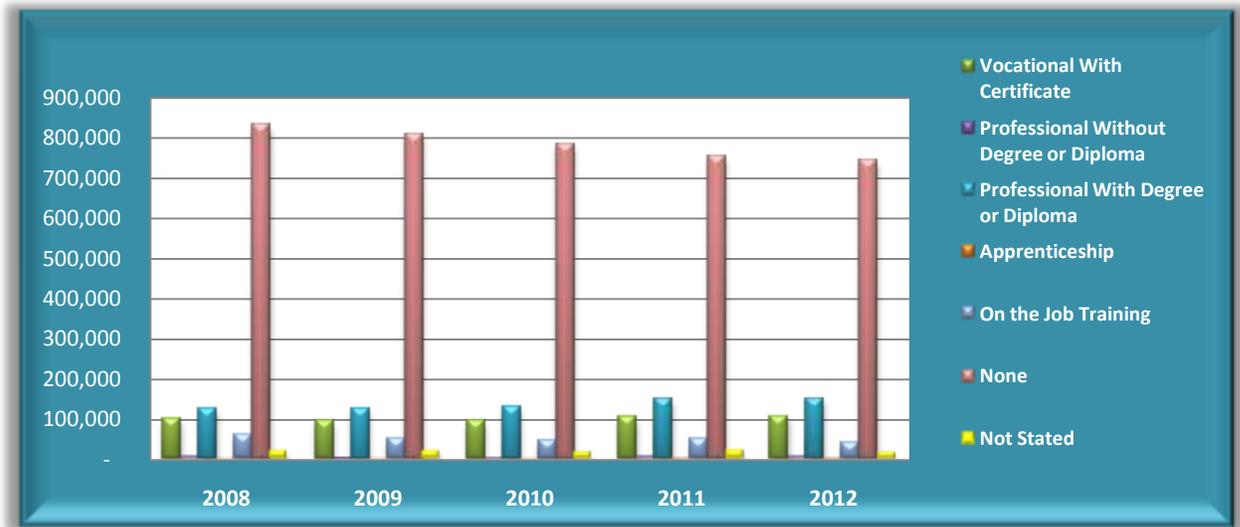
Table 4
Employment by Occupational Group 2008-2012

Occupational Group	2008 '000'	2009 '000'	2010 '000'	2011 '000'	2012 '000'	Average 2008-2012 '000'	Average 2008- 2012 %
Professionals, Senior Officials & Technicians	227.9	220.2	212.9	235.1	235.9	226.4	20.3
Clerks	102.5	105.3	98.6	100.2	92.1	99.7	9.0
Service Workers, Shop & Market Sales Workers	216.8	216.2	220.5	220.2	224.3	219.6	19.7
Skilled Agricultural & Fishery Workers	208.6	221.0	217.7	190.8	193.5	206.3	18.5
Craft and Related Trades Workers	170.1	152.2	146.2	145.9	140.2	150.9	13.6
Plant and Machine Operators & Assemblers	71.2	65.1	64.1	63.5	60.5	64.9	5.8
Elementary Occupations	163.9	144.7	134.3	136.8	139.0	143.7	12.9
Occupation not specified	1.3	0.8	0.7	1.0	1.4	1.0	0.1

Source: The Labour Force Survey (Various Editions)

The quality of employed persons in the Jamaican labour market was assessed through an analysis of labour force data by training received. Persons who obtained certification from vocational areas and professionals with degrees or diplomas comprised a little over one-fifth of the employed labour force during 2008-2012 (See Figure 3). Those who participated in apprenticeship programmes or received on-the-job training constituted less than one-tenth. An average of 71.7 per cent of the employed labour force was without certification for the period 2011-2012 compared to 68.6 per cent 2008-2010.

Figure 3
Employed Labour Force by Training Received
for Both Sexes 2008-2012

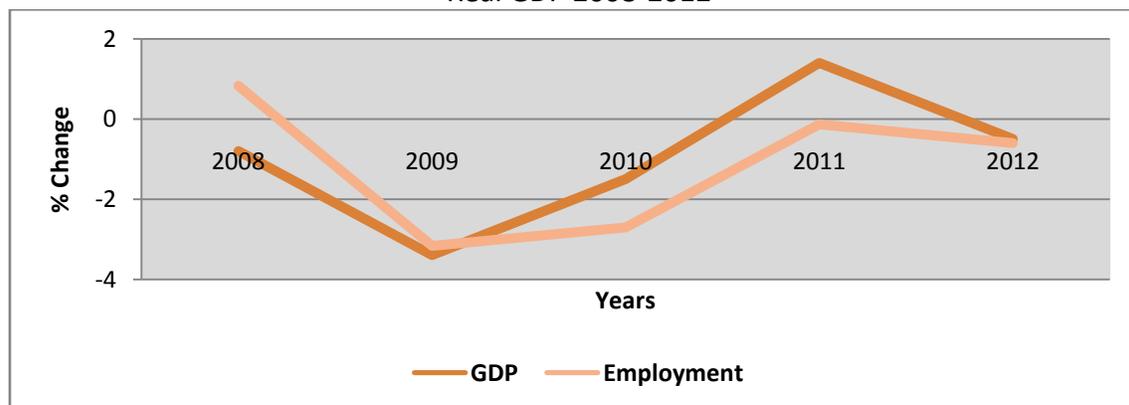


Source: The Labour Force Survey (Various Editions)

2.1.5 GDP Growth and Employment

Statistics from STATIN revealed a direct relationship between GDP and employment during 2008-2012 (See Figure 4).

Figure 4
Percentage Change of Employment and
Real GDP 2008-2012



Source: STATIN

2.1.6 Minimum Wages and the Average Weekly Earnings for Large Establishment

During the review period, the minimum weekly wage for Security Guards ranged from \$5,500 to \$7,320 while other minimum wage earners received \$4,500 to \$5,000 (See Figure 5).

Figure 5
National and Security Guard Weekly
Minimum Wage 2008-2012



Source: Ministry of Labour and Social Security

Table (5) revealed that the average weekly earnings for large establishments ranged from \$14,826 in 2008 to \$19,606 in 2012. In 2010 earnings increased to J\$16,204 compared to \$16,041 in 2009. Weekly earnings increased to \$17,637 in 2011. In 2012 the highest average weekly wage was earned by workers from the Electricity, Gas and Water sector (\$36,668), followed by Mining and Quarrying (\$30,416). The lowest average earning was reported in the Manufacturing sector (\$15,138).

Table 5
Weekly Earnings of Employees in Large Establishments in Jamaican Dollars,
2008-2012

Sectors ¹⁴	2008	2009	2010	2011	2012
Mining	27,678	23,080	21,463	27,106	30,416
Manufacturing	10,895	12,863	13,599	14,556	15,138
Electricity, Gas & Water	30,924	32,686	36,005	37,202	36,668
Construction	18,660	18,910	22,093	23,173	23,215
Trade, Hotels & Restaurant	12,167	13,074	15,809	17,172	18,310
Transport, Storage & Communication	18,570	22,469	25,414	27,392	27,029
Finance, Insurance, Real Estate and Business Services	18,638	20,843	22,056	24,640	24,835
Community, Social & Personal Services	12,784	13,498	15,119	16,231	17,247
Average Earnings	14,826	16,041	16,204	17,637	19,606

Source: Employment, Earnings and Hours Worked in Large Establishments 2008-2012 (STATIN)

¹⁴ These statistics do not include the wages of Government, Agriculture and Free Zone Workers.

2.2 Social Profile

2.2.1 Poverty and the Working Poor

Data on poverty was compiled for the period 2002 to 2010 in order to identify trends in poverty levels prior to as well as within the post recession period. The rate of poverty declined from 19.7 per cent in 2002 to 9.9 per cent in 2007. However, poverty levels increased from 12.3 per cent in 2008 to 17.6 per cent in 2010.

Poverty in Jamaica is highest in the Rural Areas where the rate for 2002 was 25.1 per cent compared to 10.4 per cent for the Kingston Metropolitan Area (KMA) and 18.7 per cent for Other Towns. Similar trends continued in Rural Areas between 2003 and 2010 where incidence of poverty averaged 20.7 per cent. However, during the same period, poverty in KMA (10.4 per cent) was higher than Other Towns (9.6 per cent) as seen in Table 6.

Table 6
Prevalence of Poverty in Jamaica by Region 2002-2010

Region	2002	2003	2004	2005	2006	2007	2008	2009	2010
KMA	10.4	9.5	14.3	9.6	9.4	6.2	7.0	12.8	14.4
Other Towns	18.7	15.8	7.8	7.2	9.2	4.0	10.7	10.2	11.6
Rural Areas	25.1	24.2	22.1	21.1	19.8	15.3	17.0	22.5	23.2
Jamaica	19.7	19.1	16.9	14.8	14.3	9.9	12.3	16.5	17.6

Source: Jamaica Survey of Living Conditions (JSLC) 2010

Statistics published in the Labour Force Survey, STATIN indicate that unemployment increased during the last five years (2008-2012). This could be attributed to the major financial crisis that occurred in 2008. As such, the working poor¹⁵ is considered the most vulnerable group to fall further into poverty due to their low levels of education. In addition, the working poor is concentrated in sectors such as “Agriculture”, “Community Social and Personal Services” as well as “Wholesale and Retail”, which tend to have poor quality jobs and low wages.¹⁶

2.2.2 Housing

Despite increased levels of poverty, some of its indicators have improved. The trend in Housing Quality Index (HQI) suggests that the quality of the housing stock has been gradually improving, registering an average annual rate of growth of 0.6 percentage points over the past decade. In 2010 the HQI increased to 71.5 per cent compared to 63.7 per cent in 2002.

The benchmarks used to arrive at the measure were:

- Types of materials used for outer walls;

¹⁵ The working poor are defined by the ILO as those who work and belong to poor households (Majid 2001).

¹⁶ ILO working paper – The Working Poor in the Caribbean

- Existence of indoor tap/pipe;
- Access to electricity;
- Exclusive access to flush toilets and kitchens; and
- Adequacy of living space (1.01 persons or less per habitable room).

The JSLC (2010) shows that Separate House Detached¹⁷ was the structure type that housed the largest proportion (80.8 per cent) of Jamaicans. This was followed by Part of a House, Semi-detached House and Apartment/Townhouse. Separate House Detached was highest within Rural Areas with 94.7 per cent followed by Other Towns (88.7 per cent).¹⁸ However, the Kingston Metropolitan Area (KMA) had various dwelling types. Approximately 59.4 per cent of the dwellings were Separate House Detached, 16.7 per cent in Semi-detached House; 15.6 per cent in Part of a House and 7.5 per cent in Apartment Building/Townhouse.¹⁹ In addition, some 72.8 per cent of the poorest households lived in overcrowded conditions, compared to 16.3 per cent of the wealthiest households.

Jamaican households continued to experience improvement in sanitary conditions. Approximately 70.1 per cent of households surveyed had water closets²⁰ in 2010 compared to 59.2 per cent in 2002.²¹ Access to water closets remains highest in KMA. From 2002-2010 the average percentage of households in KMA that had water closets was 87.5 per cent compared to 45.1 per cent for rural areas.²²

Pipe/Tap water (indoor and outdoor) remains the primary source of drinking water for many Jamaicans despite a slight decrease in its usage in 2010. There has also been an increase in the usage of rainwater tanks. In 2010, approximately 16 per cent of Jamaicans utilized this method compared to 13.7 per cent in 2009. On the other hand, there has been a steady decline in the use of public standpipes (See Table 7).

Table 7
Percentage Distribution of Main Source of
Drinking Water 2002-2010

Source of Water	2002	2004	2006	2007	2008	2009	2010
Piped Water	64.5	68.2	67.8	70.2	72.4	72.5	70.3
Public Standpipe	12.1	9.5	6.7	6.4	5.9	6.2	5.1
Truck/Bottled Water	1.9	1.8	2.8	2.1	2.8	2.6	2.0
River/Lake/Spring/Pond	3.3	4.1	3.9	4.0	2.0	3.2	3.4
Rainwater (tank)	15.3	14.3	15.4	14.1	14.7	13.7	15.9

Source: JSLC 2010

¹⁷ A stand alone housing unit, that is not joined in any way to another unit

¹⁸ JSLC 2010

¹⁹ Ibid

²⁰ Also know as Flushable toilet

²¹ ibid

²² ibid

2.2.3 Crime

The issue of crime has long been a challenge. In 2011 the estimated cost of crime in Jamaica was 5.4 per cent of GDP.²³ The country spent an estimated US\$385 million or J\$33 billion on indirect medical and other costs (including cost to business) related to crime and violence.²⁴

Major crimes²⁵ have been steadily decreasing since 2010. The average number of major crimes reported for the period 2011-2012 was 10,792 compared to 10,039 during 2008-2010 (ESSJ, 2008-2012). The period under review (2008-2012) revealed that the parish mostly plagued by crime was St. Andrew with 14,703. This was followed by St. Catherine and St. James with 8,616 and 5,109 respectively (See Table 8).

Table 8
Total Crimes by Parish in Jamaica 2008-2012

Parish	Total Crimes
St. Ann	3,182
St. Catherine	8,616
Portland	1,005
St. Andrew	14,703
Clarendon	4,049
Hanover	1,151
Kingston	4,611
Manchester	3,432
St. Mary	1,280
St. Thomas	1,381
St. Elizabeth	2,059
St. James	5,109
Trelawny	1,399
Westmoreland	2,500

Source: Economic & Social Survey Jamaica 2008-2012

Males within the 16-25 age group accounted for the majority of crimes committed, totalling 8,152 or 50.1 per cent of the perpetrators for the period 2008-2012 (See Table 9).²⁶ This age group is also amongst the highest in terms of those unemployed in Jamaica.

²³ The Jamaica Observer, April 14, 2011

²⁴ Ibid

²⁵ Major crimes are categorized as murder, shooting, rape, sexual intercourse with a child under 16 years of age (formerly carnal abuse), robbery, larceny and break-ins.

²⁶ ESSJ 2008-2012

Table 9
Age Group and Sex of Persons Arrested for
Selected Major Crimes 2008-2012

Age Group	2008		2009		2010		2011		2012	
	M	F	M	F	M	F	M	F	M	F
12-15	137	1	120	4	177	0	159	3	160	3
16-20	744	13	589	12	835	10	909	16	887	13
21-25	750	11	983	9	795	6	890	5	770	9
26-30	508	14	492	6	510	14	547	2	589	10
31-34	284	3	375	13	279	3	316	9	348	4
36-40	205	3	218	10	181	3	220	5	182	2
41-45	137	2	127	2	120	4	105	3	137	4
46-50	65	1	62	2	68	2	80	3	80	0
51-55	25	0	48	0	25	0	40	3	36	1
56-60	13	0	25	0	12	0	21	0	15	1
61 & over	6	0	3	0	16	0	14	2	27	1
Unknown	143	2	95	0	91	8	110	0	92	3
Total	3017	50	3137	58	3109	50	3411	51	3323	51
Grand Total	3067		3195		3159		3462		3374	

Source: ESSJ (Various Editions)

The Government has sought to increase its crime prevention efforts through the introduction of the Police Citizen's Security and Justice Programme (CSJP), Community Security Initiative (CSI), Poverty Reduction Programme (PRP) and Community Renewal Programme (CPR).

2.2.4 Health

In keeping with the objectives of the *Vision 2030 National Development Plan*, Jamaica has made improvements in access to health care and increased life expectancy from 74.1 years for 2008-2012 to 72.9 years for 2002-2007 (See Table 10). In addition maternal mortality rate has been on the decline. The average maternal mortality fell to 94.7 per 100,000 during the period 2008-2012 compared to 105.8 per 100,000 between 2002 and 2007. In 2012 maternal mortality was 94.4 deaths per 100 000 live births. Infant mortality was 24.5 per '000 live births from 2002 to 2003. It stood at 19.2 per '000 live births from 2004-2006 and 16.7 per '000 live births from 2007 to 2012.

Table 10
Life Expectancy and Mortality Rates,
Jamaica 2002-2012

	Units	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Life Expectancy	yrs	72.0	72.7	72.7	72.7	72.7	72.7	74.1	74.1	74.1	74.1	74.1
Maternal Mortality	per 100 000	106.0	106.2	94.8	94.8	94.8	94.8	94.8	94.8	94.8	94.4	94.4
Infant Mortality	per '000 live births	24.5	24.5	19.2	19.2	19.2	16.7	16.7	16.7	16.7	16.7	16.7

Source: Economic and Social Survey Jamaica 2002-2012

The total number of deaths in Jamaica declined from 20,000 in 2008 to 17,000 in 2012 (See Table 11). HIV/AIDS remains an important health issue in spite of support both nationally and internationally to address the issue. Up to 2002 the total number of reported HIV cases was 12,551. The number of reported cases continued to increase steadily over the years and by 2010 the figure rose to 27,272. Overall, more males were reported with AIDS than females. However, females accounted for the larger share of cases in the 10-29 and the 15-19 age groups.²⁷ In 2012 the HIV prevalence rate remained at 1.7 per cent within the 15-49 age groups.

Table 11
Number of Deaths, 2008-2012

<i>Year</i>	<i>Deaths</i>
<i>2008</i>	20 000
<i>2009</i>	18 900
<i>2010</i>	21 500
<i>2011</i>	16 900
<i>2012</i>	17 000

Source: ESSJ 2013

2.2.5 Education and Training

In an increasingly competitive global economy, education and training have been identified as the key determinants in a country's ability to compete effectively. A highly educated workforce gives a country the opportunity to have the requisite competencies needed for both local and global labour market. Investment in education and training is therefore critical to the success of a nation. At the secondary level, passes in the Caribbean Secondary Education Certificate (CSEC) examinations are necessary for entry into tertiary institutions as well as to facilitate career development. Skills development

²⁷ Ministry of Health National HIV/STI Programme - Jamaica HIV Epidemic Update 2010
Revised by the Planning, Research and Monitoring Unit, Ministry of Labour and Social Security, Jamaica
December 2014

is also integral to enabling self sufficiency and job placement. In addition, it is recognized that high levels of enrolment and attendance in schools are pivotal to the academic success of students. This section therefore sought to examine the above mentioned areas for the period 2002-2012.

Certification in Jamaica – Information from the 2008 Labour Force Survey indicates that 73.8 per cent of the labour force was without certification. In October 2012, 68 per cent of the labour force was without certification compared to 70 per cent in 2011. When disaggregated by gender, males accounted for the larger share of persons who were without formal training.

Enrolment–The number of persons enrolled in HEART Trust/NTA in 2008 was 102,993. This declined to 82,584 in 2009/10. The number of persons enrolled continued to fluctuate as it increased in 2010/11 then experienced a decrease in 2012/13 (See Table 12). The decline in enrolment was partly due to a shift in focus from short courses or customized programmes to an increase in higher level programmes, which are usually longer in duration. With this, in 2008-2009 the enrolment ratio has moved from 1 higher level programme to 42 lower level programmes (1:42) to close at 1 higher level to 6 lower level programmes (1:6) in 2012-13. In terms of output, the number of persons who had completed training had also fluctuated, moving from 59,896 in 2008-2009 to 42,129 in 2012-2013.²⁸

Table 12
Enrolment and Output of HEART Trust/NTA
From 2008 To 2013

Year	Enrolment- Participation	Completion-Output
2008-09	102,993	59,896
2009-10	82,584	46,380
2010-11	86,402	48,023
2011-12	78,477	39,351
2012-13	76,064	42,129

Source: Economic and Social Survey Jamaica 2008-2012 and HEART Trust/NTA

Attendance – For primary school students, attendance averaged 87.1 per cent in 2012 which was the largest over the period 2009 to 2012. Attendance was lowest in 2010, averaging 84.4 per cent. In terms of gender, the average attendance for females was higher than males with 86.6 per cent compared to 84.7 per cent. Secondary school attendance averaged 81.4 per cent over the period with its highest level of 83.0 per cent in 2012. Female attendance at secondary schools also outnumbered males averaging 83.6 compared to 79.3 per cent (See Table 13).

²⁸ HEART Trust/NTA

Table 13
School Attendance for Primary and Secondary School 2009 -2012²⁹

	2009		2010		2011		2012	
Institution	Primary	Secondary	Primary	Secondary	Primary	Secondary	Primary	Secondary
Total	84.9%	81.0%	84.4%	80.6%	86.2%	81.0%	87.1%	83.0%
Males	83.9%	78.6%	83.4%	78.5%	85.2%	78.9%	86.4%	81.0%
Females	85.9%	83.4%	85.4%	82.6%	87.3%	83.0%	87.8%	85.2%

Source: ESSJ (Various sources)

CSEC Examinations

The basic requirement for entry to tertiary institutions is five CSEC subjects including English Language and/or Mathematics. For the 2008-2012 period, the number of students who met matriculation requirements³⁰ increased from 2009 to 2010 and subsequently decline for the next two years (See Table 14). During the review period, females accounted for 60 per cent of the students who achieved five CSEC passes inclusive of Mathematics and English. The data also indicates that less than 20 per cent of the students who sat CSEC examinations gained sufficient qualifications to matriculate to post-secondary education. The highest percentage of passes occurred in 2011 with 19.7 per cent.³¹

Table 14
Number of students that passed five CXC subjects
including Mathematics and English
2008-2012

Year	Male	Female	Total	% of students³²
2008	2,160	3,706	5,866	18.6
2009	2,296	3,912	6,208	18.4
2010	2,660	4,670	7,330	17.4
2011	2,378	4,228	6,606	19.7
2012	2,205	4,178	6,383	17.5

Source: ESSJ (various editions) and Ministry of Education Statistics Unit

There are increased opportunities for employment if a jobseeker satisfies these conditions. Figure 6 shows that the overall pass rate in English Language and Mathematics fluctuated from 2003 - 2006 and increased steadily from 2007 - 2011. The highest level of passes for both subjects occurred in 2010 with 64.9 per cent for English Language and 39.5 per cent for Mathematics.

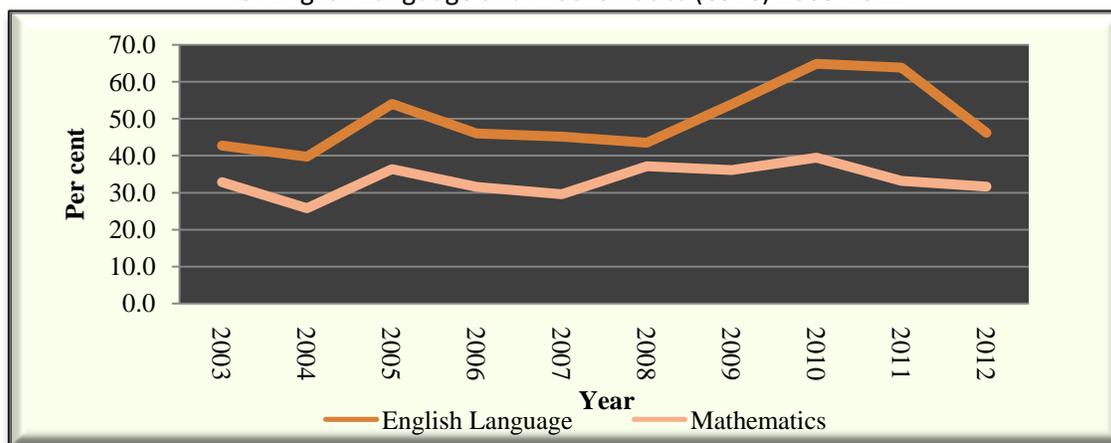
²⁹ 2008 data was not available for analysis

³⁰ Students who have passed five CXC subjects inclusive of Mathematics and English

³¹ Ministry of Education, Statistics Unit

³² This represents the percentage number of students who passed five CXC subjects including Mathematics and English
Revised by the Planning, Research and Monitoring Unit, Ministry of Labour and Social Security, Jamaica

Figure 6
Percentage Passes in General Proficiency at Grade I – III
for English Language and Mathematics (CSEC) 2003-2012



Source: Overseas Examination (Various Sources)

Output of Post Secondary Institutions

Over the period 2007 to 2011, the country's tertiary institutions produced more than 14,000 trained personnel annually. In total, 72,000 persons (70.0 per cent female) were trained in varying fields (Table 15). The top five professions from the training system were in Business (36.9 per cent), Teaching (29.2 per cent), Social Sciences (6.2 per cent), Computing (5.0 per cent), and Health (4.9 per cent). The national training system, including tertiary institutions, has trained in excess of 322,000 persons.

Table 15
Output of Trained Personnel by Main
Occupational Grouping, 2007-2011

PROFESSIONALS	2007	2008	2009	2010	2011	TOTAL
Physicists, Chemists and Related Professionals	321	217	327	119	484	1468
Mathematicians and Related Professionals	21	54	16	7	16	114
Computing Professionals	905	614	590	784	696	3589
Architects, Engineers and Related Professionals	421	782	721	712	492	3128
Life Science Professionals	399	317	421	505	454	2096
Health Professionals	384	850	583	795	957	3569
Teaching Professionals	4432	4137	3233	4580	4725	21107
Business Professionals	5840	5638	6393	3792	4967	26630
Legal Professionals	60	60	66	55	99	340
Social Science and Related Professionals	1522	563	402	711	1307	4505
Religious Professional	64	40	164	179	36	483
Maritime	108	71	163	232	133	707
Agriculturalist	128	31	146	102	142	549
Miscellaneous Occupations (Liberal Arts)	759	795	926	897	522	3899
TOTAL	15364	14169	14151	13470	15030	72184

Source: Economic and Social Survey Jamaica, 2007-2011

During the period 2007 to 2011, an estimated 250,000 persons (60.0 per cent female) were certified by HEART Trust/NTA in varying skills for entry into the labour market (See Table 16). The system produces on average 50,000 trained personnel per year. The top five output areas in skilled and semi-skilled training were Hospitality (26.2 per cent), ICT (17.2 per cent), Commercial (15.9 per cent), Building Construction (12.7 per cent), and Early Childhood Care (5.9 per cent).

Table 16
Output of Skilled and Semi-Skilled Manpower,
HEART Trust NTA, 2007 - 2011

SKILL AREAS	2007	2008	2009	2010	2011	Total
Agricultural Skills	491	1231	1754	2088	1302	6866
Allied Health Care Skills	0	141	198	584	679	1602
Apparel and Sewn Products Skills	1801	1444	1114	682	884	5925
Art & Craft Skills	108	246	225	153	204	936
Beauty Care Services Skills	1224	1393	2047	2279	2470	9413
Building Construction Skills	5816	8938	7378	4902	4820	31854
Cabinet Making Skills	115	623	213	322	269	1542
Commercial Skills	2935	7616	12899	7785	8615	39850
Education & Training/ Early Childhood Care Skills	2844	3367	2806	2545	3235	14797
Hospitality Skills	11101	14148	16707	13197	10546	65699
Information & Communication Technology Skills	6928	9864	9545	8850	7954	43141
Machine and Appliance Maintenance/ Repair Skills	1076	1340	1510	1112	1436	6474
Other Skills	2330	2271	3108	323	3999	12031
Transportation/ Automotive Trade Skills	6124	773	392	1558	1507	10354
Total	42893	53395	59896	46380	47920	250484

Source: HEART Trust NTA

There is an urgent need to diversify the programme offerings in educational institutions to include occupational fields, such as criminology, forensic science, entrepreneurship, logistic management and aeronautic engineering and mechanics.

Chapter 3

A Summary of stated Macro-economic and Monetary Policies

3.1 Economic Policies and Objectives

One of the goals of the *Vision 2030 Jamaica - National Development Plan* is to achieve a prosperous economy. The national outcomes which are linked to these goals include:

- A stable macroeconomic environment;
- An enabling business environment;
- Strong economic infrastructure;
- Energy security and efficiency;
- A technology-enabled society; and
- Internationally competitive industries.

This section summarizes macroeconomic and trade policies which were implemented during the period 2008-2012. It also provides highlights of draft policies which include the Micro, Small and Medium Sized Business Policy, Energy Policy and Tax Reform Policy.

3.1.1 Summary of Economic Policies

During 2008-2012, the macroeconomic policies were guided predominantly by the Medium Term Socio Economic Framework which focused on creating an environment that fostered sustainable growth in the medium term. The broad strategic priority areas for fiscal year 2012/13 were economic growth, price stability and job creation. The main objectives included measures to:

- Achieve higher and sustainable levels of economic growth;
- Improve fiscal performance by reducing the revenue deficit through improvements in tax administration and streamlining of expenditures;
- Lower inflation and interest rates while maintaining a stable foreign exchange rate;
- Reduce the debt to GDP ratio;
- Improve efficiency and competitiveness through structural reform and privatization as well as continued public sector and trade reform; and
- Support key sectors such as Agriculture, Fishing and Forestry to address the effects of shocks which negatively impact domestic output.

The Government Growth Agenda

The Jamaican Government also embarked on an economic programme aimed at gradually improving GDP and per capita income. The strategy for accelerating growth

focuses on attracting new investment in areas such as tourism, logistics, shipping, agriculture and business process outsourcing. This Growth Agenda is driven by:³³

- Fiscal and monetary policy reforms aimed at creating a stable, predictable and resilient macroeconomic environment;
- Structural reforms aimed at significantly strengthening Jamaica's external competitiveness and productivity;
- Catalytic and strategic private and public investments; and
- Social stability.³⁴

Fiscal consolidation is incorporated in order to ensure macroeconomic stability. It also includes measures to facilitate on-going safety and stability in the financial system. These comprise reforms to reinforce the financial system oversight framework and improve access to credit.³⁵

Proposed Economic Policies by the International Monetary Fund (IMF)

The IMF identified areas of the economy which should be strengthened to achieve medium term sustainability. The Fund suggested the need for the Government to implement programmes which were geared towards job creation, growth and fiscal consolidation. Since 2009 emphasis has been placed on:

- A debt management strategy to alleviate the debt servicing cost;
- Public sector consolidation through mergers, divestments of some non-core public bodies and improvement in efficiencies through employment reforms. In 2010, Air Jamaica and the three remaining sugar factories owned by Government were privatized. With respect to improvement in the public sector, the Government outlined plans to rationalize the sector in order to improve efficiency and cost effectiveness.
- In order to strengthen the financial system, various reforms and legislative actions were initiated, which included enacting legislation for more effective supervision of financial services.
- Establishing strategies/policies to limit the size of future deficits such as fiscal responsibility and tax reform.

One of the prior actions of the IMF loan was the need for tax reform to strengthen tax administration. In addition, there was a need to scale back on tax incentives and exemptions in order to broaden the tax base.

³³ Jamaica: Letter of Intent, Memorandum of Economic and Financial Policies, and Technical Memorandum of Understanding, April 2013

³⁴ Ibid

³⁵ Ibid

Trade Policies

The activities related to trade policies for the period 2008-2012 focused primarily on improving competitiveness and increasing market penetration. Jamaica's Trade Policy was geared towards increasing the capacity to produce goods and services to enable capital formation and market penetration. The Trade Policy has three major objectives:

- Creation of new and diversified exports for market penetration;
- Steady reduction in the share of imports relative to exports;
- Increased flow of net positive returns from overseas assets that have been generating significant remittances and other capital flows for Jamaica.

Some of the trade negotiations by the Government with regional and multilateral agencies included:

- An Economic Partnership Agreement (EPA) which was implemented in 2008. This arrangement allowed for duty and quota free access of Jamaican goods into the European Market. Service providers such as entertainers were allowed access of up to 90 per cent of the European market. The EU provided support through the arrangement to assist in the reform of public institutions and diversifying products and services for the private sector;
- In 2009, the World Trade Organization (WTO) Council of Trade in Goods approved a waiver request from the USA which permits specific CARICOM goods duty free entry to the USA market. The waiver was scheduled to remain in effect until 2014;
- In 2010, work commenced on a national Aid For Trade (AFT) with assistance from the IDB. This will focus primarily on network infrastructure, trade competitiveness and export diversification.

A draft policy for Micro, Small and Medium Enterprises (MSMEs) was developed and is expected to address issues such as formality of MSMEs, access to Finance and Market, Training and Development, Productivity and Innovation and Business Support Services and Gender Equality.

Support for MSMEs

Agencies which were established by the Government to support the development of MSMEs include:

- Micro Investment Development Agency (MIDA) which enables entrepreneurs to access funding on a timely basis and on satisfactory terms. It also networks with stakeholders to facilitate the delivery of non-financial services to persons who wish to start or expand micro businesses;
- Self Start Fund (SSF) which was established to spur entrepreneurial development through the provision of credit. The SSF addresses the needs of persons who were either graduates from the secondary school system or approved government training programmes;

- Micro and Small Enterprises (MSEs) Credit Bureau which should lessen the likelihood of persons borrowing through government related programmes and defaulting on the loans;
- Jamaica Business Development Corporation (JBDC) whose mission is to promote and facilitate the development of MSEs through the provision of technical services.

The private sector has also provided financial and technical assistance to MSMEs through umbrella bodies such as the Small Business Association of Jamaica, Jamaica Manufacturers' Association, Jamaica Exporters' Association and Jamaica Chamber of Commerce. A private sector body, Micro Enterprise Financing Limited (MEFL) was established to provide funding to micro enterprises in inner city communities.

Tax Reform Policy

A Green Paper on Tax Reform was tabled in Parliament in 2011. According to the *Economic and Social Survey Jamaica* the main emphasis of the Paper was aimed at "achieving efficiency, equality and simplicity of the Taxation System". The Policy will seek to achieve:

- A reduction in the rate of General Consumption Tax;
- A widening of the base of taxable items;
- A reduction in the Corporate Income Tax and Personal Income Tax rates;
- An increase in the tax exemption threshold; and
- The strengthening of tax compliance and administration.

Energy Policy

In 2009, the National Energy Policy 2009-2030 was tabled in Parliament as a Ministry Paper. According to the Ministry of Science, Technology, Energy and Mining, the main objectives of the policy (2009-2030) were to:

- Ensure the security of energy supplies in order to achieve sustainable economic growth and competitive edge;
- Develop sustainable and cost efficient strategies to effectively manage the unpredictable changes in oil prices and to reduce the cost of energy;
- Reduce the cost of electricity so as to maintain and promote production and cost competitiveness;
- Stabilize power generation capacity and transmission systems to ensure cost efficiency and uninterrupted supplies;
- Promote energy efficiency and conservation ;
- Undertake risk assessments and management to inform infrastructural development of energy systems and financing;
- Establish strong core institutional capacity to develop and implement strategies, regulatory framework, programmes and projects;
- Build monitoring and supervisory capabilities;
- Develop strategies which incorporate the role of renewable energy for power generation capacity.

3.2 Overview of major ongoing/planned public and private investment programmes

A review of investment ventures undertaken in Jamaica from 2008-2012 revealed that the major activities occurred in the “Hotels and Restaurants”, “Transport Storage and Communication” and “Construction” sectors.

Hotel and Tourism

According to figures from the Jamaica Tourist Board, the number of hotel rooms totalled 20,974 in 2012 compared to 20,237 in 2007. At least 4,763 more persons were employed to the “Accommodation” subsector during the review period. A main feature of the period was the investments in several Spanish hotel chains which resulted in the construction of hotels such as the Bahia Principe, Iberostar, Spanish Court, Palmyra Resort and Spa, Secrets Wild Orchids and Grand Palladium.

Construction

A major project during the review period was the construction of Highway 2000. The main objectives of the project included:

- Facilitating economic activity along its network;
- Providing direct links between the major economic centres;
- Reducing congestion on the existing road system;
- Reducing population in major urban centres and facilitating commuting from suburban and rural areas.³⁶

The North-South link of High Way 2000 is currently under construction and is estimated to be completed in 2016. The phase from Sandy Bay to Williamsfield was opened in 2012, while the Linstead to Moneague link is scheduled to be opened in 2014. In 2011 the Port Authority opened the Falmouth Cruise Ship Port which was developed in partnership with Royal Caribbean Cruises Limited, to facilitate some of the largest cruise ships in the world.

Planned Investment

According to the ESSJ, among the planned infrastructural development projects for the medium term are the North-South Highway Link and the Port Facilities Development as well as the construction and expansion of several hotels. The industries which are expected to be the main catalysts to growth are:

- Agriculture, Forestry and Fishing to be boosted by increased technology use and the expansion of agro parks. An agro park is a “clustering of different agricultural-related activities along the value chain within a geographical location in which several primary producers, suppliers and processors cooperate

³⁶Highway 2000. *The Western Hemisphere Transport Initiative*. Retrieved December 2012@ www.mtw.gov.jm/whiti/presentations/h2k_nrocc.p

to achieve sustainable market driven by agro-food production” (*Economic and Social Survey Jamaica, 2012*). The main objectives of the Agro Park include: creating employment; increasing production in under-utilized lands; and managing displaced sugar workers through multiplier effects within the project environs. During 2012, the Ministry of Agriculture and Fisheries initiated the implementation of three (3) agro parks with an additional six (6) scheduled to be implemented by 2015.

- Construction will improve based on non-residential activities from hotel construction and increased infrastructure such as road construction.
- Hotels and Restaurants is expected to improve due to increased arrivals as a result of improvements in Jamaica’s main source markets, increased availability of rooms and diversification of the tourism product and market.

The Panama Canal Expansion Programme is scheduled to be completed in 2015 and is expected to impact positively on world trade and shipping, particularly among Central American and Caribbean Ports. As a consequence, Jamaica is positioning itself to increase the ranking of the Port of Kingston to take advantage of the benefits which can be accrued from the expansion. The Port Authority of Jamaica has embarked on a three to five year Strategic Plan to place the Port as a regional logistics hub. The key components of this strategy are infrastructural development and information technology which include the development of a hub at the south terminal (Gordon Cay) in the Port of Kingston, a terminal at Fort Augusta and a logistics Centre on Caymanas lands.

Chapter 4

An Analysis of the Labour Market

4.1 The Labour Market Trends: Structure and Growth

4.1.1 Demography

In order to effectively highlight the trends in the population, data was analyzed for the period 2002-2012. The end of year population for Jamaica increased from 2,619,900 in 2002 to 2,711,500 in 2012 at an annual average rate of 0.4 per cent (See Table 17). The number of live births per 1000 was 18.2 per cent in 2002 compared to 14.8 per cent in 2012. According to the ESSJ, the decline in the number of births was attributed to a change in behavioural pattern of women. These include an increase in the use of contraceptives, delay in childbearing, improved educational attainment and an increase in the number of women who are working.

Table 17
Population Growth Statistics 2002-2012

Population Growth Statistics	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Population End of Year ('000) ³⁷	2619.9	2629.4	2638.9	2648.3	2657.8	2667.2	2676.7	2686.1	2695.5	2704.1	2711.5
End of Year Population . (%) ³⁸	0.4	0.4	0.4	0.4	0.4	0.3	0.4	0.4	0.3	0.3	0.3
Number of live births per 1000 population ³⁹	18.1	17.3	17.0	17.5	16.3	16.3	16.1	15.9	15.0	14.7	14.8

Source: Economic and Social Survey Jamaica (Various Editions) and Demographic Statistics (Various Editions)

Population Distribution by Age Group

In order to provide more detailed analysis of the changes in the age structure of the population, the data was divided into four groups:

- 0 – 14 years child population;
- 15 – 24 years or the youth population;
- 25 – 64 years which is the adult population; and

³⁷ This data was retrieved from STATIN's Demographic Statistics (various edition)

³⁸ ibid

³⁹ ESSJ (various edition)

- 65 and over dependent elderly

In 2002, children accounted for 31.3 per cent of the population compared to 24.7 per cent in 2012 (See Table 18). Meanwhile, the working age population increased from 61.0 per cent in 2002 to 66.9 per cent in 2012. The independent elderly (65+) also grew, moving from 7.7 per cent in 2002 to 8.4 per cent in 2012. The decline in the number of children, coupled with the increase in working age population (15-64 years) and dependent elderly (65+) suggests that the country is experiencing population ageing. According to the ESSJ Jamaica is currently at the intermediate stage of the demographic transition.

The dependency rate is the population of children and dependent elderly as a percentage of the working age group (15-64 years). Average dependency rate steadily declined, moving from 64.0 per cent in 2002 to 49.5 per cent in 2012. The decline in the dependency rate is attributed to an increase in the working age population which may result in a demographic bonus or dividend.⁴⁰

Table 18
Population by Age and Sex 2002-2012

Age Group	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
0 – 14 yrs	820.1	805.9	791.7	777.5	763.3	749.2	734.9	720.7	706.5	687.9	670.1
0 – 14 yrs. (%)	31.3	30.7	30.0	29.4	28.7	28.1	27.5	26.8	26.2	25.4	24.7
15 – 64 yrs.	1597.3	1619.1	1640.8	1662.5	1684.3	1705.9	1727.8	1749.4	1771.3	1794.3	1814.3
15 – 64 yrs. (%)	61.0	61.6	62.2	62.8	63.4	64.0	64.5	65.1	65.7	66.4	66.9
65 + years	202.5	204.4	206.4	208.3	210.2	212.1	214.0	216.0	217.7	221.9	227.1
65 + yrs. (%)	7.7	7.8	7.8	7.9	7.9	8.0	8.0	8.0	8.1	8.2	8.4
Dependency Rate (%)	64.0	62.4	60.8	59.3	57.8	56.3	54.9	56.0	52.2	50.7	49.5

Source: Economic and Social Survey Jamaica (Various Editions) and Demographic Statistics (Various Editions)

Population Distribution by Sex and Geographical Location

Sex ratio for the period under review averaged 97.5 males per 100 females. In 2002, there were 97.0 males per 100 females compared to 97.9 males to 100 females in 2012. The 2011 Census revealed that women outnumbered men in only three parishes (St. James, St. Andrew and St. Catherine). However, data from the previous Census (2001) indicated that seven parishes (Kingston, St. Andrew, St. Thomas, Portland, St. Mary, St. James and St. Catherine) consisted of mostly women. An analysis of the 2011 Census population data by geographical distribution also revealed that 53.9 per cent of Jamaicans lived in urban centres which represent an increase of 1.15 per cent points over 2001.

⁴⁰ According to the ESSJ demographic dividend is the accelerated economic growth that may result from a decline in a country's mortality and fertility and the subsequent change in age structure of the population so that the working ages row larger relative to the youth population.

4.1.2 Structure and Growth of Employment

Data from STATIN indicated that the labour force averaged 1,266,577 for the period 2008-2012. It registered a decline of 29,750 in 2009 compared to 2008 and a further decrease of 20,100 in 2010 relative to 2009.⁴¹ There was an increase of 1,560 persons in 2011 and a further addition of 8,457 in 2012 (See Table 19). Male participation rate outnumbered females over the period under review. In terms of the youth (14-24 years), the participation rate moved to 37.1 per cent in 2012 from 42.8 per cent in 2008. The lowest participation rate for this age group occurred in 2010 with 36.5 per cent.

Table 19
Labour Force and Participation Rate 2008-2012

Year	Average Annual Labour Force		Total Participation Rate (%)			Youth Participation Rate (%)		
	Total	% Change	Female	Male	Total	14-19 yrs.	20-24 yrs.	Total
2008	1,299,550	2.3	57.5	73.9	65.5	14.6	70.9	42.8
2009	1,269,800	-2.3	55.7	71.8	63.6	12.2	65.2	38.7
2010	1,249,700	-1.6	54.8	70.4	62.4	9.8	63.2	36.5
2011	1,251,267	0.1	54.9	70.2	62.3	11.6	65.4	38.5
2012	1,259,725	0.7	55.6	70.3	62.7	10.7	63.6	37.1

Source: The Labour Force (Various Editions)

Examination of the data by sex showed that men comprised more than half of the labour force during the period. The labour force participation rate decreased from 65.5 per cent in 2008 to 62.3 per cent in 2011 and slightly increased in 2011 to 62.7 per cent. Some of the factors which affected the labour force participation rate included:

- persons becoming discouraged as they felt that no work was available, they were unable to find suitable jobs or they were tired of looking for jobs;
- businesses failing;
- persons being made redundant or being laid off; and
- persons choosing to resign from their jobs for personal reasons.

⁴¹ The decrease was as a result of the difficulty in the job market during the recession which discouraged jobseekers from looking for work (*Economic and Social Survey Jamaica, 2011*).

Employment: characteristics and recent trends

The employed labour force declined at a rate of 3.6 per cent and averaged 1,266,577 for the period 2008-2012 (*The Labour Force, Various Editions*). During this time there was one year when employment increased (2011).

A look at the performance of employment by economic sectors showed that the largest decline was recorded in the “Mining and Quarrying” sector which contracted by 43.0 per cent in 2009 relative to 2008 (See Table 20). The global recession resulted in a reduction in manufacturing goods such as motor vehicles which led to a fall in the demand for bauxite and aluminium and subsequently the closure of bauxite and alumina plants in Jamaica. Employment in the Manufacturing industry declined from 2008 to 2010.

Another notable trend was the steady decline in employment for the “Construction” sector (2008–2012). It is also important to note that all sectors with the exception of “Real Estate, Renting & Business Activities and Public Administration & Defence”; Compulsory Social Security declined in 2010.

Table 20
Employed Labour Force by Sector 2008-2012

Sector	2008		2009		2010		2011		2012	
	Number ('000')	% change	Number ('000')	% change	Number ('000')	% change	Number ('000')	% change	Number ('000')	% change
Agriculture , Hunting, Forestry and Fishing	216.9	3.2	227.4	4.9	221.7	-2.5	192.4	-13.2	196.4	2.1
Mining & Quarrying	9.8	18.5	5.6	-43.0	3.8	-31.8	4.3	12.3	4.8	12.2
Manufacturing	85.3	-0.3	77.7	-8.9	74.2	-4.5	74.8	0.8	75.0	0.3
Electricity, Gas and Water Supply	7.6	-1.9	8.1	6.2	6.7	-17.3	8.3	23.9	7.7	-7.2
Construction	109.0	-7.1	96.0	-11.9	89.6	-6.7	88.2	-1.6	80.4	-8.8
Wholesale & Retail Trade; Repair & Installation of Machinery	223.4	2.7	214.8	-3.8	211.4	-1.6	219.2	3.7	217.9	-0.6
Hotels & Restaurants	80.2	-1.5	78.9	-1.6	74.4	-5.7	74.8	0.5	76.5	2.2
Transport, Storage and Communication	82.4	1.3	76.5	-7.2	74.3	-2.8	72.3	-2.7	72.8	0.7
Financial Intermediation	22.3	14.2	25.7	15.0	24.3	-5.3	25.3	4.0	25.9	2.3
Real Estate, Renting & Business Activities	50.2	9.9	48.2	-3.9	52.0	7.8	59.0	13.6	57.2	-3.1
Public Administration & Defence etc.	55.2	-8.2	51.1	-7.3	54.6	6.8	55.8	2.2	58.3	4.5
Education	64.9	12.1	67.2	3.5	66.2	-1.5	70.0	5.8	68.8	-1.7

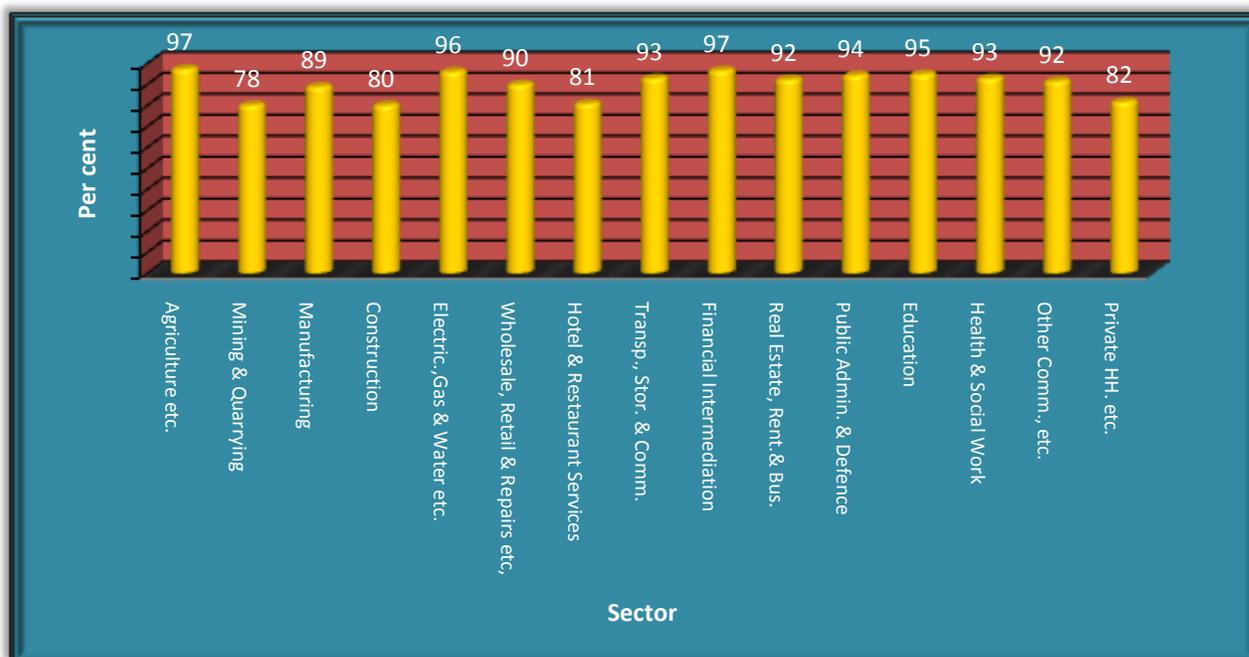
Sector	2008		2009		2010		2011		2012	
	Number ('000')	% change	Number ('000')	% change	Number ('000')	% change	Number ('000')	% change	Number ('000')	% change
Health & Social Work	31.1	7.7	29.1	-6.4	25.3	-13.0	28.8	13.6	27.7	-3.8
Other Community, Social etc.	55.3	2.2	56.6	2.3	54.3	-4.1	59.2	9.0	58.0	-2.0
Private Households	62.6	-7.4	59.5	-5.0	58.5	-1.7	59.0	0.8	56.8	-3.7

Source: The Labour Force (Various Editions)

During 2008-2012, the “Wholesale, Retail and Repair of Motor Vehicle and Equipment” sector employed the largest segment of the workforce (19.5%), followed closely by “Agriculture, Fishing and Forestry” (19.0 %). “Construction” (8.3%) was next, ahead of “Manufacturing” with 7.0 per cent which was followed closely by ‘hotels and Restaurant with 6.9 per cent. The “Mining and Quarrying” sector employed the smallest (0.5%), followed by “Electricity, Gas and Water Supply” (0.7%).

In relation to the employment rate by sector, “Mining and Quarrying” averaged the lowest with 78 per cent, followed by “Construction” with 80.0 per cent each (See Figure 7). “Hotels and Restaurant Services” was next with 81.0 per cent. The highest level of employment was recorded in the “Agriculture, Hunting, Forestry and Fishing” sector which averaged 97 per cent. “Electricity, Gas and Water Supply” followed closely with 96 per cent.

Figure 7
Rate of Employment by Sector 2008-2012



Source: The Labour Force (Various Editions)

The data in Table 21 show that persons with no formal certification consistently comprised almost three-quarters of the employed labour force. The combined groups of CSEC (Basic and General), JSC, CAPE, and GCE O' and A' Levels had percentages ranging from 12.8 per cent to 13.7 per cent for the period 2008-2012. Persons with degrees constituted less than one-tenth of the employed labour force although their percentage has been steadily increasing.

Table 21
Educational Attainment of the Employed
Labour Force 2008-2012

	2008	2009	2010	2011	2012
BOTH SEXES					
Total	1,162,175	1,125,525	1,094,925	1,093,000	1,086,900
CSEC (Basic) J.S.C etc.	26,275	21,875	23,175	21,300	21,300
CSEC (General) & CAPE, GCE O & A	136,450	123,850	121,400	122,800	127,375
Degree	445,600	116,500	123,150	137,367	142,900
None	787,025	755,700	726,450	691,567	689,650
MALES					
Total	661,125	638,675	622,625	621,633	615,675
CSEC (Basic) J.S.C etc.	11,425	9,400	10,400	9,400	10,375
CSEC (General) & CAPE, GCE O & A	58,500	51,950	52,300	41,250	55,050
Degree	41,350	41,975	43,000	51,767	53,350
None	497,550	479,700	463,875	442,933	442,600
FEMALES					
Total	501,050	486,850	472,300	471,367	471,225
CSEC (Basic) J.S.C etc.	14,850	12,475	12,775	11,900	10,925
CSEC (General) & CAPE, GCE O & A	77,950	71,150	68,775	50,850	72,075
Degree	70,050	74,525	80,150	85,600	89,550
None	289,475	276,000	262,575	248,633	247,050

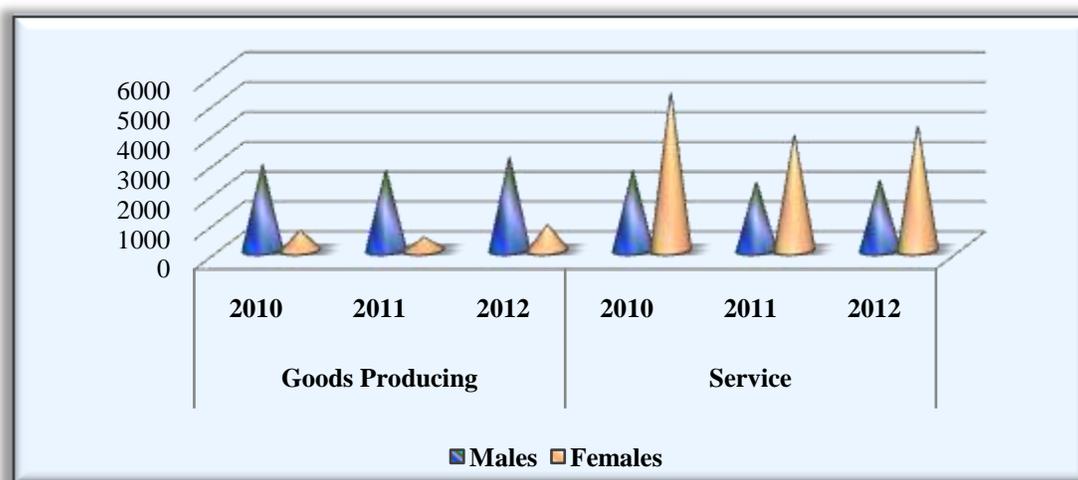
Source: The Labour Force Survey 2008-2012

Underemployment: characteristics and recent trends

The *Labour Force (2012)* describes underemployment as “the difference between the amount of work performed by employed persons and work they would normally be able and willing to perform”⁴². It further suggests that a person who work “less than 35 hrs in the survey week and is able to work more hours and is willing to work the additional hours should be classified as underemployed”.

Data published by STATIN showed that an average of 10,400 persons fell into this category of employment during the period 2010-2012. Of this total, males accounted for 51.5 per cent or 5,336. Underemployment was more dominant among men in the Goods Producing Industry and women in the Service industry (See Figure 8).

Figure 8
Underemployment by Sector and Sex 2010-2012



Source: The Labour Force (Various Editions)

Statistics for the employed labour force during 2009-2012 showed that the duration of work for the largest number of persons ranged between 35 and 41 hours while the smallest number of persons worked less than 35 hours, (See Figure 9).

⁴² Underemployment data was first published by STATIN in 2011
Revised by the Planning, Research and Monitoring Unit, Ministry of Labour and Social Security, Jamaica
December 2014

Figure 9
Percentage Employed by Hours Worked 2009-2012



Source: The Labour Force (Various Editions)

4.1.3 Unemployment: Characteristics and Recent Trends

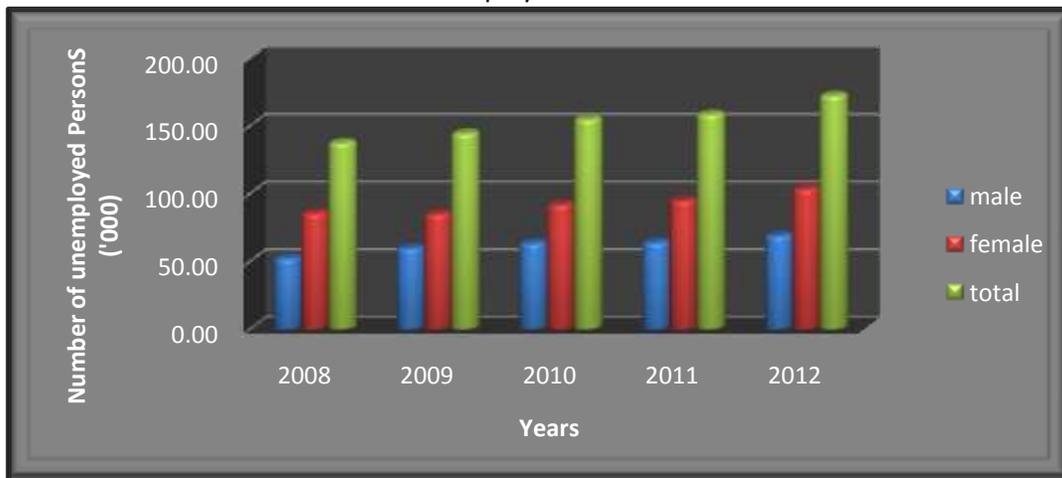
An average of 153,035 persons per year was recorded as being unemployed from 2008 to 2012. The data suggests that there was a steady increase in the number of unemployed individuals during the period with 137,250 in 2008 and 172,825 in 2012 (See Figure 10).

An examination of the data by sex showed that 60.0 per cent of the unemployed persons during the period 2008 to 2012 were females. Statistics from *The Labour Force Survey* suggests that the average long-term unemployment⁴³ for 2012 was 60,450. The long-term unemployed were predominantly women as they comprised approximately two-thirds or 41,950 of the total in 2012.

Although male unemployment was consistently lower, there was a steady increase in the number of unemployed men from 2008 to 2012. This pattern was also true for females except for a reduction in 2003.

⁴³ Persons were considered to be experiencing long term unemployment if they were unemployed for one year or more.
Revised by the Planning, Research and Monitoring Unit, Ministry of Labour and Social Security, Jamaica
December 2014

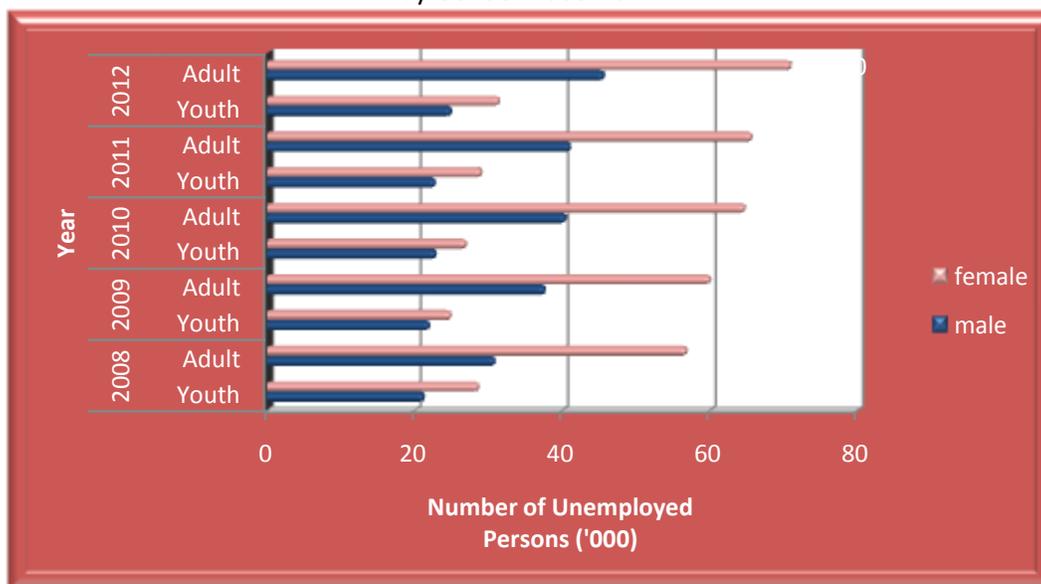
Figure 10
Number of Unemployed Persons 2008-2012



Source: The Labour Force (Various Editions)

During the five-year period 2008-2012, the average youth (14-24 years) unemployment was 50,840. There was a 13.0 per cent increase in the number of unemployed youth during the five-year period as it moved from 49,800 in 2008 to 56,300 in 2012 (See figure 11). For the corresponding period, the number of adult unemployed increased by 33 percent, from 87,600 persons in 2008 to 116,500 in 2012. Examination of the 2008-2012 data by sex show that more than half (55 per cent) of the unemployed youth were women compared to nearly two-third (62 per cent) for adults.

Figure 11
Number of Unemployed Youth and Adult in Jamaica
by Gender 2008-2012



Source: The Labour Force (Various Editions)

4.1.4 Child Labour

The International Labour Organization (ILO) defines child labour as work that deprives children of their childhood, their potential and their dignity and that is harmful to physical and mental development⁴⁴. The findings of a *Jamaica Youth Activity Survey (2002)* revealed that 16,240 children were involved in this type of activity of which the majority were boys. Most child labourers were found in “other towns” and “rural areas”. The majority (70%) were engaged in household activities. Ninety six per cent of children who were not economically active attended school compared to forty six per cent who were economically active.

A *National Survey on Street and Working Children*⁴⁵ revealed that the ratio of boys to girls who were involved in child labour was 70:30. Eighty three per cent belonged to the age group 11-17 years. Street children were predominantly 13 year old boys from female headed households who were either marginally employed as domestic helpers, vendors, unskilled workers or they were self employed. The study also indicated that child labour was largely a part-time activity outside of school hours with children working at an average of 8 hours per week. A large number of the children received approval to take part in these activities. Approximately 43 per cent of child labourers’ income was spent on basic necessities. Depending on location children were sometimes involved in fishing, sexual activities and odd jobs. Street children were mainly involved in vending, windscreen wiping and begging. Domestic children expressed a high level of dissatisfaction towards child labour while children who participate in commercial activities found their conditions to be more favourable. Thirty five per cent of sexually exploited children were said to be involved in formal businesses.

4.1.5 Labour Migration

In terms of external migration, Jamaica has traditionally experienced high levels of emigration which is influenced by labour market factors such as increased unemployment and the inability to obtain better paying jobs. Data from the ESSJ for the period 2008-2012 showed that a total of 125,919 Jamaicans migrated to the United States of America (USA), Canada and the United Kingdom (UK)⁴⁶. As seen in Table 22, most of the Jamaican migrants (100,452) went to the USA, followed by UK (14,340) and Canada (11,127). In 2012, Jamaica was ranked 11th among countries whose residents received permanent status in the US and 3rd among Latin America and Caribbean countries (*ESSJ, 2013*). A look at the categories of Jamaican workers who migrated to the USA in 2012 showed that “Service Occupations” was the largest group accounting for 11.7 per cent; followed by “Management Professionals and related Occupations” with 5.2 per cent.

⁴⁴ <http://www.ilo.org/ipec/facts/lang--en/index.htm>

⁴⁵ R. Cooke. National Survey on Street and Working Children.2002.The Ministry of Health support Unit. cda.gov.jm/downloads/National_survey_Street_Children_Mar02_20061116... - 566k -

⁴⁶ Economic and Social Survey Jamaica (Various Editions). The US data was unavailable for 2012.

Table 22
Main Streams of Migration from
Jamaica 2008-2012

Year	USA	Canada	UK	Total
2008	18,477	2,312	2,715	23,504
2009	21,783	2,380	3,148	27,311
2010	19,825	2,260	2,958	25,043
2011	19,662	2,025	2,514	24,201
2012	20,705	2,150	3,005	25,860
Total	100,452	11,127	14,340	125,919

Source: ESSJ 2008-2013

Jamaicans also participate in programmes which provide employment overseas. Workers have benefited regionally through the CARICOM Single Market and Economy (CSME). They have also participated in programmes such as US Farms and Hotel Workers' programmes as well as the Canadian Farms and Factories programmes. A Canadian Skills Programme was introduced in 2008 which allows skilled workers from Jamaica to train and work in Canada.

CARICOM Single Market and Economy

The CSME allows skilled CARICOM nationals to work in other participating member states providing they are granted a certificate of recognition. The workers that are qualified for free movement to work in other CARICOM countries include university graduates, holders of an Associate degree or equivalent qualification (CAPE/ "A" Levels and National Technician Certificates. Workers such as sports persons, Artistes, Musicians, Professional Nurses, Teachers, Artisans, and Household Workers with a Caribbean Vocational Qualification (CVQ) are also eligible. A total of 2,745 certificates were issued from September 1997 to 31 March 2013. For 2012/13, a total of 320 applications was issued; 13 per cent more than the previous year. Of the total issued for 2012/13, approximately 86 per cent or 277 were granted to Jamaican nationals. Trinidad & Tobago nationals comprised 7 per cent and those from Barbados 3 per cent.

US and Canada Farms and Hotel Programme

During 2008-2012 the number of workers which were deployed to the US and Canada decreased to 11,344 in 2012 from 11,962 in 2008⁴⁷. In relation to the US Hotel Workers programme there was a sharp decline in the number of vacancies filled in 2009 with 359

⁴⁷ The figures include new workers as well as those who are requested yearly to work overseas.

compared to 1,738 in 2008. This occurred as a result of the recession in the United States which resulted in shutting down of several businesses as well as reduction in tourist arrivals. Since then, there has been an increase in demand for workers. The number of overseas employment for the US Farm Workers' programme and the Canadian Farms and Factories programme declined in 2009 relative to 2008. There was also a decrease in 2012 relative to the previous year. The Canadian Skills and Hospitality programme began with 24 participants in 2008 and increased to 311 in 2012. Some of the workers which were in demand for the overseas market in 2012 included Truck and Transport Mechanics, Auto Mechanics, Welders, Meat Cutters, Restaurant workers, Construction Helper and Tyre Technicians.

Table 23
Overseas Employment by Type of
Programme 2008-2012

Year	US Farms	US Hotel Workers	Canadian Farms & factories	Canadian Skill Programme
2008	4,128	1,738	6,072	24
2009	3,743	359	5,866	157
2010	3,877	922	5,952	215
2011	3,874	1,093	6,419	283
2012	3,524	1,136	6,373	311

Source: Ministry of Labour and Social Security

Over the period under review more men participated in the overseas programme than women (See Table 24). Most of the men were employed to the Canadian Farm/Factory programme (29,524), while women were largely employed in the US Hotel programme (3,115). It is also important to note that over the period there has been a steady increase in the number of female in the Canada Farm/Factory programme.

Table 24
Overseas Employment by Sex 2008-2012

Programme	Sex	2008	2009	2010	2011	2012	Total
US Farm	Male	4,128	3,743	3,877	3,874	3,524	19,146
	Female	0	0	0	0	2	2
US Hotel	Male	729	156	336	458	451	2,130
	Female	1,006	203	586	635	685	3,115
Canadian Farm/Factory	Male	5,937	5,708	5,770	6,116	5,993	29,524
	Female	145	158	182	303	378	1,166
Total by Sex	Male						50,800
	Female						4,283
Grand Total							55,083

Source: Ministry of Labour and Social Security

Work Permit

There was a steady decline in the number of work permit issued from 2009 to 2011. This was due to a decline in the construction of large properties in the Hotel and Tourism Industry. The slight increase in 2012 was as a result of the construction of the North South High Way. In terms of recipients of work permit, most were employed in the Wholesale and Retail Trade Sector which averaged 58 per cent from 2008 to 2012 (See Table 25).

Table 25
Number of Approved Work Permit by Sectors 2008-2012

Sectors	2008	2009	2010	2011	2012
Agriculture, Forestry & Fishing	108	125	41	114	114
Mining and Quarrying	60	19	22	16	14
Manufacturing	175	75	58	38	27
Construction and Installation	1,475	570	374	426	399
Electricity/Gas/Water	24	59	67	92	46
Transport, Storage & Communication	346	259	285	172	218
Wholesale and Retail Trade	2,313	2035	2,120	1,887	2,018
Financing, Insurance, Real Estate & Business Services	144	74	83	90	93
Community, Social and Personal Services	439	353	343	306	346
TOTAL	5,084	3569	3393	3141	3,275

Source: Ministry of Labour and Social Security

4.1.6 The Informal Sector

According to STATIN, the informal sector excludes agricultural activities as they are difficult to estimate⁴⁸. The definition considers non-agricultural activities which comprise:

- Own-account workers and employers who own informal enterprises
- Employees working in enterprises with nine (9) or less employees
- Contributing family members
- Employees in jobs with no National Insurance Scheme (NIS) deducted from their wage⁴⁹

⁴⁸ This is in keeping with definition of informal employment which is provided by the International Labour Organization (ILO).

⁴⁹ NIS is the national pension scheme of Jamaica.

Socio-demographic Characteristics

Average employment in the formal sector for 2010-2012 was 422,967 (38.8 per cent) compared to 419,367 (38.4 per cent) in the informal sector (See Table 26).

Table 26
Employed Labour Force by Type of Employment 2010-2012

Type of Employment	2010	2011	2012	Av(2010-2012) Average	%
	Both Sexes				
Formal	405,200	433,300	430,400	422,967	38.8
Informal	420,100	421,900	416,100	419,367	38.4
Domestic Workers	35,500	33,300	32,800	33,867	3.1
Agriculture Sector	221,600	192,500	196,300	203,467	18.6
Unclassified	12,500	12,000	11,400	11,967	1.1
TOTAL	1,094,900	1,093,000	1,086,900	1,091,633	

Source: Labour Force Survey 2010-2012

During this period, most of the informal sector workers were men (60.2 per cent or 252,567). An average of 43.4 per cent of the persons employed in the informal sector was from the rural areas, 34.6 per cent other towns and 22.0 per cent urban areas.

Workers from the 35-44 age group comprised the largest number (131,433 or 31.3 per cent), followed by those within the 25-34 age cohort (117,433 or 28 per cent) (See Table 27).

Table 27
Informal Sector Employment by Age group 2010-2012

Age Group	2010	2011	2012	Average (2010-2012)	%
	Both Sexes				
	Informal	Informal	Informal		
14-24	45,400	47,300	41,700	44,800	10.5
25-34	118,900	119,600	113,800	117,433	28.0
35-44	130,600	131,300	132,400	131,433	31.3
45-54	72,900	73,500	72,000	72,800	17.4
55-64	33,600	32,900	36,600	34,367	8.2
65 and over	18,800	17,300	19,600	18,567	4.4
Total	420,200	421,900	416,100	419,400	

Source: Labour Force Survey 2010-2012

At least 79.2 per cent (332,200) had no examination passes and 1.9 per cent received basic CXC, JSC and SSC passes. Ten per cent had CXC and GCE O' Level passes with 2.3 per cent obtaining 1-2 subjects, 3.4 per cent receiving 3-4 subjects and 2.1 per cent gaining 5 or more subjects. At least 0.16 per cent had passes in GCE A' Level while 2.2 per cent received a degree.

Industry and occupational groups

During the review period 2010-2012, "Wholesale, Retail and Repairs" had the largest number of informal workers (152,167 or 36.3 per cent), followed in descending order by "Construction" (72,767 or 17.4 per cent) and "Transport, Storage and Communication" (43,800 or 10.5 per cent) (See Figure 12).

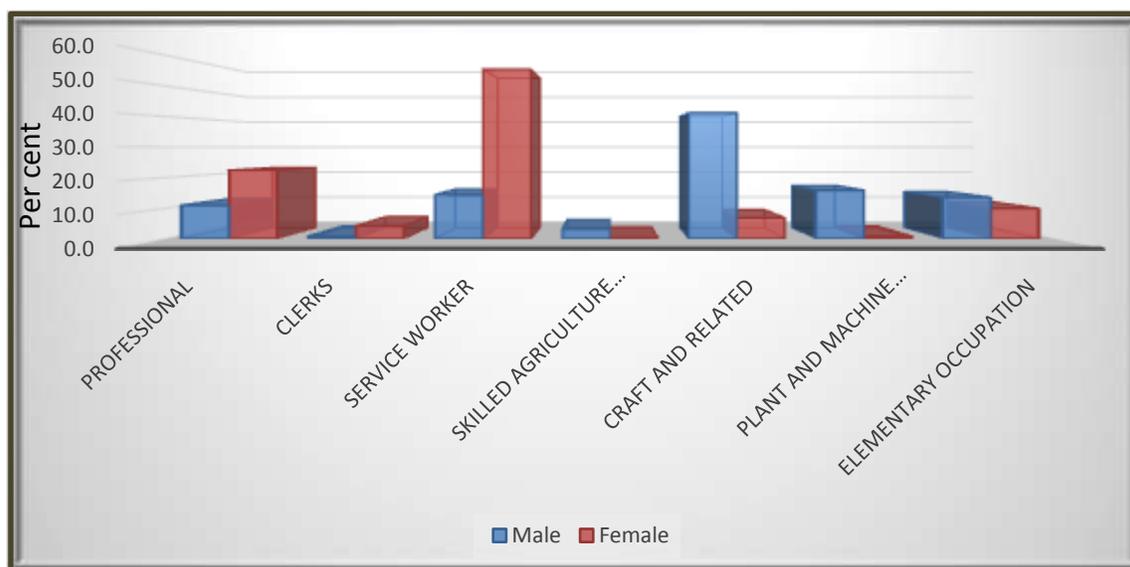
Figure 12
Informal Sector Employment by Industry Group 2010-2012



Source: Labour Force Survey 2010-2012

In terms of the type of workers "Service workers" (30.7 per cent) were the leading informal group followed by "Craft and Related Trade workers" (27.5 per cent). The occupational group which employed mostly males was "Craft and Related Trade" (41.2 per cent). "Machine Operators and Assemblers" was next (15.9 per cent). Meanwhile the majority (55.5 per cent) of the female "Service workers" were employed informally. This was followed by females employed as "Professionals and Senior Officials and Technicians" (22.4 per cent) (See Figure 13).

Figure 13
Informal Sector Employment by Occupational Groups and Gender
2010-2012



Source: Labour Force Survey 2010-2012

Women are disproportionately represented in low-skill jobs which offer relatively low levels of remuneration giving rise to the phenomenon of the “working poor”. Persons so categorized are usually employed in low wage occupations such as household/domestic workers, some categories in the garment industry, office attendants, some workers in the security industry, street vendors and similar jobs requiring little or no skills. These occupations are thus more likely to be subjected to social dislocation. This along with an undetermined number of unemployed or employed persons involved with low wage, low status jobs as well as a large unemployed and often unemployable proportion of the youth labour force presents serious challenges to the attainment of the founding principles of decent work.

4.1.7 Productivity

Labour Productivity Growth and Levels

Labour productivity or output per worker is defined as real gross domestic product (GDP) divided by the employed labour force. In line with this definition, labour productivity is reported below in growth rates as well as levels.

Table 28 indicates that labour productivity for the economy declined marginally at an annual average rate of 0.02 per cent during the period 2008 to 2013. This fall was attributed to the national output (Real GDP) declining slightly greater (0.7 per cent) than the employed labour force (0.68 per cent). Labour productivity growth was lowest in 2012, declining by 1.96 per cent, followed by 2013 and 2008 which decreased at annual

rates of 0.55 per cent and 0.36 per cent, respectively. In 2011 labour productivity grew by 2.56 per cent, which was its highest over the last decade. This growth was due to an increase in national output by 1.4 per cent which offset the decline in the employed labour force by 1.1 per cent.

Average annual labour productivity levels varied greatly across the industries during the review period. The top four were Electricity, Gas and Water Supply (J\$2.9603M), Mining & Quarrying (J\$2.6952M), Financial Services (J\$2.6718M) and Real Estate, Rent and Business Services (J\$1.1167M). The five sectors of the economy which recorded the lowest labour productivity levels were: Agriculture, Forestry and Fishing (J\$214,000); Hotels & Restaurant Services (J\$443,500); Government Services (J\$449,700); Construction (J\$503,800); and Wholesale & Retail Trade (J\$540,500).

These five sectors yielded labour productivity levels that were below the national average (J\$549,800). This means that if the standard of living of workers within these sectors is to improve significantly then policies geared towards consistently improving productivity must be implemented as a matter of urgency. This recommendation is particularly relevant for Agriculture, Forestry and Fishing which lies at the bottom of the productivity ladder and employs the largest proportion of the labour force.

Table 28
Labour Productivity Levels by Industry
2008-2013 ('000)

Sectors							Avg.
	2008	2009	2010	2011	2012	2013	2008-2013
Agriculture , Forestry and Fishing	171	190	199	247	241	236	214.0
Construction	476	491	497	508	523	528	503.8
Energy, Electricity and Water	3,234	2,984	3,162	2866	2892	2624	2960.3
Financial and Insurance Services	2,883	2,735	2,565	2676	2568	2604	2671.8
Government Services	453	468	471	440	438	428	449.7
Hotels & Restaurant Services	400	425	463	450	452	471	443.5
Manufacture	636	665	636	698	658	688	663.5
Mining & Quarrying	2,661	2,496	2,872	3450	2494	2198	2695.2
Real Estate, Rent and Business Services	1,293	1,270	1,157	1019	1050	911	1116.7
Transport, Storage & Communication.	902	951	945	924	931	940	932.2
Wholesale & Retail Trade	570	562	537	544	517	513	540.5
National Average	546	548	547	561	550	547	549.8

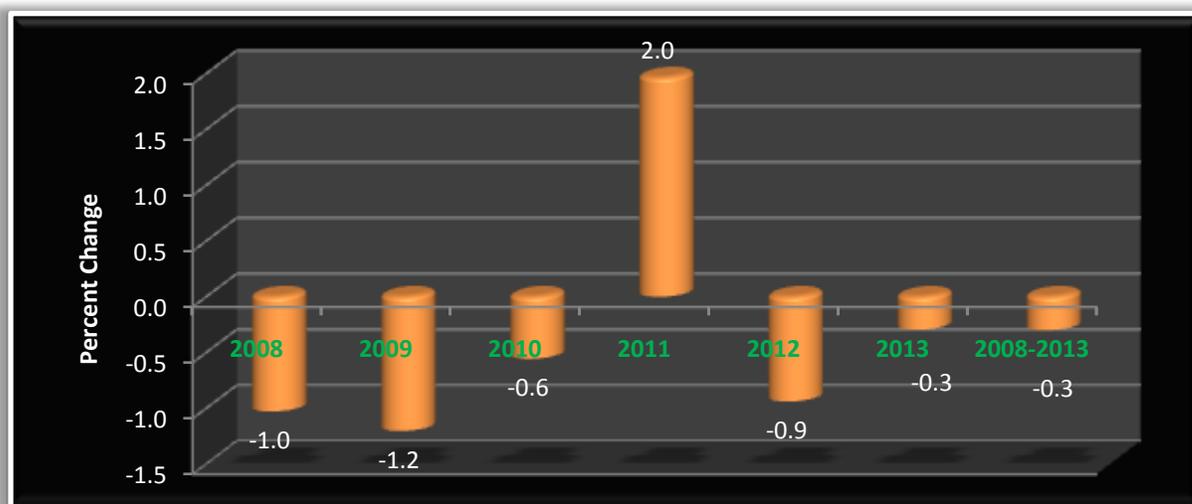
National Average (% change)	-0.36	0.37	-0.18	2.56	-1.96	-0.55	-0.02
------------------------------------	-------	------	-------	------	-------	-------	-------

Source: Jamaica Productivity Centre: Chain-weighted real GDP using 2005 as the reference year was used to calculate labour productivity levels

Total Factor Productivity Growth

Total Factor Productivity (TFP) is a residual measure which accounts for changes in output not caused by labour and capital. This residual measure includes technology, innovation, workforce skills, quality of management, governance structures, and investment climate. Over the review period, TFP declined at an annual average rate of 0.3 per cent (See Figure 14). TFP also grew by 2 per cent in 2011, which was the only positive figure recorded by Jamaica over the six-year review period.

Figure 14
Total Factor Productivity Growth Rates: 2008-2013



Source: Jamaica Productivity Centre

Capital Productivity

Table 29 captures the performance of capital productivity which is defined as the output (real GDP) per unit value of fixed production assets. On average, capital productivity declined annually by 0.7 per cent over the six year period. In the first three (3) years (2008 to 2010), capital productivity declined because the fall in output (1.9 per cent) was significantly greater than the increase in capital stock (0.1 per cent). In contrast, during the last three years (2011-2013) output increased more than the capital stock.

Capital Intensity

This is defined as the ratio of capital stock to workers. Over the review period (2008-2013), capital intensity increased at an average rate of 0.7 per cent annually. This was largely influenced by a fall in employment during 2008-2010 which was greater than the decline in capital stock (See Table 29).

Table 29
Average Growth of Capital Productivity and Capital Intensity

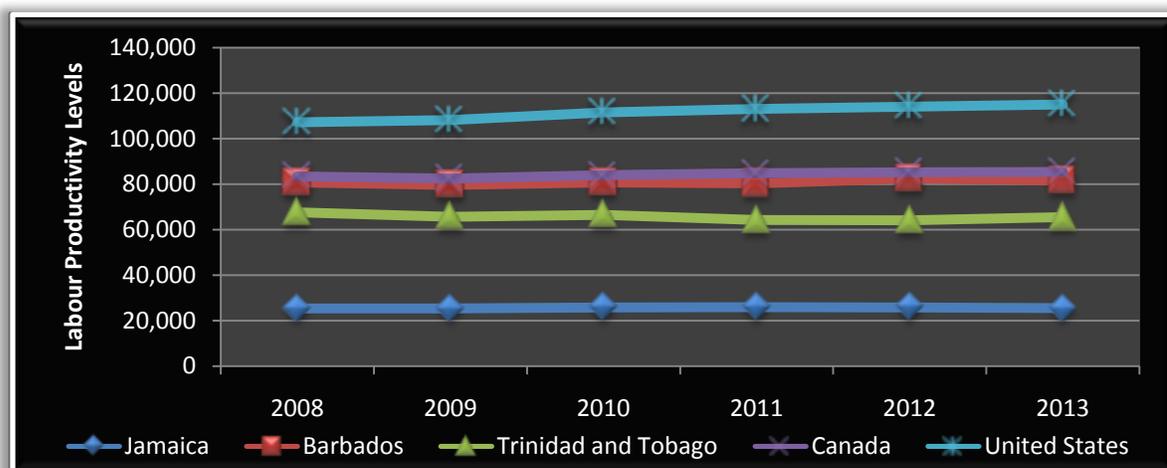
Year/Period	Capital Productivity	Capital Intensity
2002-2007	-0.1	-1.5
2008	-1.8	1.5
2009	-3.0	3.4
2010	-1.1	1.0
2011	1.5	1.0
2012	0.2	-2.1
2013	0.0	-0.6
2008-2010	-1.9	1.9
2011-2013	0.6	-0.6
2008-2013	-0.7	0.7

Source: Jamaica Productivity Centre

International Labour Productivity Comparisons

According to Figure 15, labour productivity levels were lowest for Jamaica when compared to Barbados, Trinidad and Tobago, Canada and the United States. Average labour productivity for Jamaica ranged between 23 per cent and 40 per cent of labour productivity in these countries.

Figure 15
International Comparisons of Labour Productivity Levels 2008-2013



Source: Total Economy Database, Conference Board- Labour Productivity Levels in 2013 US\$ (converted to 2013 price level with updated EKS PPPs)

Figure 16 shows that over the review period, labour productivity declined at 0.02 per cent for Jamaica, while Barbados, Canada and the United States grew at average rates of 0.4 per cent, 0.2 per cent and 1.2 per cent, respectively. Trinidad and Tobago, however, saw a reduction in labour productivity at an average rate of 0.2 per cent annually.

Figure 16
International Comparisons of Average Labour Productivity
Growth Rates 2008-2013



Source: Total Economy Database, Conference Board

4.1.8 Industrial Relations

Table 30 revealed that a total of 1,137 industrial disputes were reported during the period 2008 to 2012. At the same time, the total number of industrial disputes dealt with by the MLSS ranged from a low of 199 in 2008 to a high of 330 in 2012 (See Table 30). In the period 2008 to 2012 “Financing, Insurance, Real Estate & Business Services” registered the largest number of disputes reported (271), followed closely by “Community, Social and Personal Services” (251), “Wholesale & Retail Trades, Hotels & Restaurant Services” (173) followed by Transport, Storage and Communication (165). The sectors which recorded the lowest number of industrial disputes were “Construction” (39) and “Agriculture, Forestry & Fishing” (32).

Table 30
Industrial Disputes by Sector 2008-2012

	2008	2009	2010	2011	2012	Total
Agriculture, Forestry & Fishing	9	5	2	6	10	32
Mining & Quarrying	8	12	4	8	9	41
Manufacturing	26	14	15	21	35	111
Electricity, Gas & Water	11	13	4	16	10	54
Construction	3	1	24	8	3	39
Wholesale & Retail Trades, Hotels & Restaurant Services	14	14	52	35	58	173
Transport, Storage & Communication	28	16	62	29	30	165
Financing, Insurance, Real Estate & Business Services	35	42	23	72	99	271
Community, Social & Personal Services	65	41	17	52	76	251
TOTAL DISPUTES	199	158	203	247	330	1,137

Source: Ministry of Labour and Social Security

Most of the disputes during the five-year period were in relation to dismissals and suspensions which totalled 548 cases (See Table 31).

Table 31
Industrial Disputes by Cause 2008-2012

	2008	2009	2010	2011	2012	Total
Wages and Conditions of Employment	41	27	61	59	40	228
Dismissals and Suspensions	30	74	90	124	230	548
Bargaining Rights	53	30	19	21	19	
Miscellaneous	58	27	33	43	41	202

Source: Ministry of Labour and Social Security

The annual number of industrial disputes that were settled increased to 63 in 2010 compared to 56 in 2009. The highest number of disputes that were settled during the period occurred in 2012 with 172 (See Table 32).

Table 32
Total Disputes disposed of 2008-2012

	2008	2009	2010	2011	2012	Total
Settled	67	56	63	83	172	
Referred to IDT	23	28	24	37	39	151
Referred to local level	30	21	32	38	65	186
Director of Public Prosecution	0	0	0	0	0	0
Petered Out	43	45	15	20	39	162
Total Disputes Disposed of						

Most of the disputes were settled through conciliation or returned to the local level. The number of disputes disposed of as a percentage of those which were to be disposed of was highest in 2012 with (71 per cent) and lowest in 2010 (30 per cent). The number which was to be disposed of in 2012 was 444 compared to 440 in 2010. Meanwhile the actual number disposed of in 2012 was 315 as against 134 in 2010 (See Figure 17).

Figure 17
 Number of Industrial Disputes to
 be Disposed of and the number of disputes that were disposed
 2008-2012



Source: Ministry of Labour and Social Security

During the period 2008 to 2012 the average number of work stoppages per year was 8.2 instances. Table 33 showed that most of the work stoppages occurred in the “Community, Social and Personal Services” sector. The sectors that recorded the least number of work stoppages were “Construction”, “Mining and Quarrying”, Wholesale & Retail Trades, Hotels & Restaurant Services and “Agriculture, Forestry & Fishing”. The smallest number of work stoppages occurred in 2009 and the largest in 2010.

Table 33
 Work Stoppage by Sector 2008-2012

	2008	2009	2010	2011	2012	Total
Agriculture, Forestry & Fishing	0	0	0	2	0	2
Mining & Quarrying	0	0	0	1	0	1
Manufacture	1	1	1	0	2	5
Construction	0	0	0	1	0	1
Transport, Storage & Communication	3	1	1	0	1	6
Financing, Insurance, Real Estate & Business Services	1	0	2	0	1	4
Community, Social & Personal Services	2	2	3	4	2	13
Electricity, Gas & Water	0	0	5	2	0	7
Wholesale & Retail Trades, Hotels & Restaurant Services	1	0	0	1	0	2
Total	8	4	12	11	6	41

Source: Ministry of Labour and Social Security

Chapter Five

Labour Market Interventions

There are several issues within the labour market that needs to be addressed. These include:

- Productivity
- Recruitment of Foreign Nationals
- Industrial Relations
- Health and Safety in the workplace
- Informal Sector and its Implications for Decent Work
- Child Labour
- Youth Development
- Education and Training
- Dissemination of Labour Market Information
- Empowering Persons with Disabilities
- Social Protection
- Gender Affairs
- Senior Citizens

Labour Market Reform

In order to address these issues the Government developed a combination of policies, programmes and initiatives. These interventions are designed to reform the labour market by:

- addressing the decline in productivity levels
- creating a flexible work environment
- creating a forum in which job seekers and potential employers can meet;
- providing Labour Market Information (LMI);
- addressing the needs of persons with disabilities;
- eliminating the worst forms of child labour;
- ensuring that labour relations standards are enforced;
- reducing youth unemployment;
- increasing the level of certification among the workforce;

This section outlines some of the labour market interventions and policies which are still being undertaken by the MLSS, other Government bodies and NGO's to address these issues.

5.1 Productivity

The Jamaica Productivity Centre (JPC) was established in 2003 and has responsibility for promoting and facilitating productivity at the national, industry, sector and enterprise

levels. The short-term priorities of the JPC are consistent with and support those of *Vision 2030: National Development Plan* which include:

- Enhancing productivity across targeted sectors and industries to improve overall competitiveness and exports;
- Building productivity driven organizations in the private and public sectors;
- Providing evidence based research and advocacy for policies that will accelerate productivity growth, competitiveness, economic development, employment and improved quality of life;
- Promoting a national productivity conscious culture.

A study conducted by the MLSS on *Flexible Work Arrangement: An Examination of its Implementation in Jamaica Organisation*⁵⁰ (2010) revealed that flexitime as it is otherwise called can increase productivity and efficiency in the workplace. The Joint Select Committee Report was tabled in the House of Representative on January 26, 2010. This Report made recommendation for the policy to be applied for the implementation of Flexible Work Arrangement. The Report was debated in the House of Representative on February 9, 2010 and February 16, 2010. On the latter date, the House voted to accept the Report and on April 30, 2010, it was approved by the senate.

The approved policy with respect to the implementation of Flexible Work Arrangements in Jamaica suggested that:

- I. There should be no set eight (8) hour or ten (10) hour work day, but the work day should be capped at a maximum of twelve (12) hours.
- II. The work week should consist of forty (40) hours
- III. All seven (7) days of the week should be considered as possible normal working days.
- IV. Overtime should be earned after the worker has completed forty (40) hours.
- V. Existing laws should be amended to legitimize women working at nights.
- VI. The process should be commenced to amend restrictive clauses in specific pieces of legislation.
- VII. The Ministry of Labour and Social Security should supervise and monitor complaints relating to the Flexible Work Arrangements.
- VIII. A public education campaign on flexible work arrangements should be implemented.

5. 2 Recruitment of Foreign Nationals

In relation to employment, MLSS administers the Employment Agencies Regulation Act (1957) and the Foreign Nationals and Commonwealth Citizens Employment Act (1964). The Employment Agencies Regulation Act has provisions for monitoring the activities of employment agencies island-wide to ensure that local job seekers are not exploited. On

⁵⁰ The ILO defines flexible work as “arrangements offering various possibilities in relation to the number of hours worked and the planning of rosters, shifts or work schedules on a daily, weekly, monthly or yearly basis.” ILO Bureau of Library and Information Services (2005)

the other hand, the Foreign Nationals and Commonwealth Citizens Employment Act is the legislation under which work permits are granted to foreign nationals. It seeks to ensure that local entities are able to access scarce skills from abroad. The Act and its Regulations aim to prevent the employment of expatriates at the expense of Jamaicans by requiring organizations to:

- prove that they are unable to obtain suitable skills locally; and
- ensure that locals understudy expatriates to facilitate transfer of knowledge.

5.3 Industrial Relations

The MLSS administers labour laws which are designed to protect the rights of workers and employers and ensure decent work. The worker has a responsibility to the employer to perform his contract of service to the best of his ability and should familiarize himself with the terms of his contract. The employer has the responsibility to ensure that the environment is conducive to work. Both parties should abide by the procedures for dealing with grievances as set out in the contract of employment.

The institutional structures that support these issues include:

1. The Conciliation/Pre-Conciliation Section which facilitates unionized and non-unionized workers in the formal and informal sector is guided primarily by the Labour Relations and Industrial Disputes Act (1975) (LRIDA). Industrial relations matters mainly relate to representational rights, wages and/or fringe benefits negotiations and dismissals. The Pre-Conciliation Unit which is an arm of the Conciliation Section provides advice and other assistance with the aim of fostering improved relations between management and worker, thereby facilitating a more cooperative industrial relations environment.
2. Non-unionized workers are dealt with by the Pay and Conditions of Employment Branch (PCEB). It ensures the maintenance of minimum standards set out by several Acts, including the Employment (Termination and Redundancy Payments) Act (1974) (ETRPA) and Maternity Leave Act (1979), Holidays with Pay Act (1947) and Minimum Wage Act (1938). These address issues relating to notice and redundancy pay, maternity leave, sick and vacation leave and minimum wages. The ETRPA stipulates the conditions under which workers are considered to be affected by a redundancy exercise and indicates how the redundancy payments should be calculated. The calculation of the payments is based on the number of years that the worker has been employed by the employer.
3. The Industrial Disputes Tribunal (IDT) is a quasi-judicial Body which derives its identity and powers from the (LRIDA). Industrial disputes which are not settled by conciliation may be referred to the IDT for settlement by arbitration. The LRIDA was amended in 2010 to provide for the referral of individual disputes of non-unionized workers to the IDT.

4. The MLSS also has a history of consulting with stakeholders before designing and/or implementing policies and programmes. It seeks consensus before laws are enacted or amended in an attempt to address the concerns of all the relevant parties. Two tripartite bodies which facilitate consultation are the Labour Advisory Council (LAC) and the Minimum Wage Advisory Commission (MWAC). The MWAC was established under the Minimum Wage Act. Its primary function is to continuously review all minimum wages which are fixed under the Minimum Wage Act and make recommendations to the Minister for adjustments. It is also responsible for obtaining and recording information in relation to wages and remuneration, conditions of work and other factors that affects the circumstances of employment. In order to accomplish this, the Commission:
- solicits and considers the input of various interest groups and members of the public;
 - considers the ability of employers to pay in order to ensure that the new rate does not result in lay-off or increased unemployment; and
 - uses inflation data to help arrive at an appropriate adjustment

The mandate of the LAC includes advising the Minister of Labour and Social Security on matters affecting labour and the promotion of industrial peace. The LAC also:

- focuses on issues in which employers and workers have a common interest;
 - promotes consultation and cooperation among workers' and employers' organisations and the Government on matters such as the protection of workers' rights and the application of labour legislation;
 - makes recommendations to the Minister for amendments to labour legislation.
5. The *International Labour Agencies and Information* Unit performs duties with respect to Jamaica's obligations as a signatory to International Labour Organization (ILO) Conventions. The ILO in consultation with the social partners developed the Decent Work⁵¹ Agenda (2010) in Jamaica which focuses on:
- Creating sustainable livelihood through investment, entrepreneurship and skills development;
 - Ensuring that the rights of workers are guaranteed through representation;

⁵¹Decent Work is defined by the ILO as "productive work which generates an adequate income, in which workers' rights are protected and where there is adequate social protection — providing opportunities for men and women to obtain productive work in conditions of freedom, equality, security and human dignity."

- Providing social protection for workers so that they operate in safe working conditions and receive adequate rest and family time;
- Promoting social dialogue through tripartite involvement to reduce industrial disputes and increase productivity.

Other International Agencies that the ILO liaises with includes the Organization of American States (OAS), the United Nations Development Programme (UNDP) and CARICOM, on behalf of the Government. These agencies provide technical guidance on policies and programme to address critical social and economic problems including unemployment, underemployment, inappropriate and inadequate levels of education and training, labour migration, informal work arrangements and other labour market issues.

5.4 Health and Safety in the Workplace

The MLSS is responsible for monitoring and enforcing safety and health requirements in the workplace under the Factories Act (1943). Since the Factories Act only addresses approximately 19 per cent of the Jamaican workforce, a new Occupational Safety and Health Bill is being promulgated to cover all workplaces.

The new Act will empower the MLSS to enter formal and informal establishments. Inclusion of the informal sector means that Small and Medium-sized sectors will also be covered under the Act. The new Act is intended to cover areas such as:

- Agriculture and Fisheries;
- Service Industries including place of entertainment, hotels, restaurants and theatres ;
- Public Sector; and
- Shops and Offices.

Issues such as HIV/AIDS and Child Labour, which are not covered under the Factories Act, will be addressed by the proposed OSH Act and included in the monitoring and evaluation of workplaces.

The MLSS in collaboration with the Ministry of Health developed a National Workplace Policy on HIV/AIDS which is a framework for action by the tripartite- Government, employers and workers. It is expected that the policy will:

- Reduce HIV/AIDS related stigma and discrimination;
- Assist in the development of a caring, supportive and responsible working environment that will protect all workers;
- Assist in the reduction of HIV/AIDS transmission.

5.5 The Informal Sector and its Implications for Decent Work

The analysis has revealed that there is a significant proportion of Jamaica's labour market which is involved in informal sector activities. Traditionally, the sector consists of persons engaged in marginal activities as well as those in MSMEs. Since a large proportion of informal sector activities take place outside the formal economy, it is difficult to set and monitor standards to promote "decent work". This has implications for the terms and conditions of work to which these individuals are subjected. The amendment of the LRIDA to allow non-unionized workers who primarily fall within the informal sector, access to the IDT is one method of addressing this problem. Regulations on safety and health at the workplace are also difficult to enforce. The proposed OSH Act will address this.

In the informal sector, socioeconomic issues dictate that significant attention must be directed towards basic standards with respect to the terms and conditions of work, occupational safety and health and social protection within the framework of the ILO concept of decent work.

5.6 Child Labour

According to the ILO, the term "Child Labour" is defined as work that deprives children of their childhood, potential and dignity. It also refers to work that is mentally, physically, socially or morally dangerous and harmful to children. In October 2003, Jamaica ratified ILO Conventions C138 (Minimum Age of Employment) and C182 (Worst Forms of Child Labour). The primary tenets of these Conventions were included in the Child Care and Protection Act (2004). This legislation makes it illegal to employ children who are less than 13 years old.

A number of programmes were implemented to address the issue of child labour. These include:

- ILO Tackling Child Labour through Education (TACKLE) Programme was implemented launched in Jamaica in 2009 and funded by the European Commission to aid in the reduction of child labour (worst forms). The objectives included:
 - Reducing poverty by providing basic education and skills training;
 - Strengthening the capacity of local authorities to implement and enforce measures to combat child labour;
 - Strengthening the existing legal framework on child labour and education policies;
 - Targeted actions to combat child labour as well as improve advocacy and dissemination of good practices to enhance the knowledge base and network on child labour.

The last objective was supported by the engagement of Non Governmental Organizations (NGO's), namely Children First and RISE Life Management.

- *The Possibility Programme* is an initiative of the Government to tackle the problem of street children in the Kingston Metropolitan Area. This programme seeks to provide a structure for the coordinated delivery of services by Government, NGOs and service clubs to this vulnerable group (mostly boys). It provides an integrated response involving a Care Centre and youth hostel that is operated by the St. Andrew Parish Church. There is also a skills training component that is managed by the HEART Trust/NTA.⁵²

The Guidance and Counselling Unit at the Ministry of Education (MOE) assists in monitoring children at risk and provides counselling for victims. The unit also channels schools' welfare services to victims.⁵³

5.7 Youth Development

The National Centre for Youth Development (NCYD) and the National Youth Service (NYS) are the Government agencies which are primarily responsible for youth development. The mandate of NCYD is to coordinate, plan and monitor youth development and implement the National Youth Policy. The NCYD focuses on six areas relating to youth which are their living environment, employment and entrepreneurship, education and training, empowerment and participation, care and protection and health.

The National Youth Service (NYS) was established to address problems which youths experience such as unemployment and lack of training opportunities. This Agency manages the Corps Programme, National Summer Employment Programme (NSEP), Mentoring Programme and Financial Assistance Programme.

The NYS Corps Programme combines training in specific career areas as well as re-socialization and work experience as it relates to the individual, the work place, community and the nation in order to develop positive attitudes and values among participants (17-24 years). The programme involves a one month training and re-socialization in a residential orientation camp, followed by job placement for six months. The NYS also offers financial assistance to participants of the programmes who are seeking to complete their tertiary education.

The Mentoring Programme aims to provide guidance and support to students in accomplishing their career goals, provide a positive role model and facilitate pro-social orientation of mentees.

⁵² ILO Summary Report : Assessment of Implementation and Enforcement Machinery to combat Child Labour in Jamaica (2010)

⁵³ Ibid

The National Summer Employment Programme (NSEP) is an annual programme which provides employment to students island-wide, practical work experience as well as assistance for back to school expenses.

5.8 Education and Training

In terms of manpower development, the Ministry of Education (MOE) has overall responsibility for the national education system from pre-school (children under six years old) through to the tertiary level. This includes:

- Early childhood education;
- Secondary education, systems and activities;
- Tertiary education (including teacher training);
- Education planning;
- Researching, designing, developing, implementing and reviewing curricula for grades one to eleven;
- Student assessment; and
- Technical and vocational education and training.

The activities of the MOE are administered through its head office in Kingston and six regional offices. Private (independent) schools are also regulated by the Ministry and are registered through the Independent Schools Section if they meet clearly identified minimum requirements. This is done in an attempt to ensure that the quality of education available in the private schools meets the required standard. All schools are monitored, supervised and assessed by Education Officers.

In addition to the above, there are several agencies and statutory bodies which fall under the auspices of the MOE that have specific functions for the administration of the national education systems:

- The National Council on Education (NCE) seeks to address issues impacting the education process. Its primary functions include:⁵⁴
 - a) Advise the Minister on policy matters relating to education in Jamaica.
 - b) Nominate suitable persons for appointment to Boards of Management in public educational institutions.
 - c) Assist in the preparation of plans and programmes for developing and maintaining an effective and efficient educational system.
 - d) Monitor and evaluate the implementation of these programmes and making appropriate recommendations to the Minister.
 - e) Stimulate the development of education in Jamaica, by means of training programmes, competitions, exhibitions or otherwise, as the Council thinks appropriate;

⁵⁴ <http://www.nce.org.jm/about-us> National Council on Education
Revised by the Planning, Research and Monitoring Unit, Ministry of Labour and Social Security, Jamaica
December 2014

- f) Perform other functions relating to education as may be assigned by the Minister;
 - g) Design and implement training programmes for the benefit of members of Boards of Management;
 - h) Undertake research in connection with its functions and publish or otherwise disseminate the findings of such research;
 - i) Recognize exemplary service in the field of education in Jamaica, and make such awards, as it thinks fit, to persons selected by the Council in accordance with criteria approved by the Minister.
- The University Council of Jamaica (UCJ) registers institutions which offer tertiary level education and ensures that minimum standards are met. These include the suitability of physical facilities and the qualifications and competences of the academic staff. The UCJ also assists tertiary institutions in the development and improvement of programmes.
 - HEART Trust/NTA facilitates and coordinates workforce development in Jamaica through the provision and development of Technical and Vocational Education and Training (TVET). It provides access to training (including on the job training), competency assessment and certification of all working age Jamaicans. The training programmes are industry (demand) driven and the standards are developed in conjunction with relevant employers.

Under the National Development Plan, MOE has shared responsibility for promoting career development. The Ministry ensures that the programmes offered by public education and training institutions are relevant and effective to fill gaps in the labour market. This is done through curriculum and career development, as well as training. The Curriculum and Support Services has responsibility for developing programmes for primary and secondary schools. Each tertiary level institution is responsible for its own curriculum. However, the UCJ assists in the development and improvement of their programmes. The Council also ensures that certain minimum standards are met such as the suitability of physical facilities, and the qualifications and competence of the academic staff.

The Guidance and Counselling Unit in the MOE develops services and programmes including career development. The Unit has been reviewing the curriculum used in the guidance programme in an effort to include more career-related information.

The HEART Trust/NTA, through the Career Services Unit provides career education, advisement, guidance and support to persons planning and developing their careers, or those transitioning into new careers. Career services are offered to students, graduates, youth at risk, employed/unemployed persons, and can be accessed by individuals, schools, community groups, and public /private sector organizations.

Services offered include:

- Career guidance and counselling (individual and group)
- Motivational and behavioural workshops
- Career interest inventory and psychometric testing
- Job readiness, employability skills and personal development workshops
- Simulated interviews
- Resume preparation
- Dissemination of career and labour market information
- Referral for remediation

The Training and Work Experience section of the MOE facilitates training through the Career Advancement Programme (CAP) and HEART Trust/NTA.

The CAP was developed in 2008 to assist youth (ages 16-24 years) who exited the secondary school system without qualifications. It is being facilitated under the Compulsory Education Policy (CEP), which “will ensure that all children ages 3-18 are attached to an education or training programme appropriate to their age and development”. CAP provides education and training programmes which are customized to meet students’ career choices. Students may obtain training in technical vocational specializations and are also exposed to other areas such as life-coping skills, personal development and civics.

HEART Trust/NTA, through a TVET Policy will provide a national framework for the development and sustainability of technical and vocational education and training. According to the Ministry of Education (MOE), the TVET Policy aims to:

- 1) Guide the development of a comprehensive integrated outcome TVET based system;
- 2) Create a coherent framework for TVET systems to encourage research and development, stimulate productivity, guide career advancement and lifelong learning;
- 3) Create pathways to facilitate the progression of individuals through competency levels and career changes, in keeping with current demands;
- 4) Improve the quality of TVET at all levels and make it accessible and responsive to the labour market;
- 5) Strengthen the culture of entrepreneurship and support job creation in the economy, focusing on emerging industries; and
- 6) Guide the establishment of sustainable financing system for building and maintaining TVET structures.

The National Council on Technical and Vocational Education and Training (NCTVET), acts as a quality manager for the TVET system. It develops competency standards, assessment instruments, provides certification to individuals, and accreditation to TVET institutions and other training organisations. NCTVET administers national vocational qualification through the National Vocational Qualification of Jamaica (NVQ-J). This qualification is based on occupational/job standards and has five levels. Level one is the entry level while Level five is the graduate/professional level. Graduates from one level may readily matriculate to the next level.

Apprenticeship

The Heart Trust/NTA has retooled and re-launched its apprenticeship programme known as the Registered Apprenticeship Programme (RAP). The programme has placed 100 persons in jobs and plans to place a further 900 by March 2015. The jobs ranged from refrigerator repair to digital animation and were available in Micro, Small and Medium Enterprises (MSME's).⁵⁵

5.9 The Labour Market Information System (LMIS)

As it related to the MLSS and manpower development the LMIS was established in 2001 to facilitate increased access to the Government employment service. It has three components which include the Electronic Labour Exchange (ELE), a Skills Bank and labour market intelligence and information.

The ELE allows the matching of job seekers with employers either offline or online. The online services include guidance on resume writing, preparing for a job interview, and career counselling. The offline services for job seekers include presentations/workshops on labour market trends, entrepreneurship and workplace readiness, referral to other institutions and career activities for secondary schools.

The Skills Bank is a database of Jamaicans with certified skills. The database provides information which can be used to determine the supply of and demand for labour, shortages and trends.

Labour market intelligence provides current and historical information on the local economy, population and labour market. It also includes studies conducted by the MLSS which can be used for labour market signalling.

Labour Market data made available to the public through the website includes:

- general labour market information;
- information on developing trends in the labour market including the general employment outlook, which details the types of skills which are in

⁵⁵ Retrieved from Jamaica Observer, October 3, 2014

current demand based on advertised vacancies and approved work permits;

- information pertaining to the output of tertiary institutions in relation to skills being demanded in the labour market, as well as a look at where new jobs are currently emerging;
- information regarding the sectors including a general overview of the economy

5.10 Empowering Persons with Disabilities

The MLSS has the responsibility of ensuring the inclusion of Persons with Disabilities (PWD's) in the labour market. This is done through the Jamaica Council for Persons with Disabilities (JCPD), Abilities Foundation and the Early Stimulation Programme (ESP).

The JCPD is responsible for implementing programmes which provide educational, training and social opportunities for persons with disabilities. JCPD is also mandated to develop and implement policies for persons with disabilities.

The Early Stimulation Programme⁵⁶ examines and assesses children aged zero to six years who may have special needs. The clients on the programme are served from across the island; however the focus of work is in the Kingston and St. Andrew Metropolitan Areas and Portmore, St. Catherine.⁵⁷

The Programme offers services such as:⁵⁸

1. Professional identification and assessment of developmental disabilities in pre-school children;
2. Formulating and implementing specific interventions catering to the individual needs of children, with the assistance of parents;
3. Provision of home-based teaching in order to minimize the need for institutionalized care; and
4. Being a resource centre to other agencies serving young children by providing consultations, referrals, intervention programmes and parent training.

The Abilities Foundation of Jamaica is entrusted with the responsibility of equipping persons with disabilities with marketable skills to facilitate their integration into the labour market. The Foundation offers full time day courses in areas such as Cabinet Making, Information Technology and Horticulture. Compulsory subjects for the trainees include Mathematics, English Language and Entrepreneurship.

A National Policy for Persons with Disabilities (PWD) was adopted by Parliament in 2000 and is geared towards providing equal opportunities for persons with disabilities by:⁵⁹

⁵⁶ This programme is an extension of the Jamaica Council for Persons with Disabilities

⁵⁷ <http://www.mlss.gov.jm/pub/index.php?artid=25>

⁵⁸ Ibid

⁵⁹ <http://www.mlss.gov.jm/pub/?artid=26>

1. Setting guidelines and directions for the Government;
2. Assisting Government and individual agencies to strengthening their capacity to address disability issues;
3. Providing a framework for agencies of Government to cooperate in developing and implementing policies ; and
4. Assisting Government in implementing the United Nations Standard Rules on the Equalization of opportunities for persons with disabilities.

A National Disabilities Act was tabled in Parliament in May, 2014 and is intended to provide strength and legislative support to the Policy. The main objectives of the legislation include reinforcing, promoting and seeking acceptance so that persons with disabilities can have the same essential rights as other persons.

5.11 Social Protection

The Social Security Division of the MLSS is instrumental in developing and implementing social policies and programmes. It focuses on social protection, particularly for the most vulnerable. These services are provided to a wide cross section of Jamaicans through a contributory social insurance scheme, namely the NIS and non-contributory social assistance programmes such as PATH, as well as Rehabilitation, Compassionate, Education and Social Intervention and Disaster and Welfare grants. Jamaica has no unemployment insurance, however workers who are insured under the NIS are entitled to Employment Injury, Disablement and Disability Benefits.

In 2013, two projects were combined to expand the Ministry's Social Intervention Programme (SIP). These were the **(i) Jamaica Emergency Employment Programme (JEEP) and (ii) Education and Entrepreneurship Grants Programme (formerly the YES Programme)**. The integration was expected to achieve greater efficiency, reduce duplication and provide greater impact for the initiative, which was geared towards offering assistance to beneficiaries through short-term employment and educational and/or entrepreneurship grants to foster independence and self-reliance. The target group is largely unemployed vulnerable youths between ages 18-35 years.

At the end of December 2013, 400 beneficiaries were engaged in the short-term employment programme, while 200 benefitted from grant funding.

Entrepreneurial Education Grant (EEG)

This programme provides financial assistance to persons aged 16-35 years in the form of Education or Entrepreneurship grant, which allows beneficiaries the opportunity for independence. Assistance is also provided through linkages with institutions such as HEART Trust/NTA and Jamaica Business Development Corporation (JBDC) to provide training, job placement and counselling. Approximately \$11 million was paid out to 284 individuals during the 2011/12 financial year.

5.12 Senior Citizens

A National Policy on Senior Citizens was adopted by Parliament in 1997. This Policy envisages a developmental approach for senior citizens and emphasizes the value of seniors in national development.⁶⁰ The National Council for Senior Citizens is an agency of the MLSS which is responsible for the formulation and implementation of policies and programmes for persons aged 60 years and over. The Council networks with the private sector, voluntary organizations and citizens to develop programmes and activities which:

- Promote active ageing;
- Encourage participation in nation building;
- Highlight the work and worth of seniors;
- Meet the physical and socio-economic needs of seniors;
- Promote intergenerational approaches;
- Advocate for seniors and provide a referral service; and
- Encourage involvement in income generating and community care projects.

Programmes for senior citizens are delivered through Golden Age Clubs and Senior Day Activity Centres. The Council seeks to empower the elderly by enabling them to socialize and participate in financially rewarding activities such as animal rearing, agriculture and dry goods trading. Social services are also provided through Feeding Programmes and referrals are made to institutions for assistance.

A total of 2,851 seniors from 19 centres benefited from the Golden Age Feeding Programme in 2011/12.⁶¹ The Council also facilitated income generation programmes for seniors, including 304 income generating projects island wide. The projects were in areas such as handicraft, preservatives, pastry, confectionary, horticulture, animal and poultry rearing, dry goods and beverages.⁶²

5.13 Gender Affairs

Issues relating to women in Jamaica are addressed primarily by the Bureau of Gender Affairs and the Women's Centre of Jamaica Foundation (WCJF). The main focus of the Bureau is to plan, develop and implement policies relating to different and unequal distribution of economic resources between men and women. Some of the gender inequalities which are evident include:

- Higher unemployment rate for women compared to men;
- An increased likelihood for girls between the ages 10 and 29 to contract HIV/AIDS than their male counterparts;
- A situation where women in rural areas undertake similar work as men, particularly in agriculture. However, women's efforts are not recognized because they are usually not the land owners;

⁶⁰ Ministry of Labour and Social Security website

⁶¹ Ibid

⁶² Ibid

- The high proportion of women who head households and usually have decision making skills and experiences which could be used at the community level;
- The under-representation and under-performance of men in the educational system;
- The high proportion of males in conflict with the justice system and persons admitted to adult correctional institutions;
- More concern among men about remuneration and levels of income while access to maternity leave was more important to women;
- Higher representation of men in administrative positions but not in the classroom; and
- Factors which mitigate against young persons (particularly boys) obtaining education, including lack of financial resources and parents who placed no value on education.

The WCJF was established to assist girls aged 17 years and younger, who have been forced to drop out of school due to pregnancy. Its mission is to provide education, training and developmental counselling, thereby improving the levels of employment and productivity among the young and delaying unwanted pregnancies.

The services which are provided by the Foundation include:

- Continuing education for teen mothers 17 years and under ;
- Counselling for “baby fathers”, teen mothers and their parents;
- Skills training for men and women in the 17-25 age group ;
- Confidential counselling services for children, adolescent, and young adults;
- Group peer counselling sessions at the Kingston Centre Counselling Clinic;
- Day care facilities for the babies of teenage mothers and working mothers ;
- Youth Activity Programme under the USAID/Uplifting Adolescents Programme ;
- Continuing Education and Counselling Programme for young men at risk; and
- "Walk-in" counselling services for women and men of all ages.

Chapter Six

Social Protection

6.1 Scope and Coverage

This section outlines the two main areas of Social Protection that are dealt with in the MLSS. These include:

- Social insurance (NIS) which is financed by contributions and based on the insurance principle; and
- Social assistance that is designed to transfer resources to groups deemed eligible due to vulnerability.

Social Insurance

The National Insurance Scheme (NIS) began in 1966 after the passing of the National Insurance Act in 1965. It stipulates that all persons aged 18-70 (males) or 18-65 (females) who are employed are required to be registered. The benefits provided under the Scheme include:

- retirement, invalidity, widows/widower's pensions;
- orphans and special child allowance;
- employment injury, disablement/death benefit;
- maternity allowance;
- funeral grant; and
- special anniversary pension.

NIS benefits were increased by 20 per cent with effect from July 1, 2010, resulting in total annual benefits increasing from \$9 billion to \$11 billion. The NIS insurable wage ceiling was also increased on August 2, 2010 from \$500,000 to \$1M per annum. During 2011/12, approximately 13,638 applicants were awarded NIS benefits, a decrease of 1,710 or 11.1 per cent compared to the previous fiscal year.⁶³ At the end of the 2011/12 financial year, the number of NIS beneficiaries stood at 94,765.

International Social Security

Jamaica has signed Reciprocal Social Security Agreements with the United Kingdom, Canada, Quebec and CARICOM in 1996. The focus of this Agreement is to:

- Enable countries to coordinate their social security programmes in order to protect certain social security rights of migrant workers. These rights are as a consequence of their residence status, insurance period and contributions;

⁶³Ministry of Labour and Social Security Annual Report 2011-2012
Revised by the Planning, Research and Monitoring Unit, Ministry of Labour and Social Security, Jamaica
December 2014

- Ensure equity in the treatment of persons who have to move from one country to another;
- Provide for continuity of coverage and prevent workers from contributing to more than one social security schemes across countries at the same time.⁶⁴

In the 2011/2012 financial year, approximately \$399 million were disbursed to 6,991 overseas pensioners.⁶⁵

Social Assistance (Public Assistance Programmes)

These Programmes were designed for individuals who lack the means to sufficiently sustain themselves. The target groups include unemployed and under-employed individuals, the elderly, persons with disabilities, and children in households below the poverty line as well as victims of misfortunes such as fire, flood, hurricane and other natural disasters. Social Assistance Programmes include Rehabilitation Grants, Compassionate Grants, Emergency Relief Assistance, PATH and Steps to Work.

Rehabilitation Grants are designed to provide assistance to the most vulnerable, such as the poor or those who have met with misfortune that interrupts their income earning capacity or living conditions. During 2011/12, Rehabilitation Grants totalling \$28.6 million was awarded to 1,958 persons. Females accounted for the larger share, with 1,225 compared to 703 for males.⁶⁶

A total of \$4.4 million was disbursed as Rehab Grants through the JCPD to PWDs during 2011/12. This is an increase of 33 per cent compared to 2010/11. The largest amount (\$891,450.00 or 20 per cent) of the disbursements was to assist PWDs with educational support.⁶⁷ There was also an increase in the number of recipients from 302 in 2010/11 to 393 in 2011/12.

Compassionate Grants are disbursed to individuals who are in need of immediate financial assistance and have no means of funding e.g. funeral, medical and school expenses. In 2011/2012 a total of \$80.5 million was disbursed. Kingston and St. Andrew accounted for over 50 per cent or \$48.5 million.⁶⁸ Approximately \$8.2 million were awarded for Emergency Grants, while Education and Social Intervention (ESI) amounted to \$8 million.

Emergency Grant is designed to provide support to persons affected by man-made or natural disasters such as fire and flood. In 2011/2012 over \$8 million was allocated to 499 persons across Jamaica.⁶⁹

⁶⁴ibid

⁶⁵ibid

⁶⁶Ministry of Labour and Social Security Annual Report 2011-2012

⁶⁷ibid

⁶⁸ibid

⁶⁹ibid

The Programme of Advancement through Health and Education (PATH)

This is a conditional cash transfer (CCT) Programme, jointly funded by Government of Jamaica and the World Bank which is aimed at delivering benefits to poor persons below the poverty line. It is also designed to improve the health and educational attainment of beneficiaries as a means of breaking the inter-generational cycle of poverty. PATH has five categories of beneficiaries:

- Children from birth to completion of secondary education
- Elderly 60 years or over who are not in receipt of a pension
- Persons with Disabilities
- Pregnant and Lactating Women
- Poor Adults 18-59 years

For the 2011/2012 financial year, PATH recorded a total of 394,000 beneficiaries from 119,000 families.⁷⁰

The Steps to Work (STW) Programme

This Programme is designed to facilitate human development and economic improvement. It empowers persons through training to gain employment, allowing them to be transferred from welfare to work. The STW engages working-age (15-64) members of PATH households and encourages them to equip themselves in the areas of job-readiness skills, competencies building, job matching and business development. The STW programme has three main components:

- Labour Market Intermediation which involves equipping qualified candidates to make informed career choices, successfully seek and retain entry level employment or venture into entrepreneurship;
- Continuing Education and Training which offers short and long term solutions to clients who are desirous of completing primary and secondary education and/or skill certification. This is provided by joint partnership with HEART Trust/NTA and the Jamaican Foundation for Life Long Learning (JFLL);
- Business Development and Micro Enterprise Support that helps to provide training in business practices to enable sustainability of businesses.

During the 2011/2012 financial year, a total of 6,281 persons were referred by Steps to Work to other intervention programmes for assistance. Of this total, 4,405 or 70.1 per cent were women.⁷¹ Sixteen hundred persons were referred to the *Summer Intervention*

⁷⁰Ministry of Labour and Social Security Annual Report 2011-2012

⁷¹Ministry of Labour and Social Security Annual Report 2011-2012

for at Risk Youth⁷², representing the highest number of referrals. *Entrepreneurial Training* offered by Jamaica Business Development Centre (JBDC) was the second highest number of referrals with 1,326 persons; females accounting for 1,182 or 89 per cent of total enrollment.⁷³

6.2 Main Issues in Social Protection

Longer life expectancy due to improvements in health care and declining fertility rates has impacted the provision of adequate social protection. These factors have led to a change in the structure of the population in Jamaica.

The average ADR was 55.7 per 100 persons of the working age between 2008 and 2012 compared to 61.2 per 100 persons of the working age between 2002 and 2007.⁷⁴ The overall declining trend in the ADR has been occurring since 1970 and is attributed to decline in crude birth rates. The average crude birth from 2008-2012 declined to 15.3 births per 1000 population compared to 17.7 births per 1000 population during 2002-2007.⁷⁵

The declining ADR which is projected to continue beyond 2020 provides an opportunity for economic growth. However, this has to be carefully managed in relation to the growing number of elderly in the population. The elderly population (60+) totalled 316 100 in 2012. This group represented 11.7 per cent of the total population compared to 295,600 (10%) in 2008.⁷⁶ The financial viability of social protection systems, such as the National Insurance Scheme, increasing health cost for geriatric illnesses and the increasing number of non-pensionable population continue to be a cause for concern. Already the majority of older persons do not qualify for NIS pensions. In 2012 38.6 per cent of the employed labour force is employed in the informal sector, many of who do not contribute to the National Insurance Scheme.⁷⁷ This issue has to be rectified in future years as it will create added pressure on the formal sector to contribute more towards social assistance schemes to provide for these persons.

6.2.1 Social Protection in the Informal Sector

Global changes and the restructuring of the Jamaican economy, has seen an expansion in the informal sector. The Government recognizes that in order to formalize the informal sector, the strengthening of micro enterprises to ensure proper records keeping for example, will have to be one of the strategies employed. Micro-enterprises will therefore have to conform to standards of the formal economy especially in terms of social security, labour standards and tax compliance.

⁷²This is the skills training category

⁷³Ministry of Labour and Social Security Annual Report 2011-2012

⁷⁴Economic and Social Survey Jamaica various editions

⁷⁵Ibid

⁷⁶Economic and Social Survey Jamaica 2008 & 2012

⁷⁷The Labour Force Survey 2012

In terms of social protection for persons in the informal sector, the National Insurance Scheme (NIS) provides a pension to contributors upon retirement. However, the number of voluntary contributors in relation to those in the formal sector remains relatively small. The inability to capture those in microenterprises and the informal sector into this and other pension schemes will place added pressure on the Government's Social Protection Programmes when these persons are no longer economically active. The draft MSME Entrepreneurship policy seeks to reduce the level of informality in the MSME sector by enhancing and streamlining processes for formalization of informal enterprises and individuals as well as increase and strengthen acquisition, analysis and application of data and information on MSMEs and the informal sector.

Chapter 7

Conclusion

Analysis of the employment and labour market situation in Jamaica for the period 2008-2012 revealed a number of developments and trends, in particular as it relates to vulnerable groups and workplace conditions. The following encapsulates ways in which these issues can be addressed, incorporating how to capitalize on the major developments which occurred over the period.

Unemployment

The Government is pursuing a more rigorous growth driven strategy through its Growth Agenda, which looks at creating a more stable, predictable and resilient macroeconomic environment, strengthening Jamaica's external competitiveness and productivity, facilitating private/public investments and ensuring social stability. One of the outcomes of this strategy is to generate employment. This is particularly significant since the analysis of the period under review has shown that unemployment has been steadily increasing, with young persons accounting for a large share of the unemployed. This has implications for crime which the data shows that persons within the 16-25 age groups are the main perpetrators.

- ***The Development of a National Employment Policy (NEP)***

Several Ministries and agencies have been charged with the responsibility of addressing unemployment among various target groups. Given the magnitude of the situation, the Government has recognized that, as a matter of urgency, there is the need for a holistic and coordinated approach to tackle the problems. Consequently, a National Employment Policy (NEP) is essential to facilitate increased employment through effective labour market interventions, relevant/appropriate education and training programme, as well as adequate social protection schemes. The NEP must address employment issues for vulnerable groups including youth, women and persons with disabilities. It must complement other policies such as the National Security and the National Youth Policies, which address social problems. In addition, other challenges in the labour force, for example low productivity, high unskilled levels, and the informality of businesses should be addressed by the NEP.

- ***Private Sector Growth Initiative***

During the period, the Government implemented a number of macroeconomic policies including fiscal constraints as well as debt management strategies. These policies did not allow for adequate capital or infrastructural development and investment that would have given rise to employment opportunities. Given the gravity of the unemployment situation, the Government is encouraging, through its Growth Agenda, increased public/private partnerships in order to capitalize on business expansion and

job creation. One way in which this can be achieved is to encourage private employers to hire workers through on-the-job training programmes funded by the Government. The prospects for growth can also be achieved from areas such as Business Process Outsourcing (BPO), Tourism, Agriculture, Logistics and Shipping.

- ***Financial Support***

In order to address the problem of inadequate financing for small entrepreneurs, particularly youth, a revolving loan fund and the provision of adequate training in financing to support business development should be strengthened. Secondary school curriculum is now being revised to encourage entrepreneurship and skills training at an earlier level.

- ***Providing Work Experience, Internship and Apprenticeship Programmes***

The provision of work experience, internship and apprenticeship programmes are gateways for youth and first-time job seekers to more readily obtain employment. In order to achieve this, students should be required to take advantage of vocational programmes in secondary schools and receive certification, before exiting institutions. These programmes should assist in addressing low skill levels in the labour force and enhancing employability skills in preparation for the transition from school to work. Students must also be encouraged to foster a culture of volunteerism through community work, involvement in civic organizations and the church.

- ***Provide Labour Market Signalling and Career Development***

The creation of jobs is predicated on knowing the existing and emerging skills of the labour force to ensure good fit between the skills of the workers and those required by employers. Despite the overall job shortages in Jamaica, vacancies are evident in certain areas. This issue will have to be dealt with in order to produce a globally competent and competitive labour force. The LMIS must therefore be further strengthened to assist in channelling jobseekers into the areas in demand. This will necessitate more timely data and increased partnership with employers who will be required to provide information on areas of demand. In addition, education and training institutions will have to readily respond to changes in the demand for workers by adjusting their curriculum to supply workers who are needed by the labour market. Career development is also essential in preparing youth for the world of work. Students must also be guided in alternative career options from an early age to be able to adapt to the labour market. Multi-skilling is also an emerging skill set required by employers. Today's industrialized movement towards multi-skilling can be practiced across several career pathways as it involves the training of an individual to perform multiple tasks.

- ***Expanding the Creative Industries, Sports and Technology***

Jamaicans are recognized internationally as a people of talent in the creative industries, as well as its success in athletics. These competitive advantages should create opportunities for employment, particularly among youth. Consequently, there needs to

be greater focus on product development and increasing economic activities relating to the creative industries and athletics.

The country should also capitalize on the extensive use of technology to generate employment. If channelled appropriately this could impact positively on job creation and employment. The use of smart phones and social media for example, has led to the creation of employment opportunities in areas such as product marketing and sales, webpage development and phone repairs. Consequently, the youth needs to be guided on the positive use of these tools. In addition, BPO has been able to facilitate employment opportunities in Jamaica. This is as a result of Jamaica's location in the Americas (which allows for near shore outsourcing), available skills in information technology and ability to communicate in English Language.

The Ageing Population in Jamaica

The review of the population for the period 2008-2012 has shown a decline in the growth rate of children while the working age as well as the elderly population continues to increase. With this shift in population structure, Jamaica can capitalize by creating effective public policies which will facilitate increase economic growth and development. Effective social protection is now paramount as a view to prepare for long term planning for old-age. These schemes generally include provisions for health care, redundancy payments as well as retirement planning. The impact of an ageing population will also have an effect of labour productivity as persons with wealth of knowledge and experience exit the labour market, this creates the need to retrain persons to fill these positions or import labour to combat the possible shortage of requisite skills.

Low Participation Rate of Women in the Labour Force

The relationship between women's participation in the labour force and development is complex and is often a sign of changes in economic activity, educational attainment, fertility rates, social norms, and other factors. More important is to ascertain the quality of work women are able to engage in. In order to achieve gains in employment quality, policies need to focus on both labour demand and supply dimensions. Examining these issues is critical because female labour force participation is often viewed as a driver of growth, and thus participation rates indicate a country's potential to grow more rapidly.

High Informality

The analysis has revealed that there was a significant proportion of the labour market which was involved in informal sector activities. Traditionally, the sector consisted of persons who engaged in marginal activities. Since a large proportion of informal sector activities take place outside the ambit of legal framework, it is difficult to set and monitor standards to promote "decent work". This has implications for the terms and conditions of work to which these individuals are subjected. Interventions by the MLSS

such as the Industrial Relations Machinery and the proposed OSHA are geared towards addressing these issues. The MLSS must ensure greater compliance of the labour laws.

Declining Productivity Levels

This is a major issue which needs to be addressed, particularly because of its negative impact on Jamaica's competitiveness. The figures have shown that productivity is highest in capital intensive sectors. The JPC has been undertaking marketing strategies to sensitize workers and employers about the importance of productivity. A study has also been commissioned to look at the factors that impact productivity such as employee/management relations and well as use of technology. This study is intended to help employers should recognize that workers' accessibility to productive tools and machinery such as computers and tractors as well as the application of technology and training by the worker are necessary to increase productivity. It is therefore imperative that more information be provided on total factor productivity and so more research is needed in this area. In addition, employers should find creative tools or continuously retool to remain marketable, relevant and viable. Employers, particularly manufacturers should also take advantage of Flexible Work Arrangements which would assist in increasing their output and competitiveness.

Child Labour

A consequence of poverty is child labour and this has to be addressed with alacrity given children's rights to protection from exploitation and the need for decent work. While the MLSS, through the Child Labour Unit, has been active in monitoring and enforcing policies aimed at eliminating child labour, this needs to be strengthened.

High Poverty Levels, Particularly In Rural Areas

Although infrastructure and accessibility to social amenities have improved in the rural areas, unemployment and the resulting persistence of poverty mean that workers from rural Jamaica will continue to drift to urban centres and to international destinations in search of decent work. The issue of rural to urban migration has led to increased pressure on limited social services such as housing, schools, health care and worsening traffic congestion in the major urban areas. Thus it highlights the need for further infrastructural development in rural areas which will in turn generate employment and reduce poverty.

The Agriculture sector should play a pivotal role in increasing employment in rural Jamaica. A Policy of promoting agriculture as a vehicle for development in the rural areas should be more vigorously pursued. In addition, to deal with the problem of praedial larceny, measures such as the employment of Rangers should be considered.

Discrimination against Persons with Disabilities in the Workplace

The factors that resulted in their exclusion from workforce are poor education, discrimination, inaccessible workplaces, and low levels of experience.⁷⁸ Employers need to be further sensitized on how they can assist persons with disabilities with work. The employment of persons with disabilities could be facilitated by retro-fitting buildings to accommodate them. It is anticipated that some of these problems will be addressed with the tabling of the National Disabilities Bill.

Globalization

While globalization presents new opportunities for economic growth and employment expansion in the Jamaican economy, it also comes with many challenges such as the recession. It is evident that in certain segments of the labour market the benefits of globalization have not materialized. Features induced by this globally competitive environment include jobless growth, patterns of consistent high unemployment especially among women, PWDs and youth, increased job insecurity, increased flows of migrant labour and social dislocation.

Finally, improvement in the quality of skills produced in Jamaica is very critical for taking advantage of emerging opportunities to be derived from overseas employment. The CSME is one avenue to facilitate free movement of skilled labour throughout the region. The Government therefore needs to educate persons about the opportunities of the CSME, as well as its implication for labour market relations.

⁷⁸ Ibid

References

- Bank of Jamaica. *Interest Rates: Domestic Currency -Weighted Loan Rates*.
http://boj.org.jm/statistics/timeseries/stat_tseries.php?type=5&sid=3&period=a
- Cooke, R. (2002). National Survey on Street and Working Children. The Ministry of Health support Unit. Retrieved from [cda.gov.jm/downloads /National_survey_Street_Children_Mar02_20061116...](http://cda.gov.jm/downloads/National_survey_Street_Children_Mar02_20061116...) - 566k -
- Crime, Violence and Justice. Retrieved from www.psoj.org/.../Discussion%20Paper%20-%20Crime,%20Violence
- Downs, A. S, & Thomas, D. (2003). Economic and Sector Study Series. Productivity and Competitiveness in Jamaica. Retrieved from <http://ctrc.sice.oas.org/TRC/Articles/Jamaica/Competitiveness.pdf>
- Highway 2000. The Western Hemisphere Transport Initiative. Retrieved from www.mtw.gov.jm/whti/presentations/h2k_nrocc.p
- International Labour Office (2006). ILO working paper – The Working Poor in the Caribbean
- Jamaica: Letter of Intent, Memorandum of Economic and Financial Policies, and Technical Memorandum of Understanding, April 2013
- ILO Summary Report: Assessment of Implementation and Enforcement Machinery to combat Child Labour in Jamaica (2010)
- Madij, N. (2001). The working poor are defined by the ILO as those who work *and* belong to poor households. Retrieved from http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_strat/documents/publication/wcms_079322.pdf
- Ministry of Labour and Social Security. *Annual Report 2011/12*.

Early Stimulation Programme. Retrieved from <http://www.mlss.gov.jm/pub/index.php?artid=25>
- National Policy for Persons with Disabilities, (2002). Retrieved from <http://www.mlss.gov.jm/pub/?artid=26>

National Policy for Senior Citizens, (1997). Retrieved from <http://www.mlss.gov.jm/pub/index.php?artid=30>

Summary Report for Jamaica on “Decent Work and Development Policies”

Planning Institute of Jamaica. Jamaica Country Assessment, Preliminary Draft (April 2012)-Vision 2030. Retrieved from [www.vision2030.gov.jm/.../...](http://www.vision2030.gov.jm/.../)

Planning Institute of Jamaica. Economic and Social Survey of Jamaica (2008-2012)

Planning Institute of Jamaica. Jamaica Survey of Living Conditions (2008-2012)

Statistical Institute of Jamaica. Demographic Statistics (various editions)

Statistical Institute of Jamaica. The Labour Force Survey (Various years)

Statistical Institute of Jamaica. *National Income and Product*. (Various Years).

Statistical Institute of Jamaica. Employment Earnings and Hours Work in Large Establishments. (Various years)