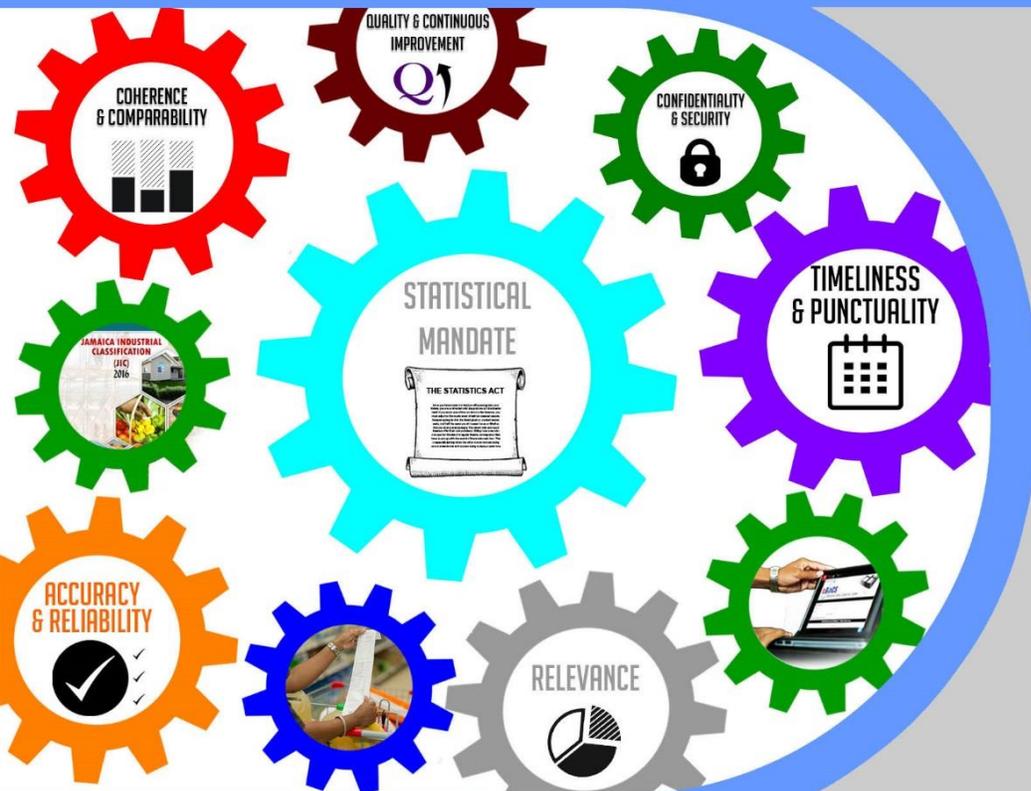




STATISTICAL INSTITUTE OF JAMAICA

ANNUAL REPORT AND STATEMENT OF ACCOUNTS



Statistical Institute Of Jamaica



A Review of Operations
April 1, 2016 - March 31, 2017



Statistical Institute of Jamaica

**Annual Report and Statement of Accounts
A Review of Operations
April 1, 2016-March 31, 2017**

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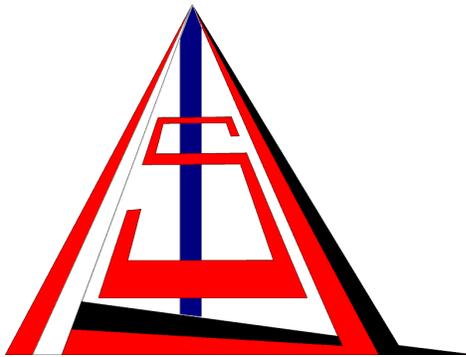
Published by the STATISTICAL INSTITUTE OF JAMAICA
7 Cecelio Avenue,
Kingston 10,
Jamaica

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website: www.statinja.gov.jm

Printed in Jamaica by
Statistical Institute of Jamaica
7 Cecelio Avenue,
Kingston 10,
Jamaica

VISION

To be a learning organization that is on the cutting edge of information and technology and is responsive to the needs of our clients.



MISSION

To provide relevant, timely and accurate statistical information and technical services, consistent with international standards, to national and international clients.

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REPORT OVERVIEW

The 2016/2017 Annual Report of the Statistical Institute of Jamaica is prepared in fulfilment of the Public Bodies Management and Accountability Act and Section 3H of the Statistics (Amendment) Act, 1984.

This Report provides an overview of STATIN's operations and performance against targets identified in the Institute's Operational Plan, for the year ending March 31, 2017. The Report also contains financial information and statements for the 2016/2017 year and fulfils an important element of the Institute's reporting responsibilities.

Outlined in the report is also a summary of the Institute's activities to be undertaken in the year ahead, FY 2017/2018.

The 2016/2017 Annual Report of the Statistical Institute of Jamaica may be accessed electronically at www.statinja.gov.jm.

CORPORATE GOVERNANCE

The Statistical Institute of Jamaica takes pride in adhering to and promoting good corporate governance practices. In this regard the Institute relies on its governance framework through which corporate objectives are set and plans for achieving those objectives and monitoring performance are determined. The framework, at the helm of which is the Board of Directors, comprises a number of committees, inclusive of an Audit, Project Monitoring, Procurement and Senior Management committees. The operation of each committee is guided by its specific Terms of Reference.

The Institute is accountable to the Board of Directors, as well as the Ministry of Economic Growth and Job Creation, the Ministry with portfolio responsibility for STATIN. These two bodies monitor the performance and progress of the work of the Institute.

In ensuring compliance with the stipulated reporting requirements, the Institute prepared and submitted its 2017/2018 Operational Plan and Budget, and three-year Corporate Plan, 2017/2018 to 2019/2020, to the parent Ministry subsequent to the Board's approval. Quarterly and annual performance and financial reports were also completed and submitted to both the Board and the parent Ministry. Similar monthly reports are also prepared and submitted to the Board. In observing the Financial Administration and Audit (FAA) Act, audited Financial Statements were prepared in conjunction with external auditors, UHY Dawgen, for the year ended March 31, 2016. This, along with the Institute's 2015/16 Annual Report were presented to and approved by the Board of Directors and subsequently submitted to the parent Ministry prior to the July 31 deadline, stipulated by the Public Bodies Management and Accountability Act. Quarterly reports and the annual report on contract overruns and variations required by the Office of the Contractor General (OCG) were delivered within the stated deadlines.

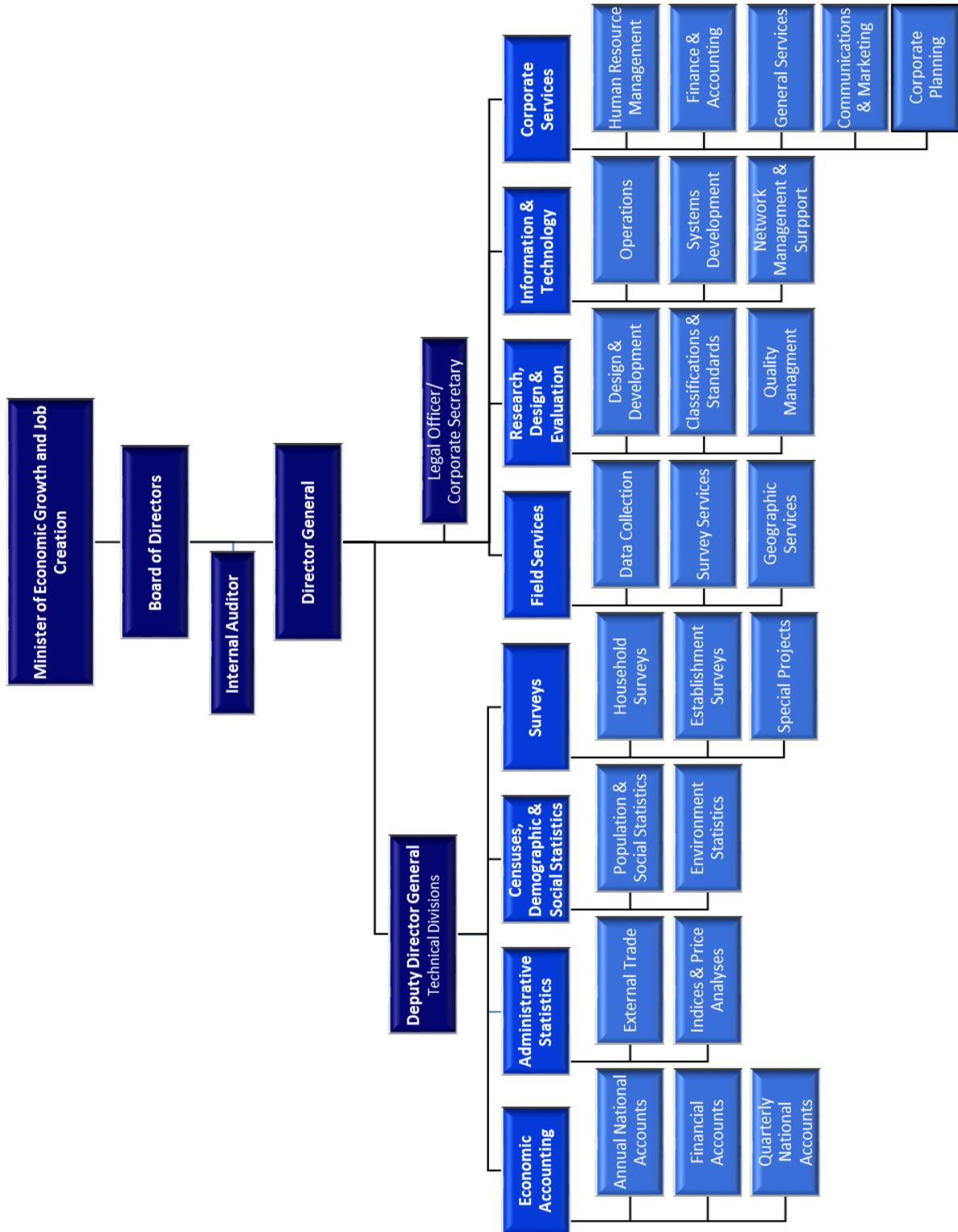
STATIN also ensures that it adheres to the relevant regulations and requirements in carrying out its mandate. This includes maintaining confidentiality of the data provided by individuals and establishments, as outlined in the Statistics Act. To this end, and in order to promote compliance, all employees, temporary or permanent, are required to sign an Oath of

Confidentiality and a Declaration of Secrecy that indicates commitment to upholding confidentiality as stipulated under the Statistics Act. Any breaches are punishable by law.

The various Government of Jamaica (GOJ) Regulations were also observed in the general execution of the finance and accounting functions.

In the production of official statistics, the Institute also observes and is guided by principles and codes of good practice such as the United Nations Fundamental Principles of Statistics. These help to ensure that the Institute is operating at regionally and internationally accepted scientific, professional and ethical standards.

ORGANISATIONAL STRUCTURE



CHAIRMAN'S REPORT

Governments of independent Jamaica have long had a focus on the design and implementation of policies to enhance the well-being of Jamaicans. Appropriate policy design and effective policy implementation, however, needs to be driven by data and analysis. This is the area in which Jamaica relies on its data collection agency, the Statistical Institute of Jamaica (STATIN). STATIN has been successfully performing this role since the establishment of the Central Bureau of Statistics with the passing of the Statistics Act in 1946. The passing of the Statistics Act resulted from the need for statistical information to assist policy makers following the implementation of adult suffrage. As STATIN celebrated its seventieth anniversary during the fiscal year 2016/2017 it was seized of the importance of undergirding the policy design process by providing data in as accurate and as timely a manner as possible.

During the fiscal year 2016/2017 STATIN continued its effort to fulfill this role as articulated in its mission "to provide relevant, timely and accurate statistical information and technical services, consistent with international standards, to national and international clients.

In addition to the regular programme of work, emphasis was placed on improving the quality and technical soundness of the statistical outputs and their dissemination.. A major focus during the year was preparation for the 2017 Household Expenditure Survey (HES). This information is critical for updating the items and weights used in the compilation of Consumer Price Index (CPI). The CPI is the most commonly used indicator of inflation.

The Institute successfully developed its Quality Assurance Framework which provides the overarching framework under which the organization hopes to produce statistical products that are fit for use. Technical assistance from international agencies contributed to the improvement in the statistics and in building the statistical capacity of staff through training and development initiatives.

Dissemination of statistics is critical to the development of a culture of using evidence as the basis for policy choices and decision making. The Institute's website, which is one of the main vehicles for the dissemination of statistical information, continued to be a useful dissemination tool for the products and services of the Institute. The restructuring of the website was undertaken during the year. The aim was to better satisfy the Institute's stakeholders by improving the functionality, navigation and ease of finding information.

Despite inadequate resources, the regular programme of work was completed through hard work and dedication of all staff, and continued consultations with our local and international stakeholders.

I extend heart-felt appreciation to the Board of Directors, Management Team, members of staff, and stakeholders who continue to support STATIN in achieving its mission.



Professor Alvin G. Wint
Chairman, Board of Directors
July 31, 2017

BOARD OF DIRECTORS



Prof. Alvin Wint C.D., B.Sc., M.B.A., D.B.A.
Board Chairman



Ms. Carol Coy
Director General
STATIN



Ms. Deniesha Buchanan
Corporate Secretary
STATIN



Dr. Jide Lewis
Division Chief,
Financial Institutions Supervisory Division
Bank of Jamaica



Dr. Joy Moncrieffe
Consultant



Mr. Richard Lumsden
Dep. Director General
Planning Institute of Jamaica



Mr. Courtney Williams
Ministry of Finance
& the Public Service



Mr. Keith Collister
Director, Special Projects
Sandals Resort

SENIOR MANAGEMENT TEAM



Ms Carol Coy
Director General



Mrs Lorna Reid
Technical Advisor to the DG



Ms Deniesha Buchanan
Corporate Secretary



Mr Douglas Forbes
Director, Surveys



Mrs Sharon Willis
Director
Administrative Statistics



Ms. Yvonne Newland
Director
Economic Accounting



Mrs. Janet Geoghagen-Martin
Director
Censuses, Demographic
& Social Statistics



Mr. Damion Tyrell
Director, Field Services



Ms. Leesha Delatvie-Budair
Director
Research, Design & Evaluation



Mr. Boyd Goodin
Director
Information & Technology



Mrs. Carla Clarke
Director
Corporate Services

DIRECTOR GENERAL'S REPORT



During 2016, the Statistical Institute of Jamaica (STATIN) celebrated the seventieth anniversary of the provision of official statistics on a regular basis to the government and people of Jamaica. The need for statistical information to assist policy making resulted in the conduct of the 1943 Population and Housing Census which was used to determine the size of the population. This was necessary for the preparation for adult suffrage and self-government and led to the passing of the Statistics Act of 1946. This gave birth to the Central Bureau of Statistics. Since then, there have been a number of amendments to the Statistics Act culminating in the 1984 amendment which converted the organization to a Statutory Body, the Statistical Institute of Jamaica (STATIN). These changes have broadened the scope of the Institute and provided some level of autonomy in its operations.

Since its inception, the Institute has maintained its professional independence. This is reflected in the fact that it has sole responsibility for adopting the statistical standards, methods and procedures it uses, and the content and timing of statistical releases. The Institute's staff share a growing commitment to observing and adhering to ethical principles, international standards and best practices in both the technical and corporate service domains of producing official statistics. Over the years, the work of the organization has expanded to include a broad range of statistics to provide information on the social, economic and environmental life of the people of Jamaica.

STATIN continues to demonstrate a high level of commitment to its mandate by providing relevant, timely and accurate statistical reports and publications on social, economic and environmental indicators. Publications during 2016/2017 included:

- *Monthly Bulletins:*
 - International Merchandise Trade
 - Consumer Price Index (CPI)
 - Producer Price Index (PPI)

- *Quarterly Reports:*
 - Gross Domestic Product (GDP)
 - Labour Force Statistics (LFS)

- *Annual Statistical Reports:*
 - Demographic Statistics
 - Labour Force Statistics (LFS)
 - Consumer Price Index (CPI)
 - Producer Price Index (PPI)
 - National Income & Product (NIP)
 - Environment Statistics
 - ICT Indicators Report: Measuring Jamaica's Information Society

The main focus during the year was the preparation for, and the start of data collection for the 2017 Household Expenditure Survey (HES). The primary purpose of the HES is to obtain information on the goods and services purchased by Jamaican households. This information is used to provide data for the computation of the Consumer Price Index (CPI), which is the most commonly used indicator of inflation in Jamaica. The Institute also collaborated with the International Donor Community as well as public sector entities to undertake a number of surveys covering a range of issues facing the Jamaican society.

The development of new statistical products continued, primarily the quarterly GDP by Expenditure and Trade Indices. The Institute also sought to further strengthen its statistical infrastructure with revision to the Jamaica Industrial Classification System. There was also continued improvement to the Master Business Sample Frame with technical assistance from Statistics Canada (StatCan) under the Project for the Regional Advancement of Statistics in the Caribbean (PRASC).

Continuous improvement in the quality of the statistical products is essential if STATIN is to fulfil its mandate. To this end, work continued on the development of a Quality Assurance Framework (QAF). Technical assistance, including training for statisticians, was also received

from a number of international agencies with the aim to improve the range and quality of statistical products.

Emphasis was also placed on improving the dissemination of statistics with the major activity being the redevelopment of the Institute's website to improve the range of available statistics in open data format. STATIN also collaborated with the Bank of Jamaica and the Ministry of Finance and the Public Service to launch Jamaica's National Summary Data Page (NSDP). The NSDP allows for the publication of certain key macro-economic indicators on Jamaica in a one-stop web portal.

In September 2015, the global community unanimously adopted the 2030 Agenda for Sustainable Development which is based on 17 Sustainable Development Goals (SDGs), 169 targets and 230 indicators. As a member of the Inter-agency and Expert Group on SDG indicators (IAEG-SDG) and the representative of the English-speaking Caribbean, STATIN played an active role in the developmental work for the SDGs. This group was mandated by the United Nations Statistical Commission (UNSC) to develop an indicator framework to monitor progress towards the SDGs.

The Institute is one of the national focal points for the implementation of the SDGs in Jamaica and has specific responsibility for monitoring the SDG indicators. The other agencies are the Ministry of Foreign Affairs and Foreign Trade and the Planning Institute of Jamaica.

The adoption of the 2030 Agenda will necessitate improvement in the availability, quality, timeliness and disaggregation of data. In order to achieve this, the statistical system in Jamaica will have to be modernized as recommended by the United Nations Statistical Commission under its "Transformation Agenda" for official statistics. The recommendations include:

- coordination at and between the global, regional and national statistical systems
- improvement in communication and advocacy
- the development of integrated statistical systems in the areas of data collection, processing and dissemination
- innovation and modernization through standards-based statistical business architecture
- more emphasis on training and capacity-building.

Successful monitoring of the SDGs will also require increased support and investment by Government in the production of statistics. The implementation of the National Statistics System (NSS) will therefore have to be given priority as this is essential for the production of this large and integrated set of indicators. The Government of Jamaica has indicated its commitment for the development of statistics in the endorsement of the “Action Plan for Statistics in the Caribbean” at the 37th Regular Meeting of the Conference of Heads of Government of CARICOM in July 2016 in Georgetown, Guyana. The Action Plan for Statistics requires governments in CARICOM to:

- (a) strengthen the National Statistical System in countries that will address funding of the National Statistical Office (NSO) and other producing agencies, staffing, legislation, education, training and development of the current staff;
- (b) enable the upgrading of the IT infrastructure in the National Statistical Offices and Systems in relation to the production and dissemination of statistics;
- (c) promote careers in statistics through greater infusion of statistics in the education system to lead to the development of data scientists;
- (d) promote the professionalization of statistics in CARICOM; and
- (e) support a regional approach to the development of statistics.

The year had its challenges such as inadequate resources and the loss of experienced staff. STATIN will, however, continue to demonstrate its commitment to the goal of providing official statistics to the government and people of Jamaica. The achievements during the year would not have been possible without the dedication of the staff who sometimes have to undertake their duties under trying circumstances.



Carol Coy
Director General
July 31, 2017

Seventy Years of Providing Official Statistics to the Nation

The year 2016 marked the seventieth anniversary of the provision of official statistics to the government and people of Jamaica on a regular basis. The need for statistical information to assist policy makers resulted in the conduct of the 1943 Population and Housing. This census was used to determine the size of the population in preparation for the implementation of adult suffrage and the election of 1944 to prepare Jamaica for self-government. This need for statistical information led to the passing of the Statistics Act of 1946 and gave birth to the Central Bureau of Statistics. The first office was located at 93 Hanover Street with a staff complement of seven.

Initially, the Bureau was responsible for preparing the results of the 1943 Census and collating external trade data. Soon after it assumed responsibility for the Sugar Workers Price Index, the forerunner for today's Consumer Price Index (CPI). With the expansion of the work of the Bureau, the Statistics Act was amended in 1955 to convert the Agency into a full-fledged department of government and renamed it the Department of Statistics. The Act was again amended in 1984 to convert the organization to a statutory body called the Statistical Institute of Jamaica (STATIN). The changes broadened the scope of the Institute and provided it with some level of autonomy in its operations.

Over the years, the Institute has grown, producing a wide range of statistics covering the social, environmental and economic conditions of the Jamaican people.

In keeping with its mandate to undertake “any census in Jamaica”, the Institute conducts the Population and Housing Census and the Agricultural Census at ten year intervals. The national accounts programme, part of the range of economic statistics, was introduced in 1956. In 2002, this programme was expanded to include the quarterly Gross Domestic Product (GDP) in response to a growing demand for short term economic indicators to monitor the performance of the domestic economy. This need also resulted in the introduction of the Producer Price Index (PPI) in 2007.

A continuous social and demography survey programme was launched with the start of a series of regular labour force surveys in 1968. This programme was eventually expanded to include the Survey of Living Conditions (SLC).

Advancements have also been made in the area of environment statistics with the establishment of the Environment Statistics Unit in 2000. Statistics on information and communication technology are also being produced to reflect the importance of this growing sector.

During the decade of the 1970s the operations of the organization was expanded when the printing unit was established. The unit was however closed in March 2017 as the introduction of new technology made its operations no longer viable. Also during the 1970s, the first computer was acquired and all data processing was done in-house. There was an expansion in the number of field offices and a full scale library was established to serve the public.

The decade starting 2000 signalled the beginning of far-reaching endeavours that were intended to transform the Institute through effective governance and the efficient delivery and management of statistical information. The modernisation of STATIN initiated through the development of the Institute's first Strategic Plan, 2002 to 2005, continued in the 2012 to 2017 Strategic Plan. The areas of focus in the latter plan are:

- to strengthen the legal framework and to establish and maintain a national statistics system (NSS);
- to provide coherent, accurate, relevant and timely statistics;
- to improve organizational effectiveness and efficiency;
- to maintain and enhance a client-focused service culture;
- to maintain and expand information, communication and technological infrastructure to support STATIN's operations; and
- to obtain adequate funding to support the Institute's operations.

Improvement in the information and communication technology (ICT) infrastructure was seen as critical to the modernization process. A significant milestone was the implementation of the

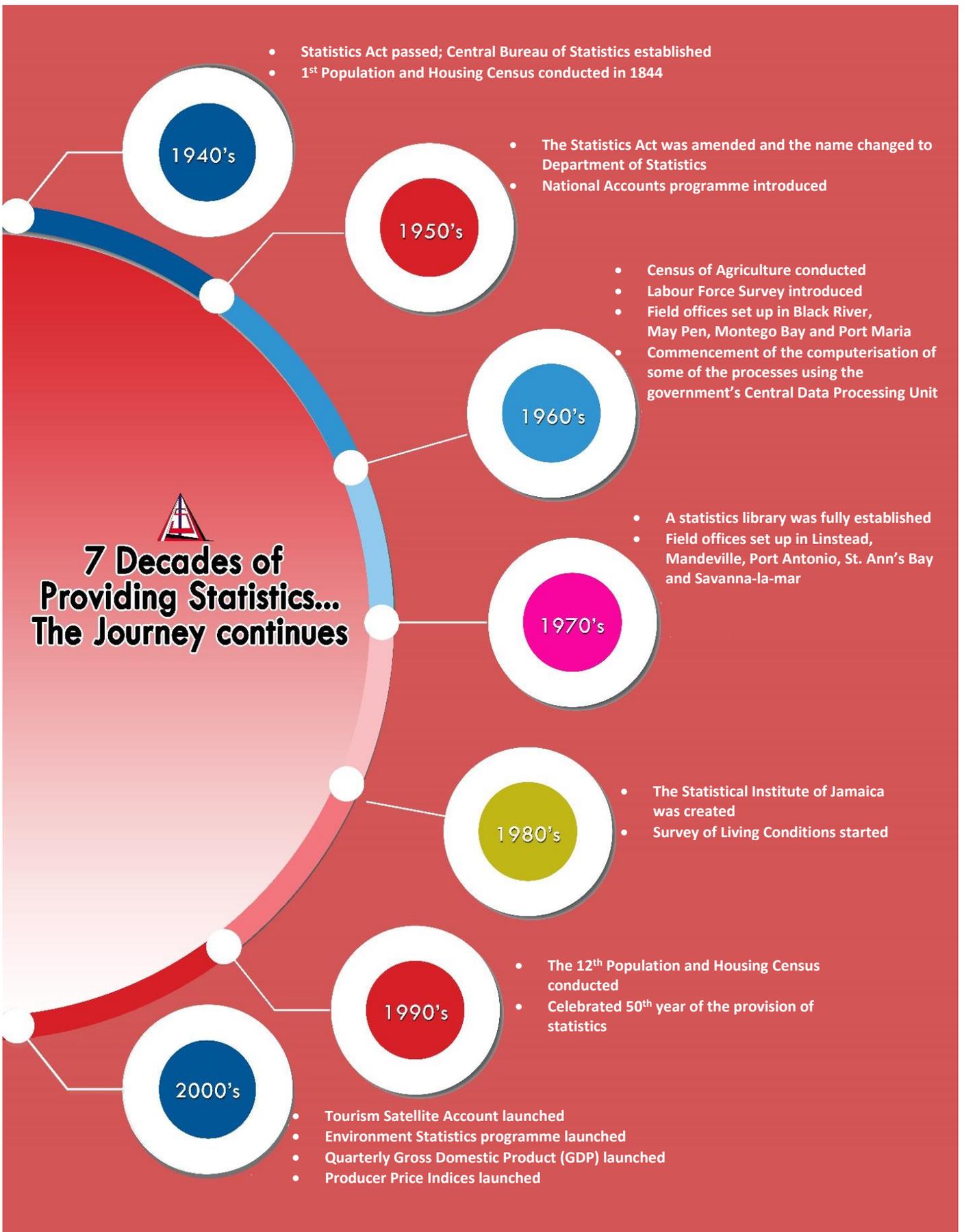
Electronic Data Collection System (eDaCS) which was introduced in 2013. This system revolutionized how data are collected and submitted for processing. Efforts were also made to access administrative data electronically from agencies such as Jamaica Customs Agency (JCA).

There were also improvements in the governance structure, with the formation and operationalization of a number of oversight committees including Project Monitoring and Procurement Committees.

In order to foster the work-life balance the Statin Sports and Social Club was formed in 1984. The club is responsible for facilitating sports and social activities within the Institute. Since its inception, the club has played a vital role in boosting staff morale through a number of recreational activities which engender a spirit of cordiality and fraternity among its members. It also coordinates the participation of the Institute in competitive sports both internally and externally.

The STATIN choir, an extension of the sports and social club, has also been an integral part of the social and worship life of the Institute. The choir has entertained a variety of audiences with its ever-increasing repertoire at formal and informal functions. It also gives comfort to bereaved staff members and their families.

Statistics, the basis of evidence based decision-making, are vital for planning, good governance, policy formulation, monitoring and evaluation and for decision-making. It is in light of this that the Statistical Institute of Jamaica continued and will continue “to provide relevant, timely and accurate statistical information and technical services, consistent with international standards, to national and international clients”.





A TRIP DOWN MEMORY LANE



STAYIN AT WORK AND PLAY

REVIEW OF OPERATIONS

The work programme of the Institute for the period April 1, 2016 to March 31, 2017 was executed in alignment with its 2016/2017 Operational Plan and towards fulfilling the strategic objectives highlighted in the five-year Strategic Plan 2012-2017. The strategic objectives are:

- to strengthen the legal framework and to establish and maintain a National Statistics System (NSS);
- to provide coherent, accurate, relevant and timely statistics;
- to improve organizational effectiveness and efficiency;
- to maintain and enhance a client-focused service culture;
- to maintain and expand information, communication and technological infrastructure to support STATIN's operations; and
- to obtain adequate funding to support the Institute's operations.

Key priorities for the fiscal year under review included:

- Strengthening the legal framework
- Production of reports and publications on the social, environmental and economic 'life of Jamaica'
- Improving the existing statistical products
- Development of new statistical products
- Improving the statistical infrastructure

In addition to the regular programme of work, emphasis was placed on improving the quality and technical soundness of our statistical outputs.

Legal Framework

The process of strengthening the legal framework to guide the coordination, production and dissemination of official statistics continued. A key component in this process is the revision of the Statistics Act to include the establishment of a Statistics Commission to provide governance to a national statistics system (NSS). The establishment of the NSS is critical to formally establishing a coordinating mechanism for the production of Official Statistics in Jamaica. The data requirements of VISION 2030 Jamaica, regional CARICOM work programmes aimed at measuring the impact of the CARICOM Single Market and Economy (CSME), International Trade Agreements and the Sustainable Development Goals (SDGs) all highlight the need for the production and dissemination of relevant statistics in a coordinated manner.

Statistical Programmes and Services

During the fiscal year 2016/2017, STATIN continued to fulfill its mandate of providing relevant, timely and accurate statistical information. This included the production of reports and publications of social, economic and environment statistics. The development of new statistical products and improving/revising a number of the programmes geared towards satisfying changing user needs; reflecting the structural changes in the Jamaican economy and ensuring that the statistical systems align with international methodologies and guidelines were also areas of focus during the review period. The work programme of the Institute was also guided by the needs of stakeholders, as well as CARICOM's Regional Statistical Work Programme (RSWP).

Table I: Statistical Highlights - 2016 and 2015

Category	Comparative Results		Comments
	2016	2015	
Population - End of year	2,730,894	2,727,328^R	At the end of 2016 the Jamaican population was estimated to be 2,730,894; an increase of 3,566 over the estimate for 2015.
Births	35,959	37,900 ^R	
Deaths	17,408	19,249 ^R	
Migration	(14,759)	(14,568)	
Labour Force (October)	1,355,500	1,325,400^R	There was a 2.3% increase in the Labour Force in October 2016 over October 2015; approximately 54% were male and 46% were female.
Male	729,300	723,200 ^R	
Female	626,200	602,200 ^R	
Unemployed Labour Force	174,800	178,600	The number of unemployed persons reduced by 3,800 over the period October 2015 to October 2016. This represented a reduction of approximately 2.1%.
Male (39%)	65,100	67,400	
Female (61%)	109,700	111,200	
Unemployment Rate	12.9%	13.5%	Reduction in the unemployed labour force was reflected in the unemployment rate. It resulted in a marginal reduction of 0.6 percentage point below the 13.5% recorded in October 2015.
Male	8.9%	9.3%	
Female	17.5%	18.5%	
Unemployment Rate among youth 14 - 24 years	32.4%	32.7%	The unemployment rate for youth 14 - 24 years decreased by 0.3 percentage points from 2015 to 2016.
Employed Labour Force	1,180,800	1,146,800^R	The employed labour force increased by 34,000, showing a 2.9% reduction below the October 2015 figure.
Male	664,300	655,800 ^R	
Female	516,500	49,000 ^R	
Underemployment	Average (%) 0.5	Average (%) 0.8	The underemployment rate moved down by 0.3 percentage points below the 0.8% annual average for 2015.
Gross Domestic Product (at Constant Prices)	Ja\$M^P 753,942	Ja\$M^R 742,827	Preliminary estimates show that the Jamaican economy grew by 1.4 per cent for the 2016 calendar year over the similar period for 2015.
Merchandise Trade	US\$M^P	US\$M^R	For the 2016 calendar year the total expenditure on merchandise imports between Jamaica and its trading partners fell by 5.6% below 2015. Likewise, in 2016 earnings from exports was 4.8% less than in 2015. The trade deficit also moved down, 5.9% lower than the value for 2015.
Total Imports	4,751.3	5,033.50	
Total Exports	1,194.8	1,254.80	
Total Deficit	3,556.5	3,778.70	
Traditional Domestic Exports	765.0	626.70	
Non-Traditional Domestic Export	436.3	463.90	
Consumer Price Index	% Change	% Change	In 2016 the inflation rate was 1.7% compared to 3.7% in 2015.
All Jamaica (All Divisions)	1.7	3.7	
Greater Kingston Metropolitan	1.6	5.0	
Other Urban Areas	1.6	3.6	
Rural Areas	1.9	2.6	
Producer Price Index	% Change	% Change	For the 2016 calendar year, the Mining and Quarrying industry registered a 6.4% increase in output prices, 2.6 percentage points lower than that in 2015. The Manufacturing industry also registered an increase in 2016, 7.4% in comparison to the (2.1%) for 2015.
Mining & Quarrying	6.4	9.0	
Manufacturing	7.4	(2.1)	

Note: * Data for 2015 and 2016 Labour Force have been compiled using new End of Year 2015 population estimates

Demographic and Social Statistics

Demographic and social statistics help in the assessment of the social status of a population and the evaluation and monitoring of related policies implemented. Several issues fall under these ambits, e.g. housing, urbanisation, health, education, crime, gender, employment, unemployment and population and its characteristics. International migration, time-use and poverty have also been included as they all affect the social development and living standards of populations and countries.

Demographic Statistics

Demography refers to the size, structure, and distribution of populations and the changes therein, in response to birth, migration and death. The statistics resulting from demographic studies contribute to helping government and society better prepare to deal with the issues and demands of population growth, ageing and migration; for example, aiding in the development of adequate school and healthcare systems, road networks, estimating the required funding for senior services and social welfare programmes.

Among the key priority activities for the demographic and social statistics programme were the production of the Demographic Statistics 2016 report, publication of social statistics tables, preparing population projections and continued work on the migration database project.

The Demographic Statistics report is the main reference on current population trends produced by STATIN. The 2016 report highlighted the 2030 Development Agenda, particularly the population-related indicators of the Sustainable Development Goals (SDGs). Another area of focus was the International Conference on Population and Development (ICPD) Beyond 2014 Agenda which highlights the Programme of Action (PoA) for the implementation of the ICPD. The Montevideo consensus, a strategic document of the priority measures agreed on in Montevideo, Uruguay, in 2013, is the roadmap to implement the ICPD in Latin America and Caribbean (LAC).

At the end of 2016, the population of Jamaica was estimated at 2,730,894, of which there were 1,352,752 males and 1,378,142 females. The number of births in 2016 was estimated at 35,959

and deaths at 19,557; a natural increase of 16,402 persons. Table 2 shows a decline in births between 2012 and 2016 although there was an increase in 2015. Preliminary figures for 2016 showed that the number of deaths continued to increase over the period 2012 to 2016.

Table 2: Components of Population Growth: 2012–2016

Year	Births	Deaths	Natural Increase	Migration
2012	39,553	16,998	22,555	-15,000
2013	38,480	17,350	21,130	-14,744
2014	36,996	19,557	17,439	-12,187
2015	37,900	19,249	18,651	-14,568
2016	35,959	17,408	16,402	-14,759

Source: Statistical Institute of Jamaica

Migration Database Project

In 2015, STATIN entered into an agreement with the Planning Institute of Jamaica to develop a migration database. The aim of the project is to provide a list of the proposed indicators and metadata sheets on migration. The data are crucial for the completion of the Migration Profile on Jamaica to be undertaken in 2017. Data in the format required for the database was not readily available from the various ministries, departments or agencies. Discussions have taken place on the formulation of Memoranda of Understanding (MoU) with the relevant agencies in order to make the data available in the format required.

Social Statistics

Social statistics facilitate analysis of the social issues in society including family, community, health, education, training, work (labour), social protection, housing, crime, justice, gender, culture and leisure. These statistics are critical in developing the indicators for monitoring of the Agenda 2030 sustainable development goals (SDGs). Information on social statistics is being disseminated through STATIN's website. The main themes are: crime and justice; education; social protection; gender; labour; health and population and housing.

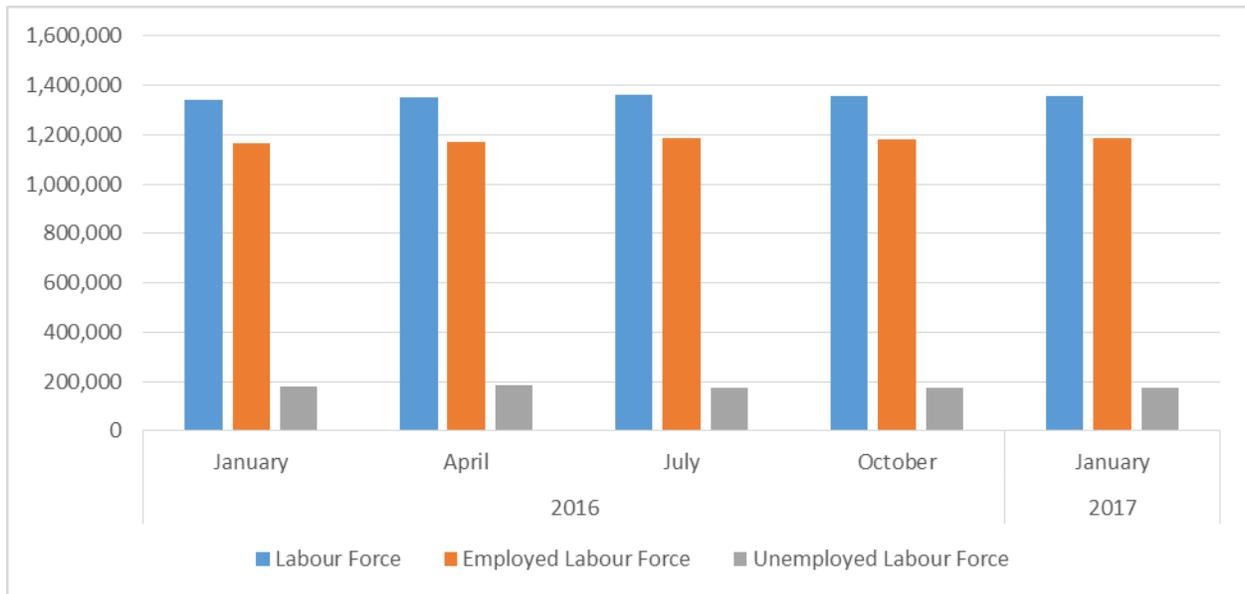
Labour Force Survey (LFS)

The Labour Force Survey is a household sample survey which is conducted once every quarter. Its main objective is to collect information on the economic activities of the non-institutionalized population including detailed information on the labour force, employment and unemployment. In addition, information on underemployment and the informal sector are collected. The Survey also provides data on the size, sex and other characteristics of the economically-active and the economically-inactive population of Jamaica. Between April 1, 2016 and March 31, 2017 four quarterly labour force surveys were fielded: April, July and October 2016 and January 2017. The press releases and tables were produced and disseminated via the website. The Annual Report for the calendar year 2016 was also produced.

For the April 2016 survey a new sample was introduced. This resulted in an increase in the number of dwellings sampled, allowing for more precision in the estimates. Additional questions were also fielded and covered subject areas such as marital and union status, trade union participation, pension scheme involvement and business registration. These were required to measure additional indicators associated with “decent work” characteristics and business formality. Research was also undertaken on the impact of the 19th International Conference of Labour Statisticians (ICLS) Resolution on the questions used to measure employment and other labour market metrics.

In January 2017, the number of persons in the Labour Force was 1,358,300 representing a 16,300 (1.2%) increase over the 1,342,000 recorded in January 2016. The male labour force increased by 1,800 (0.2%) to 728,600 in January 2017 and the female labour force increased by 14,500 (2.4%) to 629,700 in January 2017.

The Employed Labour Force for January 2017 was 1,185,700. This was 21,900 (1.9%) more than the 1,163,800, recorded in January 2016. In the same period, the number of employed males increased by 11,800 (1.8%) to 663,200 and employed females by 10,100 (2.0%) to 522,500.

Figure I: Total Labour Force and its Components – January 2016 to January 2017

Source: Statistical Institute of Jamaica

The Unemployment Rate for January 2017 was 12.7 per cent, a 0.6 percentage point decrease compared to the rate of 13.3 per cent for January 2016. The unemployment rate for males decreased from 10.4 per cent to 9.0 per cent and the female unemployment rate increased from 16.7 per cent to 17.0 per cent.

Jamaica Survey of Living Conditions (JSLC)

The Jamaica Survey of Living Conditions (JSLC) is one of the primary tools used for direct socio-economic policy evaluation on the health, education, consumption patterns, housing, social welfare and associated demographic characteristics of the population. The JSLC is a household sample survey which is conducted once per year.

The JSLC 2016 covered a sample of 3,584 dwellings. The module on anthropometric measurements was included in the questionnaire and for the first time a module on information and communication technology (ICT) was added. Additional questions on information technology were also included in the questionnaire to adequately assess the coverage and usage of information technology resources.

Economic Statistics

The Statistical Institute of Jamaica produces a wide range of economic statistics. These statistics are published monthly and/or quarterly. Detailed annual reports are also produced for each of the focus areas.

National Accounts

Estimates of national accounts provide a comprehensive measurement of economic activity in a country. When such measurements are compared with corresponding periods, they provide valuable indicators of how the economy has performed in relation to the stated policy objectives. Gross domestic product (GDP) is the main indicator of economic performance.

During 2016/2017, STATIN continued to provide annual and quarterly statistics on economic activity of the Jamaican economy, with respect to production, consumption and investment. In addition, work continued on the implementation of the 2008 United Nations System of National Accounts (SNA 2008), Supply and Use Table 2014 and revision of the base year to 2014.

The continued low response rates and lengthy time lags in the establishment surveys undertaken by the Institute and the challenges posed by the reorganization of the Tax Administration of Jamaica (TAJ) department, which resulted in far fewer and less detailed financial statements, have seriously hampered the national accounts work programme. The time lag in international merchandise trade statistics (impacted by the Automated System of Customs Data (ASYCUDA)) also negatively affected the performance of the programme.

The challenges of the national accounts programme were further exacerbated by the loss of a number of statisticians during the period.

Annual National Accounts

The key output of the annual accounts programme is the annual national income estimates. The focus for the year under review continued to be on revisions of the estimates to reflect changes in the economy. The National Income and Product 2015 report was produced and

released in August 2016. This report included tables on the Generation and Use of Disposable Income, Capital Accounts, Rest of the World Accounts and Tourism Satellite Account (TSA).

Quarterly National Accounts

Quarterly national accounts are published 90 days after the reference quarter. At present STATIN produces quarterly GDP estimates using the production approach. Work is in progress on producing quarterly GDP using the expenditure approach (GDP-E).

Four quarterly reports on the GDP by product (GDP-P) for 2016 were produced and published. The fourth quarter 2016 report also included the preliminary annual value added estimates at current and constant prices. Similar to the annual national accounts programme, the quarterly programme was affected by low returns, timely receipt of data and the difficulties associated with the new ASYCUDA trade system.

Implementation of the 2008 System of National Accounts (SNA 2008) and the Supply and Use Tables (SUT)

Work continued on the implementation of the SNA 2008. This included the building of the infrastructure for the conversion to the new system through:

- a. developing the reclassification of the National Accounts codes to conform with the revised Jamaica Industrial Classification (JIC 2016); and
- b. working on the concordance of the new National Accounts end use classification with the revised Standard Industrial Trade Classification (SITC) end use, the Central Product Classification (CPC) and the Classification of Individual Consumption According to Purpose (COICOP).

The main focus of the National Accounts work programme for the fiscal year 2017/2018 will be completing the SUT 2014, incorporating the SNA 2008 and consolidating the work on the quarterly GDP by expenditure.

Technical Assistance

The Institute's economic programme participated in a number of technical assistance initiatives from CARICOM, Project for Regional Advancement for Statistics in the Caribbean (PRASC) and Caribbean Regional Technical Assistance Centre (CARTAC).

The CARICOM Secretariat provided technical assistance on a Trade in Services Statistics pilot project. The project involved both the Statistical Institute of Jamaica and the Bank of Jamaica.

In keeping with its move to provide technical assistance to national statistics offices in the Caribbean Region, PRASC conducted two missions at STATIN between April and July 2016. The objective of the first mission was to provide hands-on assistance with the worksheets prepared for the production of the Annual and Quarterly Gross Domestic Product, expenditure approach in nominal and real terms. The focus was on the more challenging aspects, such as the Trade Indices (data sources and development of Unit Value Price Indices). The second mission was on GDP-E and dealt primarily with reviewing and refining the current price estimates and developing the constant price deflation tools.

STATIN provided technical assistance to Grenada and Antigua and Barbuda on quarterly GDP-P compilation. This was by way of a one-week attachment where both the theoretical and the practical approaches of the GDP-P were examined. The Caribbean Regional Technical Assistance Centre (CARTAC) funded the participants' stay in Jamaica.

Economic Performance Summary Review

Preliminary estimates indicated that Gross Domestic Product (GDP) at constant prices for the Jamaican economy grew by 1.4 per cent for the calendar year 2016. This resulted from a 3.5 per cent increase in the Goods Producing Industries and a 0.7 per cent increase in the Services Industries. Within the Services Industries, all industries recorded growth, with the exception of Producers of Government Services. In the Goods Producing industries, Mining & Quarrying was the only industry that recorded a lower level of output.

The growth in the economy occurred against the background of improvement in business and investor confidence. The economy benefitted from a fall in international oil prices which resulted in lower input costs as well as favourable weather conditions.

Table 3: Annual Rate of Growth of Value Added by Industry at Constant (2007) Prices

Industries	2012 ^R	2013 ^R	2014 ^R	2015 ^R	2016 ^P
% change					
Agriculture, Forestry & Fishing	2.3	-0.7	-0.5	-0.1	13.5
Mining & Quarrying	-8.7	2.7	0.9	1.0	-3.2
Manufacturing	-0.3	-0.5	-0.8	3.6	0.2
Construction	-4.4	1.9	1.7	1.1	0.4
Electricity & Water Supply	-2.2	-2.0	-1.2	1.4	3.7
Wholesale & Retail Trade; Repairs; Installation of Machinery & Equipment	-1.4	-0.1	0.3	0.6	0.4
Hotels & Restaurants	1.8	1.2	3.0	1.9	2.1
Transport, Storage & Communication	-0.1	0.4	0.8	1.0	0.5
Finance & Insurance Services	-0.1	0.1	0.5	0.5	1.2
Real Estate, Renting & Business Activities	-0.2	0.4	0.5	0.5	0.4
Producers of Government Services	-0.2	-0.2	-0.2	-0.1	-0.1
Other Services	1.2	0.2	1.4	1.3	0.5
Less Financial Intermediation Services Indirectly Measured (FISIM)	-2.6	-0.6	-0.9	0.3	2.3
Total	-0.5	0.2	0.5	0.9	1.4

Source: Statistical Institute of Jamaica

R - Revised

P - Preliminary

Household Expenditure Survey (HES)

Work on the 2017 Household Expenditure Survey (HES) continued during the review period. The HES captures information on the goods and services purchased by private households in order to determine the general pattern of expenditure throughout the economy. Data from the HES are used to determine the 'basket' of goods and services for which prices will be collected, as well as the weights used in the compilation of the Consumer Price Index (CPI). The CPI is the most commonly used indicator of inflation in Jamaica.

Execution of the pilot survey for this programme was started and completed during the 2016/2017 fiscal year. Subsequent to the completion of the pilot, preparation for the main survey was undertaken. This included, among other activities, sample design and selection and conducting extensive training sessions for all personnel involved in the execution of the survey. Publicity for the survey was also undertaken during the period.

Data collection began on February 6, 2017 and is expected to be completed toward the latter part of fiscal year 2017-2018. Resource constraints, particularly human and financial, continue to impact the progress of the HES.

Consumer Price Index (CPI)

The Consumer Price Index (CPI) measures changes in the general level of prices of goods and services purchased by private households. It is used for collective bargaining by workers unions, by employers to adjust wages and salaries, as well as for the formulation of rental agreements, calculation of insurance premiums and pensions, alimony and child support payments.

The CPI is compiled for three regions: Greater Kingston Metropolitan Areas (GKMA), Other Urban Centres (OUC) and Rural areas. Data from these areas are used to compute an All Jamaica index. During the review period, a total of twelve monthly bulletins and an annual report were published and released.

The All Jamaica 'All Divisions' Consumer Price Index (CPI) increased by 1.7 per cent in 2016. This was the sixth consecutive year of single-digit inflation for the country and was 2.0 percentage points lower than the 3.7 per cent registered in 2015.

The rate of inflation for 2016 was mainly impacted by the 6.9 per cent upward movement in the index for the division 'Housing, Water, Electricity, Gas and Other Fuels', mainly due to higher electricity rates during the year. This increase was, however, tempered by the movement in the index for the heaviest weighted division, 'Food and Non-Alcoholic Beverages', which moved up by 0.1 per cent. Lower prices for market produce during the first half of the year, due to favourable weather conditions, primarily impacted the movement for the 'Food and Non-Alcoholic Beverages' division.

In 2016, the Mean Annual inflation rate was 2.3 per cent, 1.4 percentage points lower than the 3.7 per cent recorded for 2015. The fiscal year-to-date inflation as at December 2016 was 3.1 per cent. For the corresponding period in 2015 the rate was 4.3 per cent.

Table 4: All Jamaica 'All Divisions' and Division Indices and Movements

	DIVISIONS, GROUPS AND CLASSES	DEC 2016 Index	NOV 2016 Index	Past Month	Year to Date	Point to Point	Fiscal Year 15/16
	ALL DIVISIONS - ALL ITEMS	236.3	235.6	0.3	1.7	1.7	3.1
01	Food and Non-Alcoholic Beverages	294.0	292.8	0.4	0.1	0.1	2.3
02	Alcoholic Beverages and Tobacco	294.7	294.3	0.1	2.8	2.8	2.1
03	Clothing and Footwear	234.8	234.6	0.1	1.6	1.6	1.3
04	Housing, Water, Electricity, Gas and Other Fuels	220.2	218.4	0.8	6.9	6.9	9.9
05	Furnishings, Household Equipment and Routine Household Maintenance	232.8	232.5	0.1	4.2	4.2	1.4
06	Health	145.5	144.9	0.4	2.0	2.0	1.7
07	Transport	202.9	203.9	-0.5	1.3	1.3	3.7
08	Communication	66.9	66.9	0.0	0.0	0.0	0.0
09	Recreation and Culture	186.7	186.6	0.0	2.5	2.5	1.9
10	Education	190.3	190.3	0.0	4.2	4.2	4.2
11	Restaurants and Accommodation Services	190.8	190.6	0.1	1.3	1.3	0.3
12	Miscellaneous Goods and Services	227.8	226.9	0.4	2.6	2.6	1.9

Source: Statistical Institute of Jamaica

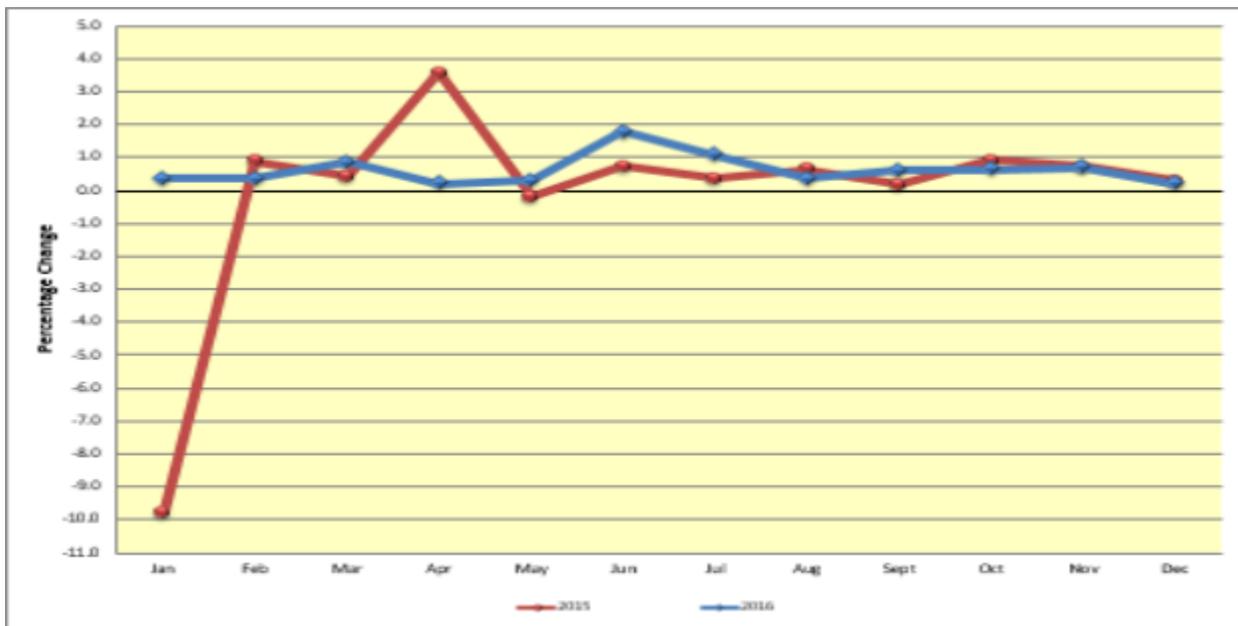
(Base period December 2006 = 100)

Producer Price Index (PPI)

The Producer Price Index (PPI) measures the average change over time in the selling prices of goods and services received by domestic producers, that is, the price change from the perspective of the producer. Index numbers are compiled for “Mining and Quarrying” and “Manufacturing”. Twelve monthly bulletins and an annual report were published and released.

For the calendar year 2016, Mining and Quarrying recorded an upward movement of 7.5 per cent, while the Manufacturing industry recorded an increase of 7.4 per cent. Point-to-point movements in the index for the period December 2015 to December 2016, showed a 7.9 per cent increase in the index for the Mining & Quarrying industry. The Manufacturing industry moved up by 5.6 per cent. For the fiscal-year-to-date, April 2016 to March 2017, the Mining & Quarrying industry index reflected an upward movement of 22.3 per cent; the Manufacturing industry’s index moved up by 7.9 per cent.

Figure 2: Monthly Percentage Change in the PPI for Mining & Quarrying December 2015 – December 2016



Source: Statistical Institute of Jamaica

Figure 3: Monthly Percentage Change in the PPI for Manufacturing December 2015 – December 2016



Source: Statistical Institute of Jamaica

International Merchandise Trade Statistics (IMTS)

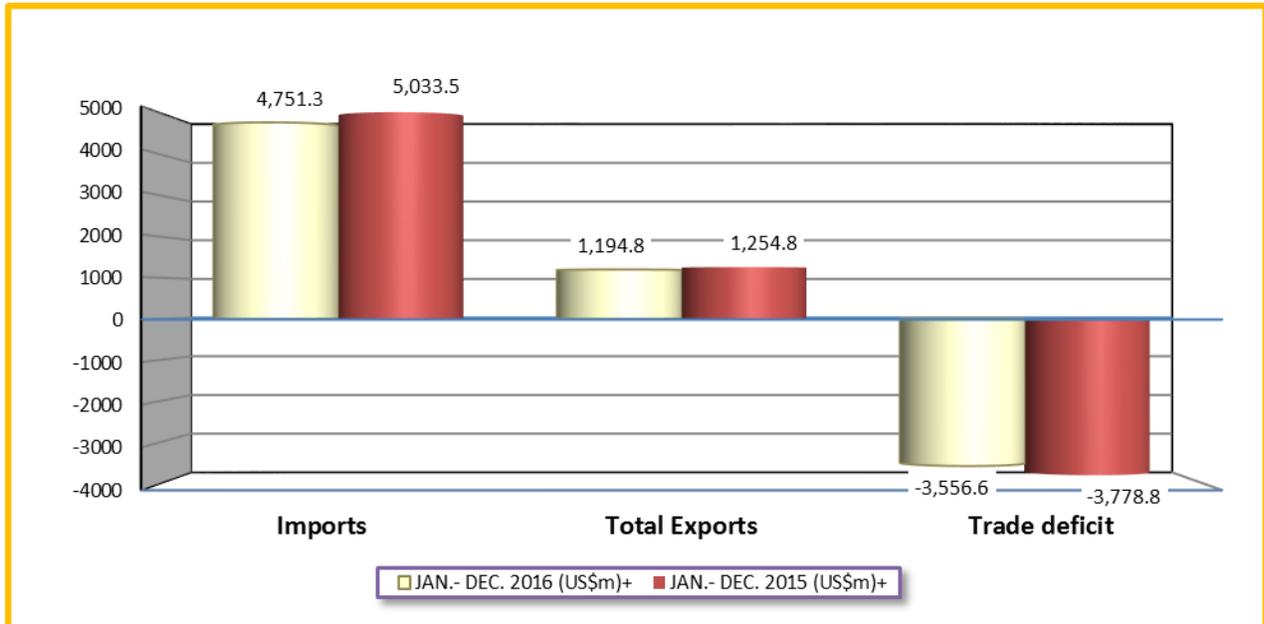
Trade statistics are used for economic planning (fiscal, monetary, structural and sectoral issues); the development of trade policy (including negotiations and settling of trade disputes); market analysis and monitoring; input into the balance of payments compilation and forecasting.

Twelve International Merchandise Trade Statistics bulletins were published during the fiscal year, January to December 2016. Annual preliminary data for 2016 were also published.

The International Merchandise Trade Statistics reports contain data on Jamaica’s trade with the rest of the world. Data on imports, domestic exports and re-exports are generated from records supplied by the Jamaica Customs Agency (JCA), as well as, major importers and exporters, commodity boards and various public bodies. Data are produced at the commodity level, by volume and country of origin/destination based on the international classifications namely the United Nations Standard International Trade Classification (SITC), the detailed level

of the World Customs Organization (WCO) and the Harmonised Commodity Description and Coding System (HS).

Figure 4: Imports, Total Exports and Balance of Trade – January to December 2016 and 2015



Source: Statistical Institute of Jamaica

For the period January to December 2016, Jamaica’s trade deficit was US\$3,556.6 million. This represented a US\$222.2 million or 5.9 per cent decline when compared to the US\$3,778.8 million recorded for 2015. Expenditure on imports was valued at US\$4,751.3 million, US\$282.2 million below the US\$5,033.5 million for 2015. Total revenue from exports for 2016 was US\$1,194.8 million, a fall of 4.8 per cent or US\$60.0 million when compared to the US\$1,254.8 million for the 2015 period.

Efforts to improve the timeliness of the IMTS data were significantly impacted by the full implementation of the Automated System for Customs Data (ASYCUDA) in 2016 by Jamaica Customs Agency (JCA). There is however on-going dialogue with JCA and eGov Jamaica Ltd from which STATIN currently receives the data, to address these challenges. In the upcoming fiscal year there will be increased efforts to reduce the lag of the trade data to eight weeks in order to comply with the IMF’s Special Data Dissemination Standard (SDDS).

Employment and Earnings

The Employment and Earnings Survey is a sample establishment survey. It provides information on employment, earnings and hours worked in all industries of the economy, with the exception of Agriculture, Forestry & Fishing and Government Services and public educational institutions. Data are collected each quarter from establishments employing 10 and more persons, selected from a sampling frame of establishments based on their employment size and major economic activity.

During the year work was undertaken to improve the quality and timeliness of the estimates with technical assistance from Statistics Canada under the Project for Regional Advancement for Statistics in the Caribbean (PRASC). At the start of the fiscal year, it was envisioned that the survey instruments used to collect data on employment and earnings would be reviewed and upgraded. This target was however expanded to a complete review of the statistical product in response to the research findings and an offer of technical support from StatCan. Extensive research was undertaken into the methodological framework for the statistical product, and the exploration of alternate data sources. Currently, the International Labour Organisation (ILO) is in the process of revising their recommendations for the computation of earnings statistics. In the interim, the methodological approach used by the Bureau of Labour Statistics (BLS), Australian Bureau of Statistics (ABS) and Statistics Canada were reviewed. Draft recommendations on the way forward have also been developed.

Environment and Multi-Domain Statistics

In keeping with its mandate of providing relevant statistics, STATIN produces statistics on environmental and information and communication technology.

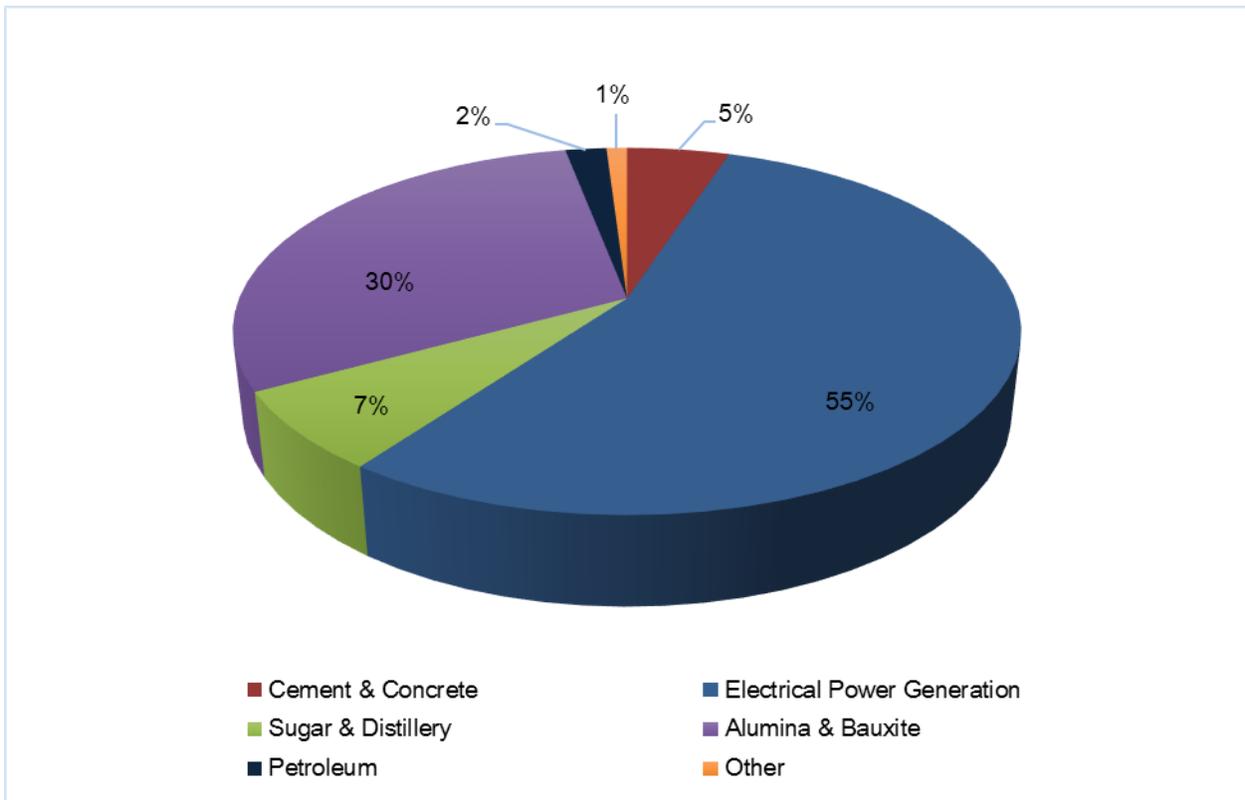
Environment statistics

Environment statistics reports are published in order to provide government, non-government entities, researchers, students and the wider public with timely data on key environmental issues. These statistics can be used to assist with the development of policies, the implementation, monitoring and evaluation of projects both within the government and private sector, in addition to providing additional information to students and teachers.

During the review period, the Climate Change Statistics 2016 report was produced. This report examined critical areas impacting climate change and utilized the statistics and indicators of the United Nations Framework for the Development of Environment Statistics (FDES). For this report, the primary causes of climate change were examined; the evidence and the impacts of climate change and efforts to mitigate and adapt to climate change and relevant statistics were presented using the methodology of the FDES.

Figure 5 highlights the total amount of carbon dioxide emitted by regulated industries in Jamaica in 2013. The data showed that electrical power generation and the alumina and bauxite industries were the two largest contributors of CO₂ emissions with 55.0 and 30.0 per cent respectively.

Figure 5: Total Carbon Dioxide by Regulated Industry - 2013



Source: Biennial Update Report of Jamaica

As part of the development of environment statistics, STATIN participated in a UNECLAC/INEGI-led project on the “*Development and Strengthening of Official Environment Statistics through the Creation of a Regional Framework in Latin America and the Caribbean*”. Activities during the 2016/2017 fiscal year were aimed at creating a regional strategy and developing national plans to improve environment statistics across the region. The project also included the development of an environment statistics toolkit to be used as a guide in assisting countries involved in the production of environment statistics.

Information and Communication Technology (ICT) Statistics

The second annual report on ICT statistics, ICT Indicators 2015, was released during FY2016/2017. This report was based primarily on the data from the 2015 Survey of Living Conditions (SLC) and provided statistics on Households' Access to ICT, Individuals' Use of ICT, ICT Infrastructure and Access and International Trade in ICT Goods. Additionally, the

questionnaire on ICT statistics for both International Telecommunications Union (ITU) and CARICOM was completed within the required timeframe.

In response to the revised manual released by the ITU in 2016, the questions contained on the SLC questionnaire were refined and improved. In addition, new questions required to produce the indicators were added to the core list.

In the next fiscal year, work will continue on improving and expanding the coverage of ICT indicators. The targeted areas for exploration are ICT in Government, ICT in Education and the contribution of the Information Economy to GDP.

Special Projects

In response to stakeholders demand, STATIN, in addition to its regular work programme, continued to undertake surveys in collaboration with several government agencies as well as international organizations. Developing and maintaining such partnerships is important to the Institute as it is not able to fund surveys required to provide all the necessary data for planning. During the fiscal year 2016/2017, the Institute was engaged to conduct a number of surveys. The following projects were undertaken over the period:

The Inflation Expectation Survey (IES)

The Inflation Expectation Survey (IES) is a survey commissioned by the Bank of Jamaica (BOJ) to carry out its monetary policy framework with respect to inflation targeting. The primary objective of this survey is to collect information from key personnel in business establishments on their individual expectations as to the future movement of prices, interest rates, growth rates, business confidence and the level of wage/salary increases expected over specific time periods. Eight surveys were conducted for the 2016/2017 period.

Women's Health Survey 2016

The Jamaica Women's Health Survey (WHS) was specifically designed to collect information on women's health and their experiences of violence in Jamaica. The survey was conducted in 2016

under the technical and financial support of UN Women Multi-Country Office – Caribbean; and the Inter-American Development Bank (IDB), through Phase III of the Government of Jamaica's Citizen Security and Justice Programme (CSJP III). This survey was intended to be the pilot for the first nationally-led prevalence study on gender-based violence (GBV) in the CARICOM region.

Jamaica ICT Adoption and Usage Survey 2016

The 2016 Jamaica ICT Adoption and Usage Survey under the technical support of the Mona ICT Policy Centre at Caribbean Institute of Media and Communication (CARIMAC), University of the West Indies (UWI), Mona was conducted on behalf of the Office of Utilities Regulation (OUR). The survey is designed to capture data and statistics on Information and Communication Technology (ICT) access and use in Jamaica at the national and urban-rural level.

Jamaica Youth Activity Survey (JYAS) 2016

The 2016 Jamaica Youth Activity Survey (JYAS), under the technical and financial support of the International Labour Organization (ILO)/International Programme on the Elimination of Child Labour (IPEC) through its Statistical Information and Monitoring Programme on Child Labour (SIMPOC), was conducted by STATIN as a stand-alone survey. Among the general objectives of the survey were to:

- improve information on working children, child labour and hazardous work at the national and regional levels; and
- reinforce the capacity of the Government of Jamaica to conduct future data collection, research and analysis in the child labour area on a sustained basis.

Representatives from STATIN and the Ministry of Labour and Social Security (MLSS) also participated in a data analysis and reporting workshop conducted by the ILO.

Informal Sector Survey 2015

There is limited data available on the characteristics of the informal sector in Jamaica. To address this deficiency, the Statistical Institute of Jamaica partnered with the Inter-American

Development Bank (IDB) to conduct the 2015 Informal Sector Survey (ISS) in Jamaica. The Informal Sector Survey aims to explore different dimensions of this sector in order to improve the knowledge of the characteristics and constraints that persons and organisations in the informal sector may face. During the reporting period, data processing and verification were completed.

Statistical Product Development

In response to the increasing demand for statistics for policy development and planning, STATIN undertakes the development of new statistical products. During 2016/2017, development of the following statistical products continued.

GDP by Expenditure

The development of GDP by expenditure (GDP-E) was a programme started during the 2014-2015 fiscal year and sponsored by the Bank of Jamaica (BOJ). The expenditure approach is one of the approaches used to calculate the GDP. During 2016/2017, work continued on this programme. Preliminary current and constant price estimates benchmarked and seasonally adjusted for the period 2007 quarter one (Q1) to 2016 quarter two (Q2) were produced and delivered to the Bank of Jamaica. Refinement of the estimates continued as additional information became available.

Trade Indices

Work continued on the development of the import/export trade indices. This programme is being developed as part of the quarterly Gross Domestic Product by Expenditure project and utilizes primarily unit values generated from the general trade data to compute the indices. Technical assistance was provided by the IMF Caribbean Regional Technical Assistance Centre (CARTAC) and Statistics Canada as part of the PRASC project. Indices for 2007 to 2015 were computed using a 2014 base year.

Institutional Accounts, Trade in Services and Tourism Satellite Accounts (TSA)

Other programmes of focus during the 2016/2017 fiscal year included work on the Institutional Accounts, Trade in Services and Tourism Satellite Accounts.

Work was started on identifying possible data sources for the Institutional Accounts but the planned target of completing 10.0 per cent of the methodology was not achieved. The Institute will, however, be receiving technical assistance from the United Nations Economic Commission for Latin America and the Caribbean (UN-ECLAC) and as such work will continue on this programme in April 2017.

The Trade in Services programme continued with the compilation of the relevant variables for the Finance and Insurance Services, Bauxite and Alumina and Electricity and Water Supply industries.

For the year under review, it was expected that the TSA domestic survey would be undertaken during the latter part of the fiscal year. A budget was prepared and the sample design to be used for the survey was agreed on. It was decided, however, that it would not be prudent to undertake the TSA survey at that time as the Household Expenditure Survey (HES) would be underway and should be given priority.

Statistical Infrastructure

Critical to ensuring the provision of relevant, timely and accurate statistical information is the statistical infrastructure which is central to the production/provision of quality and technically sound statistical products and services. A number of activities were undertaken to improve and maintain the statistical infrastructure including updating/mapping local classification systems in line with the comparative international system and improving the household and establishment master sample frames.

Classifications and Standards

The timely revision and adaptation of international statistical classification systems used in the production of official statistics is important in assuring coherence and comparability of the statistics produced locally. Revision of the Jamaica Industrial Classification (JIC), in line with the International Standard Industrial Classification (ISIC) Rev. 4, culminated with the launch of the JIC 2016. This launch was attended by various stakeholders from Government ministries, departments and agencies (MDAs), the private sector and academia among others. At the launch, stakeholders were introduced to the new structure of the JIC, with particular emphasis on newly defined industries and improvements in the classification.

The revised JIC continued on the trend of producing more detailed information to improve the usefulness of the classification. In keeping with the current thrust of the organization, a web application was launched along with the JIC 2016 which allows for free and unencumbered access to the classification via the Internet.

Figure 6: Sections of the Jamaica Industrial Classification (JIC) 2005 & 2016

JIC 2005	JIC 2016
<ul style="list-style-type: none"> •A - Agriculture, hunting and forestry •B - Fishing •C - Mining and quarrying •D - Manufacturing •E - Electricity, gas and water supply •F - Construction •G - Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods •H - Hotels and restaurants •I - Transport, storage and communications •J - Financial intermediation •K - Real estate, renting and business activities •L - Public administration and defence; compulsory social security •M - Education •N - Health and social work •O - Other community, social and personal service activities •P - Activities of private households as employers and undifferentiated production activities of private households •Q - Extraterritorial organizations and bodies 	<ul style="list-style-type: none"> •A - Agriculture, forestry and fishing •B - Mining and quarrying •C - Manufacturing •D - Electricity, gas, steam and air conditioning supply •E - Water supply; sewerage, waste management and remediation activities •F - Construction •G - Wholesale and retail trade; repair of motor vehicles and motorcycles •H - Transportation and storage •I - Accommodation and food service activities •J - Information and communication •K - Financial and insurance activities •L - Real estate activities •M - Professional, scientific and technical activities •N - Administrative and support service activities •O - Public administration and defence; compulsory social security •P - Education •Q - Human health and social work activities •R - Arts, entertainment and recreation •S - Other service activities •T - Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use •U - Activities of extraterritorial organizations and bodies

Since the launch of JIC 2016, work has started on the compilation of draft alternate aggregations of the JIC for analytical purposes. These will facilitate standardized reporting on particular groups of economic activity that are not explicitly defined in the JIC including:

- Tourism characteristic industries
- Creative industries
- Information economy
- Informal sector aggregates
- Non-profit institutions

Training for external stakeholders will be facilitated once requests are received.

During the 2016/2017 fiscal year, work also started on the mapping of local education and training qualifications to International Standard Classification of Education (ISCED) 2011 first digit levels. The current programmes of the Jamaica Foundation for Lifelong Learning (JFLL) were mapped to ISCED 2011 first digit levels. At the start of the fiscal year, it was envisioned that the mapping of all local qualifications would have been completed by the end of the period. However, the target was not achieved due to competing work demands that were not previously on the work programme and the schedules of our stakeholders. During the next fiscal year, the mapping of local qualifications will be given priority.

Design and Development

Execution of the Institute's mandate is heavily dependent on the use of primary data. As such, the updating and consistent maintenance of the establishment and household master frames is integral to guarding against obsolescence and managing respondent burden. Design and selection of samples to support the data collection process and the upgrading of the Institute's survey instruments were among other activities geared at improving the statistical infrastructure.

Updating the business frame, that is, the **Central Registry of Establishments** to account for changes in business demography was a key priority in the 2016/2017 fiscal year. This target was, however, expanded to include a complete redesign of the database with receipt of technical support from Statistics Canada (StatCan) through the Project for the Regional Advancement of Statistics in the Caribbean (PRASC). The work on this redesign will continue in the next fiscal year with data collected from the proposed Jamaica Survey of Establishments (JSE).

Table 5: Distribution of Establishments in the Business Register by Industry as at March 31, 2017

JIC Section		# of Establishments
A	Agriculture, hunting and forestry	91
B	Fishing	7
C	Mining and quarrying	31
D	Manufacturing	1,091
E	Electricity, gas and water supply	16
F	Construction	432
G	Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	4,712
H	Hotels and restaurants	763
I	Transport, storage and communications	612
J	Financial intermediation	322
K	Real estate, renting and business activities	1,870
L	Public administration and defence; compulsory social security	17
M	Education	240
N	Health and social work	322
O	Other community, social and personal service activities	578
P	Activities of private households as employers and undifferentiated production activities of private households	5
Q	Extraterritorial organizations and bodies	6
Grand Total		11,115

A new **master frame** for STATIN's household surveys was implemented in the first quarter of FY2016/2017 and was developed based on the 2011 Population and Housing Census. The master frame reflected the updated Enumeration District (ED) boundaries used in the 2011 Census and updated dwelling counts from the 2013/15 Listing of Dwellings.

The flare up of crime and violence, primarily in the parishes of St. James, St. Catherine, Kingston and St. Andrew has resulted in the need to replace a number of EDs that were selected in samples, as interviewers were unable to work in these areas.

Data Collection

Data collection is critical to the work of STATIN. The smooth flow of the data collection activities was however hampered by a number of factors, chief among which was the upsurge of violence in a number of Enumeration Districts (EDs). This was further compounded by staff attrition. Amidst these challenges, the staff worked tirelessly to ensure that the Institute was able to achieve its mandate.

Geographic Services

During the review period, work on the following activities was undertaken in support of the Institute's statistical programme:

- Production of community maps by parish – this was a continuation of the Community Grid Mapping Project which began in 2015 in collaboration with the Social Development Commission (SDC). The objective of this project was to provide data, especially from the Census, at the community level.
- Pre-census mapping activities in preparation for the 2021 Population and Housing Census.

IMF's Enhanced General Data Dissemination System (e-GDDS)

STATIN partnered with the Bank of Jamaica and the Ministry of Finance & the Public Service to launch Jamaica's National Summary Data Page (NSDP) in February 2017. The launch of the NSDP is part of Jamaica's participation in the International Monetary Fund's (IMF's) Enhanced General Data Dissemination Standard (e-GDDS). This is a step towards Jamaica subscribing to the more stringent dissemination standard, the Special Data Dissemination Standard (SDDS).

The NSDP will allow for the publication of key macro-economic indicators, critical for monitoring Jamaica's economic performance, in a one-stop web portal. The NSDP will also provide easier access for stakeholders in the public and private sectors, researchers and international data users including, investors and rating agencies.

During the reporting period, metadata was updated and released for all but one of the statistics covered under the e-GDDS. Continuous monitoring of STATIN's compliance with the requirements of this system is ongoing.

Sustainable Development Goals (SDGs)

The 2030 Agenda for Sustainable Development is “a plan of action for people, planet and prosperity”; to take bold and transformative steps to build a more sustainable, safer, more

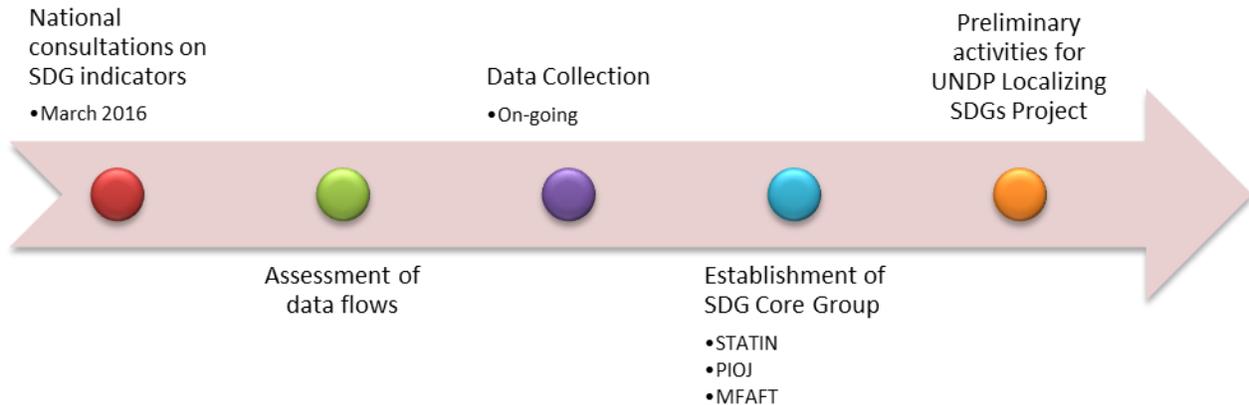
prosperous planet for all humanity. Signed in September 2015, the 2030 Agenda/Sustainable Development Goals is a Global Pact unanimously agreed to by Member States of the United Nations, of which Jamaica is a member. The Agenda is a set of 17 goals and 169 targets and is the successor to the Millennium Development Goals (MDGs). The Sustainable Development Goals and Targets aim to stimulate action over a 15-year period from 2016 to 2030 in areas of critical importance for humanity and the planet.

As a member of the SDG Core Group in Jamaica, STATIN is responsible for leading the implementation of the monitoring of the indicators for the SDGs. In acknowledging its responsibility, the Institute modified its work programme to accommodate execution of a number of related activities. STATIN, in collaboration with the Planning Institute of Jamaica (PIOJ), hosted three days of stakeholder consultations on the SDG indicators. The objective of the consultations was to determine Jamaica's ability to produce the indicators. STATIN also represented the region at the fourth and fifth meetings of the Inter-Agency and Expert Group on the SDGs (IAEG-SDGs) and the review and revision of proposed SDG indicators. The Institute also co-lead the drafting group on data disaggregation of the IAEG-SDGs.

At the regional level, STATIN participated in the review of the global indicator framework and made recommendations on the core set of indicators for CARICOM.

Figure 7 shows a list of activities that STATIN participated in at the local level.

Figure 7: Local Activities as at March 2017



Operational Efficiency

In keeping with STATIN’s five-year Strategic Plan 2012-2017, work towards improving the Institute’s operational effectiveness and efficiency continued. The review of the organisational and operational structure continued. This included the review of processes for two core programmes, the updating of job descriptions, closure of the Institute’s Printery and the development of a quality management framework. Emphasis was also placed on human resource management and development.

Quality Management and Evaluation

The development and implementation of the STATIN Quality Assurance Framework (SQAF) was a major priority and success for the Institute. During the fiscal year, a Quality Assurance Framework document was successfully developed. The SQAF provides the overarching framework under which the organization hopes to produce statistical products that are fit for use. Accompanying the SQAF was an Official Declaration on Quality, which outlines the definition of quality and STATIN’s commitments in this regard. A complete inventory of the statistical products and services produced by STATIN was also created.

Another achievement was the assessment of the Labour Force Survey using the International Household Surveys Network's (IHSN) Survey Quality Assessment Instrument. The draft results are currently being prepared, and will be validated and the report finalized along with recommendations for improvement during the next fiscal year.

Human Resource Management

During the fiscal year 2016/2017, the main activities were:

- staff recruitment and recognition;
- administration of benefits;
- implementation of 2016/2017 revised salaries; and
- closure of the operations of the Institute's Printery.

At the commencement of the 2016/2017 fiscal year, there were four hundred and three persons on staff. This number comprised three hundred and thirteen staff on the permanent establishment and ninety project staff. At the end of the fiscal year there were four hundred and thirty-five persons on staff comprising three hundred and one permanent staff and one hundred and thirty-four project staff.

During the review period, a number of vacant posts were filled subsequent to approval from the Post Operations Committee, Ministry of Finance and the Public Service (MOFPS). Corporate support and leadership was also provided for the recruitment of staff for special projects, the largest of which was the Household Expenditure Survey, employing one hundred and seventeen persons.

Implementation of the second year of the Government of Jamaica's revised salary package for the public service was another critical activity undertaken during the fiscal year under review. This resulted in a three per cent increase in the basic salary for staff at all levels with effect from April 1, 2016.

As part of the Institute's commemoration for its 70th anniversary, retirees for the year 2016, Long Service Awardees and Divisional Employees of the Year for 2016 were recognized at the

Institute's Long Service Awards Function held on December 14, 2016 at the Jamaica Pegasus Hotel. One hundred and thirty-seven staff members who had served the Institute for twenty years and more were presented with awards.

Retirees



Mr. Exdol Sinclair



Miss Merlene Evans



Mrs. Sheila Cole



Mrs. Ivy Gray

Divisional Employees of the Year 2016



Howard Wolfe
Administrative Statistics Division



Akasha Gregg
Corporate Services Division



Ophelia Moffatt
Economic Accounting Division



Rod Snaith
Field Services Division (Area 1)



Nickeesha Lawson
Field Services Division (Area 3)



Jessica Campbell
Research, Design & Evaluation Division

Closure of the Operations of the Printery

In 1972, the Printery was established at 84 Hanover Street, Kingston to meet the printing needs of the organization. This included the printing of publications and questionnaires for the various surveys. A decision was however taken to close the operations of the Printery during the year based on the following:

- the Institute has been compelled to introduce technology in a number of its processes, such as the electronic data collection system eDaCS to meet the increasing demand for information to be produced at a faster pace, eDaCs has revolutionized how data are collected and submitted for processing, thus eliminating the need for paper questionnaires.
- statistical reports are now being produced in digital format.
- the equipment and machinery at the Printery are obsolete and inefficient and funding to transform it into a modern and efficient operation is not available.

On March 31, 2017, the fourteen posts at the Printery were made redundant. In preparation for the exercise, the affected staff members participated in a workshop which provided information to assist them in the transition. Presenters included the Family Life Ministries, National Housing Trust (NHT), SAGICOR Jamaica Ltd and Jamaica Money Market Brokers (JMMB). The Director General on behalf of the Management and Staff of the Institute extended appreciation to the Printery staff for their stalwart contributions to the Institute over the years.

Pension Plan

The major activity for the year regarding the Institute's Pension Plan was the hosting of meetings with all members of the pension plan towards the amendment of the plan rule relating to spousal benefit. This culminated in an election through which the majority of plan members voted in favour of the amendment. The relevant documentation was submitted to the Financial Services Commission for approval.

Figure 8: Key Plan Statistics as at December 31, 2016

Invested Assets
\$1,827.65M

Investment Returns
15.72%*
* Gross Yield

Real Return
14.00%

Funded Status/Solvency Level
153%

Net Yield
14.35%

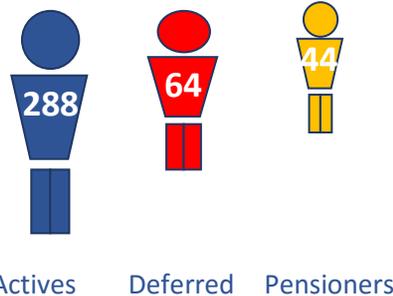
INTEREST CREDITED TO MEMBERS' CONTRIBUTIONS
10.76%
Compulsory

14.35%
Voluntary



70.49%
Active Members Contributing Voluntary

FUND MEMBERSHIP



45.25 YRS



Training and Development

Training and development is a key component of the Human Resource Management function. Training interventions were implemented in collaboration with all Divisions. These interventions were directed at improving the skill and competency levels of staff members, with the aim of increasing their efficiency and effectiveness, in order to achieve organizational goals.

In-House training included:

In-House Training Courses	Target Group	Number of Employees Trained
PRASC Communications and Dissemination - Media Relations Training	Middle Management	25
Retirement Planning	Staff 40 Years and Over	13
Induction Training	New Staff for 2016	12

Training was also received locally as well as from international and regional partners. The focus of these sessions was primarily on the development/improvement of various statistical programmes. Among these training sessions were:

- “Agenda 2030 and the Small Islands Developing States (SIDS): Strengthening Statistical Capacity and Readiness” workshop facilitated by Partnership in Statistics for Development in the 21st Century (PARIS21). The objective of the workshop was to assess the National Statistics System (NSS) of the SIDS in terms of the current statistical capacities, readiness, experiences and good practices and the ability to address existing and anticipated data demands.
- CARTAC-sponsored workshop on index numbers held in March 2017. The focus of the workshop was to provide training on improving and rebasing the Consumer Price Index, with additional sessions on developing and improving the Producer Price Index, as well as the export and import price indices;
- Workshop on the Compilation of Supply & Use Tables and Quarterly GDP;
- CARICOM Regional Workshop on International Trade in Services Statistics;
- Regional Best Practices Workshop on Tourism Satellite Accounts (TSA) in CARIFORUM States;
- Course on Balance Sheets and Accumulation Account facilitated by the IMF;
- Demographic Analysis and Population Projections (DAPPs) facilitated by the US Census Bureau;

- Population projections by the Economic Commission for Latin America & the Caribbean (ECLAC) regional office in Santiago, Chile;
- REDATAM Training
- Caribbean Single Market and Economy (CSME) Monitoring, Evaluation and Reporting Framework Training Workshop
- Project Management Training – PIMS Project

As part of our corporate stewardship, work experience opportunities were afforded to seven participants from various schools, colleges and programmes.

The skills audit, one of the activities scheduled for the FY 2016/2017, has been re-scheduled to the FY 2017/2018 pending the completion of output-focused job descriptions for all posts in the Institute.

Service Culture

The changing economic environment, both local and international, has contributed to an increased demand for statistical products and services. To meet this demand, STATIN has taken a number of steps to improve its service delivery. The website, one of the main vehicles for the dissemination of statistical information, was redesigned to improve the functionality, navigation and ease of finding information. There was also an increase in the statistics/data made available to users via this medium. The redesigned website was launched at the STATIN Open Day held in October 2016.

The annual calendar is one other medium used to promote the work of the Institute. The highlight of the 2017 calendar was the Household Expenditure Survey, a significant undertaking for revising the Consumer Price Index. Complementing the website and the calendar was the Institute's participation in presentations and expositions as well as the delivery of monthly press releases in adherence with the published Advance Release Calendar.

Presentations were made to a number of secondary and tertiary institutions to increase the awareness of the work of STATIN, its products and services and to help data users better understand the statistical information. Major exhibitions aimed at promoting STATIN were also mounted at various events across the island. These events included mathematics and careers expositions including the Population Development Conference held at the Jamaica Conference Centre in January 2017.

The population conference, held over the period January 25-27, 2017, was one of the highlight activities executed to commemorate the 70th anniversary of providing official statistics. It brought together complementary interest groups and individuals who shared in the informative presentations and engaging discussions on “Population Development in Jamaica”.

Other notable activities during the year in celebration of the 70th anniversary included:

- **A Church Service held in April 2016** to commence the anniversary celebrations. Members of the Board and staff joined in worship at the Boulevard Baptist Church.
- **A Think Tank** session facilitated by JIS in June 2016.
- **Hosting of the 18th Meeting of the CARICOM Advisory Group on Statistics in June 2016.** STATIN hosted the 18th meeting of the CARICOM Advisory Group (CAG) on Statistics from June 29 to July 1, 2016. The meeting brought together a number of heads of agencies from other statistics offices in the region, who met to discuss and highlight best practices, concerns and issues within the region.
- **Hosting of an Open Day in October 2016** to coincide with Statistics Week. The 70th Anniversary Open Day was held at STATIN’s Head Office. The exhibitions by the divisions provided students, representatives of various entities and the general public who visited the booths with useful insights on each functional area of the Institute. In addition to the exhibitions, there was an outside broadcast by Real Jamaican Radio (RJR) on its daytime programme, “Hotline” featuring, Dr. Orville Taylor. Dr. Taylor facilitated interviews during the programme with technical directors and other subject matter experts as well as with the Director General.

A highlight of the day's activities was the re-launch of STATIN's website, as well as the updated Geography and Sociology CAPE Students' Handbooks. These handbooks were updated to be in line with the latest CAPE Syllabi and to provide more current data.

During the fiscal year, STATIN kept an active presence in the print media. This included an article on the Jamaica Information Service's (JIS) website, entitled, "*STATIN Plans Year-long Celebrations to Mark 70th Anniversary*". The article provided a brief overview of the activities that were scheduled to take place throughout the year. Articles highlighting "STATIN's 70th Anniversary" were published in a supplement in *The Gleaner* on November 1, 2016.

There were also media launches for the following products:

1. The revised Jamaica Industrial Classification (JIC 2016) publication - December 2016;
2. The Household Expenditure Survey (HES) - January 2017.

STATIN continued to respond to the varied requests for data from both internal and external clients. The STATIN library also played an important role in the dissemination of information to the public.

External Relations

During the year, the Institute actively participated in the development of international statistical methodologies as reflected in its membership on the Washington Group on Disability and as a member of the Expert Group on Environment Statistics of the United Nations Statistical Division (UNSD). Its expertise was also provided to the CARICOM regional technical working group meetings on National Accounts, Environment Statistics and Quality Assurance Framework. STATIN continued to actively participate in the annual United Nations Statistics Commission and the Standing Committee of Caribbean Statisticians meetings. The organisation was also represented at the United Nations First World Data Forum held in Cape Town, South Africa and at the 2017 SAS Global Forum where a paper on "The assessment of different sample designs on the estimates of official statistics" was presented.

Information and Communication Technology

Maintaining and improving the information and communication technology (ICT) infrastructure is essential to ensuring operational efficiency. During the fiscal year under review, ongoing maintenance work was carried out to ensure that the hardware and software systems were current, functional and performing at their optimum. Work also continued on the development of systems to improve the data collection and processing for a number of surveys. This is consistent with the objective of the Institute to transition to a paperless environment. Development activities were enhanced with the acquisition of Visual Studio 2015 licences and GIS licences acquired as part of a Government of Jamaica project.

Funding

The Institute's approved budget for the 2016/2017 fiscal year was \$871.662 million. This sum included the amount of \$815.248 million for recurrent expenses and \$48.69m for the Household Expenditure Survey. A special approval of \$7.724 million was to complete the improvements for the work programme for the Survey of Living Conditions.

Table 6: Fiscal Year 2016/2017 Approved Budget

Budget Item	\$M
Recurrent	815.248
SLC	7.724
HES	48.690
Total	871.662

OTHER ACTIVITIES

STATIN Sports and Social Club

During the fiscal year 2016/2017, the STATIN Sports and Social Club continued to play an important role in fostering work-life balance through the facilitation of social and recreational activities. Of note are the annual inter-divisional activities held in March 2017 and Sports Month held in June 2016. During the Sports Month employees engaged in friendly rivalry in a variety of indoor and outdoor games. The inter-divisional competition, on the other hand, provided an avenue for staff to display their talents in the performing and culinary arts.

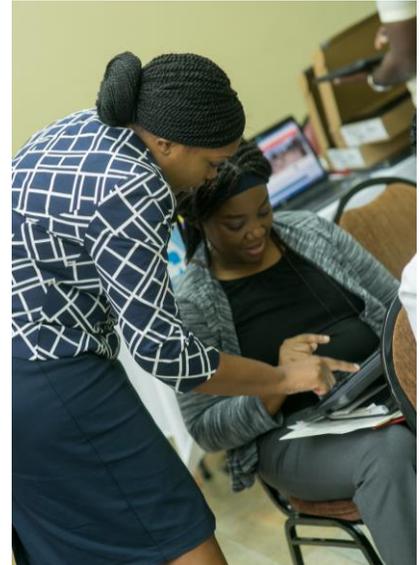
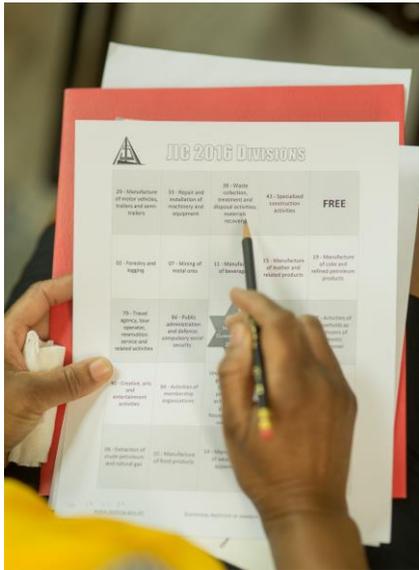
HES Launch



70th Anniversary Church Service



JIC Launch



Population Development Conference



APPENDIX A

Directors' Compensation: April 1, 2016 - March 31, 2017

Name and Position of Director	Fees (\$)	Motor Vehicle Up-keep/Travelling or Value of Assignment of Motor Vehicle (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable (\$)	Total (\$)
Prof. Alvin Wint <i>Chairman</i>	228,500.00				228,500.00
Mr. Richard Lumsden <i>Director 1</i>	125,000.00				125,000.00
Mr. Jide Lewis <i>Director 2</i>	99,000.00				99,000.00
Mr. Courtney Williams <i>Director 3</i>	48,000.00				48,000.00
Ms. Joy Moncrieffe <i>Director 4</i>	33,000.00				33,000.00
Mr. Keith Collister <i>Director 5</i>	18,500.00				18,500.00

NOTE: The only payment made to the Board members was for their attendance at meetings.

Increased fees w.e.f April 1, 2016

APPENDIX B

Senior Executive Compensation 2016/2017

Name and Position of Senior Executive	Salary (\$)	Gratuity or Performance Incentive (\$)	Travelling Allowance or Value of Assignment of Motor Vehicle (\$)	Pension or Other Retirement Benefits (\$)	Other Allowances (\$)	Non-Cash Benefits (\$)	Total (\$)
Ms. Carol Coy Director General	5,766,666.08		1,341,624.00		12,000.00		7,120,290.08
Mrs. Lorna Reid Technical Advisor	2,945,397.79		1,243,608.00				4,189,005.79
Mrs. Sharon Willis Director, Administrative Statistics	3,440,058.85		536,652.00				3,976,710.85
Mrs. Janet Geoghagen Director, Censuses Demography & Social Statistics	3,450,442.45		1,341,624.00				4,792,066.45
Mr. Boyd Goodin Director, Information & Technology	3,521,760.00		1,341,624.00				4,863,384.00
Ms. Yvonne Newland Director, Economic Accounting	4,015,276.04		1,341,624.00				5,356,900.04
Mr. Damion Tyrell Director, Field Services	3,598,929.95		1,341,624.00				4,940,553.95
Mrs. Carla Clarke Director, Corporate Services	4,620,292.00		1,341,624.00				5,961,916.00
Mr. Douglas Forbes Director, Surveys	4,021,093.08		1,341,624.00				5,362,717.08
Ms. Leesha Delatite-Budair Director, Research, Design & Evaluation	3,470,372.00		1,341,624.00				4,811,996.00
Ms. Deniesha Buchanan Corporate Secretary/Legal Officer	2,055,428.51		707,448.00				2,762,876.51

NOTE: Except where stated otherwise, all compensation packages include:

1. Group Life: Non-contributory, equivalent to two (2) times annual basic salary upon death.
2. Group Health: Contributory scheme under GEASO with Sagacor Life of Jamaica Limited.
3. Annual Vacation Leave Entitlement of twenty-five (25) days.

APPENDIX C

FINANCIAL STATEMENTS



STATISTICAL INSTITUTE OF JAMAICA
FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2017

STATISTICAL INSTITUTE OF JAMAICA
FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2017

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Statement of Cash Flows	5
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Kingston 5Phone 876.908.3124
Fax 876.754.0380
Email info@crowehorwath.com.jm
Web www.crowehorwath.com.jm**REPORT OF THE INDEPENDENT AUDITORS
TO THE BOARD OF DIRECTORS OF
STATISTICAL INSTITUTE OF JAMAICA**

Qualified Opinion

We have audited the financial statements of Statistical Institute of Jamaica ("the Institute"), which comprise the statement of financial position as at 31st March 2017, the statement of comprehensive income, statements of changes in capital and reserve funds, cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter discussed in the Basis for Qualification paragraph, the financial statements, give a true and fair view of the financial position of Statistical Institute of Jamaica as of 31st March 2017, and of its financial performance, changes in capital and reserve funds and cash flows for the year then ended, in accordance with International Financial Reporting Standards and the Jamaican Statistics Act.

Basis for Qualification

The Institute operates a Defined Benefit Plan. IAS 19 - *Employee Benefits* requires that an entity recognizes the net defined liability or asset for its Pension Plan in its Statement of Financial Position. In these and previous financial statements, the Institute's Pension Fund was treated and disclosed as a Defined Contribution Plan. Neither the pension asset nor the defined benefit obligation have been recognised. In the absence of this recognition, the financial statements do not conform to IFRS.

The Actuarial Valuation as at 31st December 2014 revealed a surplus of \$328,718,000 being the excess of accumulated assets over the value of the past service liabilities of the plan.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Institute in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

	KINGSTON	MANDEVILLE	RUNAWAY BAY	MONTEGO BAY
Unit 34 Winchester Business Centre 15 Hope Road,	Oxford House 2nd Floor 6 Oxford Road	Shop 2B (Upstairs) Caledonia Mall Mandeville	Lot 33 & 34 Cardiff Hall Runaway Bay	The Annex - UGI Building 30 - 34 Market Street Montego Bay
T: +876-9084007 F: +876-7540380	T: +876-9263562 F: +876-9291300	T: +876-9629153/9626369 F: +876-6252797	T: +876-9735360/9735981 F: +876-9737546	T: +876-9538486/9719675 F: +876-9533058

**REPORT OF THE INDEPENDENT AUDITORS
TO THE EXECUTIVE COMMITTEE OF
STATISTICAL INSTITUTE OF JAMAICA**

Other Information (Cont'd)

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to report that matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institute's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA's will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**REPORT OF THE INDEPENDENT AUDITORS
TO THE EXECUTIVE COMMITTEE OF
STATISTICAL INSTITUTE OF JAMAICA**

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

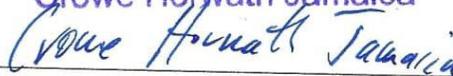
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Additional Matters as Required by the Jamaican Statistics Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Statistics Act, in the manner required.

Crowe Horwath Jamaica



Crowe Horwath Jamaica

Unit 34, Winchester Business Centre
15 Hope Road
Kingston 10

20th July 2017

STATISTICAL INSTITUTE OF JAMAICA
STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

	Notes	2017 \$	2016 \$
ASSETS			
<u>Non-Current Assets</u>			
Property, Plant and Equipment	4	50,564,258	54,598,847
<u>Current Assets</u>			
Inventories	5	754,136	957,778
Trade and Other Receivables	6	7,089,245	19,831,959
Prepayments		9,701,668	10,918,372
Short Term Investments	7	15,381,055	14,617,307
Cash and Cash Equivalents	8	133,880,180	53,442,604
		166,806,284	99,768,020
Total Assets		217,370,542	154,366,867
EQUITY AND LIABILITIES			
<u>Capital and Reserves</u>			
Capital Fund	9	25,792,338	26,415,927
Capital Grants	10	4,589,773	4,589,773
General Reserve Fund		22,988,864	(31,549,927)
		53,370,975	(544,227)
<u>Current Liabilities</u>			
Trade and Other Payables	11	96,601,531	100,581,528
Projects and Contracts	12	67,398,036	54,000,284
Bank Overdraft		-	329,282
		163,999,567	154,911,094
Total Equity and Liabilities		217,370,542	154,366,867

The accompanying notes form an integral part of the financial statements.

APPROVED FOR ISSUE BY THE BOARD ON JULY 20, 2017 AND SIGNED ON ITS BEHALF BY:


Alvin Wint
Chairman


Carol Coy
Director General

STATISTICAL INSTITUTE OF JAMAICA
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31ST MARCH 2017

(expressed in Jamaican Dollars unless otherwise indicated)

	<u>Notes</u>	2017 \$	2016 \$
Revenue			
Government Grants	13	779,447,471	680,074,478
Transfer of Surplus on closed projects	12	3,386,755	35,743,141
Other Income	14	<u>4,647,585</u>	<u>6,533,358</u>
		787,481,811	722,350,977
Administrative Expenses	15	<u>(732,943,020)</u>	<u>(687,571,148)</u>
Surplus for the year		<u>54,538,791</u>	<u>34,779,829</u>

The accompanying notes form an integral part of the financial statements.

STATISTICAL INSTITUTE OF JAMAICA
STATEMENT OF CHANGES IN CAPITAL AND RESERVE FUNDS
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

	<i>Capital Fund</i>	<i>Capital Grants</i>	<i>General Reserve</i>	<i>Total</i>
	\$	\$	\$	\$
Balance at 31st March 2015	27,094,141	4,589,773	(66,329,756)	(34,645,842)
Net movements in the year	(678,214)	-	-	(678,214)
Surplus for the Year	-	-	34,779,829	34,779,829
Balance at 31st March 2016	26,415,927	4,589,773	(31,549,927)	(544,227)
Net movements in the year	(623,589)	-	-	(623,589)
Surplus for the Year	-	-	54,538,791	54,538,791
Balance at 31st March 2017	25,792,338	4,589,773	22,988,864	53,370,975

The accompanying notes form an integral part of the financial statements.

STATISTICAL INSTITUTE OF JAMAICA
STATEMENT OF CASH FLOWS
YEAR ENDED 31ST MARCH 2017

(expressed in Jamaican Dollars unless otherwise indicated)

	2017	2016
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year	54,538,791	34,779,829
Adjustments to reconcile net Surplus for the year to net cash provided by Operating Activities:		
Depreciation on donated Property, Plant and Equipment	(623,589)	(678,214)
Depreciation on acquired Property, Plant and Equipment	16,528,985	14,024,775
	<u>70,444,187</u>	<u>48,126,390</u>
Decrease/(Increase) in Current Assets:		
Inventories	203,642	215,896
Trade and Other Receivables	12,742,714	(8,453,652)
Prepayments	1,216,704	(7,670,437)
(Decrease)/Increase in Current Liabilities:		
Trade and Other Payables	(3,979,997)	(2,803,596)
Projects and Contracts	13,397,752	6,132,060
Net cash provided by Operating Activities	<u>94,025,002</u>	<u>35,546,661</u>
Cash flows from Investing Activities:		
Acquisition of Property, Plant and Equipment	(12,494,396)	(23,013,984)
Short-Term Investments	(763,748)	(832,436)
Net cash used in Investing Activities	<u>(13,258,144)</u>	<u>(23,846,420)</u>
Cash flows from Financing Activities:		
Bank Overdraft	(329,282)	329,282
Net cash provided by Financing Activities	<u>(329,282)</u>	<u>329,282</u>
Net Increase in Cash and Cash Equivalents	80,437,576	12,029,523
Cash and Cash Equivalents at the beginning of Year	<u>53,442,604</u>	<u>41,413,081</u>
Cash and Cash Equivalents at end of Year	<u>133,880,180</u>	<u>53,442,604</u>

The accompanying notes form an integral part of the financial statements.

**STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2017**

(expressed in Jamaican Dollars unless otherwise indicated)

1. Identification

The Statistical Institute of Jamaica was established by the Statistics (Amendment) Act Number 3 of 1984 and amended by Number 11 of 2003.

The main functions of the Institute are:-

- (a) To collect, compile, analyse, abstract and publish national statistical information relating to the commercial, industrial, social, economic and general activities and conditions of the people of Jamaica.
- (b) To take any census in Jamaica.

2. Adoption of Standards, Interpretations and Amendments.

The International Accounting Standards Board (IASB) issued certain new standards and interpretations as well as amendments to existing standards, which became effective during the year under review. The Society's management has assessed the relevance of the following new standards, interpretations and amendments that were in effect and has applied in these financial statements, those standards which are considered relevant to its operations:

IAS 16: Property, Plant and Equipment and IAS 38 Intangible Assets (Effective January 2016)

- Clarify that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment;
- Introduce a rebuttable presumption that an amortisation method that is based on the revenue generated by an activity that includes the use of an intangible asset is inappropriate, which can only be overcome in limited circumstances where the intangible asset is expressed as a measure of revenue, or when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated;
- Add guidance that expected future reductions in the selling price of an item that was produced using an asset could indicate the expectation of technological or commercial obsolescence of the asset, which, in turn, might reflect a reduction of the future economic benefits embodied in the asset.

**STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2017**

(expressed in Jamaican Dollars unless otherwise indicated)

2. Adoption of Standards, Interpretations and Amendments (cont'd):

(a) Standards, Interpretations and Amendments to published standards that are in effect (cont'd):

IAS 27: Separate Financial Statements (Effective January 2016)

Amends IAS 27: Separate Financial Statements to permit investments in subsidiaries, joint ventures and associates to be optionally accounted for using the equity method in separate financial statements

Improvements to IFRS 2012–2014 cycle contains amendments to certain standards and interpretations and are effective for accounting periods beginning on or after January 1, 2016. The main amendments are as follows:

- **IFRS 5: Non-current Assets Held for Sale and Discontinued Operations (Effective January 2016)**

Adds specific guidance in IFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution accounting is discontinued.

- **IFRS 7: Financial Instruments: Disclosures (Effective January 2016)**

Additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset, and clarification on offsetting disclosures in condensed interim financial statements.

- **IAS 19: Employee Benefits (Effective January 2016)**

Clarifies that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid.

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

2. Adoption of Standards, Interpretations and Amendments (cont'd):

(a) Standards, Interpretations and Amendments to published standards that are in effect (cont'd):

IAS 1: Presentation of Financial Statement (Effective January 2016)

The amendment addresses perceived impediments to preparers exercising their judgement in presenting their financial reports by making the following changes.

Clarifies that information should not be obscured by aggregating or by providing immaterial information materiality consideration apply to the all parts of the financial statements, and even when a standard requires a specific disclosure, materiality considerations do apply;

Clarifies that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements and clarification that an entity's share of other comprehensive income of equity-accounted associates and joint ventures should be presented in aggregated as single line items based on whether or not it will subsequently be reclassified to profit or loss;

Provides additional examples of possible ways of ordering the notes to clarify that understandability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need to be presented in the order so far listed in paragraph 114 of IAS 1.

These affected the financial statements for accounting periods beginning on or after the first day of the months stated. The adoption of these Standards and amendments had no material impact on the Institute's financial statements.

(b) Standards and interpretations in respect of published standards that are not in effect:

Certain new, revised and amended standards and interpretations have been issued which are not yet effective for the current year and which the Institute has not early-adopted. The Institute has assessed the relevance of all the new standards, amendments and interpretations with respect to the Institute's operations and has determined that the following are likely to have an effect on the Institute's financial statements:

IFRS 9: Financial Instruments (Effective January 1, 2018)

A finalised version of IFRS 9 which contains accounting requirements for financial instruments, replacing IAS 39 Financial Instruments: Recognition and Measurement. The standard contains requirements in the following areas:

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

2. Adoption of Standards, Interpretations and Amendments (cont'd):

(b) Standards and interpretations in respect of published standards that are not in effect (cont'd):

IFRS 9: Financial Instruments (Effective January 1, 2018) (cont'd)

Classification and measurement: Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. The 2014 version of IFRS 9 introduces a 'fair value through other comprehensive income' category for certain debt instruments. Hence, financial assets are to be classified into three measurement categories: those measured at amortised cost, those to be measured subsequently at fair value through other profit and loss (FVPL) and those to be measured subsequently at fair value through other comprehensive income (FVOCI). Financial liabilities are classified in a similar manner to under IAS 39, however there are differences in the requirements applying to the measurement of an entity's own credit risk.

Impairment: The 2014 version of IFRS 9 introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognised

Hedge accounting: Introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures

Derecognition: The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.

Note: Depending on the chosen approach to applying IFRS 9, the transition can involve one or more than one date of initial application for different requirements.

Management has determined that the standard is relevant to existing policies for its current operations, but has not yet assessed the impact on adoption.

IFRS 15: Revenue from Contracts with Customers (IAS 18 will be superseded by IFRS 15 Revenue from Contracts with Customers.) (Effective January 1, 2018)

IFRS 15 provides a single, principles based five-step model to be applied to all contracts with

The five steps in the model are as follows:

- Identify the contract with the customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contracts
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Guidance is provided on topics such as the point in which revenue is recognised, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced.

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

2. Adoption of Standards, Interpretations and Amendments (cont'd):

b) Standards and interpretations in respect of published standards that are not in effect (cont'd):

IFRS 16 - Leases (Effective January 2019)

IFRS 16 specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

Amendments to IAS 7 - Statement of Cash Flows (Effective January 2017)

Amends IAS 7 Statement of Cash Flows to clarify that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

Clarifications to IFRS 15 : Revenue from Contracts with Customers (Effective January 2018)

Amends IFRS 15 Revenue from Contracts with Customers to clarify three aspects of the standard (identifying performance obligations, principal versus agent considerations, and licensing) and to provide some transition relief for modified contracts and completed contracts.

Improvements to IFRS 2014–2016 cycle contains amendments to certain standards and interpretations and are effective for accounting periods beginning on or after January 1, 2017 and 2018. The main relevant amendment is as follows:

Makes amendments to the following standard:

- **IFRS 12: Disclosure of Interests in Other Entities (Effective January 2017)**

Clarifies the scope of the standard by specifying that the disclosure requirements in the standard, except for those in paragraphs B10–B16, apply to an entity's interests listed in paragraph 5 that are classified as held for sale, as held for distribution or as discontinued operations in accordance with IFRS 5: *Non-current Assets Held for Sale and Discontinued Operations*

These affect financial statements for accounting periods beginning on or after the first day of the month stated. The Institute is assessing the impact these amendments will have on its 2017 financial statements

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies

(a) Statement of Compliance and Basis of Preparation -

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the International Financial Reporting Committee of the IASB and comply in all material respects with the provisions of the Statistics Act. They have been prepared under the historical cost convention and are expressed in Jamaican Dollars.

(b) Property, Plant and Equipment -

Property, plant and equipment are stated at historical cost less depreciation less any impairment losses.

Depreciation of property, plant and equipment is provided on the straight-line basis calculated at annual rates estimated to write off the cost of each asset over the term of its useful life. The rates of depreciation in use are as follows:-

Buildings	2%
Furniture, Fixtures and Office Equipment	10%
Motor Vehicles	20%
Computer Software & Equipment	25%
Leasehold Improvements	10%

Property, plant and equipment are periodically reviewed for impairment. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to the recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating surplus or deficit.

Freehold land is not depreciated.

(c) Inventories -

Inventories are valued at the lower of cost and net realisable value.

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (Cont'd):

(d) Trade and Other Receivables -

Trade and Other Receivables are carried at original amounts less provisions made for bad debts and impairment losses. A provision for bad debts is established when there is objective evidence that the Institute will not be able to collect all amounts due according to the original terms of the receivables. The amount of any provision is the difference between the carrying amount and the expected recoverable amount.

(e) Provisions -

Provisions are recognised when the Institute has a present legal or constructive obligation as a result of past events, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

(f) Impairment of Assets -

Property, plant and equipment and other long-lived assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's selling price or value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows.

(g) Revenue Recognition -

i) *Government Grants*

Revenue from government grants are recognised when there is reasonable assurance that the grant will be received.

ii) *Income from Closed-out Projects*

Revenue from projects is recognised when the projects have been completed and comprises the net income earned after the deduction of expenses incurred or allocated to the project.

iii) *Interest Income*

Interest income is accrued on the principal outstanding on fixed deposits.

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (Cont'd):

(g) Revenue Recognition (cont'd) -

iv) *Sale of Publications, Subscriptions for Publications and Maps*

Revenue comprises the fair value of consideration received or receivable for the provision of publications and maps in the ordinary course of the Institute's activities. The revenue is shown net of discounts.

(h) Foreign Currency Transactions -

During the period, transactions in foreign currencies are converted into Jamaican dollars at the rates of exchange ruling on the dates of those transactions. Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the reporting date. Gains or losses arising from fluctuation in the exchange rates are reflected in the Statement of Comprehensive Income.

(i) Use of Estimates and Judgements -

The preparation of financial statements in accordance with International Financial Reporting Standards (IFRS) requires directors and management to make estimates and assumptions that affect the amount reported in the financial statements and accompanying notes. These estimates are based on historical experience and directors and management's best knowledge of current events and actions and are reviewed on an on-going basis. Actual results could differ from those estimates.

(j) Employee Benefits -

Pension

The Institute operates a Defined Benefit Plan. The pension plan is funded by payments from employer and employees, taking into account the recommendations of the independent qualified actuaries.

The Institute's contributions to the pension plan are charged to the statement of comprehensive income in the period to which the contribution relates. As indicated in the audit report, this is in contravention with IAS 19 - *Employees Benefits*. This is the basis for the qualification of the audit report.

Vacation Accrued

The Institute's vacation leave policy allows a maximum of seventy-five (75) days unused vacation leave to be carried forward for staff. The charge of all outstanding leave is recognised in the statement of comprehensive income in the period to which it relates.

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (Cont'd):

(k) Actuarial Valuation -

In accordance with the Trust Deed, Actuarial Valuations of the Plan are to be done as prescribed by the Pensions (Superannuation Funds and Retirement Schemes) Act 2004. The Trustees have determined that such valuations are to be done at regular intervals provided that no longer than three (3) years elapse between each valuation. The last Actuarial Valuation was done as at 31st December 2014 and the report revealed a surplus of \$328,718,000 being the excess of accumulated assets over the value of the past service liabilities of the plan. The next valuation is due no later than 31st December 2017.

(l) Short-Term Investments -

Short-term investments are measured at fair value by reference to quoted market prices when available. If quoted market prices are not available, then fair values are estimated on the basis of pricing models or other recognised valuation techniques.

(m) Cash and Cash Equivalents -

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand, foreign and local savings accounts and current accounts held at banks.

(n) Comparative Information -

Where necessary, comparative figures have been re-classified to conform to changes in presentation in the current year. In particular, comparatives have been adjusted to take into account the requirements of IFRS.

(o) Related Party Balances and Transactions -

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24, Related Party Disclosures as the "reporting entity").

- (a) A person or a close member of that person's family is related to the reporting entity if, that person:
- (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (Cont'd):

(o) Related Party Balances and Transactions (Cont'd) -

- (b) An entity is related to the reporting entity if any of the following conditions applies:
- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - (vi) The entity is controlled, or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

4. Property, Plant and Equipment

	<i>Land</i>	<i>Buildings</i>	<i>Leasehold Improvements</i>	<i>Furniture, Fixtures & Equipment</i>	<i>Computer Software & Equipment</i>	<i>Motor Vehicles</i>	<i>Total</i>
	\$	\$	\$	\$	\$	\$	\$
Cost or Valuation:							
31st March 2015	113,268	5,705,891	13,591,295	42,586,804	197,001,781	5,856,172	264,855,212
Additions	-	-	487,850	3,187,513	19,338,621	-	23,013,984
Disposal	-	-	-	-	-	(970,550)	(970,550)
31st March 2016	113,268	5,705,891	14,079,145	45,774,317	216,340,402	4,885,622	286,898,646
Additions	-	-	1,418,463	1,642,684	9,433,250	-	12,494,396
31st March 2017	113,268	5,705,891	15,497,608	47,417,001	225,773,652	4,885,622	299,393,042
Accumulated Depreciation:							
31st March 2015	-	1,552,820	13,507,630	26,907,654	172,235,568	5,041,901	219,245,574
Charge for the year	-	114,117	35,092	2,816,831	10,244,465	814,270	14,024,775
Released on Disposal	-	-	-	-	-	(970,550)	(970,550)
31st March 2016	-	1,666,937	13,542,722	29,724,485	182,480,033	4,885,621	232,299,799
Charge for the year	-	114,117	134,482	3,123,584	13,156,802	-	16,528,985
31st March 2017	-	1,781,054	13,677,204	32,848,069	195,636,835	4,885,621	248,828,784
Net Book Value							
31st March 2017	113,268	3,924,837	1,820,404	14,568,932	30,136,817	1	50,564,258
31st March 2016	113,268	4,038,954	536,423	16,049,832	33,860,369	1	54,598,847
31st March 2015	113,268	4,153,071	83,665	15,679,150	24,766,213	814,271	45,609,638

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

5. Inventories

	2017	2016
	\$	\$
Printery	128,868	160,203
General	625,268	797,575
	<u>754,136</u>	<u>957,778</u>

6. Trade and Other Receivables

	2017	2016
	\$	\$
Trade Receivables	190,005	14,012,297
Staff Loans	99,036	61,651
Motor Vehicle Revolving Loan (i)	3,000,000	3,000,000
Other	3,800,204	2,758,011
	<u>7,089,245</u>	<u>19,831,959</u>

- (i) The motor vehicle revolving loan fund was established in June 1996 as a part of the 1994/1996 wage settlement. The Ministry of Finance and Planning agreed to provide the sum of three million dollars (\$3m) for the establishment of this loan fund which is managed by the Accountant General's Department.

7. Short-Term Investments

	2017	2016
	\$	\$
Sagicor Bank - Repurchase Agreement	15,294,627	14,531,300
Fixed Deposit Account - NCB	86,428	86,007
	<u>15,381,055</u>	<u>14,617,307</u>

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017

(expressed in Jamaican Dollars unless otherwise indicated)

8. Cash and Cash Equivalents

	2017	2016
	\$	\$
Current Accounts		
- Main	67,079,900	2,983,353
- Projects	16,667,423	1,665,644
Retained account-		
- Main (2017: US\$ 391,183, 2016: US\$396,908)	49,979,985	48,169,813
Cash in Transit	126,872	597,794
Petty Cash	26,000	26,000
	<u>133,880,180</u>	<u>53,442,604</u>

9. Capital Fund

	2017	2016
	\$	\$
Balance brought forward	26,415,927	27,094,141
Depreciation Charges	<u>(623,589)</u>	<u>(678,214)</u>
Balance carried forward	<u>25,792,338</u>	<u>26,415,927</u>

The fund was established in 1984 and the initial balance represented the value of assets taken over from the Government of Jamaica via the former 'Department of Statistics'.

10. Capital Grants

Included in this balance is an amount of \$4,027,733 which represents a contribution received from the Ministry of Finance and Planning towards the purchase of computer equipment.

11. Trade and Other Payables

	2017	2016
	\$	\$
Trade Payables	18,345,985	18,497,930
Vacation Leave Accrued	61,079,497	64,045,071
Other Payables	<u>17,176,049</u>	<u>18,038,527</u>
	<u>96,601,531</u>	<u>100,581,528</u>

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

12. Projects and Contracts

	2017	2016
	\$	\$
Balance at beginning of year	<u>54,000,284</u>	<u>47,868,224</u>
Receipts:		
Cash	<u>110,887,326</u>	<u>92,553,202</u>
Payments:		
Compensation of Employees	55,950,753	40,722,105
Travelling and Subsistence	5,320,400	5,369,604
Purchase of Goods and other Services	29,764,473	2,538,270
National Insurance Scheme	1,350,229	905,328
National Housing Trust	<u>1,716,964</u>	<u>1,142,692</u>
	<u>94,102,819</u>	<u>50,677,999</u>
Net Surplus for year	16,784,507	41,875,203
Transfer of Surplus on closed projects	<u>(3,386,755)</u>	<u>(35,743,143)</u>
Balance at end of year	<u>67,398,036</u>	<u>54,000,284</u>

13. Government Grants

This represents cash received from the Government of Jamaica for operational activities.

14. Other Income

	2017	2016
	\$	\$
Interest Income	825,359	913,721
Publications and Subscriptions	198,413	214,468
Revenue Maps	358,237	801,418
Gain on Foreign Exchange	2,407,900	2,437,199
Miscellaneous	<u>857,676</u>	<u>2,166,552</u>
	<u>4,647,585</u>	<u>6,533,358</u>

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

15. Administrative Expenses

	2017	2016
	\$	\$
Compensation of Employees	425,721,130	397,668,046
National Insurance Scheme	8,570,390	8,549,598
National Housing Trust	12,836,343	12,021,952
Group Life Insurance	5,985,718	5,064,075
Pension	19,010,236	23,856,689
Travelling and subsistence	98,077,528	85,725,825
Electricity	24,117,720	22,995,997
Telephone	8,188,492	7,226,763
Water	596,772	395,636
Purchase of Goods and other Services	27,251,919	20,838,711
Rent	80,192,324	84,310,469
Directors' Fees	489,500	455,000
Auditors' Remuneration	1,265,000	1,265,000
Depreciation	15,905,397	13,346,561
Security	2,483,743	2,297,136
Other Administrative Costs	8,177	22,357
Training	2,242,631	1,531,333
	<u>732,943,020</u>	<u>687,571,148</u>

16. Taxation

The Institute is exempt from income tax, stamp duty and taxation under the Transfer Tax Act, by virtue of Section 3 (J) of the Statistics Act.

17. Pension

The Institute participates in a Defined Benefit Pension Plan for its employees which is administered by Sagcor Life Jamaica Limited. The Plan is funded by contributions from employees and employer. Pension benefits are based on contributions plus accumulated interest. The Institute's contribution during the year amounted to \$19,010,236 (2016: \$23,856,689).

18. Related Party Balances

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

The Institute has the following income and expenses incurred in transactions with related parties (other agencies under common control by the Government of Jamaica), in the ordinary course of business:

	2017	2016
	\$	\$
Expenses paid to Related Parties	<u>29,773,841</u>	<u>36,708,672</u>
Income received from Related Parties	<u>31,570,880</u>	<u>19,881,322</u>

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

19. Financial Instruments & Financial Instruments Risk Management

A financial instrument is a contract that gives rise to both a financial asset of one enterprise and a financial liability of another enterprise. For the purpose of the financial statements, financial assets have been determined to include cash and cash equivalents, short term investments and trade and other receivables. Financial liabilities have been determined to include trade and other payables and projects and contracts.

The activities of the Institute expose it to certain financial risks which require evaluation, acceptance and management. Operational risks are an inevitable consequence of being in business. The Board of Directors aims to achieve an appropriate balance between risk and return and thereby minimising any potential adverse effects on the Institute's financial performance.

The main types of risks to which the Institute is exposed are credit risk, liquidity risk and market risk. Market risk is further broken down into interest rate risk and currency risk. The management policies of the Institute are designed to identify and analyse these risks, to set up appropriate controls, and to monitor the risks by means of up-to-date information.

The Director General has overall responsibility for the day to day management and operation of the Institute. Through its various divisional heads, the functions of the Institute are carried out. The internal control procedures of the Institute are further enhanced by the Internal Audit function that reports directly to the Board of Directors.

(a) Credit risk

The Institute is exposed to credit risk, which is the risk that its customers, or counter-parties will cause a financial loss for the Institute by failing to discharge their contractual obligations. The Institute's exposure to credit risk is considered minimal as only 0.18% (2016: 2%) is earned through invoicing of customers. Also, the trade receivables represent 0.11% of current assets (2016: 14.04%). Management however carefully manages its exposure to credit risk in order to minimise losses. The accounts department ensures that amounts billed are collected on a timely basis and where amounts are considered doubtful or uncollectible, the necessary provisions or write off are done after careful review and approval by the Board of Directors.

Credit Review Process

The Institute has established a credit quality review process and has credit policies and procedures which require regular analysis of the ability of counter-parties to meet their payment obligations.

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

19. Financial Instruments & Financial Instruments Risk Management (cont'd)

(a) Credit risk (Cont'd)

Maximum Exposure to Credit Risk

	2017	2016
	\$	\$
Trade Receivables	190,005	14,012,297
Other Receivables	6,899,240	5,819,662
Short-Term Investments	15,381,055	14,617,307
Cash and Cash Equivalents	<u>133,854,180</u>	<u>53,416,604</u>
	<u>156,324,480</u>	<u>87,865,870</u>

(i) Trade Receivables

Trade receivable balances are not considered high risk. Management closely monitors its customers to minimise the level of bad debts. The Institute has established a credit quality review process and has instituted credit policies and procedures which require regular analysis of the ability of debtors to meet their obligations.

(ii) Other Receivables

Other receivables includes the \$3,000,000 motor revolving loan, amounts recoverable from the revenue authorities with regard to General Consumption Tax and Withholding Tax, staff loans and other miscellaneous amounts. Credit risk with respect to these items is considered low.

(iii) Short-Term Investments and Cash and Cash Equivalents

Short-Term Investments and Cash and cash equivalents comprise current and savings accounts, and deposits held with financial institutions. The Institute limits its exposure to credit risk by placing its cash and cash equivalents with counter-parties that have high credit quality. Accordingly, management does not expect any counter-party to fail to meet its obligations.

There has been no change in the Institute's exposure to credit risk or the manner in which it measures and manages the risk.

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

19. Financial Instruments & Financial Instruments Risk Management (cont'd)

(b) Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to meet obligations to creditors and also to complete projects.

The income generated by the Institute represents only 0.59% (2016: 0.90%) of total income. If the Institute was totally dependent on internally generated income, it would have faced liquidity risk in that regard. The Institute however, is funded mainly by Government Subvention which is pre-determined in the fiscal budget. Total income is usually sufficient to cover expenses. At 31st March 2017, the Institute's current assets exceeded its current liabilities by \$2,806,717 (2016: Current liabilities exceeded current assets \$55,143,074).

Liquidity management process

The Institute's liquidity management process, as carried out within the Institute and monitored by the Accounts Department, includes:

- (i) Monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows in relation to payment obligations.
- (ii) Monitoring Statement of Financial Position Liquidity ratios against internal requirements. The most important of these is to maintain limits on the ratio of net liquid assets to customer liabilities.

There has been no change in the Institute's liquidity risk or the manner in which it measures and manages the risk.

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

19. Financial Instruments & Financial Instruments Risk Management (cont'd)

(b) Liquidity risk (Cont'd)

The following are the contractual maturities of financial assets and liabilities including interest payments as at:

31st March 2017

	Carrying Amount and Contractual Cash Flow	0 - 6 months	6 - 12 months	No specific maturities
	\$	\$	\$	\$
<u>Current Assets</u>				
Inventories	754,136	-	-	754,136
Trade and Other Receivables				
Trade	190,005	190,005	-	-
Other	6,899,240	-	99,036	6,800,204
Prepayments	9,701,668	9,701,668	-	-
Short-Term Investments	15,381,055	15,381,055	-	-
Cash and Cash Equivalents	<u>133,880,180</u>	<u>-</u>	<u>-</u>	<u>133,880,180</u>
	<u>166,806,284</u>	<u>25,272,728</u>	<u>99,036</u>	<u>141,434,520</u>
<u>Current Liabilities</u>				
Trade and Other Payables				
Trade	18,345,985	18,345,985	-	-
Accruals/Other Payables	78,255,546	17,176,049	-	61,079,497
Bank Overdraft	-	-	-	-
Projects & Contracts	<u>67,398,036</u>	<u>67,398,036</u>	<u>-</u>	<u>-</u>
	<u>163,999,567</u>	<u>102,920,070</u>	<u>-</u>	<u>61,079,497</u>
Net Current (Liabilities)/ Assets	<u>2,806,717</u>	<u>(77,647,342)</u>	<u>99,036</u>	<u>80,355,023</u>

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

19. Financial Instruments & Financial Instruments Risk Management (cont'd)

(b) Liquidity risk (Cont'd)

The following are the contractual maturities of financial assets and liabilities including interest payments as at:

31st March 2016

	Carrying Amount and Contractual Cash Flow	0 - 6 months	6 - 12 months	No specific maturities
	\$	\$	\$	\$
Inventories	957,778	-	-	957,778
Trade and Other Receivables				
Trade	14,012,298	14,012,298	-	-
Other	5,819,662	-	61,651	5,758,011
Prepayments	10,918,372	10,918,372	-	-
Short-Term Investments	14,617,307	14,617,307	-	-
Cash and Cash Equivalents	<u>53,442,604</u>	<u>-</u>	<u>-</u>	<u>53,442,604</u>
	<u>99,768,020</u>	<u>39,547,977</u>	<u>61,651</u>	<u>60,158,393</u>
Trade and Other Payables				
Trade	18,497,930	18,497,930	-	-
Accruals/other payables	82,083,598	18,038,527	-	64,045,071
Bank Overdraft	329,282	-	-	329,282
Projects and Contracts	<u>54,000,284</u>	<u>54,000,284</u>	<u>-</u>	<u>-</u>
	<u>154,911,094</u>	<u>90,536,741</u>	<u>-</u>	<u>64,374,353</u>
Net Current (Liabilities)/Assets	<u>(55,143,074)</u>	<u>(50,988,765)</u>	<u>61,651</u>	<u>(4,215,960)</u>

(c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. This arises mainly from changes in interest rates, foreign currency rates and equity prices. The Institute's operations are impacted by changes in interest rates and foreign currency movements, but not by changes in equity prices. The effect of these changes however, are not considered significant. The objective of market risk management is to monitor and control market risk exposures within acceptable parameters, while optimising the return on investments. Market risk exposures are measured using sensitivity analyses.

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

19. Financial Instruments & Financial Instruments Risk Management (cont'd)

(c) Market Risk (cont'd)

(i) Interest rate risk

Interest rate risk arises when the value of a financial instrument fluctuates during a specified period due to changes in the market interest rates.

The Institute is exposed to interest rate risk in respect of its cash on deposit and foreign currency savings account. The Institute manages this risk by maintaining net earning assets and procuring the most advantageous interest rates. It also has a policy which requires that the maturities of interest-bearing financial instruments are closely monitored.

Financial Assets

The Institute's fixed deposit accounts are used to secure bank guarantees issued to landlords while the savings accounts are used to settle foreign currency liabilities. The interest rates on fixed deposits are based on contractual arrangements and are therefore not affected by short term fluctuations in the market interest rates. The interest rates paid on savings accounts will fluctuate from time to time but are usually reflective of market conditions.

At the reporting date, the interest rate profile of the Institute's interest-bearing financial instruments were:

	Interest Rate	2017	Interest Rate	2016
	<u>%</u>	<u>\$</u>	<u>%</u>	<u>\$</u>
<u>J\$ Bank balances</u>				
Guarantee Account	5.00 - 5.20	15,294,627	5.20 - 6.00	14,531,300
Fixed Deposit	0.65	86,428	0.65	86,007
<u>US\$ Bank balances</u>				
Retained Account -Main	0.05	49,979,985	0.15	48,169,813
		<u>65,361,040</u>		<u>62,787,120</u>

Financial Liability

The Institute has no interest-bearing liability and therefore is not exposed to interest rate risk in this regard.

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017

(expressed in Jamaican Dollars unless otherwise indicated)

19. Financial Instruments & Financial Instruments Risk Management (cont'd)

(c) Market Risk (cont'd)

(i) Interest rate risk (cont'd)

Interest rate sensitivity

There have been insignificant movements in the interest rates over the last reporting date. A one percent (1%) (2016: one percent (1%)) for Jamaican interest-bearing financial assets and a one percent (1%) (2016: one percent (1%)) for US \$ interest-bearing financial assets movement in interest rate at the reporting date would have increased/(reduced) the reported (deficit)/surplus and accumulated fund by the amounts shown below:

	2017	2016
	\$	\$
<u>Increase in interest rates</u>		
<u>J\$ Bank balances (1% (2016: 1%))</u>		
Guarantee Account	152,946	145,313
Fixed Deposit	864	860
<u>US\$ Bank balances (1% (2016: 1%))</u>		
Retained Account -Main	<u>499,800</u>	<u>481,698</u>
Increase in surplus/deficit and accumulated fund	<u><u>653,610</u></u>	<u><u>627,871</u></u>
	2017	2016
	\$	\$
<u>Decrease in interest rates</u>		
<u>J\$ Bank balances (1% (2016: 1%))</u>		
Guarantee Account	(152,946)	(145,313)
Fixed Deposit	(864)	(860)
<u>US\$ Bank balances (0.5% (2016:0.5%))</u>		
Retained Account -Main	<u>(249,900)</u>	<u>(240,849)</u>
Decrease in surplus/deficit and accumulated fund	<u><u>(403,710)</u></u>	<u><u>(387,022)</u></u>

Between April 2016 and March 2017, the interest rate on Bank of Jamaica 3 - 6 months Commercial bank deposits increased by 35 basis points from 4.4 % to 4.06%. The rate movement subsequent to the year end is expected to be insignificant as there has been some amount of stabilizing of the rates.

This analysis assumes that all other variables, in particular exchange rates, remain constant.

(ii) Foreign currency risk

Foreign currency risk is the risk that the market value of, or the cash flows from financial instruments will vary because of exchange rate fluctuations. The Institute is exposed to foreign currency risk due to fluctuations in exchange rates on transactions and balances that are denominated in currencies other than the Jamaican dollar. A foreign currency bank account is maintained at a level which partially meets foreign currency obligations. During the period 1st April 2016 to 31st March 2017, the Institute was a net expender of foreign currency.

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

19. Financial Instruments & Financial Instruments Risk Management (cont'd)

(c) Market Risk (cont'd)

(ii) Foreign currency risk (cont'd)

The Institute's foreign currency asset at the reporting date is as follows:

Cash and Cash Equivalents:

	2017	2016
	<u>US\$</u>	<u>US\$</u>
Retained Account -Main	<u>391,183</u>	<u>394,705</u>

Sensitivity analysis

Exchange rates in terms of Jamaican Dollars which is the Institute's reporting currency, were as follows:

	<u>US\$</u>
1st May 2017	129.46
31st March 2017	128.67
31st March 2016	122.04

Over the period April 2016 to March 2017 there was a 5% depreciation of the Jamaican dollar against the US dollar. Between March 2017 and May 2017 there has been a further 1% depreciation of the Jamaican dollar against the US dollar.

The appreciation/depreciation of the Jamaican dollar to the extent shown against the United States dollar would have reduced/increased income and equity by the amounts shown below:

	<u>Movement</u>	<u>2017</u>	<u>Movement</u>	<u>2016</u>
	%	J\$	%	J\$
United States dollar	6	<u>3,019,945</u>	6	<u>2,890,189</u>
United States dollar	-1	<u>(503,324)</u>	-1	<u>(481,698)</u>

The analysis is computed on the same basis for 2016 and assumes that all other variables, in particular, interest rates, remain constant.

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

19. Financial Instruments & Financial Instruments Risk Management (cont'd):

(c) Market Risk (cont'd)

(ii) Foreign currency risk (cont'd)

It is not anticipated that any appreciation of the Jamaican dollar against the major currencies would be to any significant extent and this should therefore have marginal adverse effect on the Institute's foreign currency financial instruments. Should there be an appreciation of the Jamaican dollar against the United States Dollar by say, 2% this would increase/reduce deficit/surplus and accumulated fund as shown below:

	Movement	2017	2016
	<u>%</u>	<u>J\$</u>	<u>J\$</u>
United States dollar	2	<u>1,006,648</u>	<u>963,396</u>

The analysis assumes that all other variables, in particular, interest rates, remain constant. The analysis is performed on the same basis for 2016.

(d) Operational risk:

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Institute's processes, personnel, technology and infrastructure, and from external factors other than financial risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The Institute's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to its reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to identify operational risk is assigned to Senior Management. This responsibility is supported by overall standards for the management of operational risk in the following areas:

- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified.
- Requirements for the appropriate segregation of duties, including the independent authorisation of transactions.
- Requirements for the reconciliation and monitoring of transactions.
- Compliance with regulatory and other legal requirements.
- Documentations of controls and procedures.
- Requirements for the reporting of operational losses and proposed remedial action.

STATISTICAL INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
YEAR ENDED 31ST MARCH 2017
(expressed in Jamaican Dollars unless otherwise indicated)

19. Financial Instruments & Financial Instruments Risk Management (cont'd):

(d) Operational risk (Cont'd):

- Development of contingency plans.
- Training and professional development.
- Ethical and business standards.
- Risk mitigation, including insurance where this is effective.

Compliance with the Institute's policies is supported by a programme of periodic reviews undertaken by Internal Audit. The results of Internal audit reviews are discussed with the Chief Accountant, with summaries submitted to senior management.

(e) Fair value:

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.

The fair values of cash resources, other assets and other liabilities, approximate their carrying values due to their short-term nature.

(f) Capital Management:

The main objectives of the Board when managing capital are to safeguard the ability of the Institute to continue as a going concern and to ensure that there are adequate revenue reserves. The Board of Directors and the Director General monitor and maintain an appropriate balance between revenue and expenditure to ensure that the subvention received is used only for intended purposes and that adequate levels of liquidity is maintained. There is also close monitoring of the projects undertaken by the Institute to ensure that there are no cost overruns, or that such overruns are kept to a minimum.

There were no changes to the Institute's approach to capital management during the year.

The Institute's capital comprises:

	2017	2016
	\$	\$
Capital Fund	25,792,338	26,415,927
Capital Grants	4,589,773	4,589,773
General Reserve Fund	<u>22,988,864</u>	<u>(31,549,927)</u>
	<u>53,370,975</u>	<u>(544,227)</u>

Schedule I

Statistical Reports Published in 2016

Monthly Bulletins

Consumer Price Index (CPI)

Producer Price Index (PPI)

International Merchandise Trade

Quarterly Reports

Gross Domestic Product (GDP)

Labour Force Statistics

Annual Statistical Reports

Demographic Statistics 2016

Labour Force Statistics 2016

Consumer Price Index (CPI) 2016

Producer Price Index (PPI) 2016

National Income Product (NIP) 2015

Jamaica's Environment in Your Pocket

ICT Indicators Report: Measuring Jamaica's Information Society 2015

Schedule 2

Key Priorities for Fiscal Year 2017-2018

Key Output	Objective	2017-2018 Target
Statistics Master Plan developed	To develop a roadmap to guide the strategic direction of the National Statistics System in alignment with the statistical needs of the country. The National Statistics System will be the framework to guide the provision of quality statistics in Jamaica, primarily official statistics.	Statistics Master Plan completed by March 2018
Household Expenditure Survey (HES) conducted	To capture information on the goods and services purchased by private households in order to determine the general pattern of expenditure throughout the economy. This will be used to update the "basket of goods and services" for the rebasing of the Consumer Price Index (CPI).	Data collection, processing and analysis continue for the HES
Preparatory work for 2021 Population and Housing Census commenced	To get a count of and collect data at the lowest geographical level on key characteristics of the population such as education, fertility, migration and social welfare for evidence-based social and economic planning. Also, to provide an updated frame for conducting other household surveys.	Development of draft questionnaire started
Reports and publications of social, economic and environment statistics prepared and disseminated (<i>Monthly, quarterly and annual statistical reports and publications</i>)	To provide timely, relevant and accurate statistical information to guide decision making and policy formation by government and other stakeholders	Reports and publications of social, economic and environment statistics prepared and disseminated according to established schedules
Sustainable Development Goals (SDGs) monitored	To provide data to measure and assess the performance of the sustainable development goals based on the respective indicators	Publish SDG indicators for 2016; Compile SDG indicators for 2017 in progress

Schedule 3

Glossary of Acronyms

ABS	Australian Bureau of Statistics
ASYCUDA	Automated System of Customs Data
BLS	Bureau of Labour Statistics
BOJ	Bank of Jamaica
CAG	CARICOM Advisory Group
CAPE	Caribbean Advanced Proficiency Examination
CARICOM	Caribbean Community
CARIFORUM	Caribbean Forum
CARIMAC	Caribbean Institute of Media and Communication
CARTAC	Caribbean Regional Technical Assistance Centre
CO ₂	Carbondioxide
COICOP	Classification of Individual Consumption According to Purpose
CPC	Central Product Classification
CPI	Consumer Price Index
CSJP	Citizen Security and Justice Programme
CSME	CARICOM Single Market and Economy
DAPPs	Demographic Analysis and Population Projections
DG	Director General
ECLAC	Economic Commission for Latin America and the Caribbean
ED	Enumeration District
eDaCS	Electronic Data Collection System
e-GDDS	Enhanced General Data Dissemination Standard
FDES	Framework for the Development of Environment Statistics
FY	Fiscal Year
GBV	Gender-based Violence
GDP	Gross Domestic Product
GDP-E	GDP by expenditure
GDP-P	GDP by product
GKMA	Greater Kingston Metropolitan Areas
HES	Household Expenditure Survey
HS	Harmonised Commodity Description and Coding System

Glossary of Acronyms

IAEG-SDG	Inter-agency and Expert Group on SDG
ICLS	International Conference of Labour Statisticians
ICPD	International Conference on Population and Development
ICT	Information and Communication Technology
IDB	Inter-American Development Bank
IES	Inflation Expectation Survey
IHSN	International Household Surveys Network
ILO	International Labour Organisation
IMF	International Monetary Fund
IMTS	International Merchandise Trade Statistics
INEGI	Instituto Nacional de Estadística y Geografía (National Institute of Statistics and Geography)
IPEC	International Programme on the Elimination of Child Labour
ISCED	International Standard Classification of Education
ISIC	International Standard Industrial Classification
ISS	Informal Sector Survey
IT	Information Technology
ITU	International Telecommunications Union
JCA	Jamaica Customs Agency
JFL	Jamaica Foundation for Lifelong Learning
JIC	Jamaica Industrial Classification
JMMB	Jamaica Money Market Brokers
JSE	Jamaica Survey of Establishments
JSLC	Jamaica Survey of Living Conditions
JYAS	Jamaica Youth Activity Survey
LAC	Latin America and Caribbean
LFS	Labour Force Survey
MDAs	Ministries, Departments and Agencies
MDGs	Millennium Development Goals
MLSS	Ministry of Labour and Social Security
MOFPS	Ministry of Finance and the Public Service
MOU	Memoranda of Understanding

Glossary of Acronyms

NHT	National Housing Trust
NIP	National Income Product
NSDP	National Summary Data Page
NSO	National Statistical Office
NSS	National Statistics System
OUC	Other Urban Centres
OUR	Office of Utilities Regulation
PIMS	Public Investment Management System
PIOJ	Planning Institute of Jamaica
PoA	Programme of Action
PPI	Producer Price Index
PRASC	Project for the Regional Advancement of Statistics in the Caribbean
QAF	Quality Assurance Framework
RJR	Real Jamaican Radio
RSWP	Regional Statistical Work Programme
SDC	Social Development Commission
SDDS	Special Data Dissemination Standard
SDGs	Sustainable Development Goals
SIDS	Small Islands Developing States
SIMPOC	Statistical Information and Monitoring Programme on Child Labour
SITC	Standard Industrial Trade Classification
SLC	Survey of Living Conditions
SNA	System of National Accounts
SQAF	STATIN Quality Assurance Framework
StatCan	Statistics Canada
STATIN	Statistical Institute of Jamaica
SUT	Supply and Use Table
TAJ	Tax Administration of Jamaica
TSA	Tourism Satellite Account
UN	United Nations

Glossary of Acronyms

UNECLAC	United Nations Economic Commission for Latin America and the Caribbean
UN-ECLAC	United Nations Economic Commission for Latin America and the Caribbean
UNSC	United Nations Statistical Commission
UNSD	United Nations Statistical Division
UWI	University of the West Indies
WCO	World Customs Organization
WHS	Women's Health Survey

Schedule 4

Office Locations

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Ocean Boulevard, Kingston

Tel: 630-1745

Portland

Turner Plaza,

21 Harbour Street, Port Antonio

Tel: 630-1751

St. Ann

Floor 2, 41 Main Street

St. Ann's Bay

Tel: 630-1752

St. James

Shop 32, Overton Plaza

Montego Bay

Tel: 630-1753

Westmoreland

Floor 2, Victoria Mutual Building

123 Great George Street,

Savanna-la-mar

Tel: 630-1754

St. Elizabeth

1 Brigade Street,

Black River

Tel: 630-1755

Manchester

Caledonia Annex Building,

Shop 56, Caledonia Mall

7b Caledonia Road

Mandeville

Tel: 630-1756

Clarendon

16A Manchester Avenue

May Pen

Tel: 630-1757

St. Catherine

Shop 9, 9 King Street

Linstead

Tel: 630-1758

Printed by the
Statistical Institute of Jamaica
7 Cecelio Ave.
Kingston 10