



# Annual Report

## and Statement of Accounts



A Review of Operations  
April 1, 2018 - March 31, 2019



**Statistical Institute of Jamaica**

**Annual Report and Statement of Accounts  
A Review of Operations  
April 1, 2018-March 31, 2019**

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*Cover design by Joel Ramsay*

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# REPORT OVERVIEW

The 2018/19 Annual Report of the Statistical Institute of Jamaica (STATIN) is prepared in fulfilment of the Public Bodies Management and Accountability Act (PBMA) and Section 3H of the Statistics (Amendment) Act, 1984.

This report presents an overview of STATIN's operations and performance for the fiscal year ended March 31, 2019. Also contained in this report is financial information and statements for the 2018/19 fiscal year, an important element in fulfilling the Institute's reporting obligations.

The report contains a summary of new and existing programmes and projects executed during the fiscal year. These included the coordination of the National Statistics System (NSS), development of a Quality Assessment Framework as well as the monitoring of the Sustainable Development Goals (SDGs).

The report comprises three sections: Section A - Corporate Information; Section B – Governance and Section C – Performance Review. With the exception of Section A which provides general information about the Institute, the other two sections highlight activities undertaken during the review period and the major accomplishments in the areas. Where applicable, a synopsis of major findings is presented and reference made of notable challenges.

The 2018/19 Annual Report of the Statistical Institute of Jamaica may be accessed electronically at [www.statinja.gov.jm](http://www.statinja.gov.jm).

## CHAIRMAN'S REPORT

During fiscal year 2018/2019, the Statistical Institute of Jamaica (STATIN) continued to fulfill its mission "to provide relevant, timely and accurate statistical information and technical services, consistent with international standards, to national and international clients."

Work continued on the development of a national statistics system for Jamaica despite little progress being made on the amendments to the Statistics Act. The focus was on the development of a National Strategy for the Development of Statistics (NSDS). A draft strategic plan was developed in collaboration with other government agencies involved in the production and dissemination of statistics. This was facilitated by the Partnership in Statistics for Development in the 21st Century (PARIS21) which has been providing technical and financial assistance to this initiative since 2017.

In addition to the regular programme of work, emphasis was placed on improving the quality and technical soundness of the statistical outputs. The Statistical Review Committee was established, tasked with ensuring that the statistics are of a high quality, clearly presented, transparent and take into account the needs of data users. The development of new statistical products and the revision of several programmes were also areas of focus during the review period. These include planning for the 2021 Population and Housing Census; revisions to the Jamaica System of National Accounts toward the goal of implementing the 2008 United Nations System of National Accounts (SNA 2008); and revisions to the Consumer Price Index (CPI). These developments aim to satisfy changing user needs, reflect structural changes in the Jamaican economy and ensure that the statistical systems align with current international methodologies and guidelines.

In order to deliver quality national statistics, STATIN continued its efforts at organisational transformation. These included review of the organisational structure, institutionalising quality management, and leveraging technology. Continuous training and development of employees is also essential to improving the effectiveness of the Institute. Towards this end, several staff members participated in training and development initiatives that were facilitated locally and internationally.

STATIN continued its engagement with stakeholders in the public and private sectors through a number of presentations aimed at increasing the understanding of its statistical products, particularly the GDP growth rate, the CPI, and the decennial census. Importance was also placed on improving dissemination with the timely release of statistics and on-going work to improve the user-friendliness of its website.

Despite some challenges such as high staff turnover in some technical areas, 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 heartfelt 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

# DIRECTOR GENERAL'S REPORT

During the 2018/19 fiscal year, the operations of the Statistical Institute of Jamaica (STATIN) continued to be guided by the 2012-2017 Strategic Plan. The next Strategic Plan will cover the period 2019-2024. The objective of the 2012-2017 plan was to modernize the operations of STATIN, with emphasis being placed on strengthening the legislative framework supportive of the production and dissemination of official statistics, establishing the National Statistics System, improving the effectiveness and efficiency of operations, and delivering quality statistics in response to client needs and the changing economic demands.

Work continued on the establishment of a national statistics system for Jamaica. Efforts were geared mainly towards the development of a National Strategy for the Development of Statistics (NSDS) for Jamaica. This is being done in collaboration with other public sector agencies that are involved in the production of statistics as well as major users of statistics. The development of the NSDS is being supported by the Partnership in Statistics for Development in the 21st Century (PARIS21) in the form of technical and financial assistance.

During fiscal year 2018/19, STATIN continued to fulfil its mission to provide relevant, timely and accurate social, economic and environment statistics on Jamaica. The Institute achieved its dissemination targets for most of the statistics in keeping with its Advance Release Calendar. There were however challenges in accessing, in a timely manner, data for compiling the International Merchandise Trade statistics. Planning for the 2021 Population and Housing census continued and included the conduct of pre-census mapping, development of plans and budget, and preparation of the first draft of census questions.

The development of new statistical products and the revision of several programmes were also areas of focus during the review period. These developments are aimed at satisfying changing user need and ensuring that the statistical systems align with current international methodologies and guidelines.

Areas of focus were:

- Continued work on the implementation of the 2008 United Nations System of National Accounts (SNA 2008).
- Development of quarterly gross domestic product using the expenditure approach.
- Data collection and processing of the 2017 Household Expenditure Survey (HES) which were completed during the fiscal year. Analysis of the data commenced, as well as the identification of possible new items for the CPI basket. Data from the HES will be used to determine the new 'basket' of goods and services for which prices will be collected, as well as the weights to be used in the compilation of the CPI series.
- The re-launch of the House Rental Survey. This survey was converted to a stand-alone survey and will contribute to the revision of the CPI.

- Developmental work continued on the Export Import Price Indices and the Index of Industrial Production.

STATIN continued to support the implementation of the SDGs in Jamaica through membership in the 2030 Agenda National Oversight Committee and the Core Group on the SDGs. In FY 2018/19, the first annual SDGs Statistical Report on Jamaica's progress towards the Sustainable Development Goals was compiled. This was included as an annex to Jamaica's first Voluntary National Review (VNR) Report presented at the United Nations' High Level Political Forum (HLPF). The Deputy Director General of STATIN, along with the Director General of the PIOJ, and led by the Minister of State in the Ministry of Foreign Affairs and Foreign Trade presented the report on behalf of Jamaica.

Improvement of the Institute's operational efficiency and effectiveness was an important objective of 2012-2017 Strategic Plan. The development of STATIN's Quality Assurance Framework which is seen as critical in improving the quality of the statistics continued during the year. Review of the organisational structure began, the aim of which is to ensure sufficient and appropriate staffing and to determine the structure and reporting relationships which best fits the operational and strategic needs of the Institute. Efforts to improve the technical capacity of the organisation was achieved through technical assistance from international agencies such as Statistics Canada, through the Programme for the Advancement of Statistics in the Caribbean (PRASC), CARTAC and UNECLAC. In order to improve the data collection process, the Institute started the migration of data collection systems from the eDaCs platform to the World Bank's Survey Solutions. This is an open source application which should enhance the quality of data collected and provide for more robust monitoring of the surveys in the field.

The Institute continued to promote its products and services, work towards increasing customer satisfaction and awareness, understanding and access to statistical information. Presentations were made to a number of stakeholders including the private sector and the media to build awareness and understanding of the statistics. Improvements to the website resulted in the improvement in Jamaica's ranking in the assessment in the coverage and openness of official Statistics on websites of National Statistics Offices by Open Data Watch. Jamaica was ranked 37th out of 178 countries in 2018 compared to 68th out of 180 countries in 2017. In 2016 Jamaica was ranked 164 out of 173 countries in the world.

In November, 2018 a General Staff Meeting was held under the theme: "Facing the Future Together". The event provided an opportunity for members of staff to interact outside of the typical work environment, and strengthen interpersonal relationships, corporation and team spirit. Appreciation was also extended to some of our long serving members of staff who retired during the year, for their dedication and hard work over the years.

STATIN's Sports and Social Club hosted a number of social activities during the year which boosted staff morale and team spirit. Thanks must be extended to the choir as it continued to be a source of support for our members when needed.

The Institute was able to achieve a significant part of its objectives during the year despite the continued challenge of high turnover of technical staff. This success was due to the dedication and hard work of the management and staff for which I must express my gratitude.

A handwritten signature in black ink, appearing to read 'Coy', is positioned above the printed name and title.

Carol Coy  
Director General  
Statistical Institute of Jamaica

# SECTION A: CORPORATE INFORMATION

## Overview of STATIN

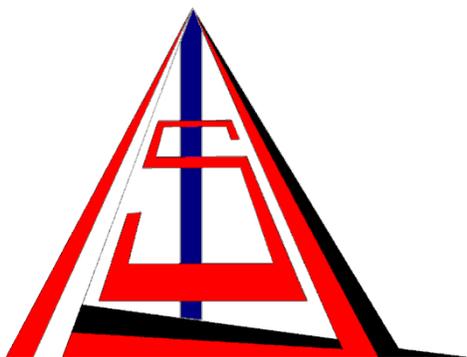
The Statistical Institute of Jamaica (STATIN) is a statutory organisation which came into existence on April 9, 1984 with the Statistics (Amendment) Act, 1984. The Institute is an agency of the Ministry of Finance and the Public Service (MoFPS).

As the national statistics office, STATIN is the primary provider of statistics for Jamaica; producing official statistics used to inform the development and monitoring of Government policies, research and decision-making. Section 3 of the Statistics Act outlines the functions of the Institute which are to:

- collect, compile, analyse, abstract and publish statistical information relating to the commercial, industrial, social, economic and general activities and condition of the Jamaican people;
- collaborate with public agencies in the collection, compilation and publication of statistical information including statistical information derived from the activities of such agencies;
- take any census in Jamaica; and
- promote and develop integrated social and economic statistics pertaining to Jamaica, while coordinating programmes for the integration of such statistics, in accordance with the provisions of the Statistics Act.

## 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

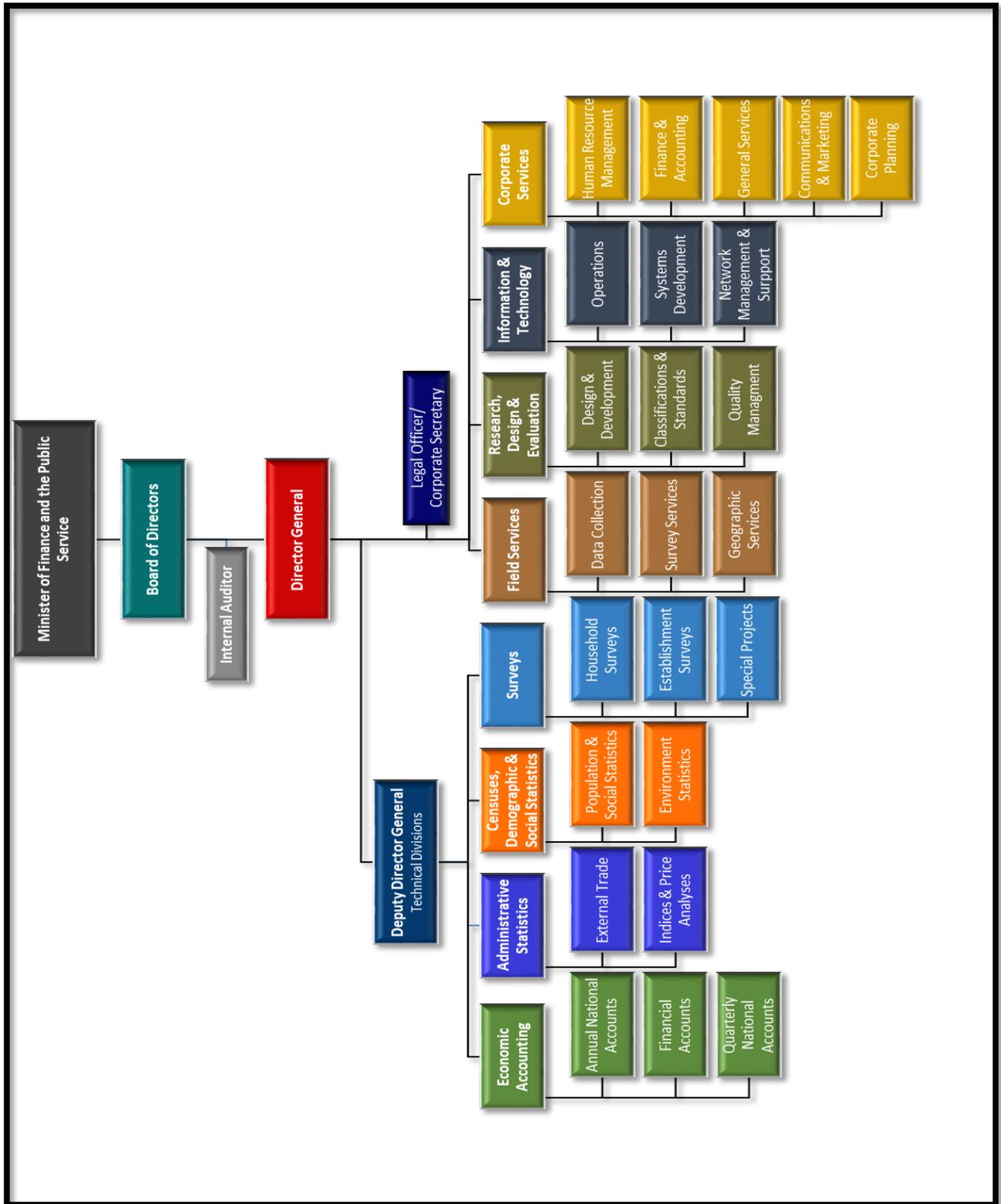
To provide relevant, timely and accurate statistical information and technical services, consistent with international standards, to national and international clients

## Organisational Structure

STATIN operates a functional organisational structure (see Figure 1) comprising eight divisions, six of which are directly focused on the Institute's core work programme; the other two provide corporate support. Of the six core divisions, four, Administrative Statistics; Economic Accounting; Censuses, Demographic and Social Statistics and Surveys, are responsible for the production of statistics. The other two divisions, Research, Design & Evaluation and Field Services provide direct support to the core work programme. The Corporate Services and Information & Technology divisions provide corporate support to the Institute. The goals and objectives of the Institute are achieved through the coordinated effort of all the divisions, with oversight provided by the Office of the Director General.

The Ministry of Finance and Public Service has portfolio responsibility for the Institute. A Board of Directors provides policy direction and guidance to the operations of the Institute.

Figure 1: STATIN Organisational Structure as at March 19, 2018



## Board of Directors

Figure 2: Board of Directors of the Statistical Institute of Jamaica



From left to right:

- Colin Williams - Lecturer/Researcher  
University of the West Indies (UWI)
- Robert Stennett - Division Chief, Research & Economic Programming  
Bank of Jamaica (BOJ)
- Kerry-Ann Spencer - National Commercial Bank Capital Markets
- Carol Coy - *Director General*, STATIN
- Professor Alvin G. Wint - *Chairman of the Board*  
Emeritus Professor, UWI
- Trevor Anderson - Economist  
Ministry of Finance and the Public Service
- James Stewart - Senior Director,  
Economic Planning, Research & Policy Logistics  
Planning Institute of Jamaica (PIOJ)

## Senior Management Team



Ms Carol Coy  
Director General



Ms Leesha Delatie-Budair  
Deputy Director General



Ms Maria Gayle  
Corporate Secretary



Ms Natalee Simpson  
Director, Surveys



Mrs Sharon Willis  
Director, Administrative Statistics



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



Mrs Paula Jackson  
Director, Economic Accounting (Actg)



Mr Damion Tyrell  
Director, Field Services



Ms Jessica Campbell  
Director, Research, Design &  
Evaluation (Actg)



Mrs Carla Clarke  
Director, Corporate Services



Mr Marlon Gibbs  
Director, Information &  
Technology

## SECTION B: GOVERNANCE

## Governance

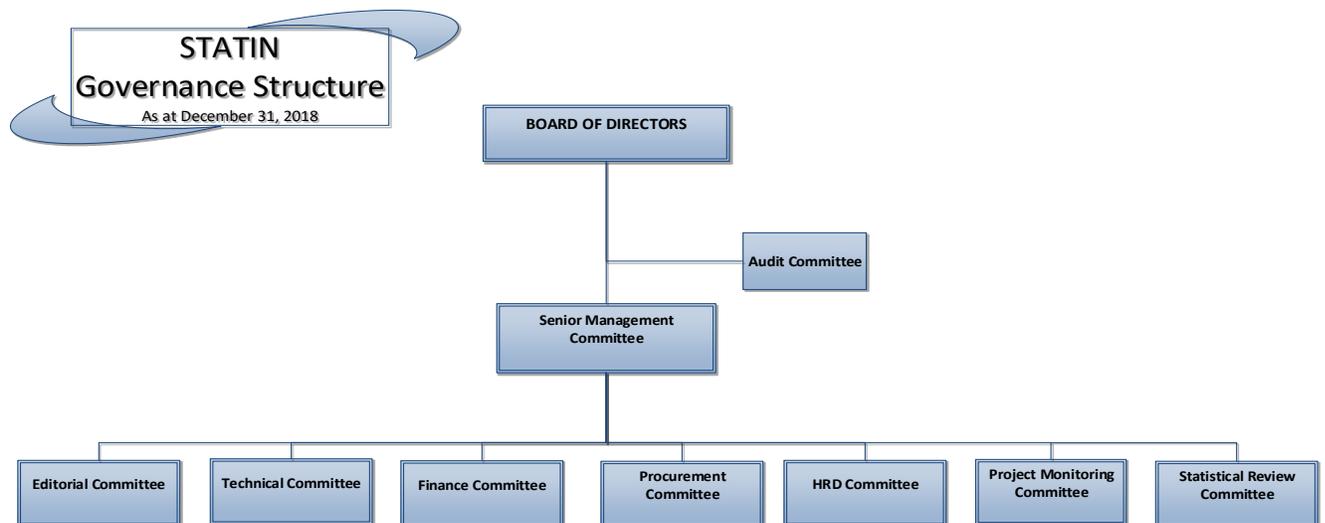
STATIN adheres to good governance practices in the execution of its operations. Accordingly, STATIN complies with the relevant legislative framework which includes: the Statistics Act, Financial Administration and Audit (FAA) Act, Public Bodies Management and Accountability (PBMA) Act, Corporate Governance Framework for Public Bodies, and other applicable Government of Jamaica (GOJ) laws, regulations, policies and procedures.

The Statistics Act outlines the roles, responsibilities and regulations that govern the Institute. This includes maintaining the confidentiality of the data provided by all respondents (individuals and establishments). In accordance with provisions of the Act, all employees of STATIN must sign the Form of Oath indicating their commitment to upholding confidentiality as stipulated under the Statistics Act. Additionally, employees are also required to sign the Declaration to the Official Secrets Act, which relates to the confidentiality of government information. As a member of the global statistical community, STATIN is also guided by international standards and best practices. The United Nations Fundamental Principles of Official Statistics is one such international standard which guides the Institute in its statistical activities.

In addition to the external framework, the Institute maintains an internal governance structure (see Figure 3) through which corporate objectives are set, plans are generated for achieving those objectives, and mechanisms for monitoring performance are determined. This structure, which is reviewed at intervals, comprises the Board of Directors at its helm and a number of committees (each guided by a Terms of Reference). With the exception of the Audit Committee, all other committees report to the Senior Management Committee. The Audit Committee reports directly to the Board of Directors and is chaired by a board member, appointed by the Board.

In fiscal year 2018/19, the Institute sought to improve its internal governance with the establishment of a Statistical Review Committee. This committee is tasked with ensuring that the statistics produced are of a high quality, clearly presented, transparent and take into account the needs of data users.

Figure 3: STATIN's Governance Structure as at December 31, 2018

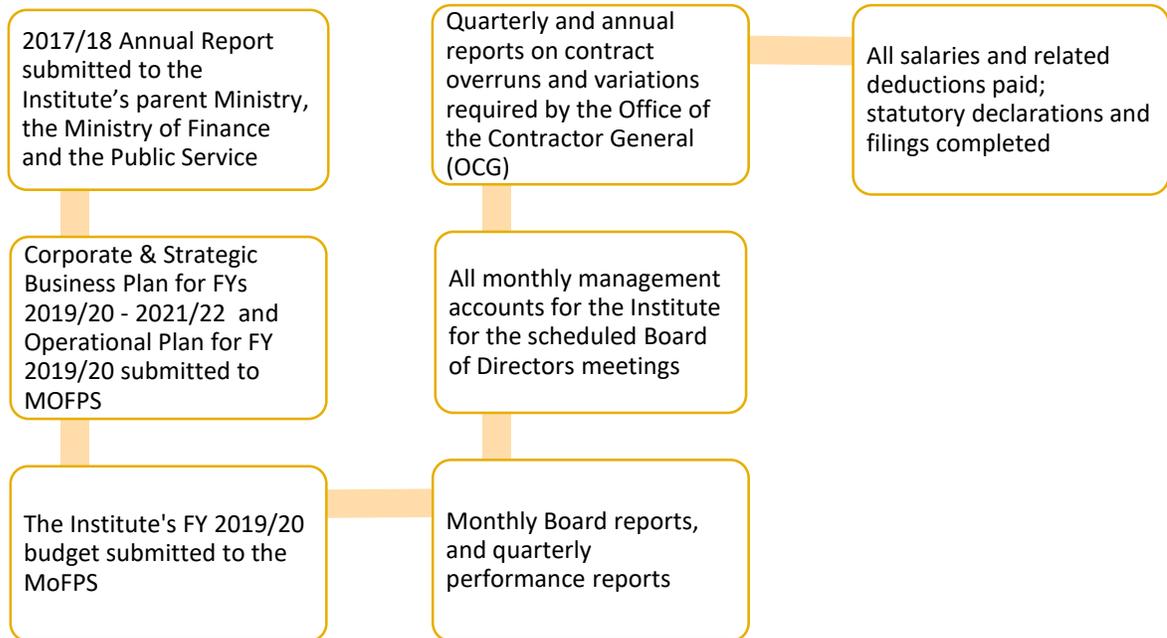


The Ministry of Finance and the Public Service has had portfolio responsibility for the Institute since 2018. The Ministry monitors the performance and progress of the work of the Institute. A new Board of Directors was also appointed to the Institute with effect from October 2018. The Board of Directors provides policy directions to the Institute and also guidance to the Institute's operations as well as monitors its work. This is achieved primarily through the conduct of regular monthly board meetings.

Outputs with respect to its statutory obligations for the fiscal year 2018/19 are indicated in

*Figure 4.*

Figure 4: Outputs for FY2018/19 as per Statutory Obligations



Work on the development of the new 5-year Strategic Plan continued. Review of the draft document is underway. The new plan will cover the period 2019-2024.

# SECTION C: PERFORMANCE REVIEW

## Review of Operations

The 2018/19 Operational Plan outlines the work programme of the Institute for the period April 1, 2018 to March 31, 2019. The plan was developed in alignment with, and executed towards achieving the strategic objectives of the organisation. The priority areas for the fiscal year were:

- coordination of the National Statistics System (NSS);
- provision of statistical information to guide decision-making and policy formation;
- development of new statistical products;
- improving and maintaining the statistical infrastructure to ensure the consistent production of relevant and accurate statistics;
- provision of data for the sustainable development goals (SDG) indicators;
- increasing awareness, understanding and access to statistical information; and
- improving organisational effectiveness and efficiency.

## Coordination of the National Statistics System

The need for coordination among the producers of official statistics is critical if Jamaica's National Statistics System (NSS) is to respond to the data requirements of policy makers, businesses, and the public. The data requirements of Vision 2030 Jamaica National Development Plan and the Sustainable Development Goals (SDGs) further drive the need for the production and dissemination of relevant statistics in a coordinated manner.

Work continued on the development of a national statistics system for Jamaica during the 2018/19 fiscal year. The proposed amendments to the Statistics Act will provide a mechanism for the coordination of the NSS. An essential element in the development of the NSS is the preparation of a National Strategy for the Development of Statistics (NSDS) for Jamaica. Since 2017/18 the Partnership in Statistics for Development in the 21st Century (PARIS21) has been providing technical and financial assistance with this initiative. The NSDS will provide the country with a vision for the development of statistics consistent with Vision 2030 Jamaica and other national and international data requirements. It will contain a detailed action plan for the production and dissemination of statistics over a period of five to ten years, including capacity development needs, and required institutional and infrastructure improvements.

A second<sup>1</sup> workshop, facilitated by PARIS21, was held with representatives from Ministries, Departments and Agencies (MDAs) involved in the production of statistics to inform the development of the NSDS. Major users of statistics were also included in the workshop. An output

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<sup>1</sup> The first workshop with representatives from Ministries, Departments and Agencies (MDAs) NSS stakeholders was held in July 2017.

of the workshop was the draft strategic plan for the production of official statistics in Jamaica. This will inform the development of the Statistics Master Plan.

## Statistical Programmes and Services

During fiscal year 2018/19, STATIN continued to fulfil its mission to provide relevant, timely and accurate statistics on the demographic, social, economic and environmental conditions of Jamaica. Data for the statistics were acquired through primary (surveys) and secondary (administrative records) data sources.

The development of new statistical products and the revision of several programmes were also areas of focus during the review period. These developments aimed to satisfy changing user needs, reflect structural changes in the Jamaican economy and ensure that the statistical systems align with current international methodologies and guidelines.

### Demographic & Social Statistics

For the 2018/19 fiscal year, the priorities for the demographic and social statistics work programme were to:

- produce and disseminate the annual statistical reports, population estimates and quarterly labour force;
- undertake the Jamaica Survey of Living Conditions (JSLC);
- update the social and environment statistics; and
- plan the 2021 Population and Housing Census.

#### Demographic Statistics

Demographic statistics are important for policy development and implementation. The 2017 Demographic Statistics report was published during the review period. The 2018 report, which is being finalised, will provide an overview of the population components – births, deaths and migration; along with other vital statistics such as marriages, divorces and family planning; compiled from administrative data collected from various MDAs, including the Registrar General's Department, Ministry of Labour and Social Security and the Supreme Court of Jamaica. Estimates for 2018 were computed and published on the Institute's website.

#### 2021 Population and Housing Census

Since the 1960s, the United Nations has announced a World Population and Housing Census Programme. The programme encourages United Nations member states to carry out population and housing censuses at least once every 10 years. The 2020 World Programme covers the period 2015-2024. Jamaica will undertake its 15th population and housing census in 2021.

Planning for the census continued during 2018/19. The targets for the review period included the conduct of pre-census mapping, development of plans and budget, and preparation of the first draft of census questions for pre-testing. The status of these activities as at the end of the fiscal year were as follows:

Pre-Census Mapping	Development Plans and Budget	Census questions for pre-test
<ul style="list-style-type: none"><li>• Field mapping for 5 parishes completed</li><li>• Revision of the maps commenced</li></ul>	<ul style="list-style-type: none"><li>• Census enumeration plan and timelines drafted</li><li>• Budget finalised and submitted to the MoFPS</li></ul>	<ul style="list-style-type: none"><li>• First draft of the questions for the individual and household questionnaires were prepared</li></ul>

Development of the questionnaires were guided by the United Nations Principles and Recommendations (P&R) for Population and Housing Censuses as well as the CARICOM suggested common core questions for the 2020 round of censuses. Further input was garnered through a number of meetings and stakeholder consultations.

### Labour Force Survey (LFS)

The Labour Force Survey is a household survey administered on a quarterly basis to a representative sample of the population aged 14 years and over living in private households in all the parishes of Jamaica. STATIN has been conducting the LFS since 1968. The main objectives of the survey are to:

- determine the level and rate of employment and unemployment;
- provide data on the structure of the working population;
- provide data on the persons who are unemployed or outside the labour force;
- provide data on the underemployed and informal employment; and
- determine the participation rate of different sub-groups of the labour force.

In addition to the regular Labour Force work programme, for fiscal year 2018/19, much focus was on becoming compliant with the IMF's Special Data Dissemination Standard (SDDS). The international data dissemination timeliness standard for the LFS is a three-month lag for the release of results relative to the reference week. Results from the LFS were previously disseminated with a four-month lag relative to the reference week.

During the course of the fiscal year, significant progress was made towards achieving the IMF SDDS. The results of the January 2019 survey were disseminated three and a half months after the reference week. This was realised mainly through improved process efficiency. The advance release calendar was subsequently adjusted to reflect this accomplishment.

Four labour force surveys, with a sample of 10,464 dwellings each, were conducted in April, July and October 2018 and January 2019. The reference periods were the last full week of March, June, September and December of 2018, respectively. Results from each survey were published via press briefs and on STATIN's website. The 2018 annual review was also drafted during the year.

### *Jamaica Survey of Living Conditions (JSLC)*

The JSLC is an annual survey done in collaboration with the Planning Institute of Jamaica (PIOJ). STATIN has full responsibility for the execution of the survey while the PIOJ prepares the report. The survey provides information on major aspects of the population's socioeconomic status and overall well-being; and allows for the compilation of estimates at the national and regional levels. Every five years a large sample JSLC is conducted to allow for parish estimates.

The 2018 survey was a large sample JSLC with an additional module on time use. The purpose of the Time Use module was to collect information on how members of households spend their time in a given day. The topical areas: education, health, housing conditions, social security, income and consumption which are consistently captured in the survey remained unchanged. Fieldwork commenced in June 2018 and covered a sample of 7,680 dwellings. Data cleaning and preparation of the standard tables and appendices are expected to end in June 2019.

The JSLC instrument has expanded tremendously over the years in response to stakeholder needs with insufficient assessment of the impact on response rate and timeliness of the survey. Plans are in place for a review of the JSLC questionnaire and process in the 2019/20 fiscal year, with assistance from the World Bank. This is geared at improving the timeliness of the survey.

### *Other Social Statistics*

Statistics spanning a number of social themes were produced and uploaded to the Institute's website. The main themes were:

- Crime & justice
- Education
- Social protection
- Gender
- Health
- Population

The statistics were compiled using administrative data from various Ministries, Departments and Agencies as well as the data collected from surveys conducted by the Institute.

## Economic Statistics

Statistics covering a number of areas of the Jamaican economy are produced at monthly, quarterly and annual intervals. For the 2018/19 fiscal year, the targets for this work programme were:

- provision of annual statistics on economic activity with respect to production, consumption and investment;
- provision of quarterly Gross Domestic Product (GDP) estimates at current & constant prices;
- continued implementation of the 2008 United Nations System of National Accounts (SNA 2008) through the framework of the Supply and Use Table;
- provision of monthly and annual price indices (Consumer Price Index (CPI), Producer Price Index (PPI));
- revision of the CPI; and
- provision of monthly International Merchandise Trade statistics (IMTS).

### Annual National Accounts

The Annual National Accounts programme continued to focus on the revision of the estimates to ensure that changes in the economy were being reflected. The Annual National Income and Product 2017 tables and report were produced and disseminated during the fiscal year. The report included the following tables: GDP by Expenditure and Income, Generation and Use of Disposable Income, Capital Account, Rest of the World Accounts, GDP and Value Added by Industry and Tourism Direct GDP.

### Quarterly National Accounts

The 2018 reports for the Quarterly Gross Domestic Product by product were compiled and released within the established timeframes with the exception of one quarter. The reports included tables on quarterly and fiscal year GDP at current and constant prices. The fourth quarter 2018 report also included preliminary annual GDP estimates for calendar year 2018 at current and constant prices.

### Implementation of the System of National Accounts, 2008 (2008 SNA)

The System of National Accounts is the internationally agreed set of recommendations on the measurement of economic activity. It is based on a set of internationally agreed concepts, definitions, classifications and accounting rules within which economic data can be presented.

Implementation of the 2008 SNA is being undertaken through the framework of the Supply and Use Tables (SUT). The Supply and Use Tables are an integral part of the 2008 SNA. SUTs describe the supply of goods and services in the economy, either through domestic production or imports, and how that supply is used.

During the review period, work continued on building the infrastructure to support the conversion to the SNA 2008, and the compilation of the SUT. The SUT will be constructed for 2015 which will be consistent with the new base year for the national accounts constant price estimates. The progress of this programme of work was hampered by a number of factors including human resource and data challenges.

The national accounts programme benefitted from technical assistance through the Canadian Project for the Advancement of Statistics in the Caribbean. A team from Statistics Canada conducted a five-day mission on SUT compilation, development of institutional accounts and financial accounts during the second quarter of the fiscal year.

### *Consumer Price Index (CPI)*

The CPI is a short-term economic indicator which measures changes in the general level of prices of consumer goods and services. At the national level, the index is used to compare movements of prices in the following geographical regions of the country: Greater Kingston Metropolitan Area (GKMA), Other Urban Centres (OUC) and Rural Areas. During the review period, twelve monthly bulletins and the 2018 CPI Annual Report were published.

In 2020 a new CPI series based on the revised basket of goods and services, will be released. Data from the 2017 household expenditure survey and the revised house rental survey will inform the revision of the CPI.

### *Household Expenditure Survey (HES)*

The HES provides information on the general pattern of household expenditure. Data from the HES is used to determine the 'basket' of goods and services as well as the weights used for the compilation of the CPI.

During the fiscal year, a number accomplishments were realised:

- data collection and processing were completed;
- analysis of the data commenced; and
- possible items for the new 'basket' of goods and services were identified and data collection started.

The HES programme benefitted from technical assistance provided by United Nations Economic Commission for Latin America and the Caribbean (UNECLAC) in the area of data analysis.

### *House Rental Survey (HRS)*

Revision of the House Rental Survey continued in fiscal year 2018/19. Like the HES, information from the HRS will be used in the revised CPI primarily in the computation of the divisional index “Housing, Water, Electricity, Gas and Other Fuels”. The HRS will also provide meaningful information to assess the state of the household rental market in Jamaica.

The first phase of this work programme, the Listing of Dwellings for the HRS, began in the previous fiscal year and was completed during the review period. The purpose of this listing was to establish a sampling frame from which the HRS sample is selected. The HRS was re-launched in 2018/19 and data collection started in quarter four.

### *Producer Price Index (PPI)*

The Producer Price Index reflects changes in the prices of goods and services as they leave the place of production. Like the CPI, the PPI is also a short term economic indicator of inflation. The PPI is used to support the Jamaican System of National Accounts by facilitating the computation of the GDP estimates at constant prices.

The current PPI series provides information on price movements in the Mining & Quarrying and Manufacturing industries at the level of the producer. For the review period, twelve monthly bulletins and the 2018 PPI Annual Report were published.

For 2019/20, improvements to the PPI will include updating the sample and rebasing the estimates.

### *International Merchandise Trade Statistics (IMTS)*

International Merchandise Trade is focused on the movement (imports and exports) of goods between countries. The statistics derived from these activities are useful for assessing economic development both locally and globally.

During the 2018/19 review period, work continued on the compilation, analysis and dissemination of data on imports and exports generated from records supplied primarily by the Jamaica Customs Agency. Twelve monthly bulletins were produced for the International Merchandise Trade. The monthly trade statistics were mostly produced in line with the IMF’s enhanced General Data Dissemination Standards (e-GDDS); however, accessibility of data has been a challenge. This has resulted in the inability to meet the eight-week time lag as stipulated by the IMF e-GDDS, especially during the last quarter of 2018/19.

For the upcoming fiscal year, focus will be on introducing quarterly publications of international merchandise trade statistics and reducing the time lag for the detailed annual report.

### *Survey of Employment, Earnings and Hours Worked*

The employment and earnings survey provides information on employment, earnings and hours worked in all sectors of the economy, with the exception of Agriculture, Government and private educational institutions. Data are collected each quarter from establishments with 10 and more employees.

Redesign of the survey and improvements of the estimates continued during the 2018/19 fiscal year, with technical assistance from Statistics Canada (StatCan). The questionnaire was revised and work on improving the response rate, data quality and earnings estimates continued. The methodology for benchmarking and producing the estimates will be finalized in 2019/20.

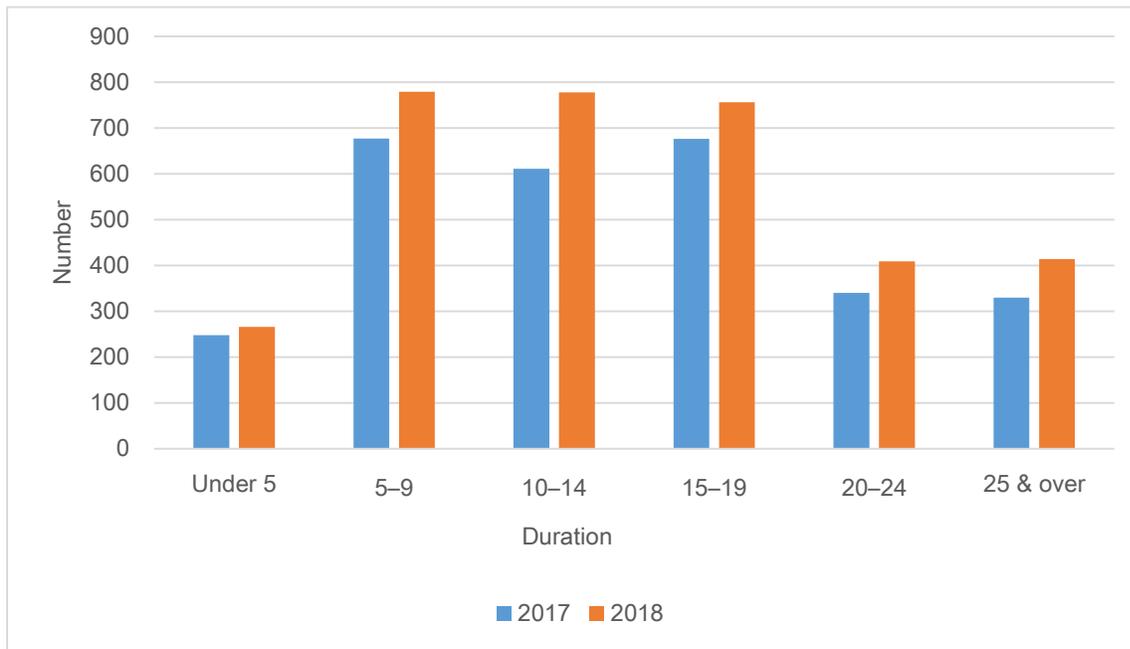
### *Overview of the Jamaican Economy*

At the end of 2018, the population of Jamaica was estimated at 2,726,667 comprising 1,350,240 males and 1,376,427 females. For the same period, preliminary estimates of live births were 33,092. This data show the continued declining trend in the number of live births per year when compared to 34,426 in 2017 and 36,160 in 2016. Preliminary estimates of the number of deaths that occurred in 2018 was 18,859 persons. Net migration for 2018 was estimated at -15,907.

There were 16,719 marriages registered in 2018; 4.8 per cent less than the 17,561 marriages in 2017. The number of marriages among all age groups declined, with the exception of the 50–59 and 60 & over age groups. During 2018, a total of 3,402 divorces were granted, the largest number granted in one year.

*Figure 5* shows the number of divorces granted for 2017 and 2018 by the duration of marriage.

**Figure 5: Number of Divorces Granted by Duration of Marriage: 2017 & 2018**



In January 2019, the unemployment rate was 8.0 per cent compared to 9.6 per cent in January 2018. There was (as in the previous year), a larger decline in the female unemployment rate. There was also a decline in youth unemployment which fell from 23.7 per cent in January 2018 to 21.8 per cent in January 2019. The data also showed a continued increase in the number of persons employed. In January 2019, 1,232,700 persons were employed compared to 1,204,100 in the previous year.

For the 2018 calendar year, preliminary estimates showed that the Jamaican economy grew by 1.9 per cent. This resulted from increases in the Goods Producing and Services Industries of 5.0 per cent and a 0.8 per cent respectively. Within the Goods Producing Industries, increased output was recorded for all industries. There was improved performance in all industries within the Services Industries, with the exception of Producers of Government Services which remained relatively unchanged.

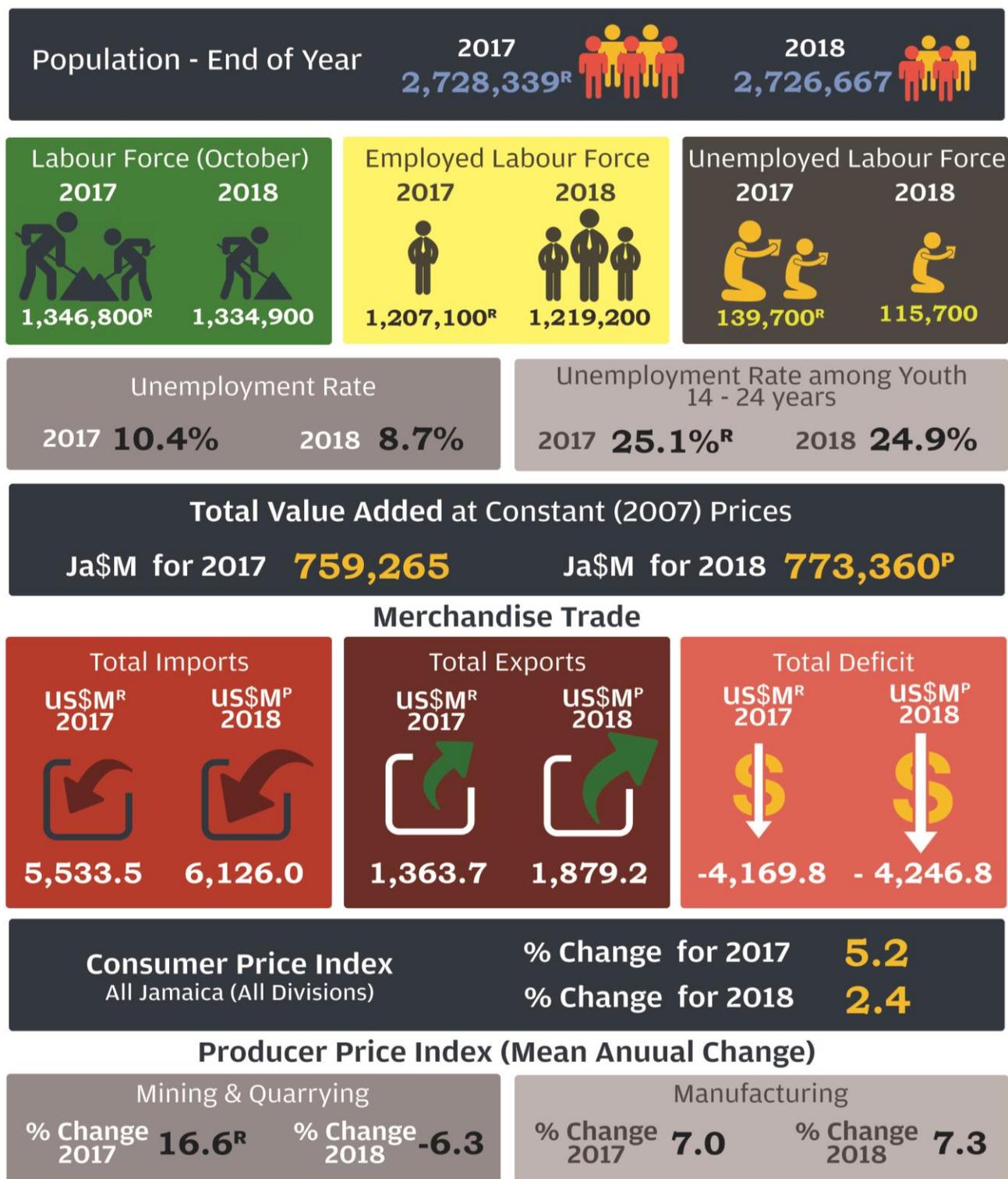
The annual inflation rate for 2018 was 2.4 per cent. This was 2.8 percentage points lower than the 5.2 per cent recorded in 2017. The divisions 'Food and Non-Alcoholic Beverages' and 'Housing, Water, Electricity, Gas and Other Fuels' were the largest contributors to the movement of the index in 2018. All three regions - GKMA, OUC and Rural Areas - recorded lower increases in 2018 when compared to the previous year. The OUC region registered a 2.9 per cent rate of inflation, the highest rate of all the regions. This was followed by the GKMA with an inflation rate of 2.5 per cent and Rural Areas which recorded the lowest rate of 2.1 per cent.

For 2018, the mean annual PPI for the Mining & Quarrying industry was -6.3 per cent. This movement was due mainly to a combination of lower alumina prices during the first and second quarters and the appreciation of the Jamaican dollar in 2018. For the same period the mean annual index for the Manufacturing industry rose by 7.3 per cent for the same period. The main factors influencing this movement in the Manufacturing industry were: fluctuations in world oil prices and foreign exchange rate; overhead costs; and the cess imposed on imports of turmeric, ginger, pimento, coffee, cocoa, coconut and derivative products which took effect April 1, 2018.

Jamaica's expenditure on imports in 2018 was valued at US\$6,126.0 million, a 10.7 per cent increase compared to 2017. Total earnings from exports increased by 37.8 per cent compared to 2017, moving to US\$1,879.2 million. The country's trade deficit increased by 1.8 per cent to value US\$4,246.8 million for 2018, compared to the US\$4,169.8 million recorded in 2017.

The top five partners from which Jamaica imported goods in 2018 were the United States of America (US\$2,719.3 million), China (US\$397.8 million), Colombia (US\$355.5 million), Trinidad & Tobago (US\$351.1 million) and Japan (US\$255.7 million). Total imports from CARICOM were valued at US\$476.0 million in 2018, 12.8 per cent above 2017. The top five destinations for Jamaican goods were the United States of America (US\$582.4 million), Norway (US\$272.3 million), Canada (US\$208.1 million), Netherlands (US\$199.1 million) and Iceland US\$107.1 million. Alumina was the major commodity exported to Norway, Netherlands and Iceland. Earnings from total exports to CARICOM decreased by 1.1 per cent to US\$79.0 million, in comparison to the US\$80.0 million recorded in 2017. Trinidad and Tobago continued to be Jamaica's number one trading partner in CARICOM.

Figure 6: Statistical Highlights for Jamaica for 2017 and 2018



Note: Data for the 2017 and 2018 labour force have been compiled using new End of Year 2016 and 2017 population estimates, respectively

P - Preliminary R - Revised

## Environment & Multi-Domain Statistics

During the 2018/19 fiscal year, work in the area of Environment and Multi-Domain statistics was focused on environment and information & communication technology (ICT) statistics.

### Environment Statistics

Environment statistics reports provide governments and the public with data on issues related to the environment. Information from publications and reports are used by government, private sector and academia for policy development and project implementation, monitoring and evaluation.

Preparation of the Environment Statistics 2018 report began during the fiscal year. The report will provide a broader analysis of the topics under the United Nations Framework for the Development of Environment Statistics (FDES) as well as statistics for Jamaica. The themes of the FDES are:

- Environmental Conditions and Quality;
- Environmental Resources and their Use;
- Residuals;
- Extreme Events and Disasters;
- Human Settlements and Environmental Health; and
- Environmental Protection, Management and Engagement.

### Information and Communication Technology (ICT) Statistics

Information and Communication Technology statistics are used for assessing, evaluating and monitoring ICT development as well as developing programmes, policies and interventions. The ICT indicators report, *Measuring Jamaica's Information Society 2017*, was the fourth in the series of annual reports. Information on the core indicators on ICT access and use by households and individuals was presented. Also included are indicators on enrolment in ICT-related subjects in secondary schools; knowledge and use of ICT access points; the use of the Internet by age-group of users; trade in ICT goods; and ICT infrastructure and access. The publication also reports on ICT indicators of the SDGs.

According to the statistics, telephone continues to be the ICT device to which most households had access (95.4%) and the device most used by individuals is the mobile cellular telephone (88.2%). The largest increase in household access to ICT devices/services was seen in the availability of the internet, from 39.7 per cent of households in 2016, to 53.4 per cent of households in 2017, an increase of 34.5 per cent. Over one-third (36.9%) of households had access to a computer. In 2017, individual access to the internet from any location increased from 46.0 per cent in 2016 to 58.1 per cent.

Work was also undertaken to improve and expand the coverage of the indicators to include ICT in government and ICT in education. In this regard, sensitization sessions were held with the Ministry of Education, Youth and Information and through the Management Information Systems Officer's Forum.

## Special Projects

In response to stakeholder demands, STATIN undertakes a number of ad hoc surveys in collaboration with several government agencies as well as with international organisations. Maintaining such partnerships is important for expanding the scope of the Institute's statistical products.

### *Inflation Expectation Survey (IES)*

STATIN has been conducting the IES since 2005 on behalf of the Bank of Jamaica (BOJ), as part of its inflation targeting monetary policy framework. The primary objective of the survey is to collect information from key personnel in business establishments, heads of businesses and decision makers, on their individual expectations and perception on the future movement of prices, interest rates, growth rates, business confidence, and the level of wage/salary increases expected over specific time periods.

For the 2018/19 fiscal year the survey was fielded to a representative sample of 400 establishments from all industries of the economy. Face-to-face interviews were conducted in the selected establishments. Eight surveys were completed in 2018.

### *Women's Health Survey (WHS)*

The 2016 Jamaica Women's Health Survey was conducted with technical and financial support from 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. Data collection was carried out in 2016 and the project was concluded in June 2018 with the dissemination of the findings.

The survey covered, among other things, general and reproductive health; attitudes towards gender roles; experiences with intimate partner violence; impacts and coping with intimate partner violence; and experiences with non-partner violence.

Of the women interviewed, 92.8 per cent expressed that both women and men should share authority in the family; 77.4 per cent agreed that a man should be the head of his family and 70.2 per cent agreed that a woman's main role is to take care of the home. One in four women (25.2%) experienced physical violence by a male partner and 7.7 per cent had been sexually abused by

their male partner; 5.1 per cent experienced physical violence while pregnant. Among the women who reported that they had experienced sexual violence, 25.4 per cent reported that sexual violence was perpetrated by non-partners only; 1.5 per cent said sexual violence was committed by partners only and 5.7% had experienced sexual violence by both partners and non-partners. Of the women who experienced physical or sexual partner violence, the majority, (81.6%) of them told someone of their abuse but 63.0 per cent sought no help. Women who entered into a live-in partner relationship at an early age (under 19 years) had a higher prevalence of lifetime intimate partner physical violence, 45.0 per cent.

### *Foreign Exchange Market Survey (FEMS)*

The 2017 Jamaica Foreign Exchange Market Survey was conducted by STATIN on behalf of the BOJ. The objective of this survey was to capture foreign exchange information from establishments whose earnings are in a foreign currency or those who require foreign currency to pay for imports. The information will be used to estimate and forecast the demand and supply of foreign currency in the market. The survey process commenced in October 2017 and concluded in June 2018 with the finalization of the report.

### *Informal Sector Survey (ISS)*

In 2015 STATIN conducted an Informal Sector Survey with assistance from IDB. The last major study of the informal sector was conducted in 2006 and since then there has been no national study of the informal sector in Jamaica. It was therefore critical to conduct a survey to understand the characteristics of the informal sector in Jamaica and to provide additional statistics to explore the detailed characteristics of the sector. Analysis of the findings and preparation of the report is in progress.

### *Jamaica Survey of Establishment (JSE)*

The 2018 Jamaica Survey of Establishments is the first of its kind to be executed in Jamaica. The survey, which is funded by the World Bank under the Jamaica Foundations for Competitiveness and Growth Project (FCGP), will provide baseline data on the number and distribution of economic units in Jamaica by various categories. The objectives of the FCGP are to strengthen the business environment in Jamaica, encourage private sector investment and foster increased productivity.

The primary goal of the JSE is to provide a solid framework for the development of a robust sampling frame for future establishment surveys. The survey process which commenced in January 2018 is scheduled to conclude in July 2019 with the dissemination of the findings. Data from the JSE will also be used to improve the Master Establishment Sample Frame (i.e. the Business Register).

## Development of Statistical Products

An important area of the work programme of STATIN is the development of new statistical programmes and products. This is in response to the increasing demand for statistics for policy development, planning and decision-making.

During 2018/19, development of the following statistical products continued:

- Quarterly GDP using the expenditure approach (GDP-E)
- Export Import (Trade) Indices (XMPI)
- Index for Industrial Production (formerly referred to as the Production Volume Index (PVI))

Work commenced on two other statistical programmes, the International Comparison Program (ICP) and System of Environment-Economic Accounting (SEEA).

### Quarterly GDP using the Expenditure Approach (GDP-E)

There are three methods to calculate GDP, the production approach, the expenditure approach and the income approach. STATIN currently produces quarterly GDP by the product approach which allows for the assessment of the performance of the economy by industry. However, the Bank of Jamaica has requested the estimation of quarterly GDP by the expenditure approach where GDP is computed from the demand perspective. The impact of monetary policy on the economy is better assessed using this approach. It is also the preferred methodology for forecasting future economic trends by international agencies such as the IMF, and by international investors and rating agencies. In addition the computation of quarterly GDP by the expenditure approach is an important part of Jamaica's subscription to the IMF's SDDS, to which the Government of Jamaica is committed.

Preliminary current and constant price estimates seasonally unadjusted for Quarter 1- 2017 to Quarter 2- 2018 were compiled. Estimates up to Quarter 4 -2017 were provided to the Bank of Jamaica during the period.

### Export Import (Trade) Price Indices (XMPI)

Export and Import Price Indices (XMPIs) measure the rate of change over time in the prices of exported and imported goods and services. This programme is being developed as part of the quarterly Gross Domestic Product by Expenditure project. The XMPI is a necessary input into the calculation of the GDP by expenditure. In particular, the XMPI is required to deflate the GDP-E estimates at current price.

During the review period, developmental work continued on the production of the Export Import Price Indices using the unit value approach. The use of mirror indices from some of Jamaica's major

trading partners as well as from international commodity exchanges were incorporated into the compilation process for specific commodity groups. This programme of work is scheduled for completion by the end of the fiscal year 2019/20.

### *Index of Industrial Production (IIP, formerly PVI)*

For 2018/19, preliminary IIP estimates for the Mining and Quarrying industry up to July 2018 were compiled; and work on the development of the IIP for the Manufacturing Industry commenced. Development work on this programme will continue in 2019/20.

### *International Comparison Program (ICP)*

The International Comparison Programme is a worldwide statistical initiative led by the World Bank under the auspices of the UN Statistical Commission (UNSC). The Objective of the ICP is to provide comparable price and volume measures of gross domestic product and its expenditure aggregates among countries within and across regions. The information is used to estimate and publish purchasing power parities (PPPs) which measure the total amount of goods and services that a single unit of a country's currency can buy in another country, thus equalizing the purchasing power of currencies.

The ICP encourages integrating the programme into the regular statistical programs and harmonizing it with the Consumer Price Index and System of National Accounts. In 2016, a decision was taken at the 47th session of the Statistical Commission to transition the programme into a rolling survey and implementing the ICP as a permanent element of the global statistical work programme. Implementation will demand considerable effort from national statistical offices, mainly related to incorporating the ICP as part of their regular work programmes.

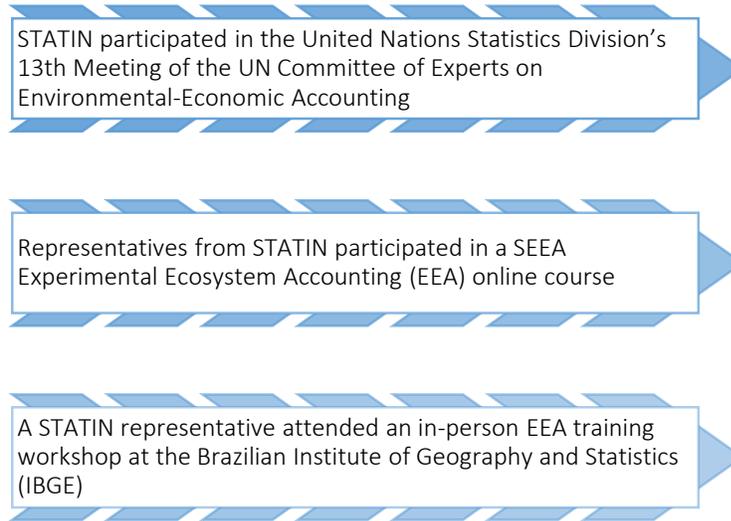
During the review period, STATIN participated in two technical meetings. A representative from UNECLAC also visited STATIN during the fiscal year to discuss Jamaica's involvement in the ICP programme. During the visit timelines for the submission of data were prepared, a new questionnaire was designed to collect prices for additional items and the collection of data commenced.

### *System of Environmental-Economic Accounting (SEEA)*

The System of Environmental-Economic Accounting is a framework that integrates economic and environmental data via the use of the System of National Accounts. The aim is to provide a more comprehensive and multi-purpose view of the inter-relationships between the economy and the environment, and the stocks and changes in stocks of environmental assets.

The development of a SEEA for Jamaica is a new area of work that the Institute will be embarking on over the next few years. In preparation, capacity development opportunities were capitalised on during the review period (see Figure 7).

**Figure 7: SEEA activities participated in during 2018/19**



## Sustainable Development Goals (SDGs)

In FY 2018/19, the Statistical Institute of Jamaica compiled the first annual Statistical Report on Jamaica's progress towards the Sustainable Development Goals (SDGs). This was included as an annex to Jamaica's first Voluntary National Review (VNR) Report presented at the United Nations' High Level Political Forum (HLPF). The Deputy Director General of STATIN, along with the Director General of the Planning Institute of Jamaica, led by the Minister of State in the Ministry of Foreign Affairs and Foreign Trade presented the report on behalf of Jamaica.

The report was the culmination of extensive work on the collection of data and compilation of indicators with support from a number of Ministries, Departments and Agencies. In this first report, 49 per cent of the indicators, including proxies, were produced. Notably, a significant proportion of the indicators that were not included in the report are Tier III indicators. This means that presently there exists no internationally-agreed methodologies to guide the production of these indicators.

The indicators produced for the VNR were derived from traditional and non-traditional data sources including satellite imagery, small area estimation and Non-Governmental Organisations (NGOs). The data presented in the report provide baseline information for the analysis of Jamaica's

progress towards development in the post-2015 era. Where possible, the data were disaggregated primarily by geographical area, sex and age. Efforts are being made to improve the availability of disaggregated data in keeping with the objective of the SDG of “leaving no one behind”.

During the review period, the Institute also continued to support the development of SDG indicators through engagement in regional and international working groups and pilot testing of methodologies. Work continued with the international statistical community on the validation of indicators for Jamaica, and STATIN has provided guidance where necessary. The work of Jamaica on monitoring of the SDGs was highlighted in an article entitled “*Integrated Monitoring for Improved Implementation of SDG 6 in Jamaica*” published in the first edition for 2018 of **The Cowrie - SIDS Times Newsletter**.

## Data Collection

Data collection is critical to the core work programme of STATIN. Data are primarily collected using computer-assisted personal interviews (CAPI), complemented by the traditional paper and pencil interview (PAPI) method. During the review period, timely collection of data was impacted by staffing constraints, adverse weather conditions and an increase in the number of concurrent surveys in the field. The upsurge of violence in some communities also adversely affected this process. To mitigate against extensive delays in data collection, additional staff were recruited on a temporary basis.

## Statistical Infrastructure

Central to the provision of relevant and reliable statistics that are coherent, comparable and technically sound is the maintenance of the currency of the statistical infrastructure. During the review period, work on improving the quality and technical soundness of the Institute’s statistical outputs continued. This included the adaptation of a number of international statistical classification systems, and maintenance/improvement of household and establishment master sample frames.

### Classifications and Standards

During 2018/19, adaptation of four international classifications were undertaken. These included the International Classification of Crimes for Statistical Purposes (ICCS), International Standard Classification of Education (ISCED 2011), Classification of the Functions of Government (COFOG) and the Classification of the Purposes of Non-Profit Institutions (COPNI).

Work on the mapping of criminal charges in Jamaica to the *International Classification of Crimes for Statistical Purposes* manual commenced during the 2018/19 fiscal year. This is being done in

collaboration with the Ministries of National Security and Justice and will continue in the next fiscal year.

Work also continued on the mapping of local education and training programmes and their related qualifications to the International Standard Classification of Education 2011. Activities during the review period included:

- research in key educational institutions to ascertain and map their programmes and related qualifications according to ISCED;
- stakeholder consultations; and
- mapping of educational programmes for a number of tertiary institutions.

During the next fiscal year, verification/validation of the mapping will be undertaken. Upon completion, the mapping will contribute to improvements in the classification of data on education for national and international comparability.

The *Classification of the Functions of Government* is a standard which classifies the purposes of government activities according to the broad objectives of government and the means by which these broad objectives are achieved. It is mainly used to classify government expenditure data from the System of National Accounts by the purpose for which the funds were used. This classification also allows for international comparison of the extent to which governments are involved in economic and social functions.

During the 2018/19 fiscal year, a list of MDAs in Jamaica was compiled and the classification of their functions according to COFOG commenced. The next steps will include validation and publication of the classification which is expected to be completed in the FY2019/20.

The *Classification of the Purposes of Non-Profit Institutions* is used to identify the socio-economic objectives of current transactions, capital outlays and acquisition of financial assets by non-profit institutions serving households (NPISH). The process of adapting this international classification to the Jamaican context began in 2018/19 with the compilation of a list of NPISH operating in Jamaica and a definition of the scope of the classification. In 2019/20, work will continue on the classification of NPISH.

### Sample Frames

Data are critical for the execution of the Institute's mandate and are acquired primarily through the conduct of establishment and household surveys. Maintenance of the master frames from

which the survey samples are derived is therefore important. This will help guard against obsolescence of information in samples selected and management of respondent burden.

### Household Sample Frame

The Listing of Dwellings is a systematic count of all dwellings in a prescribed geographic area, referred to as an enumeration district (ED). It is usually conducted after each population and housing census and every four to five years during the intercensal period. The primary goal is to update the Master Household Sample Frame and provide vital information used to compute sampling weights. The Listing of Dwellings commenced in January 2019 and is scheduled to be completed in July.

### Establishment Sample Frame

The Business Register (BR) is the basis for the sample frame for establishment surveys. The redesign of the BR began in 2016/17 with support from StatCan through PRASC. Work on this project continued during FY 2018/19 with the testing of a Generic Business Register developed by PRASC. The redesigned BR will be populated with data from the 2018 Jamaica Survey of Establishments as well as administrative data.

## Operational Efficiency

During FY 2018/19, efforts to improve operational efficiency and effectiveness continued. Work undertaken during the period spanned the areas of organisational restructuring, quality management, and human resource management and development. Activities were also carried out to improve and maintain a work environment that is safe, secure and adaptive; an electronic pay advice system was implemented; expansion of electronic payments was expanded to include suppliers and electronic salary deductions to financial institutions on behalf of staff members was facilitated.

### Organisational Restructuring

Internal review/assessment of STATIN's organisational structure began during FY 2018/19. This included the review of the structure for a number of divisions. The aim of this exercise is to determine the structure and reporting relationships which best fits the operational and strategic needs of the Institute and to ensure that the organisation is adequately and appropriately staffed to meet, as best as possible, the changing user needs and increased demand for statistics.

During the review period, Expression of Interest for the Consultancy for the Restructuring of STATIN was prepared and advertised. The next steps include the evaluation of the responses to the expressions of interests and sending out invitations to bid, to short-listed consultancy firms.

### Quality Management and Evaluation

During the fiscal year, work continued on the development of a quality assurance framework. A number of documentation workshops were held to update existing and create new standard operating procedures, and research was undertaken to identify the best tools to use for the development of supplements to STATIN's Quality Assurance Framework (SQAF). In addition, revision of STATIN's Stakeholder Satisfaction Survey Instrument commenced with a view to expand the assessment to include all stakeholder groups.

As a member of the Expert Group on National Quality Assurance Frameworks (EG-NQAF), the Institute provided input for the development and implementation of the United Nations National Quality Assurance Frameworks Manual for Official Statistics (UN NQAF Manual). Additionally, STATIN's good practices were registered in ECLAC's Regional Bank of Good Statistical Practices for review by the Statistical Conference of the Americas Working Group on Institutional Building.

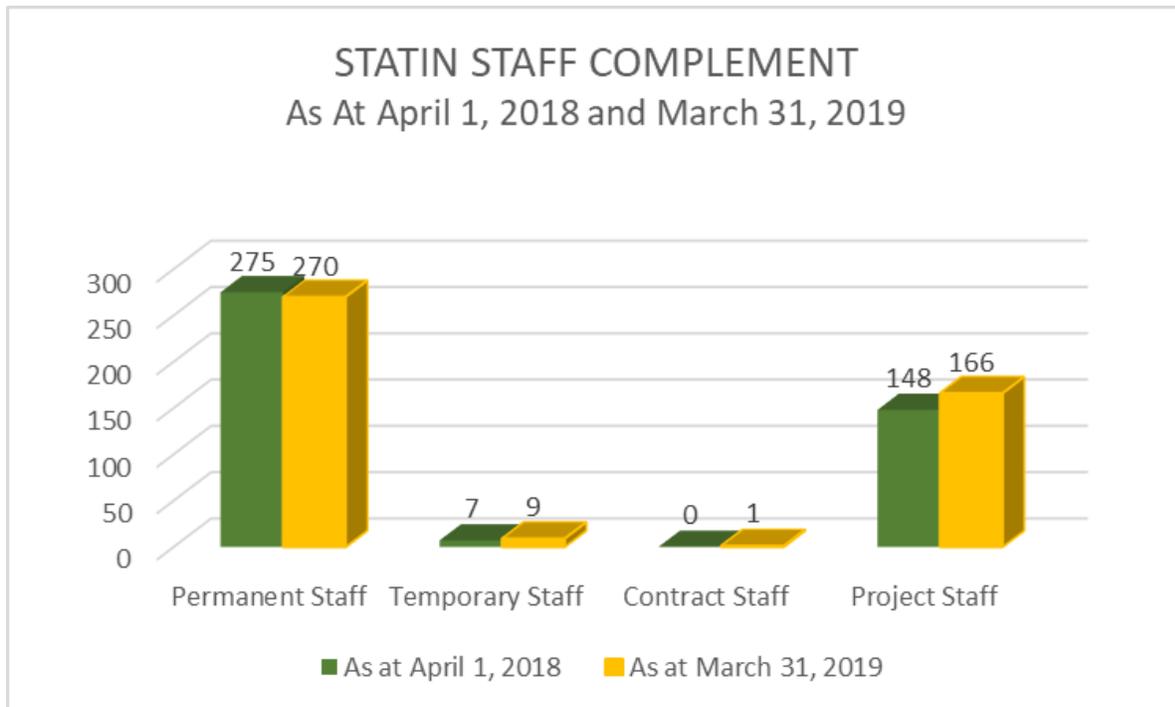
### Human Resource Management and Development

Recruitment, development and maintenance of a professional and highly qualified workforce is necessary for STATIN to be able to carry out its policy objectives and to respond flexibly to changing work priorities. To this end, action was taken to improve the recruitment process; pre-employment testing was expanded to all job categories in 2018/19.

During the review period, execution of the work programme of the Institute was impacted in part by staff attrition. The Post Operations Committee, Ministry of Finance and the Public Service granted approval to fill a number of vacant posts, consequent on the resignation or retirement of the former incumbents. Efforts to fill vacant critical posts, though successful for some, proved to be challenging for others despite multiple recruitment efforts. Approval was also received for the permanent establishment of three Statistician posts with effect from June 11, 2018 to support the GDP by expenditure work programme, an expansion to the recurrent statistical work programme.

At the commencement of the 2018/19 fiscal year, that is April 1, 2018, there were 430 persons on staff. This number comprised 275 staff on the permanent establishment, seven temporary staff inclusive of two locum tenens and 148 project staff. As at March 31, 2019, there were 446 persons on staff comprising 270 permanent staff, nine temporary staff, one contract staff and 166 project staff (see Figure 8).

Figure 8: STATIN's Staff Complement as at April 1, 2018 and March 31, 2019



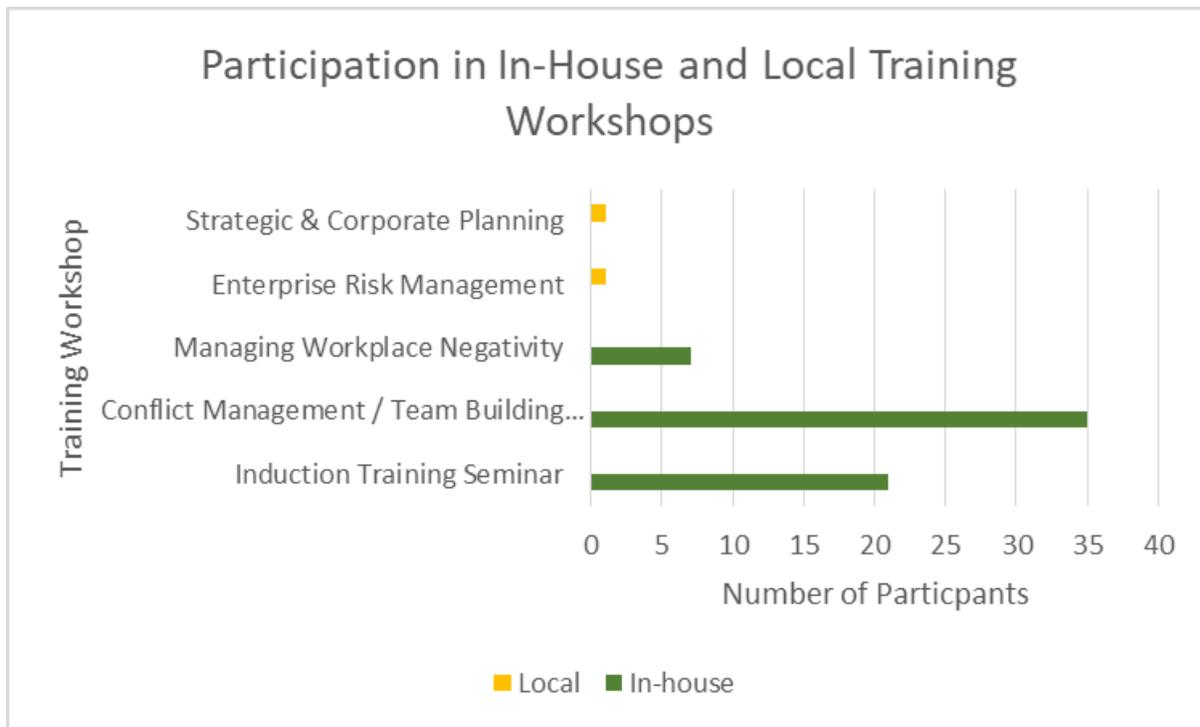
In keeping with the agreement between the Government of Jamaica and the Jamaica Confederation of Trade Unions in the FY 2017/2018, the stipulated 2% increase in salaries for the FY 2018/2019 was implemented in April 2018. Additionally, following on directives received from the Ministry of Finance and the Public Service in November 2018, revised travelling allowance rates were implemented with effect for April 1, 2018 to March 31, 2019. Duty Allowance rates which remained unchanged since January 2006 were also revised to the equivalent of 10% of the minimum of the salary level with effect from April 1, 2018. This is in keeping with the rates paid in the Public Sector.

#### Training and Development

Training and development is necessary to ensure that employees possess the specialized skills and competency levels required to achieve organisational goals. A total of 48 members of staff, from a cross-section of the Institute participated in overseas meetings, conferences, and other training activities. A number of staff members also participated in targeted in-house and local training workshops (see

Figure 9).

Figure 9: Staff Participation in In-House and Local Training



#### Employee Recognition & Staff Welfare

The Institute values its human resources. In acknowledgement of this, a number of employees were recognised and appreciated for their valuable contribution at the General Staff meeting. The **General Staff Meeting** was held on November 22, 2018 under the theme: “Facing the Future Together”. This event presented the opportunity for senior management to address all employees on issues of importance to the operations of the Institute. The event also provided an opportunity for members of staff to interact outside of the typical work environment, and strengthen interpersonal relationships, corporation and team spirit. New staff also had an opportunity to experience the culture of the organisation in a deeper way.

The **Divisional Employee of the Year Awards**, an annual award facilitated by the Institute’s Human Resource Development Committee, recognizes employees who perform exceptionally during the calendar year. As a peer award, nominees are selected by their peers for outstanding contribution to their division in the areas of teamwork, positive role model/mentor, leadership and attitude. For the 2018 calendar year, awards were presented to 12 Divisional Employee of the Year recipients (see Figure 10) at the Institute’s General Staff meeting.

Figure 10: Divisional Employees of the Year 2018



**Siomara McDonald**  
Administrative Statistics



**Maureen Falloon**  
Censuses, Demographic & Social  
Statistics



**Jamar Chin**  
Corporate Services



**Jovan Thompson**  
Economic Accounting



**Peter Headley**  
Field Services (Head Office)



**Katherine Edwards**  
Field Services (Area 1)



**Viola Matthews**  
Field Services (Area 2)



**Cleon Ashman**  
Field Services (Area 3)



**Kevin Clarke**  
Information & Technology



**Krisanthe Morgan**  
Office of the Director General



**Amanda Lee**  
Research, Design & Evaluation



**Wendy-Ann Wignall**  
Surveys

A special award was also presented to Mr. Okeeto Peart of the Information and Technology Division, by the Director General, for outstanding contribution in the field of Technical Support.



### *Retirement*

Appreciation was also extended to retirees, at the General Staff Meeting, for their service and contributions to the Institute. The following persons retired from active service in 2018:

✚ Miss Ethel Lyons

✚ Miss Judith Taylor

✚ Miss Vinola Rodney

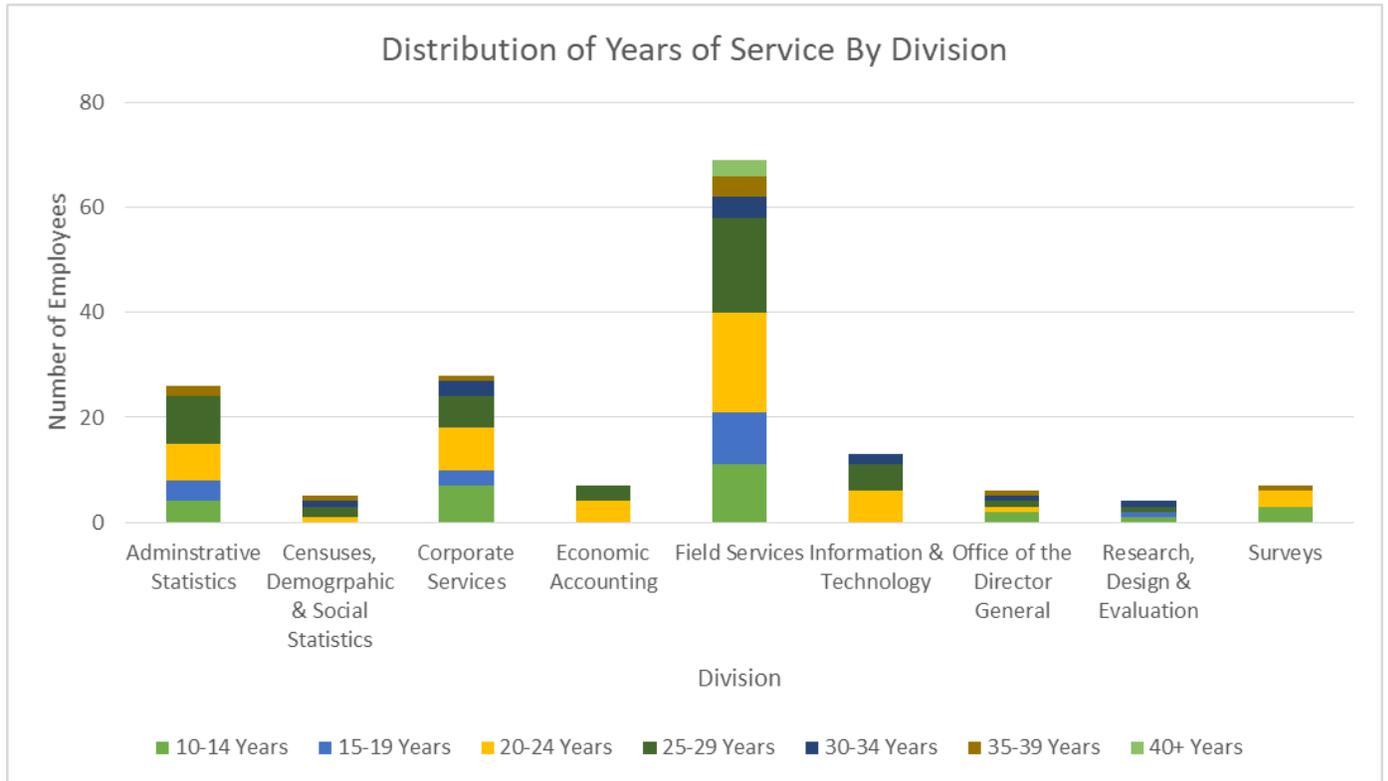
✚ Mrs. Claudette Farquharson

✚ Miss Laura Gordon

### *Long Service*

As at March 31, 2019, one hundred and sixty-five (165) employees had served the Institute for between ten and 40 years. Figure 11 below provides a synopsis of the years of service by Division.

Figure 11: Distribution of Employees' Years of Service by Division



### Pension Plan

During the review, a number of activities were undertaken in relation to STATIN Pension Plan (see Figure 12).

Figure 12: STATIN Pension Plan Activities

Amendment to the Spousal Benefit Clause of the STATIN Pension Plan Trust Deed was advertised in the print media, as required by the Financial Services Commission (FSC).

A meeting with Pension Plan Trustees and pension plan administrators (Employee Benefits Administrators Ltd. Sagicor) was held on **April 12, 2018** to discuss both the **Investment Performance and Administrator's Status Reports**.

A presentation to staff members at the Institute's General Staff Meeting was made by the pension plan administrators, Employee Benefits Administrators (Sagicor), on Thursday, **November 22, 2018**.

A meeting with deferred pensioners and pensioners was held on **November 16, 2018** to elect a pensioner trustee to the board of trustees of the STATIN pension fund. Mrs. Merville Anderson was elected as the Pensioner Trustee. This followed directive from the FSC regarding Regulation 3(3) of the Pensions (Superannuation Funds and Retirement Schemes) Governance Regulations and Rule 8.1(b), Schedule B of the plan's Trust Deed and Rules which stipulate that if there are more than thirty (30) deferred pensioners and pensioners in the plan, a pensioner Trustee must be appointed to the board of trustees.

A meeting of the Trustees of the Pension Plan was held on March 13, 2019 to discuss the Annual Report for the Statistical Institute of Jamaica Pension Fund - December 2018 with the Sagicor's investment team.

A meeting of the Trustees of the Pension Plan was held on January 18, 2019 to review and discuss the Actuarial Valuation Report of the Plan. Representatives of Employee Benefits Administrators Ltd. (Sagicor) were in attendance.

Highlights of STATIN’s Pension Plan for the year ending December 31, 2018, are as follows:

### Key Plan Statistics as at December 31, 2018

Invested Assets  
**\$2,291.5M**

Investment Returns  
**9.4%\***  
\* Gross Yield

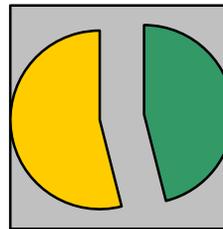
Real Return  
**6.99%**

Funded Status/Solvency Level  
**184%**

Net Yield  
**8.12%**

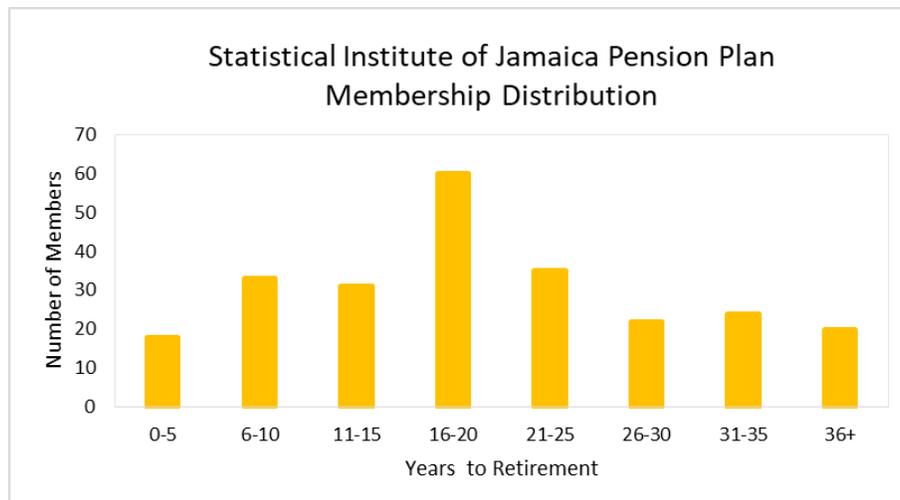
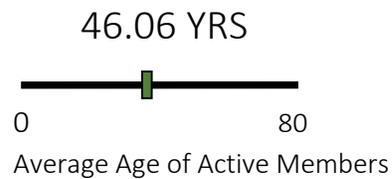
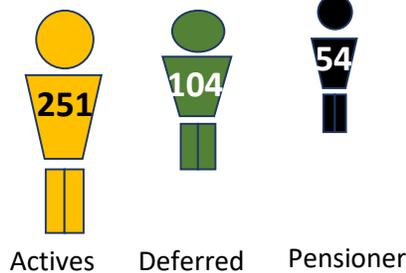
INTEREST CREDITED TO MEMBERS’ CONTRIBUTIONS  
**6.09%**  
Compulsory

**8.12%**  
Voluntary



**46.06%**  
Active Members Contributing Voluntary

#### FUND MEMBERSHIP



## Service Culture

During the review period, work on improving the service culture was focused on increasing awareness, understanding and access to statistical information. A variety of approaches were employed to achieve this. The traditional dissemination channels, the website, annual calendar and press releases, were used to promote the work of the Institute and disseminate statistics. These were complemented with the use of print and broadcast media, workshops and public education activities.

The 2019 calendar highlighted *Jamaica's National Statistics System*. It also provided statistics from surveys and reports published by the Institute on the following categories: economic, demographic, social, environment and information & communication technology.

Monthly and quarterly press releases of key statistics were disseminated during the review period. The website was the main tool for data dissemination, and efforts continued at making the statistics more easily accessible. These efforts resulted in the improvement in Jamaica's ranking in the assessment in the coverage and openness of official Statistics on websites of National Statistics Offices by Open Data Watch. Jamaica was ranked 37<sup>th</sup> out of 178 countries in 2018 compared to 68<sup>th</sup> out of 180 countries in 2017. In 2016, Jamaica was ranked 164<sup>th</sup> out of 173 countries in the world. In 2018, Jamaica was the highest scoring country in the Caribbean. The article "*Jamaica: The Making of an Open Data Champion*"<sup>2</sup>, published in the 2018/2019 Open Data Inventory Annual Report highlights the strides made by STATIN to improve data availability on its website. Among a number of actions taken by the Institute, the article stated that "...the creation of an open terms of use, and increased coordination between domestic statistical producers, Jamaica rightfully earned the number one spot of top 20 most improved countries with a score increase of over 200% in three years."

Info graphics which captured the headline indicators in simple and easily understood visuals were introduced to complement the traditional press releases. The info graphics were published on STATIN's website, social media pages and in print and electronic news media.

Engagement with the media and stakeholders, including private sector associations and service clubs, also played an important role in helping to increase awareness and understanding of the work of the Institute. A number of new surveys undertaken by the Institute during the period were publicized using these and other channels.

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<sup>2</sup> <http://odin.opendatawatch.com/Report/annualReport>

A Media Sensitization Workshop, *Measuring Growth in the Economy*, was held for media practitioners, specifically reporters in print and electronic media, as part of the event “*Statistics and the Media – Why Understanding Official Data Matters*”. The seminar aimed to assist media practitioners to understand, interpret and present official statistical data accurately. Data relating to the CPI and GDP were the points of focus. The session was part of the Institute’s commitment to continuously engage its stakeholders by providing avenues for information exchange and open discussions.

The Institute also participated in exhibitions, and presentations on its work were made to students at the primary, secondary and tertiary levels. The presentations covered elements of the statistical process and the production of statistics.

During the 2018/19 fiscal year, a concerted effort was made to boost the Institute’s presence on social media. This medium enabled the organisation to reach a wider audience. In addition to the publication of statistical releases and info graphics, a number of surveys were promoted extensively via STATIN’s social media channels. STATIN can now be found on the following platforms: Facebook, Instagram and LinkedIn.

## External Relations

As a member of the global statistical community, STATIN participated on various committees, working groups and other similar forums. During the review period, the Institute, a member of the Inter-agency and expert group on sustainable development goals (IAEG-SDG), made significant contributions to the development of methodology and indicators related to the SDGs, in particular SDG 6 - “Ensure availability and sustainable Management of Water and Sanitation”. The Institute also contributed an article entitled “*Integrated Monitoring for Improved Implementation of SDG 6 in Jamaica*”<sup>3</sup> which was published in the first edition for 2018 of the SIDS Times, The Cowrie. The Institute was also instrumental in procuring assistance of US\$10,000.00 seed grant to be used for technical support in monitoring SDG 6. The grant will be used to host a workshop on the compilation of indicators for SDG 6. The workshop is scheduled for the first quarter of FY2019/20.

STATIN also actively participated in the:

- development of the United Nations National Quality Assurance Frameworks Manual for Official Statistics (UN NQAF Manual), as a member of the Expert Group on National Quality Assurance Frameworks of the United Nations Statistical Division (UNSD);

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<sup>3</sup> [https://sustainabledevelopment.un.org/content/documents/Newsletters/SIDS\\_TIMES\\_2018\\_June.pdf](https://sustainabledevelopment.un.org/content/documents/Newsletters/SIDS_TIMES_2018_June.pdf)  
The Cowrie, SIDS Times Magazine is a newsletter on Small Island Developing States, prepared by United Nations Department of Economic and Social Affairs with inputs from members of the Inter-Agency Consultative Group (IACG) on SIDS.

- annual United Nations Statistics Commission and the Standing Committee of Caribbean Statisticians meetings; and the
- 2018 International Open Data Conference.

At the local level, STATIN contributes to integrated national planning and development. The Institute has representation on several planning and monitoring committees, among which are:

- Data Standards Committee;
- MSME National Policy Implementation Committee;
- 2030 Agenda National Oversight Committee;
- Thematic Working Groups for Vision 2030; and
- National Working Group on International Migration and Development Data, Research and Information Systems Sub-committee (Chair).

## Information and Communication Technology

Information and communication technology (ICT) is critical for the achievement of the Institute's mandate and improving operational efficiencies. During 2018/19, there was sustained maintenance and management of and improvements to the ICT infrastructure to ensure optimal performance. This included ensuring availability of and access to current and relevant hardware, software and support systems, and improving the security of the network to minimise/eliminate exposure to vulnerabilities. There were improvements to security, access and use of the email across multiple platforms; and efforts were undertaken to expand our meeting modalities. These initiatives will contribute to enhancing operational efficiencies. A number of policies were also developed to guide prudent choices in the use and care of IT systems.

During the review period, efforts were also focused on improving the computer-assisted personal interviewing data collection method through the conversion of a number of surveys to Survey Solutions. CAPI, the primary data collection method used by STATIN since 2013, is carried out using the electronic data collection system (eDaCS). Unlike eDaCS which is an application that was developed in house, Survey Solutions is an open source software platform developed by the World Bank and is used by statistical agencies in developed and developing countries. Survey Solutions facilitates a cost-effective and sustainable solution for conducting complex and large-scale surveys as well as provide for more robust monitoring of the surveys in the field. In 2018/19, several surveys were executed via Survey Solutions. Employees from a cross-section of the Institute participated in an in-house training of Survey Solutions, facilitated by the World Bank, in the previous fiscal year.

In the next fiscal year, resources will be directed towards the integration of key statistical processes through the development of IT applications, expanding the approach to data collection for business surveys as well as the procurement and implementation of systems to support the administration and execution of the 2021 Population and Housing Census.

## Funding and Sustainability

The ability of the Institute to sustain its operations and deliver on its mandate is dependent on, among other things, adequate funding. The approved budget for the 2018/19 fiscal year was \$951.960 million (see Table 1). This sum included the amount of \$933.917 million for recurrent expenses and \$9.522 million for the Household Expenditure Survey. A special approval of \$8.521 million to complete the improvements in the Jamaica Survey of Living Conditions was also received.

Table 1: Approved Budget for FY 2018/19

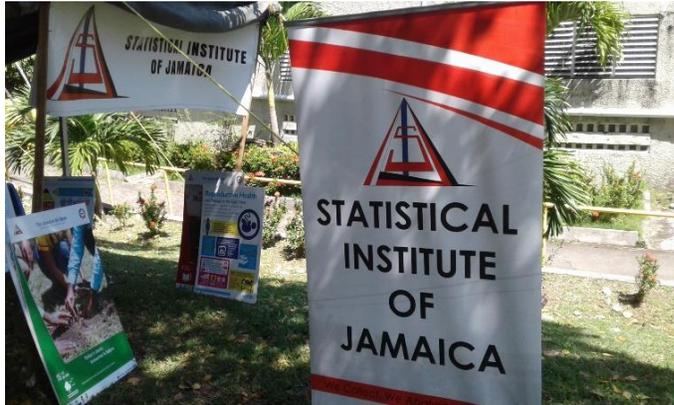
Budget Item	\$M
Recurrent	933.917
JSLC	8.521
HES	9.522
<b>Total</b>	<b>951.960</b>

## Other Activities

### STATIN Sports and Social Club

During 2018, the STATIN Sports and Social Club continued to boost staff morale and team spirit, and promote camaraderie among staff members. This was made possible through the sporting and social activities undertaken during the period. Employees competed in field activities such as football, netball and volleyball as well as board games inclusive of scrabble, ludo and dominoes. The Institute, through the Sports and Social Club, participated in various Cancer awareness month activities and made a monetary contribution to the Jamaica Cancer Society.

# PUBLIC EDUCATION ACTIVITIES



# GENERAL STAFF MEETING 2018



# APPENDIX A

## Directors' Compensation: April 1, 2018 - March 31, 2019

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 (\$)	Remarks
Alvin Wint- Board Chairman	203,500.00				203,500.00	
Trevor Anderson - Board Member	137,750.00				137,750.00	
Kerry-Ann Spencer - Board Member	55,000.00				55,000.00	
Robert Stennett- Board Member	110,100.00				110,100.00	
James Stewart - Board Member	115,650.00				115,650.00	
Colin Williams - Board Member	121,000.00				121,000.00	
<b>TOTAL</b>	<b>743,000.00</b>				<b>743,000.00</b>	

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

# APPENDIX B

## Senior Executive Compensation 2018/2019

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 (\$)	Remarks
Carol Coy Director General	6,748,388.92		1,542,864.00		12,000.00		8,303,252.92	
Leesha Delatite-Budair Deputy Director General	4,563,084.95		1,542,864.00				6,105,948.95	Appointed Deputy Director General May 1, 2018
Jessica Campbell Director	2,670,024.91		993,928.52				3,663,953.43	Acting Director with effect January 2, 2019
Carla Clarke Director	5,162,245.96		1,542,864.00				6,705,109.96	
Janet Geoghagen-Martin Director	3,450,933.96		1,542,864.00				4,993,797.96	
Marlon Gibbs Director	324,815.55		116,129.54				440,945.09	Employed with effect March 4, 2019
Boyd Goodin Director	3,586,315.70		998,575.87				4,584,891.57	Resigned with effective November 23, 2018
Paula Jackson Director	3,894,665.84		1,056,664.00				4,951,329.84	Acting Director with effect December 1, 2018
Yvonne Newland Director	2,384,235.17		526,784.55				2,911,019.72	Resigned with effective August 3, 2018

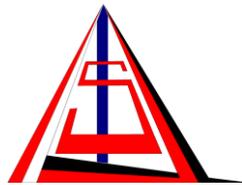
**Senior Executive Compensation 2018/2019 (cont'd)**

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 (\$)	Remarks
Natalie Simpson Director	3,984,943.97		1,542,864.00				5,527,807.97	
Damion Tyrell Director	4,306,589.96		1,542,864.00				5,849,453.96	
Sharon Willis Director	3,876,665.00		617,148.00				4,493,813.00	
Maria Gayle Corporate Secretary/Legal Officer	1,209,199.67		220,904.12				1,430,103.79	Deceased July 8, 2018
<b>TOTAL (inclusive of values on page 53)</b>	<b>46,162,109.56</b>		<b>13,787,318.60</b>				<b>59,949,428.16</b>	

**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 Sagcor 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 2019**

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**STATISTICAL INSTITUTE OF JAMAICA  
FINANCIAL STATEMENTS  
YEAR ENDED 31ST MARCH 2019**

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FINANCIAL STATEMENTS:	
Statement of Financial Position	2
Statement of Comprehensive Income	3
Statement of Changes in Capital & Reserve Funds	4
Statement of Cash Flows	5
Notes to the Financial Statements	6 - 32

**REPORT OF THE INDEPENDENT AUDITORS**  
**TO THE BOARD OF DIRECTORS OF**  
**STATISTICAL INSTITUTE OF JAMAICA**

**Opinion**

We have audited the financial statements of Statistical Institute of Jamaica ("the Institute"), which comprise the statement of financial position as at 31<sup>st</sup> March 2019, 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 the financial statements, give a true and fair view of the financial position of Statistical Institute of Jamaica as of 31st March 2019, 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 (IFRS) and the Jamaican Statistics Act.

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.

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Kingston 5

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Mandeville,  
Manchester

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St. Ann

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St. James

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**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.

The engagement partner on the audit resulting in this independent auditors' report is Mr Dawkins Brown.

Crowe Horwath Jamaica



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Crowe Horwath Jamaica

July 18, 2019

**STATISTICAL INSTITUTE OF JAMAICA  
STATEMENT OF FINANCIAL POSITION  
AS AT 31ST MARCH 2019**

(expressed in Jamaican Dollars unless otherwise indicated)

	<u>Notes</u>	<b>2019</b> \$	<b>2018</b> \$
<b>ASSETS</b>			
<b><u>Non-Current Assets</u></b>			
Property, Plant and Equipment	4	73,128,082	53,537,226
Retirement Benefit Asset	5	222,412,000	327,753,000
		<u>295,540,082</u>	<u>381,290,226</u>
<b><u>Current Assets</u></b>			
Inventories	6	1,015,182	1,121,854
Trade and Other Receivables	7	25,183,562	4,909,495
Prepayments		3,900,572	6,785,005
Short Term Investments	8	17,030,887	16,184,904
Cash and Cash Equivalents	9	201,745,752	199,766,892
		<u>248,875,955</u>	<u>228,768,150</u>
<b>Total Assets</b>		<b><u>544,416,037</u></b>	<b><u>610,058,376</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b><u>Capital and Reserves</u></b>			
Capital Fund	10	27,762,885	28,941,505
Capital Grants	11	4,589,773	4,589,773
Retirement Benefit Reserve	12	222,412,000	327,753,000
General Reserve Fund		84,628,128	110,584,256
		<u>339,392,786</u>	<u>471,868,534</u>
<b><u>Current Liabilities</u></b>			
Trade and Other Payables	13	165,252,468	92,149,268
Projects and Contracts	14	39,770,783	46,040,574
		<u>205,023,251</u>	<u>138,189,842</u>
<b>Total Equity and Liabilities</b>		<b><u>544,416,037</u></b>	<b><u>610,058,376</u></b>

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

APPROVED FOR ISSUE BY THE BOARD ON  
ON ITS BEHALF BY:

*July 19, 2019*

AND SIGNED



Alvin Wint  
Chairman



Carol Coy  
Director General

**STATISTICAL INSTITUTE OF JAMAICA**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**YEAR ENDED 31ST MARCH 2019**  
(expressed in Jamaican Dollars unless otherwise indicated)

	<u>Notes</u>	2019 \$	2018 \$
Revenue			
Government Grants	15	814,624,487	766,678,087
Transfer of Surplus on closed projects	14	7,302,848	39,265,078
Other Income	16	<u>3,041,075</u>	<u>3,089,397</u>
		<u>824,968,410</u>	<u>809,032,562</u>
Administrative Expenses	17	<u>(850,924,538)</u>	<u>(721,437,170)</u>
(Loss)/Surplus for the year		(25,956,128)	87,595,392
<b><u>Other Comprehensive Income</u></b>			
Items that will not be reclassified to profit or loss:			
Pension Expense/(Income)		<u>(105,341,000)</u>	<u>128,034,000</u>
<b>Total Comprehensive (Loss)/Income</b>		<u>(131,297,128)</u>	<u>215,629,392</u>

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

**STATISTICAL INSTITUTE OF JAMAICA**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31ST MARCH 2019**  
(expressed in Jamaican Dollars unless otherwise indicated)

	2019 \$	2018 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Total Comprehensive (Loss)/Income</b>	(131,297,128)	215,629,392
Adjustments to reconcile net (Loss)/Surplus for the year to net cash provided by Operating Activities:		
Depreciation on donated Property, Plant and Equipment	(1,428,621)	(1,635,752)
Depreciation on acquired Property, Plant and Equipment	20,041,975	19,071,887
Gain on Disposal of Property, Plant and Equipment	-	(612,219)
Pension Expense	105,341,000	(128,034,000)
	<u>(7,342,774)</u>	<u>104,419,308</u>
Decrease/(Increase) in Current Assets:		
Inventories	106,672	(367,718)
Trade and Other Receivables	(20,274,067)	2,179,750
Prepayments	2,884,433	2,916,663
(Decrease)/Increase in Current Liabilities:		
Trade and Other Payables	73,103,201	(4,452,263)
Projects and Contracts	(6,269,791)	(21,357,462)
Net cash provided by Operating Activities	<u>42,207,674</u>	<u>83,338,278</u>
Cash flows from Investing Activities:		
Acquisition of Property, Plant and Equipment	(39,632,831)	(22,066,692)
Proceeds on Disposal of property, plant and equipment	-	634,056
Short-Term Investments	(845,983)	(803,849)
Net cash used in Investing Activities	<u>(40,478,814)</u>	<u>(22,236,485)</u>
Cash flows from Financing Activities:		
Capital Fund	250,000	4,784,919
Net cash provided by Financing Activities	<u>250,000</u>	<u>4,784,919</u>
Net Increase in Cash and Cash Equivalents	1,978,860	65,886,712
Cash and Cash Equivalents at the beginning of Year	<u>199,766,892</u>	<u>133,880,180</u>
<b>Cash and Cash Equivalents at end of Year</b>	<b><u>201,745,752</u></b>	<b><u>199,766,892</u></b>

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

**STATISTICAL INSTITUTE OF JAMAICA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MARCH 2019**  
(expressed in Jamaican Dollars unless otherwise indicated)

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## 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:

### (a) Standards and interpretations in respect of published standards which are in effect:

#### **IFRS 9: Financial Instruments (2014) (Effective January 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:

*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

*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.

**STATISTICAL INSTITUTE OF JAMAICA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MARCH 2019**  
(expressed in Jamaican Dollars unless otherwise indicated)

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

**(a) Standards and interpretations in respect of published standards which are in effect (Cont'd):**

**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 customers.

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.

**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 amendment is as follows:*

Makes amendments to the following standard:

- **IAS 28: Investments in Associates and Joint Ventures (2011) (Effective January 2018)**

Clarifies that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is a venture capital organisation, or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition.

**IFRIC 22: Foreign Currency Transactions and Advance Consideration (Effective January 2018)**

The interpretation addresses foreign currency transactions or parts of transactions where:

- there is consideration that is denominated or priced in a foreign currency;
- the entity recognises a prepayment asset or a deferred income liability in respect of that consideration, in advance of the recognition of the related asset, expense or income; and
- the prepayment asset or deferred income liability is non-monetary.

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

**(a) Standards and interpretations in respect of published standards which are in effect (Cont'd):**

**IFRIC 22: Foreign Currency Transactions and Advance Consideration (Effective January 2018)**  
**Cont'd)**

The Interpretations Committee came to the following conclusion:

- The date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability.
- If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt.

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 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 IFRS 9: Prepayment Features with Negative Compensation (Effective January 2019)**

Amends the existing requirements in IFRS 9 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

**Amendments to IAS 28: Long-term Interests in Associates and Joint Ventures (Effective January 2019)**

Clarifies that an entity applies IFRS 9 Financial Instruments to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.

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**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):**

**Amendments to IAS 19: Plan Amendment, Curtailment or Settlement (Effective January 2019)**

The amendments in Plan Amendment, Curtailment or Settlement (Amendments to IAS 19) are:

- If a plan amendment, curtailment or settlement occurs, it is now mandatory that the current service cost and the net interest for the period after the remeasurement are determined using the assumptions used for the remeasurement.
- In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling.

*Annual Improvements to IFRS Standards 2015–2017 Cycle contains amendments to certain standards and interpretations and are effective for accounting periods beginning on or after January 2019*

Makes amendments to the following standards:

- **IFRS 3: Business Combinations and IFRS 11: Joint Arrangements (Effective January 2019)**  
The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.
- **IAS 23: Borrowing Costs (Effective January 2019)**  
The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

**Amendments to References to the Conceptual Framework in IFRS Standards**

Together with the revised Conceptual Framework published in March 2018, the IASB also issued Amendments to References to the Conceptual Framework in IFRS Standards. The document contains amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32. Not all amendments, however update those pronouncements with regard to references to and quotes from the framework so that they refer to the revised Conceptual Framework. Some pronouncements are only updated to indicate which version of the framework they are referencing to (the IASC framework adopted by the IASB in 2001, the IASB framework of 2010, or the new revised framework of 2018) or to indicate that definitions in the standard have not been updated with the new definitions developed in the revised Conceptual Framework.

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 2018 financial statements.

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**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.

**(f) Impairment -**

The carrying amount of the Institute's assets are reviewed at the date of each statement of financial position to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated at that date. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

The recoverable amount of the Institute's receivables is calculated as the present value of expected future cash flows, discounted at the original effective interest rate inherent in the asset. Receivables with a short duration are not discounted.

In respect of receivables, the impairment loss is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

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

**(g) Employee Benefits -**

*Pension assets*

The Institute participates in a defined benefit pension plan. The pension plan is generally funded by payments from employees and the Institute, taking into account the recommendation of independent qualified actuaries. A defined benefit plan is a pension plan that defines the amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service and compensation.

The amount recognised in the statement of financial position as asset or liability in respect of defined benefit pension plans is the difference between the present value of the defined benefit obligation at the reporting date and the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of Government securities which have terms to maturity approximating the terms of the related pension obligation.

Service costs are recognised in the profit or loss, and include current and past service costs as well as gains or losses on curtailment.

Net interest expense/(income) is recognised in the statement of comprehensive income as part of staff costs, and is calculated by applying the discount rate used to measure the defined benefit obligation (asset), at the beginning of the annual reporting period, to the balance of the net defined benefit obligation (asset) and the fair value of plan assets.

Actuarial gains and losses, arising from experience adjustments and changes in actuarial assumptions, are charged or credited to equity, through other comprehensive income, in the period in which they arise.

*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.

**(c) Inventories -**

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

**(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.

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

**(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.
- 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.

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

**(k) Actuarial Valuation -**

IAS 19 - *Employee Benefits* requires an assessment of the pension cost for each financial year together with the financial position i.e. level of surplus or deficit at the end of each year. The surplus is the difference between the fair value of the assets and the present value of the benefit obligation (PVBO). The PVBO is the cost of the benefit obligations relating the current and prior periods.

**(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.

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**NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)**  
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**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.

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4. Property, Plant and Equipment

	<i>Land</i>	<i>Buildings</i>	<i>Leasehold Improvements</i>	<i>Furniture, Fixtures &amp; Equipment</i>	<i>Art Work</i>	<i>Computer Software &amp; Equipment</i>	<i>Motor Vehicles</i>	<i>Total</i>
	\$	\$	\$	\$		\$	\$	\$
<b>Cost or Valuation:</b>								
31st March 2017	113,268	5,705,891	15,497,608	47,417,001	-	225,773,652	4,885,622	299,393,042
Additions	-	-	892,075	807,247	171,893	20,195,477	-	22,066,692
Disposal	-	-	-	-	-	(162,908)	-	(162,908)
31st March 2018	113,268	5,705,891	16,389,683	48,224,248	171,893	245,806,221	4,885,622	321,296,826
Additions	-	-	637,800	2,712,467	-	36,282,564	-	39,632,831
31st March 2019	<u>113,268</u>	<u>5,705,891</u>	<u>17,027,483</u>	<u>50,936,715</u>	<u>171,893</u>	<u>282,088,785</u>	<u>4,885,622</u>	<u>360,929,657</u>
<b>Accumulated Depreciation:</b>								
31st March 2017	-	1,781,054	13,677,204	32,848,069	-	195,636,835	4,885,621	248,828,784
Charge for the year	-	114,119	215,603	3,069,858	-	15,672,307	-	19,071,887
Released on Disposal	-	-	-	-	-	(141,071)	-	(141,071)
31st March 2018	-	1,895,173	13,892,807	35,917,927	-	211,168,071	4,885,621	267,759,600
Charge for the year	-	114,118	315,718	2,651,798	-	16,960,341	-	20,041,975
31st March 2019	<u>-</u>	<u>2,009,291</u>	<u>14,208,525</u>	<u>38,569,725</u>	<u>-</u>	<u>228,128,412</u>	<u>4,885,621</u>	<u>287,801,575</u>
<b>Net Book Value</b>								
<b>31st March 2019</b>	<u>113,268</u>	<u>3,696,600</u>	<u>2,818,958</u>	<u>12,366,990</u>	<u>171,893</u>	<u>53,960,373</u>	<u>1</u>	<u>73,128,082</u>
31st March 2018	<u>113,268</u>	<u>3,810,718</u>	<u>2,496,875</u>	<u>12,306,321</u>	<u>171,893</u>	<u>34,638,150</u>	<u>1</u>	<u>53,537,226</u>
31st March 2017	<u>113,268</u>	<u>3,924,837</u>	<u>1,820,403</u>	<u>14,568,932</u>	<u>-</u>	<u>30,136,817</u>	<u>1</u>	<u>50,564,258</u>

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**5. Retirement Benefit Asset:**

The Institute participates in a pension scheme for its permanent staff. The pension scheme is a defined benefit plan and is funded. The assets of the funded plan are held independently of the Institute's assets in separate trustee administered funds. Independent actuaries value the scheme annually using the projected unit credit method. The latest actuarial valuation was carried out as at 31st March 2019.

The amounts recognised in the statement of financial position are determined as follows:

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Present Value of funded obligations	1,970,173,000	2,032,977,000
Fair Value of Plan Assets	<u>(2,559,112,000)</u>	<u>(2,385,200,000)</u>
	(588,939,000)	(352,223,000)
Effect of Asset Ceiling	<u>366,527,000</u>	<u>24,470,000</u>
<b>Asset in the Statement of Financial Position</b>	<b><u>(222,412,000)</u></b>	<b><u>(327,753,000)</u></b>

The amounts recognised in the statement of comprehensive income are as follows:

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Current service cost	54,176,000	52,851,000
Interest cost on Obligation	149,919,000	171,245,000
Interest Income on Plan assets	(178,208,000)	(192,573,000)
Interest on Effect of Asset Ceiling	<u>1,835,000</u>	<u>-</u>
<b>Pension Expense</b>	<b><u>27,722,000</u></b>	<b><u>31,523,000</u></b>

The actual return on plan assets was \$221,368,000 (2018 - \$393,646,000). Expected contributions to the plan for the year ending 31st March 2020 amount to \$51,632,000.

Movements in the amounts recognised in the statement of financial position:

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Net Asset at beginning of year	(327,753,000)	(199,719,000)
Pension Expense	27,722,000	31,523,000
Remeasurement	96,110,000	(140,996,000)
Contributions Paid	<u>(18,491,000)</u>	<u>(18,561,000)</u>
<b>Closing Net Asset at End of Year</b>	<b><u>(222,412,000)</u></b>	<b><u>(327,753,000)</u></b>

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**5. Retirement Benefit Asset (cont'd):**

The distribution of plan assets was as follows:

	<b>2019</b>		<b>2018</b>	
	<b>\$'000</b>	<b>%</b>	<b>\$'000</b>	<b>%</b>
CPI Indexed Fund	213,654	8	209,261	9
Equities Fund	720,615	28	554,694	23
Fixed Income Fund	101,185	4	140,041	6
Foreign Currency	300,183	12	284,871	12
Global Bonds	177,302	7	172,150	7
Global Equities	92,590	4	86,934	4
Money Market Fund	118,124	5	113,687	5
Mortgage & Real Estate Fund	542,141	20	594,111	25
Purchased Annuities	299,689	12	242,312	10
Adjustments	<u>(6,371)</u>	<u>-</u>	<u>(12,862)</u>	<u>-1</u>
<b>Total Asset Value</b>	<b><u>2,559,112</u></b>	<b>100</b>	<b><u>2,385,199</u></b>	<b>100</b>

The five year trend for the fair value of plan assets, the defined benefit obligations, the surplus in the pension plan, and experience adjustments for plan assets and liabilities were as follows:

	<b>2015 *</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Fair Value of plan assets	Not Available	1,789,998	2,038,235	2,385,200	2,559,112
Defined benefit obligation	Not Available	<u>1,652,566</u>	<u>1,838,516</u>	<u>2,032,977</u>	<u>1,970,173</u>
Surplus	Not Available	<u>137,432</u>	<u>199,719</u>	<u>352,223</u>	<u>588,939</u>
Experience adjustments-					
Fair value of plan assets	Not Available	Not Available	85,970	146,770	6,308
Defined benefit obligation	Not Available	Not Available	<u>122,568</u>	<u>(732,944)</u>	<u>(385,143)</u>

\* IAS 19 Valuation was not performed for these reporting periods hence, the information was not available.

The principal actuarial assumptions used in valuing the plan were as follows:

	<b>2019</b>	<b>2018</b>
Gross Discount Rate	7.00%	7.50%
Pay Growth	3.00%	4.50%
Pension Increases	3.00%	4.50%
Administrative Expenses (% of salary)	1.00%	1.00%
Inflation	3.00%	4.50%
Minimum Funding Rate (based on Plan Rules)	<u>5.00%</u>	<u>5.00%</u>

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**5. Retirement Benefit Asset (cont'd):**

The principal actuarial assumptions used in valuing the plan were as follows (Cont'd):

**Demographic Assumptions**

a) Mortality

American 1994 Group Annuitant Mortality (GAM94) table with mortality improvement of 5 years.

Mortality rate per 1,000 are set out below:

<b>Age</b>	<b>Males</b>	<b>Females</b>
20-30	0.35 - 0.66	0.22 - 0.29
30-40	0.66 - 0.85	0.29 - 0.48
40-50	0.85 - 1.58	0.48 - 0.97
50-60	1.58 - 4.43	0.97 - 2.29
60-70	4.43 - 14.53	2.29 - 8.63

b) Retirement - males and females are assumed to retire at age 65.

c) Terminations - No assumption was made for exit prior to retirement.

A quantitative sensitivity analysis for significant assumptions is shown below:

**As at 31st March 2019:**

Sensitivity Level	<b>Discount Rate</b>		<b>Salary Growth</b>	
	1% Increase \$'000	1% Decrease \$'000	1% Increase \$'000	1% Decrease \$'000
Impact on Defined Benefit Obligation	<u>(208,916)</u>	<u>276,240</u>	<u>89,446</u>	<u>(78,141)</u>

Sensitivity Level	<b>Future Pension Increases</b>		<b>Life Expectancy</b>	
	1% Increase \$'000	1% Decrease \$'000	1% Increase \$'000	1% Decrease \$'000
Impact on Defined Benefit Obligation	<u>191,156</u>	<u>(162,152)</u>	<u>25,920</u>	<u>(26,638)</u>

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**6. Inventories**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Printery	129,954	129,367
General	<u>885,228</u>	<u>992,487</u>
	<u><u>1,015,182</u></u>	<u><u>1,121,854</u></u>

**7. Trade and Other Receivables**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Trade Receivables	9,374,658	225,931
Subvention Receivable	10,539,780	-
Staff Loans	90	45,980
Motor Vehicle Revolving Loan (i)	3,000,000	3,000,000
Other	<u>2,269,034</u>	<u>1,637,584</u>
	<u><u>25,183,562</u></u>	<u><u>4,909,495</u></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.

**8. Short-Term Investments**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Sagicor Bank - Repurchase Agreement	16,943,679	16,098,051
Fixed Deposit Account - NCB	<u>87,208</u>	<u>86,853</u>
	<u><u>17,030,887</u></u>	<u><u>16,184,904</u></u>

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**9. Cash and Cash Equivalents**

	<b>2019</b>	<b>2018</b>
	<b>₤</b>	<b>₤</b>
Current Accounts		
- Main	130,578,192	83,756,330
- Projects	11,216,415	56,208,339
Retained account-		
- Main (2019: US\$ 478,920, 2017: US\$477,995)	59,181,869	59,727,580
Cash in Transit	743,289	48,643
Petty Cash	25,987	26,000
	<u>201,745,752</u>	<u>199,766,892</u>

**10. Capital Fund**

	<b>2019</b>	<b>2018</b>
	<b>₤</b>	<b>₤</b>
Balance brought forward	28,941,505	25,792,338
Property, Plant and Equipment donated (Ministry of Labour & Social Security)	250,000	4,784,919
Depreciation Charges	<u>(1,428,621)</u>	<u>(1,635,752)</u>
Balance carried forward	<u>27,762,884</u>	<u>28,941,505</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'.

**11. 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.

**12. Retirement Benefit Reserve**

This reserve was created to match the value of the retirement benefit asset of the Institute.

**13. Trade and Other Payables**

	<b>2019</b>	<b>2018</b>
	<b>₤</b>	<b>₤</b>
Trade Payables	78,463,899	19,888,186
Vacation Leave Accrued	61,208,589	62,403,387
Other Payables	25,579,980	9,857,695
	<u>165,252,468</u>	<u>92,149,268</u>

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**14. Projects and Contracts**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Balance at beginning of year	<u>46,040,574</u>	<u>67,398,036</u>
<b>Receipts:</b>		
Cash	<u>90,015,130</u>	<u>153,671,065</u>
<b>Payments:</b>		
Compensation of Employees	69,741,325	31,714,902
Travelling and Subsistence	2,082,587	5,173,440
Purchase of Goods and other Services	14,120,753	93,301,837
National Insurance Scheme	1,313,899	2,370,872
National Housing Trust	<u>1,723,510</u>	<u>3,202,398</u>
	<u>88,982,074</u>	<u>135,763,449</u>
Net Surplus for year	1,033,056	17,907,616
Transfer of Surplus on closed projects	<u>(7,302,848)</u>	<u>(39,265,078)</u>
<b>Balance at end of year</b>	<b><u>39,770,783</u></b>	<b><u>46,040,574</u></b>

**15. Government Grants**

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

**16. Other Income**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Interest Income	881,434	1,044,511
Publications and Subscriptions	90,868	71,694
Revenue Maps	352,921	200,584
Gain on Disposal of Property, Plant & Equipment	-	612,219
Miscellaneous	<u>1,715,852</u>	<u>1,160,389</u>
	<u>3,041,075</u>	<u>3,089,397</u>

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**17. Administrative Expenses**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Compensation of Employees	473,750,226	400,396,881
National Insurance Scheme	8,312,260	8,076,984
National Housing Trust	14,257,479	11,821,267
Group Life Insurance	5,701,597	5,651,039
Pension	18,328,512	18,320,526
Travelling and subsistence	116,666,220	98,526,291
Electricity	26,848,339	25,958,828
Telephone	9,664,822	7,621,298
Water	503,372	412,266
Purchase of Goods and other Services	34,999,545	30,388,082
Rent	103,512,255	80,681,409
Directors' Fees	743,000	397,500
Auditors' Remuneration - Current	1,621,097	1,265,000
Depreciation	18,613,355	17,436,134
Security	4,091,153	3,318,262
Other Administrative Costs	126,161	45,286
Training	12,640,814	9,387,614
Loss on Foreign Exchange	544,331	1,732,503
	<u>850,924,538</u>	<u>721,437,170</u>

**18. 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.

**19. 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:

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Expenses paid to Related Parties	<u>41,924,204</u>	<u>33,173,655</u>
Income received from Related Parties	<u>52,011,638</u>	<u>63,878,439</u>

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**NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)**  
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**20. 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 0.26% (2018: 0.19%) is earned through invoicing of customers. Also, the trade receivables represent 3.77% of current assets (2018: 0.10%). 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.

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**20. Financial Instruments & Financial Instruments Risk Management (cont'd)**

(a) Credit risk (Cont'd)

Maximum Exposure to Credit Risk

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Trade Receivables	9,374,658	225,931
Other Receivables	15,808,904	4,683,564
Short-Term Investments	17,030,887	16,184,904
Cash and Cash Equivalents	<u>201,719,765</u>	<u>199,740,892</u>
	<u>243,934,214</u>	<u>220,835,291</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.

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**NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)**  
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**20. 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 0.369% (2018: 0.382%) 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 2019, the Institute's current assets exceeded its current liabilities by \$43,852,704 (2018: \$90,578,308).

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.

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**20. 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 2019**

	Carrying Amount and Contractual Cash Flow	0 - 6 months	6 - 12 months	No specific maturities
	\$	\$	\$	\$
<b><u>Current Assets</u></b>				
Inventories	1,015,182	-	-	1,015,182
Trade and Other Receivables				
Trade	19,914,438	19,914,438	-	-
Other	5,269,124	-	90	5,269,034
Prepayments	3,900,572	3,900,572	-	-
Short-Term Investments	17,030,887	17,030,887	-	-
Cash and Cash Equivalents	<u>201,745,752</u>	<u>-</u>	<u>-</u>	<u>201,745,752</u>
	<u>248,875,955</u>	<u>40,845,897</u>	<u>90</u>	<u>208,029,968</u>
<b><u>Current Liabilities</u></b>				
Trade and Other Payables				
Trade	78,463,899	78,463,899	-	-
Accruals/Other Payables	86,788,569	25,579,980	-	61,208,589
Projects & Contracts	<u>39,770,783</u>	<u>39,770,783</u>	<u>-</u>	<u>-</u>
	<u>205,023,251</u>	<u>143,814,662</u>	<u>-</u>	<u>61,208,589</u>
<b>Net Current (Liabilities)/ Assets</b>	<b><u>43,852,704</u></b>	<b><u>(102,968,765)</u></b>	<b><u>90</u></b>	<b><u>146,821,379</u></b>

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**20. Financial Instruments & Financial Instruments Risk Management (cont'd)**

(b) Liquidity risk (Cont'd)

**31st March 2018**

	Carrying Amount and Contractual Cash Flow	0 - 6 months	6 - 12 months	No specific maturities
	\$	\$	\$	\$
<b><u>Current Assets</u></b>				
Inventories	1,121,854	-	-	1,121,854
Trade and Other Receivables				
Trade	225,931	225,931	-	-
Other	4,683,564	-	45,980	4,637,584
Prepayments	6,785,005	6,785,005	-	-
Short-Term Investments	16,184,904	16,184,904	-	-
Cash and Cash Equivalents	<u>199,766,892</u>	<u>-</u>	<u>-</u>	<u>199,766,892</u>
	<u>228,768,150</u>	<u>23,195,840</u>	<u>45,980</u>	<u>205,526,330</u>
<b><u>Current Liabilities</u></b>				
Trade and Other Payables				
Trade	19,888,186	19,888,186	-	-
Accruals/Other Payables	72,261,082	9,857,695	-	62,403,387
Projects & Contracts	<u>46,040,574</u>	<u>46,040,574</u>	<u>-</u>	<u>-</u>
	<u>138,189,842</u>	<u>75,786,455</u>	<u>-</u>	<u>62,403,387</u>
Net Current (Liabilities)/Assets	<u>90,578,308</u>	<u>(52,590,615)</u>	<u>45,980</u>	<u>143,122,943</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.

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**20. 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:

	<b>Interest Rate</b>	<b>2019</b>	<b>Interest Rate</b>	<b>2018</b>
	<b>%</b>	<b>\$</b>	<b>%</b>	<b>\$</b>
<u>J\$ Bank balances</u>				
Guarantee Account	5.2	16,943,679	5.00 - 5.20	16,098,051
Fixed Deposit	0.5	87,208	0.65	86,853
<u>US\$ Bank balances</u>				
Retained Account -Main	0.05	<u>59,181,869</u>	0.05	<u>59,727,580</u>
		<u>76,212,756</u>		<u>75,912,484</u>

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

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**20. 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%) (2018: one percent (1%) for Jamaican interest-bearing financial assets and a one percent (1%) (2018: 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:

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b><u>Increase in interest rates</u></b>		
<b><u>J\$ Bank balances (1% (2018: 1%))</u></b>		
Guarantee Account	169,437	160,981
Fixed Deposit	872	869
<b><u>US\$ Bank balances (1% (2018: 1%))</u></b>		
Retained Account -Main	<u>591,819</u>	<u>597,276</u>
Increase in surplus/deficit and accumulated fund	<u><u>762,128</u></u>	<u><u>759,125</u></u>
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b><u>Decrease in interest rates</u></b>		
<b><u>J\$ Bank balances (1% (2018: 1%))</u></b>		
Guarantee Account	(169,437)	(160,981)
Fixed Deposit	(872)	(869)
<b><u>US\$ Bank balances (0.5% (2018:0.5%))</u></b>		
Retained Account -Main	<u>(295,909)</u>	<u>(298,638)</u>
Decrease in surplus/deficit and accumulated fund	<u><u>(466,218)</u></u>	<u><u>(460,487)</u></u>

Between April 2018 and March 2019, the interest rate on Bank of Jamaica 3 - 6 months Commercial bank deposits decreased by 131 basis points from 3.88 % to 2.57%. 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 2018 to 31st March 2019, the Institute was a net expender of foreign currency.

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**20. 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:

	<b>2019</b>	<b>2018</b>
	<b><u>US\$</u></b>	<b><u>US\$</u></b>
Retained Account -Main	<u>478,920</u>	<u>477,995</u>

**Sensitivity analysis**

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

	<b><u>US\$</u></b>
3rd June 2019	132.61
31st March 2019	126.47
31st March 2018	125.98

Over the period April 2018 to March 2019 there was a 0.39% depreciation of the Jamaican dollar against the US dollar. Between March 2019 and June 2019 there was a 4.85% 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:

	<b><u>Movement</u></b>	<b>2019</b>	<b><u>Movement</u></b>	<b>2018</b>
	<b><u>%</u></b>	<b><u>J\$</u></b>	<b><u>%</u></b>	<b><u>J\$</u></b>
United States dollar	4	<u>2,422,760</u>	4	<u>2,408,808</u>
United States dollar	-2	<u>(1,211,380)</u>	-2	<u>(1,204,404)</u>

The analysis is computed on the same basis for 2018 and assumes that all other variables, in particular, interest rates, remain constant.

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**20. 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:

	<b>Movement</b>	<b>2019</b>	<b>2018</b>
	<u>%</u>	<u>J\$</u>	<u>J\$</u>
United States dollar	2	<u>1,211,380</u>	<u>1,204,404</u>

The analysis assumes that all other variables, in particular, interest rates, remain constant. The analysis is performed on the same basis for 2018.

**(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.

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**NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)**  
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**20. 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:

	<b>2019</b>	<b>2018</b>
	<b>₹</b>	<b>₹</b>
Capital Fund	27,762,885	28,941,505
Capital Grants	4,589,773	4,589,773
Retirement Benefit Reserve	222,412,000	327,753,000
General Reserve Fund	84,628,128	110,584,256
	<u>339,392,786</u>	<u>471,868,534</u>

## Schedule 1

### Statistical Reports Published in 2018/19

#### Monthly Statistics

- Consumer Price Indices (CPI)
- Producer Price Indices (PPI)
- International Merchandise Trade (IMT)

#### Quarterly Statistics

- Gross Domestic Product (GDP) by product
- Labour Force

#### Annual Statistics

- CPI Annual Review 2018
- PPI Annual Review 2018
- National Income and Product (NIP) 2017

## Schedule 2

### Glossary of Acronyms

BOJ	Bank of Jamaica
BR	Business Register
CAPI	Computer Assisted Personal Interviews
CARICOM	Caribbean Community
CARTAC	Caribbean Regional Technical Assistance Centre
COFOG	Classification of the Functions of Government
COPNI	Classification of the Purposes of Non-Profit Institutions
CPI	Consumer Price Index
ED	Enumeration District
e-DaCS	Electronic Data Collection System
ED	Enumeration District
e-GDDS	Enhanced General Data Dissemination Standard
EG-NQAF	Expert Group on National Quality Assurance Frameworks
FAA	Financial Administration and Audit
FCGP	Foundations for Competitiveness and Growth
FDES	Framework for the Development of Environment Statistics
FSC	Financial Services Commission
GDP	Gross Domestic Product
GDP-E	Gross Domestic Product by Expenditure
GKMA	Greater Kingston Metropolitan Areas
GOJ	Government of Jamaica
HES	Household Expenditure Survey
HLPF	High Level Political Forum
HRS	House Rental Survey
IAEG-SDG	Inter-agency and expert group on sustainable development goals
ICCS	International Classification of Crimes for Statistical purposes
ICP	International Comparison Program
ICT	Information and Communication Technology
IDB	Inter-American Development Bank

## Glossary of Acronyms

IES	Inflation Expectation Survey
IIP	Index of Industrial Production
IMF	International Monetary Fund
IMTS	International Merchandise Trade Statistics
ISCED	International Standard Classification on Education
JSE	Jamaica Survey of Establishments
JSLC	Jamaica Survey of Living Conditions
LFS	Labour Force Survey
MDAs	Ministries, Departments and Agencies
MOFPS	Ministry of Finance and the Public Service
NGOs	Non-Governmental Organisations
NIP	National Income Product
NPISH	Non-profit Institutions Serving Households
NQAF	National Quality Assurance Framework
NSDS	National Strategy for the Development of Statistics
NSS	National Statistics System
OUC	Other Urban Centres
P & R	Principles and Recommendations
PAPI	Paper and Pencil Interview
PARIS21	Partnership in Statistics for Development in the 21st Century
PBMA	Public Bodies Management and Accountability
PIOJ	Planning Institute of Jamaica
PPI	Producer Price Index
PPPs	Purchasing Power Parities
PRASC	Project for the Regional Advancement of Statistics in the Caribbean
PVI	Production Volume Index
SDDS	Special Data Dissemination Standard
SDGs	Sustainable Development Goals
SEEA	System of Environment-Economic Accounting
SNA	System of National Accounts
SQAF	STATIN Quality Assurance Framework

## Glossary of Acronyms

StatCan	Statistics Canada
STATIN	Statistical Institute of Jamaica
SUT	Supply and Use Table
UN	United Nations
UNECLAC	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
VNR	Voluntary National Review
WHS	Women's Health Survey
XMPI	Export Import Price Indices



