



**JAMPRO**  
TRADE & INVESTMENT JAMAICA

DOING BUSINESS IN

**JAMAICA's**

**KNOWLEDGE SERVICES SECTOR**

JAMPRO Knowledge Services Department  
March 2014



## Executive Summary

As the third largest English-speaking population in the Americas, Jamaica is an excellent location for nearshore outsourcing for the North America market.

With labour force of 1.3 million, an unemployment rate of 14% and a weak currency, the country offers competitive cost in terms of salaries and operating costs.

There are approximately 70,000 students enrolled in tertiary level institutions, that offer at a minimum, Associate's level degrees in subjects such as Computer Sciences, Finance and Accounting, Management and Social Sciences.

Jamaica also offers a competitive suite of incentives for companies granted Free Zone status, which, as at the time of writing, exempts those companies from, among other things, payment of a corporate/ income tax, tax on dividends and the repatriation of profits.

The Jamaica Promotion Corporation (JAMPRO), Jamaica's trade and investment promotion agency, stands ready to assist in the requisite due diligence processes (data requests, onsite visits, etc.) that might be needed to facilitate decision making.

## CONTENTS

<b>Jamaica: Highlights</b>	<b>2</b>
Country Snapshot	2
Why Jamaica?	3
Independent Rankings	4
Incentives	4
<b>Jamaica: BPO Sector Landscape</b>	<b>5</b>
Overview	5
Industry Served	5
Workforce Strengths	5
Major Contact Centre/BPOs	6
<b>Jamaica: Talent</b>	<b>8</b>
Overview	8
Typical Call Care & BPO Salaries	8
Typical F&A Salaries	9
Typical Benefits & Allowances	9
Employee Taxes & Deductions	10
<b>Jamaica: Education</b>	<b>11</b>
Overview	11
Enrolment numbers	11
CSEC Exams (2012)	12
Tertiary Education	13
Tertiary Graduates (2012)	13
<b>Jamaica: Telecoms Infrastructure</b>	<b>14</b>
Overview	14
Data Centre Facilities & Services	14-15
International Connectivity	16

# JAMAICA: HIGHLIGHTS

## Jamaica – Country Snapshot

### Population

- 2.71m (2012)
- 52% of the population lives in urban areas
- Age Group: 62.3% between 15 – 64 yrs.

### Labor Force

- 1.324 million

### Capital City

- Kingston

### Major Cities (Population)

- Kingston (666,041)
- Montego Bay (184,662)

### Currency

- Jamaican Dollar (JMD)
- USD 1.00 = 107.7  
(average, Feb 2014)

### Official Language

- English

### Unemployment Rate

- 15.4% (July 2013)

### Literacy Rate

- 91%

### Macro Economic Indicators

- GDP (PPP): \$24.58 billion  
(2011 est.)
- GDP Growth Rate: 1.5% (2011)
- Inflation: 7.7% (2011 est.)
- Interest rate: 18%



# Why Jamaica



- **Strategic location**

A major driver for Jamaican Outsourcing is its location relative to US and Canada. Jamaica is located in the Eastern time zone.

There is a maximum of three hours' time difference between major US and Canadian cities. New York and Toronto are in the same time zone as Jamaica and there is a one time difference with Chicago.

- **An educated and diverse talent pool**

Population of about 2.89 million with a labour force of 1.3 million which comprises 103,000 university graduates and 400,000 secondary graduates from various functions like F&A, HR, healthcare, etc.

Jamaica has the largest English-speaking population in the Caribbean, and the third largest in the Americas, behind the US and Canada.

- **Strong Government support**

**Training Incentives:** The National training agency is a system in which technical support financing is provided for a number of roles related to the BPO and IT Services Sector.

**FTZ Incentives:** Throughout Jamaica you can acquire Free trade status for any facility and avail various benefits like 100% tax exemption, import duty exemption, etc.

- **Cultural / Linguistic alignment**

As an English-speaking country relatively close to NA, Jamaica enjoys significant advantages, especially in terms of customer-facing outsourcing.

- **Reliable, Scalable & High Quality Infrastructure**

Jamaica's world-class and robust telecoms infrastructure supports all the requirements for global connectivity and ranks among the most developed in the world when compared to the US and Europe.

## Independent Ranking



## Incentives

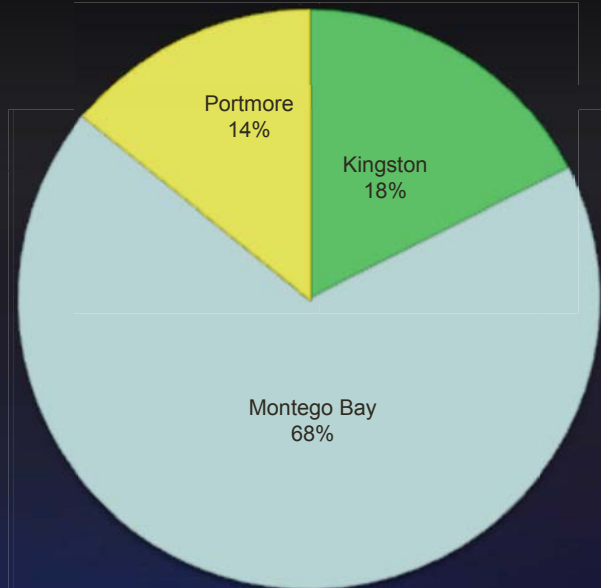
- A broad range of incentives are available for ICT/BPO companies.
- For companies that export 85% or more of their services, they are eligible to be resident in an existing Free Zone (FZ), or to secure status as a Single Entity Free Zone (SEFZ), which can operate from any location within Jamaica.
- A FZ resident, or a SEFZ is entitled to the benefits under the Jamaica (see

Income Tax Exemption on Profits
100% exemption on corporate tax (income tax & tax on profits)
Import duty exemptions on capita equipment
An FZ company can import the following into the FZ, free of customs, consumption and stamp duties: <ul style="list-style-type: none"> <li>• capital and consumer goods</li> <li>• raw materials, components and articles used for approved activities</li> <li>• articles imported for the construction, alteration, reconstruction, extension or repair of premises in the FZ</li> <li>• articles for equipping premises, including office equipment</li> </ul>
No restriction on repatriation of foreign exchange
<ul style="list-style-type: none"> <li>• No restriction on the repatriation of foreign currency</li> <li>• Free Zone companies can operate foreign currency accounts</li> <li>• Free market economy with a liberalised foreign exchange system</li> </ul>

# JAMAICA'S BPO LANDSCAPE

## Overview

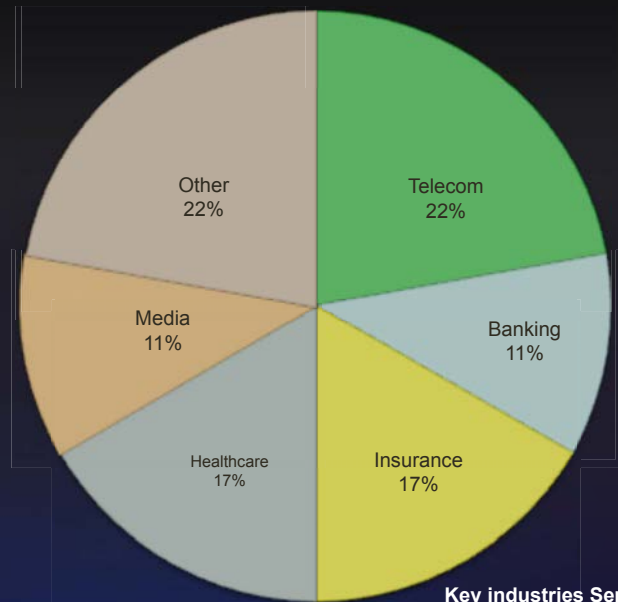
- Approximately 36 companies offer call centre and BPO services in Jamaica
- Companies are a combination of captives and BPOs, as well as local and foreign-owned companies
- Jamaica's outsourcing sector is estimated at 14,000 agents, and generates revenues in excess of USD 230 million
- Majority of operations are located in Montego Bay, Kingston and Portmore



# JAMAICA'S BPO LANDSCAPE

## Industries Served

- A variety of industries including telecoms, banking insurance, healthcare, graphic design, and retail, are being serviced from Jamaica
- Services being provided include customer care, tech support, gaming, finance and accounting services
- Most contact centres in particular operate 24x7, with employees working shifts, usually up to a 40-hour work week.

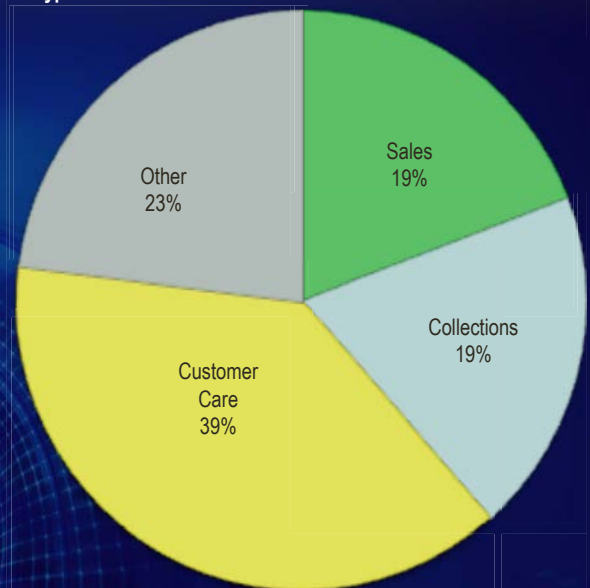


Key industries Served

## Workforce Strengths

- Strong English language skills, cultural affinity and personable manner suitable for voice-driven services are available in Jamaica
- The USA, UK and Canada lead the geographies that are being served
- Jamaica's geographic location in the Americas and physical proximity lends itself to nearshore opportunities
- The difference in time zones between Jamaica and Europe offers the advantage of providing after hours work hours services for the European market.

Types of work handled



# Major Contact Centres/BPOs



Transaction processing, call centre services, student and auto loan processing, finance and accounting, administrative services



Customer care, sales, technical support



Accounts receivable management; early stage delinquency/deficiency balances.



*Fullgram Solutions*

Customer care, sales, technical support



Contact centre and business process outsourcing



Customer care, technical support, sales



Customer care, sales, technical support



Contact centre and back office



Customer care, sales, technical support



Accounts receivable management



Transaction processing, call centre services, student and auto loan processing, finance and accounting, administrative services



Customer care, sales, technical support, graphic design



# JAMAICA: TALENT

## Overview

- Jamaica's ITES sector is estimated at 14,000 employees
- At least 75% of the industry is focused on voice-driven services
- Customer care
- Sales
- Collections
- BPO is growing, specifically, the Finance & Accounting, and Legal segments
- ITO is also developing, especially the software development segments



## Typical Call Centre & BPO Salaries

Customer care in Jamaica is typically focused on retail consumers, and providing sales, inquiry, complaints and technical support services.

Position	Gross Salary			
	Hourly	Daily	Monthly	Annual
Call Centre (entry level)	\$3.25	\$26	\$520	\$6,240
Supervisor/Team lead	\$7.00	\$56	\$1,120	\$13,440
FAO/BPO	\$13.50	\$108	\$2,160	\$25,920
Manager	\$29.00	\$232	\$4,640	\$55,680

Source: Internal industry survey

# JAMAICA: TALENT

## Typical F&A Salaries

The table below shows a range of Finance and Accounting positions, which could be used to approximate to those required.

Position	Basic Annual Salary/ USD		
	Minimum	Maximum	Average
Accounting Clerk	\$3,333	\$21,244	\$11,002
Accounting Officer	\$4,000	\$22,222	\$11,955
Accounting Supervisor	\$12,186	\$40,560	\$27,920
Accounting Assistant	\$8,667	\$35,304	\$17,141
Junior Accountant	\$17,160	\$26,667	\$21,913
Receivables Clerk	\$7,436	\$9,672	\$8,487
Billing Clerk	\$10,405	\$16,145	\$13,275
Business Analyst	\$14,599	\$35,304	\$21,469
Revenue Analyst	\$17,423	\$31,595	\$23,495

Source: Jamaica Employers Federation Salary and

## Typical Benefits & Allowances

Employers have the opportunity to distinguish themselves from their competitors based on the benefits and allowances provided, which could include:

- Health insurance
- Life insurance
- Transportation or travelling allowance
- Uniform allowance
- Lunch allowance

Additionally, Jamaica's Labour Laws prescribe certain minimum employee rights, which an employer can augment:

- Sick leave – 5 working days, year 1; 10 working days, year 2+
- Annual leave – 2 weeks paid leave (minimum)
- Maternity leave – 12 weeks' paid maternity leave, 8 of which must be paid by employer
- Fringe benefits vary by employee position and by industry, but generally range between 22–25% of wages

# JAMAICA: TALENT

## Employee Taxes & Deductions



Deduction	Payment as a percentage of gross salary	
	Employee	Employer
National Insurance Scheme (N.I.S.)	2.45%	2.45%
National Housing Trust (N.H.T.)	2%	3%
Education Tax	2%, reduced by the amount of N.I.S.*	3%
Income Tax (P.A.Y.E.)	25%, reduced by the N.I.S. amount and the Tax Relief amount **	-

\* Prior to calculating the Education Tax for the employee's contribution, the NIS amount is deducted from the gross salary

\*\* Prior to calculating PAYE, the NIS amount + the tax free threshold is deducted from the gross salary

# JAMAICA: EDUCATION

## Overview

- Education in Jamaica is based on the British system
- Primary school curriculum (Grades 1 – 6) has been developed by the Ministry of Education
- Secondary School curriculum (Grades 7–13) is regionally developed by the Caribbean Examination Council (CXC)
- CXC administers two examinations:
  - Caribbean Secondary Examination Certificate (CSEC) – formerly O-Levels – at Grade 11
  - Caribbean Advanced Proficiency Certificate (CAPE) - formerly A-Levels - at Grade 13
- Based on their results at either the CSEC or the CAPE examinations, students can matriculate successfully into a 3-year or 4-year university degree programme.

## Enrolment Numbers

Enrollment numbers for 2011/12 are presented in the table below.

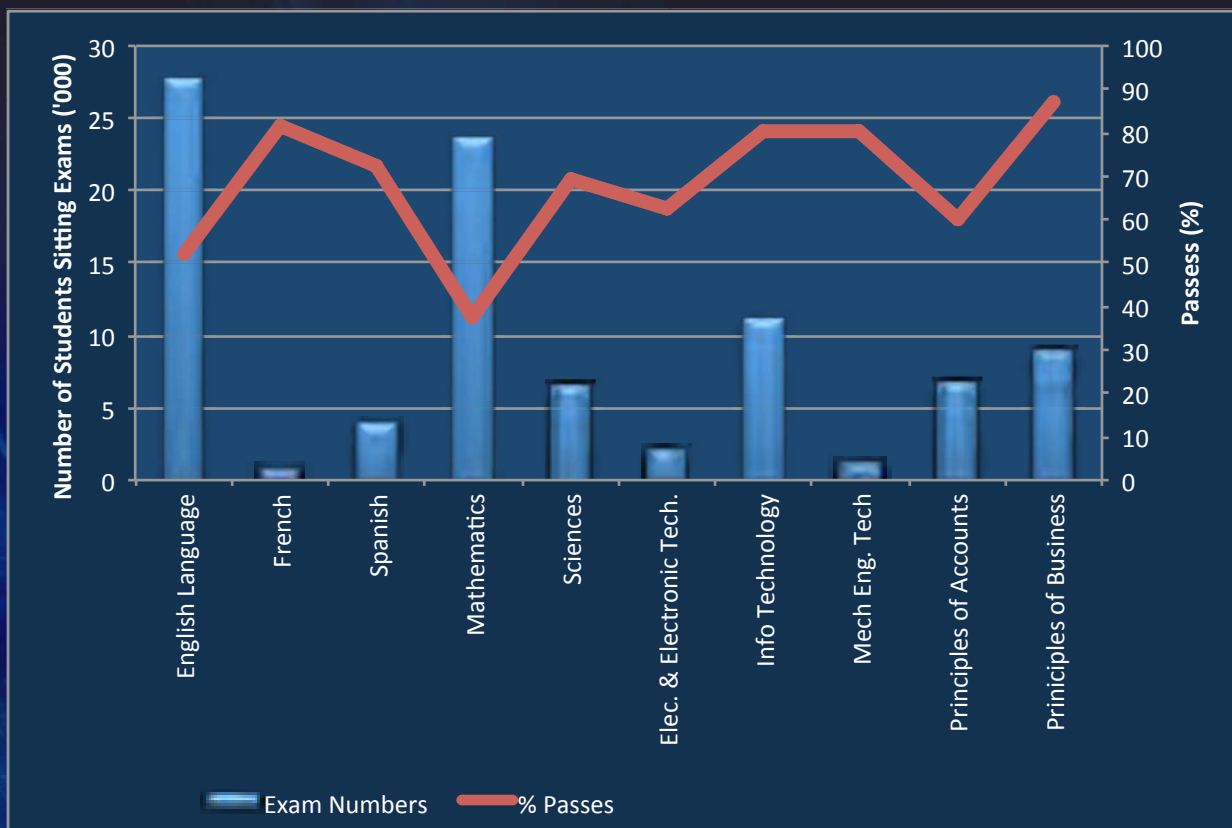
Education Level	Description	Enrolment
Early Childhood Education	Kindergarten (3–5 yrs)	132,143
Primary Education	Grades 1–6	283,628
Secondary Education	Grades 7–13	251,738
Technical & Vocational	Post-secondary	50,303
Tertiary Education	Post-secondary	74,601

Source: Economic & Social Survey Jamaica 2012

# JAMAICA: EDUCATION

## CSEC Exams (2012)

- Approx. 37,500 Grade 11 students registered to sit the 2012 CSEC exams
- Typically, students take a minimum of five subjects, including Mathematics and English
- Up to 35 different subjects are tested by at the CSEC level
- The graph shows the number of students sat and the % passes received in select subjects in 2012 CSEC exams.



Source: Economic & Social Survey Jamaica 2012

# JAMAICA: TALENT

## Tertiary Education

- Approx. 75,000 persons enrolled in tertiary-level institutions in Jamaica
- There are 4 main universities, and over 120 colleges and other tertiary institutions in Jamaica, some of which offer specialty disciplines, e.g. teaching, business, accounting
- The four main universities are account for 50% of the tertiary enrollment in 2011/2012:
  - Northern Caribbean University: 5,933
  - University College of the Caribbean: 3,567
  - University of Technology: 13,011
  - University of the West Indies: 14,140

Source: Economic & Social Survey Jamaica 2012

## Tertiary Graduates

Select Disciplines/Sectors	Output
Finance & Management	5,090
Teaching/Education	4,605
Medical & Dental	1,461
Social Science	1,022
Computing	954
Natural Science	367
Construction & Surveying	335
Law	305
Engineering	286

- In 2012, approx. 15,500 students graduated from the main tertiary institutions
- With enrolment increasing year on year, graduate numbers are also expected to increase
- The table (left) show graduate numbers for popular disciplines
- The table does not include outputs from short courses or professional development initiatives for which students do not

Source: Economic & Social Survey Jamaica 2012

# JAMAICA: TELECOMS

## Overview

- Jamaica boasts modern fixed-line and mobile telephony and Internet infrastructure
- Three (3) national carriers provide residential and business telecoms services in Jamaica:
  - Digicel
  - Flow (a Columbus Communications subsidiary)
  - LIME (a Cable & Wireless subsidiary)
- International Direct Dialling is available worldwide
- Carrier connections available to major international cities
- Tier III certified data centre resident on island offering a broad range of services



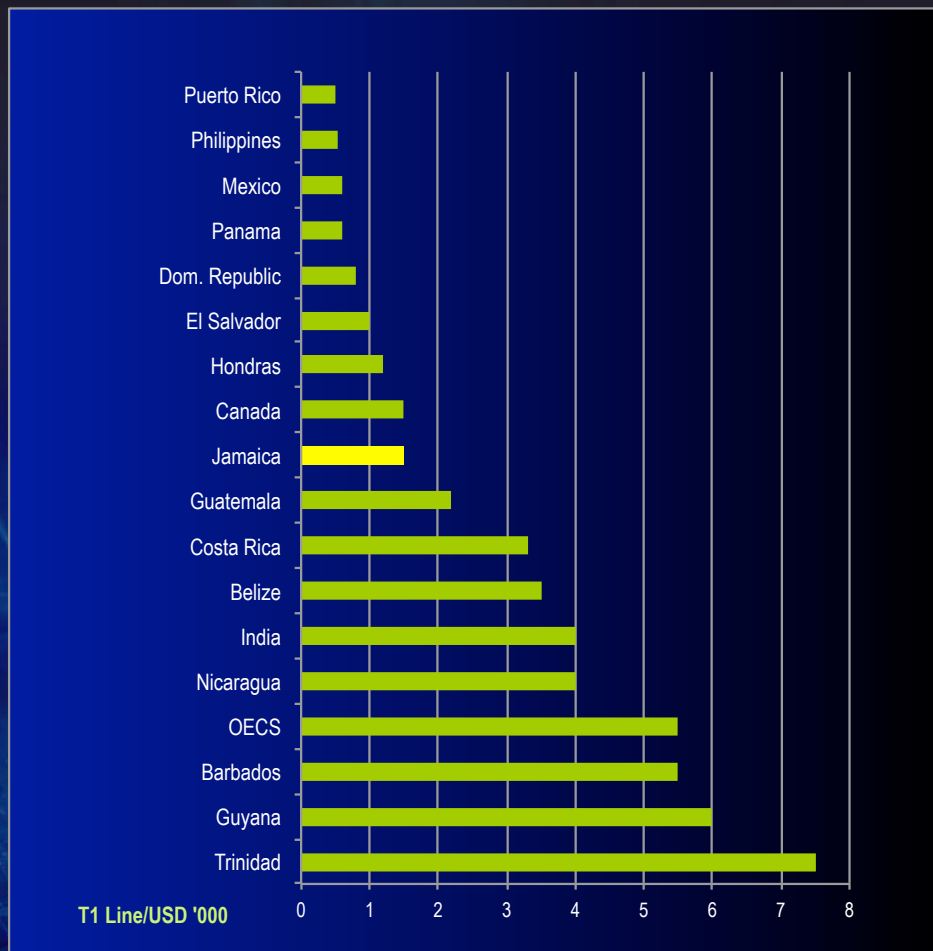
## Data Centre Facilities

- Currently 3 public data centres, up to Tier III certified
- 24/7 Network Operation Centres (NOC)
- Broad range of services offered, including Colocation, Cloud Services, Business Continuity, Hosted Voice, IaaS, PaaS, Virtualization, Caged environments, MPLS/VLAN circuits
- Multiple fibre connections provide redundancy

# JAMAICA: TELECOMS

## Data Services

- Data services are provided by the three national carriers
- A full suite of IP services is offered, including:
  - Layer 2 and 3 VPN
  - Ethernet
  - MPLS services
- 100 Mbps connectivity, through to 10 GB+ circuits available
- Services can be fully redundant and are available at highly competitive prices.



Source: Zagada 2011



# International Connectivity

- Jamaica has five active submarine cable systems with up to 10 TB of unused capacity.
- Three cables ultimately connect to the United States (Fibralink, East-West, CFX-1)
- On-island latency is in the region of 5 milliseconds on-island
- Latency to the United States is as low as 20 milliseconds
- Flow & LIME sister subsidiaries have established a JV to merge their submarine cable networks, resulting in greater economies of scale and scope

Cables	Owners	Landing points
<b>Fibralink</b>	Columbus Networks	Bull Bay (Jamaica) Puerto Plata (Don Rep)
<b>East-West</b>	CWC	Haina (Dom. Rep.) Harbour View (Jamaica) Nanny Cay (BVI)
<b>Cayman— Jamaica Fibre</b>	CWC	Cayman Brac (Cayman Is) Kingston (Jamaica).
<b>Colombia— Florida Sea Fibre (CFX-1)</b>	Columbus Networks	Boca Raton, Florida (USA) Morant Point (Jamaica) Cartagena (Columbia)
<b>ALBA -1</b>	Trans Telecoms Venezuela	La Guaira, (Venezuela) Ocho Rios (Jamaica) Siboney (Cuba)

Source: Telegeography



**JAMPRO**  
TRADE & INVESTMENT JAMAICA

## Facilitating Investment in Jamaica

Jamaica is the place to do business on a global scale, and JAMPRO – the national investment and export promotion agency - is the gateway that connects the world to Jamaica. In extending Jamaica's image beyond that of a tourist destination, the agency works closely with entrepreneurs from around the globe to enable them to tap into the wealth of investment and trade opportunities available in the country.

Operating under the direction of the Ministry of Industry, Investment and Commerce (MIIC), JAMPRO promotes investments in a number of targeted sectors, which include the creative industries (film, music and entertainment), manufacturing, tourism, agri-business, information and communication technology, mining and professional services. In facilitating both local and foreign direct investment, JAMPRO guides investors through the necessary processes to ensure expedient and successful start-up. The agency also offers development support services after an investment project becomes operational. This serves to encourage continued growth and maximise the contribution of the investment to the national economy.

In order to ensure the smooth implementation of investment projects, JAMPRO offers a suite of services in partnership with key government agencies and ministries. These services include securing work

permits, non-tourist visas, duty waiver concessions, incentives, appropriate permits/licences, customs clearances, fiscal incentives, and building and development approvals.

In this regard, JAMPRO collaborates with the National Environment and Planning Agency (NEPA), Jamaica Customs Department, the ministries of Industry, Investment & Commerce, Finance, Labour and Tourism, and the various Parish Councils. These entities are guided by the mandate to simplify and harmonise the processes, procedures and documentation related to getting an investment off the ground.

The agency's cadre of knowledgeable and professional business facilitators are ready to assist all potential investors, who can also access pertinent information on Jamaica and investment prospects through JAMPRO's website at [www.tradeandinvestjamaica.org](http://www.tradeandinvestjamaica.org).

JAMPRO remains committed to improving promoting, stimulating and facilitating the development of industry and trade, improving the nation's business climate, and fostering economic relationships with key players in international markets.



**JAMPRO**  
TRADE & INVESTMENT JAMAICA

# Contact Us

JAMPRO  
Head Office  
18 Trafalgar Road  
Kingston 10, Jamaica W.I.  
Tel: +1 876 978-7755; 978-3337  
Toll Free: +1 877 INVESTJA (468 4352)  
Fax: +1 876 946 0090  
Email: [info@jamprocorp.com](mailto:info@jamprocorp.com)  
[www.tradeandinvestjamaica.org](http://www.tradeandinvestjamaica.org)

NORTH AMERICAN REGIONAL OFFICE  
303 Eglinton Avenue East, 2nd Floor  
Toronto, Ontario, M4P 1L3, Canada  
Tel: 416-932-2200 (main) 416-598-3008  
Fax: 416-932-2207  
Toll Free: 1-877-744-2208  
Email: [jamprocanada@jamprocorp.com](mailto:jamprocanada@jamprocorp.com)

EUROPEAN REGIONAL OFFICE  
JAMPRO / Jamaica Trade Commission  
1 Prince Consort Road,  
London SW7 2BZ, England  
Tel: + 44 20 7 584 8894  
Fax: + 44 20 7 823 9886  
Email: [jamprouk@jamprocorp.com](mailto:jamprouk@jamprocorp.com)

[www.tradeandinvestjamaica.org](http://www.tradeandinvestjamaica.org)