

Chapter 2. A Brief Background on Jamaica

II.1 Introduction

This chapter provides background information on Jamaica. First, the main features of the education system are summarized, including a discussion of the uptake of education by children in Jamaica. It will be shown, for example, that illiteracy is still an important problem in Jamaica, despite universal enrollment in primary schools and despite the fact that the average child completes 11 years of schooling. Second, a description of family structure in Jamaica, and the linkage between family structure and childbearing, is given. It will be seen that many children in Jamaica are born out of wedlock, and that most of their primary schooling years are likely spent with an unwed mother. Even though the number of persons who are married increases fairly rapidly with age, a significant number of persons are still unmarried at the age of 50. The final section summarizes the recent performance of the Jamaican economy and the characteristics of the labor force.

II.2 Education in Jamaica

II.2.1 The Jamaican Education System⁵

There are three primary tracks available for education in Jamaica, public primary, (public) all-age (grades 1 - 6) and private preparatory schools. Private preparatory schools account for 4% of the primary cohort and public primary and all-age schools share the other 96% almost equally. Significant differences exist among the three types and within each type (especially among the public schools). Parents are free to choose the type of school their children attend, subject to their resources and the physical distances to the schools. Private preparatory schools usually have higher tuition costs and are located near urban centers.

There are two secondary cycles, grades 7-9 and grades 10 and 11. A grade 7-9 education can be obtained in all-age (26%), new secondary (38%), secondary-high (22%), comprehensive-high (4%), technical-high (3%), or independent-high (6%) schools. Except for all-age schools, all types provide the second cycle. Some secondary-high schools continue to grades 12 and 13.⁶ No certification is provided at the end of grade 9 in all-age schools but a small number of students gain acceptance to secondary high and technical high schools through exceptional performance on the Grade 9 Achievement Test. Therefore, almost all of the 26% of students in these schools end their formal education at age 15.

⁵The information in this section is drawn mainly from *Jamaica Five Year Development Plan 1990 - 1995: Education* published by the Planning Institute of Jamaica and the Ministry of Education.

⁶ Grades 12 and 13 are mostly geared towards students who wish to enter college.

Secondary-high schools provide the highest quality secondary education. Most students entering these schools are selected based on their performance in the national Common Entrance Exam (CEE); only about 5% gain entrance at the discretion of the school principal. Religious and other organizations own most of these schools but they are considered public and most of their funds come from the Ministry of Education. Students in these schools usually obtain an academic education. Students in *new secondary* schools spend a significant portion of their time doing a vocation option. Students are automatically accepted to these schools at the end of primary school. The quality differences between the secondary-high and the new secondary schools are also believed to be high.

Students between ages 10 and 12 years may take the CEE. Performance on the CEE determines whether a student qualifies for a place in secondary-high school. Not all students take the CEE. Typically, at the start of grade 4, teachers select those students who they believe are bright enough to attempt the exam and start a 2 to 3 year preparation for the exam. Since the CEE is not based on the normal curricular programs, the normal curriculum is often neglected as teachers focus the selected students directly on material related to the CEE. Because of the competition for common entrance scholarships (there are only 13,000 places while 50,000 students take the exams each year), some schools begin their preparation sooner. Parents with enough resources may hire private tutors for their children. There is a strong correlation between passing the common entrance exams and future labor market outcome since *almost all* college students have passed the common entrance exam and attended a secondary-high school.⁷

II.2.2 Public Investment in Education in Jamaica

Jamaica has always had a strong public commitment to education. In 1980, public expenditure on education was 7 percent of GNP, a figure surpassed by only a few countries at that time, including countries such as the Netherlands and Israel. Structural adjustment programs and debt servicing have forced large cutbacks in expenditure on social services since 1980, and these cutbacks affected education expenditures dramatically. As a result, the share of GNP that went to education in 1992 was only 4.7 percent, but even so Jamaica is still close to the world average. Education also suffered as a share of the budget, falling from 15 percent in 1983/84 to about 12 percent in 1992.

In the *Jamaica Five Year Development Plan: Education* (1991) (JDPE) the Ministry of Education points out two internal problems that significantly curtail the efficiency of the resources expended on education. The first is a lack of coordination and proper management and the second is an imbalance in expenditure per pupil at different levels of the education system. Public expenditure per head on third-level (tertiary) students is substantially higher than that on primary or secondary-level students. In 1992, for example, the public expenditure per pupil as a percentage of GNP per capita was 6

⁷ Only 6% of the students from other secondary tracks go on a tertiary education.

percent for pre-primary and first-level students, 12 percent for secondary-level students and 123 percent for third-level students.⁸

Table II.1 Private Costs of Attending Jamaica's three Secondary Tracts

School Cost	School Type		
	All-age (grades 7-9)	Voc. Secondary	Secondary-High
Tuition (annual \$)	39.0	94.4	582.3
Books (annual \$)	110.2	198.0	497.0
Uniform (annual \$)	198.0	250.0	363.4
Other Supplies (annual \$)	44.4	81.6	117.3
Transportation (daily \$)	1.9	2.6	3.8
Distance to school (miles)	1.94	3.66	6.92
Walk to school (%)	73.3	34	14.7

Source: Jamaica Survey of Living Conditions, 1990.

Primary education is provided free of cost and students in the vocational secondary tract pay only small fees.⁹ Books in reading and mathematics are provided for primary school students and in some types of secondary school. Some secondary schools also provide books on a rental basis. Data from the Living Standards Measurement Survey (1989-1993) indicate that by 1993, about 72 percent of primary- and 66 percent of secondary-level children were attending schools that provide meals at school at very minimal cost, if at all (Handa and King, 1997). These data also indicated that poorer children were more likely to be attending schools that provide meals.

Even though primary school and vocational secondary school are relatively inexpensive to parents, secondary-high schools are not. Table II.1 gives average private cost per pupil for the three secondary tracts with the largest populations. First, it shows that secondary-high schools have higher tuition costs. The average tuition for secondary-high school is about 15 times that of the all-age schools and more than six times as high as tuition in vocational secondary schools. Because each high school has its own school board, and hence discretion over school fees, the fees vary considerably across schools. Second, since high schools focus on a wider range of academic subjects, the cost of school material is higher than for other types of secondary schools. For example, the average annual cost of books for all-age (vocational secondary) school students is just about 20 percent (40 percent) of the cost of books for high school students. The third significant cost of sending a child to a high school is likely to be transportation cost. In rural areas in particular, the nearest high school is likely to be farther away than the nearest vocational or all-age school. As a result, as is suggested by table II.1, while the majority of all-age school students can walk to school, only about 15 percent of high school students can. There are some costs that do not vary much across school type. The cost of uniforms, for example, even though highest for high school students, is not higher

⁸ Per capita expenditure on tertiary students as a percentage of GNP per head was 205 percent in 1980. It has fallen since 1982, the year the government introduced cost-sharing in tertiary education. Only two other countries in the Caribbean (Haiti and St. Lucia) have such disparate expenditure at each level of the education system. Education expenditure per pupil as a percentage of GNP per capita in the US, Canada and Europe is much higher at the first level and much lower at the tertiary level.

⁹ Fees for students in post-primary education were introduced in the 1980s.

by big margins. Clearly, the average cost of attending a high school is significantly higher than other types of secondary schools, and the costs are likely to grow as the child progresses to higher grades. Relatively poor mothers who have a child who passes the common-entrance exam probably know that, quality adjusted, the cost of high school is smaller than it appears, but the immediate financial requirement can still be staggering.

There is a fairly wide network of schools.¹⁰ In 1988 there were 872 primary schools (787 of them were public) and 740 secondary schools. The average primary school child is about 2.5 miles from school. Capacity constraints are becoming a serious problem because a small proportion of the education budget goes to capital expenditures. The government estimated that in 1987/88 the excess of enrolment over capacity was 28 percent in primary schools. The capacity problem is worst in secondary schools (Handa and King, 1997).

Teacher training is provided through government operated teacher-training colleges. The percentage of teachers with college training has doubled over the past twenty years. In the 1992/93 school year 87 percent of the teachers in the public school system had college training. The percentage of untrained teachers is greater in the primary schools. The teacher/pupil ratio, another indicator of the quality of instruction, varies greatly, depending on the parish and how rural the school is. In 1993 the teacher/pupil ratio was 33:1 in the primary system and 22:1 in the secondary system.¹¹

II.2.3 The Uptake of Education and the Performance of Jamaica Children

Primary school enrollment is universal in Jamaica for both males and females, though daily attendance rates are about 70 percent. Attendance rates are lower for rural children and poor children. Enrollment in secondary schools is currently at about 2/3 of the 12-18 age cohort¹², but this is an improvement over the 55 percent who were enrolled in 1987 (JDPE). The daily attendance rate at secondary schools averages about 65 percent. About 26 percent of Jamaican children who attend post-primary schools end their formal education when they are 15 years old.¹³ Each child is expected to complete 11 years of schooling but the fact that promotion is automatic in primary and many secondary schools means that years of schooling provides little information about human capital acquired. In the 1987/88 school year the average repetition rate for grade 2 to grade 5 was between 1.3 and 2 percent.

Each year, over 50,000 children between 10 and 12 years old take the national Common Entrance Exam, which determines whether a child attends an academic high school or a vocational secondary school. Nearly 60 percent of the children from private preparatory schools and 22 percent of the children from public primary schools usually pass this exam. In 1988 the Ministry of Education administered the National Assessment

¹⁰ Jamaica is only 11,000 square kilometers and 1/3 of the population (2.5 million) live in Kingston, the largest city. It is 150 miles long and 50 miles wide.

¹¹ *World Education Report 1995*, UNESCO Publishing, Oxford University Press.

¹² *Country Profile: Jamaica/Barbados 1995-96*, Economist Intelligence Unit. Various years of this publication were used. From now on it will be referenced as EIU.

¹³ This does not take into account the fact that many students end their education after primary school.

Table II.2 Jamaica Sixth Grade Achievement Test Results, 1988

Subject	Average Correct Scores (percent)
Mathematics	36
Science	39
Social Studies	36
Language Arts	41
Functional Literacy	31

Source: Caribbean Region: Access, Quality, and Efficiency in Education, The World Bank (1993) p. 65

Programs Grade 6 Achievement Test. This test indicated that 31 percent of grade 6 students could be considered functionally illiterate.¹⁴ Performance in specific subject areas was also poor, as is indicated by Table II.2. Also, a mathematics test was developed by the University of the West Indies Faculty of Education and administered at about the same time to a sample of primary school students. 77 percent of the students scored less than 50 percent on this exam.

Table II.3 Percentage of Jamaican Students Attaining Passing Grades in the Caribbean Examination Council General Proficiency Examinations

Subject	1988	1991	
	Percent Passing	Number Taking	Percent Passing
English Language	32.0	13,855	26.2
English Literature		4,612	44.1
Mathematics	29.0	12,105	28.4
History	47.0	4,037	51.2
Integrated Science	16.0		
Physics		1,764	37.2
Chemistry		1,788	43.0
Biology	29.0	2,780	20.9
Spanish		1,006	59.5

Source: *Jamaica Five Year Development Plan: Education* (Table 15) & *Economic and Social Survey of Jamaica, 1992* (Table 18.8).

Performance is similarly poor at the end of secondary school. At the end of secondary school students from mostly secondary-high (academic-high) schools take a series of exams in various subjects, administered by the Caribbean Examination Council (CXC). These exams are standardized tests for all students completing secondary education in the Caribbean. Table II.3 lists the performance of Jamaican students in these exams in 1988 and 1991. First, for most subjects only a small percentage of students in the terminal grades take the exams. The number of students taking the exams in English language and mathematics are high because most schools require that students take them. Second, even though the number of students taking exams in subjects like Biology and Physics suggests that there is strong selection in who take these exams, the pass rates are not very high. Among students in the Caribbean, the performance of Jamaican students is

¹⁴ In Jamaica, functional literacy is defined as reading with comprehension at the fourth grade level.

always among the worst on these exams (see table II.4).¹⁵ Students from Barbados, for example, achieve significantly higher pass rates in these exams than Jamaican students. Students must generally pass at least five subjects to be accepted at post-secondary institutions. The performance of students who attend vocational secondary schools is equally not good. In 1988, only about 15 percent of the students in terminal grades performed within the required passing range that is acceptable for entry to institutions like teacher training colleges. These statistics for both primary and secondary education suggest that despite the inputs by the government, households are either unwilling or unable to take advantage of the educational opportunities available to children.

Table II.4 Entrants Attaining Passing Grades in the Caribbean Examination Council Exams, 1989

Country	All Subjects	English	Mathematics
Antigua	37	51	36
Barbados	52	41	42
Belize	48	30	40
Dominica	46	29	27
Grenada	35	22	31
Guyana	18	12	13
Jamaica	36	27	22
St. Kitts	55	42	35
St. Lucia	53	45	32
St. Vincent	49	38	32
Trinidad	43	38	29

Source: Caribbean Region: Access, Quality, and Efficiency in Education, The World Bank (1993) p. 90

II.3 Family Structure and Fertility in Jamaica

There are four types of conjugal unions in Jamaica: legal marriage, common-law, visiting, and casual. These unions vary according to the strength of attachment among the parties. Those in common-law unions are cohabiting but not legally married. It is more difficult to distinguish between visiting and casual unions because both are nondomiciliary. Persons in visiting unions are considered to be more closely attached because the relationship usually occurs among people over 20 years old, there is often a child which “belongs” to the man, there is usually a more substantial flow of resources from the man to the woman and the relationship involves regular sexual relations. That is not to say that the casual union does not result in pregnancies. Although this union type has only been given formal recognition recently, it is estimated to be responsible for a nearly constant 14 percent of births in Jamaica.¹⁶

Early marriages typically occur among upper-middle class and upper class women, more educated women and women whose religious convictions rule out pre-marital sexual relations. Most women in the lower socio-economic classes go through a

¹⁵ Only Guyana beats Jamaica for the bottom spot (*The Gleaner*, Sept. 29, 1998, “Some improvements in CXC performance,” editorial).

¹⁶ It should be noted that the use of the term “casual union” is quite loose because these persons are not dating in the conventional sense of the word. They more properly have had some casual sexual contact.

series of visiting and/or common-law unions before they eventually marry. Hence many women marry after most or all their children are born. Marriages are quite stable in Jamaica and they rarely end in separation or divorce. Women do not typically proceed from a visiting union to a common-law and then to marriage with the same partner. The median length of a visiting union is 1.6 years and the union often ends in dissolution, typically at the point when the woman announces she is pregnant. Even though the median length of a common-law union is 3.6 years, Blake (1961) observes that "...marriage is no more likely to originate from the ranks of the common-law than from the single" (p. 173). In fact, in her sample, almost 60 percent of the common-law unions ended in dissolution rather than marriage and about ½ of the late marriages occurred among persons whose relationship is two years old or less.

Table II.5 presents the distribution of persons in these different types of union according to the 1945 census (note that all persons outside of married or common-law unions were considered single). The two most striking features of these data are the monotonic increase in the marriage rate with age and the peaking of the percent of people in common-law unions around the mid-thirties for both men and women. However, about ¼ of the women who are between 35 and 44 years old are still in common-law unions and about 20 percent are in visiting unions. Blake concluded that these women have reached a plateau of either nondomiciliary or unstable unions, which extend well beyond youthful dalliance. Notice also that among people over 50 years old the rate of single persons still remains above 20 percent for males and 33 percent for females. Table II.6 presents the marital status of 2173 women and 2177 men 15 years and older from the 1990 round of the Jamaica Survey of living Conditions. The trends in table II.6 are similar to those pointed out in table II.5. Suppose we take the primary childbearing age to be between 15 and 45 years old. Then a large proportion of children in Jamaica will be born to parents in non-marital unions and will spend a fairly long time with only one parent present. At the same time, the relative stability of the situation over the past fifty years raises the question whether social institutions have evolved that minimize any impact that this might have had on children.

The 1989-2 edition of the JSLC provides some evidence on the extent of out-of-wedlock fertility in Jamaica. In this survey, one woman between the ages of 15 and 45 years from each household was interviewed extensively on the details of her last pregnancy. The total sample consisted of 881 women. Of the 881 women only 21 percent were married and the most popular union was the common-law union (35 percent of the women). Over one-half of the women were over 25 years old.

In the 1940s and 1950s, there was a strong correlation between union status and fertility. Married women had higher fertility than those in common-law unions and women in visiting unions had the lowest fertility rates, despite the tendency among women in visiting unions to start their fertility earlier than married women and women in common-law unions. However, since the 1970s women in common-law unions have become the most fertile and the gap between married and visiting unions has narrowed significantly. It appears therefore that women in stable marital unions with a single partner have used modern contraceptive methods to control their family size whereas

women who enter several partnerships have not done so. This suggests that perhaps married women are more concerned about child quality and have therefore used modern contraceptive methods to limit family size so that they can achieve the quality they desire. On the other hand, it seems that unmarried women are less concerned about child quality and therefore have been less inclined to control family size.

Table II.5 Percentage Distribution of the Conjugal Condition of the Population by Age and Sex Groups - 1945

Conjugal Condition and Sex	Age Group							
	15-19	20-24	25-29	30-34	35-39	40-44	45-49	50 and over
Males								
Single	99.5	86.5	59.0	39.9	29.4	25.6	23.0	20.6
Ever-Married	0.2	3.4	14.3	28.3	38.5	45.7	52.3	66.7
Common-law	0.3	10.1	26.7	31.8	32.1	28.7	24.7	12.7
Females								
Single	93.0	65.6	46.4	37.4	33.8	33.4	33.8	33.0
Ever-Married	1.7	10.8	23.8	34.5	41.5	47.8	52.6	62.7
Common-law	5.3	23.6	29.8	28.1	24.7	18.8	13.6	4.6

Source: Judith Blake, *Family Structure in Jamaica*, The Free Press of Glencoe, Inc. 1961

Table II.6 Percentage Distribution of the Conjugal Condition of the Population by Age and Sex Groups - 1990

Conjugal Condition and Sex	Age Group							
	15-19	20-24	25-29	30-34	35-39	40-44	45-49	50 and over
Males								
Single	60.0	35.9	25.0	17.9	13.5	23.6	19.0	18.8
Visiting	39.0	53.3	41.0	29.0	21.8	12.5	10.3	5.1
Common-law	1.0	8.5	26.7	32.1	37.6	29.2	19.8	14.5
Married	0.0	2.2	7.3	21.0	27.1	34.7	50.8	61.6
Females								
Single	57.1	25.2	14.8	12.0	19.0	19.7	21.2	31.2
Visiting	38.4	46.8	38.7	30.7	22.7	15.3	12.4	3.4
Common-law	4.2	23.7	33.3	31.9	24.5	24.8	14.2	10.8
Married	0.3	4.3	13.1	25.5	33.7	40.2	52.2	54.4

Source: Jamaica Survey of Living Conditions, 1990.

Given that women have most or all of their children outside of marriage, one interesting question is why they bother to marry at such a late age. Another interesting question is why these late marriages do not come entirely, or even primarily, from among common-law unions. In chapter 4, it is suggested (and some evidence provided) that one motivation for these late marriages for both men and women is their concern for old-age security. It will be argued that men make marriage offers only after observing how good a woman's children will be as means of transferring wealth to the future. Women accept marriage offers because they do not have sufficient financial resources to invest in her children's education. The marriage, by augmenting the household's resources, helps her give her brighter children a good education, which ensure that the children will be good sources of financial support when she is old. The same argument can be used to explain why some common-law unions are dissolved; men leave their current union to find women with smarter (higher-quality) children, women to find men with more financial resources.

Table II.7 Percentage Distribution of the Conjugal Condition of Women by Age: Jamaica v Barbados

Jamaica - 1990					Barbados - 1974			
Conjugal Condition	Age-Group							
	15-24	25-34	35-49	Overall	15-24	25-34	35-50	Overall
Single	42.4	13.5	19.9	27.4	18.8	13.8	16.7	16.7
Visiting	42.3	35.0	17.4	33.8	50.0	21.1	9.3	27.2
Common-law	13.2	32.7	21.8	21.7	20.5	23.0	16.0	19.6
Married	2.1	18.8	41.0	17.1	10.4	42.4	58.0	36.5

Sources: Jamaica Survey of Living Conditions, 1990 and Ebanks, George and Nobbe (1974), table 11.

In the last section, it was mentioned that children from Barbados consistently performed better than Jamaican children in the CXC exams. Barbados is a good comparison because it is the largest Caribbean island with the same racial composition as Jamaica. In table II.7, the marriage rate for the 2173 women in table II.6 and 3769 lower-middle class and lower class Barbados women who were surveyed in 1971 are compared. Even among the youngest age category (15-24 years), women in Barbados are more likely to be married than women in Jamaica. But the comparison of women aged 25-34 years is more striking. Women aged 25 to 34 years in Barbados are more than two times more likely to be married than women in Jamaica (18.8 percent in Jamaica versus 42.4 percent in Barbados). The same is found when the overall marriage rate is compared in the two countries. Clearly, children in Barbados are more likely to be born and raised in married-couple households. It should also be noted that while the sample of Jamaican women includes women in all social classes, the sample of Barbados women includes only those in the two lowest social classes. The contrast between the marriage rate in Jamaica and Barbados would have been more striking if the comparison was made with Jamaican women in the lowest social classes. So the effect of weak family structure is manifested at the aggregate level also.

In chapter 3, a reduced form model for child cognitive ability is estimated. The model relates cognitive ability to household income and wealth, the education of the child's mother and the mother's marital status. There it is shown that children whose mothers are married have higher test scores in both primary and secondary school. In chapter 4 the questions raised above, regarding the effect of the revelation of child ability on the probability that a mother will enter a late marriage, are explored. The empirical results suggest that a bright child does help her mother to attract a mate.

II.4 The Recent Performance of the Jamaican Economy

Between 1961 and 1973, the Jamaican economy grew at an average annual rate of 6.8 percent. The oil price shock and the subsequent poor response of the government then caused the economy to contract rapidly while the country acquired foreign debt at a fairly rapid rate. Between 1976 and 1980, the government implemented its policy of social democracy by taking partial or full control of most of the country's productive resources. The government in the 1980s was guided by a different philosophy, but because of what they inherited they had to start a borrowing relationship with the IMF. Implementation of the IMF's loan requirements meant that the public sector was sharply curtailed and some social services were reduced. The economy grew at an average of 3.7 percent between 1988 and 1990, partly as a result of reconstruction following Hurricane Gilbert in 1988, after several years of small or negative growth in the early and middle 1980s. This growth was soon wiped out as the new government implemented fresh structural adjustment programs in the early 1990s (Handa and King, 1997). Between 1991 and 1995 output grew at an average rate of just one percent, fell by 1.3 percent in 1996 and contracted further in 1997 (EIU, 1996/97 & 1997/98). Handa and King suggest however, that the strong performance of the agricultural sector in the early and middle 1990s has helped to alleviate poverty among the poorest Jamaicans.

Table II.8 Selected Economic Indices 1980-96

Year	Real GDP Growth (%)	Labor Force (% of Pop)	Unemployment Rate
1980	-	45.1	27.4
1981	2.52	45.7	26.0
1982	1.23	46.1	27.6
1983	2.26	45.2	26.4
1984	-0.89	46.1	25.0
1985	-4.72	45.3	25.0
1986	1.67	45.7	23.6
1987	6.04	45.7	21.0
1988	1.46	45.8	18.9
1989	4.47	45.1	18.0
1990	5.31	44.3	15.4
1991	0.51	44.4	15.4
1992	1.88	44.0	15.7
1993	0.68	43.8	16.3
1994	0.8	43.9	15.4
1995	0.5	44.0	16.2
1996	-1.3		

Source: Handa and King (1997); The Economist Intelligence Unit, *Country Profile* (various years)

The economy is composed of only a few sectors and each sector is composed of a small number of products (table II.9). The sectors are agriculture, mining, manufacturing, and services (including tourism). The mining sector, which produces bauxite for conversion to aluminum, comprises most of merchandise export. In 1996 it accounted for 9.4 percent of GDP (EIU, 1997/98). The world recession in the early 1990s resulted in sharp declines in aluminum prices, which adversely affected the ability of the sector to contribute to the economy.

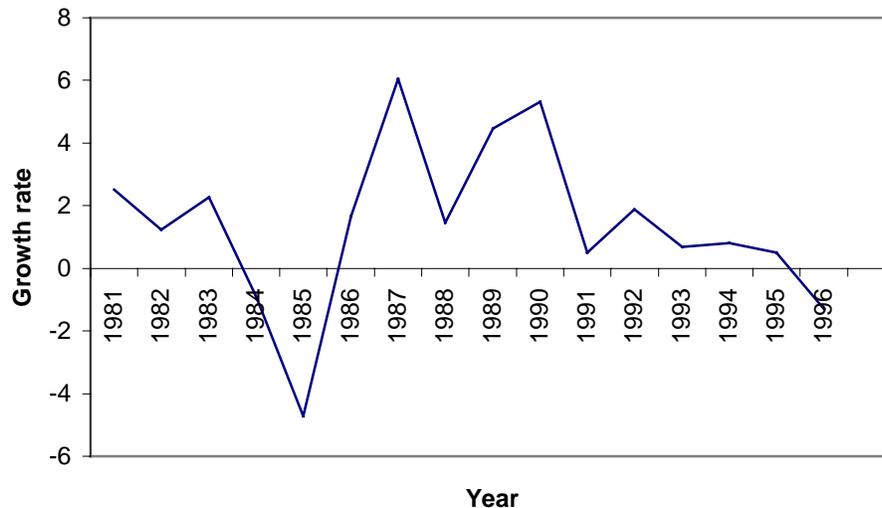


Figure II.1. Jamaica: GDP Growth Rate

For most of the past forty years the government followed a policy of importing food and keeping the prices of agricultural products low so that food would be available cheaply to the urban-industrial sector. Agricultural output declined steadily during that time. It was only between 1989 and 1994 that the agricultural sector began to grow (output increased by 45 percent between 1989 and 1994). This increase in production was stimulated in part by the removal of price controls and new foreign exchange rules that gave exporters access to their foreign exchange earnings (Handa and King, 1997).

Services are by far the largest contributor to the economy, making up 67 percent of GDP in 1992. Distributive trade and financial services are among the most important types of services. Although the government statistical office does not include tourism as an explicit sector it is estimated that it contributes about 13 percent to GDP (EIU, 1997/98). Manufacturing contributed about 20 percent to GDP between 1986 and 1992, making it the second largest sector.¹⁷ Manufacturing is heavily import dependent and import substitution was the main focus for most of the 1960s and 1970s. In the 1980s, garment manufacturing joined the traditional activities, like the processing of sugar and alcohol for export, and it is now a significant contributor to employment and exports.

¹⁷ *Economic and Social Survey Jamaica (ESSJ) 1992*, Planning Institute of Jamaica

The rate of unemployment in 1994 was 15.4 percent, down from 27.4 percent in 1980.¹⁸ Unemployment among persons under 25 years old is higher than the economy in general and unemployment among young females is twice that among young males (ESSJ, 1992). Because of the large number of people who are self-employed (40 percent in 1992) it is difficult to give an accurate picture of the general level of education in the labor force. “White Collar” workers (professional, administrative and managerial) account for about 19 percent of the labor force, craftsmen, production and operating workers about 17 percent, and unskilled laborers about 8 percent.¹⁹ Over 60 percent of the people listed as “white collar” are clerical and sales. A better picture of the “quality” of the labor force is perhaps given by the fact that only between 10 and 12 percent of the persons of college age are typically enrolled in tertiary institutions while another 5 percent are enrolled in vocational and technical training institutes. Scott (1992) reports that ninety percent of the labor force in Jamaica has had no specialized or vocational training and that employers in both the private and public sectors are dissatisfied with the level of knowledge of secondary school graduates. For example, the knowledge level of people with three years of secondary education is so low that employers describe many of them as untrainable. One important problem in attempting to increase the average level of human capital among the labor force is emigration, or the so-called “brain drain”. Approximately one-half of the persons who attend college in Jamaica migrate, mostly to the United States and Canada.

Overall the Jamaican economy has been weak, the result of a combination of poor management, strong emphasis on short-term stabilization, adverse changes in the international economy, frequent strikes and a poorly trained labor force.

¹⁸ The definition of the unemployed in Jamaica includes both people wanting to work and people available to work (even if they are not actively seeking employment). The Government of Jamaica justifies this definition on the grounds that in Jamaica there are few positive incentives for job-search and that, in rural areas, information about jobs is relatively well known so there is little to be gained by actively searching for a job (Katherine Scott, 1992). Jamaica conducts annual surveys of the labor force.

¹⁹ Most of the persons who give their employment status as self-employed are probably unskilled.

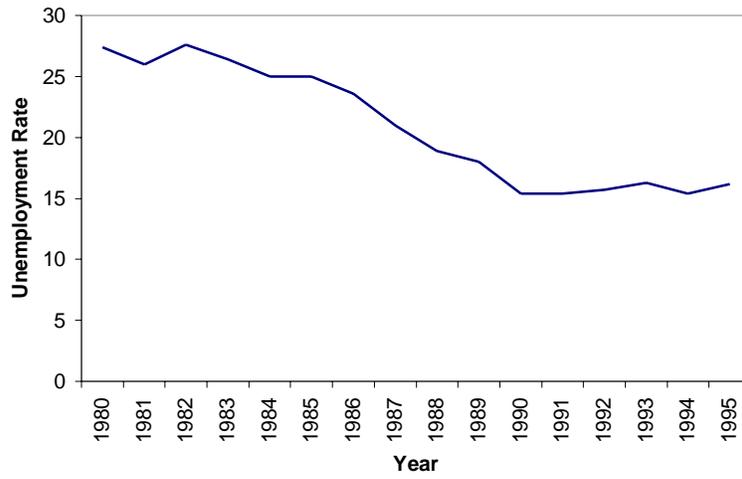


Figure II.2. Jamaica: Unemployment Rate

Table II.9 Percent Contribution to GNP by Sector: 1986-1995.

	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Agriculture, Forestry & Fishing	7.5	7.4	6.9	5.9	6.2	6.2	6.9	7.4	8.0	8.1
Mining and Quarrying	6.5	6.4	5.9	7.5	8.7	9.2	8.9	8.8	9.3	8.6
Manufacturing	21.3	20.9	21.5	21.6	21.3	19.6	19.6	18.5	18.5	18.2
Electricity & Water	4.1	4.1	4.0	4.2	4.2	4.3	4.4	4.5	4.5	4.7
Construction	7.8	8.3	9.2	10.2	9.8	9.8	9.8	9.6	8.9	9.4
Distribution	20.1	20.7	20.3	19.7	19.5	19.8	21.9	21.2	21.3	22.4
Transport, Storage & Communication	9.4	9.8	9.9	9.7	9.5	9.8	10.2	10.8	11.4	12.5
Financing & Insurance Services	6.7	6.8	7.8	8.8	9.3	10.9	11.2	11.4	15.6	15.1
Real Estate Services	7.8	7.6	7.6	7.2	7.3	7.6	7.9	8.1	8.3	8.7
Government Services	8.9	8.3	8.3	7.7	7.1	7.0	6.9	6.8	6.7	6.7
Miscellaneous Services	4.3	4.3	4.1	4.1	4.1	4.0	4.0	4.2	4.1	4.1
Household & Private Non-Profit	0.8	0.8	0.8	0.7	0.7	0.7	0.6	0.5	0.5	0.5
Less imputed service charges	5.4	5.4	6.4	7.3	7.8	9.0	12.3	11.9	17.0	19.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Sources: Planning Institute of Jamaica, *Economic and Social Survey, Jamaica 1992*; Economist Intelligence Unit, *Country Profile* (various years)