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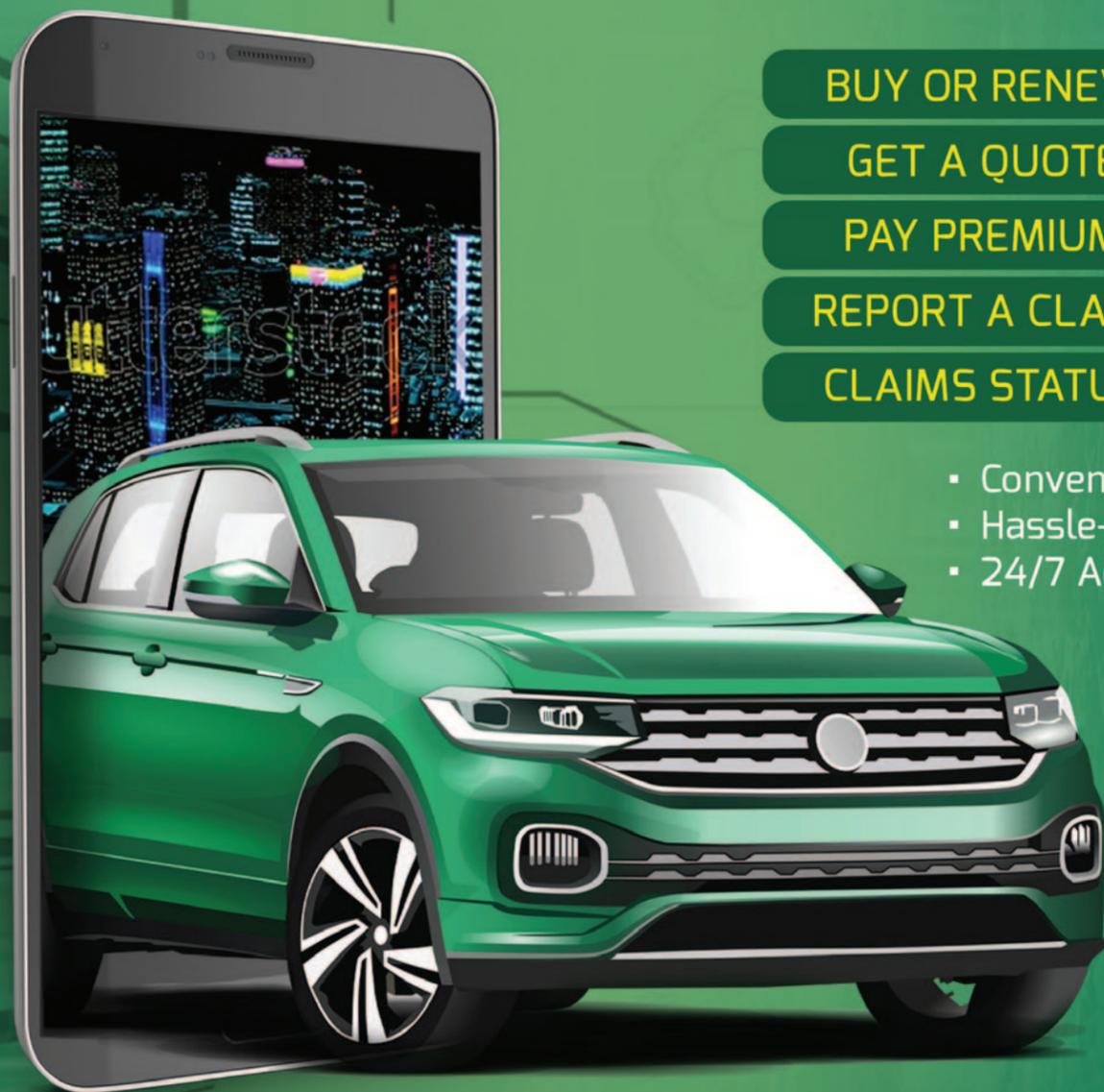
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**Orville
JOHNSON, OD,**
IAJ Executive Director

Editor's Message

With COVID Pandemic now behind us, we have got back into a normal mode of operations. This edition of the magazine covers a wide range of topics as we seek to make the magazine both interesting and relevant. As usual we present the statistics covering the whole range of the industry's activities in the previous year.

One of the major issues affecting Insurance Industry last year was the crisis in the Reinsurance market and its implications for Jamaica. Reinsurance is not understood by most persons but has a significant impact on property insurance. The feature article explains reinsurance and its impact on the Jamaican property insurance market. Another matter receiving detailed treatment is retirement planning an area which has still not received the attention it deserves. We outline what is involved in accumulating your retirement income on a timely basis including the tax benefits. There will be a follow up article on our website later in the year dealing with managing the distribution side of retirement. The other major issue holding the attention of the Industry is the upcoming Data Protection Act which has great implications for our industry as by our nature we are custodians of a lot of our policyholder information, the law

has strict protocols about how we manage this Information.

We continue our focus on road safety which affects our motor insurers directly so we outline the major features of the Road Traffic Act and the consequences of running afoul of the Act. We also provide some tips in an article on defensive driving. We also give a "dip stick" on the Jamaican economy and its prospects as we continue to recover from the COVID setback.

On the more personal note we have the reflections of Past President of IAJ Andrew Levy who was the second President and part of the foundation of IAJ. During the period under review we lost stalwarts so we have tributes to St Elmo Whyte, Harold Wong and Insurance Icon Danny Williams. We also welcome to our fraternity the new Executive Director of the FSC Lt. Col Keron Burrell, who has sent us a message.

As usual the magazine has something for everyone, happy reading. My Thanks to the Committee led by Annette Robotham and my staff at the secretariat, it has been a team effort.

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**Sharon
Donaldson**
President

As I consider this message for the Insurance Association of Jamaica's 2023 yearbook, following the most challenging reinsurance negotiations I have experienced in 30 years, I am reflecting on the long and significant role the insurance industry has played in commerce, asset growth and protection, public health and individual financial security. I decided to do a bit of research and was surprised to learn that the very first insurance arrangements were noted in the Code of Hammurabi, written in 1750 BC. As humans ventured on ever longer sea journeys, loans emerged with lower rates when the weather was better, and the Romans and Greeks were the first to issue types of life and health insurance using benevolent societies. By the 17th century, London was a leader in the world of trade and this attracted underwriters willing to insure shipping. Lloyd's of London is still a leading insurer today. The Great Fire of London in 1666 led to the opening of the first fire insurance company, and accident insurance was developed in the late 19th century. In the US, the first fire insurance company opened in 1732 in South Carolina.

Put simply, our industry has a 3,000 year history, and is nothing less than a foundational aspect of our civilization.

Here in Jamaica, a part from Jamaica Mutual Life, life and general insurance products were first provided by overseas companies, but after the passing of the Insurance Act in 1971, a local industry began. Today, there are six life and ten general companies in Jamaica with combined Assets totalling \$516 Billion Dollars as of December 31st 2022 (\$403B Life Insurance and \$113 B General Insurance).

Foreword

Insurance Association of Jamaica magazine 2023

By Sharon Donaldson, President

General insurance claims paid totalled \$52.5 Billion (including \$16.5 Billion for motor claims). We paid \$24.9 Billion in individual life Insurance benefits and \$25.7B Billion in Health Claims. There are human stories – losses and tragedies – behind every one of these claims.

It is also true, however, that the life and general insurance industry all over the world now faces challenging times due to the clear and present danger of the climate crisis. Global Insurance Losses was US \$125 B, which was the second consecutive year the losses exceeded \$100B. The combination of increasing weather disasters affecting more insured property of higher values, along with historically low premiums, has resulted in a reduction in reinsurance capacity for the Caribbean as a whole and much higher reinsurance rates. Many general insurance companies in Jamaica now face serious constraints as to what they can write under their property book of business, and at what rate.

The Life business has been recovering gradually from the downturn during COVID the ratio of sums assured to premiums suggest that more young persons are taking life insurance protection seriously. However there has been a spike in the health insurance cost structure.

The test our industry now faces is – can we innovate? Can we display the type of creativity and new thinking that built the insurance industry over so many centuries? The playing field has changed and we must change with it. Along with my colleagues, I look forward to meeting and overcoming these challenges so we can continue to provide insurance cover to Jamaicans of all walks of life, as well as facilitate the growth of a strong and sustainable economy.

Message from the Executive Director Financial Services Commission

On behalf of the Financial Services Commission (FSC), I extend my congratulations to the Insurance Association of Jamaica (IAJ), representing 17 life and general insurance providers, on its successful performance in the financial year 2022, as well as their dedicated service to our citizens and the economy.

The insurance sector continues to be a catalyst for economic growth, a safety net for economic shocks, and a vital component in safeguarding societal assets and ambitions. The positive impacts of insurance extend beyond financial gain, as the sector facilitates:

1. The accumulation and transformation of savings into productive investment: the life insurance industry stands as a key driver in accumulating long-term savings, supporting retirement income provision, and aiding national economic development, both in the private and public sectors;
2. Risk management: the sector, with its health, motor and general insurance providers, plays a pivotal role in safeguarding individual assets and our financial system; and
3. Facilitation of trade and commercial activities: in an increasingly globalized

and interdependent world, where international trade and cross-border operations have become the norm, insurance protection is indispensable for the sustainability of many activities, especially those with international dimensions or linked to global production chains.

During 2022, the insurance sector demonstrated growth, with its asset base expanding in excess of 3 per cent, amounting to a combined value of approximately \$517 billion. For the period under review, the sector maintained robust capitalization and increased profitability.

In that regard, I commend the management and staff of the contributing entities for their diligent work, as the insurance sector remains a cornerstone of financial industry stability and soundness.

The collaboration between the FSC and the IAJ is instrumental in securing the on-going development and success of the insurance industry. This has been demonstrated in our recent partnership in implementing the International Financial Reporting Standard (IFRS) 17, which has significant implications for the insurance sector.

The implementation of this new reporting standard

facilitated improvements in the Insurance Regulations reinforcing the standards for risk management, capital adequacy, and market conduct. In this vein, the adoption of IFRS 17 will harmonize the domestic insurance industry's operations with international best practices, thereby enhancing Jamaica's economic reputation and further mitigating risks. In summary, the insurance sector in Jamaica plays a pivotal role in fostering economic growth and development.



Lt. Col. Keron Burrell

I applaud the IAJ and its member companies for their steadfast contribution to on-going development of Jamaica's regulatory framework; and wish for their continued success. I also commend the Association for its commitment to publishing the annual statistical magazine, which serves as a valuable tool for promoting transparency, informing, educating, and instilling understanding and confidence among the citizens.



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Message from the President Jamaica Insurance Brokers Association

On behalf of the Jamaica Insurance Brokers Association, I wish to Congratulate the Insurance Association of Jamaica on the publication of another insightful yearbook. It's a testament to our industry's commitment to transparency and growth.

As we reflect upon the year, we are reminded of the resilience that defines our industry. The challenges we faced, while significant, have only served to highlight our capacity for innovation, collaboration, and adaptation.



Pete Walker
President

insurers and clients, play a pivotal role in navigating the challenges to industry faces. We, the Insurance Brokers Association of Jamaica, stand alongside our esteemed colleagues in embracing these challenges as opportunities for growth.

As the President of the Insurance Brokers Association of Jamaica, I am proud of our collective commitment to upholding values of integrity, expertise, and service. Together, we can positively influence our industry and those we serve.

Let us view the challenges of the past year as stepping stones to a brighter future.

Insurance brokers, as a conduit between

Message from the President JAIFA

On behalf of the Board of Directors, Secretariat, and the entire Membership of the Jamaica Association of Insurance and Financial Advisors I extend congratulations to the Insurance Association of Jamaica (IAJ) on another year's milestone and the production of this your Annual Yearbook.

JAIFA's 900 man Membership from the Life Companies, Agencies, Bancassurances and Brokerage houses have benefited from your continuous Industry statistics to provide relevant and valuable information to policyholders and the public at large.

We truly appreciate the innovative ways in which the Insurance Association of Jamaica has increased Insurance Literacy in Jamaica through your varying programmes and networking capacities in the Life and General Companies and other stakeholders across Jamaica.

JAIFA will continue to increase our participation with the Insurance Association of Jamaica as we appreciate the empirical evidence over the years and more specifically over the last three years, as

Critical Illness was the leading policy sold, over the Whole Life and Term policies. Our membership benefits from these industry statistics and are better able each year, to arm themselves to sell more critical illness and to improve on the sale of whole life and term life.

During 2023 and beyond our membership is poised to increase public awareness based on the empirical evidence that a large percentage of the population are uninsured. Insurance Professionals throughout the industry do have much more work to do to increase the number of persons who buys insurance. Together we can make a difference in the lives of families, communities and as nation. According to Nelson Mandela "Education is the most powerful weapon which you can use to change the world".



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Interview with Andrew Levy

Past President, Insurance
Association of Jamaica

Q. You were involved in the setting up of the merger between JAGIC and LICA to form IAJ, what were the major factors that drove that decision?

A. The contraction in the industry at that time, meant that the costs on companies were increasing significantly— the combination of secretariats meant cost efficiency without losing the effectiveness of the office.

A. Combining the two secretariats created a more complete analysis and representation of the two significant segments of the insurance industry.

Q. To what extent have these objectives been met?

A. Completely – the combined office meets the needs of both segments and the costs have been substantially reduced.

Q. Looking back is there anything you would have done differently ?

A. In a word, no. It was a joint effort of both associations and involved a number

of persons from both sides. The phrase “herding cats” comes to mind, but the advantage of this is that multiple perspectives were aired & considered. The proof its robustness is that the structure has held the test of time without being changed in any meaningful way.

Q. You were very active in the educational development of the industry and you were Chair of the College of Insurance, from your own experience what role should education, especially industry specific education, play in the career development of employees?

A. The insurance industry is a service industry which depends on the knowledge and motivation of its employees. This can only be achieved by education and guidance from the companies and their senior staff. The insurance industry has many areas of general knowledge (eg. Many areas of law & accounting, supervision & quality control) but also many areas of knowledge specific to the industry (eg. Reinsurance & portfolio management) so a strong foundation is important but there are many critical areas that can only be delivered cost-

effectively by an industry specific initiative. Finally a generally overlooked aspect is the lecturers also benefit from the refreshing of their knowledge and having to communicate and convince lay persons of the validity and relevance of their knowledge, and at the same time engaging with persons with whom they will soon be interacting in day to day insurance matters.

Q. What advice would you give to youngsters in the industry who appear not to see the industry as a career but as a stepping stone to earn more elsewhere ?

A. There is very definitely a career to be had in insurance, however the personal decisions to further an individual's career is best decided by the individual based on the issues that are important to that person. Companies & Brokers need to be attentive to the needs of their staff and convey in a meaningful way that there is a career path available in a reasonable time frame.

Q. The delays in the adjudication of motor claims has long been seen as the Achilles heel of our industry and as claims continue to increase what guidance would you give to claims administrators?



Andrew Levy

A. Focus more attention on efficiency while emphasizing customer service. There are huge opportunities to take advantage of technology and/or training in systems and reducing the time taken in settlement. There are, of course, areas outside of the immediate control of the industry (the courts, repairers and so on) but this just requires a different approach. The industry approaches this area as an unavoidable cost and a change in commitment & perspective in how to approach this area.

Q. What have you been doing since your formal retirement from the Insurance Industry?

A. I retired in 2015 and formed a consulting partnership with my wife – me in the insurance industry and she in the social policy space. I am also a director of a number of companies—in insurance, information technology and a digital agency, some in Jamaica and some in the wider Caribbean. I'm also currently president of the management committee of Liguanea Club. Still busy, but on my terms...mostly.

Interview with Peter Levy on Reinsurance

Past President, Insurance Association of Jamaica and Managing Director BCIC

Q. There has been a lot in the news recently about Reinsurance, we are familiar with insurance but what is reinsurance ?

Insurance depends on the principle of spreading risk from being a significant loss (for example having to replace your car) affecting one person to a smaller loss (the cost of the premium) affecting a large group of people. Insurance companies also benefit from being able to spread the risk of losses to larger, more geographically diverse companies. That arrangement is called reinsurance since it is insurance bought by insurance companies.

Q. Why do insurance companies need reinsurance?

Insurance companies that operate in small geographic locations have a high concentration of risk from individual events like storms and earthquakes. Also small economies often don't have large numbers of similar risks which insurance requires in order to spread risk effectively. Reinsurance allows insurance companies to spread risk beyond their internal capabilities.

Q. What would happen if we were to have a earthquake or a hurricane and we did not have sufficient reinsurance?

It is the availability of reinsurance that allows insurance companies in Jamaica to sell earthquake and hurricane insurance. Without reinsurance, property owners would not be able to get that cover from local insurance

companies, and the costs of any catastrophe caused by either of those perils would fall on the property owners and have a dire impact on the Jamaican economy.

Q. Our last major disaster was Hurricane Gilbert in 1988 did we have sufficient reinsurance then and what role did reinsurance play in dealing with that disaster?

As a rough estimate, the insurance claims caused by Hurricane Gilbert were around 10 times the annual premium collected by insurance companies for property insurance. That demonstrates the extent to which reinsurance was absolutely essential in property owners being able to claim for their losses and rebuild.

Q. There have been articles in the business news recently talking about the lack of Reinsurance capacity in Jamaica and in our region, explain what this means?

Reinsurance capacity arises from the capital that reinsurance companies have on their balance sheets. Mostly because of global economic conditions (inflation, interest rates, and exchange rates), the amount of capital available to the reinsurance market shrank in 2021-2022. Reinsurers reaction to that was to re-allocate their capital away from markets where they perceived the risk-reward ratios to be unfavorable. The Caribbean in general and Jamaica in particular was one of those markets because of the significant

level of catastrophe risk, the relatively small premium volumes, and a continuous decline in insurance rates over the past several years. The result is that in 2023 there is less reinsurance available to Jamaica than there was in 2022, and at a much higher cost to insurance companies (which inevitably is passed on to the insuring public).

Q. The business stories indicate that property rates will be going up significantly, why is this since we have not had a major disaster since Hurricane Gilbert in 1988?

As indicated in the previous answer, the shortage of reinsurance capital and the relatively low prices provided by Caribbean markets have given rise to the increased cost of insurance in Jamaica. Although Jamaica has not had a major loss recently, the region has had many. It's a question of luck as to which particular territory is going to feel the effects of a major storm. What is almost certain is that every 2 or 3 years somewhere in the Caribbean or Gulf of Mexico is going to be hit.

Q. What are the options the Insurance Industry has to deal with the current situation?

The market forces that have created this situation are global and in the short term, there isn't much that the insurance industry can do apart from retain more risk than they do when reinsurance is cheap and plentiful. In the medium to long term, maintaining price discipline and applying sensible underwriting standards will go a long way to persuading reinsurers to remain committed to the region. Reinsurers are commercial entities, and will respond positively if they have confidence that they can operate profitably in the long run.



Peter Levy

Q. Where does this leave policyholders, what can they do?

Policyholders are innocent victims of these global conditions, just as electricity users and motorists are when gasoline prices rise suddenly because the world oil market spikes. Unfortunately property owners can't reduce their usage of suddenly scarce and expensive insurance the way that people can with their air conditioner usage or leisure driving. Insurers may be willing to offer a discount to policyholders who increase their deductible.

Apart from that, policyholders can at least negotiate payment terms so that the sticker shock is diffused over a longer period.

Q. What does the future look like for the Industry and the policyholders?

The insurance and reinsurance market have traditionally been cyclical, with periods of plentiful supply and lower prices alternating with shorter periods of supply constraints and higher prices. What may be different now is the impact of climate change, and the possibility of higher frequency and more devastating tropical storm activity. At this point, my best guess is that the market will stabilise at prices close to those that are currently being charged. At these prices I expect that the reinsurance market will see Caribbean business as sustainable.

Q. What would bring back Reinsurance capacity back into Jamaica and the Caribbean Reinsurance Market?

Sustained price and underwriting discipline from insurance companies (and reinsurers); reduction in inflation and interest rates; continued strengthening of the Euro vs the US dollar.

Interview with Dr. Adrian Stokes

CEO, Quantas Capital, Chairman Education Transformation Oversight Committee, Past President IAJ.

Q. The Jamaican economy has made a remarkable recovery since the end of the COVID Pandemic, to what do you attribute this performance?

The initial rebound came from the recovery in tourism. Recall that real economic output fell about 10% due to covid conditions, and the specific effect those conditions had on the tourism sector. Without any great surprise the tourism sector led the rebound in economic growth as global lockdown conditions abated.

We should also highlight the fairly strong macroeconomic base of Jamaica, as evidenced by a very stable fiscal situation and relatively strong hard currency reserves, which provided a good platform for economic activity to resume without a crisis of confidence.



Dr. Adrian Stokes

Q. You had some concerns about the aggressive interest action by the Central Bank in response to the spike in inflation last year. Do you still entertain those concerns in retrospect and if so, why?

I have always seen the bout of inflation Jamaica experienced as driven by global factors on the backend of the covid pandemic. Since then, global shipping costs and commodity prices have normalized. And with that normalization, we have seen a dramatic fall off in inflation. The problem I have with the aggressive monetary stance is what we are now experiencing.

That is, inflation has moderated in line with a dramatic fall off in shipping and commodity prices, economic growth has moderated from the covid recovery, while high interest rates and tight liquidity conditions have started to delay or cancel a lot of projects.

Q. What is your outlook on inflation and its possible impact on the economic recovery program and economic growth, and would the recent wage hikes in the public sector and wage pressure in the private sector as unemployment falls lead to an inflationary spiral emerging that could threaten the BOJ target of 4-6% inflation over the next 12 months or will it just pass through?

I believe inflation in Jamaica will continue to be contained within the central bank's target of 4-6%. The overall impact of the material increase in wages in the public sector will have some spillover effects on the private sector. Ultimately, the materiality of the impact will be dependent on whether the wage gap between the private and public sectors is still positive. If the wage gap is positive (average private sector wages- average public sector wages), then labor reallocation to the public sector from the private sector will be muted. This means there will be limited upward pressure on private sector wages, and the growth rate of wages in the overall economy will be constrained. An important part of the analysis is that economic growth is expected to return to trend (1-2%) over the next two years, this will place a binding constraint on what the private sector can pay to workers.

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Q. The long overdue Public Sector Compensation has finally been done, what do you see as its overall impact on the economy in terms of Public Sector efficiency and helping to drive economic growth?

The expectation now is that the government will move to implement a robust accountability framework in the public sector. Said differently, clear performance standards that align pay to productivity must be the order of the day. Outstanding employees should be handsomely rewarded while there should be a clear performance management process for those who are not producing.

Q. The PIOJ is now projecting that the economy grew by 1.5% in the second quarter of 2023, now that we have recovered from the impact of the COVID Pandemic, are we back into the low growth 1% zone. What do we need to do to break through this barrier?

There are several factors that limit Jamaica's growth potential:

1. Improve labor productivity through training and upskilling.
2. We need to move up the value chain in agriculture through the adoption of proven technology and materially increase the number of highly skilled persons in the BPO sector.
3. Improve property rights and importantly, formalization of land ownership for persons in the lower socio-economic segment of the country.
4. Too many informal settlements and communities that are hard to police and cannot access critical infrastructure including proper housing. A massive program to invest in and transform these communities will have a multiplier effect on the economy.

Q. We just celebrated record unemployment of 4.5% at April 2023, is there anything in the number released that signals that we are about to see increasingly better unemployment numbers. How concerned should we be that over 700,000 people are outside the workforce?

Persons will be outside of the labor force at different points for a variety of reasons. What

is important is to ensure that the total number of people employed is increasing at a rate that keeps the overall unemployment level low.

Q. You are the Chair of the Educational Transformation Task Force, how does this new thrust fit in with moving the economy forward particularly with skill building in the workforce and increasing productivity which has remained dormant for years?

A highly skilled and engaged workforce is at the heart of a vibrant economy. The ongoing modernization or transformation of the education sector is key to having a sustainable talent pool that will help to power Jamaica's economic development. The education transformation program touches on key areas that will ultimately deliver better education outcomes for students and our country.

Q. The tourism Sector has been the star performer as we recover from the Pandemic how do we make it more integrated with the rest of the economy?

A lot has been done with the integration of tourism within the broader macroeconomy. A lot more needs to be done to ensure Jamaica has a predictable and larger market to sell to.

Q. The inconsistent performance of our agricultural sector, especially due to weather related issues has created uneven GDP growth how do we address this?

Better technology, and greater planning.

Q. What are the three priority strategies in your judgement that are required to move the Jamaican economy into self-sustaining economic growth?

1. Transformation of our inner-city communities: Investment in better infrastructure and housing, formalization of land titles, and absorption of "at risk youths" into formal training and social programs.
2. Transformation of our education sector to produce better educational outcomes.
3. Maintain macroeconomic stability.



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Data Protection Act

By Andrew Nooks

The Role and Responsibility of Data Controllers Under the Jamaica Data Protection Act

The iconic Marvel superhero Spider-Man has long been admired for living by the mantra, "With great power comes great responsibility." On the surface, Data Controllers might seem far removed from this web-slinging superhero. They may not have the dramatic costume, mask, or ability to scale skyscrapers, but they are tasked with handling one of today's most powerful assets - data.

We can also think of Data Controllers as the master chefs of the data world. They are the key decision-makers on how data is utilized and processed and the underlying reasons, but with this culinary command comes significant responsibility. Much like chefs adhere to strict health and safety regulations, Data Controllers must ensure compliance with the Jamaica Data Protection Act, JDPA. The law expects them to adopt measures to ensure compliance or risk running afoul of the law.

The JDPA provides a framework outlining the responsibilities and obligations of Data Controllers. They are responsible for protecting the rights, freedoms and ultimately the safety of individuals through ensuring responsible use and protection of data about these individuals. In other words, Controllers are tasked with "protecting data about individuals in order to protect the individuals who

the data is about". A breach or negligence on the part of Controllers can have serious consequences, rendering them liable as per the Act.

Data Controllers are mandated by the Jamaica Data Protection Act to maintain updated records of processing activities under their authority and thus squarely placing the onus of proving compliance on Data Controllers. In fact, these responsibilities can

be seen as a three-fold mission: Upholding Data Protection Standards, respecting the Rights of Data Subjects and proving ongoing compliance through registration with The Office of the Information Commissioner.

1. Upholding Data Protection Standards

Data Controllers are bound by a codified set of rules that guide their data management activities. The Act insists on adherence to standards of data protection – lawfulness, fairness, and transparency; purpose limitation; data minimization; accuracy; storage limitation; confidentiality, integrity, availability and accountability, and responsible sharing and transfer. Another standard of the Act requires controllers to process personal data in accordance with data subject rights. Failure to comply with the data protection standards can result in fines of up to two-million dollars or imprisonment of up to seven years.

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Lawfulness, Fairness, and Transparency: This principle requires that personal data be processed lawfully, fairly, and in a transparent manner. Data Controllers must have legitimate grounds for collecting and using personal data and should not do so in ways that have adverse effects on the individuals concerned. They must be transparent about how they intend to use the data and communicate this information to the data subjects. Purpose Limitation: The Act stipulates that data should only be collected for legitimate purposes that are clearly stated beforehand. The way the data is collected and processed should be explicitly specified, and the data collected should not be used for any unrelated purpose unless consent is obtained from the data subject or there are other lawful reasons for doing so.

Data Minimization: This standard is about striking a delicate balance. Data Controllers are bound to use only adequate, relevant, and necessary data to fulfil their objectives. Anything else is surplus to what is needed.

Accuracy: Controllers are entrusted with ensuring data is current and accurate. Any inaccuracies in the data once identified must be rectified.

Storage Limitation: The Data Controller should not retain personal data for longer than is necessary. However, the Act provides exceptions when the data is being processed for statistical, scientific, or historical purposes that serve the public interest. In these cases, organizations must adopt appropriate measures to protect individuals' rights.

Implementing Technical and Organizational Measures: Lastly, Data Controllers must implement

appropriate technical and organizational measures to safeguard personal data against unauthorized access, accidental loss, or destruction. These obligations are not merely bureaucratic hurdles but rather essential measures to ensure data security and maintain public trust.

They are required to establish robust security policies and procedures, undertake regular monitoring and audits of data processing activities, and carry out risk assessments to identify potential threats. They are also tasked with developing comprehensive incident response plans to tackle data breaches effectively and conduct adequate training for employees involved in data processing. In the event of third-party vendor involvement, Data Controllers must also ensure these entities uphold stringent data protection standards. As author William Gibson rightly said, "The future is here — it's just not very evenly distributed." This emphasizes that as we increasingly rely on digital solutions, robust data protection frameworks become imperative.

Transfer: Data Controllers should not transfer data to a State or territory outside of Jamaica unless that State or territory ensures adequate level of protection to the rights and freedoms of data subjects in relation to the processing of personal data. In making such transfer consideration must be given to the nature of the data, the origin of the data, the purpose and period during which the data will be processed and the laws and international obligations of the State or territory. Consideration should also be given to any code of conduct which is enforceable and security measures taken to protect personal data.

Notwithstanding there are exceptions where other

lawful basis for transfer exists (such as contract, consent, national security, etc.).

2. Ensuring the Rights of the Data Subjects

Data subject is the identifiable individual who the personal data is about. Identifiability considers all means used or are likely to be used to identify the individual. This includes an identification number or other identifying characteristics (whether physical, social, or otherwise) which can identify an individual. Categories of data subjects include employees, customers, students, patients, guests, to name a few.

Data Controllers, under the Jamaica Data Protection Act, are not just entrusted with protecting data for safeguarding their business but also safeguarding the rights of data subjects. In essence, organizations must protect personal data to protect the rights and freedoms of the person who the data is about (data subject). The Act stipulates six rights (the right of access, the right to prevent processing, the right to consent/withdrawal, rights concerning direct marketing, rights related to automated decision-making, and the right to rectification) to which data subjects are entitled.

Data Controllers, therefore, have an obligation to apprise data subjects of their freedom to exercise these rights. And by ensuring these rights, they not only comply with the law but also build a relationship of trust and transparency with the data subjects. Upholding these rights signifies respect for individual autonomy in the age of data ubiquity, placing the power back into the hands of the individuals.

3. Registration and Operations

The Act requires Data Controllers to register with

the Office of the Information Commissioner by December 1, 2023, and to re-register each year. For each annual registration the Act requires controllers to attest to their ongoing compliance by producing results of a data protection impact assessment within ninety days of the end of each calendar year. An important part of remaining compliant is to perform privacy impact assessments to identify risks during operational activities that utilizes personal data.

Some classes of Data Controllers will need to appoint a Data Protection Officer that will oversee the controllers' compliance with the Act, assist data subject in exercising their rights and get clarification on the application of the Act from the Office of the Information Commissioner on behalf of the controller.

Final Thoughts

The role of Data Controllers echoes Spider-Man's ethos. They, too, bear an incredible power - the power to control and utilize data. But with that power, as our hero reminds us, comes great responsibility. In today's data-driven society, there's no responsibility quite as paramount as safeguarding the rights and freedoms of individuals. Moreover, these stringent measures can potentially save organizations from the devastating consequences of data breaches, such as financial losses, reputational damage, and loss of customer trust. Let us all continue to uphold these values with the utmost integrity and ensure we exercise our power responsibly, judiciously, and with respect for the privacy of others. If controllers choose not to comply, they could face penalties of up to four percent of annual gross revenue. Now that is one web that controllers should want to avoid.

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Dash Cams

By Jamila Harker Taylor - Chair - General Insurance Underwriting and Claims Committee

A dash cam (or dashboard camera) is a recording device which can be installed within your motor vehicle to continuously record your vehicle's surroundings while you drive. There are many different kinds that can record activity through the windscreen, provide footage from the rear, include the interior of your vehicle or even provide 360° footage depending on the device that is chosen and the price will vary accordingly. Videos are effortlessly stored in the dash cam's memory card, your cell phone or a cloud account. However, why should you make the choice to purchase even the most basic dash cam for your motor vehicle?

Your insurance claim can be settled faster
Dash cam footage is a method of providing possibly indisputable evidence to back up your report of an incident. Complete and clear footage can prevent an insurance company from having to investigate an incident or request a police report, which will speed up the handling of your claim. Too many claims within the insurance industry are delayed because the parties involved have conflicting versions of the accident. A dash cam can be a silent eye witness to the collision that can resolve these disputes and lead to a faster insurance pay-out from the insurance company at fault.

It encourages safer driving
Whether you, a loved one or an employee is driving your vehicle, having a dash cam installed can encourage greater mindfulness

while driving. The knowledge that a device is recording your driving activity and those around you will inevitably lead to safer driving actions, especially when there are competing distractions in the vehicle such as a cell phone. Dash cams can help to prevent an unnecessary accident.

Promotes vehicle safety while stationary
Dash cams are not only useful while the vehicle is being driven. It can record useful footage when the vehicle is stopped or unattended to help to identify perpetrators of theft, attempted theft and malicious damage. For commercial and public passenger vehicles, it can also offer some amount of security for employees and drivers knowing that there will be accessible video evidence of any incident.

We've outlined some of the most important benefits, but what are the potential drawbacks? There is a cost involved in purchasing the device and if you need someone to assist with installation. It is possible that the footage you may need to rely on may not be as clear or revealing as anticipated as quality varies between devices. Some drivers and passengers also see dash cams as an invasion of privacy. Cost, quality and privacy issues aside, we are living in a world where technological tools are increasingly readily available at affordable prices. Dash cams are an important consideration that can make your life easier, safer and more convenient.

Tribute to WINSTON ST. ELMO WHYTE

The insurance industry has lost one of its stalwarts upon the death of Winston St Elmo Whyte. "St E" as he was affectionately called, joined the Insurance Industry in 1973 after graduating from the University of the West Indies with a degree in Special Mathematics.

He pursued a career in actuarial science a job which required great proficiency in Math-

"St. E" as he was affectionally called...



Winston St. Elmo Whyte

ematics. Actuarial Science is foundation on which the Insurance industry is built, as it facilitates the assessment of risks and forms one of the basis on which insurance rates are developed. St E rose through the Insurance corporate ladder for over 23 years working for the two largest Insurance Companies at the

time Life of Jamaica and Jamaica Mutual Life, rising to the level of Vice President.

During his earlier years he also assiduously pursued his professional development qualifying as a Fellow of the UK Institute of Actuaries(FIA), at a time when local actuaries were few in number and we relied heavily on foreign actuarial expertise.

He later transitioned into business and was a co-founder of the FIRM Insurance Brokers as well as Actman Ltd his Consultancy firm. Through this company as well as others providing a range of Actuarial Services to the Life Insurance Industry particularly in the area of Pension Planning which was one of his specialities, and also one of his passion.

He firmly believed every Jamaican worker should be a member of a pension scheme. He

further advocated that the NIS Pension Scheme should be upgraded to provide improved benefits for the average worker many of whom had no pension scheme at their workplace. He was a Trustee of several Pension Schemes and provided Consultancy and Actuarial Services to many. St E was a highly sought after Pensions Consultant, he established four Approved Retirement Schemes (ARS) and was the Consulting Actuary for three.

Perhaps his greatest contribution to the industry was as helping young minds to develop an appreciation of Mathematics and to pursue actuarial studies. When St Elmo was pursuing his actuarial studies there were few Jamaican actuaries and we had to rely on overseas actuarial expertise to provide this service without which the Insurance industry could not function effectively. However actuarial studies required a foundation in mathematics a subject which many Jamaican students dreaded and had mental blocks against. St E got involved with a Mathematics Competition the Life Insurance Industry for schools to encourage proficiency in mathematics and reward those who excelled. He later took his crusade to higher level and was integrally involved with the establishment of an Actuarial Department at the University of the West Indies where he used his inimitable charismatic style to inspire a new generation of Jamaican and indeed Caribbean actuaries. We are now self sufficient with actuaries and export actuarial talent. More importantly, he opened doors for young Jamaicans from all walks of

life to a career which was both fulfilling and financially rewarding.

His impact and influence extended beyond Jamaica and he was very active in the Caribbean Actuarial Association of which he was passionate about its role in Caribbean Economic Development and he served the CAA as President in . When the CAA gathered annually across the Caribbean St E was the vibes master, he will be sadly missed by the Caribbean actuarial Community there will be a void at the next CAA Conference.

Winston St Elmo Whyte was truly a transformational force for the Jamaican and Caribbean insurance industry and has left an indelible legacy with us, he will not be forgotten as a professional but will be remembered more as an outstanding human being, may his soul rest in peace. Walk Good St Elmo.

Tribute to HAROLD WONG

The IAJ regrets the passing of the late Harold Wong on Friday, June 16, 2023. He was a stalwart of the General Insurance Industry in Jamaica.

Harold worked in the General Insurance Industry for over 45 years in a number of different capacities at both Insurance Companies and Brokerage Houses. Harold was a Fellow of the Chartered Insurance Institute in the United Kingdom carrying the designation "FCII" His extensive knowledge of the Insurance was recognized beyond the shores of Jamaica and he also served as an Insurance Regulator in the Turks and Caicos Islands. Harold was one of the leading lecturers at the College of Insurance and Professional Studies CIPS and was actually still lecturing two weeks before his untimely death. Harry was at his best when he was talking about Insurance, the information oozed from his brain with both clarity and authority. He was indeed an excellent communicator. There are many persons who are knowledgeable on a subject, but do not teach well, Harry's advantage was his ability to do both.

Over the years from time to time he was asked by both the companies he worked for and other persons in the industry to explain the features of insurance which are often misunderstood by the public, as he had the knack of explaining complex things in language that most people could

understand. His wise words on Insurance was heard on radio and viewed on television as well as in magazines. He was called to represent the Insurance Industry many times at public forums. He was a sounding board to us at Insurance Association of Jamaica (IAJ). At times when we needed clarification on insurance matters to respond to clients queries, we would simply give Harry a call. When we had public seminars, we could always depend on him to represent us to speak on an array of different topics. When we had congestion with our arbitration cases, we would call on Harry to serve on panels where we would use his vast knowledge and experience to assist us in adjudicating motor claims to help clear any backlog.

Harry has left us, but we have inherited a legacy from him, many of his students will remember the issues he clarified for them in class. We still have articles in our magazines and on our website written by Harry which will continue to explain the benefit of insurance to cynical policyholders and the public. As a lasting testimony to his work and scholarship, he has done what many Jamaican professionals have failed to do, he wrote a book entitled, "Insurance - Protecting of Assets, Liabilities and Profits". His work will therefore be eternal I will encourage persons especially young ones in the Insurance Industry to purchase his book. Harry, may your soul rest in peace and may light perpetual shine on you, you will be missed.



Harold Wong

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Let's achieve it together.

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IAJ Tribute to the late Dr. The Hon. RAVERS (DANNY) WILLIAMS.

Dr. The Hon. Danny Williams was truly an icon of the Insurance Industry in Jamaica. His death on September 16, 2023, will leave a void in the business and philanthropy landscape of Jamaica.

He entered the Life Insurance industry in April 1953 through North American Life and over the years qualified for most of the industry's top awards. He worked at many levels from his entry as a salesman, holding the record of settling the most cases in a single year by a salesman in Jamaica, which stood unbroken for numerous years.

His motivation, competence and dedication enabled him to move through the various levels of field management to Branch Manager and enabled the Jamaica Branch of North American Life to become North American Life's leading Branch.

His passion for service and effective

management enabled him to move to several leadership positions within and external to the insurance industry. These include: Chairman, Jamaica Association in Aid of the Deaf, Chairman, Capital Fund for the Handicapped, Jaycees

Senator and many more. He excelled in in all areas of Executive Management and entrepreneurship, rising to Board Chairmanship and Director Emeritus of Sagicor. He was indeed the quintessential insurance Industry man who achieved distinctions as Association Man of the Year and Member of the Hall of Fame of the Caribbean Association of Insurance and Financial Advisors (CARAIFA). He is a former President of the Life Insurance Companies Association, LICA, which joined with the Jamaica Association of General Insurance Companies, JAGIC, to form the Insurance Association of Jamaica, IAJ. He served as a member of the Executive of the Jamaica Medical Foundation, JMF, an outreach



Danny Williams

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arm of the Jamaican Insurance Industry and was made a life member of the Foundation. His distinguished career path became a model for many to follow.

Leading up to the 70s most insurance operations in Jamaica were branches of foreign companies. Premiums collected had to be forwarded overseas where they were invested by head offices. Danny Williams was passionate about premiums collected in Jamaica being invested in Jamaica for the benefit of Jamaicans and this propelled him to be an advocate for Jamaicanization.

In this regard, he was one of the leading architects of the Jamaican Life Insurance industry making the bold move to negotiate to purchase his then employers' business at North American Life which saw the birth and establishment of Life of Jamaica in 1970, of which he was Founder, President, and CEO. The Company flourished under his dynamic leadership and was one of the most respected business entities in Jamaica which enjoyed tremendous customer support and had excellent record of great Corporate Social Responsibility, contributing to many areas of national life. While Danny worked primarily in the Life Insurance industry but he also played a critical role in the development of the Jamaican General Insurance Sector as well.

Danny had the reputation of being a problem solver and was never daunted by challenges. When the complexities of the meltdown of the Financial Sector came in the 1990's, instead

of giving up he became a major player in its solution. Out of an extremely difficult situation emerged a strong life insurance industry with regional links and Danny as Board Chairman of one of its most dynamic Company, Sagicor Life Jamaica Ltd which morphed out of Life of Jamaica.

Despite his busy schedule, Danny found the time to for public service, most notable answering the call of Prime Minister Michael Manley, taking a leave of absence from his business to serve his beloved country as a Cabinet Minister. He also chaired many Company Boards in both the public and private sector, and he was one of Jamaica's most prominent philanthropists, ever responding to calls for support.

His success is no surprise as at his core he was a just a great human being with exceptional leadership skills, whose presence exuded care and the warmth that came through his genuine trademark smile. His own life demonstrated the importance of family. He was a team man who had great love for his family, his co-workers, his community, and his country.

A truly great Jamaican, he has left us with a legacy to treasure and many things from the life he lived for us to emulate, that will allow us to not just have a full life for ourselves but one that includes family, friends, community, and country. May his soul rest in eternal peace. We pray for comfort and strength for his wife and the rest of the family as they mourn his passing.

Defensive Driving Fundamentals

By Stephen Grennell

488 individuals lost their lives due to motor vehicle collisions in 2022, which is the highest rate in Jamaican recorded history. As horrifying as this number is, it doesn't begin to tell the tale of those who survived crashes, but whose lives have been crippled by the resulting physical, emotional, and financial trauma. To pretend that the solution to the epidemic is for citizens to merely "drive better" would be oversimplifying a more complex problem. However, I think a safe and efficient way to START is with Defensive Driving. What is Defensive Driving, you ask? Whilst it may sound like surrounding your vehicle with armour plating and spikes to render yourself impervious to other motorists (which doesn't sound like a bad idea), it is a program that, in summary, highlights five tenets that maximize safety when traversing the thoroughfare.



Stephen Grennell

The foundation of Defensive Driving is "Sensitization"; driving is serious, and driving in Jamaica is the most consistently dangerous behaviour in which average citizens will participate. One mistake, one distraction, one ill-timed decision could be the difference between smiling at your healthy child and holding them in your arms as they bleed to death. Metal doesn't care, asphalt doesn't have feelings, physics doesn't fold to good intentions. One motor vehicle collision is all it takes for you to never walk again or to be in pain for the rest of your life. Hit the wrong vehicle and you may find yourself permanently

financially indebted. Break driving laws and there lies the real possibility of licence suspension and/or prison sentencing. Our actions on the road have tremendous consequences.

Having opened our eyes to the life changing nature of driving, Defensive Driving posits that "Training" is a necessity to ensure safety is maximized. This training starts with the basics of proper motor vehicle operation. It is imperative that parents ensure their children are taught properly and that adults ensure that they don't circumvent their own learning under the guise of urgency. The licence is not more important than the skill. Defensive Driving then builds on this foundation by introducing practices that maximize safety. A clear understanding of blind spots, stopping distance, live weight and centre of gravity helps navigating the road with larger vehicles. A working knowledge of following distance, hazard recognition formulas, skid correction and intersection management help minimize the likelihood of collisions. There are numerous tools provided to help drivers stay safe on the road.

However, these tools will only be appropriately applied if drivers engage the right "Attitude" to driving. There is too much animosity on Jamaica roads. Public passenger vehicles operate with a selfishness more suited to Hellshire beach. "Blys" are rarer than blue moons. Horns are weaponized echoes of impatience. Yes, we all want to get

to our destination as quickly as possible but is compromising decent and integrous behaviour the route we must choose to get there? Frustration is at an all-time high on our roadways and it is a catalyst for fatalities. Defensive Driving dictates that common sense, courtesy, and cooperation are the agents behind creating a safe driving environment and each of these must start internally.

Defensive driving is our "Responsibility". I must hold myself accountable for my actions. We are often too quick to look outwardly and blame, than we are to look inwardly and assess. Instead of asking "Why did the car have to stop so suddenly?" perhaps we should ask "Was I following too closely?". Instead of declaring "the rain made the road slippery that's why I lost control" perhaps we should examine "was I driving too fast for the pre-existing conditions?" Embracing our own agency stimulates the change on a personal level that will

foster the change nationally.

Finally, Defensive driving demands tenacity. There are bad habits that need to be unlearned and new, appropriate behaviours that require consistent reinforcement, all in an environment uncondusive for such growth. There will be relentless displays of idiocy as we travel day by day that will challenge our ability to maximize our own safety. The Defensive Driver practices day by day safety: an unending determination to do the right thing when its challenging, and to correct the wrong behaviour when they slip up.

Proper sensitization, professional training, a principled attitude, personal responsibility, and practical tenacity: if we start with defensive driving, we will finish with safer roads and a smoother transportation sector.

Conversations in Retirement Planning

By Magdalena Lawson

The introduction would highlight the approach of the Q&A that the subject matter is being addressed for the 2 Phases of Retirement Financial and Lifestyle Planning: (1) Accumulation Phase and (2) The Distribution Phase.

Pension Planning - the Accumulation Phase: Interview with Magdalena Lawson, Pension Consultant, Solid Life & General Insurance Brokers.

Q. The FSC reports that only approximately 12 % of the work force are members of a private sector Approved Retirement Savings Plan, in your opinion what is the reason for this?

My opinion is based on the following legislation for Jamaica's Constitution and Pensions legislation for the Private Sector and not on the two (2) other sectors which have their own Pensions legislation: public sector and recently there was instituted the Tourism sector with its own legislation.

Jamaica's Constitution: this establishes the eligibility age for participation in Jamaica's State

Benefit Plans (NIS and NHT) and all other financial and Retirement Savings plans such as those regulated by the FSC and any other Retirement Savings Plan which is governed by legislation.

The Income Tax Act, 1955 and enabling Regulations: provides details of the income tax status of the contributions to NIS and NHT and Approved Retirement Savings Plans for the private sector. The contributions to these plans fall into two (2) categories: tax-deductible and tax-deferred and tax-free.

The Pensions (Superannuation Funds and Retirement Schemes) Act, 2004 and enabling Regulations, 2006 (Governance) (Investments) (Registration, Licensing and Reporting): this is

applicable to Private Sector companies which offer an Approved Retirement Savings Plan [Approved Superannuation Fund (ASF) or Approved Retirement Scheme (ARS)] to their valued employees. An ARS is also available to self-employed persons.

And any amendments from time to time to the foregoing legislation which is/are published and available on www.moj.gov.jm



Magdalena Lawson

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- Individual Life

Since this is an FSC Report and since along with the TAJ the FSC is the main Regulator of Jamaica's private sector Approved Superannuation Funds (ASF) and Approved Retirement Schemes (ARS) the assumption being used in this Q&A is that the FSC report of 12% of the workforce is applicable to only Private sector registered companies and for self-employed persons since for an ARS the legislation provides for this category of employed persons. The following is an opinion and reason for this low participation:

a) Based on my own on the ground survey of the following questions which are asked randomly of individuals, it's amazing the response which is provided to each of the following questions by highly professional and leaders and no-professionals:

(i) When does retirement financial planning start for an individual who is classified as an adult as stated in Jamaica's Constitution? The incorrect response is usually ... when the person starts their first job. Very few persons say that it starts at age 18 with NIS and NHT before being a contributor to an ASF or an ARS.

(ii) What is your definition of retirement? The common incorrect response is for old age at say at age 60 years.

b) The responses to these questions indicate that there's a lack of knowledge due to a lack of a structured Retirement Financial Planning Jamaican education program on this important subject matter. Hence, this is the main reason for this low workforce participation in retirement savings plans of 12% as stated in the FSC Report.

c) The solution is for academic training courses on the subject of Retirement Financial

Planning at all levels of Jamaica's education system. For tertiary education graduates this will provide an opportunity to develop a cadre of certified and FSC-registered Retirement Planning Jamaican professionals. d) For example, in first world countries there are universities which offer courses for Retirement Financial planning. Hence, the delivery of knowledge to all levels of the society along with adequate research in Retirement financial planning and pensions benefit payments are very high. Therefore, the retirement financial planning information is filtered to its population at all ages in a structured manner and consistent with legislation.

Q. What are the implications of this fact for individuals, family and indeed the country?

a) Firstly, there's need for each Jamaican resident to understand that Retirement Financial and Lifestyle Planning is not just a matter of individual and family concerns but also community and a national concern. Hence, when there's the FSC record which indicates that there's only 12% of the workforce enrolled in an Approved Retirement Savings Plan, it begs the question if this is also a reflection of the number of employed or self-employed persons who are enrolled in NIS and NHT.

b) The real implication of this 12% is that there's a growing number of the Jamaican population who may not be able to maintain their basic lifestyle expenses upon the happening of a retirement life event: Old Age, Disability and upon the Death of each individual there will be many survivors who are ineligible for a Survivor guaranteed lifetime 'indexed' pension income benefit which is necessary to sustain their lifestyle.

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c) Next, retirement financial planning addresses the need for a guaranteed lifetime 'indexed' income upon the happening of a life event: Old Age, Disability and Death. The Rules for each private sector Plan (ASF and ARS) will state the various Old Ages which qualify a Plan Member for an income benefit at Early, Normal or Late Retirement age. However, if an employed person only has access to NIS and NHT and no other Source of Retirement Income such as any CAPITAL sum of money left as an Inheritance, then the individual's lifestyle will not be maintained during Old Age or Disability retirement years. Keep in mind that the legislation for Private Sector Approved Retirement Savings Plans while it provides for contributions to be made during an individual's pre-retirement years, it also provides for the accumulated contributions to purchase of an Annuity at actual retirement life event. An Annuity is the financial product which is only offered by FSC-registered Life Insurance companies to provide the guaranteed lifetime indexed income in the Distribution Phase (DP) of retirement financial planning. Note: The DP will be addressed in the next segment of this retirement financial planning Q&A.

In addition to the above there's clearly the implication for a great need of education and media communication on retirement financial and lifestyle planning sources of retirement income as stated in Jamaica's Pensions legislation and that of how an Annuity works.

Q. Jamaica's Income Tax Act, 1955 provides income tax benefits that facilitates the build-up of Capital which will provide for a retirement guaranteed lifetime indexed income. What are these benefits?

The contributions benefits provided by the Income Tax Act, 1955 are in three

(3) categories: (i) Tax-deductible and tax-deferred, and (ii) tax-free benefits and (iii) Income Tax threshold.. The following comments will address each category:

(i) Tax-deductible and tax-deferred retirement savings: In plain English interpretation of the tax-deductible part of this benefit it means that when contributions are being made to NIS, ASF and ARS it is based on the principle that the contributions will be deducted BEFORE the calculation of Income Tax on an individual's pay. This means that there's need for each employed person to understand the design of his/her payslip. This provides the opportunity to know whether or not the correct amount based on the percentage rate for each Plan (NIS, ASF and ARS) is being deducted and the amount of Income Tax which is deducted from one's pay.

For the tax-deferred benefit it means that when the benefit is being paid from these plans in the form of an Annuity – a pension payment or income - it means that this income being paid is subject to income tax. Why? In the Income Tax Act, 1955 it clearly states in section that all income received in Jamaica is subject to income tax. The key word in this statement is the word 'subject'. This word means is communicating that there's an Income Tax threshold applicable to all persons who are in receipt of a pension income due to Old Age, Disability and Death and any income above the threshold is subject to income tax at the current rate. It appears that there's one exception to the payment of income tax and that is when an individual is receiving an income due to disability. For such a retirement life event there's no income tax payable for permanent disability. This retirement event of disability needs to be verified by a medical practitioner before it is applicable.

(ii) Tax-free savings: The retirement savings plans which fall into this category are NHT and Life

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Insurance policies. Why? The contributions to NHT and the premiums a life insurance policy are made with after-tax dollars. Hence, when the benefits are being paid as cash lump sums they are not subject to income tax deduction. The calculation of the amount to be deducted based on the contribution rate is based on an Employee's Remuneration or Gross Pay.

(iii) Income Tax threshold: this is another major income tax benefit provided for all contributors to Jamaica's Approved Retirement Savings Plans.

These Income Tax benefits for contributors to Jamaica's Approved Retirement Savings Plans are better understood when one considers an analysis of a Jamaican payslip for employed persons between ages 18 to 70 and who have not claimed a retirement benefit. It is as follows:

- Gross Pay
- Less tax-deductible and tax-deferred contributions (NIS, ASF and ARS)
- GROSS TAXABLE PAY
- Less Income Tax threshold [currently in 2023 it is \$1,500,000.00 (\$1.5M)]
- Less Income Tax, if any
- Less tax-free contributions (NHT and Life Insurance)
- Less other deductions
- NET PAY

Q. How early should persons start saving for retirement if they are to be financially independent in their later years?

This question is very important when one considers that saving for retirement is not only to provide a guaranteed lifetime indexed income upon the happening of the life events for Old Age but also Disability and upon Death for survivors such as spouse and children who are classified as minors as per Jamaica's Constitution.

The Age at which persons should start to save is based on Jamaica's Constitution which states the age that an individual is considered to be an Adult and eligible for participation in a retirement savings plan or any financial plan. In accordance with the Jamaican Constitution the age at which an individual is deemed to be an adult is 18. Hence, that's when saving for retirement ought to start since it takes 40 years of consistent savings in Jamaica's Approved Retirement Savings plans in order to accumulate the CAPITAL needed to be eligible for the maximum pension payment as a guaranteed lifetime indexed income.

Readers, I can hear you saying Tell me how can someone start at age 18 when they're not in a full-time employment relationship or even working part-time or self-employed? Did you know that the eligibility age to start retirement savings for both NIS and NHT is age 18. Hence, it's in these 2 plans that an individual should start to save for retirement. Based on the NIS Act, there's a flat rate for adults who are not working. This rate would apply to an 18 year old who is not working and attending a secondary or tertiary educational institution.

For each child who has become an adult s/he should go to NIS and enroll and if not working then their pocket money should be used to make the flat rate contribution or parents or relatives make the contributions on behalf of the young adult. Keep in mind that it is the NIS number which will be required to register under NHT.

Based on the foregoing and reference to Jamaica's Constitution, each person upon attaining age 18 ought to start to save for retirement in an established plan such as NIS and NHT. These benefits along with one's

membership in future employment-related Approved Retirement Savings plans are then coordinated to provide the maximum retirement income benefit after 40 years of consistent contributions. Keep in mind that the 40-year journey is not only applicable to contributions while living in Jamaica but also upon becoming a resident in another country.

Q. What percentage of income is recommended to be put into or contributed to an Approved Retirement Savings plan for eligible adult persons who private sector employed and self-employed?

- Keep in mind that each private sector Approved Retirement Savings Plan – ASF and ARS - has its own Rules or PLAN DESIGN Considerations for calculating a Plan Member's retirement income in the event of Old Age, Disability and upon Death. As stated previously the key guideline is to be familiar with the Rules for each retirement savings plan benefits starting with NIS and NHT. Please note that NHT pays a one-time lump sum payment known as Special Contributions Refund upon the happening of Old Age, Disability and Death.

- However, each individual needs to establish what is his/her desired percentage of final remuneration or gross salary that will be needed to maintain his/her desired retirement lifestyle. It is highly recommended that individuals should plan for one of the following percentages of final remuneration or salary as the income to support one's retirement lifestyle. However, this should be guided by having an overall statement of the income desired. For example, an

individual should desire a guaranteed lifetime indexed income which is based on his/her remuneration or gross salary at actual retirement date and at one of the following percentages: 100%; 90% or 80% AND indexed annually by 5% or 10%. This recommendation is guided by the principle that a cash INCOME can only be obtained from an approved financial CAPITAL Source(s). In order to fulfill this desired retirement income it requires an approach of an Annual Review of one's CAPITAL from each source of retirement plans which are earmarked to provide a guaranteed lifetime indexed income.

- Why is this recommended guidepost necessary? This is due to the fact that the cost of living for food and basic daily lifestyle items, other purchases and the need to refurbish one's home environment to maintain one's retirement lifestyle are subject to inflation. This translates into a continuous rise in prices – at any time - for all goods and services.

- Let's put some numbers for the above desired recommendation of 100% of Remuneration at actual Old Age retirement date of say age 65 and indexed by 10% per annum. The numbers are guided by the 10% rule being applied to the following calculation.

- Mr. Jimspy at his actual retirement date of age 65 his annual remuneration package where he's employed at Freed-Yuth Ltd is \$2,000,000.00 (\$2M). Mr. Jimspy will need a CAPITAL Sum of \$22,000,000.00 (\$22M): $\$2M \times 10 = \$20M + (10\% \text{ of } 20M = \$2M)$. Now, if Mr. Jimspy was monitoring his

earmarked CAPITAL SUM retirement savings plans from age 18, by the time he attains age 65 this is possible. He would have monitored his spending habits to determine which expenses need to be reduced or eliminated in order to achieve his goal. In addition if prior to age 60 he inherited a sum from his ancestors this would have been carefully managed to make a contribution to his retirement CAPITAL in order to achieve his desired retirement INCOME goal. Hence he would use some of his inheritance to purchase an Annuity (Immediate or Deferred).

- From this example it is clear that if Mr. Jimspy started his retirement savings at age 18 and was clear about his retirement income goal that he will achieve it and the lifestyle he desired as he would have also understood the impact of inflation on his retirement income and lifestyle.

Q. Many persons feel that if their contribution rate to an ASF or ARS was low in their early working years, they can catch up later when their income is higher, how prudent is that strategy?

- Based on my experience this strategy is usually applied by individuals when there is limited information on how maximum contributions - which are based on the Income Tax Act - for the ASF or ARS Rules to provide for maximum income at Old Age, Disability and Death. In addition there is usually no budget plan in place to monitor the financial expenses for meeting one's daily desired lifestyle.
- Where an employed or self-employed

Adult individual uses this strategy of increasing the contribution rate to an ASF or ARS as they get older to catch up with their many years of a low contribution rate, it is still better than not increasing the contribution rate prior to actual Old Age Retirement Date. There are two (2) benefits when a Plan member of an ASF or ARS increases the contribution rate: (a) more tax-deductible benefits which reduces the income tax amount being payable; (b) increased retirement income from an Annuity when the Plan Member is given his/her Annuity Options Booklet.

- When such an individual is making a decision to increase their contribution rate it is best to obtain the details for the maximum contribution rate which is based on whether or not the Employer is making a contribution for an ARS. For an ASF or ARS there's need to know what the employer's contribution rate is and then make the additional contribution rate to the maximum of 20% between the Employer and the Plan Member in keeping with the applicable legislation at the date of effecting the increased contribution rate. The maximum contribution rate for an Employer to an ASF and ARS is 10% of an employee's remuneration. However, where an Employer contributes less than 10% of an Employee's remuneration the Employee can elect a contribution rate which when added to the Employer's contribution is equal to 20% of remuneration. For example, where an Employer contributes 5% of an Employee's remuneration, the Employee has the right to contribute up to 15% of his or her remuneration.

Q. Jamaica has a large informal sector, with many persons who are self-employed or work for small businesses and have not registered for being a Plan Member of an Approved Retirement Savings Plans such as an ASF or ARS which is in addition to NIS and NHT what are the options available to them?

- The first priority which should be established for Jamaica's large informal self-employed sector is that arrangements need to be made for the ease of making contributions to both NIS and NHT when one attains age 18. This is particularly important for persons who live in rural areas.
- Next, there's need to consider how an ARS Plan can be designed in legislation to allow this large informal sector of self-employed persons to make tax-deductible and tax-deferred contributions to an ARS. This could be an option which when coordinated with NIS and NHT retirement benefits would reduce the retirement poverty levels for this sector.

Q. The Approved Retirement Scheme (ARS) is often recommended to provide a pension for the self-employed explain how this scheme works and its benefits?

- Currently, the Pensions legislation for an ARS is designed to provide for participation and enrolment by employed and self-employed persons who are ages 18 and up to maximum age of say 69 - see the ARS Rules for the specific Plan Provider. Conditions apply as certain stated documents are required in order to enroll in an ARS.
- Keep in mind that an ARS is not

established by an Employer as is applicable to an ASF. An ARS is established by an FSC-Licensed Life Insurance Company Financial company who has submitted its Master Trust Deed and Rules document for Approval and is approved by the FSC. While an FSC-Licensed Life Insurance Company and a Financial Company it is open to the public at large who fall into the category of employed or self-employed persons.

- Since the contributions to an ARS is also based on the principle of being tax-deductible this means that the individual (employed or self-employed) who is eligible to participate should be a tax-payer in order to qualify for becoming a contributor. Why? The application process includes completing a Tax Authority of Jamaica Approval Form which must be completed by each applicant.
- The requirement for self-employed persons is that they must provide Proof of Income which is usually valid from an audited report. Hence, this requirement may be the reason for reduced marketing of an ARS to this group of eligible persons and also the 12% data stated in the FSC statement.

The ARS Plan Design is as follows:

1. Contribution to an ARS is based on a rate of up to 20% of an individual's remuneration and not a fixed monthly sum. An Employer MAY be a contributor of up to 10% of an Employee's remuneration. However, where an Employer doesn't contribute the Employee may contribute up to 20% of his or her remuneration.
2. Contributions are tax-deductible and tax-deferred. Any Employer

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Montego Bay - Unit 1 Fairview Shopping Centre:
Mon - Fri 8:30am - 4:00pm, Sat: Closed

May Pen - Shop 11, Bargain Village Plaza:
Mon, Tue, Wed & Fri 9:00am - 4:00pm,
Thu 9:00am - 1:00pm Sat: Closed

Santa Cruz - Shop 4, 36 Coke Drive:
Mon - Fri 8:30am - 4:00pm, Sat: Closed

Junction - Shop #8 Tony Rowe Plaza:
Mon - Fri 8:30am - 4:00pm, Sat: Closed

contributions are tax-deductible to the Employer. This means that when an Employer is making the deductions via payroll the contributions are deducted BEFORE the Income Tax threshold amount is applied to an Employee remuneration.

3. When benefits are being paid as a pension via an Annuity it is subject to income tax where the pension income is above the threshold for retirees who are over the ages 55 and 65 respectively. There's a higher threshold for retirees who are over age 65.

Based on the size of Jamaica's self-employed population and the requirements of the Income Tax legislation regarding tax-deductible contributions, there may be a need to give special consideration to including this group of workers as ARS Plan Members who will also become retired due to Old Age, Disability and Death.

Q. The National Insurance Scheme (NIS) is a compulsory contributory Plan for all adult workers aged 18 to 70. However, it too suffers from lack of support from persons outside the formal private, public and tourism sectors. How important is the NIS particularly for persons who are not members of an Approved Retirement Savings Plan?

- It is well established in Jamaica's Constitution that when an individual attains age aged 18 s/he must be a contributor to NIS because it provides the foundation basis for obtaining benefits in the event of Old Age, Disability and Death and many more benefits. However, again there's the need for everyone to have access to the NIS Act, 1966 – www.mlss.gov.jm; www.moj.gov.jm – and become aware of the eligibility for

being a contributor and claiming the myriad of benefits.

- While most employees in the Private, Public and Tourism sectors would automatically be contributors to NIS via their employer's payroll system, the same cannot be said for self-employed adult persons. There's need for an NIS Awareness campaign to incorporate this group of workers as upon the happening of a life – Old Age, Disability and Death – a guaranteed lifetime indexed income is needed.

- This matter is of great importance to be addressed for this group by establishing access to NIS payment outlets are readily accessible to them.

- Jamaica has a large informal sector, with many persons being classified as being self-employed or work for small businesses and are not registered Members or contributors to a Private sector Approved Retirement Savings Plan, what are the options available to them?

Q. Should NHT be included as one of an individual's retirement savings plans?

- As stated previously that NHT ought to be considered by ever Jamaica as a retirement savings plan. Not only because of the purchase of a home and other housing-related benefits. It's because NHT provides a benefit in the event of Old Age, Disability and upon Death a benefit to survivors ... the applicable condition for survivor NHT benefits is that a valid Will or Testamentary Trust is required for the payment to be made in a timely manner.



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- Since the NHT benefit is in the form of a tax-free lump sum, it is a valid source of CAPITAL for purchasing an Annuity from an FSC-Licensed Life Insurance company. Hence, where an individual desires say 100% of retirement remuneration as a retirement guaranteed lifetime indexed income, it may be wise to use this NHT CAPITAL sum to purchase an Annuity. Keep in mind that an Annuity cannot be purchased UNLESS the CAPITAL sum is from a valid source.

- It is noteworthy that where an NIS and NHT contributor migrates to another country s/he is provided with the opportunity as stated in the legislation for these Plans to continue to make contributions while being resident in another country. Hence, these plans are a part of an individual's retirement savings plans whether resident in Jamaica or another country.

In closing, information for retirement financial planning and its benefits for being a contributor to Jamaica's Approved Retirement Savings Plans, which are guided by legislation, demonstrates the unity of the eligibility for participation for all Jamaicans aged 18 and up to age 69 as stated in the Rules for each Plan.

To fulfill this objective there's need for a structured learning academic system which engineers local and international research. Such an approach provides Jamaica to achieve its Motto Statement – Out of Many One People – who are eligible to earn a guaranteed lifetime indexed income upon the happening of a life event – Old Age, Disability and Death. This must also be achieved by maximum participation in Jamaica's Approved Retirement Savings plans for all persons who are employed and self-employed in the various sectors.

Cancer & Your Mental Health

By Annette Robotham, Cancer Survivor

Cancer begins when healthy cells in the specific part of the body change and grow out of control, forming a mass or sheet of cells called a tumour. A tumour can be cancerous or benign. A cancerous tumour is malignant, meaning it can grow and spread to other parts of the body. A benign tumour means the tumour can grow but will not spread.

For persons dealing with cancer, it feels like a death sentence, so it is important that we do not ignore mental health.

Everyone knows it is better to catch cancer earlier, at stage one instead of later at stage four. The same is true for mental health conditions. Unfortunately, many people with cancer are never told about the chance they will develop a mental health condition like depression, nor will they receive treatment for it.

A cancer diagnosis can affect the emotional health of patients, families, and caregivers. Common feelings during this life-changing experience include anxiety, distress, and depression. Roles at home, school, and work can be affected. It is important to recognize these changes and get help when needed.

Cancer is not just a physical disease. It affects mental and emotional health – both at home and at work.

TALK ABOUT YOUR FEELINGS

- Your cancer diagnosis has turned your life upside down. You may feel fear, anger, and sadness – but then comes hope. For some, these emotional changes can be a source of stress.
- The most important thing is to talk about it with someone you trust so they know what you are feeling and what they can expect of you.

ASK FOR HELP

- Cancer is not something you should fight alone. You need support to cope with the setbacks triggered by the disease and its treatment, so it is important to seek help from others.
- Psychological distress that is not treated, or even underestimated, can impact your personal and work relationships, decreasing your overall quality of life.

Annette Robotham
October 2023

Adapted from articles published by Mental Health America and the American Cancer Society

Get trained at College of Insurance & Professional Studies

By **Annette Robotham,**

General Manager, College of Insurance and Professional Studies

The College of Insurance & Professional Studies (CIPS) offers some exciting study programmes that have been developed to meet the needs of individuals, both within and outside the Insurance Industry. The programmes target; current students, insurance personnel in need of retraining, persons wishing to enhance their prospects of promotions, persons who are considering making a career change, young professionals, as well as high school leavers looking for a career opportunity.

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- Certified Insurance Technician Course (formerly Jamaica Insurance Diploma) which is accredited by the University Council of Jamaica
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- Certificate in Supervisory Management
- Certificate in Loss Adjusting
- Chartered Insurance Institute Certificate in Insurance
- Certificate in Motor Vehicle Investigator
- Certified Insurance Institute/College

Insurance & Professional Studies (CII/CIPS) Certificate Programme

- Jamaica Customer Service Association /College of Insurance & Professional Studies (JaCSA/CIPS Customer Service

The Certified Insurance Technician Course (formerly Jamaica Insurance Diploma) has been accepted by the Chartered Insurance Institute of London as evidence of satisfactory fulfillment of the requirements for the introductory examinations for their Associateship of the Chartered Insurance Institute (ACII).

The Associate Degree has a combination of management disciplines specific to insurance and other businesses. The Associate Degree also provides an opportunity for persons engaged in the life sector to pursue subjects that are relevant to the life industry.

The Certificate in Insurance Studies includes all the classes of business in general insurance and will qualify individuals for the Financial Services Commission (FSC) Sales Representative Licensing Examinations in these areas, once the individuals decide to make an application for the licenses in the respective classes of business.

The Certificate in Supervisory Management is designed for individuals who have administrative or supervisory functions to perform and will improve the student's ability to carry out these responsibilities on the job.

There are several benefits to be obtained by individuals who decide to pursue any one of these programmes. The Associate Degree in Insurance Management, once completed will give persons exemptions from the Associate of Chartered Insurance Institute (ACII) Examinations.

CIPS also runs seminars/workshops that are relevant to the wider business community as well as the Insurance Industry.



Annette Robotham,
General Manager,
College of Insurance and
Professional Studies

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General Insurance Statistics 2022 Performance

Performance of the General Insurance Sector for 2022 is based on the combined activities of ten (10) General Insurance Companies namely;

- Advantage General
- CG United
- BCIC
- General Accident
- GK General
- Guardian General
- ICWI
- JN General
- Key Insurance

Growth in Gross Written Premiums

The sector produced Gross Written Premiums of \$66,228,940,660 for 2022 representing an 8% increase over the \$61,292,566,453 produced for 2021.

This total comprised:

- Property - Commercial \$25,528,789,049 and Residential \$7,081,440,109.
- Motor \$25,443,140,966.
- Liability – Employers \$771,859,196 , Public & Other \$2,806,200,976.
- All Others \$4,597,510,364.

Total Underwriting Income.

Total Underwriting income amounted to \$26,700,083,458 which was a -4 % below the \$27,760,702,373 recorded for 2021.

Underwriting Income is subjected to adjustments effected for the following:

- Proportional Reinsurance (\$48,392,762,570).
- Net Written Premiums \$17,836,178,090.
- Excess of Loss (\$1,706,446,132).
- Unearned Premium Adjustments \$1,835,130,403.
- Net Earned Premiums \$17,964,862,360.
- Commission Earned \$8,735,221,098.

Claims and Expenses

- Gross Claims incurred for 2022 was (\$52,588,731,362) an increase of 140% of the (\$21,912,945,897) recorded for 2021.
- Less Reinsurance on Claims \$40,807,603,695.
- Net Claims Incurred (\$11,781,127,667).
- Commission Outward (\$4,203,883,359).
- All Operating Expenses (\$11,784,549,672)

Net Underwriting Results

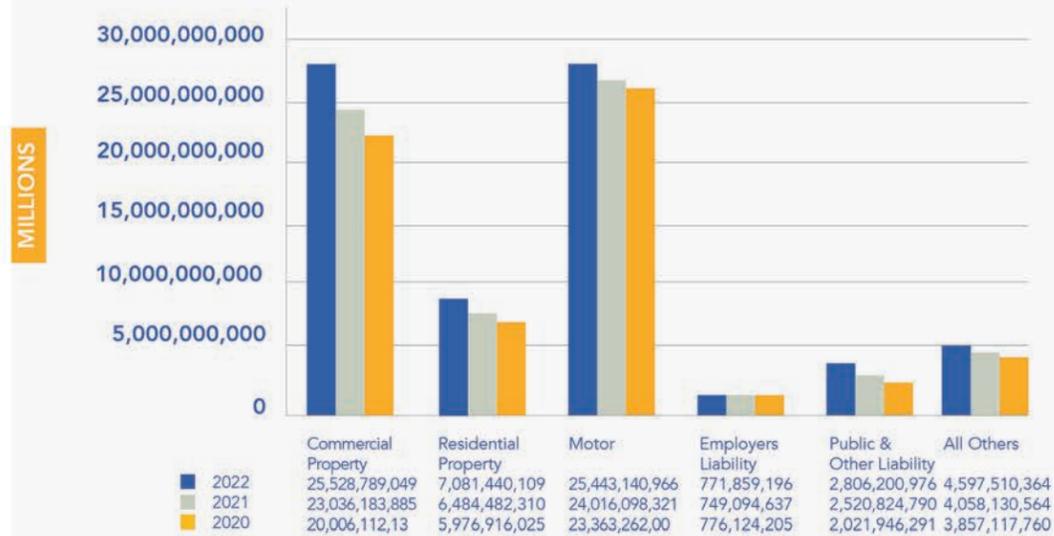
Net Underwriting Results for 2022 amounted to (\$1,069,477,240) against \$508,025,593 for 2021. This represents a 311%.

Net Underwriting Results according to categories are as follows:

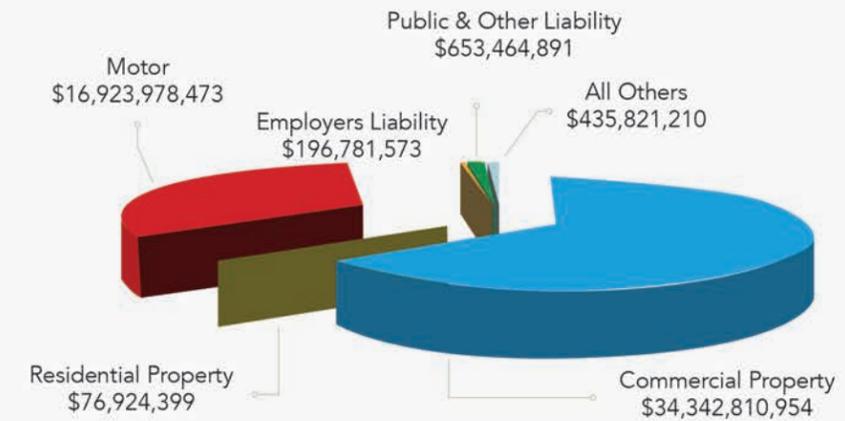
- Property - Commercial (\$77,023,073) and Residential \$78,955,862
- Motor (\$929,843,542).
- Liability – Employers \$ 232,792,720, Public and Other \$121,575,678)
- All Others (\$252,783,529).

Policy Count for 2022 was 503,797 against 491,356 for 2021 an increase of 3%. Risk Count was 512,579 and 614,697 for the previous year, a decrease of -17%. Claim Count was 63,709 for 2022 and 57,445 for 2021, an increase of 11%.

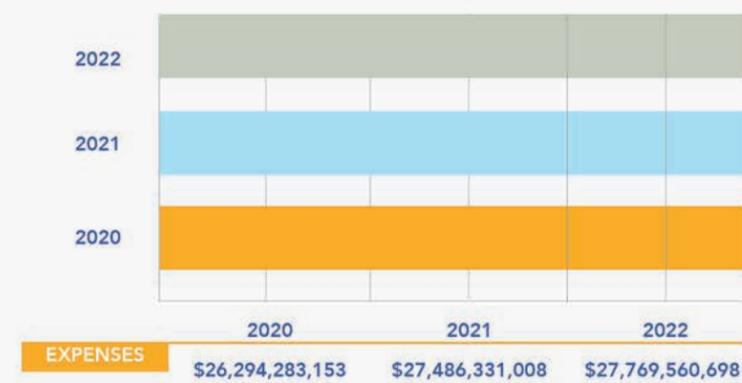
Gross Written Premiums by Line of Business 2022/2021/2020



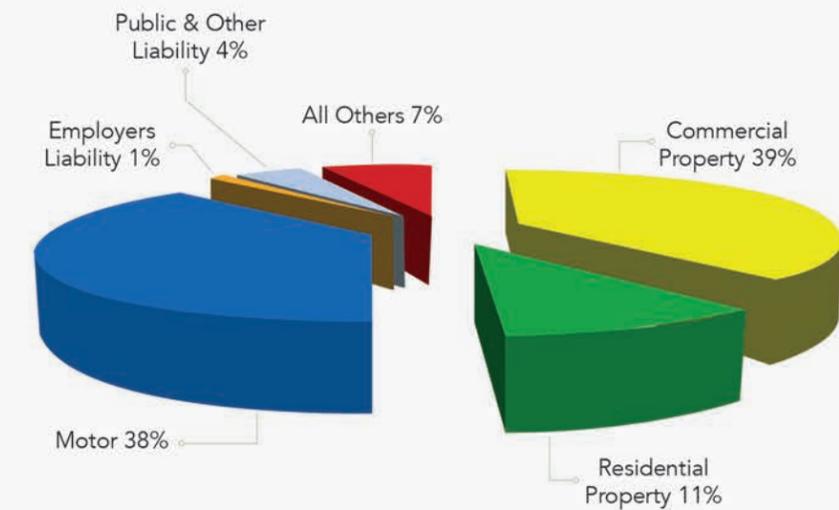
Gross Claims Incurred in 2022 by Line of Business



Total Underwriting Expenses 2022/2021/2020



Gross Written Premiums Percentage by Line of Business 2022



In operation since 1988, the JMF, an outreach arm of the Jamaican Insurance Industry has donated over \$30 million to needy institutions, hospitals, individuals to meet medical emergency needs under the banner PROVIDING A LIFELINE TO HEALTH. The JMF raises funds through, membership fees, donations from individuals and institutions, fund raising activities such as fund raising banquets, auctions and other activities designed to provide funds to fulfil this vital Corporate Social Responsibility function to the Jamaican public.



JMF giving financial assistance to a motor vehicle accident victim who has lost the usage of his legs.



Providing the LUPUS FOUNDATION OF JAMAICA with financial assistance.



ZION CARE Dental Team providing free dental checks to Jamaicans in association with JMF.



JMF and the Insurance Association of Jamaica (IAJ) 2023 Health Fair, providing free health checks for the public.



JAMAICA MEDICAL FOUNDATION

3-3a Richmond Avenue, Kingston 10

Website: www.jamaicamedfoundation.com Email: jamedfoundation@gmail.com
Facebook URL: [facebook.com/jamedfoundation](https://www.facebook.com/jamedfoundation) Telephone: 876-920-3385/6 or 876-906-5535

General Insurance Summary Year Ended December 2022

Company	Property		Motor	Liability		All Others	Total As At Dec, 2022	2022 Market Share %	Total As At Dec 31, 2021
	Commercial	Residential		Employers	Public & Other				
MARKET STATISTICS FOR JANUARY 1- DECEMBER 31, 2022									
Gross Written Premiums	25,528,789,049	7,081,440,109	25,443,140,966	771,859,196	2,806,200,976	4,597,510,364	66,228,940,660		61,292,566,453
Proportional Reinsurance	(24,482,780,260)	(6,492,388,990)	(11,280,665,362)	(278,991,505)	(2,043,629,069)	(3,814,307,384)	(48,392,762,570)		(38,252,936,648)
Net Written Premiums	1,046,008,789	589,051,119	14,162,475,604	492,867,691	762,571,907	783,202,980	17,836,178,090		23,039,629,805
Excess of Loss	(641,666,836)	(495,289,449)	(510,335,195)	(5,487,694)	(22,038,650)	(31,628,308)	(1,706,446,132)		(1,549,539,262)
Unearned Premium Adj.	(90,092,077)	(50,233,437)	1,860,529,609	66,206,003	(3,668,399)	52,388,702	1,835,130,403		(715,302,115)
Net Earned Premiums	314,249,876	43,528,233	15,512,670,018	553,586,001	736,864,858	803,963,374	17,964,862,360		20,774,788,428
Commission Earned	3,176,209,063	1,336,818,731	3,348,364,444	68,003,279	150,345,393	699,008,422	8,735,221,098		6,985,913,945
TOTAL UW INCOME	3,490,458,939	1,336,818,731	18,861,034,462	621,589,280	887,210,251	1,502,971,796	26,700,083,458		27,760,702,373
Gross Claims Incurred	(34,342,810,954)	(76,924,399)	(16,923,978,473)	(196,781,573)	(394,771,073)	(653,464,891)	(52,588,731,362)		(21,912,945,897)
Less Reins On Claims	34,289,267,318	65,170,245	5,674,204,630	148,138,419	8,971,433	621,851,650	40,807,603,695		8,999,852,789
Net Claims Incurred	(53,543,637)	(11,754,154)	(11,249,773,843)	(48,643,153)	(385,799,640)	(31,613,241)	(11,781,127,667)		(12,913,093,108)
Commission Outward	(1,558,033,487)	(383,979,781)	(1,609,279,227)	(50,679,812)	(149,230,133)	(452,680,919)	(4,203,883,359)		(3,780,054,989)
All Operating Expenses	(1,955,904,888)	(862,128,934)	(6,931,824,934)	(289,473,595)	(473,756,156)	(1,271,461,165)	(11,784,549,672)		(10,559,528,683)
TOTAL UW EXPENSES	(3,567,482,012)	(1,257,862,868)	(19,790,878,004)	(388,796,560)	(1,008,785,928)	(1,755,755,325)	(27,769,560,698)		(27,252,676,780)
NET UW EXPENSES	(77,023,073)	78,955,862	(929,843,542)	232,792,720	(121,575,678)	(252,783,529)	(1,069,477,240)		508,025,593



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Life Insurance Summary for the year ended December 2022

Results from the operations of the life insurance sector are based on the performance of six life insurance companies namely:

- Cuna Caribbean
- Guardian Life
- JN Life
- Canopy
- Sagicor Life
- Scotia Life

Annualised Premium

Annualised Premiums sold for the year was \$7,777.65 millions, 1% over the \$7,732.59 millions recorded for 2021.

- Plans Sold for 2022
- Plans sold for the year were: a total of 105,269
- Term 3,200
- Whole Life 6,247
- Personal Accident 10,933.
- Critical Illness 28,567
- Universal/Interest Sensitive 40,917
- Universal/Equity Linked 15,405

Plans sold by a limited number of companies included:

- Individual Health 592
- Riders 3,609

Face Amount Payable

Face Amount Payable was \$392.74 billions, representing a 5.4% increase over \$372.49 billions achieved in the previous year.

Number of Policies Sold

Number of policies sold for the year was 104,377, a -6% decline against 110,949 recorded for 2021.

Conservation of Business

Conservation of business registered a minor decline of 88.55% against 88.99% recorded for the previous year.

Number of Sales Representatives

The number of sales representatives declined to 761, a -4% from the 789 on books at the end of the previous year.

Total Premium Income

Total Premium Income collected for 2022 was \$47.55 billions, 7% above \$44.40 billions achieved in 2021.

Cash Disbursement

The life sector paid out \$24,905.05 millions in benefits for 2022 which represented a 5% increase over \$23,624.22 millions paid out in the previous year. Benefit Categories were:

- Death, \$ 5,703.54 millions, -5% of the \$ 6,006.96 millions paid out in 2021.
- Policy Loans, \$0.38 million, a -96% decrease against the \$8.99 millions paid out in 2021.
- Surrenders \$4,644.15 millions, 13% over \$4,100.20 millions for 2021.
- Encashments, \$12,906.07 millions, an increase of 11% over \$11,580.84 millions for the previous year.
- Critical Illness, \$1,279.13 millions, -18% below \$1,562.05 millions for 2021.
- Maturities was \$365.61 millions, 7% over \$341.66 for 2021.
- Others was \$6.17 millions, -74% below \$23.52 for 2021.

Health Claims

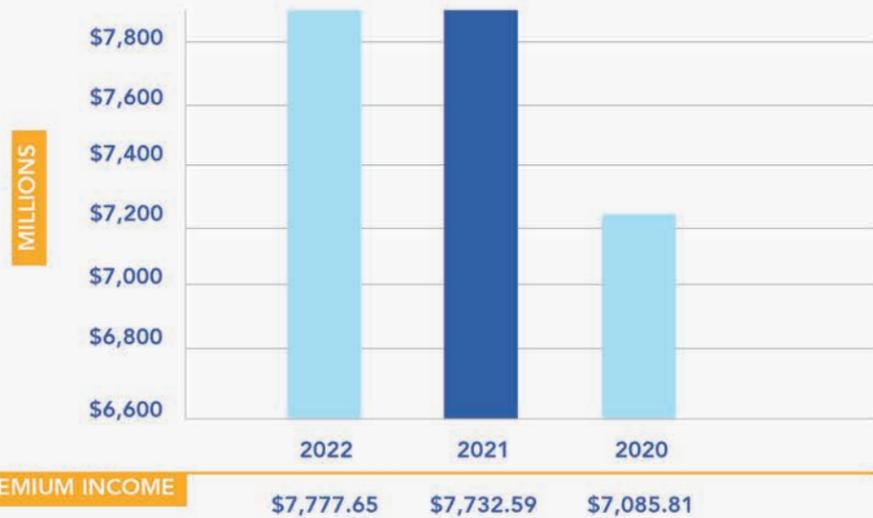
- Health Claims paid out for the year ended December 2022 amounted to \$25,711,597,925.54. Categories and percentage of total were as follows:
- Hospitalization \$2,874,454,276.55 (11%).
- Surgery \$4,099,424,844.18 (16%).
- Doctors Fees \$2,245,463,317.57 (9%).
- Lab/Xray \$3,124,919,799.99 (12%).
- Prescription Drugs \$6,905,589,345.92 (27%).
- Maternity \$231,397,991.45 (1%).
- Dental \$2,638,779,788.75 (10%).
- Optical \$1,943,808,345.00 (8%).
- Disability \$92,866,954.80 (0%).
- Others \$1,554,893,261.33 (6%).

Pension Funds Under Management

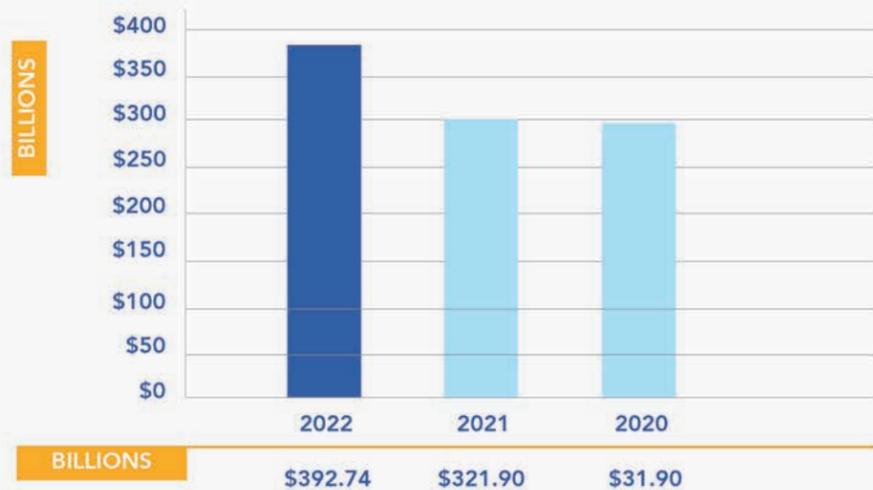
Pension Funds under management at the end of 2022 was \$257,829,782, slightly below the amount of \$266,357,693 recorded for 2021.

- Number of Contracts for 2022 was 384 while 2021 was 391.
- Number of employees/pensioners for 2022 was 63,010 while 62,482 were recorded for 2021.

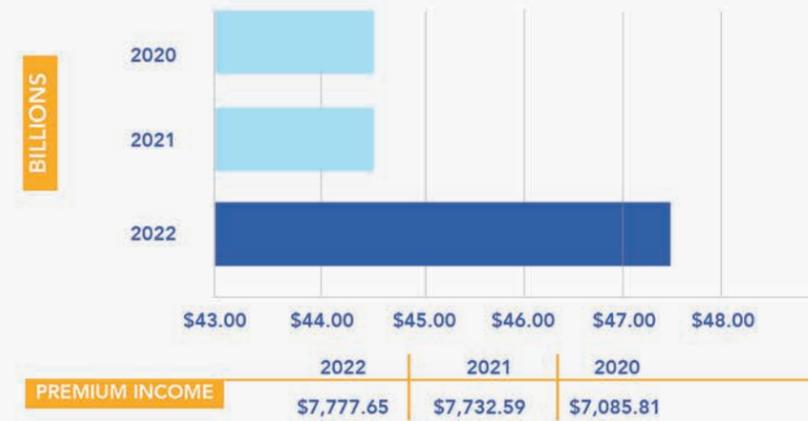
Annualized Premium Income 2022, 2021 and 2020



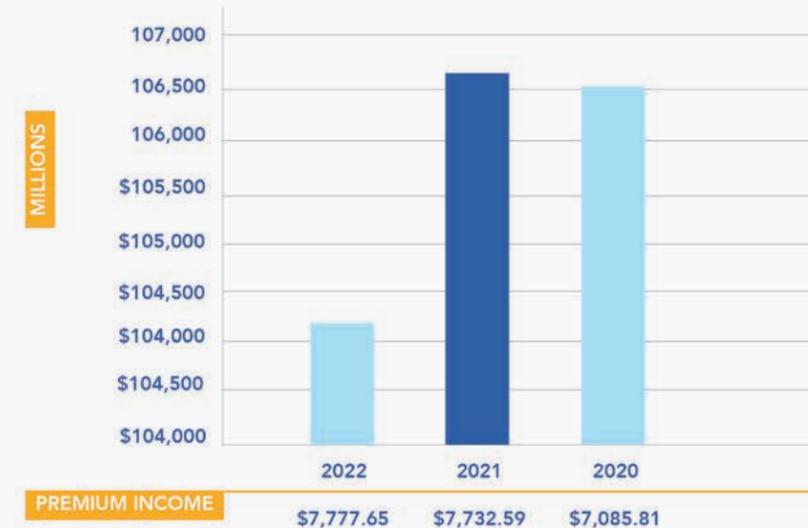
Face Amount Payable 2022/2021 and 2020



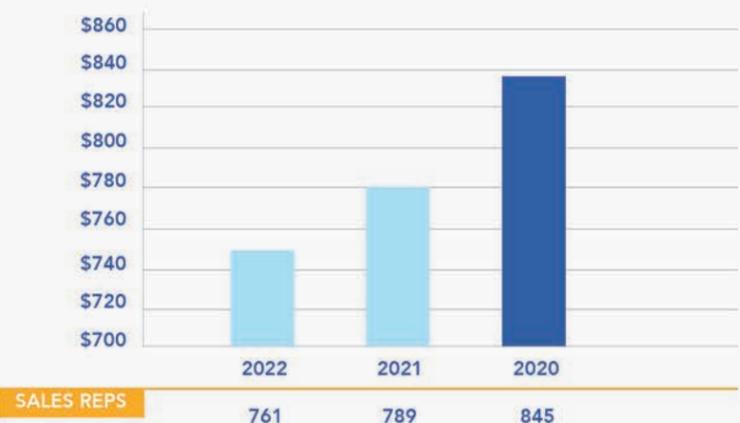
Total Premium Income 2022/2021/2020



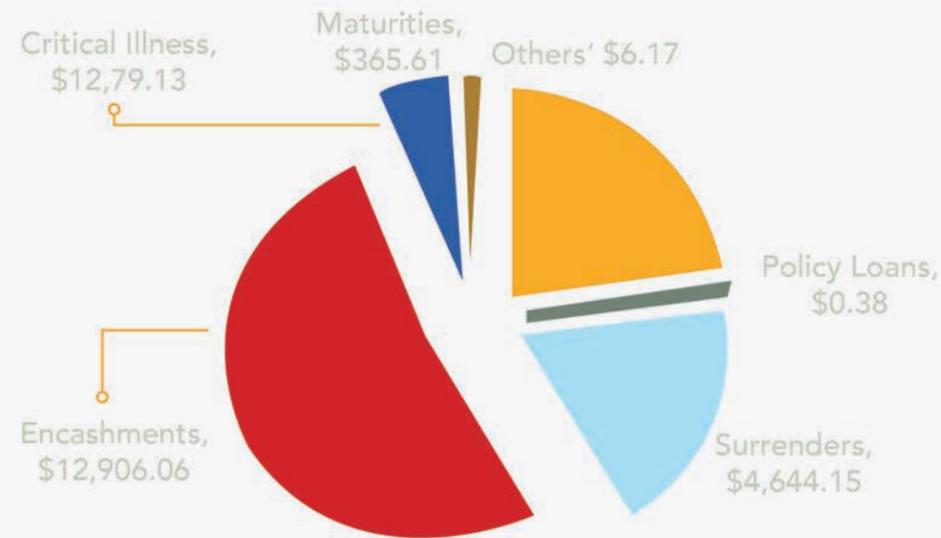
Number of Policies Sold 2022/2021 and 2020



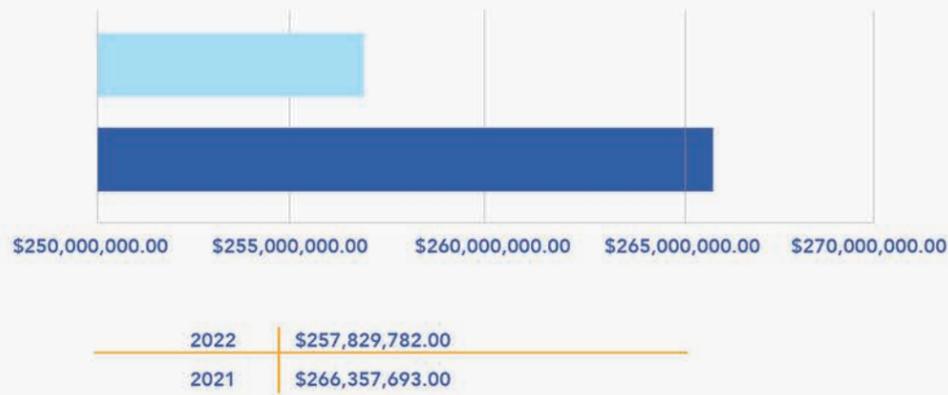
Number of Sales Representatives 2022/2021 and 2020



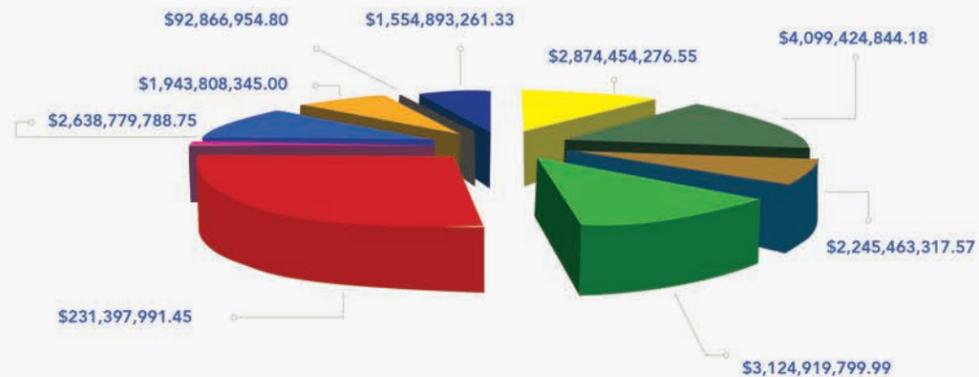
Life Insurance Cash Disbursements 2022 (\$ Millions)



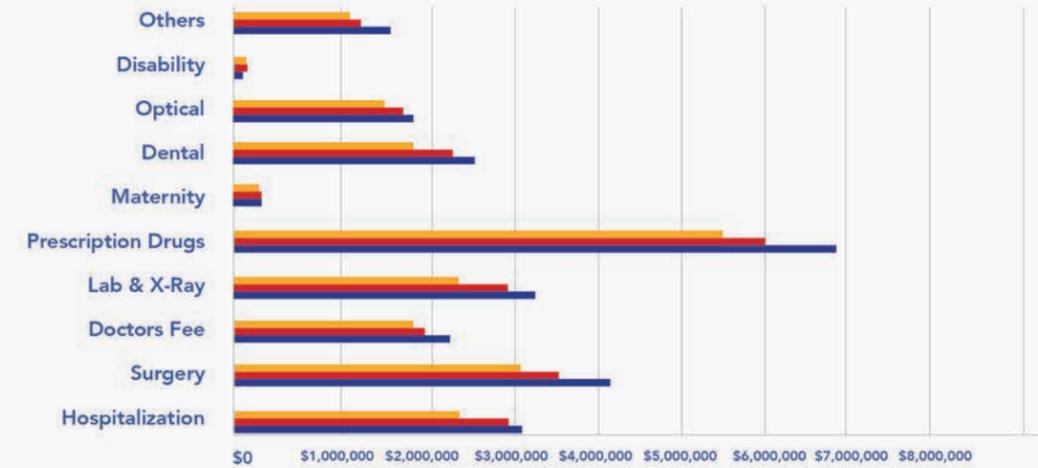
Group Pension - Funds Under Management 2022 and 2021



Health Benefits Paid Out 2022

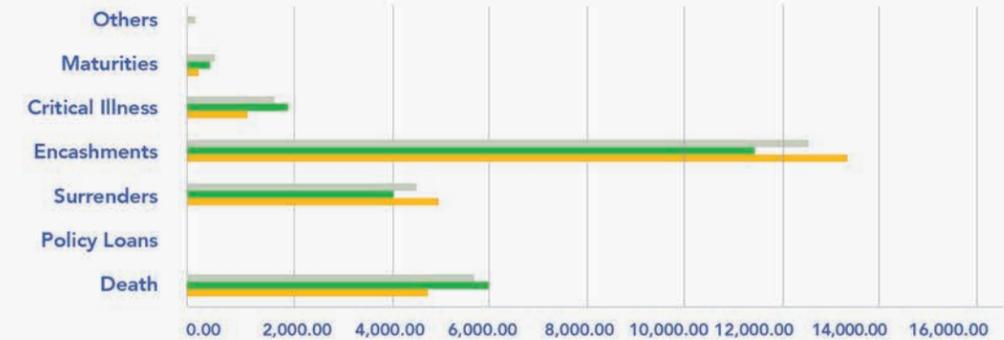


Health Benefits Paid Out 2022/2021/2020



	HOSPITALIZATION	SURGERYS	DOCTOR'S FEE	LAB & X-RAY	PRESCRIPTION DRUGS	MATERNITY	DENTAL	OPTICAL	DISABILITY	OTHERS
2020	\$2,247,823	\$3,070,517	\$1,789,427	\$2,470,095	\$5,613,200	\$205,852,4	\$1,938,729	\$1,611,654	\$97,430,43	\$1,108,016
2021	\$2,676,174	\$3,487,042	\$1,898,733	\$2,910,638	\$6,018,185	\$227,369,9	\$2,392,252	\$1,840,964	\$121,734,9	\$1,214,263
2022	\$2,874,454	\$4099,424	\$2,245,463	\$3,124,919	\$6905,589	\$231,397,9	\$2,638,779	\$1,943,808	\$92,866,95	\$1,554,893

Life Insurance Cash Disbursements 2022/2021/2020



	Death	Policy Loans	Surrenders	Encashments	Critical Illness	Maturities	Others
2022	5,703.54	0.38	4,644.15	12,906.07	1,279.13	365.61	6.17
2021	6,006.96	8.99	4,100.20	11,580.84	1,562.95	341.66	23.52
2020	4,513.70	10.21	5,109.02	13,497.29	1,037.01	169.41	74.27

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📍 Kingston: 26 Belmont Road, Kingston 5
MoBay: Unit 1, Fairview Shopping Centre, Bogue

✉️ youraib@gkco.com
🌐 youraib.com

