



ANY REPLY OR SUBSEQUENT REFERENCE SHOULD BE ADDRESSED TO THE FINANCIAL SECRETARY AND THE FOLLOWING REFERENCE NUMBER QUOTED:-  
Telephone No. 92-28600-16  
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**MINISTRY OF FINANCE AND THE PUBLIC SERVICE**  
**30 NATIONAL HEROES CIRCLE**  
**P.O. BOX 512**  
**KINGSTON**  
**JAMAICA**

December 10, 2022

Cabinet Secretary  
Permanent Secretaries  
Heads of Departments and Agencies

### **Implementation of the New Compensation System**

Further to Circular #20 dated November 18, 2022, **Implementation of the New Compensation System**, which indicated that payment for December 2022 and retroactive amounts for April 2022 through to November 2022 are to be made in December 2022, the following information is being issued to provide **clarity in regard to the calculation of arrears** so that all salaries and allowances paid between April 2022 and November 2022 are properly accounted for. See Appendix 1.

The actual payroll information generated for December 2022 is to be submitted to the Deputy Financial Secretary, Public Expenditure Division Ministry of Finance and the Public Service and the Transformation Implementation Unit of this Ministry no later than Wednesday, December 14, 2022.

Additionally, the Transformation Implementation Unit requires the conversion data for each employee to include classification of the employee's substantive position. The information must be sent to the Transformation Implementation Unit in excel format to [executivedirectortiu@transformation.gov.jm](mailto:executivedirectortiu@transformation.gov.jm)

**Entities that have not yet submitted their payroll information for November 30, 2022 to the Transformation Implementation Unit are to do so immediately.**

In the event there are any issues or cases of doubt or difficulty, the Transformation Implementation Unit of this Ministry should be contacted before any payment is made.

Darlene Morrison CD  
Financial Secretary

MINISTRY OF FINANCE AND THE PUBLIC SERVICE  
30 NATIONAL HEROES CIRCLE  
KINGSTON  
December 10, 2022

**Implementation of the New Compensation Structure**

**STEP 1**

***Conversion***

Use Conversion Section of the Conversion Template to convert the officer's current pay to the new compensation structure; guided by the Ministry of Finance and the Public Service's Circular No. 20 dated November 18, 2022. Check to ensure that the requirement for a minimum increase of 17.5% over the three years is maintained: 7.5% in year 1; 5% in year 2; and 5% in year 3.

To arrive at December's payment the following steps are applicable.

**STEP 2**

***Current Pay***

For the period April 1, 2022 – November 30, 2022, determine current pay by using salary and all allowances attached to the substantive position except where an allowance remains under the new structure. Please be guided by all relevant correspondence from the Ministry of Finance and the Public Service.

**STEP 3**

***New Pay***

Use the salary and temporary allowance that are generated for year 1 in the Transition Section of the Conversion Template for the new pay structure to calculate new rates for December 2022 and arrears for the period April 1, 2022 – November 30, 2022. Temporary allowance is only to be used where applicable.

**STEP 4**

***Arrears***

Calculate the amount already paid for salary and substantive allowances for the period April 1, 2022 to November 30, 2022; and the amount due under the new structure for the period April 1, 2022 to November 30, 2022 separately. Insert into payroll under the appropriate headings, basic salary, taxable or non-taxable allowances.

**STEP 5**

***Pay-slip***

December's pay slip is to reflect the new rates and arrears. Ministries, Departments and Agencies are to itemize on pay slips the following details as applicable:

Earnings:

- New basic pay calculation for April – November 2022
- New basic pay for December 2022
- Temporary allowance for December 2022
- Temporary allowance arrears for April – November 2022
- All other allowances continuing as approved by the Ministry of Finance and the Public Service
- Basic salary already paid for April – November 2022 shown as negative values
- Taxable allowances already paid for April – November 2022 shown as negative values
- Non-taxable allowances already paid for April – November 2022 shown as negative values