



**THE SUGAR INDUSTRY LABOUR
WELFARE FUND COMMITTEE**

**ANNUAL REVIEW
2007**



In accordance with Regulation 10 of The Sugar Industry Labour Welfare Fund Regulations made under The Sugar Industry Special Funds Act Chapter 69:03, we the members of the Committee appointed by the Honourable Minister of Labour to administer the Sugar Industry Labour Welfare Fund, have the honour to submit our report on the administration of the Fund for the year 2007.

MEMBERS OF THE COMMITTEE

At the beginning of the year, the Committee comprised of two Public Officers, three Trade Union Representatives and three Representatives from the Guyana Sugar Corporation.

These members were:-

Mr. M.A Akeel, A.A	-	Chairman	}	Public Officers
Mr. I. Ally	-	Member		
Mr. C. Duncan	-	Member	}	Trade Union Representatives
Mr. K. Joseph	-	Member		
Mr. J. Persaud	-	Member		
Mr. P. Bhim	-	Member	}	GuySuCo Representatives
Mr. N. Jackson	-	Member		
Mr. J. Petam	-	Member		

The Committee which was appointed for a term of two years expired on November 20, 2007 but Cabinet extended the life of the present Committee.

During 2007 nine (9) Main Committee Meetings and three (3) Sub Committee meetings were held.

STAFF: The Staff of the Committee comprised of an Administrative Manager, a Civil Engineer Technician, an Accountant, an Assistant Accountant, a Conveyancing Officer, a Confidential Secretary, three Building Inspectors, four Senior Clerks, one Clerk I, two Clerk Typist I, one Clerk II, one Office Assistant, one Cleaner and one Driver.

The Civil Engineer Technician was employed on 2007-05-07 as members decided that it was necessary to have a qualified person to prepare estimates and oversee the satisfactory execution of projects.

WAGES AND SALARIES

The Guyana Agricultural and General Workers Union (GAWU) remains the sole bargaining agent for the employees at SILWFC. In 2007 the employees enjoyed a 8.5% increase in wages/salaries across the board and a Christmas Bonus of \$23,500 - \$28,500.

It was also agreed that an Incentive Scheme should be formulated to replace the Christmas bonus from 2008 onwards.

BURSARY AWARD

There was no new application for bursary award. Two recipients continued to receive awards, however, only one applicant qualified for the award in 2007 and he received \$13,000. The other applicant did not submit his progress report as is the requirement for the disbursement.

AUDIT

The Committee continues its effort to have the audit of its accounts brought up to date. During the year under review the Committee's accounts for the year 1995 and 1996 were audited.

REGISTERED EXPORTER:

The Guyana Sugar Corporation Inc continued to be the sole registered exporter of sugar.

Exports of sugar during 2007 totalled **246,016.35** tonne accruing a levy of **\$123,008,175** at the statutory rate of \$500.00 per tonne.

(1) INCOME **(a) Levies**

During the year under review levies totaling \$121,497,740 were paid by GuySuCo into the Labour Welfare Fund. Of this amount \$74,876,070 were levies owing to the fund for the period August 2006 to December 2006; \$46,621,670 represented levies paid for the period January 2007 – July 2007; GuySuCo has outstanding levies totaling **\$76,386,505** for the period August 2007 – December 2007.

(b) Loan Repayment (Remittances)

When a sugar worker is granted a loan by the Committee, authorization is signed giving the management of the estate where he or she is employed, the permission to deduct a fixed amount from his/her wages/salaries each week. Receipts are prepared in triplicate; the original receipts are given to the borrower, the duplicate receipts are forwarded to this office and the triplicate receipts are retained by the estates. A borrower also has the option to make additional payments at the Head Office if he or she so desires.

At December 31, 2007 Loan repayment receipts received from the various estates showed a total of \$15,491,730 as deductions from workers' wages/salaries. Of this amount receipts totaling \$2,440,950 were deductions made for the period November – December 2006 and \$13,050,780 represented receipts received for repayments for January – October 2007.

During the year in review the Committee received a total of \$21,088,529 as Loan remittance and this amount was deposited into the Fund . GuySuCo remitted \$16,606,823, Houston Estate - \$166,350, DST - \$311,950, and a total of \$4,003,406 was paid by workers directly at the Head Office. During the same period 75 workers repaid their loans in full.

The following table shows details of loan repayment and the amount remitted by GuySuCo.

ESTATE	RECEIPTS			PAYMENTS			OUTSTANDING BALANCE		
	Unpaid amount B/F as at Dec. 2006	Rec'd in 2007 for (2006 & 2007)		Received in 2007 for 2006 and part of 2007			Amount owing by GuySuCo as at December 2007		
	2006	2007	TOTAL	2006	2007	TOTAL	2006	2007	TOTAL
Skeldon	34,500	83,500	118,000	35,500	80,000	118,500	8,500	(9,000)	(500)
East Berbice	901,901	3,030,680	3,932,581	936,950	2,437,023	3,373,973	308,407	250,407	558,608
Blairmont Bath	885,070	1,146,250	2,031,320	315,250	857,750	1,173,000	771,070	87,250	858,320
East Dem.	1,928,500	7,146,750	9,075,250	2,586,513	5,187,987	7,774,500	679,737	621,013	1,300,750
Wales	270,250	1,819,800	2,090,050	482,400	1,339,250	1,821,650	117,300	151,100	268,400
Uitvlugt	650,151	2,264,750	2,914,901	711,900	1,833,300	2,345,200	155,001	414,700	569,701
TOTAL	4,670,372	15,491,730	20,161,102	5,071,513	11,535,310	16,606,823	2,039,809	1,515,470	3,555,279

(c) **Conveyancing of Titles and Second transfers**

The Committee continues to convey Certificates of Title to sugar workers who were leased land in the Extra Nuclear Housing Areas and to those who were allocated house lots in new housing areas developed by the Committee.

A total of 125 applications were received and processed. 125 applicants paid for their titles, and this number represented 51 applicants who applied in 2007 and 74 applicants who applied in previous years. 112 titles were uplifted from the Land Registry and delivered to the Registered Proprietors.

During the period in review Registered Proprietors applied to the Committee and were granted consent to transfer their properties.

The proceed from the sale of the lots totaled \$2,502,564 and from the second transfer totaled \$376,000. The sum of \$2,878,564 was deposited into the Fund.

(d) **Sale of the Bond and Scrap Iron**

With the handing over of the potable water supply system to Guyana Water Incorporated, the Committee decided to dispose of the Bond at Eccles, East Bank Demerara and the Scrap Iron stored in the Bond. Separate advertisements for the sale of the Bond and the Scrap Iron were placed in the newspapers. Tenders were received and evaluated and the Bond was sold for **seven million five hundred thousand dollars (\$7,500,000)** and the Scrap Iron for **six hundred and six thousand dollars (\$606,000)**.

ALLOCATION OF LOTS

During 2007, the Committee allocated 17 house lots to sugar workers; 13 at Kilcoy/Chesney, 3 at Canefield East New Area, Canje and 1 at Plantation Hope, West Coast Berbice. A total of \$780,000 was received from 13 allottees who paid in full for their house lots. 4 allottees did not make any payment.

INCREASE IN THE IMPREST HELD AT THE BANK OF GUYANA

In 2007, the Committee increased the housing loan granted to sugar workers from \$200,000 to \$350,000 and the repair and extension loan from \$90,000 to \$200,000, and to accommodate this increase a request was made to the Ministry of Finance to increase the imprest held at the Bank of Guyana from \$2.5M to 3.5M. This request was approved and the imprest now stands at \$3.5M.

(2) EXPENDITURE

(a) Loans to Sugar Workers to build their houses

The Committee provides interest free Loan to sugar workers to assist them to construct their own homes. Over the years the amount had to be increased due to the rise in the cost of building materials and labour.

In 2007, the Committee increased the loan from \$200,000 to \$350,000 and this amount was disbursed in one installment instead of the usual three installments.

Loan is also granted to workers to repair and extend their houses. This amount was also increased in 2007 from \$90,000 to \$200,000 paid in one installment.

The rate of repayment was also increased from \$250 to \$1,000 weekly.

The Building Inspectors employed by the Committee have the responsibility to ensure that the loans disbursed are used for the intended purpose.

During the year, 72 applications for loans were received from sugar workers to construct their own homes on land allocated to them by The Sugar Industry Labour Welfare Fund Committee, GuySuCo and the Government and 16 applications were received from workers to repair and extend their houses. The number of applications approved to construct new houses were 51, this number included 30 applications received during the previous years; and 22 for 2007.

45 new houses were completed in 2007 and 2 were repaired and extended.

Total loans disbursed to workers during the year under review were \$17,635,000. Details of the number of applications received, approved and disbursed during 2007 and the number of houses completed are shown in the table below.

ESTATE	NO. OF APPLICATIONS REC'D		NO. OF APPLICATIONS APPROVED		AMOUNT OF LOANS DISBURSED		NO. OF HOUSES COMPLETED
	New	Repair & Ext.	New	Repair & Ext.	New \$	Repair & Ext. \$	
SWR	3	-	3	-	550,000	-	1
East Berbice	21	5	8	5	3750,000	45,000	2
Blairmont	8	6	1	3	700,000	-	1
East Dem.	14	2	20	1	6,600,000	90,000	24
Wales	14	1	9	2	2,800,000	200,000	12
West Dem.	12	2	10	-	2,900,000	-	7
Houston	-	-	1	-	-	-	-
TOTAL	72	16	52	11	17,300,000	335,000	47

(b) Repair to the Head Office Building

The handing over of the water portfolio to Guyana Water Incorporated resulted in a reduced staff level.

It was therefore agreed that the staff be housed in the lower flat of the head office building and that the upper flat be repaired and rented. The amount expended for this repair totaled \$768,074. Unfortunately to date the Committee was not able to find any suitable person to rent the flat.

(c) Water Subsidy

One of the Committees responsibilities was to provide potable water to sugar workers residing in the sugar belt and with the divestment of the water aspect to Guyana Water Incorporated the Committee agreed to subsidize water rates to all sugar workers who have met the necessary requirements.

In 2007 the Committee increased the subsidy from \$900 to \$3,000 and a decision was taken by members of the Committee after consultation with G.A.W.U to pay the subsidy in January of the following year instead of November of the same year; since this would allow workers enough time to pay their water rates.

Water Subsidy for 2006 was paid in early 2007 and this amount totaled \$44,100.00. With the increase of the water subsidy to \$3,000 it is expected that more workers will access the benefit.

(d) Overpayment on Loans

During the year in review 37 workers made overpayment on their loans amounting to \$316,800 and 24 persons have so far been refunded a total of \$221,750.

(2) ADMINISTRATION & CONTROL

A total of \$30,574,945 was expended to meet administrative cost. This included salaries to staff, stipend for Committee Members, Security for the Committee's Property (Office Building), Legal Fees etc.

3. INSTALLATION OF PIPELINES

The Committee expended \$7,146,445 to install PVC pipelines and fittings at Parafield, West Coast Demerara.

4. REHABILITATION WORKS

In October of 2007 contracts were awarded for the rehabilitation of the roads in Cornelia Ida, West Coast Demerara and Kilcoy Chesney, Corentyne Coast Berbice.

The Contract price for the rehabilitation of Cornelia Ida roads using Double Bitumen surface treatment was \$23,931,710 and for Kilcoy Chesney using the same surface treatment was \$17,977,674.

Mobilization fees of \$2,175,610 and \$1,634,334 for Cornelia Ida and Kilcoy Chesney respectively were paid to the contractors. The projects commenced in the latter part of October 2007.

10% retention fee owing to a contractor who executed the rehabilitation of a street in Goed Fortuin, West Bank Demerara was paid in 2007. This amount was \$2,136,378.

SEWERAGE SYSTEM

The sewerage system at the Office which was in a deplorable state was rehabilitated by Guyana Water Incorporated with a cost of \$397,900.

SMALL PROJECTS

There were a number of small projects executed during 2007. \$69,000 were expended to resurvey three lots at Canefield New Area, Canje, Berbice.

The main access road at No. 78 Skeldon Corentyne, Berbice was rehabilitated with burnt earth at a cost of \$120,000.

Preliminary works for the construction of a bus shed at Woodley Park cost \$50,000.

TRANSFER OF LUSIGNAN PROPERTY

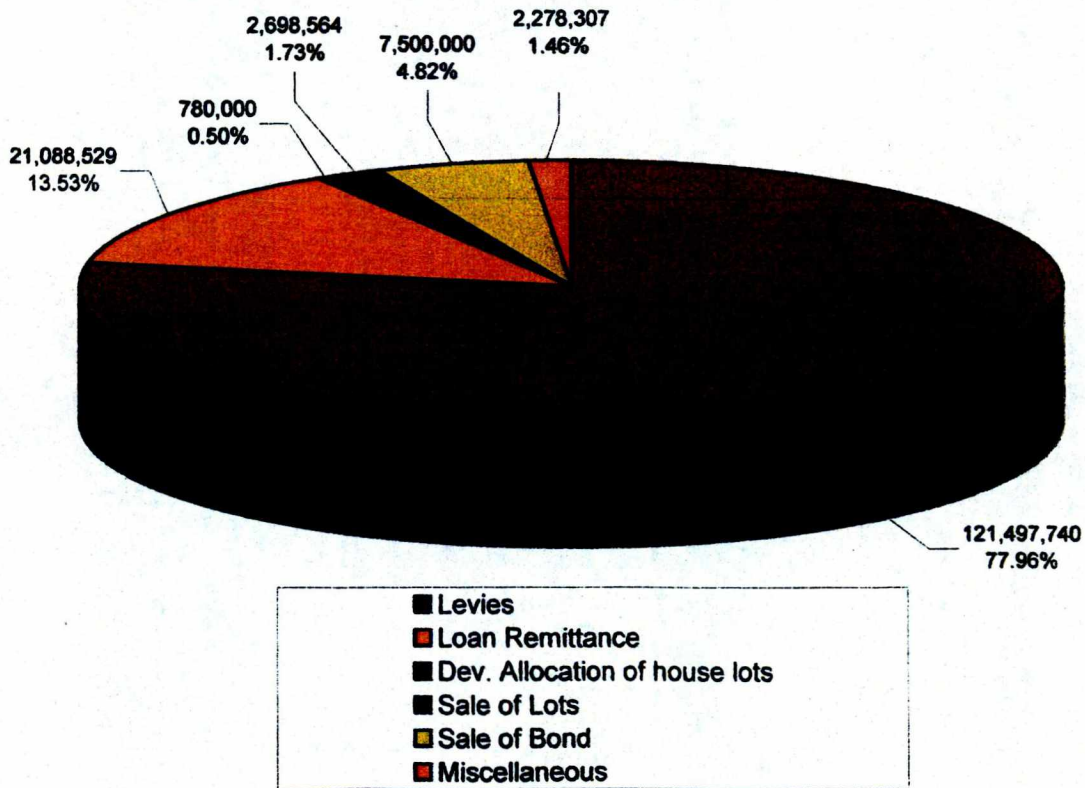
The property at Lusignan known as the Midwife's Quarter was deeded over to the Guyana Sugar Corporation on 2007-05-24.

SOURCES OF INCOME - 2007

Levies together with other sources of Income for 2007 were:-

SOURCE	AMOUNT \$	PERCENT %
Levies	121,497,740	77.96
Loan Remittance	21,088,529	13.53
Dev. Allocation of house lots	780,000	0.50
Sale of Lots	2,698,564	1.73
Sale of Bond	7,500,000	4.82
Miscellaneous	2,278,307	1.46
TOTAL	155,843,140	100.00

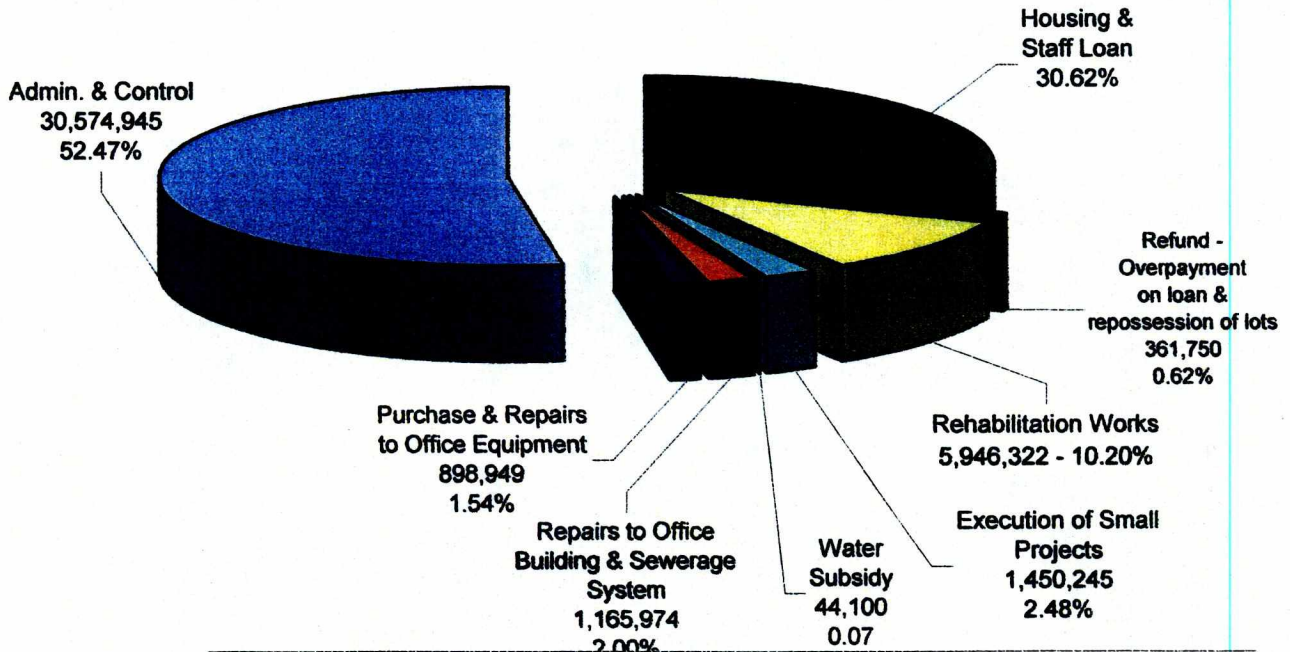
SOURCES OF INCOME AS A PERCENTAGE OF TOTAL INCOME



PAYMENT - 2007

NO:	CATEGORY	AMOUNT	PERCENT
1	Housing & Staff Loan	17,835,000	30.62%
2	Refund - overpayments on loan and repossession of lots	361,750	0.62%
3	Rehabilitation Works	5,946,322	10.20%
4	Execution of Small projects	1,450,245	2.48%
5	Water Subsidy	44,100	0.07%
6	Repairs to Office Building and Sewerage System	1,165,974	2.00%
7	Purchase & Repairs to Office Equipment	898,949	1.54%
8	Admin & Control	30,574,945	52.47%
TOTAL		58,277,285	100%

INDIVIDUAL EXPENSES AS A PERCENTAGE OF TOTAL EXPENDITURE



■	Housing & Staff Loan
■	Refund - overpayments on loan and repossession of lots
■	Rehabilitation Works
■	Execution of Small projects
■	Water Subsidy
■	Repairs to Office Building and Sewerage System
■	Purchase & Repairs to Office Equipment
■	Admin & Control