

THE SUGAR INDUSTRY LABOUR  
WELFARE FUND COMMITTEE

# ANNUAL REPORT 2008





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 2008.

## 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		

During 2008 eight (8) Main Committee Meetings and four (4) Sub Committee meetings were held.

**STAFF:** At the commencement of 2008 the staff of the Committee comprised of an Administrative Manager, a Civil Engineer Technician, an Accountant and an Assistant Accountant, three Building Inspectors, four Senior Clerks and one Driver.

On **September 13, 2008** the Accountant resigned for personal reason, an advertisement was placed in the daily Newspaper. A number of applications were received and interviews were conducted. However at the conclusion on 2008 the vacancy was not filled.

The Driver who attained the age of retirement in **January 2, 2008** and whose service was extended due to the fact that he was experience in driving the lorry had retired. The lorry was disposed of and a double cab pick-up was purchased.

## **WAGES AND SALARIES**

The Guyana Agricultural and General Workers Union (GAWU) remains the sole bargaining agent for the employees at SILWFC. In 2008 the employees enjoyed among other benefits an 8.5% increase in wages/salaries for the Junior Level staff and 7.5% for the Senior Level and a Christmas Bonus of \$25,000 and \$30,000.

## **BURSARY AWARD**

There was no new application for bursary award. However, of the two bursary awardees, only one was qualified for the award in 2008 and she received \$9,000. 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 1997 was audited and a preliminary report was forwarded to the Committee.

## **REGISTERED EXPORTER:**

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

Exports of sugar for the period January to April, 2008 totalled 60,272.43 accruing a levy of \$30,136,215 at the statutory rate of \$500.00 per tonne.

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

In 2008 levies paid into the Sugar Industry Labour Welfare Fund totalled \$106,522,720. Of this amount a total of \$76,386,505 represented levies for August to December 2007 where 152,773.01 tonnes of sugar were exported.

In January – April 2008 sugar exported totalled 60,272.43 tonne accruing a levy of \$30,136,215 which was paid into the fund.

For the period May 2008 – December 2008 no further levies were paid into the Fund and the Committee is not in receipt of the amount of sugar exported for the period.

**(b) Loan Repayment (Remittances)**

One of the social responsibilities of the Committee is to improve the living condition of workers in the sugar industry. As a result interest free loans are granted to assist the workers in constructing, repairing and extending their houses.

The loans are repayable in weekly installments which are deducted from the workers wages/salaries, by signed authorities given to the management of the estates by the workers to remit to the Committee.

During the year in review the Committee received a total of **\$15,531,406** as Loan remittance and this amount was deposited into the Fund . **GuySuCo** remitted **\$10,855,122**, **Houston Estate - \$139,650**, **DST - \$112,250**, and a total of **\$5,194,384** 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.



**(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 59 applications were received and processed. 75 applicants paid for their titles, and this number represented 34 applicants who applied in 2008 and 41 applicants who applied in previous years. 69 Transfers were filed at the Land Registry and 93 Certificates of Title were uplifted from the Land Registry and delivered to the Registered Proprietors (26 from transfer filed in 2008 and 67 from transfer filed in previous years.

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

The proceed from the sale of the lots totaled \$581,382 and from the second transfer totaled \$222,000. The sum of \$803,382 was deposited into the Fund.

**ALLOCATION OF LOTS**

During 2008, the Committee allocated 8 house lots to sugar workers at Kilcoy Chesney, a housing area which was developed in 1999.

**(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.

The Housing Loan remained at \$350,000, however the members of the Committee agreed that these workers who had already accessed a housing loan can apply for an additional loan of \$200,000 to repair and extend their homes.

Loan of \$200,000 each are granted to workers to repair and extend their houses. The rate of repayment of all category of loans is \$1,000 per week.

The Building Inspectors employed by the Committee have the responsibility to ensure that the loans disbursed are used for the intended purpose and that building material purchased are of good quality.

During the year, 92 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 36 applications were received from workers to repair and extend their houses. The number of applications approved to construct new houses were 97, this number included 48 applications received during the previous years; and 49 for 2008. 17 applications were approved to repair and extend workers houses.

12 new houses were completed in 2008 and 19 were repaired and extended.

Total loans disbursed to workers during the year under review were \$32,450,000. Details of the number of applications received, approved and disbursed during 2008 and the number of houses completed are shown in the table below.

**(b) 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 entity to Guyana Water Incorporated the Committee agreed to subsidize water rates to all sugar workers who have met the necessary requirements.

The Subsidy was increased in 2007 for \$900.00 \$3,000 for each eligible sugar worker.

Water Subsidy for 2007 was paid in early 2008 as was agreed by the Committee and the unions and this amount totaled \$1,704,670. With the increase of the water subsidy to \$3,000 it is expected that more workers will access this benefit.

**(d) Overpayment on Loans**

During the year in review 35 workers had overpayment on their loans amounting to \$464,300 and all have so far been refunded a total of \$464,300

**(2) ADMINISTRATION**

A total of \$31,489,394 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.



With the divestment of the water sector the Committee sold the lorry and purchased a double cap pickup for office use.

### 3. DEVELOPMENT AND REHABILITATION WORKS

#### (A) DEVELOPMENT

During the year under review a number of contracts were awarded to execute projects in various housing areas.

A new housing area was being developed in Zeelugt, Phase II, East Bank Essequibo. This involved cleaning and leveling of 7 acres of land to the tune of \$3,750,000 and surveying cost of \$424,560.00.

Construction of road 583M by 4.3M wide with 6" crusher run finish, digging of 1200M length of drain and construction of 5 reinforced concrete culverts with 18" tubing to the value of \$24,159,095 was awarded.

At Haswell, Port Mourant. Berbice 792M by 4.3M roads were constructed with bauxite capping finish, 1600M length of drains were dug and 5 reinforced concrete culverts were constructed to the tune of \$24,729,380.

#### (B) REHABILITATION WORKS

In Kilcoy Chesney a contract was awarded for the sum of \$17,977,678. In Johns for the sum of \$4,506,000, in No. 78 Skeldon for the sum of \$16,151,510 and Cornelia Ida for the sum of \$21,756,100.

At the closing of 2008 the works at Johns, Kilcoy Chesney and Cornelia Ida were completed and the sum of \$42,685,031 was paid out.

The sewerage system at the Office which was in a deplorable state was rehabilitated by Guyana Water Incorporated and the retention fee of \$397,900 was paid during 2008.

The project at No. 78 was still ongoing.

#### © JOINT VENTURE

At a Cabinet Meeting held on 2007/09/06, it was decided that the access road to the Enmore Estate be rehabilitated through a joint venture with the Committee contributing \$20M, GuySuCo \$27.5M and the Ministry of Works \$27.5M

This project was satisfactorily completed.

Sewerage system under rehabilitation.

### CLAIMS

The Committee is indebted to GuySuCo to the tune of \$312,934,000M and \$25M went towards the indebtedness.

### SMALL PROJECT

A bus shed was constructed at **Woodley Park, West Bank Berbice** to the tune of \$425,000

Schedule I and II relate to the income and expenditure for the year under review.

### CONCLUSION

Over the years some of the responsibilities of the Committee had been taken over by one or another government agencies: the most recent being the provision of potable water. This service has been centralized.

All the extra nuclear housing areas have been incorporated into the local government structure of the country and although the Committee has been carrying out some works in these areas, e.g, the rehabilitating of roads, it should be noted that it is not the responsibility of the Committee.

Therefore in the future the Committee may want to consider placing more emphasis on providing some social services to the sugar workers and their families.

This could include counselling, since reports suggest that domestic violence, suicide and substance abuse among other ills are growing in the "sugar communities".