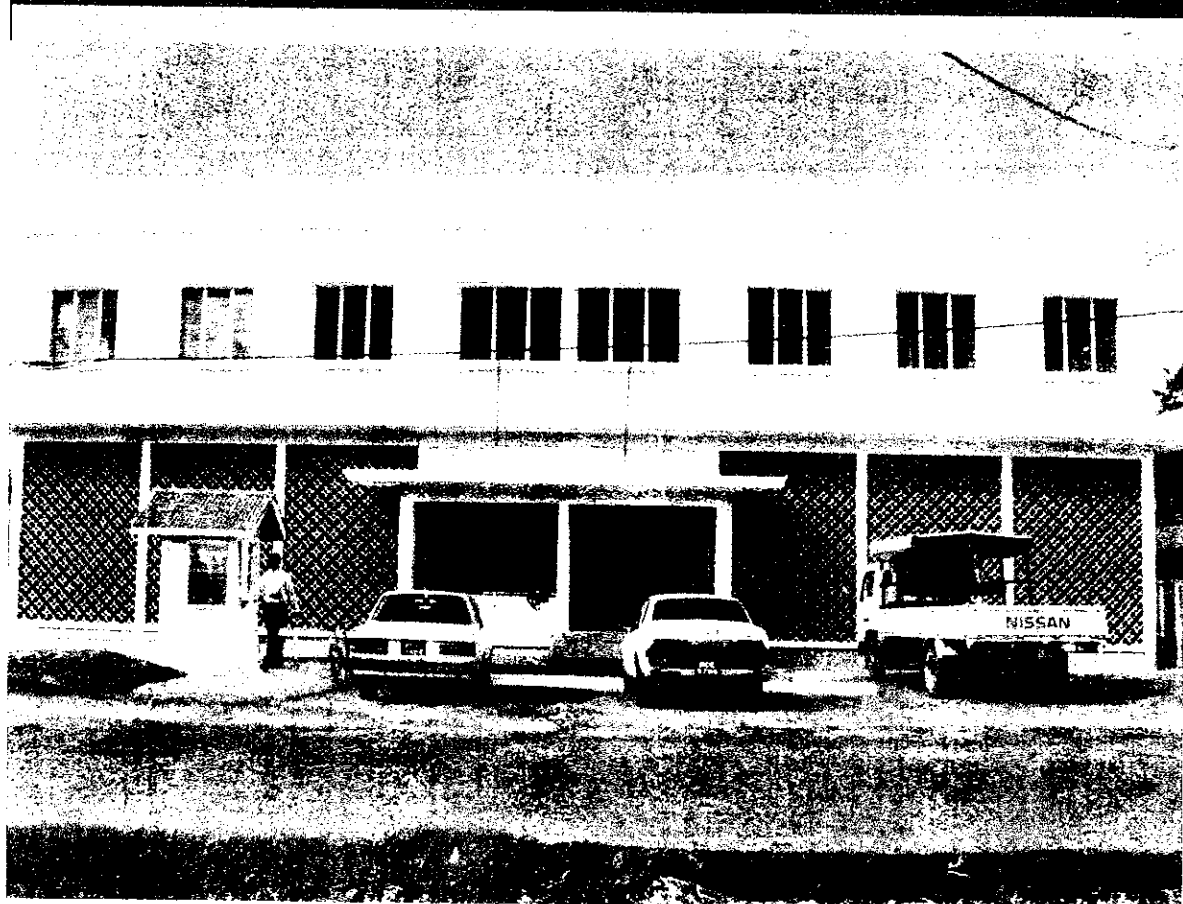


THE SUGAR INDUSTRY LABOUR WELFARE FUND COMMITTEE

ANNUAL REVIEW

2006



Review of the Operations of The Sugar Industry Labour Welfare Fund Committee (SILWFC) for the year 2006.

INTRODUCTION

In accordance with the regulations of The Sugar Industry Labour Welfare Fund Committee (SILWFC), we the members of the Committee, have the honour to submit our report on the administration of the Fund for the year 2006.

MEMBERS OF THE COMMITTEE

Members of the Sugar Industry Labour Welfare Fund Committee are appointed by the Minister of Labour biennially, and with the Minister's approval make regulations for the controlled administration of funds in the interest of the sugar workers.

At the beginning of the year 2006, the Committee comprised of the following eight (8) members:

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

STAFF

At the beginning of 2006 the staff of the Committee comprised of the following:-

- ❖ Principal Assistant Secretary
- ❖ Assistant Accountant
- ❖ Conveyancing Officer
- ❖ Confidential Secretary
- ❖ Building Inspectors
- ❖ Loan Clerks
- ❖ Senior Clerks
- ❖ Typist/Clerk
- ❖ Mechanic/Water Superintendent
- ❖ Office Assistant
- ❖ Cleaner
- ❖ Labourer

PROMOTION:

In February 9, 2006, Members of the Board promoted Ms. Deolatchmee Ramotar, the Principal Assistant Secretary, as Administrative Manager with effect from January 1 2006 and Mr. Altaf Mohamed, Senior Accounts Clerk was promoted to Accountant effective December 2006 .

Following the dismissal of the Office Assistant, Mr. Chetram Singh, a Labourer in the Well Crew who acted in that capacity was subsequently promoted as the Office Assistant.

RESIGNATION

Ms. Vidya Sankar tendered her resignation from the Committee effected February 8, 2006 to join the staff at the Elections Commission.

RECRUITMENT

Two Clerks were employed during 2006 to complement the staff.

DISMISSAL

The service of the Office Assistant, Sudesh Latchman was terminated due to act of dishonesty committed on a number of occasions.

WAGES AND SALARIES

G.A.W.U. remains the sole bargaining agent for the employees of the Committee. Employees benefited from a 5.5% across the board increase in wages and salaries with effect from January 1, 2006 and other improvements in working conditions.

TRAINING

Ms. Sattie Basdeo, Confidential Secretary, attended a one day seminar on "Performance Management" that was conducted by Guyana Association of Administrative Professionals.

BURSARY AWARD

The Committee paid out \$23,000 to two existing Bursary Awardees

AUDIT OF THE FINANCIAL ACCOUNTS FOR THE YEAR 1994

The Audit of the Committee's financial accounts for the years 1991, 1992 and 1993 were completed in 2002 .

The Committee recognizes the importance of having the accounts audited and have therefore, appointed an Accountant with special assignment to have the financial statements prepared and audited.

In 2006, the financial statements for the year 1994 were prepared and presented to the Auditor General's Office for audit. On completion of the audit, a report was forwarded to this office. Members acknowledged the comments and recommendations made by the Auditor General and have implemented a number of the recommendations. However, a number of key documents, such as receipts, bank deposit slips, bank statements were either lost or destroyed, which made it difficult for the Auditors to verify certain sums of money received by the Committee.

The Auditor's Office concluded that the financial statements presented fairly, in all material aspects, the financial position of the Committee as at 1994/12/31 and its surplus and cash flows for the year then ended in conformity with generally accepted accounting principles.

SOURCES OF INCOME

LEVIES

REGISTERED PROPRIETOR

The Guyana Sugar Corporation continued to be the sole exporter of sugar and in 2006 a total of 238,590.35 tonnes of sugar were exported. Levies totaling \$119,295,175 at a statutory rate of \$500 per tonne were payable to The Sugar Industry Labour Welfare Fund Committee (SILWFC).

However, during 2006 GuySuCo paid \$66,988,802 into the Fund. This amount represents **\$22,630,925** as levies for November and December 2005 and **\$44,357,877** as levies for January – July, 2006. GuySuCo is in arrears to the tune of **\$74,937,298** i.e levies for the period **August – December, 2006**.

LOAN REPAYMENTS

During the year under review the Committee received a total of **\$18,458,133** in loan repayment and this amount was deposited into the Fund. GuySuCo remitted **\$14,011,059**, Houston Estate, **\$141,850**, D.S.T/Ogle - **\$177,600**, and **\$4,127,624**, was paid directly at the Head Office. Loan Repayments were deducted from workers' wages/salaries and the duplicate copies of loan repayment receipts were forwarded to The Sugar Industry Labour Welfare Fund Committee (SILWFC). GuySuCo, thereafter would remit cheques to cover the amount deducted. However, over the years GuySuCo has not been remitting the total amount deducted from the workers wages/salaries. Amount owing by GuySuCo at December 2006 is **\$4,670,372**.

For the year 2006, the estates forwarded loan repayment receipts totaling **\$15,568,121**, of this amount GuySuCo remitted **\$11,628,110**. The table below shows amount deducted from each estate and the amount remitted for 2005 and 2006.

ESTATE	RECEIPTS			PAYMENTS			BALANCE		
	2005	2006	TOTAL	2005	2006	TOTAL	2005	2006	TOTAL
	Unpaid amount B/F as at Dec, 2005			Received in 2006 for 2005 part of 2006			Amount owing by GuySuCo as at December 2006		
Skeldon	30,000	114,000	144,000	20,500	89,000	109,500	9,500	25,000	34,500
East Berbice	631,040	3,344,520	3,975,560	449,849	2,623,810	3,073,659	181,191	720,710	901,901
Blairmont/Bath	833,070	1,320,500	2,153,570	134,250	1,134,250	1,268,500	698,820	186,250	885,070
East Dem.	971,250	6,507,200	7,460,450	857,500	4,692,450	5,549,950	113,750	1,814,750	1,928,500
Wales	242,800	1,785,650	2,028,450	454,950	1,303,250	1,758,200	(212,150)	482,400	270,250
Uitvlugt	405,150	2,496,251	2,901,401	465,900	1,785,350	2,251,250	(60,750)	710,901	650,151
TOTAL	3,113,310	15,568,121	18,681,431	2,382,949	11,628,110	14,011,059	730,361	3,940,011	4,670,372

CONVEYANCING AND SECOND TRANSFER

The Committee continues to vest titles to prospective applicants. During the year under review 112 applications were received by both sugar workers and non sugar workers who reside in the sugar belt.

The Committee processed the applications and sold 95 house lots and distributed 110 Certificates of Title.

Sugar Workers and Non Sugar Workers who are registered proprietors of properties and who wish to dispose of their properties applied to the Committee for consent to effect the transfers.

A total of \$1,787,354 was collected as conveyancing and second transfer fees and deposited into the Labour Welfare Fund.

ADMINISTRATION & CONTROL

The Committee collected a total of \$1,050,491 from other sources such as, payment for tender documents, repayment of staff loans etc. This amount was deposited into the fund.

PAYMENT

HOUSING LOANS:

During the year under review 58 applications were received from sugar workers for financial assistance to construct their houses on privately owned land and those allocated to them by the Committee.

The Committee approved 75 applications, of which 58 were applications received in 2005 and 17 received in 2006. A total of \$13,190,000 was disbursed as housing loans.

During the same period, three (3) workers applied for loans to extend and repair their houses, of which two (2) applications were approved and a total of \$90,000 was disbursed.

Seventeen (17) workers completed their houses during 2006 with funds from the Committee.



THESE HOUSES WERE CONSTRUCTED WITH FINANCIAL ASSISTANCE FROM SILWFC

REFUND OF OVERPAYMENT ON LOANS:

A number of borrowers had overpaid their loans totaling **\$177,790.00**. This amount was refunded.

WATER SUPPLY

A total of **\$5,866,041** was expended during the year.

Claims totaling \$2,967,347 for the first quarter of 2005 for Rose Hall and Uitvlugt Estates were paid to GuySuCo.

The Zeeburg Well was handed over to Guyana Water Incorporated in August 1, 2006. To assist in the timely handing over of the well the Committee assisted Guyana Water Incorporated with \$2M to install a submersible pump at Zeeburg. The well at Adelphi was handed over to Rose Hall Estate on December 31, 2006. An additional amount of **\$198,694** was expended to carry out repairs to the pump during the year and the amount of **\$700,000** was paid to dismantle the overhead tank at Bath Pump Station.

At December 31, 2006, the Committee had fully divested itself of the supply of potable water to the residents in the sugar belt.

WATER SUBSIDY

As a result of the divestment of the water supply operation to Guyana Water Incorporated, the Committee approved a yearly refund of \$900.00 to each qualified sugar worker.

The subsidy totaling \$41,400 was disbursed.

ADMINISTRATIVE EXPENSES

Administrative expenses totalled \$28,902,209. This included a 5.5% increase in wages and salaries for employees, purchasing of stationery and office supplies, repairs to office furniture, equipment and the office building.

INSTALLATION OF PIPELINES

The Committee expended **\$984,635** to complete the water distribution network at Land of Canaan.

REHABILITATION WORKS

In 1996, the Committee developed 163 house lots at Block II , Plantation Enterprise, East Coast Demerara. The roads, drainage and culverts were in a state of disrepair. Central Housing and Planning Authority took the responsibility to rehabilitate the roads, dig the drains and repair the culverts, and requested financial assistance from SILWFC. A contribution of \$10M went towards the completion of the project.

The Committee rehabilitated roads in Cumberland, Skeldon and Goed Fortuin to the tune of **\$11,188,685**. These projects commenced in 2005 and completed in 2006.

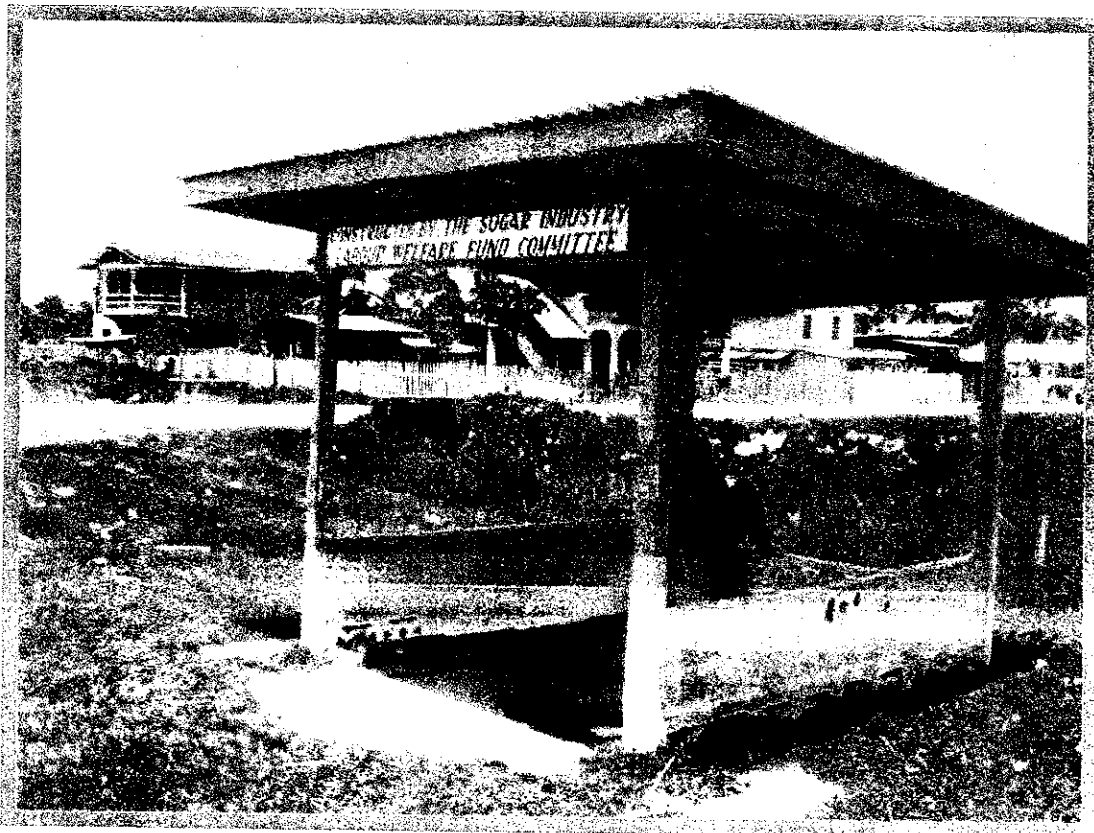
DEVELOPMENTAL WORKS

Bridges were constructed in Cumberland, Skeldon and Patentia to the tune of **\$4,914,142**. The sum of **\$1,324,182** was paid to a private engineer to prepare an estimate for the construction of three streets at Canefield East, one in Goed Fortuin and one walk bridge in Patentia. The projects at Cumberland and Patentia were completed. However, the contract for the construction of the three roads at Canefield was not awarded.

SMALL PROJECTS

The Committee expended \$930,360 in the execution of certain projects to benefit sugar workers.

One bus shed was constructed at Better Hope, East Coast Demerara and another was rehabilitated at Zeelugt, East Bank of Essequibo. A heavy duty bridge and a pavilion were rehabilitated in Canal No. 2 Polder, West Bank Demerara. In Hampshire, Corentyne, Coast Berbice a community centre was rehabilitated.



BUS SHED AT ZEELUGT, EAST BANK ESSEQUIBO

RECEIPTS

SOURCES OF RECEIPTS - 2006

Levies together with other sources of Receipts for 2006 were:-

SOURCE	AMOUNT \$	PERCENTAGE %
Levies	66,988,802	75.88%
Loan Repayment	18,458,133	20.91%
Sale of Lot	1,787,354	2.02%
Miscellaneous	1,050,491	1.19%
TOTAL	88,284,780	100.00%

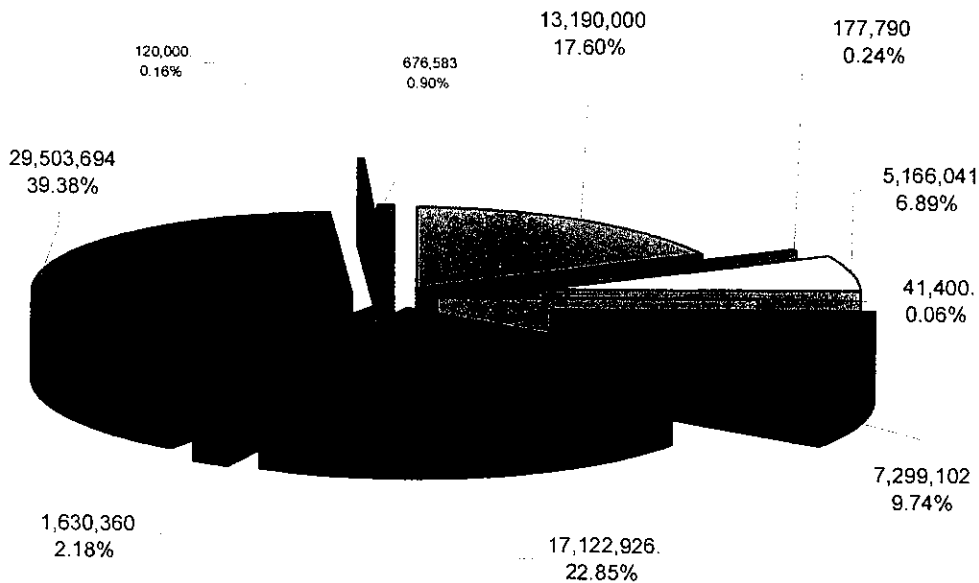
SOURCES OF RECEIPTS AS A PERCENTAGE
OF TOTAL RECEIPTS



■ Levies ■ Loan Repayment ■ Sale of Lot ■ Miscellaneous

PAYMENT

NO.	CATEGORY	AMOUNT	PERCENTAGE
1	Loan disbursement	13,190,000.00	17.6
2	Loan Refund	177,790.00	0.24
3	Water Supply	5,166,041.00	6.89
4	Water Subsidy	41,400.00	0.06
5	Developmental Works	7,299,102.00	9.74
6	Rehabilitation of Roads	17,122,926.00	22.85
7	Small Projects	1,630,360.00	2.18
8	Admin. & Control	29,503,694.00	39.38
9	Refund of developmental Expenses	120,000.00	0.16
10	Maintenance of Vehicle	676,583.00	0.90
TOTAL		74,927,896.00	100



- Loan disbursement
- Loan Refund
- Water Supply
- Water Subsidy
- Developmental Works
- Rehabilitation of Roads
- Small Projects
- Admin. & Control
- Refund of developmental Expenses
- Maintenance of Vehicle

CONCLUSION

It is the policy of the Committee to provide welfare services, including provision of housing loans to enhance the quality of life of the sugar workers. As a consequence non sugar workers also benefited from the projects executed by the Committee.