

SUGAR INDUSTRY LABOUR WELFARE

FUND COMMITTEE

ANNUAL REVIEW 1996

1. INTRODUCTION

- 1.1 This report comments upon works of the **SUGAR INDUSTRY LABOUR WELFARE FUND COMMITTEE** for the period January to December 1996.

The Committee was of the view that its work, even though not significant in some areas, will bring some measure of economic relief to workers attached to the **SUGAR INDUSTRY**.

2. ADMINISTRATION

- 2.1 During the year 1996, the Members of the Committee comprised as follows:

1. Mr. M. A. Akeel, Chairman	Chief Labour Officer Ministry of Labour Human Services & Social Security
2. Mr. R. Edinboro	Representative Central Housing and Planning Authority
3. Mr. E. Hanoman	Representatives of
4. Mr. I. A. McDonald, A.A.	the Guyana Sugar
5. Mr. W. Fung	Corporation Limited
6. Mr. C. Duncan	Representatives
7. Mr. J. Persaud	of the Trade Unions
8. Mr. K. Takechandra	
9. Mr. M. S. Ally	Representative National Cane Farming Committee

- 2.2 At the end of December 1996, there were 39 employees on roll.

Details of number of persons employed in respective positions can be seen on the attached Organisation Chart. (Refer to Appendix I)

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- 2.3 During 1996, all employees were paid an across-the-board wages/salaries increase of eighteen percentage (18%) with effect from January 01, 1996 and calculated at their existing wage/salary rate as at December 31, 1995.

Increases were granted in accordance with the terms and conditions agreed upon by the Committee and the Guyana Agricultural and General Workers' Union.

Payments increased the Committee's wages/salaries bill by an additional \$1,300,320.00 for the period January to December 1996.

- 2.4 As part of the Committee's Human Resource Development Strategy, In-House Training continued to be an on-going exercise. Resource Personnel were provided internally by Management.

- 2.5 Two specialised training were provided to employees of the Computer and Administration departments.

- 2.6 The industrial relations climate was of an acceptable level during 1996.

Strikes recorded during 1996 amounted to sixty man-days lost or \$30,788.00 in wages/salaries.

- 2.7 During 1996, two (2) Bursaries totalling \$10,000.00 were awarded to two (2) employee's children who performed creditably at the Secondary School Entrance Examination.

To date, Bursaries awarded by the Committee amounted to twenty (20) of which sixteen (16) have been fully disbursed.

- 2.8 Committee Meetings held during the year were as follows:

<u>CATEGORY</u>	<u>AMOUNT</u>
Main Committee	7
Sub-Committee	4

All meetings were summoned and conducted in accordance with the Sugar Industry Special Funds Act, Chapter 69:03.

3. DEVELOPMENTAL WORKS

- 3.1 The Committee continued to vigorously persue its programme with respect to the development of new house lots for Sugar Workers.

Despite some bad weather conditions and the periodic unavailability of building materials (stones) by the Contractors, Management was able to achieve the targets for 1996.

- 3.2 Details of house lots completed during 1996 are as follows:

<u>AREA</u>	<u>NO. OF HOUSE LOTS</u>	<u>COMPLETION DATE</u>	<u>COST</u> \$	<u>AVERAGE COST PER HOUSE LOT</u> \$
1. Enterprise E.C.D.	111	(April 1996) work commenced in 1995	39,914,480.00	359,590.00
2. Bath, W.C.D.	59	July 1996	17,155,000.00	290,763.00
3. Skeldon Corentyne	56	November 1996	20,160,000.00	360,000.00
4. Cornelia Ida W.C.D.	56	Work was in progress at December (85% completed)	17,300,000.00	308,929.00
	<u>282</u> ===		<u>94,529,480.00</u> =====	

- 3.3 Apart from 119 house lots that were developed at Canefield, Canje at a cost of \$32,002,689.00 during 1995, no other house lots were developed for the preceeding seven (7) years.

- 3.4 From an amount of 226 house lots that were fully completed in 1996, 152 or sixty-seven (67%) of those lots were allocated in the same year and in the areas of Enterprise and Bath.

House lots developed at Skeldon and Cornelia Ida were scheduled to be allocated in early 1997.

- 3.5 Conveyancing of new house lots that were developed was an on-going exercise. Allottees were required to make payments to the Committee as a contribution towards the cost of developmental works.

In addition, each allottee was required to enter into an agreement of sale/purchase with the Committee

The rates of payment varied as follows:

- 3.10 During the last quarter of 1996, Management was involved in an extensive exercise to encourage occupiers of house lots in existing Sugar Industry Labour Welfare Fund Committee areas to purchase the lots they occupied.

At the end of December 1996, there were 149 applications yet to be processed.

4. WATER SUPPLY

- 4.1 The Committee continued in 1996 to make serious efforts to provide a reliable and adequate supply of potable water to residents. This is an integral part of this Committee's function.

- 4.2 At the end of 1996 there were twenty (20) operable pump stations that is, eleven (11) in Berbice and nine (9) in Demerara.

Those Pump Stations were providing approximately 55 areas with water.

The demand for potable water in 1996 provided by the Committee increased by approximately five percent (5%) which was mainly due to new housing areas including squatting areas that were regularised by the Government.

- 4.3 During 1996, the Committee continued to carry out rehabilitation works to diesel engines at some of its Pump Stations all of which were in deplorable condition.

During the reporting period, a total of eight (8) diesel engines were rehabilitated at a cost of \$4,800,000.00. Those engines were expected to provide about three (3) years service without any major break down and will boost the supply of water. Those engines were installed at Queenstown, Stewartville, Johns, Tain, Goed Fortuin, Canefield, Adelphi and Riverside No. 4.

- 4.4 In addition, rehabilitation works to two (2) Pump Station Buildings were completed in 1996. To date, twenty-one (21) Pump Station Buildings were rehabilitated at a cost of \$10,000,000.00.

- 4.5 In 1996, Management continued to monitor the production of the wells at each Pump Station all of which have outlived their life expectancy.

During the year, Pumping equipment at nine (9) wells were rehabilitated at a cost of \$2,500,000.00.

Works were carried out at Tuschen, Zeeburg, Ocean View, Goed Fortuin, Patentia, Queenstown, Shieldstown, Tain and Albion Front Pump Stations.

However, the Committee will in 1997 have to address the issue of two (2) wells (Tain and Uitvlugt) which were showing signs of collapse.

- 4.6 During the later part of 1996, the Committee expended in excess of \$500,000.00 to rewind electrical motors at several of its Pump Stations in Demerara.

Those works were required to be done as a result of the **GUYANA ELECTRICITY CORPORATION** rehabilitation programme in the Demerara area that resulted from a change-over from 50 cycles to 60 cycles.

- 4.7 As part of our work programme, water was provided at one of our new housing areas (Canefield, Berbice) to facilitate Sugar Workers who were beginning to occupy their house lots.

That project was completed at a cost of \$1,409,600.00 inclusive of material and labour

Those residents were in receipt of water provided from the Canefield Pump Station and which were supplied to them free of cost.

- 4.8 In addition, during 1996 pipelines and fittings were provided in several areas which were used to replace existing lines or/and extend the supply of water. Those projects were executed at a cost of \$3,900,000.00.

Some of the areas included Leonora, Stewartville, Queenstown and Wales. It must be noted that some of the pipelines used in 1996 were purchased during 1995.

- 4.9 Two (2) Overhead water storage tanks with a total storage capacity of 60,000 gallons of water were rehabilitated at a cost of \$1,805,000.00.

The tanks are located at Adelphi and Shieldstown respectively.

The rehabilitation of those tanks have significantly improved on the storage of water particularly during hours when the pump stations were not operable.

- 4.10 As part of the process established by Management to monitor the water distribution system, **Citizens' Water Management Committee** were established in several areas.

The Citizens' Water Management Committee comprised of the Neighbourhood Democratic Council and other prominent citizens in the various areas. Each Committee was given specific terms of reference and the results of their efforts were satisfactory.

5. REHABILITATION WORKS

- 5.1 Rehabilitation works were carried out to four (4) wooden/concrete bridges.

Those works were as follows:

<u>AREA</u>	<u>BRIEF DESCRIPTION OF WORKS</u>	<u>COST</u>
		\$
a) Reliance, Berbice	Re-construction of a concrete/wooden bridge/ reventment	1,485,000.00
b) Adelphi, Berbice	Re-construction of a concrete/wooden bridge/steel	815,000.00
c) Tuschen, West Coast Demerara	Re-construction of a concrete/wooden bridge/ reventment	1,331,420.00
d) Ocean View, West Coast Demerara	Minor repairs to wooden bridge	15,400.00
	TOTAL	\$3,646,820.00

Those bridges have significantly improved the ingress/egress of residents and vehicles into various housing areas.

- 5.2 During 1996, the Committee also provided funding for the rehabilitation of two (2) bridges.

These were as follows:

<u>AREA</u>	<u>ORGANISATION</u>	<u>AMOUNT</u> \$	<u>BRIEF DESCRIPTION OF WORKS</u>
a) De-Willem, West Coast Demerara	Tuschen/Uitvlugt Neighbourhood Democratic Council	73,281.00	Construction of foot-path bridge
b) Leonora, West Coast Demerara	Stewartville/ Cornelia Ida Neighbourhood Democratic Council	168,300.00	Construction of foot-path bridge
		----- \$241,581.00 =====	

- 5.3 The Committee continued in its efforts to provide assistance in Community Development. An amount of \$300,000.00 was expended at Cornelia Ida, Community Centre for the construction of an overhead water tank and trestle, repairs to toilet facilities and other minor works.

The Committee proposed to carryout further works at this Community Centre during 1997.

- 5.4 Rehabilitation works were done to about 600 feet of access road at Adelphi at a cost of \$987,500.00.

This road provided ingress/egress to the Pump Station at Adelphi and was also used by residents in the area.

Further works were projected to be done in 1997.

6. FINANCE

6.1 Below is a summary of actual expenditure incurred by the Committee for the period 1991 to 1996.

<u>CATEGORY</u>	<u>1991</u> \$	<u>1992</u> \$	<u>1993</u> \$	<u>1994</u> \$	<u>1995</u> \$	<u>1996</u> \$
Hew Housing Loans	-	-	81,555.00	-	-	7,544,300.00
Repair Loans	-	-	-	-	-	495,000.00
Extension Loans	-	-	-	-	-	310,000.00
Developmental Works	-	-	-	-	68,153,651.00	42,893,033.00
Maintenance Works in Housing Areas	-	124,537.96	1,627.91	53,719.00	-	11,706,627.00
Water Supply	14,099,901.99	32,342,857.11	19,129,639.69	47,143,362.00	54,851,499.00	10,389,783.00
Maintenance and Repairs to welfare Buildings	53,180.00	50,680.00	56,842.05	-	12,199,536.00	2,252,267.00
Procurement of Pipelines and Fittings	-	-	-	-	5,292,945.00	3,875,992.00
Procurement of Motor Vehicle	-	-	-	-	5,054,776.00	-
Administration and Control	4,948,171.73	7,808,568.04	10,271,461.75	12,702,068.00	14,718,681.00	19,109,557.00
	<u>\$19,101,253.72</u>	<u>\$40,326,643.11</u>	<u>\$29,541,121.40</u>	<u>\$59,899,149.00</u>	<u>\$160,271,088.00</u>	<u>\$98,576,559.00</u>

6.2 For the Corresponding period (1991 to 1996),
revenue earned by the Committee is shown
below:

<u>CATEGORY</u>	<u>1991</u> \$	<u>1992</u> \$	<u>1993</u> \$	<u>1994</u> \$	<u>1995</u> \$	<u>1996</u> \$
a) Levies	14,969,365.00	23,178,309.00	113,311,320.00	117,884,665.00	102,472,500.00	81,181,135.00
b) Sale of Lots	355,583.35	308,272.46	335,069.80	261,641.00	988,900.00	4,391,817.00
c) Loan Repayments	168,051.73	103,237.30	72,387.63	80,294.00	42,348.00	504,548.00
d) Interest on Investments	1,553,860.56	1,581,477.80	842,586.36	920,748.36	911,890.00	925,800.00
e) Micellaneous	150,737.00	107,996.00	108,042.00	87,125.00	55,715.00	65,808.00
	<u>\$16,997,597.64</u>	<u>\$25,279,292.56</u>	<u>\$114,669,405.79</u>	<u>\$119,234,473.36</u>	<u>\$104,471,353.00</u>	<u>\$87,069,108.00</u>

6.3 Loans approved by the Committee for the period 1991 to 1996 were as follows:

CATEGORY (a) New Housing Loans

<u>YEAR</u>	<u>NO.</u>	<u>LOAN CEILING</u> \$	<u>TOTAL VALUE</u> \$
1991	-	150,000.00	-
1992	-	150,000.00	-
1993	-	150,000.00	-
1994	31	200,000.00	4,200,000.00
1995	40	200,000.00	8,000,000.00
1996	33	200,000.00	6,600,000.00
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	104		\$18,800,000.00
	====		=====

(b) Repair Loans

<u>YEAR</u>	<u>NO.</u>	<u>LOAN CEILING</u> \$	<u>TOTAL VALUE</u> \$
1991	-	4,000.00	-
1992	-	4,000.00	-
1993	-	4,000.00	-
1994	3	40,000.00	120,000.00
1995	18	40,000.00	720,000.00
1996	9	40,000.00	360,000.00
	-----		-----
	30		\$1,200,000.00
	====		=====

(c) Extension Loans

<u>YEAR</u>	<u>NO.</u>	<u>LOAN CEILING</u> \$	<u>TOTAL VALUE</u> \$
1991	-	6,000.00	-
1992	-	6,000.00	-
1993	-	6,000.00	-
1994	-	50,000.00	-
1995	7	50,000.00	350,000.00
1996	3	50,000.00	150,000.00
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	10		\$500,000.00
	==		=====

From an amount of thirty-three (33) new loans that were approved in 1996, twenty-three (23) loans were related to the construction of new houses in areas that were recently developed by the Committee.

- 6.4 Not included in the water supply expenses of \$10,389,783.00 for 1996, is an amount of \$11,961,000.00 which represented money owned to GuySuco for the period 1995 and 1996 for the provision of goods and services on behalf of the Committee.

Those goods and services included fuel for pump stations operators and linesmen labour costs and other ancilliary items.

- 6.5 An analysis of Administration and Control expenses can be seen on Appendix II.
- 6.6 There were two (2) substantial increases in Sugar Levy which were paid over to the Committee.

The increases were as follows:

- a) From \$26.50 to \$100.00 which was effective from February 18, 1991 of which \$85.00 was received by the Committee for each ton of sugar exported.
- b) From \$100.00 to \$514.50 which was effective from January 01, 1993 of which \$500.00 was received by the Committee for each ton of sugar exported.
- 6.7 The sum of \$81,181,135.00 as stated in 6.2 under category (a) Levies, represented actual Levies paid over by GuySuCo to the Ministry of Finance for the period January to September, 1996.
- 6.8 The sum of \$925,800.00 as stated in 6.2 under the category (d) Interest on Investments, represented income earned on the following Investments:

<u>TYPE</u>	<u>AMOUNT</u>	<u>INTEREST VALUE</u>
	\$	\$
a) Fixed Date Debentures	1,499,800.00	265,014.00
b) Treasury Bills	3,711,000.00	660,786.00
	-----	-----
	\$5,210,800.00	\$925,800.00
	=====	=====

6.9 The issue of Investments on behalf of the Committee by the Trustee of the Fund (Secretary to the Treasury) has been addressed seriously by the Members of the Committee. Steps will be taken in 1997 to ensure that the Committee earns maximum revenue through appropriate Investments with respect to funds held at the Ministry of Finance.

6.10 At the end of December 1996, auditing of the Committee's records was in progress.

The records were last audited up to December 1974.

During 1996 several meetings were held with the Auditor General and his staff with a view of expediting the Audit.

6.11 During 1996 Management commenced a county-wide exercise to established the beneficiaries of the Committee's water extracted at the various pump stations.

Based on information obtained, it was established that more than about fifty percent (50%) of those beneficiaries were Non-Sugar Workers.

Systems will be instituted in 1997 to ensure that all beneficiaries of the Committee's water supply system pays a fee for the services provided.

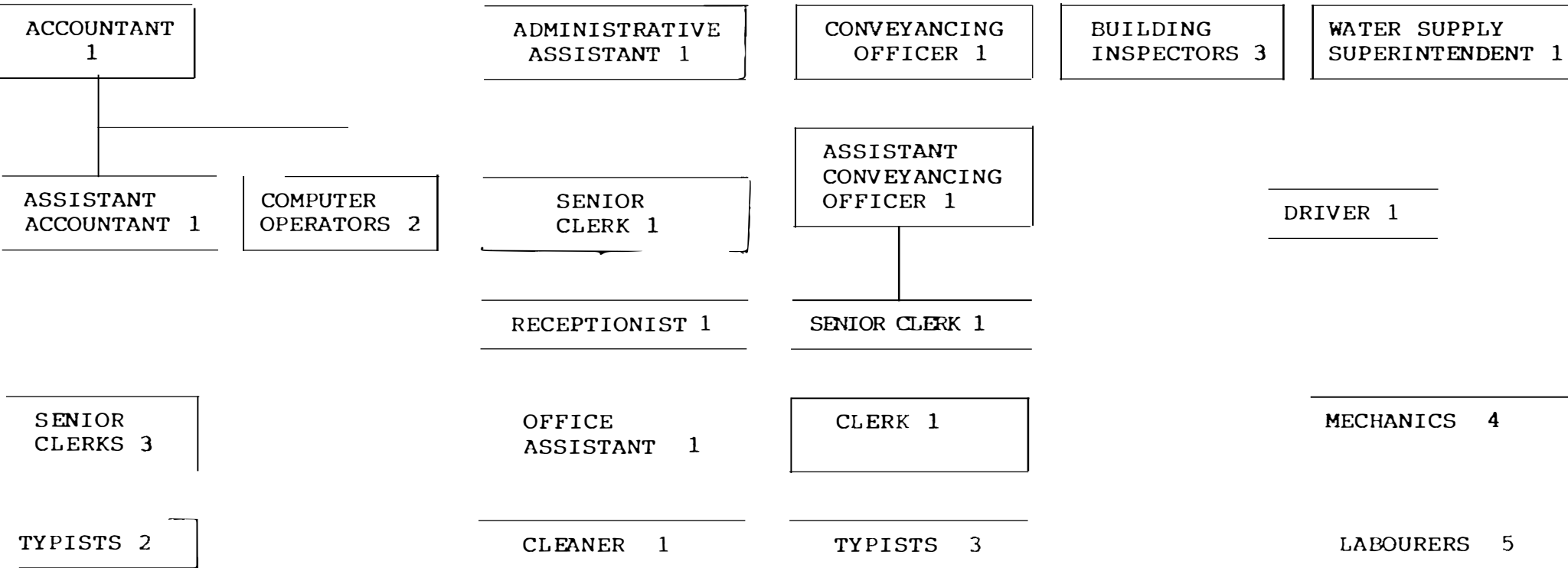
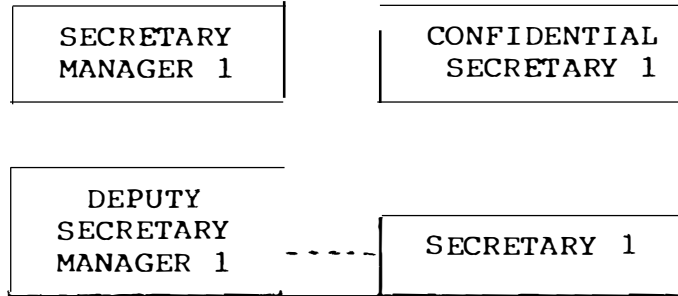
7. CONCLUSION

The work programme of the SUGAR INDUSTRY LABOUR WELFARE FUND COMMITTEE have moved further apace during 1996. Most of our targets were achieved.

The Chairman wishes to thank the Members of the Committee, Management and staff for their support given in 1996 and look forward for a stronger working relationship during 1997.

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ORGANISATION CHART

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ANALYSIS OF ADMIN EXPENSES 1995 - 1996

<u>HEAD OF EXPENSES</u>	1995	1996
Salaries, Entertainment Allowance Etc.	7,62,545.53	10,278,529.00
Security Office and Eccles Bond	777,290.00	1,469,460.00
Fees to Treasury Officer	12,020.00	12,020.00
Travelling and Subsistence Allowance	801,555.05	1,006,948.68
Travelling Expenses Committee Members	54,896.64	79,160.39
Steamer Fares, Freight and Toll	13,690.00	53,000.00
Vacation Allowance	1,570,846.00	563,080.37
Legal Expenses	166,780.00	330,032.00
Office Furniture and Equipment	329,222.00	112,995.00
Office Stationery and Supplies	550,420.00	945,170.00
Advertising and Publicity	148,800.00	174,150.00
Telephone Expenses	20,487.00	55,206.84
Insurance	789,942.00	1,360,147.49
Rates and Taxes	238,733.70	5,961.63
Postage and Telegrams	24,771.00	23,686.00
Electricity	168,871.00	152,980.00
Subscriptions	13,649.00	34,221.00
Repairs and Servicing of Office		
Installation and Equipment	344,938.00	204,471.00
Rental of Post Office and Safety Deposit Boxes	1,500.00	14,320.00
Repairs to Office Furniture	22,177.00	79,950.00
Staff Uniforms	163,946.00	117,460.00
Repairs to Office Building	152,308.00	425,687.00
Training	6,000.00	12,020.00
Miscellaneous Expenses	720,313.08	1,600,940.00
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TOTAL	\$14,718,681.00	\$19,109,557.00
	=====	=====