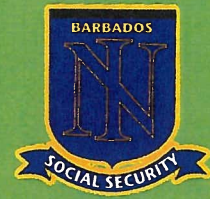
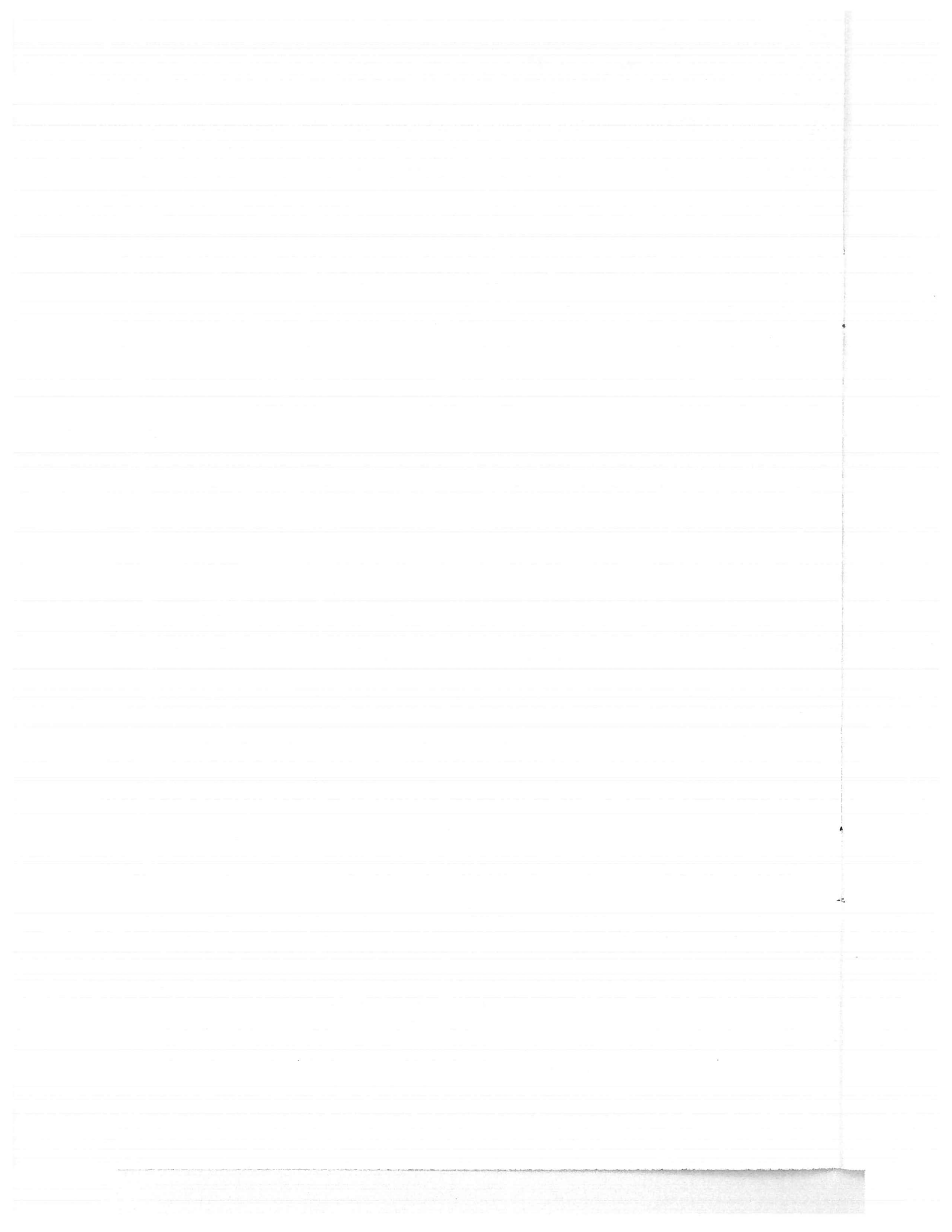


REPORT ON THE
OPERATION OF THE
**SUGAR
WORKERS'
PROVIDENT
FUND**
FOR THE YEAR 2014





LETTER OF TRANSMITTAL

February 1, 2017

Senator, The Honourable Dr. Esther Byer-Suckoo
Minister of Labour, Social Security and Human Resource Development
Ministry of Labour, Social Security and Human Resource Development
3rd Floor, West Wing
Warrens Office Complex
Warrens
ST. MICHAEL

Dear Minister,

In accordance with Section 31(1) of the Sugar Industry Act, Cap. 270, I have the honour to submit to you in your capacity as Minister responsible for National Insurance and Social Security, the Board's Annual Report on the Operations of the Sugar Workers' Provident Fund for the year 2014.

Kindly note, that at the time of preparation of the report, the audit of the accounts had not been completed. The report of the Auditor General will be forwarded to you as soon as it becomes available.

Yours sincerely,



Dr. Justin Robinson
Chairman
National Insurance Board

BOARD OF DIRECTORS 2014

- | | | | |
|----|-------------------------|---|--|
| 1. | Dr. Justin Robinson | – | Chairman 2014 |
| 2. | Mr. Wismar Greaves | – | Deputy Chairman 2014 |
| 3. | Ms. Annice Dalrymple | – | Member 2014 (1 January 2014 to 4 September 2014) |
| | Mr. Martin DaSilva | – | Member 2014 (5 September 2014 to 31 December 2014) |
| 4. | Mr. Jon Martineau | – | Member 2014 (1 January 2014 to 6 May 2014) |
| | Mr. Colin Jordan | – | Member 2014 (7 May 2014 to 31 December 2014) |
| 5. | Senator Sir Roy Trotman | – | Member 2014 (1 January 2014 to 4 September 2014) |
| | Ms. Toni Moore | – | Member 2014 (5 September 2014 to 31 December 2014) |
| 6. | Mr. Vincent Burnett | – | Member 2014 |
| 7. | Mr. Dennis Clarke | – | Member 2014 |
| 8. | Mrs. Avonda Carrington | – | Member 2014 |
| 9. | Mr. Ian Gooding-Edghill | – | Member 2014 |

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INTRODUCTION

The Sugar Workers' Provident Fund (SWPF) was managed by the Sugar Workers' Provident Fund Board up until 5th January 1976 when it was entrusted to the National Insurance Board. The Fund commenced on 3rd November 1969 and was governed by the Sugar Workers' Provident Fund Act - Cap. 271; which was proclaimed on 30th December 1968. This Act was later rescinded and presently the laws governing the Sugar Workers' Provident Fund may be found at Part IV of the Sugar Industry Act, Cap. 270.

The Fund provides for the payment of:-

- a. retirement pensions to sugar workers who are entitled to such payments under the law;
- b. funeral grants on the death of any sugar worker to whom the Act applies; and
- c. expenses incurred in administering and carrying out the Act.

In general, the law covers any sugar worker retiring:-

- a. having attained the age of 65 years; or
- b. through permanent disability before the age of 65 years, who has been continuously employed as a sugar worker for the ten consecutive years immediately preceding his date of retirement at the minimum rate of sixty working days in each year, notwithstanding that his date of retirement occurred before the commencement of the Act.

Sugar Workers not covered by the Act include:-

- a. those whose date of retirement occurred prior to 1st January, 1956
- b. those who became entitled to an invalidity or old age contributory pension from the National Insurance Scheme on or after the 6th January, 1975
- c. those on whose behalf a funeral grant from the National Insurance Scheme became payable on or after 6th January, 1975.

The Sugar Workers' pension is currently paid at the rate of \$7.50 per week which came into effect from 2nd April, 1981. This reflects an increase from the rate of \$5.00 per week which was applicable from 6th January, 1975 and the \$3.60 per week paid prior to 6th January, 1975.

A Funeral Grant is currently one lump-sum payment of \$500.00 applicable since 1st January 1999, with a payment of \$200.00 prior to that date.

ESTABLISHMENT OF THE SUGAR WORKERS' PROVIDENT FUND

Section 28 of the Sugar Industry Act states that:

1. There is established a Fund known as the Sugar Workers' Provident Fund.
2. The Fund consists of:
 - (a) amounts for the account of the Sugar Workers' Provident Fund established under the Sugar Workers' (Provident Fund) Act;
 - (b) such amounts as are received by the Board in satisfaction of the levy;
 - (c) such sums as may be paid to its account out of monies voted by Parliament for the purpose; and
 - (d) such sums as are received by the Board for payment into the Fund.
3. The Board may place monies from the Fund on deposit with the Republic Bank (Barbados) Limited (formerly Barbados National Bank) or may invest the monies in securities approved by the Minister.

Section 29 of the Act states:

"The monies forming part of the Fund are to be applied towards the payment of:

- a) retirement pensions to sugar workers in the manner provided for in section 33;
- b) funeral grants to sugar workers in the manner provided for in section 34;
- and
- c) any expenses incurred in administering this Part."

FINANCIAL OPERATIONS

Receipts

Receipts for the year were as follows:

Table 1: Sugar Workers' Provident Fund Generated Income, 2014

Interest on bank deposit	\$1,407
Levy from Barbados Agricultural Management Company	\$31,916
Total	\$33,323

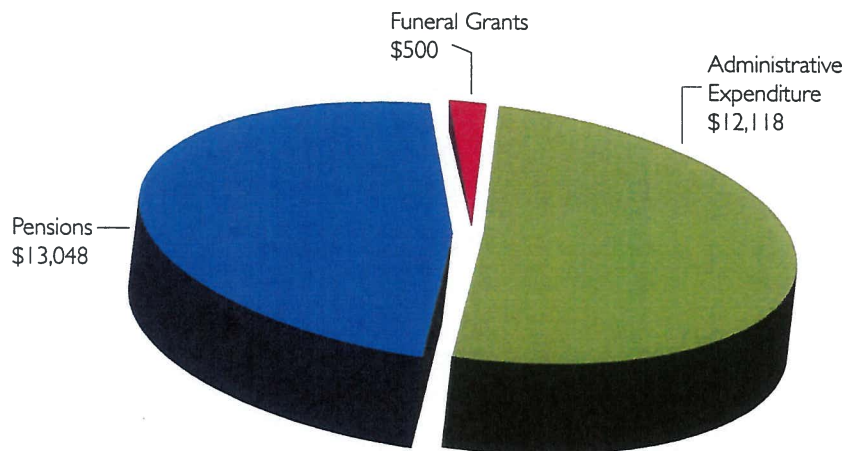
Payments

Total expenditure by the Sugar Workers' Provident Fund during 2014 was made up as follows:

Table 2: Sugar Workers' Provident Fund Expenditure, 2014

Pensions	\$13,048
Funeral Grants	\$500
Administration Expenditure	\$12,118
Total	\$25,666

Figure 1: Distribution of Sugar Workers' Provident Fund Expenditure, 2014



Fund Balance

The Fund Balance at 1st January 2014 reflected a beginning revised balance of \$59,453 and the ending balance at 31st December, 2014 was \$53,003.

Financial Statements

The 2014 financial statements were unaudited at the time of completion of this report.

GENERAL OPERATIONS

Board Meetings

The National Insurance Board conducted twelve (12) meetings during 2014 at which the finances of this Fund and the administration of funeral grants and pensions were discussed.

Claims

Four (4) claims for funeral grants were received during the period under review. One (1) claim was allowed, three (3) claims were disallowed and zero (0) claims were left pending at the end of the period.

Pensions in Payment

At 31st December 2014, there were 35 pensioners receiving pension from the Sugar Workers' Provident Fund. This is a decrease of 20.5% compared to the 44 persons that were in receipt of pensions at 31st December, 2013. Similar to the year 2013, nine (9) deaths were also recorded in 2014.

Table 3: Pensioners on SWPF Roll by Age and Gender at December 31, 2014

2014			
Age Group	Male	Female	Total
Under 70	1	1	2
70 - 74	0	1	1
75 - 79	2	7	9
80 - 84	1	5	6
85 - 89	1	10	11
90 - 94	0	3	3
95 - 99	0	2	2
100 - 104	0	1	1
Overall Result	5	30	35

Figure 2: Sugar Workers' Pensioners on Roll, 2008 to 2014

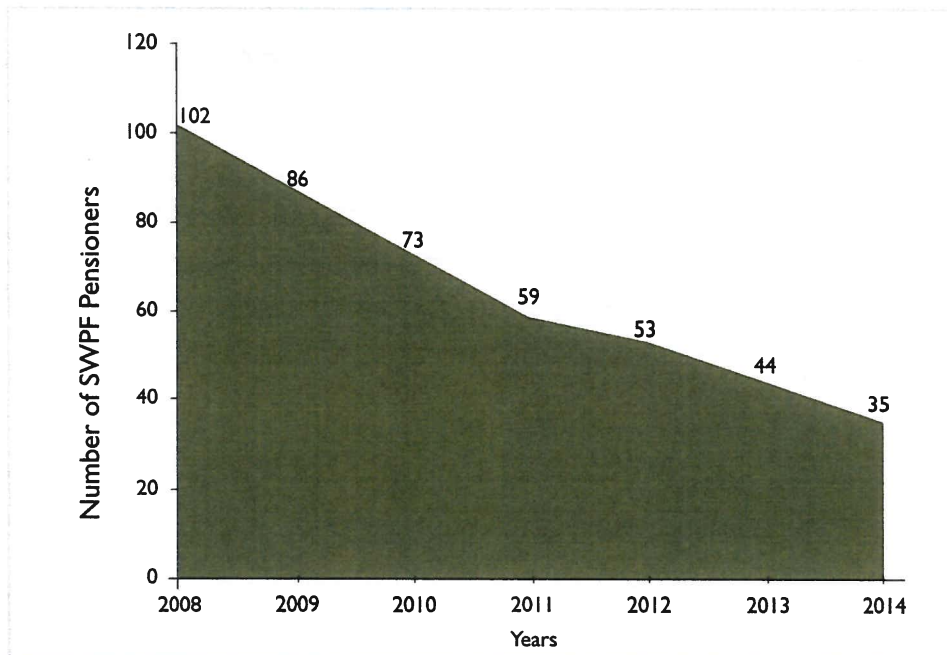


Table 4: Pensioners on SWPF Roll by Age Group, 2014 to 2008

Age Group	2014	2013	2012	2011	2010	2009	2008
Under 70	2	2	2	2	2	2	2
70 - 74	1	1	2	2	2	2	2
75 - 79	9	10	11	12	12	13	16
80 - 84	6	7	9	12	13	14	15
85 - 89	11	15	18	18	23	25	28
90 - 94	3	5	7	9	14	18	21
95 - 99	2	3	3	3	5	10	14
100 - 104	1	1	1	1	2	2	4
Total	35	44	53	59	73	86	102

PROSPECTS FOR 2015

The Barbados Agricultural Management Company is expected to meet its commitment to the Fund during the year 2015. The estimated expenditure for the Fund for 2015 is made up as follows:

Table 5: Sugar Workers' Provident Fund Estimated Expenditure, 2015

Pensions	\$14,000
Funeral grants	\$4,500
Administration expenditure	\$12,600
Estimated Total	\$31,100

It is anticipated that the steady diminution of the pension roll will continue throughout 2015 due to the elderly and finite population to which the Fund caters.

CONCLUSION

The Board wishes to thank the Director and staff of the National Insurance Office for their management of the Fund during the year.

NOTES





National Insurance and Social Security Office

Frank Walcott Building, Cullooden Road, St. Michael, BB11115, Barbados, W.I.
Tel#: (246) 431-7400 | Fax#: (246) 431-7408 | Website: www.nis.gov.bb

National Employment Bureau

1st Floor, Warrens Office Complex, Warrens, St. Michael, BB12001, Barbados, W.I.
Tel#: (246) 310-1500 | Fax#: (246) 436-2289 | Website: www.labour.gov.bb