ANNUAL REPORT 2018

Sociaal Economische Raad

Social Economic Council

MISSION & VISION

Mission and vision of the Social Economic Council

At the meeting of Thursday, October 23rd, 2014, the Council defined the following mission and vision for the advisory body.

Mission

To objectively advise government towards sustainable development for St. Maarten.

To provide strategic advice with content that will change the dynamic of policy discussions.

To educate the Social Economic Council (SER) board members and staff in order to improve the functioning of the SER.

Vision

To promote sustainable development, with the aim of achieving an improved quality of life for the people of St. Maarten.



Table of Contents

4 Foreword

Chapter 1. Organization of the Social Economic Council

- 1.1 Institution
- 1.2 Advisory task
- 1.3 Operating procedure and objective

Chapter 2. The Council

- 2.1 Composition
- 2.2 Revision of the Remuneration decree
- 2.3 Council meetings

Chapter 3. The secretariat

- 3.1 Personnel
- 3.2 Performance management
- 3.3 Training sessions and courses

Chapter 4. Financial management

- 4.1 Budget 2018
- 4.2 Budget realization

Chapter 5. Contacts

- 5.1 SER Curaçao
- 5.2 Parliament of Sint Maarten
- 5.3 AICESIS
- 5.4 SER's of the Dutch Caribbean countries of the Kingdom
- 5.5 SMILE event and Presentation to Parliament of Sint Maarten
- 5.6 Team building with High Councils of State and SER
- 5.7 Preparation meeting Migration Symposium 2019

Chapter 6. Advice

- 6.1. Draft ordinance on establishing a Development Bank
- 6.2. Draft national decree medical and nursing tariffs
- 6.3. Feasibility to establish a Sounding Board
- 6.4. National ordinance regulating a mandatory general health insurance
- 6.5. Maternity leave and inclusion of paternity leave

Chapter 7. Publication SER advice

Chapter 8. Appendix

List of abbreviations



6 6 6

12 - 13 13

15 15

25

27

FOREWORD

Sint Maarten has made many resilient efforts thus far since the passing of hurricane Irma. As a people we have made great strides and have pushed beyond the boundaries of our limits and are ready to move forward.

Considering the vital role the Social Economic Council (SER) plays in our social and economic make up we have begun fostering more in-depth relationships with our SER counterparts in the region such as Aruba and Curacao, by considering collaborations and engaging in subjects such as labor migration, which has now resulted in the planning of a Migration Symposium that will be hosted in Curacao in the first half of 2019.

In April of 2018, the SER was invited by the Parliament of Sint Maarten to elaborate on the nature and purpose of the SER in the governing and democratic process of our country. The SER Sint Maarten was able to attend the yearly meeting of the International Association of Economic and Social Councils and Similar Institutions (AICESIS) held in September in Paris. Attending this meeting, bolstered international comradery and fueled the progress and resetting of the regional SERs' association called CESALC (Latin America and the Caribbean Economic and Social Councils Network).

The SER was also able to participate in the St. Maarten Innovation Initiatives and Industries Linkup Event termed (SMILE) organized by the Sint Maarten Hospitality and Trade Association (SHTA), which was an avenue to foster community awareness and provide information concerning the role of the SER and various advices that the SER has compiled over the years. The High Councils of State along with the SER enjoyed the comradery of a team building sports day event, which was a great opportunity to engage in organizational and relational growth.



Social Economic Council of Sint Maarten

Understanding that the SER's core task is rendering advice to the Government of Sint Maarten on social and economic matters, while taking into consideration the quality of life and sustainable development for the populous of our island, the SER has rendered five advices relevant and fitting to the aforementioned considerations in the year under review.

In conclusion, though the year has produced many sobering moments of reflection and determination, we as a people have chosen to build our nation. The SER will continue to deliver well-formulated researched advices to government and the people of Sint Maarten. This will aid in our endeavor which will thrust us forward as a people, as a nation and as a country.



CHAPTER 1. Organization of the Social Economic Council

CHAPTER 1. ORGANIZATION OF THE SOCIAL ECONOMIC COUNCIL

1.1 Institution.

As part of the Constitution of the Sint Maarten and as one of the required organic national ordinances, on October 10th 2010, the National Ordinance Social Economic Council (AB 2010, GT no.19) became effective, establishing the Social Economic Council of Sint Maarten. Article 79 of the Constitution stipulates the legal basis for the permanent advisory councils, of which the SER is one entrusted with strengthening Sint Maarten's Trias Politica system of Government.

The SER, as an advisory body consisting of employers, employees and independent experts, aims to contribute to the social fabric of Sint Maarten.

1.2 Advisory task.

In accordance with article 2 paragraph 1 of the National Ordinance Social Economic Council, the task of the SER is to advise the Government on important topics of socialeconomic nature. Based on the National Ordinance Social Economic Council (AB 2010, GT no. 19) the Council provides its advice upon the written request of one or more Ministers. The Council may also provide unsolicited advice to government whenever the Council deems it necessary.

1.3 Operating procedure & objective.

The SER is a tripartite advisory body that, in the process of bringing about its advice, works conscientiously to render a realistic account of its viewpoints on the social economic matters in our society; viewpoints that have significant implications. The implications from the legal, financial and social-economic perspective are directives in this framework.

Moreover, within the scope of its advisory function, the SER employs a broad-based concept of welfare. Broad based support for the social-economic policy is essential for a stable and enduring development of our country. During the SER boardmeetings, the aim of the board is to reach consensus concerning social-economic issues that otherwise, in a separate setting, would be conducive to divergent opinions and potential disputes that could have a negative effect on the implementation of policy drafts or statutory regulations.

As an advisory and consultative body of employers, employees and independent professionals, the SER aims to contribute to the societal welfare by arriving at mutual consensus concerning issues in the social-economic sphere. In the process, the SER strives for quality and broad support by combining: a high degree of expertise combined with social support.



Social Economic Council

CHAPTER 2. The Council

CHAPTER 2. THE COUNCIL

2.1 Composition

The National Ordinance Social Economic Council stipulates in article 3, that the Council consists of nine members, including three representatives of employees' organizations, three representatives of employees' organizations and three independent members (independent experts). The independent members are nominated by the Minister of General Affairs. A substitute member is appointed for each member. All eighteen Council members are appointed by national decree for a period of three (3) years.

In the year under review a number of mutations transpired in the composition of the Social Economic Council.

- In November 2017 the position of independent expert member Francio Guadeloupe became vacant, as Mr. Guadeloupe migrated to The Netherlands. In June 2018 Mrs. Alicia Liverpool-Jobity filled that position as member independent expert.
- As independent expert member Dwight Williams resigned shortly after his appointment following the acceptance of a function that is incompatible with SER membership, that vacant position was filled by substitute member independent expert Mandy Daal-Offringa in June 2018.

- With Mrs. Daal-Offringa's transition from substitute member to member, the position of substitute member independent expert became available and was filled in June 2018 by Mr. Harlec Doran.
- Mr. Robbie Ferron, representing the employers' organization SHTA resigned as a substitute member in May 2018.
- Mr. Richard Woods resigned as a substitute member independent expert in June 2018.
- Ms. Brenda Brooks, representing the employers' organization Chamber of Commerce and Industries (CoCI) resigned as a substitute member in July 2018.
- In October 2018 member Mandy Daal-Offringa resigned as a member of the SER.

All above-mentioned members resigned upon their own request and were granted honorable discharge by means of national decree.

According to article 12 paragraph 2 of the National Ordinance Social Economic Council, persons who are appointed as members or substitute members in order to fill a vacancy in the interim shall step down on the date on which the person whose seat fell vacant should have stepped down.



As of December, 31st, 2018 the composition of the board was as follows.

Members

| Mr. Ir. Damien Richardson | Independent expert |
|---------------------------------------|--------------------|
| Mrs. Alicia Liverpool-Jobity | Independent expert |
| Vacant | Independent expert |
| Mrs. Eveline Henriquez-Dijkhoffz | SHTA |
| Mr. Stanley Lint | CoCl |
| Mr. Louis Bute | CoCl |
| Mrs. drs. Shirley Gregoria-Pantophlet | WIFOL union |
| Mr. Theophilus Thompson | WIFOL union |
| Mr. Merrill Temmer | WICSU/PSU union |

Substitute members

| Mr. Ivan Davelaar | SMCU union |
|---------------------------|--------------------|
| Mr. Aurilio Baly | WICSU/PSU union |
| Mr. Donald Webster | ASEWI union |
| Vacant | COCI |
| Mr. Georges Greaux | SHTA |
| Vacant | SHTA |
| Ms. drs. Linda Richardson | Independent expert |
| Mr. Harlec Doran | Independent expert |
| Vacant | Independent expert |



2.2 Revision of the Remuneration decree

In accordance with article 22 of the National Ordinance Social Economic Council, the members are entitled to a monetary compensation. Their stipend is further explained in the National Decree, containing general measures, from December 14th, 2017 which replaced the national decree, containing general measures of February 1st, 2012 concerning the financial provisions of the members, their substitutes and the Secretary-General of the Social Economic Council.

With above-mentioned revised national decree, the monthly remuneration of the SER Chairperson and the SER Vice-Chairperson were decreased with 50%.

The stipend for SER members was also decreased to an amount similar to that of SER members in the Caribbean part of the Kingdom of the Netherlands. Under the revised national decree, SER members only receive a compensation for the meetings they attend, with a maximum compensation of 2 meetings per month, while SER substitute members now only receive a remuneration when they actually substitute for their member. This new national decree went into effect retroactively to May 1st, 2017.

| Budget post | Budget 2018 | Actual expenditure | Balance |
|--------------|-------------|--------------------|------------|
| Remuneration | ANG 135,600 | ANG 100,550 | ANG 35,050 |

2.3 Council meetings

In general, the Council meets twice a month, on the second and fourth Thursday of the month. However, the Chairperson shall convene meetings whenever he or she deems it necessary or appropriate, stating the matters to be discussed. The Council meetings are held in the conference room of the SER office, located in the Harbor View Office Complex in Philipsburg.

In the year under review, the Council has convened twenty five (25) times. The average attendance rate for all meetings in 2018 was 75%.



Graph of attendance of the board members in 2018. There was 1 meeting scheduled for July, but due to a lack of quorum the meeting was postponed.



CHAPTER 3. The Secretariat

CHAPTER 3. THE SECRETARIAT

3.1 Personnel

In accordance with article 11 of the National Ordinance Social Economic Council, the secretariat is headed by the Secretary-General. Mr. G.M.C. Richardson is the Secretary-General of the Social Economic Council and has served in this capacity since January 2012.

In accordance with article 11 paragraph 3 of the National Ordinance Social Economic Council, the staff of the secretariat is appointed, suspended or dismissed by national decree, upon the Council's recommendation.

The current formation of the Secretariat of the Social Economic Council comprises of the functions listed below:

| Nr. | FTE | Function |
|-----|-----|---------------------------|
| 1 | 1 | Secretary-General |
| 2 | 1 | Legal advisor |
| 3 | 2 | Policy advisor |
| 4 | 1 | Policy worker secretariat |
| 5 | 1 | Administrative worker |

This totals six (6) functions of which five (5) were filled fulltime until December 1st, 2018. One of the policy advisors, resigned per December 1st, 2018. This policy advisor has been a part of the secretariat's staff since the inception of the SER. As of December 31st, 2018 from the six (6) functions four (4) positions were filled fulltime.

3.2 Performance management

Regarding the performance management, the SER functions the same way as the government. Performance management is a concept, whereby the performance and competences of staff members are guided. The result of performance management is to guide personal achievements and developments to fall in line with the mission, vision and strategy of the advisory council.

In the year under review, the staff was evaluated during three phases.

A planning phase, an interim evaluation phase and a final evaluation. In the planning phase agreements were made on the deliverables and activities to be undertaken. The interim evaluation phase serves to evaluate the current state of affairs and if necessary, to adjust agreements. During the final evaluation phase the Secretary-General assesses the results.

The functioning of the Secretary-General is evaluated based on article 8 of the Rules of order of the Social Economic Council. The evaluation is done by the Council. During the discussion, the Secretary-General can be requested to leave the meeting.

ANNUAL REPORT 2018



3.3 Training sessions and courses

In February 2018, the new board members participated in a training on the history and purpose of the SER.

The SER was privileged to draw on the expertise of Mr. Clarence Richardson.

Over a career spanning five decades, Mr. Richardson developed from a successful union organizer in Aruba through a career in Curaçao to a skilled negotiator and mediator as well as eminent labor relations expert residing in Sint Maarten, representing both employees and employers on different occasions. Along the line he was active in the Netherlands Antilles SER and Chairman of the provisional SER of the Island Territory of Sint Maarten. In an effort to reduce the SER's total expenditure in the year after hurricane Irma passed, it was decided to delay the staff's participation in any training over the course of 2018.





CHAPTER 4. Financial Management

CHAPTER 4. FINANCIAL MANAGEMENT

4.1 Budget 2018

The Social Economic Council specifies its budget annually. After approval by the Council, the budget is subsequently submitted to the Minister of General Affairs and the Minister of Finance.

The budget of the Social Economic Council is part of the annual budget of country Sint Maarten. In accordance with article 23, paragraph 2 of the National Ordinance of the Social Economic Council the Chairperson is responsible for the financial management.

The Government has allocated a budget of ANG 1,352,132 for the year 2018 to the Social Economic Council.

There is a difference of ANG 58.521, in personnel expenditures due to the vacancy of the policy worker which was not filled during the course of the year under review.

The material costs were less than initially budgeted. The difference of ANG 12,844 is ascribed to the reduced spending of the budget posts Business travel and Training. In an effort to reduce the SER's total expenditure in the year after hurricane Irma passed, it was decided to reduce the travel frequency of the representatives of the SER. In addition the decision was taken to cancel participation in any training over the course of 2018.

The SER remained within the budgeted amount of ANG 1,352,132.

4.2 Budget realization

The actual expenditures and differences are provided by the Finance Department. During the compilation of the annual report 2018, the amounts could not be verified as Government's 2018 financial statement is not yet available.

| Budget post | Budget 2018 | Actual expenditures | Balance |
|-----------------------------------------|---------------|------------------------|------------|
| Personnel expenditures | ANG 828,753 | ANG 770,232 | ANG 58,521 |
| Material costs goods and services | ANG 523,379 | ANG 510,535 | ANG 12,844 |
| Total costs | ANG 1,352,132 | 1,280,767 | ANG 71,365 |



Social Economic Council

CHAPTER 5. Contacts

CHAPTER 5. CONTACTS

5.1 SER Curaçao

Throughout the year under review the SER maintained in contact with parliament, government and various institutions. In 2018 the SER continued to strengthen its ties with Social Economic Councils from other countries. On Tuesday April 3rd, 2018 the Secretary-General of the Social Economic Council Curaçao, Mr. Raul Henriquez M.A., paid a courtesy visit to SER Sint Maarten. Secretary-General Henriquez met with the Chairman of the SER Sint Maarten, Mr. Ir. Damien Richardson, the Secretary-General of SER Sint Maarten, Mr. Gerard Richardson and with the staff members of the secretariat.

It was the first time since the inception of the SER Sint Maarten that the SER Curaçao held a meeting between the Secretary-Generals. Secretary-General Henriquez expressed his desire to reinforce and maintain a good working relationship between the SER's within the Kingdom of The Netherlands, mainly with those advisory councils in the Caribbean part of the Kingdom.



From left to right SER Sint Maarten Secretary-General Mr. Gerard M.C. Richardson, Secretary-General of the SER Curaçao, Mr. Raul Henriquez and SER Sint Maarten's Chairman Mr. Ir. Damien Richardson.





5.2 Parliament of Sint Maarten

During the week of April 3rd to April 9th, 2018 the Members of Parliament (MP's) participated in an orientation week organized by the secretariat of Parliament. On this occasion, the SER was invited on April 6th, 2018 to inform the Members of Parliament of the SER's functioning, membership and several advisory reports on social economic matters rendered over the past years.

On Monday, July 23rd, at the request of the MP Peterson Mr. Claude "Chacho" Peterson and faction staff member Mr. Benjamin Bell, representing the Sint Maarten Christian Party (SMCP), met with the Secretary-General of the SER, Mr. Gerard Richardson to receive a presentation. The presentation outlined the history, the role, the task and the advisory reports of the SER.



In picture from left to right: Staff member SMCP Mr. Benjamin Bell, MP Mr. Claude "Chacho" Peterson and Secretary-General of the SER, Mr. Gerard Richardson.



5.3 AICESIS

The Chairman of the SER Sint Maarten attended the AICESIS board meeting in France, Paris on September 17th and 18th, 2018.

This conference focused on the Digital Society, considering future job options in the face of the Digital transition that the world is going through.

The board meeting was hosted by the AICESIS in collaboration with the Economic, Social and Environmental Council of France, (hereafter ESEC), located in its building in Paris. The President of AICESIS Mr. I. Baciu welcomed all the delegations to the General Assembly meeting and introduced the main topics of the agenda.

The president of the French ESEC, Mr. P. Bernasconi, joint host of the meeting, shared his views on the Digital Society with the members. The conference was very structured and had various SER's representing their part on the issue of the Digital Society. One of the interesting representations came from the Russian SER, who helped us consider the future job options in the face of the Digital transition that the world is going through.



In picture: SER Sint Maarten's Chairman Mr. Ir. Damien Richardson presents the 2017 SER Sint Maarten Annual report to the President of AICESIS Mr. I. Baciu in Paris, France.

5.4 SER's of the Dutch Caribbean countries of the Kingdom

On Friday, October 12th, 2018 the Social Economic Councils (SERs) of the Dutch Caribbean countries of the Kingdom, held a meeting with the Prime Minister of Curacao the Honorable Mr. Eugène Rhuggenaath. The purpose of the meeting was to achieve a sustainable policy in the field of migration. It is important that the Caribbean countries within the Dutch Kingdom, Aruba, Curaçao and Sint Maarten, work together, each with their own responsibilities, laws and regulations.Collectively, scenarios can be explored that can lead to medium and long term socio-economic development. All three

countries are confronted to a greater or lesser extent with the same issues in the areas of population policy and socio-economic development.

The Chairpersons and the Secretary-Generals of the SER institutions provided a presentation to the Prime Minister, which focused on the theme of migration in the context of the aforementioned challenges and the underlying principles with regard to sustainable socioeconomic development. In closing it was also proposed by the participating SER institutions to organize a joint symposium on Curaçao in the first quarter of 2019.



From left to right pictured: SER Sint Maarten Secretary-General Mr. Gerard M.C. Richardson, Acting Chairman SER Curacao Mr. John H. Jacobs, Secretary-General of the SER Curaçao, Mr. Raul Henriquez, Prime Minister of Curacao, the Honorable Mr. Eugène Rhuggenaath, Secretary-General of the SER Aruba Mr. Felix Bijlhout and SER Sint Maarten's Chairman Mr. Ir. Damien Richardson.

ANNUAL REPORT 2018



5.5 SMILE event and Presentation to Parliament of Sint Maarten

On November 2nd and 3rd, 2018 the SER participated in the innovative networking conference SMILE.Based on the themes Innovation, Sustainability and World Bank Tenders, the conference addressed three key topics for Sint Maarten's business future. The conference was mainly aimed at the private sector and non-governmental organizations, but professionals working in governmental institutions and interested students also joined to learn and gain inspiration and to network.

On November 6th, 2018 the SER was invited by the Parliament of Sint Maarten to present its 2017 Annual report. In this meeting with Parliament the SER discussed its work and challenges. The SER urged Parliament to call on government to begin an immediate review of the law regulating the SER's functioning. Broadening the scope of the Council's work is needed to allow for a closer working relationship in issuing advices to the legislature.



Secretary-General and staff at the 2018 SMILE conference



ANNUAL REPORT 2018

5.6 Team building with High Councils of State & SER

On Friday November 30, 2018, the Council of Advice in collaboration with the General Audit Chamber, the Ombudsman and the Social Economic Council organized a team building event. This team building event was aimed at further strengthening our relationship as pivotal organizations in the functioning of the Government apparatus stimulating good governance, as well as encouraging team comradery and honing interpersonal skills within and amongst the different organizations.



5.7 Preparation meeting Migration Symposium 2019

On December 7th, 2018 the SER Chairman, Mr. Ir. Damien Richardson attended the Migration Symposium 2019 preparation meeting in Curacao. This was the first official planned team meeting to discuss the topic and logistics of this symposium.



The meeting group representing the SER's Aruba, Curaçao, and Sint Maarten in Curaçao. From left to right: Ir. Damien Richardson (SER Sint Maarten - Chairman), Ms. Erika Perregil, drs. Felix Bijlhout (SER Aruba - SG), drs. Sonja Boersma, Drs. Barbara Perquin (SER Curaçao)

CHAPTER 6. Advice

CHAPTER 6 ADVICE

In the year under review, three advice requests were sent to the SER by the government for advice. Two solicited advice requests were sent to the SER in the year 2017. At that moment, the SER board members for the tenure 2017-2020 were not yet appointed. As the SER can only render advice when the appointed board members have expressed their views and given their final position, the two advice requests were finalized and submitted to government in the year under review.

In addition, the SER had to process a backlog of pending advices as well as process urgent advice requests that were sent to the SER in the meantime.

6.1. Draft ordinance on establishing a Development Bank

On July 10th, 2017 the SER received an advice request of the Minister of Finance concerning the draft ordinance on establishing a Development Bank and Government income generating measures 2018, in Dutch: 'Landsverordening met betrekking tot het oprichten van en het verwerven of vervreemden van aandelen in de Ontwikkelingsbank van Sint Maarten en tot wijziging van diverse landsverordeningen teneinde de inkomsten voor de landskas structureel te verhogen'.

This Letter of Advice was finalized and submitted to Government on March 8th, 2018.

6.2. Draft national decree medical and nursing tariffs

On March 9th, 2018, the SER received an advice request from the Minister of Tourism, Economic Affairs, Transport and Telecommunication concerning the 'draft national decree, containing general measures regarding the changes of the decree medical and nursing tariffs and to establish the appendix (containing the maximum tariffs) In Dutch: Landsbesluit, houdende algemene maatregelen, tot wijziging van het Besluit medische en verpleegtarieven en vaststelling van de bijlage.

This Letter of Advice was finalized and submitted to Government on April 17th, 2018.

6.3. Feasibility to establish a Sounding Board

On June 1st, 2018, the SER received an advice request concerning the feasibility to establish a Sounding Board [Klankbord groep] for the reconstruction of Sint Maarten.

This advice was finalized and submitted to Government on June 19th, 2018.





6.4. National ordinance regulating a mandatory general health insurance

On June 30th, 2017, the SER was requested to render its advice on the revised draft national ordinance regulating a mandatory general health insurance (in Dutch: "Landsverordening, houdende regeling van een verplichte uniforme verzekering tegen ziektekosten").

The draft national ordinance regulating the mandatory general health insurance was tabled for discussion in the various SER meetings from March up until November, 2018.

The advice was finalized and submitted to Government on November 5th, 2018.

6.5. Maternity leave and inclusion of paternity leave

On October 1st, 2018, the SER received a request to advise on the level of maternity leave and inclusion of paternity leave in the draft Ordinance title 10 book 7 of the Civil Code.

This advice was finalized and submitted to Government on December 17th, 2018.



CHAPTER 7. Publication SER advice

CHAPTER 7. PUBLICATION SER ADVICE

According to article 10 of the National Ordinance open government above-mentioned advices that concern draft ordinances will be made public at the same time of the presentation of those draft ordinances to Parliament (by the government or initiators) as these are advisory reports on draft national ordinances.

Advisory reports on all other drafts other than draft national ordinances for which publication in the Official Publication is required will be published at the same time as the publication.



CHAPTER 8. Appendix

CHAPTER 8. APPENDIX

List of abbreviations

| AICESIS | The International Association of Economic and Social Councils and Similar Institutions |
|-----------|-------------------------------------------------------------------------------------------|
| ASEWI | Association of Staff Employees Windward Islands |
| CoCl | Chamber of Commerce & Industry |
| Drs | Doctorandus |
| ESEC | Economic, Social and Environmental Council of France |
| lr | Ingenieur/Engineer |
| MP | Member of Parliament |
| SER | Sociaal Economische Raad/ Social Economic Council |
| SHTA | Sint Maarten Hospitality and Trade Association |
| SMCU | Sint Maarten Communications Union |
| SMILE | St. Maarten Innovation Initiatives and Industries Linkup Event |
| SMCP | St Maarten Christian Party |
| WICSU/PSU | Windward Islands Civil Servants Union/Private Sector Union |
| WIFOL | Windward Islands Federation of Labour |

