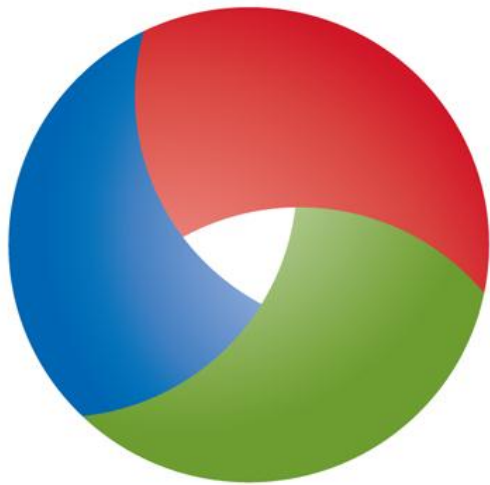


**2011/2012**

# Annual Report



**Sociaal Economische Raad**

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**Social Economic Council**



Sociaal Economische Raad  
Social Economic Council

## Preamble

The year 2011 was a year of commencement and organization for the SER.

Immediately upon entering the new constitutional status on October 10<sup>th</sup> 2010, it was clear that establishing a Social Economic Council would be one of the priorities for the Government of the new Country Sint Maarten. The necessary legislation became effective simultaneously with the inception of the new Country status, but because of the overwhelming quantity of new measures, it took some months before the first set of SER members were appointed in May 2011.

Immediately after the installation of the first SER, the establishment of the Secretariat was energetically taken in hand. The year 2011 has shown a goal-oriented, completely successful recruitment campaign, due to which the year 2012 can be started with a completely manned secretariat.

To support the efforts of Country and SER itself, from the end of 2010 the project ' Establishment High Councils of State' in the framework of the program " Institutional Strengthening and administrative force' (IVB). IVB is one of the Cooperation programs between the Netherlands and Sint Maarten and is managed by USONA. In this project, the support of the establishment of the SER was also accommodated. While Ombudsman, Audit Office and Advisory Council had already started within this project, after the SER, installation of the Council joined at once.

The project is aimed specifically at means aimed at the first establishment of the organizations, in addition to and independent of the regular operational costs, which are covered via the national budget.

In 2011, in that manner, a large number of initial investments have been made, for example in office supplies, but also a number of activities which the SER of Sint Maarten have introduced in the international network of social-economic councils.

Because of the organization activities, the SER in 2011, immediately from the establishment has shown a regular series of well-attended council meetings. This is a clear signal that the social partners and the Government recognize the value of this new forum. In spite of the lack of a supporting apparatus during this reporting year, still an advice has already been produced, with regard to reserving July 1<sup>st</sup> as a national holiday to commemorate the abolition of slavery.

In view of the energetic establishment of the Council and the Secretariat in the year 2011, and in view of the fact that the SER clearly meets a social need, we are approaching the future of our organization with confidence.



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## **Chapter 1: General developments during the year under review 2011**

### **1.1 Establishment of the SER**

On October 10<sup>th</sup> 2010, the country the Netherlands Antilles was dissolved. On the same day Sint Maarten and Curacao became new self-governing countries within the Kingdom of the Netherlands. Bonaire, Sint Eustatius and Saba became special districts of the Netherlands.

As part of the constitution of the new Country Sint Maarten and as one of the required organic national ordinances, to this end, on October 10<sup>th</sup> 2010, the national ordinance Social Economic Council (SER) (GT no. 9) became effective. A properly functioning SER is of essential importance for a company with many social-economic issues.

The board of the SER was appointed per May 1<sup>st</sup> 2011. The Council comprises nine members and nine acting members, of which six representatives of the employers'- and employee organizations and three independent members (experts). The independent members are appointed by the Government on the basis of their expertise.

The SER, as an advisory- and consulting organ of employers' and employees and independent experts, want to make a contribution to the social affluence of Sint Maarten.

To do so, the SER strives for quality and support: great expertise in combination with broad based agreement and support in the society.

### **1.2 SER logo**

The logo of the SER is built up from a combination of three colours, red, green and blue, which together represent the employers'- and employees' organizations and independent experts in the SER.

The circle symbolises the strong tie of each partner that is represented in the SER. Each part of the circle is of equal size, this reflects the balance within the SER, all partners are equal. All elements together result in a strong circle, which reflects the power of the SER as partner in the social economic development process.

With a distinct open letter type in the name, the circle reflects the open and distinct character of the SER. The logo is presented in the tow official languages of the country Sint Maarten, English and Dutch.



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### 1.3 Advisory task

One of the tasks of the SER is to advise the Government on important topics in the social economic policy. On the basis of the National ordinance Social Economic Council (GT no. 9) the Council gives its advice upon request of one or more Ministers. The Council may also give advice of its own volition.

### 1.4 Operating procedure and objective

The SER is a tripartite independent advisory organ, which in giving advice, goes to work concisely in order to give a realistic account of its viewpoints on related subject matter within our society which has important circumstance. The consequences on a judicial, financial and social-economic are directional in this case.

The Secretariat consists formally of six permanent positions and is under the supervision of the Secretary Mr. G.M.C. Richardson. The Secretariat supports the Council in its advices and consultation work by doing research and studies, by gathering information for the meetings, by providing the members with information. by making up the minutes and taking care of the final editing of the advices. After the advice of the SER has been recorded, this is signed on behalf of the SER by the Secretary and the Chairman, after which the advice is forwarded to the Government.

The objective of the SER is derived from its mission, which is:

- Balanced economic growth
- Sustainable development
- Promotion of the highest possible level of employment
- Fair division of revenues

The points mentioned above are of essential importance for the SER and play a role in the advice to the Government. In addition, the Ser maintains, in its advice, a broad welfare concept. The social basis for the social economic policy is essential for a stable and sustainable development of the country.

### 1.5 Report of activities of the Council in 2011

#### 1.5.1 Advising

The SER provided one advice in 2011, the advice with regard t the draft-national ordinance to amend some national ordinances in connection with the introduction of Emancipation day as a holiday on Sint Maarten. In 2011, the SER was in a start-up phase, due to understaffing of the Secretariat and the lack of office space the SER was not able to provide more than one advice.



## 1.5.2 The meetings

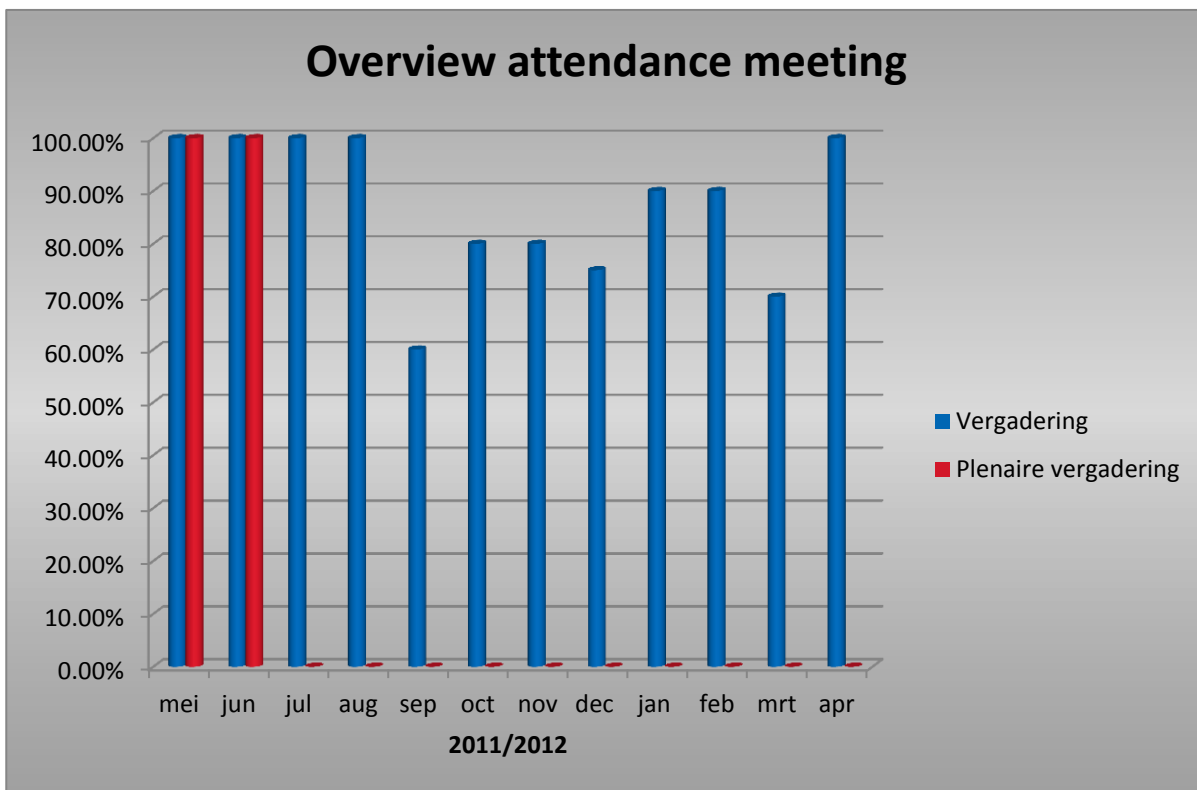
In the year 2011, the Council met in total fourteen times. In view of the fact that the SER was established in 2011, in the beginning period it was the intention to make the SER operational as soon as possible. Of these meetings, two were plenary.

In addition, there were monthly consultative meetings, in which the start-up phase was the most important subject. In conclusion the Council met twice in the month of December to prepare the advice.

At the moment, the SER does not have a meeting room at its disposal, at the moment a meeting room is shared with the Council of Advice. For the plenary meetings, use is made of the A.C. Wathey Legislative Hall of the Administration office.

The below illustration reflects the attendance of the Council members at the meetings. The average occupancy of all the meetings was 80% in 2011. For the plenary meetings individually, the average was even higher, namely at 100%.

### Illustration 1





## **Chapter 2: Summary of the advice in 2011**

This chapter contains the summary of the SER advice for 2011

The summary outlines the content of the request for advice and the point of view of the Council.

### **2.1 Advice to develop draft national ordinance to amend some national ordinances in connection with the introduction of Emancipation day as holiday on Sint Maarten.**

In the subject under discussion it concerns the amendments to a number of national ordinances in connection with the introduction of Emancipation day as a holiday for Sint Maarten.

Slavery was abolished on July 1<sup>st</sup> 1863 on Sint Maarten, from 1980 to the present, the call increased to commemorate the day on which slavery was abolished on Sint Maarten, because of the historic importance and the impact of the abolition on the local population and the culture and the cultural differences that day has caused. Politician, cultural organizations and Unions on the island, all promise their support to the idea to introduce Liberation day or Emancipation day, as a holiday on Sint Maarten.

A study of the draft national ordinance and the accompanying Explanatory memorandum as well as the other documents attached to the request for advice, was reason for the Council to make the following remarks.

The Council remarked that with regard to the introduction of Liberation day as a national holiday on Sint Maarten, one cannot automatically be satisfied with referring to the public information and education.

The above-mentioned means concretely that the day shall be lost if the population is not aware of the purpose and intent of the holiday. For the public information, the Council advised that the “ terms of reference (TOR) for the Celebration of Emancipation Day”, in the form of a brochure/pamphlet is presented with an explanation in the form of a short historic summary as regards the meaning of Liberation Day.

Taking these remarks into consideration, the Council advised that the Government should pay much more attention to the information to the public, to the youth, to various sections of the population of our country as regards the cultural importance of Liberation Day and of the celebration as a national holiday.

The Council recommends having the required information run parallel with the course of the legislative process, so that once the national ordinance has been established, the public knows very well what the proposal entails.



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## Chapter 3: Finances

### 3.1 IVB budget 2011

In the year 2008, Sint Maarten and The Netherlands signed a cooperation agreement 2008-2012, for the program Institutional Strengthening and Administrative Power (IVB). The objective of the cooperation agreement is to support the island and particularly the improvement of, social and social-economic development and maintenance of law and order, furthermore it is important to build up the High Councils of State (HCvS) and the advisory organ.

In the year 2010, 4.2 Million ANG was reserved for the total project, for the establishment of the HCvS and the SER. The funds are managed by the Implementing organization and the Stichting Ontwikkeling Nederlandse Antillen (USONA) in cooperation with the department Binnenlandse Zaken en Koninkrijksrelaties (BAK). An amount of ANG. 335.426 in IVB funds has been reserved for the SER in the HCvS. Project. In the national budget 2011, the Government reserved an amount of ANG 522.515 in total, in total for the year 2011 has been reserved for the establishment putting into operation of the SER an amount of ANG 857.941. The SER budget 2011, for the appointment of the SER members was approved and included in the National budget of Sint marten.

After studying the actual costs the SER has concluded that there was a shortage of USONA funds to build up the SER. The IVB amount of ANG 335.426 appears to be insufficient for the further establishment of the SER. Te SER was not able to make an appeal to the national budget 2011, because 90% of the amount was intended for the salaries of the personnel and the remuneration of the Board. A different alternative had to be sought for the existing deficits, the Chairman and Secretary raised the matter of the deficit with the department of BAK. After discussions with the department of BAK, USONA agreed to the request of the SER and an amount of ANG 467.074 was allotted to the SER for the further build- up of the advisory organ. For the time being, has received an amount of ANG 234.000, from USONA.

### 3.2 National budget 2012.

The SER budget 2012 has been compiled by the Chairman in consultation with the Secretary, the project leader Building up of High Councils of State St. Maarten drs. P. Lucas and the department of Financial Policy and budget (FBB) of the Ministry of Finance.

From 2012, the costs on the budget shall turn out to be higher, in view of the fact that the SER has taken into account a full fiscal year. This was done with respect to a partial fiscal year of eight (8) months, from May through December 2011.





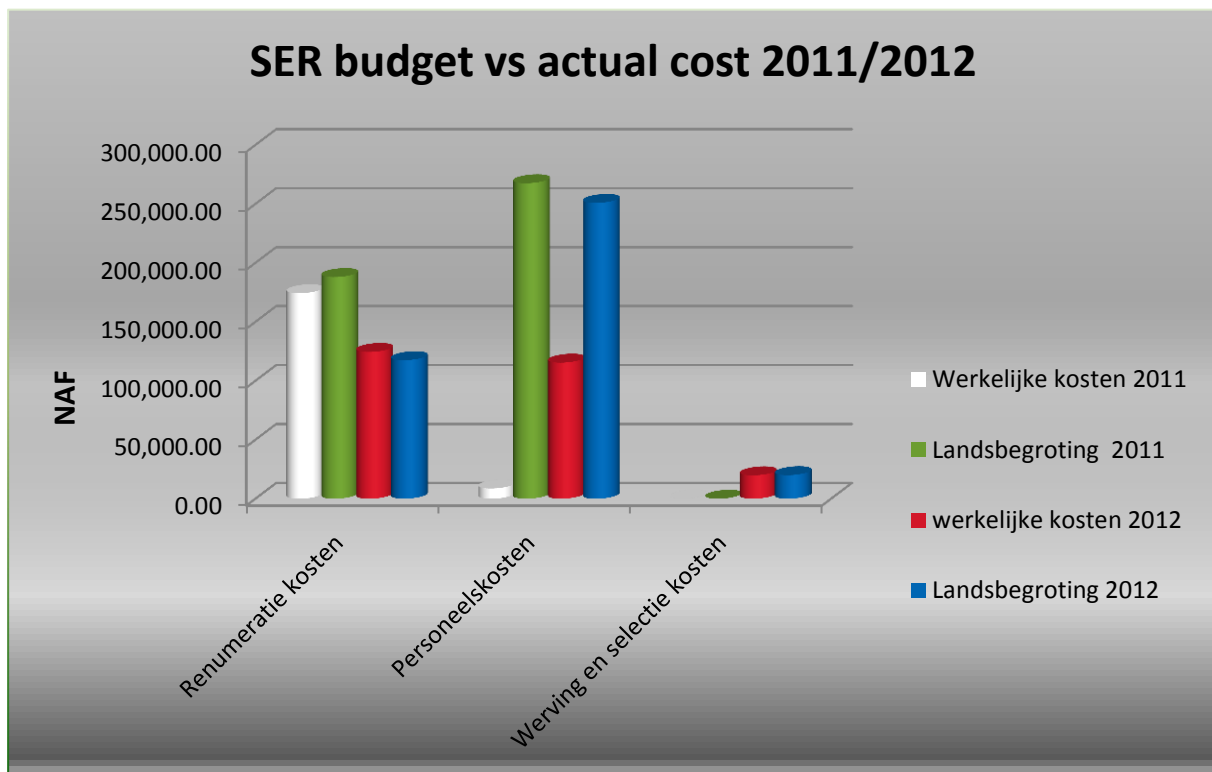
### 3.3 Assets and liabilities

In this paragraph, a reflection of the costs based on the national budgets 2011 and 2012 has been reflected in the below graph. The national budget for the year 2011 reflects, for the SER a period of eight (8) months, in view of the fact that the Advisory organ was established in 2011. The amounts in the below graph with regard to the national budget 2012, reflect a period of five (5) months January through May 2012.

For the year 2011, the total expenses in remuneration costs we budgeted at ANG 188.000; that amount was based on a period of January through December 2011. The actual remuneration costs in 2011 amount to ANG 174.300;. The fact that the actual remuneration costs turn out to be less can be attributed to the establishment in May 2011.

For the year 2012, from January through May, an amount of ANG 117.500,- has been budgeted for remuneration costs. The actual remuneration costs in 2012 amounted to ANG 124.500. In February 2012, the national resolution Financial provisions for the members, their replacements and the Secretary of the Social Economic Council was ratified, at which time the monthly remuneration of the Chairman and the Vice-President were set higher than budgeted in First Instance.

#### Illustration 2



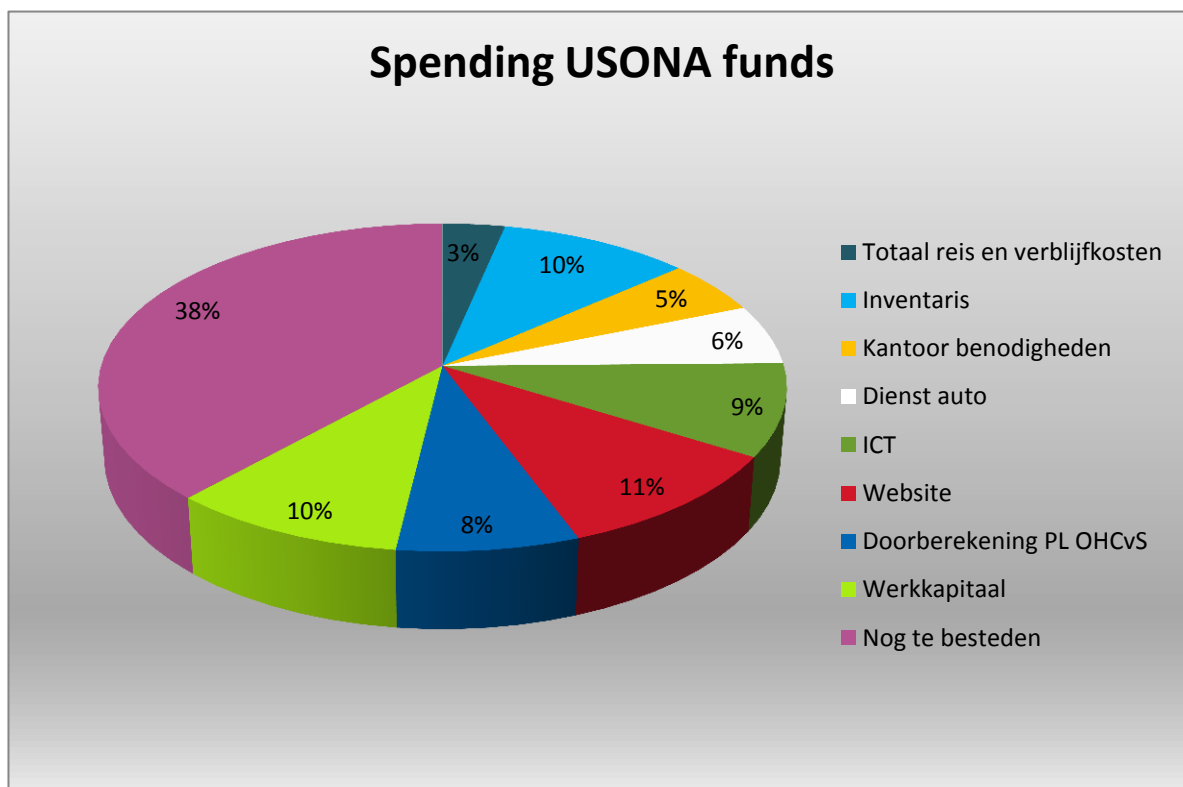


The under spending of the national budget in 2011 of the personnel costs in illustration 2 is mainly a result of the understaffing of the Secretariat. During the entire year of 2011, there were vacancies for an economist, a jurist, senior worker, administrative worker and a Secretary. During the period of May through December 2011 the acting Secretary was the only staff member of the Secretariat. In March 2012, three of the four open functions were filled.

The recruitment and selection costs in illustration 2 are based on the costs, which were incurred at the employing of the personnel for the Secretariat. No account had been taken of this when the national budget was made up.

The below graph reflects the spending of USONA funds in the year 2011. USONA has reserved an amount of ANG 335.426 for the building up of the SER. The SER has incurred the necessary costs to make the advisory organ operational, to wit for: purchase of computers, office furniture, office supplies and the setting up of a website. The Chairman and the Secretary have been on a business trip once during 2011. An amount of ANG 35.000 has been budgeted by the Secretariat for a company car for the SER. The supplementary amount of ANG 234.000, reflects (38%) of the funds which meanwhile become compulsory for the various projects with regard to the further expansion of the SER.

### Illustration 3





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## Chapter 4: Preview and international relations

### 4.1 Preview 2012

The Council observes that for the start-up phase of 2011, the advisory organ did not get around to providing unsolicited advice to the Government.

The Council has indicated that it plans to provide more unrequested advice to the Government this year. In addition to the topics within the social-economic domain, such as:

- Labour market,
- Labour conditions
- Labour law
- Social security

The Council is prepared to make out a case in the year 2012, for other topics such as:

- Spatial set up and mobility
- Environment and Energy
- Health Care
- Education
- Economy

The Council hopes that the Government in 2012 shall pay a lot of attention to the stimulation of the economy of Sint Maarten. The problems with the financing of the pension system, the Central Bank of Curacao and Sint Maarten, criminality, combating poverty and the environment are topics with social-economic consequences which shall require the attention of the SER.

In 2011 the function of Secretary was the only manned position within the Secretariat, which supports the Council. The entire year there was a question of understaffing. With the recent start (March 2012) of a new economist, jurist, senior worker and secretary, the Secretariat is expected to move ahead full steam in 2012.

This year the development of the SER-website is a priority for the Secretariat. It is the intention to make more information as regards the institution available to the public, in the short term. The Country Sint Maarten has made a start with the change to a more e-government oriented organisation and as advisory organ; the SER also wants to make a contribution to the structural improvement of the communication with citizens and social partners.



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## 4.2 International contacts and the AICESIS

The SER maintains contact with institutions and SERs inside and outside of the Kingdom of the Netherlands, via various channels.

The Secretariats of Sint Maarten, Curacao, Aruba and the Netherlands met on Curacao, from April 16 through 18, for training. The training was provided by two economists of the SER The Netherlands, the ultimate objective of the training was: the improvement of the advisory procedure of the Secretariats

In May 2012, a working visit shall be paid to the national SER in The Hague, the regional SERs in Delft and the provinces of Zeeland and Noord-Brabant. It is the intention that the working visits to the SERs in the Netherlands, function as a first introduction and lays the groundwork for a long and productive collaboration between the SERs and the Netherlands and Sint Maarten.

The International Association of Social Economic Councils and Related Institutions (AICESIS) is a young association in the making. Established in 1999, it currently consists of almost sixty members on four continents ( Africa, Latin America, Asia and Europe). The economic and social Councils are the advisory institutions, including organizations, social partners and other stakeholders.

In the framework of the partnership between the International Labor Office (ILO) and the AICESIS, SER St. Maarten was invited, through the agency of AICESIS council member, SER Curacao, to participate in the seminar in the Dominican Republic from November 10 through November 11, 2011.

The purpose of the meeting was to exchange experiences, information and trademarks of the SERs in the region with each other. Experts spoke of “ the social dialogue” between the SERs, local governments and the citizens. The organization of the seminar also endeavoured, by means of various presentations of the various delegations, to exchange experiences to ultimately develop best practices for a number of national SERs and the ultimate contribution of AICESIS.

During the seminar contact was established with the Secretary General of the AICESIS, Mr. Patrick Venturini. During the discussion SER Sint Maarten gave an explanation of the establishment and current situation of the organisation. After the discussion ended SER Sint Maarten inquired about the requirements it would have to meet for membership in the AICESIS. Mr. Venturini explained about the conditions for membership and requested SER Sint Maarten, to prepare its candidacy via AICESIS, council member Curacao.



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During the board meeting of the AICESIS, which took place in December 2011 in Amman (Jordan), it was unanimously decided to submit our request for definitive membership to the general meeting of the AICESIS, which shall be held from June 14<sup>th</sup> through 15<sup>th</sup> 2012, in Rio de Janeiro, Brazil.

As a necessary condition for the participation in the AICESIS, SER Sint Maarten was asked to make a presentation about the organization. The presentation must take place before the general meeting of the AICESIS in Brazil, after which the general meeting shall make a decision with regard to the membership of SER Sint Maarten in the AICESIS.



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## Chapter 5: Composition of the Social-Economic Council

### 5.1. Members and substitute members of the SER

Independent experts	Members	Substitute members
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Independent experts	dhr. R. Richardson (vz)	dhr. M. Temmer
	dhr. D. Williams (v-vz)	dhr. T. Bervoets
	mevr. E. Gumbs-Vlaun	mevr. S. Kartokromo

Employers organization	Members	Substitute members
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Chamber of Commerce	dhr. A. Bute dhr. J.H. Lake jr	dhr. H. Pantophlet
Sint Maarten Hotel & Tourism Association (SHTA)	mevr. E. Henriquez-Dijkhoffz	mevr.V. Pantophlet dhr. M. van der Bilt

Employee's organization	Members	Substitute members
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Windward Islands Federation of Labour (WIFOL)	dhr. T. Thompson	mevr. drs. S. Pantophlet-Gregoria
Windward Island Civil Servant Union/Private Sector Union (WISCU/PSU)	dhr. W. Reed	dhr. A. Baly
United Federation of the Windward Antilles (UFA)	dhr. E. Smith	dhr. A. Arrindell

### 5.2 Elucidation of the composition of the Council

The members of the Council are appointed upon the recommendation of the Minister of General Affairs by national ordinance. Only Dutch residents may be appointed as member or substitute members of the Council. The following functions are not compatible with membership of the Council; members of Parliament, ministers ( Minister Plenipotentiary ), civil servants, Ombudsman and membership in the Advisory Council. The independent members (experts) are appointed by the Minister of general Affairs based on their expertise and represent neither the Government, nor a certain interest organization.