

Annual Report --- 2016



Sociaal Economische Raad

Social Economic Council

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.



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Foreword

On behalf of the Social Economic Council (SER) of Sint Maarten, it gives me pleasure in presenting the last annual report during my tenure as Chairperson of the SER.

The annual report 2016, covers the period from January 1st up to and including December 31st, 2016. In this annual report, we have outlined the activities and achievements of our sixth year¹ of operation.

The year 2016 is characterized by the SER as the year of growth and celebration. The staff of our institution increased with two (2) additional members as did the number of advices which were provided to government.

As Chairperson of the SER, it was my honor to celebrate the fifth year anniversary of the SER. Former Chairmen René A. Richardson and Arthur Bute were honored by the board for their services. Past and present board members and invited guests were in attendance to celebrate the milestone.

In 2016, the SER continued with its mission statement by advising the government on seven (7) solicited advices. The SER also submitted two (2) unsolicited advices and one research report in the year under review. As Chairperson I believe that the SER has the responsibility to continue to offer sound advice and to propose the right ideas at the right moment to government.

Although the government is not obliged to follow the SER's advice, any unanimous agreement between the employers' organisations, employees' organisations and independent members serves as a powerful signal. Therefore, the Council's advice must continue to be in line with what goes on in our society. In this way, we will ensure greater support for the recommendations that we make on various socio-economic issues.

In conclusion, I would like to thank the people of Sint Maarten, our social partners, my fellow board members and the staff for their unwavering support during my tenure. I also take this opportunity to thank the Governor, His Excellency, drs. E. Holiday, the government, Parliament and the High Councils of State for making my tenure a pleasant and learning experience.



Mrs. Oldine V. Bryson-Pantophlet

Chairperson of the Social Economic Council of Sint Maarten.

¹ The first board of the SER was appointed on May 1st, 2011.



1 Organization of the Social Economic Council



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1.1 Institution.

As part of the Constitution of the Country Sint Maarten and as one of the required organic national ordinances, on October 10th 2010, the National Ordinance Social Economic Council (SER) (AB 2010, GT no.19) became effective. Article 79 in the fifth chapter of the Constitution stipulates the legal basis for the permanent advisory councils of which the SER is one.

The SER is an independent advisory body of employers' and employees' representatives and independent experts. The SER provides a forum where consultation takes place on important social and economic matters in order to ensure sound public policies for Sint Maarten.

1.2 Advisory task.

In accordance with article 2 paragraph 1 of the National Ordinance Social Economic Council, the SER's sole task is to advise the Government on important topics of social economic nature. On the basis of 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 serve the government with advice on social economic concerns at its own initiative.

1.3 Operating procedure and objective.

The SER is a tripartite advisory body that, in the process of bringing about its advice, works conscientiously in order to render a realistic account of its viewpoints on the situations in question 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 board meetings, the aim is to reach consensus regarding 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 wants to contribute to the societal welfare by arriving at mutual consensus regarding issues in the social-economic sphere. In the process, the SER strives for quality and broad support: a high degree of expertise combined with broadly accepted agreement and social support.



2 ***The Council***



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2.1 Composition.

The National Ordinance Social Economic Council provides in article 3 that the Council consists of nine members: three representatives of the employers' 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.

As substitute member, Mr. Peter van Dort, representing the Sint Maarten Hospitality & Trade Association (SHTA) moved to Curaçao, he was dismissed at his own request per January 25th, 2016. The SHTA nominated Mr. Paul van Vliet in the interim, who was appointed substitute SER member by national decree per January 25th, 2016.

On December 15th 2015, independent member Mrs. Elaine Vlaun- Gumbs celebrated her 70th birthday, which is the maximum age one can serve as member of the SER. Pursuant to article 8 sub b of the National Ordinance Social Economic Council, Mrs. Gumbs-Vlaun was relieved from her duties and replaced by independent member Mr. Francio Guadeloupe per March 10th, 2016.

As of December 31st, 2016, the composition of the Social Economic Council was as follows

Chairwoman	: Mrs. Oldine Bryson-Pantophlet	Independent expert
Vice Chairman	: Mr. Dwight Williams	Independent expert
Expert	: Mr. Dr. Francio Guadeloupe	Independent expert
Members	: Mr. Stanley Lint	COCI
	: Mr. Ajay Rawtani	COCI
	: Mr. Merrill Temmer	WICSU/PSU union
	: Mrs. Eveline Henriquez-Dijkhoffz	SHTA
	: Mr. Bienvenido Richardson	UFA union
	: Mr. Theophilus Thompson	WIFOL union
Substitute Members	: Mrs. drs. Shirley Gregoria-Pantophlet	WIFOL union
	: Mr. Aurillio Baly	WICSU/PSU union
	: Mr. Alberto Bute	UFA union
	: Ms. Brenda Brooks LL.M.	COCI
	: Mr. Robbie Ferron	SHTA
	: Mr. Paul van Vliet	SHTA
	: Mr. ir. Damien Richardson	Independent expert
	: Mrs. Mandy Daal-Offringa MSc.	Independent expert
	: Ms. drs. Linda Richardson	Independent expert

2.2 Remuneration.

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 February 1st, 2012 concerning the financial provisions of the members, their substitutes and the Secretary-General of the Social Economic Council.

In September 2015, the Social Economic Council requested the government to amend the National Decree, containing general measures, from February 1st, 2012 concerning the financial provisions of the members, their substitutes and the Secretary-General of the Social Economic Council. Upon the inception of the SER it was decided that the remuneration of the Chairperson and the Vice- Chairperson of the SER would decrease.

The remuneration for the Chair and Vice-Chair, as indicated in the National Decree, containing general measures, from February 1st, 2012 concerning the financial provisions of the members, their substitutes and the Secretary-General of the Social Economic Council, was only meant for the SER's first Chairperson and first Vice-Chairperson, as they were considered working on a full-time basis to set up this advisory institution.

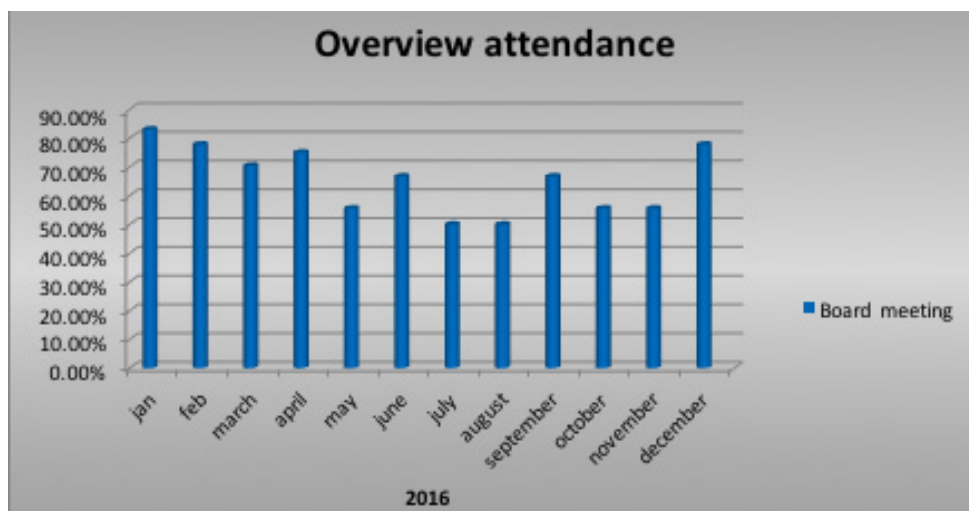
The SER's proposal is currently at the Secretary-General of the Ministry of General Affairs for review.

Budget post	Budget 2016	Actual expenditure	Balance
Remuneration	ANG 296.000, -	ANG 296.000, -	0.

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 of the Council whenever he/she deems it necessary or desirable, 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 met a total of 24 times. Apart from the board meetings, the members also meet with their respective committees. The average attendance rate for all meetings in 2016 was 65%.



Graph of attendance by board members.



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3

The Secretariat



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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 suspended or dismissed by national decree, upon the Council's recommendation.

The current formation of the secretariat 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

From February 1st, 2016 up until June 1st, 2016 the SER had an intern from the "Hogeschool van Amsterdam" (The Netherlands) doing research on pension plans for Sint Maarten at the SER secretariat.

3.2 Performance management.

With regard to the performance management, the SER functions similar to the government. Performance management is a concept, whereby the performance and competences of staff members are guided. The end result of performance management is to let personal achievements and developments fall in line with the mission, vision and strategy of the advisory body.

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, adjust agreements. During the final evaluation phase the Secretary-General assesses the results. The functioning of the Secretary-General is evaluated on the basis of 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.

3.3 Training sessions and courses.

In order to better assist the Council in its advice and consultation activities and for the further development of the staff of the secretariat and the further development of the board the SER continued with its training program in 2016.

In January, the Secretary-General took part in a Conflict Resolution course for managers. This training focused on the way managers or supervisors can work with their employees and other stakeholders to resolve or avoid conflict in the workplace.

– In March, the administrative worker attended the workshop conference for Administrative Assistants in Miami.



- In June one policy advisor attended a course titled ‘Labour market policies’ in the Netherlands at the “Rijksacademie voor Financiën, Economie en Bedrijfsvoering” in The Hague. This course focused on actively changing the number of workers in comparison to the number of unemployed persons of the working population using efficient and effective interventions. These policies start with an accurate analysis of the current labour market, such as employees with temporal and permanent contracts, flex workers (hours and remuneration), independent contractors and the self-employed. Labour market policies take the trends which formed the composition of the labour market into consideration, and then proceed with interventions adjusted to the goal of the policy, balancing the interests of employees, employers, the sectors they operate in, the role of government and legislation.
- In October one policy advisor attended the 11th Caribbean Conference on Health Care Financing Initiatives in Bonaire, which was entitled: ‘Spending Wisely: Value for money Imperatives’. This conference was organized by the University of the West Indies (UWI) in cooperation with HEU, Centre for Health Economics and the Health Insurance Office of Bonaire (ZVK). The overall objective of this Conference is to share knowledge, increase understanding, test ideas, enhance national expertise and deepen regional collaboration in designing and managing national health financing initiatives and to provide an experienced-based analysis of implementing health care reform.

The focus was also on the rise in chronic diseases including how to prevent and manage the effects thereof and the health system’s response to it. Participants and experts on the topic of Health Care Financing represented the various Caribbean (English, - Dutch and Spanish speaking) islands and the Netherlands. Some of the topics discussed by experts are:

- Chronic diseases and prevention;
- National health accounts;
- Organizing health and health insurance;
- Importance of data warehouse;

With regard to the board, the following courses were attended:

-In February, the University of St. Martin (USM) in collaboration with the University of the Virgin Islands (UVI) provided the SER board with a two-day training on Human rights. The course instructors were Dr. Malik Sekou (UVI) and Prof. Omar Becerra (USM).

-The board members also took part in a series of special courses for Board Potentials and Non-Executive Board members. These courses contribute to the education and professionalization of potentials and non-executives. The courses were organized by “Nationaal Register” and focussed on providing a theoretical and practical based knowledge on good governance and corresponding themes.

In June SER board as well as the staff attended the Tax Summit entitled: “The road to a smart state of the art tax administration”. This summit was organized by the Ministry of Finance.



SER’s two-day training course on Human rights.



4 ***Financial Management***



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4.1 Budget 2016.

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 1,491,735 for the year 2016 to the Social Economic Council.

4.2 Budget realization.

This paragraph contains a representation of the costs based on the SER 2016 budget.

Budget post	Budget 2016	Actual expenditures	Balance
Personnel expenditures	ANG 854,035	ANG 850,035	ANG 4,000
Material costs goods and services	ANG 637,700	ANG 615,200	ANG 22,500
Total costs	ANG 1,491,735	ANG 1,465,235	ANG 26,500

The difference is ascribed to the reduced spending of the budget Legal advice (in Dutch "Rechts-en deskundig advies") and the budget post staff Representation cost (in Dutch "Representatie kosten"). The SER stayed within the budgeted amount of ANG 1,491,735.

The actual expenditures and differences are provided by the Finance Department. During the compilation of the annual report 2016, the amounts could not be verified as government's 2016 financial statement is not yet available.



5

***SER's fifth year
anniversary***



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SER's fifth year anniversary.

The SER celebrated its 1st lustrum in May. The SER was established on October 10th, 2010 when Sint Maarten attained country status within the Dutch Kingdom.

The first SER board was appointed on May 1st, 2011 and therefore the SER celebrated its 5th anniversary in the year under review. Former Chairmen René Richardson and Arthur Bute were commended by Chairwoman, Oldine Bryson-Pantophlet for their contributions during the establishment phase of the SER. René Richardson was at the helm of the SER during the first three years of the institution and was succeeded by Arthur Bute in 2014.

Throughout the years, SER Sint Maarten has developed a working relationship with SER Curaçao, SER Aruba, SER Netherlands and similar advisory bodies in the region as well as worldwide.

Since its inception up to December 31st, 2016, the SER provided government with 11 unsolicited advices and 20 solicited advices. In the first years, the SER focused on social protection policies to increase the quality of life. The SER submitted advice to reform AOV and short term labor contracts, to introduce a mandatory second tier pension for all employees, to implement unemployment insurance coupled with flexibilization of labor laws, and to start a new comprehensive poverty reduction policy. The last few years the SER focused more on the economy: a diagnose of indirect taxation, how to increase tax compliance to improve the financial situation of the government, and how to stimulate the development of micro, small and medium sized enterprises.

During its five years, the SER also organized two (2) symposia and one (1) lecture on social economic matters.



From left to right: 1st SER Chairman René Richardson, 3rd and current SER Chairwoman Oldine Bryson-Pantophlet and 2nd SER Chairman Arthur Bute.



6 **Contacts**



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6.1 Contacts.

Throughout the year under review the SER maintained in contact with Parliament, government and various institutions locally as well as internationally to carry out its task. In 2016 the SER continued to strengthen its ties with Social Economic Councils from other countries within the Kingdom of The Netherlands as well as worldwide.



In picture from left to right: SER Chairwoman Oldine Bryson- Pantophlet and President of Parliament MP Sarah Wescot-Williams.

6.2 SER Suriname.

The Chairwoman, Oldine Bryson-Pantophlet and Secretary-General, Gerard Richardson of the Social Economic Council (SER) Sint Maarten received a courtesy visit on Tuesday, May 17th, 2016 from the Chairman of SER Suriname, Mr. Ferdinand Welzijn.



In picture from left to right: SER Chairwoman Oldine Bryson- Pantophlet and Dutch Representative in Sint Maarten, Mr. Chris Johnson

6.3 Dutch Representative in Sint Maarten.

In November, the Representative of the Netherlands in Sint Maarten, Mr. Chris Johnson met with SER Chairwoman Oldine Bryson-Pantophlet and Secretary-General Gerard Richardson. Mr. Johnson was appointed as Representative in Sint Maarten in June, 2016.

The courtesy visit of Mr. Johnson to the SER was focused on the social and economic development of Sint Maarten and the relations between the countries within the Kingdom. SER and Representative Chris Johnson also shared their view on the challenges of Sint Maarten connected to the new country status, and how these challenges influenced the development path of Sint Maarten compared to Curaçao and Aruba the last few years. Both parties agreed to work together when necessary to improve the development of Sint Maarten.



In the picture, left to right: Chairman SER Suriname, Ferdinand Welzijn, Chairwoman SER Sint Maarten, Oldine Bryson-Pantophlet



7

Appendix



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7.1. Advice issued during the course of the year.

In the year under review, nine (9) advices were sent to the SER by the government for advice. Out of the nine (9) advices, seven (7) were solicited advices and 2 were unsolicited advices.

Date received	From	Advice Request concerning:	in Dutch:
January 5th, 2016	Minister of Public Health, Social Development and Labor, Mr. E. Lee	the price indexation daily wage limits Sickness Insurance and Accidents Insurance 2016	Landsbesluit, houdende algemene maatregelen, van de...(datum) tot aanpassing van de dagloongrenzen voor 2016, genoemd in de Landsverordening ongevallenverzekering en de Landsverordening ziekteverzekering in verband met de ontwikkeling van de prijsindexcijfers van de gezinsconsumptie
January 22nd, 2016	Member of Parliament Mr. C. Emmanuel	the social and economic impact the establishment of a Development Bank will have on the Small and Medium Businesses, taken the stagnant economic growth for these businesses over the past years into consideration	
February 15th, 2016	Prime Minister W. V. Marlin	amendments from 25% to 22% to the National Ordinance concerning Civil Service Pensions	Pensioenlandsverordening Overheidsdienaren
June 15th, 2016	Prime Minister W. V. Marlin	the draft National Ordinance Youth Unemployment Fund	Concept landsverordening fonds jeugdwerkloosheid
June 27th, 2016	Prime Minister W. V. Marlin	Draft National Ordinance regulating the establishment and acquisition of shares of the Development Bank of Sint Maarten	Concept landsverordening houdende regels met betrekking tot het oprichten van en het verwerven van aandelen in de ontwikkelingsbank van Sint Maarten
July 7th, 2016	Minister of Public Health, Social Development and Labor, Mr. E. Lee	the draft decree, containing general measures, temporary cessation of Country contribution to the General Insurance Special Medical Costs and Sickness Fund	Landsbesluit, houdende algemene maatregelen, van de houdende besparing van de Landsuitgaven in verband met de ziektekosten door de bijdrage van het Land aan het Algemeen Fonds Bijzondere Ziektekosten en de premie voor de ziekteverzekering op nihil te stellen
September 6th, 2016	Prime Minister W. V. Marlin	the draft national ordinance regulating a mandatory general health insurance	Landsverordening, van de...(datum) houdende regeling van een verplichte uniforme verzekering tegen ziektekosten

All above-mentioned solicited advices are available via the SER website: www.sersxm.org



List of abbreviations

drs.	Doctorandus
Dr.	Doctoral degree
COCI	Chamber of Commerce & Industry
LL.M.	Master of Laws
MSc	Master of Science
MP	Member of Parliament
ir.	Ingenieur/Engineer
SER	Sociaal Economische Raad / Social Economic Council
SHTA	Sint Maarten Hospitality and Trade Association
UFA	United Federation of Windward Antilles
UVI	University of the Virgin Islands
UWI	University of the West Indies
USM	University of St. Martin
WICSU/PSU	Windward Islands Civil Servants Union/Private Sector Union
WIFOL	Windward Islands Federation of Labour

