

February 16, 2022

Honorable Prime Minister Silveria Jacobs,

The St. Maarten Communication Union (SMCU) would like your urgent attention pertaining to the 12.5% reduction of employee's benefits.

## Firstly;

The temporary law on the 12.5% reduction of employee's benefits is not clear on how to implement said reduction. Because of this lack of clarity, Union negotiations with government-owned companies on the 12.5% reduction are stalling.

When the SMCU asks the mediator, if employee's salaries are part of the employee's benefits, the SMCU does not get a clear answer. The SMCU is of the opinion that the employee's salaries should not be included in the 12.5% reduction. If the salaries are included, this will exceedingly increase the total amount of benefits from which the 12.5% reduction has to be taken. This will in turn increase the reduction of all other employee benefits.

Furthermore, if the secondary benefits are not sufficient to cover the 12.5% reduction, the difference would then have to come directly out of the employee's salaries. The SMCU does not believe that the intention of the temporary law is to reduce employee's salaries. The direct reduction of employee's salaries should be avoided at all cost.

The SMCU is hereby urging the Government to put a template/format in place, in order for the government-owned companies to know precisely how to implement the 12.5% reduction on the employee's benefits (without negatively affecting employee's monthly take-home pay).

Based on the above Honorable Prime minister, the SMCU has the following questions:

- 1. Should the employee's salaries be included in the 12.5% calculation?
- 2. When will the Government provide the government-owned companies and the St. Maarten Unions with the urgently needed clarity, by putting a 12.5 % calculation template/format in place?

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## Secondly.

The idea behind the temporary law was for the semi-government owned companies to be in solidarity with the private sector because of the SSRP support. However, during a press briefing On Wednesday February 2, 2022, the Minister of Finance said that the SSRP was canceled in September 2021. The reason for this cancelation was because Holland is no longer giving financial support for the SSRP.

Seeing that St. Maarten is no longer receiving SSRP support from Holland, the SMCU has the following questions:

- 3. With whom are the government owned companies now in solidarity?
- 4. Until when exactly was (will) the temporary law (be) valid?

The SMCU is urgently looking forward to answers on the above questions pertaining to the 12.5% reduction of employee's benefits temporary law.

Kind regards.

Ludson Evers President.

Sherman Serastis Secretary.

CC: Council of Minister.

Chairlady of Parliament Honorable Mrs. Grisha Heyliger-Marten Members of Parliament.