

ANNUAL REPORT OF THE ALL-ISLAND JAMAICA CANE FARMERS'
ASSOCIATION FOR THE YEAR ENDED SEPTEMBER 30, 2018

1. **PURPOSE**

The matter for tabling in the Houses of Parliament is the Annual Report of the All-Island Jamaica Cane Farmers' Association with the audited financial statements for the year ended September 30, 2018. This report is being tabled in accordance with the provisions of section 15 of The Sugar Cane Farmers (Incorporation and Cess) Act.

2. **BACKGROUND**

The All-Island Jamaica Cane Farmers' Association (AIJCFA) was incorporated under The Sugar Cane Farmers (Incorporated and Cess) Act on December 25, 1941. The Committee of Management operates the Association. All registered cane farmers are members of the Association and pay a cess on each tonne of cane, which is delivered to a factory.

The main objectives of the All-Island Jamaica Cane Farmers' Association are:

- To promote the growing of cane by cane farmers and the expansion of the cane farming industry.
- The preparation of and the settling of terms for cane farmers' contracts with sugar factories and aiding in the settlement of any dispute which may arise.
- To buy and sell fertilizer and agricultural implements for the benefit of its members.
- Make representation to the Government on any matter affecting the interest of cane farmers.

3. **PERFORMANCE FOR THE 2017/2018 CROP YEAR**

i. **Planting**

There was an expansion in cane planting for the crop year up to August 2018 totalling 995 hectares. This represents 5% of the 18,713 hectares reaped, which is below the desired industry standard of 16% per year. Farmers planted a total of 198 hectares, which was 64% less than the previous year. Estates planted 797 hectares which is lower than that of the previous year and represents a decrease of 12%. The Cane Expansion Fund (CEF) which is the driver behind the replanting and new planting only provided funding in the irrigated areas. This seriously affected planting especially by farmers in the rainfall fed areas.

ii. **Cane Ground/Processed**

A total of 1,024,213 tonnes of cane was ground for the 2017/18 crop year producing 82,360 tonnes sugar. The quantity of cane ground represented a decrease of 109,140 tonnes or 9.6% when compared to the previous crop year. Of the total cane ground, farmers supplied 527,006 tonnes (51.5%), whilst the estates supplied 497,207 tonnes (48.5%).

Quantity of Cane Ground by Factories

Factory Area	2016/17 (Tonnes)	2017/18 (Tonnes)
Appleton	297,603	214,351
Frome	247,078	327,098
Golden Grove	151,060	139,731
Monymusk	176,029	104,192
Worthy Park	261,582	238,841
Total	1,133,352	1,024,213

Cane Production by Farmers and Estates for the 2017/2018 Crop Year			
Factory Area	Farmers (Tonnes)	Estates (Tonnes)	<u>Total</u> (Tonnes)
Appleton	62,120	152,231	214,351
Frome	121,682	205,416	327,098
Golden Grove	85,330	54,401	139,731
Monymusk	104,192	0	104,192
Worthy Park	153,682	85,159	238,841
Total	527,006	497,207	1,024,213

There was a decrease in the total number of crop days from 249 days in the 2016/17 crop year to 234 days in 2017/18. It should be noted that Frome was the only Factory to achieve an increase in crop days; all other factories experienced declines.

The shorter cropping period was primarily as a result of less cane being supplied for the current period compared to the previous year. The total number of farmers supplying cane decreased from 3,178 in 2016/17 to 2,751 in 2017/18. This decline was 427 farmers or

13% less than 2016/17. All factory areas showed less farmers supplying cane this year when compared to the previous year (2016/17) except for the Monymusk area.

Other factors negatively impacting the harvesting and production of cane was a general shortage of working harvesting equipment including trucks, cane carts, tractors, cane loaders which affected kill to mill time and contributed to poor juice quality.

4. **FINANCIALS**

The Association recorded a deficit of \$6,811,549 for the review period. This figure represents a reduction of 159% (\$18,351,013) and reversal of Association's surplus of \$11,539,464 earned in the previous year. The deficit incurred by the Association was due primarily to extraordinary expenses of \$17,000,000 which relate to expenditure arising from a legal matter between the Association and two of its former employees. The Industrial Disputes Tribunal awarded payments totalling \$17,000,000.

5. **RENUMERATION**

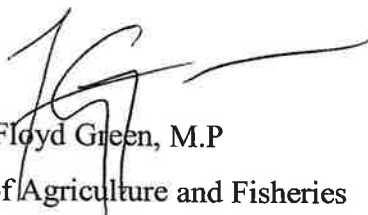
The emoluments of the Committee of Management and Senior Executives for the 2017/18 year are included at appendices I and II.

6. **AUDITORS' REPORT**

Crowe Horwath Jamaica audited the Financial Statements. In the Auditors' opinion, the financial statements gave a true and fair view of the Association's financial position as at September 30, 2018. The Auditors have stated that the Association's financial performance, and cash flows for the year then ended, are in accordance with International Financial Reporting Standards (IFRS) and the Sugar Cane Farmers (Incorporation and Cess) Act.

7. **RECOMMENDATION**

The Annual Report of the All-Island Jamaica Cane Farmers' Association for the year 2018 is hereby submitted to be tabled in the Houses of Parliament in accordance with section 15 of The Sugar Cane Farmers (Incorporation and Cess) Act.



Floyd Green, M.P

Minister of Agriculture and Fisheries

October 20, 2020

ALL-ISLAND JAMAICA CANE FARMERS' ASSOCIATION
COMMITTEE OF MANAGEMENT COMPENSATION (October 1,2017-September 30, 2018)

Position of Director	Fees (\$)	Motor Vehicle Upkeep/Travelling or Value of Assigned Motor Vehicle (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable (\$)	Total (\$)
Allan Rickards - Chairman	-	480,000.00	2,304,000.00	-	2,784,000.00
Hubert Baker - Vice-Chairman	-	480,000.00	864,000.00	-	1,344,000.00
Badiah Handal - Finance Committee Chairman	-	480,000.00	540,000.00	-	1,020,000.00
Gladstone Bedassie	-	84,700.00	-	-	84,700.00
Fitzroy Douglas	-	92,496.00	-	-	92,496.00
Vera Francis	-	61,000.00	-	-	61,000.00
Sydney Fray	-	121,260.00	-	-	121,260.00
Wesley Green	-	94,188.00	-	-	94,188.00
Derick Heaven	-	40,749.00	-	-	40,749.00
Everett Hyatt	-	71,440.00	-	-	71,440.00
Robert Jemieson	-	82,100.00	-	-	82,100.00
John Plummer	-	107,630.00	-	-	107,630.00
Winston Ritchie	-	241,906.00	-	-	241,906.00
Nelson Walters	-	35,955.00	-	-	35,955.00
Clayton Washington	-	72,882.00	-	-	72,882.00
Donald Williams	-	54,144.00	-	-	54,144.00
Total	-	2,600,450.00	3,708,000.00	-	6,308,450.00

**ALL-ISLAND JAMAICA CANE FARMERS' ASSOCIATION
SENIOR EXECUTIVE COMPENSATION**

Position of Senior Executive	Year	Salary (\$)	Gratuity or Performance Incentive (\$)	Traveling Allowance or Value of Assigned Motor Vehicle (\$)	Vacation Pay (Gross)	Pension or Other Retirement Benefits (\$)	Other Allowances (\$)	Non-Cash Benefits (\$)	Total (\$)
Secretary/Manager	Oct. 1, 2017-Sept. 30, 2018	4,300,000.00	-	806,420.00	-	-	-	-	5,106,420.00
Accountant	Oct. 1, 2017-Sept. 30, 2018	2,500,000.00	-	217,655.00	-	-	-	-	2,717,655.00
Administrative Manager	Oct. 1, 2017-Sept. 30, 2018	2,800,000.00	-	863,250.00	-	-	-	-	3,663,250.00
Head of Extension	Oct. 1, 2017-Sept. 30, 2018	3,200,000.00	-	589,260.00	-	-	-	-	3,789,260.00
Total		12,800,000.00	-	2,476,585.00	-	-	-	-	15,276,585.00

Notes