



**2003**



*Social Security - Bridging the Economic Gap*

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# **SOCIAL SECURITY BOARD**

## **VISION STATEMENT**

**We envision a social insurance system, parallel to none, which provides the population of Belize with a social safety net and ensures social equity through innovative and significant programs and highest standards of quality service.**

## **MISSION STATEMENT**

**To make available timely, cost-effective and top quality services to our stakeholders, ensuring that they enjoy the highest standards of a sustainable social insurance.**

## **ORGANIZATIONAL VALUES**

**We accept the challenge of creating a dynamic and flexible organization that embraces change and continuously seeks to improve itself and its services.**

**We are committed to work together to pursue our vision and mission with a firm belief in:**

- ★ Easy accessibility to our services.**
- ★ Highest level of accountability to our customers, our staff and the population of Belize.**
- ★ Respect for and dedication to our clients' needs.**
- ★ Loyalty to our customers, among staff and to the organization.**
- ★ The promotion of equity in our organization and our programs.**
- ★ Highest standards of excellence in service.**
- ★ Highest level of responsibility in the management of Social Security's resources.**
- ★ Full transparency in our actions and the results of Social Security's programs.**
- ★ Cost-effectiveness in the management of the Social Security's operations.**
- ★ Significant contributions to the socio-economic development of Belize.**
- ★ Excellent and dynamic leadership.**



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## **PART II - FINANCIAL REPORT 2003**









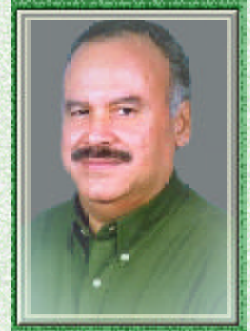


## **Minister's Message**

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Consolidating the efficiency and effectiveness of the administration of Social Security was a priority during 2003.

Notably, through the approved Statutory Instrument No. 16 of 2003, the Government of Belize provided for the changing of the composition of the Board of Directors of Social Security. It also provided for a new method of appointment of the Manager to be the Chief Executive Officer of the Board. The Board now consists of (i) a Chairman and four other members appointed by the Minister in his discretion; (ii) two persons nominated by the National Trade Union Congress of Belize; (iii) one person nominated by the Belize Chamber of Commerce; (iv) one person nominated by the Belize Business Bureau; and (v) the Manager, who is an ex-officio member without a right of vote. Contributing workers and employers, have representation on the Board of Directors.



For continued financial growth and sustainability of the fund, legal provisions were made in 2003 enabling investments by the Board in foreign capital markets; an increase in the contributions rate from 7% to 8% of insurable earnings; and the re-allocation of contributions collected to the three branches of benefits. On June 11, 2003, Actuary of the Social Security Board, Mr. Hernando Pérez Montás, confirmed that *"...An increase in the rate of contributions from 7% to 8% is highly advisable on actuarial and economic grounds; would avoid more drastic increases in the future; is still lower than the rates applied in other schemes, and will be adequate for the next four years..."*. Social Security has built up assets to over \$275 Million through the collection of contributions, wise investment of funds, and prudent benefit provisions.

But pay benefits we must...in 2003 alone, over \$28 Million were paid out in benefits, and over 71,000 workers are being protected against economic insecurity; this only bodes well for the future. This national institution must and will continue to increase its role in providing social security to Belize's workers, while maintaining a sustainable and viable approach to any new challenges that the future brings.

Social Security IS reinforcing and expanding our modern social safety net.

*Hon. Ralph Fonseca  
Minister of Finance  
and Home Affairs*

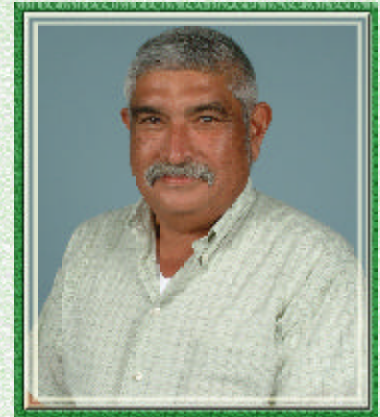






The reform and modernization continues...in 2003, Social Security continued "*Bridging the Economic Gap*", as was the celebratory theme of 22 years of service by the institution.

The opportunity for Social Security coverage was extended for self-employed persons that wish to join the scheme, effective January 6, 2003. By the end of the year, more than 1,300 self-employed persons had registered for coverage. The inclusion of this sector of Belize's workers, will help to ensure that when this productive group is unable to work due to incapacity resulting from sickness, maternity, injury, and / or retirement, they will have a resource in Social Security.



The goodwill Non-contributory Pensions scheme was activated on April 1, 2003, to provide a pension to women 65 and older who qualify for the benefit. Over 1.2 Million Belize Dollars were paid out in 2003 to assist women, as part of the Government of Belize's Poverty Alleviation Program. This goodwill investment by the Social Security Board is in addition to the other programs that we continue to spearhead, namely the Golden Citizens and the High School Scholarship Programs, both of which are in the third year of implementation. Last, but definitely not least, a streamlined NHI service continued in south side Belize City.

Apart from extension of coverage of previously excluded, marginalized and needy sectors, the organization sought to improve its service; namely, pensions are now being paid through financial institutions, to make collection of benefit easier for pensioners.

Social Security undoubtedly reinforced the modern social safety net for Belizeans this year.

*Yasin Shoman, Chairman  
Social Security Board*





## ***Investment Overview***

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At the end of the year 2003 the investment portfolio of the Social Security Board stands at \$242,165,677. The portfolio shows that the Social Security Board invests in the various sectors of the economy; the sectors of Agriculture, Tourism, Utilities, Education, Housing, and Banking are beneficiaries of investments made by the Board. The Housing sector continues to be the largest investment for the Board. Investments in this area are directed to the final beneficiaries, the insured persons, through developmental institutions such as Credit Unions and the Development Finance Corporation for student loans. Many Belizeans are now the proud owners of a home. The Board, through its investments, has also contributed to employment creation and production cost reduction in the agricultural sector. Thousands of Belizeans are employed in the Banana Industry, the Citrus Industry, and the Sugar Cane Industry. These industries have also been able to reduce their production cost by accessing below market interest rates on loans approved to them by the Investment Committee and the Social Security Board. The Board has surely contributed to the alleviation of poverty in Belize.



The Social Security Investment Committee continues to safeguard the Social Security Fund by directing investments in areas where the Board will achieve an adequate yield and at the same time a fairly low risk. In 2003 all efforts were made to implement recommendations made by the Social Security Reform Commission. The Committee believes that the recommendations are sound and ensures the sustainability of the fund for the long term.

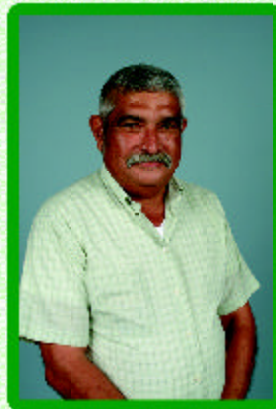
In 2004 the Committee, under my Chairmanship will continue to foster the best interest of our stakeholders by safeguarding their interest in Social Security. Rest assured that we will continue to act in the best interest of our insured population and our country.

*Mrs. Lourdes Smith  
Chairperson, Investment Committee*





# Board of Directors



**Chairman**  
**Yasin Shoman**



**Michael Polonio**  
**Deputy Chairman,**  
**Employers'**  
**Representative**



**Margaret Nunez**  
**Government's**  
**Representative**



**Rick Castillo**  
**Government's**  
**Representative**



**Anselm Gillett**  
**Government's**  
**Representative**



**Ellison Flowers**  
**Employers'**  
**Representative**

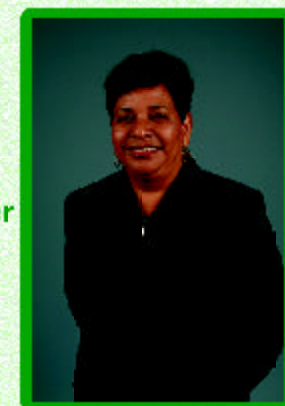


**Horris Patten**  
**Insured Persons'**  
**Representative**

**Hilberto (Hilly) Martinez**  
**Government's**  
**Representative**



**Narda Garcia**  
**Chief Executive Officer**  
**Ex-officio Member**



**Antonio Gonzalez**  
**Insured Persons'**  
**Representative**



**Maria E. Contreras**  
**Secretary**





## *Investment Committee*



**Michael Polonio**  
Deputy Chairman



**Lourdes Smith**  
Chairperson



**Narda Garcia, C.E.O.**  
Member



**Hilberto (Hilly) Martinez**  
Member



**Antonio Gonzalez**  
Member



**Rolando Zetina**  
Secretary





# **Corporate Data**



## **Appeal Tribunal 2003**

Edwin Flowers SC, Chairperson

### **Employers' Representatives:**

Larry Maclaren  
Gustavo Perrera  
David Usher  
Adrian Roe  
Joseph Loskot  
Emile Mena  
Mark Lizarraga  
Michael Williams  
Tony Soberanis  
Amparo Noble  
Myrna Shoman

### **Insured Persons' Representatives:**

Denfield Andrewin  
Simeon Arana  
Leslie Bennett  
Liston Hall  
Lisa Hoare  
William Lamb  
Eleanor O'Brien  
Anthony Sabal  
Dorla Stuart  
Wilford Williams

## **Consultants 2003**

### **Legal Consultant**

Shoman & Chebat

### **EXTERNAL AUDITOR**

Marion J. Usher, CPA

### **ACTUARIAL CONSULTANTS**

Hernando Perez Montás y Asociados







# **Corporate Data**

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## **Working Committees**

### **Forms Committee**

Mr. Norberto Depaz, R. D. & C. Department  
Mr. Henry Link, Assistant General Manager  
Mr. Jonathan Garbutt, Branch Office Manager  
Ms. Nicolyn Raymond, MIS Department  
Ms. Francisca Habet, Human Resources Department

### **Streamlining Benefit Processes (S/T & L/T)**

Ms. Ana Gonzalez, Chairperson  
Mr. Jonathan Garbutt  
Ms. Francisca Habet  
Mrs. Deborah Ruiz

### **Information Technology Committee**

Mrs. Deborah Ruiz  
Mrs. Maria Elena Contreras  
Mr. Henry Link  
Mr. Norberto Depaz  
Ms. Leonora Flowers  
Mr. Rolando Zetina  
Mr. David Fonseca







As related in the introductory pages of this report, 2003 was a very active and exciting year for Belize's Social Security. From administrative and financial innovations to extension of coverage and benefits, and from continued public education to improved customer service efforts, all our activities added up to 'success'; success in furthering achievement of the organization's mission "... to effectively manage its operations, to deliver the best quality service to insured persons, employers and the general public, through efficient collection of contributions, prompt payment of benefits, and prudent investment of reserve funds."



Social Security is complex – a complex system and organization. What is visible to our external customers is just one part of our functionality. In order to meet our customers' needs on an ongoing basis, we must go on trying to ever increase the business activities, and improve the way we perform and manage results.

With a view to meeting customer's needs, four changes are of interest; the first three measures responded to recommendations made by employers in 1999 when Social Security consulted on reform actions, while the last action promotes overall optimization of customer services.

- ◆ Effective January 1, 2003, Social Security began paying sickness benefit from day one, relieving employers from the responsibility that they had in this respect; this change has been phased in since 2000 and is now complete.
- ◆ As per Statutory Instrument No. 88 of 2003, since July "where the date of payment of a contribution under this regulation falls on a weekend or a public or bank holiday, the date of payment shall be the next working day after such weekend or holiday and such payment shall not incur any interest." This means that employers are now allowed one extra day for payment of contributions, when the 14th falls on a weekend or public holiday, without penalty.
- ◆ Statutory Instrument No. 125 of 2002, gazetted 19th October 2002, made provision for the voluntary registration effective January 6, 2003, of the self-employed so that they might also benefit from Social Security.
- ◆ In September 2003, formation of a Customer Service Department was begun. This department is charged with analyzing customer service and making recommendations for improvements.

Annual Report 2003 offers you statistics, the financial statements, and a narrative explanation of the operations of Social Security. This year closes a five-year administration and we are now entering a new era of performance and results. The new 9-member Board of Directors had its inaugural meeting in June, and the whole organization conducted Strategic Planning 2004 – 2008 from November onwards.

As we commence this new period, the commitment is revived – to provide the best services and benefits possible, in the most cost-effective and efficient manner. We care about you!

*Narda Garcia, Chief Executive Officer  
Social Security Board*





## Accommodations

It is with great pride that Social Security is realizing its goal of seeing all its offices updated and providing adequate accommodation for customers.

An official inauguration ceremony for the new Independence Sub-office building was held on January 15, 2003. The new structure located at Savannah Road, Independence Village in the Stann Creek District, services Tourism, Banana, Citrus and other industries, in the surrounding area.



Also, the new San Pedro Sub-office building inauguration was held on July 25, 2003, at Pescador Drive. It is a spacious and attractive 3-story building, which has an office downstairs to accommodate customers that are unable to climb the stairs. We are indeed "Bridging the Economic Gap", as we strive to provide our customers with improved facilities for better customer service.



## Human Resources

The Social Security Board has a human resources development focus, to promote staff growth and greater efficiency in its operations. The annual training program includes in-house training, external training, a study leave program and workshop participation. With the purpose of equipping inspectors with the ability to thoroughly investigate claims, prepare accurate reports and present a winning case with documented findings for the Appeals Tribunal, a training in Investigation, Legal Proceedings and Report Writing was held at the National Police Training Academy from January 29 to 31. The fifty three participants, included District Managers, Administrators, Inspectors, and Employment Injury Coordinators. The training was facilitated primarily by personnel from the National Police Training Academy, but also included support of Mr. Michel Chebat, Attorney-at-Law and Social Security inspectors David Zetina, Robert Banner and Bert Avila.

The New Supervisor 1 was a course held from 19-20 June and 25-26 June, 2003. The two groups consisting of thirty-two supervisors benefitted from this training, which was designed to remove the communication barriers which hamper productivity. Its objective was also to provide persons in supervisory positions with the necessary tools to get the job done and move up the ladder of success. Topics included planning, organizing, goal setting, time management, motivation, basic management principles and conducting performance evaluation interviews.

Employees also benefitted from other training including:

- ◆ Orientation and Induction
- ◆ Developing and Managing a Superior Customer Service Department
- ◆ Accident Investigation & Confined Spaces
- ◆ Electrical Hazards and Machine Guarding







- ◆ Toolkit for Self-evaluation of the Cost Benefit of Investing in Occupational Safety and Health
- ◆ Effective Office and Records Management
- ◆ Security Features of the New Birth Certificates, and
- ◆ Administration of the Process of Change in Social Security

On 3-7 November 2003, the Barbados-held conference "Strengthening Social Security in the Americas" was attended by a Board Director, the Chief Executive Officer and Manager Human Resources. Among the topics discussed was that of performance measurement of social security administrations.

Also, a Strategic Planning & Stronger Leadership Teams Retreat held from 10-14 November, 2003 had the participation and input of Social Security's Board of Directors, Division Directors, Managers, and middle Managers. This retreat has allowed for the consensual production of Social Security's strategic plan for the period 2004-2008, the clarification of roles, and strengthening of the various leadership teams in implementation. It aimed at ensuring that the plan has the full support of all major internal stakeholders.







## Public Relations and Education

The Public Relations Department which began in 1999 as a consultancy has grown to 5 staff members, and performs in the areas of advertising, publications, program development, database management (for public information purposes), research, and communication services. In the past five years, the department's public education strategies have expanded from meeting basic information needs through a few media messages to establishing a consistent long-term advertising program, which includes many mass and direct media.

The planning of the department, has sought to address informational needs of our diverse customers including employers and insured persons, rural and urban, English and Spanish speakers, and other key customer segments, depending on the programs or activities being publicized. The department has consistently strived to obtain more advertising mileage, for example by negotiating long-term discounted packages as well as by embracing 'alternative' means of public education. It is the goal of the department to further the organizational objectives, while effectively meeting the informational needs of our customers. In this regard, a survey was begun in 2002, and will be continued as a longitudinal study, to help us assess the effectiveness of our public information programs and to constantly improve the way we transmit messages to our customers.

### Public Education

In 2003, the public education efforts made by the department included:

- Increasing newspaper advertising from 1/8 page weekly to creation of the "Explore Social Security" page;
- Continuation of "Ask Social Security" on Love FM and airing on Estereo Tu y Yo;
- Airing of "Preguntale al Seguro Social" on Estereo Amor, starting August;
- Replacing 3 billboards on highways with wall signs in several main towns, to lower cost and increase public exposure of 'list of benefits';
- Publishing in October, of Benefit Brochures 1 to 10, which cover each of the benefits in detail. This serie was created to meet information needs of a busy public interested only in specific benefits;
- Analyzing of survey questionnaires filled out by the public in 2002 and 2003;
- Publicizing of SSB events and programs including the Non-contributory pension program, coverage of the self-employed, the Golden Citizens Program, Registration, the increase in Contributions Rate, and other legal changes that took place in mid-year;
- Producing and airing of 'safety' video and audio spots – "Safety on the Job Pays" and "Safe Commuting".

### Public Relations

Social Security was busy in the area of public relations as well, as we:

- Participated in the national Occupational Safety and Health initiative being headed by the Ministry of Labor.
- Established an Employment Injury Message Center (Tel. No. 822-1484) in August, in response to emergency employment injury cases, particularly in cases when the office is closed.





- Our 7 Branches and 4 Sub-offices continued to conduct direct talks and seminars with schools, employer and insured person groups, in an ongoing effort to educate on relevant Social Security issues and themes.
- Our offices conducted / hosted several public events, including an Open Day on the occasion of Social Security's anniversary in June.

The Public Relations Department, like other SSB Units, participated in Strategic Planning 2004-2008, which was held from November onwards. In the next five years, Social Security public education and public relations efforts will move to a new higher level, undertaking approaches and strategies which will more closely meet the needs of our customers. Our role is one of support and service provision to more operational units of the organization and to our external customers.

### Customer Service

In September 2003, a Customer Service unit was established, in order to begin the process of improving Social Security customer satisfaction. A database to collect complaints was established and the planning of the Customer Service Department's structure and functions was carried out. Social Security's goal is your satisfaction.



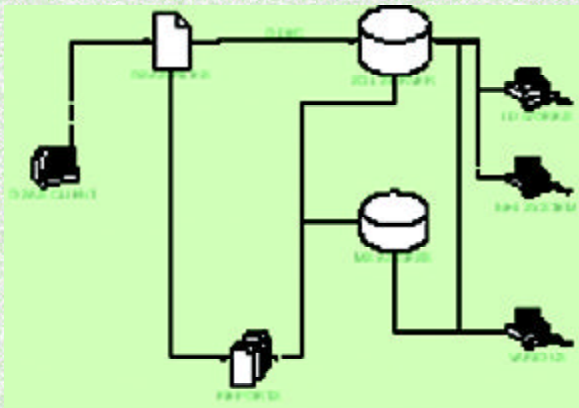




## Management Information Systems

With the recommendation of the Information Technology Committee in 2002 to proceed with in-house application development, groundwork was done to streamline the Social Security corporate network to facilitate the IT strategic objective of using internet technology as part of our framework.

The recommendations made in 2002 that were initiated and implemented are as follows:



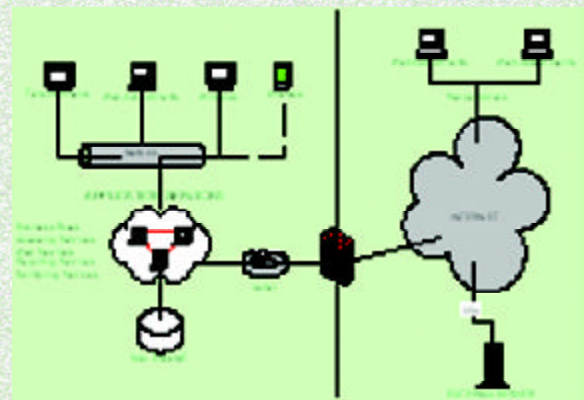
■ **Improvement of Network infrastructure** – We need to ensure a flexible connectivity model which allows the network interactions to evolve over time without requiring costly reorientations of the infrastructure.

■ **Database platform** – Making use of the existing MS SQL server investments.

■ **Reporting services** – Standardization on the Crystal Reports toolset along with the Analysis Services built into the MS SQL Server engine.

■ **Server operating system** – Standardize on Windows 2000

■ **Application server platform** – Standardizing on mature, industry-leading products.



The Social Security Board's day to day business has taken on an enterprise persona and to effectively operate, connectivity of all branches to the main database had to be put in place in order for information to be accessed in near real time enabling our District Branch Offices to deliver quality service in less time.



**MetaFrame XP™ Presentation Server For Windows**, the access on demand enterprise software, was proposed as a solution along with maintaining our LAN connections and installation of a Wide Area Network on BTL's Frame Relay Network. These services were purchased and installed in 2003 on the recommended database and server operating systems.

Citrix® MetaFrame XP™ is considered the easiest way to manage enterprise applications from a central location and access them from anywhere on any authorized network device. It offers remote connectivity, business continuity and security, and facilitates workforce mobility. These features have enabled users within the Social Security Corporate Network to roam on the network without administrative interference and allows users at the Branch







to securely access data from central office in real time using a browser, effectively reducing the cost of provisioning each office individually and cutting out the inefficiencies of sending backup tapes and manual upkeep of several databases. No longer is it the case that only Headquarters has up to date information. The Branches now have full access to aid in their determination of qualifying conditions for Registration, Contributions and Benefit Claims.

With a sound network platform completed, upgrade of Personal Computer (PC) equipment was the next focus as recommended by the committee, with the purchase of 80 units, this allowed for the standardization on Windows 2000, easing administration of the network and a significant reduction of downtime and costs to send out a technician to repair systems.

Application development continued in house by the programming team to provide improved services to women receiving Non Contributory pensions. An automated cheque printing solutions to work along with the software application to manage this benefit was put in place on schedule for the launch of the NCP Program.

Several other projects were implemented by the Management Information Systems Team, including:

- √ Analysis and design works commenced for the automation of our core short term and employment injury benefits processing system. With the phasing out of the waiting days and other forms, the number of short term and employment injury benefit claims increased significantly, justifying the investment needed to set the IT framework to address this situation. The number of Benefit Claims submitted at end of 1999 was 13,487 and by end of 2002 was 22,258, all approved claims were calculated, processed and cheques were written by hand.
- √ San Pedro got new wiring and installations for a Windows 2000 standard network.
- √ Communication among the offices was a concern, so an internal chat system similar to that of the popular MSN Messenger was installed for testing in 2003.
- √ An evaluation of our data storage and bandwidth needs, network redundancy and data replication was conducted by MIS and recommendations were made.
- √ Belize City was assigned a full time technician; this person is responsible to coordinate all network and MIS activities at the Belize City Branch.
- √ The MIS Department welcomed a web developer in late 2003 and it is anticipated that he will develop and put in place an intranet solution to provide all Social Security staff with their employee information, and to distribute data and information on Social Security matters to all offices.

The MIS Department, the Information Technology Committee, and Social Security, continue enhancing Information Technology for the benefit of our customers.





### Employment Injury

In the past few years, heightened publicity about benefit reform has helped to increase the population's knowledge of the benefits provided by Social Security, and this in turn has translated into more utilization of the services.



Two major milestones in the process of change have impacted the National Health Insurance/ Employment Injury (NHI/EI) Division: the introduction of the NHI scheme under Social Security Board (SSB); and the introduction of legislation that enables access to medical care from the private sector. Both of the latter have presented formidable challenges in the pursuit of efficiency, effectiveness and quality within a sustainable framework.

In 2003, there was an increase in the severity of accidents categorized as employment injury, and efforts are being made by SSB to institutionalize an Occupational Safety and Health program, in close collaboration with other important stakeholders such as the Ministry of Labor, private sector entities and unions. With the best interest of our customers in mind, over the next few years, the division will invest significant effort and time in the establishment of an OS&H unit that will focus in the prevention of work related accidents/diseases.

Parallel work has been done with the medical community. The implementation of a strategy of good communication between Employment Injury Coordinators at the different branches, regular meetings to discuss difficult medical cases, and sharing of information on best practices, has helped to solidify the cost-containment strategy and improve the quality of care delivered to patients.

Single source purchasing has also been introduced for the provision of quality, efficient and effective services to our insured population. Contracts extend over specific periods of time, after which proper evaluation is conducted to determine the benefits of such strategic arrangements for the organization.

The major causes of employment injuries have not changed significantly over time (see table 1). The primary problems continue to be the different degrees of cuts/open wounds in the cane industry (superficial, tendons, amputations, etc.), back strains (lumbago), and in certain cases major







trauma (such as traffic accidents), which can significantly increase expenditures. Particular attention needs to be taken of the cane industry where the major numbers of EI claims originate.

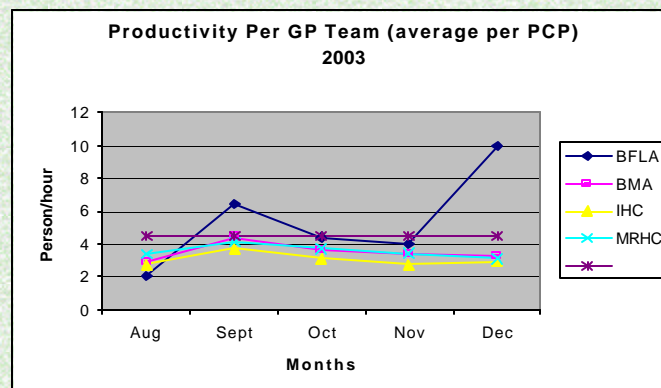
Table 1

NATURE OF INCAPACITY
Open wounds and injury to blood vessels
Other injuries, complications of trauma
Fractures
Burns
Dislocations/Sprains/Strains
Disease of Musculoskeletal system
Intercranial & Internal injuries
Including Nerve
Foreign body to orifice
Others

### National Health Insurance Pilot Project

The National Health Insurance project awaits for resolution of major policy issues, such as the financing of the roll-out. In the meantime, services continue to be delivered in the South Side of the Belize District. New contracts were established with the Primary Care Providers (PCP) which included performance/incentive indicators to be evaluated on a monthly basis. Figure 1 shows the comparison in one of the incentive indicators evaluated, the General Practitioner(GP)productivity. As can be noted, the only PCP that has exceeded the benchmark for GP production has been BFLA and this has cost them monthly losses in financial incentives. The overproduction by GP is used as indicative of poor quality service.

Figure 1







Another key indicator of quality has been Patient Satisfaction. Mid-term contractual evaluation of Patient Satisfaction has produced the results as seen in Table 2. There has been a slight decrease in patient satisfaction with services rendered. It must be kept in mind that the present package of services being provided under NHI is only Primary Care (including support services) and limited hospital deliveries.

A medical audit of each PCP was also conducted during 2003. This focused on the Hypertension, Diabetes and Asthma protocols. The results indicated that none of the PCPs adhered to these protocols in an acceptable manner. This also resulted in significant loss of income for each of the PCP's as this was one of the key incentive indicators included in the contract.

The experience garnered during the different extension phases of the NHI project should significantly improve the process of purchasing and delivery of quality care to the rest of the country. The Division is planning and preparing for the eventual national roll-out.

**Table 2 (NHI)**

**Patient Satisfaction Survey Results by PCP: A comparison**

<b>PCP</b>	<b>Overall Percentage Satisfaction (2003)</b>	<b>Overall Percentage Satisfaction (2001)</b>
Integral Health Care	85%	85%
Belize Family Life	82%	86%
Belize Medical Associates	81%	81%
Matron Roberts Health Center	72%	75%





## Registration - Employees

Table 1

Registration figures every year, at least since 2000, show that less females than males are registering to enter the workforce. A total of 3260 new employees registered in 2002 and 1,768 registered in 2003.

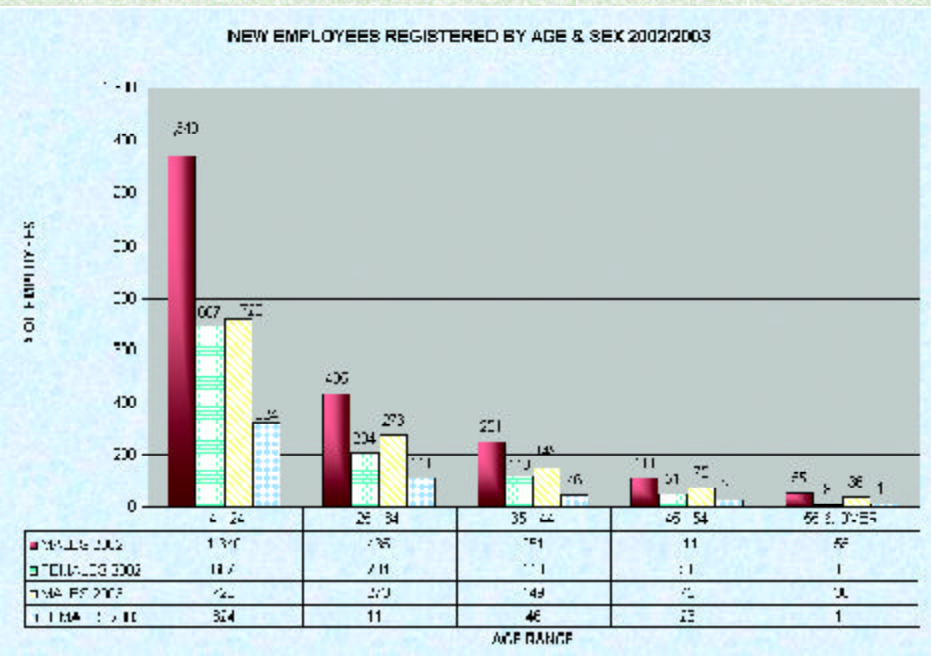
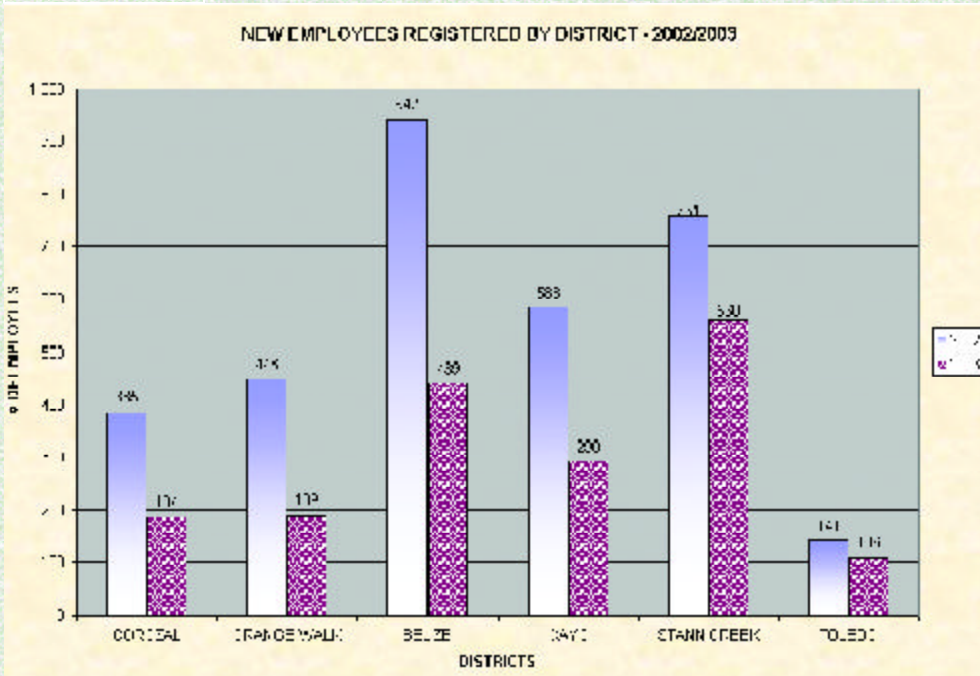


Table II



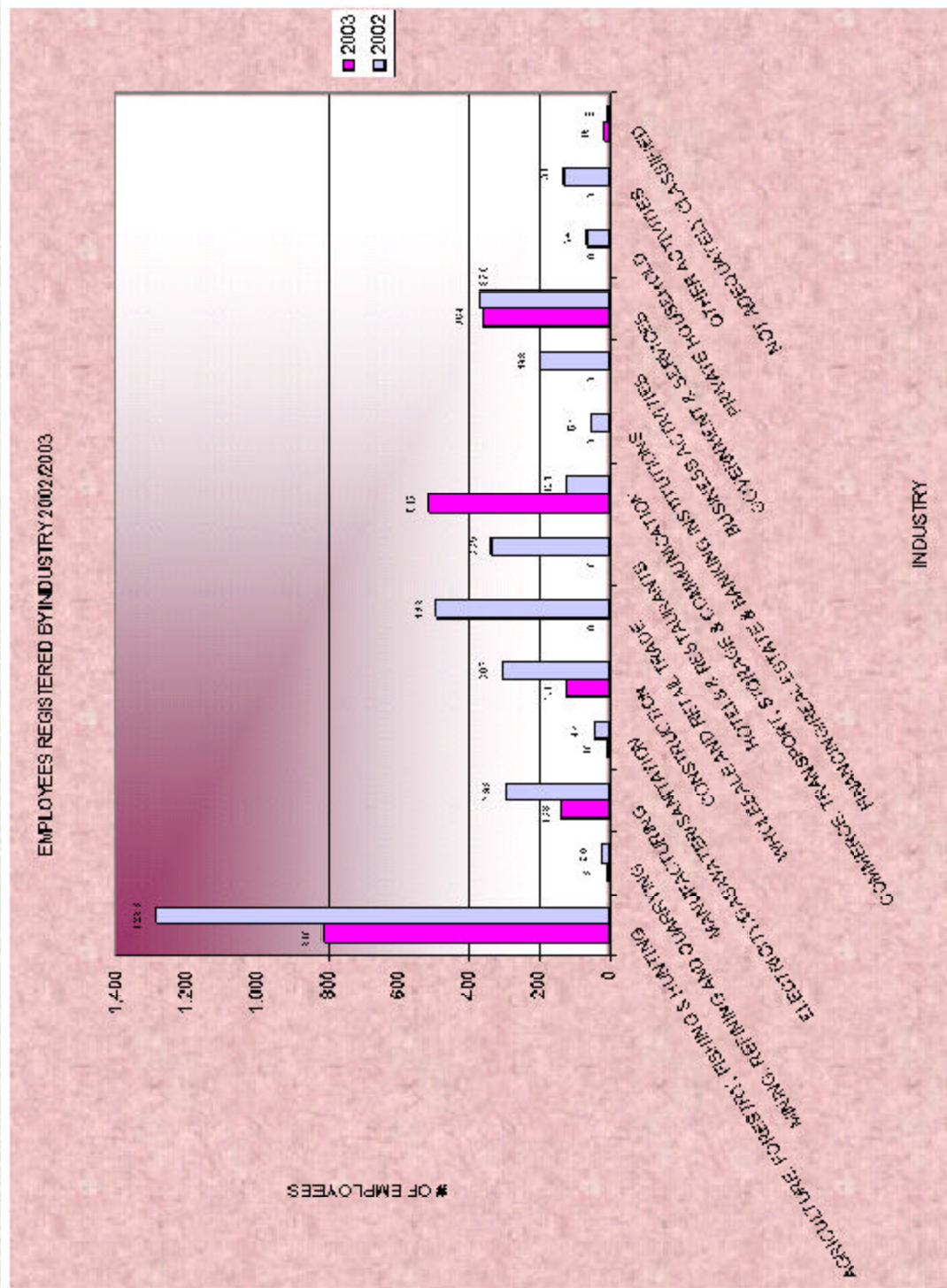
An analysis of registration by district shows a higher registration percentage in 2003, in relation to the previous year, of Stann Creek and Toledo employees.





## Registration - Employees

Table III



Note: Of the 3,260 new employees registered in 2002 as shown in Tables I and II, 467 reflect instances of persons who worked in more than one industry. Likewise of the 1,768 new registrations in 2003, 214 persons worked in more than one industry in that year.





**Registration - Employers**

Table IV shows that 1,376 employers registered in 2002 and 1,325 registered in 2003.

Table IV

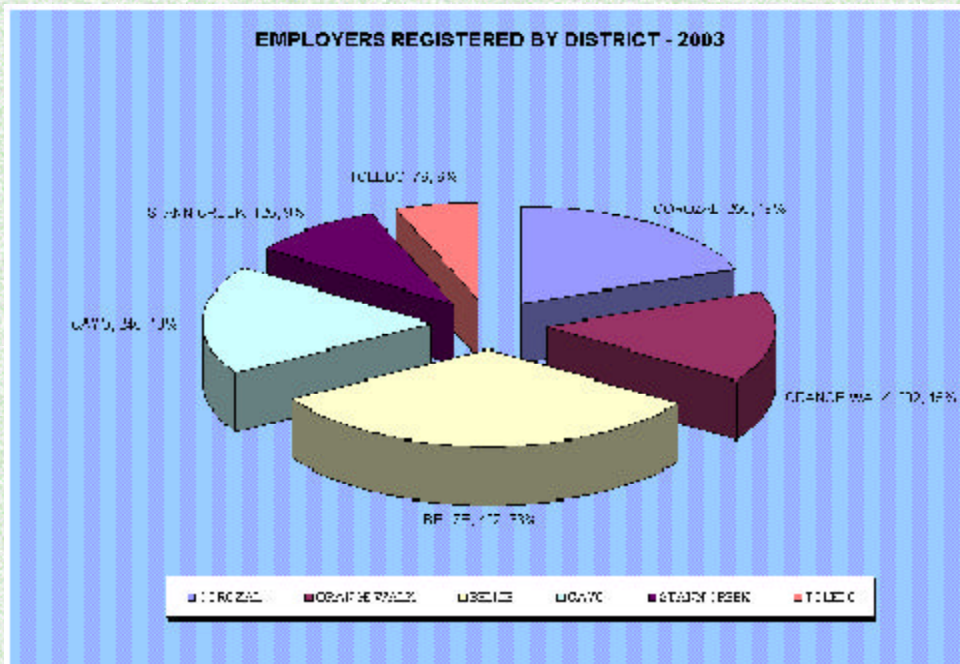
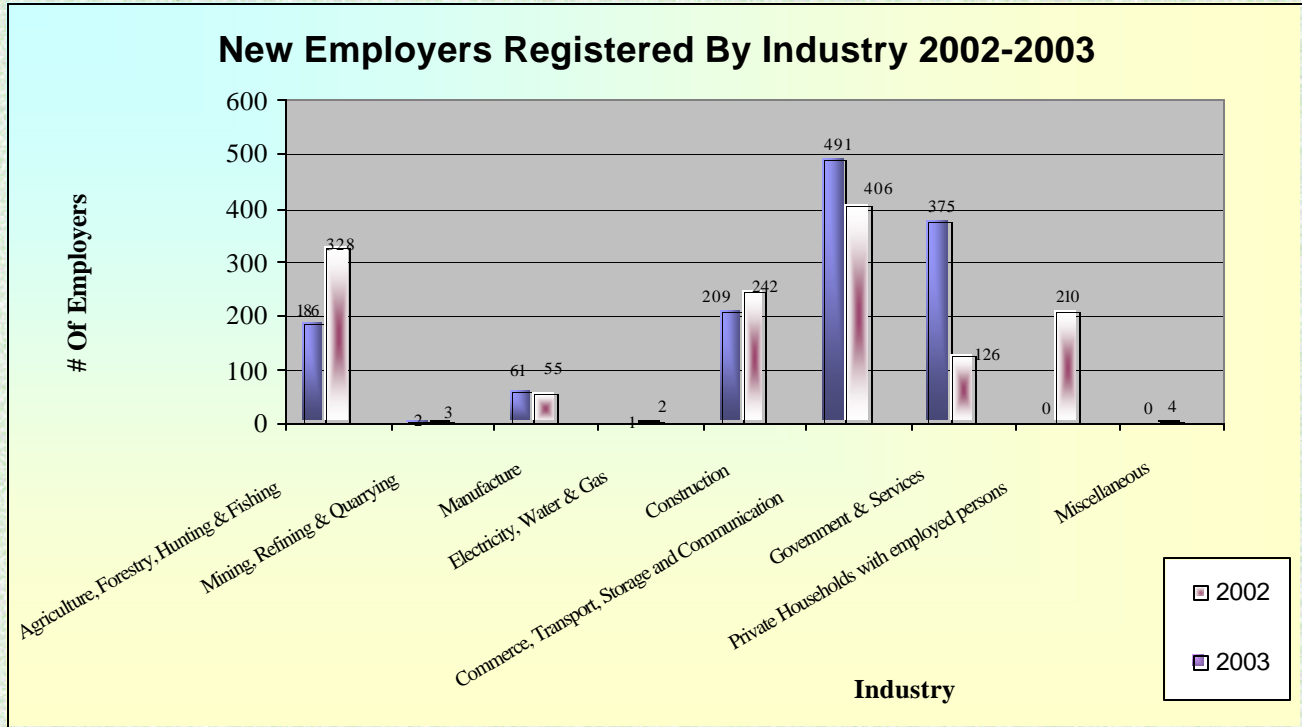


Table V

Table V shows that in 2003, the Belize District had the most registered employers followed by the Corozal and Cayo Districts.





## Contributions

Tables VI and VII show an increase of \$5,857,431 in contributions collected in 2003 as compared to 2002. This increase is partly due to an increase in the contributions rate from 7% to 8% of average weekly insurable earnings, effected on July 1st (Statutory Instrument No. 88 of 2003). The increase in contribution rate was implemented to ensure sustainability of the long term branch of benefits.

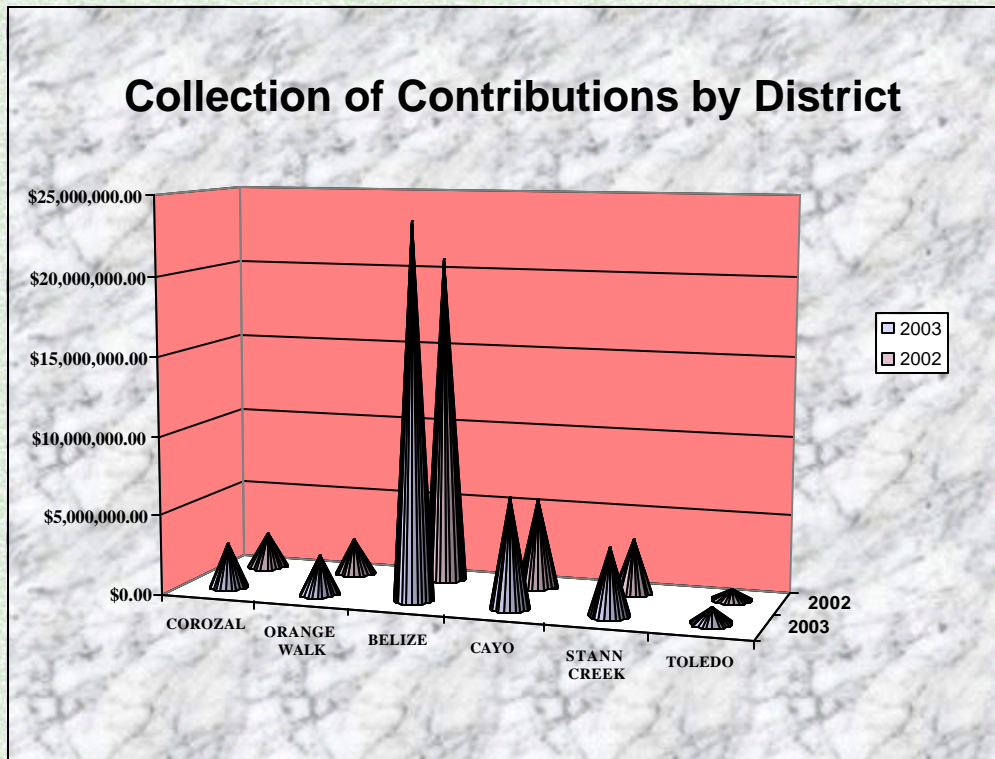


Table VI

Table VII

DISTRICT	2003	2002
COROZAL	\$2,779,224.46	\$2,250,460.44
ORANGE WALK	\$2,496,982.40	\$2,248,944.76
BELIZE	\$23,564,519.56	\$20,693,942.74
CAYO	\$6,864,766.45	\$5,730,246.07
STANN CREEK	\$4,268,576.93	\$3,490,683.75
TOLEDO	\$1,003,452.04	\$705,813.40
<b>TOTAL</b>	<b>\$40,977,521.84</b>	<b>\$35,120,091.16</b>





## Benefits

The expenditure for Benefits between 2002 and 2003 increased by \$1,312,059. Injury and Sickness benefit payment obligation by Social Security commenced from the first day of incapacity. Also the non-contributory pension program was begun in 2003 as part of the poverty alleviation program initiated by the Government of Belize.

Table VIII

BENEFIT PAYMENTS BY YEARS		
	2002	2003
Sickness	\$ 3,057,615	\$3,965,648
Maternity Allowance	\$ 1,956,040	\$2,095,264
Maternity Grant	\$ 960,301	\$992,100
Retirement	\$ 6,030,219	\$6,470,831
Survivors	\$ 2,007,009	\$2,204,901
Invalidity	\$ 1,016,049	\$1,025,637
Funeral Grant (NC)	\$ 614,112	\$660,051
Injury	\$ 3,713,387	\$3,074,379
Disablement Grant	\$ 382,262	\$557,254
Disablement Pension	\$ 1,023,480	\$1,057,320
Death Benefit	\$ 536,759	\$577,843
Funeral Grant (E/I)	\$ 12,000	\$19,500
Non Contributory Pensions	\$ -	\$1,245,557
National Health Insurance	\$ 5,965,858	\$4,640,865
<b>TOTAL</b>	<b>\$ 27,275,091</b>	<b>\$28,587,150</b>

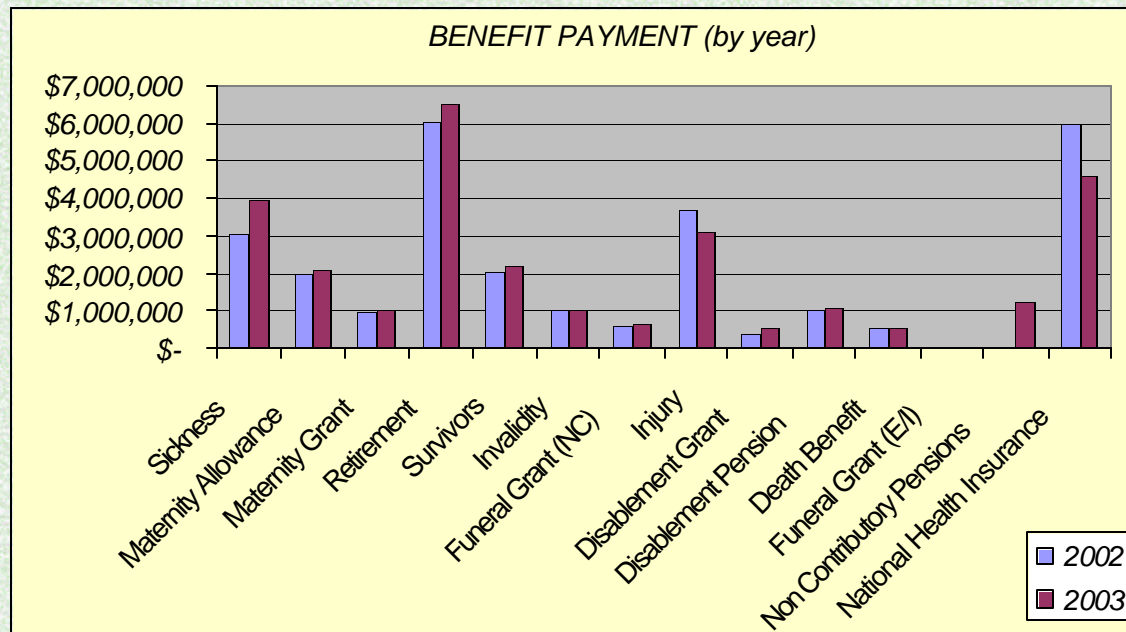


Table IX





## Benefits

Social Security Benefit payments increased in dollar terms, as well as in number of claims received (95.6%), in 2003. Notably, there was a large increase in short-term benefit claims. Starting January 2003, Social Security undertook full responsibility for short-term benefits, from day one.

**BENEFIT PAYMENT IN 2002 AND 2003  
BY BRANCH AND YEAR**

Table X

Branch of Benefits	2002 (BZE)	2003 (BZE)
Short Term	\$ 5,973,956	\$ 7,053,012
Long Term	\$ 9,667,389	\$ 11,606,977
Employment Injury	\$ 5,667,888	\$ 5,286,296
NHI	\$ 5,965,858	\$ 4,640,865
<b>GRAND TOTAL</b>	<b>\$ 27,275,091</b>	<b>\$ 28,587,150</b>

Table XI

BENEFIT CLAIMS BY TYPE AND NUMBER				
TYPE OF BENEFIT	Claims Allowed in 2002	Claims Disallowed in 2002	Claims Allowed in 2003	Claims Disallowed in 2003
<b>SHORT TERM</b>				
Sickness	12,051	1,713	20,860	2,042
Maternity Allowance	1,008	123	1,056	81
Maternity Grant	2,886	437	3,181	309
<b>Sub-Total</b>	<b>15,945</b>	<b>2,273</b>	<b>25,097</b>	<b>2,432</b>
<b>LONG TERM</b>				
Retirement Pension	124	9	191	12
Retirement Grant	163	5	173	45
Survivors Pension	75	15	72	22
Survivors Grant	50	8	74	17
Invalidity Pension	29	8	44	17
Invalidity Grant	8	4	11	7
Funeral Grant (NC)	445	58	485	44
<b>Sub-Total</b>	<b>894</b>	<b>107</b>	<b>1,050</b>	<b>164</b>
<b>EMPLOYMENT INJURY</b>				
Injury Benefit	2,509	313	2,351	261
Disablement Pension	23	0	20	0
Disablement Grant	142	21	244	24
Death Benefit	18	1	12	3
Funeral Grant (EI)	12	0	13	0
<b>Sub-Total</b>	<b>2,704</b>	<b>335</b>	<b>2,640</b>	<b>288</b>
<b>GRAND TOTAL</b>	<b>19,543</b>	<b>2,715</b>	<b>28,787</b>	<b>2,884</b>





## Appeals

In 2003, seventy five (75) Notices of Appeal were received from claimants who were not satisfied with the decisions made regarding their benefit claims. The majority of appeals were against decisions made regarding Employment Injury Benefit claims.

Table XII

CLAIMS	2003	2002	TOTAL
Disablement Benefit	14	11	25
Injury Benefit (EI)	38	26	64
Sickness Benefit	4	13	17
Invalidity Benefit	1	6	7
Survivors' Benefit	9	4	13
Medical Expenses (EI)	2	2	4
Prescribed Diseases (EI)	1	2	3
Maternity Benefit	0	4	4
Maternity Grant	1	0	1
Funeral Grant	1	0	1
Retirement Benefit	4	1	5
<b>TOTAL</b>	<b>75</b>	<b>69</b>	<b>144</b>

Table XIII

STATION	2003	2002	TOTAL
Corozal	10	13	23
Orange Walk	12	21	33
Belize	25	17	42
San Pedro	2	3	5
Belmopan	7	3	10
Santa Elena	14	8	22
Dangriga	4	2	6
Independence	0	1	1
Punta Gorda	1	1	2
<b>TOTAL</b>	<b>75</b>	<b>69</b>	<b>144</b>

Table XIV

SUMMARY OF STATUS 2003	
STATUS	NO.
Dismissed (No Basis)	35
Revised	16
Pending	4
Tribunal Allowed	5
Tribunal Disallowed	11
Tribunal Pending	4
<b>TOTAL</b>	<b>75</b>





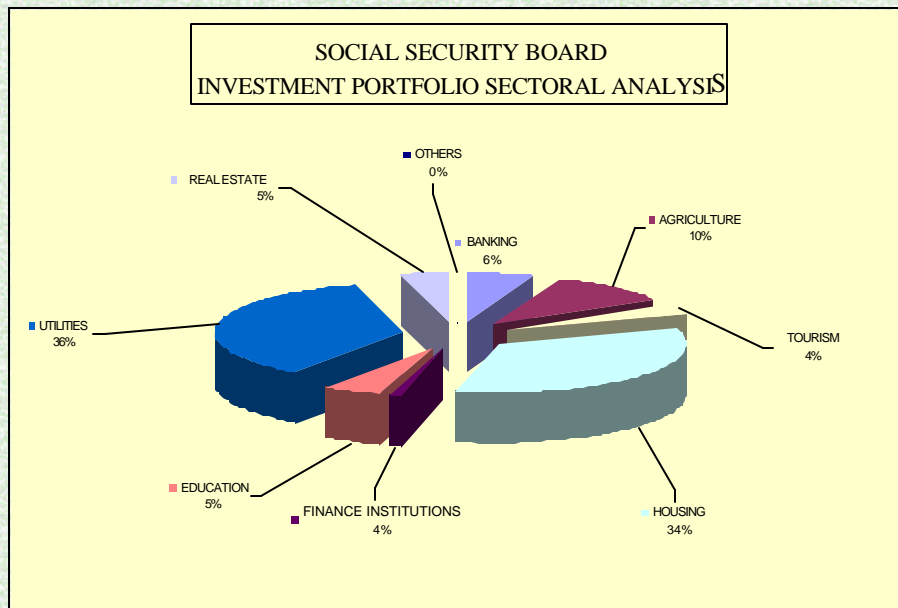
## Investments

The table and graph show the Investment Portfolio allocations for 2003

Table XV

SECTOR	LEGEND	At December 2003 \$	%
BANKING	B	14,285,874.00	5.899%
AGRICULTURE	A	25,226,695.00	10.417%
TOURISM	T	8,810,316.00	3.638%
HOUSING	H	81,169,589.00	33.518%
FINANCE INSTITUTIONS	FI	3,052,641.00	1.261%
EDUCATION	E	12,010,000.00	4.959%
UTILITIES	U	87,424,312.00	36.101%
REAL ESTATE	L	10,179,773.00	4.204%
OTHERS	O	6,477.00	0.003%
TOTAL		242,165,677.00	100.000%

Table XVI



The investment Portfolio for the Board increased from \$230,543,273 in 2002 to \$242,165,677 in 2003. This represented a growth of \$11,622,404. The Board continued to be a major stakeholder in several economic sectors of the Belizean economy, contributing to Belize's socio-economic growth.