



MEMORANDUM

FROM : Friendly Societies Officer II

TO: : Permanent Secretary
Ministry of Labour and Small and Micro
Enterprise Development

DATED : July 04, 2012

SUBJECT : **Annual Administrative Report for the fiscal period October 2010 to September 2011**

Your memorandum dated March 16th, refers.

In accordance with the provisions of Section 66D of the Constitution of the Republic of Trinidad and Tobago, the Annual Administrative Report for the fiscal year October 2010 to September 2011 is hereby submitted.

The appointment of the Members of the Council is done in accordance with the provisions of Sections 102 and 103 of the Friendly Societies Act, Chapter 32:50. The Advisory Friendly Societies Council was first reconstituted in 1996, and consists of the Registrar as Chairman and eight members appointed by the Minister. The eight members appointed shall be selected from persons interested in and familiar with matters pertaining to societies in rural areas throughout Trinidad and Tobago.

The Registrar's Term of Contract Employment is renewed every three years upon its expiration date, whereas the eight other council members is renewed every two years; however the current life of the Council expired in August, 2011. To date the Council has not been reconstituted.

Submitted for your information.



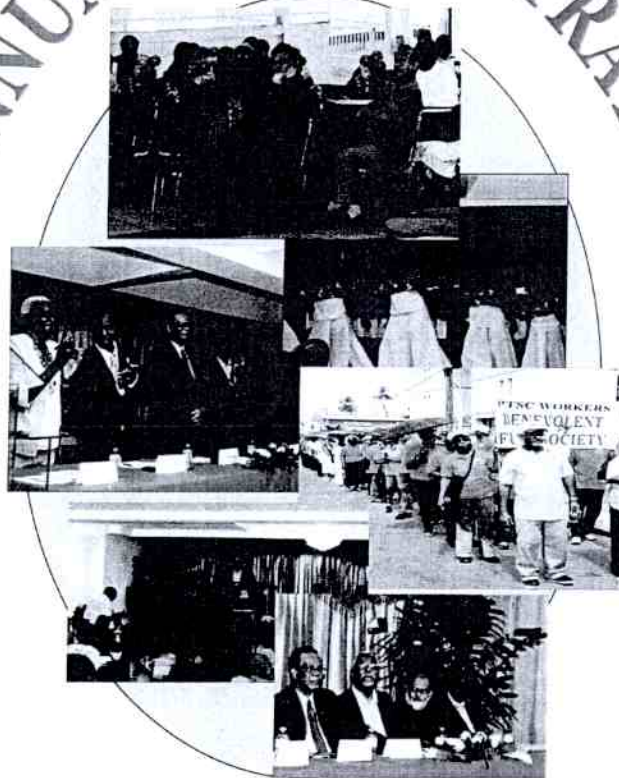
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Christopher Collymore
Friendly Societies Officer II



Ministry of Labour and Small and Micro
Enterprise Development

ADVISORY COUNCIL
FRIENDLY SOCIETIES

ANNUAL ADMINISTRATIVE



REPORT
2010 - 2011

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1.0 Introduction

The Friendly Societies Division was established in 1888 as the Department of Friendly Societies under Colonial Rule; it is now attached to the Ministry of Labour and Small and Micro Enterprise Development. Through the Office of the Registrar of Friendly Societies, the Division has facilitated the growth in social, educational and economic functions and brought the idea of insurance and savings to those who might not have planned for the future; Also, Friendly Societies being community based organizations encourage the practice of high moral values; its main objective being that of promoting thrift through savings and to provide benefits to members in distress.

Friendly Societies emerged out of the urgent need to improve and protect the socio-economic conditions of citizens through financial assistance, self-help, self reliance and a sense of autonomy and equity among members. The leading principle was “Each one help one” for the sustenance of human dignity. Here, thrift, self-respect, kindness, camaraderie, and other virtues were given a hallowed place where members of the community could help one another with health care, insurance, and their general welfare; these are virtues which have still good currency in Trinidad and Tobago.

Friendly Societies are always welcomed and relevant in times when there is flood, earthquake, fire, hurricane and financial crises are part of our occasional experiences, and where education or rather a lack of it exists in areas such as personal finances, proper family life education, standard, protocol and standard reading/writing and arithmetic.

In times when there is no crisis, Friendly Societies should be pro-active, acting as a bulwark, securing and preparing communities for betterment along an independent and sustainable path.

In this way Friendly Societies should become the primary procurers of that Development Pillar in the Peoples’ Manifesto which speaks to Development of a “People Centered Development”, which advocates Lifelong learning skills, Poverty Eradication and Social Justice; National and Personal Security; Institutional Strengthening; building a Competitive Economy and strengthening the Peoples Participation in Good Governance. The Movement seeks to be the buffer which protects, strengthens and aids vulnerable communities against external shocks and meeting the basic needs of shelter, food and clothing for its members.

The Friendly Societies Division in collaboration with the Advisory Council host its annual Conference and Parade in different zonal areas. The picture represents the Dignitaries at the head table



Head Table at Friendly Societies Conference 2011, Tobago

2.0 At a Retreat held in 2009 the Advisory Council formulated its Vision and Mission Statements which are stated hereunder.

Mission Statement

“To have cohesive financially viable, socially acceptable societies, meeting the needs of every community”

Vision Statement

“To facilitate and promote the growth and development of Friendly Societies as the leading providers of quality financial, social and other support services to stakeholders, while ensuring compliance with the Friendly Societies Act”.

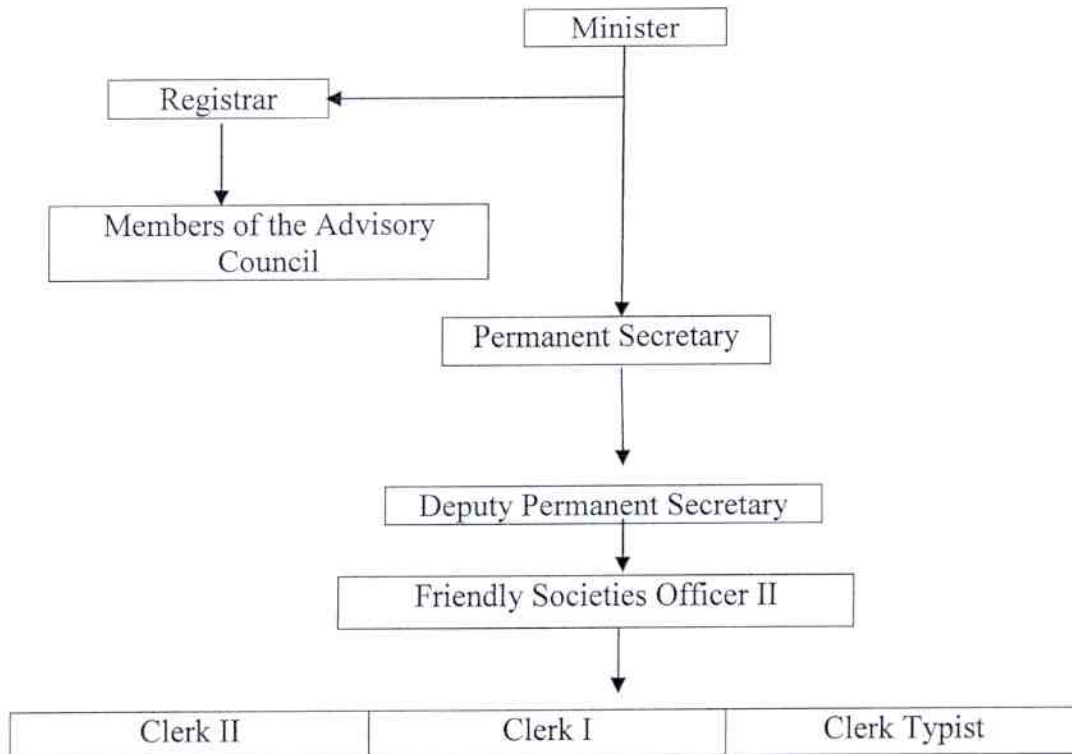


Honourable Minister, C. Collymore, Imtiaz Ali, Rolly Quacoo

3.0 Structure of the Friendly Societies Division

The Friendly Societies Division has an overarching responsibility for carrying out its functions as laid out in the Friendly Societies Act, Chapter 32:50 of 1950.

The Organisation Structure for the Friendly Societies Division of the Ministry of Labour and Small and Micro Enterprise Development is depicted at **Appendix I**.



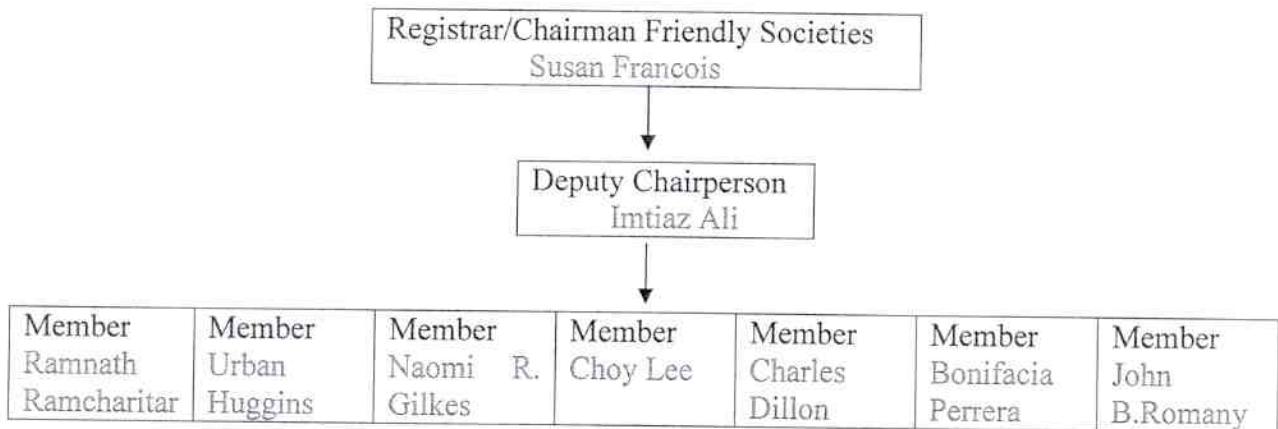
4.0 The Friendly Societies Advisory Council

The appointment of the Members of the Council is done in accordance with the provisions of Sections 102 and 103 of the Friendly Societies Act, Chapter 32:50. The Advisory Friendly Societies Council was first reconstituted in 1996, and consists of the Registrar as Chairman and eight members appointed by the Minister. The eight members appointed shall be selected from persons interested in and familiar with matters pertaining to societies in rural areas throughout Trinidad and Tobago. The Advisory Council shall meet not less frequently than six times a year.

- i) The Vice-Chair shall hold office during the Minister's pleasure. Every meeting of the Advisory Council shall be presided over by the Chairperson.
- ii) The decisions of the Advisory Council shall be by a majority of votes

All members of the Advisory Council are part-time members of the Council (There is no full – time staff appointed to the Council) and therefore the issue of implementation falls upon the limited staff of the Division to get things done.

4.1 Structure of the Advisory Council



4.2 Functions of the Advisory Council

Government policy directs the work of the Office of the Registrar of Friendly Societies Division. The Policy Agenda of the Ministry is discussed by the Council, from which strategies are formulated and sanctioned by the Registrar whose Office drives and implements the process.

The top of the agenda for this Ministry in terms of Small and Micro Enterprise Development is the restructuring and strengthening of the drivers of growth in this case, the Friendly Societies Movement, in order to develop a diversified, competitive economy that occupies a more profitable position in the global value chain.

In July of 2009 Cabinet re-appointed an Advisory Council, and on 24th June, 2011 the term of the Council came to an end and on August of the same year, the Registrar of Friendly Societies Division, Ms Susan Francois prematurely resigned her post as Registrar of Friendly Societies. To date, neither a Registrar nor the Chair of the Advisory Friendly Societies Council has been appointed to office, and thus the Advisory Friendly Societies Council to date has not been installed.

The Council is classified under group C and receives fees and allowances in keeping with the Ministry of Finance’s memorandum F (I): 2/1/1 effective from June 1, 2008 dated July 31, 2008;.

The Council receives a stipend and does not have a budgetary line item allocated to it. As a consequence, all accounting matters fall within the purview of the Ministry’s Permanent Secretary.

- *“The main purpose of the Advisory Council shall be to promote the general welfare of the people of Trinidad and Tobago by encouraging the growth, development, improvement and expansion of societies throughout Trinidad and Tobago.*
- To carry out these objects by: i) Encouraging the development throughout Trinidad & Tobago of Societies with adequate health services and facilities; ii) Co-operating with departments and other agencies, associations, organizations, groups, and bodies, Government or non-Government, public or private, functioning in the field of or concerned with social welfare, insurance, labour, nursing, education, workmen’s compensation, health or medical care;
- Collect and analyze statistics and make studies, investigations, and reports on conditions, problems, and needs in the field of health in Trinidad and Tobago and in other countries in relation to societies, and disseminate and make available information in this field;
- Make reports and recommendations with respect to the most efficient policies and methods for the promotion of health and related services, including recommendations with respect to legislation and matters to administrative policy;
- Carry out each specific duties as may be entrusted to it by this and subsequent enactment of Parliament and exercise general supervision over the agencies transferred to it; and
- Make such provision for the holding of conferences, the giving of lectures and talks and the publication of information on questions relating to societies as it thinks necessary or desirable, and may, if it thinks fit, for these purposes make arrangements with departments, organizations, associations, groups or other institutions”



FSO delivering remarks at 2011 Friendly Societies Conference

The Advisory Council shall also advise the Registrar with reference to questions affecting the general policy, administration, management and operation of societies, and in particular with respect to:

- i) Ensuring of prompt and efficient care of members of societies entitled to benefits;
- ii) adequate and suitable methods and arrangements for paying, supplying or providing benefits to members;
- iii) the ensuring of adequate professional services to members;
- iv) other auxiliary surgical, medical, dental, optical and additional benefits designed to benefit or serve members;
- v) providing for the extension and improvement of juvenile societies;
- vi) studies and surveys of the Friendly Society Movement from all aspects; and
- vii) the medical care and aid of needy or distressed members of societies.

4.3 Reporting Relations of the Advisory Council

The Registrar shall in every year make a return to the Minister containing, in respect of every society, the particulars set out in section 26 of the Friendly Societies Act.

The Advisory Council shall exercise no jurisdiction or control whatsoever over the Registrar or the Office of the Registrar or over any society, nor shall any decision by the Advisory Council affect the administration, personnel or operation of any society.

The Advisory Council shall be provided by the Registrar with such secretarial, clerical or other assistants as Parliament shall authorize each year for carrying out the objects and functions of the Advisory Council.

All members of the Advisory Council are part-time members of the Council (there is no full – time staff appointed to the Council) and therefore the issue of implementation falls upon the limited staff of the Division to get things done.

5.0 The Registrar

The Registrar of Friendly Societies is appointed by the Minister and is also the Chairperson of the Advisory Friendly Societies Council. The Registrar shall be a barrister or solicitor of not less than five years, and employed in the Public Service in accordance with the Friendly Societies Act. Chapter 32:50 of 1950.

5.1 Functions of the Registrar

According to the Friendly Societies Act, The Registrar may:

- Prepare and cause to be circulated, for the use of societies, model forms of accounts, balance sheets and valuations;
- Collect from the returns under this Act and from other sources, and publish and circulate, or otherwise make known, such information on the subject of statistics of life and sickness, and the application thereof to the business of friendly societies, and such particulars of their returns and valuations, and such other information useful to the members of or to persons interested in societies, as he may think fit; and
- Cause to be constructed and published tables for the payment of sums of money on death, in sickness, or old age, fire insurance authorized under this Act which may appear to be calculable; but the adoption of the tables by a society shall be optional.”

6.0 The Friendly Societies Movement

At this present time the Movement has been experiencing a low growth rate of its membership with a less than commensurate number of members joining the Movement. Also the youth in the communities have not been attracted to its offering. Thus the Movement finds itself somewhat in a crisis; however, because Friendly Societies represents a microcosm of what is to be found in the wider society, it can be said that it has a fundamental and critical role to play.



Moderator: Mrs. Regis-Gilkes
2011 Friendly Societies Conference

6.1 Membership/Asset Base

Currently there are one hundred and fifty societies registered with a total membership of approximately twenty thousand (20,000) and an asset base of about thirty million dollars (\$30m).



Members from various Societies/Lodges



Friendly Society Cultural Dance Group

7.0 Financial Allocations

7.1 Free Card Subsidy

In 1982, on the recommendation of the Advisory Friendly Societies Council, the government introduced the Free Card Subsidy for Friendly Societies, a Grant to Friendly Societies as an incentive to assist members who have attained twenty (20) and thirty (30) years of un-broken and financial membership in a Friendly Society. The thinking was to help members who had been loyal to the institution and were having difficulty in paying their card.

7.2 Audit Refund

The year 1982, also saw the introduction of the Audit Refund, which is a Subsidy to Friendly Societies to assist them in paying their audit fees each year; a specified sum is paid to each Society based upon their membership. Thus a Society with a membership of fifty(51) to seventy five (75) members is eligible to a subsidy of fifty dollars. (\$50.00)

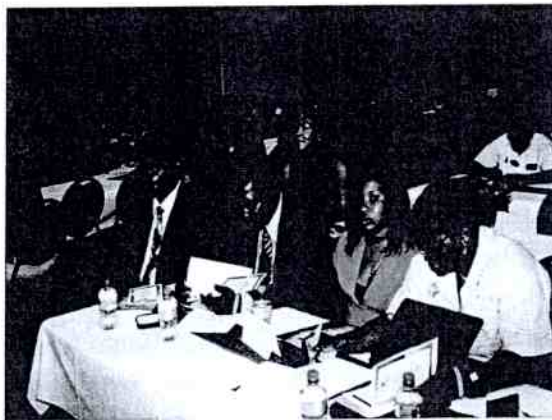
8.0 Challenges encountered for the period 2010 to 2011

- i. The major challenge faced by the Office of the Registrar of Friendly Societies Division and the Advisory Council has been that of inadequate staffing. This has prevented the Division from achieving its goals;
- ii. The Friendly Societies Act, does not allow for a permanent position for the Registrar of Friendly Societies because the position is unclassified, as a result, only short term contract pertains;
- iii. Outdated legislation;
- iv. Difficulty in getting citizens to buy into the ideas of the Friendly Societies Movement;
- v. Ageing of the membership of the Friendly Societies;
- vi. Poor marketing and publicity; and
- vii. Competition from other financial services.

9.0 The successes realized

Dialogue between Jamaica and Trinidad and Tobago resulted in a delegation from Jamaica attending the Conference and Parade in Tobago last year. This has opened up the gates for Friendly Societies in Trinidad to create synergies with Jamaica and to share successes and best practices between the two countries. The delegation comprised five persons from Jamaica, representing the Department of Cooperatives and Friendly Societies including a contingent from the Teachers Investment Plan Society – TIPS Friendly Society, the largest and most successful Friendly Society attended the Conference and Parade 2011 in Tobago.

This has started the process of building synergies, developing networks both regionally and internationally.



Delegation from Jamaica at Conference 2011

9.1 Public Awareness

In 2011, the Council in collaboration with the Division staged a successful street Parade in Tobago. This Parade was showcased to create public awareness of Friendly Societies in Tobago



Parade by Members of Friendly Societies/Lodges



Friendly Societies Parade lead by the Cadets

9.2 Inspections

The Division conducted approximately sixty-five (65) inspections of Friendly Societies; this was a success in that it was able to maintain a higher level of work in spite of the increased demands made on it by Friendly/Building Societies and the Ministry.

9.3 Hiring of Consultants

In June, of 2011 the Division employed three (3) consultants to undertake the task of handling the backlog of closed friendly societies. That project involved marshalling the assets and distributing the assets of closed friendly societies. They successfully completed the first phase of the project of clearing up the backlog of approximately fifteen Friendly Societies.

9.4 Youth Friendly Societies

The Division has started a drive to establish Youth Friendly Societies in primary schools. Three zonal areas were identified East, Central and South. Two have already been established, one in Tobago and another in Maraval. The under mentioned picture represents the Youth Friendly Societies



Paramin and Charlotteville Youth Friendly Societies

9.5 Audits

Approximately sixty five (65) societies had their books audited for the period under review. A backlog of sixty-four thousand dollars (\$64,000) were paid out in free card subsidies with an outstanding balance of approximately ninety-two thousand dollars (\$92,000) to be paid. Approximately five thousand two hundred dollars to be paid in audit refund.

9.6 Anniversaries/Elections

The Office of the Registrar of Friendly Societies Division attended five (5) Anniversary Celebrations of Societies on behalf of the Ministry of Labour and Small and Micro Enterprise Development. One in Tobago and four in Trinidad.

9.7 Promotions

The Advisory Council in collaboration with the Friendly Societies Office produced its first Newsletter Publication entitled "Focus on Friendly Societies". The second publication is due before the end of 2012.



Friendly Societies/Lodges
Parade through the Streets of Scarborough



Youth Society participates in a Talent Show
Youth Friendly

10.0 Recommended Solutions for the Friendly Societies Division and Movement

- i. the Classification of a Full Time position for the Registrar;
- ii. the Advisory Council along with the Division has been studying ways of creating new products and services as a niche competitor against those that are now offered in the marketplace by traditional businesses. The inclusion of the Fair Share Programme of the Ministry of Labour and Small and Micro Enterprise Development, Enterprise Development allows the Friendly to engage in business with governmental agencies in order to help the growth and development of their business. The Fairshare encourages entrepreneurship, promotes training and development, and provides opportunities for small, micro and mini-micro enterprises to grow into successful medium and large businesses.
- iii. collaboration with International/Regional Friendly Societies to obtain a first-hand look at the operations of the Jamaican Co-operative and Friendly Societies Division and to create synergies with them.

- iv. revision of the Friendly Societies Act -An initial Draft Note for Cabinet was prepared and submitted to the Permanent Secretary. However, the Note is currently being amended.
- v. marketing of Friendly Societies – rebranding and differentiation of its products and to find new ways of marketing the operational structure of Friendly Societies as potent and vibrant organizations to the public at large and with specific emphasis on the youths.

11.0 Conclusion

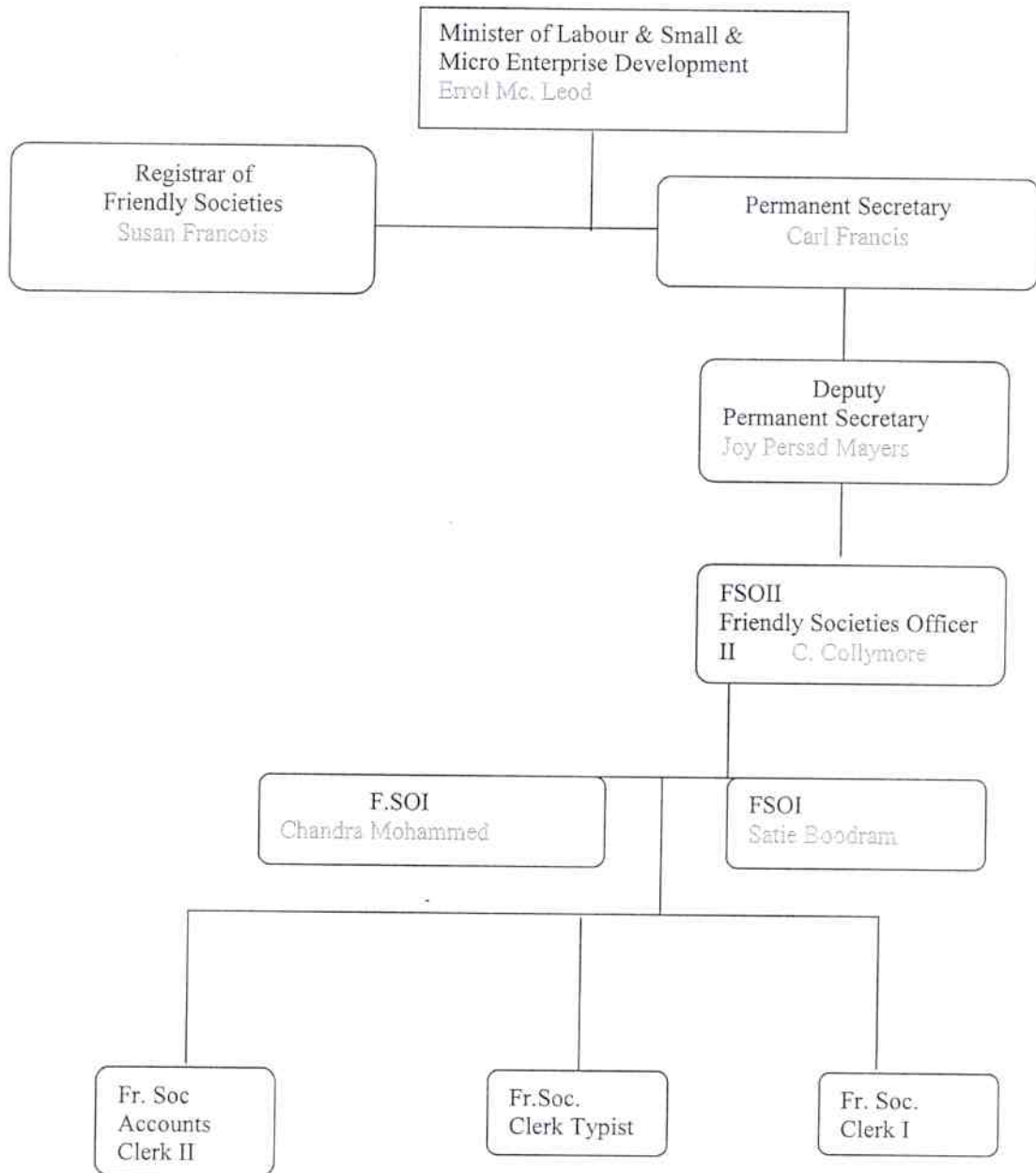
The twenty-first century (21st) brings with it much greater demands for both Friendly and Building Societies than was the case in earlier times; as it competes for limited human and material resources. This being so, the Movement must position itself to capture quality resources within this competitive environment. In this regard, the Advisory Friendly Societies Council and the Office of the Registrar of Friendly Societies Division has made every effort to facilitate this process of growth and development by attempting to forge more networking between Friendly Societies both regionally and locally.



Prizes for the Youth Friendly Societies for displaying their Talents

APPENDIX

ORGANIZATIONAL STRUCTURE OF THE FRIENDLY SOCIETIES DIVISION



*F.S.O – Friendly Societies Officer