

ABSTRACT

The Credit Union Movement of Trinidad and Tobago: Its Origin, Present Status and Potential

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In Trinidad and Tobago the Credit Union Movement has grown both in terms of the number of individual units and in its general membership. Credit Unions occupy an important place in our financial system and they are now being seen, in some quarters, as essential in the procurement of local savings for investment. In spite of their obvious potential they remain on the periphery of the local financial sector. They have been neglected by local researchers, hence the dearth of locally published research on the movement.

In this thesis, the potential for savings mobilization among Credit Unions is examined, as well as an economic evaluation of their performance. An exploratory model of the Credit Union industry is also developed. The analysis is conducted with the aid of ordinary least square regressions analysis and ratio analysis.

Our empirical findings reveal that all is not well in the movement. There is absolutely no doubt that the level of managerial competence is particularly low. Their graduation from the periphery of the local financial sector will be determined by their acceptability which can be enhanced through better management. They have been successful in mobilizing very large sums of money but have not been very efficient in their operations or in allocation of these funds.

Our findings suggest that changes, both in the organisation's management and in the regulations which govern them can have positive future effects.