

## National Report for the CARICOM Countries

### 1. Introduction:

This Report relates to the major countries in the Caribbean Common Market (CARICOM), namely Barbados, Guyana, Jamaica and the twin-island state of Trinidad and Tobago.

### 2. Actuarial Population:

There are no Actuaries resident in Guyana and there is one Actuary who divides his time between Barbados and the Bahamas. The present distribution of Actuaries in Jamaica and in Trinidad and Tobago is as follows:-

	Jamaica	Trinidad & Tobago
Consultancy	2	4
Life Offices	2	4

### 3. Economic Background:

Inflation continues to be a serious problem as shown by the following indices which, for ease of comparison, have been rebased to 1977 = 100:

Year	Trinidad & Tobago	Jamaica
Average Retail Price Index for Year	Minimum Wage Index for May	Retail Price Index for June
1977	100	100
1978	110	123
1979	126	149
1980	149	184
1981	—	247

However, wage increases in Guyana have been held down to the order of about 5 per cent per annum, and inflation has recently slowed in Jamaica as demonstrated above.

Investment continues to be restricted by the lack of suitable local ordinary shares. Currency restrictions effectively prevent investment abroad which is in any case subject to statutory limitations. The introduction of a Stock Exchange in Trinidad and Tobago has made for freer trading which with the shortage of suitable investments has pushed prices higher.

The newly formed Jamaica National Investment Promotions Limited facilitates investment within Jamaica by local foreign investors.

Examples of the yields currently obtainable are set out below:

	Trinidad & Tobago	Jamaica
Government Securities	8% - 10%	13% - 14%
Fixed Deposits	8% - 10.5%	14% - 15%
Ordinary Shares	2% - 5.5%	5% - 9%
Mortgages	13.5% - 15%	13% - 14%

### 4. Pension Funds:

No figures are available as to the extent of the workforce covered by occupational pension funds.

The extent of earnings covered by National Insurance continues to be reviewed periodically and was increased by Jamaica in August 1979, by Trinidad and Tobago in August 1980 and by Barbados in January 1982. Guyana has not increased the range of earnings covered by National Insurance since 1978 but in 1981 the basic National Insurance Pension payable to those currently retiring increased by an additional 10 percent of covered earnings and the National Insurance Widow's Gratuity was expanded into a pension. Jamaica recently increased its flat-rate National Insurance pension from \$10.00 to \$15.00 without revising the range of earnings covered.

Unions in Trinidad and Tobago are becoming increasingly aware of the importance of pensions and there was even a strike in the oil industry during 1980 over the transition from career average to final average pension benefits for non-salaried employees.

### 5. The New Insurance Act:

In October 1981 a new Insurance Act was passed in Parliament, however, there is some delay in its promulgation. This Act is intended to replace the 1966 Act which has been in operation for 15 years.