



Summary of Proceedings

Public Hearing

Joint Select Committee on Finance and Legal Affairs

Held on **Friday February 17th, 2017**

Subject matter: An Inquiry into Commercial Banking fees in Trinidad and Tobago

Venue: A public hearing was held on Friday February 17th, 2017 from 10:28 a.m. to 11:55 a.m. at the J. Hamilton Maurice Room, Mezzanine Floor, Office of the Parliament, Tower D, The Port of Spain International Waterfront Centre, 1A Wrightson Road, Port-of-Spain.

Committee members

The following committee members were present:

- Ms. Sophia Chote, SC (Chairman)
- Mr. Michael Coppin (Vice-Chairman)
- Mr. Randall Mitchell, MP
- Mr. Prakash Ramadar, MP
- Mr. Clarence Rambharat

Witnesses who appeared

The following officials of the Central Bank of Trinidad and Tobago appeared:

- Dr. Alvin Hilaire, Governor
- Dr. Sandra Sookram, Deputy General; and
- Ms. Nicole Chapman, Senior Manager, Legal, Contract and Corporate Secretariat Services Division.

Key Issues Discussed

The following are the main issues highlighted during discussions with the Central Bank of Trinidad and Tobago:

- i. the jurisdiction of the Central Bank regarding bank fees and charges imposed by commercial banks;
- ii. the spread between the rate of interest paid on deposits and the interest rates on loans;
- iii. whether commercial banks should give special consideration to providing services for free or at a reduced cost for certain segments of the society e.g. the elderly;
- iv. lack of an existing agency or legislation addressing bank fees and charges;
- v. the need to improve the financial literacy of the public;
- vi. the determination of interest rates and banking fees;
- vii. whether there is a barrier to the entry into the financial market, relative to the limited number of existing commercial banks;
- viii. the need to understand the specifics of public concerns regarding bank fees;
- ix. the need for a framework of consumer protection policies;
- x. the importance of transparency and disclosure in the commercial banking sector;
- xi. the necessity of a culture of consumer rights knowledge and advocacy;
- xii. whether the furniture and appliances industry requires regulation due to general use of hire purchase agreements;
- xiii. the need for an examination into 'hard selling' techniques;
- xiv. the significance of the Fair Trade Commission;
- xv. the role of commercial banks in fostering a higher level of financial inclusion;
- xvi. the ability of the Central Bank to publish the percentage revenue derived from bank fees in the commercial bank sector;
- xvii. the impact of counterfeit currency fraud and credit card fraud on commercial banking fees; and
- xviii. the existence of deficiencies in financial legislation.

This public hearing can be viewed on demand via our YouTube Channel.
<https://youtu.be/4iaHc4cocz8>

Contact the Committee's Secretary

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Committees Unit

Friday 17th February, 2017.