

# Minister of Finance outlines role of FSC

**THE Financial Services Commission (FSC) is empowered to seize the management and control of a financial institution, appoint a manager or take any other necessary action for the purpose of protecting the interests of customers of the financial institutions, the creditors and the public to ensure that such institutions remain financially sound.**

That is according to Minister of Finance, Christopher Sinckler, who was speaking during the debate on the Financial Services Commission Bill 2010 in Parliament yesterday morning.

As he discussed some of the highlights of the legislation, Minister Sinckler said that the FSC would ensure that financial institutions be properly managed, remain in a financially sound state and investigate the affairs of the financial institution in accordance with the Act.

“What this Act now then does is to give the Financial Services Commission full regulatory and supervisory control over the specified enactments and for the proper and appropriate dispensation of regulation and monitoring evaluation and supervision of the non-bank financial sector in Barbados,” said Minister Sinckler.

“This brings us into a more modern era of financial services regulation ... particularly in the non-bank financial sector. It gives us the ability now to establish a firm platform by which not only domestically and regionally, but internationally, Barbados can be seen as being in the forefront of the issue of financial services regulation but also in the provision of financial services, especially in its non-bank financial sector,” he continued.

He said the functions of the Commission relate to it being responsible for the administration of the specified enactments, including licensing or registration as the case may be of financial institutions; to service and regulate the operations of financial institutions; to establish standards for institutional strengthening; control and management of risk in the financial services sector; and for the protection of consumers, customers to the financial institutions, creditors and the general public.

In outlining some of the legislation, the Finance Minister stated that the Commission could suspend or cancel the registration or revoke the licence of a financial institution.

According to him, “The Commission now has very copious and specific powers in relation to what it

can do to protect the interests, that is, to go in and seize control of an institution that it feels is not meeting its credential requirements and standards and even wrap up that institution if it is deemed necessary.”

The Finance Minister said that persons are allowed to appeal within 30 days of the receipt of written notification of the decision appeal to a tribunal and a tribunal chair’s remuneration will be charged to that institution.

He stated that “the financial institution and every director of that institution is guilty of an offence and is liable on conviction if they do not supply that information on indictment to a fine of \$100 000 or imprisonment for a period of two years or both”.

Minister Sinckler said that the Commission will be empowered by law to issue certificates of registration or licence under Subsection 1 of Section 5 to any company that the Commission approves for such to be operating in Barbados.

“Any person who contravenes Subsection 1 of that would be liable to indictment to a fine of \$100 000 as ... no person should operate such a business without the appropriate licence issued by this particular Financial Services Commission.”

He said the Commission will have a CEO and will be required by law to maintain a register of all institutions currently licensed by it.

He added that the International Business Unit, which has been doing a “reasonably good job” with its limited resources, will be offered by the Commission resources in terms of regulation and supervision required by the International Business Unit, in relation to its own operations. (AR)

## Bill needs further discussion

DEPUTY Opposition Leader, Dale Marshall, has outlined his concerns of the possible clash of powers of the Financial Services Commission and the Supervisor of Insurance.

Speaking during the First Reading of the Financial Services Commission Bill yesterday at Parliament, he said that under the Insurance Act, the Office of the Supervisor of Insurance does not admit of any higher authority and this would lead to inconsistency when the new bill was passed with the implementation of its Chief Executive Officer (CEO).

“What this Chamber is being asked to approve is a super regulatory agency, which does not descend into the particulars how this Bill with its CEO will function in relation to the Supervisor of Insurance. Any insurance company would be entitled, in my respectful submission, to say, ‘I hear you Commission, but the statute that governs me tells me that I am to dance according to the beat of the Supervisor of Insurance, not of the CEO of the Financial Services Commission,’” he outlined.

Marshall therefore stressed that for the commission to be set up correctly, it had to proceed on “the basis of making the steps in the correct order”.

He pointed to a situation which caused “confusion” in Jamaica, where “it set up the Commission and did not immediately embark on any exercise in bringing the many agencies required under law to be administered in any logical, legal way under the ambit of the Commission and this caused no end of confusion”.

“It is a critical issue that has to be settled. We must ensure that we are in a position to direct the insurance companies as they go forward,” he stressed.

Marshall therefore said that Parliament should take more time to consider the final details of the bill and suggested that it be referred to a committee for further consideration.

(JMB)

## Closure of Carlisle House offices to facilitate relocation

GOVERNMENT’S International Transport Division and the Air Transport Licensing Authority, both located in Carlisle House, Hincks Street, Bridgetown, will have new homes by month-end.

The International Transport Division will be relocating to the 1st and 3rd floors of the Warrens Office Complex, St. Michael; while the Air Transport Licensing Authority will be moving to the Civil Aviation Department facility, located at Building 4,

Grantley Adams Industrial Estate. Both departments are slated to move this Thursday and Friday, December 16 and 17.

As a consequence, the offices located at Carlisle House will be closed to the public during the period Thursday, December 16, to next Wednesday, December 22.

The Ministry of International Business and International Transport regrets any inconvenience which the closure may cause.

(CG/BGIS)

# Christmas concert at Silver Hill on Thursday

THE talent of some young Barbadians and seasoned professionals will be on display this Thursday, December 16, when the first in a series of free Christmas Concerts is held at the

Silver Hill Hard Court, Christ Church.

Sponsored by the Ministry of Family, Culture, Sports and Youth, it will run from 3 to 7 p.m. Minister of Family, Stephen Lashley,

will deliver remarks, while Minister of Education, Ronald Jones and Minister of Transport, John Boyce, will give the welcome and vote of thanks, respectively.

Performers will include Richard Stoute, Tony Gazette, Desmond Weekes, St. David’s Primary, Leroy Franklin, Danse Tropical, Hindsbury Camp and LRG. There will also be

presentations by the choirs of Power of Power Global Network Ministry, Milton Lynch Primary School, Christ Church Parish Church and Christ Church Girls’ School.

Members of the public, especially school children and those who attended the summer camp, are encouraged to participate in this activity and spread love this holiday season. (SA/BGIS)



## Today's Weather

**FORECAST**

**Sunny and warm.**

<p><b>International Temperature</b></p> <p>London, England: 1°C Miami, FL: 9°C New York, NY: -6°C San Juan, Puerto Rico: 24°C Toronto, Canada: -8°C</p>	<p><b>Tides</b></p> <p>High: 11:14 a.m. Low: 4:25 a.m. and 6:03 p.m.</p>	<p><b>Rainfall</b></p> <p>Yesterday: 0 mm For the month: 13.2 mm For the year: 1 803.5 mm</p>
<p><b>SUNRISE - 6:12 a.m.</b></p>		<p><b>SUNSET - 5:34 p.m.</b></p>
<p><b>Yesterday's Temperatures</b></p> <p>Max: 30.1°C Min: 24.9°C</p>		