



**2020/2021 SESSION  
of the  
BERMUDA SENATE  
OFFICIAL HANSARD REPORT  
FEBRUARY - MARCH 2021**

*Virtual Sittings 8-13 of the 2020/2021 Session  
(pages 157–464 and INDEX)*

**Sen. The Hon. Joan E. Dillas-Wright, MBE, JP  
President**

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**BERMUDA SENATE****OFFICIAL HANSARD REPORT  
22 FEBRUARY 2021  
VIRTUAL SITTING  
10:02 AM***Sitting Number 8 of the 2020/2021 Session*

*[Sen. the Hon. Joan E. Dillas-Wright, President, presiding]*

**The President:** Good morning, Senators.  
The Senate is now in session; shall we pray?

**PRAYERS**

*[Prayers read by Sen. the Hon. Joan E. Dillas-Wright, President]*

**CONFIRMATION OF MINUTES**

*[Minutes of 13 January 2021]*

**The President:** Confirmation of Minutes of the 13<sup>th</sup> of January 2021.

**Sen. Michelle Simmons:** Good morning, Madam President.

**The President:** Good morning to you.

**Sen. Michelle Simmons:** I move that the Minutes of the meeting of Wednesday, the 13<sup>th</sup> of January 2021, be taken as read.

**The President:** Is there any objection to that motion?  
No objection.

**Sen. Michelle Simmons:** Madam President, I do have one slight correction to make. And that is on page 9. It is in the last paragraph on the left-hand side where I was speaking. And on the fourth line from the end, it says, "as Deputy Principal of the Warwick Academy," it should have been "Warwick Secondary School."

**The President:** Warwick Secondary School.

**Sen. Michelle Simmons:** And I am fairly certain that is what I said.

**The President:** Yes, that is certainly noted.

**Sen. Michelle Simmons:** If there are no further corrections, Madam President, I move that the Minutes of Wednesday, 13 January 2021 be confirmed.

**The President:** Is there any objection to that motion, along with the correction that will be made?

The Minutes will be confirmed following that correction.

*[Minutes of Wednesday, 13 January 2021, confirmed as corrected.]*

**The President:** Thank you, Senator Michelle Simmons.

**Sen. Michelle Simmons:** Thank you.

**MESSAGES**

**The Clerk:** There are no messages, Madam President.

**The President:** Thank you.

**REPORTS OF COMMITTEES**

**The President:** There are none.

**ANNOUNCEMENTS**

**The President:** We have several announcements. The first one is in the name of Senator Darrell.

I believe you have a couple of announcements. So you have the floor, Senator Darrell.

**Sen. Owen Darrell:** Thank you. Good morning, Madam President.

**The President:** Good morning.

**WEST END DEVELOPMENT CORPORATION  
ANNUAL REPORT AND ACCOUNTS FOR THE  
YEAR ENDED 31 MARCH 2019**

**Sen. Owen Darrell:** I hereby present for the information of the Senate the Annual Report and Accounts of the West End Development Corporation for the year ended 31 March 2019.

**The President:** Thank you. And you have a second?

**Sen. Owen Darrell:** I do, Madam President.

**The President:** Carry on.

**BERMUDA HOUSING TRUST AUDITED FINANCIAL STATEMENTS AS OF 31 MARCH 2020**

**Sen. Owen Darrell:** Madam President, I hereby present for the information of the Senate the Audited Financial Statements of the Bermuda Housing Trust as of the 31<sup>st</sup> of March 2020.

**The President:** Thank you, Senator Darrell.

I believe the next announcements are in the name of Senator Richardson regarding the regulations. And you have a few. So you have the floor, Senator Richardson.

**PUBLIC HEALTH (COVID-19 EMERGENCY POWERS) (NO. 3) AMENDMENT (NO. 4) REGULATIONS 2020**

**PUBLIC HEALTH (COVID-19 EMERGENCY POWERS) (NO. 3) AMENDMENT REGULATIONS 2021**

**PUBLIC HEALTH (COVID-19 EMERGENCY POWERS) (NO. 3) AMENDMENT (NO. 2) REGULATIONS 2021**

**Sen. Curtis Richardson:** Thank you, Madam President and fellow Senators.

Madam President, I hereby present for the information of the Senate the following regulations, each as made by Her Excellency the Governor on advice of the Minister responsible for Health and in exercise of the power conferred by section 107B of the Public Health Act 1949:

- the Public Health (COVID-19 Emergency Powers) (No. 3) Amendment (No. 4) Regulations 2020;
- the Public Health (COVID-19 Emergency Powers) (No. 3) Amendment Regulations 2021; and
- the Public Health (COVID-19 Emergency Powers) (No. 3) Amendment (No. 2) Regulations 2021.

**The President:** Thank you, Senator Richardson. And I believe you have—

**Sen. Curtis Richardson:** If I may continue.

Madam President, I hereby present for the information of the Senate the Public Health (COVID-19) Emergency Order 2021, as made by the Minister responsible for Health under the provisions of section 107A of the Public Health Act 1949, under consultation with the Chief Medical Officer.

**The President:** Thank you. Carry on, Senator Richardson.

*[Pause]*

**The President:** Senator Richardson, do you have the others to present?

**Sen. Curtis Richardson:** Yes, ma'am.

**The President:** Well, do carry on.

**PUBLIC HEALTH (COVID-19 EMERGENCY POWERS) REGULATIONS 2021**

**PUBLIC HEALTH (COVID-19 EMERGENCY POWERS) AMENDMENT REGULATIONS 2021**

**PUBLIC HEALTH (COVID-19 EMERGENCY POWERS) AMENDMENT (NO. 2) REGULATIONS 2021**

**PUBLIC HEALTH (COVID-19 EMERGENCY POWERS) AMENDMENT (NO. 3) REGULATIONS 2021**

**Sen. Curtis Richardson:** Okay. Madam President.

I hereby present for the information of the Senate the following subsidiary legislation, each as made by Her Excellent the Governor on the advice of the Minister responsible for Health and in exercise of the power conferred by section 107B of the Public Health Act 1949:

- the Public Health (COVID-19 Emergency Powers) Regulations 2021;
- the Public Health (COVID-19 Emergency Powers) Amendment Regulations 2021;
- the Public Health (COVID-19 Emergency Powers) Amendment (No. 2) Regulations 2021; and
- the Public Health (COVID-19 Emergency Powers) Amendment (No. 3) Regulations 2021.

**The President:** Thank you, Senator Richardson. And I believe you have others with respect to—

**QUARANTINE (COVID-19) (NO. 3) AMENDMENT (NO. 7) ORDER 2020**

**QUARANTINE (COVID-19) (NO. 3) AMENDMENT (NO. 8) ORDER 2020**

**Sen. Curtis Richardson:** I do.

Madam President, I hereby present for the information of the Senate the following Orders as made by the Minister responsible for Health in exercise of the power conferred by section 9 of the Quar-

antine Act 2017 after consultation with the Chief Medical Officer:

- the Quarantine (COVID-19) (No. 3) Amendment (No. 7) Order 2020; and
- the Quarantine (COVID-19) (No. 3) Amendment (No. 8) Order 2020.

**The President:** Thank you, Senator Richardson. I believe that takes care of the Announcements. We now move on.

## NOTICES OF MOTION

**The President:** I believe also that that is in the name of Senator Richardson, the Junior Minister of Health. So you can carry on. You have the floor.

### PUBLIC HEALTH (COVID-19) EMERGENCY EXTENSION ORDER 2021

**Sen. Curtis Richardson:** Thank you.

Madam President, I hereby present for the consideration of Senate the draft Order entitled the Public Health (COVID-19) Emergency Extension Order 2021, proposed to be made by the Minister responsible for Health under the provisions of section 107A of the Public Health Act 1949. And I give notice that at a later point in the meeting I will move that the said draft Order be approved.

**The President:** Thank you, Senator Richardson.

## PETITIONS

**The President:** There are none.

## STATEMENTS

**The President:** There are none.

## INTRODUCTION OF BILLS

**The President:** There are none.

### FIRST READING OF PUBLIC BILLS

#### CANNABIS LICENSING ACT 2021

**The President:** The following Public Bill has been received from the Honourable House of Assembly and is now read for the first time. Its title is, respectively, the Cannabis Licensing Act 2021.

### FIRST READING OF PRIVATE BILLS

**The President:** There are none.

## QUESTION PERIOD

**The President:** There are none.

## ORDERS OF THE DAY

**The President:** The item could be considered under the suspension of Standing Order 71(2). That is in the name of Senator Richardson.

### SUSPENSION OF STANDING ORDER 71(2)

**Sen. Curtis Richardson:** Madam President, I move that Standing Order 71(2) be suspended so that the Senate may now proceed with consideration of the Public Health (COVID-19) Emergency Extension Order 2021.

**The President:** Is there any objection to that motion?  
No objection.  
Carry on, Senator Richardson.

*[Motion carried: Standing Order 71(2) suspended.]*

**Sen. Curtis Richardson:** Madam President, I move that the Senate do now take under consideration the draft Order entitled the Public Health (COVID-19) Emergency Extension Order 2021.

**The President:** Is there any objection to that motion?  
No objection.

## DRAFT ORDER

### PUBLIC HEALTH (COVID-19) EMERGENCY EXTENSION ORDER 2021

**Sen. Curtis Richardson:** Madam President, I am pleased to invite this Honourable Chamber to consider the Order entitled Public Health (COVID-19) Emergency Extension Order 2021. Madam President, I would like to take this opportunity to remind the public of their civic responsibility to take steps to protect themselves, their loved ones and their neighbours during this global pandemic caused by the novel coronavirus. We live on a very small island, and as we have experienced already and as recently as late last year, COVID-19 can spread quickly and impact our whole community as scores of people test positive and hundreds end up in quarantine.

We can slow the spread of the virus by wearing a mask to cover our nose and mouth, as well as physical distancing, downloading the WeHealth Bermuda app and avoiding the three Cs—closed spaces, crowded places and close-contact settings. The more barriers and space between you and others, the harder it is for the virus to spread.

Also, Madam President, after enormous hard work by scientists around the world there is another layer of protection we can add, the COVID-19 vaccination. As has been said many times, vaccines save lives, and it is no more different than the Pfizer BioN-TECH vaccine that is being used in Bermuda now. Getting the vaccine greatly reduces your chance of contracting COVID-19; in fact, the Pfizer vaccine has been shown to be 95 per cent effective after two doses. If you do get COVID-19, you are likely to experience milder symptoms and become less ill, as your body is better able to fight off the virus. This means we can keep our people out of the hospital and have fewer deaths due to COVID-19. With a reduced viral load in your system, it is also hoped that you are less likely to transmit the coronavirus as well, although this aspect of the vaccine's power is not fully known at present.

Of the vaccinations administered in Bermuda, 55 per cent have been given to women and 45 per cent have been given to men. Bermuda's goal of herd immunity will be achieved when 70 per cent of the population of 64,054 persons have been immunised. And so far, 17 per cent of the population has been vaccinated with one dose, and 6 per cent of the population has been immunised with two doses. These are great results so far, and I thank and applaud all those who have taken the steps to get their vaccinations to protect themselves, their families and our community.

As a Government, we recognise that it will take some time to reach that goal of herd immunity, and so a more immediate goal is the immunisation of 90 per cent of persons over 65 years. This is our most vulnerable group. In addition, we continue to encourage our extremely clinically vulnerable persons, health care workers and essential service workers to please get vaccinated.

To repeat: Preventing infection, the onset of the disease itself and community spread via mass vaccination will be a critical part of how we navigate our way out of this current crisis. We have all felt the impact that COVID-19 has had on us personally, and we all know how it has impacted our Island's economy. Getting vaccinated is an integral part of our ongoing collective effort to reduce the spread of the virus here on the Island. This is essential not only for our health, but also to help allow us to return to a sense of normalcy within our daily lives.

Madam President, Honourable Senators, as we all know now, COVID-19 was caused by a new virus that spread quickly throughout the world. Unfortunately, it still exists in large parts because it can be transmitted so easily between people who are in close contact or through coughs and sneezes. While most infected people suffer mild flu-like symptoms, some become seriously ill and even die. The Minister of Health has consulted the Chief Medical Officer and determined that a communicable disease of the first or second category, namely COVID-19, continues to

pose a severe threat to public health in Bermuda. This Order will extend the Public Health (COVID-19) Emergency Order 2021 made under the Public Health Act 1949 to permit the Governor to continue the Public Health (COVID-19) Emergency Powers Regulations 2021, which imposed extraordinary measures necessary in the interest of public health to prevent, control and suppress COVID-19.

Madam President, Honourable Senators will be aware that the Public Health (COVID-19) Emergency Order 2021 was made under the negative resolution procedure, effective on the 25<sup>th</sup> of January 2021 for 30 days, expiring on the 24<sup>th</sup> of February 2021. However, the COVID-19 pandemic continues to rage on globally, and a public health emergency continues to exist on our shores. Therefore, in accordance with section 107A(3) of the Public Health Act 1949, I bring this extension Order to this Honourable Chamber to prolong the state of public health emergency for a further 60 days, ending on the 25<sup>th</sup> of April 2021.

Thank you, Madam President.

**The President:** Thank you, Senate Richardson.

Would any Senator care to speak on this Standing Order?

Yes, Senator Tucker. You have the floor.

**Sen. Robin Tucker:** Thank you, Madam President. Good morning, everyone in the Senate and good morning to Bermuda.

I just wanted to say first of all that the Opposition has no objection to the extension of this Order. I do want to just add to Senator Richardson's remarks that it is very important to extend these Orders in order to keep all of us safe. And with that, I just want to say thank you to the Ministry of Health's team, as well as Dr. [Carika] Weldon and her team and certainly all of Bermuda for everyone doing what we need to do in order to keep each other safe. Thank you.

**The President:** Thank you, Senator Tucker.

Would any other Senator care to speak on this Order?

No. Then it is over to you, Senator Richardson.

**Sen. Curtis Richardson:** Madam President, I move that the said draft Order be approved and that the following message be sent to Her Excellency the Governor:

"May it please Your Excellency:

"The Senate has under consideration the draft Order entitled the Public Health (COVID-19) Emergency Extension Order 2021 proposed to be made by the Minister responsible for Health under the provisions of section 107A of the Public Health Act 1949, has the honour to inform Your Excellency that the Senate has approved the said draft Order."

**The President:** Is there any objection to that motion?  
No objection. A suitable message will be sent.

*[Motion carried: the Public Health (COVID-19) Emergency Extension Order 2021 was approved.]*

**The President:** Thank you, Senator Richardson.

**Sen. Curtis Richardson:** Thank you, Madam President.

**The President:** I believe the next Order of the Day is also yours, consideration of—

*[Inaudible interjection]*

**The President:** Oh. Okay, fine. Sorry. I beg your pardon.

## MOTIONS

**The President:** There are none.

## CONGRATULATORY AND/OR OBITUARY SPEECHES

**The President:** Senator John Wight, you have the floor.

**Sen. John Wight:** Thank you, Madam President.

I would like to offer condolences to the family of the late Keith Pearman. Anybody in the golfing community in Bermuda would either know Keith personally or know of Keith's name. He has been a personal friend of mine for over 35 years. And in addition to being a fantastic golfer, he was just an even better person, you know, a big smile and a big laugh. And so he will be greatly missed by many people in the community. So I just want to offer my condolences to the family.

**The President:** Thank you, Senator Wight.  
Would any other Senator care to speak?  
Minister Peets, you have the floor.

**Sen. the Hon. Dr. Ernest Peets:** —[INAUDIBLE] Mrs. Furbert's love for her country. I certainly can testify this morning that she was a pillar of strength. She was also a very dedicated advocate for labour rights. Her dedication, her passion was, in my opinion, evident to all of us. I did have the opportunity to work with her for a number of months during 2020 and part of 2019 as we were both members of the Parole Board. And I can share with all of us this morning that her leadership and her passion were inspiring. I believe Ms. Furbert was loved by many, probably too many to number. And I cannot express in words this morning how much she will be missed by her family, by her community, as

well as by her party, the Progressive Labour Party. Ms. Furbert also served as a Senator. And I will ask that the Senate this morning join me in offering condolences and sympathy towards her family, particularly her children, as well as all of the individuals which her life touched.

When the news came to me about her medical ailment, she was a constant in my prayers. So, personally I was very saddened, of course, as many of us were to learn of her passing. She was passionate about her work, and she cared so much and so deeply. And I think there is a lot that she has contributed to Bermuda, to her country, to our way of life. And personally, I am just really sometimes at a bit of a loss for words as relates to how I feel about her passing.

So I am asking that we certainly, as a Senate body, offer condolences and sympathy to the family and perhaps, as we deliberate with our work in the Senate in the days and weeks and months to come, that we will display the same level, if not more, passion and desire to do good for the country that we love. Thank you very much, Madam President.

**The President:** Thank you, Minister Peets.

And if no one else wants to speak on her—  
Senator Tucker.

**Sen. Robin Tucker:** Thank you, Madam President.

**The President:** I was going to suggest that we have a moment of silence. But we will do that at the end.

Yes. No, please, you can speak, Senator Tucker.

**Sen. Robin Tucker:** Thank you. Thank you again, Madam President.

I would like to join, associate my extending of condolences to Mr. Pearman's family as was expressed by Senator Wight, and as well of course joining with Senator Peets's remarks on LaVerne Furbert as well.

I would also like to extend condolences to the family of Wendy Trott, who was a *chef de partie* at the Mid Ocean Club.

And as well, Kim Hendrickson, who was someone whom I did have the privilege to meet. She was a friend of my sister, Deborah Hendrickson-Perinchief [PHONETIC]. Kim—some people may remember her, as she worked at Collector's Hill. She worked at Collector's Hill gas station. And Kim always had a very pleasant, friendly, happy greeting and always something very kind to say. So I just really wanted to make note of those additional people as well. Thank you.

**The President:** Thank you, Senator Tucker.

Would any other Senator care to speak?  
Senator Arianna Hodgson, you have the floor.

**Sen. Arianna Hodgson:** Thank you, Madam President.

Madam President, I just wanted to take some time to congratulate Charlie Pilgrim, who works under the direction of Dr. Carika Weldon at the Molecular Diagnostic Lab. Charlie has just been accepted to med school and will be heading off to St. Mary's this September. And so he has made us all very proud, and we wish him well as he begins his new journey.

**The President:** Thank you, Senator Hodgson.  
Would any other Senator care to speak?  
Senator Smith.

**Sen. Ben Smith:** Thank you, Madam President.

I would like to congratulate Madelyn Moore who over the weekend competed in the WAC Championship for the University of Northern Colorado, setting a record for the university, getting two gold medals and also hitting the B cut for the NCAA championships. Congratulations to her and hope that she continues to swim fast.

**The President:** Thank you, Senator Smith.  
Would any other Senator care to speak?

**The President:** Yes. Senator Owen Darrell, you have the floor.

**Sen. Owen Darrell:** Thank you, Madam President.

First of all, I would like to congratulate constituency 8 Smith's South President Ms. Ojeda Smith. Recently, Wakefield Quin publicly announced her appointment as a pupil. (It was a few months ago, but they recently announced it.) She is the daughter of Ms. Laquita Bell and Mr. Orrik Smith. I also want to take this time to congratulate Wakefield Quin on their continued commitment to the development of young lawyers in Bermuda. And I wish Ms. Ojeda Smith well in her endeavours.

I would also like to take this time to ask that the Senate send obituary remarks, condolences, to the family of the late Mr. Hadley Woolridge, who passed in January just before the Senate last met. Mr. Hadley Woolridge was a long-time resident of Smith's Parish. He was a very popular and dedicated taxi driver. He was a fan of the Mighty Flatts and a man who was part of many, many community organisations not only in Smith's Parish but throughout the Island. I did have the honour of attending the home-going service for Mr. Woolridge back in January.

And what did strike me is that the order of the service was carefully planned by himself, and the amount of love and respect that everyone had for Mr. Woolridge. I did have also the pleasure of attending, of course last year, his 90<sup>th</sup> birthday. It was a drive-by celebration. So I was definitely honoured to be asked by the family to attend his home-going service, especially with the limited numbers. So I would just like to

send a letter of condolences to Mr. Woolridge's family. Thank you.

**The President:** Thank you, Senator Darrell.

Would any other Senators?

Senator Jones, Marcus Jones, you have the floor.

**Sen. Marcus Jones:** Thank you, Madam President.

**The President:** Good morning.

**Sen. Marcus Jones:** Good morning to my Senate colleagues and to the listening audience.

Madam President, I thank you for this opportunity where we can extend condolences to the family of the late Joanne Raynor, a former overseas staff member of the Bermuda Tourism Authority in New York. I remember during my time in the Department of Tourism on one of my trips to New York, she met me at the offices and she proceeded to take me on a tour of different clients within the area. And I was taken aback by her flamboyant, vivacious, hospitable personality. I called her at the time *Miss Tourism*.

She was fun to be with. You could tell that she was passionate about her country, passionate about the job that she did. And her passion was contagious. You could not rest easy or be comfortable being (shall we say) downhearted in her company. And I just wanted to remember her at this time, that extended condolences be made towards her family, her two sons. She will indeed be a great miss to this country and to the industry specifically.

Thank you, Madam President.

**The President:** Thank you, Senator Jones.

Would any other Senator care to speak on condolences?

Senator Simmons, you have the floor.

**Sen. Lindsay Simmons:** Yes. Good morning, everybody.

I would like to extend condolences to the Evans/Santucci family as Kevina Evans Santucci lost her life recently. She was a pillar of strength for the community. Her father was Chaplin Kevin Santucci and her mother was Karon Santucci. Through her battle, she was uplifting and helped others and even gave part of her funds that were given to her while she was battling cancer to her cousin. And she was always upbeat and lifting other people's spirits. And her father is known in the community for helping others. Especially when we have accidents and deaths, he is always there. So I hope that Bermuda can rally together around his family right now and be a pillar of strength for him. Thank you.

**The President:** Thank you, Senator Lindsay Simmons.

Would any other Senator care to speak on condolences?

If not, I would just like to express condolences for the family of Ms. Moira Valentine Tucker Cann. She was a nurse for many years. She was aged 90 years old. And she is remembered as a pioneering nurse during the segregation in Bermuda. She qualified in the 1950s, and she had the distinction for caring for the Civil Rights activist, Dr. E. F. Gordon when he was in the hospital. And this was at a time when Black nurses were not allowed to work King Edward [VII Memorial] Hospital. So I think that her time there was absolutely critical. And she was asked by the family to go in and take care of him. And I think that—you know, I can recall other extended family members well who returned in the 1950s and probably at the same time that she did and were not allowed to work, and returned to the UK.

But Ms. Cann, as I said, she looked after Dr. Gordon. And then because she was not allowed to work in the hospital, she left the Island. And she went to the States to work. And she subsequently married a Bermudian, and she returned to Bermuda. And she worked at the Health Department as a health visitor. Now, she had qualified in the UK. I was told that she qualified as a general nurse, midwife, as well as a health visitor. And with all of those qualifications, she was not allowed to work at King Edward. But as I said, when she subsequently returned, she worked at the Health Department.

And then toward the latter part of her nursing career, she worked at Packwood. She looked after the patients at Packwood. So she was a trailblazer, I think, for nursing. And as a nurse myself, I reflect on that. And it must have been a very difficult time for her to have lived and worked and qualified in England and been able to work in the hospitals there, and then to return to Bermuda and not be allowed to work in the hospital. I understand that in the book that was written by Mr. [Randolf] Williams about the 100 years at the hospital [*CARE 100 Years of Hospital Care in Bermuda*] that I think she is briefly mentioned.

But I just thought I would just like to say a few words about her and extend heartfelt condolences to family and the many friends that she was able to make, and particularly Ms. Cecily Simmons, who was a very, very close friend of hers and who relayed much of the history that is known about her, because [Ms. Cann] talked regularly to Ms. Simmons.

#### MOMENT OF SILENCE

*[In memory of LaVerne Furbert, former Senator]*

**The President:** Before we move on, because of LaVerne Furbert's passing, I would like the Senate to observe a moment of silence in memory of her, starting now.

*[Senators rose and observed a moment of silence.]*

**The President:** Thank you, Senators.

I would just like to also state that I served with her for that year that she was here in the Senate. And there was much that has been said and written about her. And we have lost her too soon.

We now move on.

### ADJOURNMENT

**The President:** Minister Peets, Government Leader in the Senate. You have the floor.

**Sen. the Hon. Dr. Ernest Peets:** Yes, thank you. Good morning, Madam President.

I would like to make a motion that we adjourn to Wednesday, 3 March 2021.

**The President:** Thank you.

Would any Senator care to speak on the motion to adjourn?

No. Then, Senators, the Senate stands adjourned until March the 3<sup>rd</sup>. Thank you all for your attendance this morning.

*[At 11:36 am, the Senate adjourned until 10:00 am, Wednesday, 3 March 2021.]*

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**BERMUDA SENATE****OFFICIAL HANSARD REPORT  
3 MARCH 2021  
VIRTUAL SITTING  
10:03 AM***Sitting Number 9 of the 2020/2021 Session*

*[Sen. the Hon. Joan E. Dillas-Wright, President, pre-siding]*

**The President:** Good morning, Senators.  
The Senate is in session.  
Shall we pray?

**PRAYERS**

*[Prayers read by Sen. the Hon. Joan E. Dillas-Wright, President]*

**CONFIRMATION OF MINUTES**

*[Minutes of 22 February 2021]*

**The President:** Senator Michelle Simmons, you have the floor.

**Sen. Michelle Simmons:** Good morning, Madam President.

**The President:** Good morning.

**Sen. Michelle Simmons:** I move that the Minutes of the meeting of Monday, the 22<sup>nd</sup> of February 2021, be taken as read.

**The President:** Is there any objection to that motion?  
No objection.

**Sen. Michelle Simmons:** Madam President, I move that the Minutes of Monday, the 22<sup>nd</sup> of February 2021, be confirmed.

**The President:** Is there any objection to that motion?  
Senator Tucker.

**Sen. Robin Tucker:** Good morning, Madam President.

**The President:** Good morning.

**Sen. Robin Tucker:** Sorry. I just want to highlight a couple of minor things that should be adjusted in the Minutes. And that would be under the time period . . . I am sorry; I do not have numbers on the copy I have in front of me, but the time period 10:26, the second paragraph, last sentence: "He was a pillar of the

community." So that last, the end of the sentence where it says "a stalwart supporter" should say "of the mighty Flatts Victoria."

And on the last page, the sentence, the second paragraph from the top on my copy, it says, "The Senator, the Honourable President . . .," there are two full stops at the end of that sentence. So.

*[Crosstalk]*

**The President:** Would you repeat that, Senator Tucker?

**Sen. Robin Tucker:** Where it says, "The Senator, the Honourable President associated herself with the congratulatory and obituary remarks of all Senators." There are just two full stops in that phrase.

**The President:** All right.

**Sen. Robin Tucker:** Thank you.

**The President:** Thank you.  
Senator Simmons.

**Sen. Michelle Simmons:** Madam President, I would like to move that the Minutes of Monday, 22 February 2021, with those two minor adjustments, be confirmed.

**The President:** Is there any objection to that motion?  
No objection.  
Thank you, Senator Simmons.  
The Minutes will be confirmed with those minor adjustments made to it.

*[Minutes of Monday, 22 February 2021 confirmed, as corrected.]*

**Sen. Michelle Simmons:** Thank you.

**MESSAGES**

**The Clerk:** No messages, Madam President.

**The President:** Thank you.

## REPORTS OF COMMITTEES

**The President:** There are none.

## ANNOUNCEMENTS

**The President:** We have two announcements. The first is the Bermuda National Economic Report 2020.

Senator Hodgson, the Junior Minister of Finance, you have the floor.

### BERMUDA NATIONAL ECONOMIC REPORT 2020

**Sen. Arianna Hodgson:** Thank you, Madam President.

Madam President, I hereby present for the information of Senate the 2020 National Economic Report of Bermuda as produced by the Ministry of Finance.

**The President:** Thank you.

Is there any objection to that?

No.

Thank you, Senator Hodgson.

The second one is the National Sports Centre Annual Reports and Financial Statements for the Fiscal Years ended the 31<sup>st</sup> of March 2012–2015. And that is in the name of Senator the Hon. Dr. E. G. Peets, the Minister of Youth, Culture and Sports.

Minister, you have the floor.

### BERMUDA NATIONAL SPORTS CENTRE ANNUAL REPORTS AND FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED 31 MARCH 2012–2015

**Sen. the Hon. Dr. Ernest Peets:** Madam President, I hereby present for information of the Senate the following reports: the Annual Report and Financial Statements of the Trustees of the National Sports Centre for the Fiscal Year ending 31<sup>st</sup> of March 2012; the Annual Report and Financial Statements of the Trustees of the National Sports Centre for the Fiscal Year ending the 31<sup>st</sup> of March 2013; the Annual Report and Financial Statements of the Trustees of the National Sports Centre for the Fiscal Year ending the 31<sup>st</sup> of March 2014; and the Annual Report and Financial Statements of the Trustees of the National Sports Centre for the Fiscal Year ending the 31<sup>st</sup> of March 2015.

Senators can access e-copies of the reports on their tablets or on the Parliament website.

Thank you, Madam President.

**The President:** Thank you, Minister Peets.

## NOTICES OF MOTION

**The President:** There are none.

## PETITIONS

**The President:** There are none.

## STATEMENTS

**The President:** The first Statement is the Bermuda National Sports Centre Audits 2012 to 2015. And that is also in the name of the Senator, Hon. Dr. E. G. Peets.

You have the floor, sir.

### BERMUDA NATIONAL SPORTS CENTRE AUDITS 2012 TO 2015

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam President. Today I wish to table the [National Sports Centre's Annual Reports and Audited Financial Statements](#) for the fiscal years ending March 2012 to 2015.

Madam President, section 12(3) of the National Sports Centre Trustees Act 1988 [the Act] requires the trustees to cause proper accounts to be kept relating to their operations and for these accounts to be audited by the Auditor General. The trustees are further required to provide a report to the Minister on the performance of their functions during that year, which must be laid before each House of the Legislature, together with the Audited Financial Statements and the Auditor's Report.

Madam President, as is evident today, the National Sports Centre (commonly known as NSC) has been delinquent in this duty since 2011. The problem has persisted across multiple boards and under both Government administrations. The current trustees, management and I concur wholeheartedly that this is an unacceptable situation, and I can provide full assurance that the current NSC Trustees and management have been working actively over a year to get their accounts and audits current.

Madam President, it is also my understanding that the audit for the year ending the 31<sup>st</sup> of March 2011 was completed on time; however, the audit for the year ending the 31<sup>st</sup> of March 2012 was not completed until the 14<sup>th</sup> of May 2018. The OAG [Office of the Auditor General] offered a number of observations in relation to the affairs of the trustees and the handling of this statutory obligation at that time, including the following:

- deficiencies in accounting for tangible assets;
- inadequate supporting documentation, presenting opportunity for fraud or misappropriation;
- lack of reconciliations of capital project spending to the financial statements;
- no written capitalisation policy;
- lack of contracts for part-time employees;
- lack of a documented procurement process;

- lack of an annual budget versus actuals; and
- trustees operating in a management role rather than in a governance role.

Madam President, the trustees offered responses to the observations so as to satisfy the OAG that the finances of the now NSC would meet the necessary accounting standards and allow for clean audits in the future. After setting a timeline to have the 2013 financial statements prepared and ready for audit, the trustees worked with the OAG representatives to provide documentation as requested.

Madam President, I am sorry to report that this process became increasingly difficult to accomplish due to the fact that the documents were housed in the Stadium Cottage (the original administration building, by the way) that had deteriorated to a state of disrepair. And unfortunately, many of the files were ruined due to the water damage and mould in the vacant building. The facilities team recovered as many files and documents that they could and have since placed them in secure temperature-controlled locations. Stadium Cottage was subsequently demolished last year.

In January 2019 Minister Foggo replaced most of the trustees, with the objective of getting all of the audits up to date. And the new board of trustees engaged the services of Expertise Group Limited (in July 2019) to provide assistance with preparing financial statements for the purposes of completing the mandated audits for the years 2014 through 2019, as well as providing financial management oversight for the daily operations. The terms of the agreement included:

1. review the general ledger to determine adjustments to comply with Public Sector Accounting Standards;
2. prepare draft financial statements;
3. prepare audit schedules and other supporting documentation as requested by the OAG;
4. liaise with OAG to clear queries; and
5. develop and document policies and procedures pursuant to the OAG recommendations.

Madam President, since engaging the Expertise [Group], the NSC has collaborated with the Auditor General to secure the completion of the 2013, 2014 and 2015 audits, which are laid before this Honourable Chamber today. Further, the NSC have presented draft Financial Statements for the fiscal year ending the 31<sup>st</sup> of March 2016 to the Auditor General. There continue to be some delays due to information-gathering issues but the NSC team, with the technical support of the Expertise [Group], have worked closely with the Office of the Auditor General to provide the requested information.

Madam President, the NSC is working with Expertise to address the observations outlined in the 2012 audit. The most pressing of those observations include the deficiencies in accounting for tangible assets. Unfortunately, [these] cannot be solved satisfac-

torily, as many of the documents relating to the Aquatics Centre construction project have unfortunately been destroyed. This will impact the ability for the trustees to secure future clean audits for the OAG. The team has spent a considerable amount of time, as well as money, trying to solve this problem before the decision was made to accept defeat on this issue and to find a way to move forward.

Madam President, as indicated, the NSC have presented draft Financial Statements for the fiscal year ending the 31<sup>st</sup> of March 2016. This audit is currently underway and will be laid before both Houses of Legislature upon completion. Madam President, in the interim the NSC have continued to prepare financial statements and supporting schedules for the remaining audits for fiscal years ending 2017 to 2020 with the aim of being ready to commence these audits at the Auditor General's convenience. Madam President, the NSC is fully committed to meeting the statutory requirement as prescribed in section 12 of the Act and to become fully compliant and transparent in the reporting of its operations and accounts.

Thank you, Madam President.

**The President:** Thank you, Minister Peets.

I believe you have a second Statement with regard to supporting Bermuda's musicians.

**Sen. the Hon. Dr. Ernest Peets:** Yes. Thank you, Madam President.

**The President:** You have the floor.

### SUPPORTING BERMUDA'S MUSICIANS

**Sen. the Hon. Dr. Ernest Peets:** Madam President, as Bermuda and the rest of the world grapple with the effects of the COVID-19 pandemic, it has become increasingly clear that during these times where physical distancing is required to keep our citizenry safe, arts and culture play a key role in bringing us together to help ensure our emotional well-being.

However, Madam President, despite the ability of the arts to uplift and inspire us, the individuals who are the creators of these experiences that we all enjoy have also been affected by the pandemic. I recognise and certainly appreciate that performing artists, especially [musicians](#), have been disproportionately affected by our current inability to gather in large numbers for safety reasons. This has also had a knock-on effect for Bermudians in some of the audio-visual technology fields, for example, since sound amplification, staging and lighting of concerts, talks and other performances have been diminished due to the pandemic.

Madam President, for this reason I very am pleased to share two new initiatives that have been undertaken by the Department of Community and Cultural Affairs to provide support for these artists. The

first initiative is a lunchtime concert series branded as *Creatives Live!* The series features singers and bands performing on the steps of City Hall every two weeks, either on a Friday or on a Saturday afternoon. The support offered by this series is manifold. In addition to the musicians being given an opportunity to perform, we are also using this series as a way of drawing attention to our online artists' registry established by the department, and we can find that registry at [www.creatives.bm](http://www.creatives.bm). The purpose of this registry is so that members of the public interested in hiring a musician, or perhaps if you are looking for a videographer or perhaps any other type of creative, you will be able to get a sense of their talents and experience from viewing the online catalogue.

Madam President, *Creatives Live!* is meant to focus primarily on established and experienced performers who have been financially impacted as a result of the pandemic. However, the Department of Community and Cultural Affairs has spent part of its mission "to develop our creatives." To this end, this concert will also serve as a developmental opportunity for some younger less-experienced musicians looking for a chance to showcase their amazing talents.

Madam President, because of the limits on the size of gatherings, of course, at least for now the series is intended to be enjoyed as people walk past the performance while tending to their business while in the City of Hamilton. This is also a way of enlivening the city and providing an upbeat atmosphere that can be enjoyed by the gathering public. The Department of Community and Cultural Affairs will record all of these performances, which will be made available on the department's YouTube channel. You can find that YouTube channel by going to the Search bar and typing "Bermuda Culture." Please [press] Like and Subscribe.

For those of you who missed Joy T. Barnum's beautiful performance last week or perhaps The Unit Band's performance on Saturday of last week, Madam President, I am pleased to say that this is not the only initiative undertaken by the Department of Community and Cultural Affairs to support our musicians. Earlier in the year, the department provided support to DJ Barry G for a radio programme where he was featuring the music of Bermudian musicians. Since then, working with the department, Barry G has recorded a series of short videos with singers including Kaelyn Kastle, Savanna, Mizzle and Chinyere to be released shortly. I am looking forward to that release, Madam President. These musicians themselves will be able to use this particular platform for promotional purposes.

So as you can see, Madam President, there are some measures being put in place to ensure that our artistic community remains strong as we navigate the challenges of this pandemic. The Department of Community and Cultural Affairs is committed to working with our creatives to assist them with the promotion and development of their skills and to provide on-

going opportunities to support them in showcasing their considerable talents to the population of Bermuda.

Madam President, thank you very much.

**The President:** Thank you, Minister Peets, Government Leader in the Senate.

## INTRODUCTION OF BILLS

**The President:** There are none.

## FIRST READING OF PUBLIC BILLS

**The President:** There are none.

## FIRST READING OF PRIVATE BILLS

**The President:** There are none.

## QUESTION PERIOD

**The President:** The first question can be entertained on the first Ministerial Statement by Minister Peets on the National Sports Centre.

Would any other Senator care to speak?  
Senator Smith, you have the floor.

**Sen. Ben Smith:** Thank you and good morning, Madam President.

**The President:** Good morning.

### QUESTION 1: BERMUDA NATIONAL SPORTS CENTRE AUDITS 2012 TO 2015

**Sen. Ben Smith:** After listening to Honourable Minister Peets read through what I am going to say is a really sad set of information regarding the National Sports Centre, I know that a lot of the [members of the Association of] National Sport Governing Bodies will be frustrated to know that the money that they have been receiving from their government grants that has been given almost entirely to the National Sports Centre over the years, from what we are seeing in this particular Statement this morning. They will be frustrated to know that we do not know exactly how things have been handled during that period of time. I believe that when you see something like this, it is important that somebody is held accountable for how this went on for so long. Minister Peets mentioned in his Statement the fact that it happened under multiple administrations.

I guess my first question is, Are we able to determine whether not having the Financial Statements up to date and seeing exactly what was happening in that period of time has had any impact on the facility, on whether the facility was maintained at

the level that it should have been maintained? Whether some of the things that should have been happening in that period happened? Because if you do not have the correct information, you are starting from the dark.

I notice that it is mentioned that a lot of the trustees who were involved during this period were replaced. I guess my question is, Have *all* of the trustees who were responsible for this lack of progress been replaced? And have those trustees been moved into other areas where they are responsible for the public purse? Because this is an extended period of time when inactivity has happened, and we cannot continue to have this happen.

So, Madam President, I am hoping that we can get some answers and that we can move forward in a way that this will not happen again. Thank you.

**The President:** Thank you, Senator Ben Smith, Opposition Leader in the Senate.

Senator Peets, yes, you can respond.

**Sen. the Hon. Dr. Ernest Peets:** Sure. Thank you so much.

I am certainly grateful, Madam President, for the questions. When we receive questions, my initial and automatic response is, *Of course, you know these questions are designed to ensure that the NSC in this particular instance is being supported and run in the best possible fashion*, because ultimately, of course it is our athletes whom we are trying to look out for.

The question of course does require a little bit of lengthy reply. I do not know if it would be appropriate of course to use a lot of time this morning, given the Orders of the Day. But just in short, and I will be more than glad to provide an update to the Honourable Senator in due course. But in a brief reply, starting with the last question first, to my knowledge not all of the trustees have been replaced. There are some trustees currently serving on the board for continuity purposes; [they] were a part of previous administrations.

Regarding, are we able to determine if the lack of Financial Statements led to the proper management of the NSC for example as relates to the upkeep of the facility and whatnot? Everyone would agree that the unfortunate circumstance of not having access to all of the documents, and of course some of the documents being destroyed, does create a significant problem and hurdle. I can suggest to this Honourable Senate that reasonable measures have been taking place to address those things.

I have taken a personal interest in the NSC. I had an opportunity to actually tour the facility and be apprised of what is really going on behind the scenes as it relates to the condition of the field, the condition of the facilities and what is actually needed to actually help the NSC to become profitable and to make sure

that our amazing infrastructure is not lost due to lack of maintenance and other issues.

Going forward, of course this is going to be a mammoth task. And I can report to this Honourable Senate that the team that is currently working with the NSC is committed to that goal and they have pledged everything that they can possibly do to be compliant now with the Auditor General's financial statements which are required to be reported, and we have taken a special interest in how we can actually support them going forward.

That would be my reply at the moment. If that reply is insufficient, I have promised, of course, to reach out to the Honourable Senator and provide some additional information.

**The President:** Thank you, Senator Peets.

You have a second question or a supplementary?

No. Would any other Senator care to ask questions on this Statement?

Senator Jones, you have the floor.

**Sen. Marcus Jones:** Good morning, Madam President.

**The President:** Good morning.

#### QUESTION 1: BERMUDA NATIONAL SPORTS CENTRE AUDITS 2012 TO 2015

**Sen. Marcus Jones:** Good morning, Senators. Good morning to the listening audience.

I am not going to be too long, but I just wanted to add weight to what both of my fellow Senators have spoken thus far in regard to the National Sports Centre audits.

My first impression and feelings were horror, looking at this report and the delinquency in which it was given. And we can clearly see that it is not just one political party that was in government; it was not just one group of people or board that was in charge, but this has been successive, successive boards that have been in charge. But at the same time, I believe that this Chamber needs to join me in crediting Senator and Minister Dr. Peets for taking on this task. And we have heard in this Chamber many different government agencies that have come short in providing audited statements.

My question to the Minister would be, Is there going to be a deadline set for those audited statements from 2017 to 2020 being provided and delivered to these Chambers? I recognise the challenges that it presents. But I also feel, especially having come in from the private sector, that unless you have hard-and-fast deadlines, people tend to allow the dates to go by and the accountability gets slack. So as much as I commend the Minister for his diligence and his passion to come to a solution, I would really like to

hear if there is a stated, drop-down, date deadline for these things being resolved.

Thank you, Madam President.

**The President:** Thank you, Senator Jones.  
Minister Peets.

**Sen. the Hon. Dr. Ernest Peets:** Thank you. I am certainly pleased this morning to know that our interests do align. All of these questions of course are aligned with our personal as well as professional opportunities and aspirations to make sure that the NSC is actually operating efficiently and effectively. Of course, as I stated earlier the end goal is our Bermudian product as it relates to the best performance of our athletes.

Having said that, I cannot stress any further than what I have already stressed that the current state of affairs is unacceptable. And I think everyone would agree, you know, this particular state of affairs is something that we certainly do not endorse or support. Having said that, there is a hard-and-fast line that, you know, this type of situation is not acceptable and we are not going to permit that going forward.

Regarding a hard and fast deadline, the statements are overdue. The deadlines are already passed. And so our job now is not necessarily to set another arbitrary deadline, but to enforce the existing policies to make sure that these types of things do not happen again. But in the meantime, of course, assist the NSC in overcoming whatever hurdle that they have to overcome to finally become compliant and up to date, and then find a way to support them going forward so that this type of situation is not repeated.

So in short the deadline has already passed. So we are not setting another hard and fast deadline; they are already overdue. So our encouragement right now and our work is to actually get those things done as quickly as possible.

**The President:** Thank you, Minister Peets.

**Sen. the Hon. Dr. Ernest Peets:** Thank you.

**The President:** Senator Jones, did you have a supplementary?

Would any other Senator care to ask questions on this Statement?

No. Then we will move on to the second Statement that was given by Minister Peets, and that is on supporting Bermuda's musicians.

Would any Senator care to ask questions on this Statement?

Senator Tucker, you have the floor.

#### **QUESTION 1: SUPPORTING BERMUDA'S MUSICIANS**

**Sen. Robin Tucker:** Thank you, Madam President.

The question that I do have is about whether the positions that the musicians will have and the exposure that they have, if there is any financial compensation that is being provided? I believe that the purpose for the initiatives that Honourable Minister Peets has discussed is wonderful. I believe that giving musicians who have not had the opportunity to perform, and to [also] draw attention to the online registry is a fantastic initiative. Again, I am just wondering whether there is any financial compensation that will be provided, because that was not mentioned.

Thank you, Madam President.

**The President:** Thank you, Senator Tucker.  
Minister.

**Sen. the Hon. Dr. Ernest Peets:** Yes. Thank you.

I do admit that is a bit of an oversight. Perhaps in my preparation I just thought it was obvious. But, having said that . . . thank you so much.

Certainly, there is a twofold situation going on. We certainly want to provide the listening public and people who are coming in and out of Hamilton to enjoy a very positive, upbeat environment. And the two times that I have been there for Joy Barnum, as well as for The Unit Band, I can certainly tell you that the listening public really enjoyed it. And so I am really, really glad, and we have received a lot of positive feedback from the public.

The other opportunity of course in doing this initiative is actually to provide some income for our musicians, so they are being paid. The Department of Culture will engage in a contract with the musicians, and they will be paid at whatever the contract rate is. Ancillary contracts are also given. Because in order to put on an event such as a band and/or the solo singers, you still need the videographer, you still need the audio people. So we are really, really pleased that those individuals are finding a little bit of work in these difficult times. So, yes, Madam President, I can report to this Honourable Senate that these musicians and the ancillary support staff are being compensated for their work and endeavours.

**The President:** Thank you, Minister Peets.

Would any other Senator care to ask questions on this?

Senator Ben Smith, you have the floor.

#### **QUESTION 1: SUPPORTING BERMUDA'S MUSICIANS**

**Sen. Ben Smith:** Thank you, Madam President.

I would like to applaud this initiative. As the son of a musician, Hubert Smith, Sr., the late, great Hubert Smith Sr., I can appreciate any support that can be given to the entertainment industry. This initiative, knowing what the impact of the pandemic would

have had on entertainment, it is important that we do show that support.

I am wondering if the Minister can give us any indication of potential steps to support entertainment as we come out of this pandemic and we move to opening up again, because over the last so many years, we have moved away from that live entertainment. And we should be encouraging our young people who are musicians to get involved, and we should be encouraging them that this is a potential lifestyle that they can have. Because I can attest to when you grow up in a creative household what that means.

**Sen. the Hon. Dr. Ernest Peets:** Absolutely. Actually, thank you so much. And I did not know that you were related to the great Hubert Smith. That is absolutely fantastic. I did not have an opportunity to grow up in a musical household as it relates to talent. But in my household, we certainly enjoyed a lot of jazz and a lot of local entertainment.

One thing that is important to me, as well as to the heads of the department in the Department of Culture, is until the situation regarding the COVID-19 pandemic changes in a very favourable fashion the traditional opportunities for our entertainers are very, very, very limited. So this particular initiative is, at least, from my point of view, like a bridge. So until we can get to a point where local entertainment can resume their regular activities in our restaurants, in our hotels, at our weddings and all the other social gatherings, we have to find a way to provide some type of relief. So these potential steps are something that we are talking about every single month in our heads of department meetings. So we have another heads of department meeting next week, and we will be discussing some more ideas.

We do not have a lack of ideas. We really have a lack of resources. So I certainly welcome even some additional ideas. Perhaps as we reimagine some of these things, we can perhaps do a little bit more than we are currently doing. But the will to do these things and the ideas to do those things are something that we are constantly discussing. So, yes, we are trying to do our level best to provide as much support to our entertainers as we come out of the pandemic.

Thank you, Madam President.

**The President:** Thank you, Minister Peets.

Would any other Senator care to ask questions or speak?

No. Then, thank you, Senators, and thank you, Minister Peets.

We are going to move on.

## ORDERS OF THE DAY

**The President:** The second reading of the Cannabis Licensing Act.

## ANNOUNCEMENT BY THE PRESIDENT

### SENATE VISITORS

**The President:** But before we start that, I would just like to acknowledge the presence from the Attorney General's Chambers. And they are the Parliamentary Counsel, Ms. Amani Lawrence; Alisha Wilson; and Jason Outerbridge. Welcome to all three of you.

Minister Peets and the second reading of the Cannabis Licensing Act 2021, you have the floor.

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam President. And certainly, good morning to all of the Senators here this morning.

Madam President, I am pleased to introduce to this Honourable Chamber the Bill entitled the Cannabis Licensing Act 2021 and move that it be read now a second time.

**The President:** Is there any objection to that motion?  
No objection. Carry on, Minister Peets.

## BILL

### SECOND READING

#### CANNABIS LICENSING ACT 2021

**Sen. the Hon. Dr. Ernest Peets:** Yes. Thank you so much, Madam President.

Today more than ever all of the hats that I wear are converging all at the same time. For those of you who do not know me very well, of course I wear a few hats. Of course, today I am here as the Government Senator, as well as the Minister of Youth, Culture and Sports. But also professionally, I am also an internationally certified counsellor, and I spent the last 15–20 years working in recovery and treatment for persons seeking relief from drug addiction. And also I am a pastor. I have been pastoring now for the better part of 22, 23 years. As such, as I come before this Honourable Senate today I certainly recognise all of those fields and all of that experience, and I plan to do my level best this morning to bring all of those experiences together under one roof at one time.

So let me report to this Honourable Senate this Bill that we have in front of us today. It ushers in a new regulatory regime, licensing all activities involved directly or ancillary to the cultivation, import, export, production, sale, supply, use and transport of cannabis or medicinal cannabis or products derived from cannabis or medicinal cannabis in Bermuda. The Bill establishes the Cannabis Licensing Authority to be the statutory regulatory body to oversee the issuance of licences, inspection, compliance and enforcement of the cannabis licensing regime.

The Authority will also make recommendations to the Minister responsible for drug prevention

on related policy issues and the administration of said Bill. Provisions in this Bill, Madam President, will permit lawful activities relating to the cannabis plant, medicinal cannabis, cannabis products and cannabis-infused products.

Madam President, this Honourable Chamber has before it today a multi-faceted, and in many opinions, a very transformative Bill of what we believe is of significant national importance. As our society reimagines its relationship, as well as its attitudes towards cannabis, the Honourable and Learned Attorney General, the Minister of Legal Affairs and Constitutional Reform gave a very stirring summation regarding the historic injustices and disparities concerning how cannabis enforcement laws in this country have unfortunately disproportionately affected our Black male population. The essence of her speech is really, in my opinion, worth repeating for the Members of this Honourable Chamber.

Madam President, the pathways to reforming Bermuda's cannabis laws and also demystifying the cannabis plant to finally awaken to us all the many health, therapeutic and social benefits is well long overdue. Our 49-year-old Misuse of Drugs Act 1972 is a carbon copy of the Misuse of Drugs Act of 1971 in the United Kingdom. The UK itself is challenged with similar disparities of unequal enforcement of stop and search and low-level drug offences arrests, particularly for cannabis recorded against Black and minority ethnic groups within its own borders. In Bermuda's half-century of cannabis laws, the evidence that cannabis laws were utilised as one of many tools by the colonial government and colonial police to quell Black disquiet and to systematically criminalise Blacks on the front lines of the racial progress movements is indisputable. This is in thanks to publications by home-grown historians like the late Cabinet Minister, the Honourable Walton Brown and more recently Dr. Swan.

Madam President, looking back even further, there is a clear thread recognising the very same inherently racialised enforcement. Social disparities and the social/economic impact is woven throughout the findings of many reports such as the Clark Report 1978, the Pitt Report 1978, the Gurr Report 1984, the Archibald Report 1986, the National Drug Strategy Proposal of 1991 and of course the Tumin Report of 1992, among others. Bermudian society must collectively confront, integrate and dialogue with our past. We must also use today's knowledge respectfully of the aspirations of our future generations. This Government has done this by continuing the big national conversation about cannabis, engaging the electorate by dynamic public consultation and ultimately by bringing the Cannabis Licensing Act 2021 to the Legislature.

Madam President, the national dialogue has laid bare the fact that the social conditions of nearly 50 years of cannabis prohibition have not produced

less cannabis use; instead, the damaging social, economic and health effects span generations in a very small tight-knit community. Black Bermudian males continue to be disproportionately stopped, searched and arrested by police for cannabis offences. This is a direct gateway into the criminal justice system. Many of us have personal stories that demonstrate that there is a clear pipeline from the public education system to Westgate for some of our young Black males who (quote/unquote) "fall through the cracks" or sometimes get (quote/unquote) "caught up." Black Bermudian males are overrepresented in all relevant cannabis-related matrices, even though it is proving that Blacks are no more prone to drug use, or cannabis use for that matter, specifically than any other racial group.

Madam President, the great Reverend Dr. Martin Luther King, Jr., in his 1963 *Letter from the Birmingham Jail* gifted humanity with this perspective about when a law conflicts with the social conscience of society, (quote/unquote) "I submit that an individual who breaks a law that conscience tells him is unjust, and who willingly accepts the penalty of imprisonment in order to arouse the conscience of the community over its injustice, is in reality expressing the highest respect for law." Dr. King's words still ring true to contemporary Bermudian society.

We must reckon with the fact that criminalisation of cannabis, primarily through the enforcement of personal use offences in the Misuse of Drugs Act 1972, has been ineffective. It is discriminatory. It is very costly and represents poor public policy in contemporary health and treatment models. Collateral consequences cause family separation, family breakdown and personalised trauma throughout families affected by cannabis enforcement. Suspected cannabis users are stigmatised by certain segments of society and persons convicted of cannabis offences are endlessly excluded from jobs, housing, travel and even educational opportunities.

It is undeniable that cannabis use is a part of Bermuda's culture, despite its being unlawful to trade, share or even to use. Anyone who refuses to accept this simple truth does not see the truth. Cannabis use is not going away. Cannabis use is common at social gatherings such as football matches, certainly at our Cup Match and other large public events. That is no secret. Essentially, unlawful use of cannabis happens in plain sight of police officers who are unable to effectively enforce cannabis laws at said events.

Madam President, the [drug] data supporting the Government's policy captured in the Bermuda Drug Information Network (sometimes known as BERDIN) 2018 in their Annual Report. I can highlight some of the salient figures. In the reporting year of 2017, some 71,160 grams of cannabis were seized. That includes plants, seeds, as well as edibles. This accounted for 84.5 per cent of all drug seizures by weight. Criminal trials for cannabis possession were at

56 with a total of 18 trials for cannabis possession with intent to supply. Contrastingly, convictions for cannabis offences were reported as follows: for possession, 47 convictions; intent to supply, 10 convictions; importation, 14 convictions; and for cultivation, 2 convictions. Only 11 per cent of all total drug arrests in 2017 were for importation offences.

For the fiscal year ending 2017/18 a total estimate of \$9 million was spent on drug treatment; \$770,000 of that for drug prevention; and \$5.7 million spent on drug enforcement and interdiction. Typically, the cumulative government spending for drug issues is approximately \$15.5 million per year. Cannabis enforcement is overly represented, and it is a drain on these [government] resources.

Madam President, the status quo has not effectively been administered to deter illegal consumption and trade of cannabis by any measure or any matrix. When faced with the paradox of these truths, how does a society progress from cannabis prohibition to legalisation? That is the question. Thinking of it as a continuum, the stages of cannabis law reform are, of course, beginning with total prohibition; moving slightly towards decriminalisation; then moving again to regulated medicinal cannabis; then again moving to responsible legal regulation of cannabis via a strict licensing regime, which this particular Bill achieves; moving again to legalisation with a light touch of regulation; and then of course at the other end of the continuum, full legalisation of cannabis without regulation.

Currently, there is an unregulated criminal market in Bermuda with criminal sellers profiting off people who use cannabis most frequently. Conversely, full legalisation without regulation will create an unregulated legal market, which would amply supply the same tactics as the criminal market. This regulatory regime proposed in this Bill will tackle criminality on either ends of the spectrum of cannabis reform. The research shows that the responsible legal regulation is the (quote/unquote) "sweet spot" on the spectrum of cannabis reform.

Madam President, if we look back, the PLP's cannabis reform agenda started in earnest back in 2014 in February when the PLP Opposition tabled a Bill in the House of Assembly which would decriminalise possession of up to 14 grams of cannabis. A further attempt by the PLP Opposition to bring about decriminalisation of cannabis went into the House of Assembly on the 20<sup>th</sup> of May 2017. But it never made it into law because it triggered a motion of No Confidence in the OBA Government. The OBA avoided a vote of No Confidence by asking the Governor to dissolve the House of Assembly, triggering the General Election on the 18<sup>th</sup> of July 2017.

As you would know, Madam President, the PLP won the 2017 election under a platform calling for cannabis reforms such as decriminalisation, preventing young people from lost opportunities because of minor drug possessions, expanding licence access to

medicinal cannabis, and drug policy reforms in general.

On the 20<sup>th</sup> of December 2017, the PLP Government enacted the Misuse of Drugs (Decriminalisation of Cannabis) Amendment Act of 2017, which decriminalised possession up to 7 grams of cannabis. In August 2020, the Expungement of Convictions Act of 2020 was enacted, expunging convictions for simple possession offences committed before the 20<sup>th</sup> of December 2017.

Madam President, the lay of the land. As far as what is lawfully permitted under the current law is as follows: As mentioned, possession of cannabis up to 7 grams is already decriminalised since 2017. Hemp and CBD formulations are also lawful for import, sale and use in Bermuda since November of 2019. The legal definition of "hemp" is purposely defined to include cannabis which contains concentrations of not more than 1 per cent of THC. Further, approved medicinal cannabis pharmaceuticals like Marinol or Sativex are lawfully available for prescription in Bermuda. Other formulations of cannabis for medicinal purposes can be authorised for patients under a licence by the Minister responsible for the Misuse of Drugs Act 1972.

Madam President, this Government's effort to take the next logical step to a regulated medicinal cannabis regime was curtailed after public feedback was largely indifferent on said subject. Public consultation overwhelmingly showed that the public felt the cost as well as the complexity, and the proposed bureaucracy outweighed any likely benefits for limited patients who would participate or for attracting prospective entrepreneurs and investors who set up medicinal cultivation and manufacturing businesses in our jurisdiction. The overarching call was for far bolder steps towards a responsible regulation of cannabis. The Government took a deeper look at how far cannabis reforms could go, raising the decriminalisation amount above 7 grams of cannabis, for example, similar to Portugal's model of wholesale decriminalisation.

This was not a feasible option for Bermuda's size as well as its limited resources. It would not be prudent to increase the decriminalised quantity of cannabis above 7 grams without additional safeguards, for example, or even a regulatory framework because it gives tacit support to criminal enterprises engaging in legal supply, sales, importation and the cultivation of cannabis.

Likewise, it is a government. Full legalisation of cannabis without a robust regulatory framework would likely have unintended consequences of increasing cannabis abuse and would not sufficiently dissuade cannabis use, eliminate the illegal cannabis market nor prevent the known health risks associated with social harms.

Madam President, the Government's conclusion was that we needed a regulated cannabis regime tailored to Bermuda's needs which improves public

health, public safety as well as our social outcomes and which is not unjustifiably punitive. The Cannabis Licensing Bill establishes for Bermuda responsible regulation of cannabis via a strict licensing regime. By enacting this Bill, government agencies and stakeholders can work collaboratively to design an overall framework for cannabis that is cautious and can be enhanced as we monitor the health and other outcomes during the implementing phase going ahead.

Madam President, crises are often a precursor for transformative change, and we are in an unprecedented economic crisis; I believe that goes without saying. This demands a radical new way of thinking. Increasingly, cannabis reform is not that radical at all. Opening up entrepreneurial opportunities for all in a post COVID-19 [world], regarding economic recovery including for persons convicted of minor cannabis offences, became a very necessary objective of the Government's cannabis reform policy. Therefore, Madam President, the Government anticipates that this Bill's performance will over time effectively curtail the persistent use of the illegal cannabis market of unknown quantity as well as unknown potency, and that the inherent exploitation within the criminal enterprise would eventually fade. The longer cannabis use remains criminalised, cannabis users would largely be out of reach of prevention and risk-reduction protocols and treatment services, without also, unfortunately, being caught up in the criminal justice system.

Madam President, scientific advances and attitudes about cannabis now indicate that the health risks of using cannabis are lower than that of alcohol or tobacco. The dependence potential of cannabis is moderate to low, on par with, let us say, caffeine. However, local cannabis use data places cannabis and alcohol side by side as drugs of choice in Bermuda. Reported lifetime consumption rates are at 78.7 per cent for alcohol, 76.5 per cent for cannabis, and 70.4 per cent for tobacco.

There is no escaping the fact that alcohol and cannabis are cultural staples in a country where almost 99 per cent of people admit to taking the drug in their lifetime. Law and policy models around cannabis interventions globally are shifting their focus towards identifying persons at high risk, modifying risk factors and risky behaviours, and modelling responsible use—the same for alcohol—instead of an outdated criminality-focused model.

Madam President, the cannabis reform policy follows leading science with signals that health risks for cannabis users are heightened for adolescents, persons with mental health challenges or with a family history of such, individuals with cardiovascular problems and pregnant women. These high-risk factors can be worsened by initial cannabis use in early adulthood, near daily cannabis use, smoking cannabis plant material and by consuming cannabis with excessively high THC levels. Because illegal cannabis is of unknown quality or could be laced with other more

harmful chemicals or drugs, available data suggest that contamination of street cannabis could be a very egregious aggravating factor for mental health challenges and the potential for psychosis.

Madam President, the Cannabis Licensing Bill provisions effectively address each of these factors. The Bill recognises the need to protect young persons by restricting access to cannabis by discouraging inducements to cannabis use for persons under the age of 21. Specifically, persons under 21 will not be permitted to consume or use cannabis under this Bill. It will be an offence to supply or sell cannabis to a person under the age of 21. Licensees will also have a duty to ensure that persons under 21 are not employed by retail shops and do not gain access to retail shops, and that cannabis or cannabis products from retail shops are not procured for persons under 21. Applicable offences and penalties are included in this Bill as well, with fines for non-compliance ranging between \$8,000 to \$40,000.

Madam President, this Bill's provisions also permit diversion programmes to divert young persons found in possession of cannabis away from the criminal justice system. Rather, they will be directed into mandatory training and treatment programmes. Madam President, examples of additional safeguards provided in the Bill are as follows: Cultivation licences and retail licences are not permitted within 100 feet of any school or any place of worship. The Minister may, by order, exclude harmful strains of cannabis from the licensing regime. Availability of cannabis is curtailed to approved premises meeting stringent guidelines. Packaging of all cannabis products will be prescribed in a regulated fashion. Supply chains for retail shops will need approval from the Authority to keep out criminal elements and to verify potency and quality. Strict security requirements for licensed facilities must be maintained. And lastly, the Authority will set terms and conditions for licences for reasonable additional protections that are not currently prescribed in law.

As the regulatory regime expands, the Minister will use regulation-making powers to address emerging technical requirements and enhance the protections as they are needed. An example would be that commercial sources of cannabis be subject to strictly defined controls regarding potency and purity, specifically regarding moisture, mould, fertilisers, pesticides and fungicides, for example.

Madam President, the public education campaigns and outreach will be properly executed so that young persons and the general public understand the known dangers of cannabis abuse in the same manner as we educate on the dangers of alcohol and tobacco. The Department of National Drug Control and the Authority will be tasked with collaborating to design and deliver effective, targeted prevention campaigns to improve the understanding of drug abuse and the development of the best possible responses to it.

The intended messaging will emphasise responsible adult use and will be sufficiently nuanced so as not to demonise positive benefits of cannabis. Public messaging ought to coincide and reinforce other community-wide values exemplified by parents and family members, educational institutions and society generally.

In addition, the messaging will promote responsible attitudes and beliefs which will provide young people with the tools they need to decide on the healthiest course of action in regard to the use of potentially addictive substances. Research shows that educational programmes focusing on learning how to manage emotions and stress do better in addressing the root causes of addiction and dissuading young people [away] from using addictive substances rather than education programmes focusing exclusively on drug abstinence.

Madam President, licensed cannabis activities within the Bill's licensing regime are ultimately designed to allow adults to access regulated, safe cannabis plant material, medicinal cannabis, cannabis products and cannabis-infused products for medicinal, therapeutic and responsible personal adult use. The licence categories are as follows:

- a tier 1 cultivation licence that is to allow for the growing, harvesting, drying, trimming or curing of limited amounts of cannabis for adult personal use;
- a tier 2 cultivation licence which allows for the growing, harvesting, drying, trimming, curing and packaging of cannabis for medicinal cannabis for commercial purposes;
- a cannabis retail shop licence that allows for the operation of a cannabis retail shop for the sale of cannabis or the sale and consumption of cannabis;
- an import licence to allow for the cannabis and medicinal cannabis planting material for cultivation from any country from which it is lawful to do so;
- a tier 1 manufacturing licence which is to allow for activities relating to the processing of edible cannabis;
- a tier 2 manufacturing licence to allow for the manufacturing of cannabis products or medicinal cannabis products;
- an export licence to allow for the export of locally cultivated cannabis to a country in which it is lawful to do so;
- a research licence to allow for the conduct of scientific research relating to the development of medicinal cannabis;
- a transport licence to allow for the transport of cannabis or medicinal cannabis in Bermuda; and lastly,
- a cannabis event licence to allow for the sale and supply of cannabis at authorised private

or public events of an infrequent or temporary nature.

Madam President, collectively the Bill creates strict, responsible regulation of cannabis to be enforced by the Authority and the police, each empowered under the Bill to control and regulate cannabis within the framework. HM Customs Department Officers retain their role as well as their powers of protecting our borders against illegal drug importation. Ongoing cooperation between agencies will continue under the Bill and is essential for the integrity of this regime.

Madam President, another dimension of the Bill is that the associated licensing fees are designed to avoid a situation of *champagne for the few instead of water for all*. That is to borrow from an African expression [from Thomas Sankara]. It is the priority of this Government to prioritise economic access to the licensing regime for all segments of our society. Entrepreneurial interests among Bermudians anxiously waiting to enter the market has noticeably ramped up as this Bill has been making its way through the Legislature.

Much has been said by the OBA that the Bill will not provide business opportunities for marginalised groups because of the (quote/unquote) "high fees" and the high cost of doing business in Bermuda. However, this Government was so committed to providing opportunities for the marginalised groups that it has included a provision in the Bill expressly applying section 6A of the Human Rights Act 1981 to allow for *special programmes* under the regulated cannabis regime. This will allow for the implementation of policies and programmes directed to support and assist previously marginalised persons or groups to participate in the regulated industry.

Madam President, this is the first time in legislative history that section 6A of the Human Rights Act of 1981 has been transposed into another legislative instrument. The terms of any *special programme* are not prescribed in this Bill. That will be for the Minister responsible for the Cannabis Licensing Authority to work collaboratively to design any special programme. A special programme could, for example, take the form of reserving a percentage of the licences, or grant licence fee reductions or waivers for specified groups. This is the Bermudian legislative way of offering equity pathways for persons formerly affected by prohibition to participate in the regulated cannabis market.

Madam President, the licensing fees scheduled in the Bill are accessible and affordable. Licensing fees range from \$500 for a tier 1 cultivation licence, \$500 for a transport licence and \$750 for a private cannabis event licence. Licence fees are higher for larger, complex and high-revenue business types. For example, retail shop licences and research licences are set at \$10,000; and tier 2, the commercial cultivation licence, will cost \$6,000.

The Government is not legislating to give away start-up capital to entrepreneurs, nor to handhold interested parties into the cannabis market. It follows that responsible regulation and responsible use of cannabis requires that personal responsibility is demonstrated by individuals wishing to enter the cannabis market. The Bermuda Economic Development Corporation (sometimes known as BEDC) offers a range of support, information resources, courses and access to support for funding a start-up business, including a popular loan programme guarantee. Interested applicants for cannabis licences would be signposted to avail themselves to the BEDC's range of resources and services to equip themselves to take full advantage of the regulated cannabis regime.

This Bill does not prescribe a cannabis tax. The Government of Bermuda has not put a tax revenue ahead of first establishing a very viable framework and allowing the cannabis industry to stabilise.

Madam President, this Bill is the culmination of a comprehensive social justice reform project that included extensive consultation as well as stakeholder engagement from entities and experts across the health and helping services, law enforcement, finance and the justice system. To support the widest-possible consultation, the illustrative draft Bill formed part of the consultation package and was also laid in the Legislature for Legislators to contribute.

The underlying policy was revised during substantive public consultation—150 members of the public, stakeholders and interested entities made over 500 comments and submissions in total. Madam President, the consultation results aligned with liberal attitudes towards cannabis, demonstrating an overwhelming appetite for wider, lawful access to cannabis under a regulated regime.

Not surprisingly, the quality of some consultation submissions uncovered substantial local cannabis expertise waiting in the shadows and margins of society to take root. It is anticipated that our home-grown experts are readying themselves to start their lawful cannabis operations. Madam President, the Government has been transparent about acknowledging that its cannabis reform policy opens up lawful activities for cannabis beyond medical, scientific and industrial purposes.

Responsible regulation of licences, activities such as personal cultivation, retail licences and the personal adult use put Bermuda policies up against the prescribed limits of the various narcotic conventions, as articulated by the United Nations treaty oversight body, the International Narcotics Control Board (sometimes known as the INCB). The INCB reclassified cannabis in December 2020 following the World Health Organization's recommendation, recognising the wider therapeutic and treatment benefits of cannabis, further indicating that it is not liable to produce ill effects similar to other drugs in Schedule 4, such as heroin, fentanyl and other illicit opioids.

Madam President, the Government of Bermuda has consulted with the UK Government, Government House during this development of this Bill. The Government of Bermuda continues to pursue all diplomatic and legal options to deliver on its promise to our people, fully cognisant of the fact that the UK Government's International Narcotics Conventions obligations have extended to Bermuda. However, Bermuda, as a self-governing territory of the UK, democratically desires for social, cultural and public health reasons to chart its own distinct course in this difficult area of cannabis reform, while also adhering to international law to the greatest extent possible. Diplomatic discussions continue in this regard, with the hope that the UK will respect the democratically expressed wishes of the Bermudian electorate on this particular issue.

Madam President, it is clear that Bermuda is now met with a unique dilemma—to continue waiting in vain for the INCB and the state parties to narcotic conventions to catch up with the modern attitudes on cannabis, or to meet the potential international challenges head-on. The Government of Bermuda has chosen the latter because waiting would mean missing the narrow window of time to establish a national cannabis industry that can deliver real change and economic opportunities for the Bermudian people.

Madam President, Bermuda is not alone in this particular endeavour. The pathway to regulated cannabis's legal framework has been trail-blazed by example by Canada, which has regulated the cannabis industry, and 36 states within the United States of America which have laws permitting access to medicinal cannabis and/or recreational cannabis use. Other jurisdictions farther afield, like Uruguay for example, have a completely regulated cannabis sector.

Mexico's legal cannabis industry is expected to come online by the end of 2021. Remarkably, Mexico's legalisation was driven by a supreme court ruling that cannabis use falls under constitutionally protected modes of individual self-expression and that that same country, Mexico, desires to eradicate the drug cartels.

Canada and the United States, by enacting domestic laws permitting personal adult use of cannabis and creating a regulatory framework for a cannabis industry, are in a position of respectful noncompliance in regard to the International Narcotics Convention. Notwithstanding that, neither country has been subjected to any sanction by the INCB, despite Canada being called *an international rebel* and the INCB declaring its legislative regime to be (quote/unquote) "weakening the drug treaty framework."

Respectfully, Madam President, it would be disingenuous for the INCB to take such a hard-line approach against Bermuda's cannabis laws in the face of two G7 state parties to the convention notoriously in noncompliance with their treaty obligations.

Madam President, the cannabis policies and laws emanating from the Americas and the Caribbean region are more coherent with local views as well as cultural attitudes towards cannabis. Prevailing views in these regions, like those in Bermuda, recognise that contemporary science and risk-based harm-reduction strategies are far more effective at preventing cannabis misuse and illegal trades in cannabis than a prohibition-only approach advocated by the INCB. The cannabis laws from the model jurisdictions informing this Bill are sensibly consistent with the overall object and purpose of the Narcotics Convention—that is, to be (quote/unquote) “concerned” with the health and welfare of mankind.

This Government believes that a regulated cannabis industry, even one which permits responsible adult use, has greater likelihood of safeguarding the health and welfare of our population than the current state of affairs system that criminalises users and [creates a problem that] continues to proliferate despite all of the best law enforcement efforts to suppress it.

Madam President, cannabis has already gone mainstream. Cannabis industries are emerging and growing steadily in all of our gateway neighbours. In designing this Bill, government technical officers recommended principally following Canada’s example and adapted [it] to meet Bermuda’s jurisdictional distinctions. The Government of Bermuda is bold enough to chart its own course on cannabis, creating economic opportunities for our citizens.

The Bill presented opens the door for a viable, vibrant and equitable cannabis industry. The framework encourages entry to business for small and medium-sized entrepreneurs, as well as large companies. Even chefs, bakers and juice bars can apply for licences to manufacture cannabis food products. There will not be large monopolies dominating the cannabis industry.

Madam President, constructing an entirely new regulated industry requires continuous legislative amendments and regulations. This Bill is the foundational framing of a cannabis industry in Bermuda. The first piece of legislation cannot possibly, particularly at this stage, capture every eventuality. It cannot answer every single technical challenge the industry may face, nor can it be tailored to match the myriad of business issues that are likely to arise in the future.

As the provisions of this Bill are operationalised, the Cannabis Licensing Authority will collaborate with technical experts, industry partners, entrepreneurs, investors and the banking industry and the Office of the National Anti-Money Laundering Committee to influence the future design of added regulatory specifications within the existing licensing regime. With their collective expertise, they will have the best understanding of the potential risks associated with any ambiguities in the licensing regime and also identify ways of improving security issues, safeguards and

dynamics from within the specific areas in which they operate.

Thus, regulation-making powers are included within the legislation, allowing the Minister responsible to make specific and general regulations to enhance the regulated regime. Additionally, the principal Act can be amended by regulation to include future development.

This Government’s policy is not blind to potential risks of money laundering, which can emerge from formerly illegal businesses now becoming lawful, particularly for the proceeds of crime and effective border controls to guard against drug trafficking. However, by modelling our legislative framework on the Canadian model, Bermuda is also looking to Canada’s experience with regard to maintaining its high anti-money laundering ratings, notwithstanding its lawful cannabis industry. By applying the Canadian lessons, Bermuda can continue to demonstrate our effective anti-money laundering compliance regime during future follow-up reviews of the Mutual Evaluation Report by the Caribbean Financial Action Task Force.

Madam President, the totality of this proposed legislation provides for a better, effective regulatory framework for cannabis to displace the illicit market, protect the youth and the vulnerable persons and finally redress legacy harm-afflicting issues affecting our Black families. It provides fair and equitable access to participate in a proposed market at a time when the economy and families are suffering and searching for new economic opportunities. The passage of this Bill and the future implementation will deliver the greatest good for the greatest number.

Madam President, I remind this Chamber and the listening public to view this Bill for what it is. This is a cannabis licensing Bill. This is not a cannabis legalisation Bill. This is not an expungement Bill, and it is not a Bill to get persons off of the stop list. This Bill establishes responsible regulation for cannabis to replace the status quo of unlawful, unregulated, unsafe access to the illicit cannabis market in Bermuda, under which the only people who profit are the criminal suppliers, the criminal importers and [criminal] cultivators.

This Bill could never achieve perfection, nor could it deliver on all of the things for the diversity of personal opinions, for or against, or for those who are indifferent to the responsible regulation of cannabis. You also need to remember too that the negative views on cannabis are influenced by long-standing social conditioning and inherent biases that our society is just now beginning to grapple with.

Madam President, I look forward to a very constructive and very thorough review of the merits of this Bill, the Cannabis Licensing Act 2021.

Thank you, Madam President.

**The President:** Thank you, Minister and Dr. Peets, Government Leader in the Senate and spokesperson on Legal Affairs.

## ANNOUNCEMENT BY THE PRESIDENT

### SENATE VISITORS

**The President:** Before I open the floor, I would just like to acknowledge the presence in the Chamber of the Attorney General, Minister Kathy Lynn Simmons, as well as the Acting Permanent Secretary, Ms. Gina Hurst-Maybury.

Welcome to both of you.

*[Cannabis Licensing Act 2021, second reading debate, continuing]*

**The President:** Would any Senator care to speak?  
Senator Jones.

**Sen. Marcus Jones:** Thank you, Madam President.

First of all, let me thank the Senator, Minister Dr. Peets, for this presentation. I thought it was very informative. There were some things that I did not realise in my own personal research that this presentation by the Senate Leader has brought some light to.

Having said that, Madam President, this Government has brought before us a Bill today that I believe commercialises corporate cannabis. I do not believe that the Honourable and Learned Attorney General, whom I am glad to see with us this morning—I am not too sure of all of the objectives that she and her team endeavoured to accomplish. But by going back and reading some of her press statements and even statements within this Chamber, I do believe that the present draft that we have today has gone through many twists and turns. It has been a long journey. And I can appreciate the fact that there was a fair amount of consultation that was held within this community, some of which may not have been as detailed and as comprehensive as we may have liked. But suffice it to say, Madam President, that consultation did take place.

On a side note, I would be curious to have heard from different drug prevention and drug treatment professionals in the community. I would have loved to have seen and heard some quotes from them in this presentation so that the community and we in these Senate Chambers would have some level of comfort that those who deal with the negative impact of the use and abuse of all forms of illegal drugs, and in this particular debate specifically cannabis . . . I would have loved to have seen and gotten some comfort from those who deal with this particular . . . the effects and the impacts on the Bermudian family. I would have loved to have seen and heard quotations from them.

But be that as it may, Madam President, I do believe that the burden of proof, or more specifically the burden of persuasion, lies in the hands of the Government Senators here today to convince us whether this Bill will completely decriminalise the use of cannabis. The burden of persuasion rests upon the Government Senators to convince us that the ability to cultivate cannabis for personal use is at best free for residents of this country and at the least affordable.

I took close note of Minister Peet's assertion that this fee schedule, which has been put out by the Government, is affordable to the average Bermudian. I would say that this was to some degree tone-deaf to what we hear in the community, where they can acquire this particular drug over the course of a year and be fairly satisfied without having to go through paying for a personal licence of \$500 for the licence itself and \$250 for the application for that personal cultivation licence. I would like to think that the Government will have a relook at that price point.

I believe that this Government needs to persuade and give a compelling argument to the community at large that the passage of this Bill would do its best to protect the vulnerable in our community from physical, mental and social effects—most importantly, our youth, the most valuable asset in our community, the next generation—because we know quite clearly, Madam President, that the part of the negative impact of the use of cannabis on our children is astronomical. There are numerous studies that show and prove that the use of cannabis in and by those of pre-adolescent, adolescent years, up to the age of 25 can have a devastating impact upon the recipient or the user of these drugs.

Whether it comes down to memory loss, whether it comes down to poor decision-making, we find that the use of this cannabis can create and result in poor performance in school. We see and have observed ourselves our young people who are under the influence of these drugs cannot be in some situations made responsible for their actions. Because what this drug does—and I believe to a large degree this part of the conversation has been lacking—is to emphasise the negative impact that this will have upon our youth most especially.

The burden of persuasion lies upon the Government Senators to convince us that the black market that, as Minister Peets shared with us, is profiting from this illicit market, that this market after the launching of this Bill would, if not remove entirely the black market (as we know that is a pipe dream) but at least have a significant impact on the profitability and the exploitation of the black market.

We need to ensure and this Government needs to convince us that the passage of this Bill will not be inaccessible, if that was their intention, for the average Bermudian. As it stands today, this regulatory regime makes it just about inaccessible for the average Bermudian. For those young men whom they look

to give an opportunity to, it will be hardest for them. That is why we on this side of the aisle have labelled this legislation as a *commercialisation of corporate cannabis*.

Let us make a couple of things crystal clear, Madam President. Number one, this Bill will not remove family members and friends from off of the US stop list. The US Consulate will tell you that. As much as we have lobbied and as much as we have asked for the US Government to lend us a little bit of grace and mercy, by all indications that legislation or that law, that US law, will not be changed. Now, that law is not just a policy that customs officers and border patrol officers use their discretion to use. It is the law. It is part of the US Immigration and Nationality Act. And it is not written just for Bermuda, as some may want to think; it is for the entire globe.

Every person who is not a citizen of the United States comes under that law. Every country has its own laws which determine who can come in, who is admissible and who is not. So as much as we sometimes feel hard-done-by, that this feels so unfair to our fellow Bermudians, it is something that every citizen of the world has to come to grips with.

But we also need to realise that that stop list is not only for drug offenders. That stop list is also for persons who commit white-collar crimes, whether it is embezzlement, whether it is fraud. Regardless of the form and type of crime that you commit, if you commit a crime, then you are putting yourself in a position where you can be inadmissible to the US and you would need to get a visa waiver to get there. So I think that fact needs to be clarified.

Madam President, we as Bermudians are very fortunate. We are one of the few countries that do not require a visa to enter the United States. It is a very advantageous position to be in. I would hate to think that after the passage of this Bill the US Government would look at Bermuda differently. Is it possible that once we are seen as a jurisdiction that has embraced and welcomed the commercialisation of cannabis, we may possibly be put into a different category as such of our friends in the south are now put on where they cannot freely have access to entry into the United States? I would hate to think that that would be one of the consequences of the passage of this Bill.

Madam President, the US Customs and Border Protection claims . . . and may I read a quote?

**The President:** Certainly you may.

**Sen. Marcus Jones:** “If a traveler is found to be coming to the U.S. for reasons related to the marijuana industry, they may be deemed inadmissible.” What does that mean, Madam President? That means that if one in this country is in possession of a retail licence to sell cannabis in this country and decides to make a trip to the United States for whatever reason, whether it is to purchase equipment or something that is relat-

ed to the cannabis industry, I believe the public needs to realise that this innocent journey to United States to gain equipment for your legalised business in Bermuda could put you in jeopardy in United States of gaining free entry into United States. I asked the question, and I was completely stunned by the answer that we received when talking to officials within the US Consulate. And I believe the public needs to realise that.

Madam President one of the things that this proposed Bill does not do, it does not ensure that our youth will not fall afoul of gaining access to this product. And it really gets my attention. And having listened to the debate in another place, there was much spoken about how the criminalisation of users of this particular product was disproportionately felt by the Black community. Now, we all know that Bermuda happens to be a country where the majority of its citizens are Black. So it makes sense that if that is the case, more Blacks than not possibly will come under the disproportionate, (I would say) unfair criminality of being found in possession of it.

But is it not sort of ironic that this particular product, this illegal product up to this date that has decimated the Black family—all of us have watched how the use and the abuse of this particular drug has caused so much negativity within the Black home—that now this Government wants to give more license for more destruction, for more calamity? It is not enough that the Black family has been exploited by unfair laws; now we are going to put the gun to the Black family’s head and say, *As a government, we’re going to validate the usage of this drug without sufficient measures to protect those who fall under the prey of this devastating drug.*

Now, one of the proposals within this legislation, Madam President, is to make the legal age over the age of 21. What we know from many surveys, many reports, most specifically from the American Psychological Association, who did a publication on “Marijuana and the developing brain” in November of 2015—[this report], plus many other reports give very convincing evidence that the use of this particular drug can have devastating effect upon the minds of the youth up to the age of 25. But this Government has decided that 21 is the age of allowance to use this drug when all reports show quite clearly that this mid-20 age is still susceptible to the negative impact of the usage of cannabis.

Madam President, how can a government tasked to safeguard its most valuable assets, that being the next generation, make the usage of a drug historically being promoted as a detriment to society and in the next breath make it easily accessible to the Island at large?

Madam President, one of the objectives of the mission statement for the Ministry of Education . . . and may I read a quote, Madam President?

**The President:** You certainly may, Senator Jones.

**Sen. Marcus Jones:** “To educate the community through educational, social and recreational resources that prepare, inform and engage life-long learning and access to initiatives that meet the needs of Bermuda residents.” I will be interested, Madam President, in hearing from the Junior Minister of Education his thoughts on how the legitimising or the commercialisation of the sale of cannabis and its increase in accessibility to the youth of this country fits into that mission statement.

Madam President, the Ministry of National Security, the Bermuda Police Service has a mission statement. It is quite simple. It is a three-word mission statement. It says, “Making Bermuda Safer.” I would love to hear from the Junior Minister of National Security who could give us some comfort that, after the passage of this particular piece of legislation, the direct exposure to cannabis use now removed will in fact make Bermuda safer.

The Ministry of Health, Madam President, they also have a vision. And if you may allow me, I would like to read it.

**The President:** You certainly may.

**Sen. Marcus Jones:** Their mission statement is “for an equitable and sustainable health system that promotes and protects the physical, mental and social well-being of individuals and the community.” Can the Junior Minister of Health give the people of Bermuda assurance that the once-limiting restraints now relaxed by this new legislation that will be put into place, can he convince us with data, with hard, cold facts that the passage of this Bill would in fact decrease instances of drug abuse, decrease and cause there to be fewer drug addicts? Convince us that there will be a fall in instances of driving under the influence of drugs once the laws have opened up the floodgates of corporate cannabis.

I was quite interested in the Minister referring to Canada as a jurisdiction [in] which the cannabis laws have been relaxed. I believe it has been since 2018. And if that is the template and the model that we as a jurisdiction are going to use, then let us listen to a few statistics that come from out of that jurisdiction. Madam President, the *Guardian* newspaper in April 5, 2020, states, and may I quote, “The black market [in Canada] is still vibrant while cannabis stocks have crashed, medical patients say they can’t get hold of essential medicines, and thousands of jobs have been lost.”

Madam President, Statistics Canada claims that just 29 per cent of Canada’s users buy all of their products from a legal source, and the price is almost double that of the illegal market. It was found that the consumer purchased low-grade weed for a higher price. Madam President, I submit to you today that the underground black market dealers will be laughing their heads off when they look to see that once this

Bill is out and being utilised, at the end of the day their former clients are going to come back, cash in hand, back to their illicit market. Because what this Government has not realised, based on other jurisdictions, is that the cost to actually have an enterprise of legal cannabis sales, its price points and its costs are so high that the consumer is going to be far more apt to go back to the underground black market, Madam President.

The potential passage of this corporate cannabis Bill because it is so onerous in its regulations and its price fee structure is so high, it will create an exclusive club. Those who are already established businesses, already have deep pockets, have easy access to capital, those are the ones who are going to rise to the top. And unfortunately, contrary to the objectives of the Government in making this potential enterprise accessible to the average Bermudian, that will not be the case.

Another thing to consider, Madam President, is that Bermuda’s soil and climate are not ideal for the cultivation of cannabis. What can be observed in the jurisdiction that we are holding up as a model is that the ones that are profitable, the ones that generate an income that makes sense, the ones that can be deemed as successful, are the ones that actually have a multi-million-dollar facility to create the ideal and the perfect cannabis plant. I do not see many of the dealers that I know of who have got that type of money that is stashed away to be able to create a facility or to create an environment that produces the perfect cannabis plant, Madam President. What will happen is that smuggling cannabis illegally into the country for sale will be far cheaper than buying the home-grown product in this country.

Madam President, what this legislation will not do . . . it will not encourage the financial institutions and banks to want to jump at the idea of capitalising this new emerging industry on the Island. Look no further than the gaming industry, Madam President. We find that four years ago laws were enacted to allow for gaming to be legal in Bermuda. Up to this point four years later we do not have a casino. We do not have a gaming facility in operation four years later. Several millions of dollars have been put into this emerging industry, and there is nothing to speak for it at all. This is the potential of what can happen within the emerging cannabis industry.

You see how it goes. The banks that we have today on this Island, they work hand in hand with corresponding banks. Now, these corresponding banks are very important when it comes to making transactions overseas, very important when you want to have a business that does not depend strictly on cash. Many of these corresponding banks do not want to run afoul of the laws of international countries all around the world.

The Minister spoke quite candidly about the anti-money laundering regime that Bermuda has

worked hard to produce, a gold-standard regime. I ask this Government the question: Will we come under more scrutiny if we take that giant step into the world of legal cannabis? We need to consider that. And the corresponding banks are looking at our jurisdiction very closely. If you go and research and investigate how it has worked in places like Jamaica and other countries to the south, they have many issues that arise from the financial institutions that are unwilling to take that risk. They do not want to manage the risk; they want to eliminate the risk. And so the difficulty arises of having to work with these banks when you are going to be producing a product that you expect to trade globally.

Madam President, the Eastern Caribbean Central Bank produced a report highlighting the challenges that financial institutions have servicing medicinal marijuana made largely available legally in developed countries, let alone recreational cannabis, which remains illegal in many regions around the world. As noted earlier, there are jurisdictions like Canada, Uruguay that have actually passed a law. And if we watch closely to the things and the obstacles that they have to face, we would think twice. We would be hesitant before we jump headlong into the waters of commercialised corporate cannabis.

Madam President, another thing that this legislation will not do, it will not bring comfort to those families in this country who have watched family members being destroyed by this drug. Madam President, I think it is good time now, as I am preparing to wind up my chat today . . . I think it would be appropriate for me to declare my interest in the consumption of marijuana from a personal perspective.

My declared interest is that I have no interest at all. My brother and I were raised in the home of a single parent who watched our community be decimated by the illegal and abusive use of drugs. What was once seen as a recreational experience that most people within the community used escalated into something that removed dreams and ambitions from many friends of mine. You may ask me, Madam President, *What made you not dip into the waters of testing this cannabis?* I will say to you, Madam President, quite candidly, my mother put the fear of God in my brother and me. I will say to you that if we were ever caught using this particular drug, I believe I would rather be taken to the police station than fall into the hands of one Ms. Mary Lou Jones.

But I will say to you, having said that, Madam President, having looked at and talked to many within this community who have an interest in being able to consume cannabis, I had to step back and I had to look at it again. And I had to say to myself, *To a consenting adult, should they not have the right to embark and consume cannabis at their will?* I had to ask myself that question. Should I impose my values on society as a whole when there are many within this country, whether for religious reasons, whether for medi-

nal reasons see the benefits of consuming marijuana? Madam President, if this Government would have another look at this legislation and set out to do the things that I felt they intended to do from the first times they talked about it, maybe there will be a place for me to sign off on this particular legislation.

But what this legislation does not do is it does not completely decriminalise cannabis use. It does not make it accessible to the average Bermudian. That is demonstrated [by] the high cost of a licensing fee of \$750. It does not decriminalise cannabis usage because that is demonstrated in the two pages of fines and possible imprisonment that will be placed on someone who is found actually peddling this drug without the licence. Does this sound like decriminalisation to you, Madam President? No. I think it is increasing the level of criminalisation.

In summary, Madam President, if Junior Ministers can give comfort respective of the ministries that they represent that the passage of this Bill does not require them to rewrite their mission statements which obligate them to ensure a safe and healthy environment for the citizens of this country, especially the youth; if this Government can convince us that the profitable black market that facilitates the sale of cannabis will be significantly impacted and reduced to being just a fringe player in this enterprise—

**Sen. Curtis Richardson:** Point of order, Madam President.

**The President:** What is your point of order?

#### POINT OF ORDER

*[Misleading]*

**Sen. Curtis Richardson:** Madam President, I believe the Honourable Senator Jones is misleading the Senate. Senator Jones would not have any Bill to put in front of him that he would support. The Senate is in the place to discuss Bills passed by the democratically elected Chamber. He has made no suggestions, as he would not support any Bill, just as he did not support decriminalisation. He has no moral authority to discuss the subject—

**Sen. Marcus Jones:** Objection, Madam President.

**The President:** Another point of order.

#### POINT OF ORDER

**Sen. Marcus Jones:** That is not a point of order.

He is reading something that someone sent him, and that is not a proper point of order. So, Madam President, without any more interruption I will continue.

Madam President, if this Government can convince us that the decriminalisation of cannabis in

its truest sense can be experienced by residents, right, and make it available for the average Bermudian; if this Government can convince us that banks, whether they are local banks or corresponding banks, will be able to join in and be part of the capitalisation of this commercial enterprise, then there is a possibility that we can sign off on this Bill. Many within the community have said this particular proposal is half stepping. Either come big or go home.

As much as it would be (shall we say) uncomfortable an idea and a concept, it will stick in line to what I believe the Attorney General has put in place or desires to do. This proposed legislation does not do this. So I encourage my colleagues to object to this motion to accept it and let it be sent back to the Attorney General's Chambers for a rethink and a rewrite. The people of this country demand it. The next generation deserves it.

Thank you, Madam President.

**The President:** Thank you, Senator Jones.

Senator Michelle Simmons, you had indicated earlier that you wanted to speak. You have the floor.

**Sen. Michelle Simmons:** It is still morning. Good morning again, Madam President.

Madam President, I have studied this Bill before us today very carefully because I really wanted to be fair to the process that all of us here in the Senate are charged with of reviewing legislation which comes to us after passage through the other chamber and through debate, through discussion, perhaps even effecting some change.

First of all, I want to thank Madam Attorney General, the Honourable Attorney General, and her technical officers who are here with us today for a very, very useful meeting with the Independent Senators earlier this week. The information shared and the discussions which followed I found very helpful.

From my reading of the Bill, I see the Government wants to establish a cannabis licensing regime that would see funds generated from such licences paid into the government's Consolidated Fund. I also want to thank Dr. the Honourable Minister Peets for his presentation this morning because he has set out before us the various licences, and therefore there is no need for us to repeat that list of licences that will be available for people to apply for.

I do have questions about the Bill. And I am going to start with one about the number of licences that will be issued. I would imagine that Government has some idea of the number of licences in each category that it is aiming to, I guess, issue. And that is an important point because it will also inform the work of the Cannabis Licensing Authority, which is about to be established if this Bill passes. I noted from information received this week at the briefing we had that in order to establish the Cannabis Licensing Authority, funds will be drawn from the budget of the National Drug

Commission . . . I should say the Department of National Drug Control. And I emphasise the name, the *Department of National Drug Control*. Their budget allocation, part of it anyway, will be used to establish staff for the Cannabis Licensing Authority.

That gives me cause for some concern, Madam President. We seem to be sending a rather confusing message to the public. On one hand there are government agencies which have been established to work towards drug prevention. And now we have a proposed new government programme for the licensing of various activities associated with a cannabis industry, a drug industry. Further, the Minister responsible for drug prevention is the same Minister who is establishing the Cannabis Licensing Authority. To me, that is very confusing. I am not sure how members of the public are responding to that, but it seems to be sending a double-blind message—confusion.

Let me be clear about my stance with regard to medical or medicinal cannabis. As prescribed by a practicing physician, I do support that. There is no doubt in my mind that there are some benefits to patients who are prescribed medicinal cannabis by their physicians. However, cannabis is a drug.

And my next question is, Should we be encouraging people to use this for recreational purposes? Or is it a drug that we should be advising people not to use? Since we know it causes both physical and mental impairment, the Government says in the brief from this morning that use of cannabis is probably a lower risk or causes less harm than alcohol and tobacco use. But does this take into consideration the period of time over which cannabis is being consumed and the potency of it?

I have personally seen young people who started using cannabis in their teenage years who now as grown adults are totally unable to function in society. And that is [because of] cannabis use.

Madam President, I did some research, and several studies I have read have shown that cannabis use and addiction are affecting young people in a disproportionate way. And let me be clear about that. I am referring to what studies have shown with regard to how cannabis has affected young people versus older adults. For example, Madam President, in the United States, of those going to rehabilitation for addiction to cannabis, 45 per cent are under 21 years of age. And I will repeat that. Forty-five per cent are under the age of 21. Now, if you step the age up a bit more to age 24 and under, the percentage rises to 55 per cent. That should be alarming for all of us. Because it is saying quite clearly that young people are very vulnerable to using cannabis.

Madam President, let me list some of the negative impacts of cannabis use: distortion of time and space perception, impaired coordination. Could all of this be helping to contribute to the increased risk of reckless riding and traffic collisions in Bermuda on our roads?

Young people have difficulty thinking or problem-solving. They suffer from impairment of memory. They suffer from, unfortunately, low levels of learning. In school-age children—and I have seen this—you will see behaviours such as truancy, habitual tardiness, fighting, stealing, vandalism. The list goes on. And I will end the list with low self-esteem. Schoolwork and the achievement of goals also suffer. Heavy users of cannabis suffer damage to social life, work or career status, and cognitive ability. Cannabis use is associated with increased rates of depression, anxiety, suicide, including adolescent suicide.

That is a list that should get our attention. It should make us all pause and ponder, and think, *Are we doing what is in the best interests of our young people? Are we doing what is in the best interests of the next generation? Are we doing what is in the best interest of this community?*

As a former educator . . . no, I am still an educator. As an educator, I have witnessed first-hand how cannabis use has impacted school-aged students. And it is my wish to see fewer, not more, young people engaging in cannabis use. I was alarmed when I read parts—because it is quite a big document—of the most recent school drug survey conducted in 2019, which showed that the onset age of cannabis use was as low as 9.6 years. Yes, Madam President, we have children in our primary schools who are using cannabis. It is easy for people to have access to cannabis.

What are we doing to safeguard our children? What are we doing to educate them about the negative effects of cannabis use? Does every school, every primary, middle, senior school, public and private, have effective education and prevention programmes? Unfortunately, Madam President, I already know the answer to that. The programmes are woefully inadequate. [Those programmes], Madam President, in my humble opinion should be our priority, to make sure that educational programmes, drug prevention programmes are in place for our most vulnerable. I was shocked to learn about a year ago that one of the drug treatment programmes in Bermuda, which was established to work with our young people, had been closed. I do not know why. But it has left a huge gap in service.

Madam President, again some of the studies I have read show that long-term chronic use and higher dosages of cannabis are found to correlate with a greater incidence of psychosis and schizophrenia. Madam President, I know I am addressing you and the entire community right now. But you are a health care professional. And I know that you are so much aware of this. This point is particularly significant due to the increase in drug potency over the years. And I believe the most recent study I read said drug potency has continued to increase over the past two decades. While the average potency has risen, Madam President, from 3 per cent tetrahydrocannabinol (TCH for

short) a couple of decades ago, it can now vary from 9 per cent all the way up to a high of 25 per cent.

Madam President, if we walk around the City of Hamilton we will see a number of people on our streets who are there not necessarily because they choose to be there. But unfortunately, due to drug abuse issues which have never been treated, they find themselves unable to function in society. It was very interesting that I passed a situation as I walked here this morning. It was happening on the steps of the cathedral. And I believe it was centred around someone who was having an issue. Perhaps it is related to drug abuse; perhaps it has led to a mental health issue. But we know for a fact that this is happening here in Bermuda right now.

One of the arguments, Madam President, that Government is putting forward for the licensing of cannabis is that it is too expensive to continue to have all of these major court trials. Further, the incarceration of individuals is very costly. In my opinion, it would be a lot cheaper for us to invest in our young people and spend funds on effective drug education and prevention programmes. I know I sound like a broken record right now, Madam President, but I cannot leave this alone. Education is a key component in helping people to understand the consequences of drug use. And it is essential that all of our schools are equipped with teachers who have been trained and resources to ensure that children understand, that they get the message as to the consequences of their decisions to use cannabis and any other drug.

Also treatment programmes, as I mentioned a minute ago. We need to make sure that there are treatment programmes that are specifically geared to our young people. Madam President, I have talked with local drug treatment officials. And I have found that programmes are struggling for funding. However, on the other hand, if the problem is that the programmes that are in place right now are ineffective, then changes need to be made so that new, more effective programmes are introduced. I feel that more effort needs to be made to tackle the underlying cause of drug use. And government funding is critical to the success of such programmes. That is why on page 9, clause 15(4) of the Bill, I was wondering, Madam President, why it reads as follows. And may I just go ahead and read that?

**The President:** Yes, you may, Senator.

**Sen. Michelle Simmons:** “The Minister may direct that a percentage of sums received from licence fees be applied for the following purposes—(a) the strengthening of social programmes related to drug abuse prevention and treatment; . . . .” (That is the end of the quote.)

Madam President, I would respectfully suggest that this section should read, “The Minister *shall* direct . . . .” This will make it a requirement that the

Minister *must* use a portion of the funds derived from licences to strengthen social programmes related to drug abuse prevention and treatment.

Madam President, of course my comments, my remarks have been focused mainly on the effects of cannabis use on our young people. So let me just go a little bit further. According to the Bill, people under 21 are not permitted to use or will not be permitted to use [cannabis]. If this Bill passes through the Senate and is then signed into law, we will still have the problems that we have today with many persons under the age of 21 having easy access to cannabis, whether through the materials sold in licensed premises or indeed from the black market. Let us not fool ourselves, Madam President, into thinking that the illegal drug trade will cease. It will not!

In the Bill, the intention is that all cannabis sold in licensed stores should be consumed there. We all know some people will not adhere to that and will want to take some of their purchase home to use later. If someone is caught doing this, as long as they are in possession of less than 7 grams of cannabis, they will not suffer any legal consequence. However, this also means that the cannabis they take away could end up in the hands of someone else, perhaps even a school student.

Madam President, the Government says that this Bill will bring real change and economic opportunities. However, I spent time researching other jurisdictions which have a regulated cannabis trade. And I found this. Since January 1<sup>st</sup>, 2018, when the State of California effected a legal commercial cannabis market, even though cannabis had been legal for medicinal use since 1996, the state put in place a regulated market. But what they have found is the regulated market has done a fraction of the business that was expected. And that was due to the fact that there were very few licensed cannabis stores. I do not know why. They do not know why. However, the state has shown that more cannabis is being grown and sold illegally in the black market. And it has been estimated, Madam President, that the black market is much larger than the legal industry. Therefore, the state has not really benefited very much in terms of increased tax revenue.

I also looked at the State of Colorado, which has had recreational cannabis since 2014. One report noted that cannabis arrests, mostly for sale and possession, were cut by more than half—that is impressive—from 2012 to 2017. But what increased, Madam President, was arrests for growing the plant illegally. This increased by more than 50 per cent—50 per cent! And seizures of illegal cannabis have skyrocketed in Colorado as people attempt to circumvent the state's licensing regime.

Further, Madam President, here in Bermuda I have already been told that there are some persons with great means who are standing by, waiting, looking forward to availing themselves of licences to grow

and sell cannabis. These are not persons who have been disadvantaged economically in the past. Therefore, since the Government wants to encourage entrepreneurship in this new industry, will there be a means test for those applying for licences? Or will there be some kind of rank ordering of those who apply so that those who appear to have been economically disadvantaged in the past receive an advantage?

I am just wondering.

Madam President, I am close to concluding my remarks, just a few more points. My greatest fear about this Bill is that there will be increased—an *increased*—cannabis use even by people who would never have considered using cannabis in the past. And that is because it was illegal to do so. I know that not everyone agrees with this statement, but I believe it. I also believe this will be followed by an increase in the associated negative issues associated with cannabis use. We do not need . . . and the “we” is Bermuda. We in Bermuda do not need to introduce another legal intoxicant into our society. And I know some would say, *Well, the intoxicant is already here*. But by making it legal to grow, to sell, to transport, to bake, to produce, to manufacture items associated with cannabis, is it not true that our Government is trying to encourage use of cannabis? I would hope not.

By the way, Madam President, I know that we often feel that Bermuda is another world. Many say it—a bit too often for my liking. But my research has shown that there are more than 50 countries that have adopted medicinal cannabis programmes, while (and this may surprise people) there are only three countries all over the globe—*three*—that have legalised recreational use of cannabis. And those countries are Canada, South Africa and Uruguay. We can add to the mix. [There are] 14 out of the 50 US states, two territories of the United States and the District of Columbia. That is it. Do we want to go down this road?

Madam President, there are a few things in the Bill that I would also still like to point out. On page 14, clause 24(1)(f)(i). This is the clause that deals with the inspection of premises prior to . . . sorry, application for a licence. And it indicates in clause 24(1)(f)(i) that there needs to be evidence . . . may I read this, Madam President?

**The President:** Yes, you certainly may, Senator Simmons.

**Sen. Michelle Simmons:** “[T]hat the applicant owns the premises on which the activities which are the subject of the licence will be carried on; . . .”

And then in clause 24(1)(f)(ii), it talks about “the written agreement with the owner of those premises to use the premises for those activities and a survey or other plan of the land comprising the premises or on which the premises are situated.”

I wondered why there is no need in clause 24(1)(f)(i) for a survey or a plan of the land. I know the difference between the two subsections is that in (i), the applicant owns the premises, and in (ii), they are renting premises. But surely, it would be helpful to have a survey of the premises in both instances. Anyway, that was just something I noted.

Also, on page 36, in Schedule 3, paragraphs 4(2)(a) and 4(3)(a), I just wondered again why they are so different in terms of requiring off-site security surveillance in paragraph 4(3)(a), but not requiring off-site security surveillance in 4(2)(a). Just asking.

And then further around on page 50, I noted what comes across to me as ambiguous wording. This is [Schedule 4, Part 3,] under the heading Mandatory condition of retail shop licence, paragraph 10(1). “The holder of a licence, his servant or agent shall examine the photographic identification as proof of age of any person seeking entry into the retail shop who appears to be under the age of 21 before granting access.” It is the “before granting access” that makes it a little ambiguous, because it almost sounds as though you are just going to check their licence. Even if they are under 21, they may still get access. So it just needs to be tidied up so that there is no misinterpretation.

Madam President, what changes will we see if this Bill is passed?

1. Licences must be purchased to grow, import, sell, export, transport, manufacture a cannabis product or conduct research.
2. Government will now be involved, even though it is on the periphery. But government will be involved in the cannabis industry.
3. There will be increased use of cannabis by adults.
4. There will still be an active black market for cannabis.
5. There will be continued use of cannabis by people under the age of 21, including school-aged children.

So what does Bermuda gain? Madam President, in my opinion, nothing—nothing that will help to improve our community.

Madam President, my fellow Senators, all of those listening on radio or online, we have to accept responsibility for keeping our families, and especially our young people, safe. My greatest concern about this proposed Bill is that it does not do anything to keep our children and youth safe. By adopting this Bill, we will be laying a very heavy burden on our community at a time when we need to focus our collective energies and wisdom on finding ways of pulling ourselves out of these economic doldrums. A cannabis industry is *not* the answer to increasing government revenue. It is *not* the answer to decriminalisation. Madam President, I cannot and I do not support this Bill.

Thank you, Madam President.

**The President:** Thank you, Senator Michelle Simmons.

Well, Senators, I think that we have had three submissions. Does anyone want to speak briefly? We will stop for lunch at 12:30.

Senator Wight, you would like to speak briefly? You have the floor.

**Sen. John Wight:** Thank you, Madam President. Yes. I will be very brief as I normally am.

So, the headline for me, or my read of the Bill in discussions with the Bermuda medical profession, family welfare groups and other stakeholders in Bermuda is that I have great concerns about this Bill. The lens through which I have reviewed this Bill prioritises the health and welfare of Bermudians. The COVID-19 pandemic in Bermuda has been managed extraordinarily well by Government. The main reason for this is that they have focused on the science as their priority—public health above the economy.

So with my priority being public health, particularly for our young adults, I sought first what the medical experts in Bermuda felt about this Bill as potential health consequences; and secondly, with cannabis having been decriminalised and commercialised in a number of states in the US, with Colorado being the first, what first-hand statistics Bermuda might draw from to determine what we might likely see in Bermuda.

My first point of reference in understanding the health risks was to read what the medical experts in Bermuda felt about cannabis and its effects on people. Some may recall that the 2018 Throne Speech referred to the possibility of a medicinal cannabis regime for Bermuda. The then Chief Medical Officer in Bermuda produced her report, a public document, in October of 2019 on her thoughts. And with your permission, I will just read one paragraph from that document.

**The President:** You certainly may, Senator Wight.

**Sen. John Wight:** So the final paragraph of her report spoke volumes to me. It said, “Most important in the role of the Chief Medical Officer is the responsibility to protect and improve the health of people of Bermuda. The potential risks to physical health, mental health, the social and psychological well-being of the people of the Island with the current proposal is significant. Feedback on health concerns was previously provided by the Bermuda Medical Council. Developing a health-related industry which may not be able to obtain the necessary regulatory and quality standards is a risk that we can ill afford to underestimate. There is potential for lasting harm to the well-being of the people and the prosperity of Bermuda.” [UNVERIFIED QUOTE] That is from the then Chief Medical Officer of Bermuda.

I then contacted the Bermuda Medical Council, which is now the Bermuda Medical Doctors Association, to seek their views on this legislation, to be advised that there had been no consultation with Government, which I found very unusual. If we are prioritising the health of our Island, why would not the governing body for medical practitioners be consulted with prior to this Bill being submitted to MPs and Senators to vote on?

I will not reiterate what Senator Simmons referred to with the Colorado statistics, but they were quite alarming to me in terms of the increased emergency room visits, increases in psychosis, suicide, increases in fatal motor vehicle collisions and a number of other alarming statistics.

I have spoken with family welfare groups in Bermuda, and I have learned, not surprisingly, that the number of families adversely affected by drug addiction continues to rise. The view of one prominent, highly respect professional Bermudian whom I spoke to was this: "Regardless of the adult views on smoking cannabis as a pleasure or a vice, the legislation, if passed, will establish a norm and send the message to our young people that will greatly reinforce their acceptance of it as a norm. As is proven with data, smoking weed does become an addictive substance for them and is a significant barrier to finding [employment], housing and a contributing place in society. There is much material data that shows the effect of smoking weed on a person's ability to think clearly and effectively. For youngsters who start early, it interferes with their executive functioning skills and the ability to make good judgments." [UNVERIFIED QUOTE] Those in my view are very concerning views from a family welfare expert who deals with these issues on a daily basis.

While I prioritise public health above all in this matter, which I am not qualified on—thus I sought views from health and public welfare experts—the matter of economics on this Bill is much closer to my educational background and experiences in the workforce. From reading the Bill, the one certainty is the spending to develop the infrastructure for this, which is not minimal. There is reference in the Bill to the hiring of executive directors, to the requirement for inspectors, analysts, to even the payment of the people on the Authority. But I have not seen any projections on the revenue side of the equation. And as I listened to the Minister of Finance deliver his budget speech, he referred to the fragility of our economy. So this uncertainty does not align, in my view, with the fragility of Bermuda's economy.

The comment I have heard recently, that Bermudians will smoke cannabis with or without this legislation, does not resonate with me. The time for leaders to put values ahead of politics is now. This Bill sends a dangerous and concerning message to our youth in particular. I am not willing to jeopardise the health of more Bermudians so that a limited few may

benefit financially from commercialising a product that has so many detrimental physical and mental consequences, and compromises the healthy brain development of our young adults.

To repeat my opening remarks, the Government has done an outstanding job managing the COVID-19 pandemic and related issues in Bermuda. This was accomplished by prioritising public health over the economy. They listened to the science. As it relates to the Bill entitled Cannabis Licensing Act 2021, I ask the Government to reconsider this Bill and again prioritise the science and health of our community above all else.

Thank you, Madam President.

**The President:** Thank you, Senator Wight.

Senators, it is now 12:30. And I am recommending that we adjourn for lunch. And we will return at two o'clock. Not 2:15 as we normally do; we will come back at 2:00.

Thank you.

**Proceedings suspended at 12:30 pm**

**Proceedings resumed at 2:00 pm**

*[Sen. the Hon. Joan E. Dillas-Wright, President, presiding]*

## BILL

### SECOND READING

#### CANNABIS LICENSING ACT 2020

*[Continuation thereof]*

**The President:** Good afternoon, Senators, and the listening public.

Senators, we have returned from lunch. Prior to [lunch] we were debating the Cannabis Licensing Act 2021 and this morning we had Senator Jones, Senator Michelle Simmons, and Senator Wight speak on the Bill.

The floor is now open for any other Senator to speak.

Senator Richardson, you have the floor

**Sen. Curtis Richardson:** Thank you, Madam President, and good afternoon to all my fellow Senators and listening audience.

I would like to speak on this Bill that is being presented, the Cannabis Licensing Act 2021. What I would like to say, Madam President, is what this Bill is. This Bill is progressive. This Bill is a direct response from a responsible Government who is answering to the electorate. What this Bill is not is not speaking to the legalisation of cannabis. I have heard Senators and others speak of cannabis as a drug.

Cannabis is not a drug. I know that the impacts of someone's use of cannabis have been outlined by other Senators who are concerned about its use. I would like to point out that alcohol, although this Bill does not speak to it, has damaging effects and it is a toxic that is used by persons of 18 years and older.

I believe that regulation is a key. Illicit drug use is a target of that regulation. I do not know personally any drug dealers, myself. So I do not know what they would actually speak on and how much money they are charging for the illicit use and trade of this cannabis, so I cannot speak on that as freely as others may be able to.

I would like to speak further on a narrative that I've heard. This narrative speaks to *This Bill is not for you*. I would like to seek some clarification of whom that "you" is. I am not sure if we are talking about Two Bermudas where some section of Bermudians this Bill is for, and I am not sure if it was meant that another particular section of Bermuda this Bill is not for. I can say confidently that this Bill speaks to the availability of an opportunity for all Bermudians. And the opportunity that I speak of is an economic opportunity for those who want to [dive] into the entrepreneurship of it. So I am not sure exactly who the "you" is. So maybe Senators who have spoken that [narrative] could clarify who that "you" is that it is not for. I believe that it is a bit of a disrespectful, demeaning and separative statement to say that *this Bill is not for you*.

The interested persons will do whatever they must do to establish a business under the regulatory processes that this Bill would allow for. I believe that if someone is interested in entering this industry to establish a business they will do whatever they have to do to start that business up. I do not think someone's finances or the ability to pay for the start-up costs of the business should be brought to question because it is presumptuous to say that someone would not have the finances available to start up a business.

The illegal market of cannabis use and distribution exists. And I believe that we all know that. If we do not do anything, [this would be] the worst thing that we [could] do. Cannabis reform has been talked about for many, many years. This Government is actually acting on what has been said and what has been asked for and is responding responsibly.

I believe we need to be mindful that there are opportunities for many to take advantage of within this Bill. This Bill speaks to different tiers of licensing that has been outlined already: to cultivate, to distribute by way of retail shops, to import it, to manufacture for edible as well as medicinal purpose uses, to export it. What a wonderful thing that could be. And a research licence allows for persons to get educated on exactly what properties cannabis holds, to be able to transport it in and around the Island for the purposes of commercial use.

I believe it is easy for anyone to see that there is a great opportunity here. I cannot stress this any-

more than to ask that any Senators who are doubtful of this Bill to really think about the benefits that it can do and not so much get hung up on the belief that cannabis is a drug, cannabis is being misused. It is a fact that cannabis can be regulated, the use and distribution of it in many forms.

We are talking about economic stimulus, and this is one of the ways that someone who is interested could take advantage of that. I do not think there is any need to dictate scare tactics, scaremongering about how hard it might be for someone to establish a business, how much it might cost to do that, whether they can secure the funding or not. I just think it is unnecessary and it is distracting. Again, focus on the educational and learning opportunities that come with that.

If I could just jump to [the] progression timeline, it speaks to where this Bill is at. It is not the beginning nor is it the end of cannabis reform. And real quickly, in 2016 the allowance of medicinal cannabis was put into place by Government, under law. The International Narcotic Convention says you can import 1 gram of medicinal cannabis per year. I am going to jump back to that a little later.

In 2017, the [Misuse of Drugs] (Decriminalisation of Cannabis) Amendment Act was put forward. In 2019, the Medicinal Cannabis Bill was put forward to regulate cultivation, import, export and manufacture, research, development and transport. And it speaks to the licensing. So a natural progression from 2019 to now, where in 2021 a Bill that was announced for the Cannabis Licensing Act. I believe the progression, if you jump back to the 2016 allowance of medicinal cannabis, it just makes logical sense for us to be able to locally cultivate cannabis for medicinal purposes. With the 1 gram a year restriction, or ability, I should say, being already outlined to cultivate locally means that we can produce more than 1 gram a year. (*It can be produced, not "we"*). It can be produced in greater volume.

I just think, as I close, that as I stated before, this is just the beginning. I believe that full support for this portion of cannabis reform is vital. And it is essential. And I believe that all parties who were not only a part of the consultation, but also the persons involved in actually implementing these plans and these Acts and these Bills to put policies in place, need to be applauded. And if anything, concentrate on what the Bill is and not on one's perceptions of cannabis, which has many other derogatory terms used to describe it. This, again, is progression.

And with that, Madam President, I encourage anyone who has any doubt whether or not this Bill is good for the community to really take another look at it.

Thank you, Madam President.

**The President:** Thank you, Senator Richardson.

Would any other Senator care to speak on this Bill?

Senator Tucker, you have the floor.

**Sen. Robin Tucker:** Good afternoon, Madam President.

**The President:** Good afternoon.

**Sen. Robin Tucker:** Madam President, cannabis is the most commonly cultivated, trafficked, and abused illicit drug worldwide. This Bill establishes a Cannabis Licensing Authority to control the cultivation, manufacture, sale, import and export of cannabis and medicinal cannabis. And it seeks to provide an opportunity to allow disenfranchised persons to be able to participate in the economy which is intended, at least the Bill says, to create an opportunity to have an influx of money into this country.

Madam President, there is no need to continue to talk, from my perspective, about the benefits of medicinal cannabis. We all know that medicinal cannabis is available in Bermuda for people who have medical challenges. The OBA sorted that out in 2017.

Madam President, the impact that the Black market cannabis activity has had on Black males has been very difficult to watch. Many persons convicted of cannabis-related offences have been incarcerated and prevented from traveling to the United States. They have lost employment opportunities, educational opportunities, sporting opportunities and other positive travel opportunities available to them. I personally know of someone who got caught with a joint when he was 19 years old. He is now in his 30s. And he has a father in the US and he has been trying to get a green card to go; he can't. Or, at least, at this point he can't. He has been trying for years.

The Government further wishes to make cannabis cultivation its use and its distribution legal without directly addressing the issues of those who have already been negatively impacted by the justice system. For someone to establish a real profitable cannabis business, it will take significant time and financial investment to develop, particularly a cannabis export business. They will need facilities for research, proper testing facilities, [and] packaging facilities. They will need to hire specialised expertise. That expertise is unlikely to be found in Bermuda.

I have done some research and conservative estimates start at around \$250,000 to establish a recreational cannabis business. Who has that type of money? Certainly not the everyday people who have been caught with the joint like the person I have mentioned. I highly doubt that the everyday person who may be involved in the local Black market will have \$250,000 at a [minimum] to start a cannabis business. So is this corporate cannabis? Time will truly tell if this Bill gets passed. But I believe it is.

This Bill gives Government control of the local cannabis industry. In effect, Government becomes the primary dealer and encourages people to be in a business that has a negative impact mainly for our Black Bermudian families. So, Madam President, we have Black people selling to Black people.

While there is an appetite by some to pass this legislation, there are additional matters that must be considered. There has been no mention about mandatory training for licensees and workers on the health benefits and risks of cannabis. No mention of responsible sale techniques of cannabis and cannabis products as a licensing requirement.

Has there been consultation with the medical community for feedback on the health risks? I know that Senator Wight did mention that one segment of the medical community has not even been consulted by the Government. Some people only choose to acknowledge the benefits derived from recreational cannabis, but we must give attention to all the associated risks. Several of them have been mentioned here today.

THC, tetrahydrocannabinol, is the property in cannabis that is responsible for making you high. It can impair safe driving [and] pose issues for people who are operating heavy machinery, which can lead to an increase in accidents, workplace accidents and so on. One of the problems is that there is no test presently available to determine how much of that THC is actually in your system. So if you got in an accident, Madam President, and you had also been drinking alcohol along with your cannabis, it will be very difficult for anyone to tell whether the cannabis or the alcohol was primarily responsible for your impaired driving.

We have to also consider things that may happen in the workplace. Employers who do not currently have substance abuse policies will certainly need to shore them up. Employees may see regular and more randomised drug testing. And employees also should know that there is no protection in this legislation for an employee who is disciplined if cannabis affects their work performance. And I only raise that . . . I recognise that this is about cannabis licensing, but I raise that point as an additional thing to think about when we are considering about whether to pass this legislation.

Madam President, the most concerning thing to me about this particular Bill is that this legislation offers little to almost no real tangible protection for children, persons who have mental illnesses, or addicts. It has been recognised by the Government that these challenges exist.

Madam President, may I read a quote?

**The President:** Yes, you may.

**Sen. Robin Tucker:** "It is recognised health risks for cannabis users are heightened for adolescents, per-

sons with medical health challenges, or family history of such, individuals with cardiovascular problems and pregnant women. These high-risk factors can be worsened by initial cannabis use in early adulthood, near daily use, smoking the drug and by consuming it with excessively high TSC levels.”

That quote was taken from an op-ed that the Attorney General did in July 2020. So there is clear recognition that there are health risks to the people of this country.

Research regarding cannabis and teen development, as was mentioned here today, [shows] the brain is not fully developed until age 25. The CDC [Centers for Disease Control] notes that negative effects of cannabis for children include risks of mental health issues, impaired driving, declines in school performance, and potential for addiction.

If I may, Madam President, I would like to read another quote?

**The President:** Mm-hmm.

**Sen. Robin Tucker:** This quote has actually come from the Government of Canada. And I think that this is important to note because we are using Canada as our model.

This came from a Canadian Government fact sheet. “Cannabis use that begins early in adolescence that is frequent and continues over time has been associated with risks of harms. Some of those harms may not be fully reversible. Youth are especially vulnerable to the effects of cannabis on brain development and functioning. This is because THC in cannabis affects the same biological system in the brain that directs brain development.”

Madam President, this Bill allows also for cannabis retail shops to sell dry cannabis, cannabis oils, edibles, and other forms of cannabis. Edible cannabis includes things like cookies, cupcakes, gummies, candies, sweets, beverages, and even ice cream is available. Will the shops check every single person’s identification to ensure that they are 21 years or older? We are supposed to be checking identifications in our bars and it is not happening. So how can we be assured that it would happen in a retail cannabis shop? I am not confident that this is going to be the case.

I do have to join, and I believe it was Senator Simmons that asked this question: If the science says that the brain is not fully developed until 25 years, why are we allowing people to do it at age 21? Now, in case you are wondering if I am going off on a tangent, I am not because I am coming back to the edible cannabis point that I was making. Edibles are ingested and are alternatives to smoking or using cannabis in other types of ways. One of the important things to be aware of is the fact that edible cannabis, the effects of the THC in the edible cannabis, may not be seen and are often not seen right away. So someone could be

high after having edible cannabis as much as eight hours after they have had it. That is a huge concern.

Also, as it relates to edible cannabis, because as I said, it could be cookies, it could be candy, it could be anything. We run the risk of even children mistaking it for something that is a normal and a proper food for them to eat. There are serious health impacts for young children who ingest cannabis edibles.

I found a study that came out of Colorado. The rate of marijuana exposure in young children, many of them toddlers, they found increased 150 per cent since 2014 when recreational marijuana products went on the market legally. The legislation also does not say a whole lot about mandating child-resistant packaging and applying appropriate warning labels to ensure that our children are not adversely impacted.

Now, Madam President, it is no secret that our young people, our adolescents, and our young adults in Bermuda are using cannabis, whether they are smoking it, vaping, dabbing, using a shatter method, eating or drinking it. However, it is our responsibility, it is our collective responsibility, to ensure that we protect either those who are not able to protect themselves, or do not even realise that they need protecting.

I have heard quite a bit in the community, people have made comments that parents need to educate their children. And that is 110 per cent true. However, Madam President, if we are honest, not all parents are responsible. And some parents need to be educated themselves on the potential harmful effects of cannabis. We have people in this country, we have parents in this country who are using cannabis with their children. We need to tell the truth about what is happening here. Some parents have introduced it to their children. I know of a little child who is five years old who has been taught how to roll a joint. Not everybody is responsible.

The Government of Canada notes that cannabis use increases the risk of developing mental illnesses like psychosis and schizophrenia. As Senator Simmons mentioned in her speech, cannabis use has been associated with increased risks of suicide. It also has increased risks of depression and anxiety disorders.

Now, Madam President, now despite some of the myths that are going around about whether people can be addicted to cannabis, they can be addicted to cannabis. There is actually something in the DSM-5, and just to let people know what DSM-5 is: it is the *Diagnostic and Statistical Manual of Mental Disorders*, that the American Psychology Association [APA] uses to diagnose mental disorders. The DSM-5 includes a disorder called “cannabis use disorder.” So it can be addictive and also a psychological disorder.

Madam President, where are the local, social and mental health cannabis impact studies? Have we investigated whether there is a correlation between poor educational outcomes, suicide rates, road traffic

accidents or mental health and cannabis abuse? These are just to name a few of the current social harms that we have going on in this country.

The schools and social services agencies on the Island are currently challenged. They are challenged because they are trying to help young people who use cannabis [in addition to] other social problems in this country. That is not the only reason, but that is a reason and things that are connected to it. This legislation does not speak to that.

The biggest problem I have with it, Madam President, is that it does not protect our young people. It gives freedoms. It gives people the ability to do their thing and get high without the fear of the legal system, to a certain amount. But it does not prevent young people from using cannabis. And it provides insufficient safeguards to prevent easy access.

The research suggests that legalising cannabis results in increased use. So what additional support services will be in place to assist us? Is this the best that we can offer our children? Is this what we want for Bermuda? The risks to the health and well-being of our future generations outweigh any anticipated, particularly financial, benefits.

Madam President, while my comments may be seen as maybe even overly negative by some, I support the general intent of this legislation. As I mentioned earlier, we have a number of Black males, particularly, who have challenges. But I cannot support this legislation as it stands. There are many critical issues that must be resolved before we add any additional social pressures. Government's control, otherwise known as regulating the cannabis black market, has potential to be quite profitable. But where do we draw the line? We must put people over profit. The question is: How will that money be spent? Will it be spent on funding drug education and social programmes to the level at which it should be funded?

Madam President, the country already struggles with alcohol and substance abuse issues. Physical and mental health challenges, people self-medicating, crime, limited and oversubscribed support services, poor educational outcomes, debt, job loss, the list can go on and on. The question, though, Madam President, is what side of history do we want to be on? The impact of passing this Bill, as it stands, to our community, on our children and Bermuda as a whole, will not be seen immediately but in years to come. And those persons who are currently in support will bear some of the responsibility for the outcomes. This legislation must be gotten right first. If we do not, the genie will be out of the bottle and there is no going back.

I will conclude with this, Madam President. I have given this a lot of thought. But what I come back to is, How can I as a citizen of this country, as a grandmother and a mother, be able to look my grandchildren in the eyes and tell them about the dangers of cannabis knowing that I supported this Bill that has

the potential to harm society and provides them with little to no protection?

I cannot, and I will not.

Madam President, my hope is that the Government will take another look at this Bill. My more optimistic view is that this Bill will not pass. I believe that as Bermudians we are better than this. And I believe that it is incumbent on the Government and others to find another way to motivate and encourage entrepreneurship and empower persons who have the skills to engage in the cannabis black market—to hopefully get them out of it—in order that they can gain the wealth that the Government says they would like them to have without doing it at the expense of our Bermudian children and our Bermudian families. Thank you, Madam President.

**The President:** Thank you, Senator Tucker.

Would any other Senator care to speak on this Bill?

Senator Smith, you have the floor.

**Sen. Ben Smith:** Thank you, Madam President.

Madam President, I would like to start where this debate started in the beginning with Honourable Minister Peets laying out the fact that he has to wear multiple hats and what that means when he is trying to make a contribution in this kind of debate, because I understand [about] wearing multiple hats: Shadow of Education, Shadow of Sports and Culture, and the National Swimming Coach of Bermuda. But all of those align with my responsibility to make sure we are doing what is best for our young people.

Madam President, I waited last Friday in another place to hear the support that was going to come from very important ministries and what their position was on this legislation, and it did not happen. The difficulty is that when you are making the kind of decision that we are expected to make today, [which] will have ramifications for generations to come . . . because we do not know. We do not know what the outcome is going to be, because the legalisation is new in a lot of other jurisdictions, the ones we are looking to for our information.

So, Madam President, I was really happy today to hear Senator Michelle Simmons speak on education, and speak to the potential risk to our young people, because I expected to hear that from the Minister of Education. It is difficult for me to understand, when we are in the situation that we are in Bermuda at present, with our people lined up to get food, with our public education system having to be completely started fresh because we do not seem to be able to get it right and it has happened over and over again for a continuous period of time, how *this* becomes the priority.

If you told me that this legislation was about getting our people off the stop list, then I would understand, because the communication that happened

prior to today was a lot on that line. We have people who, over generations, have been hurt by the way the legal system has dealt with young Black males, specifically, in an unfair way, because of the illegal cannabis trade. But Madam President, this Bill does not address that. It does not address it at all. There are some misconceptions that being on the stop list is just for drug offences. It is multiple criminal offences that put you in that category. It is also the perceived drug addiction or abuse that can put you on that list. That is an important thing for people to understand. You did not have to have a conviction.

So, when you look at the legislation, and there are multiple times where it talks about the penalties and how we can see . . . yes, some areas will have less criminality; but we are actually increasing other areas where we could see criminality. So are we still putting our young, Black males on the stop list? Is that part of what we are trying to do here?

If you want me to clarify, the Minister talked about when you go through the regulations of cannabis, there will be areas where people who are not participating in the regular legal portion of what is being put forward, will be criminals. In Bermuda you have heard people say that we are scaring people when we talk about how expensive it is to do business in Bermuda. But that is a reality. If you are a small entrepreneur in Bermuda and you want to start up, it is expensive. But it is not just expensive with the money that you have to pay, it is the time that it takes to do everything in Bermuda, which sets you up behind.

But the double problem is that it also puts the advantage to the people who already have money, who already have the ability to invest, that already have the infrastructure in place, the people who have already set up all the contacts, the ones who are presently hoping that this Bill will pass so that they can start to make money off of giving marijuana to our people.

So, Madam President, it was interesting that we did not hear anything from the Minister of Health. But today when we hear from Senator Wight some of the information that was provided to Health, you can understand why—because it does not fit the narrative of moving in this direction. If the risks are that high, then shouldn't we be looking at how we are going to safeguard our population? Shouldn't that be the priority?

Madam President, in my opinion, we are putting the cart before the horse. If it is important for us to educate our people and to give the support to the services that it is going to take for drug counselling and prevention and all the support that is going to be needed for the issues that come when you decriminalise fully and commercialise cannabis, how are we doing that? Is that going to happen from the Bill that we see?

Madam President, it is an interesting numbers game. If you have to hire one person to be in charge

of whatever the new regulation is going to be, let's think about what the salary is. Then tell me how many licences we will have to give to cover the cost of that one person. The reason I bring that up is because when you look at the other jurisdictions that have done this, they have actually brought in millions, if not billions of dollars in revenue from the taxation of cannabis. Minister Peets was very careful to leave taxation out. He said that that is not something that we are going to be discussing today. I am paraphrasing. Those were not his exact words, but I noted that it was not available today.

But it is important that we have an understanding of what that is because there is a cost of regulating cannabis. A significant cost, because the millions and billions of dollars that have been brought in by California and Colorado and Canada have not been able to cover the cost of the regulation. Bermuda is a much more expensive jurisdiction, so if we think that we are going to be able to cover our education, cover our regulation, cover the protection of our children, cover all the increases of hospital visits, cover all the costs of fixing walls that people are driving through just off the licensing, then we are not being honest to our population.

Most of the states in the United States have moved toward this because they saw the revenue of the taxation. But understand something. When you tax cannabis in Bermuda, you are comparing the black market that is flourishing today to regulated business which already has costs associated with it to pay for your employees. If you are now going to have a brick-and-mortar establishment, you are going to have to pay for the electricity, the insurance. Your employees are going to have benefits that you are going to have to pay for. All of those costs will make your product look different than the black market product.

But the starting point will make it look equal because we will not have a tax. But what happens when the tax comes? If I am the person who spent all of my time and energy to put in that cannabis business, and did everything that the Government is expecting of me to follow all the regulations, and now I am having to share the market with the people who are not following any of those rules, I am not going to be happy about it. And that is when the rubber will meet the road. That is when we will figure out whether the corporate cannabis that we have created will be the ones that will challenge the system and have us criminalise the people in the black market—that same black market that is still flourishing in all the jurisdictions that everybody in here who has done their research has looked at, across the board. The black market is still flourishing.

So, Madam President, if we are not going to stop the people [who are engaged in the black market], and really if you cut to the chase, mostly the people who are going to have access to the business are going to be the ones who already have the means

to do it. The two main points for doing this have gone away. So our focus should be on how we can prevent our young people from getting engaged in this industry because that is the part that is a little off. Either we are really excited about the cannabis industry and we are going to encourage our young people to take part in the cannabis industry because we want people to participate in cannabis, or we are going to spend all of our time and energy to tell them and educate them that they should not be participating in cannabis. It is confusing. Which one are we doing?

Madam President, another reason why the black market is going to look at this legislation and wonder why they should change is because when you regulate it you are going to have an expectation that, yes, you are protecting your people. So you are not going to have the same THC level. You are not going to do things [at] the level of the black market.

Well, Madam President, let us not be confused. Most people when they talk about the positive parts of cannabis always refer to the medicinal. But recreational cannabis is about getting high. So for us to think that we are going to control the high is naïve, because the market will determine that the people who want to get high are going to find that high, which will mean that that other business will continue to happen. Why wouldn't it?

Just remember, at present, we have no way of banking it. So what is the incentive? What is the incentive for the person who is right now making a lot of cash and putting it in our economy by paying for things in cash, and the new business [which] will have the same issue? Because if you do your research into setting up these businesses in California and in Colorado, specifically . . . I contacted a business owner and said, *Can you explain the details from the beginning to the end? What does it look like?* With the amount of security that you have to provide, not only to protect your product, but to protect the proceeds—because you cannot bank it . . . so now you have lots and lots of cash lying around. Well, it seems like when you have a country that has an economy problem, you have increased the interest in a criminal activity. The reason you have to have all the security is because people want to take that cash cow that you have created from you for themselves. This is not the part of the story that most people tell when they are speaking for cannabis.

Madam President, this is not us saying that we are against cannabis and against people who participate in cannabis, specifically adults who are responsible. That is not what this is. But, Madam President, when you do this without having all of the pieces in place to protect your population, knowing in advance what impact it has had in other jurisdictions, you are putting the cart before the horse. Our job needs to be to protect our people.

Once again, for our young people . . . so the age is 21. Well, the age for drinking in Bermuda is 18.

That does not stop people from drinking. But one of the things that happens with alcohol is its availability. There is wine and beer or bottles in your house, so the child has access to it when parents are asleep. And this is not stuff that . . . I mean, everybody in Bermuda knows that this is the case. It happens all over the Island. The cannabis behaviour is in the shadows. It is not in the open. You do not have the same level of availability because at the moment you cannot do just whatever you want with it. But now it changes.

And whether we like it or not, it is not always the message but the messenger. When the Honourable and Learned Attorney General is the person that is bringing the Bill forward while also holding the responsibility to protect us from drugs, and when the Minister of Sport is expected to be the person to bring it to us in the Senate . . . man, what a message to our young people.

Just understand that our athletes will not be able to partake. They are still going to get tested. They still will not be able to travel if they get caught out. But the mind-set, the perception will have changed. And the people in Bermuda who are working hard right now to encourage our young people to do the right thing, to encourage our young people to strive for the best, to be able to compete on a world stage in sports, in education, and in business . . . what message are we sending them? That this is our priority? How did we get here? We know the risks. We have all explained, we have heard it multiple times today, we know the risks.

Madam President, I can speak personally of the impact, not based off of hearsay. Many of you would have seen in the paper recently that a former Olympian from Bermuda was down and out, drug abuse, and had a stroke. He is the same age as me. He was a swimmer. I grew up with him. He was one of my best friends, one of my cousins. He is a family member—one of the most talented Bermudians ever. Alcohol, then marijuana, and then the marijuana was laced, and now he ends up where he is.

I understand the idea that this legislation is supposed to try to protect this next generation from the laced part. But how? We have not stopped the black market. If we have the ability to stop it, let's do it today!

There were some statistics that were presented today on the consumption of different drugs. And we have heard this . . . I was actually shocked the first time I heard it last week in another place, but I actually heard it again today. [We heard] that cannabis is in our culture. Well, if you actually listen to the stats that came out today, the fact that we consume alcohol at a very high level, and cannabis very closely to that, then maybe alcohol and alcohol abuse is also a part of our culture. But do you know what the problem with that is? Our job is to try to get our country to do better. We should not be going around telling everybody that the

culture of Bermuda is cannabis because now the culture of Bermuda is *we self-medicate*.

That is our culture.

We self-medicate because, Madam President, there are a lot of problems in Bermuda. And what we are doing is making ourselves numb every day so that we do not have to deal with those problems. Well, Madam President, giving access to more things for us to numb ourselves with is not the answer. We actually need to tackle the problems. That should be our priority. That should be our focus. Unless what we are saying is, *We are giving up. It's okay that our young people are drinking too much. It's okay that they are doing too much cannabis. Oh, you know what? We are going to regulate it; that is going to make it better.*

We should be spending all of our time and energy to educate them to prevent that. But Madam President, we do not have the resources for that today. The people in that industry, the people who are in our support industry, know we do not have the resources because it is so prevalent. And as the economy gets worse, and the situation in Bermuda continues to go in the direction that it is going, the self-medication will continue to rise.

Madam President, the question that we have to ask is, Is corporate cannabis going to help that or slow it down? I think that what we should be doing in this Senate is trying to prevent that negative impact on our population. Because guess what we do? We have sin tax over here. We are going to increase the tax on tobacco, and we increase the tax on alcohol, and it is supposed to be a way for us to reduce the consumption of those but the truth of the matter is that it just becomes money that we dump into the pile and the behaviour stays the same. We added one. We added sugar tax because we have an unhealthy population. We did not do the education first. We did not try to fix the problem first. We taxed it.

Once again, we have moved to the money side of this first. Fast forward five years from now; will we be continuing to increase the tax on cannabis in order to control the consumption the way we do alcohol and tobacco?

And, Madam President, this is not me defending tobacco and alcohol businesses that happen now, as some people would like to put forward. And we are stopping the Black entrepreneur from being part of the cannabis industry. Because last time I checked, there is not anything in the Bill that says that a white person cannot get involved. So Black or white, getting involved in this business is a possibility, unless there is somebody who is going to tell me that there is an amendment that puts race in who can have a licence.

But Madam President, I believe after looking at this Bill and the fact that it does not deal with the stop list, the fact that we will continue to see a black market, we will continue to see our people be made out to [be] criminals, the fact that we will continue to see our young people falling prey to the cycle of self-

medication . . . then maybe that is why this Bill is a corporate cannabis Bill. And five years from now we will see who the future Gosling family is for cannabis, because other than that it does not make any sense how we got here.

If what we are discussing today is how we can take advantage of our people to make money, then this should not be happening. For that reason, Madam President, there is no possible way that I can support this. Not when I spend my days trying to encourage our young people to reach their full potential. That should be our goal. Because if we can get our young people to reach their full potential in education, in the workplace, that is how Bermuda is going to get out of our issues and start not just surviving but thriving.

We cannot put another obstacle in their way. Thank you, Madam President.

## ANNOUNCEMENT BY THE PRESIDENT

### SENATE VISITOR

**The President:** Thank you, Senator Smith.

And before I ask if another Senator wants to speak, I would just like to acknowledge the presence of the Honourable Cole Simons, the Opposition Leader.

Welcome to the Chamber, sir.

*[The Cannabis Licensing Act 2021, second reading debate, continuing]*

**The President:** Would any other Senator care to speak on this Bill?

Senator Lindsay Simmons. You have the floor.

**Sen. Lindsay Simmons:** Thank you, Madam President.

First of all, I would like to thank the Attorney General and her team for bringing this Bill forward. It is definitely needed. It is actually disappointing to see the other Members opposing this Bill. At the end of the day, this journey is not over regardless of what the outcome is today.

As somebody who has never used cannabis, I 100 per cent support this Bill for various reasons. I believe that cannabis should be allowed under the Government's regulatory powers in Bermuda under the current legislation. Cannabis is a plant and is natural. It can help many lives if it becomes regulated. One of them is to reverse the preconceived notions, remove unfamiliarity and to educate people on the known and unknown about cannabis.

Over the years I have constantly been an advocate for young people within the community and I have seen several of them caught up in the system because of minor cannabis offences. This legislation aims to protect our children. As a community, any pol-

icy on cannabis has to primarily consider the potential that impacts our children and young persons. The Government fully shares in the public's uneasiness about the potential negative impact upon young people.

Our young people's attitude to cannabis is generally responsible. They largely perceive that smoking cannabis sometimes or frequently is harmful. On average, 80 per cent of school-aged kids report that they have used cannabis in their lifetime. According to them, cannabis is easy to obtain. Young persons are more likely to use cannabis at a friend's house, at home, or a social event. Most young people who admit to using cannabis have smoked it.

This Bill has set an age restriction of 21 to obtain a licence to work for a licenced establishment and to consume cannabis or cannabis products. Setting an age of 21 is to protect the developing brain, based on strong scientific evidence that when people begin using cannabis as teenagers the drug may impair thinking, memory and learning functions, and affects how the brain builds connections between the areas necessary to function, including the loss of IQ. The adolescent brain is thought to stop developing at the age of 25. Bermuda is following the Canadian model which sets an age limit of 21. [If the] age limit [is] any higher than 21 [there is the] risk potentially of exposing the age group (21 to 25) to [charges of] criminally supplying cannabis. Also, constitutionally claims of discrimination can occur.

Madam President, the National Institutes of Health has undertaken a 10-year scientific study called the "ABCD Study" [on] adolescent's brain, cognitive development and soft issues, including cannabis. The result of this study will give greater certainty about the harmful effects of cannabis on adolescent's brains and cognitive development.

This licensing regime will also include restrictions on promotion and packaging of cannabis directed at youth, [with] additional express provisions placing restrictions on packaging of cannabis and cannabis products so that they are not seen to be appealing to youths. This will be legislated. Until the medical research is conclusive, the intention is to take a cautious approach for our young people, reducing the age limit for cannabis among adolescents and young adults.

The Cannabis Licensing Authority will work in partnership with the Department of National Drug Control (DNDC) to develop the educational programmes for school-aged persons, emphasise personal responsibilities and promote abstinence. The DNDC will continue to monitor and track cannabis use data among young people and adults and supply reports to the Minister responsible for drug prevention.

Cannabis use public awareness campaigns will be focused in the same way as alcohol. As you see Madam President, alcohol is a huge problem in Bermuda. And we feel that the black market of canna-

bis needs to be regulated as well. The criminal offence related to providing cannabis to a person under the age of 21 with penalties is also included in the regime. So we are looking to protect our young people, unlike what my fellow Senators are trying to say. Young persons found in possession of cannabis will automatically be diverted into a substance abuse training or treatment programme. To protect the public from dangerous strains of cannabis the Minister may restrict the sale, supply, cultivation, importing or manufacturing of certain strains of cannabis or medical cannabis. These and other protection measures will continue to evolve as the regulatory regime is to enhance additional regulations. The Minister will be responsible to keep the operations of the Act under review. After two years of the law being in operation, the Minister is responsible for conducting a comprehensive review and report to the Legislature.

Madam President, in addition, a fair legal system would be [that] the Government looks to move the cannabis sales out of the streets that are being dominated by criminal activity. Our Black men are being disenfranchised, and continuing this line will only disenfranchise them more. Regulating it will help to stop disenfranchising our Black men.

By regulating the market we can begin to ensure that criminal groups and gangs do not make billions of dollars in profits every year. And those strict regulated sales could safeguard people from consuming cannabis polluted with other dangerous—

**Sen. Marcus Jones:** Point of order, Madam President.

**The President:** What is your point of order?

**POINT OF ORDER**  
*[Standing Order 49(10)]*

**Sen. Marcus Jones:** My point of order is . . . as good and as well as the Senator is doing, it appears that she is reading more than she is actually giving the speech. I would like for you to arbitrate that.

Thank you, Madam President.

**The President:** I am giving her the opportunity to . . .

**Sen. Lindsay Simmons:** Thank you.

**The President:** Carry on, Senator Simmons.

**Sen. Lindsay Simmons:** And this will safeguard our young people.

Now is the time that we are progressive as a country and we regulate the recreational use of cannabis. I believe that this Bill needs to be passed and I hope that the Senators on the other side will realise that this is the only way forward. Doing nothing and continuing down the same road is not helping Bermu-

da. So passing this Bill is something that needs to happen.

Thank you, Madam President.

**The President:** Thank you, Senator Lindsay Simmons.

Would any other Senator care to speak at this time?

Senator Hodgson, you have the floor.

**Sen. Adrianna Hodgson:** Thank you, Madam President.

Madam President, when I look back at 2017 and I think about the full support for passing the [Misuse of Drugs] (Decriminalisation of Cannabis) Amendment Act which decriminalised simple possession of up to 7 grams of cannabis, I am a bit confused about the reluctance to support this Bill. While it is unfortunate that we cannot tell where exactly the Opposition Senators stand, giving their hesitancy to take a clear position, I am not surprised. Once again, the Opposition has failed to give any substantive recommendations on how this legislation could better serve our people. And [as] I reflect on the comments from the Government Senators, I cannot help but wonder what they have done as educators and health care professionals to address the issues that affect our young people.

Madam President, given the misinformation shared today I think it is important to highlight a few items. 1) There are protections with further regulations to come; 2) health professionals were consulted; 3) we are not here to debate whether or not cannabis is bad or good.

Madam President, in light of the comments made by the Opposition Senators I am also concerned about their perception that the average Bermudian cannot compete in this space. I want to make it clear that if persons have figured out how to illegally import cannabis over the years, that my Bermudian people can start and grow legal businesses in this new industry.

Madam President, over the past few weeks I have heard comments that suggest that this Bill will expose our children to cannabis, that this Government supports the use of cannabis, and that our Government simply wants to make money off of this new industry. Besides the fact that our children are currently being subjected to the effects of an illicit market, I want to make it clear that there are no taxes provided in the cannabis licensing Bill, and that this Government is actually excited about giving persons the best opportunity to succeed in the initial phases. In that same breath, a profitable motive is not a bad decision. And if the Government can make money off of a good idea, I believe that we should explore it.

Madam President, there are also those persons who believe that this Bill will lead to a drastic increase in consumption amongst Bermudians, and

this is simply not the case. There is no evidence to suggest that the introduction of a regulatory framework will increase the number of users, or that the amount that they consume will increase. If you do not use cannabis, Madam President, it is because you do not want to. It is not because it is illegal. When our party released our platform last year, we committed that, following extensive consultation, Bermuda's new cannabis industry would soon take shape. Madam President, we promised that we would structure the regulation of cannabis to protect our children and create economic opportunity for all, and that the additional revenue generated would be invested in marginalised communities. We also pledged that all Bermudians who have been negatively impacted by cannabis prohibition would be able to apply for a licence and participate in this new industry. As noted in our Throne Speech, we are making good on our promise to bring this Cannabis Licensing Act to the Legislature in this session. And so, again, I am challenged when I hear persons pushing a narrative that suggests that this party would hide behind the Cannabis Licensing Bill to push our ideals on independence.

Madam President, the debate around the legalisation and regulation of cannabis began way back when it was first prohibited. And so it is no surprise that we are here today. As most of us are aware, cannabis is the world's most widely used illicit substance. Bermuda is no different. While there are those who point to the dangers, including the possibility of abuse and addiction, particularly among young people, we have to acknowledge the fact that the perceptions of cannabis have changed drastically over the years and that we now better understand the endless uses of this plant.

Madam President, the truth is that when we look around our Island persons under and over the age of 21 are both using and cultivating cannabis. This is exactly why we are exploring the regulatory framework. This is not about encouraging or discouraging its use; it is about the need to set parameters.

Madam President, while we acknowledge that there are public concerns about the children, I do believe that we have an opportunity which begs a responsibility for us to educate our children on the truths of cannabis. Much like we teach our children about swearing, alcohol, and the effect of media consumption, we need to be able to talk to our children about cannabis and other grown-up activities.

Madam President, I was actually visiting a book store last year and came across illustrated children's book about cannabis. It was interesting because while I was a bit uncomfortable about the idea, I was actually forced to think about the fact that talking about cannabis should be no different than talking about alcohol or the modern idea of sex-positive parenting.

Madam President, we are all adults here. The truth is that when we as adults hide something from

our children it suggests that we are doing something wrong. By avoiding these important conversations with our children, we feed the stigma around cannabis and they become judgemental of it.

Madam President, scare tactics and fear-based approaches have not been effective in preventing substance misuse and in some cases have even contributed to increased rates of use. When we fail to provide guidance, our children are left to make their own decisions and our schools and neighbourhoods deal with the consequences.

Madam President, before I wrap up I think it is also important to acknowledge that some employers are concerned about the implications for employees. Many employers maintain zero tolerance policies on using drugs in and outside the workplace and naturally do not want their employees showing up to work intoxicated. Do not mislead. These new cannabis laws do not prevent employers from applying their workplace safety policies, nor does it allow employees to ignore workplace policies.

Madam President, while most cannabis use happens privately, all cannabis sales currently take place in an illicit market that is undoubtedly driving organised and gang-related criminal activity. Our Government has made a responsible start. We have been guided by the objective of reducing the harms that cannabis can cause, especially for our young people. And we are ensuring the appropriate oversight at every point in the supply chain.

Madam President, while millennials tend to take more of a liberal position when it comes to major issues, the statistics prove that when it comes to cannabis our views are very similar to the senior members of our society. This Government has no intention of legalising or encouraging the use of cannabis. Instead, we are providing a balanced cannabis licensing regime whereby the industry will be regulated by an Authority. Our people will have access to economic opportunities and it will be able to better protect the public health by ensuring the quality of products being consumed in our communities.

Madam President, we cannot just put our heads in the sand and hope for the change we so desperately need. The first step was decriminalisation. Possession of cannabis up to 7 grams remains lawful, and possession of any amount above 7 grams without a licence is subject to seizure and arrest. This new law will go a step further and permit lawful cannabis activities at licensed locations, which means that adults over the age of 21 will be able to consume cannabis in a private home, in a licensed facility, or at a cannabis licensed event.

Madam President, I want the public to understand that use and consumption in public places remains illegal, that carrying out any of the specified activities without a licence is an offence and that driving under the influence of drugs will still be punishable by law. Cannabis retail shops will not be allowed with-

in 100 feet of a church or a school. And planning and zoning laws will still apply to cannabis retail shop locations.

And so, Madam President, while this legislation may not be perfect, I do hope that you will support this Government's efforts to set up a regulated framework for cannabis industry complete with licensed activities and responsible cannabis use for adults. To the entrepreneurs, the elders, and the members of constituency 23 who are looking forward to the passing of this Bill, I ask that you stay tuned. While the lack of support is disappointing, it is consistent with the historic narrative that has never benefited our people.

Rest assured that this journey has just begun. The democratically elected representatives of the people fully support this Bill and I have hope that we can move this legislation forward in the best interest of our people.

Thank you, Madam President.

**The President:** Thank you, Senator Hodgson.

Would any other Senator care to speak on this Bill?

Yes. Senator Owen Darrell, you have the floor.

**Sen. Owen Darrell:** Good afternoon, Madam President.

**The President:** Good afternoon.

**Sen. Owen Darrell:** Good afternoon to the listening audience. Good afternoon to the Attorney General. Good afternoon to the Opposition Leader. Good afternoon to the officers who are in these Chambers today to assist with this debate.

First of all, Madam President, before I get into some remarks that I have jotted down over the last couple of days, weeks, [and] months in preparation for this debate, I would like to just touch on some of the points that I have heard in this debate that has been going on for the last couple of hours.

First of all, Madam President, cannabis is a plant. And if you look in Part 1, section 2 of the Bill that we have been debating today, it states: "All parts of any plant of the genus *Cannabis* . . ." It is not a drug, Madam President; it is a plant.

I do not like the use of the word or the term "black market." I do not know [why]; I just do not like it. But we have heard that all day from other Senators that have been debating today. I like to use the term "illicit" or "illegal" market. Also, I heard the term "floodgates" mentioned. And I would like to say, *Exactly*. The floodgates of cannabis use in this Island are already wide open, Madam President. And that is why this Bill sets out a regulated cannabis regime, so that we do not have to worry about the floodgates opening any further.

“Legal.” I have heard that term quite a bit. Legalisation. In this Bill you will not find the term “legal.” I do not think any of my colleagues today have mentioned the term “legalisation.” We are introducing a regulated cannabis regime, not legalisation. There has been a lot of talk about money—money, more money. One Senator said the dealers he knows will not be able to afford to join the regulated market. Well, that is probably a part of the problem. We have got Senators fraternising with drug dealers. I will leave that for a little later.

Stop lists. We have heard much about the stop lists and how we are going to get people off the stop list. Well, let’s start here. How do we stop our people in this country? I have not heard Bermuda mentioned a lot in this debate. How do we stop our people from getting on the stop list in the first place? And we can worry about how we are going to get them off. But I think that there is a Bill that is going to come on Friday that will speak to that in another place.

Safeguard, safeguard, safeguard, safeguard. We have heard it all day. I would like to ask this question: How well are we currently safeguarding individuals from consuming cannabis in our Island at present? Is doing nothing going to stop students from consuming cannabis in our school bathrooms, in our school stairwells, on their walk to Hamilton, or hanging out in the car park? I do not think so. [To] take safeguards a step further, I heard another Senator in our debate today (she may have been a candidate in constituency 7 where I live) brag about how she knows of a 5-year-old who knows how to roll cannabis. I think we will probably be finished before five, maybe that Senator should take a walk right down to the—

**Sen. Marcus Jones:** Point of order, Madam President.

**Sen. Owen Darrell:** —Department Child and Family Services.

**Sen. Marcus Jones:** Point of order, Madam President.

**The President:** What is your—

**POINT OF ORDER**  
[*Impugning integrity*]

**Sen. Marcus Jones:** I believe the Senator is trying to assume or assert that one Senator is bragging. That was a word that was not used. He is impugning her character and, Madam President, I believe it needs to be stopped. Thank you, Madam President.

**The President:** Senator Darrell, you can continue without the reference—

**Sen. Owen Darrell:** Thank you.

**The President:** —to the Senator.

**Sen. Owen Darrell:** Madam President, it was mentioned last week, and it is ironic that the Minister responsible for culture brought this Bill in this place today. But as I said a minute ago, we have heard very little about Bermuda and the culture of the place where I live, the individuals that I hang out with, the people that I talk with on a daily basis. We have heard very little about culture. Money, youth, black market, but nothing about real life as it pertains to what is happening right now and for the last 50 years in this country.

So, I want to take some time to just go through some of these notes that I have put together over the last, like I said, days, months, weeks.

As we heard earlier, it has been 49 years since we first saw the Misuse of Drugs Act 1972. And since then countless young, Black men, Madam President, have had their lives ruined by the heavy-handed approach of the criminal justice system when it comes to the issue of cannabis. Madam President, in the Bermuda that I live in there is no shortage of stories up and down this Island about men in their twilight years who are unable to travel to the US, unable to go to Canada, or celebrate graduations, accompany their family members on medical procedures or just get away for a shopping trip.

I want to pause and tell a very, very sad story about a young lady who went to school with me. I do not know when it happened, but [she] got in some trouble due to cannabis. I never knew this, but at some point she must have been added to the stop list. I got a call in my professional capacity one day asking me, *What can you do to help your school friend? She is in desperate need of medical attention. What can you do? Who can you call? It is desperate.*

I made a few phone calls. The person on the other line said, *We’ve had calls about this all day.*

I said, *Please, please, please help my schoolmate. She is on the stop list.*

Sad, Madam President, that my school friend got a waiver. She got a waiver on Wednesday. Unfortunately, she passed on Tuesday. So we can sit here and we can talk about taking people off the stop list and what it will not do, but, Madam President, that is culture. That is real talk. That is a real life situation.

Madam President, there are young men in this country who have used small amounts of cannabis. They have gotten caught. They have been sent to jail. They have paid their debt to society only to re-enter a society with more shackles than when they were actually incarcerated. I have heard recent accounts of individuals—yes, they call me all the time—saying, *Hey, I came out of jail. I have a job. I’m providing a legitimate service to my community. I have reputable customers. They pay me good money.* But guess

what? Because of their cannabis conviction, the bank will not bank their money. So maybe that answers the question of another Senator earlier when he said that the drug dealers he knows are not going to have any money to get involved in this regulated cannabis industry.

Yes, they already have the money. It is because the bank won't bank it. It is sitting up in a safe, maybe in their grandmother's closet, which causes other issues of criminality in this country. Maybe by the time this Bill passes they still have that money and they have not been robbed. One can say, *Oh well, tough. Those are the consequences for breaking the law and we shouldn't move the goalpost to accommodate those who choose to break the law.* That view would be fine, Madam President, if, if, if, if, if, if that is where the story actually ended.

However, the justice system shows us glaring disparities and inequalities between Blacks and whites when it comes to criminal convictions connected to cannabis. Why is it that it seems that the police prey on the little guy and go after the most vulnerable when cleaning up the Back o' Town streets? Yet certain establishments in the front of town that are known by everybody to engage in more harmful and openly illicit activity, go unbothered?

Madam President, I am going to pull out my pom-poms now. I am proud to be a Member of the Progressive Labour Party, a party that is willing to challenge the status quo and those who are content to do nothing when it comes to the issue of, yes, Madam President, cannabis use in Bermuda. I am proud to be part of a party who are willing to be bold in looking at ways to reform issues while ensuring that we take a well-balanced approach to such reform.

Madam President, unlike some Senators that I have heard from today, it is no secret that cannabis use in Bermuda is vast. Anyone who enjoys an outdoor event often speaks of the one location in those grounds where cannabis use is prevalent. This is how connected I am to the community. I have even heard it referred to on numerous occasions as "Cannabis Corner." It is almost as if to say that cannabis use is accepted and tolerated as long as you stay in a particular section of the grounds.

Let me tell you another bizarre story, Madam President, if I may. I like to tell stories sometimes, but these are real life stories—culture. I walked into an establishment and, like I do sometimes, I asked for an adult beverage. The person in the establishment said to me, *Sorry, we do not serve alcohol while youth practice is taking place.* Check this one. The irony of that is that in order to get into the establishment I had to walk past a group of young men smoking cannabis in open sight. Isn't that something? The sale of alcohol was regulated, but the use of cannabis was not. Imagine that. And we talk about safeguards.

Madam President, the Bill that we have in front of us today is not a referendum on whether or

not you agree with the consumption of cannabis. What we have today, Madam President, is an opportunity to introduce a regulated cannabis regime which will put safeguards in place and reduce the rampant—yes, the rampant—illicit cannabis market that already exists in Bermuda. A regulated cannabis industry will bring clear structure and oversight to an illicit market that many will say has gotten way out of control, to extremely dangerous levels. Those are the safeguards that we should be worrying about.

Madam President, I consider myself to be fortunate. Many consider me a lot of things, but to my peers I am considered a social butterfly, or a people person. With that said, over the last couple of weeks I did something that many in this Chamber may not have done. I asked a few people inside and outside of my circles to share their views on the possible regulated cannabis industry in Bermuda. With your permission, Madam President, I would like to read some of those quotes from real people. Yes, the culture of Bermuda.

One person said this. "There were many benefits such as revenues and jobs that can be generated. I do not see too much of a difference it would have by creating a regulated cannabis market. I know many people who use CBD oils for pain and relaxation. It is time for us to come out of the Dark Ages and become more progressive." It is a real quote.

Another person in my circle said this. "I have become more open but I still think it is crazy that so many people in Bermuda consume cannabis. But I think regulating it would be a plus for Bermuda."

Another said: "In principle, I do believe that Bermuda needs a cannabis licensing Bill and there are multiple benefits to cannabis. I do have some questions. Yes, we all do. Is the revenue being directed somewhere in particular?" I will get to this later as to why they would ask this question.

But here is the most interesting one of all, Madam President. A cannabis consumer—he was self-proclaimed, said: "It is important to protect consumers from their employers and other members of society who wish to blackball individuals because they find out that they smoke cannabis. What a person does in their time of leisure should be protected."

Isn't that interesting? Here we have an individual who is willing to take a risk by consuming cannabis in an illegal market; yet, he is asking for protection against reputational risks through a regulated cannabis industry.

Madam President, each one of these individuals I chose to have a chat with, in the words of Lord Necktie, are not "diddly bops." The individual comments that I have included are those individuals in our society between the age of 40 and 60. They have university degrees. They hold well-respected careers. To me, this shows that there is a clear appetite for change, that these individuals have had their views

changed through education, travel, and other experiences.

Now I am going to get a little personal here, Madam President, if I may. I would like to take some time examining other jurisdictions that have engaged in this debate long before Bermuda. In 1976, some two years after Bermuda's Misuse of Drugs Act and some 45 years ago, Amsterdam became one of few regulated cannabis jurisdictions in the world with the introduction of their famous "coffee shops." The State of California initially went in the direction of medical cannabis in 1996 before they moved to a regulated recreation cannabis industry in 2016. Colorado, which we have heard more about today, passed a state-wide drug policy for cannabis in 2012, which then led to state licensed retail sales in January 2014. The Nevada regulated cannabis laws went into effect in 2017. There are currently 36 states, Madam President, which have some form of regulated cannabis laws in place.

Then we have Canada who passed a Cannabis Act in 2018. It is important to point out that our Cannabis Licensing Act uses the Canadian model which in two and a half years has been considered a great success (in the research I read).

Why is Bermuda, as we are in so many other aspects, so late to the party? There is no shortage of Bermudians or people in general who choose destinations, like the ones that I have mentioned earlier, as a means of cannabis tourism, some depositing hefty amounts of money into other economies while on vacation. While the only ones benefiting in Bermuda are individuals engaged in an illegal market.

Madam President, I have heard many speak out of fear. I will probably put her on the spot, but I had this conversation with my mom last night. And she admitted, she said, *I don't know*. But the fear is that Bermuda will have people running around recklessly smoking cannabis on every street corner, at every beach, and at every park. From the accounts of some of these other jurisdictions, which I mentioned, quite the opposite has happened.

Story time again. I have a good friend, Madam President, who lives in Littleton, Colorado, a small family town just outside of Denver. He happens to be the godfather of my two children. He is a well-respected educator, an author who is married, has two beautiful children, attends mass every weekend. And I will say this, he is a half-way decent golfer. He coaches high school football. He watches professional sports with a beer during his free time. I am sure you get the picture. You probably all have friends like this. I asked my friend once back in 2014, when they were having their debate on regulated cannabis, *What is your stance on the issue? How do you plan to vote on the issue of cannabis?*

His answer was actually very enlightening, and I will never forget it. He said, *I am going to vote yes, because the revenue from the cannabis industry*

*would be huge!* And they were promised that it would be used to fund the building of schools.

I then asked, *Well, how do you feel about your two young children and cannabis being more readily available to them as they get older?*

His answer was straightforward. He said it was his responsibility as a parent—as a parent—to educate his children effectively on all of the possible dangers of society. In his view that conversation will be no different than the ones that everybody should be having every day, every night at the dinner table about alcohol and tobacco. I revisited this conversation with him yesterday, some six years later. And he said that if he had to do it all over again, he would make the exact same decision.

Colorado has so many jobs that have been provided through the regulated recreational cannabis industry. I spent some time in Colorado. During one of my visits in Colorado in 2017, we went to a baseball game in downtown Denver. While sitting on a rooftop restaurant, which is popular in Colorado, it struck me that I had been in Colorado for three whole days and I had not seen, nor had I smelled, cannabis. So I brought up the conversation and I said, *Where do all the cannabis users hang out?* (Because obviously where I come from there is "Cannabis Corner.")

He looked at me, he smiled, and he said, *My friend, they are sitting all around us.*

I said, *Well, what do you mean? I don't see any smoke. I don't smell any cannabis.*

He said, *It's because it is regulated. People respect it. They respect others. And they have found inconspicuous ways to consume cannabis without anyone knowing, without breaking the law, and without having to hide or be ashamed.*

He said, *You will be hard pressed to find anyone walking around smoking a pre-rolled cannabis cigarette in public.*

Fascinating. Because I am from a place where there is a prohibition on cannabis, and it is open in public. As my curiosity was now piqued, Madam President. I asked if he had ever been to a cannabis dispensary. He had not. And I had not. So, I said, *Well, let's check it out. Do they let people just go and check it out?*

When we arrived at the location it looked like a doctor's office. We went inside to a waiting area and someone came out, took our IDs, and went to process them. They came back a few moments later at which time a separate door opened. We walked into what can only be described as a jewellery store, almost, with different cases. Like, you know, a jewellery store has glass cases of diamonds. Well, it was cannabis items in these glass cases. While we did not purchase anything at the cannabis dispensary, the sales clerk was more than happy to explain the different items, how they were available, along with a menu, a consumption chart, and throughout it all talked about safeguards. I tell you. You could not leave the place

without seeing warning pamphlets, I guess that is the best way I can describe them. Each item was clearly marked with huge letters on them. THC on the packaging. And the level of professionalism was second to none.

I will also note that I saw, as I was looking at our Bill and how they have it set up in Colorado, the stores in Colorado cannot be open past 7:00 pm. And the amount that you can purchase is limited. I have heard similar stories of individuals who have recently visited Las Vegas and most recently, Toronto, Canada.

Madam President, I tell that story to say that the details and provisions that the Cannabis Licensing Act 2021 contains is something that I know Bermuda can benefit from just like Colorado, Nevada and Canada. Why should events be disrupted by unregulated but tolerated illicit Cannabis Corner? Why should the legal and extremely dangerous illicit market continue to flourish while people turn a blind eye?

Madam President, I mentioned earlier that I was proud to be part of a bold and progressive party in the Progressive Labour Party. And I have colleagues who sit in another place who so eloquently delivered and supported the Cannabis Licensing Bill about two weeks ago. However, Madam President, what I cannot figure out is why it is that the One Bermuda Alliance continues to be silent on the issue of regulated cannabis industry in Bermuda for so long. Why have they failed to engage with the public on this issue?

I mean, they said to us earlier that there hasn't been proper consultation. Are they against cannabis reform? Or are they sitting back licking their chops waiting to get in on the action? And yes, Madam President, when I say "action," I mean the money. I have heard them talk about pom-poms before. It is kind of cute, actually. Where are their pom-poms on this issue that has negatively affected so many Bermudians who look like me? I just do not get it!

Some will gladly say and publicly support a former US President of questionable character, but will not publicly encourage their party leader to take a progressive stance on the regulated cannabis reform which has singlehandedly liberated a huge percentage of the Bermudian public. But I guess I should not be surprised because the One Bermuda Alliance has a history of being all over the place with different issues with a whole lot of lip service but doing absolutely nothing.

Madam President, we have the opportunity, and I will say it again, to be bold here today in these Chambers. We have an opportunity to reduce the presence of dangerously laced cannabis in the illegal market. We have the opportunity, Madam President, for my son and my daughter to live in a safer community. We have the opportunity, Madam President, to increase revenues for the Government. Madam President, we have the opportunity to create a host of

much-needed jobs for Bermudians, following this horrible pandemic, from growers to retailers to transportation specialists, researchers.

We have the opportunity to grow this market for those negatively impacted by previous cannabis convictions. Madam President, we have an opportunity to further educate the community. We have an opportunity to follow the example of Canada. We have the opportunity to provide a greater good for the greatest number, by being bold and passing the Cannabis Licensing Act 2021 and introducing a long, overdue regulated cannabis industry in Bermuda.

Thank you, Madam President.

*[Desk thumping]*

**The President:** Thank you, very much, for your comments, Mr. Owen Darrell.

So this just leaves me to make my own comments. Minister Peets spoke about his own history. I just need to let you know a little bit about my own in terms of my previous experience.

I qualified as a nurse and I delivered babies for a number of years. I came back to Bermuda and I worked here in Bermuda in the general health, and then I went into the psychiatric health. I am a counsellor by profession, Masters prepared psychologist and I have worked in the field of addictions for many years. I know most of the people who are working in the field at the moment. In fact, I have helped people to attain their professional qualifications. So I have been aware and around this whole area of addictions for many years.

In delivering babies I have seen the results of mothers who have had babies and have been using either marijuana or stronger drugs. And I have seen that impact on babies—low birth weight, issues around their breathing, their lung capacity. I have also seen young people when MWI [Mid-Atlantic Wellness Institute] was in St. Brendan's [Hospital], working with psychologists who had to deal with young 11-, 12-, 13-, 14-year-old young Bermudian boys who were presenting with psychotic-like behaviours. And I had a lot of discussion with them about the impact of these young people. What is it that triggers it? Is it their psychosis because of hereditary factors? Or is it the marijuana or drugs? And most of them admit it, and I am talking years ago about the impact of our young adolescents.

So Child and Adolescent Services was set up to help deal with some of these issues. And we made sure that some of the counsellors were qualified and had the experience, they were sent overseas to work with this population. And I worked with them. So when I am sitting here listening to a lot of this conversation, I know all about the drug field. I have been out of it for quite a number of years, but I know most of the people who are working in it today.

And I can tell you that I also look at the birth rate. Look at Bermuda's birth rate. If we have 500, 600 babies born a year, that is about it. I have read all the BirDEN reports. I have talked to all the counsellors. And I can tell you that even approaching coming today to have a debate on this particular topic, the doctors tell me they have not been informed. They were not consulted. The counsellors are telling me they have not been involved in the decisions that had been made about this. And so . . . I am surprised. I am taken aback because I have been told that there was broad consultation.

And so, you know, I have also read a lot. I have read about the Canadian situation. I have read about the Colorado situation. I have read about all the incidents that have occurred in Colorado. I have read the Rutgers reports. So I have done a lot of research with respect to the impact of the introduction of recreational marijuana.

Some of you have spoken about the impact on school children. And we also know that, of course, it has been said several times, that the young person's brain does not develop until they are 24, 25. And so therefore if they are using a mind-altering drug between their adolescent period and 24 years old, you know there is going to be some impact. I have family members, I know people who have been exposed to it, and who have had their careers thwarted as a result of making the wrong decisions.

So, you know, I have heard everything that has been said today about young people and how positive . . . whether this Government is seeing this as another pillar of the community, because someone asked me, *Is this another pillar of Bermuda's community? Is this what this is seen as?* Other people have called and said, *You know, Mrs. Dillas-Wright, our budgets were cut. I can't have the counsellors. I can't have the amount . . .* And I am not just talking about during COVID-19. I am talking about before that; they do not have the funding that they needed to really run the service.

So I am saying to you here today that, yes, I have looked at that. I have some concerns too about the fact that while marijuana is freely available in the States, it is still a federal offence. So people will still get charged with federally having possession.

So when I look at this, I know that, yes, the Government would like to implement this Bill and have indicated what it can do for the Island, but I also ask myself, *At what cost?* And for me, this young population that we have where we have a birth rate that is declining and young people not having opportunities, and our education system . . . we have heard how people speak about, you know, the reports that have been . . . the surveys that have been reported. Fine for the people who are adults who want to make the decision, but they should not be making decisions for the children. And sometimes the children are exposed. You know, it is *Don't do what I say, or do what*

*I do.* Or whatever it is. You know, you are trying to teach, but you have to be very, very firm in your convictions when you are bringing up children in this environment.

Bermuda is a very small place. It is a very small place. A lot of people know one another, and they know . . . and I have a number of people who are not related to me who call me "Aunt or Auntie" and they tell me what goes on in their homes. And sometimes if it is a female-headed home—it is not that I am decrying female headed homes—but it is important for our young people to have both male and female people who are guiding them and telling them what they should or should not be doing.

So I have spent a lot of time reading up on all the surveys. I have talked to people in the Caribbean, in Jamaica. I have talked to friends who are in the health profession as well as the counselling profession in Trinidad, all through the Caribbean. I have another family member, a brother, who lives in St. Kitts and Nevis, so all over the Caribbean, as well as Australia, and England. So I think a lot of Bermudians are connected internationally. And so we try to find out what is going on in other jurisdictions. So I have thought very carefully about this Bill, and I have read about it. But I have a major concern about our young people—our children.

So I will say to you that while I appreciate what the Government would like this Bill to do, the Cannabis Licensing Act 2021 is about creating, I think, another pillar of the economy of this Island. And while saying nothing about the possible deleterious impact on the society in creating other social problems, and until the Bill speaks to its positive effect on crime, mental health and social alienation, I cannot at this point support this proposed Cannabis Licensing Act 2021.

And those are my comments. Thank you.

**Sen. the Hon. Dr. Ernest Peets:** Madam President.

**The President:** Yes, Mr. Peets.

**Sen. the Hon. Dr. Ernest Peets:** I was wondering if I could share a few words.

**The President:** Yes, indeed.

**Sen. the Hon. Dr. Ernest Peets:** I am trying to keep my words brief.

The irony of me sitting here today regarding this conversation is just really surreal. I would share with all who are listening that I am not speaking for all the addiction counsellors. I am not speaking for all pastors. But given what I have heard today, I have tried to jot a few notes. And I certainly thank this Honourable Chamber for a little bit of liberty regarding points of order. Most of the Senators here are relatively new. You know, we are not necessarily experts in

any particular field, and we are still getting used to the protocols and the procedures within the Senate. Having said that, I am certainly thankful for the little bit of latitude that has been given today. I noticed a number of points of interest I could have spoken to, but in the interest of allowing the conversation to flow and giving people an opportunity to really communicate is more important to me that trying to hammer down a point of order.

Having said that, the most obvious thing to me would be is all the Senators here today are here because we were appointed. It is, however, our duly elected Members of Parliament, they are elected to represent the ideas as well as the wishes of those who elect them.

I have heard today that somehow this is the commercialisation of cannabis and that there is money being put first. The truth of the matter is I have not met a single drug dealer who doesn't deal drugs simply for the money. They are not concerned about the health or the welfare of the individuals they are selling drugs to. They do not even care about what the product is doing to their customers.

Over the years I have spent, I cannot begin to tell you, how many times since the beginning over the last 20 years I have had opportunities to go look for clients inside of crack houses. I, unfortunately, had the opportunities to work with persons in recovery and their family members to go and pay off drug debts. You know, when you go pay off a drug debt, they do not give you receipt. When you go buy drugs, they do not give you a guarantee of quality. What happens to you after that is of no concern to them. You are simply a dollar. So to sit here and sometimes, you know, listen to *Oh, we are trying to commercialise cannabis*. I just cannot fathom that because right now the illegal drug market is cashing in, unfortunately, on individuals and taking advantage of them in ways that we need to do something about.

There is also a lot of fear out there in the community. I heard some of it today. And to be quite honest, I would imagine all of us have a little bit of fear, simply because no one can actually see the future. One of the Senators wanted to know whether or not there was hard data to prove something. And I am like, *Well, the data doesn't exist*. The truth of the matter is we do not have a crystal ball, but to be honest, I really do not need a crystal ball. I know what this illicit drug market is doing today. I know what it has done in the past. To do nothing about it and to allow the existing situation to persist is irresponsible. Certainly doing something about it, particularly as it relates to this Bill, is more than reasonable. So I really do not know how doing nothing and leaving the status quo is actually safer than engaging in a regulatory regime.

There is also this idea, unfortunately, because it is not true. Education . . . everything we do about prevention and everything we are doing about abstinence; those three things remain. This Bill does not

erase our responsibility about educating people about the ill effects of drugs. It does not take away from our responsibility to engage in all of the prevention ideas and activities that we are known to do all this time. It does not take away from that. It does not do anything about the message about abstinence when you are in treatment. Actually, in my opinion—this is my humble opinion, of course—this particular Bill actually gives more resources, more attention and adds to the equation of all the other things that I have just mentioned to actually help us to do those jobs that we are dedicated to do.

I did sort of put together a bunch of notes. They are all over the place, so I do apologise and I will try to sort of bring it all together. I do not really know based on what I have heard today if anyone is still on the fence. And if anyone is still on the fence, I certainly want to do my level best to try to encourage that individual to see the merits of this Bill and to see that doing nothing and allowing us to go back to an illicit drug market and allow it to continue is something that is not really in our best interest.

One of the things I certainly want to bring to our attention is that the war on drugs is not working. We need to have more than a *Just say no* approach as it relates to our strategy. The safety of our children, the safety of our people, especially our young people, is at the heart of this Bill. There is no safety, no concern about drug dealers right now out there in the community. They will sell to anyone who has money. And they do not care about where their product ends. That is the reason why Government is stepping in and doing something in this regard.

It is far better than leaving it the way that it is. You know, if you just walk up and down any street or any given day, you see alcohol everywhere. I have spent a few hours when I can at some of our AA [Alcoholics Anonymous] meetings and particularly some of our NA [Narcotics Anonymous] meetings in the community. I do apologise for the self-disclosure there. But if you ever sit through a NA meeting, it is said at every meeting, *Alcohol is a drug*. But I cannot turn on the television without seeing an alcohol commercial. I cannot go to the grocery store without seeing alcohol. Alcohol is toxic to the body. It is literally poison.

What alcohol enjoys right now is popularity. It is considered to be sexy. It is considered to be in vogue. It is a part of how we socialise and so on and so forth. The unfortunate part about cannabis, given its history, is how Big Pharma, for example, in the early 1900s did everything they possibly could to demonise and weaponise cannabis. They were also the ones who actually coined the phrase “marijuana” as a way of attacking Mexican Americans and the like.

So what is true today, in my opinion, is that persons in our community continue to smoke cannabis. Regulating cannabis is better than doing nothing.

So there are some truths that probably would need to be reiterated, and I will try to do that and wrap up.

This Bill would not legalise cannabis. This is a cannabis licensing Bill. This Bill is not going to permit people to smoke cannabis anywhere they want, whenever they want. There are certain offences under the Misuse of Drugs Act, like supply and possession of cannabis above 7 grams without a licence, [which] still remain punishable under law.

Our driving while under the influence of drugs is still punishable by law. And to the question on whether or not we can test sobriety at checkpoints for cannabis, we can do that. Actually, if anyone is in a sobriety checkpoint, if the person is suspected to be under the influence, that word “suspected” means the person who is responsible for enforcing law does not know what the person is under the influence of. It could be prescription drugs. It could be alcohol. It could be something else. We certainly do not know. And you can refuse to give a breath test. But it does not stop the law official from exercising his or her duties to protect the safety of the public if they surmise that the individual is driving under the influence. That would also be true, and it is still true, and is currently true if you are driving under the influence of cannabis.

I practice, of course, abstinence, for personal reasons. There is no need to go into that. So I am neither pro alcohol nor pro cannabis. But I do support the efforts regarding prevention and treatment, Madam President. And like you, of course, I would not be where I am today if it were not for your efforts. You have mentored individuals who have also mentored me, and I in the past year have helped at least three other individuals receive, or at least be in a position to receive their certification as addiction counsellors. And that work for me certainly continues.

So, Madam President, I am certainly encouraging this honourable Senate to support this Bill, because in my opinion it actually gives us the best opportunity to offer protection and regulation in an environment where our friends and family and neighbours choose to engage in cannabis illegally. And to do so without proper regulation and public health guards is something that I think is untenable. So I am encouraging this honourable Senate, particularly as we are thinking about how we are going to vote on this Bill that has been supported by the voting public as it relates to the public consultation . . . oh, and by the way. I did attend the last BerDIN conference. I try to do that every year. I know there has been much said about the consultation.

There was a well-known paediatrician doctor at the BerDIN. And if you are willing for me to share that person’s information and what they shared, I certainly can do so offline. So consultation has happened. So I am not really sure where people are getting the information about they have not been contacted. Across the board in addiction, across the board with medical professions, as I mentioned at the

BerDIN the doctor was there. We also had representatives from the Ministry of Education. Of course, has the Government talked to every single Bermudian? No. That is almost impossible. But not every single Bermudian is even interested in answering the call to join the conversation to begin with. There are individuals out there who need our assistance. And at some point, we are going to have to do something. Allowing them to continually go through the criminal justice system is a very expensive way and an unnecessary way for people to find help as it relates to some of these things.

So, Madam President, in closing, we are civilised. We are about law and order, and bringing order and regulation is a reasonable and responsible thing for us to do. Thank you, Madam President.

*[Desk thumping]*

**The President:** Thank you, Senator Peets.

*[Crosstalk]*

**The President:** Minister Peets, you would do the second reading. You have your papers before you.

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam President.

Madam President, I move that this Bill entitled the Cannabis Licensing Act 2021 . . . that [Standing Order] 26 be suspended.

**The President:** Move the second reading first. Sorry.

**Sen. the Hon. Dr. Ernest Peets:** Sorry.  
I move for a second reading.

**The President:** Is there any objection to that motion?  
No objection.  
Carry on.

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam President. It has been a long day.

**The President:** Mm-hmm.

**Sen. the Hon. Dr. Ernest Peets:** And I think all of us are interested—

**The President:** And you have been doing a lot of the talking. Carry on.

**Sen. the Hon. Dr. Ernest Peets:** —in getting on with it.

Madam President, I move that this Bill entitled the Cannabis Licensing Act 2021, be now read a third time.

**The President:** No, you need to—

**Sen. the Hon. Dr. Ernest Peets:** Pardon me?

**The President:** —suspend. . . .Yes, you have to move it. I'm sorry.

**Sen. the Hon. Dr. Ernest Peets:** Thank you. Some of it is nerves, you know.

*[Laughter]*

### SUSPENSION OF STANDING ORDER 26

**Sen. the Hon. Dr. Ernest Peets:** Madam President, I move that [Standing Order] 26 be suspended at this time.

**The President:** Is there any objection to that motion?  
No objection.  
Carry on.

*[Motion carried: Standing Order 26 suspended.]*

## BILL

### THIRD READING

#### CANNABIS LICENSING ACT 2021

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam President.

Madam President, I move that this Bill entitled the Cannabis Licensing Act 2021 be now read a third time.

**The President:** Is there any objection to the third reading?  
No objection?

**Sen. the Hon. Dr. Ernest Peets:** Madam President, I move that this Bill do now pass.

**The President:** Is there any objection to the passage of the Bill?

**An Hon. Senator:** I object.

**The President:** We have three, so we will have a division. You can call the names.

*[Crosstalk]*

**The President:** Senators, we will now have the division.

**The Clerk:** This is on the pass motion for the Bill. Okay.

## DIVISION

*[Cannabis Licensing Act 2021, Third Reading]*

### Ayes: 5

Sen. Hon. Dr. Ernest Peets  
Sen. Owen Darrell  
Sen. Arianna Hodgson  
Sen. Curtis Richardson  
Sen. Lindsay K. Simmons

### Nays: 6

Sen. Ben Smith  
Sen. Robin Tucker  
Sen. Marcus Jones  
Sen. John Wight  
Sen. Michelle Simmons  
Sen. Hon. J. E. Dillas-Wright

**The Clerk:** Madam President, here is the total.

**The President:** Senators, the division is—

*[Inaudible interjection]*

**The President:** —five ayes and six nays. The Bill has been defeated. Thank you, Senators.

*[Motion defeated: The Cannabis Licensing Act 2021 failed by majority on division.]*

**The President:** We will move on with our agenda, item 14 [on the Order Paper.]

## MOTIONS

**The President:** There are none.

## CONGRATULATORY AND/OR OBITUARY SPEECHES

**The President:** Does any Senator want to speak on these topics?  
No? Hearing none, then item 16, Adjournment, Minister Peets.

## ADJOURNMENT

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam President.

Given the fact that we do have budget currently going on, I move, based on the schedule that I believe to be correct, that we adjourn until March . . . let me just bring up the calendar. The 24<sup>th</sup> is a Wednesday. The 24<sup>th</sup> of March.

**The President:** That will be the next meeting.

Senators, we have been told the next meeting will be March the 24<sup>th</sup>.

Would any Senator care to speak on the motion to adjourn? Hearing none, Senators, the Senate stands adjourned until March 24<sup>th</sup>. Thank you, Senators for the—

*[At 4:21 pm, the Senate stood adjourned until 10:00 am, Wednesday, 24 March 2021.]*

**BERMUDA SENATE****OFFICIAL HANSARD REPORT  
VIRTUAL SITTING  
24 MARCH 2021  
10:08 AM***Sitting Number 10 of the 2020/21 Session*

*[Sen. the Hon. Joan E. Dillas-Wright, President, presiding]*

**The President:** Good morning, Senators, and the listening audience. The Senate is in session.  
Shall we pray?

**PRAYERS**

*[Prayers read by Sen. the Hon. Joan E. Dillas-Wright, President]*

**CONFIRMATION OF MINUTES**

*[Minutes of 3 March 2021]*

**The President:** The second item on our agenda is the confirmation of minutes, Senator Michelle Simmons.

**Sen. Michelle Simmons:** Good morning, Madam President.

**The President:** Good morning.

**Sen. Michelle Simmons:** I move that the Minutes of the meeting of Wednesday, the 3<sup>rd</sup> of March 2021, be taken as read.

**The President:** Is there any objection to that motion?  
No objection.

**Sen. Michelle Simmons:** Madam President, I move that the Minutes of Wednesday, the 3<sup>rd</sup> of March 2021, be confirmed.

**The President:** Is there any objection to that motion?  
No objection. The Minutes of Wednesday, the 3<sup>rd</sup> of March are confirmed.  
Thank you, Senator Simmons.

*[Minutes of Wednesday, 3 March 2021, confirmed.]*

**MESSAGES**

**The President:** We have a message of the Honourable House of Assembly.

**MESSAGE FROM HOUSE OF ASSEMBLY****APPROPRIATION ACT 2021**

**The Clerk:** Yes, we do, Madam President.  
The message is number 9, and the message reads:

“To the Honourable the President and Members of the Senate: The House of Assembly has the honour to forward herewith the undernoted Bill for the concurrence of your House, the Appropriation Act 2021. Copies of the Estimates of Revenue and Expenditure for 2021/22 are also forwarded for the information of your House.”

And that is signed by the Speaker, the Honourable Dennis P. Lister, [Jr.] JP, MP, and dated March 22, 2021.

**The President:** Thank you, Mr. Somner.

**REPORTS OF COMMITTEES**

**The President:** There are none.

**ANNOUNCEMENTS****GOVERNMENT OF BERMUDA'S RESPONSE  
TO COVID-19, AUDITOR GENERAL'S  
PUBLIC INTEREST REPORT**

**The President:** We have a few announcements. The first one is [from] the Auditor General.

Senators, I wish to announce that in accordance with the provision of section 13 of the Audit Act 1990, a [Public Interest Report](#) by the Auditor General on the Government of Bermuda's Response to COVID-19 dated February 2021 has been produced by the Auditor General and submitted to the Honourable House of Assembly and that the said report is hereby tabled in the Senate for the information of Senators.

Senators, you may access a copy of the report on the Parliament website.

The next announcement is in the name of the Junior Minister of Social Development and Seniors, Senator Simmons.

You have the floor.

## HUMAN RIGHTS COMMISSION ANNUAL REPORT FOR YEAR ENDING 31<sup>ST</sup> DECEMBER 2019

**Sen. Lindsay Simmons:** Madam President, I hereby present for the information of Senate the Annual Report of the [Human Rights Commission](#) for the Year Ending 31<sup>st</sup> December 2019.

**The President:** Thank you, Lindsay Simmons, Junior Minister of Social Development.

The third announcement is the Annual Report of the Information Commissioner. That is in the name of Senator Darrell, Junior Minister for the Cabinet Office. You have the floor.

### INFORMATION COMMISSIONER'S OFFICE 2020 ANNUAL REPORT: CHAMPIONING TRANSPARENCY

**Sen. Owen Darrell:** Madam President, I hereby present for the information of the Senate the following report: The Information Commissioner's Office 2020 Annual Report entitled: [Championing Transparency](#), submitted in accordance with the provisions of sections 58(1) of the Public Access to Information Act 2010.

## NOTICES OF MOTIONS

**The President:** We have a few here that are in the name of Senator Darrell [*sic*].

You have the floor, you can continue.

**Sen. Curtis Richardson:** Madam President, it is actually in my name. Senator Richardson.

**The President:** Oh, I am sorry, Senator Richardson. You have the floor.

## MARINE AND PORTS AUTHORITY (PORT DUES) AMENDMENT REGULATIONS 2021

**Sen. Curtis Richardson:** Thank you.

Madam President, I do hereby present for the consideration of Senate the following draft Regulations: The Marine and Ports Authority (Port Dues) Amendment Regulations 2021 proposed to be made by the Minister responsible for Marine and Ports Services under the provision of section 76 of the Marine Board Act 1962.

## MARINE BOARD (SEABORNE SERVICES) REGULATIONS 2021

**Sen. Curtis Richardson:** In addition, the Marine Board (Seaborne Services) Regulations 2021 proposed to be made by the Minister responsible for Marine and Ports Services under the provision of section 97 of the Marine Board Act 1962.

## MARINE BOARD (PILOTAGE DUES) AMENDMENT REGULATIONS 2021

**Sen. Curtis Richardson:** And, the Marine Board (Pilotage Dues) Amendment Regulations 2021 proposed to be made by the Minister responsible for Marine and Ports Services under the provision of section 103 of the Marine Board Act 1962.

And I give notice at the next day of meeting I will move that the said Draft Regulations be approved.

Thank you, Madam President.

**The President:** Thank you, Senator Richardson, Junior Minister of Transport.

The next motion is in the name of Senator Darrell, Junior Minister for the Cabinet Office.

You have the floor.

## BERMUDA IMMIGRATION AND PROTECTION (RENTAL AND USE) AMENDMENT REGULATIONS 2021

**Sen. Owen Darrell:** Madam President, I hereby present for the consideration of the Senate draft Regulations entitled: Bermuda Immigration and Protection (Rental and Use) Amendment Regulations 2021 proposed to be made by the Minister responsible for land licence under the provisions of section 102C(1)(c) of the Bermuda Immigration and Protection Act 1956.

And I give notice that at the next day of meeting I will move that the said draft Regulations be approved.

**The President:** Thank you, Senator Darrell.

The next one is in the name of Senator Arianna Hodgson, the Junior Minister for Finance. You have the floor.

**Sen. Adrianna Hodgson:** Thank you, Madam President.

Madam President, I hereby present for the consideration of Senate the draft Regulations entitled Government Fess Amendment (No. 2) Regulations 2021 proposed to be made by the Minister of Finance under the provisions of section 2 of the Government Fees Act 1965.

I give notice that at the next day of meeting I will move that the said draft Regulation be approved.

**The President:** Thank you, Senator Hodgson.

## PETITIONS

**The President:** There are none.

We have a couple of Statements. The first one is the Human Rights Commission Annual Report 2019.

This is in the name of Senator Lindsay Simmons. You have the floor.

## STATEMENTS

### HUMAN RIGHTS COMMISSION ANNUAL REPORT FOR THE YEAR ENDING 31<sup>ST</sup> DECEMBER 2019

**Sen. Lindsay Simmons:** Madam President, I am pleased today to submit to the Senate the Annual Report of the [Human Rights Commission for the year ending 31<sup>st</sup> December 2019](#).

Madam President, the Commission has a statutory remit to protect and promote human rights under the Human Rights Act 1981. The Commission's mandate is to both educate and promote the principles of non-discrimination and equality and to investigate and endeavour to settle allegations of discrimination.

Madam President, the Humans Rights Commission is required to:

- Encourage an understanding of the fundamental rights and freedoms of the individual guaranteed by the Constitution and the principle that all members of the community are of equal dignity, have equal rights and have an obligation to respect the dignity and rights of each other.
- Promote an understanding of, acceptance of, and compliance with the Human Rights Act 1981.
- Conduct research and develop initiatives designed to eliminate discriminatory practices.
- Encourage and coordinate activities which seek to forward the principle that every member of the community is of equal dignity and has equal rights.
- Promote the conciliation and settlement of any complaints or grievances arising out of acts of unlawful discrimination and, where in its opinion such good offices are inappropriate, institute prosecution for contraventions of the Act.

Madam President, the Human Rights Commission provides assistance to those who believe they have experienced discrimination, or have any questions related to their rights and responsibilities under the Human Rights Act.

The Commission is both a public watchdog for human rights compliance, and a resource to foster and promote human rights principles by working with stakeholders across the Island including government, community organisations, schools, businesses and individuals.

Madam President, the Commission works to further its objective of eradicating discrimination through the following means:

- Helping to address any and all queries related to rights in Bermuda.

- Assisting with complaints of discrimination under the Human Rights Act 1981.
- Providing dispute resolution services through mediation and conciliation to help settle complaints of discrimination.
- Policy review and guidance with all stakeholders in support of human rights obligations.
- Engaging in collaborative presentations, research and educational programming.
- Consultations to support the evolution of legislation, just practices and policies in support of human rights compliance.
- Educational presentations, workshops and training tailored to meet stakeholder need in support of their human rights education and compliance commitments.
- Advice and consultation with Government on proposed legislative amendments to ensure consistency with international standards.
- Administering of Human Rights Tribunals.
- Providing guidance to government, organisations, businesses, and educational institutions on the development and implementation of a human rights-based approach to legislation, policies, programmes and complaint-handling mechanisms to ensure compliance with the Act and international human rights agreements.

Madam President, included in the annual report you will note that during the 2019 calendar year:

- The Commission received 128 complaints with the majority of the complaints citing claims of discriminatory difference in treatment on the grounds of disability (34 per cent); race (11 per cent); place of origin (11 per cent); ethnic or national origins (11 per cent).

• Of those complaints, the majority cited claims of discrimination within the protected area of employment at 40 per cent. Claims of discrimination within the protected area of goods, facilities and services amounted to 17 per cent of intakes while complaints of discriminatory workplace harassment amounted to 15 per cent of intakes. Workplace related sexual harassment claims accounted for 18 per cent of intakes.

- Persons with Bermudian status represented 84 per cent of the total number of complainants in 2019 reflecting a trend in an increasing number of complaint filings by persons with Bermudian status since 2016. The increased reliance by Bermudians appears to coincide with the transfer of the Commission from the Government of Bermuda's Department of Human Affairs to a Non-Ministry Office. This transfer further aligned the Commission with the Paris Principles, a set of international standards adopted by the Global Alliance of National Human Rights Institutions to assess the extent to which National Human Rights Institutions operate in practice

without the influence of any political, economic or reputational agendas of States.

- As Bermuda's National Human Rights Institution, the Commission recognises it has a crucial role in ensuring the indivisibility and interdependence of human rights for all.

- On August 9<sup>th</sup>, 2018, under this Government, approval was given for Legal Counsel recruitment and on the 11<sup>th</sup> of February 2019, the post of Legal Counsel was filled by Mr. Arion Mapp. The introduction of Legal Counsel in 2019 represented a tremendous milestone, signalling strengthened capacity in support of fulfilling its statutory duties. The installation marked the first in-house Counsel for the Commission providing legal advice related to human rights complaints and procedures, tribunal litigation, management and administration.

- The Commission participated in the 2019 United Nation's International Day for Persons with Disabilities [commemoration]. The Executive Officer provided the keynote addressing the 2019 theme, "The Future Is Accessible." This bold assertion inspired the Executive Officer's testimony chronicling the reality of Bermuda's inhospitable landscape for persons with disabilities. The Commission's message emphasised the need for inclusive national action, starting first with asking: Do we want an accessible Bermuda? If so, what is going to change? What are we prepared to do differently—in all spheres of life—to truly make Bermuda accessible and inclusive for all who are differently-abled?

- The Commission partnered with the University of Oxford for its "Racialization and Publicness in Africa and the African Diaspora" 2019 Conference. An international call for papers resulted in the acceptance of a full panel of Bermudian academics and researchers. Bermuda's highly lauded panel was entitled: "Racialisation in (post)colonial Bermuda: Past and Present" and featured Bermudians Dr. Dana Selassie, Dr. Rosemary Hall, LeYoni Junos, H. Alicia Kirby and Dr. Kristy Warren. The conference reinforced the necessity of understanding the impact of racial legacies, and the value of supporting Bermuda's researchers and scholars in promoting Bermuda's history to aid in building a healthy and equitable community today.

Madam President, I would like to thank the Commissioners for the important work they do under the leadership of Chairman, Mr. Vaughan Caines and the staff of the Commission under the leadership of the Executive Officer, Ms. Lisa Reid, for their dedication and hard work during the year.

Madam President, tabling of this report is pursuant to the requirements of the Human Rights Act 1981, and specifically section 30A that requires "(1) The Commission . . . [no] later than six months after the end of each calendar year make a report

to the Minister on the activities of the Commission. (2) The Minister shall as soon as may be after receiving the Commission's annual report lay it before both Houses of the Legislature."

Madam President, in accordance with section 30A of the Human Rights Act 1981 I am pleased to have laid before the Senate the Human Rights Commission Annual Report for the year ending 31<sup>st</sup> of December 2019. Thank you, Madam President.

**The President:** Thank you, Senator Lindsay Simmons.

The second statement is in the name of Senator Darrell, the Junior Minister for Education. The tabling of the Bill the Education Amendment Act.

Senator Darrell, you have the floor.

**Sen. Owen Darrell:** Good morning, Madam President.

**The President:** Good morning.

#### **TABLING OF A BILL ENTITLED EDUCATION AMENDMENT ACT 2021**

**Sen. Owen Darrell:** Bermuda's economy continues to be dominated by international business and tourism. Additionally, we know that over the years the trades have also undergirded steady growth in the economy. There are a variety of career paths in these sectors and our responsibility as a Government, as educators and as a community is to equip our children with the tools to choose those careers that drive and sustain this economy. Honourable Members and the public will note that the Bill to be tabled and passed in another place last Friday is specific in setting out some of the areas of instruction which our children will receive.

Madam President, the cornerstone of this aspect of education reform will be to provide, for the first time, instruction for our children that directly correlates to the very careers that drive the economy in their country. We are determined that our children will not be spectators to the success of others but will have the fighting chance to join top-level tertiary institutions and technical and vocational schools, where they will arrive already familiar with the careers and studies in these areas.

Madam President, before coming into power, this Government made an earnest promise to Bermuda and her people. This promise was to "*Reform public education by phasing out middle schools and introducing signature schools at the secondary level . . .*"

Also, in the 2020 Speech [from] the Throne, this Government indicated that it would advance a Bill to give effect to the necessary changes to the public school system. While these changes will eventually see our system move from a three-tier to a two-tier system, the ultimate objectives go far beyond the

structural changes that we need. We will dramatically improve and transform the quality of public education and lifetime opportunities for each and every young person in Bermuda.

Therefore, Madam President, it will be my greatest privilege as the Junior Minister of Education to table the [Education Amendment Act 2021](#) in the Senate today. The Bill brings to the Senate, for the consideration of its members, the first legislative step in delivering the Government's commitment to phase out middle schools, introduce signature schools and move from a three-tier to a two-tier public education system. In advance of the future debate on the Bill, there are three main points that I would like to emphasise for the Senate today.

Point 1. This Government is serious about transforming public school education. This is demonstrated not by our commitments, but by the delivery of those commitments—delivery with clarity, quality, fidelity and perseverance.

Point 2. We are serious about education because we value young people in Bermuda. As a country, we have failed our young people and have done so for generations. This failure precedes the advent of middle schools and is as old as the provision of education on this Island. It was not and it is not good enough to provide quality education to some, but not to all. This, Madam President, is inequity.

It was not good enough to label some schools as elite and some students as bright. It was not good enough to make decisions that would send students on a path of no return based on results of a test taken at 11 years of age, or to say that a child can only do this or only do that based on our misperceptions of their abilities and potential. It was not good enough to undermine the success of students and schools who beat all expectations of them. And it was not good enough to pretend that there was ever a thing such as "separate but equal," because we have never had true equity across education in Bermuda. Never!

Point 3. The changes we are making are absolutely what we need in Bermuda for our young people, their families, our economy and our entire society. We know that the world continues to change, but the pace and complexity of this change are only accelerating, and education has not kept up.

Our parents and grandparents likely got a job at a young age and kept that job or stayed in a particular industry for their entire career. Many of us may have changed jobs a few times, and some of us have made major career changes. But this has not been the norm. Young people are not going to have the one or two jobs that our parents had or the few jobs that we had. They will have multiple jobs over their lifetimes not only by choice, but by necessity.

Madam President, it is our obligation as a Government to prepare our young people for the jobs of today and tomorrow. This requires us to teach and develop the body of skills and knowledge that are

transferrable across occupations, going into the future. We will not only develop knowledge, but real-world applicability of knowledge and skills. We will not just focus on employment, but employability. And we will do this for each and every senior school student.

Therefore, beginning in September 2022 we will introduce the first of two signature schools. Each senior school will have one or more *signatures*, referred to in the Bill as "signature learning programmes." The selection, design and future delivery of signatures will be based on global social, economic and environmental trends that are shaping the workforce internationally and right here in Bermuda. These signatures will reflect career pathways for students and will be based on sectors of the economy with potential growth and sustainability, and clusters of skills essential to developing graduates with competencies that are and will be in demand in Bermuda.

Madam President, we have already identified in the Bill sectors of the economy upon which certain signatures will be based. These are tourism, finance, insurance and the trades—pillars of our economy and our community. These signatures reflect our past and present. And more critically, as evidenced by research and analysis, they are our future. Examples of signatures that are skills-based include STEAM and entrepreneurialism. It is important to emphasise and make clear that while signatures are career focused, this focus includes foundational skills such as creativity, communications, collaboration, problem-solving and critical thinking, digital fluency and social emotional learning. This is not only about creating employability, but it also recognises that the skills and attributes of the graduates whom we want to develop are the same as [those skills and attributes of] the kinds of young people and citizens we want to thrive and shape Bermuda's future.

Madam President, although we have already determined four signatures, we will engage and consult our community in modern, progressive and meaningful ways before decisions are made on additional signatures. Engagement has already occurred with the Department of Workforce Development, the Learning First Design Teams and others. It will continue throughout this process and into the future. And in time signatures will change and evolve as Bermuda and the world changes and evolves.

In addition to introducing signature schools and signature education, the Bill also begins the phasing out of middle schools. It does this by moving M3 level to S1 through a simple change in the age ranges for middle and senior schools. This change will be effective for the introduction of signature schools in September 2022.

Madam President, I would like to give reassurance to my Senate colleagues, students and parents that there will be a choice of signatures. I have already mentioned many times before that education reform will be conducted in phases and that we will

inform, communicate, listen and consider as we make the necessary changes for our education system. We understand the value and the importance of executing a sound transition process for staff and students as these changes are implemented. Therefore, a transition plan will be developed and communicated well in advance of these changes.

Madam President, today is a momentous day for Bermuda. As a collective body of representatives for the people of Bermuda, we are delivering not only on our promise to reform public education in Bermuda, but we are providing a springboard for the collective aspirations for *all* young people in Bermuda.

Madam President, on the day that my firstborn came into this world, 10 years ago (she also attends Harrington South Primary School), I would like to pledge on her birthday that we will continue to be relentless in our focus and efforts to ensure that we not only talk of change, but we deliver change as a moral, economic and social imperative for the future of our young people and the future of Bermuda.

Thank you, Madam President.

**The President:** Thank you, Senator Darrell, Junior Minister of Education.

The third Statement is in the name of Senator Richardson, who is the Junior Minister for National Security. Senator Richardson, you have the floor.

### **<sup>1</sup> PUBLIC HEALTH (COVID-19 EMERGENCY POWERS) REGULATIONS 2021, REMINDERS**

**Sen. Curtis Richardson:** Thank you, Madam President, fellow Senators, and the listening public.

Madam President, I rise this morning to provide to this Honourable House and the public with a reminder of the legal measures of the [Public Health \(COVID-19 Emergency Powers\) Regulations 2021](#), which have been enacted and from time to time amended in an effort to prevent another surge in COVID-19 positive cases in Bermuda.

Madam President, Honourable Members will be aware that over the course of the last two weeks, the Ministry of Health has reported a total of 33 COVID-19 active cases. Five of the new cases were the result of local transmission. Following a period of a consistent decrease in locally transmitted cases, this increase should be concerning to the public. What should also be concerning, Madam President, are the recent activities that have taken place that are in direct violation of the Regulations.

Through traditional news media and social media, many of us have seen the evidence of parties and gatherings that exceeded the approved group gathering limits. The fact that the attendees of these events also violated the health and safety protocols by not wearing masks or practicing physical distancing

further compounds the recklessness of hosting these events.

Madam President, I understand the community's outrage that these events are taking place, particularly when the majority of our community are rightly adhering to the Regulations. I also appreciate the community's frustration at the perception that we are all being punished because of the few who do not adhere to the Regulations and that enough is not being done to hold those accountable who blatantly break the law.

Madam President, I am advised that the Bermuda Police Service and the Department of Public Prosecutions are diligently taking steps to bring those who violate the Public Health Act and the associated Regulations before the courts.

Madam President, as we continue to navigate through the pandemic, please allow me to set out some reminders of the parameters of the Public Health (COVID-19 Emergency Powers) Regulations 2021. First and foremost, we remain under nightly curfew from 11:00 pm until 5:00 am. There is also a curfew in effect from 8:00 pm until 5:00 am for recreational boating. Bars and nightclubs are not permitted to be open beyond 11:00 pm and are limited to table service only.

Large group gatherings are still limited to 25 persons. For indoor services or ceremonies in a church or other religious establishment, the number of persons who can gather is limited to 25 per cent of the indoor area's full capacity. At outdoor services or ceremonies (including weddings and funerals) the number of attendees cannot exceed 50 persons. More importantly, Madam President, appropriate physical distancing and the proper wearing of masks covering both the nose and mouth are required in all public and private spaces.

Madam President, the Regulations provide the Bermuda Police Service with a number of enforcement tools. If a contravention of the Public Health (COVID-19 Emergency Powers) Regulations has occurred on the premises, the police can order a licensed premise to close for a period not exceeding 24 hours.

Madam President, the public is reminded that as outlined in the Regulations, the police or any other enforcement officer may stop and question any individual to ensure compliance with the Regulations. If any person is found to be in contravention of the Regulations or does not satisfy an enforcement officer's requests to comply with the Regulations, the enforcement officer may take actions to enforce the Regulations, including the dispersal of any group of more than 25 persons. If necessary, an enforcement officer may use reasonable force in the exercise of a power under these Regulations.

It is an offence to resist, obstruct or assault an enforcement officer who is acting in the execution of their duty under these Regulations.

<sup>1</sup> Statement [updated](#) at page 215

Madam President, a person who fails to comply with any of these Regulations commits an offence and is liable to the following:

- a fine of \$6,000 in respect of a first offence;
- for a second or subsequent offence, a fine of \$10,000 or imprisonment for a term not exceeding three months, or both;
- in the case of a continuing offence, a fine of \$1,000 in respect of each day during which the offence is continued.

Similarly, Madam President, it is an offence to not wear a mask in accordance with the Regulations. A person who fails to wear a mask when one is required commits an offence and is liable on summary conviction to:

- a fine of \$500, for the first offence;
- a fine of \$1,000, for a second or a subsequent offence.

Madam President, these Regulations are not meant to be punitive. They have been enacted to minimise the impact of COVID-19 with the hope that we will soon be able to safely gather together again. Notwithstanding, the Government has included the noted penalties as a deterrent against violating the Regulations.

Madam President, I would like to note that yesterday the Bermuda Police Service submitted 12 files to the Department of Public Prosecutions. To date the Department of Public Prosecutions has received 22 files in total for curfew violations and non-compliance to the COVID-19 Regulations, and more continue to be submitted regularly.

Madam President, there have been a number of questions regarding the Government's proposed fixed penalty legislation. As the Honourable Premier advised at a press update earlier this week, the Ministry of Health has prepared the framework for legislation that would see fixed penalties apply for a finite set of material breaches of COVID-19 Regulations. This legislation is in the drafting stages with the Attorney General's Chambers. While it is unlikely that the legislation will be retroactive, the public is again reminded that under the current Regulations, people linked to recent parties could be subject to a fine or conviction.

In closing, Madam President, I would like to say that as a country we have demonstrated resilience and discipline in navigating this pandemic and we must remain vigilant.

Madam President, we all know that Good Friday and the Easter holiday are upon us. As a result the Ministry team have received a number of large-gathering requests. Please note that a careful review will be done before there can be an approval of any event. During the Good Friday/Easter holiday and any other holiday especially, I am urging residents to exercise a degree of personal responsibility by making smart and sensible decisions to protect themselves and their families, their friends and their loved ones.

Madam President, we all must continue to do what we can to mitigate and limit the spread of the virus by complying with the policy in place. I understand that we are all suffering from the COVID-19 fatigue, but we must remain vigilant. It is up to each of us to keep our families and our friends safe. Please continue to follow the health guidelines. This includes wearing a mask, hand sanitising and maintaining the appropriate physical distancing.

Thank you, Madam President.

**The President:** Thank you, Senator Curtis Richardson, the Junior Minister for National Security.

## INTRODUCTION OF BILLS

**The President:** There are none.

### FIRST READING OF PUBLIC BILLS

#### APPROPRIATION ACT 2021

#### MOTOR CAR (DRIVER'S LICENCE RENEWAL) AMENDMENT ACT 2021

#### MOTOR CAR AND AUXILIARY BICYCLES (VALIDATION AND AMENDMENT) ACT 2021

#### BERMUDA HEALTH COUNCIL AMENDMENT ACT 2021

#### RENT INCREASES (DOMESTIC PREMISES) CONTROL TEMPORARY AMENDMENT ACT 2021

#### EDUCATION AMENDMENT ACT 2021

#### CUSTOMS TARIFF AMENDMENT ACT 2021

#### RETAIL SHOPS (TEMPORARY CUSTOMS DUTY RELIEF FOR CAPITAL INVESTMENTS) AMENDMENT ACT 2021

#### PAYROLL TAX AMENDMENT ACT 2021

**The President:** The following public Bills have been received from the Honourable House of Assembly and are now read for the first time.

The titles are, respectively, the Appropriation Act 2021, (Governor's recommendations signified); the Motor Car (Driver's Licence Renewal) Amendment Act 2021; the Motor Car and Auxiliary Bicycles (Validation and Amendment) Act 2021; the Bermuda Health Council Amendment Act 2021; the Rent Increases (Domestic Premises) Control Temporary Amendment Act 2021; the Education Amendment Act 2021; the Customs Tariff Amendment Act 2021, (Governor's recommendation Signified); the Retail Shops (Temporary Customs Duty Relief for Capital Investments) Amendment Act 2021, (Governor's Rec-

ommendation Signified); and the Payroll Tax Amendment Act 2021, (Governor's recommendation Signified).

## FIRST READING OF PRIVATE BILLS

**The President:** There are none.

## QUESTION PERIOD

**The President:** Senators, we will now entertain questions from any of the Senators on the first Statement, which was the Human Rights Commission, which was delivered by Senator Lindsay Simmons.

Would any Senator care to ask questions on this Statement?

**Sen. Robin Tucker:** Yes, good morning, Madam President.

**The President:** Yes. Senator Tucker, you have the floor.

### QUESTION 1: HUMAN RIGHTS COMMISSION ANNUAL REPORT FOR THE YEAR ENDING 31<sup>ST</sup> DECEMBER 2019

**Sen. Robin Tucker:** Thank you. Thank you, Madam President.

My question is: Given that there were 128 complaints lodged with the Human Rights Commission in 2019, how many of those complaints still remain unresolved? And what is the expected timeframe for resolving those cases?

*[Crosstalk]*

**The President:** Do you have a second . . . Well, Senator Lindsay Simmons can respond to that first question.

**Sen. Lindsay Simmons:** Madam President, I would get back to Senator Tucker.

**The President:** All right.

Senator Tucker, you have a second question or a supplementary?

### QUESTION 2: HUMAN RIGHTS COMMISSION ANNUAL REPORT FOR THE YEAR ENDING 31<sup>ST</sup> DECEMBER 2019

**Sen. Robin Tucker:** Yes, I do, Madam President. I have a second question.

The second question is: Given the 84 per cent increase in Bermuda's status complaints to the Human Rights Commission, what was the actual number of reported cases so we can appreciate the magnitude of what "increase" actually means?

*[Crosstalk]*

**Sen. Lindsay Simmons:** Thank you, Senator Tucker. Just give a few minutes and I will get you the answer.

*[Pause]*

**The President:** Senator Tucker, is that your second question, do you have . . . while we wait for Senator Lindsay Simmons to get her response for the second question, do you have a supplementary or a third question?

**Sen. Robin Tucker:** No, Madam President, thank you. I do not.

**The President:** Thank you.

**Sen. Lindsay Simmons:** Madam President, I will have the answers in a few minutes. If you would like to move on, I could get back to you.

**The President:** Yes. Would any other Senator care to ask questions on this Statement?

*[No audible response]*

**The President:** I would ask the question again. Would any other Senator care to ask questions on the Human Rights Commission annual report, the first Statement that was given?

*[Pause]*

**The President:** No, then hearing none . . .

*[Crosstalk]*

**The President:** Senator Simmons, is this the . . . would you need more time, or should I move on to the next Statement?

Senator Lindsay Simmons?

**Sen. Lindsay Simmons:** Good day to you, Madam President.—

*[Inaudible interjections]*

**Sen. Lindsay Simmons:** I have been advised—

**The President:** Sorry.

**Sen. Lindsay Simmons:** Sorry, Madam President. We do not have the exact numbers on hand but I could email the Senate team once we get the numbers.

**The President:** Thank you.

Senators, we will now move on to the second Statement that was given by Senator Darrell which was the Education Amendment Act. Would any Senator care to ask questions on this Statement?

**Sen. Marcus Jones:** Yes, Madam President.

**The President:** Senator Marcus Jones, you have the floor.

**Sen. Marcus Jones:** Thank you, Madam President. Good morning to you and Senators and to the listening audience.

**The President:** Good morning.

*[Crosstalk]*

#### **QUESTION 1: TABLING OF A BILL ENTITLED EDUCATION AMENDMENT ACT 2021**

**Sen. Marcus Jones:** Can the Junior Minister of Education provide data and quantifiable evidence of the failure of the middle school to warrant and justify the public school system moving from the three-tier system back to the two-tier system?

**Sen. Owen Darrell:** I will undertake to get you the data on the quantifiable evidence that you seek, Senator.

**The President:** Thank you, Senator [Darrell].

Senator [Jones], did you have a second question or a supplementary question?

#### **QUESTION 2: TABLING OF A BILL ENTITLED EDUCATION AMENDMENT ACT 2021**

**Sen. Marcus Jones:** Well, based on the answer I received from the Junior Minister, if that information is not available and readily available at this moment, will he and his team be providing that data and quantifiable evidence when this Bill is officially tabled in this Chamber?

**Sen. Owen Darrell:** When we have our full debate on it, we will make sure you have the information you require, Senator. Thank you.

**Sen. Marcus Jones:** Most appreciated.

**The President:** Senator Jones, do you have a supplementary question or are those the only questions you are presenting?

**Sen. Marcus Jones:** That is it, Madam President. Thank you.

**The President:** Thank you.

Would any other Senator care to ask questions on this Statement given by the Education Junior Minister?

**Sen. John Wight:** Madam Chairman.

**The President:** Yes. Senator Wight, you have the floor.

#### **QUESTION 1: TABLING OF A BILL ENTITLED EDUCATION AMENDMENT ACT 2021**

**Sen. John Wight:** I would just ask the Junior Minister, what is the reaction of the teachers and other professionals who will be affected by this new legislation should it be passed?

**Sen. Owen Darrell:** As you have seen probably in multiple different places, the reaction is mixed, but overall this is a mandate of the PLP Government and it is something that, as I said in my Statement, has been promised for a long time.

Education reform is definitely needed, but there is a lot of consultation taking place with educators, with parents, with the stakeholders, and I am sure we will get a full understanding on how they feel, and the more we talk with them the more comfortable they will become.

**The President:** Senator Wight, do you have second question or supplementary?

**Sen. John Wight:** Madam President, I do not. Thank you.

**The President:** Thank you.

Would any other Senator care to ask questions on this Statement?

*[Inaudible interjection]*

**The President:** Senator Ben Smith, you have the floor.

#### **QUESTION 1: TABLING OF A BILL ENTITLED EDUCATION AMENDMENT ACT 2021**

**Sen. Ben Smith:** Could the Junior Minister give us some information on the specific consultation that has happened regarding the removal of middle schools? A lot of the consultation that has been happening since the election has been based on the plan forward, but there has not been a lot specifically to this middle school area which is the first piece we will be dealing with. Thank you.

**The President:** Senator Darrell, did you hear the question?

**Sen. Owen Darrell:** Yes, I did, Madam President.

Madam President, I do not know if Senator Jones was the Junior Minister when the previous Administration was in power. I do not think he was a Senator then. However, the multiple school improvement plans that were done by the last Administration showed clear failure in the public education system. You do not have to look further than any neighbourhood up and down this Island where individuals have taken their children out of middle school, sent them to private school for three years, and then come back to secondary school. I have seen that multiple times, students transferring in from multiple private schools when I was an educator, because they were just not comfortable, not confident in the middle school system.

So all of this has been done; we have consulted. And the people have asked, clearly. The PLP has had two clear mandates where people have asked for middle schools to be removed. And we have been talking about this plan for two years.

So, we will get the numbers and the quantifiable data that the Opposition Senators are looking for, but I mean, if the Senators would take a walk down the street, and listen to the individuals in the community, they will have a clear understanding of what the individuals and people in this country want for education going forward.

**Sen. Ben Smith:** Madam President.

**The President:** Senator Smith—

#### **QUESTION 2: TABLING OF A BILL ENTITLED EDUCATION AMENDMENT ACT 2021**

**Sen. Ben Smith:** I would just like to remind the Junior Minister that the PLP has been in power for almost 20 years. So a lot of the issues he is referring to came under their mandate.

So, as we move forward the questions are: Has the consultation process happened? Can you provide the data? It is not about a narrative; it is about the data that makes us make the decision so that at the end of this we know that the changes we are making are going to be better for the students. That is our goal—both sides. So all we are asking for is the data that leads us to that goal.

**Sen. Owen Darrell:** Madam President, Plan 2022 spoke to the removal of middle schools—a plan that was implemented in 2018. Plan 2022 was a plan by the people of Bermuda.

**The President:** Thank you, Senator.

Senator Ben Smith, do you have a supplementary or a third question?

**Sen. Ben Smith:** That's okay, Madam President. We will wait for the data.

**The President:** Thank you.

Would any other Senator care to ask questions on this Statement?

Hearing none, we will move on to the third Statement that was given by Senator Richardson, the Junior Minister for National Security.

Would any Senator care to ask questions on this Statement in reference to the Public Health Emergency Regulations?

**Sen. Ben Smith:** Yes, Madam President.

**The President:** Senator Ben Smith, you have the floor.

#### **QUESTION 1: PUBLIC HEALTH (COVID-19 EMERGENCY POWERS) REGULATIONS 2021, REMINDERS**

**Sen. Ben Smith:** Yes, thank you. And thank you to the Junior Minister.

Obviously with the rise in cases everybody is aware that as a whole the country has been doing a really good job with following the rules. People have been putting on masks, staying away, you know, most people have had to cancel celebrations and it has had an impact on our sports. It has had an impact on our schools. So everybody has a keen awareness of what has to be done for the health position.

And I agree with the Junior Minister that some of the behaviour of a small portion of the Island has impacted the larger population. But there are two things: One, I am asking for a clarification because in the Statement the times for the curfew, I just wonder if we can get clarification because I am not sure that the Statement times are correct considering what has actually been implemented. He could correct me if I am wrong on that one.

Secondly, we have talked a lot about the local transmission. So, have there been any thoughts on how that virus, because specifically, when you look at the outbreak we are having now a lot of it is based off of the UK variant? That means that this came into the Island and then became local transmission. So, a lot of the cases we are seeing where people are getting positive tests on day 4, day 8, day 14, has there been any consideration with the Regulations to change how long we are keeping people who are traveling into the Island away from the population? So that once we get this under control we are not back here again because people are coming back and joining too early and socialising with our community and spreading the virus when everybody who has stayed here and followed the rules is the group being impacted by this.

**The President:** Thank you Senator Smith.

Senator Richardson.

**Sen. Curtis Richardson:** Yes, Madam President, if I could ask for your indulgence. I must apologise slightly.

The statement that I read from the Minister of National Security, there has been an update as of yesterday from the Ministry of Health. I do have an updated statement if this Honourable Chambers would allow me to read that and provide a little bit more insight.

As the statement from National Security deals with the Emergency Powers Regulations, I believe it is deemed necessary for me to provide members of the public and Members of this Chamber the statement that was read . . . again, updated as of yesterday from the Ministry of Health. If you would allow that.

**The President:** Yes, Senator Richardson. This is a critical and important issue and statement, so I think all Senators would agree with me that they would like to hear the updated information.

So you have the floor.

**Sen. Curtis Richardson:** Thank you, Madam President.

## STATEMENTS

[Recommitted]

### PUBLIC HEALTH (COVID-19 EMERGENCY POWERS) REGULATIONS 2021, REMINDERS

[UPDATED]

**Sen. Curtis Richardson:** Again, from the Ministry of Health.

I rise today to inform this Honourable House of the latest outbreak of COVID-19 in Bermuda, and the measures put in place to reduce and depress the spread of this disease.

Madam President, a year ago the Bermuda Government made the difficult decision to suspend services, close businesses, and impose restrictions on our resident population in our efforts to reduce the spread of the coronavirus in Bermuda. The shelter in place was very necessary, and the resulting financial, social and emotional hardships were very real. Madam President, I am just going to provide the new restrictions.

Madam President, to curtail the spread as much as possible, Cabinet made the decision to proactively roll back earlier relaxations and put certain restrictions in place immediately. In accordance with the Public Health (COVID-19 Emergency Powers) Amendment (No. 5) Regulations 2021 [please note the following:]

- The curfew will now be in place from 11:00 pm until 5:00 am.

- Bars and clubs are prohibited from serving patrons indoors, and outdoor service is permitted, but for table service only.
- Restaurants, bars and clubs are permitted a maximum of six persons at any one table,
- With all personal care services—spas, beauty salons and barber shops—staff and customers are required to wear a mask at all times.
- Gyms must ensure patrons keep 10 feet apart.
- The permitted gathering size is reduced to 10 persons.
- Indoor services and ceremonies are limited to 20 per cent of the venue's capacity. And outdoor services, including funerals, are restricted to 20 persons in total.

The current 8:00 pm recreational boating curfew remains in place. Also, we recommend that those businesses which can operate with staff working remotely should do so.

Madam President, these measures are serious, but this action will enable us to slow the transmission of the virus while we work to continue our vaccination programme.

Madam President, that is the necessary update to the Ministry of National Security, [Public Health (COVID-19 Emergency Powers) Amendment (No. 5) Regulations 2021], as updated by the Ministry of Health as of yesterday.

Thank you very much.

## QUESTION PERIOD

[Continuation thereof]

**The President:** Thank you, Senator Richardson.

Would any Senator care to ask questions on this update that has just been given by the Senator?

### QUESTION 1: PUBLIC HEALTH (COVID-19 EMERGENCY POWERS) REGULATIONS 2021, REMINDERS (UPDATED)

**Sen. Ben Smith:** Yes, Madam President, I am just following on from the question that I asked regarding specific Regulations, or at least discussion around Regulations when it comes to how we are importing the virus, because all the Regulations that we are discussing right now are for the people that are here to follow. We have seen in the population, with the words from the Junior Minister, *the fatigue* of the country with COVID-19. And we are starting to see people react in a certain way that is not helpful to the population.

Is there a plan going forward to minimise the way that the virus is getting into the Island and a plan for how we can systematically start to move towards normalcy? Because with all of the restrictions there is only so long that the population can be held this way. I am 100 per cent behind trying to keep our population

safe, but we are starting to see some cracks in the system and I am just wondering if those are being addressed.

**The President:** Senator Richardson.

**Sen. Curtis Richardson:** The answer is yes, those measures are being looked at, Madam President, addressed.

**The President:** Thank you, Senator Richardson.

Would any other Senator care to ask questions on this updated Statement?

Hearing none we will move on—

*[Inaudible interjection]*

**The President:** I beg your pardon?

**Sen. Marcus Jones:** I would like to ask—

**The President:** Senator Jones, you have a question on this updated Statement?

**Sen. Marcus Jones:** Yes.

**The President:** You have the floor.

#### **QUESTION 1: PUBLIC HEALTH (COVID-19 EMERGENCY POWERS) REGULATIONS 2021, REMINDERS (UPDATED)**

**Sen. Marcus Jones:** Can the Junior Minister explain the difference of offence violated by the organiser of an event and the attendee to the event? Let me sort of expound on that. What I am hearing from the public is that there is a little bit confusion on [the offence of] a person who organises an event with too many people in that party or gathering [versus] those who attend, if the police show up, how will both of these participants, the organiser vis-à-vis the person who is just attending be convicted by the law? Will it be equal or will there be a greater offence for the organiser over that person who just attended?

**Sen. Curtis Richardson:** Madam President, I will look into the Ministry and get back to the Senator's question with an answer.

**The President:** Thank you, Senator Richardson.

Senator Jones, did you have a follow up, second question?

**Sen. Marcus Jones:** No. I will wait for the Junior Minister to update us.

**The President:** Thank you.

Would any other Senator care to ask a question on this updated information on the Regulations?

Hearing none, then we will move on to item number 13.

### **ORDERS OF THE DAY**

**The President:** And the Orders of the Day is that the Senate will now undertake debate on the 2021/22 Estimates of Revenue and Expenditure with the second reading of the Appropriation Act 2021 and the Governor's recommendation signified. And this is in the name of Senator Arianna Hodgson, Junior Minister for Finance. You have the floor.

**Sen. Adrianna Hodgson:** Thank you, Madam President. (Sorry. I think my video is working.)

**The President:** Yes, we see you.

### **BILL**

#### **SECOND READING**

##### **APPROPRIATION ACT 2021**

**Sen. Adrianna Hodgson:** Perfect.

Madam President, I move that the provisions of Standing Order 25 be granted so that the Senate may now proceed with the second reading of the Public Bill entitled the Appropriation Act 2021.

**The President:** Is there any objection to that motion?

No objection.

Carry on, Senator Hodgson.

**Sen. Adrianna Hodgson:** Thank you, Madam President.

Madam President, with this motion we begin the General Economic Debate in this Honourable Chamber. I am privileged to lead this debate and it is my hope that the ideas explored by Senators during this debate will be useful for the good governance of our Island home.

Let me begin by saying that it is an honour as a young, or relatively young, person to represent the Progressive Labour Party and the future of Bermuda in this Chamber on this very important day. At a time when many of us are concerned about our Island's economy I am even more concerned by the lack of interest among our young people. And so I challenge each of us as well as the listening audience to encourage at least one young person to tune in over the next few days.

*[Inaudible interjections]*

**Sen. Adrianna Hodgson:** I am humbled by the support I receive my colleagues and I am encouraged by the ideas that are shared with me on a daily basis by

persons from all walks of society. I start this speech with the knowledge that no matter what the naysayers want to predict—

**The President:** Senator Hodgson, sorry to interrupt, but can you move the second motion? You have to move it.

**Sen. Adrianna Hodgson:** I apologise

Madam President, I move that the Bill entitled the Appropriation Act 2021 be now read a second time together with consideration of the Estimates of Revenue and Expenditure for the fiscal year 2021/22.

**The President:** Is there any objection to that motion?

No objection.

Carry on, Senator Hodgson. Sorry to have interrupted you.

### **BUDGET STATEMENT IN SUPPORT OF THE ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2021/22**

**Sen. Adrianna Hodgson:** No worries. I do apologise.

Madam President, the COVID-19 pandemic has had a severe impact on the global economy and has prompted governments worldwide to take unprecedented action. To support their economies governments have enacted massive fiscal responses with early estimates suggesting these have totalled nearly \$14 trillion, equivalent to 14 per cent of the global GDP in 2020. As a result of public health measures, necessary to contain the spread of the virus, the International Monetary Fund expects the world economy to have contracted by approximately 4.5 per cent in 2020, a decline not seen since the Great Depression of the 1930s.

Madam President, as the Minister of Finance mentioned in his Budget Statement, 2020 was “A Year Like No Other.” Economic and humanitarian impacts of the global pandemic have been extreme. Bermuda certainly was not spared. With the onset of the pandemic in March 2020, the Government moved quickly to take action to protect the country on the health front. This included providing emergency funding of \$2.8 million to the Ministry of Health to fund personal protective equipment, testing kits and testing equipment among other things. This was followed by a number of financially supported initiatives including unemployment insurance and relief from or deferral of various fees, taxes, and penalties.

Madam President, overall the Government’s initial emergency economic support is estimated to total \$127.2 million in fiscal year 2020/21. This includes more than \$60 million in the unemployment benefit programmes, \$12 million in financial support for small to medium-sized businesses and additional funding for COVID-19-related health costs, including vaccination services which have positioned Bermuda

as a global leader. These and other short-term actions were promptly implemented and were largely effective in mitigating the worst of the economic impact of COVID-19 on Bermuda’s citizens.

Other unbudgeted expenses related to COVID-19 included the embodying of the Royal Bermuda Regiment, entering into enhanced cleaning contracts, providing grant funding for the BEDC’s Business Sustainability and Continuity Funding Programme, and funding the Bermuda Airport Authority to honour the airport minimum revenue guarantee for Skyport.

Comparatively, Bermuda fared well in our response to the pandemic due to a number of factors: aggressive testing, excellent compliance with public health rules, a resilient international business sector, and unemployment benefits to assist those in other sectors, just to name a few. Still, the economic impact has been substantial.

Despite resilience in international business Bermuda’s GDP is expected to contract by approximately 9 per cent in 2020. And sectors such as tourism and hospitality, which are particularly important for the employment of Bermudians, have been severely affected. Unemployment levels are exceptionally high and income disparity has widened. The high cost of living also remains a challenge and some Bermudians are struggling daily to make ends meet, despite the efforts of so many in our community to help their neighbours in times of need.

Madam President, while progress was being made until early 2020 to address the fiscal imbalances built up over a number of years, the COVID-19 pandemic has resulted in government finances deteriorating significantly in fiscal year 2020/21. So government expenditure in 2020/21 is now estimated to be just over \$1.2 billion, an increase of \$87.9 million compared to estimates made in last years’ budget, and government’s revenue originally estimated to be \$1.1 billion declined by 14.4 per cent to approximately \$961 million.

Madam President, the Government took decisive action to reduce operating expenses. The projected 2020/21 normal operating expenses of the Government are now \$880 million, or \$55.6 million lower than the original budget of \$935.6 million. This is 5.9 per cent lower. This was accomplished by a number of government cost-savings initiatives including: a freeze in funding of vacant posts not required to address COVID-19 or to protect Bermuda’s national interests; a ban on nonessential government travel; reductions in discretionary spending including grants, consultancy, training, materials and supplies, clothing and uniforms, et cetera; and temporary payroll or government employee overhead savings as a result of negotiations with the unions and including the decision to temporarily suspend matching contributions into the pension funds.

We thank those public service unions who participated in the cost-saving initiatives for fiscal 2020/21 and advise that at the conclusion of each individual agreement there is no intention to extend these initiatives.

Notwithstanding these actions taken, almost \$130 million of unplanned expenses related to COVID-19, combined with over 14 per cent of lost revenues, resulted in a projected deficit for this fiscal year of \$245.5 million and net debt will be approximately \$2.9 billion.

Madam President, the economic weakness currently underway in Bermuda has come on the back of a decade of low growth and with Bermuda facing a number of longer term structural challenges, today we have significant financial commitments including almost \$3 billion in net public debt, financial guarantees for the new airport, an acute care wing, and the block grant which covers health services. There are also significant actuarial funding gaps in the Public Service Superannuation Fund, the Government Employees Health Insurance Fund and Bermuda's Contributory Pension Fund.

More broadly, there are important social issues requiring continued Government attention such as improving the quality and affordability of health care, strengthening education and addressing the impact on government services of an ageing population and declining workforce. As sobering a thought as it is, Madam President, for the reasons mentioned above Bermuda finds itself on the edge of a fiscal cliff. It has a relatively high level of government debt and obligations. Although Bermuda currently enjoys very good access to international capital markets, it cannot be assumed that there are no limits to how much Bermuda can borrow. Our legacy to our children in terms of our fiscal responsibility cannot darken their economic future. Going over the fiscal cliff, a point where Bermuda may not be able to borrow any more, could then lead to a cut in household incomes, increased unemployment rate, and undermine consumer and investor confidence in Bermuda.

Clearly, continued deficit budgets are not sustainable. In our view, 2021 will also be a year like no other in terms of the bold decisions this Government will make to facilitate economic recovery and more importantly stronger future growth. That starts with this budget for fiscal 2021/22. This budget is not about getting back to Bermuda's pre-pandemic state. It is not about austerity when the country needs stimulus. It is also not about excessive stimulus spending and relying on optimistic recovery and growth assumptions. This budget is about collaboration, pragmatism and action. Now is the time to create an environment for real economic growth.

Collaboration on an Economic Recovery Plan has been ongoing over the last year, including with key stakeholders such as the Economic Advisory Committee, the Financial Policy Council and the Fis-

cal Responsibility Panel. The primary objective of this budget is to support the Economic Recovery Plan while prudently ensuring that Government finances achieve and stay within established financial guardrails. Guardrails are placed to generate maximum ratios to government revenue, or national GDP, and include debt service and gross and net debt. Of course, holding the debt ceiling at \$3.5 billion is an important one the Minister's highlighted on a number of occasions.

The headline for the 2021/22 national budget is a deficit of \$124.7 million. While significant, it is \$120.7 million, or 49 per cent lower than this year. Cash limits for operating expenditure has been set at \$888 million, or 5.1 per cent lower than 2020/21 plus a contingency of \$15 million for further COVID-19 expenses. Additionally, the Government has allocated \$92.9 million of capital expenditure to fund Economic Recovery Plan initiatives and provide much-needed stimulus.

As we planned during the capital market's transaction of August of last year, no borrowing is required this year since the deficit has been prefunded via the Sinking Fund and no debt is maturing until late 2022.

Madam President, as the Minister signalled in the Pre-Budget Report, some revenue-raising measures were under consideration. He further advised in his Budget Statement of the following:

- Payroll tax relief to troubled sectors will be continued through the 31<sup>st</sup> of March 2022.
- The Tax Incentives to Grow Jobs programme will be continued through 31 March 2022.
- The Retail Shops (Temporary Customs Duty Relief for Capital Investments) Act 2008, which provides a zero rate of customs duty on imported capital goods intended for renovations and refurbishment of retail shops, will be extended for a further five years through the 31<sup>st</sup> of March 2026.
- The 2015 land valuation list will remain in force for a further 10 years, and as such there will be no increases to land tax and the bands will remain as is.
- To further strengthen the regulatory oversight undertaken by the Registrar of Companies [ROC] and to support the digitisation of the functions of the ROC to meet changing international obligations and increase efficiency, there will be increases within the fee structure of the ROC which will take effect in the coming fiscal year. Bermuda cannot fail to compete with other jurisdictions, recognising the bedrock of our revenue generation is the very sector supervised by the ROC.

Madam President, there are no other meaningful increases to the cost of government services or other fees and taxes. There is a fragility to local fi-

nances that cannot be further strained by increased taxes.

Madam President, the revenue estimate for 2021/22 is \$998.9 million, \$123.3 million, or 11.0 per cent, lower than the original estimate for the previous year and \$38.3 million, or 4.0 per cent higher than the revised budget for 2020/21. The most significant decreases will be in relation to the continued impact of the COVID-19 pandemic on the global economy through the lack of cruise and air travel (forecast to be down \$20.7 million versus the 2020/21 original budget), as well as customs duty and payroll tax (forecast to be down \$34.4 million and \$19.3 million, respectively).

Madam President, total expenditures including debt service of \$127.8 million and capital investment of \$92.9 million are estimated at \$1.1 billion, \$18.4 million, or 1.6 per cent, lower than the original estimate for 2020/21. The primary reason for this decrease relates to the Government's proactive approach to cutting expenditure across all ministries by an average of 5.1 per cent and a lower spend on COVID-19-related expenses as the COVID-19 vaccine is more widely distributed locally and globally.

Madam President, this level of spending will enable the Government to execute on its priorities of improving the quality of education for our children, improving the health care system and providing adequate support to our citizens who are less fortunate and more vulnerable. It will also allow us to provide targeted investments to grow and diversify the Bermuda economy and to recover from the impacts of the COVID-19 pandemic in as fiscally prudent a manner as is possible. Operating expenditure for 2021/22 is forecast to be \$888 million. This amount represents a decrease of \$47.6 million, or 5.1 per cent, when compared to the 2020/21 original estimate of \$935.6 million.

Madam President, to properly manage and allocate public finances in support of the Government's mandate, the public service must be the right mix of human resources, programmes and prudent spending. Achieving this is no easy task, but in this coming fiscal year we will renew the effort. Therefore, in fiscal year 2021/22, the Minister of Finance has determined to defund any vacant post unless the funding for it has been allocated in support of delivering a service or active recruitment for the post is already underway. This results in an estimated savings to the public purse of approximately \$20 million. This will mean that the public service will trim its sails to meet the actual tasks required, managing public expectations accordingly, and the funding that remains will be put to better use achieving greater value for money.

Budget processes will require policy prioritisation at the start to facilitate a better alignment of the allocation of limited resources with the Government's overall policy initiatives and objectives.

Madam President, debt service costs for the fiscal year 2021/22 are projected at \$127.8 million. Approximately \$5.4 million of this is due to the debt related to the Caroline Bay project.

Madam President, in April 2020 in anticipation of the negative impacts of the COVID-19 pandemic, the Government raised the debt ceiling by \$150 million to \$2.9 billion to ensure that it could raise the necessary liquidity to fund a variety of public health and emergency financial measures to support Bermuda's people and economy. In July, in anticipation of accessing the capital markets, the Government further raised the [debt] ceiling by \$600 million to \$3.5 billion.

Madam President, while we accept that increased debt was necessary due to COVID-19 and of course the Caroline Bay obligations, the current debt ceiling is set as an important guard rail in our Economic Recovery Plan that we do not expect to breach. In fact, we expect that a surplus budget beginning in 2023/24 will allow Bermuda to continue with our pre-pandemic debt management strategy, which included balanced budgets, no further increases in the debt ceiling and applying surpluses to reduce debt.

Madam President, the Government's capital expenditure plan is a collection of maintenance, remediation and new works intended to preserve the integrity of the government estate, encourage infrastructure improvement and provide a measured economic stimulus in times like these. The capital plan for fiscal year 2021/22 is set at \$92.9 million and will achieve these broad intentions, playing a vital role in economic recovery. The highlights of the plan include:

- the development of a shoreside facility to support a new fishing cooperative;
- renewed grants to community clubs and community organisations;
- desperately needed upgrades to the physical plant of the Mid-Atlantic Wellness Institute consistent with this Government's approach to the importance of mental health; and
- long-awaited upgrades to the Marine & Ports workshop and the Department of Public Transport Headquarters, both of which address long-standing concerns around worker safety and working conditions.

As I mentioned earlier, Madam President, the Government has developed an Economic Recovery Plan which has informed this budget. The Plan has been a whole-of-government effort and includes the input of key stakeholders including the Economic Advisory Committee, Financial Policy Council and the Fiscal Responsibility Panel.

The development of this Plan has been guided by six key principles.

- 1) Combatting COVID-19 as a priority.
- 2) Reducing the cost of living.
- 3) Fairness and equity.
- 4) Financial viability.
- 5) Fiscal prudence.

## 6) Timeliness.

The Government will execute this plan mindful of the two key commitments: Firstly, that Bermuda will return to a balanced budget in three fiscal years once tourism has fully recovered from the pandemic; and secondly, that Bermuda will maintain the current ceiling on total government debt.

We believe the challenges we face are solvable. We can successfully execute our Economic Recovery Plan and build an economy that all can participate in. As the Minister has said, *an economy that works for all of us*.

COVID-19 has been disruptive. But now is the time to focus on growth in a measured and prudent roadmap. We must all do our part. If we do, Bermuda will return to a balanced budget within three fiscal years.

Thank you, Madam President.

**The President:** Would any Senator care to speak on this Bill?

Senator Jones, you have the floor.

**Sen. John Wight:** I think you are mute, Senator Jones.

**The President:** Senator Jones, you need to unmute yourself.

## GENERAL ECONOMIC DEBATE BASED ON GOVERNMENT'S 2020/21 BUDGET STATEMENT

**Sen. Marcus Jones:** I am sorry, Madam President, is that much better?

**The President:** Yes, it certainly is. We can hear you.

**Sen. Marcus Jones:** Very good.

**The President:** You have the floor.

**Sen. Marcus Jones:** Let me repeat myself. I first of all want to thank the Junior Minister of Finance for giving and presenting this particular brief. I believe it was the shortened and abbreviated brief that came from another place. I appreciate her brevity. I appreciate her targeted presentation of the Government's budget for the year [2021/22].

Before I launch into my presentation, Madam President, it has not escaped me that only last year at this time it was only you, Madam President, the Vice President of the Senate, Senator Michelle Simmons, and myself (being the younger of that triumvirate) that sat in Senate when the announcement was made and Bermuda was going through the major changes and the major trauma from this pandemic.

At that time, we had no idea what we were looking at or expecting. And I believe we can look back over this past year and say quite candidly, *Truly the Lord has been good to us*. It could have been worse; but I believe that with the efforts of the people, with the direction of this Government, with the assistance of the OBA Opposition, Bermuda has been able to navigate the worst. And my prayer and belief is that the worst is behind us.

We are still doing things remotely, which tells us that we are not out of the woods yet. But we hope that things will get better as we go along.

First of all, Madam President, let me just put a couple of markers down and this will help us get a full understanding of why we are here, why the legislative process requires for the Government to give a budget and for then the Opposition to give its Reply and its feedback. First and foremost, the purpose of a Budget Statement is important for two reasons. It is a report and analysis of the Government's finances for the past fiscal year within the context of the overarching external conditions in Government objectives.

Secondly, the purpose of a Budget Statement is for the Government to present its plans for the country for the next fiscal year and how those plans will affect the Government's revenue expenditure and balance sheet. No Government enjoys being a bearer of bad news. They prefer to give a glowing report of its successes and not mention its failures. Here is where the importance of an Opposition plays its role in the Parliamentary process. Our job is to hold the Government accountable for the collection of its revenues through taxation and fees, prudent spending within financial guidelines, servicing of its debt and delivering on its services to the public in an efficient manner. This is what an annual budget seeks to do when a government falls short on its yearly budget aspirations.

We the Opposition are duty-bound to bring these shortfalls to the attention of the Government and provide alternative plans and ideas for the betterment of the management of the country. Very rarely does a government take the advice of its opposing party, and this PLP administration is no different. Most governments would like to stay in power so they do not admit their wrong planning and decision-making. Assuming the incorrect deduction that the population does not see its fallacy or make allowances for their poor management of the nation's economy and vote them back in despite the overwhelming evidence that suggests that they have run out of ideas or lack the ability to execute good economic recovery plans.

In my introduction to the Opposition's Reply to the 2021/22 Budget it is important that I highlight how this past year has been greatly impacted by this COVID-19 pandemic that has not only decimated Bermuda's economy but the global economy. No one could have predicted this natural disaster and its debilitating effect on our health care systems which in

turn negatively impacted our ability to function as a service-driven economy.

Madam President, I readily and without hesitation applaud this Government's management of the COVID-19 pandemic and with the legislative assistance of the OBA have put guidelines in place to ensure that significant increases in positive testing of the virus is minimised and our hospital will not be overrun with an uncontrollable number of patients infected that would drive our health care system, more specifically, the hospital, in an extreme crises level.

Our frontline health care workers are to be congratulated. Essential services management and staff who remained open through the lockdown are to be congratulated. Uniformed service men and women who risk their own safety to protect us are to be congratulated. And last, but not least, you the public need to be congratulated for adhering to the Regulations put in place for curfews, for social distancing and mask wearing that went a long way in mitigating the possibility of an extensive ordeal of enduring this pandemic.

Bermuda is a service economy with no physical exports and only two pillar industries, one of which produces much of our foreign exchange employment and tax revenue, which is international business. The other pillar is more a reflection of who we are. Blessed with an Island of physical beauty, tropical climate, location on the map, and most importantly the friendliness of its people, which is tourism. Although we are an Island, we are not an island to ourselves. We are directly impacted by external forces which encourage or discourage people whether leisurely or work related to visit our shores. Just as the tragedy of 9/11 changed the way we travel forever, this COVID-19 pandemic has changed the way we work and live forever.

According to the International Money Fund [IMF], global growth was projected to be 4.4 per cent in 2020 and forecasted at 5.2 per cent in 2021, better numbers than previously estimated which can be attributable to the raised hopes of vaccine approvals that can be a firewall to this pandemic. The strength of the recovery depends on the country. The IMF has recommended that multi-lateral cooperation be used to bring the pandemic under control everywhere. Governments worldwide have been supporting their economies via fiscal stimulus until their countries can land on their feet. Bermuda's recovery is closely tied to the global market's recovery and, more importantly, its largest trade partner, the US's recovery.

In 2020, Bermuda's international business sector provided 4,199 jobs in the economy, reflecting growth of 4.5 per cent year over year, or an increase of 179 posts. There were 733 new international companies and partnerships registered in Bermuda cushioning the blow, allowing this sector to chug along far better than if our economy was more hospitality dependent than international business dependent. Many

of the employees in this sector were able to work remotely from home, secure in the knowledge that many of these exempt companies had a well-structured national disaster plan in place to continue functioning almost seamlessly, and the strong business statistics reflect that fact.

But we must not forget the second pillar to Bermuda's economy that took a near death blow and to some degree is still haemorrhaging. From March 21 to June 30, 2020 there were no commercial flights running on a regularised schedule. As was expected, compared to 2019, total air visitors were down 84 per cent. Cruise visitors were down 98 per cent. Total leisure visitor spending was down 87 per cent. As flights to Bermuda returned to a level of normalcy and more residents, especially in the tourism sector get vaccinated, we will begin to see the hospitality business resuscitate and most of the employees in this sector return to work.

We encourage the Government to do its best to find out how many of these jobs were lost temporarily due to the pandemic with hopes of a return and how many of these jobs will be lost permanently. This data will allow the Government to plan for the financial support of employees who may never be able to return to their jobs and to make policy decisions that can induce retraining of employees in this sector for other industries.

The PLP pledged in its 2020 election platform that once tourism has fully recovered it will return to a balanced budget within three fiscal years. So one can see the importance of a vibrancy of this industry as it will be one of the measurements that Government will use to determine a return to economic normalcy. Over the last few days the PLP Government has unveiled its economic recovery plan. It has been touted as the blueprint that will get Bermuda back on the road to recovery. We in the Opposition remain hopeful and ready to lend a hand if the invitation to contribute in a meaningful way as equal partners to stand shoulder to shoulder with the Government to make this economic recovery a reality is extended.

Madam President, allow me to highlight some positive aspects of this Budget Statement 2021/22. I am a glass-half-full type of person who looks for the positive aspect of a thing before I inspect it with a critical eye. So allow me to pick out the things in this Budget Statement that I was glad to see. Yes, I did read it. Several times in fact. And here are my observations.

On page 7, it states that Government responded by creating an emergency unemployment scheme quickly as a safety net for those who lost income due to the pandemic and stepped up to pay the redundancies of laid-off workers at Fairmont Southampton.

On page 13, we see that the Government has designed a six-point Economic Recovery Plan intended to expand the existing pillars of the economy and

diversification (more on that subject later on in this presentation), and a goal of a return to a balanced budget in three fiscal years once tourism has fully recovered.

Page 14 reveals the Government's objective to expand the resident population. Do I perceive true immigration reform in our future? Or just the tired window-dressing demonstrated by finding solutions to the low-hanging fruit that signals optimism but leaves some of our residents who have invested their expertise, sweat and enterprise without a home to call their own.

Page 14 goes on to give a plan for an independent project management team selected with the necessary skill sets to manage this Economic Recovery Plan. In fact, the Minister of Finance stated that a good plan poorly executed can be worse than no plan at all. Which lends truth to the concept that a carefully selected group outside of Government is needed to put this plan to work.

Madam President, allow me to give my critique of this Budget Statement. Let's talk about what the Budget Statement did not address adequately.

Employment. There was little to no mention of the lost jobs in the economy, neither a direct policy-driven solution offered to give comfort to those in our community who are still unemployed with no hint of a chance to return to work. If you have been gainfully employed in the international business sector or within government, uniformed service men and women included, the full impact of this pandemic may not have reached your doorstep. But to the numbers of our fellow Bermudians who have not had a regular pay cheque for almost one year, and their prospects are returning to the status of being gainfully employed for now and the foreseeable future are lost, the lack of attention to this aspect of the economy leaves much to be desired.

One of the major indicators of any economy is its employment numbers and income. Preliminary data from the 2020 employment survey which includes the laid-off employees in 2020 indicates that the total number of jobs in Bermuda declined by 1,935 posts representing a 5.6 [per cent] decrease. If one includes the laid-off workers from the equation that figure jumps to 8.5 per cent decline. From an all-time high of 40,213 jobs in 2008 to a low of 32,443 in 2020, this Island has lost 7,770 jobs since 2008—a reduction of almost 20 per cent. Of the 1,935 lost jobs, over 1,000 were in the accommodations and food service sector.

One other sector experienced job growth in 2020 and that was the public administration sector. Government gained 82 positions during this pandemic. And we on this side of the aisle would not welcome civil servants being laid off at this time either. But what this PLP Government has proven while in power in 16 of the last 22 years, is that it consistently ramps up the number of government posts, whether in good times or bad. This puts more burden on the Government to

balance its budget at a time when it needs to trim the fat and be a safety net for the corporate and individual citizen.

Gaming. Literally nothing was said in the 2021/22 Budget Statement about gaming. No mention of Government resolving the banking component or ensuring that the legislative and operational framework is in place to ensure that two world-class resorts can run casinos in their resorts. St. Regis Hotel will be opening in May 2021. Will they have their gaming licences in hand by this date? Inquiring minds want to know.

Education restructuring. The Ministry of Education has been busy informing the public and promoting its plans to implement a wholesale change in the structure of the public education system reducing its framework from a three-tier to a two-tier model once practiced in Bermuda. The Minister of Education has stated that in their plans to restructure the system, I quote, "cost is not something they have factored in." A further quote, "money will be found to carry out Government's plan . . . no matter the cost." Should cost matter in one of Government's major capital projects? And if money will be found, where is it coming from?

Madam President, let's turn to the Economic Recovery Plan. The Minister of Finance has unveiled his Economic Recovery Plan that will be led by yet another committee, the Economic Advisory Committee. Please be patient with us if we appear to be a little bit sceptical of the introduction of another panel of advisors that this Government has put together. Recent history has shown us that whether it is the SAGE group, the BermudaFirst group, or the Fiscal Responsibility Panel this PLP Government is long on talk but short on action. Each of these groups over the last few years have presented recommendations to Government only for the majority of those suggestions to be ignored or, if heeded, poorly executed.

Immigration. It is well known that a good immigration policy is a good economic policy. This PLP Government appears to have listened to the persistent urging of the OBA to at least admit that an increase in the workforce by increasing the number of residents is necessary for economic growth. Page 14 of the 2021/22 Budget Statement says under the heading "Expanding the resident population—More people means more economic activity, more know-how, more diverse businesses, more for everyone. Every retail business, restaurant, landlord, contractor, landscaper, telecom provider and school wants more customers. More customers mean more business, leading to more competition and lower prices." That statement sounds like part of a making of a good Economic Recovery Plan.

No need for the supporters of the PLP to protest and block entrance to Parliament for its party's bold moves to increase the population. It is time for us as a country to let go of the fear of being displaced in the job market, equip and retool our citizens to occupy

the top posts in the workforce while making it attractive for foreign investment to set up shop in Bermuda.

One of the critical components of that goal is an immigration policy that not only rewards prospective persons looking to live and work with \$2.5 million to invest in Bermuda, but also makes a pathway for residential permanency for those amongst us born in foreign lands who have been employed on our shores for a significant amount of time that are essentially stateless.

They have raised a family here, educated their children here, spent money in our restaurants, beauty salons, and retail shops and have proven their value to this country. They are a captive audience who we do not have to attract to Bermuda to help bolster a population with a falling birth rate and a growing ageing population. Let's be smart and make it worth their while for them to stay here.

Budget surplus and debt. Again, I repeat, the Government has pledged to produce balanced budgets when tourism has fully recovered. Can the Junior Minister tell us her Government's tourism figures in the form of visitor arrivals and spending that will signal to this country that tourism has fully recovered? Is it the 2019 pre-pandemic numbers? Is it the numbers that Bermuda experienced when it had 7,000 hotel beds? Or will it be determined by the return of a fleet of cruise ships returning to our shores? What are the magical numbers that will cause this country to collectively exhale in relief that we can expect balanced budgets?

Debt servicing represents \$127 million of our annual budget, so it is worth putting our attention on the almost \$4 billion national debt that stares us in the face. What progressive benchmarks has this Government put in place to measure our debt to GDP revenue ratio to demonstrate to the country that it has a plan to diminish our debt level? We can appreciate that in the midst of a pandemic it is unrealistic to expect to be able to make major inroads on our indebtedness. But if we can show aspirational pursuits to both cannabis and gaming commissions, overhaul our school system and invest in vertical fishing farms, surely we can derive comprehensive plans to steer Bermuda to manageable debt levels that can build hope in present and future generations that we will not be buried by national debt that will cripple us indefinitely for the foreseeable future.

Taxation, Madam President. Legislation has been passed in these Chambers to give the Minister authority to reactivate a tax reform commission tasked with a job to provide the Government with recommendations for tax reform after the pandemic gives way to a healthy society bursting with pent-up demand for economic activity. Many recommendations have already been suggested by the former commission without implementation. So I ask, What is the point? Dust off the former report and gauge its effectiveness and be bold with necessary changes to create a more

progressive structure that will create equity and fairness.

But I caution this Government that a new tax structure that has the potential to increase revenue for the public purse of \$190 million over three years will not yield its maximum return if the spending of Government does not decrease in similar fashion.

Government's accounts receivable. Madam President, there has been no increase in staffing within the Attorney General's Chambers for debt collection or significant increases in funding within the department tasked to recover outstanding Government receivables to the tune of nearly \$100 million. The 2021/22 Budget was extremely quiet on how it plans to recover these funds at a time when the Government's coffers are lean. To the businesses and private citizens that have been diligent to pay their taxes in full and in a timely manner, we in the Legislature thank you.

For those who have been delinquent, we encourage you to come into the Ministry of Finance and arrange a payment plan. Businesses found delinquent should have certain targeted privileges withheld from them until an agreement is made for repayment. The monies outstanding will go a long way in assisting those amongst us who have had to join the ranks of the unemployed due to this pandemic and assisted Government in maintaining its public service levels without undue burden.

One can expect that there may be some write-offs after close scrutiny of these accounts receivables, but there should be an attempt by this Government to provide a clean accounting of its receivables so that it will have confidence in the value of those receivables and the irretrievability of its outstanding balances.

Retail Sales. Retail sales have also been an economic indicator in Bermuda that tells a story of the spending habits of locals. Government's Statistic Department shows that the volume of retail sales increased by 7.9 per cent compared to October 2019. Prior to the pandemic, Bermuda witnessed double-digit months of consecutive declines in local sales in this sector which indicated that the Island was on a fast train heading toward a recession.

One of the bright lights of this pandemic is that residents, not being able to fly abroad due to the decline in non-essential travel, consumers spent more money at home thus producing stronger retail sales the like that we have not seen in a long time. But those promising numbers could be a false dawn once commercial flights are reinstated back to pre-COVID-19 levels. There needs to be plans in place to jumpstart that sector along with tourism and construction, as they represent industries that employ a large number of residents who have been negatively impacted throughout 2020.

In closing, Madam President, it is extremely important that this Government connects its aspirational goals with a concrete, innovative, economic re-

covery plan. With the recent spike in positive testing of the virus, we realise that we are not out of the woods yet. Every uptick in this number delays the speed in which Bermuda can experience full economic recovery. There must be a commitment by the residents of this Island to follow earnestly the protocols and regulations passed by the legislature to maintain a healthy and safe community in tandem with the commitment by this Government to head the advice of the committees it has activated to pull us back from the brink of economic collapse.

Thank you, Madam President.

**The President:** Thank you, Senator Marcus Jones.

Would any other Senator care to speak on this budget?

Senator John Wight. Yes, you have the floor.

**Sen. John Wight:** Thank you, Madam President.

Good morning all.

**The President:** Good morning.

**Sen. John Wight:** First of all, I would like to say I have great respect for the Minister of Finance and the Junior Minister of Finance and all the Finance Ministry personnel because this is a challenging enough budget in normal times. But to prepare a budget in the COVID-19 world is even more challenging, so I take my hat off to the Ministry of Finance in its preparation. And the Minister himself when he joined his current position, I do not think he had any . . . he had no idea what he was going to be facing within a relative short period of time.

So my comments overall are that the stats speak for themselves. The Junior Minister reported very well earlier, roughly, we have \$3 billion of debt, a very large deficit projected for the current year. And so there is no question, we have immense challenges ahead of us. Some of the concerns [we] have, first of all, relate to the three-year period that we are going to re-enter a balanced budget. From reading many prior budget reports from many Ministers both in the PLP and OBA, there always seems to be a three-year headwind to balancing the budget. That seems to be a pretty common theme from reviewing prior years' reports.

What I would like to understand, if the Ministry is very confident about that projection, what does that look like for next year? What does that look like for the second year? And what does that look like for the third year in order to get us back into a balanced position?

I think "Job 1" for Bermuda is pretty obvious. It is to grow the economy. And what does that mean? People often hear "gross domestic product [GDP]. So what is GDP? And really the growth of any economy, Bermuda, and every other one, is a function of two things: the number of working population and the

productivity for those individuals. That is the equation for growth in the economy.

So, as was explained in the Budget Statement, our growth since 2009 has been 0.8 of 1.0 per cent over that 10-, 11-year period. So when I see the growth projections going forward, inherent in this budget of 3.5 per cent, then we are saying that we are going to be doing something better, different, that equates to roughly four times the increase that we have done over the last 10 years. So in this budget I have a hard time seeing what exactly it is that we are going to be doing better and differently going forward to warrant the figures that are being projected.

I mentioned before the debt of \$3 billion which, if you divide that by the number of residents in Bermuda, roughly 60,000, it amounts to \$50,000 per person that is owed back to banks,[or] from financial institutions of some sort.

Even the interest expense, so it is projected to be \$128 million for the next year. If interest expense was a Ministry, it would be on par with education. So we are projected to spend in the next 12 months the same amount on interest on our debt, forget repayment of any debt but the interest on our debt as we do to fund all of the elements of our Ministry of Education. So the only Ministry that is larger is Education, so I think when you put into those terms it really has to be Job 1. We cannot keep kicking the can down the street and assuming that at some point things will get better.

We need to see bold initiatives, bold actions. I would say that I am fully supportive of the economic diversification efforts. I would highly recommend that Government review the recommendations by groups such BermudaFirst. And I declare my interest. I was on the executive committee of that group for two years. The Bermuda Chamber of Commerce produced a terrific report a couple of years ago. So there is no shortage of great ideas. I think it takes some bold initiatives and some education and some communication with the community around what these options are and which ones will serve Bermuda best to generate employment for Bermudians and to be able to assist in increasing revenues so that at some point we can balance our budget and start to pay back that huge debt so that \$124 million that we currently pay in interest can go into helping elder care, improving our public education system, and some of the other worthwhile ventures in Bermuda.

As I look through the Budget Statement there are other ideas that caught my eye. One is, I have been a huge proponent . . . the infrastructure development is a worthwhile venture for Bermuda. My comment on that would be that we need foreign capital to make this happen. As you know, we have had a very long period where local businesses, local individuals, simply do not have the capital to be able to buy buildings, to refurbish them, but there is foreign capital out there to do that. We need foreign currency and we

need people to take a bit of a risk from overseas to come and do things that we simply do not have the finances for ourselves.

So the 60/40 rule I know has been a very contentious one for a long time. And 60/40 I guess has become 40/60. But in my view it is hard to find a country anywhere else in the world where we still have restrictions on foreign individuals, foreign companies investing in our country. I know the sensitivities around this issue, taking jobs from Bermudians. But rather than say that we are concerned about what *might* happen I would just highly recommend that we work together to see how we can craft legislation so that we can benefit Bermudians in the workforce and at the same time allow, for example, Hamilton to be re-energised.

Hamilton to me was such a lovely, charming area. I think back to sort of the energy levels of 15, 20 years ago. And now when I go home from BF&M at seven o'clock at night during the week, there is just not much activity. And so I think foreign capital, foreign investment is something that we critically need. So I would recommend to Government that we reconsider. Even 40/60 is still penal if our main objective is to create jobs for Bermudians.

I know my fellow Senator colleague referred to the immigration reform. Again, a very sensitive issue, and I know immigration has been used adversely in the past. I absolutely concur with that view. It was used as a tool in all the wrong ways by many employers, many individuals in the past. But in the same way as I am referring to foreign investment, I think we need to see a way that we can confidently craft policies that allow people to have some sort of roots in Bermuda. I know that giving status is a very contentious one. In my view there are many individuals who would love to receive a PRC and who would give back in a large way. We do have a lot of data that shows that when PRC holders are given their certificates that they renovate condos and homes and provide a lot of work for our Bermudian workforce. So, I would encourage the Government to move forward in meaningful ways to bring more people to Bermuda.

I will just have a quick review through the budget to see what I have not touched on that I would like to. I think there was a reference to some of the themes, one of which was labour market reforms and the introducing minimum wage legislation, which I personally am in favour of. I think the discussion needs to be about introducing minimum wage and what that means for the workforce.

In many European countries, for example, having a high minimum wage also means having higher unemployment because businesses only have a certain amount of money to employ people with. So, for example, if they have 11 current employees and minimum wage (for the sake of argument) increases wages by 10 per cent then they may reduce the number of employees from 11 to 10. So [as] it is with many

issues we just have to really come to discussing the pros and cons, make decisions in the best interest of Bermuda and move forward.

So, I am an optimist. I truly believe that Bermuda has its best days ahead. But I really think that we at the same time have to initiate some bold initiatives to make it happen. I am just concerned that with the current plan we will see improvements, but I do not think we will see enough improvement to say that we will have a balanced budget in three years and that greatly concerns me.

So, Madam President, those are my comments on the budget.

**The President:** Thank you, Senator Wight.

I believe Senator Michelle Simmons you would like speak. You have the floor.

**Sen. Michelle Simmons:** Thank you, Madam President.

Madam President, the main purpose of any Government is to really facilitate the wellbeing of the people it serves. So, we are always looking for policies which will be in the best interest of those people of the community. The average person . . . and I think this is true in every country in the world. The average citizen wants to live in an environment where he or she can feel hopeful about the future. The annual process of developing a plan for the country, a financial plan for the country, is really important because it gives Government a chance to examine all of its revenues, its assets, its liabilities, expenses, and how all of these will impact on its planning for future programmes, both in the short and the long term.

Also, and I think this is true universally as well, one of the goals of any financial planning scheme is to balance the budget. We have already heard the Senators who spoke before me each mentioning balancing the budget, so that expenditure does not exceed income. So Madam President, let's look back briefly to the 2020/21 budget. And I will say to Senator Jones who mentioned the fact that there were just three of us in the Senate here last year who are still here that we never did have a chance to debate the 2020/21 budget, because there came COVID-19 and the country went into lockdown.

But if we look back briefly to that budget, there were many positive financial trends which had given us hope that Bermuda was continuing to climb up from the recession (remember that?) of 2008, 2009. For example, GDP was increasing, jobs were showing slow growth, the international business sector was showing continued solid growth. Visitor arrivals, especially on cruise ships, were showing a positive trend. And employment income which is something we use as a measure of the funds which people have available for spending, that was even increasing.

So, Madam President, let's leave 2020/21 and let's come to March . . . sorry, let's leave the budget of

2020/21 and let's come now into where we are today. This is now March 2021. And the landscape has changed drastically. This is something no one had forecast. Bermuda's economy went into a downward spiral. And that began just over a year ago in March, in fact, to be exact, March 11, 2020, which is when the World Health Organization declared that the world was in the midst of a pandemic caused by the COVID-19 virus.

Madam President, I am sure you will recall what was happening then. Cases of infection by the virus were increasing exponentially. People were dying. And hospitals were becoming overwhelmed in countries where the virus already had a solid foothold. Seeing all of this, our Government had to act very swiftly and decisively to protect everyone in this country. I cannot commend the Premier, the Minister of Health, all Members of Cabinet, and all their advisors . . . I cannot commend them enough for the swift and decisive action they took in responding to this threat to our very existence.

I cannot go on until I also say how thankful this entire community is for all those in public health who stepped up and are still stepping up to help to keep us safe and basically alive. I commend all the support services out there who have also been instrumental in protecting the community.

Some tough decisions had to be made, Madam President, by the Government. Basically, the Government chose people over profit with the result being that our economy has suffered and is in a very, very fragile state. As Senator Hodgson said earlier, GDP has declined by 8.5 per cent in 2020. Jobs have declined by 5.6 per cent. And employment income has also declined by 7.4 per cent in the first three quarters of 2020. The brightest ray of this economic tapestry was the international business sector which continued to add value to our economy.

Therefore, Madam President, under these extraordinary circumstances, Government had to adjust its plans. Especially regarding expenditures. Instead of spending more revenue on infrastructure and providing services to the public, Government had to shift its focus toward human interests and paying out benefits to individuals who needed assistance just to survive. As Senator Hodgson said earlier, \$127.2 million was paid out in *unbudgeted*, and I underscore that word, unbudgeted COVID-19-related expenses. Of course, this has had a huge impact on the budget with an overall deficit projected to be \$24.5 million or \$22.5 million more than what was expected. So that takes Bermuda's net debt way up to \$3.0 billion by the end of this month.

Madam President, I am trying to paint a picture so that my comments later on will be understood. Additionally, there was a decline in Government revenue due to a decline in most sources of income such as customs duty, payroll tax, and visitor arrival taxes. Oh how the tourist industry has been decimated!

So what now, Madam President? Well, COVID-19 is still with us. But through the vaccination programme and I hope, I pray, through the compliance of the community at large, we are hopeful that soon we will begin to see our economy steadily shifting toward recovery. But Madam President, so much depends on what is happening to help us get out of the grip of COVID-19. If the community will continue for the most part to respond as they have [been] by adhering to public health guidelines, we will see ourselves beginning to recover economically. But if we have to continue to shut down our economy, it is just not going to happen.

I realise that it has been a long time since we have been able to live what we consider normal lives. But all of us have to do our part in protecting ourselves and those we love, and, I dare say, the wider community. This global pandemic has taught us many lessons. But one of the chief lessons is we are dependent on each other, both within Bermuda and internationally. And keep in mind, Madam President, that Bermuda's economy depends to a large degree on what is happening internationally. Other countries must also experience a revival, i.e., must see COVID-19 coming under control before they can effectively also show signs of recovery. And one of our main pillars, one of *the* main pillars of our economy, tourism, depends on that.

Madam President, in preparing for this debate I asked myself, what does the general public really want to know? And I am just going to share a few questions and my responses to those questions with you as I proceed.

The first questions, How will this budget affect my life? Will things get better for me? The answers to these questions are really important to all of us. But they are particularly important to persons who are living in poverty in Bermuda. And we may not want to admit it, but we have people in our community right now who have no hope of having sufficient income to pay their bills and provide for their families. Much of this is unexpected because people have been rendered jobless because businesses have had to shut [down]. We have seen people who, on just reduced income, cannot make ends meet.

Therefore, it was very pleasing for me to see that in the 2021/22 Budget Statement Government has not increased any taxes or fees which would impact negatively on the average citizen. However, Madam President, I am urging Government to increase its efforts toward reducing the cost of living and establishing a living wage in Bermuda. I know my Senate colleague, Senator Wight, has just mentioned a minimum wage. But I really feel strongly that in Bermuda we need to do far more right now with regard toward establishing a living wage. I know there are two sides to that picture. And both sides need to be taken into consideration. But Bermuda is a very expensive place in which to live. And a living wage

combined with no tax hikes must go hand in hand when planning for a reduction in the cost of living

I will just remind everyone, Madam President, that according to the 2021 World Population Review, if you take into consideration the price of groceries, utility bills, rent and transportation, Bermuda is the most expensive country in the world in which to live. And to make matters worse, the City of Hamilton is deemed to be one of the most expensive cities, if not *the* most expensive city in the world. It is hard. It is very hard for the average consumer in Bermuda to make a living which enables them to support a family. And that is why I am stressing the need for Government to re-double its efforts to deal with the very high cost of living.

I also believe that Government is still working on plans to reduce health insurance rates by transformational reform. And we know transforming any system takes time. They are also working on plans to reduce the cost of energy, to bring down the interest rates on mortgages and to reduce food costs. The public needs to hear more about [the] progress made toward all those initiatives, and right now there has not been much information forthcoming.

Madam President, there are businesses in Bermuda which I say are currently on life support, struggling to survive. I must commend the Minister of Finance for continuing his payroll tax relief as well as the tax incentive programme for job growth. He has also continued customs duty relief on imported capital goods intended for renovation and refurbishment of retail shops. All of that will help, I hope, [so that] as many local businesses as possible [will] continue to function. Of course, we recognise that the community is depending on more of our businesses to survive because that is where our people are employed. And during the downturn in our tourism industry we are hoping that with enough of the tax incentives provided by Government and with the promise of a resurgence in tourism, that we will see sufficient [numbers] of our local businesses surviving.

Madam President, as I said, I asked myself, what do people really want to know about this budget? And the next question I asked was, Will Government have enough revenue to fulfil its commitments? Well, we have already heard the answer to that question. According to the Budget Statement, the total expenditure for 2021/22 is projected to be \$1.1 billion. And that comprises debt service, one of the largest ministries, of \$127.8 million, capital investment of \$92.9 million, and operating expenditure of \$888 million. However, the revenue estimate is \$998.9 million. Leaving us, once again, with a deficit, but this time of approximately \$125 million.

So, the answer to the question is, no, Government does not have enough revenue, or is not anticipating having enough revenue, to fulfil its commitments. So, as with any budget, we must look at where reduction in expenditure can be made. I realise that

most Government departments have already been asked to cut expenditure. And the Finance Minister has already defunded vacant government posts, but are there further reductions that can be made?

For example, are there programmes which are being funded and have been funded for many years but they are not meeting and maybe have never met expectations? Can those programmes be eliminated? Are there programmes that have never been evaluated or reviewed? Is it now that they should be evaluated and reviewed? Perhaps they need to be removed. It would be good, I am just suggesting, that a closer look should be taken at all of the programmes which government is running because sometimes we keep programmes in place just because they have been there for a long time. But, indeed, they are not bringing assets to government.

And then, Madam President, as I get closer to concluding, I asked another question. How can government increase its revenue and operate more efficiently? I believe one of the Senators who spoke before me has already mentioned government's accounts receivable where there are hundreds of millions owed by taxpayers. Some of this has been outstanding for several years. And it is almost irresponsible to continue to—

*[No audio]*

**The President:** Senator Simmons, we are not hearing you or seeing you.

**Sen. the Hon. Dr. Ernest Peets:** Same here, Madam President, but I do recall Senator Simmons indicating—

**The President:** She did say—

**Sen. the Hon. Dr. Ernest Peets:** —that her Wi-Fi may be a little shaky.

**The President:** Yes, that's true.

**Sen. the Hon. Dr. Ernest Peets:** Should we give her a few minutes?

**The President:** Well, we will just give her a couple of minutes because she said she was concluding.

**Sen. the Hon. Dr. Ernest Peets:** Okay.

Also, Madam President, I am aware of the 12:30 mark so I [could take us to] lunch.

**The President:** Yes, indeed. And that was my next question, if she does not come back in another minute then we will break for lunch. It would give her time . . . we will break for lunch until two o'clock.

But while we are giving her that opportunity to see if she can fix her microphone, I just wanted to in-

dicating to all Senators that Senator Lindsay Simmons did receive and submit a response to the questions that were raised by Senator Robin Tucker. And I do believe that all Senators did receive, as I have, the responses to the three questions that were posed by Senator Robin Tucker. So can someone affirm that?

Senator Tucker, you have received them?

*[No audible response]*

**The President:** Good.

**Sen. Robin Tucker:** Yes, Madam President, thank you.

*[Crosstalk]*

**The President:** Senators, I believe what we will do is we will break for lunch as it is 12:30, and we will come back at two o'clock and hopefully that will give Senator Simmons an opportunity to wind up her presentation.

So Senate is now adjourned for lunch until 2:00 pm. Thank you, Senators.

**Proceedings suspended at 12:30 pm**

**Proceedings resumed at 2:03 pm**

*[Sen. the Hon. Joan E. Dillas-Wright, President, presiding]*

## **GENERAL ECONOMIC DEBATE BASED ON GOVERNMENT'S 2020/21 BUDGET STATEMENT**

*[Continuation thereof]*

**The President:** Good afternoon, Senators, and the listening public.

The Senate is now back in session and continuing with the debate on the 2021/22 Estimates of Revenue and Expenditure and the Appropriation Act.

Prior to lunch Senator Michelle Simmons, Vice President, was presenting and did experience some technical problems which have now been sorted out because she has changed her site.

So we will now allow her to, give her the opportunity, to complete her presentation.

Senator Simmons, it is over to you.

**Sen. Michelle Simmons:** Thank you, Madam President. I apologise to everyone for the technical issues. Hopefully a technician is coming to resolve those at my previous site next week. But for now I am happy to be here and I am happy that you can hear me again.

Madam President, I believe that I was just talking about how Government can increase its reve-

nue and operate more efficiently when we were cut off. And I only have a few more remarks to make. I was referring to the accounts receivable. I believe that much of what I said there had gone across.

I was suggesting that an update needs to be given to the public about the work that had to be done in the Office of the Tax Commissioner with regard to, first of all, additional staff was hired. And the purpose for hiring those additional persons was to see a more efficient collection of government taxes which have been outstanding for many years. And it adds up to millions of dollars.

Madam President, in this same thought, I had wondered about the efficiency under which government is operating. We all know how technology has had a huge impact on how we just live our everyday lives right now, but within the ranks of government departments, everyone has acknowledged that technology could play a huge role in improving efficiency.

I realise that government has to spend prudently at this time but I would urge them to move forward when funds become available to create that centralised IT structure that was talked about a couple of years ago so that there can be communication across government departments instead of each government department having its own individual IT system which does not enable one department to efficiently communicate with another. That is a real negative, in my opinion, with regard to the operations of government. Efficiencies can be realised if there is a government-wide IT system.

Madam President, I am going to conclude my remarks by saying that Government has an obligation to the country to ensure that the best interests of the people they serve is their main consideration. I believe that Government is acting in the best interest of the people. And I would just urge them not to grow weary [but] to press on, looking at innovative ideas, looking at efficiencies within government, looking at how they can make life better for the average person.

And, obviously, government finances play a big role in whatever plans Government is putting forward. Therefore, I once again want to commend the Minister of Finance. I think that right now nobody else would want his job because he has inherited a number of circumstances which will challenge him. But I believe he is up to the challenge; I know he is up to the challenge! I would just encourage them to press on—especially the Minister of Finance, and wherever he can see his way clear to improving the situation that we are living through, for the good of the community as a whole, to do so.

Thank you, Madam President. And once again, I apologise for the interruption.

**The President:** Thank you, Senator Michelle Simmons. We are pleased that you were able to resolve the issue. And we thank you for that.

I would just like to . . . before I ask someone else to participate, I failed to thank Senator Lindsay Simmons for obtaining the answers to the questions that she had to obtain for Senator Robin Tucker. So I would just like to extend those thanks and appreciation on behalf of the entire Senate body.

Would any other Senator care to speak at this time?

Senator Robin Tucker, you have the floor.

**Sen. Robin Tucker:** Thank you, Madam President. Good afternoon everyone.

**The President:** Good afternoon.

**Sen. Robin Tucker:** Good afternoon, Madam President, Senate colleagues and listening audience.

It is a privilege to participate in today's economic debate to discuss how the people's money is being spent. Government, no matter which group has that honour, must be held to account by the people who entrust them with the responsibility to act on their behalf.

Madam President, COVID-19 has rocked the world. Where many places have had devastating impacts associated with coronavirus, to date Bermuda by comparison to some countries, has fared very well. We have sourced our personal protective equipment where in some cases globally it was in short supply; procured specialised testing equipment and obtained vaccines. The Government, Opposition colleagues, Dr. Weldon and her staff, and all persons on the front-line, and everyone in health and non-health positions working in the background and in the trenches, *Thank you for all that you have done and continue to do to lead us through the pandemic.*

I would also like to thank the members of the public who have complied with all of the requirements put in place to keep us all safe recognising that we are all very tired, but by working together we absolutely will get through this. While the coronavirus has had our full attention a little over a year, and as challenging as the effects of COVID-19 have become, we press on because without or with COVID-19 payroll must be met, revenue must be earned, services must be funded and delivered, and the Island's debts must be repaid.

Madam President, while COVID-19 kept many of us sheltering in place, [this and the] quarantines and remote working compounded some unhealthy behaviours which over time will add to our health care burdens. According to a BermudaFirst 2019 report, Bermuda is one of the least [healthy] populations in the world, with unacceptable levels of chronic, preventable disease resulting in overburdening financial impacts. This observation is unsurprising given our largely sedentary lifestyles, our affinity for Netflix (of which I love) and devices, and our reliance on and

affordability of high fat, sweet and salty convenience foods.

The 2021/22 Budget acknowledges that there is work to be done to assist Bermuda's obese and overweight children. But they are the consequences of not getting a handle on obesity early in life. I was disappointed that I did not see much in the budget that addresses this issue for our adults and especially our children. Why is addressing obesity so important? According to a Bermuda Health Council report, Bermuda's [number of] overweight and obese adolescents is considerably higher than the OECD average.

The report states that obese youth are more likely to develop type 2 diabetes and offer risk factors for cardiovascular diseases such as high cholesterol or high blood pressure. Some of these varied diseases are the things that are driving up our current health costs. Children and adolescents who are obese are at a greater risk for bone and joint problems, sleep apnoea, social and psychological problems such as stigmatisation and poor self-esteem.

Obese youth are more likely than youth of normal weight to become overweight or obese adults, and therefore, are more at risk for associated adult health problems including heart disease, type 2 diabetes, stroke, several types of cancer and osteoarthritis. Physical inactivity and unhealthy eating contribute to obesity. And so with this I wonder if enough money and resources is being spent to proactively address these issues.

Madam President, this budget refers to the schools having a nutrition policy to promote healthy eating. But given the dangers of [being overweight] if we are not aggressive about confronting obesity in our children, the roadmap is clear that an even greater health care burden than what we currently face awaits us in the years to come. As a country we must give Bermuda's future, our children, more focus on increasing the promotion of health and nutrition education, collaborate with grocers to reduce the price of healthy foods, fruits and vegetables, as this will help parents provide healthier options so that they can make better food choices for their children, and of course for themselves.

While I recognise that funds are limited, Madam President, this should not diminish the care that we give to our adults and future generations. It was wonderful to see that monies have been made available for seniors and rests homes, Summerhaven, Age Concern and others that will receive some funding and necessary upgrades. The next step, Madam President, there was not much mentioned for persons with mental health challenges.

It is also great to know that funding has been allocated for a [much-needed] capital project at Bermuda Mid-Atlantic Wellness Institute. Bermuda has a growing population of people with one and or more mental health issues. Some such persons are living on the streets being released from prisons to return to

the very trigger environments that keep them trapped in a vicious cycle of mental illness, drugs and prison in the very first place. There are also some fully functioning persons who play a key role in Bermuda's economy with mental illness that are vital and in need of mental health support, but cannot get access to all of the help that is needed.

Magistrate Juan Wolffe spoke on the subject urging, and I quote, Madam President, if it is okay with you? "[I . . . urge] those who make decisions and allocate funding to place, as their priority, persons who are in dire need of help," (adding that it was) "astounding that in Bermuda . . . one cannot find adequate funding to treat our most vulnerable citizens."

With the number of persons battling mental illness every day, are there sufficient funds allocated to providing ample services for such critical need? The Pew Research Center reported that one year into the societal convulsions caused by the coronavirus pandemic, about one-fifth of US adults, or 21 per cent, are experiencing high levels of psychological distress. Given the uncertainty and difficulties associated with managing day-to-day with COVID-19, stressors and anxiety may reveal new and pre-existing mental health issues. Consequently, Bermuda should make greater investments in mental health care now to get ahead of and mitigate future negative impacts on the country which will be seen long after COVID-19 has ended.

Madam President, it is imperative that we take a holistic look at mental health in Bermuda, its drivers and linkages to improve access to services for people who need it most. Madam President, Bermuda has had companies set up and wind down during and before the pandemic. We all know that we have a shrinking population and ageing workforce. It is good that the Government has invested substantial funds into the initiatives for retraining and retooling Bermudians to prepare our work persons and persons needing to prepare themselves to transition to new roles and opportunities.

Follow-up with employers after placement is vital to ensure that people who have undergone training meet requirements and that data collected to ensure return on investment and efficacy of the programmes is needed to help support the mammoth task of getting Bermudians back to work. A major part of the success of the Workforce Development programme and financial investment will rest equally on the shoulders of individual participants. I take this opportunity to wish everyone taking part in the programme much success with their training and job searches and also congratulate the Department of Workforce Development for undertaking this huge task.

Madam President, the Bermuda Job Board, which, as I understand was initially designed to support immigration and employer purposes, has proven to be a useful tool. However, to help get maximum

value for money, the Bermuda Job Board needs upgrades. Examples are: enabling data collection for employers; features that require persons to upload a résumé and references to allow employers to communicate with job seekers directly via the Job Board; [and] adapt more tracking and managing applications.

Despite what some believe, most employers prefer to hire Bermudians but are often challenged when receiving applications via the Job Board because many persons do not have working telephone numbers or résumés attached to applications, or have incomplete Job Board applications. And commonly people invited for interviews accept meetings but do not turn up. This is a huge administrative and financial burden for employers. If we want to improve hiring rates for out-of-work Bermudians via the Job Board, we must overcome these basic issues.

The Department of Workforce Development must ensure that the funds allocated are spent wisely, which I am sure they will. Part of that responsibility, though, is ensuring that while job seekers are getting trained learning new skills and earning certificates at basic technology, that specific issues are addressed to encourage employers to hire Bermudians and that Bermudians will not only secure employment but retain it for the long term. Which is obviously very important for our economic success as well.

It is wonderful that investments are being made in ageing and disability services at the K. Margaret Carter Centre to support our seniors and other vulnerable persons. It is, however, necessary to ensure that staffing levels at these facilities are at optimum levels to ensure that there are no negative impacts on the delivery of services. The mission of the Department of Child and Family Services [DCFS] is protecting children by strengthening families. The staff of DCFS must be commended for the jobs that they do in caring for our children, especially when parents and relatives are unable or unwilling to do so. It cannot be an easy job. What is happening to our children is another symptom of the darkness dwelling in the crevices of our society that is not often talked about but must come out from the shadows in order for us to heal as a country.

Last year in another place it was reported that in 2019 DCFS received referrals for the following types of abuse: a staggering 408 reports of neglect; sexual abuse, 211; physical abuse, 161; and other referral categories were revealed.

Madam President, these statistics are extremely disturbing and we should expect improvements. But, again, with the negative impact of COVID-19 additional reports of neglect and other types of abuses of even men, women, and children of all ages sadly is likely. We must be proactive and anticipate negative trends to try to get ahead and mitigate negative consequences of an action or lack of urgency.

Just as worrisome is the \$696,000 increase in funding which has been allocated to sending children

to overseas facilities. Madam President, how is the effectiveness of the overseas treatments and programmes assessed? What are the success rates? How many of the children return to their families after treatment and remain with their families? How many children are sent back to overseas facilities?

As much money has been reportedly paid to overseas facilities over the years, why haven't we invested in a specialised therapeutic facility in Bermuda which could meet the needs of the children requiring the treatment they received overseas? Additional services need to be provided to also help parents who sometimes have their own issues to manage their children, or tools to give them what they need to manage parental relationships when the child returns home from overseas. Put another way, can more be done to break this cycle?

The department's mission, as I stated, is to protect children by strengthening families. One may think it reasonable to invest in addressing the root causes of the issues responsible for seeing our children sent to overseas facilities for assessment and treatment. It is not my intention to make the situation seem as if there is a simple fix. Far from it! But we must consider that if we always do what we have always done, we will always get what we have always gotten. Our children, families, and communities deserve much better.

In closing, Madam President, I would like to end on a positive note. I was happy to see that a transitional living facility is in the budget for children ageing out of the foster care system at 18 years old. While some support services may be available to the residents, it will be money well spent to also offer emotional and social support such as a resident parent, available to the facility's new residents to help guide them through as they learn to traverse the road to independence out on their own. While not all 18-year-olds are ready for the transition to adulthood, I look forward to hearing more about the positive impacts that this very important financial and social investment will make in the lives of children who so desperately need the extended support.

Madam President, while it cannot be argued that it is important to be fiscally responsible, we must balance the impacts of the pandemic [is having] on the supporting services and facilities needed for our people. There are some [INAUDIBLE] investments leaving our country in debt, and in the midst of a pandemic [these] should be put higher on the list of financial priorities.

Thank you, Madam President.

**The President:** Thank you, Senator Robin Tucker.

Would any other Senator care to speak at this time?

**Sen. the Hon. Dr. Ernest Peets:** Yes, good afternoon, Madam President.

**The President:** Good afternoon. Who is . . .

**Sen. the Hon. Dr. Ernest Peets:** This is Minister Peets, from—

**The President:** Oh, sorry, yes. I now see you. Sorry, I did not see you at first.

Minister Peets, yes, you have the floor.

**Sen. the Hon. Dr. Ernest Peets:** Thank you so much, Madam President.

I would imagine it really goes without saying that this pandemic that we have been dealing with this past year has certainly created an interesting problem as it relates for policymakers at all levels of government. As such, you know, Madam President, I would imagine that the exercise for which we are gathering here today does take on special meaning.

Last year, of course, many of us were not here in this Chamber. We were certainly busy doing whatever we were doing as we were receiving the news about potentially going into a lockdown. For those Senators who were busy in the Senate last year, we certainly owe you a debt of gratitude for the work in which you all completed.

I can say this afternoon, particularly as we are heading into a conversation about department heads, that there is no real crystal ball. As such, no one can really accurately predict the future. But what we can do, Madam President, is do our due diligence. And I would like to assure this Chamber that the Minister of Finance and his team have done their due diligence in producing this budget. I have confidence in the hours that we have later today that the Junior Minister's presentation on the brief of Finance will be self-explanatory.

Madam President, I am still overwhelmed by the depth and the breadth of this crisis that we are facing. There is hardly an aspect of our social environment, our economic system that has not been shackled or in some way halted by the present crisis. I know there are lots of frustrations out there in the community at the moment but I do want to encourage us as Senators, as well as our listening audience, that there is hope.

Having said that, Madam President, our Government has reacted in ways that require the coordination of all levels of government. I am certainly proud of the Department of Health, for example, National Security, Education, Finance and Sport. But to be honest, Madam President, every department had to act coherently as well as quite quickly as the circumstances around COVID-19 shifted and changed.

So this afternoon, Madam President, it is my opinion, at least humbly anyway, that the Cabinet responded with good leadership in designing and implementing policies that in some cases had never, ever been implemented by any previous Administration before. I believe that today, Madam President,

and I certainly want to do my level best to illustrate this to our fellow Senators as well as those who are listening today, that the Government in my opinion has the right mix of social responsibility as well as fiscal responsibility. This COVID-19 pandemic has had a severe impact globally in ways that I would imagine that are unprecedented.

As such, I can assure our fellow Senators that the Government remains focused on steering our economy and our country on a path of recovery. Most of us are aware, of course, that we have enacted policies, that we have diverted resources to help those who have been affected due to job losses and other COVID-19-related losses for many of the families in our community that are still struggling.

I would be remiss, Madam President, if I did not mention this afternoon that the social transmission of COVID-19 in our community in my opinion remains our greatest financial threat. It is really important that as a Government and as a people we do everything that we possibly can to suppress the spread of the virus. If community transmission continues to occur, this will only delay and perhaps hamper any progress we have made so far. So I am certainly encouraging all Bermudians . . . I know it is frustrating, but we have to adhere to the guidelines that our health professionals have instituted in order to keep us safe and help our economy recover safely as well as quickly.

Madam President, as we will see in the brief that we will discuss a little later on, the Government is concerned about our GDP. We are concerned about unemployment. We are concerned about how COVID-19 measures affect our commercial as well as our retail businesses, typically around closures. Thus the policies that I believe are implemented by the Government are designed to tackle the virus as it relates to its outbreak while also addressing spending, debt management, as well as focusing on growing the economy—which is a tall task for any budget and any fiscal plan.

Madam President, the Minister of Finance and his team and the entire Cabinet are addressing our country's finances in the budget in a manner that I think takes it very seriously but they are also handling the material and the decisions in a very responsible manner.

Madam President, there are a couple of things about the brief I can at least speak about in general, and I will allow the Junior Minister to have time to speak specifically. But I think, Madam President, it would be important for the listening audience to know that the Government's plan does provide flexibility while also maintaining accountability. This economic plan has clear guardrails for spending. This plan builds, in my opinion, on internal resilience as well as any future changes that, of course, may come down the landscape. And they are also focused, Madam President, on growing the economy.

Madam President, I certainly appreciate all of the comments, critiques, and questions that we have received today. I can certainly assure you and the rest of the Senators that we are taking notes. We certainly jotted down these ideas that we have heard today. We are certainly looking forward, Madam President, to spending as much time as we are allotted in discussing the most important matters as it relates to the country's business, particularly around the budget and the financial plan going forward.

Thank you, Madam President.

**The President:** Thank you, Minister Peets. Your comments are greatly appreciated.

Would any other Senator care to speak at this time?

**Sen. Owen Darrell:** Madam President, I would.

**The President:** Yes, certainly.

Senator Owen Darrell, you have the floor.

**Sen. Owen Darrell:** Thank you, Madam President.

Madam President, first of all, I would like to applaud the Minister of Finance who sits in another place, the Honourable Curtis L. Dickinson. I would also like to applaud my Senate colleague, Junior Minister of Finance, Senator Arianna Hodgson, for her presentation earlier this morning. I would also like to take this time, Madam President, to congratulate and thank the entire staff at the Minister of Finance for the work that they have put in to get this budget to the place that it is, especially around the situation that Bermuda, as well as the rest of the world, finds itself in.

Madam President, it would be remiss of me not to point out one major factual point before I get to the focus of my presentation today. I must emphasise that the normal operating expenses for the government for this fiscal year are \$55.6 million lower than the original budget of \$935.6 million. The Minister of Finance recognises the importance of managing the public purse and, had it not been for COVID-19 and the COVID-19-related expenses, Madam President, I would say that he managed to lower the government expenditure by 5.9 per cent, which brings me today, Madam President, to the focus of my presentation.

Madam President, one of the things that I like to do in my social time is play cards. For those who may be wondering, my card games of choice are Blackjack and an all-time universal and family favourite, yes, Spades. One of favourite Spades partner, Madam President, is my dentist. She grew up in the southern United States and has a really good ability to know exactly how to play the cards that are dealt—good, bad, and indifferent. I have never heard her complain, frown, or throw in her hand. She gives a slight smile, as if to say, *Partner, we got this*. I am so happy, Madam President, that the party I represent,

the Progressive Labour Party, has a Minister of Finance who knows how to play the cards that he has been dealt. And Madam President, I would say that he plays them well.

Madam President, some of these cards are not the ones that we would have ordinarily picked if given the opportunity. Such non-desirable cards have shown themselves in the form of events that some Opposition Senators like to fall short on remembering. So, let me remind them. One, a worldwide global pandemic where we have chosen to put the people first and provide economic relief. This Minister and this Government were faced with a huge debt to the tune of \$100 million from the America's Cup debacle.

Madam President, this Government was left with a huge debt from a horrible Morgan's Point deal which has cost the Government over \$200 million. How could we forget \$20 million of Government money to Aecon, a foreign company, based on another bad deal put in place by the One Bermuda Alliance? You know, people know it as *that airport deal*, which at least one Senator is still celebrating with his famous red pom-poms.

Another bad card that we were dealt, Madam President, was severe unemployment which was inherited in 2017, and an education infrastructure that was crumbling all around us—all following a horrific period of governance by the One Bermuda Alliance.

In recent times, Madam President, we have heard the Opposition make a lot of hoopla about the \$11 million loan to the employees of the Southampton Princess. Remember, this Government made that loan so that people can live. Yet, we have yet to hear a word from them now that the entire \$11 million has been repaid. Madam President, that is how you play cards.

As my former principal and boss, Senator Simmons, rightly pointed out earlier, this Government, this Minister of Finance chose the people when putting together this budget. Again, if I can use her words, *under extraordinary circumstances* we decided to start rebuilding Bermuda with Bermudians at heart.

While the Minister humbly asked the unions of this country for an olive branch in assisting him to play some difficult cards, Madam President, they trusted him. Last month, the president of the BPSU, [Bermuda Public Service Union] was quoted as saying that the Budget strikes "an appropriate balance." The BPSU president also commended the Government. The BPSU president went on to say that "It is very encouraging . . ." He also said that the Minister of Finance has taken a "pragmatic approach."

The daily headline, if I may, Madam President?

**The President:** Yes, you certainly may.

**Sen. Owen Darrell:** Thank you.

The daily headline summed up the BPSU's comments with a headline that said, "BPSU gives Budget top marks." Again, Madam President, the Minister of Finance has ably played the cards that he was dealt.

Madam President, I would like to pivot to some further remarks that I heard earlier in the general economic debate. I heard [some] Senator use terms such as, *they are supportive of economic diversification*. I have heard that some Senators want *bold initiatives*. Some Senators want to see *a further increase in government revenues*. Some Senators have talked about *new industries, taking risks, and reenergising the economy*. Madam President, I legitimately find myself confused. Because just three weeks ago my colleagues, the PLP Senators, pleaded with this Honourable Chamber to pass a Bill that clearly would have brought some of these aforementioned economic activities and opportunities to Bermuda. But it was not to be, much to the disappointment of Bermudians from all walks of life.

Madam President, again, I applaud the PLP Government for attempting to be bold. You cannot question on the one hand the Government keeping the airport open, while at the same time pointing out the economic damage that was caused by having the airport closed for three months.

Madam President, I would like to end my brief remarks by talking about education. While education may have been dealt a bad hand, and there was some reduction in funding, this Government will not be gambling with our children's future. The reform that is underway is being carefully and strategically implemented and we will continue to do so at the same pace. Again, Madam President, this is another sign that we, the Progressive Labour Party Government, are indeed looking out for our people. Scholarships and grants will remain the same as they have in previous years.

You know, we were going back to my analogy about Spades, Madam President. And some of the talk that we have heard in this debate, back and forth, my friends will call renege. They would be shocked at what they have heard today. Madam President, this is another sign, again, that we are looking out for the people.

So, again, Madam President, I applaud the Minister of Finance. I applaud his staff. I think that this budget is a good one. Thank you, Madam President.

**The President:** Thank you, Senator Darrell.

Would any other Senator care to speak at this time?

Does any Senator want to speak? No?

**Sen. Ben Smith:** Yes, I will speak, Madam President.

**The President:** Senator Ben Smith, you have the floor.

**Sen. Ben Smith:** Thank you, Madam President.

First of all, I would like to echo the sentiments to thank the Minister of Finance and everybody who has participated in putting together the budget for this year, in an extremely difficult time. But Madam President, I believe we have to go back to when I was in another place a year ago prior to the pandemic when we were discussing a budget that was looking toward what I would call, *us going off the cliff*—prior to the pandemic. We cannot forget that many of the issues that we are discussing now and will be discussing over the next few days were columns that we had prior to the pandemic hitting. That is what has made our situation so much worse. Because now that the entire world is dealing with this pandemic and economic . . . just destruction that has happened, it makes it almost impossible to do the things that need to be done at a time that is so critical.

Madam President, when you have a family, and someone in the family loses their job, everyone in the family has to pull together, maybe reduce some of their wants over their needs in order for them to make the ends meet. That is the situation that Bermuda was in prior to COVID-19 coming to our shores. But what has happened since then is an absolute change in everything that we have done and have become accustomed to doing in Bermuda. And yes, we have to applaud the Government for the things that they have had to put in place to take care of our people when they had nowhere else to turn.

Madam President, there are things that have happened over this last year that showed the difference between some segments of our population and others. International business, which as we have heard is our main pillar, has been able to maintain and in some cases grow during this period of time. But we are fortunate that a lot of our people have been able to stay employed during that period and in some cases they were not able to do the job that they were used to doing, and they were getting full pay to do it. And that has meant that they were not in the same dire situation as other parts of our population. For that, I believe that we need to thank the people in that industry that also helped out, because it would have been very easy for them to cut.

But Madam President, there are other parts of our private economy that were not as fortunate to make the kinds of money that we see in international business. And they have had to make extreme changes. Some of their employees have seen their salaries reduced by 25 per cent, 50 per cent, 75 per cent. They have seen their hours reduced significantly. We all understand the group that was laid off and the benefit that was given them. That was extremely appreciated by everybody. They were able to survive in our population because of that programme that was put together by the Government. Once again we thank the Government for doing it. And it would have been something that any Government in charge of Bermuda

at the time I would like to believe would have done that exact thing. Because you cannot let you people just starve while we are going through this worldwide pandemic.

But Madam President, during this period those people who have seen those reduced salaries have had a hard time paying their bills, making their ends meet, and they have had to change completely the way that they live their lives. We have actually seen some benefit come out of that in some industries. The retail industry has seen a little uptick because people in Bermuda were based at home. They did not travel. We Bermudians live in a really small jurisdiction. We all like to get on a plane and travel somewhere else. And that is part of what we do as Bermudians. But over the last year we have not been able to do that. So it has meant that we have been giving some of that money that would have been spent overseas to the local economy.

Well, Madam President, there is a little bit of a . . . I want to say you have to look a little closer to what those retail numbers are. Because some of that is based off of Amazon orders that have been brought in to Bermuda. And really when you look at the amount of items that have been brought in over this period of time, you realise that that does not have the same kind of impact on retail, on hiring Bermudians, because retail is a completely Bermudianised industry.

Understand that there are up to 3,000 people who were employed in retail prior to the pandemic hitting. When retail was in trouble, they were struggling. They were calling out asking for help before the pandemic hit. So for those who have actually seen an increase in their business over the last year and they have been able to put some money aside, I hope that they realise that you really need to protect that money that you have been able to gain because as Senator Jones said earlier, when the airport is fully open again, and people start to travel the way the travelled before, that uptick will not be here.

But what we will have seen is this continued increase of people purchasing overseas and importing. There are many who have said that that is the way of the future. Well, if the way of the future is that all of the work will be done outside of Bermuda and all of the resources will be shipped off the Island, then how does that impact the local workers, those 3,000 jobs in retail? We are already having a hard time figuring out how to employ the people who are in hospitality. So what are we going to do with the people who were in retail? You cannot increase the amount of people who are unemployed that are looking for jobs.

Madam President, in hospitality we have heard a lot of reference specifically about hotels. But there are a lot of connections to hospitality, the tourism industry. If you look at the retail shops that actually thrive off of selling items to tourists, they have been completely wiped out. Many of them are closed and

will stay closed until we start to see tourism return. We have the commercial boat operators who really have a set period of the year that they are able to do their job and to make their money that they survive off of for the year. They have been wiped out for the last year. Well, Madam President, they continue to have to pay all the fees that are associated with being in that business: the liquor licences, the licencing for the boats. They are still paying all their taxes, if they have enough money to actually be able to meet those demands.

So, Madam President, if you are a small business owner in Bermuda and you have been able to survive so far in this last year, the question is: What have you seen in this budget that tells you that you really should have hope, that things are going to get better for you? Madam President, [taking out] loans at a time when you are struggling to pay the bills that you already have, that is going further into debt. I think that is a part of what we need to understand as a population.

I go back to that family. See, what I painted was a picture of a family who understood the responsible way to handle having less resources. You are going to have to cut down on the things that you normally would have. Well, the alternative to that is to just put it all on credit. You keep charging on your credit card and paying a big fee for the charges on that card. Well, Madam President, if that was the way that you do it, at some point you have to pay that bill. And I am going to say that is where we are right now.

So if you look at this budget, there are some wants that have been cut out. But there are some needs. When you have a situation where the economy is in trouble and people are out of work and people are making less money than they would normally make and are having a hard time paying the bills and meeting their responsibilities, unfortunately you see an increase in crime.

And Madam President, at the same time Government has to figure out places to cut. Cutting from the protection of our people is a difficult spot to have to cut because somewhere in there you have to give up something. But the safety of our people is really important. And the police force had been cut low prior to the pandemic hitting. And then we saw how important they were over the last year. The second that the regulations changed and we allowed people to get back to a little bit of normal life we saw an uptick in crime and our clean murder rate from the year before changed. Then all of the resources had to be spent to protect our people again. See, that's the problem when you have to cut from a need. It is not something that is sustainable.

Madam President, when people drive around the Island today it is pretty simple for them to see that they are manoeuvring potholes from one end of the Island to the other. You can see that our people are not able to maybe maintain their houses the way they

would have in previous years. You can see that the population is starting to really show that they cannot keep up.

Well, Madam President, as I am looking through that I am understanding that there are multiple things that have to happen at the same time, while we are in this difficult situation. We talk about increasing the resident population. Well, it is difficult to increase the resident population if we do not keep the population that we have. So if there are not opportunities for our Bermudians then our Bermudians are getting on the plane and leaving and trying to find somewhere else where they can survive. If the people who have been here for multiple years and had their children here, and paid into our economy are not made to be part of this country and part of the solution, then they look elsewhere.

So, Madam President, it is very difficult for you to fill the hole with a bucket that has multiple holes in it. And that is just for us trying to figure out how to attract people from overseas, without figuring out a way to keep the people that we have.

But then we have to reduce the costs. Well, Madam President, I am sorry, when I look at this and I have expressed to you that in the private sector there are people who have had major cuts to their hours, to how much time they are at work, to the amount of money that they make on regular basis, to the benefits they are making, well, Madam President, the 10 per cent cut that was given to the government is going back. And I am not saying that this is a situation that we should just automatically ask for that group to continue to sacrifice, because, remember, a lot of the people who I would be referring to are the ones who helped us get through this pandemic.

Well, Madam President, there are tiers to employment within government. There are people who can handle a 10 per cent sacrifice and there are people who cannot. So maybe we should be looking at that difference, because it cannot be just some of the population that continues to make the sacrifice. Because on one hand we are having to give money to the private industry to bail them out, and we are having to give money to people who cannot afford to meet their requirements. But part of our major costs, or one of our major costs—if not *the* major cost—is going to be salaries for the government. It is a tough situation all around.

There are no easy answers to anything that we are going to do, and that is why this job by the Finance Minister was extremely difficult. But, Madam President, the solutions need to happen. Because when we look through every one of these ministries later on over the next couple of days, we will see cuts that make us question, *Can we really afford that cut? What impact is that going to have on our people?* Well, Madam President, we are going to have to start to determine the difference between our wants and our needs.

And some people who have gotten used to a very specific level of lifestyle are the ones who are going to have to give back so that the rest of our population can survive while we go through this continued issue, because it is not going away immediately. This is not something that we are going to be able to fix with a snap of our fingers. This problem was here before the pandemic. So for us to think that we are going to be the first ones out of the gate once most of the world is vaccinated and things start to go back to normal . . . that is not correct. This is not magic.

The people in the tourism industry are suffering and the truth is, if we continue on the path where we are now, we understand with the numbers going up there will be further restrictions which will put more burden on all of those industries in our economy which potentially will go under. Madam President, there are people in our population right now that every day are wondering how they are going to be able to do it. That is the stress that is going on throughout our population.

We need to understand that a lot of our costs are based on our health. We have heard my colleague talk about those numbers. Well, the expenses are going up because as the stress goes up, the amount of issues increase. So those statistics that Senator Tucker gave are not going down; they are going to go up. The need for support and help is going to increase. Well, each of those things costs money.

Our children have been going through a year of a completely different kind of life. And as much as we adults have had anxiety, and coping mechanisms that in many cases are really bad for us, we have to understand that the children are going through the same thing. What impact has this pandemic had on our young people in education? We all know that there was a problem with our public education. Madam President, it has been discussed openly over and over again. So can you imagine when you put something like a pandemic on top of all of the issues that we had, can we quantify what kind of negative impact that has had on our young people? And when we will actually see that negative impact as a result in our population?

Madam President, this is a tough task. We can only get through it with all of us trying to figure out the best way forward. But the sacrifice is going to have to be spread a little further, because, Madam President, right now there are people all over our Island that need food and they are waiting in lines to get that food. And there are people who are providing it. And a lot of [people in] our private sector are the ones who have been stepping up to take care of that. So it is not always just the Government that is doing it. It is the private industry that is stepping up as well, as a collective. That is how we are getting through this.

But remember, those people who are volunteering—the ones who have been in Bermuda for an

extended period of time but they do not have any claim to the country because we do not want them to have a claim to the country—they are ones who are giving their time, freely, to help our people, because to them it is their people as well. Maybe it is time for us to start to treat them that way, because we are going to need everybody to help us get through this. We cannot increase the population while we have people packing their bags to leave. That is not a way for us to add. We end up at the same level or worse.

So, Madam President, thank you for the opportunity. I hope that we can go forward and find more solutions for us to get out of this. But this is not a time for us to be blaming it on each other. And I am sorry if we are going to keep going back and rehashing things that have happened in the past. We need solutions for what we are going to do going forward because the responsibility of the Government is to fix this. It is their responsibility. It is their mandate. We are here to support and to hold them to account. But this is where the rubber meets the road. Stop looking back on things that you cannot fix right now and tell us how you are going to fix what we need as a country going forward.

Thank you, Madam President.

**The President:** Thank you, Senator Ben Smith.

Would any other Senator care to speak at this time?

No. It appears that no one else wants to speak.

I would just like to make just a couple of comments myself. And that is, first of all, to thank each and every one of you who have spoken today. I want to congratulate you for your insight and your comments regarding the Budget Statement. I think the listening audience and the public would realise from your comments that you have really given great thought to the plight in which we find ourselves.

But at the same time, we have to give kudos to the Minister of Finance and all the people who have helped him put this budget together. Those who answer all the issues and questions and the needs of the people know, but in terms of its immediacy the manner in which the Government has responded to people in need I think that has been absolutely wonderful and greatly appreciated by the people.

I also want to acknowledge that this COVID-19 has really hit not just Bermuda but the world. Bermuda has the advantage of being able to turn on the television and see what is happening in all other countries. And when we do that and we see the lines and we see all the issues that other countries have to face, then we really have to give thanks—give thanks to the Government, give thanks to the health people, give thanks to all the individual who we see rallying around each of us and helping us in terms of whether it is to have a vaccination, to be given food—we are very, very fortunate.

In spite of the complaints and issues that we complain about or we voice our opinion on, we are very, very fortunate in Bermuda that we have a Government that acted early and acted to assist the people in need. And I am not just talking about the Government but also the church groups, and as has been said, the business personnel and companies who are listed here, who feel a part of this community. Yes, we may see some people in lines for food, but we do not see the long lines that we see on our television and the people who are reacting to the stresses and strains.

For sure, this COVID-19 pandemic has affected us financially. It has affected our mental health and our psychology. It has affected our physical health. So we are really . . . I think what we need to do is to really be there for our brothers and sisters. We will get through this if we work together. And yes, we do have problems. But when you compare us to other countries, I think . . . and we are a very small country but at the same time we have to have some confidence that we will get through this.

I have a firm belief that we will. And in spite of all that has been said today, I think the bottom line is that we are doing much better than so many other countries. And I think that we really need to stop and give thanks; give thanks for the blessings that we are privileged to have at this time. Because believe me, no one saw this happening. And I think each one of you who have spoken today have highlighted the issues, the problems, the thanks and appreciation, but at the same time, as Government officials, as Legislators, I think we really have to remember that we must work together and we must give kudos where kudos are due.

I think that we are better off than many, many other people and other countries. And I think, bottom line, I firmly believe, as I am sure many people out there in the public believe, that we will get through this. And I think we have a Government that will help us, working along with the Opposition, and all others, that we will get through this and we must firmly believe that. As long as we have as the goal that we will get through this, and we have the confidence, then I think that we will come to the other side.

So I thank each one of you. You have raised many, many points. You have looked at physical health, mental health, financial health. But bottom line, I think you have all agreed that the Finance Minister and his team have done a stellar job in getting us to this point. And we need to continue to have that confidence and do whatever we can to support it and to encourage it.

So I thank you all for your comments. I am sure the public has listened to you and they too are grateful for the comments that you have made and they will take it all on board. So from me it is thank you. And I will hand over now back to Senator Arianna Hodgson.

*[Pause]*

**The President:** Senator, are you there?

**Sen. Adrianna Hodgson:** Yes, sorry. I was just allowing for my video to connect, Madam President.

**The President:** Fine. I also want to commend you for the presentation you did initially. But anyway, I am handing over to you now.

**Sen. Adrianna Hodgson:** Thank you, Madam President. I thank you for your comments shared just now.

Madam President, we are a gold Government and we have never shied away from the realities of our current economy. We know, the people know, and the Opposition continues to sing the same song. Unemployment levels are unacceptably high and income disparity has widened. Our ageing population is increasing while our birth rate is declining and there are a host of other issues that have been magnified in light of this pandemic.

There is no doubt that our Government is facing considerable uncertainty. We can either continue to argue about whether the cup is half full or half empty, or we can move forward and support this Government. We have made mistakes and there have been times where our ideals misaligned. But the best way to achieve true success is to learn from and be strengthened by our mistakes.

Madam President, I heard an Opposition Member incorrectly assume that this Government has run out of ideas. In fact, Madam President, it is quite the opposite. There is no shortage on ideas, and we definitely have some of our Island's brightest minds working to determine the best way forward for Bermuda and its people. The issue here is that the Opposition Senators would rather focus on shortfalls than to produce viable solutions, which is evident when we look at the seats in the Lower House.

Madam President, I thank Senator Wight for his appreciation that we must grow the economy. And I thank Senator Simmons for her understanding of a Government that aims to put people first. But I am concerned that when given the opportunity to diversify our economy by introducing our cannabis Bill we could not get the support needed from the Opposition or the Governor's Senators. So, yes, hold us accountable. But I also urge each of you to take a look at what you can do to improve our Island's economy.

Madam President, over the past few weeks I have heard comments from the Opposition and others that suggest that the Minister of Education does not have the funds to support education reform. Once again, this is not the case. Education reform is fully funded for this fiscal year. And as we move forward we will submit requests for the necessary funding to support our plan. I trust that we all have a pretty decent understanding of the budget process and do

hope that we can refrain from pushing this narrative going forward. As we have made clear time and time again, our Government is committed to education reform and to our children, so we have no choice but to deliver.

Madam President, I am one of the millennials who are unapologetically optimistic. There is nothing I cannot do or wouldn't at least try. And I am happiest when I can sit in a room with persons who have adapted a growth mind-set that says that it is impossible to foresee what can be accomplished with a bit of work. Although it makes no sense for the Opposition to ask for figures on tourism that simply do not exist, I do want to provide some clarity regarding our hopes for the upcoming tourism season.

As we are all aware, many countries are focused on rolling out vaccines for a number of reasons. One of the overarching goals is positioning ourselves to be able to promote the safe resumption of international travel. While there is no denying the fact that we have work to do as we prepare for the coming tourism season, I do believe that we will get the opportunity to experience a summer season that is more familiar to all of us. So, yes, there will likely be continued anxiety surrounding travel, but Bermuda has, and will continue to, set the example for what is possible.

Madam President, while there are those who choose to focus on the negatives I stand with the Government that is always ready to respond. We have all heard the saying, *If you want something you've never had, you must be willing to do something that has never been done*. So while we do hear the concerns and acknowledge the struggles of our Bermudians, this Government is willing and ready to take the necessary steps to respond and to recover.

Madam President, we are the same PLP Government that has always supported our people. We will continue to provide the much-needed support for our entrepreneurs and local businesses. We will continue to address the issues that exist within our workforce. We will continue to explore responsible immigration policy. We are excited to see our residents supporting our key industries and spending locally. And I am hopeful that we will continue to see the reported increases in retail sales activity. In the same spirit, I am encouraging each of us to remember to support our small businesses that help to stimulate our economy during this very difficult time.

Madam President, our Government's ability to recover is highly dependent on the strategic allocation and prioritisation of resources at a time when higher spending is needed to preserve public health, safety and even shelter, all while maintaining essential services. This Government continues to put the welfare of its people above the numbers on the piece of paper, because as we have seen time and time again, in times of crisis the fabric of our society is more important than the bottom line.

Madam President, I too choose to hope over fear. Although we are enduring a period of struggle, I am truly optimistic about our future. I truly believe that we can build a future that is better for all and that we will emerge from this period a stronger and more dynamic Island ready to meet the challenges of the future.

Thank you, Madam President.

Madam President, I move that the Senate now resolve itself into a Committee of the Whole for further consideration of the Appropriation Act 2021 together with the Estimates of Revenue and Expenditure for the year 2021/22.

[Pause]

**Sen. Michelle Simmons:** Madam President, were you saying something or shall I proceed?

**The President:** I beg your pardon. I had to unmute myself.

Thank you, Senator Arianna Hodgson for that. You have moved the second reading for the Senate to dissolve itself into Committee for further consideration of the Appropriation Act 2021 together with the Estimates of Revenue and Expenditure for the year [2021/22].

And at this time I would like to ask Senator Michelle Simmons, the Vice President, to take the Chair of the Committee.

### Senate in Committee at 3:17 pm

[Sen. Michelle Simmons, Chairman]

## COMMITTEE OF SUPPLY

### ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2021/22

**The Chairman:** Thank you, Madam President.

The Ministry under consideration now is Education. And it has been agreed that two Heads will be debated. They are Head 16, which can be found on page B-136 in the Budget Book. And then later on Head 17, which can be found on page B-138 in the Budget Book.

The number of hours allocated to these Heads is two. So we have two hours to debate both of these Heads.

Senator Owen Darrell, Junior Minister for Education, Public Works and the Cabinet Office, I believe this is your Ministry. How would you like to proceed?

Senator Darrell?

**Sen. Owen Darrell:** Thank you, Madam Chairman.

**The Chairman:** It is now 3:18 pm and we will finish this debate of those two Heads at 5:18 pm. Thank you, Senator Darrell.

**Sen. Owen Darrell:** So, I will read both briefs for both Heads and then take all the questions at the end.

**The Chairman:** Yes, that is fine.

**Sen. Owen Darrell:** Okay. Thank you. Give me one second, I am just getting myself sorted.

**The Chairman:** That's okay. I understand.

**Sen. Owen Darrell:** Sorry. Do I move that the Committee now take under consideration . . . or do I do that afterwards?

**The Chairman:** Yes, please.

**Sen. Owen Darrell:** Madam Chairman, I move that the Committee do now take under consideration Head 16 of the Ministry of Education Headquarters, and Head 17, Department of Education.

**The Chairman:** Please proceed.

## MINISTRY OF EDUCATION

**Sen. Owen Darrell:** Thank you, Madam Chairman.

Madam Chairman, today I am pleased to present the budget for the Ministry of Education, which comprises the Ministry of Education Headquarters, Head 16; the Department of Education, Head 17.

Madam Chairman, the 2021/22 budget for the Ministry of Education of \$128,110,000 is found on page B-134 of the Estimates of Revenue and Expenditure for the year 2021/22. This represents a decrease of \$9,352,000 compared the 2020/21 original budget. The current account 2021/22 estimated revenue for the Ministry of Education is \$246,000. The capital expenditure estimate for acquisition and development increased from \$2,810,000 last year to \$2,881,000 for 2021/22. The total number of full-time equivalents for the Ministry totalled 1,066 employees.

Madam Chairman, in October last year UNESCO, the United Nations Education, Scientific and Cultural Organisation, declared that the coronavirus pandemic outbreak had impacted every education system worldwide. Although Bermuda is only 21.5 square miles in land mass situated in the middle of the Atlantic Ocean, with just over 4,400 public school children, the education of our children was impacted with no exception. The pandemic affected teaching and learning in all of Bermuda's private schools, as well.

Madam Chairman, COVID-19 required our teachers, our parents and our students to rapidly adjust to new modes of learning. In a matter of weeks, our schools had to find and implement viable alterna-

tives to traditional models of teaching in a classroom setting. The impact of COVID-19 has raised several questions about how the delivery of education might look in the future. The experience has not only opened our eyes to the challenges of remote learning, but also to some exciting possibilities of how teaching and learning outside the classrooms might play a bigger role in the education of our students.

Along with all educators and support staff, I am acutely aware of not only the effects to date, but the medium- and long-term impacts of COVID-19 on young people as they grow and develop through their educational lives. As a system, we have put in place plans and programmes to address learning loss and to provide for the additional social/emotional needs of students, as well as staff. While this budget is focused on the next fiscal year, I want to highlight that for the year ahead and for several years to come, the ongoing implications of the pandemic are a critical consideration on how we change public education to meet the multiple needs of young people. With this, Madam Chairman, I am compelled to share insights on education reform as it has progressed steadily during the past year despite the impact of the pandemic. It will also continue to be implemented during the upcoming fiscal year, notwithstanding the decrease in the Education Ministry's 2021/22 budget.

During the presentation of the Education Budget last year, it was stated that the education of our children has become an established culture of fixed methods, fixed processes and fixed systems. The methods, processes and systems must be upgraded and newly designed to facilitate 21<sup>st</sup> century learning and teaching. Therefore, Madam Chairman, our sustained commitment to education reform continues to be intentional in bringing about the needed changes in our public school system. To implement the progressive and transformative education practices required to elevate teaching and learning, our children today and in generations to come will be set on a path that positions them to compete with their peers both locally and globally. This will be the Education Ministry's mantra and modus operandi until these objectives are met for each and every child in each and every public school in Bermuda.

Madam Chairman, as a result, the programmes and services delivered by the Ministry departments and the Bermuda College coordinate to create progressive learning opportunities for our students and for our educators, in alignment with the changes needed for 21<sup>st</sup> century teaching and learning. One generation—that is all it takes to transform our public school education. Madam Chairman, during the upcoming budget year, monies have been set aside to continue the transformative work started, and that is how the Ministry of Education will continue to function—that is, with a methodical and intentional budget strategy. The monies required each year to progress the transformative work will be budgeted

each fiscal year, as the education reform is our priority.

## HEAD 16—MINISTRY OF EDUCATION HEADQUARTERS

**Sen. Owen Darrell:** Madam Chairman, today I commence the Budget Debate by detailing the expenditure for the Ministry of Education Headquarters, Head 16. The mission of the Ministry Headquarters, which is found on page B-135, is “to provide strategic leadership and policy direction for education and lifelong learning.” The objectives of the Ministry Headquarters are outlined accordingly on the same page.

Madam Chairman, technical officers in the Ministry Headquarters, as well as members of the Education Reform Governance Team, worked diligently during the past budget year executing policy decisions to support the four domains of education reform. These include (1) legislation to phase out middle schools and introduce signature schools; (2) implementation of the Learning First Programme; (3) consultation on the introduction of parish primary schools; and (4) research on the development of an Education Authority.

Also, Madam Chairman, due to the COVID-19 pandemic, technical officers had to cancel the Ministry’s regularly scheduled face-to-face events with public school students. With the implementation of safety and health school protocols and the importance of establishing and maintaining bubbles, weekly visits to different school buildings did not occur.

Also, Madam Chairman, the Ministry was required to cancel our annual Youth in Parliament Summit, which develops leadership skills of student leaders at each school level.

Nonetheless, Madam Chairman, the following events were hosted by the Ministry during the past year: the annual Father’s Day Essay Competition; the Father’s Speak Forum; and World Teacher Day Proclamation. Madam Chairman, the annual Father’s Day Essay Competition is held every year in June to give an opportunity for students to celebrate their fathers. P5 and P6 students are invited to submit essays in their own handwriting about their father or a father figure. The student essays are judged, and prizes are awarded to the overall P5 and P6 winners, with other prizes awarded by school zone. This year there were eight student winners, each of whom received Chromebooks which were donated.

Madam Chairman, the Father’s Speak series resumed in November. This series ensures that the unique perspectives of fathers and male guardians are heard and taken into consideration. The series are critical opportunities to recognise and acknowledge the value of fatherhood in education, including the social/emotional well-being of our young people and their achievements, attainment and outcomes. The roundtable discussions engage fathers to share expe-

riences and learn from each other about how to strengthen their relationships with their children by becoming more involved as parents.

Madam Chairman, the United Nations declared October 5, 2020, as World Teacher Day, with the theme, “Teachers: Leading in crisis, reimagining the future.” In recognition of Bermuda’s teachers in both public and private schools, the Ministry, in collaboration with the Bermuda Union of Teachers, held a proclamation ceremony on the steps of City Hall. There were teachers, principals, students and stakeholders in attendance to honour all educators. The reflection was specifically on the commitment our teachers make as leaders, particularly teaching in a range of environments throughout this COVID-19 pandemic. We appreciate the work of all of our educators.

Madam Chairman, as the Ministry progresses forward with education reform, it is important to keep stakeholders and the general public aware of the various activities being undertaken. Therefore, the Ministry engaged in a series of biweekly radio talk shows to discuss, inform and also respond to questions about education reform. Topics discussed on the talk shows to date include the school consultation on the proposal to introduce parish primary schools, the research work done to establish an Education Authority, and the design teamwork undertaken for the Learning First Programme. These biweekly talk shows will continue through the next fiscal year.

Madam Chairman, the work of the Board of Education during the year has steadily progressed. As per the Education Act 1996, the main functions of the Board of Education are to make recommendations to the Minister regarding various educational matters that will ultimately lead to the improvement and more efficient and effective delivery of public education.

Madam Chairman, last year the Minister tasked the board with four projects to enrich the delivery of education in the system which align with the technical and adaptive strategies and outcomes articulated in Plan 2022, the strategic plan for public school education. These projects were (1) creating new pathways to help enhance the recruitment and development of teachers; (2) researching a tiered license designation structure; (3) reviewing a proposal for a master teacher designation structure; and (4) developing a registration process that requires private schools and tutorial sites to register annually or biannually.

Madam Chairman, the Board of Education successfully framed four policies to support the development and implementation of three of these projects. The school registration process for private schools and tutorial sites was placed on hold. Nonetheless, the board advanced the following career development policies in alignment with Plan 2022 for recommendations to implement, these being (1) a master teacher designation; (2) Pathways to Teaching in Bermuda;

(3) a tiered licence structure for educators; and (4) a Teacher Certification loan bond.

The implementation of these policies was prioritised with Ministry technical officers currently designing the rollout of the teacher certification bonded loan policy. This policy focuses on supporting the Bermudianisation of teachers in the education system by providing local opportunities and support for career-transferring professionals to become certified teachers with limited financial duress. The loss of salaries while completing a 12-week teaching practicum has become a roadblock for many. By affording a bonded loan to cover living expenses, persons will be able to focus on their teaching practicum experience and thus successfully complete the teaching certification without financial impediment.

Madam Chairman, this policy recommendation supports Plan 2022 priority 3, enhancing the quality of teacher practice and system leadership, and specifically the key outcome 3-1, which states that 90 per cent of teachers are certified in their assigned field. It is planned to publicly share the details of this initiative within the next two to three months after the rollout design has been completed.

Madam Chairman, in October the Ministry of Education collaborated with officers of the Bermuda Union of Teachers for the first time ever an Education Emergency Measures Committee (EEMC) was formed. The mission of the EEMC is to coordinate the efforts of the Ministry of Education, the Department of Education and each representative organisation in providing guidance to schools for mitigating, preparing and responding to and recovering from any COVID-19-related emergency in the public school system and any other critical school incident, both natural or manmade. Since October, the EEMC has had six meetings.

Madam Chairman, on page B-136 you will see that the Ministry of Education Headquarters has been allocated a budget of \$4,160,000 for the 2021/22 fiscal year. Within programme 1601, business unit 26000, General Administration, \$2,234,000 will support the operational and administrative functions of the Ministry.

Madam Chairman, under programme 1601, business unit 26080, a total of \$501,000 has been budgeted for external grants and the Bermuda College Promise [programme]. This lower amount reflects a decrease of \$321,000, as the budgeted amount was maintained at the COVID-19 revised amount used for the last fiscal year. In awarding grant money, the Ministry will continue to deliver programmes and services which directly impact students to help them improve and achieve success.

Madam Chairman, of the \$501,000, a total of roughly \$280,000 has been set aside to fund the merit-based College Promise programme. These funds are awarded to public school graduates with a GPA of 3.0 or higher with a \$5,000 scholarship to attend the

Bermuda College. This programme was introduced for the first time in September 2019. At that time, 26 students took advantage and enrolled in the Bermuda College, with tuition and cost of books fully funded. In September 2020 enrolment had more than doubled, as 70 public school students now receive the benefit of the Bermuda College Promise programme.

Madam Chairman, \$1,425,000 has been set aside in business unit 26090 for the administration of the Ministry's annual Scholarship and Awards programme. The Ministry will continue to support students in their pursuit of tertiary-level education. As such, the total budgeted for scholarships and awards remains the same.

Madam Chairman, due to the impact of the pandemic last year, the Ministry extended the deadline for the submission of scholarship applications. The Ministry developed a student survey which confirmed our expectations that students' abilities to submit their applications in a timely manner have been directly impacted by the pandemic. The information gathered also helped the Ministry understand how students were affected so that we could better understand the specific challenges that students were facing. This was especially true of senior school students, who are studying remotely and who could not rely on school computers and scanners to complete their application. Therefore, the Ministry provided more time for current and prospective students to send in their applications. The extended deadline afforded a total of 498 student application submissions. This reflected an increase of 109 applications compared to the 389 received last year.

The Ministry of Education funded seven Bermuda Government scholarships comprising new and existing scholarships, a total of seven non-traditional student awards, five teacher education scholarships and 54 further education awards. The Minister's Awards comprised five Minister's Achievement Scholarships, one Merit Scholarship, one Applied Tech Scholarship, five Exceptional Student Awards, five Technical and Vocational Awards and six Bermuda College Book Awards.

The number of further education awards to students based solely on their financial need increased from 38 to 54. The Minister's Achievement Scholarship for a graduating student from Cedar-Bridge Academy and a graduating student from the Berkeley Institute pursuing overseas post-secondary study decreased to five, and one student postponed their study. The Minister's Technical and Vocational Awards for graduating public school students or recent public school alumni attending Bermuda College and who are pursuing local or overseas post-secondary studies were sustained at five awards. Lastly, the Ministry's Exceptional Student Awards for graduating students or school leavers with disabilities pursuing local or overseas post-secondary study also remained the same as last year, with six awards.

Madam Chairman, the \$1,425,000 budgeted for Scholarships and Awards during the 2021/22 fiscal year will be once again used to reach as many students as possible and afford them the opportunity to pursue both local and overseas post-secondary programmes of study.

Madam Chairman, on page B-136, the subjective analysis of current account estimates is shown for the Ministry of Education Headquarters. Line 1, Salaries, stands at \$590,000 and shows a marginal decrease of \$16,000 when compared 2020/21. The decrease reflects the 10 per cent austerity measures for four months, from April to July 2021, to support the Government's austerity measure agreement with the union. The travel expenditure line item of \$13,000 decreased by \$8,000. Expenditure for communications remained the same. Monies budgeted on Advertising and Promotion increased by \$13,000 to heighten the promotion of the Ministry's Scholarships and Awards programme and education reform, particularly the restructuring from a three-tiered to a two-tiered system and the introduction of signature schools.

Madam Chairman, \$1,617,000 has been budgeted for Professional Services, a minimal increase of \$10,000. These monies have been allocated to continue the implementation of education reform. A total of \$741,000 has been budgeted for the hiring of the consulting firm Innovation Unit, which will provide the Ministry with change management consultancy services for the continuation of the Learning First programme. The amount of \$376,000 will support work being led by the Ministry's Governance Team, as School Design Teams will be developed in preparation for the implementation of signature schools, while the remainder of the money, \$500,000, has been set aside for local professional services related to system redesign restructuring, boards and committee fees, and legal services.

Madam Chairman, the execution of the transformative work of the education reform aligns directly with strategies outlined in Plan 2022. This work is ensuring college and career readiness, including the implementation of special school designs to meet unique student needs and interests. Additionally, we will prepare for the establishment of signature schools in specialised areas such as tourism, finance, business and the trades—all of which reflects the projected workforce needs of the country.

Madam Chairman, the amount budgeted for Rentals (the next line of expenditures) increased by \$1,000. The majority of this expenditure will be used for the rental of halls to hold meetings with stakeholder groups and the general public, as there will be significant engagement and complete transparency during the school redesign and restructuring consultancy. All meetings will be held within the stipulated safety and health protocols.

Madam Chairman, line item Materials and Supplies increased by \$7,000, while the budget for

line item, for Other Expenses, which covers food and drinks, remained the same. The last line item in the subjective analysis, Grants and Contributions, was allocated a budget of \$1,848,000 for the budget year 2021/22. This allocation decreased by \$370,000, directly reflecting a deduction in grant money allocated for external organisations in alignment with the COVID-19 savings programme. The full breakdown of the \$1,848,000 budgeted for Grants and Contributions can be found on page C-18 of the Budget Book.

Madam Chairman, on page B-136, the number of full-time equivalents for employees in the Ministry of Education Headquarters remained the same as last year at six. Madam Chairman, finally on page B-137, Performance Measures for the Ministry Headquarters are outlined. The target outcomes for last year were either achieved or in the process of being completed by the end of March this year.

Madam Chairman, the Ministry team comprises the Permanent Secretary, our Senior Policy Analyst, the Ministry Comptroller, the Scholarship and Awards Programme Manager, the Administrative Assistant or Accounts Officer, and the Executive Assistant to the Minister and Permanent Secretary. All have provided the Minister with sustained technical advice and administrative support. We continue to be thankful to have a team of professionals who have persevered through challenges to deliver the Ministry's mandate and in all circumstances have remained focused on providing support for the Ministry to deliver the changes required in the best interests of Bermuda's children.

Thank you, Madam Chairman. This concludes my presentation for the Ministry of Education Headquarters, Head 16.

**The Chairman:** Thank you, Senator Darrell. Do you want to breath for a minute and then proceed to Head17?

I will just remind everyone that the Senate is now in Committee of the Whole for further consideration of the Appropriation Act 2021, together with the Estimates of Revenue and Expenditure for the year 2021/22.

Senator Darrell, back to you.

## HEAD 17—DEPARTMENT OF EDUCATION

**Sen. Owen Darrell:** Thank you for the break, Madam Chairman.

Madam Chairman, I now present the budget for Head 17, the Department of Education.

Madam Chairman, the vision of the Department of Education, as outlined on page B-138, is "to see all students educated to lead personally and professionally, contribute locally and compete globally." Our vision for Bermuda's children will be achieved through the implementation of the Bermuda Public School System's mission. And that is "to provide all

students with equitable access to holistic and high-quality instruction which is culturally relevant and empowers students to reach their full potential.”

Madam Chairman, we know unequivocally that it is the quality of teaching and learning which takes place in the classrooms of our public schools each day that will enable our student to acquire the skills, knowledge and values and dispositions that will prepare them to compete with their peers locally as well as globally, and will enable them to become the future leaders and contributing citizens of our Island and the world.

Madam Chairman, our mission and vision are the driving forces for executing the transformation and technical strategies included in Plan 2022, our strategic plan for improving the Bermuda Public Education System. As technical officers at the Department of Education and staff in our public schools implement these strategies of Plan 2022, we are confident that we will (1) increase academic rigour and student engagement; (2) ensure career, college and workforce readiness; (3) enhance the quality of teacher practice and system leadership; (4) improve infrastructure and instructional resources; and (5) ensure system success.

Madam Chairman, we are also confident that the long-term strategies of this strategic plan, once executed, will transform public school education in Bermuda and ultimately lead to greater success for our students. This is what the work of education reform is about, execution of the long-term strategies of Plan 2022. The Learning First programme is executing on priority 1, Strategy 1.1.4.1, specialised schools (now referred to as signature schools). The school consultative process for the introduction of parish primary schools is focusing on priority 4, Strategy 4.6.3, renovation, rebuilding and/or consolidating school facilities. And the Education Act Amendment Bill is executing on priority 5, Strategy 5.3.5, review of the current school structure.

Madam Chairman, page B-141 shows that a total of \$105,592,000 has been allocated to the Department of Education for the fiscal year 2021/22. This is \$8,189,000 less than [what was allocated] in the 2020/21 fiscal year. Two significant factors have contributed to this decrease. In order to meet our revised budget ceiling, a total of 67 previously vacant and funded posts have been defunded at a total of \$5,014,000. The other contributing factor is the 10 per cent austerity measure reduction in salaries agreed to by the various unions that resulted in the remaining \$3,175,000. The declines in each of the department business units are reflective of the impact of these two factors.

Madam Chairman, the Department of Education staff continue to execute of the strategies for Plan 2022, and specific strategies are tied directly to their performance appraisal objectives. This is aligned to Strategy 5.1.5, which states that we must [quote] “en-

sure the strategic plan’s measures of success and operational plans are clear, measured and used for accountability” and Strategy 5.3.3.2, which requires the department to “focus on accountability by outlining delivery plans with clear timelines and identification of persons responsible.”

Madam Chairman, the department is in the process of preparing the Plan 2022 Annual Report for the 2020/21 fiscal year. This report will capture the progress of both 2019/20 and 2020/21 as the data for the year 2019/20 was impacted by the COVID-19 pandemic.

Madam Chairman, I will now move on to highlight the expenditures of each business unit that falls under Head 17, commencing on page B-139.

### **Programme 1701—Central Administration**

**Sen. Owen Darrell:** Madam Chairman, I will begin with the analysis of Central Administration. This includes the costs of salaries for the administrative personnel and system leaders who function to lead, support, monitor, and audit the work that takes place in the Department of Education and in our schools.

Madam Chairman, monies budgeted for the upcoming year for business unit 27000, General Administration, will cover the costs for inventory purchases of educational and office supplies for the school year. There is an additional \$88,000 budgeted in expenditure for the fiscal year 2021/22 to cover COVID-19-related expenses.

Madam Chairman, the Department of Education has over the past year made safety and health in our public school system an even higher priority, given the COVID-19 pandemic. All schools were deep cleaned in August 2020. And this has continued at designated times throughout the school year, in addition to their daily cleaning regime carried out each day, using EPA-approved supplies as outlined by the Department of Health. Prior to the opening of schools all school tanks were chlorinated to ensure that the water supply was safe for drinking and handwashing. Safety and health signs were designed, printed and posted throughout school buildings as reminders to all staff and students to follow safety protocols and to maintain the six feet for physical distancing.

Madam Chairman, custodians have also been provided with EPA-approved cleaning, sanitising and disinfectant supplies and personal protection equipment (also known as PPE) to carry out the new cleaning regimes developed by the Department of Health. Additionally, all school staff continue to be provided with hand sanitiser, disinfectant and sanitising wipes, and gloves. Each staff member was also provided with a disposable mask, a cloth mask and a non-disposable transparent mask. Staff who require additional personal protective equipment (or PPE) to carry out their work responsibilities continue to be provided

with non-disposable and disposable gowns and aprons.

Madam Chairman, last year it was stated that the Stores team would ensure that all purchasing of inventory would continue to be purposeful and would obtain value for money spent. To facilitate this, Stores requested input from schools to improve the standardisation of inventory of school supplies purchased to have quick turnover of inventory and a lower chance of having obsolete items. Madam Chairman, it was also stated that the Facilities and Stores Sections would work together to ensure consistency with cleaning supplies ordered to ensure that control of inventory quantity is maintained and that facilities would also add to their monthly inspection of schools the status of supplies, to prevent stockpiling.

Madam Chairman, further to my last point, to help with the prevention of stockpiling, Stores has worked with Facilities in regard to how often orders of the same item were placed. This was communicated to Facilities for their monthly inspection. Also, Stores has set minimal re-order quantities on products based on movement of a product and lead time from the product being ordered to it being received. This is a critical efficiency which has a knock-on benefit for safety and health, as well as cleanliness of schools. The Commissioner of Education has also worked with Stores in approving the orders placed by schools for PPE supplies. The Stores team also carried out a successful count of inventory for the 2019/20 fiscal year, and the inventory count for the 2020/21 year will take place between March 26 through 31, 2021.

Mr. Chairman, with school safety and health as a priority, the Stores team has ensured the timely procurement and distribution of PPE and cleaning supplies at schools during the 2021/22 fiscal year. Stores will continue to focus on the efficient management of inventory and delivering supplies ordered to schools in five days or less.

Madam Chairman, business unit 27001 holds the budget for the Office of the Commissioner and primarily funds the salaries of the Commissioner of Education and two direct reports, the Director of Academics and the Director of Educational Standards and Accountability. The Commissioner of Education and direct reports are responsible for the strategic planning; overseeing, monitoring and auditing of the work of staff; and holding staff at the department and in schools accountable for carrying out their duties and responsibilities. They are also responsible for collecting data and reporting on the performance metrics set out for Plan 2022, the department, and our schools.

Madam Chairman, last year the department added the services of a communications consultant who has provided communications services for the department and schools. Madam Chairman, the hiring of the communications consultant is in direct response to Plan 2022 Strategy 5.3.1, which mandates that we strengthen external communication and increase high-

quality communication and public relations to all stakeholders.

Madam Chairman, between February 2020 and February 2021, there were a number of noteworthy achievements for the department as it relates to communications. *The Scoop* newsletter was established to provide parents and guardians with first-hand timely information from the Commissioner's Office. There have been 29 mailings, reaching approximately 3,600 recipients per mailing. Madam Chairman, the Bermuda Public School System Electronic Family Feedback Form was also established to enable families, staff and community to submit suggestions, complaints, questions and kudos directly to the Commissioner's Office. Madam Chairman, there have been 248 entries as of the end of February 2021, with 29.0 per cent questions, 21.5 per cent comments, 21.0 per cent suggestions, 16.0 per cent kudos and 4.9 per cent complaints. Responses were provided to each sender within 48 hours of their submission the majority of the time.

Madam Chairman, the Bermuda Public Schools Facebook page was re-invigorated over the past year. Facebook groups were established for families by school level, and we can report that in January 2020 we had a Facebook post reach of zero. As of January 2021, we had a [Facebook] post reach of 11,335. Further, Madam Chairman, a YouTube channel has been set up for Bermuda Public Schools to enable the community to have additional access to information and programming about public education in Bermuda.

Madam Chairman, several communications strategies were executed during the onset of the pandemic. While schools were operating remotely during the months leading up to the re-opening of Bermuda public schools, a COVID-19 crisis communication plan was developed and implemented when schools were operating remotely, and a COVID-19 re-opening plan was developed and implemented to inform families in advance of schools re-opening.

Written communication was provided to parents and guardians. In addition to this, Madam Chairman, 17 Zoom town hall meetings were held with parents and guardians and staff prior to the re-opening of schools to provide critical information and, most importantly, to afford them the opportunity to have their questions answered by the Department of Health and the Department of Education technical officers. These sessions also enabled parents, guardians, students and staff to discuss their anxieties, fears and hopes directly with decision-makers at the Department of Education and the Department of Health.

Further, Madam Chairman, three panel discussions on re-opening schools responsibly were held to give families, staff and the community an opportunity to scrutinise the plans for re-opening. Insights from these town hall meetings and panel discussions were used to fine-tune plans for re-opening. Once public

schools re-opened, 15 post-re-opening check-in Zoom town hall meetings were held with parents, guardians, students and staff to gain further insights into the experiences, perceptions and anxieties of students and families about in-person schooling. To collect additional data, a post-re-opening survey was conducted to provide further insight with in-person schooling, and the data were shared during these town hall sessions.

During the year the department has launched a livestream series, *The Conversation*, featuring Bermuda public school professionals discussing their work. And this year, as a first, schools at all levels held virtual open house events prior to registration 2021. Significant strides were made for the area of communication to key stakeholders.

Madam Chairman, business unit 27030, Human Resources has been allocated a total of \$491,000. The re-allocation of posts and salaries for two human resources managers and two administrative assistants have been transferred to the new Department of Employee Organization Development [DEOD]. These four staff will join the DEOD team as of April the 1<sup>st</sup>, 2021, as part of centralising government's human resource services. This shift accounts for the reduction of \$608,000. The Human Resource Section continues to fund the salaries of technical and administrative staff, expenses to advertise and recruit staff, and money for annual long-service awards for teachers.

Madam Chairman, in 2021/22 funding for business unit 27031, Staff Development, decreased from the previous year's budget to \$672,000. The funds will be used to fund training and professional development arising from Plan 2022 and school improvement plans. The training is necessary to enhance the skills and competencies of our teachers, educational staff, student leaders and Department of Education staff. The Department of Education has provided extensive and ongoing professional development sessions for staff within our schools throughout the course of the 2020/21 year to expand their knowledge and skills. With overall coordination of staff development sessions led by the Acting Staff Development Officer, a myriad of professional development sessions for BPSS teachers and special staff were held in September and October 2020, and January and February 2021.

Some of the sessions were mandatory to ensure staff were on the same page regarding the public education system's priorities. However, there were also options for teachers to self-select or participate in self-paced training. Sessions offered were aligned with the tenets and practices of standards-based grading. Subject-specific or job-specific professional development was also provided, along with the opportunities to acquire and deepen technology skills and learn how to use various technological applications. Given the impact of the pandemic on school staff,

workshop days also included sessions facilitated by the Employee Assistance Programme.

Madam Chairman, business unit 27090, Educational Standards and Accountability—

**The Chairman:** Senator Darrell, may I just interrupt you before you go into that line item?

I am going to hand over the Chair to Senator John Wight at this time. I would like to remind you that we have roughly an hour left in this debate on Education. And I hope that there is some time before it concludes for questions.

So, I am handing over to Senator Wight.

*[Sen. John Wight, Chairman]*

**The Chairman:** Thank you, Senator Simmons.

**Sen. Owen Darrell:** Mr. Chairman, business unit 27090, Educational Standards and Accountability has oversight of our 18 primary schools, four middle schools, two senior secondary schools and one special school. This team comprises three assistant directors who supervise school principals and ensure effective leadership, quality teaching, quality services, and quality programmes in our schools. The work carried out by the assistant directors is essential for the growth and development of school leaders and for overall school and system-wide improvement.

During the 2019/20 school year the assistant directors were responsible for conducting principal evaluations using the McREL Principal Evaluation Tool. Principal midyear evaluations were completed with fidelity. However, due to COVID-19 regulations, the timeline for completing the final evaluations was impacted. The goals for the evaluation were rolled over from the 2019/20 school year to the 2020/21 school year. And feedback to principals using a standardised form has been executed.

Mr. Chairman, the Teacher Performance Evaluation programme (TPEP) for [term one] of the 2020/21 was concluded with fidelity with minor adjustments to compliance timelines due to COVID-19 regulations. Again, feedback to principals using a standardised form was implemented for all teacher evaluations.

Mr. Chairman, the standardised form captures key indicators for the evaluation standards and protocols, which are also aligned with ESA performance measures. These two achievements support the area of action in Plan 2022 priority 3, strengthening educator evaluation and performance management. This priority also aligns directly with the Government's Education Platform, which makes an unequivocal commitment to improving accountability in education.

Mr. Chairman, the new school improvement plan (SIP) format that was implemented last year continues to be actioned by our school leaders from the preschool to the senior level. In essence, SIPs are

strategic plans for schools. The [high leverage] design feature of the improvement plan has a focus on intentional adult action and the impact on student gain. When developing the plan with stakeholders, principals develop theory-of-action statements to guide them in achieving their identified targets and goals. The assistant directors of ESA provide feedback to principals using a standardised form. And monthly monitoring checks are conducted to ensure the action items are progressing according to what is outlined in the school improvement plan.

Mr. Chairman, the school improvement plan methodology requires principals to report on student gains at three intervals in the academic year so that the Department of Education can monitor student performance and gains over time and determine progress with key performance measures. Due to COVID-19, schools engaged in remote learning last year, and as a result data could not be collected from March 2020 to June 2020. This impacted the reporting of our student gains. However, data for September 2020 through December 2020 were collected. The ESA Section monitors the data and provides feedback to principals during the monthly contact visit. The first opportunity to report out on student gains will be April 2021.

Mr. Chairman, Educational Standards and Accountability (ESA) has used the school improvement platform to connect the work of principals as leaders in managing change in their buildings with developing a purposeful community to achieve goals, and to focus on the work that matters most for students. These three areas provide the parameters for professional development that support the school improvement plan in a very meaningful way. Principals and deputy principals have been provided with professional learning opportunities and coaching as required to support their work in school improvement, teacher performance evaluations, standards-based grading, COVID-19 safety and health protocols, and remote learning.

Mr. Chairman, the School Improvement Plans (or SIPs) continued implementation in September 2020. Principals worked with their leadership teams to develop school improvement goals for the academic year. This achievement is connected to the area of action in priority 3 of Plan 2022, Professional Learning and Supports, Strategy 3.1.1. The school improvement plan requires principals to support the delivery of customised professional learning for teachers in support of the goals identified in their school's improvement plan.

Principals, in collaboration with Education officers, delivered site-based professional development in the following areas: writing proficiency, mathematics, reading, research-based instructional strategies, and innovation. This is also connected to the Government's Education Platform and their commitment

to ensure professional development for teachers to improve learning outcomes for students.

Mr. Chairman, the ESA Assistant Directors played a significant role in helping close the school facilities in June 2020 in preparation for the school facilities to re-open in September 2020. School inspections were carried out on a continuous basis to ensure that the environments remained clutter-free, clean and safe to occupy in accordance with the Department of Health COVID-19 safety and health protocols. This section also worked closely with the Department of Health to development the COVID-19 safety and health protocols and helped facilitate remote professional development with all school staff prior to the opening of schools. This included sharing and responding to questions on the new COVID-19 safety and health protocols.

Mr. Chairman, all school staff received professional development in mental health wellness from EAP. Between May 2020 and February 2021, EAP facilitated a total of 26 sessions with school staff. Additional sessions were held with school staff impacted by COVID-19 developments that unfortunately occurred in November and December 2020. The ESA Assistant Directors assisted with the protocols and operational procedures when positive COVID-19 tests were identified in schools. They also assisted with closing schools during the spike in COVID-19 cases and with parent and teacher notifications for quarantine. The ESA Section facilitated the arrangements for schools to complete virtual open houses for incoming students along with the transition to remote learning during term one.

Mr. Chairman, during the 2021/22 fiscal year, this business unit comprising the three Assistant Directors of ESA, have as their priorities to increase the quality of school improvement plans, to improve the quality of teacher evaluations, to monitor data submission and data collection processes, and to provide feedback to principals on their performance.

Mr. Chairman, our mentor teachers are supervised by one of the ESA Assistant Directors. The mentors have worked hard to support our first- and second-year inductees (these are new teachers). And the mentors' priorities during the 2020/21 school year were as follows:

1. Implement the revised mentor programme requirements. These include reflective submissions, demonstrated proficiency in high-level research-based practices and digital professional portfolios.

2. Provide professional development to inductees based on individual and collective needs for workshops in the tenets of standards-based grading, formative assessments, designing assessments aligned with proficiency scales and using the Danielson Framework as a tool of self-reflection.

3. Facilitate standards-based grading workshops for support of system-wide professional development.

The mentor teacher priorities for 2021/22 will be as follows: 1) further revise and implement the new BTIP [Bermuda Teacher Induction Programme] requirements; 2) provide professional development on question formulation techniques, meta-cognitive strategy, data collection which informs instruction and high-leverage strategies for student engagement; and 3) facilitate standards-based grading workshops in support of system-wide professional development.

Mr. Chairman, last year it was reported that the Bermuda College would provide a Principal Certification programme through a partnership with Framingham State University. Mr. Chairman, this is linked to Plan 2022's area of action, Enhanced Educator Certification in priority 3, and supports Strategy 3.5. There is also support of the Government's Education Platform and the commitment to ensure professional development to improve learning outcomes for students. It was also reported last year that the agreement required a minimum cohort of 10. And at that time there were seven applicants.

Mr. Chairman, the Graduate Certificate programme in Educational Leadership started on October 12, 2020, and the number of applicants has increased to 13. The cohort of 13 educators includes teachers, year-level heads, mentor teachers, deputy principals, acting principals and Department of Education officers.

Mr. Chairman, at the end of the sixth week of the first course, the department received the following feedback about this cohort: May I quote, Mr. Chairman?

**The Chairman:** Yes, you may, Senator.

**Sen. Owen Darrell:** "What a strong, competent, eager, passionate and joyful group of education leaders! In all the years I have been teaching, I have never worked with such a group. If they are indicative of educational leaders in Bermuda, then the rest of the world should be taking notice. In this course, Supervision and Staff Development, we are focusing on bringing 21<sup>st</sup> century knowledge and tools to the profession. Every person in this course has added greatly to the overall knowledge base. The sense of community created within this group has given rise to sharing at a depth generally not found so quickly. I love how much they love their country and feel a tremendous sense of responsibility to push themselves to becoming even more effective educational leaders." [UNVERIFIED QUOTE]

Mr. Chairman, these educators are equipping themselves to lead within the system in the future. I applaud their dedication and determination to perform with excellence, and I wish all of them continued success with the programme.

Mr. Chairman, the funds allocated to this unit have decreased over 2020/21, totalling \$611,000.

Mr. Chairman, the 2020/21 budget for business unit 27095, Attendance, was transferred into business unit 27090 to fund the salaries of four school attendance officers and a school registration and attendance coordinator. It is the responsibility of this team to ensure that children of compulsory school age are in school on a daily basis. The school registration and attendance coordinator also oversee the annual school registration process for the enrolment of children in all public schools. The coordinator also carries out a review of the registration process each year and ensures improvements in the process for the following year, through consultation with department and school leaders. The registration and attendance coordinator is also on the front line of communication and assistance, regularly fielding parent questions and comments regarding the registration process.

Mr. Chairman, the attendance officers prepare monthly reports on student attendance and teacher attendance submissions for each school. The monthly report displays month-over-month analysis and identifies trends over the period. The coordinator conducts audits of school attendance data to determine each school's progress and compliance. Mr. Chairman, monthly reporting has increased school accountability, and timeliness and accuracy of attendance submissions.

Mr. Chairman, the attendance officers are required to adhere to the Health Department's COVID-19 protocols, and this resulted in reduced visibility in schools. However, attendance officers are accessible via Zoom, email and telephone calls to address attendance queries and concerns. The aim of ensuring that attendance data were accurate, reliable and timely remains at the forefront of their daily responsibilities.

Mr. Chairman, COVID-19 resulted in the implementation of new attendance codes and a determination of student attendance in the virtual classroom. The accuracy in recording attendance was paramount to ensure that we assisted in maintaining a safe environment when schools transitioned back to in-person teaching and learning. Mr. Chairman, the attendance officers monitored the various sick codes and quarantine timeframes closely.

Mr. Chairman, the attendance team maintains a listing of students with chronic [absences], and their communication and collaboration with the schools has increased to combat chronic absences. Additionally, this team is working with the Bermuda Police Service Task Team in identifying the reasons for absences in an effort to reduce chronic student absences in alignment with Plan 2022, key outcomes 1–8, and in support of the department's performance measures for attendance for schools.

Mr. Chairman, the attendance officers were responsible for ensuring that every parent had a PowerSchool Parent portal account that could be used to keep parents informed of their student's attendance,

grades, and report cards. As of January 2021, 90 per cent of parents had a parent portal account, up from 79 per cent in November 2020. And 20 out of 34 schools have 90 per cent to 100 per cent of their parents with parent portal accounts. We expect all schools to reach the target of having 100 per cent of their parents and guardians with a parent portal account.

Mr. Chairman, the attendance and registration coordinator launched for the first time the online registration of both new and returning students in February 2021. As expected, there were a few glitches with the implementation of the new system. However, these were quickly addressed with a resolution. On the whole, the responses from the public and educators to reach this milestone of an online registration have been well received. The online registration moves the public school system from the traditional paper-based labour-intensive registration process to a 21<sup>st</sup> century, highly efficient process that provides a better way to manage enrolment, transfers and withdrawals.

Mr. Chairman, the attendance team will continue to fulfil their role to ensure that students attend school on a daily basis. They will also improve the communication between parents and schools so that the attendance codes are correct. Additionally, in cases where a student will no longer attend a public school they will improve efficiency in ensuring that parents can provide the correct documentation to withdraw the student in a timely manner, using the newly released online returning student application.

Mr. Chairman, we must ensure that quality teaching/learning experiences and services take place when teachers or other school staff are on sick leave. The funds allocated for business unit 27160, Substitutes, has increased by \$378,000.

Mr. Chairman, the overall budget for the Central Administration programme is \$4,214,000 for the 2021/22 fiscal year, which is lower than the previous year's budget due primarily to the reallocation of human resource services.

**The Chairman:** Senator Darrell, if I can just interrupt for one second . . . following on Senator Simmons' comments, we have roughly 30 minutes left of our two-hour allotment for this session. Do you anticipate allowing time for Senators to ask questions?

**Sen. Owen Darrell:** Mr. Chairman, I will do so if I can get through the rest of the brief.

**The Chairman:** Okay. Thank you, Senator.

### Programme 1702—Student Services

**Sen. Owen Darrell:** Mr. Chairman, Programme 1702, Student Services, facilitates the provision of 13 essential programmes that directly provide services to meet

the diverse needs of our students who have been identified as having exceptionalities.

Business unit 27061, Behaviour Management, funds behaviour therapists for preschool and primary schools, as well as one education officer for behaviour management. In addition, the funding covers two Alternative Education programmes, which facilitate suitable alternative education environments and services for students with behavioural challenges. The 2021/22 budget for this business unit will decrease by \$221,000 due to two positions being reallocated to business units 27160, Substitutes, and 27063, School Psychology.

Mr. Chairman, the Success Academy Heron Bay [SAHB], the alternative support programme, serviced six primary school students up to June 2020. Currently, the programme services four primary-aged students with the goal of assisting them in acquiring replacement behaviours for complete reintegration back into the mainstream classroom environment.

Mr. Chairman, Success Academy Roberts Avenue [SARA], the alternative support programme for middle and senior level students, supported 13 students up until June 2020. Currently, Success Academy Roberts Avenue services thirteen male students, nine of whom are senior school students and four of whom are middle school students. The goal is to re-integrate students back into their mainstream middle school environment, to transition students to senior school or to retain students at Success Academy Roberts Avenue to complete the GED or Penn Foster programme.

Educational therapists, educational therapist assistants and other members of the Multi-tier System of Support (MTSS) School teams continue to provide tier 1, tier 2 and tier 3 support for students in our schools who have behavioural challenges. These supports range from classroom monitoring and consultation to caseload admission, as well as

- daily tracking schedules;
- developing individual crisis management plans;
- implementing behaviour intervention strategies; and
- developing functional behaviour plans and behaviour intervention plans.

Mr. Chairman, partnerships have been strengthened with supporting agencies, such as the Department of Child and Family Services (DCFS), Child and Adolescent Services (CAS), Probation Services and the Department of Health. One example of this is reflected in the monthly meetings of the High Risk Intervention Committee where mutual clients and their specific unique needs are discussed and support is actioned. Through the 2020/21 school year, ETs have been participating in functional behaviour assessment and behaviour intervention plan specialist training through individualised professional development.

It is clear that families experienced and coped with the effects of COVID-19, including remote learning, in a myriad of ways. ETs and ETAs helped families navigate these difficulties. While schools were operating remotely due to the pandemic, ETs and ETAs supported families with academic work packet deliveries, community food voucher connections and clinical partner services. In addition, they provided supportive suggestions with families, centred around schedules and routines. ETs also shared intervention strategies and prevention skills with parents and guardians and emphasised the need to reinforce the desired behaviours.

Mr. Chairman, for the 2021/22 year ETs and ETAs will increase the level of support they provide to the classroom teachers and will work to improve planning and monitoring of student progress. This will be accomplished by creating collaborative intervention plans, tracking replacement behaviours and sharing success with stakeholders, using MTSS (which refers to the multi-tiered system of supports) process. They will utilise a whole-child lens and integrate academics and behaviour. The implementation of a technological support system that is data driven will support this collaboration and problem-solving among the MTSS team.

Mr. Chairman, business unit 27063 includes our school psychologists, who support administrators and address student needs for the areas of academics, behaviour and mental health. Further, the school psychologists provide comprehensive psychoeducational evaluations, consultations, short-term counselling, and interventions and preventive services across the entire system.

Mr. Chairman, school psychologists are engaged in and are a valuable resource for schools in relation to the MTSS process, a Plan 2022 system priority for Strategy 1.4.6. Through the MTSS process, a multidisciplinary team discusses the needs of our students and suggests interventions and resources to address concerns. The school psychologists, as participants on the MTSS team, collaborate to ensure that students have support which includes resources from within the public school system as well as the wider community. Recommendations are made through consultation within the MTSS framework, and recommendations are also made utilising the data derived from psychoeducational assessments conducted by the school psychologists.

Mr. Chairman, while schools were implementing remote learning during the first four months of the pandemic, our school psychologists developed protocols for the provision of services to students. These services were provided according to Health Department's best practice guidelines. School psychology practices were also aligned with the mandates advised by psychological associations and regulatory bodies regarding COVID-19 protocols.

The school psychologists researched and compiled itemised costs for various models (traditional, hybrid and telehealth) to effectively accomplish their service work during the pandemic. Each of these models progressively required more technology in order to operate more efficiently under COVID-19 health and safety constraints. During the 2021/22 fiscal year, the school psychologists will further integrate technology into psychoeducational assessments. As a matter of priority in the upcoming year, school psychologists will continue to manage their assessment referrals and provide consultation to the school staff to ensure the delivery of services prior to and after psychoeducational assessments have been carried out.

Mr. Chairman, the 2021/22 budget for school psychologists decreased by \$29,000.

Mr. Chairman, business unit 27064, the Adaptive Physical Education Programme, is a developmentally appropriate physical education programme delivered by three specialist teachers. These teachers provide services to students with diverse physical needs by providing the adaptive support necessary to enable students to be included in the regular physical education programme. Mr. Chairman, for clarity, the adaptive physical education lessons are implemented on an individual basis, in small groups, and within the regular physical education classroom setting. Mr. Chairman, students receiving adaptive physical education services have individualised education plans (also known as IEPs) with goals and objectives which are in line with the regular physical education curriculum.

Mr. Chairman, this specialist team organises the Department of Education Adaptive Physical Education National Track and Field Invitational. This Invitational includes students from P1 to S4 who have special physical needs and who receive adaptive physical education services, as well as individuals who have transitioned out of the Bermuda Public School System and who are presently at the K. Margaret Carter Centre and other facilities. The mechanisms to facilitate the Adaptive PE National Track and Field Invitational were in place prior to the mandated lockdown due to COVID-19.

As a result of the regulations, the event was cancelled. The Adaptive PE division is looking forward to re-introducing the event to students with students from P1 to S4 and to other entities servicing the special needs community. The event will be held at a time when it is conducive to the safety of all in compliance with the Health Department's safety and health regulations.

Due to the COVID-19 pandemic the Adaptive PE Team's ability to work on expanding community partnerships was limited. However, a continuing partnership with the National Stadium was further established ensuring plans to hold the Adaptive PE National Track and Field Invitational. Utilising the National Stadium facilities for training opportunities for special

needs students has also previously been facilitated; however, it was not possible during this school year due to COVID-19.

Mr. Chairman, business unit 27065 is the Deaf and Hard of Hearing programme, which employs teachers who provide students with academic instruction. They also collaborate with classroom teachers to ensure that teaching and learning are effective, and that student needs are met during instruction in the regular classroom. The \$295,000 budgeted for this business unit are for salaries, disability-specific resources and materials, hearing aids and equipment, professional development and consultant services.

**The Chairman:** Senator Darrell, as a reminder, you have roughly 15 minutes left before we have to move on to the Ministry of Finance Headquarters and Office of the Tax Commissioner.

**Sen. Owen Darrell:** Thank you, Mr. Chairman.

Mr. Chairman, teachers of the deaf and hard of hearing are preparing for the expansion of the teaching of sign language at the middle and secondary [school] levels. Teachers are also designating time to collaborate with paraprofessionals before and after sessions are held with students, and to educate administrative staff on the specific needs of students who are deaf or hard of hearing. Mr. Chairman, it is these teachers who made a recommendation to supply staff with transparent masks. Resultantly, transparent masks, with the sponsorship of the Department of Health, have been provided to every school staff from the preschool level to the senior school level, including at Dame Marjorie [Bean Hope] Academy.

Mr. Chairman, these teachers also facilitated a communications workshop for occupational therapists, physical therapists and speech-language pathologists for their clients who are deaf or hard of hearing. The session focused on using gestures and basic sign language connected to their fields. The teachers have also participated in standards-based grading professional development to remain abreast of schoolwide curriculum expectations.

Mr. Chairman, line item 27066, the Vision business unit, has been allocated a budget of \$100,000. Students with visual impairments have unique educational needs. In order to meet their unique needs, students must have specialised services, books and materials in appropriate media, including braille. Students also need specialised equipment and technology to ensure equal access to the core and specialised curricula, and to enable them to effectively function alongside their peers in school and ultimately in society.

The vision programme has maintained a good working relationship with our community partner Vision Bermuda. Our students benefit from lessons conducted in their transition programme in preparing for life post-senior school. These lessons enable our

students to use the many IT components and manual tools that are a necessity for their learning.

Presently, there is one vision teacher for the public school system who supports 13 students who have visual impairments. The teacher, in addition to her duties, provides professional development to school staff and paraprofessionals who work directly with students. The paraprofessionals have completed additional braille courses and trainings to ensure they are equipped to meet the needs of our students.

Mr. Chairman, the business unit 27071, Office Support, serves as the Secretariat for the Student Services Section and funds the salaries of the Assistant Director of Student Services, one administrative assistant and six learning support teachers who provide services to students with special needs. There is a decrease of \$179,000.

Mr. Chairman, can I just have one second please?

**The Chairman:** Yes, Senator.

[Pause]

**Sen. Owen Darrell:** Mr. Chairman, the Counselling Programme, business unit 27072, is a comprehensive, developmental school counselling programme (CDSCP) based on an international model, with four components: (1) classroom guidance/core curriculum; (2) individual planning; (3) responsive services; and (4) system support. More specifically, school-based counselling programmes provide early intervention, crisis intervention and prevention, treatment and promotion of positive social and emotional development. Mr. Chairman, this business unit funds the salary of an Education Officer for Counselling, 25 counsellors who service the preschools and primary schools, and 10 at the middle school level; and one Alternative School Counsellor. This unit has a decrease in budgeted funds of \$245,000.

Mr. Chairman, school counsellors comprise a group of dedicated professionals who coordinate their services with school teams and community partners. With parental permission, school counsellors consult with community mental health service providers to coordinate responsive and community-based services. The Education Officer for Counselling meets with school counsellors, school teams, CAS, DCFS, the Department of Court Services and the Department of Health representatives throughout the school year to coordinate services for high-risk students.

Mr. Chairman, school counsellors are required to facilitate individual academic and career planning meetings for students in P5, M2, S1 and S4. However, the pandemic and resulting school building closures impacted the ability of school counsellors to complete the individual planning meetings during the 2019/20 school year. These have been recommenced for the 2020/21 school year.

Mr. Chairman, the Education Officer for Counselling identified the following top three priorities for 2020/21.

1. Continue to utilise information from student surveys and feedback from school counsellors to improve programme delivery and enhance students' feelings of safety and trust (aligned to Plan 2022 key outcome 1–10). Prior to school closures, students from one middle school were surveyed. A summary of feedback reported that students expressed that they were comfortable meeting with their school counsellors; that the school counsellors helped them to understand topics such as bullying, peer pressure and conflict resolution; and that they felt respected and listened to when they talked with the school counsellors. School counsellors were given opportunities during group supervision meetings to provide feedback and peer support for enhanced programme delivery.

2. Continue to develop success criteria for classroom guidance learning intentions. The success criteria guide was completed along with the creation of success criteria for all standardised lessons.

3. Assess whether the updates to the P5 and M2 individual planning meeting forms, specifically the inclusion of values clarification and career inventories, sufficiently assisted students with preparing for their future careers in alignment with Plan 2022 adaptive Strategies 2.12.4 and 2.12.5. Positive feedback was received from parents and students pertaining to the addition of exploration of values and review of the informal career assessment. Students appreciated the opportunity to have discussions around values and the connection to future careers.

Mr. Chairman, starting in March 2020, throughout remote learning and upon the return to school buildings, school counsellors formally and informally surveyed students' adjustment to the various changes and monitored feelings of safety and academic engagement. Simultaneously, the Education Officer for Counselling monitored the school counsellors' well-being and adjustment by conducting supervision meetings via Zoom and telephone during the work-from-home period, focusing on self-care and peer support.

Mr. Chairman, school counsellors were definitively *all in for all students* throughout remote learning and school breaks by securing and delivering technology devices, advocating for access to Wi-Fi, and delivering groceries and grocery vouchers to families. In August 2020 the Education Officer for Counselling created a guidance document for the delivery of school counselling services during remote and hybrid learning to assist the school counsellors with planning their programme delivery for the 2020/21 school year. Additionally, the Education Officer for Counselling continued to promote a focus on positive coping skills by encouraging school counsellors to highlight October 5 through 9, 2020, as Mental Health Awareness Week. During this week guidance lessons and activi-

ties stressed the importance of implementing appropriate coping skills when dealing with life challenges.

Mr. Chairman, the Education Officer for Counselling will continue to monitor the completion of P5, M2, S1 and S4 individual planning meetings by school counsellors and will review student responses to determine the achievement of the pre-set student outcome that all P5, M2, S1 and S4 public school system students will answer the response page of their educational plans indicating how the individual planning meeting helped them to plan for potential future careers. The officer will review all counselling intervention plans to determine achievement of the student outcome that all public school system students who have a counselling intervention plan will show progress towards their goals by the end of four counselling sessions. The officer will provide professional development training and clinical supervision sessions for school counsellors, focusing on tier 2 school counselling interventions for anxiety and child traumatic stress.

Mr. Chairman, business unit 27072 funds the salary of an Education Officer for Counselling; 25 counsellors who service preschools and primary schools, and 10 at the middle school level; and one alternative programme counsellor. This unit has decreased in budgeted funds of \$245,000 over 2020/21.

Mr. Chairman, I have quite a bit left in my brief . . . I am not going to be able to get through it—

**The Chairman:** I think, Senator . . . we have, literally eight minutes left. So, I would ask that we now use that short period to allow questions to be asked. I think the Shadow [Minister] Senator, Ben Smith, had questions.

**Sen. Ben Smith:** Yes, Mr. Chairman.

Obviously, I spent quite a bit of time preparing for asking a lot of questions. And there is no time to do that. I was hoping that other Senators would have an opportunity to be part of this debate, and it is quite frustrating considering that we have been talking about how we can, you know, work together. And education being such a highlighted topic right now, that we could get to a situation where we are expected to ask questions for eight minutes and then get answers . . . so, I guess what I will do is . . . let's thank all of our teachers, all of our educators, for what they have been doing on an ongoing basis, but specifically in this last year with all of the changes that we have had to go through.

It is important that we support our teachers and understand the changes that they have had to go through. For some of them, the changes to remote learning meant a completely new idea for them. Understanding that some educators have been in the system for 30, 40 years, some of the technology changes . . . that is not the way they teach, specifically

if you are in the primary section. So they have had to go through some significant changes.

So I would just like to continue to thank them. And obviously as we are going through the issues that we are having today they are having to adjust once again. And our young people are going through issues and really need to have us give them our full attention. And it would have been great to have gotten some answers to some of those things.

One of the main things that I was going to bring up was that if you look on pages B-140 and B-141 it leaves out the actual amounts that are paid out to each school, what the actual budget is for each school. You will see, I believe almost across the entire board, that there has been a cut for every one of those schools. It would be good for us to have the opportunity to know how many students attend each of the schools, right? So I am looking at this from a true budget. You want to know how many customers you have for the cost that you have so that you can justify the changes in the budget. It would be good for us to be able to have that number so that we know if a school only has 67 people in the entire school and it is costing this amount of money, can we justify the school continuing to be open?

When we have discussions like we have been having about closing schools, we have a better understanding if we could have that kind of analysis. Well obviously, asking that question would have meant it would take a long time to get that answer and we will not get that answer today, which is unfortunate.

As I spoke earlier today about all of the psychological issues that we have, you would expect that we would see an increase in those areas, like counselling and what is going to be needed. We see reductions in the behaviour area. The narrative in Bermuda is that a lot of our teachers are spending long periods of time dealing with the behaviour of students. So, we would like to see that maybe there is going to be an increase, or get an understanding of what we are going to do with those issues.

There is a huge transition. There is a whole bunch of discussion that is happening. Nobody really knows where we are going to be at the same time we are dealing with a pandemic and all the issues that this brings to our young people.

I apologise. I am frustrated; there is no sense in my asking the questions. I would rather give the opportunity to maybe Senator Simmons to ask some questions. Thank you.

*[No audio]*

**Sen. Ben Smith:** Senator Wight, you are muted.

**The Chairman:** Sorry.

Senator Simmons, with the benefit of about four minutes left, I know this is your background;

would you like to offer any comments or ask any questions?

**Sen. Michelle Simmons:** Thank you, Mr. Chairman.

I did have a few questions . . . well, more than a few, but I would like to just pull out a couple of things in the short time left.

One of the things I would like to touch on is something that may not be obvious in the budget, but it was touched on this morning when Senator Darrell was giving a statement. And that is about the M3 level in middle schools in September 2022 being incorporated in the senior level. My question is really about what is happening in September 2022 and that would be part . . . actually, it would not, but I will ask it anyway.

What is happening to M1 and M2 in September 2022? Obviously, Government is seeking to eliminate middle schools, but I do not think there is a clear picture yet of exactly how that is good. And I am not looking for details, a high overview would be very welcome. But my question is really about *how* middle schools will be phased out by September 2022.

And I have another question, and that is with respect to . . . and I am just pulling out some quick questions here, because the others would require much time and detail. The T. N. Tatem building in Warwick is no longer being used as a middle school facility. But what is the plan for that building? It is real estate, and I do not know if there are programmes in the building right now. I doubt if it is fully occupied, even if there are one or two programmes. So what is the plan for the T. N. Tatem Middle School facility that is no longer being used? And I see there is one minute left, so I am not anticipating answers, but maybe Senator Darrell will be kind enough to supply those for me. Thank you.

**The Chairman:** Thank you, Senator Michelle Simmons.

So, we are now right at the allotted two-hour point. So, regrettably, Senators have not had time to ask questions. But at this point I have to ask Senator Darrell to move these Heads.

**Sen. Owen Darrell:** Thank you, Mr. Chairman. I move that Heads 16 and 17 be approved.

**The Chairman:** Thank you, Senator Darrell.

Is there any objection to that motion?

Hearing none, these Heads are so moved.

*[Motion carried: The Ministry of Education, Heads 16 and 17 were approved and stand part of the Estimates of Revenue and Expenditure for the year 2021/22.]*

**The Chairman:** Thank you all—

**Sen. Ben Smith:** Mr. Chairman, just a quick question, do we have to move all of the Heads, including the ones that we did not debate?

**The Clerk:** No, we do not. We just do the Heads that are under consideration.

**Sen. Ben Smith:** Okay, thank you.

**The Chairman:** So Heads 16 and 17.

**The Clerk:** The remaining Heads will be moved at the end of the debate in Committee on Monday.

**The Chairman:** Thank you, Mr. Somner, for that clarification.

So, I believe that Senator Simmons will be taking over the Chair at this time and we can move on to the Ministry of Finance.

*[Sen. Michelle Simmons, Chairman]*

**The Chairman:** Thank you, Senator Wight.

Senators just a reminder that we are in Committee of Whole [Senate] for further consideration of the Appropriation Act 2021/22, together with the Estimates of Revenue and Expenditure for the year 2021/22.

The Ministry under consideration now is the Ministry of Finance. The Heads for debate under this Ministry are: Head 10, which you will find on page B-113 of the Budget Book; and Head 38, which you will find on page B-125 of the Budget Book.

The Senator who will be speaking to these Heads is Senator Arianna Hodgson, Junior Minister of Finance, Youth, Culture and Sport and Labour.

It is now 5:20 pm, and Senator Hodgson, you have the floor.

**Sen. Adrianna Hodgson:** Thank you Madam Chairman.

I move that the Committee do now take under consideration Head 10, Ministry of Finance Headquarters, and Head 38, Office of the Tax Commissioner.

**The Chairman:** I'm sorry; may I interrupt one more time? That is just to say that we have two hours in total for this debate, for both Heads.

Thank you.

## MINISTRY OF FINANCE

### HEAD 10—MINISTRY OF FINANCE HEADQUARTERS

**Sen. Adrianna Hodgson:** Thank you, Madam Chairman.

Before I begin, I just want to make it clear that while the Senators are frustrated by the lack of time,

but the schedule was actually decided upon by those Senators. So I will do my best to allow for some time for conversation and questions at the end of the brief.

Madam Chairman, the 2021/22 budget estimates for the Ministry of Finance Headquarters, Head 10, may be found in section B of the Estimates Book on pages B-113 through B-115, and in section C on pages C-4, Capital Development; and C-11, Capital Acquisitions; and C-17, Grants.

The Finance Ministry comprises six departments, led by the Ministry of Finance Headquarters, and includes the Accountant General, Customs Revenue, Social Insurance, the Office of the Tax Commissioner and the Registrar of Companies. Allocations to cover the interest on government debt and contributions to the sinking fund are also included in the Finance Ministry's budget. The Ministry of Finance has the total staffing establishment of 158 posts and an aggregate current account budget of \$200 million—

*[Technical interference]*

**Sen. Adrianna Hodgson:** The speaker is on.

*[Technical interference]*

**Sen. Adrianna Hodgson:** Madam Chairman?

**The Chairman:** Yes, Senator Hodgson, just pause for a minute. Someone's microphone is on. I think it's off now. So, please proceed.

**Sen. Adrianna Hodgson:** Thank you.

The Ministry of Finance has the total staffing establishment of 158 posts and an aggregate current account budget of \$200 million and is responsible for collecting \$876.9 million, or 88.0 per cent, of all government revenue. A snapshot of key information for the Ministry of Finance is shown on page B-112 of the Estimates Book.

The Department Current Account allocations are as follows:

Head 10—Ministry of Finance Headquarters, \$16.9 million, an increase 179.0 per cent.

- business unit 20000, Policy Planning and Management, an increase of 44 per cent to \$802,000;
- business unit 20010, Fiscal Planning and Control, a decrease of \$21,000, or 4.0 per cent;
- business unit 20020, the Regulatory Unit, a decrease of \$13,000, or 3.0 per cent;
- business unit 20030, Economic and Financial Intelligence, a decrease of \$58,000, or 4.0 per cent;
- business unit 20040, Treaty Management and Administration, a decrease of \$18,000, or 2.0 per cent;

- business unit 20070, Pension Commission grant, a decrease of \$50,000, or 6.0 per cent;
- business unit 20100, Office of the National Anti-money Laundering Committee, an increase of \$160,000, or 17 per cent.
- business unit 20997, National Health Emergency, which includes new estimates for 2021/22, COVID-19 pandemic anticipated expenses.

Head 38—Office of the Tax Commissioner, a decrease of \$151,000, or 4.0 per cent.

The Minister in charge of the finance portfolio is the Minister of Finance, the Honourable Curtis L. Dickinson, JP, MP, and he is supported by myself, Junior Minister of Finance, Senator Arianna J. Hodgson.

For more than 10 years the Ministry technical team has been under the dedicated and professional leadership of Mr. Anthony Manders. Through his knowledge and understanding of Bermuda's financial landscape and the Government's operations, he made a significant contribution to Bermuda. He has left a lasting legacy within the Ministry and in particular, contributed to a strong and robust budget process.

The executive and senior officials in the Ministry of Finance Headquarters are currently: Acting Financial Secretary, Mrs. Cheryl-Ann Lister; Assistant Financial Secretary for Economics and Finance, Mr. Stephen Gift; Assistant Financial Secretary for Regulatory Unit, Ms. Pamela Burrows; Assistant Financial Secretary for the Treaty Management and Administration Unit, Mr. Wayne Brown; and Director of Budget, Mrs. Tina Tucker; and the National Coordinator for the Office of NAMLC [National Anti-Money Laundering Committee], Ms. Paula Tyndale.

Madam Chairman, the presentation of the National Budget Statement on Friday, February 26, marked the start of the Budget Debate in the House of Assembly. It now gives me great pleasure to present the budget for the Ministry of Finance.

The Ministry of Finance plays a pivotal role in the ongoing stability and prosperity of Bermuda. It is, however, important to highlight that budgets are not just about numbers. Budgets are crafted based on the needs of the country and the need to keep the people informed. Over the course of this Government's Budget [Statements], Madam Chairman, you would have noted a recurring theme. That is, the Government's resolve to implement a strategy that will improve Bermuda's economy reduce our debt with targeted investment and tax policy to enhance economic growth, attract investment and create jobs; and maintaining fiscal discipline. We have a responsibility to the people of this country to provide the best fiscal and economic management possible. And to this end we will continue to make necessary choices required to do so.

In last year's Budget Statement, we highlighted that evidence that the economy was improving is

proof that our strategy is beginning to bear fruit. It was noted that the major parts of the economy, such as employment, are much stronger than they were when we first took the reins of Government. In turn, we generally expected that the fiscal year 2020/21 was going to be a good year. Unfortunately, the COVID-19 pandemic reached the shores of Bermuda soon after last year's budget was presented. And the ongoing challenges related to this pandemic have had a significant negative impact on Bermuda's economy similar to countries all around the world.

Madam Chairman, as part of the Government's public sector reform initiative, the Finance Ministry Headquarters' mission statement and key goals and objectives were realigned as follows:

Mission statement: *The achievement of economic prosperity and to ensure the financial security of Bermuda.* The key goals and objectives are to:

- facilitate balanced economic growth and development;
- provide strategic direction and an overall framework for financial management and control of government activities; and
- safeguard Bermuda's economic interests in the face of challenges and threats in a changing global economy.

Detailed objectives and core functions. The first is to facilitate balanced economic growth and development by enabling the development and diversification of the financial services sector by increasing investor confidence to attract foreign direct investment and providing a stable environment for businesses.

Secondly, to provide strategic direction in an overall framework for financial management and control of government activities by

- formulating and implementing sustainable fiscal policies;
- effectively managing the public finances;
- optimising the yield from government's revenue base;
- assuring the alignment of resource allocation with policy priorities;
- instituting and adhering to the principles of zero-based budgeting; and
- using output and performance measures to evaluate programme expenditure.

We will safeguard Bermuda's economic interests by meeting international standards of financial supervision and regulation, establishing and maintaining economic intelligence networks, and establishing and maintaining strategic economic alliances.

Madam Chairman, other key department objectives are as follows: to prepare, implement and closely monitor the National Budget; to arrange all government borrowing requirements efficiently and at the most competitive rates; to report on the country's economic performance to the public; to maintain effective relations with credit-rating agencies; to oversee and manage the public pension funds; to ensure and

support the fair, coherent and predictable development of financial services regulation; to be proactive in treaty negotiations with respect to tax information exchange agreements and the exchange of tax information; to advance government's anti-money laundering and anti-terrorist financing [AML/ATF] policy initiatives; support legislative development in this area; and coordinate measures to enhance Bermuda's AML/ATF regime.

The Ministry's core functions are discharged through six broad programme areas:

- Policy, Planning and Management;
- Fiscal Planning and Control;
- Regulatory;
- Economic and Financial Intelligence;
- Treaty Management and Administration; and
- the Office of the NAMLC [National Anti-Money Laundering Committee].

In discharging its functions under the overall policy direction of the Minister of Finance, the Ministry of Finance Headquarters seeks to achieve the following outcomes: a Bermuda that maintains its position as a domicile of choice for international business; a Bermuda where citizens have confidence in the Government's stewardship of the public purse; a Bermuda where funding and resources are available for key programmes and initiatives; and a Bermuda where citizens regard government's policy responses to economic and financial challenges as appropriate and in the national interest.

Madam Chairman, in seeking to fulfil this mandate, the Ministry of Finance Headquarters has a staff establishment of 21 permanent full-time posts, and its total budget for 2021/22 is \$16.9 million.

The Ministry of Finance Headquarters budget allocation for 2021/22 is 179 per cent higher when compared to the original estimate for 2020/21. This change is primarily due to the contingency fund of \$10 million set aside for ongoing COVID-19-related expenses either in relation to the ongoing pandemic costs or to assist in economic recovery initiatives in a post-pandemic world.

There has also been a material increase in consultancy costs to address the increasing external threats from other countries and regions grappling with their own economic and financial challenges which have been exacerbated by the COVID-19 pandemic.

Funds have also been set aside for Bermuda to host the CFATF Plenary in November of 2021 when Bermuda assumes the chairmanship of this important regional body. These amounts were somewhat offset by reductions in grant funding to the Pension Commission.

Madam Chairman, the budget for Ministry Headquarters includes an operational element for each of the six programme areas within Ministry Headquarters, plus grant funding to the Pension Commission and the Bermuda Public Accountability

Board. Detailed information on each of these Headquarters cost centres, as well as the other departments who form part of the Ministry of Finance, will be incorporated into this submission.

### **Business unit 20000—Policy, Planning and Management**

**Sen. Arianna Hodgson:** Madam Chairman, the Policy, Planning and Management Unit provides overall direction and management of Ministry Headquarters and supervisory oversight of the five departments in the Ministry of Finance, namely, the Accountant General's Department, HM Customs Revenue, the Office of the Tax Commissioner, the Registrar of Companies and the Department of Social Insurance. In addition, this unit undertakes strategic planning, administration and other activities associated with the daily operation of the Ministry of Finance Headquarters.

Information technology, financial and administrative support, budget development, accounting, personnel administration, responding to PATI requests and reviews and general office administration are also included in this cost centre. Finally, the unit also coordinates initiatives in economic diplomacy and organises the review and development of economic and financial policy. The budget for this unit in 2021/22 is \$802,000 higher than last year. This budget change primarily reflects a material increase in consultancy costs to assist in addressing the external threats posed by countries, and regional and international bodies.

Madam Chairman, much has already been said about the significant impact on countries including Bermuda caused by the COVID-19 pandemic. The necessary lockdown of the economy, the restrictions imposed in relation to travel and other critical measures to protect the health and well-being of our residents resulted in significant declines in revenues and increases in unanticipated expenses. Ministry Headquarters plays a significant role in providing strategic advice, executing key initiatives to support and sustain our people, and developing and implementing plans for economic stability and recovery.

Budgets had to be revised and austerity measures put in place to avoid the deficit reaching unacceptable levels. Notwithstanding, during the period Bermuda was able to access funding in the capital markets at rather favourable rates to address the present and future challenges expected on the path to recovery. Work continued throughout the department to not only help and support the people and economy of Bermuda, but also to continue to address the myriad of external threats facing Bermuda and other similar jurisdictions.

Again, the Ministry would like to express its sincere thanks to all those who provided ideas and input to help in developing and implementing initia-

tives to support, stabilise and strengthen Bermuda's economy and help its people.

The largest share of the budget for the Policy Unit is professional services and salaries. The salaries provision for the Policy Unit covers five posts, including the Financial Secretary and two administrative officers.

Madam Chairman, continuing to address the challenges resulting from the COVID-19 pandemic will be a key focus for the upcoming fiscal year. In addition, as the external threats continue to increase and a potential negative impact on our stability and recovery also grows, we will invest the required time and resources to proactively addressing the issues. To the extent appropriate, we will work with experts in key industry sectors and other internal and external partners to mitigate the risk.

To supplement the strong pool of the resources available to us locally, we will work with knowledgeable external advisors to assist us in intelligence gathering, assessment and development of appropriate solutions for success. We will also be actively pursuing opportunities to further diversify and expand our tax base which is important for an international financial centre such as ours. Continuing to manage Bermuda's financial resources in a fiscally prudent manner will be a key principle underscoring all of our work.

Madam Chairman, I will now present details of the work to be undertaken by the departments and staff for which this Policy cost centre is tasked with providing strategic leadership and operational management.

Business unit 20010—Fiscal Planning and Control, a \$21,000 decrease. Madam Chairman, the Fiscal Planning and Control Unit of the budget team is primarily responsible for the management, collection and collation of Consolidated Fund budget data, the monitoring and control of overall government expenditures on both capital accounts and current accounts, and the achievement of government revenues. The unit is also tasked with the responsibility of reviewing and developing the Government's annual capital expenditure plan. The budget for this unit in 2021/22 is \$524,000, which is \$21,000 lower than last year.

The Budget Team provides advice and guidance to department heads and controllers on both the formulation of Ministry budgets and on budget monitoring and control. The team provides two formal training sessions each year, designed for Ministry and departmental staff who have responsibility for budget preparation and/or budget monitoring and control. As part of the budget monitoring and control exercises, all Ministries and departments are required to review expenditure performance and to confirm on a monthly basis their current and capital account expenditure performance with the Budget Office.

The Budget Team has been working diligently with Ministries and departments in 2020/21 to assist

and manage the financial impact of COVID-19 pandemic expenditures. These expenditures are projected at \$127 million in 2020/21. The impact of the COVID-19 pandemic expenditures on the 2020/21 deficit was originally anticipated to increase it from \$19.8 million to \$295.4 million. Part of the budget monitoring to identify Ministry savings and revenue achievements along with the impact of austerity measures, has enabled a revised projection of the 2020/21 deficit downward to \$245.5 million, which is \$50 million below the previously amended deficit projection.

Madam Chairman, ensuring the appropriate fiscal discipline has been and still remains a commitment of the Government. In order to determine high-policy priority programmes, the Budget Office has continued to utilise zero-based budgeting methodology for the development of the 2021/22 estimates.

Policy prioritisation at the start of the budget process facilitates a better alignment of the allocation of limited resources within Government's overall policy initiatives and objectives.

Zero-based budgeting [ZBB] is a method of budgeting in which all expenditures must be justified along with a systematic review of the performance of current programmes. The fundamental aim of zero-based budgeting is to reflect the current and proposed future programmes and services required by the Government's National Plan. This budget process allows the Government to examine methods for allocating limited resources to identify the most efficient and effective methods for utilisation of resources in the achievement of specific goals and targets. Once the analysis and zero-based budgeting packages were completed, all service levels for each department were ranked and priorities agreed by the responsible Minister.

The original zero-based budgeting prioritised requests for the 2021/22 budget cycle totalled at \$916 million for current account and \$134 million for capital, totalling \$1.05 billion, which is some \$15 million above the Finance Ministry's budget limit of \$996 million. To address this, an assessment was undertaken of vacant posts. The zero-based budgeting process enabled Ministries and departments to re-examine their services and the impact on service delivery with the reduction of funded vacant posts. These reductions enabled Ministries to fall within the final \$996 million and accommodate \$15 million of COVID-19 estimates within the 2021/22 appropriation limit.

Madam Chairman, for the fiscal year 2021/22, the department has set objectives to provide support for the open budget process, enhance budget monitoring and reporting to Cabinet, introduce phase two of the zero-based budgeting website implementation and bring all supplementary appropriations current. Madam Chairman, the salary provision of \$414,559 accounts for 79 per cent of the Budget Team's allocation for 2021/22. The provision covers the post of Di-

rector of Budget, Principal Budget Officer, Budget Officer, and Budget Assistant.

Business unit 20020—Regulatory Unit has experienced a \$13,000 decrease. Madam Chairman, the 2021/22 budget estimate for the Regulatory Unit can be found in section B of the Estimate Book on page B-113. Accordingly, the budget for this unit in 2021/22 is \$435,000. There is a minor decrease of \$13,000 to this budget allocation for this period.

Madam Chairman, the Regulatory Unit is the lead policy division within the Ministry of Finance Headquarters in relation to the financial services sector. The Regulatory Unit is accountable to the Financial Secretary for the effective discharge of the unit's functions and to the Minister of Finance to Cabinet and Parliament.

The head of the unit, the Assistant Financial Secretary for Regulation, carries out the Minister's financial services policies through the Ministry of Finance, the Bermuda Monetary Authority, the Attorney General's Chambers, the National Anti-Money Laundering Committee, the Bermuda Public Accountability Board, the Bermuda Business Development Agency, the Chartered Professional Accountants of Bermuda, the Registrar of Companies and specialist global partners.

Madam Chairman, the Regulatory Unit operates in response to a broad range of opportunities and risks which allows the Ministry to contribute actively to a continuous flow of information on potential threats and opportunities to Bermuda and its reputation. Those opportunities and risks are constantly changing. The Regulatory Unit's planned response to these challenges through various goals focused on advancing the unit's priorities and reflecting the outcomes that the people of Bermuda deserve. Thus, the first goal is to ensure and support the fair, impartial, efficient and transparent development of regulations at the national and international levels. The second goal is to strengthen capacity to secure regulatory solutions to economic security issues. And the third goal is to strengthen the public diplomacy and support bilateral and multi-lateral engagement.

Madam Chairman, the Regulatory Unit is involved in virtually every policy and management area, from regulatory reform and financial stability to anti-money laundering and trade and development issues at home and abroad. The scope of the Regulatory Unit's activities is as follows:

- to support the Minister of Finance and the Financial Secretary in coordinating the financial services regulatory policy initiatives of the Government;
- to oversee the Finance Ministry's component of the financial services legislative programme, together with the Bermuda Monetary Authority and the Ministry of Legal Affairs;
- to provide policy and strategic advice to the Minister of Finance and the Financial Secretary

on anti-money laundering policy initiatives, together with the National Anti-Money Laundering Committee [NAMLC], pursuant to section 49 of the Proceeds of Crime Act 1997;

- to provide policy and strategic advice to the Minister of Finance and the Financial Secretary on matters related to transparency, together with financial services and audit directives issued by the European Union together with the Cabinet Office, the Brussels Office, the London Office and EU specialists; and
- to provide policy advice to the Bermuda Business Development Agency, the Economic Advisory Committee, the Financial Policy Council and the Insurance Advisory Committee together on matters related to financial services.

Madam Chairman, in 2020/21, the Regulatory Unit was primarily focused on technical and strategic assistance regarding economic recovery and matters arising out of Bermuda's 2020 AML/CFT Mutual Evaluation Report and the beneficial ownership of information and transparency matters at home and abroad.

Additional milestones achieved by the Regulatory Unit in 2020/21 included maintaining regulatory stability by ensuring completion of the Ministry of Finance components of nine regulatory policy initiatives in the areas of financial services including, but not limited to, insurance cyber risk requirements, incorporated and segregated accounts companies and digital asset businesses.

In collaboration with other finance teams [the Regulatory Unit] provided technical policy and strategic support to the Ministry of Finance in response to the COVID-19 pandemic. The additional support provided the Ministry of Finance with the necessary resources to enhance our economic response to support individuals and businesses in Bermuda. That support will be important in boosting the economy as we enter into the recovery phase of the pandemic.

Further improved awareness and understanding among C-Suite executives in the financial services sector of Bermuda's economic model and the Government's COVID-19 response supported delivery of the Government's economic recovery objectives. That support required the Minister of Finance and the Regulatory Unit to implement an intensive programme of domestic engagement with C-Suite executives of Bermuda-based companies working together with the association of Bermuda insurers and reinsurers and the association of Bermuda international companies.

In collaboration with members of the National Anti-Money Laundering Committee [NAMLC], successful completion of Bermuda's National TF [Terrorist Financing] Risk Assessment, in addition to the Regulatory Unit's ordinary NAMLC duties, the Assistant Financial Secretary continued to provide general and strategic advice to the NAMLC chair and to monitor and manage the timely delivery of targets set by

NAMLC for the Bermuda Monetary Authority and the Registrar of Companies where required. That support also required the Regulatory Unit to provide advice on matters related to the Financial Action Task Force Review of legal persons and the 2020 National Risk Assessment on money laundering.

Madam Chairman, in order to achieve its priorities and pursuant to the Finance Ministry's legislative agenda, the Bermuda Monetary Authority Business Plan, the Ministry of Finance EU engagement strategy, the Bermuda Business Development Agency strategy and the national anti-money laundering strategy, the unit will undertake the following key strategic ownership goals in 2021/22, as follows:

Matters related to the European Union. Madam Chairman, the Regulatory Unit will work with the Bermuda Public Accountability Board and EU Council to coordinate the board's compliance with the European Union Audit Directive. This work includes the provision of strategic and technical advice on matters related to audit equivalents.

Madam Chairman, the Regulatory Unit will work with the Registrar of Companies Treaty Unit, the Bermuda Monetary Authority and the office of the National Anti-Money Laundering Committee to coordinate the Finance Ministry's response to the EU Code of Conduct Group's work on matters related to tax good governance principles, including those pertaining to the exchange of beneficial ownership information. This includes providing technical and strategic advice on all aspects of Bermuda's beneficial ownership framework, as well as development aspects of the financial services sector.

Madam Chairman, the Regulatory Unit will work with the Financial Secretary, the Office of the National Anti-Money Laundering Committee and the Treaty Unit to complete and coordinate the Finance Ministry's EU engagement strategy, together with the Cabinet Office, the Bermuda Monetary Authority, the Brussels Office, the London Office and the EU Council. This will include preparation for regular visits by the Minister of Finance to meet with key EU stakeholders. This work also includes the provision of technical and strategic advice at home and abroad. In the post-Brexit environment, this work also includes an enhanced meeting agenda with the Bermuda Monetary Authority together with the Brussels Office and EU Council.

Matters related to the National Anti-Money Laundering Committee and compliance with the Financial Action Task Force international standards on combating money laundering and the financing of terrorism and proliferation. Madam Chairman, the Regulatory Unit will contribute to and support the implementation of Bermuda's anti-money laundering strategy, together with the work of the National Anti-Money Laundering Committee. This work includes the provision of strategic and technical advice regarding matters related to the Ministry of Finance arising from the

2020 Bermuda Mutual Evaluation Report, and the completion of money-laundering and terrorist-financing national risk assessments. This work also involves representing the Ministry of Finance and CFATF plenary meetings on a biannual basis and contributions to the development of FATF standards regarding the transparency of legal persons together with any other standards as and when required.

To maintain momentum, the Assistant Financial Secretary of the Regulatory Unit was appointed to the National Anti-Money Laundering Risk Assessment Working Group in 2020. In addition, the Assistant Financial Secretary will continue to represent the Ministry of Finance on the following NAMLC committees:

- Policy and Legislative Working Group;
- National Threats and National Vulnerability Committee;
- Supervisory Forum; and
- Sanctions Working Group.

Matters related to the United Kingdom. Madam Chairman, the Regulatory Unit will work with the Cabinet Office on matters related to Brexit in the financial services sector, together with the Bermuda Monetary Authority, the London Office and specialist partners. This work includes the provision of technical and strategic advice on matters related to the equivalence and transparency in a post-Brexit environment.

Madam Chairman, the Regulatory Unit will work with the Ministry of Finance team, the Bermuda Monetary Authority and London Office on matters related to the annual assessment of the Exchange of Notes between the Government of the United Kingdom and the Government of Bermuda dated April the 9<sup>th</sup>, 2016, in respect of the sharing of beneficial ownership information on a by-request basis.

Madam Chairman, the Regulatory Unit will work with the Ministry of Finance Team, Bermuda Monetary Authority and the London Office on matters related to a public register of beneficial ownership for companies. This work includes the provision of technical and strategic advice on the development of a global standard by the G20. This work also includes amendments to the beneficial ownership framework together with participation in technical meetings with the UK Government as and when required.

Madam Chairman, the Regulatory Unit will work with the Treaty Unit to coordinate the Finance Ministry's response to OECD assessments as and when required. This includes providing technical and strategic advice on all aspects of Bermuda's corporate and regulatory framework. This work also includes participation in onsite and off-site meetings with the OECD, together with NAMLC and the Bermuda Monetary Authority and, as appropriate, the private sector.

Matters related to economic recovery. Madam Chairman, the Regulatory Unit will support domestic efforts towards agreeing concrete long-term commitments to climate risk finance, working together with the Ministry of Finance team, the Bermuda Business

Development Agency, the Bermuda Monetary Authority and the Economic Advisory Committee to establish Bermuda as a world leader in climate risk finance.

Madam Chairman, the Regulatory Unit will continue to implement the Finance Ministry's domestic engagement programme with C-Suite executives of Bermuda-based companies together with the Bermuda Business Development Agency and financial services stakeholder groups, supplemented by frequent ministerial meetings to support Bermuda's development and economic recovery objectives.

Madam Chairman, as noted above, the unit's primary goal going forward for the next year will be to continue to work with the relevant finance teams, the Cabinet Office, the Bermuda Monetary Authority and the Bermuda Business Development Agency to meet Bermuda's domestic and international commitments as well as development in economic recovery objectives.

Madam Chairman, a salary provision of \$363,526 accounts for 84 per cent of the Regulatory Unit's allocation for 2021/22 and covers three posts, including the assistant financial secretary of the Regulatory Unit, the policy advisor, as well as one administrative officer. Work is still underway to design and secure the right skill set for the policy analyst post.

Business unit 20030—Economic and Financial Intelligence. Madam Chairman, the Economic and Financial Intelligence Unit provides research and analysis of economic and financial conditions to help facilitate sound decisions on public policy and fiscal management. Responsibilities of the staff in the unit include economic forecasts, economic modelling, projections of GDP and the development of key economic indicators. Analysis and commentary on economic and financial statistics are provided, and an annual and mid-year review and outlook are produced. The budget for this unit in 2021/22 is \$378,000, which is \$15,000 less than the budget allocation for 2020/21.

Madam Chairman, the unit also manages the relationship with credit rating agencies and is responsible for Government's debt management policy. Madam Chairman, the unit constantly reviews our debt management policy in order to take advantage of favourable market conditions. When financing the deficit, the Ministry's most important objective is to provide the government with stable financing at minimal cost under the prevailing market conditions.

The Economic and Financial Intelligence Unit therefore maintains relationships with both domestic and international banks in order to be kept abreast of capital market developments that will provide an opportunity to either refinance current government debt at less expensive rates and/or provide the best opportunity in which to finance the current year's fiscal deficit.

As mentioned in the 2021/22 Budget [Statement], Government will not incur any new borrowing as the Government borrowed additional funds in fiscal

2020/21 to cover the deficit. However, the Unit will consider whether it makes financial sense in fiscal year 2021/22 to refinance government debt that is due to mature in 2022.

Madam Chairman, the unit also provides advice to various government boards and is closely involved in the administration of numerous customs duty relief regimes, including duty relief provided to hotels, restaurants and retailers. In addition, this unit oversees the public pension funds, along with the Bermuda Public Funds Investment Committee and is responsible for banking and FinTech initiatives that require Ministry of Finance input.

Madam Chairman, the investment of the public sector pension plan continues to perform well. I can report that, as of December 31<sup>st</sup>, 2020, the Contributory Pension Fund [CPF] assets totalled \$2.1 billion versus \$1.95 billion in 2019. Meanwhile, the Public Service Superannuation Fund's [PSSF] assets totalled \$609.1 million in 2020 versus \$622.1 million in 2019. For 2020, the contributory and superannuation plans both posted returns of 11.5 per cent and 11.7 per cent, respectively. The CPF and the PSSF both performed better than the policy index by 0.1 per cent and 0.4 per cent, respectively.

Madam Chairman, in early April 2020, the unit engaged the Caribbean Region Technical Assistance Centre [CARTAC], which is an offshoot of the IMF [International Monetary Fund] to provide assistance on forecasting the potential impact of the COVID-19 pandemic on [Bermuda's] GDP. As a result, the unit was able to update its GDP forecasting model and provide the Government with an early indication of the potential economic impact of the pandemic. Given that there was little information available in which to build a credible model, the unit a month later made refinements to the statistical model using various statistical techniques and using updated information sourced from reputable organisations such as the IMF, the Bank of England and consulting firms. The results from the refinement have been used to guide the Government in building an economic recovery plan, as well as have been used for financial planning purposes.

Madam Chairman, in May 2020 the unit worked closely with the Economic Advisory Committee [EAC], a group empanelled by the Minister of Finance to provide insight and expert advice aimed at protecting and growing jobs, and stimulating economic activity during and after the pandemic. The EAC played a vital role in providing the Government with knowledgeable advice helping us to design a recovery plan.

Madam Chairman, the Economic and Intelligence Unit will continue to work with various stakeholders on legislation that will expedite the expansion of the banking sector. Having, in 2018, made amendments to the Banks and Deposit Companies Act 1999, allowing for different licences and classes of banks to

facilitate financial institutions that can not only create additional jobs, but also provide FinTech businesses with banking services, the next step will be to determine if the amendments were adequate enough, or too restrictive and thus hampering rather than encouraging new quality entrants.

Madam Chairman, in my Budget Statement I mentioned that the Government will look to work with a local banking partner to deliver a mortgage guarantee programme that will provide lower financing costs to middle-class families. The unit will be the key driver behind making this a reality.

Madam Chairman, other important initiatives to be actioned by the Economic and Financial Intelligence Unit in the upcoming fiscal year include playing a critical role in the implementation of the Government's economic recovery plan by

1. regularly updating the economic model underpinning the ERP;
2. determining the impact of the ERP on related processes such as the budget;
3. monitoring how implementation is feeding through underlying economic indicators, for example, tax revenues;
4. approving and monitoring the investment allocated to priority policy initiatives;
5. continuing to work with the Government's external consulting firm on improving the sustainability of the Government's funds. Work is currently being done on strategies that will help to ensure the sustainability of the funds, and this will be followed by stakeholder engagement to discuss the various options and to collectively agree on a way forward;
6. performing a debt sustainability analysis to determine if revenues and expenditures, as well as the Government's debt strategy, are sufficient to ensure the sustainability of servicing the debt going forward;
7. continuing to work on the development of econometric models for the forecasting of key economic indicators in government medium-term fiscal data;
8. working with major revenue and data collecting departments to integrate data with the aim of creating key and timely information through the use of technology to analyse revenue data and provide a more robust analysis of the economy;
9. work with the Cabinet Office on the Bermuda National Digital Bank Initiative; and
10. continue the review of all government pension plans to determine sustainability of the funds and to work with the Ministry of Health on the financing of the health care reform.

Madam Chairman, the salary provision of \$289,656 accounts for approximately 77 per cent of the Economic and Financial Intelligence Unit's allocation for 2021/22 and covers two posts, including the

Assistant Financial Secretary-Economics and Finance, and the Economic Advisor.

Business unit 20040—Treaty Management and Administration. Madam Chairman, the budget for the unit in 2021/22 is set in round numbers at \$999,000, a modest decrease of \$18,000 from last year's budget. The decrease is this unit's contribution to lowering funding requirements. Madam Chairman, the work of the unit continues to diversify from the original core activity that led to its creation—that is, the negotiation and processing of international tax cooperation on the by-request basis.

Madam Chairman, the Treaty Unit is now responsible for the following core areas at a budgeted cost of \$204,974, excluding salaries and software upgrades: Negotiating tax information exchange agreements and other agreements relating to tax information exchange and associated agreements with member countries of the EU, G20, OECD, and other countries. Because of this negotiation experience and exchange of tax information agreements, the unit several years ago was requested to negotiate an agreement between Bermuda and the United Kingdom of Great Britain and Northern Ireland for the exchange of beneficial ownership information for criminal investigation purposes as opposed to for tax purposes. Annually thereafter, the UK completed a review of the beneficial ownership agreement. For practical [purposes this] operation is carried out by the Bermuda Monetary Authority with oversight by the Ministry of Finance Treaty Unit.

Relationship management regarding tax matters with the EU, Member States of the EU, the OECD and with the United States of America. Administering requests for exchange of tax-related information on the by-request basis with Bermuda's over 100 partner countries under the automatic exchange of tax-related information basis, also with Bermuda's over 100 partner countries.

Madam Chairman, the most pressing threat facing Bermuda's international business sector in the last fiscal year and the coming fiscal year is the G20 OECD initiative to counter what has been classified as base erosion and profit shifting by large corporations allegedly taking advantage of increasing taxation complexity challenges arising from the digitisation of the global economy. (The OECD's common reference to "base erosion and profit shifting" is the acronym BEPS.)

Madam Chairman, BEPS seeks to curtail countries' and companies' practices that are perceived to cause the base erosion of other countries' tax revenue base because of activities such as profit shifting. The magnitude of the BEPS threat during 2021 is highlighted in media reports with information derived from the EU tax regulatory officials breaking ranks of solidarity with the G20 and the OECD, although both global bodies have leading EU Member States among their longstanding members.

In these media reports, it has been noted that the EU has announced its ultimatum to the OECD that the EU will move to implement an EU unilateral digital tax against, in particular, the Internet technology giants if the OECD, which is operating under the mandate of the G20, does not succeed in reaching consensus among the 137 countries negotiating on (1) BEPS Pillar 1, which alters the several-decades-old international taxing rights so as to include taxing income on all business sectors and industries earned from the digitisation of the global economies whereby such income is perceived to fall outside the current international taxing rights framework; and (2) BEPS Pillar 2, which seeks to implement a global minimum corporate income tax rate anticipated to be 12.5 per cent irrespective if companies are located in jurisdictions that currently do not apply a corporate increase tax of at least 12.5 per cent.

Madam Chairman, the risk posed from recent OECD proposals on corporate taxes was clearly laid out in the 2020/21 Pre-Budget Report in advance of the 2020/21 Budget. It was noted a year ago, and I quote, “The Base Erosion and Profit Shifting [BEPS] Pillar 2—calling for a minimum global tax rate for corporations has been mandated by the G20 to be effective by or before the end of 2020 and to operate in tandem with BEPS Pillar 1, which involves the sharing of taxing rights between countries. While both the timing and implementation of any such measures remains highly uncertain, the direction of travel seems clear, and raises medium-term concerns on the potential impact on Bermuda’s attractiveness as a base for international corporates.”

Madam Chairman, the OECD has needed to amend its timeline to that of mid-2021 to achieve consensus on this project, which is very contentious among the large income tax countries seeking their share of the new income tax revenue expected to be generated from BEPS. In such a climate small jurisdictions, especially with low and no income tax jurisdictions, could become collateral damage if we are not careful.

Madam Chairman, the Treaty Unit is working in close consultation with several industry stakeholders on the BEPS-related threats, including threats from the EU and the USA. We would further note that the Government was in close contact with the former Governor regarding these international threats and is continuing the dialogue with the current Governor on this matter. As well, there is engagement taking place with the OECD and with targeted countries.

Madam Chairman, corporations in scope of the two BEPS pillars are those multinational enterprises that have global annual consolidated revenue greater than €750 million. Accordingly, special thanks are extended to the Association of Bermuda International Business Companies (ABIC), the Association of Bermuda Insurers and Reinsurers (ABIR), and the Bermuda International Long-Term Insurers and Rein-

surers [BILTIR] whose representatives and international tax experts have been volunteering considerable assistance and support to the Treaty Unit in addressing these threats.

Madam Chairman, it is also noteworthy that the two OECD global regimes for exchange of tax-related information which I previously referred to as EOIR and AEOI have been used by the EU as reason to blacklist on the EU non-cooperative tax blacklist any country that the OECD assessment rate is less than a rate deemed *largely compliant*.

Madam Chairman, Bermuda has a *largely compliant* rating and is currently on the EU whitelist. However, it is also likely that the G20 and the OECD will at some point in the future also blacklist a country that has an unacceptable OECD rating in EOIR or AEOI. The OECD’s EOIR regime comes under annual review until all OECD recommendations have been satisfied. Currently the Treaty Unit is working with the Registrar of Companies and the BMA to ensure that all recommendations arising from Bermuda’s last review are addressed this year with a final detailed progress report which hopefully will see the end of the current OECD annual review.

Madam Chairman, therefore the decrease of \$18,000 to the unit’s budget is modest, as much activity is anticipated in the fiscal year ahead in addressing these international tax threats against low- and no-tax jurisdictions like Bermuda.

The unit has a budgeted staff allocation of four, and an aggregate budgeted annual salary cost of \$424,026. Additionally, \$370,000 is allocated to the unit’s core administrative function related to the addition to the necessary services of the Ministry’s international tax reporting portal to keep its software updated with the OECD standard for AEOI. This includes upgrading the portal’s operating software that interfaces with the OECD’s receiving portal. This is as a result of the OECD updating the OECD’s portals software operating schema. Thank you, Madam Chairman.

This is business unit 20070—Pension Commission Grant. Madam Chairman, the Pension Commission is a corporate body established under the National Pension Scheme (Occupational Pensions) Act 1998 and has the following functions:

- to administer the Act and the Regulations;
- to consider and determine applications for the registration of pension plans;
- to consider and determine financial hardship withdrawal applications;
- to promote and ensure compliance by pension plans with the provisions of the Act and the Regulations;
- to monitor the administration and funding of pension plans;
- to enforce the provisions of the Act and Regulations in respect of such administration and funding;

- to verify the payment of benefits under pension plans;
- to promote public education on pension plans and their benefits;
- to advise the Minister on any matter relating to pensions including development and laws related to pension plans;
- to provide such information relating to its functions as the Minister may require;
- to investigate complaints relating to a pension plan and a pension fund; and
- to perform any other functions provided for in or under this Act.

Madam Chairman, the Commission also has responsibility for the administration of the Pension Trust Funds Act 1966 and pension trusts established and administered under this Act.

Madam Chairman, the proposed grant on page B-113 under Head 10, the Commission, for 2021/22 is \$800,000, an approximate 5.88 per cent decrease from the original \$850,000 grant in the 2020/21 budget. However, the Commission's grant was further reduced in 2020 to \$765,000. The Commission anticipates making up for the reduced grant income from its regulatory fees that are now payable to the Commission from plan administrators.

Madam Chairman, during the past fiscal year the Commission's operations were significantly impacted by the COVID-19 pandemic as its offices were closed to the public and it had to switch temporarily to conducting its work remotely. The Commission's staff initially returned to work on a rotational basis in May 2020 and subsequently returned to the office soon thereafter. The Commission's focus during 2020 was primarily on advising on COVID-19-related relief amendments to the Act and the subsequent implementation and administration.

Madam Chairman, recognising the significant economic impact that the COVID-19 pandemic caused in the domestic economy, Government introduced a number of amendments to the Act in 2020 to provide for the temporary suspension of contributions by both employers and employees and to provide plan members and retirees additional access to their pension funds. In particular, the following refunds were granted:

1. temporary refunds up to \$12,000 for persons under the age of 65;
2. small pension refunds for those reaching retirement age of 65 with \$50,000 and under in the pension fund balances; and
3. lump sum refunds for those reaching normal retirement age. And this would be up to 25 per cent of an applicant's pension fund account balance.

Madam Chairman, these additional refunds have provided timely and substantial financial support to Bermudians, and I am pleased to provide the fol-

lowing summary of approved refund payments up to December 31, 2020:

- temporary refunds—\$117.8 million;
  - small pension refunds—\$3.05 million; and
  - 25 per cent lump sum refunds—\$15.5 million.
- Madam Chairman, in relationship to other areas of activities and responsibilities of the Commission, I am also pleased to advise the following accomplishments during 2020, the Commission
- wound up 28 plans compared to 39 in 2019;
  - registered 57 plan amendments compared to 42 in 2019;
  - approved four plan trustees in comparison to zero in 2019;
  - initiated four civil actions against delinquent employers and their directors and officers compared to 11 in 2019;
  - conducted 30 compliance meetings with employers and plan members compared to 86 in 2019;
  - held two compliance meetings with plan administrators compared to 26 in 2019;
  - participated in 15 public and/or advisory committee meetings compared to 27 in 2019; and
  - completed three transactions under the Pension Trust Fund Act 1966 compared to 38 in 2019.

As of December 31, 2019, the most recent date for which statistics have been provided by plan administrators, the National Pension Schemes contained an estimated 27,961 plan members. There were a total of 3,126 employer plans. Of those, 3,111 were defined contribution and 15 were defined benefit. The total value of assets under the National Pension Scheme is estimated at \$3.95 billion, consisting of approximately \$3 billion in employer plans and \$950 million in approved local retirement products. There are an estimated 303 self-employed plans. As of December 31, 2020, there were \$1.58 million of plan assets transferred to overseas retirement vehicles compared to \$633,000 in 2019.

Madam Chairman, Honourable Members will recall that the National Pension Scheme (Financial Hardship) Regulations 2010 were introduced to help Bermudians with the real financial need to get access to a portion of their private sector pension funds based on prescribed criteria for hardship. Regulations were further amended in 2011 to permit rental arrears as an additional category of financial hardship. An additional hardship refund for funeral expenses was added effective January 2, 2020. In 2020 the Commission also became responsible for the administration of financial hardship applications for civil servants under the Public Service Superannuation Act 1981. Accordingly, refunds for the following five circumstances of financial hardship are permitted:

- a. eligible uncovered medical expenses;

- b. threat of loss of principal residence due to debt default;
- c. threat of eviction from home due to arrears of rent;
- d. eligible fees payable for tertiary education; and
- e. eligible funeral expenses currently only for private sector plans.

Madam Chairman, I should like to point out that effective January 2, 2020, the previous restrictions on retirees for applying for a hardship refund was removed. In addition, they were also exempted from having to pay the \$100 application fee.

Madam Chairman, I am pleased to provide a summary of the financial hardship application statistics—

*[Loss of audio]*

**Sen. Arianna Hodgson:** (I am sorry. I do not know what happened.)

Madam Chairman, I am pleased to provide a summary of the financial hardship application statistics provided by the Commission from inception of this initiative up to December 31, 2020, as follows:

- financial hardship applications—financial hardship withdrawal meetings, 6,291;
- total applications received since August 10, the start date, 3,558;
- approved applications, 2,906;
- declined applications, 520;
- applications pending and/or withdrawn, 132; and
- total amount approved, \$32.82 million.

Applications approved by type were as follows:

- eligible educational expenses, 1,109;
- imminent threat of loss of principal residence, 468;
- imminent eviction from home for rental arrears, 1,138;
- eligible medical expenses, 190; and
- one application for funeral expenses.

Madam Chairman, for the upcoming year the Commission has a number of goals, as follows:

1. The first is to review and recommend further enhancements to the National Pension Scheme (Occupational Pensions) Act 1998 and Regulations made thereunder.

2. Finalise its additional human resource requirements to be able to respond to the additional responsibilities resulting from the 2019 and 2020 legislative amendments. In particular, the amendments provided for greater oversight of occupational pension plans, the imposition of monetary sanctions on plan administrators, approving plan trustees, satisfying fit and proper criteria as specified in the Act and greater onsite inspection of employers in order to ensure that

they are in compliance with legislative recordkeeping requirements. The introduction of additional pension refunds will also require increased staffing resources.

3. Thirdly, expand its enforcement programmes against delinquent employers as well as plan service providers that fail to meet the required standards under the Act.

4. Introduce a financial awareness campaign to better educate employees on the importance for saving for retirement and the many options and approaches that are available.

5. Update its information technology applications and resources, including revamping its website to more effectively and efficiently communicate with plan administrators, employees, employers, and members of the general public.

The 2021/22 Budget, Revenue and Expenditure Items. Madam Chairman, the Commission's projected total revenue for the year is \$2,170,000 which consists of a government grant of \$800,000 and regulatory fees of \$1,370,000.

Madam Chairman, the Commission's total budget expenses for the year are \$2,115,000, consisting of \$1,675,000 for salaries and related benefits; \$190,000 for office expenses, \$110,000 for office rent; \$60,000 for promotion, education and advertising; \$50,000 for legal and consulting; and \$30,000 for professional development. The resulting projected position is net income of \$55,000.

Business unit 20100—the Office of the National Anti-Money Laundering Committee has received a \$160,000 increase. Madam Chairman, the purpose of the Office of the National Anti-Money Laundering Committee is to provide secretariat support to NAMLC in order to enable the Ministry of Finance to achieve the objective of advancing the Government's AML/ATF policy initiatives, to support legislative development, as well as to coordinate measures to enhance Bermuda's AML/ATF regime. This requires the office to be responsible for the administration of NAMLC's national initiatives such as the assessment of Bermuda's national money laundering and terrorist financing risk and managing the reviews of Bermuda's anti-money laundering anti-terrorist financing regimes by external bodies.

The office works with NAMLC member agencies to ensure that Bermuda has a strong, effective regime to combat money laundering, terrorism financing and the financing of proliferation, and to support international counterparts in efforts to help address these issues on a global scale.

Madam Chairman, the Office of NAMLC's budget for the fiscal year 2021/22 is \$1,116,000, representing an increase of approximately \$160,000 over the 2020/21 allocation. The minimum funding required to achieve the provision of secretariat services to NAMLC and to meet the national obligations to the CFATF is approximately \$711,000. While this amount is similar to previous years, that allocation of core sec-

retariat services in previous years did not factor into the cost of CFATF membership in that package.

NAMLC has also reduced the costing of their overall project operations compared to 2020/21. This is partly attributable to NAMLC adjusting the majority of its consultancy engagement and project activities into a virtual model. Accordingly, the additional new allocation to NAMLC is only required to fund the majority of the cost of hosting the CFATF biannual plenary, which is to be held in Bermuda in November of 2021 when Bermuda assumes the CFATF chairmanship.

Madam Chairman, over several fiscal years NAMLC's critical focus has been on the achievement of excellence in compliance with the FATF's technical standards and on ensuring the effectiveness of Bermuda's AML/ATF framework. A significant component of this was also to be able to clearly communicate those accomplishments to the assessors and the CFATF membership as part of the mutual evaluation. As a result, Bermuda's Mutual Evaluation Report which was published by the FATF in February of 2020 appropriately presented a picture of AML/AFT excellence which confirms Bermuda's long-standing position as a world-class jurisdiction.

Given the continued importance to Bermuda's ongoing economic success of sustaining this achievement, the key focus of the Office of NAMLC during the fiscal year 2020/21 was the completion of Bermuda's second terrorist financing national risk assessment [TFNRA] and the commencement of the third money laundering national risk assessment [MLNRA]. These internal national assessments of risk are a foundational requirement of the FATF standards and accordingly are enshrined in the National AML/ATF policy as a requirement for update every three years. The updated understanding of risk gained from these exercises undergirds the national strategy to counter both money laundering and terrorist financing.

The 2020 TFNRA commenced during the 2019/20 fiscal year and was completed in June 2020. The proposed action plan, which was developed from the findings of that NRA [national risk assessment], was submitted to Cabinet in August 2020 for approval along with a full report of the NRA findings. The money laundering NRA then commenced in November 2020 and is currently underway with an expected completion date by June 2021. These additional projects, which require extensive collaboration, data gathering and analysis, as well as outreach and engagement to other public sector and private sector stakeholders, have taken place substantially through virtual meeting platforms to accommodate for the effect of the pandemic.

The 2021/22 key initiatives of the Office of NAMLC. Madam Chairman, as previously noted through the work of NAMLC, Bermuda has achieved an excellent Mutual Evaluation Report in 2020. How-

ever, Bermuda cannot now sit on its laurels. Therefore, NAMLC's focus continues to be to ensure that Bermuda maintains its position as a global leader in the fight to combat money laundering, terrorist financing and proliferation financing, especially in the face of periodic changes made by the FATF to the international standards. Therefore, in accordance with the National AML/ATF policy, action plan and strategy, Bermuda's AML/ATF programme will continue to be advanced during this period. The key initiatives that the Office of NAMLC will be working on in financial year 2021/22 are as follows:

- Coordinate and manage the timely completion of the National Risk Assessment on money laundering, which is now underway and scheduled to be completed in June of 2021. The completion of this project will also be followed by the preparation and publication with the approval of the Cabinet on a consolidated report on the outcomes of the MLRNA and the TFNRA which were completed in 2020.
- Lead and coordinate the preparation by all NAMLC agencies of written submissions to CFATF by November 2021, reporting on all of the progress made by Bermuda to address the recommendations made by the CFATF assessors in Bermuda's 2020 Mutual Evaluation Report. Bermuda will also be subject to automatic rerating in relation to FATF recommendations which the FATF have updated since the end of Bermuda's assessment review period. Accordingly, this project will also necessitate preparation of detailed submissions addressing Bermuda's compliance with all of the relevant new technical requirements on which Bermuda will be rerated.
- Continue to coordinate, lead or participate in a technical work of the various permanent working groups of NAMLC.
- Lead and coordinate the review and update of the National AML/ATF action plan and strategy, and the submission of same to Cabinet for approval, taking into account any changes made to the national policy, a project which is now being finalised. The update to the Action Plan Strategy will also take into account the work outputs of NAMLC's permanent working groups, the findings of the TFNRA and the MLNRA and any outstanding recommended actions in the MER, [Mutual Evaluation Report]. Once approved by Cabinet, work then has to be done to ensure that NAMLC agencies are kept accountable for implementing the national policy and action plan within their internal agency strategies and plans.
- Collaborate with the CFATF secretariat to plan the November 2021 biannual CFATF plenary and manage all of the logistics associated with the execution of Bermuda's responsibilities for hosting the plenary. The Office of NAMLC is mindful of continuing concerns associated with COVID-19 and will proactively engage with local stakeholders such as the Ministry of Health, the Bermuda Tourism Authority, the Department of Immigration and the Department of

Customs to identify all [extant] issues as the year progresses and to support the determination of whether the hosting of an in-person conference of this nature in November 2021 will be feasible.

**The Chairman:** Senator Hodgson, I am sorry to interrupt.

**Sen. Arianna Hodgson:** Yes.

**The Chairman:** I just want you to be aware that you have about 14 minutes left. And you have not touched on Head 38 yet.

**Sen. Arianna Hodgson:** Yes. Head 10 is, unfortunately, one of our longer heads. But Head 38 will not be as long. So, no worries.

**The Chairman:** Okay.

**Sen. Arianna Hodgson:** The end is near.

**The Chairman:** Okay. And I will just do a check for the members of the public. We are in the Committee of the Whole [Senate] for further consideration of the Appropriation Act 2021, together with the Estimates of Revenue and Expenditure for the year 2021/22. The Ministry under consideration currently is the Ministry of Finance.

And Senator Hodgson, please continue.

**Sen. Arianna Hodgson:** Thank you, Madam Chairman. I believe . . . I just . . . Okay.

- And they will also carry out the normal secretariat responsibilities to support NAMLC and the NAMLC chair; managing all NAMLC meetings including the sub-working groups; preparing and circulating minutes; providing technical AML/ATF input on draft guidance notes; drafting legislation, Cabinet memoranda and other technical requests to NAMLC; responding to PATI requests and reviews; updating members on FATF and CFATF initiatives and coordinate their responses, if necessary; among other things.

- Assist in the implementation and advancement of any of the national initiatives specified in the revised national strategy and action plan.

Madam Chairman, in order to progress all of these initiatives, the chair and Office team will continue to work closely with the National Anti-Money Laundering Cabinet Committee, NAMLC member agencies and other stakeholders.

Madam Chairman, the salary provision for the Office of NAMLC in 2021/22 is \$480,564.93, representing approximately 43 per cent of the allocation. And this is a reduction of about \$40,000 from the previous fiscal year. The allocation for Expert Overseas Consultants of \$75,000, compared with \$125,000 in 2020/21, is to facilitate a number of NAMLC projects

including the provision of technical support to complete the Money Laundering National Risk Assessment by June 2021. Overseas consultants will also support the preparation of Bermuda's first follow-up report to the CFATF in November 2021 and the commencement of ground work in the first quarter of 2022 to prepare for Bermuda's delegation to attend the CFATF plenary to defend the follow-up report.

The local training allocation has been increased to \$46,000, which is up from \$40,500, to allow the Office to facilitate training to the NAMLC member agencies, and in the event that partial in-person meetings are restored to manage and execute the many workshops that will be required in the preparation of the follow-up report and later in 2022 to prepare to attend the CFATF plenary to defend the report.

The other major recurring items of cost in this unit, the Office of Chair of NAMLC, is the continued professional development of the office team and for travel for attendance at international conferences, including the CFATF plenaries and the FATF plenary if or when these resume in person.

The Office of NAMLC's allocation also covers the cost of Bermuda's annual membership contribution to the CFATF, which has been discounted for 2021 to \$57,400, which is down from the annual amount of \$68,357.

Madam Chairman, that concludes the submissions in relation to Head 10. And I wish to thank all of the members of the Ministry Headquarters for the work that they have done to help Bermuda through these challenging times.

**The Chairman:** Thank you, Senator. Take a breath. Do you want to continue to Head 38?

## HEAD 38—OFFICE OF THE TAX COMMISSIONER

**Sen. Arianna Hodgson:** Yes. Madam Chairman, the Office of the Tax Commissioner's [OTC] vision is to be a significant contributor to Bermuda's prosperity and stability by being a progressive, modern tax administration committed to providing superior customer service, continuous improvement and collaboration. The OTC's mission is to leverage modern technology to ensure taxpayers' compliance with quality service and effective enforcement. The core objectives of the OTC are as follows:

- to administer the collection of taxes and stamp duties in accordance with the tax legislation and to provide professional advice to the Ministry of Finance;
- to conduct responsible and effective enforcement activities, creating an environment which promotes compliance and ensures that all taxes are collected in accordance with their respective Acts; and

- to educate and advise taxpayers on matters relating to their statutory obligations under the Acts and maintain community confidence.

The primary responsibility of the Office of the Tax Commissioner is to effectively administer the timely and accurate collection of all taxes and stamp duties in accordance with applicable legislation, which include the following:

- payroll tax, in accordance with the Payroll Tax Act of 1995, the Payroll Tax Rates Act of 1995 and the Taxes Management Act of 1976;
- the corporate services tax, in accordance with the Corporate Services Tax Act of 1995 and the Taxes Management Act of 1976;
- betting duty turf, in accordance with the Betting Act of 1975;
- stamp duties, in accordance with the Stamp Duties Act of 1976;
- land tax, in accordance with the Land Tax Act of 1967, the Land Valuation and Tax Act of 1967, financial services tax in accordance with the Financial Services Tax Act of 2017 and foreign currency purchase tax in accordance with Foreign Currency Purchase Tax Act of 1975;
- hotel occupancy tax, in accordance with the Miscellaneous Taxes Act of 1976;
- the cruise ship departure tax, in accordance with the Miscellaneous Taxes (Rates) Act of 1980;
- the passenger cabin tax [in accordance with the Taxes Management Act of 1976]; and
- the time-sharing occupancy tax.

The Office of the Tax Commissioner is responsible for the largest portion of government revenue, estimated at \$571 million, or 59.5 per cent.

Madam Chairman, revenues analysis. Payroll tax revenues are projected to decrease by approximately \$68 million when compared to the original estimate for 2020/21. Payroll tax revenue is anticipated to decrease by \$19.3 million from the original estimate of \$467 million for the 2020/21 fiscal year. There will be no changes to payroll tax rates in the 2021/22 fiscal year. However, payroll tax relief to troubled sectors, which was implemented in 2020/21 due to COVID-19, will be continued through March 31, 2022. Payroll tax relief covers such sectors as hotel bars and restaurants, restaurants in general and some retailers. The taxi industry were provided payroll tax relief by having their annual tax amounts reduced from \$1,000 annually to \$500 in 2020/21 fiscal year.

The operational budget is found on pages B-126 through B-127, and page C-11. Current expenditure of \$3,685,000 represents a decrease of 4 per cent, while capital expenditure represents an increase of 114 per cent, while revenue of \$97,052 is projected, a decrease of 10.2 per cent.

Key highlights and achievements. Madam Chairman, the Stamp Duty section has recruited a

temporary stamp duty assistant during the year who will assist with reducing the time taken to process applications for primary family homestead designation certificates and standard adjudications. In addition, the OTC continues to put emphasis on debt collection and tax enforcement, which is changing the tax culture of Bermuda. With the four temporary additional debt collectors, taxpayers are more apt to comply with taxes. From April 1, 2020, through February 28, 2021, the debt collectors and the Debt Collection Officer have been responsible for collecting in excess of \$5.338 million of outstanding taxes. The breakdown is payroll taxes, \$4.09 million, or 76 per cent; and land taxes of \$1.248 million, or 24 per cent.

In addition to this, the OTC has had a consultant company collecting outstanding arrears on land taxes. These collections started as of September 2020 through the end of February 2021, for a total in excess of \$9.2 million, representing 11.9 per cent of the total outstanding land tax amount. There were seven new cases that have been referred to the Debt Enforcement Unit during 2020/21 fiscal year. The use of court proceedings by the OTC and the Debt Enforcement Unit of the Attorney General's Chambers has increased awareness of the consequences of noncompliance, resulting in more taxpayers complying with their tax obligations.

Madam Chairman, OTC major priorities for fiscal year 2021/22 continue to be the reformation of the OTC. They are as follows:

- to change from a tax type to a functions-based organisation;
- modernisation of business processes through the use of best practices and cutting-edge tax administration information system; and
- broadening the tax base by identifying and registering individuals and entities that have eluded paying taxes.

The OTC has continued along the path of modernisation in 2020/21, as advised by the Caribbean Regional Technical Assistance Centre [CARTAC] and the Fiscal Responsibility Panel. Based on this recommendation, the OTC Team have made significant progress under the Tax Administration Modernisation Programme [TMP] with the support of CARTAC experts and the current Project Management Team.

The four key projects of the TMP programme are as follows:

- communications and change management;
- organisational structure and processes;
- IT systems; and
- legal framework project.

The OTC is near the completion of implementing a simple database warehouse as an interim solution that will allow for data extraction from OTC's legacy systems. After successful implementation, the department will have expansive reporting capabilities that do not presently exist in-house. The key benefits that the Office of the Tax Commissioner look to gain

from the TMP and the simple database warehouse are to operate more effectively and efficiently, increase compliance with tax requirements and increase revenues for the Government of Bermuda. For the upcoming fiscal year, the plan is to roll out the next phase of the mandatory e-filing to all taxpayers with remuneration over \$200,000 per annum.

Madam Chairman, I would like to extend my appreciation for the work undertaken by the Office of the Tax Commissioner and to the entire management and staff of the department. Thank you.

**The Chairman:** Thank you, Senator Hodgson.

I am assuming you have concluded the brief?

**Sen. Arianna Hodgson:** Yes, I have. Thank you.

**The Chairman:** Okay. Thank you.

Would any Senator wish to speak on these Heads?

**Sen. Marcus Jones:** Yes, I would.

**The Chairman:** Senator Marcus Jones, you have the floor.

**Sen. Marcus Jones:** I would like to extend my appreciation and thanks to the Junior Minister of Finance for that comprehensive and targeted brief on these two Heads. Cognisant of the time and my desire to give other Senators an opportunity, let me quickly go through the questions that I have come up with. I must say that a number of the questions that I did have, the Junior Minister was able to answer for me. But let us see how far we can go.

Okay. We are on page B-113, Head 10, line item 20100, NAMLC. We do understand that there was a Mutual Evaluation Report that Bermuda did very well on that came in, I believe it was February of 2020. I would like for the Junior Minister, if she can, to provide for us just the highlights of outstanding issues that may have come out of that report that the necessary agencies are actually working on to improve. That is number one.

Number two, remaining on page B-113, Head 10, it is line item 20070, the National Pensions Commission. Can the Junior Minister provide the number of employees with delinquent accounts? How much has been recovered to date? And how many members of these pension plans have been negatively impacted by the delinquency of their employers?

Turning to page B-114, under the line item of Travel we see that for the year 2021/22 an estimate of \$203,000 has been budgeted. Then last year it was \$206,000 that was budgeted. We understand that with the revised estimate due to the pandemic, only \$58,000 was actually spent on travel. Can the Junior Minister give us an indication of the travel requirements for this particular department in light of the fact

that the pandemic is still raging and Zoom meetings are still very amenable to getting to see persons overseas or being at workshops? Can the Junior Minister justify that amount of \$203,000 that has been estimated for the 2021/22 budget?

On that same page, a couple of lines down we will see Materials and Supplies. It is estimate that the budget for 2021/22 will be \$10 million. I do not remember the Junior Minister mentioning anything about this particular line, and if she did, my apologies. But that is a very large amount, especially since in 2020/21 the estimate was \$122,000 and the revised amount for that time period was \$113,000. So you can imagine how such a jump would catch our attention. So if we can get some explanation or reason for that incredibly large increase and what that increase of \$10 million is made up of.

Switching now to . . . if you can go to page B-127, now, this is Head 38, I believe. On page B-127 the estimates under line item 8027 the Government has estimated that there will be a decrease of \$6.6 million in land tax. Can the Junior Minister explain to us why the forecasted reduction for these receipts are so low?

Turning now over to page C-25 in the back of the book, C-25 under Professional Services. We commend the Government in that the estimates for 2021/22, each line item has actually been decreased. But there were two which were increased, one of which is the overseas consulting. Under this Professional Service heading, this line item showed one of only two costs increases estimated. Can the Junior Minister give explanation for the forecasted \$1.2 million increase and the process employed to choose an overseas consultant over a local one?

Madam Chairman, for a moment I will stop there and give the Junior Minister an opportunity to get answers for those questions and actually give another Senator the opportunity to ask questions as well.

**The Chairman:** Thank you, Senator Jones.

I think what we will do is we will continue to find out if other Senators wish to ask questions. Is there any other Senator who would like to ask? I see Senator Wight.

**Sen. John Wight:** Thank you, Madam Chairman.

So I just have a few comments. First of all, I want to congratulate the Minister and the Ministry for these credit ratings that Bermuda has (from page B-115). The S&P rating is A-plus for Bermuda, and the Moody's rating is A2. And this is a real stamp of approval for international businesses that are seeking to incorporate in our very highly respected jurisdiction. So I think the Ministry and the Minister should be commended for maintaining that rating.

The second problem is just a bit of a concern, and we just have to ensure that we collect all of the revenues that were due in a complete year and com-

ing years and do not spend more than we need to, because credit agencies look at things like debt to GDP, and ours has been creeping up for the last few years. So it is a—but overall, it is just a *well-done* to the Minister and Ministry for achieving that.

Other questions or comments—one is the Contributory Pension plan and the Superannuation Pension plan, which the Junior Minister referred to. It was referred to in the context of the strong investment results for the year, which was very positive. The converse of that is that it is a very largely unfunded plan with an excess of [INAUDIBLE], I think was the last estimate. So we really have to—for now and for those of our future retirees who will depend upon benefits from those two plans.

This is my third one, which was raised by the Junior Minister, which is probably one of the best-kept secrets but really the potential impact for Bermuda is the base erosion profit [shifting]. This is something that I know the Minister and Ministry are working hard on. It does have, you know, some real potential consequences for all offshore jurisdictions, including Bermuda. So I think we have to have some dialogue around that because we are not in a great position to defend ourselves. And this would be, I think, a big change through our business model if there was a corporate tax of 12.5 per cent imposed on all businesses operating in Bermuda. So this is something we need to, I think, educate the public about and keep track of because it does potentially really affect our business environment. So those are my comments, Madam Chairman, from the presentation. Thank you.

**The Chairman:** Thank you, Senator Wight.

Is there any other Senator who would like to ask a question or make a comment?

**Sen. Arianna Hodgson:** Madam Chairman, I actually—Senator Wight was actually going in and out for me. Is it possible that he could perhaps put his questions just down in an email or whatever is easier for him? But it was just unclear.

**The Chairman:** Okay.

**Sen. John Wight:** Yes. Actually, Senator, there were no questions. There were—

**Sen. Arianna Hodgson:** I thought so.

[Laughter]

**Sen. John Wight:** So, look, no homework required something from me.

**Sen. Arianna Hodgson:** Okay. That works. Thank you.

**The Chairman:** Senator Hodgson, why do you not proceed to address the questions that have been posed? And if there is time left, if anyone else has questions they can ask as well.

**Sen. Arianna Hodgson:** All right. Can we actually just—I just want to—I am waiting just to finalise some details. I do not want to provide an answer—

**The Chairman:** —Okay. Okay. That is fine.

Is there anyone else, any other Senator who would like to ask a question of Senator Hodgson or make a comment?

I guess not. So we will just wait for you, Senator Hodgson.

And I will just remind everyone that we are in Committee of the Whole [Senate] for further consideration of the Appropriation Act 2021 together with the Estimates of Revenue and Expenditure for the year 2021/22. And the Ministry being debated right now is the Ministry of Finance.

**Sen. Arianna Hodgson:** Madam Chairman, I can say that while we do not have all of the details regarding delinquent employers, at the end of January 2021 there were 775 delinquent employers with approximately 290 of those representing self-employed persons.

Regarding travel, of course, we are unsure about what the future holds. But to allow, I guess, budgeting for the potential spend was necessary here.

We also spoke about the materials and supplies that are to be used. And let me just get more details. Can I just have another moment?

**The Chairman:** Of course.

[Pause]

**Sen. Arianna Hodgson:** And yes. So just to confirm, the majority of the \$10 million expenditures for materials and supplies have to do with COVID-19 expenses specifically. So that is something that we cannot get around.

And the overseas consultants—they have been engaged to supplement the existing expertise that we already do have on Island.

**The Chairman:** Okay.

Senator Jones, do you have a follow-up question?

**Sen. Marcus Jones:** Yes. Madam Chairman, I recognise that it may be a Herculean task to be able to get more of a detailed listing—for example, materials and supplies. She has cleared up for us that this is COVID-19-related. But when we are talking about \$10 million being estimated for the coming year and there is no way of providing at least some sense of where

these funds are going to be directed, can she give us any more, at least in general terms—

*[Crosstalk]*

**The Chairman:** Are you referring to Senator Hodgson? Are you referring to Senator Hodgson, Senator Jones?

**Sen. Marcus Jones:** Yes, Senator Hodgson. Yes, page B-114, Materials and Supplies.

**Sen. Arianna Hodgson:** It is actually, Senator Jones, as far as we can see, it is an estimate for the potential expenditures. And so I cannot give you a detailed listing at this time. But I am sure we will account for it in the future.

*[Pause]*

**Sen. Adrianna Hodgson:** Sorry. I cannot hear you, Senator Jones.

**Sen. Marcus Jones:** I guess I am going to have to be satisfied with that answer.

As a follow-on for the travel budget, you also stated that it was going to be COVID-19-related as well, yes?

**Sen. Arianna Hodgson:** No. I am saying that in light of the pandemic, it is hard to determine when we will be able to get back to necessary travel as needed.

**Sen. Marcus Jones:** Right, right, right. So I guess what I am saying to you is that the revised amount was \$58,000 for 2020/21 (yes?) under a COVID-19-induced environment. And with this pandemic that is still ongoing, we would be wondering and questioning how the \$203,000 will then once again be applied to this, especially if there is no indication of this pandemic at least coming to a level place where travel is going to be to that extent again. That is why we are looking at this.

**The Chairman:** Thank you, Senator Jones. I am sure Senator Hodgson is considering what you have just shared.

**Sen. Marcus Jones:** While she is looking and waiting for some answers, I would just like to add my two cents to what Senator Wight was saying in regard to Bermuda's sterling Mutual Evaluation Report. I mean, all of Bermuda can be very proud of the wonderful grade that we did receive. And in an attempt to make sure that we as a jurisdiction stay ahead of the regulations that are required of us, being able to—we know that no report is 100 per cent. There are issues and areas that we would have concerns about, namely, with the issue of gaming and the issue of even when

you consider cannabis reform that the Government wants to bring about into this country.

It makes us very [leery] and concerned that if we venture into these different industries where the financial institutions both domestically and foreign can be very ticklish about funding these emerging industries in Bermuda, I would just be curious if the Junior Minister can give us some insight on how—and the potential risks and dangers that Bermuda would fall into if—and I believe (I can be corrected) that there is a Mutual Evaluation Report that is done on jurisdictions every three to four years. So I suspect within that period of time, both of these industries, if the Government continues in its plans, will be in full operation.

I would be curious to know that if we underwent another evaluation in two or three years whether that would present a risk to Bermuda's reputation in the international arena.

**The Chairman:** Thank you, Senator Jones.

Senator Hodgson, are you ready with any responses to the questions?

**Sen. Arianna Hodgson:** Madam Chairman, regarding travel, it is also similar to, I guess, the materials and supplies. And right now we just do not know. So for us to speak to something that we are unsure about would just be a bit premature.

And of course, there are also risks. However, we will mitigate those risks as we go forward, as there are a number of factors that obviously impact our ratings. And some are outside of our reach, but I trust that our team will work diligently to avoid those risks.

I also, in light of my previous comment concerning travel, you know, it is just going to be a matter that as more persons get vaccinated, there is going to be more travel. And so we are hopeful that with the testing and vaccination programmes we will get back to a place where we can travel as needed.

**Sen. Marcus Jones:** Madam Chairman.

**The Chairman:** Yes, Senator Jones. You have the floor again.

**Sen. Marcus Jones:** Yes, Madam Chairman. Just following up on the answer that the Junior Minister attempted to give me with regard to these large amounts, can we get a commitment from the Junior Minister that if this background information, detailed information that she is attempting to acquire does not materialise in this sitting, can we get a commitment from her that she will follow up and get it back to us by the next session?

**Sen. Arianna Hodgson:** Senator Jones, I will definitely endeavour to provide any specific detail that I can provide to help with your understanding of the budget figures.

**The Chairman:** Thank you for that, Senator Hodgson. Did you have any further responses, or you will just forward information as it becomes available?

**Sen. Arianna Hodgson:** I guess in wrapping up I can highlight the issues being worked on [INAUDIBLE] to address the recommendations from the [2020 Mutual Evaluation Report](#). So one of those priority action items is to amend the Proceeds of Crime Act 1997 [in relation to the restraint powers to ensure these are available prior to the charging process], namely, during investigation, to prevent the dissipation of assets.

We are still working to increase the focus on the recovery of the cross-border movement of the proceeds of crime as identified by the National Risk Assessment as representing the highest source of Bermuda's ML/TF [money laundering/terrorist financing] risk; and [the focus on] increased outgoing international requests to pursue money laundering and the proceeds of crime by focusing on cross-border ML investigations in line with Bermuda's risk profile.

It will also provide AML and CFT training to the judiciary, especially in relation to confiscation. Periodic training in CFT measures should be instituted for competent authorities such as Customs, the Department of Public Prosecutions, the Financial—

**Sen. Marcus Jones:** Madam Chairman.

**Sen. Arianna Hodgson:** Yes? Oh, sorry. That is not me.

**The Chairman:** Yes, Senator Jones, is that you?

[Feedback]

**Sen. Marcus Jones:** I did not hear the last 30 seconds. I don't know if [INAUDIBLE] there at the Senate Chamber.—

[Feedback]

**Sen. Marcus Jones:** —What she said [INAUDIBLE] ago.

**Sen. Arianna Hodgson:** Senator Jones.

**The Chairman:** Senator Jones, I think that the problem may be at your end, because we could hear Senator Hodgson very clearly. And we are getting a lot of feedback from your situation.

**Sen. Arianna Hodgson:** Madam Chairman, if Senator Jones can put his questions in an email, or anything else he would like some further clarity on, I will get those responses back to him as soon as possible.

**The Chairman:** Okay.

**Sen. Arianna Hodgson:** I think that may be the best needed option, given the time.

**The Chairman:** That seems to be the best course considering the technical challenge, and also the fact that we have four minutes, almost three minutes left now.

Is that all right, Senator Jones?

**Sen. Marcus Jones:** Okay, Madam Chairman. Yes. I [INAUDIBLE]. And I send it directly to the Junior Minister, or should it be the Clerk?

**The Chairman:** You can send the questions to the Clerk. And I am sure Mr. Somner will make sure they are passed on.

**Sen. Marcus Jones:** Thank you, Madam Chairman.

**The Chairman:** Thank you, Senator Jones.

So, Senator Hodgson, would you like to move these Heads now?

**Sen. Arianna Hodgson:** Yes, Madam Chairman. Thank you.

Madam Chairman, I move that Heads 10 and 38 be approved.

**The Chairman:** Is there any objection to that motion?

There is no objection. So these heads are so moved.

*[Motion carried: The Ministry of Finance, Heads 10 and 38, were approved and stand part of the Estimates of Revenue and Expenditure for the year 2021/22.]*

**The Chairman:** Thank you, Senator Hodgson.

**Sen. Arianna Hodgson:** Thank you, Madam Chairman.

**The Chairman:** So, Madam President, I think it is back to you now.

**Sen. Adrianna Hodgson:** I think—

**Sen. the Hon. Joan E. Dillas-Wright:** Yes, I was waiting for you to indicate to me. I have been hearing it, but that you are coming out of Committee.

**The Chairman:** Okay.

**Sen. the Hon. Joan E. Dillas-Wright:** Yes. Well, first of all I would like to thank both yourself and Senator Wright for chairing the debate.

And I would like to also especially thank Senator Hodgson for her managing the debate. You

have done an excellent job, and we are all grateful to you.

**The Chairman:** Madam President.

**Sen. the Hon. Joan E. Dillas-Wright:** Yes.

**The Chairman:** Madam President, may I interrupt for a minute?

**Sen. the Hon. Joan E. Dillas-Wright:** Yes.

**The Chairman:** I believe that Senator Hodgson needs to make a motion that the Committee rise and—

**Sen. the Hon. Joan E. Dillas-Wright:** Yes, yes. That is true.

**Sen. Arianna Hodgson:** I am sorry. I was trying to, but Madam President went ahead and so I waited to be corrected.

*[Laughter]*

**Sen. the Hon. Joan E. Dillas-Wright:** Thank you. Yes.

**Sen. Arianna Hodgson:** Madam Chairman, I move that the Committee rise, report progress and ask for leave to sit again.

**The Chairman:** Is there any objection to that motion?  
I do not hear any, so there is no objection.  
So moved.

*[Motion carried: The Committee of Supply agreed to rise and report progress, and sought leave to sit again.]*

**The Chairman:** Thank you all for your kind consideration.

**Sen. the Hon. Joan E. Dillas-Wright:** And it is now that you hand over to me, indicating that.

**The Chairman:** Yes, Madam President. Back to you.

**Senate resumed at 7:25 pm**

*[Sen. the Hon. Joan E. Dillas-Wright, President, presiding]*

## REPORT OF COMMITTEE

### ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2021/22

**The President:** Thank you.

Well, again let me just say that I was waiting for you to then say to me that you are handing back to myself. But in any case, I do want to reiterate the thanks to both yourself and to the Senator for chairing this Committee.

And we will now move on to the next item on our agenda, which is a motion that I think that Senator Hodgson, you have a motion to present?

*[Crosstalk]*

**The Clerk:** She moved it.

**The President:** Oh, she just moved it. Okay, fine.

*[Inaudible interjections]*

**The President:** It has been a long day, Senators. But thank you all very much. We will move on.

## CONGRATULATORY AND/OR OBITUARY SPEECHES

**The President:** Would any Senator care to speak to that?

Yes, Senator.

**Sen. Michelle Simmons:** Madam President.

**The President:** Senator Michelle Simmons, you have the floor.

**Sen. Michelle Simmons:** Thank you very much.

I know it has been a long day. And I just feel it is most appropriate that we pause right now. Since we have been involved in an education debate, let us pause now and give honour to one of the stalwarts of the public education system, who has recently passed. And I am referring to Dr. Joseph T. Christopher, whose name has been synonymous with public education for more than 50 years.

**The President:** Yes.

**Sen. Michelle Simmons:** There is no doubt, if you knew Dr. Christopher, you knew that he was a thinker and a real intellectual. But he also recognised the importance of having a thriving public education system. And that is what he was committed to putting in place for all of the children of Bermuda.

I was very fortunate; I was very blessed to be one of his very first students in a physics class at the Sixth Form Centre. And I will not tell you the year, but it was quite some time ago. He was a young 20-something-year-old. And he took us under his wing, making sure that we did well in that A-level physics class.

As he continued his teaching career, he became a principal, Sandys Secondary School, he be-

came BUT President, he was Senior Education Officer, and then eventually became Chief Education Officer. Once again our paths crossed professionally because he was Chief Education Officer when I was the principal at Berkeley.

If you have not read his book, please try and get a copy. It gives you a very comprehensive view of the history of public education in Bermuda. His book is called *A Random Walk through the Forest*. And even though he has now gone on to glory, there is a legacy that has been left behind, and now it is up to us to make sure that public education can continue to go from strength to strength.

So I am asking the Senate to send condolences to Dr. Christopher's wife, Marlene; his sons, Aron, Tarik and Galen; and all of his family. May he rest in peace. Thank you, Madam President.

**The President:** Thank you, Senator Michelle Simmons.

Would any other Senator care to speak?

**Sen. Owen Darrell:** Yes, please, Madam President.

**The President:** Yes?

**Sen. Owen Darrell:** Senator Darrell.

**The President:** Senator Darrell, yes. You have the floor.

**Sen. Owen Darrell:** Thank you, Madam President. Good evening, colleagues, once again.

Madam President, I would just like to take a few minutes to congratulate two—well, to congratulate one member of my family, my brother, Mr. Zuri Darrell. He has long worked to get his CFA, Madam President. And it was mentioned in another place a couple of weeks ago, but I just wanted to publicly congratulate Zuri for the hard work that he has put in. I have seen first-hand the sacrifices that he has made and the dedication that he does have to his profession. So I did want to say *congratulations* to my younger brother, Mr. Zuri Darrell, in the completion of his CFA.

Also, Madam President, I would like to take liberties if you would allow me. I mentioned it briefly earlier today. But 10 years ago on this day I witnessed the birth of my first child. And I want to say to her, Ms. Tatum Suraeya Darrell, who celebrates her 10-year birthday today—I want to say from the bottom of my heart, *Daddy loves you, and happy birthday to Ms. Tatum Suraeya Darrell!* And with that, Madam President, I would like to say thank you very much and have a good night.

**The President:** I am sure we will join you in the congratulations to your daughter.

**Sen. Owen Darrell:** Thank you, Madam President.

**The President:** Would any other Senator care to speak?

**Sen. Curtis Richardson:** Yes, Madam President. Senator Richardson here would like to have a few words.

**The President:** Senator Richardson, Curtis Richardson, you have the floor.

**Sen. Curtis Richardson:** Thank you, Madam President.

I would just like to give my mention of a member of constituency 22, Peter Ramotar. Some may have seen the story in the newspaper. He is a bus operator. And unfortunately, he was involved in an unfortunate and unprovoked attack. It showed a grey cloud in the fabric of our society. And he was fortunate to not succumb to the injuries that he did sustain. However, I do want to just take a moment to mention that not only do I and the Senate team wish him the best, but also the entire membership of the Progressive Labour Party. And I am sure a humanitarian gesture from anyone in Bermuda as well, because it is in our nature to do such a thing—wish someone well and hopefully that they heal, that the scars do not last for too long.

Mr. Ramotar has been a stalwart supporter in my efforts in canvassing. He has been very supportive in the membership of the party. He is definitely one of stalwart mention. And I just want to let him know that we do and we will continue to keep him in our prayers as he continues to heal. And to stay to the wicket, and he shall heal. And the runs will come with his continued willingness to be supportive to any fellow Bermudian. And the communities who actually know him and catch his buses regularly, I am sure they have him in their thoughts as well. So that is Peter Ramotar. And I really appreciate the opportunity to just make mention of that.

Thank you.

**The President:** Thank you, Senator Richardson.

And I am sure all Senators would agree with you with respect to sending greetings and support to him.

Would any other Senator care to speak on Congratulatory and/or Obituary Speeches?

No? Then—

**Sen. the Hon. Dr. Ernest Peets:** Good evening, Madam President.

**The President:** Yes, sorry. Minister Peets, you would like to speak?

**Sen. the Hon. Dr. Ernest Peets:** Yes, please. Thank you. I will try to keep my comments brief. I do realise this has been a very long day for all of us.

I certainly want to associate myself with the remarks of Senator Simmons regarding the passing of a great educator in Dr. Christopher. I joined the ranks of Sandys Secondary as a 12-year-old in 1982, just missing Dr. Christopher's tenure at Sandys Secondary. I believe that was the year he moved to the Ministry of Education. But I can say that the legacy that he left behind at Sandys with Dr. Melvyn Bassett and many other of the administrators there certainly had a moulding effect on my education and my future career. So I am certainly grateful for Dr. Christopher's life. And I know he will be sorely missed by all Bermudians.

Regarding some congratulations, I certainly want to congratulate Jordan Outerbridge. He is one of the senior players at Hamilton Parish. He has recently been called up to the National Team, so he is with them in Florida today. We certainly want to extend our best wishes and prayers to our National Team, who will be playing against Canada tomorrow. And I am hoping for positive news when we hear the news tomorrow.

But also, we may also want to send some congratulatory remarks for Oliver Betschart. Some of you may have seen an article in *Bernews* or perhaps in the *Royal Gazette* recently in the last week. This young man is a bright and shining star as it relates to his exploits in the junior golf ranks. He finished second at the Fort Sam Houston Golf Club tournament in San Antonio. So we certainly are looking forward to watching his career, going forward. Thank you, Madam President.

**The President:** Thank you, Minister Peets.

Would any other Senator care to speak on the obituaries or congratulations?

No.

Hearing none, then I would just like to say that I would like to associate myself with the condolences that have been expressed for Dr. Joseph Christopher. He was a very, very good friend of my husband and mine. And we do live practically on the same road. We have been friends for many, many years, along with his wife, Marlene, and their sons, who have been mentioned, Aron, Tarik and Galen, as well as their wives [Stacy], Elaine and Sarah, [respectively]. I would also just like to say that he has left the legacy to which his families and indeed all of Bermuda could be proud. So I certainly agree with Senator Michelle Simmons in that regard.

**The President:** Minister Peets, you have the floor.

## ADJOURNMENT

**Sen. the Hon. Dr. Ernest Peets:** Yes. Thank you, Madam President. Thank you to all of the Senators for your diligence today.

I move, Madam President, that we adjourn until tomorrow, March the 25<sup>th</sup>.

**The President:** Thank you, Minister Peets.

Would any Senator care to speak on the motion to adjourn?

Hearing none, then, Senators, the Senate stands adjourned until tomorrow.

Thank you all very much for your efforts today.

*[At 7:28 pm, the Senate stood adjourned until 10:00 am, Thursday, 25 March 2021.]*

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**BERMUDA SENATE****OFFICIAL HANSARD REPORT  
25 MARCH 2021  
VIRTUAL SITTING  
10:02 AM**

*Sitting Number 11 of the 2020/21 Session*

*[Sen. the Hon. Joan E. Dillas-Wright, President, presiding]*

**The President:** Good morning, Senators.  
The Senate is in session; shall we pray?

**PRAYERS**

*[Prayers read by Sen. the Hon. Joan E. Dillas-Wright, President]*

**CONFIRMATION OF MINUTES**

**The President:** Confirmation of Minutes.  
Senator Simmons, you have the floor.

**Sen. Michelle Simmons:** Good morning, Madam President and fellow Senators.

**The President:** Good morning.

**Sen. Michelle Simmons:** Madam President, I move that consideration of the Minutes of the meeting of Wednesday, the 24<sup>th</sup> March 2021 be deferred.

**The President:** Is there any objection to that motion?  
No objection. The Minutes are confirmed *[sic]*.  
Thank you, Senator Simmons.

**Sen. Michelle Simmons:** The Minutes have been deferred.

**The President:** Have been deferred.

**Sen. Michelle Simmons:** Thank you, Madam President.

**The President:** Thank you, Senator Simmons.

**MESSAGES**

**The Clerk:** No messages, Madam President.

**The President:** There are none.  
Thank you, Mr. Somner.

**REPORTS OF COMMITTEES**

**The President:** There are none.

**ANNOUNCEMENTS**

**The President:** There are none.

**NOTICES OF MOTION**

**The President:** There are none.

**PETITIONS**

**The President:** There are none.

**STATEMENTS**

**The President:** We do have a Statement from Senator the Hon. Dr. E. G. B. Peets, Minister of Youth, Culture and Sport.

Minister Peets, you have the floor.

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam President and fellow Senators. It is indeed a pleasure once again to be in these Chambers.

**RE-IMAGINING BERMUDA DAY AND  
HERITAGE MONTH**

**Sen. the Hon. Dr. Ernest Peets:** Madam President, Bermuda had a sobering anniversary last week, as March 18<sup>th</sup> marked the one-year anniversary of the first COVID-19 case in Bermuda. A year later, we are not yet out of the woods as we continue to grapple with the impacts of this virus. However, Madam President, human beings are nothing if not adaptable. And in the lead-up to Heritage Month, it is worth reminding my fellow citizens that agility—the ability to note the tides and trends, and then to quickly adjust and change course accordingly—is not just a Bermudian talent; it is our birth right.

Madam President, this national characteristic is embedded deeply in our history as Bermudians. And beyond the historical lessons that we have been taught in school and that we have learned from our own reading, most Bermudians will have also learned

the lessons of agility—being nimble and [developing] inner strength—from our families. Listening to the stories of our parents and grandparents who came before us and learning from the example they have set of how to persevere in the face of challenges are a part of our upbringing. And, Madam President, although the specific circumstances of this past year of the pandemic were unique, the application of these lessons is the essential ingredient in seeing us through this crisis to the other side.

Madam President, it is for this reason that the theme for [Bermuda Day and Heritage Month](#) this year is appropriately titled *Bermudian Resilience*. Resilience is at the heart of who we are, how we have managed to withstand the difficulties of this pandemic as a people and how we will navigate the challenges to come.

Madam President, last year's Bermuda Day and Heritage Month were one like no other. We had just emerged from shelter in place, and there was still much that was unknown about the COVID-19 virus. Madam President, you may recall that in lieu of our traditional Bermuda Day Parade, we instead worked with Bermemes to produce an entirely virtual experience intended to lift the spirits of our community despite the physical distancing requirements that were in place for our mutual safety.

Since that time, the Department of Culture has exerted and exemplified this spirit of resilience and agility. At the beginning of the pandemic, the department quickly changed their operational model in order to produce a plethora of excellent virtual and digital content. Once more was known about the virus, the department pivoted to the current hybrid model of delivery that illustrates how we can still gather, albeit in reduced numbers, in ways that are quite safe and minimise the risk of disease transmission.

Madam President, with this in mind I would like to share this year's plans for Bermuda Day and Heritage Month where we can once again re-imagine the celebrations so that they can work in alignment with our current circumstances. Madam President, it will come as no surprise in the midst of a pandemic that we will not be able to host our typical Bermuda Day Parade. Instead, the Department of Culture is organising a COVID-19-safe Bermuda Day Show to be held at the National Stadium on May the 28<sup>th</sup>. The show will feature some of what we all love best on Bermuda Day including dance troupes, vibrant costumes and of course our beloved Gombeyes.

Sadly, we will once again miss out this year on the opportunity to tell our neighbours, *Don't take my spot*. And of course I am sure that a sizeable part of the population will truly be sorry not to experience the traditional parade "gap time." Perhaps I can convince our staff at the Department of Culture to find a way of incorporating this into the show! Madam President, there will be a limited number of tickets available

to view the show in person, but it will be broadcast live to the general public and recorded for viewing later.

As a way of acknowledging the extraordinary hard work and the commitment of our frontline essential workers over the past year, the in-person tickets will be reserved for Bermuda's immunised workforce who put their lives on the line during the roughest part of the pandemic: health care workers, the police, the Bermuda Regiment soldiers, our grocery store workers, gas station attendants, as well as other frontline workers who have consistently carried out the labour necessary for our country to stay operational. This is a small gesture we believe that we can offer as a thank you for their dedication and our Bermudian resilience.

Madam President, the Department of Culture is also planning to establish a new annual tradition to take place at the beginning of Heritage Month—a conference for Bermuda's creatives, heritage organisations, artists and cultural groups, this year to be held in a virtual format. This will provide an opportunity not only to formally launch the National Cultural Heritage Policy for Bermuda, a Throne Speech initiative that I will speak to in subsequent Ministerial Statements, but it will also afford Bermuda's cultural community the chance to interact and brainstorm ideas around heritage preservation, creative development, challenges and the opportunities posed by the pandemic, and to consider how best to support our artistic community.

Particularly as a result of the current set of challenges that face us as a country, there is much work to be done to ensure the [viability] and sustainability of Bermuda's creatives and heritage institutions. The staff at the Department of Culture is excited to play a role in that process, and Heritage Month is an ideal time to focus on these kinds of conversations.

Madam President, in addition to some of the programmes that will be hosted by the department during the month of May, including the continuation of our *Creatives Live!* Concert, which has been very popular—this series, of course, has been taking place on the steps of City Hall—we anticipate supporting through grants and partnerships other organisations and small businesses that wish to host COVID-19-safe events in May in celebration of our culture and heritage that we share.

Madam President, it has been a difficult year, to say the least, for all of us.

**The President:** Indeed.

**Sen. the Hon. Dr. Ernest Peets:** But in the lead-up to the month where we make the time to remember what it means to be Bermudian, I encourage us all to embrace our Bermudian resilience and to take heart knowing that we will see our way through these tough times. We will emerge with an even clearer sense of who we are as a people and what is most important to us as resilient Bermudians. As I always say, Madam

President, our community has been in the past, and still remains, the essential ingredient of our success.

Thank you very much, Madam President.

**The President:** Thank you, Minister Peets.

## INTRODUCTION OF BILLS

**The President:** There are none.

## FIRST READING OF PUBLIC BILLS

**The President:** There are none.

## FIRST READING OF PRIVATE BILLS

**The President:** There are none.

## QUESTION PERIOD

**The President:** Senators, there is an opportunity for you to ask questions on the Statement that has just been read by Minister Peets.

Would any Senator care to ask questions or to make their comment?

Hearing none, we will move on.

## ORDERS OF THE DAY

**The President:** The first Order of the Day is resolution into Committee of the whole for further consideration of the Appropriation Act 2021, together with the Estimates of Revenue and Expenditure for the financial year 2021/22.

Senator Arianna Hodgson, Junior Minister of Finance, you have the floor.

**Sen. Arianna Hodgson:** Thank you, Madam President.

Madam President, I move that the Senate resolve itself into Committee of the whole for further consideration of the Appropriation Act 2021, together with the Estimates of Revenue and Expenditure for the year 2021/22.

**The President:** Thank you, Senator Hodgson.

I will now ask Senator Michelle Simmons, the Vice President, to take [us] into the Committee.

So I hand over to you, Senator Michelle Simmons.

**Sen. Michelle Simmons:** Thank you, Madam President.

### Senate in Committee at 10:13 am

[Sen. Michelle Simmons, Chairman]

## COMMITTEE OF SUPPLY

### ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2021/22

**The Chairman:** The Senate is now in Committee of the whole for further consideration of the Appropriation Act 2021, together with the Estimates of Revenue and Expenditure for the financial year 2021/22.

The Ministry under consideration is the Ministry of Health. The Heads which have been selected for debate today under this Ministry are Head 21, which can be found in the Budget Book on page B-156; and Head 22, which will be found in the Budget Book on page B-161.

The number of hours allocated to this debate for the Ministry of Health is two hours. The Senator in charge is Senator Curtis P. Richardson, Junior Minister for Health, National Security and Transport.

It is now 10:14, and the debate on these heads will conclude at 12:14.

Senator Richardson, you may proceed.

**Sen. Curtis Richardson:** Thank you.

[Pause]

**The Chairman:** Senator Richardson, I am not sure if you are speaking. But—

**Sen. Curtis Richardson:** Sorry. Thank you, Madam Chairman.

**The Chairman:** Okay. Thank you.

## MINISTRY OF HEALTH

**Sen. Curtis Richardson:** Madam Chairman, I am here today with great pleasure to present the budget for the Ministry of Health overall, starting with Head 21—the Ministry of Health Headquarters found on pages B-155 through B-160 of the Budget Book.

### HEAD 21—MINISTRY OF HEALTH HEADQUARTERS

**Sen. Curtis Richardson:** Madam Chairman, the mandate of the Ministry Headquarters is *to make Bermuda healthier*.

#### Expenditure Overview

**Sen. Curtis Richardson:** The Headquarters allocation constitutes approximately 5 per cent of the budget allocated for the Ministry as a whole. A total of \$8,997,000 has been allocated for this Head for 2021/22, which represents a decrease of \$3,508,000, or 28 per cent, under the original budget of 2020/21. The majority of the change is due to the transfer of

Ageing and Disability Services and the K. Margaret Carter Centre to the Ministry of Social Development and Seniors, representing \$2,879,000 in funding.

Additionally, there were six respective grants transferred to the Ministry of Social Development and Seniors, representing \$1,950,000 in funding. However, an additional \$800,000 in funding was allocated for transformation of Bermuda's health care structure via the new Bermuda Health Plan.

### Manpower

**Sen. Curtis Richardson:** Madam Chairman, the change in manpower for this Head is detailed on page B-158 of the Budget Book, decreasing the employee numbers for the Ministry Headquarters from 46 to 18 established posts due to the transfer of the aforementioned programmes. However, I must interject here, Madam Chairman, to say the Ministry of Health employees and its partners are the most courageous and dedicated employees that I have ever encountered in my life! And the success of Bermuda's war against the pandemic is attributed to the hard work that they have endured for well over a year and are still courageously tackling.

I am honoured to be a part of this team and will forever be humbled by this journey that I have experienced with this team and knowing such true heroes really exist.

I would now like to speak on each of the sections and business units under this Head, Madam Chairman.

### General Administration and Corporate Services

**Sen. Curtis Richardson:** The business unit 2101, General, comprises a team of 10 persons and a budget largely dedicated to grants and the national health emergency for the COVID-19 pandemic. Over \$3.6 million of the unit's total budget of \$7.9 million is for grants, and \$1.5 million is for the national health emergency. The balance of \$2.7 million supports the strategic and operational components of the Ministry through the accounts section and our corporate services policy directorate.

### Output Measures

**Sen. Curtis Richardson:** Madam Chairman, the Public Service Reform has allowed us to step back and assess the output measures and ask questions such as, How can we measure our performance and ensure we provide the information to all stakeholders in the most productive and informative manner? This and similar questions resulted in a mass review and change of our performance measures, which are listed on page B-159.

The Ministry revamped its performance measures in the prior year to give better value for all

stakeholders and to ensure a core principle, accountability, is met. Significant highlights of the Ministry's outcomes are better demonstrated in the Ministry of Health's Roadmap 2020. The Roadmap is an annual corporate plan which provides an overview of the entire Ministry and is a useful document for all stakeholders to get a quick and easily readable glimpse of the Ministry's performance. The Roadmap 2021 is in production. However, the Roadmap 2020 is on our website at [www.gov.bm](http://www.gov.bm) under "Health Library."

Madam Chairman, under 31000, General Administration, this Government is committed to the transformation of Bermuda's health care structure via the Bermuda Health Plan as stated in the Throne Speech last November. The aim is to ensure equitable access to necessary health care services, contain health care costs, and engage prevention and health promotion strategies to produce better health outcomes.

As many are aware, Bermuda's current health system is at a breaking point with unsatisfactory health outcomes and unsustainable cost increases. Too many of us are uninsured, underinsured or struggling to cope with soaring health premiums and co-payments. The catastrophic impact of COVID-19 on the Island's economy is directly felt by public and private health care providers and their patient base, as well as the funding methods which underpin the system.

Madam Chairman, the transformation to universal health coverage through the Bermuda Health Plan is rooted in the organising principle that integrated care will be delivered via a single-payee mechanism. Integrating health services across the continuum of care—that is, public health, mental health, acute and post-acute care, and community services—will contribute to improved health outcomes and greater resiliency in times of disaster. This patient-centric approach enables Bermudians to get the care they need when they need it and to have quality care at a fair value. It is intended and anticipated that the integrated service model will reduce duplications, enhance information sharing, and realise synergies, efficiencies and economies of scale that cause savings to be realised with respect of our health care costs.

The Ministry of Health cannot do this work alone or function in decision-making silos. That is why we value-build in our community partnerships with organisations such as the Bermuda Health Council, the Bermuda Hospitals Board, the Bermuda Medical Doctors Association, BermudaFirst, Allied Health Professionals, the Island's private insurers, the Chamber of Commerce, local and international businesses, and patient advocacy components. An allocation to develop the design of and the implementation steps for a Bermuda-centric universal health coverage system is accounted for in the 2021/22 budget. This complex undertaking will be stood up in phases over the next coming years.

Madam Chairman, regarding business unit 31015, Grants Administration, found on page C-18, lists the Health Ministry's grants to a number of agencies providing essential frontline services to aid public health and social assistance. These are as follows:

- \$2.5 million for the LCCA [Lady Cubitt Compassionate Association] to cover overseas medical care for uninsured and underinsured persons;
- \$125,000 for the Bermuda Nursing Council to support the regulation of nurses and midwives;
- \$1 million for the Bermuda Health Council; and
- \$10,000 for SART, the Sexual Assault Response Team.

### Plans for the Upcoming Year

**Sen. Curtis Richardson:** Madam Chairman, since mid-January 2020 the Ministry of Health has dedicated the majority of its time and resources to the COVID-19 pandemic. Last year this time, I recall [hearing about] the Ministry's preparations for the emergence of a respiratory disease caused by a novel coronavirus that originated in the Hubei Province in China. Madam Chairman, it is over 12 months later, and I can unequivocally say that no one knew what 12 months of fighting a pandemic looked like.

Well, it looks like this, Madam Chairman: a country that has stood together and has achieved what many other countries are still aiming for. We fought two periods of outbreaks and mitigated community spread, and we are able to maintain our open borders with our rigorous testing programmes whilst we aggressively vaccinate and immunise the population. The team will continue to progress the programmes in place to win the war against the pandemic and ultimately aim towards this Head's mission *to make Bermuda healthier*.

### Office of the Chief Medical Officer

**Sen. Curtis Richardson:** This is found on pages B-156 through page B-160 of the Estimates of Revenue and Expenditure. Madam Chairman, business unit 2101 under Head 21 is the Office of the Chief Medical Officer [OCMO/CMO], found on page B-156 of the Budget Book. Its total budget for the fiscal year 2021/22 is \$1,056,000, which funds two cost centres, the first one being 31030, Health Care Registration and Regulation, and the second one being 31040, Epidemiology and Surveillance Unit. The office ordinarily consists of eight FTEs [full-time equivalents] and one part-time consultant pharmacy inspector, and a relief pharmacy inspector providing a combined equivalent of 0.25 full-time employees. As of December 2020, in response to the ongoing COVID-19 pandemic, an additional 39 bodies were assigned to as-

sist the office with formulating and supporting activities relevant to managing the pandemic response, including contact-tracing measures.

The remit of the Office of the CMO consists of four primary duties: registration and regulation of health care professionals, pharmaceutical drug control, epidemiology and surveillance, and statutory public health responsibilities. Over the past seven years, the Office of the CMO has undergone significant organisation to optimise efficiency and assure appropriate delegation of statutory duties.

Previously, the Office of the Chief Medical Officer registered all health care professionals aside from nurses and psychologists, as well as registering health care facilities, namely, hospitals, pharmacies, clinical laboratories and diagnostic imaging facilities. During 2020, the office transferred the majority of its registration and regulatory function relative to health care professionals and facilities to the Bermuda Health Council. This transfer will be completed in 2021.

Currently, the Office of the CMO handles the registration and re-registration of medical practitioners, the initial registration of allied health professionals, dental health professionals, opticians and optometrists and pharmacists. The OCMO provides administrative support to the health professional statutory boards and councils. The CMO is the executive officer of the Bermuda Medical Council. The office will retain functions relevant to medical practitioners and pharmacy regulation. This includes managing the registration processes, the handling of complaints and ensuring best practice standards are in place to provide assurance of quality medical and pharmaceutical care [delivery] in Bermuda.

Madam Chairman, the OCMO's pharmaceutical drugs control responsibilities include ensuring that annual inspections of pharmacies are conducted and monitoring the importation of prescription drugs, including controlled (or banned) drugs, to ensure these items are safe and are received by the appropriate health care businesses and professionals. The office must ensure that Bermuda stays within its assigned quotas of controlled drugs and reports controlled drug importation to the International Narcotics Control Board [INCB] in Vienna, Austria. The INCB monitors compliance to the United Nations International Drug Control Conventions.

Health protection and community health assessments are two essential public health functions carried out by the Office of the CMO's Epidemiology and Surveillance Unit (ESU). The ESU monitors the occurrence of diseases on the Island, both infectious diseases (which are communicable diseases) and select chronic non-communicable diseases, to help prevent and control these diseases. The ESU receives reports from health care professionals and laboratories and investigates unusual disease occurrences. Contact tracing and case management help to

prevent or mitigate outbreaks of disease. Periodic community health surveys are conducted to monitor and document the health of Bermuda's population. The "STEPS to a Well Bermuda" survey, planned for 2021/22, is an example. Data from community health surveys provide population health information that is essential to setting health system priorities and for planning.

Madam Chairman, additional functions of the Office of the CMO are to facilitate designated legislated functions, advise government departments on health matters and support the regulatory work of statutory boards and councils. The office serves as Bermuda's public health focal point with communications from regional and international authorities such as the Caribbean Public Health Agency [CARPHA], the Pan American Health Organization [PAHO] and the World Health Organization [WHO]. Critical collaborations with these partners assist Bermuda by training public health professionals, supporting and implementing strategic plans and providing technical assistance to manage public health emergencies.

Madam Chairman, of the OCMO's total budget, \$621,000 is allocated to health care registration and regulation. Over the past year the section registered over 200 health care professionals, processed 144 requests for controlled pharmaceutical drug licence requests, received and handled eight complaints against medical practitioners and completed 27 pharmacy inspections.

The Registration Section continued to meet its performance targets by publishing accurate health care professional registers and supporting the professional statutory boards in their registration and complaints-handling responsibilities.

For fiscal year 2021/22, an estimated \$435,000 is budgeted for the work of the Epidemiology and Surveillance Unit [ESU]. Capacity-building in public health, which was supported by CARPHA, PAHO and PHE [Public Health England] in 2020, has assisted the staff of the ESU, as well as staff in the Department of Health, in meeting the challenges of preventing and controlling emerging diseases such as the novel coronavirus, and in managing outbreaks of vaccine-preventable diseases such as pertussis/whooping cough. Through the work of the Public Health Emergency Response Team [PHERT], the Office of the CMO coordinates and collaborates with a broad range of health stakeholders to prevent and mitigate public health threats.

The ESU has met the challenges set by the World Health Organization to detect COVID-19 cases, to follow contacts and to put in place adequate containment measures to control the spread. Madam Chairman, to date there have been over 700 cases of COVID-19 identified in Bermuda and, sadly, 12 deaths. Numerous persons have been impacted. But without the dedication and expertise within the Epi-

demiology and Surveillance Unit, Bermuda could have fared worse.

The OCMO's entire workforce is [clearly] fully dedicated to responding to the COVID-19 pandemic, which has spread around the world and reached our shores. Throughout 2020/21 the ESU has overseen an extended team providing case management, contact tracing, traveller and school surveillance, data management and analysis support to the incident command structure, developed to efficiently respond to the COVID-19 pandemic.

This included investigation and responses to more than 700 lab-confirmed cases of COVID-19 and all of their contacts, surveillance of over 43,000 travellers and weekly reporting to international public health agencies. ESU works closely with public health partners including the Caribbean Public Health Agency, the Pan-American Health Organization and Public Health England to prepare for and respond to the COVID-19. The ESU also remains abreast of updates from the World Health Organization and acts on the relevant recommendations.

Although 2020 saw a decrease in reported communicable diseases other than COVID-19, which [decrease] may have been related to public health measures implemented to control the COVID-19 pandemic (such as shelter in place), the ESU managed over 220 individual case reports of communicable diseases in addition to COVID-19.

The OCMO is providing critical support to the vaccination programme to get all eligible residents of these Islands vaccinated and protected from this disease. Madam Chairman, if I could, I would like to sit here today and use the entire five [*sic*] hours allocated to this Ministry and appeal to all how such a historic threat can only be, and it has only been, managed by the highest level of collaboration and solidarity of every single sector and person in this community.

**The Chairman:** Senator Richardson.

**Sen. Curtis Richardson:** Yes.

**The Chairman:** Senator Richardson, there are only two hours allocated to these heads.

**Sen. Curtis Richardson:** I do apologise, two hours.

**The Chairman:** That is okay.

**Sen. Curtis Richardson:** I jumped over that.

I will use this entire two hours allocated to the Ministry and appeal to all how such a historic threat can only be, and it has only been, managed by the highest level of collaboration and solidarity of every single sector and person in this community.

This community has proven to be resilient against catastrophic hurricanes when we band together as one. So I ask that we continue to rise to the

occasion for this unexpected and unusual threat to health like we have never done so before.

Madam Chairman, the development of the Chronic Disease Register continues to evolve and be refined. In 2019 the initial Phase 1 of the Register was completed. This phase piloted the process of collecting data on diabetes and chronic kidney diseases in three entities: Bermuda Hospitals Board, the Bermuda Diabetes Association and the private endocrinology practices. Progress with this work has slowed with the onset of the pandemic in 2020, and the plan is to re-start these in 2021/22.

Madam Chairman, this ends my presentation on business unit 2102, Office of the Chief Medical Officer.

### Bermuda Health Council

**Sen. Curtis Richardson:** Lastly for Head 21, Madam Chairman, I want to highlight the work of the Bermuda Health Council, a quango under this Ministry. They have received operational funds in part from a Ministry grant and are positioned to continue to advise and make recommendations to the Ministry on health system matters. Madam Chairman, the Bermuda Health Council's mandate is to regulate, coordinate and enhance the delivery of health services.

The grant for Bermuda Health Council can be found on page C-18, cost centre 6895 under the Ministry of Health. In 2021/22, the Health Council's grant will be \$1 million. The Council has been transferred over a significant number of regulatory responsibilities including registration of health professionals, coordination of statutory bodies and professional conduct committees, oversight of care homes and licensing of health facilities which were previously conducted through the Ministry.

In addition to these new transfers of duties, the Health Council will also be taking on a regulatory role in the drug formulary and the pending health system reforms. The Health Council's total revenue is supplemented by a transfer from the mutual reinsurance fund and licensing fees paid by health insurers for a total budget of \$2.4 million for 2021/22.

In 2020/21, legislative amendments were passed to formalise the transfer of new functions, amendments which included the transfer of licensing fees from the Consolidated Fund to the Bermuda Health Council. As such, the Health Council's revenue will include the licensing and registration fees paid by regulated facilities and health professionals.

Madam Chairman, in 2020/21 the work of the Health Council centred on four strategic areas: regulation, quality and standards, and finance and economics, with oversight by audit and governance. Some of the year's achievements are as follows:

Under regulation, Madam Chairman, as the primary regulator of the health system, the Council is given the responsibilities of facilitating the administra-

tive functions of health professional bodies and health professional conduct committees; and licensing functions in respect to select health facilities, namely, diagnostic imaging facilities, laboratories, hospitals and residential care homes.

The Health Council has successfully transitioned the biennial health professional re-registration process to a paperless system for over 650 non-physician non-nursing health professionals. Additionally, the Health Council has been and will continue working with the professional boards and conduct committees to streamline existing policies and procedures.

Following the transition of the regulation of residential care homes, and prior to initiating the 2020 re-licensing of the homes, the Health Council prioritised the identification and implementation of more efficient re-licensing processes including a shift to electronic application submission, enhanced alignment of inspection criteria to the standards in the care homes' codes of practice, and consolidation of re-licensing and inspection reporting databases.

Additionally, Madam Chairman, the Health Council has streamlined the complaints reporting and handling processes, which involve partnering with the teams of Ageing and Disability Services under the Ministry of Social Development and Seniors and the Bermuda Nursing Council.

The Health Council has also been working diligently in collaboration with the Attorney General's Chambers to draft legislation for the regulation of the prices at which medications are sold to the public. Madam Chairman, in 2020/21, Cabinet voted in support of the proposed legislation, and thus in 2021/22 the Health Council will begin the work towards the planning of implementing policies and procedures to support the proposed legislation in anticipation of successful assent. This legislation will provide for a range of regulatory functions, including but not limited to setting of the price of medications, granting authority to monitor pharmacy compliance with regulated pricing, and negotiating the price at which medications are imported.

Madam Chairman, under Quality and Standards: Within its goal to enhance the integrity and best use of local health system data, the Health Council led the system's transition from International Classification of Diseases version 9 [ICD-9] medical coding to the more current version, ICD-10. While this transition is still evolving, we believe that this modernisation of data will lead to much better understanding of our population's health needs going forward. Data enhancement efforts are ongoing as the Health Council continues to work with health system partners to identify gaps in data collection and reporting and the resources required to close these gaps.

Madam Chairman, having recently been transitioned oversight of clinical laboratories, and in response to an obvious need, the Health Council leads

in the development of standards and criteria for the operation of COVID-19 testing facilities and the selection of COVID-19 tests available publicly.

Financing and Economics, Madam Chairman, the Health Council published the 2019 National Health Accounts Report, which details total health system expenditure during fiscal year ending the 31<sup>st</sup> of March 2018 of \$736 million, reflecting an increase of 1.88 per cent and a per capita expenditure of \$11,529. During the same period we saw spending on overseas care at \$93 million, which was slightly above our 10-year-average of \$88 million.

The Health Council has been instrumental in the development and modelling of various scenarios for increasing access to necessary and cost-effective care for all residents in support of the Ministry-led initiatives under Health System and Financing Reform. While there was a reprioritisation of resources due to COVID-19 for a significant portion of 2020/21, progress with reform is expected to resume in 2021/22 with the Health Council continuing to lead on the research and identification of solutions. Madam Chairman, in 2020/21, the Health Council submitted drafting instructions for legislative changes necessary to finalise the standardisation of the medical and dental charges. These changes addressed long-standing concerns around disparities in reimbursement for services provided in-hospital by non-hospital physicians.

Under Audit and Governance, Madam Chairman, to continue its track record of timely financial transparency, the Health Council, in close collaboration with the Auditor General, tabled unqualified audited financial statements in its 2019/20 annual report in calendar year 2020. The Health Council has also successfully begun its transition to a paperless office with the majority of all information-sharing occurring via electronic means. The Council also continues to review and enhance its regulatory processes to become more efficient, thus being a cost-effective resource to both the government and health system alike.

Moving to Information Dissemination—Madam Chairman, aligned with the Council's mandate to disseminate information to the public, the Health Council released key pieces of information about the health system on a regular basis, including but not limited to COVID Current, which provides short summaries about evidence-based COVID-19 research, video SnapFact which feature Health Council updates and general health system updates, and multiple guest features on the popular web-based talk show *The Daily Hour*, where they provide a more in-depth look at the role of the Health Council.

The future—Madam Chairman, looking forward to 2021/22, the Health Council will continue its involvement in regulation of health professionals, regulation of health businesses, management of innovative health programmes, recommendations for enhancements to health legislation, the developments of key health system reports, contribution to short- and

long-term health systems strategies, oversight of health-system data and analytics, researching and modelling essential and cost-effective health benefits, the dissemination of health-related population-based surveys, continued stakeholder engagement, and the timely communications and management of all local and international partner relationships. These key items are important, as the Health Council looks to support the larger goal of achieving a more equitable and sustainable health system.

Madam Chairman, of note for 2021/22 is that the Health Council will continue its work on long-term care standards and services as the population ages, and thus demands for these [services] increase. The Council will also continue to provide expert advice on health financing and system reforms as part of its role in ensuring cost-effective access to essential health services for residents.

Lastly, Madam Chairman, I would like to acknowledge the appointment of the 2021/22 Bermuda Health Council Board Members whose expertise will contribute to the ongoing achievements:

- Dr. Sylvanus Nawab, who is the Chairman, provides a paediatric clinical perspective.
- Mr. Anthony Richardson is the Deputy Chairman and provides expertise in public-private partnerships.
- Mr. Anthony Santucci brings a view of the integration of health care and social determinants of health and community.
- Ms. Cynthia Thomas brings her legal expertise to the table.
- Ms. Kirsten Beasley offers a health-system-related reinsurance sector perspective.
- Ms. F. Ann Daniels gives the public-private sector financial perspective.
- Ms. Shelle Hendrickson shares the view of overseas health care models.
- Dr. Darrien Ray ensures a mental health perspective.
- Dr. Michael Richmond shares a medical provider and hospital perspective.
- Ms. Keechia Tuckett brings years of experience in the government health insurance market.

In addition, I acknowledge the ex-officio members of the board, the Health Council's CEO, the Permanent Secretary for Health, the Chief Medical Officer and the dearly departed Financial Secretary.

Madam Chairman, this concludes my remarks on Head 21—Ministry of Health Headquarters.

**The Chairman:** Thank you, Senator Richardson.

Now, I just want to remind everyone that we are in Committee of the whole [Senate] for further consideration of the Appropriation Act 2021 together with the Estimates of Revenue and Expenditure for the financial year 2021/22. The Ministry we are discussing this morning is the Ministry of Health. And

Senator Richardson is about to proceed to Head 22 in this Budget Debate.

Senator Richardson.

## HEAD 22—DEPARTMENT OF HEALTH

**Sen. Curtis Richardson:** Thank you, Madam Chairman.

Madam Chairman, under the Ministry of Health 2021/22 budget brief, under Head 22—Department of Health, found in the Budget Book on pages B-161 through B-172. Madam Chairman, it gives me great pleasure to present the budget for Head 22—the Department of Health. The total current expenditure is estimated to be \$28,323,000 for 2021/22.

The vision and mission of the Department of Health is *Healthy People and Healthy Communities*. The department's mission is to promote and protect optimum health and well-being in Bermuda. The 285 Health Department officers, found on page B-164, work in 25 programmes to assure the health and well-being of the general population. Madam Chairman, the Department of Health through its administrative section will continue with its overarching strategic theme: Halt the rise in obesity and diabetes. In addition, the Administration Section has tasked all business units to look at including mental health awareness and promotion which affects overall health and well-being across the life course. It is important now more than ever, given the toll that the COVID-19 pandemic has taken on our community.

The Department of Health will refocus its efforts on the prevention of non-communicable diseases, which are contributing to the ever-increasing cost of health care in Bermuda, with the inclusion of mental health. A mental health situational analysis was conducted in 2019 in collaboration with Public Health England and the Pan American Health Organization, which resulted in a draft national mental health plan and key recommendations. The department will look to integrate mental health into its clinic-based services across the life course in partnership with the Mid-Atlantic Wellness Institute, as well as work with collaborative partners to develop a greater awareness and support of mental health in our community.

The 2021/22 budget estimate for Administration is listed as cost centre 32230 on page B-162, and the budget estimate is \$531,000. Madam Chairman, in an effort to realise cost savings, the Health Promotion, Healthy Schools and Nutrition Services were combined into the Health and Wellness Programme and will work across all programmes and services within the Department of Health to promote health and wellness in the community. The health promotion sub-programme of the Health Promotion and Wellness Programme develops and implements policies, programmes and products that will promote health and wellness in the community in collaboration with public

health partners. The Department of Health has initiated a whole-of-society approach to halting the rise of obesity and diabetes locally.

Commit to Change, Small Changes, Big Results initiative promotes small daily changes that can add up to big results. The initiative encourages changes in four areas that will have an impact on a person's overall health. These four areas include: choosing to drink eight 8-ounce glasses of water daily, eat at least three servings of vegetables daily, exercise for at least 30 minutes daily, and balance mental well-being by reducing stress.

The COVID-19 pandemic led to delays and cancellations in some of the plans the Health Promotion Office has developed for 2020 due to the team members being reassigned to tasks or shifting tasks to assist with the COVID-19 response. However, non-communicable diseases persist even during the pandemic, and the team had to work in new ways to accomplish goals. One was the Virtual Wellness Wednesday initiative to promote awareness of and information about the monthly health themes found on the Health Promotion calendar. The Department of Health Facebook viewership increased as community persons were interviewed on topics such as mental health and well-being, coping skills during the pandemic, domestic abuse awareness and breast health, to name a few.

Madam Chairman, the Speech from the Throne 2017 stated (and I quote), "The Government will lead the way in wellness by encouraging its employees to make healthy choices, and will contribute to their well-being by offering programmes, incentives and education to support the journey to a healthier public service." In 2020 the Department of Health again collaborated with the Department of Human Resources, [GEHI] and the Department of Communications under the umbrella of the Government of Bermuda Employee Wellness Committee to roll out the MoveSpring steps challenge. Almost 500 government employee staff participated in the challenge over a three-month period to improve health habits. Participants logged over 210 million steps and spent 915,532 minutes in physical activity. In 2021 there are plans to roll out other initiatives to encourage and support public servants to lead healthier lifestyles.

Madam Chairman, the Healthy Schools sub-programme of the Health Promotion and Wellness Programme promotes health in schools through community-based partners and the Department of Health school-based programmes such as Child and School Health, Nutrition Services, oral health, community rehabilitation services and environmental health. Healthy Schools has been adopted by 30 of the 33 public and private schools since 2007.

Healthy schools is working more closely with the Department of Education to limit all fast food deliveries to schools for any reason, and food-focused fundraisers to once per month in schools. Healthy

Schools will ensure that schools receive lists of non-food fundraisers. During this school year, Healthy Schools and Nutrition Services worked with both government and community-based entities to develop a school garden programme. Madam Chairman, the school garden's primary purpose is to create sustainable thinking in our children and teens, and to learn that gardening can be healthy and [provide an] economical food source, especially as they enter into adulthood.

Madam Chairman, Healthy Schools and the Education Department's Facilities Manager, with Environmental Health, will continue to work closely with school custodians and cleaning companies that clean schools to raise schools' cleanliness standards. Healthy Schools will continue to provide updates to the entry-to-exit protocols for school levels as required to reflect Bermuda's COVID-19 status.

Madam Chairman, the Nutrition Services sub-programme of the Health Promotion and Wellness Programme has been working toward healthy eating practices within the Department of Health obesity and diabetes framework developed with community-wide consultation and engagement. It should be noted that the original outcomes of the Nutrition Services Health Promotion Programme was affected by the COVID-19 pandemic. Notably, the nutritionists joined the quarantine monitoring programme and the COVID-19 task force in the food security segment. Additionally, one nutritionist was seconded to the ESU's contact tracing team.

During the pandemic, Nutrition Services assessed the severity risk of food insecurity within different vulnerable population groups. Nutritionists developed risk management and communications plans to address food insecurity within the vulnerable and total population. Throughout Phase 1 of the pandemic, nutritionists liaised with the third sector Coordinated Crisis Response Team (the CCRT) to offer support for the Island-wide feeding programmes. Nutrition Services developed several initiatives including a food security analysis to improve sustainable food sources, participation in the shippers and importers resilience meetings and advocating for international aid to support sustainable food initiatives. Another critical initiative facilitated by Nutrition Services included the School Lunch Challenge sponsored by the Argus Group. Four schools completed the School Lunch Challenge, and 20 winners were identified.

Community education programmes include the Grow, Eat, Save Workshops facilitated in partnership with instructor Chaplain Kevin Santucci, the Department of Parks, the Department of the Environment, the Bermuda Agriculture Group, the Devonshire Seventh-day Adventist Church, Animal and Garden, and Brighton Nursery. These workshops provide community residents with the skills to be sustainable during these challenging economic times, as well as providing healthy options to improve their overall

health and well-being. One workshop with greater than 20 graduates has continued following appropriate safety precautions due to the pandemic.

Madam Chairman, the nutritionists facilitated two Complete Health Improvement Programmes (CHIP) workshops. These workshops were a scientifically validated lifestyle medicine programme through a virtual platform. Graduates of this 12-week programme participated in educational sessions and experienced lifestyle skills to minimise the consequences of illness or disease addressing the chronic non-communicable diseases (e.g., hypertension, heart disease, diabetes and obesity).

Madam Chairman, Nutrition Services adapted to the changing environment by providing virtual services to facilitate menu planning assistance to 21 nursing and rest home facilities and three correctional facilities. In addition, nutrition counselling was able to continue virtually for persons referred from high-risk populations.

Madam Chairman, the 2021/22 budget estimate for Sexual and Reproductive Health is listed as cost centre 32040 on page B-161 and is \$851,000. Madam Chairman, the HIV programme has successfully encouraged medication compliance. Some 98.6 per cent of the HIV population [in Bermuda] are receiving treatment. Another encouraging statistic is that in 2019 Bermuda was reviewed and approved validation for the elimination of mother-to-child transmission of HIV and syphilis by the World Health Organization. This validation was awarded partly due to antenatal clients being offered the recommended HIV and syphilis testing, ensuring treatment guidelines were implemented immediately and the great work from our many valuable partners.

Madam Chairman, the Maternal Health and Family Planning Clinic has experienced lengthy challenges, with human resources remaining lower than usual par levels. An added challenge was the recent COVID-19 pandemic. As a result, we have had to scale back on the number of clients seen. Despite such challenges, education and the promotion of health and wellness have continued, albeit on an individual level. We have provided all of the usual services to the community and will continue to do so.

Madam Chairman, the 2021/22 budget estimate for the Clinical Laboratory is listed as cost centre 32090 on page B-161, and the budget estimate is \$267,000. Madam Chairman, the government Clinical Laboratory is situated at the Hamilton Health Centre. Testing of clinical specimens is performed for child health, school health clinics, oral health, and the Sexual and Reproductive Health Programme. The Clinical Laboratory also serves as the Public Health Clinical Laboratory for Bermuda and provides specimen handling and international transport services to the Caribbean Public Health Agency [CARPHA] Laboratory in Trinidad for advanced testing for diseases of public health significance.

Madam Chairman, the 2021/22 budget estimate for the Child Care Regulation Programme is listed as cost centre 32290 on page B-162 and is \$302,000.

Madam Chairman, the 2021/22 budget estimate for Child Health is listed as cost centre 32030 on page B-161 and is \$2,459,000. Madam Chairman, the Child Health Programme consists of four sub-programmes, which are Immunisation, Child Health, School Health including asthma education, and Travel Health. The programme provides preventative and curative health services for infants, children, adolescents, adults, seniors and the traveling public. This is conducted through the various clinics, schools and community settings.

Services consist of health and developmental assessments, screenings, referrals, treatment of minor ailments, health education, health promotion, anticipatory guidance, adult and senior immunisations and travel consultation for travel to high-risk areas.

### **Physiotherapy and Occupational Therapy**

**Sen. Curtis Richardson:** Madam Chairman, the 2021/22 budget estimate for Physiotherapy and Occupational Therapy is listed as cost centres 32080 and 32120 on page B-161, and the budget estimates are, respectively, \$1,039,000 and \$994,000. Madam Chairman, Occupational Therapist and Physiotherapist (OT/PT) services are provided to maximise the functional potential of individuals with delays in normal motor development or with physical movement challenges. This team comprises nine occupational therapists, eight physiotherapists, one coordinator and one team secretary who is shared with the [SLP (Speech Language Pathology)] Programme.

Madam Chairman, the 2020/21 budget estimate for Speech and Language Services is listed as cost centre 32100 on page B-161, and the budget estimate is \$1,623,000. Madam Chairman, the Health Department's Speech and Language Programme provides speech, language and feeding/swallowing assessment and intervention services across the community.

### **Community Health**

**Sen. Curtis Richardson:** Madam Chairman, the 2021/22 budget estimates for Community Health and Community Health Administration are listed as cost centres 32060 and 32010 on page B-161, and the budget estimates are \$1,407,000, and \$1,033,000, respectively. Madam Chairman, community health nurses are responsible for ensuring that the adult population from age 18 until end of life have access to health services. Community health nursing continues to manage individuals in their homes with complex medical issues. The vision aims to educate persons to make healthier health practices and supporting them

through self-care, preventative measures, family education, counselling and promoting independence while reducing the incidences of chronic disease such as hypertension, obesity, stroke and diabetes.

Madam Chairman, the 2021/22 budget estimate for the Adult Health, Occupational Health and Wellness programme is listed as cost centre 32130 on page B-161, and the budget estimate is \$488,000.

Madam Chairman, the Adult Health Programme consists of three sub-programmes, which are correctional health for medical services to inmates in correctional institutions; occupational health for medical assessment of recruits to the uniformed services and occupational health services to government employees in hazardous and high-risk occupations; and forensic services to the Bermuda Police Service and medical supervision of detainees in police custody.

Madam Chairman, the 2021/22 budget estimate for Oral Health is listed as cost centres 32150, 32155 and 32160 on page B-162, and the combined budget estimate is \$1,494,000. Madam Chairman, the Oral Health Section continues to provide comprehensive dental services to Bermuda's children up to the age of 18; seniors from age 65 and over; and priority groups including the prisoners at Westgate, Co-ed and the Farm, and other institutions where target groups are being serviced on a regular basis with clinical and preventative programmes.

The 2021/22 budget estimates for Central Laboratory are listed as cost centres 32200, 32210 and 32220, and are listed on page B-162. The combined budget estimate is \$1,213,000. Madam Chairman, the Central Government Laboratory provides a wide range of analytical services. The forensic programme performs seized drug and toxicology analysis. To increase efficiency and reduce waste, this year the urine programme was amended and incorporated successfully into the toxicology analysis within the forensic programme.

Madam Chairman, the 2021/22 budget estimate for Vector Control is listed as cost centre 32190 and is listed on page B-162. And the budget estimate is \$1,547,000. Madam Chairman, Vector Control is a hard-working team that gets results and ensures that threats of rodent-borne and mosquito-borne diseases do not manifest themselves in Bermuda. It is a credit to the team that as an essential service they managed to continue to maintain an active programme of complaint investigation, and proactive baiting and monitoring for pests during 2020/21, which was a very challenging year. No doubt 2021/22 will also prove challenging as the pandemic continues. However, Vector Control plans to be able to continue to provide the essential services.

Madam Chairman, the 2021/22 budget estimates for Environmental Health are listed as cost centres 32170, 32270, 32171, 32172, 32173, 32175, 32180 and 32285 on page B-162. And the combined

budget estimate, excluding Vector Control, is \$2,426,000.

Madam Chairman, the 2021/22 budget estimate for the Sylvia Richardson Care Facility is listed as cost centre 32015 at page B-161, and the budget estimate is \$5,465,000. The 2021/22 budget estimate for Lefroy House Care Community is listed as cost centre 32000, also found on page B-161, and the budget estimate is \$4,738,000. These care facilities provide care and promote independence and optimal health to persons aged 65 and older and have significant nursing and care needs requiring 24-hour facility-based care.

### Revenues

**Sen. Curtis Richardson:** Madam Chairman, revenues for the Department of Health are projected to reach \$3,661,000 for 2021/22. These estimates can be found on page B-163. These revenues come from the sale of medications, vaccines and biologicals; fees for clinical services; patient fees from the two long-term care facilities; as well as fees for licences and permits issued by the Environmental Health Section of the department.

Madam Chairman, this concludes Head 22.

**The Chairman:** Thank you, Senator Richardson.

Would any Senator like to comment or ask questions on the two Heads that have been presented, Head 21, Head 22?

Senator Robin Tucker.

**Sen. Robin Tucker:** Good morning. Thank you, Madam Chairman.

First, I would like to say thank you very much to the Junior Minister and his providing of a very comprehensive brief. It is very much appreciated. Certainly I think that we would all agree that our ability to be able to provide this comprehensive medical attention for our community is obviously of utmost importance. So I am very appreciative of the comprehensive information which has been provided. I will start with—actually, before I start, Madam Chairman, should I ask all of my questions for Head 21 and Head 22? Or should I just stick to one Head and then give him an opportunity to answer?

**The Chairman:** I would suggest, Senator Tucker, that you ask your questions for Head 21 and then give Senator Richardson a chance to respond before you proceed to Head 22. Is that okay?

**Sen. Robin Tucker:** Yes. Thank you very much. I will do that.

**The Chairman:** Great.

**Sen. Robin Tucker:** So my first question on Head 21 is in connection with page B-156, and that is Head 21, business unit 31000—General Administration. Can the Junior Minister provide a breakdown of the estimated expenditures for the \$2,692,000 within this line item and how it compares with the same budgeted expense of 2020/21, particularly given that Ageing and Disability Services and K. Margaret Carter have now moved to Social Development and Seniors?

My second question is from page B-160, business unit 31040—Epidemiology and Surveillance. Can the Junior Minister please explain what “sentinel site recording rates” are, and what type of information a sentinel surveillance has been used to report? And why reporting the average rate and number of sentinel sites reporting, as these [INAUDIBLE 01:20:28] information has been discontinued for the 2020/21 budget as a performance measure?

My next question would be taken from page B-157, subjective analysis of current account estimates on transport. I would just like to get some clarification, because for 2020/21 there was \$4,000 allocated for transportation. But that amount was revised in 2020/21 to \$471,000. Then the 2021/22 budget estimate is \$150,000, representing an obvious \$146,000 increase over the original 2020/21 budget. So can the Junior Minister please provide a breakdown of what the budget expense includes, as [the] \$146,000 increase is a substantial jump from the original \$4,000 budgeted?

And then my last question for that particular Head comes from page B-158, line item 31030. The Junior Minister in his brief mentioned that there were 39 additional bodies that had been added due to COVID-19 to include things like contact tracers and all of that. So I am wondering where payment for these additional bodies will be coming out of, and if he can give some information about what line item these additional persons will be paid from? And how long they may anticipate having the additional bodies and if more persons at some point will be needed? I hope that is clear. It means a lot.

Those are all of the questions that I currently have for Head 21.

**The Chairman:** Thank you, Senator Robin Tucker.

Would any other Senator like to ask questions on Head 21 or make a comment?

Senator Wight.

**Sen. John Wight:** I am waiting for Head 22. Thank you, Madam Chairman.

**The Chairman:** Oh. Okay. I saw you unmute.

**Sen. John Wight:** Yes. No, I was too anxious to get my hand up. So I apologise.

**The Chairman:** Okay. Is there any other Senator who would like to ask questions on Head 21?

**Sen. Marcus Jones:** Yes, Madam Chairman.

**The Chairman:** Senator Marcus Jones.

**Sen. Marcus Jones:** Thank you. Good morning to my fellow Senators and to the listening audience.

Once again, I would like to thank the Junior Minister for his very forthright and comprehensive brief this morning. I truly learnt a lot of things that previously I was not aware of. One of the things that I find very helpful within this Budget Book is the Performance Measures section, this list of outcomes, targeted outcomes that we as legislators look to to make sure that the objectives and the goals that the civil service, technical officers do on a daily basis, I think are very important.

But I found it interesting in looking at them. I am on page B-159 under Head 21, business unit 31000—General Administration. I guess I have not been paying attention to one of these metrics that we have got here, which is to improve employee satisfaction in the Ministry of Health from 61 per cent . . .

Now having worked for a long time within the hospitality industry, if I was to have a measurement of ensuring that my employees were 61 per cent satisfied, Madam Chairman, I would say to you that I would be lacking in staff. Sixty-one per cent seems to be pretty low, in my estimation. And I would be curious to know, is this 61 per cent a magical number? Or was there any context? Were there complaints coming from staff members that this particular Ministry found it necessary to actually have this metric as a part of the performance measures?

I would submit to you, Madam Chairman, that 61 per cent as a target would be fairly low within a Ministry such as Health. Especially coming out of or in the midst of this pandemic, I would suggest that—well, I would ask first and foremost how this figure was used as a target? And once I have heard the answer to that, I would then suggest that maybe we should consider an even higher number.

Now, the following metric under that first one is improving public perception of the Ministry of Health from 49 per cent . . . Forty-nine per cent, again in my estimation, seems quite low as well. As practicing or prospective politicians, 49 per cent would be precariously low for someone in the political arena. But I am now talking about in the health care sector having a perception from the public of 49 per cent seems low. So the question I am getting at, Madam Chairman, is, Can we get some sense of the reasoning and the logic and rationale for these two numbers as the target for employee satisfaction of 61 per cent and public perception of 49 per cent?

Thank you, Madam Chairman.

**The Chairman:** Thank you, Senator Jones.

Is there any other Senator? Ah, Senator Wight does have a question on this Head.

**Sen. John Wight:** Yes. Thank you, Madam Chairman. In fact, I have got a couple of questions. My first one was indeed relating to the first Head. So like my Senate colleague, I found the presentation very helpful by the Junior Minister of Health. So thank you very much for that. It was very interesting and enlightening for me. I just have one question, and I state my conflict of interest up front by saying I am the CEO of BF&M Group, which has a significant health insurance business.

But when you listed the members of the Health Council, and they are all very well-qualified members, one thing I take note of is the fact that there is no representation by any of the private health insurers in Bermuda. And as they collectively are the biggest payers and funding for health insurance in Bermuda, I just find it unusual in the spirit of collaboration that they not be represented. They used to be represented on the Health Council, but they were removed a couple of years ago. So I just ask the question: Why would not the largest payer of health insurance in Bermuda be part of that distinguished group of the Health Council? Thank you, Madam Chairman.

**The Chairman:** Thank you, Senator Wight.

Is there any other Senator who would like to—

*[Crosstalk]*

**Sen. the Hon. Joan E. Dillas-Wright:** Yes, Madam Chairman. I would also like to first of all thank the Junior Minister for his overview. It was absolutely interesting and informative.

I would just like to also ask the question . . . well, I would make a comment about the LCCA. I happen to be a member and have been a member of the LCCA for a number of years. And I was quite surprised when I first looked at the budget and glanced at Administration and then turned to page C-18 and found that the grant had been reduced to \$1,000.

And I was glad to see that it has been moved back to what they received last year, which is \$2,502,000. I just want to say that at this time I am sure it is even worse, but throughout the period you always find that people came to the LCCA for support and particularly when family members had to be sent overseas. And it is not just for people who need help in sending their loved one overseas, but also for paying bills, for food, for electricity and there are other things.

So the LCCA has been in existence for quite a number of years. I just want to highlight the fact that they still do a lot of work. And they need the money that they were given last year. So I am sure they were very pleased to have received this increase.

I do have a question . . . well, a comment—

**The Chairman:** Madam President.

**Sen. the Hon. Joan E. Dillas-Wright:** Yes.

**The Chairman:** I am just going to interject here. I believe the LCCA grant is \$1 million.

**Sen. the Hon. Joan E. Dillas-Wright:** No. That is the point I am making. I need clarification because I saw that the grant was \$1,000 [*sic*] in the book. And when I looked in the Book, it has not been corrected. But I do know when it was discussed in another place that the amount was corrected.

**The Chairman:** Right.

**Sen. the Hon. Joan E. Dillas-Wright:** So if the Junior Minister can confirm that, I will be pleased. But it should be \$2,000 [*sic*].

**The Chairman:** I understand now.

**Sen. the Hon. Joan E. Dillas-Wright:** No, it is \$1 million, and they reduced it again. Well, can I have clarification from the Junior Minister then?

**The Chairman:** Yes.

**Sen. the Hon. Joan E. Dillas-Wright:** Because my understanding was that it was increased. I will leave that for him to confirm.

**The Chairman:** Absolutely. Thank you, Madam President.

**Sen. the Hon. Joan E. Dillas-Wright:** Yes.

**The Chairman:** And do you have any other questions?

**Sen. the Hon. Joan E. Dillas-Wright:** No other questions, but a comment that I am very pleased to see that the Health Council has—particularly I want to commend them on their educational programmes because I happened to see one on the kidney disease.

And I thought it was really very, very good because we do have a high incidence of [kidney disease]. And the educational programmes are really excellent. And I commend them to continue to do so. That was my only question.

**The Chairman:** Okay. Thank you, Madam President.

Is there any other Senator who would like to pose questions on Head 21? If not, we will go back to the Junior Minister, Senator Curtis Richardson.

Senator Richardson.

**Sen. Curtis Richardson:** Thank you, Madam Chairman. And thank you for the questions from all of the other Members of the Senate team.

I do have answers to some of the questions. The first answer I would give, when it comes to the breakdown, the breakdown of the—one second. The breakdown of the budget for line item 31000, that budget consists of salaries, costs for the health reform, rent and administration costs. The question was given that the transportation increased from \$4,000 to \$150,000. This relates to a cost of the import of supplies relating to the pandemic response. In 2020/21 the cost could not be budgeted due to the pandemic starting in March 2020, so that posed some challenges.

A question was asked: Where are the 31 bodies added to the CMO Office for the pandemic paid from? They are actually paid from line item 31997 of the National Health Emergency budget.

Another question: What do the employee satisfaction and public perception indicated numbers represent, 64 per cent and 49 per cent, respectively? Both numbers are from surveys conducted with both cohorts on an annual basis.

Yes, the LCCA budget is the same as in 2020/21 of \$2.5 million and not \$1 million. [For] the other questions, I would have to ask if I can get back to the respective Senators with answers.

**The Chairman:** Okay. Thank you, Senator Richardson.

Can we move on to questions on Head 22? Would anyone like to pose a question?

*[Inaudible interjections]*

**Sen. Ben Smith:** Madam Chairman, may I follow up to some of those answers first?

**The Chairman:** Oh, Senator Smith.

**Sen. Ben Smith:** Yes, please.

Madam Chairman, the answer in regard to the transport line was COVID-19 related. Can we get some clarification of what that means? Because transportation—it seems an odd spot for that to be COVID-19 related as opposed to transportation, is that vehicles? What are we referring to with that number? Can we just get some more information on that?

Thank you.

**The Chairman:** Thank you, Senator Smith.

Senator Richardson, do you have that information?

**Sen. Curtis Richardson:** I do not have that information now at this present time. I will get it back to you in due time.

**The Chairman:** Okay, that is fine. You may get it during the course of our discussion on Head 22.

**Sen. Curtis Richardson:** Sure.

**The Chairman:** Did anyone else wish to follow up on the responses to the questions for Head 21?

Senator Tucker. You have to unmute yourself.

**Sen. Robin Tucker:** Madam Chairman, my question is in connection with the response to business unit 31000—General Administration. I would just like to get a little bit of clarity because the Junior Minister did mention that salaries, rent and other things were coming out of that \$2.6 million budgeted line item. But I am just wondering, and hopefully he can provide some clarification. Ageing and Disability and K. Margaret Carter moved to the Ministry of Social Development and Seniors. I am just wondering why the extra funds are put into this line item? I would have expected to see a greater decrease in the amount budgeted. If he can provide some clarity along that, I would appreciate it.

**The Chairman:** Okay. Thank you, Senator Tucker.

Senator Richardson, that is another follow-up for you.

**Sen. Curtis Richardson:** Thank you, Madam Chairman, and thank you, Senator Tucker. I am seeking proper response to that added question if you could just give me a minute.

**The Chairman:** Okay. That is fine. Shall we wait for the clarification, or can we progress to Head 22?

**Sen. Curtis Richardson:** I think we can progress to Head 22.

**The Chairman:** Okay. Thank you, Senator Richardson.

Would any Senator like to ask questions on Head 22?

I see Senator Tucker, and she will be followed by Senator Wight.

Senator Tucker.

**Sen. Robin Tucker:** Thank you, Madam Chairman.

My first question comes from page B-163, Professional Services. So the original budget for 2020/21 was \$922,000. It was revised for 2020/21 to \$1.42 million. Then the estimate for 2021/22 is \$1.276 million, an increase of \$354,000 from the original 2020/21 budget amount.

Can the Junior Minister provide a breakdown of the estimated expenses for the \$1.276 million within this line item and how it compares to the same budgeted expenses from 2020/21?

The next question is taken from page B-163, Performance Measures, business unit 32030—Child Health. The percentage of five-year-old students assessed by health parameters and developmental milestones in the original 2020/21 budget is 60 per cent. However, the target amount for 2021/22 is reflected as zero. Can the Junior Minister explain why it is reflected at zero?

The next question is taken from page B-165, Performance Measures, the same business unit. The percentage of home visits to mothers with infants within 14 days of delivery to promote health and well-being of the family, for the 2020/21 budget, it was 95 per cent, which is obviously excellent. But the targeted outcome for 2021/22 is 75 per cent. So given the importance of promoting optimum health as early as possible and in alignment with the Health Department's mission, which is to promote and protect optimal health and well-being in Bermuda, the 2021/22 target is a little low compared to the actual reported in 2019/20. So can the Junior Minister clarify the difference for me? Well, first of all can he speak to that?

And then the second part is can the Junior Minister clarify the difference between home visits within 14 days of delivery and screenings for maternal well-being at six weeks, assuming that this six weeks is after delivery? And is there another visit within 14 weeks? Because I would like to know, what is the difference between these two readings?

Another part to that question or related to that is I would like to know how many home visits were made in 2019/20, and did the reduction of four staff in the Community Health Department—will that have any impact on the home services that the department will be able to deliver to mothers and their newborns?

The next question is taken from page B-167, Performance Measures, business unit 32110 on Nutrition. Can the Junior Minister confirm the number of children in government and private primary middle and high schools who are considered overweight and obese?

The next question, business unit 32171. Can the Junior Minister please provide an analysis on the impact of public health provided by the sugar tax that was implemented?

**The Chairman:** And I will just add that is on page B-168.

**Sen. Robin Tucker:** The next question comes from page B-170, Performance Measures, 32230—Administration. The health and well-being of our community is such an important area that setting the strategic result has been an *ongoing* performance measure since 2019/20, and then again for 2020/21 and again this budget year 2021/22. The results for each budget year have been reported as *ongoing*. So can the Junior Minister confirm when the department's strategic plan will be completed?

And my last question in relation to Head 22 comes from page B-172, Occupational Safety and Health. Can the Junior Minister explain why the number of dangerous occurrences remains at 12 for 2019/20, for 2020/21 and the target outcome for 2021/22? I would like to . . . I would be interested to know what measures are being taken to decrease the number of dangerous occurrences and to meet the department's objectives, which are to promote a safety culture and reduce injuries?

I would appreciate the responses. Thank you very much. Those are all of my questions.

**The Chairman:** Thank you, Senator Tucker.  
Senator Wight.

**Sen. John Wight:** Thank you, Madam Chairman.

I just have one question of the Junior Minister, which he may be pleased to hear. So my question, if I take the Senator to page B-161, just looking at the total amount at the third column of \$20,926,000 refers to the actual amount spent in the prior year. And when I compared that to the estimates for the 2021/22 year, there is a reduction of roughly \$500,000. So that is very commendable of the Ministry to seek areas where there can be responsible reductions in expenses.

But then if I look at page B-164, the third column in terms of the number of employees was 250 employees in this past year. And that is going up to 276 employees for the forthcoming year. So if we have an addition of 26 full-time equivalents, then I guess I just need some clarification on, where are the reductions in overall expenses if we have added 26 people to the headcount?

Madam Chairman, that is my one question. Thank you.

**The Chairman:** Thank you, Senator Wight.

Are there any other Senators who would like to pose questions on Head 22 in the Ministry of Health?

Senator Marcus Jones.

**Sen. Marcus Jones:** Madam Chairman.

**The Chairman:** You have the floor, Senator Jones.

**Sen. Marcus Jones:** Yes. I could not help but notice, Madam Chairman, that in this particular Ministry, and specifically Head 22, there are actually 10 pages of performance measures for health, which I was very pleased to see because we know that this is one of those things that not only just the Government but the Administration previous to them were focused on, improving the health of Bermudians on the whole, and more specifically children. Now, my colleague Senator Tucker did touch on the question about obesity and the impact of the sugar tax. I know that one of the ob-

jectives of the implementation of that sugar tax was to ensure and to help encourage citizens to consume as little sugar or not abuse the intake of sugar, to improve the health of our citizens.

And so I am now on page B-165, Performance Measures, under business unit 32030—Child Health. One of the performance measures there is percentage of five-year-old students who are overweight or obese or with healthy habits. Five years old is the cut-off. I guess my question would be, if 16 per cent is the targeted outcome projection for the year, it has been pretty level over the last two years, having a high point of 19 per cent back in the 2019/20 year.

My question would be whether or not, or why we do not actually go beyond just the five-year ceiling? Why not go into the middle school age bracket? That is when the kids of that age generally have more disposable income. They have got allowances. They are going to be incentivised to spend some of their lunch money or their allowance on sugary items. I think there should be some way—and it could be a question of the size of the staff—whether they will be able to monitor and check and actually do surveys of the kids who are of an older age than just five years old. Can I get some context or some sort of rationale as to why five years old is the cut-off point for determining or measuring the percentage of children who are actually obese?

Then also there is a measurement for the percentage of five-year-old students assessed for health parameters and developmental milestones. Now, as I look at that particular performance for the target outcome of 2021/22, the target is zero per cent. I guess my question is, Is that an error? Especially since last year's forecast was 60 per cent with an actual revised forecast of 20 per cent coming in, zero per cent seems a bit odd. So if the Junior Minister can clarify for us whether that was an error or whether in looking at the past year's fiscal numbers that there was no need to have a measurement.

Thank you, Madam Chairman.

**The Chairman:** Thank you, Senator Jones.

Senator Ben Smith, I believe you are signalling that you too have questions.

**Sen. Ben Smith:** Yes. Thank you, Madam Chairman.

**The Chairman:** Please proceed.

**Sen. Ben Smith:** Madam Chairman, I am looking at page B-162, item 32240, which is Health Promotion. I am putting it there because I am not sure exactly where what I am about to say should go, but it is still following along the same lines of the sugar tax.

One of the reasons that the sugar tax was put in place was that we were going to be promoting healthy living, and we were going to be trying to reduce the use of sugary items. So my question is, Can

the Junior Minister give us a total amount that has been brought in from the sugar tax to date? And with that information, how much of that money has actually been used to promote the education of healthy eating and lowering the amount that our young people are consuming of sugary items? Because if that was purpose of the sugar tax, we need to know that it is actually being put to that use so that we will then be able to analyse what the reduction [of sugar consumption] is on our population. Thank you, Madam Chairman.

**The Chairman:** Thank you, Senator Smith.

Are there any other further Senators who wish to ask questions or make comments—

**Sen. the Hon. Joan E. Dillas-Wright:** Yes, Madam Chairman. I would like to ask—thank you.

I would like to ask the question, and I am looking at Head 22, Department of Health. I am looking at page B-165, the Performance Measures. And I am specifically looking at Lefroy Care Community, which is the [line item] 3200. And I would like the Junior Minister to have a look at the percentage of incidents resulting in hospitalisation, significant harm or injury to the elderly, including errors, falls and omissions. I see that the actual outcome in 2019/20 was 7 per cent. But it is forecasted to be increased to 15 per cent for this year and next year. And I just want some explanation of why the thought is that this has doubled, that these incidents have doubled. Thank you.

**The Chairman:** Thank you, Madam President.

Are there any other Senators who wish to pose questions on this Head 22 in the Ministry of Health?

Senator Richardson, I do not hear any further questions. But I think you have quite a few to respond to.

**Sen. Curtis Richardson:** Thank you, Madam Chairman.

I do have some questions, some answers to the questions. I want to just jump back to a question that was asked by Minister Wight. I am not sure if I understood the question or heard it correctly. But the answer is our budget is subsidised through MRF [Mutual Reinsurance Fund] at one dollar per insured person per month. I am not sure if that satisfies that particular question he was asking. But he can get clarification once I get the rest of the answers.

The shipping costs [question] asked by Minister [sic] Ben Smith included . . . sorry, the transportation costs included shipping when it came to the relation to the COVID-19 pandemic. So, shipping costs were excessive as calculated into that.

The breakdown—I believe it was Minister [sic] Tucker. The breakdown of—

**The Chairman:** Senator Richardson, I know you are being very generous. You are crowning everyone as a Minister. But—

[Laughter]

**Sen. Curtis Richardson:** I am sorry. [INAUDIBLE]

**The Chairman:** We are still lowly Senators.

**Sen. Curtis Richardson:** My apologies. Speaking to the [INAUDIBLE], I guess.

[Laughter]

**Sen. Curtis Richardson:** The line item 31000 did not include ADS [Ageing and Disability Services] and KMCC [K. Margaret Carter Centre], as they have their own budgets in other cost centres.

Senator Tucker, you had a question with relation to child health. The restrictions on access to schools due to COVID-19 in this school year were done, so screenings were not realised and staff were reassigned for testing or vaccinations.

Senator Tucker again, reference visits. The visits . . . did reduction in staff have impact? (One second.) the HVs [home visits] were reassigned to respond in response to COVID-19 is the answer to that.

Senator Tucker again, How many home visits did reduction in staff impact? Contacts were made by phone. Home visits were limited to high-need and high-risk families in response to COVID-19 restrictions only.

Senator Tucker once again, when will the strategic plan be completed? Due to the reassignment of the Director [because] of COVID-19 and reassignment and focus of many Health Department staff [due] to COVID-19, continue with strategic plan is being compiled.

There was a question on environmental health, the dangerous occurrences [listed] in performance measures. These figures are reported to the department, and things are being done to improve . . . the appointing of an inspector . . . that are made to look over that matter.

Senator Wight, as to your question on the difference in FTE, due to vaccines in 2020, there is a plan to fill these posts in 2021, and a recruitment is ongoing.

Senator Tucker, the five-year-old cut-off in health care . . . I think that was Senator Tucker. I remember Senator Jones also asked something about the five years. The five-year-old cut-off is not the cut-off. It is the baseline. And COVID-19 restrictions are impacting access to schools and staffing.

Senator Tucker, the Premier's Health Council initiative, Health and Fitness, is the method for addressing and monitoring overweight and obesity for

older children. I believe that is actually directed at Senator Jones. I would like to remind all Senators that I mentioned in my brief that there are health programmes in all of the schools. And 30 out of the 33 schools have taken part in these programmes, with the healthy eating.

That may help to satisfy questions coming in from the sugar tax as well. Certainly the sugar tax, the main objective, Senator Smith, the main purpose of the sugar tax was not to curb the eating of sugary items by young children alone; it is a much broader initiative that the sugar tax satisfies.

And Madam President asked with relation to the numbers or the percentage of the ageing communities, we do recognise that there is an increase in the ageing population, so that has been taken into consideration as we have a higher ageing community than we have a birth community coming.

The other questions that may have not been answered I would ask if I could send an email response to them, as they have been recorded. The technical staff that we do have, most are unfortunately at home on quarantine. So we do have these questions recorded, and I will get back to you. If you do not mind, Madam Chairman, I will get back by email response to each Senator.

**The Chairman:** Thank you, Senator Richardson, for the responses and for the promise of more responses in due course. But there is some follow-up with regard to the responses you have given.

Senator Robin Tucker, I believe you have something you want to follow up on.

**Sen. Robin Tucker:** Yes. Thank you, Madam Chairman.

If the Junior Minister could just provide some clarity around the actual—sorry. This is in regard to my question about the number of children in the government and private primary, middle and high schools who are considered overweight. I thank the Junior Minister for giving me information about the seniors' Health Council [initiative]. But my question really was in relation to, what is the number of children who have been identified as being obese or overweight?

And also I would like to know if the Junior Minister's response, the strategic plan . . . I would like to know whether there is a deadline for completion. As you can appreciate, my question is coming from the fact that there are multiple budget years where the plan has been moved forward. So, I think it is a legitimate question to ask, What would be the potential deadline to have that strategic plan finalised?

Thank you, Madam Chairman.

**The Chairman:** Thank you, Senator Tucker.

Senator Wight, you have the floor.

**Sen. John Wight:** Thank you, Madam Chairman.

And so, the Junior Minister's response to my question was helpful in understanding the additional staff who will be brought on board for the coming year. So that was helpful. Thank you.

I am still left understanding where the cuts will be in terms of the Health Department's budget being \$500,000 less in the coming year than was incurred in the past year. So if the Junior Minister could follow up on that for me, this would be very helpful.

Thank you, Madam Chairman.

**The Chairman:** Thank you, Senator Wight.

And, Senator Ben Smith, I believe you have a follow-up as well?

**Sen. Ben Smith:** Yes, Madam Chairman. Mine are specific to the sugar tax questions. The Junior Minister said that it was not specifically for children. But I am wondering if he can give us some clarity on my specific questions, which were: How much money has been brought in from the sugar tax? And with the money that has been provided from that sugar tax, how much of it has gone to the education for our population and on reducing the cost of healthy foods? Because that was the mandate of this sugar tax.

Otherwise, the sugar tax ends up in the same position as the other sin taxes like tobacco and alcohol, where it is just being dumped into the Consolidated Fund and not going towards the purpose that it was set up for. It is important that we get clarification on that specifically.

Madam Chairman, I would also like to just ask a quick question on page B-169, line item 32190, which is Vector Control. I see in the Performance Measures there is specific information on mosquitos and rodents. I am wondering if the Junior Minister can let us know whether there are any numbers on the feral chicken issue that happens across the entire Island and whether there is something that is being done to lower that number before it really gets out of hand. Thank you.

**The Chairman:** Thank you, Senator Ben Smith.

Senator Jones, I believe you have follow-up as well?

**Sen. Marcus Jones:** Yes, Madam Chairman.

I just wanted to, I guess reiterate, or clarify my question as it relates to the five-year-olds. And I appreciate the Junior Minister giving us clarity on the five-year-old age as not the ceiling or not the cut-off point but the baseline. So that truly helps me. I was simply asking if the target outcome of 2021/22 of zero per cent . . . is it an error? I did not get that clarity. Or whether there is a rationale for why it is zero or not. So if he could, you know, check with the technical officers and see if it is a mistake, or if it is an actual number that they have derived that makes sense in this particular performance measure.

Thank you, Madam Chairman.

**The Chairman:** Thank you, Senator Jones.

I think that may be all of the follow-up questions and comments, Senator Richardson.

**Sen. Curtis Richardson:** Thank you, Madam Chairman.

**The Chairman:** Do you have any further responses or—

**Sen. Curtis Richardson:** I just have a few further responses I can provide, yes.

**The Chairman:** Okay.

**Sen. Curtis Richardson:** Senator Tucker, for clarity on the child and the public, that children have been identified as obese, that number would be 24 per cent of the children have been identified as obese.

One second. Madam Chairman, I would ask if I can provide emailed answers to the rest of the questions if I could. Thanks.

**The Chairman:** Okay. Thank you, Senator Richardson. That will be fine. I know you are working under extraordinary circumstances. And we all are.

**Sen. Curtis Richardson:** Yes.

**The Chairman:** But emailed responses will be fine.

**Sen. Curtis Richardson:** Thank you, Madam Chairman.

**The Chairman:** Senator Robin Tucker, do you have further follow-up?

**Sen. Robin Tucker:** Yes, thank you.

I thank the Junior Minister for his response concerning the 44 *[sic]* per cent. For me and the listening audience, to appreciate what that number means, if he could at least provide us . . . if he is unable to provide us an actual number of children who are identified in those categories, then at least if he could provide us with a number, total number of children in the public and private schools so that we can get an appreciation for what that 24 per cent actually means.

In addition to that is that he . . . because the question I asked was on two different categories. So those who are considered overweight and those who are considered formally as obese. So it would be great to be able to have some idea of where the children and that 24 per cent actually sit.

Thank you, Madam Chairman.

**The Chairman:** Thank you for the clarification, Senator Tucker.

Is there any further follow-up from any other Senator?

It does not appear that there is more, Senator Richardson. So we have just a couple of minutes left. And if you do not have any further responses to the questions, Senator Richardson, I would suggest that you go ahead and move the two heads.

**Sen. Curtis Richardson:** Thank you, Madam Chairman. I do not have the remaining answers at this point.

Madam Chairman, I move that the said motion be approved and that the following—

**The Chairman:** You have to move the Heads, Senator Richardson.

**Sen. Curtis Richardson:** I am sorry. All right.

Madam Chairman, I do move that the Committee do now take under consideration . . . (One second, Madam Chairman.)

*[Pause]*

**Sen. Curtis Richardson:** Madam Chairman, before I move the Heads, I do have just a couple of the answers to the questions if you want me to provide those before I move the heads.

**The Chairman:** Yes. Please.

**Sen. Curtis Richardson:** Okay. The question from Senator Wight, the lower budget was because the ADS [Ageing and Disability Services] was moved.

And as far as Senator Tucker, I would like to refer you to the recent STEPS survey that has the percentage for the overweight children.

And with that, then I would like to move the Heads now.

**The Chairman:** I believe there is clarification that Senator Tucker is seeking, Senator Richardson.

**Sen. Curtis Richardson:** Okay. Okay.

**The Chairman:** Senator Tucker, go ahead. You have the floor.

**Sen. Robin Tucker:** Thank you, Madam Chairman.

I would just like to ask if the Junior Minister could point me towards the survey that he is mentioning. I am not quite sure where that is. Thank you.

**The Chairman:** Senator Richardson, do you have that information? What survey were you referring to?

**Sen. Curtis Richardson:** I do not have it on hand right now. I will respond. But we will get that to you, Senator Tucker. I can say that 90 students out of 478

were deemed to be obese, if that helps, in addition to your question.

**The Chairman:** Okay. Thank you, Senator Richardson.

Would you please go ahead and move the two Heads?

**Sen. Curtis Richardson:** Yes. Madam Chairman, I move that Heads 21 and 22 be approved.

**The Chairman:** Is there any objection to that motion?

**Sen. Robin Tucker:** Excuse me, Madam Chairman.

**The Chairman:** Yes, Senator Tucker.

**Sen. Robin Tucker:** [INAUDIBLE] question.

*[Inaudible interjections]*

**The Chairman:** We do have a motion on the floor now. If it is really pressing, I would ask if Senator Richardson will accept this.

**Sen. John Wight:** It would take 10 seconds to ask Senator Richardson. Just for my understanding, what ADS stands for? And if it was moved, where was it moved, and how much was moved? So just that would be helpful for my understanding.

Thank you, Madam Chairman.

**Sen. Curtis Richardson:** Madam Chairman, I appreciate that question.

I will send a more detailed email response to you, Senator Wight.

**The Chairman:** Thank you, Senator Richardson. Thank you for your accommodation there.

**Sen. Curtis Richardson:** No problem.

**The Chairman:** Would you like to just backtrack and move the Heads again? Sorry.

**Sen. Curtis Richardson:** No problem.

Madam Chairman, I move that Heads 21 and 22 under the Ministry of Health be approved.

**The Chairman:** Is there any objection to that motion?

Is there any objection?

There is no objection.

So these Heads are moved.

*[Motion carried: The Ministry of Health, Heads 21 and 22, were approved and stand part of the Estimates of Revenue and Expenditure for the year 2021/22.]*

**The Chairman:** Thank you so much, Senator Richardson. And thank you to everyone for having a very healthy debate. No pun intended, of course. (Sorry.)

We now have roughly just about 20 minutes left in this time period. And I am going to ask Senator Richardson, who is responsible for the next Ministry we are to debate, if he would like to proceed now to the debate on the Ministry of National Security or if we should break early for lunch.

**Sen. Curtis Richardson:** Thank you, Madam Chairman.

The National Security, as you can see in the schedule, is quite lengthy. I would ask if we can break a little bit early for lunch and come back early, if you want, to keep the same timeline.

**The Chairman:** Okay. We can break now. It is almost 12:15. So if we break for lunch at this point, shall we come back at 1:45, or earlier?

**Sen. Curtis Richardson:** I would think that 1:45 would be sufficient.

**The Chairman:** To 1:45.

**Sen. Curtis Richardson:** Yes.

**The Chairman:** Okay.

**Sen. Curtis Richardson:** Thank you.

**The Chairman:** Madam President, I believe you have to deal with this.

*[No audible response]*

**The Chairman:** We cannot hear you.

**Sen. the Hon. Joan E. Dillas-Wright:** Sorry. I just had to unmute myself. Yes. Thank you very much, Senator Michelle Simmons.

Senators, we will break for lunch and return at 1:45, as has been suggested by Senator Richardson.

Thank you all.

**Some Hon. Senators:** Thank you, Madam President.

**Proceedings suspended at 12:15 pm**

**Proceedings resumed at 1:45 pm**

*[Sen. Michelle Simmons, Chairman]*

## **COMMITTEE OF SUPPLY**

### **ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2021/22**

*[Continuation thereof]*

**The Chairman:** Good afternoon, Senators.

We are in Committee of the Whole [Senate] for further consideration of the Appropriation Act 2021 together with the Estimates of Revenue and Expenditure for the financial year 2021/22.

The Ministry under consideration this afternoon is National Security. There are four Heads which will be debated. They are as follows: Head 6, which we find on page B-265 of the Budget Book; Head 7, which is on page B-269; Head 25, on page B-278; and Head 45, which is on page B-281.

Two hours have been allocated to this debate and the Senator in charge is Senator Curtis P. Richardson, Junior Minister for Health, National Security and Transport. It is now 1:46 pm, and Senator Richardson you may begin. We will end debate on these Heads at 3:46 pm.

I am not sure, Senator Richardson, if you would like to proceed with all of them or if you want to divide them into two groups and do Heads 6 and 7 together and then Heads 25 and 45. But that is up to you.

Senator Richardson, you have the floor.

**Sen. Curtis Richardson:** Thank you, Madam Chairman. Just for your information, I would prefer to do all matters back to back.

**The Chairman:** Okay. That's fine.

**Sen. Curtis Richardson:** Okay?

**The Chairman:** Mm-hmm. Please proceed.

**Sen. Curtis Richardson:** Madam Chairman, I move that the Committee do now take under consideration Head 6, Defence; Head 7, Police; Head 25, Department of Corrections; and Head 45, Fire Services.

## MINISTRY OF NATIONAL SECURITY

### HEAD 6—DEFENCE

**Sen. Curtis Richardson:** Madam Chairman, under Defence, Head 6, found on pages B-265 through B-268 of the Estimates of Revenue and Expenditure 2021/22.

#### Executive Point Brief

**Sen. Curtis Richardson:** The executive point brief is as follows:

- enactment of the Defence (Coast Guard Unit) Amendment Act;
- hired nine Coast Guard personnel;
- will hire five more Coast Guard personnel;

- assisted and assisting Cayman and TCI [Turks and Caicos Islands] in establishing Regiments similar to the Royal Bermuda Regiment;
- providing maritime expertise to other Overseas Territories;
- supported COVID-19 restrictions, including shelter in place, for 175 days on land and sea;
- responded to two hurricanes;
- has the highest number of volunteers in its history;
- retention is high; and
- the institution plays a meaningful role in developing better citizens.

#### The General (Executive) Summary

**Sen. Curtis Richardson:** Madam Chairman. Head 6 comprises the Defence Department and the Royal Bermuda Regiment (or the Regiment). The Regiment's irreplaceable role is to provide operational and surge capacity to support Bermuda, the Government and its people. In the past year it has once again distinguished itself in two meaningful ways: first through adapting itself to enforce COVID-19 regulations, which represented the longest operation for any Bermuda-based military since World War II. Second and simultaneously, it established the Coast Guard Unit, a plan in progress since 1977. Concurrently, the Regiment recruited a record number of volunteers, supported the Ministry of Health in several areas, responded to consecutive hurricanes and continued to act as an institution which adds to the fabric of the Bermuda society.

#### Mandate

**Sen. Curtis Richardson:** Madam Chairman, under the authority of the Defence Act 1965, the Royal Bermuda Regiment's mandate is to be a military force maintaining the necessary standards of manpower, training and equipment to enable it to perform its assigned roles efficiently and effectively at home and overseas. It conducts its training and operations while also acting as a centre of excellence for primarily young Bermudians to personally and professionally develop whilst serving their country.

New Current Account funding provided to the Department and its proposed uses. Madam Chairman, the Regiment's top-line finances for 2020/21 versus 2021/22 are as follows and are further explained on page B-266: The original estimate for [2020/21] was \$7,959,000. The estimate for 2021/22 is \$7,282,000, a decrease of \$677,000. The percentage of change was [9.0] per cent. The total funding for Defence for the coming year is \$7,282,000. This reflects a decrease of \$677,000, which is 9.0 per cent less than the 2020/21 budget for Defence.

This decrease comes at a time when the expenses of the Royal Bermuda Regiment have increased due to the final pay-out of the salary cost-of-living increase back to 2017, which was 2.5 per cent for April 2017 to March 2018, and 2.0 per cent between April 2018 to the present time, to a total of 4.5 per cent. In order to achieve this, the Royal Bermuda Regiment has frozen two full-time posts, reduced the part-time soldiers' training periods, reduced part-time soldiers' pay rates by 10.0 per cent for the 2021/22 budget year, and a reduction in operational expenses. This can be found on page B-266 in the Budget [Book].

You will also note the increase of \$2,439,000 in cost centre 16010 Regiment Headquarters, and a decrease from cost centres 16020 Quartermaster, 16030 Ceremonial, 16040 Internal Security, 16060 Bermuda Cadet, 16075 Overseas Camp, 16080 Training and Validation, and 16085 Marine Operations. This is a reflection of full-time employees being consolidated into [cost centre] 16010, in addition to the reductions that have been mentioned.

### Capital Acquisition Funding

**Sen. Curtis Richardson:** Madam Chairman, the Ministry of National Security has approved \$218,000 of capital acquisition funding for Defence. Of this funding, \$200,000 will allow the Regiment to continue with its replacement and refurbishment of its ageing vehicle fleet, and \$18,000 is for operation equipment, primarily allocated to the Coast Guard.

### Personnel

**Sen. Curtis Richardson:** Madam Chairman, the Regiment currently employs 39 full-time staff, of which three are civilians employed in administration, finance and grounds keeping, respectively. With the addition of the five Coast Guard posts and the freezing of two Royal Bermuda Regiment [RBR] full-time posts, they will now employ 38 full-time staff in [cost centre] 16010, Regiment Headquarters, bringing the total full-time staff to 42. All staff will now be accounted for in these two cost centres as you will see on page B-267.

### Mission and Roles

**Sen. Curtis Richardson:** Madam Chairman, under direction of the Governor as Commander in Chief and in consultation with the Ministry of National Security, the Regiment's finances are used to execute its revised mission of *protecting Bermuda's interests*. It achieves this mission by conducting the following mandated tasks:

Coast Guard. Madam Chairman, I am pleased to report that as of Monday, the 1<sup>st</sup> of February 2021, the Defence (Coast Guard Unit) Amendment Act 2018 was enacted and the Royal Bermuda Regiment has

formally assumed maritime operations from the Bermuda Police Service. The Royal Bermuda Regiment Coast Guard represents a meaningful commitment by the Government to provide safety and security on and in Bermuda's waters for recreational users and those who depend on our blue economy. Over the next year they will continue to develop their capability through hiring an additional five full-time Royal Bermuda Regiment personnel who will carry out the following tasks:

- a. search and rescue or recovery;
- b. interdiction of marine smuggling operations;
- c. deterring criminal activity on the water;
- d. enforcement of fisheries regulations; and
- e. enforcing maritime regulations and ensuring maritime border and port security.

Madam Chairman, the Regiment is also mandated to conduct the following duties:

A. Force Protection. These are the means and measures to minimise the vulnerability of people, infrastructure, and high-value assets from threats and hazards. This ranges from military security and public order to explosive ordnance disposal.

B. Humanitarian Aid and Disaster Relief. This is the organised military response to alleviate the results of a man-made or natural catastrophe, the consequences of which put lives and livelihoods at risk. Ranging from hurricanes to oil spills and fires, the priorities are saving life, relieving suffering, limiting damage, restoring essential service and setting the conditions for recovery.

C. Ceremonial. The Regiment provides the only local professional-standard military band and accompanying troops to conduct national ceremonial and civic events.

D. International Assistance. Upon request, the Regiment can provide military skills and resources to assist the UN, NATO and regional peace support operations or training, [all of] which enhance Bermuda's reputation in the international community.

E. Enhancing Bermudian Society. Since its inception, the Royal Bermuda Regiment has provided an important role by supporting the integration and development of Bermudian society in the form of

- a common military experience for volunteers from across Bermuda's society;
- the opportunity to enhance life and vocational skills;
- involvement in Regimental and wider community sporting and social activities; and
- youth engagement through Junior Leaders, and in partnership with the Bermuda Police Service the facilitation of the Outward Bound Adventure Training Centre.

It conducts the majority of these tasks in partnership with or in support of other government departments, specifically the Emergency Measures Organisation (EMO), Maritime Operations Centre, Department of Environmental Protection, Disaster Risk Reduction and Mitigation (DRRM) Team, Bermuda

Police Service, Bermuda Fire and Rescue Service, and Bermuda Hospitals Board.

### Output Measures and Objectives

**Sen. Curtis Richardson:** Madam Chairman, the Regiment successfully completed its preparations and training for the past hurricane season. In February the Regiment had a successful recruit camp with 47 volunteers participating.

There will be an additional recruit camp in July of 2021. Although COVID-19 restrictions will see the Regiment conduct the majority of its training in Bermuda this year, they will send a detachment of 12 soldiers to Guyana in May as part of Exercise Tradewinds 2021. During this two-week period our soldiers will be trained and evaluated alongside 14 other Caribbean countries.

Through a targeted recruiting and retention plan the Regiment has surpassed its voluntary enlistment goal, and in June of 2021 is forecasting to retain at least 80 per cent of their long-serving soldiers. Although statistics for soldiers passing annual training tests appear static or as a decline, this is due to an increase in testing standards.

### Major Achievements for 2020/21

**Sen. Curtis Richardson:** Madam Chairman, in addition to its COVID-19 response and establishment of the Coast Guard, the Royal Bermuda Regiment has

- commissioned its first female officer in 30 years. Second Lieutenant Tucker completed her Royal Academy Sandhurst training in November of 2020;
- provided personnel for the management of COVID-19 testing sites and vaccination centres;
- enhanced its recruiting and retention at all ranks, which means it has the highest level of manning since the end of conscription;
- provided training, policy and publications for the establishment of sister units in the Cayman Islands and Turks and Caicos Islands;
- assisted the Royal Virgin Islands Police Force Maritime Unit. This was achieved through two soldiers and one officer being sponsored by the UK FCDO [Foreign Commonwealth and Development Office] and MOD [Ministry of Defence] as shipwrights and technicians to service and overhaul their maritime vessels. This demonstrated the Coast Guard's upholding its promise of working inter-operably with other Overseas Territories for mutual benefit.

### Closing Remarks

**Sen. Curtis Richardson:** Madam Chairman, this past year has once again proved that the Royal Bermuda

Regiment is an organisation with proud traditions and a structure, ethos, training and management which provides an essential role to the country in routine matters and times of emergency on land and at sea. Madam Chairman, I am thankful to the Commanding Officer, Lt. Col. Ben Beasley, and the team at the Royal Bermuda Regiment for their dedication during the fiscal year 2020/21.

**The Chairman:** Thank you, Senator Richardson.

I assume you are going to progress to Head 7, the Police.

## HEAD 7— BERMUDA POLICE SERVICE

**Sen. Curtis Richardson:** The Bermuda Police Service, Head 7, can be found on pages B-269 through B-273 of the Estimates of Revenue and Expenditure 2021/22.

### Executive summary

**Sen. Curtis Richardson:** The Bermuda Police Service has completed a new strategic and operational plan for the period 2021–2026.

The Bermuda Police Service Gang Targeting Team continues to work with the National Security Ministry's Gang Violence Reduction Team to reduce the threat in this area and seek to divert persons from gang-related criminality. However, significant risk remains from gun-related violence to which the Bermuda Police Service continues to deter such acts through effective use of intelligence and specialist policing.

In the 2021/22 budget, costs directly associated with marine policing are transferred to the Royal Bermuda Regiment. Staffing of the previous Marine Section on a temporary basis will be utilised in support of the new Coast Guard as it journeys towards full Royal Bermuda Regiment resources.

The Bermuda Police Service continues its work in regard to the standards of professional behaviour and anti-corruption policy and procedure to which relevant best practice is being utilised by the National Anti-Corruption Committee in support of other government departments and the United Nations Anti-Corruption Self-Assessment for Bermuda. The Bermuda Police Service also continues its work in support of the National Anti-Money Laundering Committee [NAMLC] to prevent financial crime, money laundering and counter-terrorism funding with strategic focus to maintain its excellent Caribbean Financial Action Task Force [CFATF] grading.

The Bermuda Police Service further continues its work in support of the National Cybersecurity Governance Board to prevent or respond to cybersecurity matters and maintain Bermuda's reputation as a premier international financial jurisdiction.

New current account funding provided to the department and its proposed uses. The Bermuda Police Service has received an operational budget settlement for the financial year 2021/22 of \$61,298,000, which can be found on page B-270, a decrease of \$145,000 (\$61,443,000 in 2020/21).

Bermuda Police Service staffing for the financial year 2021/22 is 478, which can be found on page B-272, with the previous year being 518, a decrease of 40 people. The Bermuda Police Service has aligned its organisational structure to maintain its community safety agenda and the prevention of criminal risks locally and internationally through a cohort of 400 police officers, 7 cadets and 71 staff, which can be found on page B-272.

### Capital Projects

**Sen. Curtis Richardson:** Technology capital funding, found on page C-15, is \$150,000 in 2020/21. In 2021/22 it is \$250,000.

BPS network switches are more than 10 years old and are both end-of-life and end-of-support. Additionally, the firewalls that secure the network are ageing and no longer able to cope with the day-to-day data throughput of the network. To mitigate the significant risk, the first instalment of this multi-year project will be to replace the core network switches and primary firewall.

Intelligence and systems, \$65,000, found on page C-15. This is a new addition. The primary computer room which houses the Bermuda Police Service's computers, servers, telephone systems and network equipment is severely in need of its fire suppression system, cooling systems and UPS systems being replaced. Failure to complete these works puts millions of dollars of equipment at risk. The Bermuda Police Service is pleased that the Government has funded these replacements for the 2021/22 financial year.

New initiatives in the department and items being implemented under strategic plans. The Bermuda Police Service has introduced a new strategic and operational plan for the period 2021–2026 with five key priorities:

- reducing serious crime and protecting vulnerable persons;
- raising confidence in the police;
- reducing harm on our roads; and
- working in partnership; and
- developing digital policing.

Additionally seven new strategic ambitions have been set to support members of the Bermuda Police Service in achieving their full potential and assisting their professional development. The plan will be governed by the Bermuda Police Service Strategic Executive Group, and progress will be communicated to the public.

### Highlights from the Current Fiscal Year

**Sen. Curtis Richardson:** Madam Chairman, there were a few high-profile investigations during 2020/21. The COVID-19 pandemic of 2020 and into 2021 led to significant changes in policing.

Government legislation was introduced to reduce the risk of COVID-19 transfer, including shelter in place, curfews, physical distancing measures and regulations directing COVID-19 prevention procedures within the retail and leisure sectors, which the Bermuda Police Service continues to police. During this period the Bermuda Police Service has seen a reduction in property crime; however, there has been an increase in incidents relating to vulnerable victims, such as domestic abuse and mental health-related matters, causes of which range from issues such as home confinement to an inability of the public to effectively socialise.

It was also noted that during the immediate periods preceding curfew compliance the community experienced an increase in road traffic incidents to which the Bermuda Police Service responded through road checks, the deployment of the Roads Policing Unit and communications with the public through mainstream and social media platforms.

In 2019 Bermuda saw no recordings of homicides, a position not previously seen. In 2020 there were, tragically, seven lives lost through homicide, notwithstanding the significant prevention of other acts of gun violence by the Bermuda Police Service in partnership with the Government's Gang Violence Reduction Team. However, this ongoing partnership work has resulted in zero homicides recorded so far for 2021.

The Bermuda Police Service Financial Crime Unit, in partnership with the National Anti-Money Laundering Committee [NAMLC] and with the Attorney General's Office, has successfully recovered criminal assets. This includes a section 51 cash forfeiture of \$84,213, a Proceeds of Crime Act [POCA] confiscation of \$1.8 million and a recovery of \$880,000 from the BVI [British Virgin Islands] to the Bermuda Government relating to a previous financial investigation assisted by the Bermuda Police Service.

Going forward into 2021, the following cases are pending: Section 50/51, a total of \$78,585; and a cash seizure of \$44,100. The case is pending. The following matters are either restrained or soon to be restrained pending court action: \$179 million pending restraint soon; \$82.5 million restrained in Switzerland; \$4 million restrained pending criminal trial; \$2,691,300 restrained; \$10 million restrained; \$330,000 restrained; and \$448,000 restrained.

Policing issues for 2021/22. Given the challenging economic outlook for the Island, the Bermuda Police Service is attentive to the potential for social unrest and associated public protests. The Bermuda Police Service Special Branch Unit continues to miti-

gate these concerns with effective monitoring of social media, intelligence processes and early engagement to address areas of concern.

The Government of Bermuda has been extremely vigilant in its efforts to prevent the COVID-19 virus in the community, with the immediate introduction of a lockdown, curfews and extraordinary efforts in getting the COVID-19 vaccine to the community.

As a result of these proactive measures and the international travel community recognising Bermuda's actions, it is expected that tourism will potentially increase over the coming months, noting the likelihood of new strategies to increase visitors by Government and Bermuda's Tourism Authority.

It is therefore anticipated that the summer months will bring challenges to community safety across the Island, as residents and overseas visitors seek to socialise in large numbers on beaches, on the water and within bars and restaurants. These challenges include but are not limited to increased tensions and risks between gangs, antisocial behaviour, house and beach parties, and drink driving. Additionally, organised events that do take place may present greater policing challenges in comparison to previous years, not least in managing public safety and safe socialising alongside the maintenance of COVID-19 regulations.

Recruitment updates and efforts to reduce overtime: Government having enabled the funding of 400 police posts and associated civilian staff positions. At the time of writing, the Bermuda Police Service has 393 police officers, which factors in all post 55 positions from the 1<sup>st</sup> of April of this year, thereby leaving seven vacancies. However, in light of future retirements and other leavers, the Bermuda Police Service will find itself with 14 total vacancies on September the 1<sup>st</sup>, 2021. Further vacancy risks exist in light of potential dismissals or resignations related to current disciplinary inquiries. To run a recruitment foundation programme, it takes six months from the point of advert to course commencement. Therefore, the Bermuda Police Service will soon be advertising for new officers.

I would like to thank the Commissioner of Police, Mr. Stephen Corbishley, and the members of the Bermuda Police Service for their continued hard work in accordance with their mission statement, *Making Bermuda Safer*. Thank you, Madam Chairman.

**The Chairman:** Thank you, Senator Richardson.

## HEAD 25—DEPARTMENT OF CORRECTIONS

**Sen. Curtis Richardson:** Madam Chairman, under Head 25, Department of Corrections. is found on pages B-294 through B-296 of the Estimates of Revenue and Expenditure for 2021/22.

Madam Chairman, it is my pleasure to present Budget Head 25 for the Department of Corrections.

The proposed budget for the general operations of the department is reflected at \$22,829,000. The mission of the Department of Corrections is to protect the public and provide rehabilitative services with the aim of empowering inmates to be responsible and productive citizens.

The Strategic Plan for 2018 to 2020 has served as a guide to fulfil the mission. Some of the targets met for fiscal year 2020/21 within the specified goals include:

- Staff development and training.
  - There were 541 staff training hours for the fiscal year 2020/21.
  - Nine staff trained in Mental Health First Aid.
- Effective rehabilitation programmes.
  - Upgrade of the computer labs at the Farm and Co-educational facilities.
  - Life Minus Violence enhanced.
  - Life Minus Violence harmful sexual behaviour for sex offenders.
  - Individual cognitive behavioural therapy including trauma-focused.
- High standards of security.
  - Twenty-eight staff are trained in use of force/theory only.
  - CCTV upgrades to the Farm, Westgate and Co-Educational Facilities.
  - Installation/repair of internal razor wire fence at Westgate Facility.
  - Installation/repair of internal razor wire fence at the Co-Educational Facility.
  - Issuing new handheld mobile and base public radios to all facilities.
- Operational efficiency.
  - Reductions in purchase of food as chickens at the Farm Facility and the Co-Ed Facility have produced over 3,600 eggs to date.
  - Over 7,600 pounds of produce produced by the Farm facility, distributed to the three facility kitchens.
  - And 75 pounds of honey were extracted from the bee house at the Farm Facility.
- Physical plant upgrades.
  - Professional cleaning for some areas in the facilities. Hot-water boilers installed at Westgate Facility.
  - Roofs and Tanks cleaned and repaired at the Farm Facility.
  - Stove replaced at the Farm Facility.
  - Old and worn carpet replaced with tile at the Co-Educational Facility.
  - Repaired/replaced air-conditioning units at Westgate.
- Efficient and prudent financial management.
  - Provided budget training and financial instruction awareness for all budget managers.

- Continued to monitor/address those with excessive sick leave.

Madam Chairman, the 2020/21 fiscal year was challenging for the department as a result of the COVID-19 pandemic. However, a Pandemic Response Team was quickly established with the responsibility of overseeing all matters pertaining to the pandemic. A Pandemic Plan and Policy was created and immediately implemented. PPE (personal protection equipment) was purchased for the department for the remainder of the budget year. The Pandemic Response Team continues to operate in their role.

Madam Chairman, some of the difficulties presented during the pandemic included limited access to the facilities by the programmes' vendors at various phases of the pandemic, which limited service delivery. Additionally, changes in the hiring process impacted the department's ability to recruit both civilian and custody posts. Hence, the department staffing levels are below the authorised strength.

While working toward the goals of the strategic plan, the department is governed by the following legislation: the Prisons Act 1979, Prison Rules 1980, Young Offenders Act 1950, the Senior Training School Rules 1951, the Prison Officers (Discipline, etc.) Rules 1981, and sections of the Criminal Code Act. In addition, the Department of Corrections aims to achieve, and where practical exceed, the United Nations Nelson Mandela Rules (for the treatment of prisoners).

Madam Chairman, there are 12 cost centres within the Department of Corrections. However, we will speak only to the major cost centres of the department, which are the Headquarters, 35000; Farm Facility, 35020; Co-Educational Facility, 35030; Westgate Facility, 35060; Right Living House, 35090; Psychological Services, 35105; Social Services, 35106; Vocational Services, 35109; Educational Services, 35108; and Health Services, 35107.

Madam Chairman, the total expenditure, which is found on page B-278, is estimated to be \$22,829,000 for the 2021/22. This represents a decrease of \$2,753,000 from the budget of 2020/21.

[Fiscal year] 2020/21 versus 2021/22: The original estimate for 2020/21 was \$25,582,000. The estimate for 2021/22 is \$22,829,000. This is a decrease of \$2,753,000 which is an 11 per cent decrease.

The 2021/22 budget provides funding for 204 full-time employees, as shown on page B-279. In addition to full-time employees, it will fund facilitators and teachers for inmate programmes. At present there are 188 full-time staff with an authorised strength of 250. Over the past year we have experienced delays in hiring civilian staff and nurses due to the current processes.

Cost centre 35000 Headquarters, represents \$4,118,000, 18 per cent of the total budget. Corrections Headquarters, under the general direction of the

Commissioner, Assistant Commissioners and Programme Director, provides directives to a decentralised organisation and is responsible for strategic planning. This budget will fund salaries and operating expenses for Corrections Headquarters.

Madam Chairman, in addition to Corrections Headquarters, there are three correctional facilities, each one fulfilling the mandates specific to the populations they house.

[Fiscal year] 2020/21 versus 2021/22. The original estimate for these facilities for 2020/21 was \$4,393,000. The estimate for 2021/22 is \$4,118,000, this is a 6 per cent of \$275,000.

Cost centre 35020, the Farm Facility, represents \$3,362,000, or 15 per cent of the total budget. The Farm Facility is an adult male minimum-security facility with a capacity to house 90 inmates. Inmates must have completed their core sentence plan requirements and be classified as minimum (or low-risk) to be housed at this facility. Inmates are also involved in work-release and charity programmes as well as other ongoing projects within the facility. This year, however, due to the COVID-19 pandemic, the charity and work-release programmes were suspended. There is a plan to upgrade the ageing carpentry shop at the Farm Facility.

The highlights from the 2020/21 budget include the following:

- 1) The Farm Facility garden has supplied all of the facilities with fruits and vegetables and this has contributed to cost savings. The surplus of products was donated to various rest homes.
- 2) The Animal Programme, which has been very successful, will continue in this budget year.
- 3) The computer lab is functional.

Madam Chairman, the Farm Facility will continue all current initiatives, which also include the Farm Co-operative, a therapeutic programme where animals that are owned by local farmers will be tended to by the inmates until such time as they have matured. The inmates are gaining skills in animal care and farming.

The Pre-Release Programme will continue. It is designed improve the inmates' employability and social skills in order to facilitate a successful transition into the community.

A comparison, 2020/21 versus 2021/22. The original estimate in 2020/21 was \$3,288,000. The estimate for 2021/22 is \$3,362,000. This is a 2 per cent increase of \$74,000.

Madam Chairman, cost centre 35030, the Co-Ed Facility, represents \$2,652,000, or 12 per cent of the total budget. This facility with a capacity of 56 cells has separate and distinct provisions to house 40 adult females and 6 young male offenders between the ages of 16 and 21, as well as the department's Residential Substance Abuse Treatment Programme, the Right Living House. Educational and vocational pro-

grammes are offered based on the needs of the inmates and trainees who are identified through the case management process.

The highlights from 2020/21 budget include the following:

- One female inmate successfully completed an online medical administration course.
- The farming programme produced 578 eggs. And the purpose of the Chicken Programme is twofold—a therapeutic programme for inmates and a cost savings measure.
- A small garden provided various herbs and peppers, which have been used in the facility's kitchen.
- Masks were made by the inmates at the Co-Educational Facility for the inmate population in the Department of Corrections.

During this budget year inmates participated in therapeutic yoga classes to assist them with coping with stress. The yoga class will continue in the 2021/22 fiscal year. Other initiatives for the 2021/22 budget year are to offer graphic design classes to all inmates, create furniture from pallets, to reintroduce the sewing class and to reintroduce the fishing initiative.

Comparisons of 2020/21 versus 2021/22. The original estimate of 2020/21 was \$2,694,000. The estimate for 2021/22 is \$2,652,000. This is a 2 per cent decrease of \$42,000.

Madam Chairman, cost centre 35060 Westgate Correctional Facility, represents \$8 million, or 35 per cent of the total budget. The Westgate Correctional Facility is an adult male establishment with the capacity to house 208 prisoners classified as maximum, medium and minimum security, as well as a remand. The majority of the assessment and treatment programmes for male inmates take place at this facility. The highlights from the 2020/21 budget include:

- classes offered for the preparation to sit the GED;
- Life Minus Violence enhanced programmes were carried out;
- Life Minus Violence Harmful Sexual Behaviour for sex offenders were also carried out;
- individual cognitive behavioural therapy, including trauma-focused was done;
- life skills classes;
- sewing, art and motor mechanics classes; and
- successful management of the COVID-19 cases within the facility.

The initiatives for the 2021/22 budget year are to offer certification through the National Centre for Construction Education and Research Programmes. This will lead to trade-specific certified instruction and development, as well as the Safety Module to enhance skills and safety and health awareness; public speaking; business studies; cultural studies; computer

classes in Word, Excel and PowerPoint; and carpentry classes.

The culinary arts class will be reintroduced to the Bermuda College. The yoga classes will also be reintroduced as a means to assist with managing stress.

A comparison of 2020/21 versus 2021/22. The original estimate for 2020/21 was \$10,480,000. The estimate for 2021/22 is \$8,000,000. This is a 24 per cent decrease of \$2,480,000.

While each of the facilities fulfils different mandates for inmates based on classification level, age or gender, they have shared some of the same challenges in the past year. There are significant infrastructure problems with each facility due to ageing buildings and less-than-robust maintenance care from Public Works. Mould, rusting doors, inoperable windows, faulty plumbing and poor ventilation are just some of the issues that plague the facilities. These conditions result in an unsuitable working environment for staff and living conditions for inmates.

While the overall population is not at full capacity (sentenced and on remand), the make-up of the current offender population creates challenges. Those serving life sentences now make up 30 per cent of the total sentenced inmate population. Many of those serving life must complete at least 30 years prior to parole eligibility. In addition, the Corrections Department has seen an increase in inmates with mental health issues.

We continue to offer basic mental health training (Mental Health First Aid) for all staff to give them some additional skills to manage these persons in a correctional environment, even though it may not be a suitable environment for many of these persons.

Staff shortages for shift coverage and increased inmate visits and stays at the King Edward VII Memorial Hospital and the Mid Atlantic Wellness Centre have been factors in creating overtime at each facility. Oftentimes, these visits last days, and depending on the risk level of the inmate may require 24-hour monitoring by two officers.

Madam Chairman, cost centre 35090 Therapeutic Community Centre, or RLH [Right Living House], represents \$1,305,000, or 6 per cent of the total budget. The Therapeutic Community Centre, also known as the Right Living House, is located at the Co-Ed Facility and is a segregated residential substance abuse programme with a capacity to house 18 residents. The programme was developed for adult male [offenders] with a history of substance abuse and associated criminality.

The goal of the Therapeutic Community [Centre] is to return residents to the broader community with an increased potential for a life free of drugs and crime, by providing them an opportunity to realise their potential for change, as well as the inherent potential for health and success in every person. This funding

provides for staffing, operational costs and inmate programmes.

Overall, the inmates who participate in this programme have benefited tremendously, both while incarcerated and post release, by way of the after-care component of the programme.

The highlights of the 2020/21 budget include the following:

- staff are committed to delivering classes virtually during the pandemic lockdown;
- two inmates successfully completed the public speaking class;
- one inmate graduated from the Right Living House;
- innovative ideas were demonstrated to celebrate Recovery Month; and
- masks were made by the inmates at the Right Living House for the inmate population across the Department of Corrections.

Comparison 2020/21 versus 2021/22. The original estimate for 2021/21 is \$1,287,000. The estimate for 2021/22 is \$1,305,000, this is a 1 per cent increase of \$18,000.

Madam Chairman, inmate services and programmes are designed to meet the needs of inmates and are identified in their individual case plans. The Programme Team is multidisciplinary and provides various services and programmes including psychological, social and case management, health, educational, vocational, recreational and chaplaincy. Funding for inmate services is necessary as the programme provides tools and resources for offenders to assist them in returning to society as positive, productive and contributing citizens. It is recognised that currently there are not sufficient programmes running within the department to meet the mandates of the increased lifer population and those others serving long sentences.

Maintaining qualified vendors has been a challenge in some areas, and the budget does not allow the resources to hire full-time staff facilitators. We will make a more robust recruitment of vendors and explore further options to create sustainable, viable programmes.

Madam Chairman, the programme's department represents \$3,392,000, or 15 per cent of the total budget. This funding provides the following:

- Two psychologists who provide psychological services to offenders at each of the three facilities housing inmates. One [psychologist] commenced employment on March the 1<sup>st</sup>, 2021. The psychologists complete various assessments on offenders, including assessments of criminogenic need, emotional well-being and adjustment, personality factors and cognitive functioning. In addition to assessments, the psychologists provide individual and group intervention to meet offenders' needs.
- One social worker and four case managers/assessment [officers] and contracted specific ser-

vice providers. The department's social worker assists inmates and trainees with offence-specific associated problems, and helps to address behavioural, social and financial problems, and provides a variety of services to the inmates and trainees.

The social worker also assists inmates in securing employment and housing prior to their release.

- Four case managers/assessment officers provide case planning which is a key element in managing inmates [and] ensures that inmates are placed in the appropriate environment for treatment.

- One vocational officer and staffing materials for vocational programmes. Vocational services are designed to assist inmates/trainees in pursuing vocational interests with a view to increasing their employability upon release. One educational officer and staff, materials and supplies for vocational programmes. Educational services are designed to enable inmates/trainees to achieve a higher level of education to participate in other programmes and daily life activities, and to prepare them for a vocation.

When fully staffed Health Services is managed by a senior nurse and five registered nurses responsible for providing services to the inmate population at all facilities. At present this department has three vacant posts.

The comparison of 2020/21 versus 2021/22. The original estimate of 2020/21 was \$3,440,000. The estimate for 2021/22 is \$3,392,000, a 1 per cent decrease of \$48,000.

Madam Chairman, during the year 2020/21 approximately 22 inmates have been actively engaged in educational classes. A librarian joined the team during this fiscal year which was in conjunction with a successful book drive. The Education Officer, along with personnel at the Berkeley Institute, continued a positive interactive programme between male students at the Berkeley Institute and a group of incarcerated men at Westgate as they continued to learn about the consequences of poor choices in order to avoid prison or trouble with the law.

In addition, the computer labs at the Farm and Co-Educational Facilities were upgraded with the aim to be able to offer distance-learning programmes, as well as access to online testing and workshops offered by external agencies.

Additionally, inmates enrolled in various vocational programmes at all facilities. This included yoga and carpentry at the Co-Ed Facility and Right Living House; life skills, sewing, art and motor mechanics at Westgate; as well as horticulture and carpentry at the Farm Facility.

In addition, Health Services played an integral role in COVID-19 pandemic management and conducted COVID-19 testing for staff and inmates. They also provided care to COVID-19 positive cases. They administered COVID-19 vaccinations to staff and inmates.

Additionally, the Health Services treated an unwell mental health inmate in-house as Mid-Atlantic Wellness Institute [MWI] identified the inmate as high-risk and determined he could not be treated at MWI. In addition, [there were] individual assessments and therapy sessions to the tune of 31 inmates participated in offending behavioural programmes facilitated by a psychologist.

Some of the goals and targets of the department in 2021/22 include:

1. The Education Department plans to utilise secured Internet which will allow inmates to access additional online educational and technological programmes and assist those inmates who require an alternative style of educational learning.

2. Vocational programmes and services at Westgate, Farm and Co-Educational facilities based on the population and needs will include Carpentry, Horticulture, Autobody/Welding/Mechanics course and classes which will lead to certification in the National Center for Construction Education and Research (NCCER) courses. This is in addition to the Culinary Arts Course through the Bermuda College.

3. Implementation of an inmate health services handbook.

4. Increase inmate health education sessions by 50 per cent. This was not achieved last year due to staffing shortage.

5. Continuation of implementation of an electronic medical records system. This is a long-term project.

6. Continue Mental Health Clients in Corrections (MHCC) meetings with external partners such as Mid-Atlantic Wellness Institute, Court Services and Parole Board.

7. Reintegration programmes to assist inmates in reintegrating into society.

8. Standardising process for assessments and case planning amongst the three facilities.

Madam Chairman, the department's performance measures forecast for 2021/22 are outlined on page B-296. They include:

1. The average daily inmate population forecasted for the fiscal year 2021/22 is 179 persons, with 55 of the admissions being first-time offenders who received custodial sentences.
2. The forecasted outcome for 2021/22 of inmates released on parole is 16.
3. There were five minor inmate-to-inmate assaults and five officer assaults (four minor and one major) reported for the 2020/21 fiscal year. It must be noted that staff are challenged constantly by inmates' negative behaviour and the department has a zero tolerance to any assault of any category.
4. Sixty per cent of the eligible inmates were enrolled in development and treatment programmes aimed to address the offending

behaviours, educational and vocational needs and improve skill development.

5. The Department of Corrections calculates its recidivism rates according to internationally accepted practices.

Based on those standards, the rates include persons who have a conviction for a new offence within one, two or three years of their release. And the actual outcome for 2020/21 is 22 per cent. It was 11 per cent in the first year, and 18 per cent in the second year.

Madam Chairman, despite the challenges faced by the Department of Corrections, staff remain dedicated and seek ways to address them, including working with union representatives and other stakeholders and partners in order to achieve our mission and mandate.

Security breaches remain a concern as there have been breaches to the outer perimeter that have been intercepted by Corrections staff. The department has been working with government and external agencies to address this challenge. The physical plant deficiencies have impacted both staff and inmate morale. These conditions do not create an environment conducive to rehabilitation. The department will continue to work with government and partner agencies to bring the facilities up to acceptable standards.

Maintaining staffing levels due to resignations and retirements. The department has taken advantage of legislation which allows officers to defer their retirement based on the needs of the department and management of high-risk inmates, particularly those who are gang affiliated and sex offenders.

Madam Chairman, the Department of Corrections will undertake the following initiatives for the 2021/22 budget year:

- recruitment to fill various vacant posts including civilian and custodial staff;
- continue the implementation of the 2018–2020 strategic plan and develop another three-year strategic plan;
- engage community partners in order to assist with successful reintegration of inmates into the community, as well as projects that can benefit both the inmates and the community;
- implement new shift cycles that allow the best use of our staffing levels and workload regimes to assist our facilities in becoming more financially beneficial to our operating budget;
- continue to work with government agencies on Criminal Justice/Ministry initiatives—i.e., Child Safeguarding Committee, Anti-Corruption Committee and the Offender High-Risk Management Team.

Madam Chairman, the department's main objectives are (1) to protect the public by holding inmates securely; reducing the risk of re-offending; providing safe, humane, well ordered and lawful regimes; and (2) to provide a humane but demanding

regime aimed at reducing re-offending by presenting inmates with a range of opportunities in which reward is linked to effort, incentives and earned privileges to prepare for life after release. It is the vision of the department that if these objectives are obtained, then the people of Bermuda, staff, inmates and community members appreciate that the Department of Corrections makes an effective contribution to public safety and the rehabilitation of offenders.

Madam Chairman, I express my thanks to the Acting Commissioner, Keeva Mae Joell-Benjamin, and her entire team for their continued work at the Department of Corrections. Thank you, Madam Chairman. This completes—

**The Chairman:** Thank you, Senator Richardson.

You just completed Head 25, Department of Corrections. I will just give you a bit of a time check. We have roughly 50 minutes left of the two-hour period. And we are about to begin on Fire Services. So I hope there will be time for questions.

**Sen. Curtis Richardson:** There shall be, Madam Chairman. Thank you for the time check.

#### HEAD 45—BERMUDA FIRE AND RESCUE SERVICE

**Sen. Curtis Richardson:** The Bermuda Fire and Rescue Service, Head 45, can be found on pages B-281 through B-283 of the Estimates of Revenue and Expenditure 2021/22.

Madam Chairman, I am pleased to present the Estimates of Revenue and Expenditure for Head 45 the Bermuda Fire and Rescue Service. The mission of the Bermuda Fire and Rescue Service [BFRS] is *to serve and protect; to provide fire protection and emergency medical services for all areas of these Islands; to extinguish fires; to protect life and property in case of fire, road accident or other calamity as defined by the Fire Service Act or subsequent regulations; and to provide aircraft rescue firefighting at the L. F. Wade International Airport.*

#### Executive Summary

**Sen. Curtis Richardson:** These are as follows: (a) current expenditures; (b) capital development funding; (c) revenue, Fire Safety Act 2014/Airport Operations; (d) manpower; (e) amendments to Fire Safety Act 2014; (f) community risk reduction, continue with the implementation of the Home Fire Safety Visit Programme which was delayed due to COVID-19.

Madam Chairman, the total funding for the Bermuda Fire and Rescue Service for the coming year is \$13,137,000. This reflects a decrease of \$1,240,000 from the 2020/21 budget. Factors contributing to the decrease in the allocation of the budget are mainly due to the defunding of five vacant funded

posts, retirements and other key cost-saving measures. The five defunded posts of full-time employees are two emergency medical dispatchers, one lieutenant, one watch commander, and one human resources manager transferred to the Employee and Organisational Development Department.

Cost centre 55060—Central Emergency Fire Service, \$6,378,000. The Central Emergency Fire Service cost centre covers the provision of Fire and Emergency Services from the Hamilton, Eastern and Western Fire Stations. These stations respond to fire, road traffic accidents and hazardous material incidents when required. Budget page B-281 has a budget of \$6,378,000, which is a decrease of approximately \$217,000. This decrease has been attributed to the reduction of the two full-time employee posts due to retirement, and the defunded vacant posts and other cost-saving measures.

Cost centre 55080—Other Services Central, \$583,000. Other Services Central contains the vehicle repair services and maintenance personnel. Budget page B-281 has a budget of \$583,000, which is a decrease of approximately \$285,000. This decrease can be attributed to the reduction of funding for the repair and maintenance of vehicles.

Cost centre 55100—Emergency Medical Services, \$157,000. The Emergency Medical Services cost centre is responsible for equipment and supplies associated with the department's emergency medical response throughout the Island. Budget page B-281 has a budget of \$157,000, which is an increase of approximately \$102,000. This increase can be attributed to the increased demand for medical calls attended by the Bermuda Fire and Rescue Service. The department does have an agreement with the Bermuda Hospitals Board, where equipment used during medical calls by the Bermuda Fire and Rescue Service can be replenished from the Bermuda Hospitals Board's stock. But this became difficult during the pandemic. The increase in calls and equipment used by the Bermuda Hospitals Board required them to have a more prudent approach to inventory control. Therefore, this budget reflects an increase to cover the cost for the Bermuda Fire and Rescue Service's equipment.

Cost centre 55110—Eastern Volunteer Division, \$32,000. The Eastern Volunteer Fire Service has been renamed as the Bermuda Fire and Rescue Volunteer Fire Service. The new name is aligned with the service requirements and allows the area of response to be increased from only the East End of the Island to an [Island-wide] approach. The role of the volunteers has been expanded to training and operational responsibilities. They now will be trained to operate the high-volume pumper in order to supply high volumes of water when required at the major fires.

The volunteers will be trained to operate other specialist trucks in order to support the efforts of the full-time staff, especially during hurricanes and pro-

longed emergency incidents. The number of volunteers who currently train every Tuesday night at the Hamilton Fire Station is approximately 36. Our department envisions a volunteer service that is growing with enthusiasm and gives Bermuda's youth another choice should they wish to volunteer their time and service to this country.

The volunteer service will see them do the following:

- support the Bermuda Fire Department with island-wide service;
- conduct support with water supplies and foam as well during major incidents;
- render refreshments and food supplies, along with the refilling and supply of air cylinders for sustained firefighting or hazardous material incidents; and
- support administration functions such as fire prevention, social media, et cetera.

Cost centre 55150—Training, \$151,000. The responsibility of the Training Section is to create an educational schedule which will ensure emergency medical technician training and certification, structural firefighting training and certification and leadership training courses are in line with local and international standards. The Budget Book on page B-281 has a budget of \$151,000, which is a decrease of approximately \$151,000. This decrease can be attributed to the Training Division conducting more in-house training, decreasing the need for overseas courses. And there will not be a recruit course held in 2021/22.

The 2021/22 training programmes will include Advanced Emergency Medical Technician course (in-house), CPR recertification (in-house), Middle Managers course (in-house), Senior Management course (overseas), the Airport Firefighters Revalidation (overseas), and Allied Health continuing education [units] [CEU].

Past accomplishments for 2020/21 include the recruit course for 12 recruits, first in-house emergency medical technician course using blended learning and overseas instructors, in-house incident command course, emergency driving courses, Emergency Medical Technician Allied Health recertification, CPR recertification and the Middle Managers course.

Cost centre 55170—General Administration, \$3,224,000. The General Administration cost centre is responsible for the funding and support services of the Administration Section of the department. Budget Book page B-281 has a budget of \$3,224,000, which is an increase of approximately \$135,000. This increase can be attributed to the costs associated with firefighter work uniform and protective clothing replacement, which has not been updated since 2018/19.

Capital Acquisition Funding, page C-15, Madam Chairman. The Ministry of National Security has approved \$513,000 of capital acquisition funding for the Bermuda Fire and Rescue Service. This funding

will allow the Bermuda Fire and Rescue Service to purchase a new appliance to help towards our ageing fleet. Funding is also provided to acquire additional extinguishing materials. The department is requesting a carryover from the last budget in order to complete the purchase of a new ambulance. Currently, the Bermuda Fire and Rescue Service has a relationship with the Bermuda Hospitals Board to use one of their spare ambulances when the existing Bermuda Fire and Rescue Service's ambulance has been out of service for repairs.

Past accomplishments for 2020/21: Breathing apparatus, delivered and in service; emergency recording system for emergency dispatch installed.

Cost centre 55200—Airport Fire Station, \$1,707,000. This cost centre provides aircraft emergency rescue and firefighting services at the L. F. Wade International Airport, as prescribed by the Overseas Territories Aviation Requirements, part 140. The L. F. Wade International Airport operates as a Category 9 Airport. The category of an airport determines the maximum size of aircraft that lands at the airport, the manpower requirements for the Airport Fire Department, the equipment requirements for the Airport Fire Department and the extinguishing medium used by the Airport Fire Department.

This cost centre has 13 personnel in total due to retirements and defunded full-time employees. The budget for this section, which is \$1,707,000, a decrease of \$841,000, is attributed to retirements and defunded full-time employees.

When the Bermuda Fire and Rescue Service assumed responsibility for the airport rescue and firefighting, the total staff was 23. The minimum staffing levels for a Category 9 airport is 15 staff. Therefore, overtime is required for nearly every shift. It is projected that overtime will remain the same or increase over the next fiscal period. Airport firefighters have a specialised skill set and cannot be replaced by structural firefighters who do not have the required training.

Capital development funding, page C-7. Madam Chairman, in order to comply with the requirements of the MOU between the Bermuda Airport Authority and the Bermuda Fire and Rescue Service, \$290,000 of capital development funding has been provided for remediation work at the Administration Building, Main Fire Hall Building and the training room/garage building.

## Manpower

**Sen. Curtis Richardson:** Madam Chairman, the full-time complement of the Bermuda Fire Services is expected to decrease from 128 to 123 in 2021/22 due to the defunding of the vacant funded posts. Even with the introduction of the 12 new recruits in 2020, the department is still understaffed by approximately 18 firefighters. It is not expected that the level of service delivery to the public will decrease, but the overtime is

projected to be high over the next fiscal period to make up the loss of the full-time employees.

Madam Chairman, revenue, fire protection and airport operation. Revenue forecast for 2021/22 is estimated at \$382,125. With the introduction of the Fire Safety Act 2014, it is required that all commercial buildings and large residential properties have a fire and life safety risk assessment and apply for a fire certificate. Fire certificates are valid for a period of one to five years based on the level of risk. Fees associated with the fire certificate application process reoccur over the lifespan of a building. Revenue generated from the fire certificate applications during the 2020/21 period was \$46,825. This was less than the previous fiscal period, but this can be attributed to the slowing-down of the construction and hotel industries due to COVID-19.

It is projected as the economy and the tourism industry rebound the demand for inspections and risk assessments will increase. In response to the COVID-19 restrictions, the Fire Prevention Division started conducting remote video inspections. Remote video inspections allow the fire inspections related to new construction projects, renovations and a final occupancy inspections to be held via a mobile device.

The second stream of revenue is through the provision of after-hours fire protection coverage for general aviation and Med-Evac flights terminating or originating in Bermuda through the ground handling agent trading under the name Cedar Aviation. Revenue from these flights, known as prior permission requests, or PPRs, generated from Airport Operations during the 2020/21 period was \$51,500 for executive jet facility standby, critical care med-flight air ambulance. This figure also decreased as a result of the closure of our borders due to COVID-19. It is projected as the airline industry starts to rebound, increasing the number of flights in and out of the Island, the revenue generated from the PPRs will increase.

Madam Chairman, I would like to take this opportunity to thank Chief Fire Officer, [Sergeant] R. Lloyd Burchall, and all of the members of the Bermuda Fire and Rescue Service for their continued efforts on behalf of the people of Bermuda.

Thank you, Madam Chairman. This concludes Head 45, Fire Services.

**The Chairman:** Thank you, Senator Richardson.

You really have had a workout today. You just completed Head 45 under Ministry of National Security. Thank you so much.

**Sen. Curtis Richardson:** Thank you.

**The Chairman:** And we have time for questions, so I am going to ask if any Senator would like to pose questions of Senator Richardson on any of the Heads, I believe, since the time is short.

Senator Ben Smith.

**Sen. Ben Smith:** Yes, thank you, Madam Chairman.

Firstly, just because of the time constraints I wanted to take the opportunity to thank all of the people who are in our uniformed services. In every year it is important that we appreciate the hard work that is done by the men and women in our uniform services, and that we give them the full respect that is due for those jobs.

There is a narrative sometimes that *Well, that's the job that they chose to do*. But the truth of matter is, they have chosen to run towards danger when most people are going to flee from the danger. They are the ones who are making sure that we are safe, and they take care of the population. But specifically, in this year that we have just had with the pandemic, the impact that we have seen by the uniform services on our frontlines, making sure that we were protected, making sure that all of the things that needed to be done were done, and done in such a way that we can be so proud of the people that were in those positions. I would like to really send out a thank you to all of our uniform services for what they have been able to accomplish in this last year and what they are continuing to do. Just a thank you and I would say that this thank you is going to come from everyone in the Senate.

So, Madam Chairman, starting with Head 6, I am going to prioritise some of my questions so that we can get some answers and we can get some other people involved. The first thing that I am going to look at is on page B-268, Performance Measures. So, there is 16020, 16030, 16040, 16075, Training and Support. Madam Chairman, there has been a reduction in the funding to the Regiment. There are too many places for me to go to on that specific part just because the reduction is across the board. But what I am looking at in these performance measures are:

How will we move from 53 per cent to 80 per cent in soldiers serving past their mandatory service? What is mandatory service now that we do not have conscription? There is a jump from 53 per cent to 80 per cent, can we get an explanation on how we will get that improvement in people who are serving past their mandatory service time?

There has been an improvement in soldiers passing the military standard test. What is the percentage of soldiers who pass these tests in other jurisdictions? This will allow us to know if we are reaching the proper level with the people who are participating in the local defence force. How can we have 100 per cent passing overseas courses while the percentage passing military standard tests locally is only 65 per cent? Why is the percentage of soldiers passing the test so low and why are the targets so low?

Madam Chairman, on page B-267, we are looking at the Repair and Maintenance. It has been decreased significantly. We have talked quite a bit today about the Marine Unit of the police, our new coast guard. There is some coordination between

them and the police force. Madam Chairman, they are using boats that have been out of date for quite some time.

The issue is that they have been put in a position to keep our population safe, the question is: Are they themselves being safe in operating boats that potentially are past their life span? And if they are in a situation where they are supposed to be saving lives of our local citizens and the [coast guard] boats are not at the level that they need to be for operation, will that then impact the service that they are supposed to be able to provide?

Madam Chairman, I am now going to move on Police, so Head 7. I am going to start with page—

**Sen. Curtis Richardson:** Madam Chairman.

**Sen. Ben Smith:** —B-270—

**Sen. Curtis Richardson:** Madam Chairman—

**Sen. Ben Smith:** —[line] 17120—

**The Chairman:** Senator Smith, I am sorry to interrupt you. I heard Senator Richardson's voice, I believe.

**Sen. Curtis Richardson:** Madam Chairman, it is possible to request that—

**Sen. Ben Smith:** —marine and policing unit. So, Madam Chairman—

**The Chairman:** Senator Smith, just one—

**Sen. Ben Smith:** —the issue that we have in Bermuda at present—

**The Chairman:** Senator Smith—

**Sen. Ben Smith:** —is that most people would agree that the behaviour on the roads has actually become extremely bad. We see people doing all kinds of things on the road that are just not acceptable. But there needs to be some solution to that. And we are seeing that this particular unit has been reduced in the amount of funding that they receive.

I guess question one is: How can we expect the improvement on our roads if we are seeing the reduction in the funding that is given to this particular unit? Along with that, would it be possible for us to try to implement traffic cameras? So that we do not potentially need to add manpower to policing the roads so that we can get safer roads, but—

**The Chairman:** Senator—

**Sen. Ben Smith:** —use technology to get to that, so could the Junior Minister give us some information on whether that is something that is in the pipeline and

something that we can actually look forward to fixing those issues.

**The Chairman:** Senator Smith, I have to interrupt you for a minute. Senator Smith, can you hear me?

**Sen. Ben Smith:** Madam Chairman, on page B-272, we obviously—

**The Chairman:** Senator—

**Sen. Ben Smith:** —last year there was an issue with the amount of funds that were taken from the Police Service and now we see a further reduction of 40 officers.

*[Inaudible interjections]*

**Sen. Ben Smith:** It was stated today by the Junior Minister that in 2019 there were no murders in Bermuda and then we get into 2020 and we saw an increase, an increase in gang violence, an increase in the incidents of some really horrific crimes that happened in Bermuda last year.

The issue is that when that happens there has to be a ramping up of the police officers in order to reduce the incidence of those kinds of crimes. When you reduce the budget to the police, are we putting in any kind of leeway for them to be able to ramp up if we have those kinds of incidents happen again? Bermuda is in a situation right now where we are [restricted to] gathering in [group-sizes] of 10. We are really restricted in our movements when it comes to late nights. We saw that as we started to move those restrictions, that was when we saw an uptick in a lot of these crimes. When that kind of issue happens again, if it does happen again, have we given the police the resources to protect our population?

**The Chairman:** Senator Smith, can you hear me?

**The Clerk:** Senator Smith.

**Sen. Ben Smith:** Madam Chairman, as the BPS budget, page B-271, as the BPS has been cut by millions in the last couple of years—

**The Clerk:** Madam Chairman, what I will do is I will send him a Chat and hopefully he can read that.

**Sen. Ben Smith:** —does the Government anticipate the manpower level being reduced by having to make those cuts?

In addition, will the BPS be permitted to have overtime to cover the shortage of the manpower? Will the Junior Minister be able to give us an estimate of the cost of this overtime if it is permitted? Is there an option for the officers to take time in lieu instead of overtime? And if that is the case, for how long are

they able to roll that time over? When we go into overtime and people are spending much longer hours on the job, it has other impacts.

So, you start to see that people get sick, because they are stressed out. It is a very stressful job; the types of crimes that we are seeing Bermuda have changed. So, my question is: When you have those kinds of changes and we are making reductions on the amount of officers that are available, that means that the officers are having to stretch further and further in order to cover all the things that are impacting our country. When that happens potentially it is a recipe for disaster. Because now we have more officers that get left out of the equation.

So, Madam Chairman, my question is: Can the Junior Minister give us numbers on how many officers are on long-term sick leave? And can he also give us how many officers are presently suspended? And the reason I am asking those questions is because when you look at the total number of officers, and then you reduce by 40 and then you look at the numbers that are out long-term sick, and the numbers that are also going to be out because they are suspended, what is the real number that we are looking at?

Madam Chairman, I am now going to move on to Head 25, which is Corrections.

**An Hon. Member:** Madam Chairman, I need some control here.

**Sen. Ben Smith:** And that is found on page B-278, under 2501, which is Facilities. Starting—

**The Chairman:** Senator Smith—

**Sen. Ben Smith:** —with 25050, Westgate Correctional Facility. Can the Junior Minister give us some details on some of the information that is needed there? He gave us a total of what the capacity is for Westgate Facility, but can he give us an answer of how many inmates we actually have presently in that facility?

Also, how many searches have been ordered by the Minister for the facility over the last six months? Does the facility have the jamming devices that stop cell phone signals in the facility? Considering that we have . . . multiple times now we have heard of the inmates who have access to cell phones in their cells. We know that there are issues with them getting that into the facility. We need to know that there is an opportunity for them to stop using cell phones while they are there because of the issues that we have with crime.

[Line item] 2502, which is Inmate Services, [item] 35105, Psychological Services. So, Madam Chairman, the Junior Minister gave us information on some of the people who are coming in from Mid-Atlantic Wellness Centre. There are nurses who are

taking part, but there are also a lot of the correction officers who have been stretched thin because there has been a reduction in the numbers of officers. They are having to take on roles that they were not designed to be part of.

So, the same as I spoke to on police, there are issues within the prison service that need to be addressed and have been left . . . not dealt with over an extended period of time. The questions I will ask are: Has the prison been able to get hot water yet? Have all of the gates been repaired at the facility and are now operational? Do we know [if] all the cameras that are needed at the facility are now operational? These are the kinds of maintenance things that have to happen for us to make sure that the people inside that facility are safe but also for the population to know that this is a secure facility.

[Item] 35107, Health Services. Madam Chairman, with the issues that we knew prior to the pandemic with mould and other issues in the Westgate Facility, specifically, there are cases where certain prison officers have been sick from the mould that was in the facility. So, as we go forward with all the respiratory issues that are involved with COVID-19, can we get some feedback on whether we have any officers who have been out sick because of respiratory issues, specifically because of the environment that they are having to work in on an ongoing basis?

Madam Chairman,—

**An Hon. Member:** Can someone please contact Senator Smith? I am not sure if he just can't hear or what is going on.

**Sen. Ben Smith:** Further on Corrections, can we get some information on the succession plans, because the person who was in charge of the facility has been in an acting role for an extended period of time. Most of us will remember that the commissioner of the prisons was Mr. Lamb and now the person who has taken over is in an acting role and has been in an acting role for an extended period of time. It is important that we know that we have a position at the top so that everybody knows what they are following, what the direction is. So, if we could get some clarity on what that situation is going to be going forward.

Madam Chairman, just finishing with this part on Corrections, the Junior Minister gave [some information] when it came to all of the different services that potentially can be provided when it comes to education, when it comes to different services that are available to our inmates. Could the Junior Minister give us some details on how many specific people are taking part in each of the programmes that have been made available? Because it is one thing to offer something to inmates and it is another thing whether they are actually taking up that offer and doing the work.

Madam Chairman, I am going to take a break there and see if there is anyone else who would like to ask a question.

**The Chairman:** Senator Smith, can you hear me?

There is obviously something wrong with your microphone because I have been trying to . . . or with your listening device, because I have been trying to get you to stop for quite some time.

Senator Richardson wanted to ask a question. And I am going to give him the floor now.

Senator Richardson, what was your request?

**Sen. Curtis Richardson:** Thank you, Madam Chairman.

The request was to have all questions for each Head to come per Head from every Senator at a time, as opposed to jumping to every Head per person at a time. It is much less likely to get the answers that Senator Smith has asked for in the method that he just used.

**The Chairman:** Right. I concur with that suggestion because you know there are four Heads there and it can get very confusing.

So, if other Senators would like to speak and keep in mind we only have about 16 minutes left now, we will take questions on Head 6 first. And then we will work through the others—

*[Crosstalk; Feedback]*

**The Chairman:** Would any other Senator like to ask questions on Head 6? That is the Department of Defence.

No. Well, let's proceed to the next Head. Would anyone like to ask questions on Head 7, which is the Police?

Okay. Senator Robin Tucker, I see your hand. Please proceed.

**Sen. Robin Tucker:** Thank you, Madam Chairman.

The question I have is on page B-273. It is just . . . I would just like to get some clarity around the performance measures. I would just like to know how the data for the performance measures for each of these four entries for the Bermuda Police Service, how is that data obtained? And where did that come from? Additionally, I would like to know what the percentage of the population these outcomes represent.

Thank you, Madam Chairman.

**The Chairman:** You are welcome. Thank you, Senator Tucker.

Are there any other Senators who have questions on Head 7?

Senator Richardson, should we pause here and let you address the questions on those two

Heads, Defence and Police? Or do you want us to keep going?

**Sen. Curtis Richardson:** Keep going please.

**The Chairman:** Senators, let's progress to Head 25. That is the Department of Corrections. Are there any questions on that Head, or comments?

Once again, that is the Department of Corrections.

Okay, I do not see any questions coming forth, so the last Head is Head 45, which is Fire Services.

Are there any questions from Senators on that Head? Okay. I do not see any.

So, Senator Richardson, we are going back to you in the short time that is left.

**Sen. Curtis Richardson:** Thank you, Madam Chairman. Just one second so I can get the answers for you.

**The Chairman:** Okay.

**Sen. Curtis Richardson:** I have some answers. One second.

Under Head 6, the minimum service time is 3 years and 2 months, as defined in the Defence Act. And the question asked was: How can the percentages of officers serving past their period of minimum service be increased? The answer would be that the lower numbers were a legacy of conscription. And there will be a natural increase in soldiers serving for longer periods. Also, there are a number of initiatives that are directed to retention, such as learning credits, reenlistment bonuses, more opportunity for promotion and others.

Another question was why is there a difference between overseas annual camps and annual training results? These are different measurements.

MATT is our exams of annual training and is attendance based.

The other question: What were the pass rates in other jurisdictions? We cannot say. However, the current commanding officer is raising the standards for entry into the Regiment and for remaining in service.

Another question: Were other officers safe while using vessels that are old? Yes. The vessels are extensively surveyed for suitability.

Another question was: Are the vessels safe to use? The answer is although the vessels range in age between six and 30 years, the Coast Guard personnel will not use a watercraft that has not been extensively surveyed and certified by the Coast Guard commander. The Royal Bermuda Regiment Coast Guard is an all-inclusive union and has a licensed marine mechanic able to do the servicing in-house. This helps to keep

costs down as we will not need to send these vessels out to vendors for repair.

Those are the answers I have for Head 6.

**The Chairman:** And Head 7, the Police.

**Sen. Curtis Richardson:** Head 7, the Police. It was hard to keep track of what was being asked as we were unsuccessful in having Senator Smith yield.

*[Crosstalk]*

**Sen. Marcus Jones:** Point of order, Madam Chairman.

**The Chairman:** Yes, your point of order. I imagine I know what it is.

### POINT OF ORDER

**Sen. Marcus Jones:** First of all, I can't hear what the Commissioner is saying to hear what the answers are. Can either the Junior Minister get those answers and give it to us or . . . the protocol is not for the technical officer to be giving the answers.

**The Chairman:** Correct.

**Sen. Marcus Jones:** Especially when you can't hear.

**The Chairman:** Correct.

We need to observe protocol and it is inappropriate for the technical officer to be speaking to the Senate on the floor of the Senate, so Junior Minister Richardson, would you address that? You can still provide the answers, but they have to come from you.

**Sen. Curtis Richardson:** I do apologise, Madam Chairman. The microphone was on as I was liaising with the technical officer by mistake and error. I was writing down the answers. So I do apologise for that error.

**The Chairman:** Your apology—

**Sen. Curtis Richardson:** Sorry?

**The Chairman:** Your apology is accepted.

**Sen. Curtis Richardson:** Thank you, Madam Chairman.

As far as the question for how many officers are on extended sick leave? As to date, there are 12 staff that have no more than 50 sick days in this fiscal year.

Could you just . . . one second for the other question?

**The Chairman:** Yes, we can hold.

**Sen. Curtis Richardson:** The number of suspended officers is 10. I believe that question was asked as well.

There was a question referencing the budget for the additional staff. Could we get clarification on that?

**The Chairman:** Senator Smith, I believe Senator Richardson is seeking clarification of your question.

**Sen. Ben Smith:** Yes, sorry, Junior Minister. And sorry to everybody, I did not hear at any point your interjections. But I was asking: With the reduction in the officers, when we get to point where the service has to ramp up if we have issues in Bermuda that need to have that ramp up like we had last year, are there resources put aside in order for them to be able to cover that considering that their budget has been cut again?

**The Chairman:** Thank you, Senator Smith.

Senator Richardson, are you clear about the question now?

*[No audible response.]*

**The Chairman:** We are just waiting for a response.

**Sen. Curtis Richardson:** Madam Chairman, I do have a reply to that.

The number established for the Bermuda Police Service provides for a complement of 400 officers. During the next fiscal year recruitment foundation costs will take place and will incur . . . that will make up for the current and projected shortfalls of staff below 400. We have also had a 20 per cent increase of voluntary applicants, persons of interest to join the Bermuda Police Service.

**The Chairman:** Thank you, Senator Richardson.

Do you have responses to any of the other questions on the Department of Corrections and the Department of Fire Services? We have roughly six minutes left.

**Sen. Curtis Richardson:** One second, Madam Chairman.

**The Chairman:** I will just remind everyone. We are in Committee of the Whole for further consideration of the Appropriation Act 2021 together with the Estimates of Revenue and Expenditure for the fiscal year 2021/22. And the Ministry currently being debated is that of National Security. We have looked at Head 6, for Defence; Head 7, Police; Head 25, Department of Corrections; and Head 45, which is Fire Services.

We are just waiting on answers to some questions.

**Sen. Curtis Richardson:** Madam Chairman, I believe there was a question asked dealing with security perimeter breaches. The answer to that is, the department has a security plan with various security measures to deal with breaches to the facility. Additionally, the department works with the Bermuda Police Service and other agencies to mitigate and address these security risks. Security breaches are not taken lightly, and perpetrators will be reported to the Bermuda Police Service for prosecution.

Madam Chairman, in the interest of time and due to the unfortunate manner in which the questions were received, could I ask for all the other questions which I am sure Senator Smith would have in writing, to be sent out to me email and I could send him back the responses. As well as I believe it may have . . . I may have answered Senator Tucker's question correctly already.

**The Chairman:** Why don't I just make that a general offer? If there are any other questions, including those that were submitted but have not been addressed, can they be submitted to the Clerk who will forward them to Senator Richardson?

Is that okay with you, Senator Smith?

*[No audible reply]*

**The Chairman:** Is that okay with you, Senator Smith?

**Sen. Ben Smith:** Yes, that will be fine for our team. And it would be helpful because of the time restraints if we had the ability to ask all the questions and get the answers. That is the reason that I went through all the Heads, because I did not want to only get answers to the ones that I had asked. So, thank you for that opportunity.

**The Chairman:** Okay. Thank you.

Senator Richardson, back to you. If you have other answers we will hear them; if not, please go ahead and move the four Heads that you have presented today.

**Sen. Curtis Richardson:** Madam Chairman, I move that Heads 6, 7, 25 and 45 be approved.

**The Chairman:** Is there any objection to that motion?  
I don't hear any.

Therefore Heads 6, 7, 25 and 45 have been approved.

*[Motion carried: The Ministry of National Security, Heads 6, 7, 25, and 45 were approved and stand part of the Estimates of Revenue and Expenditure for the year 2021/22.]*

**The Chairman:** Thank you Senator Richardson.

As I said earlier, you have really, really worked hard today. And we thank you for all of the very useful information that you have presented. I know I learned a lot as well.

Right now, we are going on to the next Ministry, and the Chairman will be Senator John Wight. I am handing over to you.

*[Sen. John Wight, Chairman]*

**The Chairman:** Thank you, Madam Chairman. We will give you a break for a couple of hours as well.

So, Senators, and listening audience, we are in Committee of the Whole [Senate] for further consideration of the Appropriation Act 2021, together with the Estimates of Revenue and Expenditure for the year 2021/22. The Ministry under consideration is the Cabinet Office; the Head for debate under this Ministry is Head 9. That can be found on page B-40. The number of hours allocated to this Head is two hours. The Senator in charge is Senator Owen Darrell. It is 3:45 pm right now, and we will finish at 5:45 pm.

Senator Darrell, over to you, however you wish to proceed.

## CABINET OFFICE

**Sen. Owen Darrell:** Good afternoon, Senator colleagues. Good afternoon, Mr. Chairman.

Mr. Chairman, I move that the Committee do now take under consideration Head 9, the Cabinet Office.

**The Chairman:** Thank you, Senator. You may proceed.

## HEAD 9—CABINET OFFICE

**Sen. Owen Darrell:** Thank you, Mr. Chairman.

Mr. Chairman, it gives me great pleasure to present the budget for Head 9, the Cabinet Office, found on pages B-39 through B-45 of the Budget Book.

Mr. Chairman, the Cabinet Office's mission is *to maintain public confidence by leading the delivery of Government Services*. The total expenditure as seen on page B-41 is estimated to be \$39,022,000 for 2021/22, and represents an increase of \$21,691,000, or approximately 125 per cent more than the current budget of 2020/21. It must be noted however, that this represents a transfer of funds and not an overall increase.

In actual fact, when considering the total amount transferred in, approximately \$25,832,000, and comparing it to the overall increase, it becomes readily apparent that the Cabinet Office, as with most departments throughout government, made considerable reductions in an understandably necessary effort to meet the reduced cash limits set by Finance.

Mr. Chairman, with the responsibility of Tourism being transferred to Cabinet Office, the related budget of approximately \$23,500,000 once housed within the Tourism section of the former Ministry of Tourism and Transport, now resides within Cabinet Office. Of that transferred budget amount, the majority, \$22,500,000, consists of the current 2020/21 allocation for the Bermuda Tourism Authority grant.

A second contributing factor is the transfer of salaries in the amount of \$363,000 for two additional permanent secretaries. As you know, all permanent secretaries' salaries are now centralised within the Cabinet Office budget. In addition, Mr. Chairman, although not a direct transfer between two ministries, you will note that the last line item on page B-41 shows an allocation of \$2,000,000 provided for the National Health Emergency section which also forms part of the overall increase.

Mr. Chairman, the subjective analysis for the Cabinet Office can be found on page B-42 of the Estimates Book. Please allow me to highlight the material object code increases as well as the decreases.

Salaries, line item 1, estimated at \$6,327,000, represent an increase of approximately 19 per cent, \$1,008,000, compared to the current 2020/21 budget provision. This increase is due to the transfer of the two mentioned permanent secretary posts as well as the four posts transferred over with the Tourism related responsibility for the Regulation and Policy/Hotel Administration Unit in the amount of \$346,000.

Mr. Chairman, as per the Hotels (Licensing and Control) Act 1969 and Regulations 1976, the Regulatory and Policy Unit is responsible for the inspection and licensing of properties listed on the hotel inventory. For the period April 1, 2021, to March 31, 2022, it is anticipated that St. Regis Hotel, phase 2 of The Azura, Brightside Guest Apartments and Bermuda Beach Resort will come into the hotel inventory whilst several properties including Elbow Beach will come out of the hotel inventory. The resulting licensed bed count for 2021/22 is estimated to be 4,598.

Mr. Chairman, this unit jointly administers the Vacation Rentals Act 2018 with the Office of Rent Control within the Ministry of Home Affairs. To briefly note, as of March 2<sup>nd</sup>, 64 vacation rental properties have been inspected and issued a vacation rental certificate, valid for one year. The additional duties of this unit include administering the Hotels Concession Act 2000, the Tourism Investment Act 2017, and the Cruise Ships (Casinos) Act 2013 and, on behalf of the Secretary to the Cabinet, the Lotteries Act 1944.

Mr. Chairman, the remaining balance of the increase within salaries is a result of the temporary workers hired as part of the Bermuda Government's Molecular Diagnostics Laboratory (MDL). It should be noted this is a temporary arrangement as the MDL and its management will transition to a standalone corporate entity and subsidiary of the Bermuda Economic Development Corporation (BEDC). In addition

to the MDL salaried workers, there are also weekly paid temporary additional staff who account for the increases in wages, line item 2, of approximately \$340,000, or 131 per cent. These wages form part of the \$2,000,000 allocation for the National Health Emergency Fund.

Mr. Chairman, MDL started operations on April 19, 2020, instantly expanding COVID-19 testing capacity in Bermuda. The weekly rate of 200 tests until mid-April was now achievable in one day, allowing testing to be done on all frontline and essential workers during the shelter-in-place period. This new testing capacity allowed for the safe reopening of the country from the level of high restrictions to Phase 4 as approximately 3,000 tests per month were conducted in the first three months.

Whilst providing a more fiscally responsible government testing operation, with testing below \$5.00 per sample, MDL also allowed for a quicker results turnaround with any member of the public able to book a test, get results emailed within 24 hours and for each person's general practitioner to be informed of the result in real time.

Mr. Chairman, MDL was able to drastically increase testing capacity from 3,000 to 12,000 per month in July 2020 when the airport opened and further supported the increase of air arrivals to an average of 22,000 tests per month between August and November. The MDL ultimately withstood the stress test when an outbreak occurred last December with a total of 299 positive cases identified out of approximately 33,000 tests performed. MDL has kept Bermuda at the cutting edge of testing developments and has recently allowed Bermuda to know which variants have been present on Island, and when they first arrived.

MDL's focus in 2020 was to deliver a world-class COVID-19 testing service to the Island of Bermuda whilst also training upcoming Bermudian scientists. To date, over 25 Bermudians have gained molecular diagnostics experience in the Bermuda national testing laboratory as interns or staff members with many entering the workforce for the first time in the career path of their choice, science.

MDL's 2021/22 focus is to continue to deliver on their world renowned COVID-19 testing, further develop staff professionally, and expand into further molecular diagnostics in order to keep as much genetic testing on Island. MDL's aim is to also establish a genetic research laboratory where genetic research is conducted by Bermudians, in Bermuda, for Bermuda.

Mr. Chairman, returning to the variances: Transport, line item 5, is also connected to the allocation for the National Health Emergency fund and represents the increased freight charges related to the import of COVID-19 medical supplies and equipment.

Professional Services, line item 9, at \$2,519,000, is a decrease of \$293,000, compared to 2020/21. Please note, Mr. Chairman, that there were

several reductions made to professional services throughout the various sections of the Cabinet Office as well as the decrease resulting from the Commission of Inquiry not extending into the new budget year.

Mr. Chairman, speaking of the Commission of Inquiry, please allow me briefly to veer off from the provision of the various explanations to highlight the work of the Commission over the last year.

As you may recall, pursuant to the Commissions of Inquiry Act 1935, on November 1, 2019, [the Premier] announced the appointment of committee members to the Commission of Inquiry into historic land losses in Bermuda. The establishment of this Commission of Inquiry was in keeping with the mandate of the House of Assembly as expressed in its resolution of July 4<sup>th</sup>, 2014.

The scope of the Commission's work was to:

1. Investigate historic losses of citizens' property in Bermuda from theft of property, dispossession of property, adverse possession claims and/or other such unlawful or irregular means by which land was lost in Bermuda.

2. Collect and collate any and all evidence and information available relating to the nature and extent of such historic losses of citizens' property.

3. Prepare a list of all land to which such historic losses relate.

4. Identify any persons, whether individuals or bodies corporate, responsible for such historic losses of citizens' property.

On March 8<sup>th</sup>, 2020, the Commission issued a notice that a Planning hearing would be held on March 19<sup>th</sup>, 2020. However, due to the pandemic, the Commission delayed its initial hearing until such time as the Government of Bermuda deemed it safe for persons to assemble. The Commission also adjusted the date by which persons seeking standing, or who had anecdotal information, but who did not wish to seek standing, could submit documentation. The initial deadline in March was tentatively shifted to May 30<sup>th</sup>, 2020, and then adjusted to June 8<sup>th</sup>, 2020. However, in light of reported challenges encountered by members of the community who sought to access relevant documents, the Commission communicated that the deadline would be extended until June 30<sup>th</sup>, 2020. Finally, in order to accommodate further requests for extensions, the Commission determined that the final deadline for submissions would be July 23<sup>rd</sup>, 2020.

Mr. Chairman, the Commission held its first public hearings of evidence on Tuesday, September 8<sup>th</sup>, 2020. To date, the Commission has completed five tranches of digitally-supported hearings, in order to address a caseload of 54 applicants. Due to the COVID-19 pandemic, the Commission had to place heavy reliance on Zoom meetings, live Facebook feeds, recorded YouTube video and live-streaming on CITV. Additionally, a separate historical review was carried out by two Bermudian historians, Dr. Theodore Francis and Dr. Quito Swan, in order to investigate the

Tucker's Town and St. David's land expropriations. In fact, the Commissioners have held approximately 70 different proceeding sessions thus far. These proceedings have been held at the Grotto Bay Resort, Willowbank Resort and Conference Center, and at Warwick Camp.

Mr. Chairman, the majority of the budget has been used for operational expenses such as salaries and compensations, electronic services, transcription services and venues.

The Commission is in the final stages of the evidentiary hearings and will complete their report in the very near term. At this time I would like to thank the Commission made up of the Commission Justice Norma Wade-Miller OBE, JP, and members Mr. Wayne Perinchief, JP, Mrs. Maxine Binns, Mrs. Fredrica Forth, Mrs. Lynda Milligan-Whyte, JP, Mr. Jonathan Starling and Mr. Quinton Stovell.

Returning to the Subjective Analysis, please note Mr. Chairman, that the full amount of the decrease within Professional Services was not fully reflected due to the necessary allocation of services that form part of the National Health emergency fund.

The next variance to be highlighted is found within Equipment (Minor Capital), line item 15: Please note that the \$916,000 increase is a direct result of the necessary medical supplies and equipment allocation for 2021/22 within the \$2,000,000 National Health Emergency allotment.

Finally, Mr. Chairman the remaining material variance is seen in Grants and Contributions, the last line item, which shows an allocation of \$26,439,000, an increase of \$19,600,000 above 2020/21. This is a result of the transfer in of the Tourism-related grants. You may note that the transfer in of \$23,000,000 related to the BTA grant and smaller associated grants (World Triathlon Series, Heritage Weekend and Cup Match grants) is also not fully reflected.

Again, necessary reductions were made in order to reach cash limit constraints. Mr. Chairman, I will cover the grants to the BEDC and the BTA when I complete the brief on this Head.

That was kind of a skim-over, Mr. Chairman, of those two grants.

## MANPOWER

**Sen. Owen Darrell:** Mr. Chairman, as seen on page B-43, Employee numbers, there is a total increase of six FTEs in 2021/22 compared to the 2020/21 original FTE estimates. This results from the already mentioned two additional permanent secretary posts under business unit 19000, General Administration, as well as the Tourism transfer in of the four Regulatory and Policy, Hotel Administration, posts seen under the new business unit 19065. Let me quickly mention that the decrease within the last line item PATI/PIPA, 19085, relates to a mere internal post transfer and

accounts for the third FTE increase within General Administration.

### CAPITAL EXPENDITURE

**Sen. Owen Darrell:** Capital Expenditure: Mr. Chairman, you will note that in accordance with page C-4, there are allocated funds for Capital Development in the amount of \$2,570,000. [That is] \$1,070,000 for the shoreside facilities, and an additional \$1,500,000 for the Community Clubs and Community Investment Grant.

Mr. Chairman, the development of a cooperative means by which to support the work of Bermuda's fishermen is set to culminate in the development of a shoreside fish processing facility. Whilst the consultations are ongoing the Cabinet Office is working to bridge historical divides within the industry to promote greater economic independence and greater economic success for what might be termed as one of our original economic pillars.

Mr. Chairman, the plans for the site have been reviewed and will be modified to reflect the most modern equipment and approaches to the processing of fish. The area of Marginal Wharf best lends itself to this operation, but we continue to consult, and during this fiscal year there will be significant advances in this critical cooperative development.

Mr. Chairman, in keeping with this Government's longstanding promise to support the Island's Community Clubs, I am pleased to join colleagues in presenting a series of capital grants to provide for much-needed infrastructure improvements for our clubs.

The men and women are not just members, but their hearts and souls are poured into the mission and community outreach, and many of these organisations have welcomed these grants. This fiscal year sees grant funding renewed as we are determined to continue this transformational programme.

As seen on pages C-9 and C-10, there were no Capital Acquisition submissions for 2021/22.

Mr. Chairman, I shall now turn my attention to output measures.

### OUTPUT MEASURES

**Sen. Owen Darrell:** The performance measures developed for the Cabinet Office are found on pages B-44 and B-45. The majority of the measures outlined in the 2020/21 have been or are anticipated to be realised by March 31<sup>st</sup> with continuance throughout the 2021/22 period.

Mr. Chairman, business unit 19035, the London Office, achieved all of its targets set, especially within the first target of assisting Bermudians (including Bermudian students) living within the UK, which was clearly put to the test but most notably demonstrated during this pandemic.

As was previously seen on page B-41, the London Office has a budget allocation of approximately \$1,114,000 for the fiscal year 2021/22. The office, on a whole, continues to provide a service to the Government by maintaining our relationship with the United Kingdom through high level dialogue with the UK Government, particularly through increased engagement with departments of Her Majesty's Government across Whitehall. While doing so, the office works with governments of the Overseas Territories on shared policy areas across the Territories.

The London Office is responsible for engaging with both Houses of Parliament, the UK Diplomatic Corps, such as embassies and high commissions; the United Kingdom Overseas Territories Association; the Commonwealth Secretariat, along with all UK based Commonwealth Associations; as mentioned, Bermudians living in the UK including students; the general UK public, to include private companies; civil societies and those who have a general or vested interest in Bermuda.

For fiscal term 2020/21 the primary function of the London Office was to provide the necessary immediate assistance and guidance through its [consular] function to Bermudians living and studying in the UK and throughout Europe as a result of the impact of COVID-19.

For fiscal year 2020/21 the London Office provided assistance to 918 [consular] cases. The nature of consular assistance ranged in levels of varying circumstances from routine travel assistance to matters of critical nature.

This level of assistance included managing the repatriation of 236 Bermudians from around the world routed through London on British Airways flights chartered by the Foreign Commonwealth & Development Office at the beginning of the COVID-19 lockdowns in April and May.

Mr. Chairman, the functions of the London Office for the fiscal term 2021/22 are:

- to continue to support Bermudians in the UK and Europe within its consular affairs;
- to maintain dialogue across the UK Parliament by engaging with UK Members of Parliament;
- to continue engagement with UK civil servants in departments across Whitehall on all policy matters relating to Bermuda and the Overseas Territories;
- to support Bermuda's Financial Services regime;
- to support the efforts of Bermuda and other Overseas Territories' involvement at COP26 Summit in Glasgow to showcase efforts from Bermuda and the UK Territories in tackling climate change and;
- to implement political commitments made through the Joint Ministerial Council in November 2020.

For fiscal year 2020/21 Bermuda holds Chairmanship and Presidency amongst Overseas Territory Governments through the United Kingdom Overseas Territories Association.

Mr. Chairman, please also note that the Brussels Office is managed by the UK Representative through the London Office. The work on the ground is overseen by the Government's [Senior] Advisor European Affairs & Policy, Ms. Aliyyah Ahad, who took up the post in October. The Office will also continue to provide opportunities of experience to students and graduates through various internship programmes.

The objective of the Brussels Office is to maintain relationships with key stakeholders and decision-makers on the ground in Brussels while establishing new connections. With the UK's exit from the European Union the objectives of the Brussels Office for fiscal term 2021/22 will be:

- to maintain close dialogue with the European Commission, Council and European Parliament and other EU institutions;
- to facilitate access of the Premier and Ministers to key persons in upholding the Government's presence in Europe;
- to work with the Ministry of Finance to support Bermuda's global position of a robust regulatory financial regime.

The Office has been allocated approximately \$396,000.

Mr. Chairman, turning to business unit 19080, Head of the Public Service, on page B-45, I am pleased to provide an update on the second measure to develop a five-year public service plan which requires the review and justification of services provided by government by June 2020.

Honourable Members will recall that this measure derives from the Objectives as set out in the Government Reform Strategic Framework. The recommendations that will inform the plan depend largely on data gathered as a part of the zero-based budgeting (ZBB) process. An analytical tool to assess the public value of government services was tested during the last budget cycle, refined and implemented in earnest as a part of the preparation for the fiscal 2021/22 budget. A quantitative analysis is now in progress. A qualitative review will now follow and public services will ultimately be placed in five main categories: 1) Essential; 2) Important; 3) Needed; 4) Desirable; and 5) Optional. Following consultation with all stakeholders the five-year public service plan will be produced.

Mr. Chairman, with respect to customer complaints, while the feedback system has not as yet been implemented, development is a work in progress and it is expected to launch in this fiscal year.

Moreover, Mr. Chairman, the Government is working to establish service standards and it is expected that a full customer service training programme for all public officers will be implemented prior to the end of the year. The new Guidelines for Ser-

vice Standards are embedded in the revised Conditions of Employment and Code of Conduct which has been updated for the first time in 20 years and is expected to be effective on April 1<sup>st</sup>, 2021.

Mr. Chairman, allow me to turn your attention to the last business unit, 19085, the PATI and PIPA Unit and briefly expand beyond their achievement of their target for 2020/21.

The unit takes on a mandate of the implementation and maintenance of the Public Access to Information Act and the Personal Information Protection Act (referred to respectively as PATI and PIPA) within the Government, as well as the coordination of the respective pieces of legislation. The unit aids the Government to not only meet its requirements in this regard, but to support the Government in creating a beneficial environment that supports a viable economic ecosystem. This unit also works in collaboration with the offices of the Information Commissioner and Privacy Commissioner in the focus on transformative change in the Government and our jurisdiction.

The Government of Bermuda interacts with the public and the broader community by collecting and exchanging data using physical and electronic methods in the course of conducting everyday business processes. As such, the government holds an abundance of information related to such processes, as well as a significant amount of personal information. It is therefore, important that the rights of access to information and privacy are ingrained in the organisation's operations and culture.

Mr. Chairman, as seen on page B-41, the PATI/PIPA Unit has been allocated \$464,000. Requirements specified in both PATI and PIPA include: implementing operational and administrative measures to respond to requests; management and accessibility to records; reporting to regulatory authorities; and documentation of management and processing records and requests. The unit will play a significant role in the facilitation of these common requirements present in both Acts.

Mr. Chairman, the PATI framework is operational and shall be reviewed during 2021/22 to enable the optimal utilisation of resources within the unit. In addition to the coordination of the review of PATI for amendment during the year, the unit will consider whether current activities should be refined or expanded. These activities include:

- development of internal policies, procedures and guidance;
- the facilitation and advice to public authorities in relation to access to requests;
- the provision of awareness building and information officer training; and
- the communication with stakeholders on PATI and other information access developments.

Mr. Chairman, as we prepare for PIPA to come into force, the unit has been working in collabo-

ration with the Privacy Commissioner and the Information Commissioner to review the existing legislation. In the absence of a standalone privacy law in the past, individual laws may contain aspects related to personal information and/or data privacy that is now superseded by PIPA. In line with this need, a significant harmonising exercise has taken place with the PATI legislation. Amendments will be brought forward during this legislative session.

Mr. Chairman, when PIPA is in force it will have significant implications for the entire jurisdiction. As the Government is responsible for protecting the largest collection of personal information held in Bermuda, the Government's privacy programme is of vital importance. The Government will be required to notify residents as to how and why we collect, use and store their personal information through privacy notices. Risk assessments, as to how personal information will be used and protected as per PIPA requirements, will be integrated into our operations. PIPA also impacts our interactions with organisations, including vendors and service providers. Assessing their PIPA compliance will become an important step in the contracting process.

The unit has identified a privacy framework to guide its work and intends to more fully develop and operationalise their implementation plan during 2021/22. Requirements in the framework and plan, either currently underway or anticipated include:

- production of internal policies, procedures and guidance;
- creation and implementation of specific processes to respond to legislated requirements;
- provision of general and targeted training; development and delivery of communications and awareness programmes;
- development of an international data adequacy framework; and
- monitoring and auditing PIPA compliance within the government.

Mr. Chairman, privacy is affected by many other requirements and processes underway within the government. For example, privacy interests with information technology security, or cybersecurity, which is the protection of electronic data from criminal or unauthorised access and use. The PATI/PIPA unit will work in collaboration with the Ministry of National Security, the Information and Digital Technologies Department (IDT) and the Cybersecurity Governance Board to support the implementation of the Bermuda Cybersecurity Strategy, and specifically in relation to security breach requirements. The unit will also ensure that it leverages and promotes the government's records management requirements, complying with regulatory requirements while also reflecting good governance. Additionally, the unit will aid in the ongoing reform process, helping to ensure that privacy by

design and default begin to be integrated into Government's programmes and initiatives.

Mr. Chairman, the Government's reform programme will both impact and be impacted by information access and privacy, especially if progress is continued towards open data. The synergy between information access and privacy must be understood and emphasised. The PATI Act marks a path for openness and accountability in our public services. It complements PIPA provisions for improving people's access to information about themselves, alongside the protection of their confidentiality and privacy.

Further, the aforementioned future amendments to PATI can emphasise the ongoing work of the Government to broaden rights of access as well as rights of privacy. The Team will work together within the Government space to ensure training and awareness to ensure streamlined public access, privacy rights and confidence in the Government.

Mr. Chairman, at this time I would like to take the opportunity to extend my thanks to all of the staff at the Cabinet Office under the leadership of the Secretary to the Cabinet, Major Marc Telemaque, for their ongoing contributions and dedication to serving the people of Bermuda.

The Cabinet Office is the heart of Government and the entire team has my gratitude for the support they provide to the Premier.

Mr. Chairman, this concludes the presentation of Head 9.

**The Chairman:** Thank you, very much, Senator Owen Darrell.

Would any Senator wish to speak on this Head?

Senator Marcus Jones.

**Sen. Marcus Jones:** Mr. Chairman.

**The Chairman:** Over to you, Senator.

**Sen. Marcus Jones:** Thank you, Mr. Chairman.

I am absolutely giddy with excitement that the Junior Minister has given me an abundance of time to ask questions and get replies. For the record and for the public to know, this particular Ministry and Head was given two hours. The substantive Junior Minister has spoken for 30 minutes and he has now given me one hour and 30 minutes to ask questions and give my comments, which I am more than happy to do. So I thank him for a very comprehensive, a very clear-cut presentation on the Cabinet Office.

And he is absolutely correct; the Cabinet Office is the heart of government. And from this location and from this particular Head much of the operations of the entire government come from this particular department. As was noted by the Junior Minister, the major increase of this particular department, if we look on page B-41, in the General Summary, on the very

bottom line, the increase on this particular department was \$21 million. Last year, 2020/21 the budget was \$17,331,000 and this year, 2021/22 the bottom-line amount that has been allocated to this particular department is \$39,022,000. The lion's share of this particular department of the increase has come from what was formerly known as the Ministry of Tourism and Transport. We find that the budget that had been allocated in years gone by within that Ministry has now been placed in the very responsible hands and under the management of the Cabinet Office where the Premier himself is the one who will supervise and manage its funds.

Twenty-two million dollars is a fair amount of money that has been earmarked for the use of funding or partially funding the Bermuda Tourism Authority, and being that this is the largest allocation of funds, I believe that is the first place that I would like to spend my time talking about.

Now, Mr. Chairman, you would know that in years gone by, the Ministry of Tourism was primarily under the jurisdiction of Government Ministers. For a long time, Tourism became a political football within this Island. And for a number of years it experienced, let's just say, the doldrums of an industry that was really hard done by through some decisions that were made by those who were not experts in the field of hospitality and tourism. At the time leading up to the 2000s there was a cry for an independent tourism authority. And we find that under the administration of the OBA, once they got into power in 2012, they felt it important that this particular industry, which was so important for Bermuda—not only does it employ the second [highest number of] persons in this country, second to the government's staff level—it was important that we put this important industry in the hands of those who were experts at it. So we find that during that administration of the OBA that this independent authority has been set up.

Mr. Chairman, one has to admit that after this particular Ministry was placed in the hands of an independent authority, we saw some very positive numbers—numbers that we had not seen in a number of years. We have to admit that at times there are certain things that need to be taken out of the hands of Government Ministers and put into the hands of those who are experts.

Now, if we turn over to page C-17, Cabinet Office Departments, this is where the grants and contributions are, we will see the breakdown of this \$26,439,000 in total. We find there that under 6835 is the Tourism Authority Grant, which is \$21,500,000. One of the things that I would like to get some answers for, being that this is a substantive amount of money, we know that a couple of years ago the BTA put together and formulated a tourism plan. I believe it was the Tourism Plan of 2025. I would like to know the status of that particular plan especially since we have had to endure this COVID-19 pandemic, and a

lot of timelines and benchmarks were put in place that this Authority was endeavouring to reach, so that we can see what the progress has been. I would like to know what the status of that particular plan is. We realise in that plan there were certain destinations that the Authority was going to be targeting. There were certain demographic groups that this Authority was going to be targeting.

We know that they wanted to increase the number of African Americans coming to this country. They wanted to increase the number of sporting events coming to this country. So I think it would be in the public's best interests for the Junior Minister to give us an idea of how successful this 2025 Tourism Plan has been to date.

Of course, we have heard through the news and through the media that this authority has had to go through a number of cuts, lay-offs, I would venture to say even redundancies, in order to be able to fit the budget levels afforded to it. We also understand at the moment that this particular Authority is being managed and led by the very well-rounded, very connected young man (he happens to share my last name) Mr. Jones, who has done a fabulous job, being able to hold the Authority in place until a permanent CEO has been chosen. That is one of the questions I would also like to ask the Junior Minister. What is the plan and what is the status of the permanency of that position as CEO of the Bermuda Tourism Authority?

Within that \$21 million there would have to be a marketing budget. Now, with the pandemic everyone knows that the number of persons and businesses that have actually come to Bermuda have dropped tremendously. I believe the numbers that I quoted in my presentation yesterday of visitor numbers, the leisure visitor numbers have dropped 84 per cent in 2020. The cruise visitors dropped 98 per cent. So the numbers are very discouraging—understandable, but very discouraging. We would like to see what plans, what contingency plans did the BTA have in place to be able to counteract such a natural disaster?

We just spoke of how the staff had been reduced a great deal. But we would also like to think that the marketing plan would have changed dramatically as well. Bermuda has been able to tout its health and safety standards in the light of this pandemic. This is definitely something that we as a jurisdiction should be able to promote, because people the world over want to travel. There is a pent-up demand out there. And I believe Bermuda is in a prime position to be able to trumpet its glowing health and safety record in light of this pandemic. So I would be curious, Mr. Chairman, if the Junior Minister would give us an indication of the adjusted marketing plan within that \$21 million. Has the marketing budget increased? Has it changed its direction? [Has] the push to encourage more African Americans to come to Bermuda changed?

Are we targeting the people of high net worth along the eastern coast of [the United States]? Have we actually saturated that entire east coast to where we now have to redirect our marketing dollars further from Bermuda? Should we be sending these marketing dollars to Europe? To Asia? We know that [some] of the greatest travellers in the world right now come from Asia. Does it make sense for us to find a way to connect the international travel to Asia where people from that part of the world would want to come to Bermuda?

So, in summary, can the Junior Minister give us a more detailed explanation of what the Bermuda Tourism Authority's marketing strategy is in light of this COVID-19 pandemic?

Another question I have in light of the Bermuda Tourism Authority, and I am still on page B-41, line 19065, which is the Regulatory and Policy/Hotel Administration line where \$22,381,000 has been allocated, of which \$21,500,000 is with the Bermuda Tourism Authority, I would like to know, Mr. Chairman, if there have been funds set aside to actually have feet on the ground at our gateway cities in the United States, in Canada, and in the United Kingdom. Now, in years gone by, the Bermuda Tourism Department had an office in New York. And from that New York office, we were able to extend our reach into most of the gateway cities to ensure that not only was Bermuda promoted through the airwaves by media but actually by having persons be on the ground in these cities selling Bermuda.

I would like to know if that is still part of the plan, or whether, under these restricted budgets we have had to make sure that everything is centralised through the Bermuda office. Mr. Chairman, if we can get some clarity from the Junior Minister on whether or not there are actually staff members that are around the world, I would say, not only just in the United States and primarily in New York City, but I would like to know if there were persons stationed in the United Kingdom, if there are persons stationed in Canada. I do not know if these persons are able to coordinate with the offices that are already set up in Brussels and the office in London where we have three staff members, if they are able to use that as a liaison office to be able to extend Bermuda's reach into these markets when it comes to tourism.

Those types of questions in regard to marketing strategy, in regard to the reach to places even as far away as Asia. We would like to see what the Bermuda Tourism Authority has in its plans to pivot and be able to readjust its marketing push to get persons around the world with, I would say, pent-up demand for travel, pent-up demand to see other jurisdictions, to be able to look to Bermuda as a potential jurisdiction to come to.

Also, within that particular line item, 19065, Regulatory and Policy, which is on page B-41, I know that based on last year's figures, transferred over to

here in this line this year, there would be somewhere in the region of \$380,000 that would be expense toward the Hotel Policy and Regulatory section of tourism. So I would like to ask the Junior Minister if he could give us the exact numbers, the exact amount of money that has been allocated for the hotel portion of the grant that was put towards this particular line item.

Now, from past experiences, we know that the hotel inspectors are part of this line item. They are responsible for ensuring that the level and quality of the hotels that our visitors come to are at a certain level. So, Mr. Chairman, not having those performance measures in place transferred from the Ministry of Tourism and Transport of last year, into this particular Head 9 Cabinet Office, there are a certain [number] of questions that I would like to ask the Junior Minister when it has to do with hotel inspectors.

Now, it is very important, having done it myself, and I am going to declare my interest, and my past interest, Mr. Chairman. You may not know this but I was once a manager within the Department of Tourism. In fact, I was tasked and given the assignment to supervise the hotel inspectors. So I know quite intimately what goes on when it comes to hotel inspectors. So it is very important that we can have a performance measure that actually gives us comfort that certain protocols and regulations are fulfilled within that particular department.

Now, the hotel inspectors inspect every year. Normally they do an inspection in the winter and they do an inspection in the spring time. And previously there were certain measurements put in place as performance measures to ensure that these inspections were completed on a timely basis. One of the things that these hotel inspectors had to do was answer complaints. Unfortunately, in Bermuda we believe that we are a place where no one should have any complaints about our beautiful Islands, our wonderful sand and sun. Well, I hate to inform you, Mr. Chairman, that there are visitors who come here who are looking for a pristine premise and property to stay in and are expecting nothing less than the best. But because we live on a subtropic Island where there are lots of cockroaches and insects, mould and everything else, that sort of shows up in these hotel rooms, it is important that these inspections are done.

So I would like to know from the Junior Minister what were the accomplishments, and what the timelines were [which were set] for these hotel inspectors to have completed their job of inspecting licensed properties every year. Were there any delays? I want to know how many complaints were made to this particular hotel administration group. How many complaints did they have to investigate in the last year? And what are their objectives for this coming year?

We also recognise that only here recently these hotel inspectors were tasked to inspect vacation rental properties. According to the Junior Minister there were 64 (I believe I have that right) vacation

rental units that had to be inspected by these hotel inspectors. If it was 64 vacation rental units that were inspected, what is the number of registered vacation rentals? I do not even want to venture a guess. But what I do know is that what has happened over the last year is that many of these vacation rentals that have not had visitors come and stay in their units, [the owners] had to then turn their units over to rent control, back into the inventory of local apartments that were left empty, vacant. I would like to know the number of registered vacation rentals that we have in circulation right now.

If it is 1,000, then inspecting 64 is woefully low. If it's 100 than 64 units being inspected, out of a total of 100, is very good. So, if we can have the Junior Minister give us a count of the number of vacation rentals properties that are active right now, certified, available for when we have a stampede of visitors coming back to the Island, we want to know how many of these vacation rental units are available. We want to know the numbers because we can then ascertain the numbers that have been inspected to ensure that the quality of these rental units reach a level that we, as Bermudians, especially those of us that have spent time within this industry can feel comfortable that the property, that the product that we are presenting to world travellers is of a standard that we can be proud of.

**The Chairman:** Senator Jones, are you finished, or do you have more?

**Sen. Marcus Jones:** That allocation of \$22,381,000, and we are still on page B-41, line item 19065, we understand that a portion of those funds were actually allocated to the World Triathlon Series. Now, if we turn to the back of the Book, it is at page C-17, I believe, \$400,000 has been allocated to the World Triathlon Series. In light of the pandemic that we are in right now, and the escalating numbers of persons who are showing up positive, Mr. Chairman, if we could have an indication from the Junior Minister as to whether or not this particular event will continue.

We also see on page C-17, under Cabinet Office Departments under Grants that \$50,000 has been allocated for Cup Match. Now, we were all saddened last year when we were not able to experience and enjoy Cup Match. And many of us are looking forward to Somerset once again winning and retaining that Cup. Now, maybe there are some folks in the east end that are hoping that, you know, this Cup Match does not happen again this year, because they may not want to experience another loss. But, as a very confident Somerset Cup Match fan, I am more than anxious that this annual event will happen again.

So, my question to the Junior Minister is if this \$50,000 that has been allocated (and I would assume that this \$50,000 will be going to the club that is hosting the Cup Match event), if this event does not hap-

pen, will that club still be able to receive the \$50,000? Well, we know that these clubs, both St. George's and Somerset, depend very heavily on these funds, not only from the government, but mostly their programmes, their building improvements are financed by this summer classic that happens in their particular club every other year. So, we do not know their finances. Neither do we need to get into their finances. But, Mr. Chairman, I would like to know if the Cup Match does not even happen, do those clubs still get the \$50,000 that has been allocated to them? I am sure that the presidents of these clubs would be able to give a justifiable reason why these funds should still be extended to them, especially in light of them not being able to host this every lucrative event on a bi-annual basis.

So, Mr. Chairman, we know that of this \$22,381,000 the lion's share of that goes to the Bermuda Tourism Authority. And if the Junior Minister can give us more details on how this particular Authority will function in light of this national disaster that we have been through it would be very much appreciated, so that we can have some indication of how these funds are being spent.

Mr. Chairman, I am still on page B-41. I am now going into business unit 0902 and in this particular business unit we have the three offices, the London Office (19035), the Washington, DC Office (19045) and the Brussels Office (19075).

Mr. Chairman, in listening to the Junior Minister's brief, it was quite interesting to hear the operations of these particular offices. If I swing over to page B-43, and look under the line of 19075, the Brussels Office, there is no staff located at that office. Neither was there [staff] last year; neither was there [staff] this year. Despite the fact that there is no staff there in Brussels, for example, the estimated allocation of funds is \$396,000, of which is a \$4,000 increase. Now, I listened very carefully to the Junior Minister and he can correct me at the time when I release him to answer these questions, but I was made to understand that there was no one there, so there were representatives from the London Office that would actually come to the Brussels Office to represent Bermuda to connect with diplomats from the EU Office, but they would be doing that from the London [Office].

My question to the Junior Minister would be can he give us the annual rental costs for these offices in Brussels, for the office in Washington, DC, and for the office in London? I think it would be a very good exercise for us to be able to ascertain whether it is, in fact, profitable and in Bermuda's best interests to continue these offices in these particular places, especially if no one is going to be in those offices. We would like to think that if we needed a person to be present in those offices to meet with a diplomat then you have to pay money to fly them from the London Office. There is nothing that can substitute for face-to-face diplomatic interaction with certain agencies, gov-

ernment agencies, even the private businesses that do work with us here in Bermuda. It would be advantageous to have an actual body, a physical body, in these two offices of Washington, DC, and Brussels.

So, can the Junior Minister give us an idea of what the rental costs of these buildings are and if there is someone who represents Bermuda in Brussels? Although they are not officially a staff member, is their remuneration for services for representing Bermuda within the professional services line item? Is it in the overseas consultation line item? We just do not know, Mr. Chairman. So if the Junior Minister can school me up and cause me to have a better understanding of how we pay for the services of persons who would represent Bermuda in the Brussels Office and the Washington, DC Office that goes beyond the full-time equivalent staff members who are located in the London office, that would be very helpful.

And I just noted that there was an increase in the budgeted allocation for the Washington, DC Office. Last year in 2020/21 there was a \$61,000 allocation for that office and this year 2021/22 it is \$176,000 more, which gives us a total of \$237,000. So, can the Junior Minister give us a clearer reason for that increase, especially since there is no person, no physical body in that office? Can he give us some clarity on why the increase, and also justify the reason for continuing to have an office in those two locations, Washington, DC and Brussels?

One of the things that the Government has said to us through its Budget Statement is that they will be able to provide balanced budgets in three years, after the tourism industry comes back to a level of normalcy. That sounds logical. That sounds rational. I would just like for the Junior Minister to give us an indication of what the benchmarks would be. In other words, what will be considered successful? What will be considered a level of productivity of progressive successful numbers that will convince this country that we have reached a level of normalcy? Is the number of visitor arrivals a benchmark that would signal to this country that we are back to a level of normalcy within tourism? Could it be visitor spending, which we know has taken a major hit? Is there a certain level of visitor spending that this Government is expecting to see to be able to consider that our economy is in a position where they can produce balanced budgets?

Is it the number of cruise ships coming to Bermuda? Can the Junior Minister give us an indication from his Government what level of numbers of success of increase of numbers over 2020 will indicate to his Government and indicate to this country that we have returned back to a level of normalcy which we can then expect a balanced budget and even surpluses, because of the revenue that we are taking in through cruise ship receipts, through visitors spending money in our retail stores, spending money in our hotels? We know that especially through this

pandemic the hotel owners have really suffered, really experienced some major downfalls in the numbers.

I will take this time to actually thank Bermudians for choosing staycations at a time when they normally would travel around the world. Bermudians love to travel, they love to go on cruise ships. But many of our Bermudians who have not been able to travel have used the money that they did not use for travel and actually spent it in our hotels. On behalf of hotel owners and managers around this Island we thank you for spending your money in the hotels here at home.

So can the Junior Minister give us an idea of what visitor numbers, spending numbers, that this Government is looking forward to seeing to signal to them that we have again reached a level of normalcy?

Mr. Chairman, I am looking now at page B-42, under the travel line. We see there for 2021/22 that the amount allocated for travel will be \$249,000. Last year it was \$295,000. This is a drop in what was budgeted for last year. In fact, it is \$46,000 less. But if I turn back to page B-41, I see line item 19005, Overseas Travel, is \$149,000. Can the Junior Minister give us clarity on the travel, itemise it so that we can understand? Overseas travel is that travel which includes staff from the Cabinet office flying overseas to . . . for example, the Premier. I would think he would do a fair amount of travel in this upcoming year, not being able to travel and manage this pandemic. He would now, I would suspect, be free to travel more. Is that line item of 19005 the overseas travel for staff within the Cabinet? And does the overseas travel include travel expenses for those who are employees at the London Office? Does it include the cost of travel for those in the London Office who fill a spot within the Brussels Office, within the Washington, DC Office? Can I get some clarity on how those two items, overseas travel and just travel, how they itemise the travel of that particular line item? I would appreciate that.

Mr. Chairman, I have asked a number of questions, and I definitely want to leave time for answers. Can I ask how much time I have, Mr. Chairman?

**The Chairman:** Yes, we have almost exactly 50 minutes remaining Senator Jones. We also have perhaps other Senators who wish to ask questions on this Head as well. So, roughly 50 minutes left.

**Sen. Marcus Jones:** Was that 15?

**The Chairman:** No, 50 (five-zero).

**Sen. Marcus Jones:** Five-zero. Great. Thank you, Mr. Chairman.

If you would indulge me, Mr. Chairman, I just lost my place. Just give me a few moments to get back to where I was at.

Page C-4, yes. Right.

If you look at page C-4 under Cabinet Office departments, this is capital account estimates. We see from this particular page Shoreside Facilities, Marginal Wharf, \$1,070,000 has been allocated for that particular line item. If the Junior Minister can give us a little bit more information on that particular line item, I would appreciate it.

And coming back to (this is what I missed) the community clubs, in line item 75349, in the year 2021/22 \$1.5 million has been allocated for community clubs. Mr. Chairman, you would know that the community clubs, whether a sporting club, whether a boat club, these types of clubs are in the heart of the community and they do much for the community at large. In years gone by they used to be the centre of the community. And for a large part, most of their revenue comes through alcohol sales. And we also realise that there is such a large number of youth that come to these clubs, but we also understand that in order for these clubs to survive they have to have some form of steady income. So alcohol sales represent the lion's share of their budget. So I can understand how much the presidents and the members of these clubs would appreciate the money that has been allocated for these clubs from the government. And \$1.5 million is an increase. It is a one million dollar increase from what was budgeted last year 2020/21.

Last year there was \$500,000. And from the Junior Minister's brief we got an indication that these funds were normally used for capital projects or capital upgrades. I would like to know from the Junior Minister, of the monies that were allocated to these clubs, is there a progress report? Is there any feedback from these clubs of how these funds were dispensed? Were there walls that were built? Were there bleachers that were built? Were these monies put towards youth programmes? For an amount such as \$1.5 million, and I do not know how it will be spread out, neither do we know the criteria by which these monies were allocated to these clubs, that is also a question that I have. If the Junior Minister let us know what the criteria is and how they come to a decision of who gets what, and how much they get, I think that would give the public comfort in knowing how these monies— which are justifiable, earmarked for these clubs—are expensed. So, that is something that I would like for the Junior Minister to explain to us, because it is money well spent.

Going back to page B-41, the National Health Emergency line. We understand that this particular cost was attributed to the emergency formation of the Molecular Diagnostic Lab. From the Junior Minister's brief, if I can understand what he was explaining, it is that the \$2 million that has been earmarked for this particular line would go a long way to establishing a permanent lab not only to take care of this present-day pandemic, but to also facilitate this lab even after we get past this. So, if the Junior Minister can put a

little more meat on the bone of this particular \$2 million, we understand that the salaries of the staff of the molecular diagnostic lab are part of the wage line. So the \$2 million, I am guessing, or assuming that part of that \$2 million goes towards PPE, equipment and other materials to ensure that we have sufficient supplies to get through this particular pandemic.

We are certainly grateful to the UK Government who has willingly given this country vaccines. I don't know how we would be if we were an independent country and had to be pricing and finding the best price for vaccines . . . I don't know how those on the other side of the aisle can fully see and appreciate the connection and the dependency that we have on the UK to provide for us these vaccines at this particular time. But I can say sincerely on this side of the aisle we recognise and appreciate the fact that we have a friend in the UK that has been able to facilitate our needs for the vaccine at this time.

So, Mr. Chairman, if the Junior Minister can give us a little bit more insight on the expenditure of \$2 million which last year was \$14 million, [which] was a revised total, we totally understand that. The amount is justified. But moving forward, if the Junior Minister can give us an idea of how that \$2 million is going to be dispensed it will be much appreciated.

Mr. Chairman, I am now on page B-42, and if I look at the line item Professional Services, we understand from his brief that much of the Commission of Inquiry Services, whether it is the cost of the Committee that has been set up to actually listen to the cases of those who have been wrongfully treated by persons in the past, where they lost their land, we understand that the remuneration for those who work on this Commission which was set up by the Government is on this line. I would suspect that this would also pay for lawyers that have been brought into the equation.

Can the Junior Minister give us an indication, just focusing on the Commission of Inquiry services, how that piece of these professional services was allocated? How much of it was remuneration for services and otherwise? This is just so that we can get an understanding of how this \$2.5 million has been allocated for this Commission of Inquiry.

I was made to understand through his brief that the last submission or application to be heard was in July 2020. It is now March of 2021. So I would just be curious if the Junior Minister can give us a little more clarity on how these funds were dispensed and how he expects them to be dispensed going forward. Was there a limited [number] of cases that they had to listen to? And if there was a limit to those cases, there is a better way of being able to budget how much money needs to be allocated for this particular venture. So I would appreciate that.

This year the budgeted estimate for rentals is \$1.1 million which represents a \$180,000 increase over last year. Last year it was \$972,000. We also see that a revised estimate was \$1.2 million. Now, what I

am finding is that whenever there is a number that does not look all that kosher to the last year's budget, my esteemed Junior Ministers tell me that COVID-19 is the reason. As much as we can appreciate that this is a ready-made answer, surely we can drill down even further to get some indication of why, first of all, the \$972,000 that was budgeted for rentals from 2021, the revised estimate was \$300,000 more.

Now, Mr. Chairman, you and I both know that once one signs a lease to rent property or a facility, it is normally something that you know a year in advance. You can plan for that a year in advance. So if it was \$300,000 extra because of COVID-19, we can then guess . . . rather than guess, I would like to ask the Junior Minister straight: What was the \$300,000 extra assigned to rentals as the revised estimate compared to last year's budget? The answer was probably COVID-19. Yes, that may have had something to do with the Molecular Diagnostic Lab, but if the Junior Minister can clarify that for me, I would be most appreciative.

Now, as I said earlier, there is going to be an increase in 2021/22 of \$180,000. Can the Junior Minister give us an indication of what that represents?

Mr. Chairman, at this point I do possibly have one or two more questions that I will put to the side, because I do want to give other Senators an opportunity to comment or ask questions. I will listen very carefully to the Junior Minister as he provides answers to the questions.

Thank you, Mr. Chairman.

**The Chairman:** Thank you, Senator Marcus Jones.

Would any other Senator wish to speak on this Head?

Senator Robin Tucker, the floor is yours.

**Sen. Robin Tucker:** Thank you, very much, Mr. Chairman.

I actually only have one question. My question comes from page B-44, under business unit 19020, Safety and Health. I am just curious to know which audit has not been completed and when will it be [done]? The reason I ask is because they had the actuals for 2019/20 was five; the forecasted for 2020/21 was five; and the target was four. So I am just wondering which audit will not be done? That is my only question. Thank you.

**The Chairman:** Thank you, Senator Robin Tucker.

Would any other Senator wish to speak on this Head?

Senator Ben Smith, the floor is yours.

**Sen. Ben Smith:** Thank you, Mr. Chairman.

I am looking at page B-41, under the line item 19065, under Tourism. I just have one question. In light of the sports tourism that Bermuda has seen as a growing market, starting with the America's Cup that

put on a world class programme and showed the world what we were capable of, and also showed Bermuda what we were capable of, it really was kind of a kick-start of what our tourism product could be. We started to see the introduction of the World Triathlon Series. And now we have been able to attract SailGP to Bermuda. So, if the Junior Minister could give us some information on SailGP, specifically, because of the issues happening in Bermuda presently. Is this another one of these events that is potentially going to be in jeopardy because the COVID-19 numbers are not going to allow us to do an international competition?

Obviously as a sporting person myself, as the national coach of swimming, I am always interested in opportunities for us to bring sporting events to Bermuda so that our young people can see what is possible. And I know that sports tourism is an area that we can continue to build towards, so any information we can have I think will be important for everybody to hear. Thank you.

**The Chairman:** Thank you, Senator Ben Smith.

Would any other Senator wish to speak on this Head?

Hearing none, I think, Junior Minister Owen Darrell, you can respond to the numerous questions and comments that were raised.

**Sen. Owen Darrell:** Thank you, Mr. Chairman. I thank you that the Senator has *released* me now and I can answer his questions.

[Laughter]

**Sen. Owen Darrell:** I thought he would have asked a lot more with all of that time I gave him. It must be a hot topic these days. But I will start answering some of these.

The first one that I would go to . . . I am going to jump all around the place as I get answers to the questions that my Senate colleagues have asked.

The first one that I want to talk about is community clubs. I know Senator Jones asked about community clubs and he wanted to know, first of all, the amounts that we made available to these community clubs and the type of work that they have been doing on their clubs. So I will start there, and I will give a list of all of the clubs that have received finances. And that would actually go to another question he asked about Cup Match. So, we will do all of that in one.

The following community clubs have received funds from the Government:

- Bailey's Bay Cricket Club;
- Boulevard Community Club;
- Somerset Bridge Recreation Club;
- Southampton Rangers Sports Club;
- Hamilton Pembroke Club;

- Western Stars Sports Club;
- St. George's Cricket Club (and we will get back to that on in a moment);
- Mid-Atlantic Boat Club (we will tie that into his last question in a moment);
- East End Mini-yacht Club;
- West End Sailboat Club;
- Flatts Victoria Recreation Club;
- Paget Lions Club;
- Somerset Cricket Club;
- St. David's Cricket Club;
- Devonshire Recreation Club;
- Harrington Workman's Club.

Another question that was tied to that was: What have these clubs used this money on? Bailey's Bay Cricket Club used their funds to renovate changing rooms, as well as a retaining wall. Somerset Bridge Recreation Club used their funds for upgrades to their field. Southampton Rangers Sports Club have used funds for windows. Hamilton Pembroke Club needed a lawnmower. Western Stars Sports Club needed an upgrade to their facility. St. George's Cricket Club needed extensive upgrades to their club.

Mid-Atlantic Boat Club with SailGP happening (and I will get to that in a moment), there were many essential items at these three yacht clubs. And these, as you would know, Mr. Chairman, are historically Black clubs. And if anyone has gone to these clubs recently they would know that the infrastructure there is in dire need of an upgrade. I don't know much about sailing, but I have seen the applications when they came in. Most of them needed winches to lift the boats out of the water. Many of these clubs needed extensive repairs to their docks. A lot of these clubs needed basic necessities, like new windows, and patio upgrades. I mean, a lot of the infrastructure of these clubs was, for lack of a better word, dangerous and needed to be fixed.

When SailGP was announced, I mean, what better way for a historically Black yacht club, sailboat club, to want to be involved somehow, some way with SailGP. I mean, the Government has provided funds so they can at least be part of the action, so to speak.

Flatts Victoria Recreation Club had no restroom facilities for their youth programme and cricket team. So they asked for funds for that. Paget Lion's Club needed funds for a lawnmower and a shed, because their equipment kept getting stolen. Somerset Cricket Club . . . if anyone has been . . . I heard Senator Jones talk about Somerset Cricket Club. Their request was three-part, actually. One request was to upgrade changing rooms and bathroom facilities; the second part was to replace the upstairs wooden flooring, which was very dangerous, I guess; and the third was . . . I am having a mental block right now, but I know there were three parts. One was upgrade to changing room facilities, the other was the flooring

and it escapes me as to what the third one was at this time.

St. David's Cricket Club had a severely old and outdated electrical system which was posing a potential fire hazard at their club, so the actual funds [were] to upgrade their electrical system and panels. They also asked for funds to change out all windows; that was St. David's Cricket Club. Devonshire Recreation Club asked for funds to repair their roof. They asked for funds to upgrade their flooring. They asked for an air-conditioning system upgrade that had not been working for years. And then you have Harrington Workman's Club that requested many different specifics for upgrading their club—windows, new bathrooms, new electrical work.

So the question asked on that was, How did these clubs request the funds? Well, the Cabinet Office created a detailed application form, and they laid out extensively their [requests], Mr. Chairman. They asked for everything they wanted and then they had to give detailed quotes from different Bermudian workers and Bermudian companies and contractors so that we knew this money was not going overseas, it was going right back into the community that needed it most. So they sent those quotes in.

And I will tell you, Mr. Chairman, many of these quotes were in excess of two hundred, three hundred, four hundred thousand dollars. And that is how long these clubs had needed these funds. And as Senator Jones did point out, the alcohol revenues are not and will never cover the costs and the types of repairs that these clubs needed. So, for whatever reason, we can talk until the cows come home as to the reasons why these clubs are not able to get funding from their membership like they used to, however, there was a need. Obviously, on any given Saturday, as you would know, Mr. Chairman, up and down this country these community clubs are the fabric of our community. They have youth programmes. They host community events. They host community meetings. So that is something that this Government is proud of, that we were able to finally assist some of these clubs.

Now, I did say that the [requests for] funds are in excess, sometimes of one hundred, two hundred, three hundred thousand dollars, you know, we did not just write a blank cheque to these clubs. After review, it was decided that we would give them a portion of what they . . . sometimes we went back to the clubs and asked them what their top priority item was. The Government does not have \$300,000 to give to one club. And they came back and they said what their priority was, and what would be second. So, you ask, How did we then check?

I can use Devonshire Recreation; I can use Harrington Workman's Club and St. David's as examples. These clubs immediately got their membership together, hired local contractors and they immediately did work. And they took pictures. They sent in the receipts. They sent in the invoices and the payment re-

ceipts to the contractors, to show, 1) progress; 2) where the funds had gone; 3) how much went. So it was really good to see, refreshing to see the progress of these clubs.

Anyone who drives across and happens to be in my neighbourhood (and I know Senator Robin Tucker would know this area quite well), in Devil's Hole, you drive across Devil's Hole, Mr. Chairman, you would see that the work going on to Harrington Workman's club is extensive. I think at this point they have put in the new windows; they have put in . . . I'm not a contractor, but they have plastered the outside. And we have seen pictures [showing] that inside they are running electrical and new bathroom fixtures. So it is actually really refreshing.

Devonshire Recreation sent in pictures of workmen on the roof. If you drive [by] Devonshire Recreation [you and] the membership will be happy to see that the roof if repaired, it's white, and I think they are working on flooring now. So they were able to come back and say, *thank you, Government; the membership was very pleased, and you were able to assist further.*

The same with St. David's Cricket Club. If you drive [by] St. David's Cricket Club the building is starting to take shape. It looks immaculate. The field is nice and cut. And, Mr. Chairman, Senator Jones likes cricket, I hope that St. David's would hand that cup back to Cleveland sometime this summer if we can get Eastern Counties back and rolling, and I am sure the gentleman in the room loves to hear that.

So, yes, that is my extensive answer to the question on how the Government took care of long overdue work at these community clubs, which they say is the fabric of our community.

Also, there was a question raised about the \$50,000 that was allocated to Cup Match. Give me a second . . . okay, the \$50,000, if it is not used this year for Cup Match, I have heard that they are trying to get it going this year, but the \$50,000 would go back to the Ministry of Finance, if it is not used. And as you can see, and as Senator Jones did allude to, these clubs do rely on Cup Match to make revenue. However, we have recognized that this \$50,000 is not going to be enough and that is why they were also allowed to apply for other funds, as all other clubs.

So that is the clubs and how that allotment goes. I am going to go backwards here. The question that was last asked, I think by Senator Smith on sports tourism, a particularly hot topic in the community lately is the SailGP. I did see a communication this morning, and SailGP, according to the Bermuda Tourism Authority was kind of broken down into three parts as to where we are right now. And when SailGP first came to the BTA it was kind of a three-part question as to how it would work.

So, with the COVID-19 restrictions in place, there were basically three questions that came out about SailGP and where we are right now. The first

was, operationally SailGP has been broken up in to three tiers. The first question that they asked was 1) Can the sailing competition happen in the Great Sound with a live television and broadcast around the world? That was the first question that SailGP asked.

The second question was, Can the event happen with on-water spectator experiences and corporate hospitality to generate some on-Island activity?

The third question was, Can the event happen with a Race village experience at Cross Island to maximize the fan experience and an on-Island economic facility?

So those are the three questions they asked when they came. To best answer the question raised by Senator Smith, I will answer all three questions in that order. 1) Yes, the teams and crews are in a bubble for up to a month in Bermuda. They will only move between their hotel and Cross Island on the Great Sound. They have no interaction with the community or anyone outside the bubble. So, yes, the event will still happen. 2) Will the on-water spectator experience happen? It depends on where we are with public health regulations at that time. They were provisionally approved by the National Security and Health officials, depending on the country's status at the time of the event. Based on this, marketing—you would have seen in social media lately, Mr. Chairman—is underway to generate some sort of on-Island economic activity. However, the BTA and organisers are fully aware that if the country's status is in a difficult place, this means that all spectator experiences must be curtailed or the operation set up must be changed to regain the confidence of National Security and Health officials with new protocols being followed.

Right now, the goal is to look to make some changes. And they are doing that as we speak. You will see that people have talked about ticketing experiences. That is still going on with maybe the host hotel trying to sell tickets for spectator boats. But obviously, if we are not in a position health-wise to allow that, those tickets will have to be refunded or lost.

The third one 3) Can the event happen with a Race Village at Cross Island to maximise the fan experience. The answer to that is absolutely no. The request was made on February 1, 2021. And it remains under review by National Security and Health officials. However, SailGP realises that this is not going to happen and they are going to formally withdraw the request. The risk is too high, and the desire to gather in this format must be reduced. So this will be reflected on the SailGP website shortly, Mr. Chairman, that this will not be happening. Okay?

So, the short answer, yes, the SailGP event will still happen, but it will look totally different from what was first announced many months ago.

**The Chairman:** Just as a time check for the Senators, it is 5:31 now, so we have roughly 14 minutes remaining to the conclusion of the discussion on this Head.

**Sen. Owen Darrell:** Yes, I am going to try to get through all of my questions here, Mr. Chairman. They are coming in fast and furious.

**The Chairman:** For the listening audience, I will just remind them that we are in Committee of the Whole [Senate] for further consideration of the Appropriation Act 2021 together with the Estimates of Revenue and Expenditure for the year 2021/22. And the Ministry under consideration at the moment is the Cabinet Office.

**Sen. Owen Darrell:** Okay, like I said, I am going to bounce all over the place here. This is, I guess again on sports tourism. There was a question asked about the World Triathlon series. Discussions are ongoing, but as it stands right now, they do plan and intend to hold it in October. They are hoping to have full events. But right now we are on a wait-and-see, as you would understand, Mr. Chairman, due to the current pandemic. If they find that the numbers must be severely restricted in terms of attendance, they will revisit it and let the Government know if it makes sense to actually hold this event.

Go to where you started . . . I have those answers. You asked a lot of questions on tourism. The first question was about Tourism Plan 2025. You asked about marketing. You asked about boots on the ground. What is the status of the tourism plan? You asked about Black travellers. Okay, I have some answers for you there.

So, the BTA is marketing to Black travellers. This has been part of the tourism plan since it was launched in 2018, the National Tourism Plan of 2025. Their goal, when it comes to these Black travellers, is to actually double the number of Black travellers by air by 2025. So that is the goal. We are not there yet. We haven't quite hit that mark. However, there is clear evidence . . . on the evidence of the efforts that were taken.

Again, we go back to sports tourism, answering a question by Senator Smith, where I think he asked what we are doing. You would know that there will be a Black golf event happening on the Island right after the Bermuda Championship. There is an indication that according to *Golf Digest*, I believe, or another publication, that there is great interest in African-American golfers from mainly the United States, to come to Bermuda and play on our wonderful golf courses, especially Port Royal. I think there are some other golf clubs that are looking to get involved in this event. The numbers that I heard were over 100-or-so golfers that were looking to come, and this will actually go right along the [Tourism] Plan of 2025.

It also kind of goes into your question about individuals of high net worth. I actually asked the question when I heard about this a few weeks ago. I asked what type of Black golfers are we talking about? What economic range are they in? And I was

told that these would be some of them from all ranges. Some would be from public Black golf courses in certain parts of the United States. And others would be some high-net-worth individuals. That is also part of the plan, to increase [visits by] high-net-worth individuals.

However, you would know that in 2021 the household income of our visitors went even higher. We had a lot of growth . . . or we see that there should be a lot of growth in household income over \$500,000 that should be coming to Bermuda this year.

You asked about marketing. I think Senator Jones asked about marketing. As you can understand and appreciate with all that has happened last year with COVID-19, and I know you don't want to talk about COVID-19, but that is the reality that most people are facing in these current times, unfortunately. But the Bermuda Tourism Authority is adjusting their marketing to meet a new trend of pent-up demand (as you called it) of high-net-worth individuals wanting to come to Bermuda. And that kind of ties into the fact that I was getting some answers from the interim CEO of the Bermuda Tourism Authority who is currently in Ft. Lauderdale talking with [persons involved with] superyachts.

You would have noticed that the Consumer Business Bureau recently signed a MOU with the BTA to get superyachts coming to the Island. I don't know any friends of mine who own superyachts, so I can only say that I think superyachts are owned by high-net-worth individuals, Mr. Chairman. So, I would go so far to say that the outlook for high-net-worth individuals and the new marketing trends of the BTA are doing quite well.

And just yesterday at the Hamilton Princess Hotel and Beach Club, you would have heard that there was an announcement of a partnership between Ft. Lauderdale and individuals . . . I went to school in Florida, but my knowledge of Florida geography is lost. But in the Palm Beach area as well there is an international boat show. And they are down there now with the interim CEO of the BTA meeting with the superyacht audience. And the outlook is really good to get these superyachts and people who own these superyachts to Bermuda.

I know you would have seen in the daily also, Mr. Chairman, that there was a superyacht that was on-Island. I think it just left last week. So, we are looking pretty good in that area.

Also, you asked about pivoting marketing to other parts of the world. Another exciting event that is about to take place is our direct service coming from London Heathrow. And British Airways is starting that service. I don't have the exact date, but very shortly. (I am sure someone could get that for me in a moment.) But that was not on our target list of cities in 2025. So, I know you asked a question of how it is going; and in some instances, because we had to shift or pivot, we are getting things that are taking place that is actually

beneficial. London was not on the target list of cities in the 2025 National Tourism Plan when it was released. However, it has been added this year due to this new service from Heathrow.

Obviously, if you have flown recently London Heathrow is a very, very, very, very large airport. And this opens up the connections through Heathrow to other parts of Europe. I know, Senator Jones, you mentioned Asia. I know there are probably a lot of flights that go to Asia from London. So that is something that the BTA has done.

So, that is the case. The BTA has no plans at this moment for direct marketing in Asia. They have actually reduced the marketing. You asked about Canada. They have actually reduced the investment in Canada due to COVID-19. There is no demand for Canada simply because there is no airlift to Canada. You would have known that this is no fault of Bermuda or any fault of the BTA.

You would have seen an announcement by Mr. Trudeau that said that they suspended all services from Canada to, I think they called it “sun destinations” and I think they included Bermuda in that as a sun/Caribbean destination, Mr. Chairman. As a result, the BTA pivoted again and they reduced investment in Canada due to that.

**The Chairman:** Junior Minister, if I can just interrupt for one second, we have roughly two minutes left to our allotted time of 5:45. So, I would suggest that if it is possible, respond by email to any outstanding questions to the Senators. That would be helpful.

**Sen. Owen Darrell:** Mr. Chairman, absolutely, I mean, I was just starting to get into the meat of things. I have a very long list of responses for Senator Jones. I know he really wanted me to answer all of these. So I will make sure that this list of responses gets to Senator Jones. And I am done, unfortunately.

Shall I continue, or am I out of time?

**The Chairman:** No, I think we are pretty much out of time if you want to keep on schedule.

First of all, I want to thank you very much, Junior Minister, Owen Darrell, for your presentation on the Cabinet Office for the last couple of hours. It is greatly appreciated by the Senators.

With that, I would like to ask you to move this Head forward.

**Sen. Owen Darrell:** No problem, Mr. Chairman.

I move that Head 9 be approved.

**The Chairman:** Thank you, Junior Minister, Owen Darrell.

Are there any objections to that motion?

Hearing none, I can confirm that Head 9, the Cabinet Office, has been [approved]. So, thank you all.

*[Motion carried: The Cabinet Office, Head 9, was approved and stands part of the Estimates of Revenue and Expenditure for the year 2021/22.]*

**The Chairman:** And I think Madam Chairman, Senator Simmons, the Chair reverts to you if you are so willing to take it back.

**Sen. Michelle Simmons:** I am so willing. Thank you.

*[Sen. Michelle Simmons, Chairman]*

**The Chairman:** We are still in Committee of the Whole [Senate] for further consideration of the Appropriation Act 2021 together with the Estimates of Revenue and Expenditure for the financial year 2021/22.

The Ministry under consideration now is the Ministry of Social Development and Seniors. The Heads up for debate are Head 86, the Ministry of Social Development and Seniors Headquarters. That can be found on page B-285. And Head 23, which is the head related to Child and Family Services, found on page B-290.

One hour has been allocated to the debate on these Heads. The Senator in charge is Senator Lindsay K. Simmons, Junior Minister for Home Affairs and Social Development and Seniors.

It is now 5:46 pm, so this debate will end at 6:46 pm.

Senator Simmons, do you wish to proceed now?

## MINISTRY OF SOCIAL DEVELOPMENT AND SENIORS

**Sen. Lindsay K. Simmons:** Thank you, Madam Chairman.

Madam Chairman, I move the following Heads: 86 Ministry of Social Development and Seniors Headquarters; and 23 Child and Family Services, be now taken under consideration.

Madam Chairman, I am pleased to present the financial year 2021/22 Estimates of Revenue and Expenditure for the Ministry of Social Development and Seniors.

Madam Chairman, I will briefly discuss the Ministry as a whole, followed by information for Head 86—the Ministry Headquarters; and then address the Department of Child and Family Services—Head 23.

Madam Chairman, only one hour has been allocated for these Heads. You will note that this presentation of these Heads in the House of Assembly took two and a half hours in order to provide significant details of the year 2021/22 Estimates of Revenue and Expenditure. In the short time allocated to me, it is regrettable that I will only be able to provide brief details of the fiscal year 2021/22 Estimates of Revenue and Expenditure.

Madam Chairman, the Ministry of Social Development and Seniors is a new Ministry that was created on the 9<sup>th</sup> of October 2020. The Ministry comprises the Department of Child and Family Services, Ageing and Disability Services, the K. Margaret Carter Centre, and also responsibility for the Human Rights Commission and charities. Madam Chairman, the mission of the Ministry of Social Development and Seniors is to protect all individuals during their lifetime and facilitation of their well-being.

Madam Chairman, Bermuda's success is contingent on the well-being of our residents and their ability to live prosperous and fulfilling lives. One may be wondering, *What is social development?* Social development is about improving the well-being of every individual in society so that they can reach their full potential. The success of our society is linked to the well-being of each and every resident. This can only be accomplished if we uphold our collective responsibilities by investing in our people and providing opportunities for residents to grow and develop their own skills to empower them to achieve their full potential which ultimately allows them to contribute to their families and the community in a meaningful way.

Madam Chairman, as the result of Bermuda's economy, many of our residents have been provided with opportunities that have led them to enjoy a very comfortable lifestyle. However, as a Government and as a community we must be honest with ourselves and accept that this is not the reality for all of our residents. Madam Chairman, unfortunately many of those amongst us have not had equal access to the same opportunities and have been marginalised and are struggling. These individuals are in need of support for the basic necessities such as food, housing, clothing and health care either through the government, churches or third sector organisations.

Madam Chairman, regrettably the COVID-19 pandemic has heightened the pre-pandemic economic challenges and has added to the number of residents who through no fault of their own find themselves in a very difficult financial situation. While we focus on these financial challenges, we must also address the social consequences that fall from this and ensure that the community support and services are available.

Madam Chairman, as we all are aware, this global challenge has had an impact on our Island. However, throughout our history when we are faced with challenges, we unite as a community and come out much stronger, which is tied to Bermuda's motto, *Quo Fata Ferunt*, which means, Whither the Fates Carry Us. With this ideology in mind and the strong leadership of this Government, we will navigate through this and evolve into a better and stronger community. We must all play our part and assist the most vulnerable within our community.

Madam Chairman, my initial focus for the Ministry of Social Development and Seniors is to ensure

that the social policy and services are in place to protect, assist, inform and empower the most vulnerable within our community. The mission statement, programmes and budget for the Ministry are aligned with this in mind.

### Ministry Priorities for 2021/22

**Sen. Lindsay K. Simmons:** Madam Chairman, before I proceed with the specific details of the budget, I want to inform this Honourable House of some of the Ministry's priorities for this upcoming financial year, which will include the following:

A National Senior Strategy will be developed to achieve this Government's initiatives set out in the Throne Speech. The Ministry intends to invite the Legislature to consider the strategies which will have particular emphasis on dementia care and a prevention plan for senior abuse.

To fulfil another initiative set out by the Government in the Throne Speech, the Ministry of Social Development and Seniors will seek the extension of the UN Convention on the Rights of Persons with Disabilities to Bermuda. This extension will uphold and reaffirm the government's commitment that all persons, irrespective of their type of disability, must enjoy fundamental human rights and freedoms.

The Ministry will introduce legislation to replace the Child Placement Board with a Children's Commission. The commission's remit will be to advocate for children in care, and to promote and uphold best practice policies, programmes and services to meet children's needs. The Ministry intends the Children's Commission to provide further oversight to allow Bermuda to meet and maintain international best practice when it relates to our children.

Children in the Department of Child and Family Services care will have the option through an independent living programme to remain in care beyond the age of 18 years old. The Department of Child and Family Services will establish this programme to enable those who wish to continue to receive support and services by way of housing options, life skills assistance, postsecondary education, career guidance and access to physical and mental health care.

### Grants and Contributions

**Sen. Lindsay K. Simmons:** Grants and contributions allocated in the fiscal year of 2021/22 is in the amount of \$2,691,000, or 44 per cent of the Ministry of Social Development and Seniors Headquarters budget. The allocated amount will be distributed to charities and organisations within our community that align with the Ministry's mission, namely, Age Concern, rest homes, the Women's Resource Centre, (Care of the Blind) Vision Bermuda, Meals on Wheels, the Salvation Army shelter, Summerhaven, the Centre Against Abuse, Packwood Rest Homes, and Tomorrow's Voices. The

Ministry intends to ensure value for money from our partners in these charities and organisations.

During financial year 2021/22, the Ministry will advance and implement a homeless strategy to assist those within our community who are homeless. The strategy will allow the Government to further extend its remit in proactively providing vulnerable individuals and families with the assistance and services they require to mitigate the risk of homelessness.

The Ministry of Social Development and Seniors is committed to working with the public and private stakeholders whose programmes and services encourage the advancement of upward social mobility and opportunities for families within our communities who have traditionally been disadvantaged. The Ministry of Social Development and Seniors is collaborating with the third sector by setting up working groups to ensure that policies and legislation for the not-for-profit sector is modern and reflects Bermuda's current and future needs.

This includes ensuring that we remain in good standing with our National Anti-Money Laundering Committee (NAMLC) responsibilities. There will also be a working group to coordinate a more efficient and effective delivery of service within our communities.

Madam Chairman, I would like to now draw your attention to page B-284 of the Estimates Book, where you will note that the Social Development and Seniors Ministry's budget for the financial year 2021/22 is \$23,733,000. I am unable to provide a comparison with the budget for fiscal year 2020/21 for Ministry Headquarters, as the Ministry is new. However, I am able to provide a year-over-year comparison for the Department of Child and Family Services, which will be discussed under Head 23.

Madam Chairman, page B-284 shows a revenue estimate for the Department of Child and Family Services of \$192,000 under Head 23, which is no change from the revenue estimate over financial year 2020/21 for Head 23. Madam Chairman, page B-284 also details the current account expenditure for the departments that make up the overall budget for the Ministry by Head, as follows:

- Head 86—Ministry Headquarters, fiscal year 2021/22, \$6.084 million;
- Head 23—Child and Family Services, fiscal year 2020/21, \$16.441 million, and fiscal year 2021/22 \$17.649 million;

The Ministry total is \$23.733 million.

Madam Chairman, the summary shows that financial year 2021/22 estimates for Head 23 have increased from the original estimate of \$16,441,000, to \$17,649,000, an increase of \$1,208,000, or 7 per cent. I will discuss the reason for this increase when I present the details for Head 23.

Madam Chairman, it is worth noting at this point (as can be seen on page C-21) that the budget for the Ministry includes some \$4,031,000, or 17 per cent, in grants and contributions. A number of these

grants were previously budgeted and managed at other Ministry Headquarters and now fall to this Ministry as they were within the social development purview. The grants and contributions include the following:

- \$15,000 for Age Concern;
- \$1,350,000 for rest homes;
- \$100,000 for the Women's Resource Centre to provide support services for disadvantaged women and their families as part of their transformational support services programme;
- \$15,000 for Care of the Blind or Vision Bermuda;
- \$48,000 for Meals on Wheels;
- \$550,000 for the Salvation Army to provide emergency shelter on North Street;
- \$600,000 for Summerhaven;
- \$13,000 for Tomorrow's Voices to provide early intervention services to children with disorders on the autism spectrum and other developmental disabilities;
- \$890,000 for foster [care] fees;
- \$375,000 for Teen Services; and
- \$75,000 for cross-ministry initiatives on housing and treatment for families in crisis.

Madam Chairman, \$150,000 has also been budgeted in the Ministry's Headquarters for a grant allocation to the Centre [Against] Abuse.

Madam Chairman, these grants and contributions align with the Ministry's focus to protect the most vulnerable in our community, and working in partnership with the third sector to ensure efficient and effective delivery of services to this community.

## HEAD 86—MINISTRY OF SOCIAL DEVELOPMENT AND SENIORS HEADQUARTERS

**Sen. Lindsay Simmons:** Madam Chairman, the current account expenditure for Head 86—the Ministry of Social Development and Seniors Headquarters will now be presented and can be found on pages B-285 through B-289 of the Estimates Book. Madam Chairman, the Ministry Headquarters embraces the Ministry's overall mission to provide for the protection of all individuals during their lifetime and facilitation of well-being with the following Ministry Headquarters objectives:

- develop and implement policies to facilitate access, social cohesion, growth and development, individual responsibility, a better quality of life, greater inclusiveness and diversity, and civic engagement in the community;
- ensure that the provision of social development services are effective, valuable and outcome-driven;
- protect and enhance the rights of children, adults, seniors, disadvantaged and vulnerable persons;

- build safe and healthy families and communities; and
- work collaboratively with the third sector to enable effective delivery of social development services to the community.

Madam Chairman, the financial year 2021/22 estimate of expenditure and revenue for Head 86—Ministry of Social Development and Seniors Headquarters can be found on page B-286 of the Estimates Book. The Ministry Headquarters is responsible for the budget of five business units:

- 96000—Administration;
- 96040—Ageing and Disability Services;
- 96050—K. Margaret Carter Centre;
- 96060—Policy Development;
- 96070—Grants to the Third Sector.

Madam Chairman, page B-286 shows that the total budget allocation for the Ministry Headquarters for fiscal year 2021/22 is \$6,084,000 split between the following business units: Administration, \$612,000; Ageing and Disability Services, \$1.013 million; K. Margaret Carter Centre, \$1.751 million; Policy Development, \$17,000; and Grants to the Third Sector, \$2.691 million. Madam Chairman, as previously stated in my presentation, as a new Ministry we cannot do a comparison of the budget for financial year 2020/21.

Madam Chairman, the budget of \$612,000 for business unit 96000—Administration relates to the Ministry Headquarters. Madam Chairman, the budget allocation includes \$300,000 for litigation guardians and counsel appointed by the court under the Children Act of 1998 to represent children. Madam Chairman, as mentioned earlier, \$150,000 from this business unit by way of a grant allocation will be provided to the Centre Against Abuse. Madam Chairman, the balance of funds are for the operational costs of the Ministry Headquarters.

Madam Chairman, in order to provide context for some of the budgetary figures shown in the subjective analysis of current account estimates for Ministry Headquarters on page B-286, I will describe the funding allocation and associated activity connected with business unit 96040—Ageing and Disability Services, and 96050—the K. Margaret Carter Centre.

### 96040—Ageing and Disability Services

**Sen. Lindsay K. Simmons:** Madam Chairman, business unit 96040—Ageing and Disability Services has a budget estimate of \$1,013,000. This unit was previously under the Ministry of Health and for financial year 2020/21 had an original budget estimate of \$1,020,000. The reduction of \$7,000 relates to the temporary reduction in salaries. Madam Chairman, the mission of Ageing and Disability Services (ADS) is to support and protect seniors and persons with disabilities at risk of abuse or self-neglect via compliance programme delivery, education and stakeholder collaboration.

Madam Chairman, the Office of Ageing and Disability Services, located in the Continental Building, 25 Church Street, Hamilton, provide a range of services to address the needs of seniors and persons with disabilities. The following services provided by ADS focus on public education and awareness; accessibility and case management, namely:

- Senior abuse reporting and investigation, which involves the investigation of all forms of senior abuse including physical, sexual and psychological abuse; financial exploitation; and physical and psychological neglect that is reported to ADS either by calling 292-7802 or by emailing a completed ADS referral and reporting form to ADS at [www.gov.bm](http://www.gov.bm). ADS also keeps a Senior Abuse Register that is maintained by the Registrar.
  - Case management offers assistance with care needs assessment, coordinating care and identifying access with services. Additional information on case management will be provided shortly in my presentation.
  - Accessibility consultation provides advice to developers on accessibility requirements and best practices.
  - Long-term care resources provide seniors and persons with disabilities information about community and government resources.
  - Education and Training develop and implement public education and awareness events to enhance the community's understanding of services, actions and issues pertaining to persons with disabilities and ageing.
  - Events lists community events geared toward seniors and persons with disabilities.
  - Policy and Programme Development supports the planning, development and coordination of policies and programmes for seniors and persons with physical and intellectual disabilities.
- Madam Chairman, education and awareness are essential components to ADS's mission. Key achievements and work completed during the financial year 2020/21 include the following:
- The ADS accessibility officers completed over 23 assessments, consultations for compliance, but also for consultation and advice to promote accessible design to the community, this fell significantly below ADS's target owing to the COVID-19 restrictions.
  - ADS celebrated International Day for Persons with Disabilities on December the 3<sup>rd</sup>, 2020, in collaboration with other service providers.
  - Owing to COVID-19 restrictions, WindReach offered a free virtual common-ground conference with a theme entitled Amplifying Community Voices, in which ADS, the Accessibility Officer and the Minister of the Ministry of Social Development and Seniors participated as panellists.

- ADS offered a virtual lunchtime workshop called Access for All: Universal Design: Bathroom Accessibility International Day on December the 2<sup>nd</sup>, 2020;
- ADS provided five information sessions on its programme and services to stakeholder groups, which included the Bermuda Police Service, the Bermuda Bankers Association, local banks and Therapeutic Consulting Services.

As stated earlier in my presentation, this year ADS will participate in the community awareness and education campaign entitled Dementia Care in Bermuda, in addition to continuing education on preventing abuse.

Madam Chairman, I would like to thank the staff at ADS for their dedication and commitment to our seniors and persons with disabilities during an unprecedented year which gave rise to very challenging circumstances.

### K. Margaret Carter Centre

**Sen. Lindsay K. Simmons:** Madam Chairman, the K. Margaret Carter Centre, also known as KMCC, manages enrichment and training programmes for persons over 18 years old with cognitive developmental and physical disabilities within the community. These programme services are provided by KMCC during the weekdays. KMCC has a budget allocation of \$1,751,000, which funds 17 staff in delivering direct client and support services to 50 service users participating in six different programmes.

Madam Chairman, this unit was previously under the Ministry of Health and for financial year 2020/21 had an original budget estimate of \$1,859,000. The reduction of \$108,000 relates to the defunding of two posts and a temporary reduction in salaries.

Madam Chairman, the KMCC managers enrichment and training programme for persons over the age of 18 years old with cognitive developmental and physical disabilities will be further elaborated on in my presentation.

Madam Chairman, these programmes have been affected by the global pandemic and the measures that the country put in place as a result of the first local COVID-19 cases, which led to the closure of KMCC to ensure the safety of staff and clients alike.

Whilst the facility was closed, staff members were redeployed to assist in other areas within government. Since the public bus service was not operating, KMCC's bus drivers assisted with transporting long-term care staff to and from work. Also, other staff members assisted with contact tracing, home care support and with setting up and breaking down COVID-19 pop-up vaccine sites.

Madam Chairman, prior to the K. Margaret Carter Centre reopening in September 2020, a significant amount of time and effort was spent in updating the facility's safety and health policies to align with the Health Ministry's COVID-19 prevention protocols and guidance. This included air quality improvement in the facilities, purchasing safety equipment and supplies, vehicle fleet refurbishment for improved cleaning and disinfection, and staff training in updated safety and health protocol, CPR, personal protection equipment (PPE) and environmental health (COVID-19 prevention) with a focus on environmental cleaning and COVID-19 testing for clients.

Madam Chairman, since the reopening of the facilities in September 2020, overall KMCC has [improved] its infection prevention and control measures, especially in the environmental areas, which has contributed to ultimately keeping the clients and staff safe during this next stage of COVID-19.

Madam Chairman, I would like to take this opportunity to thank Aeolus Capital Management, one of KMCC's community partners for the equipment they donated to KMCC's sickroom. The sickroom provides a comfortable area for clients to be isolated if they become unwell during the course of the day prior to their pickup.

Madam Chairman, prior to KMCC's reopening, the implementation of new routines and practices was introduced to mitigate the risk factors of transmitting COVID-19. Factoring in the room sizes and client numbers at the facility along with the need to remain compliant with COVID-19 guidelines, KMCC has been forced to operate at half its normal capacity. These factors have also impacted the vocational programme, which has had its participation numbers reduced.

Madam Chairman, to place this within more context, 30 per cent of all of KMCC's clients currently continue to attend onsite and participate in work-based projects. However, clients remain in their bubbles, which prevent their engaging in community-based work. Some of the work contracts that the clients have been involved in prior to the pandemic, unfortunately have not been continued in order to remain compliant with COVID-19 regulations. Further, 10 per cent of the clients continue to produce crafts that members of the community are able to purchase.

Madam Chairman, the Eco-Schools programme of the Bermuda Underwater Exploration Institute (BUEI) has remained a viable programme with classes shifting from in-person sessions to remote sessions via Zoom and staff support. Also clients remain actively involved with Keep Bermuda Beautiful (KBB) by collating kits for items, clean-up and beautification ventures. I am pleased to advise that KMCC was awarded KBB's 2020 Presidential Award for the role that their clients have played in supporting the organisation.

Madam Chairman, at this time I would like to take this opportunity to congratulate the clients of

KMCC, who continue to make a difference in our community through partnering with KBB to keep our Island clean.

**The Chairman:** Senator Simmons, may I just interrupt for a quick minute? I just want to give you a time check. You have about 29 minutes left. And you haven't gotten to the second Head yet. I know you only had an hour allocated to you, but I just want you to be aware of how the time is going.

**Sen. Lindsay K. Simmons:** Yes, I will try to speed up. Thank you.

**The Chairman:** Thank you.

**Sen. Lindsay K. Simmons:** Also, I would like to express my appreciation to all of the staff members at KMCC who provide a safe, caring and loving environment. Thank you.

Madam Chairman, business unit 96060 relates to Policy Development for the Ministry Headquarters and has a budget of \$17,000 for office supplies. I spoke earlier of the policy matters under development, including the national senior strategy and the homelessness strategy.

Madam Chairman, business unit 96070 is grants to the third sector. And I spoke earlier about how the \$2,691,000 would be distributed to charities and organisations within our community which align with the Ministry's mission, namely, Age Concern, rest homes, the Women's Resource Centre, Vision Bermuda (or Care of the Blind), Meals on Wheels, Salvation Army shelter, Summerhaven, the Centre Against Abuse, Packwood Rest Home and Tomorrow's Voices. As stated, the Ministry intends to ensure value for money from our partners in these charities and organisations.

Madam Chairman, whilst it is not possible to do a year-over-year comparison for the new Ministry in a subjective analysis of current account estimates as shown on page B-286, I will speak briefly to the amounts for financial year 2021/22.

Madam Chairman, salaries and wages totals some at \$2,154,000 and relate to the salaries and wages for the 26 full-time employees. Training of \$5,000 is for local training including report writing and conducting investigations. Travel of \$32,000 includes funds for both local travel and overseas travel to check on complex-case clients who are in overseas facilities. Communications of \$48,000, includes phones, courier and postal costs. Advertising and promotion of \$26,000 is for the brochures, pamphlets, advertising and the like to promote the services of ADS and KMCC. Professional services of \$735,000 includes funds for litigation guardians, litigation counsel, the Centre of Seniors Abuse and consulting services.

Repair and maintenance of \$114,000 includes funds for maintenance of vehicles, equipment, as well as professional cleaning services at KMCC and other offices. Insurance of \$113,000 is for clients at the K. Margaret Carter Centre who do not have the basic health care insurance providing them with HIP which is particularly required during their vacation off-site programme. Energy of \$56,000 is for the facility's energy costs. Materials and supplies of \$95,000 include office supplies, books, vocational supplies and food. Grants and contributions were addressed earlier in my presentation.

Madam Chairman, on page B-287 you will note that employee numbers related to two programmes within the Ministry of Social Development and Seniors Headquarters. The full-time equivalent positions remain unchanged at nine for business unit 96040—Ageing and Disability Services, and 17 for business unit 96050—K. Margaret Carter Centre, which is a decrease of 19 FTEs. This decrease was due to two funded unfilled posts for a janitor and a bus attendant.

KMCC utilizes the services of a cleaning company which provides some cleaning services throughout the day, as well as at the end of the day, while deep cleaning services are provided on a weekly basis. Also the services that the bus attendant would have provided are now covered by a full-time KMCC staff member.

Madam Chairman, this concludes my remarks on Head 86.

**The Chairman:** Thank you, Senator Simmons

And now you may progress to Head 23, Child and Family Services

### HEAD 23—DEPARTMENT OF CHILD AND FAMILY SERVICES

**Sen. Lindsay K. Simmons:** Thank you, Madam Chairman.

Madam Chairman, I now wish to present fiscal year 2021/22 estimates of expenditure for Head 23—the Department of Child and Family Services, which is found on pages B-290 through B-293 of the Estimates Book.

Madam Chairman, the Department of Child and Family Services (DCFS) mission is *protecting children by strengthening families*. The objectives of the department are to

- minimise and eliminate those social, psychological and other conditions known to cause or contribute to physical and emotional illness and sometimes social-economic problems;
- promote growth and directional change in people and their social situation;
- assist in facilitating or improving social support for those in our population who are at risk;

- provide treatment or curative services to address dysfunction and thereby assist people to function better in society;
- restore individuals to a healthy condition or useful capacity.

The department carries out its objectives by providing investigative services, day care services, care and protection services for children; residential and home-based services for families; assessment, intervention and counselling services for children, adolescents and families.

Madam Chairman, the current account estimates for Head 23 begin on page B-291 of the Estimates Book. A total of \$17,649,000 has been allocated for Head 23 for the fiscal year 2021/22. This represents an increase of \$1,208,000, or a 7 per cent increase over the original budget for 2020/21. Madam Chairman, the Department of Child and Family Services continues to focus on developing an integrated service that allows children, adolescents and families to receive services that are appropriate and coordinated and meet the challenges they face. These challenges can include, but are not limited to, uninvolved parenting, social and life skills, housing, employment, budget, abuse of substances, antisocial behaviour, cognitive deficits, education, mental health conditions and anger management.

Madam Chairman, the Department of Child and Family Services is responsible for promoting and protecting the best interests and social well-being of children, adolescents, adults and families in order to meet these responsibilities. The Department of Child and Family Services operates four programmes:

- 2301—Services to Children and Young Persons;
- 2302—Services to Individuals and Families;
- 2303—Residential Treatment Services; and
- 2304—Administration.

Madam Chairman, in the fiscal year 2020/21 the Department of Child and Family Services continued with its efforts of providing a seamless continuum of services to children and families throughout the pandemic. The Department of Child and Family Services did this by redeploying resources to meet changing programme and client needs. [The year] 2020 was a very challenging year for this Island and the world.

Madam Chairman, in the interest of time, I will now briefly address each programme and business unit for the department as set out on page B-291.

Madam Chairman, the Happy Valley Child Care Centre is business unit 33010 and has an estimate for fiscal year 2021/22 of \$1,030,000. The output measures for Happy Valley Child Care Centre are found at page B-294 of the Estimates Book. Madam Chairman, the budget allocation represents an increase of \$2,000 from the fiscal year 2020/21, a minor increase. Madam Chairman, Happy Valley Child Care Centre is the only government-operated child care

facility on the Island which provides high-quality child care for a maximum of 40 children whose ages range from three months to four years of age.

Priority is given to children referred by helping agencies such as the Department of Child and Family Services, Teen Services, the Department of Health, the Child Development Programme and the Department of Financial Assistance. These agencies, along with families experiencing various challenges, account for 60 per cent of the centre's intake.

Madam Chairman, the estimates of revenue for fiscal year 2020/21 school year was [\$192,000]. It is important to note that the actual cost per child is approximately \$525 per month. So that subsidy is also built into the fees, which are considered less than private child care facilities. Despite the low costs to parents, Happy Valley Child Care Centre is a first-class facility that is specifically designed to meet the comprehensive needs of young children and provide an extensive curriculum of high academic standards with trained teachers who are continuously involved in professional growth and development. The centre offers enrichment programmes that encourage family involvement and build upon child development.

Madam Chairman, comprehensive services offered at the Happy Valley Child Care Centre include music and movement, creative arts, literacy, writing, science, math, technology, community service, field trips, strider bike riding, gardening, tennis and swim classes, along with other curriculum activities that are designed to assist in the overall development of the children attending the centre. A full nutritional programme monitored and approved by the Department of Health Public Health Nutritionist includes a morning snack, lunch and afternoon snack. The centre also has, as needed, an intervention programme that includes mandatory parenting classes.

Madam Chairman, I will now speak to Programme 2302—Services to Individuals and Families, found on page B-291.

Madam Chairman, the activities covered in programme 2302 are the following business units:

- 33020—Investigating and Screening (formerly known as Family Services);
- 33030—Foster Care; and
- 33200—Counselling and Life Skills (formerly known as Bermuda Youth Counselling Services).

Madam Chairman, the estimate for these business units for the fiscal year 2021/22 is \$6,082,000. This represents an increase of \$665,000, or 12 per cent, compared to the fiscal year 2020/21 budget allocation.

Investigating and screening business unit 33020, \$2,238,000. Madam Chairman, the Intake, Assessment and Investigation Section of the Department of Child and Family Services is responsible for providing a unified response and comprehensive safeguarding services to the children of Bermuda. The

budget estimate for business unit 33020 for the fiscal year 2021/22 is \$2,238,000. This represents an increase of \$476,000, or 27 per cent, over the original budget for fiscal year 2020/21. This increase is related to a realignment of staff within the organisational structure.

Madam Chairman, the Department of Child and Family Services provide services and support for children and families in our community who have been impacted by all forms of abuse, neglect and exploitation. Also, the department is committed to partnering with stakeholders to promote safe and healthy families while protecting children from abuse, neglect and exploitation. This is achieved through investigations, assessments and referrals to counselling services and support organisations.

Madam Chairman, the Foster Care Section of the Department of Child and Family Services is responsible for providing alternative living arrangements for children under the age of 18 years old who are in need of out-of-home placement. The budget estimate for business unit 33030 for fiscal year 2021/22 is \$2,634,000. This represents an increase of \$104,000, or 4 per cent over the original budget of fiscal year 2020/21. This increase is related to an increase in therapeutic foster fees.

Madam Chairman, foster care, or out-of-home care, is used for children when a safety assessment decision results in a placement to ensure a child's safety. Foster care provides a safe, supportive and therapeutic environment for a child while working towards either family reunification or an alternative permanent option. Foster care may be provided during a child abuse investigation, assessment or ongoing intervention phase of child protection.

Madam Chairman, the Foster Care Programme has three classifications of private home placements:

1. Traditional foster care placement. These foster care [parents] are generic and have no biological connection to the child. In fiscal year 2020/21 there were 30 traditional foster care placements.

2. Kinship foster care placement. These foster parents are related to the child, and they have a significant bond and connection to the child. Twenty-seven kinship foster care placements were in place during the fiscal year 2020/21.

3. Therapeutic foster care placement. These foster parents have an advanced level of either education or employment and skill set, and are equipped to foster children with either physiological impairment and/or emotional challenges.

Madam Chairman, when a child is placed in foster care, the Department of Child and Family Services will work with the child, their parents, foster parents and several professionals from partnering agencies that are providing services to the child or children and their parents. It is important that the following occur:

- Foster children must be supported in key transitions such as the original placement, changes in placement, changes in schools and then leaving foster care.
- Foster children must have ongoing care and protection while having their developmental needs met.
- Foster children will not be subjected to physical discipline, physical restraint or chemical restraint.
- Foster children must be assisted with gaining skills and an overall sense of well-being that will allow them to realise their potential for positively participating in and contributing to the wider community.

Counselling and Skill Sets, business unit 33200, \$1 million—

**The Chairman:** Senator Simmons may I just interrupt again? So sorry, I just want you to know that there are 10 minutes left. And I am not sure if you want to pause and allow for some questions, or if you just want to use the 10 minutes up giving the rest of your brief and inviting people to submit questions.

**Sen. Lindsay K. Simmons:** Hang on one second.

Madam Chairman, I think I will be doing the Ministry of Social Development and Seniors just in brief, if I pause—I think it is important that I continue to read and any questions that need to be asked can be sent to me.

**The Chairman:** Okay. So, you have 10 minutes left and you are going to continue with the brief.

**Sen. Lindsay K. Simmons:** Correct. I was only allotted an hour, sorry.

Counselling and Skill Sets, business unit 33200, \$1,210,000.

Madam Chairman, the purpose of the Counselling and Life Skills (CLS) unit within the Department of Child and Family Services is to advance and promote the emotional well-being of youths up to 18 years of age and their families. The budget estimate for business unit 33200 for fiscal year 2021/22 is \$1,210,000. This represents an increase of \$85,000, or 8 per cent, over the original budget for fiscal year 2020/21. This reflects an increase in consulting services that will allow the director to uphold his mandated responsibilities under the new child safeguarding legislation. It is also reflected under this business unit.

Madam Chairman, CLS offers services that strengthen the knowledge, skills, cognitive experiences and support systems of individuals and families to make healthy lifestyle choices. Individual and family issues include but are not limited to family and relationship dynamics, co-parenting, grief and loss, communication, trauma and adolescent substance use.

Madam Chairman, CLS provides individual, family and group counselling. Due to the COVID-19 pandemic, there were no substance abuse [programmes] conducted for the year 2020. The CLS team did, however, continue to provide counselling support for children and their families, using various telehealth methods such as Cisco, Webex, Zoom, WhatsApp and email. In order to best serve the needs of the clients CLS counsellors work collaboratively with clients to complete specific assessments or screening tools to measure progress and service planning that is geared towards project goals and development. Despite interruptions to services by the COVID-19 pandemic, the team completed 17 assessments for the year 2020.

Madam Chairman, CLS continues to align services and practices with other teams within the Department of Child and Family Services in order to maintain a client focus that promotes wellness for families and their children. In addition, CLS continues to collaborate with external stakeholders by providing a holistic approach that incorporates the whole family and their support system. Referrals are received from external entities such as the Department of Education, Child and Adolescent Services, and the public are screened into the investigation/screening section, and a decision is determined in conjunction with the SDM tool, which intervention is required to determine the needs of the individual child and their families so that they can be applied for services. There is a memorandum of understanding between the Ministry of Education and the Department of Child and Family Services that all substance-related incidents that occur in schools are referred to the department for either a substance abuse assessment, substance education or both.

Madam Chairman, I will now speak to Programme 2303—Residential Treatment Services found on page B-291.

Madam Chairman, the activity covered in programme 2303 is Residential Treatment Services. These services include Family Preservation; the Brangman Home; the Development Centre; Observatory College, also referred to as the Oleander Cottage; Psycho-Educational Programme; and the Youth Residential Treatment for financial year 2021/22. This programme has a budget allocation of \$7,643,000. This represents an increase of \$648,000, or 9 per cent, from the financial year 2020/21 budget allocation.

Family preservation business unit 33060, \$1,545,000. The budget estimate for business unit 33060 is \$1,545,000. This represents a decrease of \$640,000, or 29 per cent of the overall original budget for fiscal year 2020/21. This decrease is related to a realignment of staff within the organisational structure.

Madam Chairman, DCFS Family Preservation Team operates under a sound case management and assessment model which comprehensively assesses a family or child's needs and develops service plans

made for families, child and stakeholders to maximise intervention and positive outcomes for the families. The team is responsible for providing ongoing interventions to monitor and ensure the safety of children at risk of abuse or neglect, assist families to improve family functioning, increase child well-being, reduce the need for placement in out-of-home care, and to enable children in out-of-home care to return safely to their families. I draw your attention to the reference to out-of-home care which refers to children in foster care, residential treatment services and Psycho-Ed services.

Madam Chairman, the ultimate goal is to reduce or eliminate the circumstances in the family that have been or are causing abuse or risk of abuse (emotional and/or physical) to the child and to maintain the child in their home environment. The Family Preservation Team receives referrals from the department's intake team and from DCFS out of Home Services (Foster Care, Psycho-Ed or RTS).

Madam Chairman, I will now speak to Brangman business unit 33070, \$1,166,000; Youth Development Care, business unit 33080, \$242,000; Observatory Cottage, referred to as Oleander Cottage, business unit 33090, \$1,159,000

Madam Chairman, the financial year 2021/22 budget allocation for business unit 33070, Brangman Home is \$1,166,000. This is an increase of \$202,000, or 21 per cent, which represents the corrected budget shortfall in financial year 2020/21.

Madam Chairman, business unit 33080, Youth Development Centre's allocated budget for financial 2021/22 is \$242,000. This is a reduction of \$8,000, or 3 per cent, in comparison to the budget allocation of fiscal year 2020/21. This reduction reflects a 10 per cent reduction in salaries for the first three months of the financial year.

Madam Chairman, the Observatory Cottage that comes under business unit 33090, has an allocated budget of \$1,159,000, which is an increase of \$239,000, or 26 per cent, in comparison to financial year 2020/21. This increase is related to the realignment of staff within the Department of Child and Family Services organisational structure.

Madam Chairman, the residential treatment services provides (RTS) provides group living intervention services to children between the ages of 12 and 18 years. These are adolescents who are deemed to be at risk in the community and require care and protection in a safe and structured residential environment. All children placed in this service have had their situation and circumstances considered by the Family Court where it has been deemed appropriate for them to be placed on a Care Order and, as such, become the responsibility of the Director of Child and Family Services.

Madam Chairman, the RTS programme provides 24-hour, 365-days-a-year services. The young ladies are located at the Brangman Home while the

young men receive services at Oleander Cottage. The Youth Development Centre is utilised to provide one-to-one and special management of residents based on their needs as indicated by ongoing evaluation, and they are placed in care of the director as a result of criminal behaviours.

Madam Chairman, the inclusion of family is a key component to the service provision, when this is not possible alternate community-based relationships and resources are utilised to develop an appropriate community-based—

My timer went off.

**The Chairman:** Do you have a timer, Senator Simmons?

That is your time.

I am so sorry that just an hour was allocated to this Ministry. It is a very important one.

**Sen. Lindsay K. Simmons:** I agree.

**The Chairman:** I am sorry that you were not able to get through the full brief. I am also concerned that there has not been an opportunity to ask and answer questions. But, if you are willing, is it okay for Senators to submit questions to you in writing?

**Sen. Lindsay K. Simmons:** I do not have a problem with that, Madam Chairman.

**The Chairman:** Okay. Thank you, Senator Simmons.

And now I am going to ask you to move Heads 86 and 23 for the Ministry of Social Development and Seniors.

**Sen. Lindsay K. Simmons:** Madam Chairman, I move that Heads 86 and 23 be approved.

**The Chairman:** Is there any objection to that motion?

I hear none, so those Heads have been approved.

So moved.

*[Motion carried: The Ministry of Social Development and Seniors, Heads 86 and 23, were approved and stand part of the Estimates of Revenue and Expenditure for the year 2021/22.]*

**The Chairman:** Thank you very much, Senator Simmons.

I am asking that either the Government Leader in the Senate or the Junior Minister—

**Sen. Adrianna Hodgson:** That is me, Madam Chairman.

**The Chairman:** Okay, Senator Hodgson, the Junior Minister of Finance.

Senator Hodgson, would you—

**Sen. Adrianna Hodgson:** Madam Chairman, I move that the Committee rise, report progress and ask for leave to sit again.

**The Chairman:** Is there any objection to that motion?

I hear none; so moved.

*[Motion carried: The Committee of Supply agreed to rise and report progress, and sought leave to sit again.]*

**Sen. Adrianna Hodgson:** Thank you, Madam Chairman.

**The Chairman:** Back to you Madam President.

### Senate resumed at 7:05 pm

*[Sen the Hon. Joan E. Dillas-Wright, President, presiding]*

## ORDERS OF THE DAY

**The President:** Yes thank you, both Senator Simmons and Senator Wight. Thank you very much for chairing the Committee. And thank you all Senators for your participation.

We will now continue with the Orders of the Day, and the second item is the second reading of the Motor Car (Driver's Licence Renewal) Amendment Act 2021, and that is in the name of Senator C. P. Richardson, the Junior Minister of Transport.

Senator Richardson, you have the floor.

**Sen. Curtis Richardson:** Thank you, Madam President.

I move that the Bill entitled Motor Car (Driver's Licence Renewal) Amendment Act 2021 be now read a second time.

**The President:** Is there any objection to that motion?

No objection.

Carry on, Senator Richardson.

## BILL

### SECOND READING

#### MOTOR CAR (DRIVER'S LICENCE RENEWAL) AMENDMENT ACT 2021

**Sen. Curtis Richardson:** Thank you, Madam President.

I can provide a table of contents.

**The President:** Yes.

**Sen. Curtis Richardson:** Part 1 will be the legislation, Part 2 will be the Ministerial briefing, Part 2(a) will be a general overview, and Part 2(b) will be introduction and purpose. Part 3 would have sub(a) and will probably not be read.

Part 1, the legislation: Motor Car (Driver's Licence Renewal) Amendment Act 2021.

**The President:** Would any Senator care to speak on this?

**Sen. Curtis Richardson:** Madam President, if you would give me one moment.

**The President:** Oh.

**Sen. Curtis Richardson:** One second, sorry.

[Pause]

**Sen. Curtis Richardson:** Madam President—

**The President:** Yes, Senator Richardson. Do you have your brief?

**Sen. Curtis Richardson:** Yes, I do.

**The President:** Yes, you have the floor, so you can proceed when you are ready.

**Sen. Curtis Richardson:** Madam President, the purpose of this [Bill](#) is to amend the Motor Car Act 1951 to increase the frequency of submission of certificates of physical fitness and to raise the age at which a further practical driving examination is required to renew a driver's licence.

Introduction and purpose: Madam President, the purpose of the Bill I present to this Honourable [Senate] today is to provide new legislative provisions for the renewal of Bermuda driver's licences, in part as follows: A certificate of physical fitness will now be required for every licence renewal, and the mandatory practical driving examination will now be moved from 65 to 70 years of age.

Madam President, currently the holder of a Bermuda [driver's] licence is required to undergo a practical driving or riding examination to renew their driver's licence at 65 and 70 years of age, and after the age of 75, a driving test every two years is mandatory in order to renew a driver's licence.

Madam President, section 86 of the Motor Car Act 1951 specifies the duration and renewal of a driver's licence. In short, licences are to be renewed every 10 years after issue without the production of a medical certificate of physical fitness. This set of conditions proved problematic, because it meant that an individual who acquired their Bermuda use licence at 16 years of age is not compelled to produce another medical certificate until the age of 65 years. This Bill

includes the provision that a medical certificate of physical fitness must be produced every 10 years when renewing one's licence.

Madam President, given improvements in Bermuda's populations' life expectancy, the Ministry took the view that it was both appropriate and timely to amend the provisions relating to renewing of driver's licences. Not only are people living longer, they are also working longer.

Between 2010 and 2018 life expectancy moved from 82.3 years to 85.1 years for women, and 76.9 years to 77.5 years for men. Adjusting the age for licence renewals creates the benefit of delaying unnecessary driving and riding examinations. Also, eliminating driving and riding tests for 65-year-olds makes more appointments available to other customers, thus lessening the waiting time for exams and enhancing the level of service offered by the Transport Control Department.

Madam President, for clarity, we will now have to produce a medical certificate and take a practical driving examination every time we renew our licence up to 70 years of age, instead of at 65 years of age. Notwithstanding this, the discounts seniors receive for their car licensing fee at age 65 will not be affected by these amendments.

Thank you, Madam President.

**The President:** Thank you, Senator Richardson.

Would any Senator care to speak on this Bill?

**Sen. Marcus Jones:** Yes, Madam President.

**The President:** Senator Marcus Jones, you have the floor.

**Sen. Marcus Jones:** I thank the Junior Minister for bringing this Bill before us.

If I could just get some clarification, in principle we would support this particular amendment to the Motor Car Act of 1951. But, I would appreciate if the Junior Minister could give us an indication of what motivated the Government to make it mandatory for a physical fitness confirmation from one's doctor every time it is renewed, every 10 years. Is it because there has been an increase in the number of accidents because of someone who may have poor physical fitness, i.e., poor eyesight, diminishing motor skills?

This is a major change that would make one think that something must have triggered the Government to make it mandatory for this. So, if the Junior Minister can give us some indication as to why every 10 years we need a physical fitness [exam], And also, just in the interest of myself and the public getting some clarity on this, what physical deficiencies would cause a person looking to renew their driver's licence be deemed unqualified?

An obvious one, of course, is vision. But what other deficiencies in one's physical fitness exam

would render a person unqualified to get a driver's licence renewed?

Those are two questions, if the Junior Minister can give some clarity on those, I would appreciate it. Thank you, Madam President.

**The President:** Thank you, Senator Jones,

Would any other Senator care to speak on this Bill?

Senator Simmons.

**Sen. Michelle Simmons:** Thank you, Madam President.

I support these amendments. I am happy to see that the age for requiring a further driving exam has been raised to 70 because I think many people at the age of 65 are still very, very sharp. And taking it up to 70 is an acknowledgement of this. But for the sake of the listening public, I just wanted to be absolutely clear about what happens after the age of 70 with regard to licence renewals. Will it still be every two years? Is there any change there? Just seeking clarity so that everyone fully understands what we are doing here today.

Thank you, Madam President.

**The President:** Thank you, Senator Michelle Simmons.

Would any other Senator care to speak on this Bill?

No? Then Senator Richardson, it's back to you to respond to the questions.

**Sen. Owen Darrell:** Madam President, sorry, I couldn't get my microphone on. I wish to speak on the Bill.

I actually support this Bill, Madam President.

As a taxi owner and operator for almost 20 years now, this requirement of a physical fitness exam is something that I am actually used to because a taxi licence has to be renewed every three years. I actually think it is very beneficial that anyone on the roads is actually required to have their physical fitness checked. Unfortunately, in our society there are some that do not go to the doctor, even in a 10-year period. So I do not think it is unrealistic for the Government and the Minister to bring forth this legislation so that it makes our roads even safer.

Unfortunately, I was listening . . . I don't know where it was the other day, but the onset of dementia is, unfortunately, happening at a younger age. Also, if you have been following the health trends in Bermuda, the onset of diabetes is coming at an earlier stage. Unfortunately one of the side effects with diabetes is loss of eyesight, or early onset of blindness, I guess you can say.

So, I actually support this as something that anybody who has been in public service vehicle licensing, be it taxi, whether it be a community vehicle,

is something that they are accustomed to doing every three years. Rather than just going down to the Transport Control Department and getting an updated picture, this is actually a step, I think, in the right direction for making everyone safe.

I also know that people unfortunately have injuries, whether it be bike accidents or otherwise, where they might not be suitable to be on the roads. And to think that we can give them a licence at the age of 18 and not check their health status until they are 65 is actually, once you think of it, really scary. So I think this is a step in the right direction.

I want to applaud the Minister of Transport for bringing this forward and I think it is just bringing our road users up to the time. Thank you, Madam President.

**The President:** Thank you, Senator Darrell.

Would any other Senator care to speak on this Bill?

Hearing none, then it is over to you Senator Richardson.

**An Hon. Senator:** Madam President, Senator Tucker had a question.

**The President:** I beg your pardon, sorry.

Oh, sorry Senator Tucker, I did not see you. You have the floor.

*[No audio]*

**The President:** Senator Tucker, I am not hearing you. You're muted.

*[No audio]*

**The President:** Senator Tucker.

*[No audio]*

**The President:** We are not hearing you.

**Sen. Robin Tucker:** Sorry, sorry. I did not realise I was still muted. Thank you, very much.

I can say that I am in agreement with the changes that are being made, however, with the question that Senator Jones asked, and certainly with the added information that Senator Darrell was able to add, [this] has sort of piqued my interest even more so.

I just wanted to know from the Junior Minister whether the reasons that Senator Darrell gave are contributors to the reasons why Government has decided to do this amendment at this particular time. So, if he can provide some clarity around that, that would be wonderful, just out of interest. Thank you.

**The President:** Thank you, Senator Tucker.

Would any other Senator care to speak on this Bill?

No? Then Senator Richardson, you have a couple of questions to respond to.

**Sen. Curtis Richardson:** Thank you, Madam President. I will answer the questions in reverse order.

The answer to Senator Tucker's question is, yes. Senator Simmons, the question that you asked as far as testing ages after, the next test after [age] 70 is at [age] 75, then every two years after that.

Unfortunately I am not able to provide what I believe will be a sufficient answer for Senator Jones. His question seemed to be related to what a medical professional would be able to state with regard to someone's ability and their health status whether they can pass that physical fitness test, their eyesight, any arthritic conditions they may have.

I cannot answer that question. If the medical practitioner sees fit that they can have a licence, then they get the certificate.

So, as far as age is concerned, we all age differently. Someone at 60 or 65, and then someone at 70 or 75, certainly is individual to each person. So I cannot say anything further than that. Thank you.

**Sen. Marcus Jones:** Madam President, can I give a point of clarity to my question, that may help the Honourable [Junior] Minister?

**The President:** Senator Richardson, will you accept a point of clarification?

**Sen. Curtis Richardson:** Yes, I welcome that.

#### POINT OF CLARIFICATION

**Sen. Marcus Jones:** Thank you, Madam President.

We all know that there is an actual medical form that is submitted either at the time you are 65 or at the time you originally got your driver's licence. We, as Senators around the table right now, do not have that particular form at our disposal, which could possibly give us the answer. So that is why I was asking specifically for some of the things that will come out in that form. I understand that the Junior Minister may not have that, but I also wanted to point you to the question that I was asking so that it would be a little bit clearer.

Thank you.

**The President:** Thank you, Senator Jones.

With that, then, Senator Richardson, you do your second reading.

**Sen. Curtis Richardson:** Do you want me to reply to Senator Jones?

**The President:** Oh, I beg your pardon. By all means, do so.

**Sen. Curtis Richardson:** Thank you, Madam President.

The form that would be the TCD Medical Form that we get, the person applying for the licence would fill that out, present that to their doctor and the doctor will in turn make a decision if it is ready to be signed for approval for licence.

**The President:** Thank you, Senator Richardson.

With that said, and the questions being answered, you can do your second reading and move the Bill.

#### SUSPENSION OF STANDING ORDER 26

**Sen. Curtis Richardson:** Madam President, I move that [Standing Order] 26 be suspended at this time in respect of this Bill.

**The President:** Is there any objection to that motion?  
No objection.

*[Motion carried: Standing Order 26 suspended.]*

#### BILL

#### THIRD READING

#### MOTOR CAR (DRIVER'S LICENCE RENEWAL) AMENDMENT ACT 2021

**Sen. Curtis Richardson:** Thank you, Madam President.

Madam President, I move that this Bill entitled the Motor Car (Driver's Licence Renewal) Amendment Act 2021 be now read a third time.

**The President:** Is there any objection to the third reading?

No objection?

**Sen. Curtis Richardson:** Madam President, I move that this Bill do now pass.

**The President:** Is there any objection to the passage of the Bill?

There is no objection, the Bill has passed.

Thank you, Senator Richardson, and all Senators.

*[Motion carried: Motor Car (Driver's Licence Renewal) Amendment Act 2021 read a third time and passed.]*

**The President:** We now move on to the next item that we will consider, and that is the Motor Car and Auxilia-

ry Bicycles (Validation and Amendment) Act 2021. That is also in the name of Senator Richardson.

You have the floor.

**Sen. Curtis Richardson:** Thank you, Madam President.

I move that the Bill entitled Motor Car and Auxiliary Bicycles (Validation and Amendment) Act 2021 be now read a second time.

**The President:** Is there any objection to that motion?

No objection, carry on, Senator Richardson.

## BILL

### SECOND READING

#### MOTOR CAR AND AUXILIARY BICYCLES (VALIDATION AND AMENDMENT) ACT 2021

**Sen. Curtis Richardson:** Madam President, the purpose of this statement today is to introduce a [Bill](#) designed to retroactively address a provision offered by the Transport Control Department which allowed the relicensing of privately owned vehicles without the required roadworthiness examination.

Madam President, the COVID-19 pandemic caused the world to make adjustments which altered the way we normally conduct business. All government offices, including the TCD, closed their doors on or about March 18, 2020.

Unfortunately, the closure left many vehicles unable to be examined prior to relicensing. These vehicles included those owned by persons whose birthdays fell during the closure, and motorcycles and auxiliary bicycles that expired at the end of March and April.

Madam President, section 54(1) of the Motor Car Act 1951 states, "a motor car licence shall not be issued in respect of a motor car unless the motor car, at a date within such period as shall be prescribed before the date on which the licence is to come into force, has been examined by an examiner or inspector and has been certified by the examiner or inspector to be fit for the purpose for which it is to be licensed."

A similarly worded provision is contained in section 18(1) of the Auxiliary Bicycles Act 1954.

Madam President, although TCD was closed, the online licensing facility was still in operation. However, registered owners could only relicense their vehicles online if their vehicles were either exempt from the examination or had already been examined prior to the closure on March 18<sup>th</sup>. Madam President, in an effort to find a solution, TCD's management team contacted the Bermuda Police Service. Following discussions, it was agreed by both parties that it would be in the motoring public's best interests to refrain from is-

suing tickets for using an unlicensed vehicle until the TCD reopened.

To complete the search for a solution, further discussions were held with the four major motor insurers. Each company was asked if they could honour insurance policies in the event of a claim due to a collision which occurred during TCD's closure.

Unfortunately, one insurance provider chose not to cooperate and adopted the position that it must adhere rigidly to section 8 of the Motor Car Insurance (Third-Party Risks) Act 1943. In short, this legislation states that an insurance policy is only activated after the insured vehicle is licensed.

The refusal created a major problem for this company's insureds and left the matter unresolved. Madam President, therefore, another solution had to be quickly found because clients of this insurer were now vulnerable.

Also, although the focus was finding protection for these private vehicle owners, an additional problem was that the expiration date for the over 3,000 heavy trucks is March 31<sup>st</sup> of every year. Madam President, to address the former issue, the decision was taken to re-programme the TCD's computer system to temporarily allow vehicles to be relicensed online for a period of three months only without being examined.

This adjustment addressed the concerns of the one holdout insurance company and provided protection to hundreds of motorists operating unlicensed privately-owned vehicles. Notwithstanding, allowing vehicles to be licensed without being examined was still in contravention of the aforementioned Act.

Madam President, TCD can only legally provide this service to the motoring public, licensing vehicles without the mandatory examination, if the two Acts are amended to allow for the abbreviated licensing process as the Minister deems necessary.

Madam President, this Bill affords the Minister of Transport the authority during a national emergency by Order published in the *Gazette* to defer the examination of privately owned vehicles—for example, private motor cars, motorcycles and auxiliary bicycles—and allow each category to be licensed for a period specified in the Order.

The Minister will also be authorised to extend the period if necessary and appoint the period within which privately owned vehicles shall be examined.

Thank you, Madam President.

**The President:** Thank you, Senator Richardson, for your brief.

Does any other Senator care to speak on this Bill?

**Sen. Marcus Jones:** Yes, Madam President.

**The President:** Senator Jones, you have the floor.

**Sen. Marcus Jones:** We support this Bill. I would like to call these types of amendments a “common sense amendment.” We know that there were some things that were out of our control. In this case the pandemic.

So, having to pass legislation that can look back retroactively is one of those necessary remedies to a situation that unfolded. I would suggest to you, Madam President, that there may be other situations within government when it comes to time-sensitive permits and licences in other departments where the Government may have to sort of extend the capacity to make allowances for these situations.

So, Madam President, there is no objection. We support this particular piece of legislation.

**The President:** Thank you, Senator Jones.

Would any other Senator care to speak on this Bill?

Senator Simmons, you have the floor.

**Sen. Michelle Simmons:** Thank you, Madam President.

I too would like to say that I fully support this Bill. Having been caught up in the retroactivity, it is important that Government should make an allowance for national emergencies. So, as Senator Jones said, yes, it is common sense legislation, and I fully support this. Thank you.

**The President:** Thank you, Senator Simmons.

Would any other Senator care to speak on this Bill?

Hearing none, then it is over to you Senator Richardson.

### SUSPENSION OF STANDING ORDER 26

**Sen. Curtis Richardson:** Madam President, I move that [Standing Order] 26 be suspended at this time in respect of this Bill.

**The President:** Is there any objection to that motion?

No objection.

*[Motion carried: Standing Order 26 suspended.]*

## BILL

### THIRD READING

#### MOTOR CAR AND AUXILIARY BICYCLES (VALIDATION AND AMENDMENT) ACT 2021

**Sen. Curtis Richardson:** Madam President, I move that the Bill entitled Motor Car and Auxiliary Bicycles (Validation and Amendment) Act 2021 be now read a third time.

**The President:** Is there any objection to the third reading?

No objection?

**Sen. Curtis Richardson:** Madam President, I move that this Bill do now pass.

**The President:** It has been moved that the Bill now pass. Is there any objection to that motion?

There is no objection, the Bill has passed.

Thank you, Senator Richardson.

*[Motion carried: Motor Car and Auxiliary Bicycles (Validation and Amendment) Act 2021 was read a third time and passed.]*

**The President:** We will now move on to item 4, which is consideration of draft Regulations entitled, Marine and Ports Authority (Port Dues) Amendment Regulations 2021, Governor’s recommendation signified. That is also in the name of Senator Richardson, the Junior Minister of Transport.

You have the floor when you’re ready, sir.

**Sen. Curtis Richardson:** Madam President, I move that the Senate do now take under consideration Marine and Ports Authority (Port Dues) Amendment Regulations 2021.

**The President:** Is there any objection to that motion?

No objection, carry on Senator Richardson.

## DRAFT REGULATIONS

### MARINE AND PORTS AUTHORITY (PORT DUES) AMENDMENT REGULATIONS 2021

**Sen. Curtis Richardson:** Madam President, I am pleased to introduce [the Marine and Ports Authority \(Port Dues\) Amendment Regulations 2021](#). The passing of the regulations will result in a 5 per cent increase in the fee charged for ships up to 100 metres in length, an increase from \$588.00 to \$617.00. While ships over 100 metres in length will now be charged \$14.33 per metre, port dues payable in respect of any vessel shall not be less than \$400.00. This is up from \$375.00. The increases will take effect on 1 April 2021.

Such port dues are historically collected to help fund port infrastructure and repair work that allows us to safely berth ships alongside in port. Infrastructure items of note include the physical dock structure, fenders and mooring bollards for ships’ lines, as well as security measures, such as fencing, lighting, and security screening equipment required under international security rules similar to an airport.

Thank you, Madam President.

**The President:** Thank you, Senator Richardson.

Would any Senator care to speak on this Bill.

**Sen. Marcus Jones:** Yes, Madam President.

**The President:** Senator Jones, you have the floor.

**Sen. Marcus Jones:** This piece of legislation is administrative in nature, increasing of fees. Understanding that with the cost of the upkeep of the facilities here in Marine and Ports it is necessary, we support it. Thank you, Madam President.

**The President:** Thank you, Senator Jones.

Would any other Senator care to speak on this?

No, then Senator Richardson, it is over to you.

**Sen. Curtis Richardson:** Madam President, I move that the said draft regulations be approved and that the following message be sent to Her Excellency the Governor:

“May it please Your Excellency:

“The Senate, having had under consideration Draft Regulations entitled the Marine and Ports Authority (Port Dues) Amendment Regulations 2021, proposed to be made by the Minister responsible for Marine and Port Services, under the provisions of section 76 of the Marine Board Act 1962 has the honour to inform Your Excellency that the Senate has approved the said Draft Regulations.”

**The President:** Is there any objection to the message being sent?

Thank you, Senator Richardson, there is no objection. A suitable message will be sent.

**Sen. Curtis Richardson:** Thank you, Madam President.

*[Motion carried: the Marine and Ports Authority (Port Dues) Amendment Regulations 2021 were approved.]*

**The President:** We will now move on to item 5, which is consideration of the Draft Regulations entitled Marine Board (Seaborne Services) [Amendment] Regulations 2021, Governor’s recommendation signified.

This is also in Senator Richardson’s name.

You have the floor.

**Sen. Curtis Richardson:** Thank you, Madam President.

I move that the Senate do now undertake consideration of Draft Regulations entitled [Marine Board (Seaborne Services) Amendment Regulations 2021].

**The President:** Is there any objections?

No objection.

## DRAFT REGULATIONS

### MARINE BOARD (SEABORNE SERVICES) AMENDMENT REGULATIONS 2021

**Sen. Curtis Richardson:** Madam President, I am pleased to introduce the [Marine Board \(Seaborne Services\) Amendment Regulations 2021](#).

Madam President, the regulations make provision to revoke the Marine Board (Seaborne Services) Amendment Regulations 2013, and replace the Schedule to the principal regulations.

Madam President, the passage of the Regulations allows for the itemised billing of vessel services provided to international seaborne commerce and the local maritime marine community. The Schedule of charges covers services provided by government tugs, workboats and tenders in support of port operations. While ferries are also occasionally chartered on an hourly rate, all such charges have been incremented by 5 per cent.

Thank you, Madam President.

**The President:** Thank you, Senator Richardson.

Would any Senator care to speak?

Senator Jones, you have the floor.

**Sen. Marcus Jones:** We have no objection to this piece of legislation. We support it. Thank you.

**The President:** Thank you.

Would any other Senator care to speak?

Hearing none, Senator Richardson, it is back to you.

**Sen. Curtis Richardson:** Madam President, I move that the said draft regulations be approved and that the following suitable message be sent to Her Excellency the Governor:

“May it please Your Excellency:

“The Senate, having had under consideration Draft Regulations entitled the Marine Board (Seaborne Services) Regulations 2021, proposed to be made by the Minister responsible for Marine and Port Services, under the provisions of section 97 of the Marine Board Act 1962 has the honour to inform Your Excellency that the Senate has approved the said Draft Regulations.”

**The President:** Is there any objections to the message being sent?

Thank you, Senator Richardson, there is no objection. A suitable message will be sent.

**Sen. Curtis Richardson:** Thank you, Madam President.

*[Motion carried: the Marine Board (Seaborne Services) Regulations 2021 were approved.]*

**The President:** The last item that we are going to do this evening is consideration of the Draft Regulations entitled the Marine Board (Pilotage Dues) Amendment Regulations 2021. That is also in the name of Senator Richardson, Junior Minister of Transport.

You have the floor.

**Sen. Curtis Richardson:** Thank you, Madam President.

I move that the Senate do now undertake consideration of Draft Regulations entitled Marine Board (Pilotage Dues) Amendment Regulations 2021.

**The President:** Is there any objection to that motion?  
There is no objection.

## DRAFT REGULATIONS

### MARINE BOARD (PILOTAGE DUES) AMENDMENT REGULATIONS 2021

**Sen. Curtis Richardson:** Madam President, I am pleased to introduce the [Marine Board \(Pilotage Dues\) Amendment Regulations 2021](#).

Madam President, the passage of the Marine Board (Pilotage Dues) Amendment Regulations 2021 will see an increase of 5 per cent levied on current pilot services that are paid by ships based upon their draught when arriving in, or departing from our seaports, effective 1 April 2021.

Madam President, the Regulations make provision to amend regulation 5 of the principal Regulations to change the fuel surcharge from \$10.00 per movement to \$10.50 per movement. It also makes provision to revoke and replace the Schedule of dues payable per metre of a vessel's draught per port of destination or departure.

Thank you, Madam President.

**The President:** Thank you.  
Would any other Senator care to speak?

**Sen. Marcus Jones:** Yes, Madam President.

**The President:** Yes, Senator Jones, you have the floor.

**Sen. Marcus Jones:** This revokes the former and commences the new regulations necessary for April 1<sup>st</sup>. We do agree and support this. Thank you, Madam President.

**The President:** Thank you, Senator Jones.  
Would any other Senator care to speak?  
Hearing none, Senator Richardson, it is back to you.

**Sen. Curtis Richardson:** Madam President, I move that the said draft regulations be approved and that

the following suitable message be sent to Her Excellency the Governor:

"May it please Your Excellency:

"The Senate, having had under consideration Draft Regulations entitled Marine Board (Pilotage Dues) Amendment Regulations 2021, proposed to be made by the Minister responsible for Marine and Port Services, under the provisions of section 103 of the Marine Board Act 1962 has the honour to inform Your Excellency that the Senate has approved the said Draft Regulations."

**The President:** Is there any objection to that motion?  
No objection. A suitable message will be sent to the Governor.

Thank you very much, Senator Richardson, and all Senators.

*[Motion carried: the Marine Board (Pilotage Dues) Regulations 2021 were approved.]*

**The President:** This concludes the Bills that we will undertake this evening, so we will move down the items on our agenda.

## MOTIONS

**The President:** there are none.

## CONGRATULATORY AND/OR OBITUARY SPEECHES

**The President:** Would any Senator care to speak?  
Senator Robin Tucker, you have the floor.

**Sen. Robin Tucker:** Thank you, Madam President.  
Unfortunately yesterday while we were in session we had quite a bit of technical difficulties, so I was unable to chime in when everybody else was expressing condolences. So I really would like to take just a few minutes today because I would like to join with Senate colleagues who extended condolences to the family of the late Dr. Christopher—

**The President:** So you want to associate yourself?

**Sen. Robin Tucker:** —[INAUDIBLE] family.

**The President:** Yes.

**Sen. Robin Tucker:** As well as to Heather Jacobs Matthews. I have known Heather and her family for well over 30 years. One of the things that I want to say from a personal perspective is that Heather, which I am sure everybody who knew her would say the same thing, was a very humble woman, and a woman of integrity. I personally feel as though it was really truly a privilege to have known her.

So, I wanted today to extend and to join with everyone else who extended condolences to those two families. Thank you, Madam President.

**The President:** Senator Tucker, I would like to let you know that you are associating your comments to the others that have been given for Dr. Christopher, but you are expressing Heather Jacobs Matthews on your own right. So this is the first comment on Mrs. Matthews.

So, would any other Senator care to express condolences?

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam President.

I certainly would like to associate myself with the condolences mentioned by Senator Robin Tucker. Heather Jacobs [Matthews] was an excellent civil servant. She is going to be desperately missed. The Jacobs family is certainly known to me. My heart was saddened to hear of her passing. I am certainly praying for her family. And we are certainly grateful for the contributions that she has made to the Bermuda Government through her work as Auditor General.

**The President:** Thank you.

Would any other Senator care to—

Senator Michelle Simmons, you have the floor.

**Sen. Michelle Simmons:** Thank you, Madam President.

I too would like to be associated with the condolences to be sent to the family of Heather Jacobs Matthews. I could not speak on this yesterday because it would have been just a wee bit too much.

I have known Heather from primary school. She had always been somebody who was dedicated to whatever she did, always wanted to do it well. She is remembered by her school friends as hardworking and that is through Central School, through Berkeley, through the Sixth Form Centre and on to Dalhousie University. She carried that attitude of dedication from school days right through her professional life, and right up to the end as an accountant in the private sector, certainly as a wonderful public servant.

She served as Accountant General, Tax Commissioner twice, Assistant Auditor, Deputy Auditor, and eventually became Bermuda's first Black female Auditor General. She was devoted to her family, but she was also devoted to serving her community. And her community was all of Bermuda. She was not afraid to speak the truth. We share in her family's loss. I personally am very grateful to have known her as a friend. This is a huge loss for the Jacobs and Matthews families, for her daughter Suella, her son Damien, her siblings, Gregory, Michael, Sharon, Debra-Lyn (known to us as Pebbles), and certainly Bermuda

as a whole has lost a wonderful, wonderful public servant.

Actually, as we speak, her funeral was held today.

**The President:** Yes.

**Sen. Michelle Simmons:** And I am sure there will be links to that online. I could not go another day without recognising Heather Jacob Matthews, public servant extraordinaire. Thank you, Madam President.

**The President:** Thank you, Senator Michelle Simmons.

Would any other Senator care to speak on these condolences?

If not, I would just like myself to add my condolences also and to join in the sentiments that have been expressed. I am a bit overwrought because as was said her funeral was today, and my husband and I would have liked to have gone. She lived right on the drive and I had seen her quite a bit throughout this last few months that she was alive. So I join you in your sentiments and I agree with you, she reached the pinnacle of her profession and she really has left a legacy for her family and for Bermuda in what she did. So thank you all very much for your sentiments.

With that, we move on to the adjournment.

Minister Peets, over to you.

## ADJOURNMENT

**Sen. the Hon. Dr. Ernest Peets:** Yes, thank you, Madam President.

I certainly want to thank our Chairmen today, Senator Wight and Senator Simmons. I also want to thank our Clerk of the Senate for his diligence and hard work. I know this is a very busy part. I think we are half-way through, or there about. I know it is many, many hours, and I want to certainly thank everyone for their patience.

Having said that, Madam President, I move that we adjourn until Monday, March 29, 2021, to finish the rest of the work that we have to get done.

**The President:** Thank you.

Does any Senator care to speak on the motion to adjourn?

Hearing none, then Senators, I too want to thank you for the hard work you have put in today. It has been a long day, [following] a [long] day yesterday. We are energised now. Hopefully you will rest up and we will return on Monday to complete the business. So thank you all very much. Get some rest; stay safe.

The Senate is adjourned. Thank you.

*[At 7:50 pm, the Senate stood adjourned until 10:00 am Monday, 29 March 2021.]*

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**BERMUDA SENATE****OFFICIAL HANSARD REPORT  
29 MARCH 2021  
VIRTUAL SITTING  
10:00 AM**

*Sitting Number 12 of the 2020/21 Session*

*[Sen. the Hon. Joan E. Dillas-Wright, President, pre-siding]*

**The President:** Good morning, Senators.

The Senate is in session. I trust you all had a very good weekend. And, as has been stated, we are in for a long day.

Nonetheless, shall we pray?

**PRAYERS**

*[Prayers read by Sen. the Hon. Joan E. Dillas-Wright, President]*

**CONFIRMATION OF MINUTES**

**The President:** The second item on our agenda is the confirmation of minutes, Senator Michelle Simmons. You have the floor.

**Sen. Michelle Simmons:** Good morning, Madam President, fellow Senators and the listening audience.

I move that the Minutes of the meeting of Wednesday, the 24<sup>th</sup> of March 2021, and Thursday, the 25<sup>th</sup> of March 2021 be deferred.

**The President:** Is there any objection to that motion?  
No objection.

**Sen. Michelle Simmons:** Madam President, we will, therefore, defer those Minutes.

**The President:** Thank you, Senator Simmons.

**MESSAGES**

**The Clerk:** There are no messages, Madam President.

**The President:** Thank you, Mr. Somner.

**REPORTS OF COMMITTEES**

**The President:** There are none.  
Item 5, Announcements.

**ANNOUNCEMENTS**

**The President:** We have two announcements. One is in the name of Senator Hodgson, Junior Minister of Finance. You have the floor.

**CONSOLIDATED FUND OF THE GOVERNMENT  
OF BERMUDA FINANCIAL STATEMENTS  
YEAR ENDING 31 MARCH 2020**

**Sen. Adrianna Hodgson:** Thank you, Madam President.

I hereby present for the information of Senate the Financial Statements of the Consolidated Fund of the Government of Bermuda for the year ending 31<sup>st</sup> March 2020.

Senators can access a copy on their tablets and/or the Parliament's website. Thank you.

**The President:** Thank you, Senator Hodgson.

The second announcement is in the name of the Minister of Youth, Culture and Sport.

Minister Dr. E. G. V. Peets, the Government Minister in the Senate.

You have the floor.

**BERMUDA SPORT ANTI-DOPING AUTHORITY  
ANNUAL REPORT YEAR ENDED 31 MARCH 2020**

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam President.

I hereby present for the information of Senate the annual report of the Bermuda Sport Anti-Doping Authority Annual Report for the year ended 31 March 2020.

**NOTICES OF MOTIONS**

**The President:** We have three notices of motions, and that is in the name of the Junior Minister for Health, Senator Richardson.

You have the floor.

**Sen. Curtis Richardson:** Thank you, Madam President.

## **PUBLIC HEALTH (COVID-19) EMERGENCY EXTENSION (NO. 2) ORDER 2021**

**Sen. Curtis Richardson:** I hereby present for the consideration of Senate, the Draft Order entitled the Public Health (COVID-19) Emergency Extension (No. 2) Order 2021 proposed to be made by the Minister responsible for Health under the provisions of section 107A of the Public Health Act 1949 after consultation with the Chief Medical Officer.

And I give notice that at the next day of meeting I will move that the said Draft Order be approved. Senators can access an e-copy of the order on their tablets or on the parliamentary website.

**The President:** Thank you, Senator Richardson.

The second notice of motion is the Electronic Communications (Regulatory Authority Fees) Regulations 2021, Governor's recommendation signified.

This is in the name of Senator Lindsay Simmons. You have the floor.

## **ELECTRONIC COMMUNICATIONS (REGULATORY AUTHORITY FEES) REGULATIONS 2021**

**Sen. Lindsay K. Simmons:** Madam President, I hereby present for the consideration of Senate, the draft regulations entitled the Electronic Communications (Regulatory Authority Fees) Regulations 2021 proposed to be made by the Minister responsible for telecommunications under the provisions of sections 6 and 11 of the Electronic Communications Act 2011, as read with section 44 of the Regulatory Authority Act 2011.

And I give notice that at the next day of meeting I will move that the said draft regulations be approved.

**The President:** Thank you, Senator Simmons.

You have a second one? You can carry on.

## **ELECTRICITY (REGULATORY AUTHORITY FEES) REGULATIONS 2021**

**Sen. Lindsay K. Simmons:** Madam President, I hereby present for the consideration of Senate, the draft regulations entitled the Electricity (Regulatory Authority Fees) Regulations 2021 proposed to be made by the Minister responsible for energy for the purposes of establishing regulatory authority fees for the electricity sector pursuant to the Electricity Act 2016 in exercise of powers conferred by section 44 of the Regulatory Authority Act 2011.

And I give notice that at the next day of meeting I will move that the said draft regulations be approved.

**The President:** Thank you, Senator Lindsay Simmons.

## **PETITIONS**

**The President:** There are none.

## **STATEMENTS**

**The President:** There are none.

## **INTRODUCTION OF BILLS**

**The President:** There are none.

## **FIRST READING OF PUBLIC BILLS**

### **CRIMINAL CODE AMENDMENT (NON-CONSENSUAL SHARING OF INTIMATE IMAGES) ACT 2021**

### **PUBLIC HEALTH AMENDMENT ACT 2021**

### **QUARANTINE AMENDMENT ACT 2021**

**The President:** The following public Bills have been received from the Honourable House of Assembly and are now read for the first time, their titles are, respectively: the Criminal Code Amendment (Non-Consensual Sharing of Intimate Images) Act 2021; the Public Health Amendment Act 2021; the Quarantine Amendment Act 2021.

## **FIRST READING OF PRIVATE BILLS**

**The President:** There are none.

## **QUESTION PERIOD**

**The President:** There are none.

## **ORDERS OF THE DAY**

**The President:** The first Order of the day is Resolution into Committee of the Whole [Senate] for further consideration of the Appropriation Act 2021, together with the Estimates of Revenue and Expenditure for the financial year 2021/22, in the name of the Junior Minister of Finance, Senator A. J. L. Hodgson.

You have the floor.

**Sen. Adrianna Hodgson:** Thank you, Madam President.

I move that the Senate resolve itself into a Committee of the Whole for further consideration of the Appropriation Act 2021, together with the Estimates of Revenue and Expenditure for the Financial Year 2021/22.

**The President:** Thank you, Senator Hodgson.

I will now ask Senator Michelle Simmons, Vice President of the Senate, to take the Chair.

**Sen. Michelle Simmons:** Thank you, Madam President, but I believe Senator Wight is going to chair this. Is that correct, Senator Wight?

**Sen. John Wight:** Senator Simmons, yes, I believe that is the case.

**Sen. Michelle Simmons:** Yes, please proceed.

**Sen. John Wight:** Thank you, Senator.

### Senate in Committee at 10:09 am

[*Sen. John Wight, Chairman*]

## COMMITTEE OF SUPPLY

### APPROPRIATION ACT 2021

#### ESTIMATES OF REVENUE AND EXPENDITURE FOR THE FINANCIAL YEAR 2021/22

**The Chairman:** So, we are in Committee of the Whole [Senate] for further consideration of the Appropriation Act 2021, together with the Estimates of Revenue and Expenditure for the Financial Year 2021/22.

The Ministry under consideration is Youth, Culture and Sport. The Heads for debate under this Ministry are Heads 71 and 20. Head 71 can be found at B-241 and Head 20 can be found on page B-245. The number of hours allocated to these Heads is two. I have 10:13 am. So, we will continue until 12:13 pm.

The Senator in charge is Minister Peets. Minister, how do you wish to proceed?

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Mr. Chairman. I would like to proceed by presenting Head 71. For questions, it would be beneficial, based on experience, to collect the questions per Head from each Senator at the end of each Head.

**The Chairman:** Very well. Thank you, Minister. Please proceed.

**Sen. the Hon. Dr. Ernest Peets:** Thank you; I am grateful.

**Sen. the Hon. Dr. Ernest Peets:** Mr. Chairman, I am pleased to present the financial year 2021/22 Estimates of Revenue and Expenditure for the Ministry of Youth, Culture and Sport, which can be found beginning on page B-241 of the Estimates Book.

I will briefly discuss the Ministry as a whole, followed by information for Head 71, the Ministry Headquarters, and then in detail the two departments that fall under the Ministry, namely, Head 20, the De-

partment of Youth, Sport and Recreation; and Head 52, the Department of Culture.

Mr. Chairman, [two] hours have been allocated for these Heads, and I intend to speak for about one and a half hours in order to give some time for a period of questions and answers and clarification for the 2021/22 Estimates of Revenue and Expenditure.

Mr. Chairman, when I became Minister of Youth, Culture—

**The Clerk:** Excuse me, Mr. Chairman and Minister Peets, can you make it clear whether you are proposing to move both of the Heads, and present the brief on both Heads?

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Senate Clerk.

Mr. Chairman, I move that the Committee do now take under consideration Head 71, for the Ministry of Youth, Culture and Sport Headquarters, and Head 20, Youth, Sport and Recreation.

**The Clerk:** Proceed.

**Sen. the Hon. Dr. Ernest Peets:** Thank you. I appreciate the clarification, and apologise for missing that particular message to Senators.

May I proceed?

**The Chairman:** Yes, please, Minister.

## MINISTRY OF YOUTH, CULTURE AND SPORT

**Sen. the Hon. Dr. Ernest Peets:** Mr. Chairman, when I became Minister of Youth, Culture and Sport I was quickly introduced to the Ministry's portfolio, as well as its departments. I have had an opportunity to review the programmes and the budget and I have visited a variety of sites to which the departments deliver services.

Mr. Chairman, the Ministry of Youth, Culture and Sport, as it relates to its mission is *to develop and celebrate our people*. I truly believe that the uniqueness of our people and our culture is our country's greatest asset. And our Ministry is committed to developing and celebrating our people throughout our Island. Mr. Chairman, you will note throughout my presentation today that we are freely engaged in the development and support of our youth, athletes and creatives for the important role these play in our communities.

Mr. Chairman, before I get into the details of our budget, I want to share with this Honourable House some of the priorities of the Ministry for the next financial year, in particular the creation of a National Cultural Heritage Policy and the development of a National Youth Policy.

Mr. Chairman, although Bermuda is a country that encompasses many cultures, the National Cultural Heritage Policy will embrace and then celebrate one history and a shared cultural identity, this policy will present the Ministry's vision for preserving, celebrating and educating our community about Bermuda's rich cultural heritage.

A National Cultural Heritage Policy for Bermuda will be a product of significant community engagement including feedback from cultural organisations, artists and other creatives. It is our hope that this document will serve as an evolving blueprint for the deliberate integration of culture into each and every aspect of Bermudian life. Further, Mr. Chairman, as was highlighted in the 2020 Throne Speech, Bermuda's future must be built by those to whom it most belongs. As a Government we must respect and value our young people's contributions to society. This has been an extraordinary year of youth mobilisation and social actions, and that has not been lost on this Government or this Ministry. There is immense value in engaging with our young people. As such, it is important that we harness their energy, their creativity, their ideas and their passion about the causes that are most important to them.

The development of a National Youth Policy will seek to foster greater engagement with our youth in the creation of government policy. Working in partnership with other key stakeholders, it is our goal to review programmes and develop a youth policy to ensure a generation of informed and independent thinkers.

Mr. Chairman, I would now like to draw our attention to page B-241 of the Estimates Book, where you will note that the Ministry of Youth Culture and Sport budget for the financial year 2021/22 is \$12,933,000, a reduction of \$1,450,000, or 10 per cent, from our 2020/21 original budget. The net effect of this change is a reduction in the Ministry's allocated budget ceiling, the transfer of the Labour Relations Section to the Ministry of Labour and the addition of parish councils.

Mr. Chairman, page B-241 shows a revenue estimate for the Ministry of \$546,000, a decrease of \$126,000 from financial year 2020/21. This decrease reflects a reduction in revenue-generation opportunities across all Heads within the Ministry, resulting from the social constraints imposed by the COVID-19 pandemic.

Mr. Chairman, page B-241 also details the current account expenditure of the departments that make up the overall budget for the Ministry by Head, as follows:

- Head 71—Ministry Headquarters fiscal year 2020/21, \$2.19 million, the estimate for fiscal year 2021/22 is 1.369 million;
- Head 20—Youth and Sport Recreation [for fiscal year 2020/21], \$10.109 million, this year, \$9.591 million;

- Head 52—Department of Cultural [for fiscal year 2020/21] \$2.083 million and for fiscal year 2021/22, \$1.973 million.

Those totals in comparison, for last year \$14.383 million, and for the year going ahead, \$12.933 million.

Mr. Chairman, the summary shows that for the 2021/22 estimates all Heads have seen reductions. I will discuss each change as I present each Head. Mr. Chairman, as seen on page C-20, the budget for the Ministry includes \$3,207,000 in grants and contributions. While the Ministry remains committed to supporting community agencies and partners, a few reductions were necessary, given overall budgetary constraints and the reality that [with] COVID-19 restrictions in place, a number of activities cannot be undertaken or are substantially reduced in size.

The grants and contributions for the Ministry of Youth, Culture and Sport can be found on page C-20, which include:

- Head 20—Department of Youth, Sport and Recreation, \$2,728,924 for sports development, national sporting bodies and youth organisations;
- Head 52—Department of Cultural, \$421,000 for community and cultural activities;
- Head 71—Ministry Headquarters, \$58,000 for parish council commitments and a small allocation for one-time events that are aligned for the Ministry's mission, provided that they fall outside of the scope of the departments.

Mr. Chairman, this aligns with our focus on developing and celebrating our people in the 2021/22 financial year. Mr. Chairman, pages C-23 and C-24 highlight the 2019/20 actual allocations made to sports development and voluntary youth organisations and total \$1,984,000.

#### HEAD 71—MINISTRY OF YOUTH, CULTURE AND SPORT HEADQUARTERS

**Sen. the Hon. Dr. Ernest Peets:** Head 71, the Ministry Headquarters.

Mr. Chairman, I now turn to the current account expenditure for Head 71, Headquarters. The financial year 2021/22 estimates of expenditure and revenue for Head 71, the Ministry Headquarters, are found on page B-241 of the Estimates Book. Ministry Headquarters comprises a single business unit, 81000—Administration, which consists of mainly salaries that support the Ministry, the Minister's Office and the Ministry's Centralised Accounts Section.

Mr. Chairman, the Ministry Headquarters directs the development and implementation of policy and legislation, has overall responsibility for the management of the Ministry's budget and provides guidance on programming to the departments within the Ministry.

Through its Centralised Accounts Section, the Ministry Headquarters provides accounting and finan-

cial management services to all departments under its responsibility. The key activities of this department are to 1) undertake strategic leadership of Ministry departments; 2) to manage the Ministry's accounts and ensure compliance with Financial Instructions; 3) lead and operationalise policy and legislative developments; 4) to issue and manage ministerial grants aligned with the Ministry's mission; and 5) appoint and oversee six boards and nine parish councils.

Mr. Chairman, page B-241 shows the Budget Estimate for the Ministry Headquarters for fiscal year 2021/22 is \$1.369 million. As can be seen in page B-242, the Ministry's Headquarters operates one business unit, 81000—Administration, which provides the services described previously to support the Minister's Office and internal compliance functions.

Mr. Chairman, there is an overall reduction of \$822,000 in this budget, or 38 per cent. The main reason for this change is the reduction in the Ministry's allocated budget ceiling, the transfer of the Labour Relations Section to the Ministry of Labour as well as the addition of parish councils.

Travel has been decreased by \$12,000 given the realities of the current pandemic. Little if any travel is expected this year.

There is an increase of \$1,000 in the training allocation, and this will provide opportunities for staff training with a more focused programme that is aligned with the staff's forward job plans. The priority is to ensure that staff maintain professional designations through continuing professional development and to provide opportunities for staff to get further training and qualifications to develop them for promotion through the public service.

Mr. Chairman, there has been an increase in the communications estimate of \$10,000 to increase the Ministry's media presence as it moves to more hybrid events that are streamed alongside smaller in-person performances due the need based on COVID-19 situations. Mr. Chairman, there has been a decrease in the professional services budget from \$369,000 to \$189,000, a decrease of \$180,000, or 49 per cent. This reduction is attributed to the transfer of the Labour Relations Section, as it was determined that reduced expenditure on consulting is in the public's best interest.

Mr. Chairman, the last object codes in the subjective analysis relates to grants and contributions. There has been a decrease of \$20,000. This change is a combination of the addition of parish councils and the reduction in allocation for cultural grants that the Minister may award for one-time events that are not captured by the department's grants within the Ministry.

Mr. Chairman, I would like to take this opportunity to thank all of the dedicated staff of the Ministry's Headquarters for the work that they do in ensuring that the Ministry meets its mandate. I am certainly glad to be a part of their amazing team.

Mr. Chairman, the pandemic has made this a very unusual year for all of us. This has affected every fabric of our society, and Culture and Sport have been no different. Athletes and performing artists have been robbed of the opportunity to practice their skills, to compete and to perform. In this way, the stewards of our nation's soul have been challenged. Mr. Chairman, for the first time in our history, we have had to engage and to connect in ways that are at times unfamiliar to us.

But it has been during these times of uncertainty that our cultural and national pride have shone through, in our opinion. Our determination as well as our perseverance as a community in successfully navigating this pandemic is proof that our cultural legacy is one of strength as well as one of resilience. We have made the necessary adjustments in how we engage and connect with our community.

And as we press forward during these trying times, our commitment will be to continue to support our artists, continue to preserve our cultural traditions, continue to celebrate our athletic and sporting excellence and continue to develop our youth through sports and recreation—all of which we believe will continue to enhance the quality of life for our entire community.

Mr. Chairman, I will end by reminding us all that culture is the backbone of society. It is the glue that binds us together and informs our identity as individuals and as a community. This Ministry has a tremendous role to play in the fabric of Bermudian society. And I am extremely proud to be a part of this team as we continue to develop and celebrate our people in a multitude of ways.

Mr. Chairman, this concludes my presentation on the financial year 2021/22 budgetary allocation for Head 71, the Ministry Headquarters. And I now move to Head 20, the Department of Youth, Sport and Recreation with your permission.

**The Chairman:** Thank you, Minister Peets, please continue.

## **HEAD 20—DEPARTMENT OF YOUTH, SPORT AND RECREATION**

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Mr. Chairman. I will now present for fiscal year 2021/22 the estimates of expenditure and revenue for Head 20, the Department of Youth, Sport and Recreation, which can be found on pages B-246 through B-251 of the Estimates Book. I will start with our mission statement.

The mission of the Department of Youth, Sport and Recreation is *to develop Youth, Sport and Recreation through our services and to celebrate the accomplishments of our people.*

## Department Objectives

**Sen. the Hon. Dr. Ernest Peets:** The Department of Youth, Sport and Recreation seeks to advance sport, recreation and youth development for all in Bermuda from leisure/recreation to athletic excellence, and to strengthen the significant contributions that these initiatives make towards enhancements of the quality of life of our community.

Mr. Chairman, the objectives for 2021/22 are as follows (and there are six):

- 1) Provide funding support for the National Sport Governing Bodies, sometimes referred to as NSGBs.
- 2) Provide funding support for the National Youth Organising Bodies, also known as NYOBs.
- 3) Manage and maintain government sports and recreation facilities.
- 4) Provide after-school programmes for school-aged children.
- 5) Provide summer day camps for school-aged children.
- 6) Prepare and manage [the] budget to ensure intended deadlines are met.

Mr. Chairman, the Department of Youth, Sport and Recreation administers nine programmes and 20 business units for which a general summary can be found on pages B-246 and B-247 of the Estimates of Expenditure and Revenue for fiscal year 2021/22. The budget allocation for the Department of Youth, Sport and Recreation in fiscal year 2021/22 is \$9,591,000 as shown on page B-247.

This is a reduction of \$518,000, or 5 per cent, from fiscal year 2020/21.

Mr. Chairman, I will now discuss the individual programmes under Head 20. Mr. Chairman, page B-246 shows that the budget allocation for business unit 30045, General Administration, for fiscal year 2021/22 is \$869,000. This is a decrease of \$747,000 in comparison to \$1,616,000 for fiscal year 2020/21. The reduction reflects the movement of salaries of section heads to the business units under their remits.

### Programme 2001—Administration

**Sen. the Hon. Dr. Ernest Peets:** Mr. Chairman, the allocated funds provide for the administration and operations of the Department of Youth, Sport and Recreation Headquarters, which is located in the Craig Appin House, situated at 8 Wesley Street, Hamilton.

In addition, the Administration Section provides administrative support for the additional eight programmes within the department and is responsible for monitoring departmental spending to ensure that policies and procedures are adhered to in achieving efficiencies and effectiveness.

## Programme 2002—Sport Development

**Sen. the Hon. Dr. Ernest Peets:** Mr. Chairman, the department provides for its sports development programme through business unit 30055, Sports Programme. The fiscal year 2021/22 budget allocation for business unit 30055 is \$1,855,000. This is an increase of \$74,000 compared to the original budget of \$1,781,000 for fiscal year 2020/21.

This increase reflects salaries moved from the Administration unit to the Sports Development business unit, reflecting the actual cost to operate the unit. This allocation includes grant funding for the National Sport Governing Body and operational costs involved with facilitating major events during the fiscal year, such as the annual sports awards and national junior athlete sponsorship programmes continue.

Mr. Chairman, included in business unit 30055 is a grant of \$550,000 to the Bermuda Sport Anti-Doping Authority (BSADA). This is a decrease of \$100,000 from fiscal year 2020/21. This funding provides operational budget for this key agency, which takes its legislative mandate from the Anti-Doping in Sport Act 2011 and operates under the global framework of the World Anti-Doping Agency. The Bermuda Sport Anti-Doping Authority is the national anti-doping organisation for Bermuda. Without the functional presence of this organisation in Bermuda, I have to remark that it would simply mean that Bermuda would not be able to participate in any international sporting events abroad or host any international sporting events locally. The decrease ensures that the department stays within its budget allocation for the upcoming year 2021/22.

Mr. Chairman, under the strict control of the Sports Development Section, the department continues to ensure that funds used by the National Sport Governing Body are for the development of sports in Bermuda for our senior and junior athletes. Business unit 30055 also provides for a grant to the Bermuda Football Association of \$300,000. An additional [\$144,000] in operating costs is covered by this business unit, which is used for facility rental, recreation supplies, advertising, recreational services, training, office supplies and hospitality for food and beverages associated with events such as our sports awards.

Mr. Chairman, during fiscal year 2021/22 the Department of Youth, Sport and Recreation intends to continue focusing on all aspects of sporting development. The development of athletes at senior and junior levels and the provision of education to local coaches and administrators through partnerships with overseas agencies such as the Positive Coaching Alliance and Sport for Life are key aspects of business unit 30055. An investment in sport is vital for the continued development of sports Island-wide, as without this support many athletes and sporting programmes would suffer. The department will also continue to work with various government agencies to maintain

sporting and recreational facilities that fall under the department's remit.

Mr. Chairman, Government has established a sports recognition policy that requires all current National Sport Governing Bodies [NSGBs] to be recertified. This will ensure that all National Sport Governing Bodies are in compliance with the department's requirements and meet minimum standards for sporting organisations.

The department continues to offer personal development to coaches and administrators alike. Through a partnership with Sport for Life, the NSGBs were introduced to the details of long-term athlete development. An underlying aim of the NSGBs, which is long-term athlete development framework, is to match the coaching and development of children to their physical and psychological growth while optimising both their enjoyment and training. Matching training to development should allow every individual to reach their optimum potential and enjoy sports participation. In partnership with the Bermuda Olympic Association, it is intended that all NSGBs develop sustainable long-term athlete development plans for their respective sports.

Mr. Chairman, would you mind giving me a time check?

**The Chairman:** Senator Peets, it is now 10:41 [am].

**Sen. the Hon. Dr. Ernest Peets:** Thank you, I think I am making good progress.

#### **Programme 2003—Sports Incentives and Awards**

**Sen. the Hon. Dr. Ernest Peets:** Mr. Chairman, the estimate for business unit 30030, Athletic Awards, which falls under the category of Sports Incentives Awards, is \$79,000. This represents a decrease of \$121,000. This decrease reflects the unfortunate impact that the COVID-19 pandemic continues to have on the ability to develop sport and limits the opportunity to travel, train and to compete internationally. In keeping with the department's goal of long-term athletic development, the Department of Youth, Sport and Recreation in conjunction with the Bermuda Olympic Association and the National Sport Governing Body will continue to explore having locally based workshops and camps.

#### **Programme 2004—Sports Facilities Management**

**Sen. the Hon. Dr. Ernest Peets:** Mr. Chairman, I can report that the department carries out sports facilities' management across five business units, with allocations for the upcoming year 2021/22 totalling \$1.946 million. This can be found on page B-246. This represents an increase of \$49,000 from the original estimate of \$1,897,000 from fiscal year 2020/21. The increase reflects the salary of the senior officer being

moved to the Sports Facilities Management unit, to reflect the actual cost to operate that particular business unit.

Mr. Chairman, the budget estimate for business unit 30060—Sports Facilities Administration is \$1.311 million for fiscal year 2021/22, which is an increase of \$26,000 over the original budget estimates for fiscal year 2020/21. This increase in funds is for the reallocation of salaries from General Administration, which reflects the actual cost of operating the unit.

Mr. Chairman, business unit 30060 includes funding for the National Sports Centre of \$1.1 million, a decrease of \$100,000. This reduction was made in order to stay within the department's budget allocation. This cost centre also provides for the maintenance of parks under the department's remit namely, the WMC Preece Softball Park (business unit 30075), the WER Joell Tennis Stadium (business unit 30080), the Motorsport Park (business unit 30090) and the Sports Community Fields (business unit 30390).

The WMC Preece Softball Stadium, business unit 30075, provides for two full-time employees [FTEs] to maintain the grounds and includes funding for materials, supplies and electricity. The WER Joell Tennis Stadium, business unit 30080, includes estimates for four full-time and two part-time employees, together with operational expenditure and the cost to maintain the Sports Community Fields. Cost centre 30390 is also included.

#### **Programme 2005—Youth Development**

**Sen. the Hon. Dr. Ernest Peets:** Mr. Chairman, the allocated budget for fiscal year 2021/22 of \$415,000 is for two of the business units under the Youth Development Programme.

Youth Development Administration, business unit 30210, has a budget allocation of \$316,000 for fiscal year 2021/22, an increase of \$24,000 from the original budget. The increase is a result of moving salaries of the senior officer to the business unit to reflect the cost of doing business in this particular unit.

Mr. Chairman, the allocated budget for business unit 30350—Youth Investments (Grants) for fiscal year 2021/22 is \$99,000, a decrease of \$101,000 from fiscal year 2020/21. The reduction was made to ensure that the department stays within its budget allocation.

#### **Programme 2006—Community Centres**

**Sen. the Hon. Dr. Ernest Peets:** Mr. Chairman, the budget allocation for three community centres under the department's remit. We have the Sammy Wilson Central Zone Community Centre (business unit 30120). We also have the Eastern Zone Community Centre (business unit 30130). We also have one in Somerset, the Western Zone Community Centre

(business unit 30146). The budget is \$1,447,000, which is a decrease of \$37,000 under the original estimate for fiscal year 2020/21. The decrease is due to the realignment of industrial staff wages. The community centres' full-time equivalent (FTE) count is 19 for fiscal year 2021/22. The staff facilitate a wide range of programming for seniors, adults and children, providing engagement and participation opportunities for families whilst promoting the philosophy of the department's mission.

Mr. Chairman, the three community centres provide safe, structured programmes with trained staff and an opportunity to build positive and long-lasting relationships. The community centres provide opportunities for residents of all ages to experience positive recreational activities. The community centres have recently come online with the After School Programme to provide the same calibre of services to communities at both ends of the Island.

### Programme 2007—Camping

**Sen. the Hon. Dr. Ernest Peets:** Mr. Chairman, the Youth, Sport and Recreation Department's Camping Programme has a budget allocation of \$1,054,000 for the upcoming fiscal year 2021/22, an increase of \$93,000, or 10 per cent. The increase reflects the wages of the senior recreation officer being reallocated under this particular programme. Mr. Chairman, the allocated budget for the Camping Programme provides for the staffing, operation and administration of four camping facilities. In fiscal year 2021/22 the camping programme includes 10 full-time employees who administer and maintain the facilities as well as our marine vessels.

Mr. Chairman, the camping facilities under the remit of Department of Youth, Sport and Recreation are as follows:

- Darrell's Island, which is the largest facility with 14 rustic campsites accommodating 30 campers at each site. There is also an additional building which can accommodate an additional 30 campers.
- Paget Island, located in St. George's Harbour, has the largest building and single campsite, accommodating a maximum of 95 campers.
- Ports Island is our oldest camping facility, which houses a building that accommodates a maximum of 45 campers.
- White's Island is used sporadically for overnight tent camping. It is primarily used for basic swimming instruction by the Bermuda Amateur Swimming Association and rowing instruction by the Bermuda Rowing Association.

Please note, Mr. Chairman, that due to the COVID-19 global pandemic, the department currently has decreased its occupancy rates at each facility in

accordance to the guidelines set by the Department of Health.

### Programme 2008—School-Age Activities/ Summer Day Camps

**Sen. the Hon. Dr. Ernest Peets:** Mr. Chairman, the budget allocation for the Summer Day Camp Programme is \$733,000 in the upcoming year 2021/22. This represents no change from the previous budget allocation. Mr. Chairman, this programme supports approximately 1,500 school-aged children and is provided at a variety of school and community centres throughout the Island. Approximately 130 part-time employees conduct this programme, supervised by qualified educators. Eighty per cent of the part-time employees are university, college or senior school students. There is also a Special-Needs Programme which provides one-on-one care for children who have special needs. For the purposes of inclusion, all students in the special-needs camp are incorporated into our school-age camps.

Mr. Chairman, also included in programme 2008 are three preschool-age camps, which were created specifically for the transition of children from preschool to their first year of primary school. This programme also provides camps for primary school-aged children and middle school-aged children.

### Programme 2009—After School Programmes

**Sen. the Hon. Dr. Ernest Peets:** Mr. Chairman, the After School Programmes operated by the Department of Youth, Sport and Recreation provide for staffing, communications, materials and supplies for 14 programmes at Government Primary Schools. The schools which host these programmes include the following:

- Francis Patton Primary;
- Harrington Sound Primary;
- Elliot Primary;
- Prospect Primary;
- West Pembroke Primary;
- Paget Primary;
- Purvis Primary;
- Heron Bay Primary;
- Port Royal Primary;
- Dalton E. Tucker Primary;
- Eastern Zone Community Centre I (middle school);
- Eastern Zone Community Centre II (primary school);
- Sammy Wilson Central Zone Community Centre;
- Western Zone Community Centre.

The budget allocation for business unit 30125—After School Programme for fiscal year 2021/22, is \$1,193,000, which is an increase of

\$248,000 from the original budget estimate of \$945,000 for the previous year. This increase is in alignment of staff salaries being moved to the business unit they are now responsible for. The programme supports a total of 450 primary and middle school-aged children across 14 facilities and employs approximately 28 full-time equivalents, which equates to 61 seasonal staff and two full-time senior supervisors in fiscal year 2021/22. The department is committed to providing quality After School Programmes for primary and middle school-aged children, ensuring a safe and structured recreational programme.

### Capital Acquisitions

**Sen. the Hon. Dr. Ernest Peets:** Mr. Chairman, there is no budget allocation for capital acquisitions for the upcoming fiscal year 2021/22. You can see this on page C-14. This is a decrease of \$39,000 from the original budget for fiscal year [2020/21], which was for the purchase of a reverse osmosis plant for Paget Island.

### Subjective Analysis

**Sen. the Hon. Dr. Ernest Peets:** Mr. Chairman, I now turn to the subjective analysis of current account estimates for Head 20. We can find that on page B-247 of the Estimates Book.

**Salaries:** Mr. Chairman, the allocated budget for salaries is \$2,363,000 for the upcoming fiscal year 2021/22. This represents a decrease of \$260,000, or 10 per cent, as compared to the original allocated budget of \$2,623,000 for fiscal year 2020/21. This decrease is a result of the reallocation of funds for employees who should have been classified under "wages."

**Wages:** Mr. Chairman, in fiscal year 2021/22 the allocated budget for wages is \$2,950,000. This is an increase of \$220,000, or 8 per cent, compared to the original allocated budget for fiscal year 2020/21. This increase is a result of reallocation of funds for employees who should have been classified under "wages."

**Other personnel costs:** Mr. Chairman, the budget allocation is \$62,000 for other personnel costs in fiscal year 2021/22. This amount remained unchanged from fiscal year 2020/21.

**Training:** Mr. Chairman, in fiscal year [2021/22], a total of \$19,000 has been allocated to training compared to the original budget of \$13,000 for the previous year. The Department of Youth, Sport and Recreation must ensure that our recreational workers are adequately trained for summer day camp programmes, after school programmes and our community centres. This increase also reflects additional and upgraded training of our recreation workers in courses in non-violent interventions, ACE (Adverse Childhood Experiences), we also require our pro-

gramme employees to do SCARS training (Saving Children and Revealing Secrets), as well as engage in conflict resolution programmes.

**Transport:** Mr. Chairman, the budget allocation for transport in fiscal year 2021/22 is \$8,000, which is an increase of \$1,000 from fiscal year 2020/21.

**Travel:** Mr. Chairman, \$45,000 is allocated for travel in fiscal year 2021/22. This is a decrease of \$36,000, or 44 per cent, compared to the original budget of \$81,000 for the previous year. The Department of Youth, Sport and Recreation decreased the expenditure for travel as a cost savings measure and due to COVID-19 travel restrictions.

**Communications:** Mr. Chairman, the estimate for communications has remained unchanged at \$96,000.

**Advertising and promotion:** Mr. Chairman, the budget allocation for advertising and promotion is \$33,000 for fiscal year 2021/22, representing an increase of \$5,000, or 18 per cent, in comparison to the original estimate of \$28,000. This increase reflects the department's support for sports clubs in their promotion of events around the Island. The Department of Youth, Sport and Recreation will also continue to maximise the use of advertising and promotion through the use of social media such as Facebook, Twitter, et cetera, to support events as well as community involvement.

**Professional Services:** Mr. Chairman, \$166,000 has been allocated to professional services for fiscal year 2021/22. This is a decrease of \$7,000, or 4 per cent, compared to the fiscal year in the original budget. This decrease was made in an effort to reduce the costs in the area of recreational services. Services which were often provided from outside agencies will be reduced, and creative alternatives will be found in-house.

**Rentals:** Mr. Chairman, the budget allocation for rentals is \$276,000 for fiscal year 2021/22, which is equal to the original budget in fiscal year 2020/21.

**Repair and Maintenance:** Mr. Chairman, I can report that the allocation for repair and maintenance is \$250,000 for fiscal year 2021/22, compared to the original budget of \$228,000. This is an increase of \$22,000, or 10 per cent, and is required owing to the increasing costs and frequency of repairs to our ageing grounds, our ageing facilities, including vehicles and marine equipment, which come under the Youth, Sport and Recreation Department's remit.

**Insurance:** Mr. Chairman, in fiscal year 2021/22 we have a budget of \$31,000 which has been allocated to cover insurance costs. There is an increase of \$100 from the original budget for fiscal year 2020/21. The insurance is for the marine and vehicle fleet under the Department of Youth, Sport and Recreation.

**Energy:** Mr. Chairman, \$214,000 is our energy budget allocation for the 2021/22 budget year.

There is no change from the original budget from the last fiscal year. The department will continue to encourage staff to assist in conserving energy by turning off lights, shutting down equipment when not in use, together with other energy-saving measures to contain our energy budget.

**Clothing, uniforms and laundry:** Mr. Chairman, there is a budget of \$23,000 allocated for clothing, uniforms and laundry for the upcoming fiscal year which represents a decrease of \$1,000, compared to the original estimate. The decrease ensures that the department stays within its budget allocation for 2021/22.

**Materials and supplies:** Mr. Chairman, as shown on page B-247, there is a budget allocation of \$251,000 for materials and supplies for fiscal year 2021/22. This allocation is an increase of \$30,000, or 14 per cent, compared to fiscal year 2020/21 original budget of \$221,000. With the increase in price of materials on the Island, this uplift is a direct effect of the increased cost of these supplies.

**Equipment (which can include major/minor capital):** Mr. Chairman, the allocated budget for equipment in fiscal year 2021/22 is \$17,000, which is an increase of \$1,000 over the original budget for fiscal year 2020/21.

**Other expenses:** Mr. Chairman, \$59,000 is allocated to other expenses in fiscal year 2021/22, compared to \$52,000 for the previous year. Again, this reflects an increase of costs locally.

**Grants and contributions:** Mr. Chairman, the allocated budget for fiscal year 2021/22 is \$2,728,000 for grants and contributions, which is a [decrease] of \$507,000, compared to the original estimate of \$3,235,000 in fiscal year 2020/21. The decrease is to ensure the department meets its budget allocations for fiscal year 2021/22.

### Youth, Sport and Recreation—Revenue

**Sen. the Hon. Dr. Ernest Peets:** Mr. Chairman, as shown on page B-248, it is anticipated that the revenue for the department will be \$545,000 for the upcoming fiscal year, which represents an expected decrease of \$125,000, or 19 per cent compared to the original estimate for the previous year. Revenue was estimated on trends from programme registration, on the sale of after-school vouchers, as well as income from the rental of boats and equipment. The reduction in the number of clients that can be serviced due to the COVID-19 pandemic has affected the revenue for the department.

### Full-time Equivalent (FTE)

**Sen. the Hon. Dr. Ernest Peets:** The full-time equivalent (FTE), as shown on page B-248, count for fiscal year 2021/22 remains unchanged at 95.

Mr. Chairman, I would like to take this opportunity to thank all of the dedicated staff at the Department of Youth, Sport and Recreation for the work that they do in advancing amateur sport, recreation and youth development for all on our Island, which enhances the quality of life for residents of Bermuda. Also, it is important for me to recognise the significant contributions made by our athletes and sportsmen and sportswomen, and the pivotal role they play in inspiring our youth to achieve their true potential. Mr. Chairman, I trust that I have kept within my allotted time and provided some space for deliberation and questions. This concludes my presentation on the fiscal year 2021/22 budgetary allocation for Head 20—the Department of Youth, Sport and Recreation.

**The Chairman:** Thank you very much, Minister Peets.

Would any Senator wish to speak on these Heads?

Senator Smith, you have the floor.

**Sen. Ben Smith:** Thank you, Mr. Chairman.

I would like to thank the Minister for giving me the opportunity to speak on this very important subject of Youth, Sport, Recreation and Culture.

I will start by saying that one of the reasons that I got involved with politics was because I saw that there was a real need for change in how we treat sport and recreation in Bermuda. Sport can be such an important part of a healthy society. The impact that it can have on a country is amazing. The influence on our young people can change antisocial behaviour, drug use, alcohol use, can make a change in self-esteem, and also just stop boredom. But it also has an impact on the health of a country.

Both sport and recreation give an opportunity for people to exercise and be healthy. It promotes healthy eating and healthy living. And in a country that has had significant issues with its health, and significant issues with an unhealthy population, the promotion of sport and recreation is one way that we can get out of the issues we find ourselves in.

Mr. Chairman, the pandemic had an increased negative impact on Youth, Sport and Recreation in this last year. We had already seen, over several administrations, that Youth, Sport and Recreation had been left out. And when I say left out, the amount of money provided for the development of our young people has always been lacking. The pandemic has meant that there were cuts across the board, and once again we are seeing those cuts in this important area at a time when we really need to be encouraging our people to be exercising, to be healthy, to be working together.

So, Mr. Chairman, I am going to start on Head 71, Headquarters. I only have one question in this particular area before we get into Sport. I am actually going to go to page C-20 under Headquarters, 6869 Grants to External Bodies. Can the Minister please

give a breakdown of the \$60,000 spent from last year's budget so that we can have an understanding of what impact the reduction down to \$10,000 for external grants will be for the 2021/22 budget? Thank you.

**The Chairman:** Thank you, Senator Smith.

Would any other Senators wish to speak on this Head?

Senator Michelle Simmons, the floor is yours.

**Sen. Michelle Simmons:** Thank you, Mr. Chairman.

I just have one question on Head 71, and that is on page B-243 of the Budget Book . . . and I think I have just answered my own question. I was going to ask about materials and supplies. I note in this estimate that there is absolutely no change from last year's original allocation of \$25,000. I was going to ask why there had not been a change, because I had expected to see that maybe there would have been a reduction in view of the fact that programmes have not really continued as they should have, due to the pandemic, of course. But I will just wait for a response from you, Minister. That was the only question I have on Head 71.

**The Chairman:** Thank you, Senator Simmons.

Would any other Senators wish to speak on this Head?

Senator Smith, did you have another question, or questions?

**Sen. Ben Smith:** Mr. Chairman, I thought what we were doing was dealing with Head 71, so we were just going to get an answer for that one and then we can—

**The Chairman:** Yes, all right.

So, Minister Peets, do you care to respond?

**Sen. the Hon. Dr. Ernest Peets:** Yes, thank you, Mr. Chairman. I am doing my best to sort of record the questions. I want to make sure I actually get it correct.

In reverse order, Senator Michelle Simmons, thank you for your question and comment. Would you please remind me of the page again?

**Sen. Michelle Simmons:** Sure. It is page B-243.

**Sen. the Hon. Dr. Ernest Peets:** Thank you.

Also, for Senator Ben Smith, did I hear page C-20 under grants and contributions in the Budget Estimates Book?

**Sen. Ben Smith:** Yes, correct.

**Sen. the Hon. Dr. Ernest Peets:** If the question is . . . would you repeat the question? I want to make sure I wrote it down correctly.

**Sen. Ben Smith:** Yes. So, 6869 Grants to External Bodies, last year the budget was \$60,000. For the upcoming year it is \$10,000. Can you give us a breakdown on how the \$60,000 was used? Which external bodies received it last year, so that we can get an understanding of the impact that this reduction will have in the upcoming year.

**Sen. the Hon. Dr. Ernest Peets:** Thank you.

Mr. Chairman, there certainly are answers for that particular question. I can certainly get the names of the grant recipients that the Senator has inquired about. The best way for me to proceed with that is to take a look at the information I have in front of me. If I have it readily available I will be more than glad to give it to you, otherwise I may have to get that information to you in a few minutes.

**The Chairman:** Minister Peets, would you like to proceed forward with questions on Head 20? Would that be helpful, while you await the answers to the questions on Head 71?

**Sen. the Hon. Dr. Ernest Peets:** Yes, I can certainly entertain some additional questions on the other Head that was presented. Then, of course, that would give us some time to get the information that the Senators require for their deliberations today.

**The Chairman:** Very well, thank you, Minister Peets.

So, with that, would any other Senators wish to speak on Head 20?

Senator Smith, you have the floor.

**Sen. Ben Smith:** Thank you, Mr. Chairman.

So, for Head 20, Youth, Sport and Recreation, I would like to start on page B-246. We are going to start with 2001, Administration & Sports. I am going to start with 30997, National Health Emergency. For the year we are completing, there was \$217,000 put aside for national health emergency, which we all understand because of COVID-19. Can the Minister please give details of how this money has been spent? And with the cost moving to zero for 2021/22, are we not anticipating any COVID-19 expenses for the upcoming year?

Then I will move on to 2004, Sports Facilities. So, Mr. Chairman, there are several items listed that I will go through, but I have a couple of questions for sports facilities that are not on that list, which I am just questioning specifically around sports facilities.

The first one: Has there been any progress on a boxing gym for Olympic medallist Clarence Hill, considering this has been something that has been ongoing for quite some time?

Has there been any progress on protecting the netball courts that have continuously been vandalised? I know it has been a public issue, but we really need to do something because it is really not fair to

the people who participate in that sport. Bermuda has a long history of netball, and it is important that we show them that they are important and that we can come up with a solution to protect these courts.

Does the Sandy's 360 facility still lay dormant? I know that in previous years this has been left under Works and Engineering, but obviously it is a sporting facility. So, my first question is: Will there ever be an opportunity for that facility to be moved under Youth, Sport and Recreation? And then we can start to see some development of that particular facility.

Still on page B-246, 30060. Can the Minister give a breakdown of the \$1,311,000 budget that we see for sports facilities under 30060? I know the Minister gave specific information when it came to the National Sports Centre as part of this \$1.3 million. But, in light of the information that has been provided to the Senate recently regarding the financials of the National Sports Centre, it is important that we really drill down on how the money being spent at the National Sports Centre is happening.

Going forward with the amount of money we are providing for the National Sports Centre, and the financials being out of line for such a long time, it would give comfort to the community to know how that money is being spent. One of the things discussed when we were given that information was that a lot of that past information has been destroyed because of dampness, or leaking in one of the facilities.

We are in 2021. My question is: Do we not have backup online? Do we not have information that is on computer? For us to lose all of the data for that period of time seems very strange, in the kind of technical world that we presently live in. So can we get some clarity around protection of that money that is being provided?

W. E. R. Joell Tennis Stadium 30080. There is an increase of \$19,000 to the budget. I know that the National Tennis Association was in need of getting a couple more tennis courts at that facility which would allow them to host international competitions and allow for our young people to have exposure to that international competition. Is this \$19,000 towards that? And, if not, I will be looking towards getting them those extra two courts so that we can increase the exposure for our young people, but also start to attract sports tourism. If we could get some tennis tournaments in Bermuda, it would be twofold. It would attract people here to play tennis, but at the same time we would be giving an opportunity to our young people to be exposed to international, maybe professional athletes who they can see and be mentored by and have as role models.

Youth Development, 2005. Can the Minister give a breakdown of how 30210, Youth Development Admin, is spent? Can the Minister give the recipients of 30350 Youth Grants, so that we can now see what the \$101,000 reduction is for the upcoming year?

What impact will that have on the programmes that received that money from youth grants last year?

Page B-247, Salaries and Wages. As I am asking questions and present them for Sport, I think I need to frame it in the idea that what I am saying is for me personally, but I think I speak on behalf of a lot of people who are interested in sports in Bermuda, is that Bermuda does not seem to support our sports at a full level. So, when I speak of numbers that we are spending presently, it is not because I want that number to be reduced. What I am looking for is a proper comparison with the numbers that are being spent on our programmes, on our youth. So, if you look at the [dollar amounts] on salaries, out of an under \$10 million budget, there is \$5 million that is going towards mostly administration. And as we add up all of the other costs before you get to grants and contributions, most of the funding has already been spent.

So, if this were in the context of education, if we were spending all of our money on the administration side, but not giving the money towards teachers and the people who are standing in front of our young people, interacting with them and doing all of the things we expect for them to do, then we would not have a very good result. And what is happening is that in Bermuda we have accepted that the volunteers for our officials and our coaches have done a really good job. But our expectations of them continue to go up, but the support level does not match. The support level, when it comes to the funding of sports, is not matching what our expectations are of our athletes and our coaches and of our National Sport Governing Body.

Grants and Contributions, which is the last part of that line that I was just referring to where you see all of the expenses that will be taken out, is \$2,728,000. I acknowledge that there is a reduction of \$507,000 for the grants. I also acknowledge that on pages C-23 and C-24 we will see the breakdown of how the expenditure happened in 2019/20. But it is actually important for us to find out what the grants will be for 2021/22 so that we can see what the impact is. How much is going to each group? And what will the reduction be for each, whether it is a youth organisation, [what is the cash] reduction [which] is going to happen so that we know what the impact of that reduction will be? It is important that we have a breakdown of what will be on page C-24 for this budget 2021/22.

Mr. Chairman, \$550,000 was presented by the Minister for BSADA [Bermuda Sport Anti-Doping Authority]. Once again, this is not me saying that we do not need BSADA, because it is obvious that we do need BSADA. It is an important organisation and it is legislated so that we can protect equal score [so] that we are not having people who are using drugs and competing. But there are two things here. One is the main objectives of BSADA is for the performance-enhancing drugs. But, Mr. Chairman, a large portion

of their job also deals with recreational drugs and the testing of our young people and our athletes when it comes to recreational drugs.

We recently had a debate about cannabis and the impact that cannabis is going to have on our young people. In this specific area, as a group we remember that Bermuda had a situation with the Miami-7, which started to prompt us to say we needed to look at what we were doing with our athletes, with our national athletes that were going to be traveling overseas representing Bermuda. And that is one of the reasons that we will always support the money going towards BSADA because it does those two things. But I think it is important to understand that we have to continue to educate our young people as the changes in drug policies happen worldwide. That just because it might be available or decriminalised in some areas, the impact on sport will be the same and they cannot participate in sports if they are also going to be dealing with drugs.

I also bring up the \$550,000, Mr. Chairman, because when you look at the amount of money that we are spending on the anti-doping of our athletes, and compare that to the amount of money that we are actually providing to our athletes to be developed, you start to realise that there is a problem with our system. How can you produce athletes to be tested if we are not getting enough money to the athletes to develop to the point that they have reached elite level so that they need to be tested?

This is not a knock on the \$550,000, it is to highlight that the overall amount of money that is being provided for sports is extremely low. But Bermuda has an expectation. We always want to have the very best. We expect our football team to win the world cup. We expect our athletes to win medals. And then we will come and celebrate if we actually reach that pinnacle and everybody is going to be supportive of our individual athletes if they perform. But, Mr. Chairman, we are not giving the funding to them to reach that goal. And it has been that way for an extremely long time.

Once we get the answer to what the breakdown is for each of the sports coming from the question that I asked on grants and contributions we will have a better idea of what kind of impact this will have on the sports that potentially were already struggling. Remember, out of these grants, a lot of our sports are having to pay to rent facilities. So, we are giving the money to them and then they have to use that money to rent a facility that is usually also run by government. That seems like a strange situation for us to have.

When you look at the overall cost of running our National Sports Centre, the tax is already being paid into the facility. So then to have our national governing bodies have to use the grant that is meant for the development of our young people—and it is already a low number—to be used to rent a facility

seems like something that does not add up to us reaching our full potential.

So, Mr. Chairman, on page B-249, I have a question under Performance Measures. There is, under number of NSGBs, [the number] is 24, with a target of being 26. Can the Minister tell us whether they have identified sports which would be the potential additions so that we can get to that number of 26? We do not just want to put a performance measure out there if we have not actually targeted a potential addition, and then give them the support for what is needed so they can reach that.

The tennis stadium, 30080. The average individual use for the facility per month is 400 in 2019/20, and again in 2021/22. But my question is, the fact that we have had a pandemic over the last year, did that not have any impact on the attendance numbers? I am just checking to see whether these numbers have been updated based off of real data or whether this is something that we should be looking a little closer at.

Mr. Chairman, on page C-20 we have 60884, which is National Stadium Trustees. I have already touched on the fact that we have some financial issues which means that we need to be drilling down on what has been actually happening with the facility when it comes to maintenance, when it comes to how we are using it. So some of the questions I am going to ask now are related to that.

The changing facilities at the Aquatic Centre. Can we get an idea of how old those changing facilities are? And what was the intended lifespan of those facilities when they were put there? It is my understanding that it was supposed to be a temporary position and now we are going to have to make refurbishments, maintenance to something that was never intended to be a lifelong facility. And if it was a temporary facility is there any plan to replace it?

Can the Minister give us an idea of how many of our National Sport Governing Bodies are presently using the National Sports Centre? How many of the National Sport Governing Bodies are using their grant to pay for the rental of the National Sports Centre?

Now specifically to the Aquatic Centre, which is part of the National Sports Centre. Has there been any analysis done on building the second pool at the National Sports Centre which would allow for international competition, which would then potentially attract sports tourism by having international events and also give an opportunity for the likes of CARIFTA or the CCCAN to happen locally if those facilities were available?

Can we have an update on the public school use of the Aquatic Centre? I ask this question specifically because I was part of the negotiations when we were going to build a National Sports Centre pool, aquatic centre. And the reason this facility needed to be built was because we wanted to give access to our community. The 25 metre pools available prior to this were built on the fields of private schools. So by hav-

ing a national aquatic centre, it gave an opportunity to give access to the wider community. Well, in that, it would also give us access to all of our public school students so that we could be teaching swimming and having them take part in swimming so that as a country we could make sure that we are safe as we are surrounded by water. That is why I ask the question. What is the public school engagement with the National Sports Centre Aquatic Centre, considering that as of last year there was only one primary school participating and they were having to fund raise for a year in order for them to use the facility for one week out of the year.

That seems like a very strange thing considering what I told you was our reason for building it. So it is not just having people using the facility. Are you reaching the target audience? Are you reaching the people who the facility was built for? And if the answer is no, then do we have a plan to rectify that?

Still on the Aquatic Centre, I have a question regarding the electricity. I noted there have been some discussions about doing some solar panels to reduce the cost of electricity at the National Sports Centre. But can we get an idea of what the monthly electric bill is for the Aquatic Centre, and then for the rest of the National Sports Centre? The reason I ask that question is because there is always an issue with turning the lights on when you are at the facility because it is going to have an increase in cost by using it, which means you have to increase your rental.

But when it comes to having a pool, and I declare my interest as somebody who runs pool facilities and also as a national swimming coach, so I can speak specifically to this area, one of the things you do in the wintertime to reduce the cost of heating that facility is that you are going to put covers over it. You are going to put thermal covers over it, so that as you are heating it up that heat gets trapped by the thermal covers which can lead to at least a 33 per cent reduction in the [heating] cost. The question is, are we using that option at the facility that we are already spending a lot of money on? These are the questions that come up when you realise that we have not had proper financials over such an extended period of time. How can we even know what has been done to reduce costs if we do not even know what the cost is? So I think it is important that we get the answers to those questions.

There was a track resurfacing that had to be done at the National Sports Centre when we were preparing for CARIFTA to happen last year. Can we get some clarification on whether that track refurbishment has been completed, and what the total cost of refurbishing that track was?

The Bermuda Swimming Association, 6886. This is a specific grant that is normally provided for the White's Island programme. This is a programme that has been going on for over 50 years at the White's Island, and it gives an opportunity for our

young people to learn how to swim. Most people will know that there is a cost associated with learning to swim, specifically because of the safety factor. You have to have trained people to make sure that you have safety for the young people who are learning to swim.

Last year we were unable to host that camp because of the pandemic, and also because the White's Island facility was being used for other government camps. So, I understand that with reduced numbers there would probably be a reduction in the grant. But to have the grant removed completely, is saying that we are not anticipating doing anything to give our young people an opportunity to learn how to swim and, specifically, the target group does not always get access to learning how to swim. As we look at an overall country, there are certain things that should be available to everyone and not just the people who can afford it. And this programme specifically allows for that to happen and when we remove it . . . that needs to be looked at for what that potential impact is going to be.

We have somebody presently in Bermuda who is on the path to qualify for the Olympics, and they came out of that programme. A government school swimmer that participated in that summer programme, learned how to swim, got the love for the sport and then proceeded forward. But that is an opportunity that we will not get if this programme starts to be pushed aside because, specifically, we are cutting funding for our youth and their development.

Elite Athlete Assistance, 6880. Can the Minister please give some details on the reduction to the elite athlete assistance programme? The Olympics were supposed to happen in 2020, which it did not happen. It has been moved to 2021, with the anticipation of it happening this summer. It just seems odd that at a time we should be doing everything that we can to support our athletes, because it is very difficult, we have to increase testing. We have a lot of added cost. They have to find competitions maybe in areas where they would not have had to go before. It just seems like an odd time to cut the elite athlete funding when we have athletes who are trying to prepare for the pinnacle event.

Voluntary Youth Organisation, 6882. Can the Minister please [name] the organisations that receive these grants, and which ones will have their funding cut to accommodate the reduction [from] \$200,000 to \$99,000? We are all aware that the pandemic is having an impact on funding and the budget shows cuts across the board. The question is: Can we continue to cut from the development of our young people? They are our future. Is this the area that we can focus on cuts? And what will be the impact [on] our future if we continue to neglect how we develop our young people?

On page C-22, Community Clubs. We have had a brief conversation in the last week regarding our

community clubs and the community club funding that has been given. It is important that we do support our community. But when you look at the amount of money that is provided to the community clubs, and the discussion is on what that facility needs funding for to refurbish and bring things up to code and move in that direction, I think it is important that we also look at what we are doing for the development of the young people who will participate in an event at these community clubs. Because if we are not giving the funding to support the young people in their development and the programmes so that we can have our coaches and our officials certified at the level that is needed, are we just going to pay for some facilities? Are we not going to pay for what we need those facilities to do?

Mr. Chairman, it is important—you know, even within the Minister's brief he spoke to the long-term athlete development, which is an area where government is trying to get our National Sport Governing Body [NSGB] to get to a level that helps to develop our young people. But as you do that you increase the cost to administration because of all the things that need to be done in order for that to happen. Well, if we are increasing the cost, and we continue to ask for our National Sport Governing Bodies, our youth programme to do more with less, how can we expect them to get the results that everybody in Bermuda expects of them?

In order for us to reach the highest level, in order for us to protect our children, develop them and give them the opportunities that everybody in Bermuda wants, so that we can celebrate more Flora Duffys, so we can celebrate more of our young people reaching the pinnacle. Bermuda produces world-class athletes. And we can have world-class events locally, but we are going to have to support our young people at a much higher level in order for us to continue that growth and for us to see our community continue to succeed.

Thank you, Mr. Chairman.

**The Chairman:** Thank you, Senator Ben Smith.

Before I ask any other Senator if they care to speak on this Head, let us remind the audience that we are roughly an hour and a half into the two-hour session for Youth, Culture and Sport. We are focusing now on Head 20.

So, would any other Senator wish to speak on Head 20?

Hearing none, I guess Minister Peets there are a few questions for you to answer.

**Sen. the Hon. Dr. Ernest Peets:** Yes, thank you, Mr. Chairman.

We certainly appreciate all of the questions from the Senator, particularly the ones raised thus far. Senator Ben Smith and I share a very similar passion as it relates to our young people, particularly around

sports. As such, a lot of his sentiments I really do not have any questions against, but I certainly share the same passion that he has.

There were a lot of questions asked. So I am going to do my best in the time remaining to try to answer those questions first in a general sense, and then perhaps as I get through some of my material I will be able to answer some of those questions in particular. We do have technical officers who are listening in and they are quickly collating information as fast as they can. They have provided me some information prior to the presentation, so I am able to provide some information.

Based on what I have heard this morning regarding questions posed from my Senate colleagues, one would be: Why are some performance measures being discontinued, given the fact that we have such a significant mandate to elevate and support our athletes? A lot of conversation has been happening across departments and ministries, and our Ministry is no different. Given the physical restraints that we have, given the issues regarding the pandemic, there had to be some cuts somewhere, which then, of course, made our conversations internally increasingly difficult and hard. We would have loved to have been able to increase our expenditure towards supporting sports as well as our facilities, but given the situation that we have, this is not necessarily possible.

So, there is another sort of general question that is kind of associated with that, and I will get into some of the specific questions that were raised as well. And that would be, if I could sum it up this way, if we do reduce our budgets can we still offer a high level of service? I would imagine that is the sort of fear that is out there, that if there is a decrease in expenditures then there is going to be a significant harm to our ability to do our mandate.

We actually stated this morning that we did reduce our budgets to stay within our government allocations. For Culture and Sport this was feasible because we can project [fewer] events based on the current situation and the past situation that we have had with COVID-19, and there could be some cost savings here which we need to sort of put out there.

Why were grants, including youth grants reduced, per page B-247 in our subjective analysis? Are youth not important? Of course they are. That goes without question. But per the budget brief that I read this morning, grants had to be reduced to stay within our budget allocation.

There were some specific questions that Senator Ben Smith asked on the floor today that I think kind of helped us in particular. One of them was about the grants given out to National Sport [Governing] Bodies for the previous year. I have some information, if you will allow me, Mr. Chairman, to present that.

**The Chairman:** Please proceed, Minister.

**Sen. the Hon. Dr. Ernest Peets:** Thank you.

There is a list of 24, and then some special grant applications which are 7, and then there is the BFA and that is the sports initiative.

For the NSGB organisations there were 24, which includes the Bermuda Amateur Swimming Association, they received an allocated grant for fiscal year 2019/20 for \$50,000. There was no grant provided to Bermuda Amateur Swimming Association for 2020/21.

For the Bermuda Basketball Association—

**Sen. Ben Smith:** Mr. Chairman, may I provide clarification?

**The Chairman:** Yes, Senator Smith.

**Sen. Ben Smith:** My question was around the grants of 2021/22, because we have already been provided with the numbers in the book for 2019/20. We have a total here for the budget we are discussing now, for this upcoming year. So what I am looking for is the number for each organisation for 2021/22.

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Mr. Chairman, and I also thank the Senator for that clarification.

I will continue to present what I have, and any information that is missing I will go ahead and double back.

So there are a few things that came up in the questions this morning and I will try to get through them as quickly as I can. In no particular order, they are based on the information that I have in front of me, and I will try to get to them as quickly as I can.

Let me go back regarding . . . let's start with BSADA. Of course, we are all aware that BSADA represents an integral part of our sporting bodies. Without them we are unable to host or participate in international sports. So that was something that was necessary and vitally important. I did not do a statement this morning presenting their financials in the interest of saving some time. Their budget was reduced slightly so that we can stay within our budget allocations.

Regarding page B-249, which is performance measures, there is of course the expectation that we are trying to grow our NSGBs and we are always working with the sporting bodies out there regarding their applications. Some of them are in the early stages, some of them are near the end stages to receive certification. The ones that I am aware of are still required to do their AGMs [Annual General Meeting]. If you need the names of those, I can certainly get them.

If I can turn my attention to the National Sports Centre, the National Sports Centre is our only major international sporting site. And, as such, it is very, very important. The age of the sporting centre is dated, as most people would know, particularly as it relates to the overhead. The National Sports Centre

has had significant problems in its operating costs, particularly around energy. We would be able to inform Senators, as well as the public that there is an active plan to address the budget particularly around the overhead expenses for electricity. I do not have that information right in front of me, but the electricity bill for the NSC [National Sport Centre] is very exorbitant, and right now in my opinion, and perhaps in the opinion of everybody else at NSC, to be untenable. As such, the solar panel situation for install is designed to reduce that cost for the overall energy costs for the NSC which will then release additional funds for the NSC to take care of other operational things, including some of the things that Senator Smith is already aware of.

I have had the opportunity to tour the facility officially as Minister. I was accompanied by the PS [Permanent Secretary] as well as the Director of Youth and Sport. I had a chance to meet the staff there and get appraised on the current situation. So it certainly serves as . . . we certainly have our eye and priority on the National Sports Centre.

Regarding the question about the building of the second swimming pool, right now without funds that [project] will remain as something on the long-term plan for the board and the managing staff there at the NSC, including the persons over at the aquatic side.

We did take a look at the changing rooms. I do concur with your assessment. Those changing rooms were temporary. I am assuming that they are somewhere around two decades old and have already reached their lifetime expectancy. So they will have to be repaired or replaced. But I imagine that is tied up with the larger conversation around reducing the energy so that there can be additional funding for capital improvements, such as the changing rooms for the swimming pool area.

There is also an issue with the pump, that I am aware of as well. I can assure Senators that the plan for the pump is also wrapped up in that larger conversation as well.

So, what I am going to do for the remaining few minutes, Mr. Chairman, is try to get through some of the information that the technical officers have provided. Hopefully there is enough time to get through some of that stuff. If there is not, I certainly offer my apologies, but I also offer my promise that anything that is not discussed in a manner that the Senators feel appropriate we will communicate that information to you as soon as we have it.

**The Chairman:** We have roughly 17 minutes left before I ask you to move these Heads.

**Sen. the Hon. Dr. Ernest Peets:** Thank you.

All right, just as an internal part . . . sorry, as sort of a guide map, the NSC grant and the question of what it is really for and what they do with the mon-

ey, is kind of a question that can be answered. They do have a road map for a list of activities and achievements. Regarding Senator Smith's question about whether or not the NSGBs have to pay rent, the answer is yes. There is some dialogue that we are having at the Ministry regarding the sport and the NSGB to sort of tidy up that particular conversation. I think Senator Smith's question was if we are providing a grant to NSC and we are also providing a grant to the NSGBs why do the NSGBs have to rent the facility and so on and so forth . . . there seems to be a lot of confusion. Yes, there is certainly a better way of doing that. And some conversations about improving that process I can assure you have already been had.

I have a note here that there are 38 NSGBs. Some of them did not meet the deadline, therefore the number that was presented in our presentation was the number that was presented. There are more that may be coming online, but we will not have that information available to dispense until after April 1<sup>st</sup>.

There is always going to be a conversation going on within the Ministry of Sport. COVID-19 is certainly a very fluid, but also a very difficult situation to project and forecast. There will be the potential for further savings because we do not know if certain events are going to take place. But we also have to budget in such a way that there might be some type of hybrid. And if we can do a hybrid, then certainly we need that budget allocation to be sure we can do that as well.

I believe there was a question, Why was the grant for the Bermuda Swimming Association cut? Is that a question I thought I heard?

**Sen. Ben Smith:** Yes, specifically the grant for the White's Island programme.

**Sen. the Hon. Dr. Ernest Peets:** Okay, was that page C-20, 6886?

**Sen. Ben Smith:** Yes, correct.

**Sen. the Hon. Dr. Ernest Peets:** Okay, thank you.

Of course, everyone would know, but this is the YSR programme run by the Swimming Association. As a result of the COVID-19 [pandemic] it was not run this year. And given the current forecast, at least the forecast that we have been receiving from our officials, it is unlikely to run next year. Thus the funding was cut to reduce the budget for the department.

I would imagine that if the situation changes there would be an application process that can be made. I can't make any promises that it will be approved, but if [the Covid-19 situation] does allow the Swimming Association to run a programme again based on COVID-19 numbers being favourable, then a recommendation would be to put in an application and hopefully we will be able to accommodate.

Regarding the cut to the budget for page C-20, which is 6880, for our Elite Athletes, the information that I can share with Senators today regarding that is that funding was reduced to stay within our budget allocation. I know we hear that a lot. But that is sort of the guiding principle. I am not trying to present that as a way of covering up anything, but that is the general thought process as we are trying to look at our numbers and trying to protect the budget going forward, without losing sight of the fact that we do have a mandate to support our athletes.

As it relates to this particular one, which is page C-20, 6880, this funding is a grant to the Bermuda Olympic Association which supports elite athletes to qualify for the international competition. The BOA receives a grant of \$100,000.

Mr. Chairman, let me see if I can get through some other stuff for the Senators. I have a lot of papers in front of me, so just give me a second to try to find the relevant information.

Senator Ben Smith, you are looking for the grant applications for the NSGBs for the year coming forward, right?

**Sen. Ben Smith:** That is correct.

**Sen. the Hon. Dr. Ernest Peets:** If I can bring our attention back to the question about Sandys 360, I am familiar with Sandys 360. As a graduate of Sandys Secondary School way back in 1987, of course Sandys 360 did not exist at the time, but I am aware that the programme is currently experiencing some difficulties. That particular programme does not fall under our remit at the moment. So I cannot speak to what is going to happen with this programme from today going forward. The building also does not fall under Youth and Sport. But I do understand that Sandys 360 is a programme that is, of course, related to sport. I would hate to see the programme and its facility not be a part of the overall inventory that we have for our athletes. As such, our Ministry is certainly standing in the wings trying to wait to see whether or not there is something that can happen on our end.

I know Cabinet is aware of that particular conversation. But right now, that particular programme is not under Youth and Sport.

So, the question regarding national health emergencies, I believe there is a budget of \$271,000. These funds are used to pay for E-Camps and to purchase equipment and supplies and salaries and fuel. So we certainly want to use those monies in a way that is COVID-19 friendly. So the information that I can offer to you regarding that particular question is that it is \$271,000 and we are going to use that to run camps, and those camps have to be online. We are certainly going to do that and purchase equipment and supplies.

Mr. Chairman, if you would also please keep me apprised of the time. I certainly do not want to get caught in the middle.

**The Chairman:** Thank you, Minister Peets. You have roughly nine minutes left.

**Sen. the Hon. Dr. Ernest Peets:** Okay, let me get exhibit A. I do apologise that these answers are not coming in the sequential order in which they were asked. I am just trying to get through them as quickly as I can.

I want to double back to the NSC. There was a question about the financial reports. We did get a chance to table something in the Senate a few weeks ago regarding the financials for the NSC. We are certainly seeing some recent improvements. But all of us are aware that there was a period in the NSC's history (the not-too-distant past) where there were some significant challenges in getting those financials to the Ministry so they could be brought before both Houses of the Legislature. I can tell you that as of last year some significant improvements were made prior to my appointment. The board is working very hard to make sure that they remain compliant. And it is our expectation that this progress will continue.

But Senator Smith is correct, it is difficult to make decisions when you do not have the information in front of you. I cannot answer the question right now on whether or not there is some type of electronic backup for their particular accounting system, but they do have the resources necessary to now make sure their financials are on time and are audited.

They have been given a grant of \$1 million for capital improvements. And I have a document in front of me that is a few pages long regarding the capital project requests for the NSC 2021/22. I can give Senators a brief highlight. It was dated late last year. Of course the facility is a 25-acre facility. It includes a south field which has a 400-metre refurbished rubber track. It has uncovered bleachers. The track was resurfaced in preparation for the CARIFTA games that did not take place last year. It is my understanding that the track resurfacing project is complete and is currently under warranty.

The grant request—in summary, they need five game field mowers to take care of the grounds. There is a request also for HVAC replacement [for the] pavilion for the change rooms. They also need a walk-in fridge for the grandstand concessions. There is also some seating that needs to be replaced. The Aquatic Centre change room and office need repairs. Of course, I would like the Senator to know that those change rooms are prefabricated units that house the operation of bathrooms, storage and change rooms and are three years past their intended useful life. And regular ongoing repairs to the floor, doors and ceilings have to take place as these materials are disintegrating after years of water damage and wear and tear.

The long-term plan for constructing a permanent building is a much better solution. So I can inform you that the board is aware of that particular proposal in their internal conversations. But at this time the money must be put aside to keep the current structure useable. So they have quoted a price for that while they work on a long-term plan for that.

The last thing for the proposal was the cricket nets and supplies with the total output close to \$1 million, at \$992,557.56.

Regarding the budget for administration, you would have noticed in the presentation that there has been some sort of accounting, so they are moving FTEs around so that when we deal with accounting those particular units in the budget, [it will] actually reflect the actual cost of doing business there. We certainly appreciate the back office and accountants that are doing that.

Regarding page B-246 . . . I may have to get back to you on that in particular. I have already discussed the NSC budget grant proposal for \$1 million. Yes, I do apologise for getting to this late, Senator. I did get a chance to tour the tennis stadium as well as the softball stadium. It has been brought to my attention the issues regarding vandalism. So, we had a conversation with the full-time employees down there about potential improvements regarding security. The proposal right now, of course, is potentially to either put security cameras up there and/or trying to find funding to create some fencing. We certainly encourage the public in and around the area if they see anyone vandalising government property, do your best to report it. But that particular cost to repair the vandalism is something that is unnecessary, given the situation we have regarding COVID-19.

All the repairs from vandalism have been made. But the plan, of course, is to increase security by putting in cameras, at least that is the proposal anyway, as well as potentially putting up fencing to protect the area from unauthorised use.

Regarding the reduction in grant funding from \$60,000 to \$10,000, that is our projections based on COVID-19 and [fewer] events happening going forward.

Mr. Chairman, I am probably right up against my time limit. I certainly, as I indicated earlier . . . these questions are important to us as Senators, on both sides. We believe that these questions are also important to the listening audience. As I mentioned in my previous comments, anything that I do not get to in particular, you have our commitment that we will provide the information as quickly as we can. Thank you, Mr. Chairman.

**The Chairman:** Thank you, very much, Minister Peets. It has been a busy couple of hours. So we appreciate the presentation and the response to the questions.

So, with that, I think we have come to the conclusion of our two hours allotted for the Ministry of Youth, Culture and Sport. I will ask Minister Peets if you would like to move these Heads.

**Sen. the Hon. Dr. Ernest Peets:** Yes, Mr. Chairman, it would be my pleasure and my honour.

I move that Heads 71 and 20 be approved as printed.

**The Chairman:** Thank you, Minister Ernest Peets.

It has been moved that Heads 71 and 20 be approved.

Is there any objection to that motion?

Hearing no objection, so moved.

*[Motion carried: The Ministry of Youth, Culture and Sport, Heads 71 and 20 were approved and stand part of the Estimates of Revenue and Expenditure for the year 2021/22.]*

**The Chairman:** I think we will now be moving on to the next Ministry, which will be chaired by Senator Michelle Simmons. And in terms of the timing at 12:15, relative to our usual lunch break at 12:30, I'll pass it over to you ladies to determine what . . . how best to proceed forward.

*[Sen. Michelle Simmons, Chairman]*

**The Chairman:** Thank you, Senator Wight.

I think we have a difference with regard to timing. It is roughly 12:10 right now. And I think it's fair in view of all that Minister Peets has done this morning, to ask if he would like to proceed straight into Legal Affairs and Constitutional Reform, or if he would like to begin the lunch break now.

Minister Peets, I am happy to agree to whatever you would like.

**Sen. the Hon. Dr. Ernest Peets:** Yes, thank you, Madam Chairman.

In the interests of my personal attention and focus, I would like to recommend that we actually start lunch early, and then come back early and we can jump into the Heads for Legal Affairs.

**The Chairman:** Thank you, Minister Peets.

May I suggest then, that since it is 12:10 pm that we break for lunch now and return at 1:40 pm? Is that acceptable, Minister Peets?

**Sen. the Hon. Dr. Ernest Peets:** Yes, thank you, Madam Chairman. The recommendation is pleasing.

**The Chairman:** Okay. Thank you.

So we will break for lunch now and resume at 1:40 pm. Thank you, Senators.

**Proceedings suspended at 12:11 pm**

**Proceedings resumed at 1:40 pm**

*[Sen. Michelle Simmons, Chairman]*

## COMMITTEE OF SUPPLY

### ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2020/21

*[Continuation thereof]*

**The Chairman:** Good afternoon, everyone. Senators, we are in Committee of the whole [Senate] for further consideration of the Appropriation Act 2021 together with the Estimates of Revenue and Expenditure for the fiscal year 2021/22.

This afternoon the Ministry under consideration is the Ministry of Legal Affairs and Constitutional Reform. The Heads for debate under this Ministry are Head 87, which is the Ministry of Legal Affairs and Constitutional Reform Headquarters, which can be found on page B-83; and Head 88, which is National Drug Control, and that can be found on page B-107. Two hours are allocated for the debate on these Heads.

The Senate Minister in charge is Minister the Honourable Dr. Ernest G. V. Peets, Government Leader in the Senate, Minister of Youth, Culture and Sport and spokesman on Legal Affairs.

It is now 1:41 pm and we will begin the debate. Senator Peets, Minister Peets, how do you wish to proceed?

**Sen. the Hon. Dr. Ernest Peets:** Thank you and good afternoon, Madam Chairman. I would like to proceed with both Heads and then entertain questions at the conclusion of the presentation.

**The Chairman:** That's fine. Thank you. We will conclude this debate at 3:41 pm.

Minister Peets, you have the floor.

## MINISTRY OF LEGAL AFFAIRS AND CONSTITUTIONAL REFORM

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam Chairman.

I move that the Committee do now take under consideration Head 87, Ministry of Legal Affairs and Constitutional Reform Headquarters; as well as Head 88, National Drug Control.

May I proceed, Madam Chairman?

**The Chairman:** Yes, please proceed.

**Sen. the Hon. Dr. Ernest Peets:** Thank you. If you kindly also give me a time check at half-time—

**The Chairman:** Okay.

**Sen. the Hon. Dr. Ernest Peets:** —and perhaps a time check with a half hour remaining.

**The Chairman:** Okay. And at half-time, I will hand over to Senator John Wight, so that is very convenient.

## HEAD 87—MINISTRY OF LEGAL AFFAIRS AND CONSTITUTIONAL REFORM HEADQUARTERS

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam Chairman.

Madam Chairman, the mission statement for the department objectives for the Ministry of Legal Affairs and Constitutional Reform Headquarters begin on page B-83 of the Estimate Book. The mission statement is, if I may proceed to read, *to facilitate fair and equitable administration and access to justice by delivering effective legal services and enhancing policies and legislation that preserve the rule of law and affirm social justice progress and constitutional renewal.*

### Department Objectives

**Sen. the Hon. Dr. Ernest Peets:** Madam Chairman, the Ministry Headquarters accepts that its offices will be more innovative, responsible, and continuously hard-working as a result of the needed responses due to the brunt of the COVID-19 pandemic.

The objectives of this Ministry Headquarters are: to advance Government policy initiatives under the direction of the Minister of Legal Affairs and Constitutional Reform; additionally, to ensure that the Government's legislative framework is updated and current with policy directives; to effect synergies amongst Ministry departments to ensure that overall policy objectives are met; to implement and monitor the targeted financial sanctions regime; and to ensure Government's compliance with UN and UK obligations and to mitigate any associated risk.

### Current Expenditure

**Sen. the Hon. Dr. Ernest Peets:** Madam Chairman, the Ministry's budget commences on page B-82 of the approved Estimates of Revenue and Expenditure for the year 2021/22, also known as our Budget Book. A budget ceiling of \$31,956,000 was allocated to the entire Ministry for 2021/22 fiscal year. Due to the fiscal constraints imposed largely by the ongoing pandemic, this figure represents \$1.739 million, or a 5 per cent decrease from the current 2021/22 fiscal year.

It was necessary to undertake a comprehensive analysis of Ministry expenditures before achieving this figure. A balance had to be obtained between optimising spending limits without overly compromising the efficient delivery of service and programmes.

Madam Chairman, of the allocation to the Ministry's overall, [the] particular allocations are as follows:

- The Ministry of Legal Affairs and Constitutional Reform Headquarters, \$5.802 million;
- Judicial Department—\$8.80 million;
- Attorney General's Chambers—\$5,437,000;
- Department of Court Services—\$4,656,000;
- Department of Public Prosecutions—\$2,961,000;
- Department of National Drug Control—\$4,292,000.

### Revenue

**Sen. the Hon. Dr. Ernest Peets:** Madam Chairman, as it relates [to] the Ministry's budget, I begin with a brief synopsis of its revenue stream. The only department under the Ministry's portfolio whose mandate entails directly generating revenue is through the Judicial Department. Currently this revenue stream is projected to yield \$5,422,000 during the 2021/22 budget cycle. This amounts to \$591,000 less than 2020/21 original estimates. A 10 per cent shortfall is mainly projected from the anticipated decrease following estates of deceased individuals and the impact of COVID-19 pandemic which has drastically slowed the judicial process.

### Current Expenditure Chart

**Sen. the Hon. Dr. Ernest Peets:** If I could provide some information here. I will first start with Ministry Headquarters. This is a 2020/21 versus a 2021/22. The original estimate for the 2020/21 was \$6,735,000. The estimate for the 2021/22 is \$5,802,000. That is a decrease of \$933,000 which represents a 14 per cent decrease.

Madam Chairman, a total of \$5,802,000 has been allocated to Headquarters. This represents a decrease, as I have mentioned, of 14 per cent, represented by \$933,000 from our original estimates for the previous year.

Madam Chairman, the Ministry of Legal Affairs and Constitutional Reform Headquarters is furthermore functionally subdivided into six fiscally identifiable programmes as follows:

- 97000—Administration;
- 97010—Financial Intelligence Agency;
- 97030—Legal Aid;
- 97070—Justice Protection Programme;
- 97080—Financial Sanctions Implementation Unit; and lastly

- 97090—Mirrors Programme.

I will now proceed to address them individually as follows:

#### Administration—97000

**Sen. the Hon. Dr. Ernest Peets:** The original estimate for the previous fiscal year is \$1.37 million. The estimate for the year 2021/22 is [\$1.148] million, which is a decrease of \$189,000, or 14 per cent.

This programme provides the administrative costs associated with the Ministry Headquarters to which \$1,148,000 has been allocated. This represents a decrease of 14 per cent from the original estimate. The decrease is mainly due to the grant of \$150,000 that has been transferred under the new Ministry of Social Development and Seniors. The remaining decrease is mainly due to reduced and only crucial travel costs budgeted as a result of the pandemic.

Throughout the fiscal year, in addition to salaries, \$52,000 has been spent on telephone expenses. Out of the consultancy vote, collectively \$174,000 was spent on litigation guardian, a political consultant, and a law student consultant at Legal Aid. [There was] \$113,000 spent on the grant to the Centre Against Abuse, and \$13,000 was spent on office supplies. Also included in the Administration cost centre are salaries and related costs for seven Ministry Headquarters staff. These include an administrative assistant, an executive assistant, a policy analyst, two pupils and the Ministry comptroller. The remaining post is being redefined to provide policy and administrative services to the Law Reform Commission.

Madam Chairman, Ministry Headquarters intends to continue to focus on the codification and the efficient delivery of Ministry policy initiatives. There are a total of six policy documents during the past fiscal year. Our Ministry's most recent commitments include: formulating policies to best encapsulate the vital role played in realising the medicinal and responsible adult uses of cannabis through a structured and regulated cannabis licensing framework which provides equitable economic benefit to the Bermuda public. Also crucial and in alignment with this policy is the establishment of the administrative infrastructure to facilitate the expunction of criminal records of persons previously convicted for possession of small amounts (seven grams of cannabis) before the decriminalisation law was enacted. This was operationalised on 12 March 2021.

Madam Chairman, the convictions for small amounts of cannabis has plagued many local residents for years and this has impeded their employment, has impeded their educational as well as travel endeavours. Moving from limited decriminalisation of cannabis to ending unnecessary continued criminalisation and laying the framework for a regulated cannabis industry continues apace despite the recent leg-

islative hurdles pertaining to the Cannabis Licensing Act 2021.

The Ministry's expanded scope for cannabis reforms as aligned with the Ministry's mandate of drug prevention and law reform broadly continues to evolve as the progress to effective implementation of a regulated cannabis licensing framework for Bermuda takes shape. Thus, work will continue in this 2021/22 budget year to advance from limited decriminalisation of cannabis to establishing a robust regulatory licensing regime that will create a comprehensive framework embracing the science of cannabis benefits for therapeutic and medicinal purposes and to capitalise on likely economic benefits for the regulated cannabis industry. This will be achieved by allocating appropriate resources to redress any perceived shortfalls with the Cannabis Licensing Act 2021 and continuing work across Government to realign the delivery of social, health, educational, and treatment services tackling the prevention and treatment of substance abuse associated with cannabis.

I will now turn our attention to the Legal Aid Office.

#### Legal Aid—97030

**Sen. the Hon. Dr. Ernest Peets:** For the expenditure, this will be 2020/21 versus the 2021/22 numbers. The original estimate of \$1.851 [million], the current estimate \$1.68 million which is a decrease of \$171,000, or 9 per cent.

Madam Chairman, the purpose of the Legal Aid Office is to ensure that the legal advice and representation is readily available to those who need it most, and who, because of limited financial means, would otherwise be unable to secure access to justice.

Furthermore, the Mission Statement of the Office is *to provide high quality legal representation to those who qualify for assistance under the Legal Aid Act 1980*. The Office fulfils this role by providing clients who qualify for the scheme with accessible, professional legal services in a timely manner.

Madam Chairman, the Legal Aid's scheme is administered by the Legal Aid Committee under the authority of the Legal Aid Act 1980. For 2021/22, its budget allocation is \$1,680,000. As mentioned, this is a 9 per cent, or \$171,000, decrease from the original number from 2020/21 original estimate. The decrease in the budgetary needs is primarily attributed to the salaries being prorated for a 10 per cent cut up until July 2021.

In addition to the two pupil PIDs that were under salaries in the prior year, [these] have now been reallocated to the Ministry Headquarters budget portfolio. Also, there was a decrease in legal services as we expect costs to decrease for outside counsel with the hiring of a full complement of permanent in-

house counsel which is expected to be completed by June 2021.

Of the 2021/22 allocation, \$831,000, or 50 per cent, represents salaries for the administrative and managerial staff. [The amount of] \$610,000, or 36 per cent, represents costs allocated for legal services. The remaining \$239,000, or 14 per cent, represents administrative expenses inclusive of committee fees and professional indemnity insurance required in respect of annual legal practising certificates for in-house counsel for the effective operations of the Legal Aid Office. For the current fiscal year, in addition to salaries expenses incurred to date were legal fees of \$394,000; telephone expenses of \$4,000; \$259,000 was spent on consultants filling the role of legal counsel posts; \$6,000 was spent on board and committee fees; \$96,000 was spent on electricity and rent; \$9,700 was spent on cleaning; \$15,000 has been spent on office supplies and printing.

Madam Chairman, the Legal Aid Office has focused primarily on increased operational control over client litigation as well as administration efficiency. Reduction of expenditure has been a primary objective but not at the expense of a reduction in the quality of legal services.

The largest area of expenditure, with the exception of salaries, remains legal fees, which is in keeping with historical trends. The office was able to contain spending within its budget for 202/21 through prudent management, coupled with the cost reduction and budget control initiatives outlined in the previous budget. The transition to the reformed legal aid model commenced in June 2018 and continues underway.

In keeping with the objective of decreasing previously outsourced work, recruitment moved forward in 2020 and to date two out of three legal counsel posts have been filled. Recruitment for the third post, that of junior legal counsel, is currently underway. Although the full permanent staff is not yet in place, contrasting fees paid for external legal services from the period 1 June 2019 to 31 December 2019 which amounted to \$996,000.

Budget expenditure for legal fees paid to external counsel for the period 1 January to 31 December 2020 was the sum of \$639,065.51. This figure is also reflective of the decreased number of cases that progressed through the courts as a result of COVID-19 restrictions. It is anticipated, however, that costs will continue to trend downward in tandem with full implementation of the reformed model. The reformed model has derived cost savings thus far and will continue as a full staffing complement is secured. A demonstration of the costs over the past years, for example, is as follows:

- years ending 2014 and 2015, \$3,747,450.09;
- year ending 2016, \$2,436,432.49;
- year ending 2017, \$2,138,729.99;
- year ending 2018, \$1,932,956.14;
- [year ending] 2019, \$1,650,046.97;

- [year ending] 2020, \$1,111,528.32.
- Madam Chairman, I now move to Legal Services.

### Legal Services

**Sen. the Hon. Dr. Ernest Peets:** Madam Chairman, between the period 1<sup>st</sup> April 2020 and 31<sup>st</sup> January 2021 the Legal Aid Office managed a combined total of 114 matters. The breakdown: 10 domestic matters; 7 matrimonial matters; 30 civil matters; and 67 criminal matters.

The Legal Aid Office continues to maintain a general roster of counsel from private practice, who provide legal services to persons granted Legal Aid Certificates in instances where there may be a perceived conflict of interest. For the period of 1<sup>st</sup> April 2020 to 31<sup>st</sup> January 2021, 80 counsel including two Queen's Counsel, representing 40 law firms, were listed on the Legal Aid roster.

The current initiative to reform the Legal Aid service delivery model will:

- ensure sustainability;
- provide employment and training opportunities for Bermudian counsel;
- improve succession planning; and
- significantly reduce expenditure on legal fees, which has historically been an area of budget overspend.

The Legal Aid Office continues to be a major stakeholder in the specialist court programmes, such as Drug Treatment Court and Mental Health Treatment Court, providing defence counsel for these courts. In addition to the traditional rosters of counsel participating in the Legal Aid and Duty Counsel schemes managed and maintained by this Office. Small rosters are also in place for these specialist courts. Madam Chairman, if in-house counsel are not available, private practice counsel who are competent in these areas will be utilised.

The Legal Aid Office is currently collaborating with the Mid-Atlantic Wellness Institute, the Department of Court Services and the Bermuda Police [Service] on an initiative aimed at providing pathways for diversion of persons with mental health challenges who find themselves involved in the criminal justice system. A three-month pilot project aimed at providing a trained liaison and diversion officer who can offer mental health support including advice, screenings and assessment, and treatment is scheduled to commence in March 2021.

### Output Measures

**Sen. the Hon. Dr. Ernest Peets:** Madam Chairman, I bring our attention to Output Measures. The Legal Aid Office retains the ability to process applications for legal aid certificates within 14 working days. However, achieving this objective is dependent on whether ap-

plicants have submitted the required information in a timely manner. The Legal Aid Office continues to process applications for temporary certificates, commonly known as emergency certificates, within three working days. This is feasible once all relevant financial information is submitted at the time of the application, and applications for temporary certificates can be approved by the senior Legal Aid counsel, provided that they are capped below a certain monetary value and are ratified by the Committee within 28 days.

### Staff

**Sen. the Hon. Dr. Ernest Peets:** Madam Chairman, in regard to Staff, at present, the Legal Aid Office is comprised of three administrative posts and five legal posts. The three administrative posts are the office manager, accounts officer, and an administrative assistant. The five legal posts are the senior legal aid counsel, two legal aid counsel, one junior legal aid counsel and one paralegal. These four counsels will attend court and represent clients at a reduced cost to the public purse since they will be on salary as opposed to drawing hourly fee rates. We expect to see appreciable savings using this model. In the coming months there will be two pupils on rotation from within the Ministry pupillage scheme.

### Training and Development

**Sen. the Hon. Dr. Ernest Peets:** The Legal Aid Office continues to focus not only on present service provision, but also development of the quality of the advocates who appear in court on behalf of their clients. A main focus is also the movement towards a paperless office in keeping with the overall Government objective to be paperless by 2023. To this end, training to include both new and existing staff on the current case management and scheduling software currently in use, namely Legal Files and Clio is scheduled to be completed by June 2021. In-house counsel also have access to legal research tools such as Justice and Westlaw UK to support the litigation conducted under the scheme.

The diversity of legal work in the Legal Aid Office makes it an attractive option for pupils, law students as well as summer students. It is integral to facilitating the Ministry's thrust to train and retain competent and qualified Bermudians. At present there is a roster which allows pupils to spend time working in all of the relevant government legal environments on a rotation, at the end of which they will be able to draw on a wide base of knowledge and eventually choose a specialisation area and settle into practice.

### Justice Protection Programme—97070

**Sen. the Hon. Dr. Ernest Peets:** I can speak specifically to the Justice Protection Programme, which will

be 97070, as it relates the budget projection for the 2020/21 versus 2021/22. Original estimate of \$520,000, the new estimate for the new fiscal year is \$325,000, which represents a \$195,000 decrease, or 38 per cent.

Madam Chairman, the Justice Protection Programme has been allocated a budget disbursement of \$325,000 for the fiscal year. This reflects a \$195,000, or 38 per cent, decrease from the original estimate from 2020/21. For the 2018/19 fiscal year, actual expenditure incurred was \$520,000. Thus moving on to the next fiscal year, the actual expenditure decreased to \$372,000. For the current fiscal year, expenses to date are now \$264,000.

Madam Chairman, this programme has operated pursuant to the Justice Protection Act 2010 and provides protection for witnesses who support the prosecution process and meet the legislative requirements for entry into the programme. Over the past fiscal year, five individuals have been serviced with protections and relocation, if necessary. One individual is currently being considered for the programme as well, taking the total active cases to six participants. These individuals are afforded protection whilst they provide evidence in high-profile or high-risk cases before the courts. In the 10 years since the programme has been in existence, there have been 33 participants which represented 51 people who were protected in total.

Seven additional applications were considered but were denied entry into the programme as sufficient assistance was provided to allay the threat risk. The average duration of enrolment in the programme protection for assistance is three years.

Payments are made to meet a participant's reasonable living expenses including the appropriate living expenses of his or her family. Payments are also made for other reasonable financial assistance and for the purpose of meeting costs associated with relocation and settlement. This includes providing assistance to the participant in obtaining employment, access to education and health care, and providing other assistance to the participant with a view to ensuring that the participant becomes self-sustaining.

Over the 10 years there have been 22 trials where the participants have testified, and convictions were obtained in all but three. This amounts to an 86 per cent conviction rate. The indispensability of this legislative initiative is apparent from the noticeable increase in successful prosecutions, particularly those that are gang-related and involve violent offenders. This profile is similar to that established in programmes within other jurisdictions. The impact of the COVID-19 pandemic slowed the dispensation of court cases as remote work became necessary. Notwithstanding, the rest of this programme was operational as much as possible. However, the number of cases reviewed was at a minimum due to the impact of the pandemic. The privacy and need to protect these indi-

viduals is not subject to public scrutiny so that their identity and locations are not revealed.

### Financial Sanctions Implementation Unit—97080

**Sen. the Hon. Dr. Ernest Peets:** The original estimate for 2020/21 was \$348,000. The estimate for 2021/22 is \$327,000, a decrease of 6 per cent, or \$21,000.

The Financial Sanctions Implementation Unit (FSIU) was established in 2018, subsequent to the transfer of the National Anti-Money Laundering Committee [NAMLC] office to the Ministry of Finance. This unit's role is vital to ensuring that Bermuda maintains its reputation as a cooperative jurisdiction in the international effort to impose financial sanctions on rogue states and other ill-intentioned individuals where warranted.

With the 2021/22 allocation, the decrease of \$21,000, or 6 per cent, from the prior year is mainly due to a reduction in travel costs as well as the salaries being prorated for a 10 per cent cut up to July 2021. Madam Chairman, \$320,000, or 98 per cent, represents salaries for administration. The remaining \$7,000, or 2 per cent, represents overhead costs for the unit. [For] the current fiscal year, 99 per cent of the expenses incurred under this cost centre are salaries. The remaining 1 per cent was for telephone expenses.

Madam Chairman, the FSIU oversees the implementation and monitoring of targeted financial sanctions in Bermuda, and also advises the Minister of Legal Affairs and Constitutional Reform on wider matters relating to anti-money laundering and countering the financing of terrorism. Madam Chairman, the Governor is the competent authority in Bermuda responsible for the implementation of targeted financial sanctions. Her powers are set out in the various Overseas Territories Orders that are in force in Bermuda pursuant to the International Sanctions Act 2003 and International Sanctions Regulations 2013. The Attorney General and the Minister of Legal Affairs and Constitutional Reform carries out certain functions of the Governor that have been delegated to the Minister pursuant to the International Sanctions [(Delegation of Governor's Powers)] Notice 2018, since September 2018.

Madam Chairman, this delegation of power of the Attorney General does not remove the overall responsibility for external affairs which befalls the United Kingdom via special responsibility of the Governor for external affairs and defence under section 62 of the Constitution of Bermuda. It is also noteworthy that Bermuda's sanctions regime implements sanctions brought into force under the UK's legislative regime, primarily the Sanctions and Anti-Money Laundering Act 2018. Previously, such sanctions were made pursuant to the EU regulations. However, this ended on

the 31<sup>st</sup> December 2020 at the end of the Brexit transition period.

For ease of reference, it is noted that under the said Orders the Minister of Legal Affairs and Constitutional Reform has the power to:

- a) obtain evidence and information by taking such steps as considered appropriate to cooperate with any international investigation relating to the funds, economic resources or financial transactions of a designated person;
- b) issue and revoke licences, with the consent of the Secretary of State, and may grant a licence authorising an activity that would otherwise be prohibited under the said Orders. Such licence can be varied or revoked by the Minister at any time with the consent of the Secretary of State;
- c) serve as a Reporting Depository to whom a relevant institution reports or informs if it credits a frozen account pursuant to an Order;
- d) authorise persons with power to search and investigate suspected ships, aircrafts and vehicles; and lastly,
- e) specify, by Regulations, in the currency of the territory, the amount which is to be taken as the equivalent to sums expressed in sterling in the relevant Order.

### Output Measures

**Sen. the Hon. Dr. Ernest Peets:** Madam Chairman, as we shift to Output Measures, the FSIU role includes ensuring Bermuda's sanctions framework is up to date and effective. To that end, the FSIU is responsible for making sure all Overseas Territories Orders in Council for the various sanctions' regimes are brought into force in Bermuda in an efficient and timely manner. The end of the Brexit transition period meant that amendments were required to Bermuda's sanctions regime. Thus, the International Sanctions Amendment Regulations 2020 updated the sanctions regime to comply with the changes being made to the implementation of sanctions in the United Kingdom.

The Brexit transition period ended on the 31<sup>st</sup> of December 2020 and amendments to the Bermuda framework were made and came into force at the same time. The effect of the said amendment regulations was that 34 Sanctions Overseas Territories Orders were repealed and new orders were substituted in their place including two Orders that consolidated certain regimes. Further, in January 2021, the Libya (Sanctions) (Overseas Territories) Order 2021 was brought into force by the [International Sanctions] (Libya) Amendment Regulations Act 2021. These changes added a total of 33 new sanctions OT orders to Bermuda's sanctions' regime. The updated regime is listed in schedule 1 of the International Sanctions Regulations 2013.

Madam Chairman, in addition the FSUI ensures that the sanctions webpage of the Government portal is updated within 24 hours of receiving updated notifications from the UK Treasury. These updates are required in order to notify the public of additions or delistings of the various sanctions' regimes in force in Bermuda. Thus, upon notification from the HM Treasury's Office of Financial Sanctions and Implementation, the FSUI updates the webpage and also notifies supervisors to immediately advise their supervised entities of the changes.

However, the FSUI will continue its outreach initiative to relevant government ministries and departments as well as with the private sector in order to increase awareness of sanctions obligations and ensure that persons know and understand the role of the FSUI in the implementation of targeted financial sanctions. The FSUI also continues to work closely with the UK authorities and its operational partners to ensure effective implementation of targeted financial sanctions in Bermuda.

### Staff

**Sen. the Hon. Dr. Ernest Peets:** Madam Chairman, I will talk a little bit about our staff. Currently the FSUI is comprised of the head of the FSUI and the Legal Counsel. The team is responsible for implementing targeted financial sanctions including bringing relevant Overseas Territories Orders in Council into force in Bermuda; reviewing licence applications in respect of the various sanctions' regimes; liaising with Government House and UK authorities on sanctions matters; and assisting Headquarters with Bermuda's AML/ATF global obligations.

### Mirrors Programme—97090

**Sen. the Hon. Dr. Ernest Peets:** The original estimate for 2020/21 is \$874,000. The estimate for the 2021/22 is \$698,000, which is a decrease of 20 per cent, \$176,000.

Madam Chairman, the Mirrors Programme continues to execute its mission of *empowering young people to reach their full potential through personal transformation that promotes healthy relationships*. [For] its 2021/22 budget, \$698,000 has been allocated. Madam Chairman, \$456,000, or 66 per cent, represents salaries for administration. The remaining \$242,000, or 34 per cent, represents overhead and programming costs. The Mirrors Programme allocated 2021/22 budget represents a \$176,000, or a 20 per cent reduction over last year's budget. In addition to salaries for the current year, \$35,000 was spent on local training for youth, parenting and volunteer programming; \$6,000 was spent on telephone expenses. Advertising and marketing equated to \$10,000 as programming pivoted to a remote platform. Consulting, contractors and rental facilities

which are directly related to programming totalled \$72,000. Office supplies, printing and general stationary supplies were \$8,500. Office equipment repair and maintenance was \$4,500, [\$400] was spent on computer software, and office chairs; \$900 was to replace a broken office chair.

Mirrors continues to focus its efforts on best practices to meet the desired outcomes for Bermuda's youth. COVID-19 impacted programming for 2020/21 as most services shifted to a remote learning platform for training, recruitment and enrolment of both volunteers and participants. The school-based programmes also pivoted to a virtual training model for teachers and parents. Mirrors' technology remains with socio-emotional skills development, performance coaching and personal transformation for all participants. The programme continues to produce results towards its long-term objective to make better learners and to build a resilient community of young adults who have positive life outcomes in education, employment and lawfulness.

The two-year post programming data of the core senior school population remains pretty consistent with 93 per cent of clients demonstrating lawfulness (that is, not offending or not reoffending); 81 per cent of students connected to education (that is graduating or currently in school); and 41 per cent are currently employed at the last checkpoint which was September 2020.

The organisation is committed to using data to guide programming for positive youth outcomes. The senior school service is the flagship programme, and its data guides the middle school prevention programming. The overall success of the work is attributed to Mirrors' robust evaluation system. The essential role of monitoring an evaluation system is to access the performance of programming initiatives and examining their relevance, effectiveness, efficiency and impact of activities in light of the specified objectives.

The outcomes are well established since the programme's inception. Systemic collection of information as part of monitoring ensures an availability of information to help Mirrors, the Ministry and stakeholders access the extent of advancement, achievement of objectives and progress in the use of allocated funds. Evaluation establishes the significance of policy or programming for youth development to determine the relevance of the objectives, its efficacy of the programme design and implementation and sustainability of the result.

In the current environment while Government must exercise cost-cutting measures, Mirrors is able to focus on the most needed areas based on the data to continue the outputs of reducing risk and raising protective factors in our community for societal and cultural public benefit. Mirrors continues to use a paper-driven evaluation system as it has not been successful in financing an electronic case management and recording system. This places significant strain on

the Mirrors team in terms of data entry and generational reports.

Analysis is secured by an outside vendor which is costly and it is stored every two to three years. It will be beneficial in the near future to finance an electronic recording system to improve efficiencies. The middle school evaluation system is shifting to a Google platform to ease the man-hours necessary to capture the data. Mirrors' reach continues to increase year over year, and as such the alumni charity is seeking community support for an electronic capacity-building system. To date Mirrors has served a whopping 4,485 youths and trained 4,977 adults. This includes parents, teachers and volunteers in positive youth development.

Madam Chairman, as a result of the pandemic Mirrors pivoted to support parents virtually, which produced a 638 per cent increase in parents served over the previous year. That represents 1,057 parents served in 2020/21 to date. Research indicates that strengthening parents is one of the strongest protective factors in strengthening our youth. Madam Chairman, Mirrors introduced a new Parent Connect series after consulting with parents during the pandemic and offered six sections on prevention science with the Department of National Drug Control:

- Cybersecurity; What Every Parent Should Know;
- Brain Science & Learning;
- Performance for Success;
- Standards-based grading with the Department of Education;
- Paying It Forward, financing college and parental involvement; plus
- School Equals Successful Students.

These sessions were successful as indicated by 98 per cent positive feedback from parents' perception of training content and 97 per cent reported positive training experiences. Madam Chairman, the 20 per cent reduction for the last year will reduce the amount of programming. However, the team has strategised to maximise the outputs to ensure the number of students needing service are supported in a modified programme with the intention to produce similar results. The rigour in developing local trainers will allow the facilitators to execute the Quantum Learning curriculum and the lead camps.

The virtual model, albeit not the best option, will allow Mirrors to provide two Junior Forums over the new fiscal year. Four new facilitators joined the Mirrors team this month to support local facilitation of the SuperCamp methodology. One teacher, one Department of Child and Family Services staff and two community partners joined the Mirrors Facilitating Inspiration and Transformation Team. (We call that our FIT team.) Resources in the current budget are allocated to continue to advance the local FIT team certification, which will result in overall cost savings in the long term. The team is expected to serve the same

number of students, parents and teachers in the upcoming 2021/22 fiscal year. The number of training days will be reduced to maintain the rich experience in the current year.

This will reduce the overseas consulting costs. With travel being restricted it is unlikely for students to travel to Villanova University in Pennsylvania this year. As such, the cost savings would be allocated to a modified programme to ensure senior students have access to a life coach. The out-of-school suspension (sometimes known as OSS) support continues to serve the highest-need students requiring supervision. Ten students have been served to date, which was earlier in the school year than experienced in previous years. Mirrors usually serves OSS students during the latter part of the school year. Students are also experiencing the effects of reduced social and interpersonal interactions as a result of the pandemic. Based on the changes in the current programming due to COVID-19, Mirrors will experience cost savings in the 2020/21 budget of approximately \$140,000.

Madam Chairman, the middle school Character Development student output was 407 for the 2020/21 fiscal year. The same [number] is expected to participate in the *All In! 8 Keys of Excellence* programme in 2021/22 based on enrolment projections at Dellwood, Clearwater and Sandys Secondary Middle Schools. With 216 teachers in the same middle school, they will continue their Quantum Learning Excellence in Teaching certification training process.

Madam Chairman, most of the programmes have shifted to an electronic format and the newly produced Parent News Letter has proven successful to support an extension of the character development lessons from school to home. Students and parents learn the *8 Keys of Excellence*, which are characteristics most commonly found in successful people based on Dr. Bobbi De Porter's research on people who have achieved great success while maintaining personal excellence. These keys are an integral part of the Mirrors SuperCamp curriculum and provide a basic framework for principles for success in life.

The Mirrors Middle School SuperCamp was shifted from October 2020 to February 2021 with 47 students recently completing the camp. Again, the shift to a virtual model reduced the cost by approximately 35 per cent, and with the same hybrid virtual models, albeit not the ideal, will allow Mirrors, with minor support from Mirrors Alumni and Friends charity, to execute two SuperCamp Junior Forum camps in 2021/22.

Madam Chairman, Mirrors engaged a graduate student over the current year to complete the business plan for Social Enterprise. Fund development is expected in 2021/22 to launch the proposed high-wire adventure. The business emphasis is to appeal to tourists, local team-building activities and families with a social focus to develop employment oppor-

tunities for young adults and to support young entrepreneurs. The Mirrors Alumni and Friends Association is supporting the Social Enterprise and continues to back the programme through the volunteer recognition scheme, the annual Bermuda-themed art competition, community service clean-up of Southlands and other community engagements.

Mirrors through the alumni charity took on coordination of the Lighthouse Connect initiative with the corporate partner, Legal & General, and the Department of Education to provide laptops for schools. To date, over \$100,000 has been raised to support students with devices for remote learning in public and alternative schools. A sustainable option for the continuance of the programme is under active review with the aim to incorporate the programme into an existing department in the upcoming fiscal year.

### Grants

**Sen. the Hon. Dr. Ernest Peets:** Regarding Grants, the 2020/21 versus 2021/22 fiscal years, the original estimate for the 2020/21 was \$1.95 million; the estimate for 2021/22 is \$1.624 million. This is a decrease of \$331,000, or 17 per cent.

Madam Chairman, the budget allocation for Grants for fiscal 2021/22 is found at page C-17 of the Approved Estimates of Revenue and Expenditure for fiscal year 2021/22 Budget Book. For fiscal 2021/22, \$1.624 million has been allocated. This represents a \$331,000, or a 17 per cent, decrease from the prior year. The decrease is due to the Centre Against Abuse grant being transferred to another Ministry as a result of the realignment of ministries. In addition, the grant given to the Financial Intelligence Agency (FIA) was reduced by 10 per cent for the 2021/22 fiscal year.

### Financial Intelligence Agency

**Sen. the Hon. Dr. Ernest Peets:** The Financial Intelligence Agency (also known as FIA), the original estimate for the 2020/21 [financial] year was \$1.805 million. The new estimate for the new budget year is \$1.624 million, a decrease of 10 per cent, or \$181,000.

In continuation of Government's efforts to combat money laundering and terrorist financing, the FIA was established under the Financial Intelligence Agency Act 2007. The FIA is an independent agency authorised to receive, gather, store, analyse and disseminate information relating to suspected money laundering and financing of terrorism, which is received in the form of a suspicious activity report or a suspicious transaction report. The FIA is empowered to disseminate such information to the Bermuda Police Service and Foreign Intelligence Authorities. The sum of \$1,624,000 was allocated for fiscal year

2021/22, an amount that has decreased by \$181,000, or 10 per cent.

The statutory mandate of the FIA dictates that the Agency must report its quarterly expenditure and provide an annual audited report to the Minister of Legal Affairs and Constitutional Reform. It is anticipated, Madam Chairman, that despite the limited resources outlined, this agency will continue its fight to counter terrorist financing and money laundering and provide outcomes that guard the public interests.

During the fiscal year ending 2021, the FIA were able to respond to the COVID-19 pandemic initially by allowing staff to work remotely in a secure environment. Laptops were purchased and a VPN environment was enacted to allow staff to work. As a result of COVID-19, the FIA provided two deep cleanings of its office by a professional cleaning company and the purchase of additional cleaning supplies inclusive of hand sanitiser stations.

Undaunted by COVID-19, the FIA continue to participate in virtual training webinars delivered by specific businesses that specialise in AML/CFT matters, that includes the Association of Certified Anti-Money Laundering Specialists, the International Compliance Association, [and] the Association of Certified Financial Crimes Specialists. The FIA also participated in virtual training webinars, delivered by entities dealing with digital assets and cryptocurrencies, some of which are [On-Chain] analysis and CipherTrace.

There was also one purchase which allowed the FIA to participate in a 24-hour virtual summit by the Association of Certified Anti-Money Laundering Specialists which offer virtual training sessions on AML- and CFT-related matters (that included, for example, human trafficking, trade-based money laundering, FinTech, cryptocurrencies and other related items). The FIA also participated in virtual training courses, webinars hosted by Egmont CFATF and FATF, of which some went over a period of two to three days.

The FIA also had to purchase a new office printer, as the one they had previously for over 10 years had difficulties that were not repairable. In terms of future spending for the 2021/22 fiscal year, the FIA will continue focusing on trainings, updating the website, preparing for the possibility of travel to Egmont CFATF plenaries, increasing their staff and updating aspects and features of goAML, which is the FIA's operating platform. The FIA did have a few challenges last year which revolved around IT matters, resources (i.e., staff), and of course, goAML. In light of these setbacks, the FIA did achieve some accomplishments and continue to address work-related matters. The FIA participated in two virtual plenaries, one for CFATF and the other for Egmont.

The FIA were asked to present at one of the CFATF heads of FIU [Financial Intelligence Unit] Working Group as it pertained to FIU's dealing with the COVID-19. The presentation was well received,

and as a result the FIA were asked to present at the next FATF virtual meeting. The FIA continue to work with other agencies during this time concerning the terrorist-financing national risk assessment [and] the money-laundering national risk assessment.

The FIA analysts completed a virtual training course with the FIUConnect and received the Financial Intelligence Specialist designation on completion. This course is made up of 12 modules that included corruption, terrorist financing, environmental crime and other related matters. Within this climate in 2020 the reporting entities still filed SARs (or STRS) to the FIA totalling 451 being received. From these reports, the FIA disseminated a total of 187 disclosures to our local and overseas counterparts, breaking this down to 147 disclosures disseminated locally and 40 disclosures to foreign FIUs.

Also in 2020, the FIA received a total of 53 requests for information, that being 38 from local counterparts and 15 from overseas foreign FIUs. And lastly, the FIA sent out a total of 61 requests for information to foreign FIUs and their local counterparts.

### Capital Expenditure Estimate

**Sen. the Hon. Dr. Ernest Peets:** Madam Chairman, the budget allocation for Capital Expenditures is found at page C-10—

**The Chairman:** Minister, may I just interrupt and let you know that you have 59 minutes. I was trying not to interrupt you when you were speaking about the FIU, but you asked for a time check and it is now 58 minutes.

And I am handing over to Senator Wight.

*[Sen. John Wight, Chairman]*

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam Chairman.

May I continue, Mr. Chairman?

**The Chairman:** Yes, please proceed Minister Peets.

**Sen. the Hon. Dr. Ernest Peets:** Thank you. I am just about finished and I will wrap up this particular Head and we will quickly get through the next one and then we can enter into a period of debate for questions.

Mr. Chairman, the budget allocation for Capital Expenditure is found on page C-10 of the Estimates of Revenue and Expenditure. The Ministry has been allocated a total of \$296,000 for fiscal year 2021/22. [The sum of] \$249,000 is allocated for videoconferences. The remaining \$47,000 is intended to be used to purchase fully depreciated assets with no residual value for departments under the Ministry.

Finally, Mr. Chairman, we note the decrease in fiscal allocation in compliance with government-wide directives and highlight that careful consideration

will be given to prioritise service delivery and programming. It is anticipated that the Ministry of Legal Affairs and Constitutional Reform Headquarters budget allocations for 2021/22 as detailed and presented today will enable the Ministry to successfully fulfil its mandate with careful monitoring and continue the exercise of financial prudence.

Mr. Chairman, in concluding this representation of fiscal activity and plans for the Ministry of Legal Affairs and Constitutional Reform [Headquarters], I humbly thank once again all personnel for their firm support and dedication to the work of the Ministry. That completes Head 87, Mr. Chairman.

As previously agreed, I will now proceed to Head 88, with your permission.

**The Chairman:** Go ahead, Minister Peets. Yes, proceed.

### HEAD 88—DEPARTMENT OF NATIONAL DRUG CONTROL

**Sen. the Hon. Dr. Ernest Peets:** Mr. Chairman, I will now present the financials for 2021/22 current account estimates for Head 88, the Department of National Drug Control which can be found starting on page B-114 of the Estimates Book.

In the 2021/22 [financial year], the [Department] has been allocated the sum of \$4,292,000 which is \$126,000, or a 3 per cent overall decrease from the previous fiscal year. Mr. Chairman, the Department of National Drug Control (also known as the DNDC) plays a key role in the Ministry of Legal Affairs and Constitutional Reform with respect to addressing one of the foremost social issues affecting Bermuda today, namely, substance misuses and abuse.

Under the National Drug Control Act 2013, the department provides leadership and policy coordination for the planning, development, implementation and evaluation of comprehensive national systems of alcohol, tobacco and other drugs (also known as ATOD prevention), treatment and rehabilitation services. In its leadership role in the national drug control effort, including supply and demand reduction efforts, the DNDC coordinates with other agencies. The DNDC is also responsible for establishing targets and standards of performance for initiatives supporting the National Drug Control Master Plan. Consequently, the mission of the department is to *lead efforts to reduce the negative impact of drug misuse or abuse on children and families*. The department's objectives for 2021/22 are as follows:

- a) to increase awareness of DNDC services and initiatives utilising targeted media campaigns;
- b) provide research data on the negative impact of cannabis misuse, abuse on young people and adjust or implement demand reduction programmes as indicated;

- c) improve customer satisfaction for the DNDC drug treatment and drug co-prevention services;
- d) identify critical leadership to oversee the implementation of priority actions within the National Drug Control Master Plan to ensure success of the five-year plan.

Mr. Chairman, the board of National Drug Control manages and administers both grants, funds, department agencies providing the prevention and treatment services as well as a budget for administration functions. This includes drug prevention, drug treatment, community development and research policy initiatives. Funds are also allocated to assist in the implementation and the action plans of the National Drug Control Master Plan.

Mr. Chairman, the department employs 27 staff. The department headquarters is presently staffed by a director, five technical officers, and one full-time administrative staff. Direct staffing support to the Nelson Bascome [Centre for] Substance Abuse facility is provided by one treatment coordinator that oversees both the male and female residential treatment programmes along with 19 clinical staff that includes clinical coordinators, addiction counsellors, junior addiction counsellors and addiction counsellor technicians, and supports posts which include administrative assistant, cook, and maintenance currently assigned to the Women's Treatment Centre and the Men's Treatment Centre programme. There are currently four vacancies within the treatment programmes that are in active recruitment with the plan to fill from within the department following numerous unsuccessful recruitments locally and overseas.

Mr. Chairman, I am pleased to provide analysis by the business unit of the Budget Estimates for the Department of National Drug Control for the fiscal year 2021/22 compared to the previous fiscal year ending 2021. The original estimate for the last fiscal year was \$1.144 million. The new estimate for the year ending 2022 is \$1,021,000, a decrease of 11 per cent, or \$123,000. Administration provides the organisational framework in support of the mission and mandate of the DNDC. Its resources are aimed primarily at current expenditure and grants and contributions to the treatment and prevention partners that provide services before and in behalf of the department. The administration allocation of \$1,021,000 is \$123,000, or 11 per cent less than the 2020/21 allocation. The budget covers employee salaries and other operational expenses, including facilities, utilities, maintenance costs, supplies and training and grants. The 11 per cent decrease represents a decrease of funding for overseas training, travel and reduction in grants.

The Department of National Drug Control is established in part as a service delivery unit but cannot provide all of the needed services required within the community. The DNDC depends greatly on pur-

chasing services in the treatment and prevention areas through grant allocations to realise its mandate.

- PRIDE provides evidence-based life skills programming within some of the primary schools to support drug education and drug prevention.
- Salvation Army provides residential drug treatment and community life skills programming for 10 males.
- Focus Counselling provides transitional or supportive housing for up to 28 persons recovering.

These individuals have participated in the primary drug treatment, at any of the treatment facilities including prison, hospital, inpatient or outpatient services to assist in reintegrating them back into the community as productive citizens, thus improving the number of individuals maintaining a drug-free lifestyle. The highlighted agencies have provided an integral part of the drug prevention and drug treatment continuum of services for Bermuda for many decades in collaboration with the Department for National Drug Control. You can see the contributions under Grants/Contributions on page C-17.

Regarding Community Development, I bring your attention to business unit 98010, which can be found on page B-107. I would like to talk real briefly about the fiscal year ending 2021 and the projection for 2021/22. The original estimate for 2020/21 ending fiscal year was \$269,000. The estimate for the upcoming fiscal year is \$271,000, a minor decrease of 1 per cent, or \$2,000.

Mr. Chairman, the allocation for the Community Development business unit 98010 is \$271,000. This allocation for fiscal year 2020/21 over last year is a 1 per cent increase in funding for promotions. Funding is allocated to facilitate activities that are primarily targeted toward public education, community development, information dissemination to support the grant, the Council on Alcohol and Drug Abuse, also known as CADA. You can find that information on page C-17 under Grants and Contributions.

The goal of this unit is to educate the public about the harms of alcohol and drug use to ensure the provision of clear and sustained messages to our young people that no use of alcohol, tobacco or other drugs is acceptable and to involve families and schools and community organisations in alcohol and drug prevention efforts.

CADA also works in collaboration with the Department of National Drug Control to provide community education on alcohol misuse as well as to provide the server training programme, also known as TIPS, which is mandated within the Liquor Licensing Amendment Act 2011. A grant of \$100,000 is allocated to CADA to support these activities.

Other initiatives for the Community Development Unit are to assist in highlighting drunk driving, and [promoting] road safety initiatives through public

education and to continue awareness campaigns directed at underage drinking, adolescent drug use that includes alcohol and marijuana, and emerging drugs such as fentanyl.

The majority of promotion in advertising funds for the upcoming fiscal year 2021/22 will be used to launch the cannabis public education campaign focused primarily on adolescence.

Regarding business unit Prevention, which is 98020, I can draw your attention to page B-107. The original estimate for 2020/21 was \$227,000. The estimate for 2021/22 is \$220,000 which represents a decrease of \$7,000, or 3 per cent.

Mr. Chairman, the allocation of \$227,000 is provided to support the Prevention unit's effort in business unit 98020. This is a \$7,000, or 3 per cent reduction. The 3 per cent decrease is a reduction in travel expenses. Funds in this business unit are utilised to improve coverage of drug prevention measures within the community to improve opportunities for school-based prevention interventions and to increase access for young people to targeted prevention programmes.

Funding is also utilised to support the implementation of a National School Drug Policy and for training prevention professionals and community members to support drug prevention efforts. The Prevention unit facilitates the Team Peace programme operating in four public schools and also supports the implementation and integration of AI's Pals programme at the preschool and primary 1 and 2 levels. Funding is allocated within the business unit to support facilitators and to purchase resources to sustain these programmes.

Mr. Chairman, the Team Peace programme includes the utilisation of the Botvin LifeSkills drug prevention curriculum along with Adventure Education. Both are evidenced-based programmes with proven positive outcomes among students for making healthy choices. Botvin LifeSkills training (or LST) is a comprehensive substance abuse treatment programme that focuses on targeting the social and psychological factors that initiate risky behaviours rather than simply educating participants on the dangers of drug and alcohol use by building self-confidence and strengthening the skills needed to successfully handle challenging situations. LST has been proven to gain significantly . . . and reduce the risk of alcohol, tobacco, and use and violence. The programme saw 50 students participate over 2020/21 school year across four public schools.

Mr. Chairman, the DNDC has trained approximately 12 school teachers to deliver the Botvin LifeSkills programme since 2012, eight are currently active. Teachers have also been trained in socioemotional learning, the Adventure Education programme, CPR, and first-aid. DNDC has funded and provided in-person and online training for the Botvin LifeSkills programme every other year, either the full pro-

gramme or the refresher course to keep our facilitators up to date.

Mr. Chairman, prior to COVID-19 the programme operated as a part of the After School Programmes with the high-risk students being identified by the school counsellors to participate.

Mr. Chairman, the Adventure Education is an experimental learning programme that engages the learner physically, emotionally and mentally. It encourages exploring, appropriate risk-taking, and play that predicts unpredictable outcomes by creating an adventure, fun and learning. Adventure educators use a specific framework to facilitate learning. The framework includes the Adventure Wave, which surges between three basic phases, brief, activity, and then debrief. The learning begins with the brief, where directions and framing are given. Next is the activity and participants engage in the specific challenges followed by debrief which can happen throughout the process but mainly after the activity is concluded. Students have the opportunity to reflect and discuss the activity, allowing them to transfer what they have learned from activity into their lives. The Adventure Education addresses the following: Anti-bullying; anti-drug; communication; compassion; critical thinking; empathy; health; leadership; respect; responsibility; problem solving; self-esteem; socioemotional learning; team building; tolerance; and trust.

Mr. Chairman, all of the drug prevention programmes are evaluated throughout the year by observation by the DNDC staff, which are the drug prevention officer and the community development coordinator, to ensure fidelity and appropriate implementation by the facilitators annually. This programme has not operated since March 2020 due to COVID-19 restrictions. Negotiations are ongoing with the Ministry of Education to restart the programme within COVID-19 guidelines. Approximately \$65,000 is spent on this programme to purchase supplies and pay programme facilitators annually. However, due to the COVID-19 the majority of this funding was not utilised in the 2020/21 fiscal year.

Mr. Chairman, AI's Pals programme has continued in collaboration with the Department of Education with the majority of public and private preschool teachers P1 and P2 teachers in public schools continuing to provide the programming in their classrooms. AI's Pals is also an evidence-based programme with research supporting positive outcomes for children at this level. The AI's Pals programme is an early childhood resiliency-based curriculum designed to teach healthy decision-making skills to children in preschool grades, grade 2. AI's Pals also helps children develop personal, social, and emotional skills through guided creative play, puppetry, and role playing. It teaches them how to express feelings appropriately, think independently, accept differences, make good choices, and understand that the negative impact alcohol, tobacco, and other drugs can have on their lives.

Approximately 296 students have participated in the programme during the 2020/21 school year, which represents a decrease over the previous year. This decrease is related to the decline in number of children in the preschool and the P1 and P2 level. The department for National Drug Control is committed toward its continued collaboration and support of the Al's Pals programme with the Department of Education and funds initial training, refresher courses, and resource supplies for all educators implemented in the programme at a cost of approximately \$15,000 per year.

Parents in recovery are faced with a multitude of challenges if they prepare to address the needs of the children who have been without a worthy parent role model during their active use of substances. This has caused a breakdown in the family, thus affecting children. As a result, the DNDC has focused on developing skill sets for persons in recovery through the Parent's Toolshop education programme renamed, Parenting 101. This is designed to encourage persons to develop their communication skills and set goals in building a beneficial relationship with their children.

Mr. Chairman, Parenting 101 is led by a certified parenting facilitator and is a step-by-step guided programme building on positive parenting skills and building family relationships that make the hardest job on the planet just a little easier. Parents learn how to prevent problem behaviours from starting, how to communicate, and how to help their children problem solve and make good choices as they grow. Stress management and positive discipline are also included. Parents receive tips and strategies that have been proven by research to work and can be used immediately.

In 2020/21, this programme engaged 5 at-risk parents at Teen Services, and 11 children. COVID-19 restrictions have impacted programme completion but the programme has recommenced and is due to be completed with this particular cohort by the 31<sup>st</sup> of March 2021. A Prevention officer and a senior educator are the only facilitators of this programme at an approximate cost of \$5,000.

In regard to Treatment (this will be [unit] 98030, page B-107, Mr. Chairman), the original estimate for 2020/21 is \$411,000. The current estimate for 2021/22 is \$411,000, no change. Mr. Chairman, the Treatment unit business unit 98030, is allocated at \$411,000 which represented no change. Treatment unit funding allocation is used to facilitate the implementation of key activities geared toward achievement of goals of the National Treatment Strategy including Commission on Accreditation of Rehabilitation Facilities, (also known as CARF), accreditation fees and associated resources, addiction and specific training, recovery month (which occurs every September) activities and the AccuCare Client Management System licensing and training. Funds are also allocated to support the grant for the Bermuda Addiction Certifica-

tion Board. You can find this on page C-17 under Grants and Contributions. For the financial year 2021/22 focus remains on maintaining CARF accreditation for the Men's Treatment programme, Women's Treatment programme, and Turning Point, which is operated by Bermuda Hospitals Board as required by National Drug Control Act 2013. All of these programmes have maintained the gold star, CARF accreditation status throughout the fiscal year of 2020/21. CARF accreditation is spearheaded and funded by the Department of National Drug Control Island-wide at an approximate cost of \$21,000. Compliance surveys are completed every three years. Quality improvement reports are submitted annually.

Mr. Chairman, in conjunction with accreditation, the registration of all treatments services in accordance with National Drug Control Act of 2013 is in progress. Development and implementation of supporting processes and application fees will hopefully be implemented through the Regulations Act in 2021/22.

Efforts will also continue to consolidate the use of the AccuCare Client Management System in all drug treatment programmes across the Island to assist in standardised best practice care. All treatment facilities except Turning Point, BHB, used the AccuCare system. Required cross-ministry training, such as CPR, non-violent prevention techniques and AccuCare training will also continue at an approximate cost of \$20,000.

Grant funding to the Bermuda Addiction Certification Board (also known as the BACB) provides international certification testing for both prevention and treatment professionals. For locals, funding to support addiction-specific training to enhance workforce development in this speciality area supports recertification of professionals and helps to maintain memberships in the international certification and reciprocity consortium, also known as IC and RC. Certification is required for registration of addiction counsellors to practice under the Allied Health Professions Act 1973. There are currently 45 certified and registered addiction counsellors, 10 certified clinical supervisors and 5 prevention specialists currently working in Bermuda.

Regarding Research and Policy Development, [unit] 98050, I bring your attention to page B-107. For the fiscal year 2020/21 versus 2021/22, the original estimate for the previous fiscal year was \$296,000; the estimate for the current year ending 2022 is \$301,000. That is an increase of 2 per cent, or \$5,000.

Mr. Chairman, the Research and Policy Development, business unit 98050, has an allocation of \$301,000 which is \$5,000, or a 2 per cent increase to the allocation from the previous fiscal year. This 2 per cent increase is reflected in increased funding for contractors to support cannabis surveillance related to the cannabis reform initiatives. Funding in this cost code is used to facilitate information gathering and analysis,

monitoring, and evaluation, as well as any relevant legislation and policy development initiative prioritised within the department and/or the Ministry.

The primary activities of the Research Unit are geared toward collection and dissemination of reliable data through the Bermuda Drug Information Network, also known as BerDIN, identifying emerging trends, patterns and drug use, evaluation of the current drug control efforts in providing coordination, implementation and evaluation of the National Drug Control Master Plan and Action Plan.

During the financial year 2021/22, an additional focus will be on implementing cannabis surveillance to assist in monitoring the impact of cannabis reform initiatives. The new National Drug Control Plan is under review. The Research Unit continues to monitor the Action Plan, or the expired plan, until the updated plan has been approved.

Mr. Chairman, the 9<sup>th</sup> Annual BerDIN meeting was held with all network members on November 6<sup>th</sup>, 2020. This annual event continues to greatly increase collaboration, understanding, and information sharing between all agencies involved in demand and supply reduction activities. The 2020 annual report for the Bermuda Drug Information Network, which was released to the public following the meeting on November 2020, BerDIN activities incur an approximate cost of \$15,000 annually.

Consumer satisfaction surveys, stakeholder feedback surveys, and quality record reviews were completed within the Department of National Drug Control, Women's Treatment Programme, Men's Treatment Programme, the Right Living House (operated under the Department of Correction). A marijuana use school survey took place January 20–24, 2020 with a sampling of students from M2 through S4, across public and private schools. The audit pregnancy survey was completed in September 2020 and the National Household Survey on Drugs and Health commenced on February 1<sup>st</sup>, 2021. Approximately \$49,000 was spent on implementing local surveys.

Regarding our attention to the Men's Treatment Centre, that will be [unit] 98060, page B-107, the original estimate for the 2020/21 was \$900,000. The estimate for the 2021/22 was \$898,000, a small decrease of \$2,000.

Mr. Chairman, the Men's Treatment Programme business unit was allocated, as I have mentioned, \$898,000, almost the same as it was in the previous fiscal year. The funding allocation provides operational and staffing costs required to provide output to meet the rehabilitative treatment needs and the goals of adult males needing residential treatment at the Nelson Bascome Substance Abuse Treatment facility.

The Men's Treatment Programme is a residential treatment programme for men 18 years and above. It provides long-term comprehensive primary treatment for addiction disorders. The programme's

primary treatment is delivered over a 12-month period using a phased approach. During the last phase a transitional plan is developed which includes participating in volunteer service, job shadowing, and referral to a transitional supportive residency programme and/or aftercare services. There were 19 admissions to the Men's Treatment Programme this fiscal year. Two were discharged to the transitional house; four were discharged to the community, and one to the Mental Health Community Group.

Mr. Chairman, each year our research team conducts consumer experiences stakeholder feedback surveys for the department's treatment programmes. The surveys are made up of several different indicators. The most positive Men's Treatment indicators were: *Men's Treatment staff are knowledgeable and helpful. Additionally, Men's Treatment staff are professional and competent. Men's Treatment staff provide follow-up in a timely manner.* And stakeholder and clients say that they would recommend services to friends and family.

**The Chairman:** Minister, if I could just interrupt for one second. You asked for a time check with 30 minutes left. We have roughly 30 minutes on our two-hour session. So I just wanted to . . .

**Sen. the Hon. Dr. Ernest Peets:** Yes, I am going to just quickly move past these last pages and give some attention to the Women's Treatment Centre, business unit 98070, which is found on page B-107. The original estimate for 2020/21 was \$1.146 million. The estimate for 2021/22 is \$1.145 million, a decrease, a [small \$1,000], or no change.

Mr. Chairman, the Women's Treatment Centre business unit 98070 has been allocated \$1,145,000 for the fiscal year 2021/22. the same as for the previous fiscal year. No change. The funding allocation provided is utilised to meet the output and needs of women in residential substance abuse treatment.

The Women's Treatment Centre provides residential treatment for women at the Nelson Bascome Substance Abuse Treatment Centre as well as supportive residency on a separate site. The Women's Treatment Centre is the only residential treatment facility for women in Bermuda. It provides long-term comprehensive treatment for addiction and related disorders. The programme is delivered over a 12- to 15-month period using a phased approach. The phased approach to treatment delivery enables the client to reach short-term goals and celebrate accomplishments thus motivating them to continue in treatment.

Community involvement in re-entry is gradual and includes a partnership with local businesses and organisations to facilitate volunteerism in our clients. There were 10 admissions to the Women's Pro-

gramme over the past fiscal year, one of whom was admitted four times.

Mr. Chairman, as mentioned before, each year our research team conducts consumer experiences and stakeholder feedback surveys for the department's treatment programmes. The data for the Women's Treatment shows the highest positive responses in client reporting, that they have gotten their needs met by the programme; the Women's Treatment staff are professional and competent; and the clients state that they believe their information is kept confidential. All of these indicators received at least 72.7 per cent rating. Efforts toward improvement will include a campaign to assist in increasing participation in the Women's Programmes through focus groups, public awareness and partnering with the community programmes that women access. This will occur in the upcoming fiscal year 2021/22.

Mr. Chairman, admissions were impacted due to COVID-19 with a temporary freeze in admissions between March and July of 2020, in keeping with the various shelter-in-place orders. Special thanks today to Digicel for providing Wi-Fi to both Men's Treatment Centre and Women's Treatment Centre last year during the COVID-19 pandemic. As a result, clients were able to attend support group meetings online during the shelter-in-place periods for the 2020/21 admission rates as Women's Treatment Centre programme is currently at 50 per cent.

Mr. Chairman, I move on to National Drug Control Master Plan. This will be business unit 98080 on page B-107. The original estimate for the 2020/21 period was \$25,000. For the upcoming year ending 2022 there is no change. Business unit 98080 is in place to provide for effective implementation of the National Drug Control Master Plan cross-ministry initiatives with the Police, Customs and Corrections, evaluation of the Master Plan and to encourage cooperation and involvement of other government departments, the civil society, and implementation of the Master Plan initiatives.

This business unit has been allocated \$25,000 in the upcoming 2021/22, the same as the previous fiscal year. The funding will be utilised in part to assist the HM Customs Canine Unit. Funding allocated in the 2021/22 budget will also be used to ensure the dissemination and implementation of a five-year National Control Master Plan in collaboration with policymakers, stakeholders and the community. The full implementation was postponed to be in alignment with the Ministry's strategic focus and will be finalised soon.

I will now give some attention to grants and contributions. Mr. Chairman, the Department of National Drug Control is established in part as a service delivery unit, but of course cannot provide all of the needed services required within the community. The department therefore depends greatly on purchasing services in the treatment and prevention areas to real-

ise its mandate. It is anticipated that the total funding of \$690,000 listed under Grants and Contributions on page C-17 of the Estimates Book will be used for providing grants to CADA, the Bermuda Addiction Certification Board, PRIDE, Focus, and the Salvation Army which has the Harbour Light and Lifeskills programmes.

Mr. Chairman, CADA and BACB [Bermuda Addiction Certification Board] [provide] essential activities required by legislation. CADA's TIPS programme is mandated within section 39B of the Bermuda Liquor Licence Act 1974, an addiction counselor examination and certifications is required for reregistration of addiction counsellors under the Allied Health Professions Act 1973. As previously mentioned, PRIDE provides life skills programmes within the primary school levels to support drug education and prevention. Salvation Army provides residential drug treatment and life skills training for adult males. Thus funding for Focus counselling services will assist in the provision of transitional or supportive housing for recovering males.

Regarding Capital Acquisition Schedule, which is page C-11, Mr. Chairman, the Department of National Drug Control has allotted \$12,000 for the replacement of furniture and computer equipment.

Mr. Chairman, I will now discuss the Subjective Analysis for Head 88, which can be found on page B-108 of the Estimates Book. Regarding Salaries, Mr. Chairman, the budget allocation for Salaries is \$2,014,000 for the upcoming year compared to \$2,393,000 for the year ending 2020/21. This represents a decrease of approximately \$384,000, or 16 per cent, as a direct result of the agreement to reduce salaries by 10 per cent until January 31, 2021 and the need to move funding to support contractor payment that are covering vacancies.

Regarding Wages, Mr. Chairman, the budget allocation for Wages is \$325,000 for the upcoming fiscal year compared with \$3,000 for the previous year ending 2020/21. The 2020/21 budget was revised to \$315,000 to correct an input error, this increase of approximately \$10,000, or 3 per cent, as a result of wage increments.

Regarding Training and Travel, Mr. Chairman, the budget allocation for Training is \$17,000. Mr. Chairman, the budget allocation for Transport is \$4,000. For Communication, Mr. Chairman, the budget allocation for Communication is \$49,000. For Advertising and Promotion the budget allocation is \$71,000 for the fiscal year 2021/22 compared to \$61,000 allocated for the previous year. The increase of \$10,000 of about 16 per cent is as a result of funds being reallocated from within the Prevention budget to support the public education campaign for adolescents on cannabis during the fiscal year.

The Department of National Drug Control is responsible for providing community education, drug prevention initiatives, decrease the age of first use,

and prevent or diminish drug use in the community. Funds are directed at a media campaign and educational events to meet this responsibility.

Regarding Professional Services, Mr. Chairman, the budget allocation is \$485,000 for the fiscal year ending 2021/22 compared to \$451,000 for the previous year. This funding represents payments for contractors to cover the vacancies to keep the treatment programmes operational, provide relief coverage for staff, leave at the treatment programmes, and for facilitators for the Team Peace programme operating in four middle schools.

For brief information regarding the budgets around Rentals, Repair and Maintenance and Energy, Materials and Supplies, I can report the following: Mr. Chairman, the budget allocation for Rentals is about \$167,000 for the upcoming fiscal year. It is the same as previous year. The budget allocation for Repair and Maintenance is \$182,000 for the fiscal year ending 2021/22, representing a \$40,000, or 28 per cent increase in that allocation.

For Energy, Mr. Chairman, the budget allocation is \$144,000 for the year ending 2021/22, representing a small increase of only \$2,000 from the previous year. Regarding Materials and Supplies, Mr. Chairman, the budget allocation is \$146,000 for the upcoming fiscal year, which is very similar to previous year, only a difference of an increase of \$1,000. This small increase represents the anticipated need for materials and supplies required for drug prevention programmes.

Mr. Chairman, regarding Equipment and Purchases and Other Expenses, and Grants and Contributions—and then I will sum up my remarks. Under Equipment and Purchases the budget allocation is \$12,000 for the 2021/22 year. A \$1,000 or 8 per cent decrease from the previous year. Under Other Expenses, Mr. Chairman, the budget allocation is \$6,000 for the upcoming year, the same allocation for the previous year. Regarding Grants and Contributions, Mr. Chairman, the budget allocation is \$669,000 for the upcoming year 2021/22. [This is] a \$114,000 or 15 per cent decrease from last year. This decrease represents reduction in Grants provided to the community-based treatment and prevention services to assist in meeting our budget threshold.

Mr. Chairman, in closing, the Department of National Drug Control will continue to work collaboratively with other key ministries such as Health, Education, Workforce Development, and various departments such as Corrections, Court Services, Bermuda Police Service, Customs, and international partners to ensure the implementation of a balanced approach to efforts made in achieving a healthier and drug-free Bermuda.

Mr. Chairman, this completes the presentation of Head 88. I would like to take the opportunity today, personally, to thank the Attorney General and to thank the entire Ministry and the department—all their staff,

for all their hard work—for those at the National Drug Control for their continued hard work and dedication in addressing the negative impact of the drug misuse and abuse in our community. Thank you, Mr. Chairman, I now need a glass of water.

*[Laughter]*

**The Chairman:** Thank you, Minister Peets. You have had quite the day between Youth, Culture and Sport and the Legal Affairs.

*[Inaudible interjections]*

**The Chairman:** So thank you for that presentation.

Would any Senator wish to speak on either of these Heads 87 or 88?

Senator Jones, I can't hear you. I can see that you are looking to . . . maybe unmute.

Unfortunately, Senator Jones, I still can't hear you.

**Sen. Marcus Jones:** Is that a little bit better?

**The Chairman:** Yes, Senator Jones, we can hear you now. Yes. The floor is yours.

**Sen. Marcus Jones:** Thank you.

First of all, let me thank the Minister for giving us a very comprehensive synopsis of these two Heads. Can you give me the official amount of time I have left, Mr. Chairman?

**The Chairman:** Roughly 15 minutes.

**Sen. Marcus Jones:** Okay. Very good, 15 minutes.

If you go to page B-93, under Head 87, and the line is 97030, Legal Aid, we see that the amount budgeted for Legal Aid has been decreased by \$171,000 to \$1.6 million with the number of staff reduced by two for the 2021/22 budget year.

Can the Minister assure us that with less staff members for this particular line item the staff that is there will be able to overcome some of the logjams within the courts and have persons within our community that cannot afford their own private legal representation to have government-appointed legal aid to assist them?

Can he also give us the criteria for what is required for some of us in our community who cannot afford it? Is there a means test? Is there other criterion that has been put forward to determine if that person qualifies for legal aid or not?

Continuing on Head 87, swinging over to page C-17, you see Grants that have been doled out to different organisations. Mr. Chairman, as you know, especially during this COVID-19-induced period of time, the level of domestic violence and abuse within the home has risen significantly. Actually, by the certifi-

cates that we have available, the number of domestic abuse cases has increased over the last three years. From 2018, it was at 91. And at 2020, it was 171. [The number of] families in safe houses in 2018 was at three; now, in 2020, it is at 37.

So my question to the Minister is: Can he explain why under these circumstances this organisation, particularly the Centre Against Abuse, which was given \$150,000 last fiscal year, has now been reduced to zero? Why are these funds that were allocated no longer a part of the equation?

Also, in an environment where statistics are very important so we can as a Government draft policies to be able to counteract domestic violence, can the Minister also explain to me and give me an indication of staffing that is there to actually compile this information?

Also, one thing that has been bandied about the community is the possibility of a domestic violence court. Can the Minister inform us whether or not the Government has a plan to actually enact this type of court? We recognise through other jurisdictions that this type of court would be able to reduce some of the delay in time. We are experiencing a logjam in the courts. This system will be a little bit more streamlined and we see, again, from other jurisdictions, that there is more of a support network that is put in play to help and to assist the victims.

Also, continuing with Head 87, there on page B-83, under the Justice Protection programme. A \$195,000 decrease was allocated for 2021/22. Can the Minister please give us . . . and I can see by the numbers that this reduction is more than austerity measures. Can the Minister give us more clarification and justification for the reduction of those amounts?

Continuing there on page B-86, still Head 87, can the Junior Minister explain the value of adding training required to obtain a legal aid certificate and whether it requires an annual renewal?

Head 87, page B-84, there was no insurance cost over the last two years. But here in the 2021/22 fiscal year there is a \$30,000 cost allocation for insurance. Can the Minister clear that up for us and let us know how much . . . what is behind that increase in insurance costs?

Turning now to Head 88, page B-107, the National Drug and Control. One of the objectives of this particular Head (you will find it there in the Objectives section) is *Identify critical leadership to oversee the information of priority actions*. I would like to ask the Minister, where are those priority actions with the National Drug Control Master Plan so that we can get an idea of where the Government plans to place its priorities.

We also find on the same page, B-107, under Prevention, that funds have been allocated to PRIDE. And its allocation has been reduced by \$14,000 to \$169,000. We understand through looking at the website of PRIDE, that their donations have been trending

down for the last three years. We realise that gifts in kind have declined, travel donations have declined, and now the Government which has become its major contributor, has now decided to decrease their funding (from the Government) as well.

What also concerns me, as much as this Government wants to enact a cannabis regime, and I am made to understand that in this upcoming year there is an attempt to be more intense in its education of preventative measures campaigns in our schools, I think it is important to note that not all the primary schools have a programme functioning in them. So we know that there is a lack there. And also it amazed me to find out that the private schools do not have an on-going programme for PRIDE there. So I wanted to know how the Government is going to keep its promises to actually go the extra mile to educate and inform its young people about the scourge of drug and alcohol, and alcohol abuse.

Mr. Chairman, with those quick questions I will leave time for someone else to ask questions and for answers to be forthcoming. Thank you.

**The Chairman:** Thank you, Senator Marcus Jones.

Would any other Senator care to speak on these Heads?

Senator Michelle Simmons, the floor is yours.

**Sen. Michelle Simmons:** Thank you, Mr. Chairman.

I just have a few questions. Starting with Head 87, I too would like to ask a question about the Legal Aid Office and its staffing, in particular. I know that permanent in-house counsel have been hired; two of them, in fact. And I believe the office is still seeking one more counsel. The question I have about that is: Will that vacant post still be there when the additional counsel is sought? Because I know the Minister of Finance was defunding any vacant post. So I just wanted to get some clarity about whether that post will still be there.

Also, with regard to the Legal Aid Office, I believe it was stated in the brief that (and it is in the Budget Book) there are eight positions in the office, three admin, and five legal positions. I believe that the two people who have been hired are the senior legal aid counsel and one of the legal aid counsels. So am I correct in assuming that a paralegal has also been hired? Or, can someone just clarify exactly which positions have been filled because there are five legal posts, and the numbers just are not adding up for me right now.

My next question is about Head 88, National Drug Control. I understand why it was necessary to meet budget thresholds. But I am really sorry that the capital grants to the Salvation Army, PRIDE, and even Focus have been reduced, because they do some really important work in helping people who have succumbed to drug addiction. I just wanted to make it very clear that I think that if cuts had to be made, I

wondered why they were not made elsewhere because those grants are so important for the Salvation Army—and theirs has been slashed considerably, from \$100,000 down to \$20,000. PRIDE and Focus, they have all been slashed and that is most unfortunate.

And finally just one more question. In the subjective analysis on page B-108, there has been a reduction in salaries. And in the brief Minister Peets indicated that part of that reduction is due to contractor payments in order to cover vacancies. So I assume that there were vacancies in the department and other people outside of the department had to be hired to fill those vacancies. Can I get some clarity on that? I am not clear exactly what that means.

Those are my questions.

**The Chairman:** Thank you, Senator Simmons.

So we have roughly three minutes left.

Would any other Senator care to speak on these Heads?

Hearing none, Minister Peets, would you care to respond to any of the comments raised by Senator Jones and Senator Simmons?

[Pause]

**Sen. the Hon. Dr. Ernest Peets:** Yes. Thank you, Mr. Chairman.

Just reviewing some of my notes, also being mindful of the time, I am not going to be able to give a comprehensive answer to all of the questions that have been put forth by Senators. As such, I am fully aware of the time. If said Senators are minded, we will certainly accept those questions in writing, and of course we will get those answers back to you in due course.

Let me quickly try to address some of the questions as quickly as I can—in no particular order, Mr. Chairman.

I believe, Senator Jones, you had a question particularly as it relates to the Legal Aid Office. There is a means test that is administered for approval. It takes into account the person's income as well as their needs. There is a minimum, and that minimum to qualify is \$18,000 per year.

There was an additional question I believe also from Senator Simmons around Legal Aid as well. I do apologise for the time. That was my timer indicating that we are out of time. There are two in-house counsel, and [we are] seeking one more.

As to the question about whether or not the posts that are not currently filled, whether or not they are defunded, I think that was the nature of the question. Right now those particular FTEs are under active recruitment at present. So we can confirm, Senators, that there will be funds available for those posts to be filled, which is good news for the public as it relates to the use of the Legal Aid Office.

Mr. Chairman, if I can just indulge the time a little bit more. Basically, this question around domestic violence is also important as well. There was an indication that domestic violence rates had increased over the years.

That is not a good indicator as it relates to what is going on in the community. And therefore I can understand concerns. That concern is something that we share here as well.

**The Chairman:** I think we have one more minute left.

**Sen. the Hon. Dr. Ernest Peets:** Yes. The answer to the question regarding that particular budget representing zero is that the funds or the remit for that particular funding has moved to Social Development. So we can assure the Senator that any issues regarding domestic violence for that particular charity now come under Social Development.

**The Chairman:** Thank you, Minister Peets.

So if we ask, could you send the outstanding questions by email to the Senators?

**Sen. the Hon. Dr. Ernest Peets:** Absolutely. Absolutely. I will certainly be glad to [do so], Mr. Chairman.

**The Chairman:** Thank you.

So, Minister, would you like to move these Heads 87 and 88?

**Sen. the Hon. Dr. Ernest Peets:** Mr. Chairman, I move that Heads 87 and 88 be approved.

**The Chairman:** Thank you, Minister Peets.

Is there any objection?

Hearing no objection, these Heads are approved.

*[Motion carried: The Ministry of Legal Affairs and Constitutional Reform, Heads 87 and 88, were approved and stand part of the Estimates of Revenue and Expenditure for the year 2021/22.]*

**The Chairman:** Thank you, very much.

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Senators.

**The Chairman:** Senator Simmons, I believe it is back to you.

[Sen. Michelle Simmons, Chairman]

**Sen. Michelle Simmons:** Thank you, Senator Wight.

I will just remind everyone that we are in Committee of the whole [Senate] for further consideration of the Appropriation Act 2021 together with the

Estimates of Revenue and Expenditure for the year 2021/22.

The Ministry which is coming under consideration now is the Ministry of Labour. The Heads which we will be debating are Head 27, which is Immigration (we will find that on page B-182 in the Budget Book) and also Head 60, which is Workforce Development (and that can be found on page B-191 in the Budget Book).

Two hours have been allocated for this debate. And Senator Arianna J. L. Hodgson, Junior Minister for Finance, Youth, Culture & Sport, and Labour is the Junior Minister in charge. It is now 3:45, and therefore this debate will end at 5:45.

Senator Hodgson, how do you wish to proceed?

## MINISTRY OF LABOUR

**Sen. Arianna Hodgson:** Thank you, Madam Chairman.

I move that the Committee do now pick up the consideration of Head 27—Immigration, and Head 60—Workforce Development.

**The Chairman:** Thank you. Please proceed.

### HEAD 27—DEPARTMENT OF IMMIGRATION

**Sen. Arianna Hodgson:** Thank you. Madam Chairman, notwithstanding the financials contained in the Immigration Department's Budget Brief, the brief contains and highlights the following:

- new Border Management System;
- e-Gates at the L. F. Wade International Airport;
- mixed-status families legislation;
- work permit application efficiencies;
- online payment procedures; and
- work permit policy overhaul.

As noted on page B-182, the Department of Immigration has been allocated a budget of \$5,234,000 for the fiscal year 2021/22. The expenditure has decreased by \$270,000, thus reflecting a 5 per cent decrease in comparison to our current financial year 2020/21.

Madam Chairman, the material changes of the subjective analysis of the current account estimates as compared with 2020/21 estimates can be found on page B-183 as follows:

- Salaries estimates decreased by \$351,000 which is directly associated with 10 per cent reduction in salaries due to the short-term austerity measures put in place for cost saving.
- Professional Services budget increased by 59 per cent. This increase is to cover consulting services required to implement an elec-

tronic online platform for customers to submit applications and payments, along with the additional costs required to print passports.

- Repairs and Maintenance estimates increased by 10 per cent, or \$78,000. This increase is directly associated with the maintenance and support required to maintain the new Border Management System [BMS] throughout the year, in addition to the new cleaning contract required for the airport.
- Clothing, Uniforms and Laundry estimates increased by \$13,000 to replenish the uniforms with the Compliance Section as their uniforms have not been replaced in a number of years.
- Other Expenses estimates decreased by 36 per cent as a result of the department only accepting direct bank deposits, which has reduced the commission paid for credit card transactions.

### Revenue Summary

**Sen. Arianna Hodgson:** The revenue summary is outlined on page B-183. The total revenue estimate for 2021/22 is \$12,249,000, is a decrease of \$11,698,000, or 49 per cent, in comparison to 2020/21. The most material changes are as follows:

Passport Issuance estimated revenue has increased by 53 per cent with a projected collection of \$469,000. With the current climate related to COVID-19, revenue collections declined tremendously for passport applications. It was unrealistic to not have this reflected in the estimates.

Work Permits—more specifically, full-time and part-time, as well as temporary and periodic work permits, calculated together equal an estimated revenue decrease of \$4,222,000, down 30 per cent from 2020/21. It is not expected to issue as many work permits as the prior year, given the increase of Bermudians and spouses of Bermudians who are unemployed.

Work & Reside permits estimated revenue for 2021/22 has decreased the amount in comparison to 2020/21 by \$681,000, which is approximately 43 per cent.

Work Permits—Appeals estimated revenue has also decreased by \$18,000 in comparison to 2020/21, as it is not expected to receive the same volume of applications in the upcoming year.

Work Permits—[General], estimated revenue decreased by \$71,000 from 2020/21.

Land acquisition—applications for land licences and the associated land building charges, in some cases up to 8 per cent, are now processed by the Cabinet Office as of June 2020. However, Immigration continues to report on the revenues associated with these transactions until March 31, 2021. From April 1, 2021, income will be reported under the Ministry of the Cabinet Office. The \$5.5 million decrease in

revenues may be attributed to a reduction in typical real estate purchases by non-Bermudians and simultaneous increase in purchases of hotel residences at any hotel development by non-Bermudian purchases, which would not be reflected in Immigration's revenues.

**Residence Fees**—estimated revenue decreased by \$112,000, or 9 per cent, from 2020/21. These fees are associated with the residential certificates issued to non-Bermudians. There was a surge in applications received for these certificates at the end of February 2021 associated with the change in the residential certificate policy and the launch of the new Economic Investment Certificate policy. And we expect the revenues collected will exceed the estimates.

**Nationality**—estimated revenue decreased by \$69,000, or 39 per cent, compared to 2020/21. This is based on the applications received during the current financial year, and it is not expected to receive as many submissions in 2021/22.

The Department of Immigration has taken a conservative approach for estimated revenues for the upcoming financial year. Predictions have been assessed based on the number of applications received during 2019/20 and 2020/21, which falls in line with the actuals thus far for 2020/21.

### Existing and New Capital Projects

**Sen. Arianna Hodgson:** Madam Chairman, funds estimated for Capital Acquisitions for 2021/22 amount to \$80,000 and can be found on page C-13. The amounts allocated include the amount of \$80,000, which will be allocated for the purchase of a new electronic application system with payment gateways to eventually replace the ageing software.

### Highlights of Key Accomplishments 2020/21

**Sen. Arianna Hodgson:** Here are some of the key accomplishments for financial year 2020/21. Immigration reform—meaningful step changes for better efficiencies in processes are afoot in the Department of Immigration. All of these changes are exciting. Specifically, during 2020/21 the following actions occurred:

- Emphasised the complaints procedures for reporting breaches against the Bermuda Immigration and Protection Act 1956;
- Undertook a review of the immigration application process by implementing or re-engineering the process pilot programme with a view to making the process more efficient and reduce the turnaround time;
- In July 2020, the Department of Immigration implemented the new border management system and e-Gates at the old L. F. Wade International Airport. Between July and December 2020 there was a trial period to ensure

that the systems were working optimally for the opening of the new airport;

- In August 2020, in an effort to boost the economy, the Department of Immigration launched the Work from Bermuda programme. The programme was intended to encourage persons employed by overseas entities and university students who have the ability to work or study remotely from Bermuda for a year. To date the department has received 754 applications, of which 641 have been approved and 71 have been refused.
- On the 1<sup>st</sup> of September 2020 the Bermuda Immigration and Protection Amendment Act 2020 came into force to address mixed status families.
- In another effort to boost Bermuda's economy, on February 1, 2021 the department launched the Economic Investment Certificate, the intent of which is to increase and sustain Bermuda's economic activity and create job opportunities.

### New Initiatives

**Sen. Arianna Hodgson:** As a continuance of Immigration Reform, we have begun work to review and rewrite the work permit policy; optimise our application forms; implement a process for online payments for all applications; continue to review the structure and processing procedures to ensure applications are administered more efficiently to reduce turnaround times; and implement a workflow software solution to handle digital application processing from the submission of applications by the customers to delivery of their documents.

### Recruitment Updates

**Sen. Arianna Hodgson:** The number of employees required for the department to operate efficiently is outlined on page B-184. There are 44 established full-time posts, of which 7 of these posts are currently vacant. A list of the vacant posts consists of

- one corporate services manager;
- one personal services manager;
- one business systems officer;
- two customer service representatives;
- one processing clerk/cashier; and
- one processing administrator.

With the vacancies, there is a requirement to update job descriptions, and this exercise is currently in train.

Madam Chairman, in closing I would like to thank the dedicated members of staff at the Department of Immigration. I would like to thank the Immigration Team under the leadership of Ms. Marita Grimes, Acting Chief Immigration Officer; and Mr. Ron-Michel Davis, Acting Assistant Chief Immigration Officer; together with Ms. Lauren Sadler Best of the Attorney

General's Chambers; the Immigration Board headed by Mr. Scott Simmons; and the Immigration Appeal Tribunal headed by Mr. Charles Richardson.

I would also like to thank, Ms. Tionea Effs, Ms. Darlene Smith, and Mrs. Jannell Burgess Doucet, and their respective teams, as well as the Collector of Customs, Mrs. Lucinda Pearman and her airport team for administering the airport border control on behalf of Immigration. Another thank-you to the Information & Digital Technology [IDT] Office for their timely assistance in ensuring that our systems were operable, particularly at the L. F. Wade International Airport. The IDT Office and the Bermuda Airport Authority are to be commended for working tirelessly with the department in respect of the new BMS [border management system] and e-Gates; and the Paperless Team for their assistance in helping to establish and maintain the Work from Bermuda platform; and the other agencies.

I thank you, Madam Chairman.

**The Chairman:** Thank you so much, Senator Hodgson.

Would you like to take questions on that Head now, or do you want to proceed to the next Head, which is Head 60, Workforce Development?

**Sen. Arianna Hodgson:** I think we can probably stop to have Senators share their questions.

**The Chairman:** Okay.

**Sen. Arianna Hodgson:** And so if there is anything that I cannot answer, then we can have time to gather the relevant information.

**The Chairman:** Right. That is good.

I see Senator John Wight, and then I see Senator Robin Tucker.

Senator Wight.

**Sen. John Wight:** Thank you, Madam Chairman. So thank you, Senator Hodgson, for that informative presentation.

Just one question: So with all of the reduced activity due to the COVID-19, so you made a reference to that reduced number of, for example, passport applications and the like. In looking at the target outcomes for 2021, is the Ministry going to consider in those areas, for example, where the numbers of applications are not being affected by COVID-19, which in some cases can take several weeks or months. So what I am saying is that we have the same number of employees for reduced activity in the coming year due to COVID-19. So could their time be allocated to other areas to speed up the process? That is my question.

**The Chairman:** Thank you, Senator Wight.

Senator Tucker, would you like to pose your questions?

**Sen. Robin Tucker:** Thank you, Madam Chairman. Good afternoon, everyone.

My first question is taken from page B-183, the Subjective Analysis, Repairs and Maintenance. I just wondered, Madam Chairman, if the Junior Minister could provide a breakdown of the estimated expenses of \$897,000 within this line item to justify the \$78,000 increase over the 2020/21 budget?

My next question is again on page B-183 with regard to the Revenue Summary. This is Work Permits temporary and periodic. With an increased number of closed work permit categories, and the move, and efforts to employ more Bermudians and spouses of Bermudians, can the Junior Minister confirm why a 2.99 surplus is a reasonable expectation?

*[Inaudible interjections]*

**Sen. Robin Tucker:** My next question is—

**The Chairman:** Senator Tucker, just—

**Sen. Robin Tucker:** —on page B-186.

**The Chairman:** Senator Tucker, can you hear me?

**Sen. Robin Tucker:** Can the Junior Minister—this is regarding business unit 37030 on Compliance. Can the Junior Minister provide some insight as to why the processing time for investigating illegal workers is three to six months? I am wondering why it takes so long compared to an investigation for an overstay, as that only requires 10 working days. With so many Bermudians out of work, could not this performance measure be improved to ensure that we do not have people working illegally for extended periods? [I am] just looking for some clarification around that particular item.

And then lastly my question is around the Immigration vacancies. I would just like to know if the vacant positions, particularly the customer service positions, do they have or are they having any impact on processing work permits? And if so, what is the timeline for filling those vacancies? Thank you, Madam Chairman.

**The Chairman:** Thank you, Senator Tucker.

Senator Hodgson—Actually first, let me find out if there are any other Senators who would like to pose questions on this Head.

We are debating Head 27, which is Immigration.

Are there any other questions?

Senator Jones.

I cannot hear you, Senator Jones. Senator Jones?

[No audible response]

**The Chairman:** Senator Jones, we cannot hear you.

[Pause]

**An Hon. Senator:** I will try to send a chat, Madam Chairman, to Senator Jones.

**The Chairman:** I cannot hear you.

**Sen. Marcus Jones:** Could you not hear me for the last 30 minutes?

**The Chairman:** We have not heard a word you said, Senator Jones! And I am sure we missed something really important. So you will have to begin your question again!

[Laughter]

**Sen. Marcus Jones:** Oh no! What a catastrophe. Okay. Let us start from the top again.

I am on page B-183. The Junior Minister mentioned to us that the line item under Revenue Summary where Land Acquisition Fees are, last year \$5.5 million was the budgeted amount. And then the revised estimate for 2020/21 was \$5.7 million. We can just see how, in comparison to a whole pot of revenue, that \$5.7 million is a significant amount. She informed us that it has been moved over to the Cabinet Office. And while she was saying that, I quickly took a look and I could not find it. I realise that the Cabinet Office is not her purview. But if she could just give us an indication of actually where it landed, we can delve into that at another time and in another place. But if she could just give us that information, I would appreciate it.

Same page, Professional Services, we see there that last year's budget amount for 2020/21 was \$169,000; it is now \$100,000 more, landing at \$269,000. Can the Junior Minister give us further details of the reason for those increases?

And then two lines down under Repair and Maintenance, if she can give us again another indication for that increase of \$78,000, I would appreciate that.

And then over onto page B-185, I believe it is, yes, under Personal Services, looking at Passports—37020, the fourth line down it says the average process time for passport issuance phase is four to six weeks. I have sort of a double-barrelled question in regard to that particular line. And I am assuming that four to six weeks is standard. My question would be, What is the actual turnaround time for someone who had to get a passport for an emergency, whether they had to be airlifted away for health reasons or whatever? What is the standard express time to get a passport?

And also, can the Junior Minister give us an indication of where the Government stands in its plans to move the processing of Bermudian passports back here to Bermuda. If the Junior Minister just can give us some indication of what the status of that is. And I believe that is it, Madam Chairman.

**The Chairman:** Thank you, Senator Jones.

Senator Ben Smith, you would like to ask a question?

**Sen. Ben Smith:** Yes. Good afternoon, Madam Chairman.

On page B-183, under Revenue Summary, 8301, Status and Naturalisation and Other, we see that in 2019/20 there were 442. And then there are 709 in 2020/21. And now we are back to 355 in 2021/22. My question is: Is this the category where we are going to find the belongers, the people who have changed their naturalisation and now they are deemed to belong to Bermuda? The reason I ask that question is that it gives them a different level of kind of comfort in Bermuda when it comes to their children who work here.

There are some things that change when they get that naturalisation that I am not sure that everybody in Bermuda is aware of. Specifically on that, what tends to happen is they get a set of rights that are different, but not fully to status. But it creates confusion because their children now have the ability to work, but they do not have the ability to represent Bermuda in sports. And we have seen some legal action in the public recently about that.

So, in looking at that number I just want to know if this is the number where we are seeing that increase. And is this the group that we will continue to see an increase in the number of people who are getting this level of certification and the impact that it might have going forward?

And on page B-184, the employee numbers. I noted that the Junior Minister spoke about the acting roles. If the Junior Minister could give us some clarification on how long those roles will be under the *acting* designation and when we can expect those roles to be made permanent. Thank you.

**The Chairman:** Thank you, Senator Smith.

Is there any other Senator who would like to ask a question on Immigration?

I do not see any.

Senator Hodgson, would you like to address these questions now?

[No audible reply]

**The Chairman:** Senator Hodgson?

**Sen. Arianna Hodgson:** I do apologise.

**The Chairman:** That's okay.

**Sen. Arianna Hodgson:** Madam Chairman, I think in the interest of time I can perhaps start reading Head 60.

**The Chairman:** Yes.

**Sen. Arianna Hodgson:** And then endeavour to answer any questions at the end. And if there is anything that is left over, I can send those responses by email.

**The Chairman:** Okay. That's fine.

**Sen. Arianna Hodgson:** Okay. Perfect.

**The Chairman:** Please proceed.

**Sen. Ben Smith:** Madam Chairman, just quickly, I was trying to get Senator Jones to add to his question earlier. When he was talking about bringing the passports back to Bermuda, where we have that issue with the coding of the Bermuda passport which is causing a lot of issues when people are travelling from one country into the US . . . it is causing a lot of people to get stopped, and they are asking for ESTAs [Electronic System for Travel Authorization] when we do not need an ESTA. So has there been any progress in getting that coding taken care of for our passports?

Thank you.

**The Chairman:** Thank you, Senator Ben Smith.

Senator Hodgson, would you like to proceed to Workforce Development, Head 60, on page B-191?

**Sen. Arianna Hodgson:** Yes. Thank you, Madam Chairman.

## HEAD 60—DEPARTMENT OF WORKFORCE DEVELOPMENT

**Sen. Arianna Hodgson:** Madam Chairman, I will now move to the 2021/22 Estimates of Revenue and Expenditure for the Department of Workforce Development, Head 60, found on pages B-191 through B-196 of the Budget Book.

Madam Chairman, in preparation of their estimates of revenue and expenditure, the Department of Workforce Development also conducted a review of its programmes, services and mission in conjunction with the National Workforce Development Plan. The resulting revised mission statement of the Department of Workforce Development as highlighted on page B-191 is *To develop a resilient workforce, to provide a sustainable and stable community.*

Madam Chairman, the objectives of the department are

- to assist with development of a draft Policy Paper and Cabinet Memorandum to obtain authorisation to issue drafting instructions in support of Phase 1 of Financial Assistance reform, to include the development of Personal Employment Plans;
- to execute Phase 2 and Phase 3 of the Workforce Development Re-employment Re-integration Job Strategy;
- to design and facilitate the implementation of the Training and Development Plan in targeted occupations of restaurants, cleaners, landscaping, certified administrative assistant sectors, among others; and
- to complete the project plan and begin implementation of the clean-up of the Unemployment Benefit database to allow for retroactive approval of applications.

Madam Chairman, the department's 2021/22 mission statement and objectives have been amended to reflect Government's reform and new vision statement—*Future Forward Government for the People of Bermuda.*

Madam Chairman, our primary aim is to assist Bermudians to become work-ready and to position them to successfully participate in Bermuda's workforce. This starts at school age and continues through until retirement. The Department of Workforce Development is a partner in ensuring Bermudians are prepared for the workforce by providing

- job opportunities in the summer for both high school and college students;
- scholarships for local and overseas study;
- apprenticeships and training;
- national certification training;
- professional development;
- career guidance;
- assistance on redundancy and career changes;
- employability skills training;
- job search support;
- graduate trainee and development programmes; and
- the Bermuda Job Board.

Madam Chairman, as noted on page B-192, the Department of Workforce Development has been allocated a budget of \$3,601,798 for the fiscal year 2021/22. This budget is \$692,693 less than the 2020/21 budget allocation.

As part of the review and zero-based budget process, there have been quite a few changes in the budget for programmes within the department. Madam Chairman, the Department of Workforce Development comprises three programmes as noted on page B-192. They are General Administration, Career Development, and Training.

Programme 6001—General Administration is responsible for the overall management and admin-

istration of the Department of Workforce Development. As seen on page B-192, business unit 70000, Administration, has been allocated a budget of \$586,145 for the financial year 2021/22. This budget is \$80,000, or 12 per cent, less than the 2020/21 allocation owing to a decrease in all business units in the reduction of programmes, initiatives and service levels cost savings. This has been offset in part by a decrease in contractor costs and cleaning expenses. This section is staffed by four full-time employees, consisting of the director, an administrative accounts officer, a customer service representative and a two-year temporary IT officer, as reflected on page B-194. The director's post is currently vacant; however, it is anticipated that the recruitment for the post will commence during the new fiscal period.

Madam Chairman, programme 6003—Career Development comprises Career Development Administration 70300 and Career Development 70400. The programme is responsible for client assessment, employability skills training and job search support. Where indicated, clients may be referred for special skills training and other support services to increase the individual's prospects for suitable employment and job retention.

The 2021/22 budget allocation for the entire Career Development Programme is \$1,334,864, which represents a decrease of \$62,136, or 7 per cent, compared with the 2020/21 budget allocation.

Madam Chairman, the Career Development Administration is responsible for designing services to meet the needs of job seekers and reduce employment barriers. The section works closely with employers and the Department of Financial Assistance to assist abled-bodied clients and the Department of Immigration.

Madam Chairman, business unit 70300, Career Development Administration, has been allocated a budget of \$422,258 for the financial year 2021/22. This represents a decrease of \$10,500, or 3 per cent less than the original 2020/21 budget allocation owing to a reduction in overseas training and travel costs. This section is staffed by five full-time employees consisting of the career development manager, two training and development officers, an administrative assistant and one intake officer as indicated on page B-194.

Career Development, business unit 70400, has been allocated a budget of \$912,606 for the financial year 2021/22, a decrease of \$51,554, or 5 per cent, of the original 2020/21 budget. Funds to support the Summer Employment Programme [SEP] for college and university students have been moved to Wages for reclassification purposes, resulting in a corresponding increase in salaries of \$460,000 in Wages. This section is staffed by three full-time career development officers as shown on page B-194.

Madam Chairman, the purpose of programme 6004 Training is to provide administration and over-

sight of the National Training Board activities. This section supports the apprenticeship programmes, the distribution of scholarships, professional designation training schemes and national certification of designated trades. The 2021/22 budget allocation for the entire Training Programme is \$1,680,789, a decrease of \$551,000, or 25 per cent, compared with the 2020/21 budget allocation.

Madam Chairman, business unit 70014, Training Administration, has been allocated a budget of \$264,412 for the financial year 2021/22. This represents a decrease of \$17,825 compared to the 2020/21 budget allocation. This section is staffed by three full-time employees consisting of a training manager and two administrative assistants as stated on page B-194.

Madam Chairman, business unit 70015, Certification, has been allocated a budget of \$287,892 for the financial year 2021/22. This reflects a decrease of \$221,237, or 43 per cent. Funds have been reallocated to business unit 70016, Apprenticeship and Professional Development, and business unit 70400, Career Development, to support an increase in overseas scholarships and the increased rate for the summer employment programmes. The staff complement for this business unit is two as noted on page B-194, made up of standard and enforcement officers. One standard and enforcement officer post is currently vacant. However, funding for this post has been transferred to support Ministry Headquarters staffing.

Madam Chairman, business unit 70016, Apprenticeship and Professional Development, has been allocated a budget of \$1,128,485 for the financial year 2021/22, a decrease of \$311,929, or 22 per cent. The staff complement for the business unit is three training and assessment officers as noted on page B-194.

Madam Chairman, I will now discuss the subjective analysis for the Department of Workforce Development found on page B-193 and the employee numbers found on page B-194. The budget for financial year 2021/22 of \$3,601,798 is significantly decreased by \$692,764, or 16 per cent. As part of the Government's cost saving plan and zero-based budget process, the overall budget has quite a few changes for programmes and services. I will speak to those object codes where there are major changes.

Madam Chairman, the training budget estimate for financial year 2021/22 is \$264,412 and represents a \$17,825, or 6 per cent, reduction. Reduction of these funds represents staff training, printing and subscription-related expenses that more accurately reflect actual spend rates and planned training.

Madam Chairman, the travel estimate for financial year 2021/22 is zero, a decrease of \$13,895, and represents a 100 per cent reduction in cost savings. These funds again relate to staff and overseas training, airfare/travel, accommodation, subsistence and other travel-related expenses.

Madam Chairman, the Communications estimate for financial year 2021/22 is \$14,600 and represents a \$3,600, or 75 per cent, increase. These funds relate to increased use of office and cellular telephone usage and Internet charges due to the Unemployment Benefit initiative and associated cost tasked by the department for the six-month period March to August [2020].

Madam Chairman, the Advertising and Promotion estimate for financial year 2021/22 is \$10,500 and represents a \$13,500 decrease, or 22 per cent. The reduction reflects a more focused use of advertising and promotion through the Department of Communication and Information and the increased use of social media for this purpose.

Madam Chairman, the Professional Services estimate for financial year 2021/22 is \$45,578 and represents a \$36,525 increase, or 20 per cent. This increase is related to a combination of factors including the revision of contracts for the department and to make savings in the use of contractors to cover and offset costs for vacant posts.

Madam Chairman, the Repairs and Maintenance estimate for financial year 2021/22 is \$48,450 and represents a \$96,550, or 50 per cent, decrease. The decrease primarily relates to a reduced level of maintenance costs associated with security, refuse and pest control, with the exception of repair and maintenance cleaning services that actually increased by \$12,000 for additional deep cleaning for health and safety purposes due to COVID-19.

Madam Chairman, the Materials and Supplies estimate for financial year 2021/22 is \$34,043, a reduction of \$27,966, or 18 per cent. The reduction in the purchasing of office supplies, food supplies as well as printing-related costs reflects cost savings using a more measured estimate and spending rates for the department.

Madam Chairman, the Grants and Contributions estimate for financial year 2021/22 is \$1,505,000 and represents a \$398,000, or 21 per cent, reduction in costs.

Madam Chairman, details of Grants and Contributions can be found on page C-19. The grants and contributions will fund the government-sponsored scholarships, apprenticeship scheme, sponsorship for trainees, National Certification training and the Summer Student Programmes, as follows:

- Eighty thousand dollars has been allocated for the Summer Internship Programme to fund senior high school students' (wages remains the same).
- The estimate for overseas Scholarships stands at \$350,000. This amount reflects a \$100,000 decrease from the previous fiscal year 2020/21. Local scholarship allocated amount for this fiscal year 2021/22 is \$80,000. This represents a decrease of \$20,000 in local scholarships which reflect against additional

grants for financial aid at Bermuda College and other sponsors to meet demand. Based on multi-year overseas and local scholarship awards to new and continuing students, this will fund approximately 35 overseas and 25 local scholarship awards for 2021/22.

- The estimate for the apprenticeship scheme was decreased by \$150,000 to \$321,000. This will significantly reduce the apprenticeship opportunities for young Bermudians to train and gain entry into the workforce.
- The estimate for Sponsorship Trainees is \$88,000 for short-term training programmes which are usually less than two years in duration. This budget is reduced by \$26,000 from the 2020/21 budget allocation.
- The estimate for National Certification Training programme is decreased by \$115,000 to \$175,000. This reduction represents a more accurate estimate based on previous years' expenditure. Funds were reallocated to support an increase in overseas scholarships, apprenticeships and the Summer Student Programme. The Certification Training programme is steered by legislation and is designed to ensure a benchmark standard for the designated trades. Currently there are four designated occupations: electricians, automotive technicians, welders and landscape gardeners.
- Funding for the Summer Student Programme remains unchanged from the 2020/21 budget at \$80,000. The \$80,000 is allocated for the department's Summer Internship Programme [SIP] which provides an introduction to the workforce for high school students. Students will be given the opportunity to participate in a work placement during the month of July.

**The Chairman:** Senator Hodgson, can I just interrupt you very briefly? I have been told that you are not being heard very clearly. Can you get any closer to your microphone?

**Sen. Arianna Hodgson:** Sure. I am going to turn off my camera. Maybe that will enhance the speaker function.

**The Chairman:** Okay. I will allow that.

**Sen. Arianna Hodgson:** Okay. Thank you, Madam Chairman. Okay, let us try this again. Is it a bit clearer?

**The Chairman:** Well, I'm not having trouble, but some people are having trouble hearing you.

**Sen. Arianna Hodgson:** Okay. Thank you, Madam Chairman.

**The Chairman:** Okay.

**Sen. Arianna Hodgson:** Madam Chairman, Revenue for 2020/21 is listed on page B-193 and is estimated at \$8,000. The estimates are the expected revenue from fees charged to applicants registering for National Certification and Apprenticeship training in 2021/22. The statutory application fee for each applicant for National Certification is \$265, and \$50 for apprenticeships.

Madam Chairman, whilst I have addressed employee numbers and full-time equivalents in the various business units, you will note on page B-194 that one of the two standard and enforcement officer posts remains vacant and unfunded for this financial year 2021/22, with employee numbers for the department at 19.

Madam Chairman, I will now provide a backdrop to share the hard work and intervention of the Department of Workforce Development in the context of the coronavirus pandemic and its relevance to the implementation of the Unemployment Benefit and the Re-employment Re-integration Strategic Plan. During the last quarter of the fiscal year, the Department of Workforce Development was charged with administering the Unemployment Benefit utilising the Public Treasury (Administration for Payments) Act 1969, which established the Unemployment Insurance Fund in 2002.

Madam Chairman, the intent of this legislation provides the authority for the Minister of Finance to make payment out of the Unemployment Insurance Fund for the purpose of temporary assistance of unemployment benefit to individuals directly impacted by COVID-19. The Public Treasury (Administration and Payments) Regulations 2020 were enacted to directly address this unprecedented crisis of unforeseen magnitude that posed a public health and economic threat locally and globally, which left thousands of residents unemployed, presenting unusual disruption to the social fabric and economy of Bermuda.

Madam Chairman, during the unprecedented COVID-19 pandemic, the Department of Workforce Development was charged with administering the Unemployment Benefit project during the months of March to August [2020]. During this six-month period, the training and career development sections of the department's concentrated efforts shifted to assist applicants to register online and in person to become eligible to receive the government's financial benefit during their time of financial hardship. At the end of August [2020], over 10,000 residents received unemployment benefits administered by the staff of the Department of Workforce Development, along with a team of 89 employees recruited from across various government departments. As a result of this unprecedented crisis, normal programmes and services were temporarily suspended. Subsequently, projected lev-

els of programmes and services for the fiscal year 2021/22 were severely curtailed.

Madam Chairman, the Performance Measures for the Department of Workforce Development are found on pages B-195 and B-196. The number of persons sponsored for local and overseas training during financial year 2020/21 was 150 compared to financial year 2019/20 figure of 131. Several students at the entry level of their occupations elected to obtain industry-recognised certifications, associate's degrees and bachelor's degrees, and in some instances specialised instructor certifications in diverse sectors of the workforce. The breakdown of local and overseas training programmes is as follows:

**Local training programmes:**

- Nursing, (Certificate and Associate programmes) Bermuda College;
- General Education Diploma, C.A.R.E. Learning Centre and Adult Education;
- Safety and Instructor Certification Training Programme (ICTP), National Centre for Construction Education and Research (NCCER);
- Learn to Earn Restaurant Training Initiative, Bermuda Tourism Authority;
- Hospitality Management, Bermuda College;
- Culinary Arts, Bermuda College;
- Horticulture for Landscape Gardeners, Bermuda College;
- Bartending Certification Programme, Bermuda College;
- Wood Technology, Bermuda College;
- Electrical Wiring, Bermuda College;
- Hairdressing, Bermuda College;
- Business Degree, Bermuda College;
- Associate of Science, Bermuda College;
- Elevator Technician, Otis Elevator;
- Heating, Ventilation and Air-conditioning, Bermuda College;
- Power Engineering, Tyne's Bay Waste-to-Energy Facility; and
- Successful Academic and Vocational Education Programme (SAVE), provided by the Bermuda Government, Court Services.

**Overseas training programmes:**

- Building Systems & Engineering Technicians;
- Cybersecurity and Networking;
- Mechanical Engineering;
- Nursing Associate's and Bachelor's degrees;
- Microbiology;
- Medicine;
- Actuarial Science;
- Accounting and Economics;
- Electrical Engineering;
- Pharmacy;
- Computer Networking;
- Marine Engineering;
- Automotive Engineering;

- Tourism and Travel Management;
- Surgery and Medicine;
- Biomedical Science;
- Information Technology;
- Dental Hygiene;
- Environmental Science;
- Hospitality Business Management;
- International Business;
- Computer Engineering;
- Power Engineering;
- Business Administration;
- Radiology Technician; and
- Veterinary Technology.

Madam Chairman, the department continues to collaborate with industry stakeholders to provide training and professional development to ensure that Bermudians have a pathway to national certification.

Madam Chairman, the total number of individuals certified as of January 31, 2021, was 203, equal to the previous year. As a result of staff shortages, the post for the standards and enforcement officer remains vacant. It is anticipated that the recruitment for a standards and enforcement officer will be filled this upcoming budget year. Additionally, due to COVID-19 and department staff and resources/efforts diverted to administer the Unemployment Benefit for the six-month period March to August [2020], the national certification process was interrupted, having major impact on its progress. As of January 31, 2021, the number of individuals certified includes 42 electricians, 27 welders, 31 automotive service technicians and 103 landscape gardeners.

The constitution of the new National Training Board Chairperson and committee will make a [concerted] effort to revisit and advance the national certification process in partnership with the Occupational Advisory Committee [OAC].

Madam Chairman, the Apprenticeship Professional Development performance measures are outlined in business unit 70016 on page B-192. The scholarship programmes included in this business unit are available to individuals 18 years old or older who are interested in expanding their skills and knowledge focusing on vocational and technical education. Financial support is provided for local and overseas educational pursuits.

Madam Chairman, the Training Section awards scholarships based on local workforce needs, particularly in areas underrepresented by Bermudians. During the period 2020/21 the department provided funding for a total of 43 students for overseas studies, of which 12 were new and 31 continuing awards. Due to the COVID-19 pandemic and the inability of some students to return overseas, some continue their studies online and others have deferred their education until 2021/22.

The department sponsored an additional eight individuals for funding for the General Education Di-

ploma (GED) this fiscal year. Of the eight, five attended C.A.R.E. Learning Centre and three attended the Adult Education. The department initially budgeted for a total of 25 GED sponsorships. However, due to COVID-19 shelter-in-place restrictions, classes were suspended. Typically, the department provides sponsorship for a maximum of 25 individuals, not to exceed \$5,000 per person for a three-term semester annually. However, due to budget cost savings, 17 individuals were funded for the previous year.

Madam Chairman, the Career Development Section Performance Measures are outlined in business unit 70400 on page B-192. The Career Development Section prepares individuals, particularly the vulnerable population, for the workforce. As of February 28, 2021, a total of 1,644 persons were registered with the department as either unemployed or seeking alternative employment. In the previous budget year, 1,559 persons were registered with the Career Development Section, reflecting a 5 per cent increase in registrants.

The department has worked diligently to provide career development and transitional services for unemployed persons. As of February 28, 2021, the department provided services for 1,002 persons during this financial year, of which 249 were new registrants. Career Development services included:

- career and skills assessments;
- résumé critique and development;
- employability skills training;
- providing resource information for e-learning opportunities and Workforce Development training;
- job search assistance; and
- career guidance.

As of February 28, 2021, there were 416 career assessments administered.

Madam Chairman, as a requirement of the 2015 Work Permit Policy, the Career Development Section this financial year received requests for referrals relating to 371 restricted job category positions. Subsequently, there were 736 suitable candidates referred. As of February 28, 2021, there were 103 reported hires compared to 114 for the previous year. The workforce has been significantly impacted this financial year due to COVID-19 and measures taken to ensure public health. Additionally, as previously indicated, normal services and operations were suspended for a significant portion of this financial year to support administration of the Unemployment Benefit and public health. Although there is a marked decrease in reported hires, the section awaits details of hires for recent recruitment and training initiatives.

The Career Development Section continues to utilise the Bermuda Job Board as a job search and referral tool to assist clients. Registration sessions and introductory computer courses are ordinarily offered regularly. However, during this fiscal year the section has had to reduce the number of participants

in each training [session] in accordance with Government COVID-19 regulations. Each session is designed to help persons with limited computer literacy skills to build confidence with technology and apply for jobs online to increase their prospects of employment.

Madam Chairman, as of February 28, 2021, there were 19,832 candidates registered on the Bermuda Job Board, an increase of 2,369 from the previous year. The number of employers currently registered stands at 2,573, an increase of 199 from the previous year. There were 240 jobs posted as of February 28, 2021.

The Job Board continues to see considerable activity with 248,095 job applications submitted to date since its initial launch in 2013. This represents an increase of 41,982 submissions from the 2019/20 fiscal year. The ability for employers to report on hires was developed in March 2016. Since then there have been 4,692 reported hires through the Bermuda Job Board. This represents an increase of 1,336 from the previous year. The hires consist of:

- 147 hires in 2015;
- 974 hires in 2016;
- 759 hires in 2017;
- 738 hires in 2018;
- 924 hires in 2019;
- 1,118 hires in 2020; and
- 32 hires to date in 2021.

Madam Chairman, the Career Development Section facilitates employability skills workshops to equip job seekers with the tools necessary for employment success. As of February 28, 2021, there were 417 persons who participated in training such as interview skills, résumé development, navigating online job platforms, labour market information and marketing yourself for success. The low attendance is primarily attributed to no-shows, low registration and the inability to contact clients who would benefit from the sessions. This was further compounded with the suspension of regular services due to COVID-19 and the deployment of resources to support administration of the Unemployment Benefit. However, the department is positioned to continue to exceed last year's total of 421.

### Major Achievements

**Sen. Arianna Hodgson:** Madam Chairman, I now shift to highlight some of the additional work that was undertaken during the 2020/21 financial year. You will recall in early 2020 the country faced unprecedented challenges due to the COVID-19 global pandemic. Efforts to protect the public and minimise the spread of virus prompted cautionary measures like shelter in place. The COVID-19 regulations, though necessary for public health, have resulted in long-term unintended consequences for Bermuda's economy, tourism industry and workforce. In light of these unforeseen challenges, the Government made a commitment to

provide access to temporary unemployment benefits for individuals directly impacted by COVID-19.

Government has reported that over 10,000 persons have received the temporary assistance to date. During this period, the department was at the forefront of creating a structure and mechanism to support administration of the Temporary Unemployment Benefit, provide information to the public and address applicant queries. Subsequently, due to the magnitude of the Unemployment Benefit Programme, the volume of applications and COVID-19 regulations, the department found it necessary to suspend normal operations and services. This has significantly impacted planned programmes for the 2020/21 financial year.

Madam Chairman, while Bermudians sheltered in place, the Career Development Section provided the public with information and resources to assess their current skill set and contemplate retooling for future opportunities. Interested persons were provided links for free and low-cost training, distance learning and technology skills training. And during the COVID-19 pandemic, businesses, schools, teachers, students, families and individuals have had to rely on a wide variety of emerging technologies to navigate the challenges in education and work environments. Additionally, persons expressing an interest in completing a career assessment were provided with links for the CareerScope online assessment, which enhances the career and educational planning process by measuring both interests and aptitude.

In spite of the challenges with the onset of COVID-19 and the need to shift operationally, the Career Development Team has deliberately engaged in several public-private partnerships to respond to workforce needs. In September 2020 the department learned of the planned closure of the Fairmont Southampton Hotel to support an 18-month period of renovations. Following the news, the Ministry and Department immediately arranged to meet with the Fairmont Southampton and Hamilton Princess Hotel and Beach Club Talent and Culture teams, the Bermuda Hotel Association and representatives from the Chamber of Commerce Restaurant Division to understand the scope of planned redundancies and discuss redeployment of talent and training needs for existing and future opportunities.

Further, the department was invited to participate in a career fair hosted by the Fairmont Southampton Talent and Culture team in October 2020. The career fair was designed to connect employees and employers. Additionally, it was an opportunity to provide resource information to assist with transition and support services. The Career Development Section continues to support those who expressed an interest in working with the department to assist with their employment and career goals.

Madam Chairman, the department continues to take a collaborative approach to create opportunity

for Bermudian jobseekers and engage employers to address Bermuda's workforce needs. For similar purpose, the Ministry and department team met with local recruiters in October 2020 to determine how we might be able to work together to address the unemployment crisis. The conversations proved fruitful and covered a range of topics which included policy, a mechanism for information sharing, rebranding, partnering on career readiness training and networking for corporate professionals.

The Career Development Section partnered with professional recruitment agencies to host two virtual networking events for Bermudian corporate professionals living on Island and abroad. The event specifically targeted accounting, legal and corporate professionals. Public interest was overwhelming, resulting in over 100 registrants enlisting their interest to participate in the networking event.

This prompted the need to coordinate an additional event on a separate date to accommodate the volume of registrants. The events were hosted over two consecutive weeks during February [2021] with 10 participating recruitment agencies. Given the event was recently held and the timelines required for recruitment, it is too early to report hires. We have, however, been advised of some initial hires and are hopeful that we will learn of many more. The local recruiters participating in the events included:

- Acumen Group;
- Details Management Ltd.;
- Elevate Executive Selection;
- Executemps Ltd.;
- Expertise Group Limited;
- Frontier Financial Services Ltd.;
- Island Employment Partners;
- Ontru;
- The Platinum Group Ltd.; and
- Performance Solutions Ltd.

The feedback from all of the recruiters was overwhelmingly positive, with some very excited that they were able to identify talent to meet their clients' needs. Each recruiter has advised that they will continue to work with participants to help them to secure employment.

Madam Chairman, this is just one of the initiatives ensuing from our meeting with local recruiters. In addition to the networking event, recruiters desired a mechanism for information sharing regarding corporate Bermudian talent. The event enabled the department to launch this information exchange and provided access to a pool of corporate talent. This has positioned the Career Development Section to respond to requests for professional talent.

Madam Chairman, in the coming weeks the Career Development Section will introduce a standard work readiness curriculum and credential which will help job seekers to differentiate themselves and demonstrate that they have the workplace skills that employers demand. Persons completing the curricu-

lum from the Center for Work Ethic Development will be positioned to earn the Certificate of Work Ethic Proficiency by demonstrating mastery of the work ethic concepts. The work ethic programme, Bring Your 'A' Game, focuses on the following seven skill areas which are strong indicators of job performance and work success (attitude, attendance, appearance, ambition, acceptance, appreciation and accountability):

- Attitude—staying positive in every situation, taking control of the way in which you react.
- Attendance—showing that you are reliable in every phase of your life; be on time every time.
- Appearance—being professional both in the ways you work and the way you look.
- Ambition—taking initiative and adding value, doing more than the minimum.
- Acceptance—having respect and following direction, being coachable and playing by the rules.
- Appreciation—demonstrating your gratitude towards others, providing selfless service.
- Accountability—living honestly and having integrity with every decision that you make, refusing to rationalise bad decisions.

Madam Chairman, the Summer Employment Programme (SEP) coordinated by the Career Development Section assists Bermudian college and university students in the development of their career goals by connecting work experiences to their academic learning. Work assignments are professional in nature and based on entry-level job descriptions. Interns receive placements within government, private and non-profit sectors where they learn leadership and decision-making skills, time management, conflict resolution, and career and work competency standards.

This year, although the pandemic presented unique challenges, the Summer Employment Programme commenced in June 2020 with a total of 73 students being placed in internships. Placements are ordinarily based on area of study. However, because several businesses had not resumed normal operations in June and many of their staff were continuing to work remotely, interns were placed in areas of the greatest need.

For example, there were several pre-med and science interns on the frontline for COVID-19 testing. The programme ran from June through August. Each intern completed up to 10 weeks and received a \$6,000 stipend for work performed. During this financial year, the stipend amount increased from \$5,000, or \$500 weekly, to \$6,000, or \$600 weekly, at a maximum of 10 weeks. This year the department originally budgeted for 75 students. However, because some students were not able to complete the full 10 weeks, the department was able to provide opportunity for an additional seven students.

Madam Chairman, there were several extremely talented interns who participated in the 2020 Summer Employment Programme. Some of the academic programmes the interns were pursuing included:

- Law, Social Policy and Political Science;
- Business (Accounting, Finance, International Business);
- Health (Pre-Medical, Pre-Dentistry, Nursing, Radiology, Occupational and Physical Therapy, Speech and Language Pathology, Public Health, Biomedical Science, Pharmacy);
- Sciences (Environmental Science, Pre-Veterinary Animal Science, International Wildlife Biology);
- Human Services (Psychology, Social Work, Forensic Psychology);
- Education (Early Childhood, History, Art, Special Education);
- Architecture; and
- Criminology and Criminal Justice.

Madam Chairman, we wish to make mention of one of our earlier college interns, Aljalía Julio, who first participated in the Department's Summer Employment Programme in 2015 and continued to participate each summer until 2018. During her time in the programme, she obtained a Physiotherapy and Occupational Therapy Assistant Diploma and a Bachelor's in Sports Therapy. Aljalía was placed with InTouch Therapy where she received hands-on experience under the guidance of seasoned physiotherapists. We have recently learned that Aljalía went on to complete her Master's Degree in Physiotherapy in July 2020 and has continued to work each summer with InTouch Therapy. Aljalía is now a licensed physiotherapist. She is currently completing a six-month intern period for experience and has been offered full-time employment with InTouch Therapy.

This is only one example of developing a talent for Bermuda's workforce and Government's return on investment in the Summer Employment Programme. We wish to congratulate Aljalía on her significant accomplishments. Her commitment and hard work have paid off. We also wish to acknowledge InTouch Therapy and the numerous employers who partner with us year after year to provide each intern with a meaningful experience. InTouch Therapy in particular has been a committed industry partner for several years and has given each intern an opportunity to connect theory to the world of work.

Madam Chairman, the Career Development Section also coordinated the Summer Internship Programme for high school students. The programme runs for the month of July and provides participants with an introduction to the workforce as well as career exposure. As a result of the programme, Summer Internship Programme participants are better equipped to make informed decisions about their future career

path. This year there were a total of 52 participants from the public, private and home schools.

Madam Chairman, the programme rate previously totalled \$400 for the entire four-week period. As previously reported, the rate was re-evaluated in the 2019/20 financial year. This resulted in an increase from \$400 in total to \$400 weekly, with a maximum \$1,600 stipend. The rate increase has created the opportunity to restructure the Summer Internship Programme with a more deliberate emphasis on work readiness and developing talent [for Bermuda's workforce].

Madam Chairman, it is important to highlight the work the section continues [to do] each summer to prepare youth for Bermuda's workforce and address youth unemployment. Similarly, the Career Development team has facilitated employability skills sessions for private and public schools. Although we could not have a physical presence in the schools this fiscal year, the team facilitated several virtual sessions for Mount Saint Agnes School, grades 9 through 12, for their Career Day. Each grade level had two streams participating in the sessions. The emphasis was on understanding where the career opportunities are in Bermuda. We also demonstrated how to access statistics on employment in Bermuda. Supporting career awareness and work readiness in the schools is a worthwhile partnership, one that we hope will bear fruit for many years to come.

Madam Chairman, during this financial year the department has been intentional about addressing youth unemployment. Youth under age 26 have historically seen the highest unemployment levels, according to sequential Bermuda Job Market: Employment Briefs. COVID-19 has compounded the challenges this age group faces when trying to enter Bermuda's workforce. Therefore, the Career Development Section launched a pilot Graduate Trainee Programme during this financial year. It is important to note that the department received 54 applications in response to the Bermuda Job Board advert. Applicants were shortlisted and interviewed with a final 15 recent college graduates being selected for the opportunity.

The Career Development Section enlisted the support of industry partners Kelly Francis of Performance Solutions and Amrita Bhalla of AB Consulting to develop a Career Readiness Programme [CRP] to support participants in the Graduate Trainee Programme and position them to enter Bermuda's workforce. The CRP is a component of the Graduate Trainee Programme designed to support the Ministry's Youth Employment Strategy. The readiness programme provided training in the following areas:

- Develop Your Brand;
- Emotional Intelligence and Communication;
- Diversity and Inclusion;
- Office Etiquette; and
- Business Writing and Presentation Skills.

In addition to the training, each trainee was provided several one-on-one coaching sessions to offer personalised development and support. Each participant also benefited from the DiSC self-assessment tool, debriefs to increase self-awareness and improve teamwork, communication and productivity in the workplace. A private social media group was also formed to allow for messaging and to illustrate how such tools can be used for business.

To help each trainee build financial literacy skills, each were sponsored to participate in the Financial Literacy Course offered through the Bermuda College Division of Professional and Career Education (PACE), in partnership with the Chartered Financial Analysts (CFA) Society Bermuda. The course is designed as an introduction to basic money and financial concepts to build practical financial skills and to help participants to take control and manage their financial future. The course covered the following modules:

- Part 1, the Basics of Budgeting and Savings;
- Part 2, Income, Expenses and Debt;
- Part 3, Planning for Retirement; and
- Part 4, Putting it All Together.

These components of the Graduate Trainee Programme concluded with a virtual closing session with the Minister of Labour, the Workforce Development Team, Performance Solutions and AB Consulting on the 15<sup>th</sup> of February. Each trainee shared key takeaways from the sessions.

To highlight a few, Ailey McLeod stated that *the course really highlighted the advantage of using personal branding to stand out to potential employers. It also demonstrated the importance of being intentional in how I present myself, to ensure that this aligns with how I want to be perceived professionally.*

Brighton Swan added, *While I enjoyed the whole programme, the financial literacy course, which included personal sessions with others in the programme, enabled me to learn strategies from more experienced Bermudians to help improve my financial position in Bermuda.*

Daijon Taylor said, *My key takeaway was the personal branding. I have social media but never really used it for business. In the future, I will use social media as a way to help brand myself and network with people outside my immediate circle.*

Kelly Francis, President of Performance Solutions and Amrita Bhalla, Managing Director of AB Consulting, stated, *It has been a pleasure for us to partner with Workforce Development and Minister Jason Hayward to support Bermudian job seekers through the first cohort of the Career Development Programme. This programme has been designed to support the participants with developing key skills in the workplace and equip them with the knowledge and tools to be successful in their career journeys. We thank each of the participants for their time and dedication on the successful completion of the pro-*

*gramme, and we look forward to a continued partnership with the Department of Workforce Development.*

The graduate trainees include:

- Shanya Bashir, Bachelors of Arts Early Years and Childhood Studies, Manchester Metropolitan University;
- Christian Belboda, LLB Law & Legal Practice Course, Nottingham Trent University;
- Etteleon Burchall, Bachelor of Science Biology, Spelman College;
- Zya Fraser, Bachelor of Business Administration Risk Management and Insurance, Bachelor of Arts Computer Information Systems with a concentration in Cybersecurity, Georgia State University;
- Japhia Lightbourne, Bachelor of Science Accounting and Finance, University of West England;
- Samara Hunt, Bachelor of Science Human Resource Management and Business, Leeds Beckett University;
- Ailey McLeod, Bachelor of Social Science Anthropology and Politics;
- Jalen Means, Bachelor of Science Criminology, University of Tampa;
- Meshellae Payne, Master of Arts Principles of Conservation, University College of London, Bachelor of Science Archaeology, University of Southampton;
- Raichelle Johnson, Bachelor of Business Administration Marketing Management, Mount Saint Vincent University;
- Jessica Sharpe, Bachelor of Science International Relations, London School of Economics and Political Science;
- Braxton Stowe, Bachelor of Science International Business and Marketing, St. Louis University;
- Brighton Swan, Bachelor of Arts Business and Human Resource Management, University of West England; and
- Daijon Taylor, Bachelor of Commerce Accounting, Saint Mary's University.

Madam Chairman, although we were only able to accept 15 recent graduates in the programme, we extended our services and the opportunity to work with human resource professionals to support their job-seeking efforts to the remaining applicants. We are pleased to report that 15 of the remaining applicants took us up on our offer. Each have been provided one-on-one coaching sessions and will participate in a series of career-readiness seminars covering the following areas:

- Developing Your Brand;
- Résumé and Cover Letter Preparation;
- Interview and Presentation Skills; and
- Recognising and Leveraging Your Skills.

Madam Chairman, due to COVID-19, staff were unable to participate in overseas professional development opportunities. However, where possible they took advantage of virtual training sessions. Career Development staff participated in the following professional development courses and opportunities:

- Compassionate Care Advocacy and Awareness;
- Facilitating Career Development (previously, the Global Career Development Facilitator course); and
- Northwestern State University, Doctorate Program in Adult Learning and Workforce Development, which is self-funded.

Madam Chairman, staff training and professional development opportunities are vital to providing services for the unemployed, youth and special populations. More importantly, it is imperative that officers remain current with workforce trends and labour market information in order to provide proper guidance.

**The Chairman:** Senator Hodgson, I am just going to interrupt and let you know that you have about 29 minutes left.

**Sen. Arianna Hodgson:** Thank you, Madam Chairman. We are getting through it.

It is also critical for officers to obtain the necessary training to adapt with the *new norm* in the workforce and to implement the recommendations outlined in the National Workforce Development Plan.

Lastly, the Career Development Section continues to hold membership with several professional organisations, namely, the National Career Development Association (NCDA), the National Council on Workforce Education (NCWE) and the Bermuda Human Resources Association (BHRA). These memberships increase the opportunity for training, professional development, understanding how similar organisations are redefining services post COVID-19, networking and employer engagement.

Madam Chairman, the Learn to Earn restaurant training partnership initiative was originally launched in November 2019 with 13 young Bermudians. Due to the COVID-19 pandemic, the programme was temporarily suspended. This public-private training and development program aims to attract Bermudian jobseekers to restaurant careers and includes the following partners:

- Bermuda Tourism Authority;
- Bermuda College;
- Tomasz Tabor Memorial Fund;
- Harbourside Holdings (which includes Flanagan's Irish Pub, Divots, The Loft, Snug Café and Outback Sports Bar);
- Island Restaurant Group (which includes Baracuda Grill, Brew, Hog Penny Pub, Pickled Onion, Frog & Onion);

- Take Five (Devil's Isle, Village Pantry, Buzz Cafés); and
- Yellowfin (which includes Astwood Arms, Bistro J, Café TEN, Pearl, Port of Call and Yours Truly).

Madam Chairman, as a result of the COVID-19 pandemic shelter-in-place restrictions, the programme was suspended and the hospitality industry was significantly impacted. This resulted in major business closures, unemployment and layoffs, whereby the practical training component of the programme was revisited and recently relaunched in February 2021 in accordance with COVID-19 protocol restrictions. The programme was back on track and is scheduled to conclude March 2021. Participants received certification from the American Hotel and Lodging Educational Institute [AHLEI] as well as industry-specific training certification as baristas, food handlers, wine servers, Fire and Life Safety, and TIPS [Training for Intervention Procedures] for on-premises training certification. Nine Bermudians were employed at various participating restaurants as a direct result of this industry-driven partnership training initiative.

Madam Chairman, the department in partnership with the MEF Group of Companies designed and implemented a Food & Beverage training programme to strengthen and provide industry-specific training for Bermudians in the restaurant industry. The unique approach to this programme provided opportunity to include Bermudians with limited-to-no experience to work in various restaurant locations in various aspects of the business. Opportunities ranged from the least skilled to the more highly skilled individual. Other benefits of this comprehensive training programme include:

- providing Bermudians with a better understanding and perception of the restaurant industry;
- identifying a clear pathway in various areas in the restaurant [industry] as an occupation;
- better retention and monitoring of participants;
- develop networks and establish contacts in the restaurant industry; and
- Bermudians to obtain certification aligned with industry standards, quality of service, marketable skills and experience required in the restaurant industry.

Currently there are 12 participants in the training programme consisting of 6 males and 6 females. It is anticipated that the practical rotation component in the 12 MEF Group of Companies-Restaurants will conclude April 2021. The Ministry of Labour and Department of Workforce Development recognises and commends this mutual benefit partnership with the owners and management of the MEF Group of Companies.

Madam Chairman, I now shift to the work of the Training Section. The Apprenticeship and Trainee programme has successfully engaged industry part-

ners in developing opportunity for full-time employment and training for apprentices, specifically promoting employer incentives for formalising apprenticeship and training opportunities. Steady progress continues to be made in formalising apprenticeship and training [schemes] with both the government and private sector. This fiscal year the training section expanded training opportunities to include an additional 2 companies and 4 Bermudian apprentices, for a total of 22 companies registering a total of 97 apprentices as of January 31, 2021. The companies include:

- Brilliant Solutions—Electrical;
- Temperature Control and Plumbing;
- Strikeforce Carpentry;
- Sunny Side Solar;
- Mid-Atlantic Wellness Institute;
- Crisson's Construction;
- Perfect Pass Welding;
- J & B Complete Fashion;
- Teacher Pet Nursery;
- Port Royal Golf Course;
- Sylvia Richardson Care Facility;
- Bermuda Government, Department of Public Transportation;
- BAC Universal Electric Group of Companies;
- H. S. & J. E. Crisson Ltd;
- Noble Automotive;
- Efficient Technologies Bermuda;
- Otis Elevator Bermuda;
- Fairmont Southampton;
- Bermuda Electric Light Company;
- Bermuda Energy Services Company Limited (BESCO); and
- Tyne's Bay Waste-to-Energy Facility; and
- Government Quarry, Motor Mechanic Facility.

Madam Chairman, a total of 13 companies and 30 Bermudians were awarded approval for training schemes in the 2020/21 budget year, an increase of two companies and seven trainees. Benefits of this training scheme to employers and trainees include payroll tax waiver, subsidized wages, paid on-the-job training, work experience and industry qualifications. This payroll tax exemption from the Office of the Tax Commissioner provides relief for employers who are committed to training Bermudians. The companies receiving approval include:

- Chartered Professional Accountants—two trainees;
- Orange Bay company—five trainees;
- Otis Elevator Bermuda Limited—three trainees;
- Marshall Diel & Meyers Limited—one pupillage;
- Canterbury Law Limited—two pupillages;
- Elevate Executive Selection Bermuda Limited—one trainee;

- Arthur Morris, Christensen & Company—two pupillages;
- BESCO—two trainees;
- Walkers (Bermuda)-Taylors law firm—one pupillage;
- Meritus Trust Company Limited—four trainees;
- Appleby Bermuda—two trainees;
- Tuteca Limited—three trainees; and
- Mazars Limited—two trainees.

Madam Chairman, the department continues to provide sponsored training programmes and initiatives to fill the gap of Bermudians employed in the hospitality industry in general, and more specifically the culinary arts field. This information is captured in the Bermuda Job Market 2021 Employment Brief. The department uses this data along with the information from the Statistics Department's closed and restricted job categories list to determine areas of training and development programmes for Bermudians.

Currently, there are seven apprentices registered in the Culinary Arts Apprenticeship Programme with Fairmont Southampton. Two apprentices are on schedule to complete their four-year training on the 6<sup>th</sup> of March [2021]. Each year the apprentices attend five weeks of training at Holland College, Prince Edward Island, Canada. At completion, they will have acquired the relevant number of work hours to qualify them to sit the Red Seal International Certification exam in Culinary Arts.

Madam Chairman, the Training Section sponsored 10 apprentices with the Bermuda Electric Light Company [BELCO]. Four of the ten apprentices have completed their four-year programme. Specific areas of training for these Bermudians included an Industrial Electrician, Millwright Industrial Mechanic, Electrical Fitter and Power Line Technician. In addition, the department sponsored three new apprentices with Bermuda Air Conditioning Group of Companies (BAC Universal). Currently, BAC Universal has a total of 12 apprentices in the training programme at Bermuda College.

Madam Chairman, in direct response to workforce needs, the department in collaboration with the Construction Association of Bermuda [CAOB] launched a pilot masonry apprenticeship programme designed to ensure opportunity for Bermudians to qualify, gain experience and upgrade competencies in masonry. The programme utilises the National Center for Construction and Research [NCCER] masonry curriculum and includes a combination of on-the-job training and theory. Since the initial launch, eight companies each registered one apprentice. Six of the eight apprentices were employed, and two were newly hired. The department continues to work with other training providers to advance this programme and expand apprenticeship and internship training and employment opportunities in the technical and vocational [areas] and the trades.

Madam Chairman, the Training Section in collaboration with the National Training Board is in the process of revisiting the policy to advance National Certification. Madam Chairman, as of January 31, 2021, National Certifications in Landscape Gardening were awarded to 103 individuals. The Horticulture Programme was established in partnership with the Bermuda College Division of Professional and Career Education [PACE] to create a pathway to National Certification. Similarly, the department and PACE launched an accredited Automotive Technician Training Programme. The standard for this training is City & Guilds and also provides a pathway to National Certification. As of January 31, 2021, a total of 31 individuals received National Certification for Automotive Technicians.

Madam Chairman, to streamline the National Certification process for Welding, the department upgraded the welding facility at Bermuda College, Tech Hall, to be used for welding instruction and testing locally. The facilities upgrade supports National Certification and allows for remote video testing, invigilated by the Canadian Welding Bureau [CWB] in Canada. The upgrade will provide on-demand testing locally and eliminates the need to bring in overseas invigilators, resulting in reduced cost to the department. Also this year the department trained two local welders and members of the Occupational Advisory Committee [OAC] as Level 1 Welding Inspectors. This allows for the test to be administered locally and invigilated virtually by CWB. As of January 31, 2021, there were 27 individuals who achieved National Certification for Welding.

Madam Chairman, the Department of Workforce Development continues to work with the Occupational Advisory Committee to promote National Certification and recertification for electricians. The Training Section plans to launch an online training and testing platform for electricians in collaboration with Bermuda College and the National Training Alliance. Utilising an online platform provides greater access to requisite courses for National Certification. Further, the online platform will be augmented by traditional classroom training. The online virtual training, testing platform and traditional classroom instruction will be aligned with the [2017] National Electrical Code Standard. As of January 31, 2021, there were 42 electricians who received National Certification.

Madam Chairman, the Training Section funded training programmes for 13 at-risk individuals. The Successful Academic and Vocational Education Programme [SAVE] is a collaborative partnership with the following stakeholders:

- Court Services;
- Bermuda College;
- Mirrors;
- Department of Financial Assistance;
- Bermuda Housing Corporation (BHC); and
- Department of Corrections.

SAVE coordinates services and resources for at-risk individuals to increase access to academic and vocational training. Apprenticeships, on-the-job training, internships and professional development are avenues utilised to help participants to achieve self-sufficiency and sustainable employment.

Madam Chairman, in collaboration with the Department of Works and Engineering, through natural attrition and the competitive job market led the Tynes Bay Waste-to-Energy Facility to look at their training projections and need for power engineers.

In an effort to assist Tynes Bay to meet its mandate of developing certified power engineers, the department sponsored Marcal Wilkinson, a graduate of the Berkeley Institute and Hezekiah Rampersad, a graduate of CedarBridge Academy, to attend Cambrian College of Applied Arts and Technology. The school's curriculum is endorsed by the Technical Standards and Safety Authority [TSSA], a standard accepted for power engineers working in Canada and Bermuda. The programme will help these two young men to maximise their career opportunities by preparing them to challenge the various TSSA examinations after each year level. At completion, each will have the opportunity to interview for available positions.

#### Plans for the Upcoming Year

**Sen. Arianna Hodgson:** Madam Chairman, I now shift to highlight the work that will be undertaken during the 2021/22 financial year. The department will continue to lay the groundwork to implement identified elements of the National Workforce Development Plan. During this period, the department will work with the National Training Board to advance the plan for Bermuda.

Madam Chairman, the Career Development Team will utilise a standard work-readiness curriculum and award a Certificate for Work Ethic Proficiency for persons demonstrating a proficiency in the skill areas which are strong indicators of job performance and work success. This will better equip persons for the workforce and ensure that they have the skills required by employers. Further, the department will promote learning as a lifelong concept by offering learning opportunities and launching the Workforce Development Learning Academy.

Madam Chairman, the department, in collaboration with Financial Assistance, will support the implementation of Phase 1 of Financial Assistance reform to include the development of Personal Employment Plans. This initiative will incorporate elements of financial literacy training to support able-bodied Financial Assistance clients as they transition towards self-sufficiency. This will improve clients' ability to make financially responsible decisions which are essential for everyday life.

Madam Chairman, the department will continue to execute Phase 2 and Phase 3 of the Workforce

Development Re-employment Re-integration Job Strategy. This strategy, in alignment with the Government's platform initiatives and Ministry priorities, is designed to implement a phased approach to provide training and career development opportunities to facilitate the ease of finding employment for Bermudians. This is in direct response as a result of the COVID-19 pandemic, resulting in thousands of Bermudians being unemployed.

Additionally, due to the contraction of the workforce, the plan includes collaborating with industry partners to provide quality training and development programmes for Bermudians to reskill, upskill and become equipped. It will reduce the number of work permits in specific occupations which have a higher number of expatriate workers. The primary objective is to get Bermudians back to work doing jobs that Bermudians can do.

Madam Chairman, consultation and collaboration meetings with key industry partners aim to design and implement industry-driven training and career development programmes, apprenticeships, internships and the like that work in the interest of unemployed Bermudians, as well as those that add public value to the country. These programmes and services for clients aim to provide targeted training and development in identified areas of workforce need that directly connect Bermudians with employment. Project teams will match and track industry partners' and clients' progress to better connect employers with trained and qualified unemployed Bermudians for employment opportunities.

Madam Chairman, to further advance the development and implementation of the Re-employment and Re-engagement Training and Development Plan, guided by current and projected industry-based needs and information from the Department of Immigration, focus will be targeted in occupations of the workforce that include but are not limited to restaurants, cleaning, landscaping, certified administrative assistant and accounting designations to facilitate employment opportunities in high-demand occupations held by guest workers based on workforce trends and labour market information.

Madam Chairman, the Department of Workforce Development was charged to administer the Unemployment Benefit project for the period March to August [2020] to assist the thousands of unemployed individuals with the application process during the COVID-19 pandemic to apply for financial assistance during their time of financial hardship. To complete the project, the department has convened a small team for the review and compliance of the Unemployment Benefit database.

Madam Chairman, the department will continue to increase the number of training programmes and apprenticeships to reduce youth unemployment and align with industry needs. The section continues to experience considerable success with employer

engagement and public-private partnerships. For this reason the Training Section, in consultation with the National Training Board, will establish a more deliberate approach of engaging key industry stakeholders. The approach will be more measured to understand what resources are needed and what additional incentives can be implemented to increase the number of on-the-job training opportunities for Bermudians. The section will target the following industries for the [2021/22] budget year:

- hospitality;
- vocational/technical trades;
- information technology;
- health; and
- other high-demand occupations.

Madam Chairman, the department will work closely with the Department of Communications to launch an awareness campaign, utilising digital and social media platforms to encourage all tradespersons to register for National Certification in the designated occupations.

Additionally, the department plans to use a more focused approach in the options for scholarships to support a talent pipeline for Bermuda's workforce. We recognise there are individuals who do not have the economic means to pursue higher learning. The department will award scholarships on the combined basis of financial need and workforce priorities. Again, scholarships will be awarded to persons pursuing professions in areas traditionally underrepresented by Bermudians, to reduce the number of work permits in occupations that have a high number of expatriates and to get Bermudians back to work in entry-level, mid-level and high-demand occupations in the workforce.

Madam Chairman, the need for more strategic succession planning within Government, particularly in the trades and technical professions, is evident. In the upcoming financial year, the department will continue to collaborate with government departments, as well as the private industry sector who employ tradesmen, to understand their forecasted needs. For example, the department will co-sponsor local and overseas training, career development and internship programmes to increase employment opportunities for Bermudians in the various trades, vocational [occupations] and technical occupations held by guest workers.

Madam Chairman, the department remains committed to ensuring that Bermudians are not disadvantaged and that they are sufficiently prepared to meet the needs of the workforce. As I conclude, I would like to take this opportunity to acknowledge the hard-working staff of the Department of Workforce Development under the leadership of the Acting Director, Dr. Patricia Chapman. This department remains at the forefront of providing training and career development programmes and services for Bermudians in

preparation for the world of work, moreover during these unprecedented times.

Madam Chairman, this now concludes my presentation for Head 60, the Ministry of Labour.

Madam Chairman, if you would like I can go back and try to answer some of the questions from Head 27. I am not sure how to go.

**Sen. John Wight:** Yes. I think, Senator, in the absence of . . . I think Senator Simmons will be back in a second. So that would be a good suggestion.

**Sen. Arianna Hodgson:** Okay. Perfect.

*[Pause]*

**The Chairman:** Senator Hodgson, thank you for that rather extensive brief.

There are about four minutes left of the time that we have.

Are there any Senators who have questions that they would like to pose?

Senator Robin Tucker. You need to unmute yourself.

**Sen. Robin Tucker:** Good afternoon again, Madam Chairman. Thank you very much. And also, thank you very much to Senator Hodgson, Junior Minister Hodgson, for the very comprehensive brief that she gave.

I do have several questions. However, in the interest of time, I would ask permission to be able to provide my questions for Head 60 in writing and anticipate response if that is okay. In the meantime, though, if she can at least, in the few minutes that we have left, give answers to as many questions that she is able. Thank you very much.

**The Chairman:** Thank you, Senator Tucker. So you are submitting all of your questions for Head 60 in writing. Okay. Thank you.

Are there any other Senators who would like to ask questions on this head, Head 60, Workforce Development?

I do not see anyone else indicating that they would like to ask a question.

Senator Hodgson, do you have answers to any of the questions under Head 27—Immigration?

**Sen. Arianna Hodgson:** Yes. Yes, I do, Madam Chairman.

**The Chairman:** Okay. Please proceed.

**Sen. Arianna Hodgson:** I guess I will go back to the first question regarding the salaries estimates and whether or not there are any vacant posts that were cut. And so, no, [there were] no vacant posts were eliminated in this instance. But the decrease is directly

associated with the 10 per cent reduction in gross salaries.

Regarding the Professional Services budget, the department employed a business analyst/consultant to continue the process re-engineering work. And that included documenting workflows, revising those workflows for developing job ads, business rules, training materials and presentations to inform staff of changes. The consultant also assisted with documentary requirements for future IT systems works. So I hope that provides some context.

Regarding the Repairs and Maintenance—

**Sen. Robin Tucker:** Madam Chairman.

**The Chairman:** Yes, Senator Tucker.

**Sen. Robin Tucker:** I am sorry. Excuse me, Senator Hodgson.

I would just like to ask a supplementary question if that is okay. I am just interested in the business analyst and the latent contract fees.

**Sen. Arianna Hodgson:** Yes. And let me just confirm the contract. I will make a note of it because I do not believe time will permit. But I will definitely get that information to you.

Part of the first-year maintenance costs for the new border management system are reflected in the capital development budget for fiscal year 2020/21. However, there would be some minor additional maintenance in the current account that may have been incurred in support of maintaining new e-Gates at the L. F. Wade Airport Terminal. And again, I can confirm the value of contracts for the cleaning at the airport.

Ideally, the decrease from accepting the direct bank deposits, this will be a permanent change. And we hope to see, obviously, a change in savings moving forward.

With regard to the work permits of full-time and part-time, and the temporary and periodic ones as well, we do think that this has something to do with the moratorium and, you know, highly likely that this was in fact about the moratorium. However, the biggest impact would have been a result of the COVID-19 pandemic. And for that reason, a substantial number of work permit [applications] were not submitted.

Let's see. I will also provide some clarity on the transfer of the \$5.5 million. I can put that in writing for the Senators.

So regarding the capital acquisition, the \$80,000, this \$80,000 is for the purchase of an off-the-shelf version of Microsoft Dynamics, which will be used partially as a client relationship management system. The project entails building a web portal for the online receipts of applications, the implementation of a payment gateway and dynamics of the back end to coordinate a portion of the workload in the depart-

ment and to reduce reliance on paper files. This project specifically does not relate to the border management system.

**The Chairman:** We have actually exceeded our time now. Do you have any further responses, Senator Hodgson, or would you prefer to submit the remaining answers in writing?

**Sen. Arianna Hodgson:** I can submit the remaining. But I do have the information that the new cleaning contract for the Immigration area at the L. F. Wade International Airport, [it] is \$36,000 annually.

Thank you, Madam Chairman.

**The Chairman:** Thank you, Senator Hodgson. Would you like to move the two Heads, Head 27 and Head 60?

**Sen. Arianna Hodgson:** Yes, thank you. Madam Chairman, I move that Heads 27 and 60 be approved.

**The Chairman:** Is there any objection to that motion? No. I see and I hear none. So moved.

*[Motion carried: The Ministry of Workforce Development, Heads 27 and 60, were approved and stand part of the Estimates of Revenue and Expenditure for the year 2021/22.]*

**The Chairman:** Thank you very much, Senator Arianna Hodgson.

So we can move on. Senators, we are in Committee of the whole [Senate] for further consideration of the Appropriation Act 2021 together with the Estimates of Revenue and Expenditure for the year 2021/22.

The Ministry now under consideration is Transport. The Heads for debate are Head 30—Marine & Ports, found on page B-202 of the Budget Book; and Head 35—Public Transportation, found on page B-212 of the Budget Book.

One hour has been allocated to the debate of these two Heads. The Senator in charge is Senator Curtis P. Richardson, Junior Minister for Health, National Security and Transport.

It is now 5:49, and the debate on these two Heads will end at 6:49.

Senator Richardson, Junior Minister for Transport, how would you like to proceed?

## MINISTRY OF TRANSPORT

**Sen. Curtis Richardson:** Thank you, Madam Chairman. I would like to proceed by presenting the two Heads.

I move that the Committee do now take under consideration Head 30—Marine & Ports Services and Head 35—Public Transportation.

**The Chairman:** Thank you. Please proceed, Senator Richardson.

## HEAD 30—MARINE & PORTS

**Sen. Curtis Richardson:** Madam Chairman, I do believe it is important to outline the mission statement of the Department of Marine & Ports. It states that *it is the regulation and safe operations of Bermuda's maritime affairs including marine border security, search and rescue, and public transportation*. I feel this is vital. Speaking to the budget, it is found on pages B-202 through to B-207 of the Estimates of Revenue and Expenditure for the year 2021/22.

### Expenditure Overview

**Sen. Curtis Richardson:** Madam Chairman, the total current expenditure for the Department of Marine & Ports, Head 30, is estimated to be \$19,572,000, which represents a decrease of \$2,090,000, or a decrease of approximately 9.65 per cent, over the 2020/21 budget. The decrease was achieved through (1) the defunding of vacant funded posts; and (2) a decrease in the department's operating costs resulting in a modified ferry schedule that was achievable and in line with the budget allocation.

The Marine & Ports Department's services expenditures are set out under the following three business units and can be found on page B-202 of the Budget Book:

#### 3006—West End (Dockyard) cost centres

- 40040—Navigational Aids, \$678,000;
- 40140—Tug Service, \$1,673,000;
- 40210—Tender Service, \$377,000; and
- 40260—Dockyard Maintenance, \$3,259,000.

#### 3007—Central (Hamilton) cost centres

- 40090—Ferry Services, \$6,742,000;
- 40150—Mooring and Boat Registration, \$285,000; and
- 40220—Administration, \$2,762,000.

#### 3008—East End (Fort George) cost centres

- 40100—Maritime Safety and Security, \$1,872,000; and,
- 40180—Pilot Services and Offshore Search and Rescue, \$1,924,000.

### Revenue

**Sen. Curtis Richardson:** You will find Revenue provided on page B-203 of the Budget Book. Madam Chairman, it is anticipated that in 2021/22 the De-

partment of Marine & Ports Services will generate approximately \$6,004,000. Keep in mind that these anticipated revenues may be adjusted based on continued restrictions in place due to the pandemic. This will be realised primarily through fees charged for the provisions of the following:

- ferry services;
- tug services;
- boat haulage;
- pilotage fees;
- boat moorings; and
- port dues.

### Capital Expenditure

**Sen. Curtis Richardson:** Capital acquisition expenditure for the department, found on page C-13 of the Budget Book, is set at \$5,648,000. The sum of \$170,000 is set aside for navigational aids, which represents a decrease of \$80,000 below the budget of 2020/21. The capital budget for the vessel traffic management information system is set at \$270,000, which is also a decrease (over the 2020/21 budget) of \$80,000. A new capital allocation is provided for ferries in the amount of \$5,200,000 and represents funds for the department's vessel fleet refit as a replacement project. Also, \$8,000 is allocated to the purchase of new computer equipment.

### Manpower

**Sen. Curtis Richardson:** Madam Chairman, under Manpower, the department's full-time equivalents [FTEs] (found on page B-204 of the Budget Book) have decreased from 161 to 148 through the defunding of vacant posts.

### Performance Measures

**Sen. Curtis Richardson:** The department's performance measures, found on pages B-205 through to B-207 of the Budget Book, remain positive despite the challenges presented by the coronavirus pandemic and continue meeting the targets set in line with international standards. Maintaining these levels continues to be challenging with the rapidly ageing fleet that requires extra maintenance. Nonetheless, the department continues to work diligently to manage these processes and to ensure that the delivery of safe and reliable services is maintained.

Madam Chairman, the Department of Marine and Port Services represents one of the most critical operational arms of the Government of Bermuda as it facilitates the movement of vital shipping commerce in and out of Bermuda's ports. Shipping was greatly impacted by the coronavirus pandemic with the suspension of all cruise ship [calls] to Bermuda for the 2020 season. There were a total 476 international shipping movements in Bermuda's waters over the recorded

year, representing a 52.9 per cent decrease in shipping movements—a direct impact of the coronavirus pandemic.

The services that the department provides include pilot boats, tug boats, tender services and the Bermuda Maritime Operations Centre. Additionally, the department is responsible for the coordination of international search and rescue operations in the region of the North Atlantic, and retains oversight of overseas seaport security and marine border control in compliance with international standards. During the 2020/21 fiscal year, the department responded to over 355 search and rescue cases assisting both ships and aircraft locally and internationally.

Madam Chairman, the Sea Express ferry service—another service provided by the department—represents a comfortable and efficient means of public transport supporting the local commuter and visitor markets that was severely impacted by the coronavirus pandemic. And today ridership remains somewhat low with signs of slow improvement.

Madam Chairman, the Boats and Moorings Section is located at the old Paget [Post] Office building and continues to provide services to both recreational and charter boats, including moorings allocations. In the upcoming year this section will be closely monitoring the registration and use of moorings to ensure that the principle of *one boat to one mooring* applies to all boat owners. So if you own one boat but have multiple moorings, please know that the Boats and Moorings Section is clamping down.

Madam Chairman, the 2021 cruise ship season is somewhat difficult to predict. The start-up of scheduled cruise ship calls is fluid. It is anticipated that once they do start up, they will be at 50 per cent passenger capacity.

The Department of Marine & Ports continues to work towards the IMO (Instrument Implementation Code, which is the III Code) review, addressing all gaps identified by the UK Maritime & Coastguard Agency [MCA], including supporting legislation for both port and coastal states. The audit date continues to be pushed back because of the coronavirus pandemic and is expected to take place in May 2021.

### Output Measures

**Sen. Curtis Richardson:** Madam Chairman, the target outcomes for Marine & Ports operations for 2021/22 are to continue delivering the required marine services in a timely and professional manner to ensure customer satisfaction, also observing restrictions put in place as a result of the pandemic.

### Major Policy Changes

**Sen. Curtis Richardson:** Madam Chairman, major policy changes will be implemented based on the United Kingdom's Maritime & Coastguard Agency's

gap analysis undertaken ahead of the upcoming International Maritime Organization's (IMO) audit in May 2021. These areas of change will include oil pollution control, ferry operations, off-shore search and rescue, and better control over the importation of dangerous goods through our ports, along with other areas identified in the gap analysis. All outlined areas of change are fully supported by the new Marine & Ports Service Act 2021 legislation (in its final stages of coming into law). Bermuda has made great progress in tackling the identified issues highlighted in the MCA gap analysis and is currently well positioned to succeed in the upcoming audit.

### Plans for the Upcoming Year

**Sen. Curtis Richardson:** Plans for the upcoming year will include the following:

- continued educational and training opportunities for departmental staff to international standards (once the travel restrictions for government business are relaxed) to ensure the department provides our customers with safe, reliable and professional marine transportation and services;
- continued progress with the department's succession planning to ensure that highly technical posts within the department are filled by qualified Bermudians;
- continue providing training for the tug captains and engineers ahead of the new tugs coming into full service, estimated to be in May 2021;
- continue with the refit and replacement of the department's fleet of vessels;
- progress the renovation project of Marine & Ports workshops scheduled to commence June 2021;
- continue repairs to our navigational aids and offshore beacons;
- installation of a new user-friendly online boats and moorings registration system scheduled to go live April 2021; and
- review legislative amendments to assist with the removal of abandoned, derelict boats across Bermuda left behind by hurricanes.

Madam Chairman, I would like to thank the staff of Marine & Ports Services for their excellent search and rescue and pilotage services, as well as for delivering an efficient, consistent and reliable ferry service.

Thank you, Madam Chairman. This concludes the brief for the Department of Marine & Ports Services, Head 30. I now move on to Head 35, the Department of Public Transportation.

**The Chairman:** Thank you, Senator Richardson. Please proceed.

## HEAD 35—DEPARTMENT OF PUBLIC TRANSPORTATION

**Sen. Curtis Richardson:** Thank you, Madam Chairman.

Madam Chairman, I would like to present the budget for Head 35, the Department of Public Transportation, found on pages B-212 through B-215 of the Budget Book. The mission of the Department of Public Transportation is *moving Bermuda with a quality public bus service*.

Under the expenditure overview, Madam Chairman, the total current expenditure, on page B-212 of the Budget Book, is estimated to be \$19,532,000, which is \$2,836,000 less than the 2020/21 budget. The department has three business units: Transportation, Maintenance and Administration. The budget breakdown is as follows:

### 3501—Transportation cost centre

- 45101—Bus Operations, \$9,647,000.

### 3502—Maintenance cost centres

- 45090—Repair Services, \$4,239,000;
- 45115—Inventory Management, \$1,656,000.

### 3503—Administration cost centres

- 45120—Administration, \$3,241,000;
- 45200—Management Support, \$749,000.

### Transportation, Bus Operations

**Sen. Curtis Richardson:** Madam Chairman, the public bus service operates 18 hours per day seven days per week. Additionally, the school bus service operates on weekdays during term time.

The current account expenditure for Bus Operations, cost centre 45010, is estimated at \$9,647,000 for 2021/22. This is a decrease of \$1,119,000, or 10.4 per cent less than the prior year's budget.

### Maintenance and Repair Services

**Sen. Curtis Richardson:** Madam Chairman, the department employs a team of professionals in repair and servicing to maintain the fleet of public buses, support vehicles and equipment.

The current expenditure for Repair Servicing, cost centre 45090, is estimated to be \$4,239,000 for 2021/22. This is a decrease of \$1,385,000, or 24.6 per cent less, than the prior year's budget.

Inventory Management. Parts for vehicles and equipment are procured, stored, controlled and issued by the Storage Section, which falls under Inventory Management. The current expenditure for Inventory Management, cost centre 45115, is estimated to be \$1,656,000 for 2021/22. This is a decrease of

\$524,000, or 24 per cent less, than the prior year's budget.

### Administration

**Sen. Curtis Richardson:** The Administration Section is primarily responsible for developing department strategies, policies and procedures ensuring that the people, processes and resources are available to deliver a quality public bus service. The expenditure for Administration, cost centre 45120, which accounts for salaries, utilities and shared services, is estimated to be \$3,241,000 for 2021/22. This is an increase of \$337,000, or 11.6 per cent higher, than the prior year's budget due to the increased electricity costs for fuelling the new electric buses. This is offset by a corresponding reduction in diesel fuel costs under Repair Services.

The Management Support Team is responsible for the selling and processing of bus and ferry fares, and providing administrative services for accounts, procurement and human resources. The expenditure for Management Support is estimated to be \$749,000 for 2021/22. This is a decrease of \$145,000, or 16.2 per cent less, than the prior year's budget. Madam Chairman, it is anticipated that in 2021/22, Department of Public Transportation [DPT] will generate approximately \$2,864,000 in revenue, found on page B-213 of the Budget Book. This will be attained primarily from bus and ferry fares.

### Capital Expenditure

**Sen. Curtis Richardson:** Madam Chairman, the capital acquisition estimate for the department, as seen on page C-14 of the Budget Book, totals \$7,394,000. This is primarily for the acquisition of new electric buses consistent with the procurement strategy for replenishment of the aged bus fleet. The capital budget also includes implementation of a digital fare media system that will facilitate app-based mobile ticketing, contactless payment and real-time passenger information. The Digital Fare Media Project aims to provide frictionless, convenient and secure access to public transportation.

The automated bus washer is past its useful service life. This will be replaced with a modern system capable of washing the buses and large commercial vehicles.

### Manpower

**Sen. Curtis Richardson:** Madam Chairman, the total complement of full-time equivalents [FTEs] in the new 2021/22 fiscal year is 207, as recorded on page B-214 of the Budget Book. This is 25 fewer FTEs, or 10.7 per cent less, than the 2020/21 budget. The breakdown of full-time equivalents by each section is as follows:

Cost centre 45000—Auxiliary Bus Service has zero full-time equivalents, two less than the prior year's budget. This cost centre has been merged with cost centre 45101—Bus Operations.

Bus Operations, cost centre 45010, has 142 full-time equivalents, 15 fewer than the prior year's budget, reflecting reduction in the number of funded vacant posts.

Cost centre 45090—Repair Servicing has 45 full-time equivalents, five fewer than the prior year's budget [due to] the reduction in the number of funded vacant posts.

Inventory Management, cost centre 45115, has been allocated four full-time equivalents. This is unchanged from the prior year's budget.

The number of full-time equivalents for the cost centre 45120—Administration is four, which is one less than the prior year's budget due to the transfer to the newly formed Department of Employee and Organisational Development.

And Management Support, under cost centre 45200, has 12 full-time equivalents, a decrease of two funded vacant posts.

Madam Chairman, I take this opportunity to thank this dedicated group of individuals for their efforts in delivering a safe public bus service to our residents.

### Major Policy Changes

**Sen. Curtis Richardson:** Madam Chairman, the department is focused on delivering a reliable public bus and school bus service. To this end, it is replenishing the aged bus fleet, recruiting operations and maintenance staff, and investing in new technologies. In 2020, with the support of the Rocky Mountain Institute, the department concluded an RFP for the next generation of buses. The department will introduce appropriately sized electric buses at significantly reduced cost while also reducing fuel and emissions and improving road safety. The department's modernisation plan also includes the introduction of digital fare media, real-time passenger information and computer-aided dispatch.

### Plans for the Upcoming Year

**Sen. Curtis Richardson:** Madam Chairman, the Department of Public Transportation is committed to moving Bermuda with a quality public bus service. To achieve this, the department will implement initiatives that ensure reliability and dependability, improve the passenger experience and enhance operations. The department has concluded an exhaustive research and procurement exercise for appropriately sized low-emissions buses for Bermuda and in 2021 will take delivery of its first 30 electric buses. To support this, charging infrastructure will be developed at the Fort Langton Bus Depot. This initial order will provide

meaningful replenishment of the aged bus fleet and begin the transition to zero emissions.

### Asset Management

**Sen. Curtis Richardson:** Madam Chairman, with the introduction of new technology, the department is committed to technical leadership and enhanced asset management. Continuing investment will be made in the training, development and recruitment of technicians and trades responsible for fleet maintenance. The department will establish a work planning function and retool the Maintenance Section to support the next generation of buses. Considerable improvements are underway to the facilities and infrastructure.

### Passenger Experience

**Sen. Curtis Richardson:** The Department of Public Transportation aspires to be Bermuda's preferred transportation solution. To achieve this, the department will focus on improving the passenger experience both in person and through technology. The Ambassador Training programme will continue in 2021 for all front line representatives. The advancement of projects such as digital fare media and real-time passenger information will improve access to the public bus service and provide for a safe and consistent frictionless travel experience.

Madam Chairman, this concludes the brief for the Department of Public Transportation Services, Head 35. Madam Chairman, in closing I would like give special thanks to the Ministry's Acting Permanent Secretary, Jasmin Smith; the Director of the Department of Marine & Port Services, Rudy Cann; the Acting Director of the Transport Control Department, Terry Spencer; the Director of the Department of Public Transportation, Roger Todd; the Ministry's Acting Controller, Deanna Warren; and the Accounts Team throughout the Ministry for their hard work during the budget preparation.

Thank you, Madam Chairman. This concludes the brief for the Ministry of Transport.

Madam Chairman, if I could ask for any questions to be asked individually per Head at a time. And also, to save what seems to be a continuing trend to save time and energy, if anyone asking a question could have their volume up so that they can hear responses. And their microphone is not on mute.

Thank you, Madam Chairman.

**The Chairman:** Senator Richardson, thank you very much for the two briefs. They were both very, very informative.

We have 31 minutes left in this debate. And I would invite any Senator who has questions to indicate now.

I see Senator Marcus Jones.

And we will start with Head 30. So please direct your questions to that Head. And once everyone has had a chance to speak, then we go to Head 35.

Senator Jones, you have the floor.

We cannot hear you, Senator Jones.

*[Pause]*

**The Chairman:** Senator Jones, we cannot hear you.

**Sen. Marcus Jones:** I am sorry. My apologies.

**The Chairman:** Thank you, Senator Jones. Now we can hear you.

**Sen. Marcus Jones:** Now you can hear. Sure.

As I was saying, we do extend a thank-you to the Junior Minister for giving us this brief. And I am going to do my best to cut down on my questions so that he has sufficient time to answer them.

Looking at Head 30, page B-202 under business unit 3006, [my] question for the Junior Minister will be, Will the Dockyard maintenance and its complementary operations be moved to the vacant facilities made available since the America's Cup event, closer to Cross Island? Once you go through Dockyard and you see that so much of that space and that capacity can be used that is currently occupied by the Dockyard Maintenance Team, it surely can be used for revenue-generating and businesses that can appeal to the tourists who come on the cruise ships. So if I can get some clarity on that one.

Same page, business unit 3008, with only one full-time equivalent being reduced from last year's budget, what will be the impact of a \$766,000 reduction in line item Maritime Safety and Security in this year's 2021/22 budget? So if the Junior Minister can give us a more detailed explanation of how that will be impacted, that particular line.

Still on Head 30, business unit 3401 . . . that is not right. Boy, my notes are a little bit messed up here. Let me swing over to another question. I am a little bit off on that one.

Page B-206 under Moorings and Boat Regulations, business unit 40150, under that particular category, can the Junior Minister justify the percentage of removals in last year and this year of—how we can have removals of moorings of boats of 70 per cent this year, and last year's budget only coming in at an actual at 30 per cent? How can we justify still having a high percentage of 70 per cent? I think we need to consider having a more realistic percentage of being able to remove these bad-looking moorings and boats from off of our waters. A more realistic figure, in my mind, would make sense. But possibly the Junior Minister will have a better explanation for that.

Okay. A couple of questions for Head 35.

**The Chairman:** Not yet, Senator Jones, not yet.

**Sen. Marcus Jones:** Okay. Okay, I will stop there for Head 30.

**The Chairman:** Thank you for those questions.

Would any other Senator like to put questions?

Senator John Wight, you have the floor.

**Sen. John Wight:** Thank you, Madam Chairman.

It is more of a comment than a question. But on page B-203 in the Revenue Summary, at the bottom there, if we look at the 2019/20 year as being the last pre-COVID-19-affected year, our revenues were roughly \$5.5 million. And for the coming year, which will most certainly be affected by COVID-19, we are expecting an increase of roughly \$450,000 increased revenue. So I guess you could say . . . the question . . . but it just seems like the revenues for the coming year are very, very ambitious relative to what I think they realistically should be. But I think if we can match the revenues from the 2019/20 year, Bermuda will have done really well. To expect it to go up by \$450,000 is a real climb for us. So anyway, it is just an observation, not a question.

Thank you, Madam Chairman.

**The Chairman:** Thank you, Senator Wight.

Senator Smith, I think I saw your hand? Thank you.

**Sen. Ben Smith:** Yes. Thank you, Madam Chairman.

Still on page B-203, I just have a question regarding in the Revenue Summary. Has there been any thought of doing individual licences for individuals for boats the same way that we have car licences for individuals' cars? One, it would be a revenue stream. But on top of it, it actually would improve the safety on our waters. A lot of times in Bermuda, we get by by luck because things have not happened before. But it would be an issue where potentially there could be tiered licences depending on the size of the vessel that people are going to have.

There would be training for safety. I know that there are courses that are available for that. Not to make it too onerous, but at least so that everybody who is operating a boat or any kind of vehicle on the water would have some indication of the safety and how they actually deal with being on the water, tying up ropes, docking, just so that we can have some comfort that there is safety on our water. And at the same time, like I said, there is a potential revenue stream for it. Thank you.

**The Chairman:** Thank you, Senator Smith.

Are there any other questions on Head 30?

Senator Richardson, there do not seem to be any other questions on this Head. Would you like to respond to these, or should we now proceed to ask questions on Head 35—Public Transportation?

**Sen. Curtis Richardson:** Madam Chairman, I appreciate that. If we can move to the questions for Head 35, please.

**The Chairman:** Okay. We will proceed.

Senator Jones, please make sure we can hear you.

**Sen. Marcus Jones:** Yes. Thank you, Madam Chairman.

Page B-212, under Repair Servicing, we see there is a reduction of \$1.3 million. And corresponding to that on page B-214, full-time equivalent, on that same line of Repair Servicing, 45090, there is expected to be five fewer workers within that particular line item. My question to the Junior Minister would be, Can you justify the need to reduce those costs, especially since we have had . . . I realise a lot of these buses are in poor condition. In the event that we have a delay in these electric buses coming and we have to use what we have, I am just concerned that there are not sufficient bodies and not sufficient funds in there to ensure that we have enough buses functioning.

Also a suggestion that I have even heard in the community is, Would it not be productive and efficient if we were able to have a shift at night where workers can actually be fixing the buses between midnight and 6:00 in the morning when no one is using the buses so that we can maximise the number of buses that are available on a day-to-day basis?

Also, right there on page B-214, just if I can get an explanation of what management support is. It is 12 persons who work in that particular line item, which is 45200—Management Support. If I can get just a summary of what in fact they actually do. We are excited to see that there are going to be thirty new electric buses that are coming online. I notice there in page B-213 under Training, Training has been reduced from \$100,000 budgeted for the 2020/21 year to \$40,000 in 2021/22.

I would like to think that with these new electric buses coming online, there is going to be a need for added training of those who are going to be repairing the buses and for those who are going to be operating the buses. There may be a need for folks to go overseas to get training from the manufacturer. So can the Junior Minister please give us some sort of understanding of why, when there is a new fleet of buses coming in, we are actually reducing the training budget by 60 per cent? It seems a little bit high to me.

And with that, Madam Chairman, I will leave it for someone else to comment or ask questions.

**The Chairman:** Thank you, Senator Jones.

Are there any other questions from Senators with regard to Public Transportation, Head 35?

Senator Robin Tucker.

**Sen. Robin Tucker:** Thank you, Madam Chairman.

I just have a question on page B-214. And it is in relation to business unit 45010—Bus Operations. The number of positions is being reduced by 14. And so I just wanted to know if at any point these positions will be refilled? Or is it the plan to reduce the numbers permanently? Thank you, Madam Chairman.

**The Chairman:** Thank you for the question, Senator Tucker.

Are there any other questions on Head 35—Public Transport?

Senator Jones, I see you talking, but I cannot hear you.

**Sen. Marcus Jones:** Can you hear me now, Madam Chairman?

**The Chairman:** I can, and everyone else can as well.

**Sen. Marcus Jones:** Great. Just one last question, a very important one. On page B-213 I see there that this Ministry is looking for revenues of \$561,000 under the line item Cash, 8685. My concern and question for the Junior Minister was, If this cash, this large amount is expected to be generated, can we confirm that cash payments for PTB service is allowed for both ferries and buses? And what security measures are in place to keep that untraceable cash safe?

Thank you.

**The Chairman:** Thank you, Senator Jones.

Senator Richardson, I am coming back to you because that appears to be all of the questions.

**Sen. Curtis Richardson:** Thank you, Madam Chairman, and thank you to the Senators for their questions. I am glad that you asked these questions. They are quite interesting because they lead me to the vision of the department. With regard to the Marine & Ports Department, the vision of this Ministry is to move this industry forward and move this Ministry in a more consistent manner to provide what the mission of this department states.

The question by Minister Jones I can quickly answer. You asked if the Dockyard maintenance will be moved. The answer is yes. As a matter of fact, being more proactive, the Hamilton as well as the Dockyard maintenance will be moved to the old Oracle building up in the Dockyard area. So that is going to add to something that has been asked of.

Maritime Safety under cost centre 3008 . . . not cost centre . . . one second. Under the [Moorings] and Boats Regulations it was asked, the removal of 70 per cent versus 30 per cent. Well, that is pretty directly related to COVID-19. There is less movement in the waters, and there is less willingness and ability for people to pay for such movements in the waters.

The revenues, asked by Senator Wight—the revenues are ambitious for a modest cruise ship sea-

son. This Ministry has looked at things with regard to the cruise lines generating revenue through homeporting. And what is homeporting? Homeporting creates a balance of our air and cruise visitors. And with this initiative, no longer do these travellers need separate classification. Basic scenario—a cruise passenger books a [cruise] through the cruise line, [and] they will fly straight into Bermuda from [their] airport. They go straight to the ship. They will do the ship excursion cruise. And returning from the cruise, it could be two parts. We have looked at the option that people may go straight back to the airline, and there may be people who want to come back and stay at a hotel for a number of days. So all around, this increases the hospitality benefit. And this is important because we at the Ministry are strong in saying that there is no tourism without transportation. And the Ministry of Transport aims to continue to provide transport in a safe, reliable and consistent manner.

More specifically to questions asked, individual licences, by Senator Smith. Individual licences for boat operators, this is nothing new. This Ministry of Transport has already made it public, and the Chair of the Water Safety Council, who is Minister Weeks, he has already made it public knowledge that these licences will be looked into, going forward, with that initiative. And there will be the opportunity for persons to acquire these licences if they own and operate a boat. So it is nothing new. It has already been made public. And sure, the boating community is well aware of it already.

The 30 new buses, if I jump onto the buses, the new electric buses will require less maintenance as a result of putting together the accounting numbers. The cost for servicing any of the Department of Transportation vehicles at night-time will actually cost more in overtime.

I just want to impart some knowledge when it comes to the electric versus [diesel] buses and training, and the concerns of people knowing how to repair these buses and maintenance. Keep in mind that the electric versus the diesel buses, the chassis remains the same. All of the mechanical stuff that is needed to [service] on the diesel buses for the axle and the truck chassis, this is all going to remain the same. So the training would not be needed and required for that.

The only thing that changes is how these buses are powered. Being electric-powered, its maintenance is a lot different. And some would say it is a lot easier than diesel. But those would be the people who are more in tune with the electric buses than the diesel. So the training, the cost of the training, I wanted to point out that the investment into training has somewhat increased because the training, the cost of training is included in the purchase of the buses. So it is all intertwined in an accounting fashion to be there and available for the continued maintenance of these buses.

Senator Tucker, as to your question . . . I think it was something to do with the bus [and] how do we have fewer employees. And that is because we have permanent vacant posts that have been removed. So those vacant posts are no longer there. So the numbers drop naturally as you would see in the trend within the Budget Book itself throughout many ministries, having removed the funded vacant posts.

If I could look at other questions. As far as the securing of what Senator Jones has labelled as untraceable cash (I think he said), the Department of Public Transportation has highly robust security services already in system. And that is not something that has been overlooked at all.

The vision of this department—I am very pleased with the questions because I mentioned what homeporting will do and how that will bring increased revenue for the entire hospitality market. I also want to point out that other than Ministry of Transportation Headquarters budget, \$21 million went towards the minimum regulated revenue guarantee that we have now at the airport that we have had to pay. That is a significant amount of money. I would like to let people know that \$21 million could have paid for so many things. It could have paid for the complete overhaul of every four-wheeled government vehicle. Twenty-one million dollars is even more than what Minister Peets would have for his Ministry.

You know, it has been the minimum revenue guarantee that we have at the L. F. Wade Airport, though that partnership is quite different from what we had in place prior to that agreement. That agreement is costing us so much more than even the money that we are looking at paying as a result of it. You know, we were not able to maybe do things to the upgrades to the Ministry of the entire bus fleet. That \$21 million—you know, our buses are something that we hold precious to our Ministry. And as a result of not having the money, we were not able to ensure that the bus fleet was kept up to date. Another thing that we lost out on is Oasis, which is a class of ship. It is the largest class of ships that we could have had. We have lost an approximate \$40 million with \$2 million for every call that those ships would have—with the number of ships that would have come into our ports. So we could not improve the Dockyard ports in order to facilitate [those ships].

And we just have to look at the knock-on effect because it is important to realise that this budget is reflecting not only what revenues this Government is able to generate, but it is also reflecting on the amount of money that we are losing as a result of deals that are in place. So I think it is important that we need to be mindful of that.

I give a lot of respect to the Ministry of Finance because they have done everything that they can imagine possible. And they have made a really good effort in putting together this budget.

I talked about, mentioned in my brief the frictionless transportation, this data that we will be getting and gaining with these new modern systems. Because when I think about what is your optimal bus service, you know, an optimal bus service will require every existing schedule—it would be 88 buses for winter and 65—which will be 65 operational and 25 to 30 in continuous maintenance. Budget savings will be reached with the removal of unfunded vacant posts, as I mentioned earlier. And I just want to let people know that this Ministry is doing all that it can. And we will deliver on the promises of providing a safe and well-robust public transportation service.

We are diversifying air service revenue options. In air service development, I can mention that the economy of scale, which is based on—it has been identified by the Bermuda Tourism Authority that there are 23 million potential travellers in the tri-state area, which has been the focal point and remains to the target clientele. However, in retrospect it has been identified by this Government that 44 million potential travellers—[there are] 44 million potential travellers in the Caribbean alone. I believe that the Caribbean ought to be the core focus of the Ministry with nonstop travel that will benefit what is predicted to be—for every one Bermudian who leaves Bermuda, we could potentially get 17 Caribbean travellers into Bermuda. So we know that we are not a Caribbean Island, but we have very close ties to the Caribbean. And that market must be tapped into. And I think that it is important for people to realise that this Ministry under the current leadership is doing an amazing job of looking at options to ease the burden on taxpayers, you know, with bills that we have to pay that are just based on bad deals.

And with this said, I want to close in my statement and answering these questions to say that this Government has a task to do all that is possible to generate revenue as a goal to keep our economy in a viable state. Thank you, Madam Chairman.

**The Chairman:** Senator Richardson, thank you very much for responding to the questions and for presenting a very informative brief on both of these Heads.

So, if you would like to go ahead and move the two Heads, Head 30 and Head 35.

**Sen. Curtis Richardson:** Madam Chairman, I move that Heads 30 and 35 be approved.

**The Chairman:** Is there any objection to that motion?  
I see none.

So approved.

*[Motion carried: The Ministry of Transport, Heads 30 and 35, were approved and stand part of the Estimates of Revenue and Expenditure for the year 2021/22.]*

**The Chairman:** Thank you again, Senator Richardson.

**Sen. Curtis Richardson:** Thank you, Madam Chairman, and thank you, fellow Senators.

**The Chairman:** So that concludes our debate on the Heads which were selected.

And I would like to call on the Junior Minister for Finance, Senator Arianna Hodgson, to continue so that we can close out this portion of our work today.

Senator Hodgson.

**Sen. Arianna Hodgson:** Thank you, Madam Chairman.

Madam Chairman, I move that the following Heads be approved as printed:

- Non-Ministry Department Heads 1, 2, 5, 56, 63, 85, 92, 98, 101;
- Cabinet Office Department Heads 13, 14, 43, 51, 61, 80, 94;
- Ministry of Finance Heads 11, 28, 39, 58;
- Ministry of Legal Affairs and Constitutional Reform Heads 3, 4, 74, 75;
- Minister of Education Heads 18, 41;
- Ministry of Health Heads 24, 91;
- Ministry of Labour Heads 44, 55;
- Ministry of Transport Heads 48, 34;
- Ministry of Public Works Heads 36, 53, 68, 81, 82;
- Ministry of Youth, Culture & Sport, Head 52;
- Ministry of National Security Heads 83, 12; and
- Ministry of Home Affairs Heads 93, 29, 32, 49, 79, 89, 97.

**The Chairman:** Is there any objection to that motion? I see none. So those Heads are approved. Thank you, Senator Hodgson.

*[Motion carried: The Estimates of Revenue and Expenditure for the Financial Year 2021/22 were considered by a Committee of the whole Senate and passed.]*

**Sen. Arianna Hodgson:** Thank you, Madam Chairman.

Madam Chairman, I move that the Capital Account Estimates be approved and stand part of the Bill.

I move that clauses 1 through 6 of the Bill, together with Schedule 8, inclusive, be approved and stand as part of the Bill.

I move that the preamble be approved and that the title stand as part of the Bill. And I move that the report of the Committee on the Bill entitled the Appropriation Act 2021 be adopted by the Senate.

**The Chairman:** Is there any objection to that motion? I hear none. I see none. Therefore, it is all approved.

*[Motion carried: The Appropriation Act 2021 was considered by a Committee of the whole Senate and passed.]*

**Sen. Arianna Hodgson:** Madam Chairman, I move that the Bill be now read a third time. I move that the Bill entitled the Appropriation Act 2021 do now pass.

**The Chairman:** Before you go that far, Senator Hodgson, would you move for the Committee to rise?

*[Inaudible interjections]*

**The Chairman:** We have to come out of Committee and let Madam President take over again.

**Sen. Arianna Hodgson:** I do apologise.

**The Clerk:** If the Committee's work is complete then, Madam Chairman, you can turn over to Madam President.

**Sen. Arianna Hodgson:** Madam Chairman, I move that the Committee rise and report . . . should I report progress?

**The Clerk:** No, no. You just have to move that the Committee report its findings to the Senate.

**Sen. Arianna Hodgson:** Madam Chairman . . .

**The Chairman:** I think all you need to do is ask that the Committee report on its work to the Senate.

**Sen. Arianna Hodgson:** Madam Chairman, I move that the . . .

**The Chairman:** That the Committee will rise.

*[Pause]*

**The Chairman:** Are you there, Senator Hodgson?

**Sen. Arianna Hodgson:** Hello. Can you not hear me?

**The Chairman:** No. I can now.

**Sen. Arianna Hodgson:** I move that the Committee now rise and report to the Senate.

**The Chairman:** Thank you, Senator Hodgson.

And I am handing back over to Madam President. Thank you very much.

**Senate resumed at 7:12 pm**

*[Sen. the Hon. Joan E. Dillas-Wright, President, presiding]*

## REPORT OF COMMITTEE

### APPROPRIATION ACT 2021

#### ESTIMATES OF REVENUE AND EXPENDITURE FOR THE YEAR 2021/22

**The President:** Thank you, Senator Arianna Hodgson. Thank you also to both Senator Simmons and Senator Wight for handling the Committee.

So the Committee has risen and reported to the Senate. Is there any objection to that motion?

No objection.

Senator Arianna Hodgson, it is over to you for the third reading.

## BILL

### THIRD READING

#### APPROPRIATION ACT 2021

**Sen. Arianna Hodgson:** Madam President, I move that the Bill be now read a third time.

**The President:** Is there any objection to that motion?  
No objection.

**Sen. Arianna Hodgson:** Madam President, I move that the Bill entitled the Appropriation Act 2021 do now pass.

**The President:** Is there any objection to that motion?  
No objection. Therefore, the Appropriation Act 2021 is passed.

*[Motion carried: The Appropriation Act 2021 was read a third time and passed.]*

**The President:** Thank you, Senator Arianna Hodgson. And thank you, everyone, for your participation in the debate process for the Budget Debate.

We will now move on to the Orders of the Day, and the next Order of the Day is consideration of the draft Regulations entitled the Bermuda Immigration and Protection (Rental and Use) Amendment Regulations 2021. And this is in the name of Senator Darrell, Junior Minister of the Cabinet Office.

You have the floor.

**Sen. Owen Darrell:** Lovely good evening to you, Madam President.

**The President:** And good evening to you.

**Sen. Owen Darrell:** Madam President, I move that the Senate do now take under consideration the draft Regulations entitled the Bermuda Immigration and Protection (Rental and Use) Amendment Regulations 2021.

**The President:** Is there any objection to that motion?  
No objection.  
Carry on, Senator Darrell.

**Sen. Owen Darrell:** Madam President, I move that the said draft Regulations be approved and that the following message be sent to Her Excellency the Governor.

**The President:** Is there any objection to that motion?

**The Clerk:** Do you want to do your brief?

**The President:** Oh, Senator Darrell. Have you got a brief? You need to read your brief.

**The Clerk:** And they will do the debate, and then you move that the Regulations be approved.

**The President:** Yes. We are back in the Senate process now. So, Senators, you need to move and then read your briefs, and follow the usual process.

**Sen. Owen Darrell:** Madam President, can you move on to number 3 until I can figure out where this brief is?

**The President:** Certainly.

Senators, we will now take on item number 3 on our Orders of the Day, which is consideration of the Draft Regulations entitled the Government Fees Amendment (No. 2) Regulations 2021. And that is in the name of Senator Hodgson, Arianna Hodgson, the Junior Minister for Finance.

Senator Hodgson, you have the floor.

## DRAFT REGULATIONS

### GOVERNMENT FEES AMENDMENT (NO. 2) REGULATIONS 2021

**Sen. Arianna Hodgson:** Thank you, Madam President.

Madam President, I move the Senate do now take under consideration the draft Regulations entitled the [Government Fees Amendment \(No. 2\) Regulations 2021](#).

**The President:** Is there any objection to that motion?  
No objection. Carry on, Senator Hodgson.

**Sen. Arianna Hodgson:** Thank you, Madam President.

Every two years the Government reviews all fees charged for government services. This review is to ensure that there is reasonable cost recovery for the provision of the various services offered by a range of government departments.

Government fees were last reviewed and amended in 2018 and were increased generally by 5 per cent. The Government took the decision not to amend government fees for 2020/21; the next scheduled review and fee increase would have been due next year, 2022.

Madam President, as announced in the 2021/22 Pre-Budget Statement, Government will be amending a few of the government fees in 2021, while other government fees will remain at their 2018 rate. Madam President, the following fees within these regulations will be amended within the existing Heads in the revised 2021 Fee Schedule and are as follows:

- Head 14: Children Act 1998, provisions section 3(a), (b), (c) and new fee section 6.
- Head 24: Electricity Act 2016, new fee section 6.
- Head 42: Marine Board Act 1962, all fees increased by 5 per cent, exception section 6 remains at 2018 rates.

Thank you, Madam President.

**The President:** Thank you, Senator Arianna Hodgson.

Would any Senator care to speak on this brief?

Senator Marcus Jones, I see you . . . you have the floor.

**Sen. Marcus Jones:** Thank you, Madam President.

We have no objections to this piece of legislation. We understand it is administrative in nature, increasing the various number of fees. That has got to be done before April the 1<sup>st</sup> in time before it expires. So we support these [Regulations], Madam President.

**The President:** Would any other Senator care to speak on this brief?

No? Seeing none, hearing none, Senator Hodgson, it is back over to you.

**Sen. Arianna Hodgson:** Thank you, Madam President.

Madam President, I move that the said draft Regulations be approved and that the following message be sent to her Excellency the Governor.

“May it please Your Excellency:

“The Senate, having had under consideration the Draft Regulations entitled the Government Fees

Amendment (No. 2) Regulations 2021, proposed to be made by the Minister of Finance under the provisions of section 2 of the Government Fees Act 1965, have the honour to inform Your Excellency that the Senate has approved said Draft Regulations.”

**The President:** Is there any objection to that motion?

No objection.

A suitable message will be sent.

*[Motion carried: Draft Regulations entitled Government Fees Amendment (No. 2) Regulations 2021 were approved.]*

**The President:** Thank you, Senator Hodgson.

We will now move on to item number . . . oh, I should check to see whether or not . . . Senator Darrell, are you ready to resume?

**Sen. Owen Darrell:** Not quite. I am still working on it, Madam President.

**The President:** All right. Then we will move on to item number 4, which is the Customs Tariff Amendment Act 2021. And that is also in the name of Senator Hodgson.

And you have the floor.

## BILL

### SECOND READING

#### CUSTOMS TARIFF AMENDMENT ACT 2021

**Sen. Arianna Hodgson:** Thank you, Madam President.

Madam President, I move that the Bill entitled the [Customs Tariff Amendment Act 2021](#) be now read a second time.

**The President:** Is there any objection to that motion?

No objection.

**Sen. Arianna Hodgson:** Thank you, Madam President.

Honourable Members are requested now to give consideration to the Bill entitled Customs Tariff Amendment Act 2021. Madam President, this Bill proposes to amend the Customs Tariff Act 1970 (the principal Act) with measures that introduce certain new end-use duty relief and reform selected existing end-use duty reliefs. The measures of the Bill affect the Fifth Schedule to the principal Act and make consequential changes to certain outlying statutory instruments.

In support of the Estimates of Revenue and Expenditure the Government promised that we will

through legislation and regulation create an environment that encourages innovation, entrepreneurs, businesses and start-ups. Madam President, in partial fulfilment of that promise, this Bill proposes to introduce both new and amended end-use relief that affords zero and concessionary rates of duty for approved businesses.

Madam President, the Bill proposes to introduce new end-use CPC 4237 providing 100 per cent duty relief for goods imported for and used wholly and exclusively for business purposes by an approved business. Under this new business end-use relief, the Minister will have enhanced authority and flexibility to approve appropriate businesses and goods for import duty relief.

**The President:** Sorry, Senator Hodgson. You are fading in and out of sound. So can you—

*[Crosstalk]*

**The President:** Senator Hodgson?

**Sen. Arianna Hodgson:** The Minister will decide the description and quantity—yes?

**The President:** Senator Hodgson.

**Sen. Arianna Hodgson:** Yes, Madam President?

**The President:** I am sorry. But you have been fading in and out. And we have not heard what you had to say a few minutes ago. Can you repeat what you just stated, please?

**Sen. Arianna Hodgson:** I will try and switch to the mobile data. Can you just give me one second?

**The President:** Yes, I will. Thank you.

**Sen. Arianna Hodgson:** Going offline.

*[Pause]*

*[Inaudible conversations]*

**Sen. Arianna Hodgson:** I hope that this is a bit clearer. Shall I start at the beginning? Or did it cut off at some point? Are you able to hear me, Madam President?

**The President:** I am hearing you; sorry. Carry on.

**Sen. Arianna Hodgson:** Okay. Perfect.

Madam President, this Bill proposes to introduce new end-use CPC 4237 providing 100 per cent duty relief for goods imported for and used wholly and exclusively for business purposes by an approved business. Under this new business end-use relief, the

Minister will have enhanced authority and flexibility to approve appropriate businesses and goods for import duty relief.

This new relief requires the Minister to publish policy guidelines on the approval of the scope and quantity of goods for any particular approved business. The policy guidelines will be published on the government portal.

Madam President, the policy guidelines will provide that the Minister will decide the description and quantity to be approved in any approved business notice made under new CPC 4237 on a case-by-case basis and in accordance with the following policy criteria:

1. The Minister will only approve businesses and goods where he is satisfied that the business undertaken in question is of sufficient benefit to the general economy of Bermuda, or the balance of payments (exports of locally manufactured goods).
2. The goods must be appropriate to the relevant approved business.
3. Approved goods may include raw materials; mixtures or combinations of materials or substances; finished goods, whether or not presented unassembled or disassembled; incomplete or unfinished goods; and composite goods consisting of different materials or made up of different components or modular parts.
4. The quantity of approved goods may take account of normal wastage in processing, construction or installation; damage; natural deterioration; wear and tear; or obsolescence.
5. In deciding the grant or scope of relief, the Minister may take account of (a) other available or granted drawbacks, exemptions, reliefs, remissions, and concessions; (b) other assistance received from Government or other organisations such as grants, duty deferment, Bermuda Economic Development Corporation loans; (c) the need for relief in any particular case bearing in mind the existing level of capitalisation of any particular business; (d) the uniqueness of the approved business with a view of encouraging appropriate diversification of local business undertakings; and (e) the suitability of the business with a view to encouraging undertakings that are not deleterious or harmful to Bermuda's reputation, culture and ethos.
6. The Minister may tailor the scope of relief to address any potential mischief such as the unwanted or unintended effects of any special duty rate.
7. The Minister will treat applications from similar businesses equitably so as to avoid trade distortion, subject nonetheless to the foregoing criteria.

Madam President, the Bill also proposes to introduce new end-use CPC 4238 with a concessionary duty rate of \$105 per kilogram for loose-leaf tobacco imported for use in the local commercial manufacture of tobacco products. A normal duty rate for loose-leaf tobacco is \$500 per kilogram. Concessionary rate is intended to assist local commercial manufacturers of cigarettes and cigars to maintain competitive pricing of their products in relation to imported cigarettes and cigars, and thereby continue to employ Bermudian workers with local manufacturers.

Madam President, the Bill further proposes to amend existing CPC 4229, goods for local commercial manufacturing, to allow local manufacturers of tobacco products and fermented alcoholic beverages (such as beer) to be designated as approved businesses and benefit from the 5 per cent concessionary rate in respect of goods such as manufacturing machinery, equipment and tools. CPC 4229 currently provides duty relief for goods for local commercial manufacturing but, unhelpfully, excludes manufacturing of tobacco and alcohol products.

Madam President, I now turn to the proposed reform of selected existing end-use reliefs. Madam President, the Bill proposes to repeal and replace existing end-use CPC 4110, school equipment, stationery and educational supplies, with a new CPC 4110, goods for educational institutions. The existing CPC 4110 is currently, unhelpfully, restricted to registered schools only and to a limited scope of qualifying goods. Under this new education end-use relief, the Minister will have enhanced authority and flexibility to approve any appropriate educational training or developmental institution for import duty relief.

The Minister will also be able to tailor the scope of qualifying goods in any particular case. This new relief requires the Minister to publish policy guidelines on the approval of the scope and quantity of goods for any particular approved institution. Policy guidelines will be published on the government portal. Madam President, those policy guidelines will provide that the Minister will decide the description and quantity of goods to be approved in any approved institution notice made under the CPC 4110 on a case-by-case basis and in accordance with the following policy criteria:

1. The description of goods approved must be appropriate to the particular object and purposes of the relevant approved institution.
2. Approved goods may include (a) raw materials; (b) mixtures or combinations of material or substances; (c) finished goods whether or not presented as unassembled or disassembled; (d) incomplete or unfinished goods; (e) composite goods consisting of different materials or made up of different components or modular parts.
3. The Minister will only approve goods where he is satisfied that they will be of sufficient

benefit to those enrolled in an approved institution.

4. Approved goods must be in a quantity appropriate to the physical size, enrolment numbers, and nature of the relevant approved institution.
5. The quantity of approved goods may take account of normal wastage in processing, construction or installation, damage, natural deterioration, wear and tear, or obsolescence.
6. In deciding the scope of relief, the Minister may take account of (a) other available or granted drawbacks, exemptions, reliefs, remissions and concessions; (b) other assistance received from Government or other organisations such as grants, duty deferments or Bermuda Economic Development Corporation loans; and (c) the need for relief in any particular case, bearing in mind the existing sources through level of funding of any particular approved institution.
7. The Minister may tailor the scope of relief to address any potential mischief such as the unwanted or unintended effects of any special duty rate.
8. The Minister will treat applications of similar institutions equitably, subject nevertheless to the foregoing criteria.

Madam President, the Bill proposes to amend existing CPC 4140, goods for youth organisations, to remove the specific reference to St. John Ambulance Brigade, which relief is covered elsewhere. The Bill also proposes to relax the end-use conditions and restrictions to permit the reasonable use in common of qualifying goods by persons other than approved organisations.

Madam President, the Bill proposes to introduce new end-use CPC 4236 that consolidates and rationalises existing duty relief for certain international organisations. The structure of the new relief helpfully affords the Minister discretion to extend duty relief to such other international organisations as may be expedient from time to time. This new relief requires the Minister to publish policy guidelines on the approval of the scope and quantity of goods for any particular approved institution. The policy guidelines will be published on the government portal.

Madam President, these policy guidelines will provide that the Minister will decide the description and the quantity of goods to be approved in any approved organisation notice made under CPC 4236 on a case-by-case basis and in accordance with the following policy criteria:

1. The description of goods approved must be appropriate to the particular mission of the relevant approved organisation.
2. Approved goods may include (a) raw materials; (b) mixtures or combinations of materials or substances; (c) finished goods whether or

not presented unassembled or disassembled; (d) incomplete or unfinished goods; and (e) composite goods consisting of different materials or made up of different components of modular parts.

3. Approved goods must be in a quantity appropriate to the scale of the activities of the relevant approved organisation in Bermuda.
4. The quantity of approved goods may take account of normal wastage in processing, construction or installation damage, natural deterioration, wear and tear, or obsolescence.
5. In deciding the grant or scope of relief, the Minister may take account of (a) other available or granted drawback exemptions, reliefs, remissions and concessions; and (b) other assistance received from Government or other organisations such as grants or duty deferments.
6. The Minister may tailor the scope of relief to address any potential mischief such as the unwanted or unintended effects of any special duty rate.
7. The Minister will treat similar organisations equitably, subject nonetheless to the foregoing criteria.

Madam President, the Bill also proposes to introduce a new end-use CPC 4239 for goods for the NASA Space Flight Temporary Mobile Tracking Station. Currently, the NASA Station enjoys temporary importation relief under CPC 5033. However, it transpires that NASA has need to keep certain goods for the station in Bermuda for longer than the statutory six-month period of importation. The introduction of this new end-use relief is done to perfect the range of duty relief afforded for the NASA Station in accordance with the agreement between NASA and the Government of Bermuda. This is the agreement between the National Aeronautics and Space Administration of the Government of the United States of America and the Ministry of Economic Development of the Government of Bermuda for a space flight temporary mobile tracking station, dated of March 7, 2012.

Madam President, I should mention that an amended CPC 4110 and new CPCs 4236 through 4238 will require the Minister of Finance to make notices to approve the institutions, organisations and businesses that are to be eligible for the end-use relief and to approve the applicable description and quantity of qualifying goods in each case. Such notices do not form part of this Bill but will be done by notice in the official *Gazette*.

Madam President, in addition to its principal measures, the Bill proposes to make certain other consequential revocations and repeals. It also makes clarifying amendments to the title of four existing Customs tariff approval notices to specify the particular CPC codes to which they relate.

Thank you, Madam President.

**The President:** Thank you, Senator Hodgson.

Would any Senator care to speak on this Bill?

Senator Jones, are you indicating you want to speak? You have the floor.

**Sen. Marcus Jones:** Madam President, we recognise the intent of the Government in giving the Minister broad powers when it comes to giving Customs tariff relief for certain sectors. We see the wisdom in doing it. We are a little bit concerned and would watch carefully the products that may be questionable. But we understand why the Government is doing it, and we support it. Thank you, Madam President.

**The President:** Thank you, Senator Jones.

Would any other Senator care to speak on this Bill?

Hearing none, it is over to you, Senator Hodgson.

**Sen. Arianna Hodgson:** Thank you, Madam President.

Madam President, I move that the Bill entitled the Customs Tariff Amendment Act 2021 be now read a second time.

**The President:** Is there any objection to that motion?

No objection.

#### SUSPENSION OF STANDING ORDER 26

**Sen. Arianna Hodgson:** Thank you, Madam President.

I move that [Standing Order] 26 be suspended in respect of this Bill.

**The President:** Is there any objection to that motion?

No objection.

*[Motion carried: Standing Order 26 suspended.]*

### BILL

#### THIRD READING

##### CUSTOMS TARIFF AMENDMENT ACT 2021

**Sen. Arianna Hodgson:** Thank you, Madam President.

I move that the Bill entitled the Customs Tariff Amendment Act 2021 be now read a third time.

**The President:** Is there any objection to a third reading?

No objection.

**Sen. Arianna Hodgson:** Thank you, Madam President.

I move that the Bill entitled the Customs Tariff Amendment Act 2021 . . .

**The President:** —do now pass.

Is there any objection to that motion?

No objection. The Bill is passed.

*[Motion carried: The Customs Tariff Amendment Act 2021 was read a third time and passed.]*

**The President:** Thank you, Senator Hodgson.

We will now move on to the next item—

**Sen. the Hon. Dr. Ernest Peets:** Madam President.

**The President:** Hello?

**Sen. the Hon. Dr. Ernest Peets:** Hi. Good evening, Madam President.

**The President:** Yes, Minister Peets.

**Sen. the Hon. Dr. Ernest Peets:** I am sorry to interrupt you at this time. I would just like to make a recommendation. Our frontline officers at Health are standing by. And in the interest of making sure they are actually keeping the country safe, we were wondering if we could actually do number 8, which is the Bermuda Health Council Amendment Act so that once we are done with that we could let our health workers, who are busy with COVID-19, get about keeping the country safe.

**The President:** Absolutely, Minister Peets.

So we will have then the second reading of the Bermuda Health Council Amendment Act 2021, and this is in the name of Senator Richardson, the Junior Minister of Health. You have the floor, sir.

**Sen. Curtis Richardson:** Thank you for your understanding, everyone.

Madam President, I move that the Bill entitled the Bermuda Health Council Amendment Act 2021 be now read a second time.

**The President:** Is there any objection to that motion?

No objection.

Carry on, Senator Richardson.

## BILL

### SECOND READING

#### BERMUDA HEALTH COUNCIL AMENDMENT ACT 2021

**Sen. Curtis Richardson:** Madam President and Honourable Senators, I appear before you this even-

ing to introduce the Bill entitled the [Bermuda Health Council Amendment Act 2021](#), hereinafter “the Bill.”

Madam President, the Bermuda Health Council Act 2004 gives the Bermuda Health Council (the Council) the authority to regulate the price at which drugs are sold to the public under section 5(h). The Act also provides for the Minister to make regulations as are necessary for carrying out or giving effect to the Act as pursuant to section 15(1)(h).

Madam President, the Bermuda Health Council Amendment Act 2021 will give effect to the Council’s authority to regulate drug prices by providing for the Bermuda Health Council (Drug Formulary) Regulations 2021 under which the Bermuda Drug Formulary (or the drug formulary), will be established. The drug formulary will provide for the list of drugs to be sold at a regulated price to the public.

As previously stated, Bermuda’s high cost of health care and ageing population and an increasing incidence of chronic diseases such as diabetes all contribute to the burden felt by many in the community. Even though we can appreciate that science continues to give us new medication and treatments for managing our health, it has been clear for at least the last 10 years that our people are concerned about the price that they have to pay for these medicines. In fact, the cost of medications is the largest out-of-pocket health expenditure for most.

Madam President, while insurance covers 80 per cent of the cost of the majority of the medications that we use, some medications costs tens of thousands of dollars. And for those with chronic conditions, having to pay 20 per cent of every single medication that they need quickly becomes very expensive. For seniors on FutureCare, the coverage for medication comes with a cap of \$2,000 per year. Financial Assistance pays for its clients to receive prescription medications; however, those not on Financial Assistance but with the Health Insurance Plan (HIP) must pay for all medications out of pocket. This has been underscored during the current coronavirus pandemic as more companies move their employees to HIP, leaving them without equitable access to medications.

Madam President, at a time when access to medication is not promised, medications that can keep people out of hospital, away from life-changing complication, we need to have more regulations to combat their cost. We have to purchase these medications at better cost in the international market, and we have to be more efficient locally so that savings can be seen in the hands of our residents. Right now, cost controls, price setting, cost regulation, cost limits and the additional fees for medications are privately set by private companies without government control or intervention.

While many may say private industry is best at managing retail products, experts including the World Health Organization and Pan American Health Organization consistently urge country governments

to become more involved in the process of buying and regulating medications. They know that health systems' affordability is strengthened by the ability of a country to be efficient in its handling of prescription medication. While all pharmaceuticals must be purchased abroad and are imported duty free, there is currently a lack of clarity around the pricing structure of drugs at the final point of sale to the public. Some pharmacies provide discounts; some do not. Some use their own relationships to produce medication for their pharmacy at better prices, while others only procure through the major importers. Each of these inconsistencies leads to a variation in price. And without an easy way to price-shop, consumers can be left out of luck—out to the luck of the draw.

Investigation undertaken by the Health Council, including extensive stakeholder consultation with public and private insurers, pharmaceutical wholesalers, pharmacy owners, the Pharmacy Council, physician representatives and others identified an introduction of a national drug formulary as an appropriate means by which drug affordability could be proceeded. This included more than 35 meetings, either collectively or individually, with these relevant stakeholders. The process of consultation has been rigorous and has extended over multiple years and across multiple governments. While consultation decreased at the onset and during the pandemic, the concepts that have been discussed and dissected over time remain true to the goal. The Health Council remains committed to the involvement of all parties as this work is implemented and practices are refined.

Madam President, per the Bermuda Health Council (Drug Formulary) Regulations 2021, the Bermuda Drug Formulary will comprise the list of medications and other products used in medical treatments to be sold at a regulated price to the public. This list of clinically relevant medications will leverage current science and evidence to promote best prescribing practices for the conditions that our people are living with. The purpose is not to control the price of every medication sold in Bermuda, but to focus on the list of common, essential medications that treat well-documented public health concerns such as diabetes, hypertension, cardiovascular disorder and pulmonary disease. Select medications such as Prednisone, used for the treatment of arthritis, blood disorders, cancer and eye problems, along with associated products and devices used in medical treatments will be included on this list.

As we continue to obtain data on our public health profile, so shall medications be added to and deleted from this list. This list is to be responsive to our national priorities for health care and it will include feedback from health professionals and pharmacists on the ground.

Madam President, as Honourable Senators will be aware, affordable universal health care for all is one such national priority of this Government. It is a

multi-year phased project, but immediate steps can be taken to reduce the costs for residents. Implementation of a national drug formulary is a step we can take now to reduce the costs to patients and provide relief to those on fixed incomes. A literature review of 26 research studies on the topic shows that most studies found that drug formulary policies reduced costs and did not negatively impact patients.

Madam President, the regulations provide for the Health Council to be advised on the drug formulary by a pharmacy and therapeutics committee as appointed by the Minister in consultation with the Council. The pharmacy and therapeutics committee will have a key role in, among other matters, evaluating drug utilisation in Bermuda and assessing new drug classes and clinical indicators. The committee will also determine how medical products will be added to or deleted from the drug formulary. The committee will develop its recommendations on the drug formulary's list of medications for final approval by the Bermuda Health Council. In doing so, the committee will make decisions that are supported by scientific evidence and appropriate standards of practice.

The committee will comprise a member of the board of directors of the Council who shall be the chairperson of the committee, a member of the secretariat of the Council, a representative of the pharmaceutical market in Bermuda, a representative of the health services market in Bermuda, and one international member representing the pharmaceutical market in the region. The legislation also calls for the appointment of up to four additional members such as importers, pharmacy owners or experts in the health field of high pharmaceutical demand. Subcommittees can also be formed with ad hoc members based on the clinical topic of interest. For example, if a cancer treatment is to be discussed, the committee will invite an oncologist to participate.

Madam President, the Government is aware that Jamaica and Islands of the eastern Caribbean have well-established drug formularies and procurement mechanisms in place, and we will look to engage a committee member from a sister island. The reason for including international representation on the committee is to gain better insight into the markets and trends in similar jurisdictions. It is notable that Bermuda pays much more for the same drugs than these counterpart countries. So we will seek common ground to achieve savings. The Eastern Caribbean created a process, although not easy, which resulted in a savings of 20 per cent a year within its pharmaceutical market. It is these insights that can lead to reducing the price that a vulnerable senior may pay for a drug that will keep him or her out of the hospital.

Madam President, under the regulations, to support understanding of the local use of medications and the conditions they can best treat, the Council will have the authority to require the submission of select data from insurers, pharmacies, medical practices,

hospitals and/or importers in respect of medical products. The purpose is to assist in the proper maintenance of the drug formulary and fair setting of drug prices. Price setting must be based on the actual data available so that prices are not set lower than the cost at which a drug can be bought from the international markets.

Madam President, it is important to point out that the basis of a drug formulary is partially in place already. Beginning in 2017, the Health Council undertook research and consulted with pharmacies, pharmaceutical professional bodies, the Pharmacy Council, local importers, physicians and insurers and reviewed claims data to create a list of medications that are critical for our common chronic conditions. The list includes medications such as insulin, used in the treatment of diabetes; Rosuvastatin, used in the treatment of high cholesterol; and penicillin, used to fight infection. The Council published this list as the Consumer Price List in February 2018. The regulations provide for the Consumer Price List to be used on the initial drug formulary.

Information about the process of developing this list and the consultation undertaking can be found on the Council's website under Resources, Consumer Pricing Guidance for Prescription Drugs.

Madam President, for the purpose of monitoring compliance with and the safety of the drug formulary, national drug codes will be established by the Council. The drug codes will be unique 10-digit reference numbers associated with all of the medical products making up the Bermuda drug formulary and will be required for all prescription medications whether or not part of the formulary. The regulations will require these codes to be stated on transaction documents. These invoice or receipt documents show what is being procured, imported, purchased at the pharmacy and reimbursed by insurers. In addition, the reference number will be listed on the label of the drug that is dispensed to the consumer.

Madam President, at present it is not possible to accurately ascertain what drugs are imported, in what quantities and at what cost. The implementation of national drug codes will enable [improved] tracking and reconciliation of these data. Most immediately, the Council will work with dispensing pharmacies to implement the code on drug labels as would be required for insurance claims in any case. Recognising many systems in Bermuda are paper based, a full implementation will rely on actions by international vendors and others.

The implementation of a standard reference number will be very important for optimising inventory management of prescription drugs on Island, which will reduce the amount of unnecessary waste of these products. While these products will in the short term introduce some administrative burden, the Health Council is working with local pharmacy market representatives to create options for the various small and

large pharmacies to achieve the same date requirements without significant cost.

The Health Council anticipates that the rollout of the drug formulary will take place in phases, and in that regard will develop a roadmap for implementation which will be shared and discussed with stakeholders.

Madam President, to achieve cost-effective best-price medical products, the regulations also provide for the Council to participate as a negotiator on behalf of Bermuda in the procurement of those products from international and local vendors. In so doing, the Council may cooperate with the Government, any pharmacy, or other supplier. The Council anticipates efficiencies in procurement through better bidding processes. A significant goal of this part of the legislation is to achieve optimum volume discounts so that those savings can be passed on to our community members.

Finally, Madam President, the regulations make it an offence to fail to comply with (a) requirements to appropriately dispense medications for treatment in accordance with the Bermuda Drug Formulary; (b) sale prices stipulated in the drug formulary; (c) requirements to submit information and data to the Council; and (d) requirements to use the national drug code. A person is liable on summary conviction to a fine of up to \$50,000.

Madam President, this represents the full amendments and regulations proposed by this Bill. With these remarks, I am pleased to introduce this Bill today. Thank you, Madam President.

**The President:** Thank you, Senator Richardson.

Would any Senator care to speak on this Bill?  
Senator Wight, you have the floor.

**Sen. John Wight:** Thank you, Madam President.

I should start off by saying that I want to cite a conflict of interest. I am the CEO of BF&M, and one of our divisions is health insurance. So I put that up front.

This issue has many sub-issues under it. I would say [that with] my research in the last week and discussions with the Bermuda Pharmacy Owners Association, I guess the comment about *much consultation* . . . I might challenge that comment just based on taking that Association at their word. I understand that a letter had been sent [by the Association] to the Health Council on April 12<sup>th</sup>, 2019, and it has not been responded to yet, with their opposition to some of the elements in this Bill.

So I start by saying that there are pros and cons. It is a very noble idea. Everybody wants to reduce the cost of health care in Bermuda; that is a very noble cause, without question. I would say that . . . I will ask some questions. Will the current wholesalers in Bermuda continue to be the purchasers of drugs going forward? Or will Government or the Health Council be involved in the acquisition of drugs going forward under this Bill? Or will it remain [with] the cur-

rent wholesalers? Because obviously the challenge that was [put forth] made reference to the difference between what we buy it for in Bermuda and then sell it for—

*[Crosstalk]*

**An Hon. Senator:** Madam President, you are not on mute. Madam President, you are not on mute! You are not on mute. Madam President.

**The President:** Thank you.

**Sen. John Wight:** Yes, so I guess my first question: Will Government or the Health Council be part of the process going forward? Will they be acquiring drugs directly? Or will the private wholesalers that supply Bermuda continue to be in that role, going forward? That would be my first question.

I guess a second question is, you know, there are many ways to reduce the cost of health care. And reference was made to the out-of-pocket expenses, which is not good for anybody. But as we know, with generic drugs, typically 100 per cent of generic drugs are reimbursed [to] people in private health plans. And we know that more and more people are choosing that option versus the brand choices which do cost, you know, a co-pay. So I guess, in just researching also some of the islands of the Caribbean, yes indeed, there are instances of being able to purchase drugs at reduced prices [compared to] where Bermuda is right now. That does come with, in some cases, some additional risks. When drugs are purchased from . . . some of the cheaper drugs are purchased from countries that are, I would say, less respected than the regulated countries that we are purchasing our drugs from at the moment in Bermuda.

So I think [it is] a very noble cause to consider all alternatives for reducing health care costs. But I would just . . . I think the devil is in the detail with how we proceed forward with this one. So I will just caution that we need to put together a very strongly governed group to make sure that we achieve the objective that the Government is putting forward on this one.

Thank you, Madam President.

*[Inaudible interjections]*

**The President:** Thank you, Senator Wight.

I believe Senator Michelle Simmons has indicated she would like to speak.

So you have the floor.

**Sen. Michelle Simmons:** Thank you, Madam President.

Madam President, as was noted in the brief by Senator Richardson, the Health Council was established in 2004. And one of its functions was to regulate the price at which drugs are sold to the public.

Obviously, work has been done behind the scenes on this for quite some time. And I think it is fair to say, Madam President, that we are all concerned by the cost of health care in Bermuda in general. And therefore, we are anxious to see steps taken to reduce those costs.

I will give you an example. As Senator Wight mentioned a minute ago, I think it has been more than 10 years now that pharmacies have been encouraging clients to use generic drugs. And that has already helped to reduce prescription costs. If this would be more widely accepted by the general public, I think we would continue to see prescription costs come down. However, there are still many people in our community who are demanding to have the branded drug. I was wondering, Madam President, if incentives can be built into insurance policies to encourage people to accept generics rather than the branded drugs. And I know this has nothing to do with this Bill. Well, maybe it does because it all adds up. It is money all going into or coming out of the same pot.

We are now in 2021. And we have this amendment Bill before us today, which has been designed to control the cost of prescription drugs by the creation of a drug formulary, which is basically a list of medications and related products which are frequently prescribed by physicians in the treatment of various medical conditions in Bermuda. Some have already been mentioned—diabetes, hypertension and so on.

As I did my research I found that here in Bermuda, Madam President, there are currently 26 registered pharmacies. There is a list online. I have forgotten where I found it, but there are 26 registered pharmacies currently operating. Therefore, the implementation . . . sorry, Madam President. All of those pharmacies are operating under different business models. I believe there might be about four of them that are all under the same umbrella, but most of those pharmacies are operating under different business models. Therefore, implementation of a drug formulary will have an impact on all of the pharmacies since there are some things that they will have to adopt in common.

For example, they will have to obtain their medicines, [through] a supplier identified by the Bermuda Health Council, which will participate in negotiations for the drugs. And in listening to the brief earlier, I heard Senator Richardson say drugs obtained in this way could be from international suppliers, but also from local suppliers. But basically, the Health Council will indicate which suppliers can be used to obtain the necessary drugs in the drug formulary.

I was quite stunned when I met with the [Bermuda] Pharmacy Owners Association. I was quite stunned to hear that there are so many different ways in which they obtain their drugs. Or I should say the proportion of drugs obtained by direct sourcing or by purchasing from a local supplier, it varies from one pharmacy to the next. I even found that one pharma-

cy, or one group of pharmacies, get all of their drugs from a local supplier. The point I am trying to make, Madam President, is that their business models are all very, very different.

However, moving forward, the drugs in the drug formulary will be imported in bulk. And in order to do that, we have to have a very efficient system in order to ensure that there is a steady supply of drugs. They have to be maintained on this Island. Remember, we are a very small jurisdiction. And even when you put all of the pharmacies together in Bermuda, the volume of drugs which they will be importing is almost inconsequential when you compare it with larger countries and larger organisations which are negotiating with the same drug manufacturers. And the manufacturers will supply to the larger organisations first, placing us at the bottom of the totem pole. So the negotiations for supplies of drugs need to be handled very, very efficiently. Otherwise, we will see shortages of drugs on this Island, and we do not want to see that.

I also want to note here, Madam President, that the Council will also have the power to determine the price of each medical product. And that is in Schedule 1, [paragraph] 13 of the Bill. So the Council can determine the price of the drugs and any associated products that are needed that go with those drugs.

I also want to note, and this was mentioned in the brief as well by Senator Richardson, that the pharmacies will all have to make modifications in order for their operations to be able to incorporate a national drug code, not just for drugs in the formulary, but for every single drug that they sell. Some pharmacies have computerised systems; some have had them for a long time now. Others do everything in a different way, more manually operated. So undoubtedly there will have to be significant changes to pharmacy operations.

While I support the intent of this Bill—i.e., the desire to reduce the cost of prescription drugs—I guess my biggest concern is that while there may have been 35 consultation meetings with stakeholders, those consultations seem to have ground to a halt in April 2019. And that was well before COVID-19. Up to that point, I am sure people were appreciating the engagement with the Health Council. But when it ceased, I think that some goodwill was lost. I believe that the pharmacy owners and other stakeholders are very willing to work with the Bermuda Health Council to enact the intent of this Bill. But there are many specifics which have to be addressed. And therefore, I implore the Council to resume talks, resume consultation to ensure that the intent of the Bill is realised.

Thank you, Madam President.

**The President:** Thank you, Senator Michelle Simmons.

Would any other Senator care to speak on this Bill?

Yes, Senator Tucker. You have the floor.

**Sen. Robin Tucker:** Thank you, Madam President.

**The President:** Senator Tucker, can you hear me?

**Sen. Robin Tucker:** Yes. Yes, Madam President. I can hear you.

**The President:** Yes. So you have the floor.

**Sen. Robin Tucker:** Thank you, Madam President.

Madam President, I think we all agree that everyone in such a well-to-do Island as ours should be able to obtain medications when they need them. My fellow Senators have already reiterated that point. And certainly we in the Opposition agree with that. Many of us either know someone or know of someone who has had to restrict medications or go completely without because they could not afford them. So I do not believe that there is any argument about the need to reduce the cost of medications in Bermuda. I do not know anyone who does not want to see the cost of health care or prescription medications reduced. This has been a topic of discussion for quite some time. And as I mentioned, I am certainly in support of cost-containment efforts, and that would see a reduction in prescription medication costs.

The Bermuda Health Council Amendment Act attempts to reduce costs by regulating prices through the establishment of the drug formulary, as fellow Senators have mentioned. But, Madam President, I think that it is important for us to be able to recognise as well that the Bill will not affect all medications, only the ones which are listed on the formulary and the ones that are going to be approved by the Pharmacy and Therapeutics Committee that will be set up within the amendment Act.

So, Madam President, implementing a drug formulary has the potential to be a good thing for Bermuda. But I have to say that I am concerned if it will fully accomplish its intended purpose and provide commonly used prescription medications at a lower cost for Bermudians. Drug formularies work pretty well in larger countries. But how well it will work in Bermuda with our smaller numbers as compared to the countries that have larger populations is a big question. As we are so small, I am not sure how impactful our bulk purchases will be to translate into a tangible savings for the patients. And by that I mean I am joining my sentiments with Senator Simmons in that buying in bulk will be useful, but again when we are looking at [Bermuda in comparison with] a larger jurisdiction that is a different sort of an approach and conversation.

Also to be considered, Madam President, is something that Senator Simmons did raise, and that is

about the stakeholder consultation. Obtaining feedback from all industry experts is vital in ensuring that all parties have an equal chance to contribute to the discussions before establishment of the drug formulary and to get an understanding of how it will impact all stakeholders, including patients. An effective consultation process can mitigate issues that are not thought of which we can prevent from arising later on. Certainly we want to make sure that anything that we do, we get it right from the beginning.

Following discussions with certain key stakeholders, they advised that while some consultation has been held with the Bermuda Health Council, there has not been consultation held such as is sufficient for them to have a comprehensive review and understanding of the design and practicalities of how the formulary will work and how it will be controlled once it is established.

With such a critical undertaking as a drug formulary, all key stakeholders absolutely should have a clear understanding of the Bill's intentions and understanding of the impact on themselves, the patients and all parties concerned. There are basic questions that stakeholders need to have answered such as . . . pharmacists have to order medications through the Bermuda Health Council supplier. And if that supplier is providing medications to others, and obviously to much larger places, and they run out of a particular medication or if it is in short supply, this could lead to shortages on the Island. How would this be handled? Currently, pharmacists bring in their own medication, so if one pharmacist runs out or one is low, then they are able to refer patients to another pharmacy.

Other stakeholders will want to know how the pricing will be set by the Council for supplied medications. What factors will be considered so that we can be assured that there will be lower costs for patients? How soon will the Council expect the formulary to be up and running? Will subcommittees be created such as a safety committee to ensure and to evaluate the medication's safety and to make recommendations? There is a lot to consider, Madam President, and a lot to put in place in order to get this right and also avoid unintentional consequences someplace down the road. As has been said on numerous occasions, we must measure twice and cut once.

Madam President, I will end my comments as I started. We all agree—I believe we all agree—that the cost of prescriptions in Bermuda is too high and is unsustainable. Reducing the cost of prescription drugs overall is complicated. But we must ensure that to achieve the goal of lowering prescription costs for Bermudians, that we have a structure in place that helps us to do so. Thank you, Madam President.

**The President:** Thank you, Senator Tucker.

Would any other Senator care to speak on this Bill?

**Sen. Ben Smith:** Good evening, Madam President.

**The President:** Yes, Senator Smith. You have the floor.

**Sen. Ben Smith:** So, Madam President, I just want to add a couple of words to this debate specifically from the standpoint . . . obviously every Senator so far has spoken to the cost of prescription drugs, and how everybody would want to have those drugs lowered in their costs.

But in listening to the brief that was laid out, one of the things that I noted was that there has already been a process to determine the drugs that were used most often. And with that, do we have an understanding of whether there is already a reduction in the price of those particular drugs that are being used on an ongoing basis by the population? Because what it seems to me is that if we have already gone out and received really good pricing for those items, when we go through this process of creating all of the administration that is going to be needed from not just the committee but the administration that is now added to each of the pharmacies, what is the reduction that we are going to see from the drugs that are being put on this list?

You know, really it is the details. The population is going to want to know that the drugs that are being used most often are going to see a real reduction in their cost. If that is what happens, then everybody will be supportive of what we are doing here tonight. But we need to know what that is. We need some details to that. Because if really what we are saying is that the items have already been identified, and most of the pharmacies have already looked for the lowest-possible price for those items, how are we going to see a reduction?

Because those items that we talked about that are in the tens of thousands, the one-off that certain people in Bermuda need to have in order to stay alive, those drugs are not going to be in this system because they are not going to buy them in bulk. They are not going to buy them at a level that is going to get you this reduced cost. So if that is the case, then we should be focused on the items that we will be looking towards buying in bulk and have an idea of what kind of reduction we could be getting by going through this process.

There are a lot of questions that have been asked by the Pharmaceutical Association. And I believe there are a lot of questions that are being asked tonight that are not telling me that we have the answers that this is going to do what all of us want it to do.

What is this process going to look like from a detail standpoint to get the end result of the lower cost of drugs? If we do not have that answer, then there is a lot of information in this document, but it is not going

to give the population of Bermuda the result that they are looking for. Thank you, Madam President.

**The President:** Thank you, Senator Smith.

Would any other Senator care to speak on this Bill?

I will just repeat it. Would any other Senator care to speak on this Bill?

I see the Cabinet [Office] showing up.

**Sen. Lindsay Simmons:** Madam President.

**The President:** Senator Arianna, you wanted to speak on the Bill? Senator Arianna Hodgson?

**Sen. Lindsay Simmons:** No, it's Senator Simmons.

**The President:** Senator Simmons, I beg your pardon. Senator Simmons, you have the floor.

**Sen. Lindsay Simmons:** Good day, Madam President.

I just want to make a couple of points. First of all, I want to say that the Minister of Health is working to bring down the cost of health care overall, and this is just one step in the right direction. We must remember that the PLP established FutureCare, which has allowed seniors to get medication and to have a \$2,000 cap for the year. Madam President, also we must remember that we do have an ageing population, and our birth rates are down. So it makes sense that we pass this Bill.

We already have legislation in place about where we can buy supplies from. And as somebody who runs a business, buying in bulk is always the best way to go. You buy things at a cheaper rate because you are buying in bulk.

I know that a couple of Senators have stated about buying in bulk. Definitely you will be buying in bulk because it does make sense. And we will continue to use . . . we will continue to encourage the wider community to buy generic drugs. So basically, that is what I have to say, Madam President.

**The President:** Thank you, Senator Simmons.

Would any other Senator care to speak on this Bill?

Hearing none, I would just like to make a few comments myself. I have heard . . . oh, I beg your pardon.

**Sen. Marcus Jones:** Yes, Madam President.

**The President:** Yes. Senator Marcus Jones, you have the floor. You just about caught me.

**Sen. Marcus Jones:** Oh, okay. Can you hear me now, Madam President?

**The President:** I can hear you, yes.

**Sen. Marcus Jones:** I just want to reiterate first of all and state the obvious, that a common intention of all of the Senators, regardless of what side of the political aisle you sit on, is the need for lower health care costs. I think one thing that the community should realise is that this particular legislation could very well be one of the first steps to fully socialised medicine. And that always has my concern because, as much as we see in other jurisdictions that socialised health care can work to lower costs, it also can produce unintended consequences, such as a lack of choice, such as a delay in services. So when we make or consider a big step such as this, this being a possible first step, it is very important that the necessary consultations be held amongst all of the stakeholders.

I think what I was able to observe and take out of the time spent with the pharmacists in this country is that, as much they are a profit-generating company (so there is an incentive to be able to maximise their bottom line), they also realise that the community has spoken and spoken loud. And I believe that they also know that eventually full regulation is going to be a necessity, not just an option.

I think the feet-dragging and the hesitation are understandable. But we also realise that the question was raised about generic drugs. I have been made to understand that even with FutureCare and GEHI, the stipulation for those consumers or users of those two health care programmes, they do have an option to take branded medication when that could have been a first step in ensuring to help to put a limit on the high rising costs is if this would have been done from its inception, where generic drugs would have been the choice and the preferred choice. Despite the fact that it removes that freedom, it would have gone a long way in ensuring that those prices remained at least stable.

I am also reminded of a precedent that was set a couple of years ago when this present Government came into power. We recognised that the Bermuda Health Council did their best to limit health care providers from referring access to operations overseas, [they] restricted [excessive] MRIs and C-scans from being done. And we recognised [this] at the time with the OBA Administration that was in power. And when the PLP Government came into power they were approached by one of the health care providers who felt that they had been hard done by. And it is common knowledge that this particular health care provider was given a remedy for their (shall we say) misfortune of being a part of this move to regulate. So a precedent was set.

So I have to ask the question, Madam President, as some of the pharmacists have communicated to us that some of the smaller ones can possibly go out of business. That is not just conjecture, but that is a clear and present danger and fear of many within

that particular industry. And we know that lost businesses mean lost jobs, right? And then if there are too many of these small pharmacists that will close down, we are then going to have a monopoly which then can have a counter result, or another unintended consequence, where if you have fewer choices of providers of this medication, the prices may in fact go in the opposite direction.

So we still have questions. We still have concerns. Our intentions are the same as everyone around this table, which is for lower costs. But we do have a certain level of hesitation, Madam President.

Thank you for my opportunity to contribute.

**The President:** Thank you, Senator Jones.

Would any other Senator care to speak?

No. Then I just have a few words myself to say on this Bill. It has been said that the Health Review Committee came into force in 2004. I was a member of the Health Care Review subcommittee that was chaired by Senator Alfred Oughton in 1996, commonly referred to then and today as the Oughton Report. One of the key recommendations of that report was the creation of the Health Council, which was to be an independent body to coordinate the various entities of health care in the Island. It was to be formed as a quango to regulate, coordinate and enhance delivery of health care in Bermuda, including pharmaceuticals.

I have been very pleased over the years to see the role of the Health Council evolve because that was the intent, that we needed to have an overriding body to oversee health care in Bermuda. Not just because Bermuda happens to be one of the highest . . . next to the United States, it has the highest cost of health care in all of the OECD countries.

Bermuda's health care cost is at \$693.1 million per year, or 12.4 per cent of Bermuda's GDP compared to the average OECD countries, which report an 8.4 per cent of GDP. I give this as a background because at that time, and I know I am talking years ago, but at that time it was really felt that what was needed in the Island was this Health Council.

With respect to what the Council intends to do, it will have, as has been stated, a Pharmaceutical and Therapeutics Committee—nine persons, which will advise the Council on the medical products and information. And even at this point much of the information that is going on with regard to not just health care and the issues that Bermuda faces, but all of this information goes into the Council. The Council does receive much information. In fact, it is a registering body. So it really knows all of the medical personnel and you name it. All personnel involved in health care are really known by this Health Council.

And I understand. I have heard some very, very good comments and questions that have been raised by the rest of the Senators here tonight. And I do believe that it is absolutely important for these

questions and concerns that you have raised to be taken on board. And I am sure that they will. But I would like to . . . I support this move by the Council to set up a formulary, to set up a council which will oversee medical products and the information to be included in a drug formulary. I know that there are major concerns that have been expressed, and I think they need to be taken on board. But I really do feel that in this Island we do need to have an independent body and a body that will oversee the drug formulary.

And I believe this is a step in the right direction. Even though there are concerns and hesitations on so many fronts, I do believe that the concerns can be taken on board, and we will arrive at a position where we will be able to address all of the issues and be able to provide the medications and the drugs that are required in this Island.

So from my perspective, I support this move on the part of the Council, not just because it was something that was thought of years ago. But I believe that the Council is moving in the right direction. And as I said, I would hope that it take will on board all of the concerns that have been raised tonight.

So with that, Senator Richardson, I hand it over to you.

**Sen. Curtis Richardson:** Thank you, Madam President, and thank you, fellow Members of the Senate for the questions, comments and support.

I would like to offer as a result of the questions . . . first of all, I wanted to point out for everyone's understanding something that came across on more than one occasion during the questioning. Not all drugs will be included in this formulary. I made the statement when I read my brief. It was outlined that drugs that are specific to our region, drugs that have been identified and will continue to be identified over an ongoing process to be added to the list and taken off of the list. So it must be restated that not all drugs. That is just a false narrative to make that statement or have that opinion or that view for anybody.

I want to mention that this particular Act has a regulation that enables the Council to participate as a negotiator on behalf of Bermuda. In the procurement of medical products in bulk, the word *bulk* keeps coming up. And I just want to let you know that this buying in bulk from international suppliers at a reduced rate and at a reduced rate from local suppliers . . . in doing so, the Council may cooperate with the Government, any pharmacy or other suppliers of medical products. The purpose is to achieve cost-effective medical products. I feel it is important for me to point out . . . and the answers to some questions will come out as I talk. I just want to make it known that I have listened to the questions. And Senators who posed the questions, I will do my best to get you the answers as I am making this statement.

It was asked as far as the purchasing, private importers will continue to play a significant role in the

procurement. The Health Council will only (again) participate to support. There was somewhat of a statement as far as the Caribbean islands. I cannot speak to it as with the Caribbean islands or what was stated by Senator Wight, less-formed countries. I cannot say exactly where they get their drugs from and the quality of their drugs. I can speak, I know that Bermuda, we . . . first of all it has been stated, I already stated it at another time that we have never had an issue with the supply of drugs in quantity in Bermuda. And I think it was pointed out (I am pretty sure) that this is an amazing fact, being such a small jurisdiction.

We will purchase our drugs and continue to purchase these drugs that are FDA, EU and through Canadian authorities [approved]. Our quality will not change. I believe another thing that will not change is the fact that we as a Government have advocated to not have our citizens having to choose between the cost of food, electricity, you know, their rent over the cost of their medication.

So it is important for everyone to realise that this is about promoting the cost of drugs that normally would have someone making those hard decisions to no longer be a part of their daily routine or their monthly budget routine. So, I want to let people know that the dialogue and the consultation will continue. We are committed to reasonable, affordable health care for everyone.

This particular initiative started years ago, back in 2012. This is nothing that is new. It has taken time to get to the point of putting together a formulary. This formulary has come together as a result of years of consultation. I cannot say exactly—I did mention, but I cannot say exactly—what the statistics are for when COVID-19 hit us and the consultation, whether it slowed or not. However, this is an ongoing process. And I just want people to know that we are committed to this process. And this process will benefit all Bermudians and all citizens of this country and residents of this country. Because health care and the cost of health care have always been a major issue.

This Bill points out certain illnesses and conditions that people have at the moment, like diabetes, for instance. That may change. And hopefully people [with these conditions will] do things in their personal lives to improve their health. That statistic may change one day. And again going back to what I stated, this Bill speaks to removing and adding drugs to [the formulary].

COVID-19 has shown us many different things. And one of the things it has shown us is that people are struggling. And we want that struggle to end. In regard to the cost of living in Bermuda, we want to do all that we can to reduce this cost.

So with that said, Madam President, if there is nothing else, I move that [Standing Order] 26 be suspended in respect of this Bill.

## SUSPENSION OF STANDING ORDER 26

**The President:** Is there any objection to this motion?  
No objection.

*[Motion carried: Standing Order 26 suspended.]*

## BILL

### THIRD READING

#### BERMUDA HEALTH COUNCIL AMENDMENT ACT 2021

**Sen. Curtis Richardson:** Madam President, I move that the Bill entitled the Bermuda Health Council Amendment Act 2021 be now read a third time.

**The President:** Is there any objection to the third reading?  
No objection.

**Sen. Curtis Richardson:** Madam President, I move that the Bill do now pass.

**The President:** Is there any objection to that motion?  
No objection.  
The Bill is passed.

*[Motion carried: The Bermuda Health Council Amendment Act 2021 was read the third time and passed.]*

**The President:** Thank you, Senators.

**Sen. the Hon. Dr. Ernest Peets:** Madam President.

**The President:** Yes, Minister Peets.

**Sen. the Hon. Dr. Ernest Peets:** Thank you so much for your patience tonight. I believe the Junior Minister for Cabinet does have an update regarding the consideration of the draft Regulations entitled the Bermuda Immigration and Protection (Rental and Use) Amendment Regulations 2021.

**The President:** Good.  
So, Senator Darrell, then, if you are ready then you can proceed with the second Order of the Day that we had.

**Sen. Owen Darrell:** Thank you, Madam President.  
Madam President, I move that the Senate do take under consideration the draft Regulations entitled the Bermuda Immigration and Protection (Rental and Use) Amendment Regulations 2021.

**The President:** Is there any objection to that motion?  
No objection.

Carry on, Senator Darrell.

## DRAFT REGULATIONS

### BERMUDA IMMIGRATION AND PROTECTION (RENTAL AND USE) AMENDMENT REGULATIONS 2021

**Sen. Owen Darrell:** Madam President, today I present to this Honourable Senate the Bermuda Immigration and Protection Amendment Act (No. 2) 2020 *[sic]*.

These amendments pertain to the laws and regulations governing the granting of land licence and will streamline the process associated with them.

Madam President, the Efficiency Committee became aware of the challenges when it presented its report in 2019. The Ministry of the Cabinet Office met with the Chamber of Commerce, Real Estate Division, reviewing the processing of alien licences for the purchase of Bermuda property. We held several discussions with the legal fraternity and we discussed with individuals within government departments regarding the process.

Madam President, it had long been advanced that the extended processing delays negatively affected sales, and as a consequence, potential buyers had lost interest and were terminating purchases. The processing impediments also represented a loss of revenue to the government. Madam President, this Government is committed to streamlining its internal processes in order to facilitate better business in Bermuda. In this regard, we have identified specific areas for improvement in the approval of land licensing.

Madam President, the objectives, therefore, of the proposed legislative amendments are to better facilitate the sale of property to international buyers, those who are eligible to do so in accordance with the law, thus contributing to the economy of Bermuda. Madam President, there have been considerable delays in processing approval of applications for alien land licences. Many of these delays have been ranging in excess of six months, resulting in some properties not being sold and amounting to a significant revenue loss for government.

Madam President, several realtors have raised concerns about the length of time it takes for our overseas buyers to purchase property that they are eligible to acquire that has a negative impact on the real estate market. The process is cumbersome and manually driven through three government departments and has caused unacceptable and frustrating delays. One of the delays that we identified was the requirement for the Minister to publish a notice in the *Gazette* before approving an application for a land licence. This notice invited [objections] to the application to purchase property and allowed two weeks in which to lodge such an objection. This served to cause a delay in the whole process.

Madam President, I hasten to point out that over the two years there has been only one objection to an application, and that [objection] was unsuccessful. Whereas a property is purchased in accordance with the law, there are no grounds for the purpose of objection, making the provision in the Act redundant. Madam President, to better understand solutions which may be adopted, we invited discussions from industry-leading realtors and those technical officers who were responsible for the administration of this function. The aim of these discussions was to identify why the alien land licence process was so elongated and stagnant, with a view to streamlining the process in order to complete the transaction in less than four weeks.

Madam President, there was considerable dialogue with realtors on this matter. Two critical recommendations came from these discussions, and they were (1) to address the requirement for government to advertise (and presumably the seller already does so); and (2) provide exemption for condominiums which currently are subject to the same regimen as freehold properties.

Madam President, additionally this Bill seeks to provide certainty regarding the authority to grant approval of application for land licences, and this is reflected in the definition of "Minister." This ensures that the function of approval is unambiguous and allows for more functionality whenever there is a change in responsibility for land licences.

Madam President, in reviewing the process for application to acquire land by restricted persons we noted that there was a plethora of information that we deemed unnecessary, intrusive and irrelevant. For example, in the first Schedule to the 2007 Regulations, [applicants] are required to provide details about the nationality of their parents and spouses, information that has no bearing at all on the decision-making process. This Bill seeks to remove the requirement for this useless information. Also, Madam President, as part of the application process for purchase of a condominium, a potential purchaser or their agent had to submit three copies of plans drawn to scale by a registered surveyor. This too has proven to be cumbersome, especially in the condominium market. We are therefore amending the 2007 Regulations to exclude condominiums from this requirement, and we also are reducing the number of plans required for other properties to one.

Madam President, in closing I would like to thank the realtors who assisted the Government in this legislative project. Finally, I would like to thank the public officers in the Cabinet Office, the Department of Immigration and the Attorney General's Chamber who assisted with this project.

Thank you, Madam President.

**The President:** Thank you, Senator Darrell.

Would any other Senator care to speak on these [Regulations]?

Senator Jones, you have the floor.

**Sen. Marcus Jones:** Thank you, Madam President.

If the purpose of this amendment is to regularise and streamline the process and remove delay—and I do believe that is the intent of this amendment—then we support this, and we look forward to its going through and ensuring that the purchasing of items such as this will not be delayed.

Thank you, Madam President.

**The President:** Thank you, Senator Jones.

Would any other Senator care to speak on these [Regulations]?

Senator Wight, you have the floor.

**Sen. John Wight:** Thank you, Madam President.

Yes, I voice support as well. The Real Estate Division of the Chamber of Commerce have been in discussions for quite a while on this one with the Government. So I am very pleased to see this coming to fruition now. So I fully support it. Thank you.

**The President:** Thank you, Senator Wight.

Would any other Senator care to speak on these [Regulations]?

Hearing none, it is over to you, Senator Darrell.

**Sen. Owen Darrell:** Thank you.

Madam President, I move that the said draft Regulations be approved and that the following message be sent to Her Excellency the Governor:

“May it please Your Excellency:

“The Senate, having had under consideration draft Regulations entitled Bermuda Immigration and Protection (Rental and Use) Amendment Regulations 2021, proposed to be made by the Minister responsible for land licences under the provisions of section 102C(1)(c) of the Bermuda Immigration and Protection Act 1956 has the honour to inform Your Excellency that the Senate has approved the said draft Regulations.”

**The President:** Is there any objection to that motion?

No objection.

A suitable message will be sent.

*[Motion carried: Draft Regulations entitled Bermuda Immigration and Protection (Rental and Use) Amendment Regulations 2021 were approved.]*

**The President:** Thank you, Senator Darrell.

We will now move on to item number 5, which is the second reading of the Retail Shops (Temporary Customs Duty Relief for Capital Investments)

Amendment Act 2021. And this is in the name of the Junior Minister for Finance.

Senator Arianna Hodgson, you have the floor.

## BILL

### SECOND READING

#### RETAIL SHOPS (TEMPORARY CUSTOMS DUTY RELIEF FOR CAPITAL INVESTMENTS) AMENDMENT ACT 2021

**Sen. Arianna Hodgson:** Thank you, Madam President.

Madam President, I move that the Bill entitled the [Retail Shops \(Temporary Customs Duty Relief for Capital Investments\) Amendment Act 2021](#) be now read a second time.

**The President:** Is there any objection to that motion?

No objection.

Carry on, Senator Hodgson.

**Sen. Arianna Hodgson:** Thank you, Madam President.

Madam President, Honourable Senators are requested now to give consideration to the Bill entitled the Retail Shops (Temporary Customs Duty Relief for Capital Investments) Amendment Act 2021. Madam President, this Bill seeks to amend the Retail Shops (Temporary Customs Duty Relief for Capital Investments) Act 2008 (the principal Act) to extend the period of customs duty relief of capital investments and to expand the scope of goods to which the principal Act applies.

The measures of the Bill affect the principal Act and the Schedule to the principal Act. Honourable Members will recall that the principal Act provides a zero rate of customs duty on a wide range of imported capital goods for the Minister of Finance approved schemes to renovate or refurbish retail shops.

Madam President, Government is committed to supporting the upgrading of this country's retail sector as a part of our continuing effort to support Bermuda's economic recovery. Accordingly, in the 2021/22 Budget Statement in support of the Estimates of Revenue and Expenditure, the Government promised that retail shops temporary customs duty relief would be extended for a further five years through the 31<sup>st</sup> of March of 2026. Madam President, this Bill fulfils that promise and goes further by widening the scope of qualifying goods to take account of technology enhancements in retail sales.

Madam President, the Retail Division of the Bermuda Chamber of Commerce has reached out to Government requesting that the scope of qualifying relief be widened to support new ways to find and pay for retail items. In accordance with their needs, the Bill amends the Schedule to the principal Act to encom-

pass modern retail innovations such as new payment systems; virtual fitting rooms systems and components, parts and accessories; together with the back-of-house information systems required to support them.

Madam President, since the last extension of the Act in 2016, the retail sector in Bermuda has benefited by receiving approximately \$1.98 million in duty relief on the renovations and refurbishment of their shops. Fortunately for Bermuda, a growing number of retailers are committing to upgrading their facilities. In the prevailing economic climate, a larger proportion of retailers will be in greater need of this assistance than in the past. Over the next five years the Government expects the customs duty concession will be of immense benefit to retailers and to the economy of Bermuda.

The Government is equally committed to supporting Bermuda's retail sector as it provides vital employment to a wide cross section of Bermudians. Therefore, Government commends this Bill to the House.

Thank you, Madam President.

**The President:** Thank you, Senator Hodgson.

Would any other Senator care to speak on this Bill?

Hearing none—

**Sen. Marcus Jones:** Sorry. Yes, Madam President.

**The President:** You caught it just in time, Senator. Senator Jones, you have the floor.

**Sen. Marcus Jones:** Yes, yes. Okay. Thank you, Madam President.

Extending the expiry of this duty relief for retail shops is welcomed by the Opposition and will give this sector the relief and assistance needed for a significant length of time when retail sales the last few years have been trending down. So we see the good in this, the benefits of this. Extending it will give the retailers some confidence and some comfort that it is going to be extended beyond just the one year.

So, yes, Madam President, we support this.

**The President:** Thank you, Senator Jones.

Would any other Senator care to speak on this Bill?

Hearing none, then, Senator Hodgson, it is back over to you.

**Sen. Arianna Hodgson:** Thank you, Madam President.

Madam President, I move that the Bill entitled the Retail Shops (Temporary Customs Duty Relief for Capital Investments) Amendment Act 2021 be now read a second time.

**The President:** Is there any objection to that motion?  
No objection.

### SUSPENSION OF STANDING ORDER 26

**Sen. Arianna Hodgson:** Madam President, I move that [Standing Order] 26 be suspended in respect of this Bill.

**The President:** Is there any objection to that motion?  
No objection.

*[Motion carried: Standing Order 26 suspended.]*

## BILL

### THIRD READING

#### RETAIL SHOPS (TEMPORARY CUSTOMS DUTY RELIEF FOR CAPITAL INVESTMENTS) AMENDMENT ACT 2021

**Sen. Arianna Hodgson:** Madam President, I move that the Bill entitled the Retail Shops (Temporary Customs Duty Relief for Capital Investments) Amendment Act 2021 be now read a third time.

**The President:** Is there any objection to the third reading?  
No objection.

**Sen. Arianna Hodgson:** Thank you, Madam President.

I move that the Bill do now pass.

**The President:** It has been moved that the Bill entitled the Retail Shops (Temporary Customs Duty Relief for Capital Investments) Amendment Act 2021 do now pass.

Is there any objection to that motion?  
No objection.  
The Bill is passed.

*[Motion carried: The Retail Shops (Temporary Customs Duty Relief for Capital Investments) Amendment Act 2021 was read a third time and passed.]*

**The President:** Thank you, Senator Hodgson.

**Sen. Arianna Hodgson:** Thank you, Madam President.

**The President:** We will now move on to the next item on our agenda, and that is the second reading of the Payroll Tax Amendment Act 2021, and the Governor's recommendation signified. And this is also in the name of the Junior Minister for Finance, Senator Arianna Hodgson. And you have the floor.

**BILL**  
**SECOND READING**

**PAYROLL TAX AMENDMENT ACT 2021**

**Sen. Arianna Hodgson:** Thank you, Madam President.

Madam President, I move that the Bill entitled the [Payroll Tax Amendment Act 2021](#) be now read a second time.

**The President:** Is there any objection to that motion?

No objection.

Carry on.

**Sen. Arianna Hodgson:** Thank you, Madam President.

I am pleased to present the Payroll Tax Amendment Act 2021 for the consideration of Honourable Senators. Madam President, section 9C of the Payroll Tax Act 1995 (the Act) defines the circumstances under which an employer is entitled to new-hire payroll tax relief and was first put in place on 1 April 1<sup>st</sup>, 2018, with an expiry of March 31<sup>st</sup>, 2021.

Madam President, the new-hire relief of 2018 was implemented as an incentive to exempt companies and employers with gross annual remuneration of greater than \$1 million to hire new employees. Employers who qualified for the 2018 relief were those whose number of full-time employees increased from that in the baseline period of January through March 2018. Employers benefitting from the relief currently pay an employer portion of zero per cent on the remuneration pay to the qualifying employees up to and including the tax period of April 2018 through March 2021.

Madam President, given the effect of the COVID-19 pandemic on the economy and the negative impact on employment, the Government made the decision to extend the new-hire relief for qualifying employers for one more year. Therefore, Madam President, what this means is that a qualifying employer will not be liable to pay the employer portion of payroll tax otherwise payable under the Act in respect of the new full-time employees hired up until March 31, 2022.

Madam President, section 23 of the Act governs the approval of specified schemes for payroll tax purposes. For the purposes of the Act the scheme can be in the form of a health insurance scheme, a hospital insurance scheme, a life insurance scheme, a retirement scheme and a training scheme. To obtain approval for a scheme, an [employer] must first submit a completed application to the Office of the Tax Commissioner [OTC] for consideration.

All applications received by the Office of the Tax Commissioner are then vetted in accordance with established OTC procedures and applicable guide-

lines, including some requirements which are prescribed by law. OTC also works in partnership with the Pension Commission, the Bermuda Health Council and the Department of Workforce Development in the vetting process to ensure that all schemes recommended for final approval by the Minister satisfy applicable criteria.

Madam President, once the application review process is completed, a draft order is then prepared by the OTC and forwarded to the Ministry of Finance for final approval by the Minister. The draft order lists the names of all applicants and the respected schemes which are proposed to be approved pursuant to the final order. The signed order is returned to the OTC, the employer's file is updated and a notification of the approval is sent to the employer. Payroll tax relief is offered after this process is completed, allowing the taxpayer to receive tax exemption on employer contributions into the schemes.

Madam President, while the existing process was fit for purpose in the past, the increase in the number of scheme applications along with the increasing demands of other high-priority items in the Ministry of Finance have the potential to put at risk the time at which approvals are granted.

Madam President, the intent of the Payroll Tax Amendment Act 2021 is to enable the Minister of Finance to delegate the authority to approve schemes under section 23 of the Payroll Tax Act 1995 to the Tax Commissioner acting on behalf of the Minister. This will, in turn, speed up the time it takes to approve applications and improve service delivery to taxpayers.

Madam President, it is important to emphasise that there are no instances to date in which the OTC has recommended approval of a scheme that was later rejected by the Ministry of Finance or the Minister of Finance. The vetting criteria and process, included coordination of reviews by other government agencies or bodies, are well established, and vetting is performed as a matter of routine administration by the OTC. The proposed changes would enable the OTC to complete the vetting process and issue the administrative order pursuant to authority delegated by the Minister without incurring delays.

Madam President, it should be noted that there is existing precedent for the Tax Commissioner to issue administrative orders, as he has the power to do so in conjunction with the enforcement and collection of taxes. Based on the entirety of the circumstances as detailed herein, there is little risk in making the proposed changes to section 23 of the 1995 Act.

Madam President, as previously noted, the OTC has plans to become more modernised through communication and change management, organisational structure and processes, IT systems, and legal framework improvements. The proposed amendment to approve schemes is one step in this modernisation initiative and will decrease administrative burden for

both the OTC and the Ministry of Finance and will enhance service delivery and customer satisfaction for taxpayers. Thank you, Madam President.

**The President:** Thank you, Senator Hodgson.

Would any other Senator care to speak on this Bill?

Senator Jones, you have the floor.

**Sen. Marcus Jones:** Thank you, Madam President.

The Minister of Finance has many tools in his toolbox to help him incentivise employers to hire new staff members. And in the environment that we have just been through, and in fact are still in, where many of our family members, friends and colleagues are not able to go back to work for whatever reason, it is important that the Minister of Finance has the flexibility and the power to extend this payroll tax relief for those who are hiring fellow Bermudians to make it possible for them to be gainfully employed.

So we support this Bill, Madam President. Thank you.

**The President:** Thank you, Senator Jones.

Would any other Senator care to speak on this Bill?

Hearing none, then it is over to you, Senator Hodgson.

**Sen. Arianna Hodgson:** Thank you, Madam President.

I move that the Bill entitled the Payroll Tax Amendment Act 2021 be now read a second time.

**The President:** Is there any objection to that motion?  
No objection.

#### SUSPENSION OF STANDING ORDER 26

**Sen. Arianna Hodgson:** Thank you, Madam President.

Madam President, I move that [Standing Order] 26 be suspended in respect of this Bill.

**The President:** Is there any objection to that motion?  
No objection.

*[Motion carried: Standing Order 26 suspended.]*

### BILL

#### THIRD READING

##### PAYROLL TAX AMENDMENT ACT 2021

**Sen. Arianna Hodgson:** Madam President, I move that the Bill entitled the Payroll Tax Amendment Act 2021 be now read a third time.

**The President:** Is there any objection to that motion?  
No objection.

**Sen. Arianna Hodgson:** Thank you, Madam President.

I move that the Bill do now pass.

**The President:** It has been moved that the Bill entitled the Payroll Tax Amendment Act 2021 do now pass.

Is there any objection to that motion?

No objection.

The Bill is passed.

*[Motion carried: The Payroll Tax Amendment Act 2021 was read the third time and passed.]*

**The President:** Thank you, Senator Hodgson.

**Sen. Arianna Hodgson:** Thank you, Madam President.

**The President:** We are now moving on to item number 9, which is the Education Amendment Act 2021. And that is in the name of Senator Darrell, Junior Minister for Education.

You have the floor.

*[Pause]*

**The President:** Senator Darrell.

**Sen. Owen Darrell:** Good afternoon, good evening, Madam President. I am just getting myself situated here.

*[Crosstalk]*

### BILL

#### SECOND READING

##### EDUCATION AMENDMENT ACT 2021

**Sen. Owen Darrell:** Madam President.

**The President:** Yes. Carry on.

**Sen. Owen Darrell:** I move that the Bill entitled [Education Amendment Act 2021](#) be now read a second time.

**The President:** Is there any objection to that motion?  
No objection.

**Sen. Owen Darrell:** Madam President, in June 1965 Malcolm X said, "Education is the passport to the future, for tomorrow belongs to those who prepare for it today."

Madam President, before I get into the meat of my brief, I would like to declare my interest. One of my primary interests is as a father. And it is the role of raising, along with their mother Tione, two beautiful children, our daughter Tatum, age 10; and our son Oliver, age 4. Madam President, we have made a commitment that they will be educated in the Bermuda public education school system.

I want to start by saying thank you to their current educator, Ms. Janel Allen, who is a P5 teacher at the Harrington Sound Primary School, my alma mater; and Mrs. Kim Morbey a teacher at the Prospect Preschool; as well as all previous teachers whom they have had; and of course, every single educator in the public education school system—who, I must add, up until almost four years ago were my esteemed colleagues.

Madam President, Tatum, Oliver, and all children of this country I would like to say, will have a great future. A great future because together as a country, as a Government, and a community involving educators, families, and young people we are re-designing, restructuring, and re-envisioning public education. In support of these promises to the people of Bermuda I am pleased to introduce to the Senate the Bill entitled Education Amendment Act 2021.

Madam President, this Bill is the first phase of legislative change to dramatically transform education and learning to improve life-long opportunities and outcomes for our young people. We are putting young people at the centre of learning so that they are prepared to lead successful and meaningful lives. It is for our country, our government, our community—including educators, families and the young people themselves—to collectively develop and support a bold vision of success for young people.

Madam President, success will mean that young people are empowered and equipped to take their rightful place in the 21<sup>st</sup> century. Success will illuminate Bermudian brilliance whether it shines locally or internationally. Success will mean that all young people will have the skills, knowledge and attitudes to enable them to create and access the jobs of the future, to be active and caring citizens and, if they so choose, to be the agents of change in Bermuda and around the world. It is for our young people and their families to determine what success looks like for them individually and on their own unique terms.

Madam President, in order to prepare young people to find their passions and to thrive in school and beyond, this Bill (1) establishes senior level signature schools; (2) defines signature learning programmes; and (3) changes the enrolment age for senior schools from 14 to 13 years of age. Madam President, to quote former US President Barack Obama, “Change will not come if we wait for some other person or some other time. We are the ones we’ve been waiting for. We are the change that we seek.”

So, Madam President, some will ask, *Why this change? Why at this time? Why and how will things be different when so many others have tried and not succeeded?* Madam President, honestly, the answer to the question *Why?* isn’t that complicated or difficult to conceive if you truly want to improve educational outcomes for our children. *Why?*, one may ask. Well, here is the why: Because we recognise and accept that the world has changed, but fundamentally education in Bermuda has not; because our community has demanded and inspired change; and because young people, all young people, with unique gifts and talents should be given the opportunities to be successful both locally and globally.

Madam President, it is easier to stay the same and to do what we have always done. It is easier to make small and incremental changes that do not make a big difference in the lives of young people and their families. It is easier to chop and change, to make tweaks and to tinker at the edges. It is easier to lift lightly and move slowly. It is easier to demand change and act as an agent of prevention rather than to work with us collectively. But, Madam President, who does that really serve?

Unfortunately, far too often we can find ourselves resistant to change. Not because we fear change, but because we fear the unknown. We fear what we may not want and wish to remain in our personal comfort zones. We have to confront our fears and not allow our personal desires to avoid change at the detriment of those behind us who require and deserve change. We need to be bold and think not for ourselves but for the consideration of others. We must have open minds and look at these proposed changes through a lens not heavily influenced by what we may fondly remember what school was like when we attended so many years ago.

Today’s students are unique to today’s environment. While some things never change, there are many that must, should and have to change. True leadership is about servanthood and putting the interests of others at the centre of our decisions. Our service in Parliament is to young people and their families for their success and the success of our economy, our society and our country.

Madam President, in awe as I am of the complexity of the challenge before us, I think of John F. Kennedy’s reflection on the challenge of going to the moon when he said, “We choose to go to the moon in this decade and do the other things, not because they are easy, but because they are hard, because that goal will serve to organize and measure the best of our energies and skills, because that challenge is one that we are willing to accept, one we are unwilling to postpone, and one which we intend to win, and the others, too.”

Madam President, we are a small close-knit community. We are proud and we are resilient. And we must not only keep pace, but we must meet and

rise to this challenge. Bermuda's children deserve the best that public education can offer, the best in 21<sup>st</sup> century learning, teaching facilities and technology.

Madam President, in support of our aims for young people, the Bill establishes signature schools by requiring senior schools to include one or more signature learning programmes within their curricula. The Government has already announced that Cedar-Bridge Academy and the Berkeley Institute will open as the first two signature schools in September of 2022. In the coming years there will be three additional senior schools, and each will be required to provide one or more signatures. The alternative and exceptionality signature schools will be introduced through future legislation following additional design and developmental work.

The Bill defines signature learning programmes, which are learning programmes that focus on skills development; are based on sectors of the economy including tourism, finance, insurance and trades or any other sector of the economy; and which consist of one or more learning areas. The Bill identifies the first four signatures, that being tourism, finance, insurance and trades, because these are current and critical future pillars of the Bermudian economy. The curriculum for each signature must include, as the Minister considers appropriate, learning areas identified in the Bill.

Madam President, according to UNESCO's definition, "learning areas" are the "Grouping of traditionally discrete but related subjects with the explicit aim of integrating students' learning." Learning areas provide a clear framework for curricula for what is taught, what is learned and what is assessed for signatures. As learning areas are not prescriptive but are groupings of subjects, they can cover and accommodate the evolution of a particular subject, skills and therefore new signatures that will result from advances in curricula and developments in workforce trends.

Madam President, to illustrate, business is a learning area included in the Bill. There are numerous subjects that, for example, fall under the umbrella of business, including accounting, finance, marketing, entrepreneurship and hotel management. Another example is personal and social development. This learning area typically includes subjects such as social and emotional learning, self-regulation, psychology, life planning, and collaboration skills. Within social studies and humanities, of course, we have Bermuda history, world history, economics, sociology, political studies and geography. If we think of the tourism signature, the subjects and skills taught and learned will include curricula from the various learning areas outlined in the Bill. Learning is interdisciplinary, as are curriculum, learning areas and of course signatures.

Madam President, while the Bill introduces signature learning programmes, signature schools will also provide a transformed senior school education, and the majority of the schools' curricula will encom-

pass a core foundational tract that will resemble a typical but modern senior school experience. Students will take a variety of subjects and learn critical foundational and signature-specific skills. The look and feel of teaching and learning will be significantly different. And for all learners it will be high-quality, personalised, flexible and adaptable.

Madam President, far too often you will hear the term *not academically inclined* when describing our students, even more disproportionately so when referring to our young men and more specifically our young Black men. I rubbish those remarks every time I hear them. We need to give our students the opportunities to flourish in their own rights. Our young people are already critical and creative thinkers, but re-trained educators will cultivate and nurture those skills to drive innovation and entrepreneurship.

Our young people will be tomorrow's graduates who possess social and emotional skills such as respect, empathy, self-efficiency, self-regulation, responsibility and collaboration. They will possess practical and physical skills like how to do things including using and creating new information and technology, which are critical components of the modern-day trades. And the learning of these skills will be meaningful and applicable in the real world. We need to stop trying to put our students in boxes and instead give them the tools to succeed while choosing their personal paths themselves.

Madam President, in addition to those outlined in the Bill, there will be other signatures, and those may be prescribed by rules. They will be determined after a truly engaging process involving young people and their families, who can articulate their interests across numerous options. This process will of course involve educators at all year levels, including those who are codesigning and who will teach in our signature schools.

Madam President, the Bill also begins to phase out middle schools by lowering the enrolment age for senior school. Students will typically be 13 years of age when they begin senior school instead of 14 years of age. M3, which is currently the last year of middle school, will effectively become the first year of senior school. This change will also mean that senior school will be five years in duration. The first two years of middle school (M1 and M2) will remain in place until middle school is phased out completely, which will be the subject of future legislation. The Government has always indicated that these changes would be phased in over time, and the Bill reflects this method.

Madam President, today we stand at the cusp of a once-in-a-lifetime decision, a decision that will chart the next chapter in the history of public education in Bermuda for generations to come. Again, I say when it comes to education, leadership is not about the next election; it is about the next generation. It is

time for all of us to walk the walk and not just talk the talk when it comes to education reform.

Madam President, with those remarks I am pleased to present the Bill entitled Education Amendment Act 2021 and welcome comments from my fellow Senators.

**The President:** Thank you, Senator Darrell.

Would any other Senator care to speak on this Bill?

Senator Michelle Simmons, you have the floor.

**Sen. Michelle Simmons:** Thank you, Madam President.

In some ways I am very sorry it is so late at night because this is a really important Bill that has come before us this evening. However, we will share our thoughts.

Madam President, as Senator Darrell has just said, this Bill is amending the Education Act 1996. And it is only the first phase in a number of changes which Government is making, or intends to make, to the public education system. Unfortunately, there have been misunderstandings about what this Bill is seeking to accomplish. And it appeared to many in the community that this particular Bill will allow the Government to close middle schools. But that is not the case. The most significant change that this Bill will bring about will be to move the M3 year level back into senior school. And I am deliberately saying *move it back into senior school* because that is where it used to be. In fact, along with M2, those year groups were originally in senior school.

So we are seeing M3 come back into the senior school, which will now begin for students at the age of 13. And they will graduate at the age of 18. Meanwhile, the middle schools will still continue to exist for students age 11 in M1, and students age 12 in M2. However, we know the Government intends to eliminate middle schools in due course. So further changes, further legislative changes are expected in due course.

Madam President, I strongly support the inclusion of students age 13 into senior school for developmental reasons. And I will just give you a few of those. These students at age 13 are beginning to develop their own views, their own opinions. They are beginning to understand figurative language. They are expanding their ability to think logically. All those are traits that we wish to see in our senior school students. (Those are some traits.) I think that the 13-year-old is certainly ready for the more challenging senior school curriculum and an environment where he or she can begin to explore their areas of interest, their career areas of interest, without putting them in a box. This is a good change, Madam President.

I also feel that this change will help to reduce the gap in learning which has been apparent for some

time now for many students between primary school and M3, between the end of primary school and the end of M3. The senior schools have seen the results of that gap in learning for several years.

Madam President, the Bill also allows for the creation of signature learning programmes in the senior schools. And I know Senator Darrell has described the senior schools as *signature schools* to come. But I would like to look at them as senior schools with signature learning programmes. I think it helps my understanding and maybe other people's understanding of what the Bill is trying to accomplish. It is my understanding that these industry-focused programmes will allow students to concentrate their skill development around a particular industry such as tourism, finance, insurance (these are all mentioned in the Bill) or the professional trades, as I like to call them.

This is not a comprehensive list, by any means, of the signature learning programmes. But it is the beginning. And I was very heartened to learn, as a result of the briefing for Senators on Friday by the technical officers in the Ministry of Education and by the Minister himself, that the programmes to be incorporated into the respective senior schools (i.e., CedarBridge Academy and the Berkeley Institute) will be arrived at by consultation with the school leadership team, by reviewing student profiles—and I am sure that is to see what the students themselves are interested in—and the unique circumstances of each school. Because I dare say there will be differences between the senior schools just because of the interests of the students in those respective schools.

And we are trying to cater to the needs of our individual students and their career prospects—their interests. So it means that it is highly likely that there will be different signature learning programmes at the two senior schools. So CedarBridge may opt for a particular signature learning programme, and Berkeley may opt for something else. Each one of the senior schools will have to have at least one signature learning programme, and hopefully they will have more.

Madam President, I believe from my understanding at the briefing that the senior learning programmes are going to be optional for students. So it is important for us to understand that some students may decide not to pursue a signature learning programme. And that is one of the problems I have with this so far. I actually think that that should be reconsidered since it may lead to some students who, at that stage in their development, are not thinking far enough ahead. It may result in some students not reaching their full potential and not positioning themselves to be ready for either the workplace or for tertiary education. So one of the things that I would suggest is that maybe there should be tiers within the signature learning programmes, since students will be aiming at different career goals.

Another concern that I have, or that I had, about the Bill, was that there was no mention of en-

trepreneurship education. But I have been assured that the plan is to infuse that into the curriculum beginning in primary school. And we all know that there is going to be a change in the delivery of primary school education, that there are many changes coming. Not right away, but they are planned. And I am happy to hear that entrepreneurship education will be infused in the curriculum beginning in primary school.

Madam President, I will wrap up my comments by saying that since it is Government's intention to phase out middle schools, I am very pleased that this is being done in phases and not just in one fell swoop. And I am saying that because, Madam President, I recall what happened when the general secondary schools were phased out and middle schools were introduced. At that point there was insufficient space to accommodate all of the students who were supposed to be at CedarBridge Academy. That caused major upheaval to the school system, and it took quite some time to recover from it. Therefore, this gradual restructuring is a far more cautious approach, and I feel it is a more sensible approach.

So, Madam President, I strongly support the move of M3 into senior school. And I am very interested in the signature learning programmes, which will be arrived at by consultation. And therefore, I will support this Bill. Thank you, Madam President.

*[Pause]*

**Sen. Michelle Simmons:** I cannot hear you, Madam President.

**The President:** Thank you, very much, Senator Michelle Simmons.

And I see that Senator Smith wants to speak. You have the floor, sir.

**Sen. Ben Smith:** Thank you, Madam President.

It was very good to hear the brief by the Junior Minister this evening. And I would like to thank Senator Michelle Simmons for the statement that she just made. Coming from a very specific expertise, she is able to look at this through a set of eyes. So I think it is important that we listen to her position on this.

The briefing that we were able to attend last Friday I think was really important. It gave answers to several of the questions that we would have had leading into this debate, and I think it gave all of us a level of comfort with the direction that things are going.

What I would like to say is that people tend to get anxious during change. And there has been a lot of conversation over an extended period of time about the state of education in Bermuda. And what we are seeing is a shift towards change, which creates that anxiety. So when that happens it is important that we give the information. And as Senator Simmons has just said, this phased approach where we are going to take one step at a time and get everybody acclimated

to that level before we move on to the next part is important so that people can get accustomed to the change.

What I would like to make sure is happening in this process . . . as we move and transition towards the changes that are being put forward, it is important that we are making sure that our students are going to have the support that is needed as we move through this transition. And also, we need to have a way to gauge the improvement that we are going to get as we make these changes. One of the things that we have noted as we have been looking at where education is now and where we want it to be is just a level of accountability. We need to make sure that we are training our teachers in the way for them to move into where we are moving in education. But we also need to make sure that we are gauging the level of that engagement from the teachers, what they are taking on with the new skills that they are learning, and then assessing the students as we go through this process.

So we are in support of the changes that are being made. Most of our questions were related to what can be said that tells us that the move from a three-tiered system to the two-tiered system is going to lead to better education? Not because we want to nit-pick on that, but the last time there was a major overhaul in education, we moved from the two-tiered system to the three-tiered system. All we are looking for is making sure that we are going to get the results that we are looking for, which is an improvement in our education. So, each of these steps should be leading to that goal.

I believe that the information that was provided last week and also the statement that was made by Senator Simmons is telling us that yes, we are seeing the blocks being put in place. It should lead to that change. But it is going to be important that we have the assessments, that we have benchmarks that we are going to be able to meet that tell us that this improvement is happening each step of the way. And I would encourage us to continue to set those benchmarks, continue to assess and make sure that we are not only preparing our teachers for these changes, but we are giving all of the support necessary to our students as we go through this transition.

Thank you, Madam President.

**The President:** Thank you, Senator Ben Smith.

Would any other Senator care to speak on this Bill?

Senator John Wight, you have the floor.

**Sen. John Wight:** Thank you, Madam President.

So I am fully supportive of this Bill. I must say this is not my area of expertise, so I lean on experts like Senator Simmons to educate me on the pros and cons of this. But I am supportive.

I would say, as a fairly large employer of Bermudian students, one comment I would make is that,

while I think it is very helpful for students to be exposed to, whether it be insurance or accounting or actuarial or whatever the case may be, as an employer, what we really look for is the sort of critical thinking skills that students are able to possess when they enter the workforce. So, you know, I support this Bill.

I will not say my concern, but my support going forward for students and for the educators is to be able to produce Bermudians with great critical thinking skills because that is what employers are looking for. And as we are in an increasingly complex world and, you know, employers do not want to look overseas for staff; we want to hire qualified Bermudians.

**An Hon. Senator:** Yes.

**Sen. John Wight:** So a definite priority to hire Bermudians.

We look forward to the education system, across this change we know is going forward, to be able to support the businesses so that we can be successful going forward. So, long story short, I support this Bill. Thank you, Madam President.

**The President:** Thank you, Senator Wight.

Would any other Senator care to speak on this Bill?

Hearing none, I will just say that based on what I have heard from the—

*[Inaudible interjections]*

**The President:** Hello. Hello.

**Sen. Owen Darrell:** Madam President, I think I have some colleagues who would like to speak on the Bill.

**The President:** Yes. Well, I was waiting to hear. Senator, which Senator would like to speak from the Cabinet Office here?

**Sen. Curtis Richardson:** Senator Richardson.

**The President:** Senator Richardson, you have the floor.

**Sen. Curtis Richardson:** Well, I want to apply my resounding support for this Bill. I believe wholeheartedly in moving the education system in the direction that we will be moving with this Bill, this initial phase of the changes that not only this Government has been advocating for, but also what has been demanded and called upon by the citizens of Bermuda.

I can remember the doorsteps during canvassing over the years. And the number-one has always been education. And no longer is it the white elephant in the room that people might whisper amongst themselves in closed circles about, you know, the education system and what their views on it

were. This is definitely the right and correct direction that we are taking.

I believe it is important for all Bermudians to realise that the change that this will bring for our future generations will also impact our present generations. The Bermuda Public Education System ought to be top-class, and it will ensure that our students are getting not only the academic skill sets that they desire, but also on the trade levels, because we all learn differently, and we all know this. So it is important that we recognise that.

The signature schools are giving an added twist to the demand that I have heard, and we have all probably spoken at one point or the other about trade-type schools. But if a student expresses interest and shows skill sets in areas that are not so much what the present education system is allowing them to do, then this is the way to go.

So I do appreciate the other Senators and their support and the words that they are giving. It just shows a unification of the building blocks of Bermuda's education system. And with that, Madam President, I just want to close my remarks to say that it is an astounding accomplishment. Thank you.

**The President:** Thank you, Senator Richardson.

Would any other Senator care to speak on this Bill?

**Sen. Lindsay Simmons:** Madam President, I will.

**The President:** Senator Lindsay Simmons, you have the floor.

**Sen. Lindsay Simmons:** Thank you, Madam President.

I am actually really excited to speak on this Bill, as up until I became a Senator I was a substitute teacher at the Dellwood Middle School. So I would like to declare my interest.

Madam President, from [the time I was] a young girl, my father always taught his daughters that education is the key, and education is the foundation on which we stand. It does not matter where you go in life, if you have a solid education foundation and you fall off, you always have that to fall back on. I remember in 1993 when I entered the Berkeley Institute, it was the same year as Ms. Michelle Gabisi Simmons. She was . . . we started in the same year. So in 1997, I was in my last year at Berkeley. And it was the year that middle school started. Ironically, my younger sister started in the middle school system at the same time. And the adjustment from going to primary school to middle school was harsh. And what my sister had on her side that some did not was that she was academically inclined. So she was able to catch up because there was a misstep somewhere along the way.

And I think that the PLP Government has been saying all this time that something is missing.

The PLP Government is not saying that the whole education system is a failure. But what we are saying is that when given the opportunity to improve the education system, why would we not consult and take the data to ensure that our voting constituents get what we promised in our Throne Speech? We definitely owe it to our children to [give them] a quality education with all children in mind, not just the ones who are academic inclined.

With the well of information at our fingertips, Plan 2022 allows us the ability to be progressive and evolve with time. In 2017 before we took office, MP Lovitta Foggo was the Shadow Minister of Education and Diallo Rabain was the Opposition Senate Leader and the spokesman for Education. And from 2017 till today they had town hall meetings, and they continuously put Plan 2022 in the forefront. Plan 2022 began under the OBA Government in 2017 with our now-Finance Minister Curtis Dickinson as the Chairman of the Board of Education. The current Minister of Education has carefully taken steps to ensure that Plan 2022 is what Bermuda wants and needs. Our children deserve the best opportunities in life. And with this Government leading the charge in reforming our education system, this reform has come out of the public outcry for a system that [ensures that] no child is left behind.

Madam President, there is one thing that I will not compromise on in life, and that is my daughter. And when it comes to her, education is number one. I only have one shot to get this right, Madam President. And my daughter is currently in private school because I did not believe in the middle school system. I am a single mom. I have a six-year-old. And I work day in and day out to ensure that education is key. So with the new reform . . . I have been on plenty of meetings. So with the proposed change, I am excited to see an education reform that addresses the issues from pre- and primary with the primary proposal, and middle to senior school with the phasing out of middle schools and the introduction of signature strands in our senior schools.

The preschool curriculum will be aligned with the primary schools, and primary schools will be aligned with the signature schools. This will ensure less of a dropout when transitions occur. Preschool and primary schools will be on the same campus, if not close to the same campus. This is what our Government is proposing. The current average of P1s to M1s have a dropout rate of 18 per cent. And we see the same cohort in S1 rise over 20 per cent. I am sure our Vice President, Ms. Michelle Simmons, can confirm this, as she was in the public school system, as well as the principal.

So having attended many of the Zoom consultations where Plan 2022 [was discussed] and having listened to the overall plan of professional development for our teachers, more consultation with the public, educators and students through Learning First, for

the first time in a long time I am encouraged to see where education is headed. I fully accept and understand that not every answer is available at this moment. But I can see a grand vision for education.

When I take the time to look at Plan 2022, Learning First, the parish school proposals and the Educational Authority development, all make sense. Anyone who looks at it from only one perspective would not be able to see the full plan. We have to widen our scope and put our children first.

Madam President, for example, ongoing discussions with the Bermuda Educators Council [BEC] about the desired enhanced certificates for teachers have already started. As a member of the BEC myself, I am sure Senator Robin Tucker can speak to those conversations that have already started between the BEC, the Minister, the Ministry and Learning First. Madam President, I am also a member of the Board of Education. I can personally speak of those meetings that are ongoing. We have them on a regular basis.

I was also encouraged when the Minister of Education spoke about how he spoke to MP Susan Jackson and Senator Ben Smith. They took the time to come and visit him and discuss education in his office. Even this week, the Minister extended an invite to all Senators to discuss this legislation and other education issues. I am completely vested in the Education Amendment Act 2021 and look forward to the change.

Madam President, this Minister and the Ministry understand that the needs of our children go beyond political alliances and require all of us to be a part of the solutions. Only if we embrace this approach will we get the answers we seek and the education system we know our children deserve.

Madam President, to sum up everything that I've said, it is imperative for the Education Amendment Act 2021 to pass in the Senate today. Our children are the future of Bermuda. So today, Madam President, I salute the Minister of Education, MP Lovitta Foggo, the Commissioner Kalmar Richards, Dr. Llewellyn Simmons and their whole team (including my sister). They have dug deep and have had many sleepless nights. I do not know how they do it, Madam President.

So today I too want to bring out my green pom-poms and celebrate all of the hard work that this team has done to get this Bill to where it is today. We do have more Bills to pass, but this is the start of a beautiful educational journey for our children, including mine.

Thank you, Madam President.

**The President:** Thank you, Senator Lindsay Simmons.

Would any other Senator care to speak on this Bill?

**Sen. the Hon. Dr. Ernest Peets:** Yes, Madam President, just for a few moments. (It is Senator Peets.)

**The President:** Minister Peets, you have the floor.

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam President.

I do understand that the hour is late, so I am not going to be long in my comments. I can speak from the perspective of a parent, and I think I could tell you a story that is indicative of perhaps lots of parents over the course of the last 10 or 15 years.

Most of you know that I am a parent of four kids, my wife and I have four, three girls and one son. They range right now between the ages of 10 and 21. I do recall that 11–12 years ago, there may have been some very heated debates, I would imagine, in our Houses of Parliament. But there was an ongoing conversation and debate in our kitchen regarding what we were going to do about middle school for our kids, who had enjoyed P5 Allen at Harrington Sound, who I think singlehandedly changed the course of direction of my oldest child. So I am certainly grateful for Harrington Sound, in particular Teacher Allen.

The decision about private versus public at the middle school level was a very, very difficult conversation to have around our household. We weighed up the options. We laboured over the decision for weeks on end. We knew that the decision had profound implications, particularly financially. We consulted with our friends and family, of course. Grandparents also weighed in on the decision. To make a long story short, we opted for private schools for middle school for our first child and then a few years later for our second child. When we got to the third child, as you can imagine, the financial implications of a private school education became extremely cost prohibitive, particularly for middle-class working individuals.

So what I am suggesting tonight is that the story which I shared, which is a very personal one for my particular family and kids, is one that I think hundreds, if not thousands, of families have had to weigh up over the last 10–15 years as it relates to our thoughts and feelings about middle school.

I do want Senators and those who are still listening to our broadcast today to know that my issue is not really with the teachers or the administrators who are currently in our middle school system, but rather it is the system itself. So I am very, very excited about the opportunity that the Minister of Education and the entire department, as well as the Government, have as it relates to the opportunity we have to reform our education system. So the Minister certainly has my full support. I am very, very excited about the possible passage of this Bill today and what it means now for our future going forward.

Thank you very much, Madam President.

**The President:** Thank you, Minister Peets.

Would any other Senator care to speak on this Bill?

Hearing none, I would just like to say that, listening to each one of you speak on this Bill so far this evening, I do believe that your comments have been reassuring and encouraging for the public. And I agree with Minister Peets. I hope that there are a number of people in the community who have heard each one of you make your reassuring comments, because education is critical.

I think there was so much being said in the community that people might have thought that there was something aloof about this particular Bill. But I think your comments have reassured them, and certainly myself. So I join you all in supporting this Bill. And I will turn now over to Senator Darrell for his final comments.

**Sen. Owen Darrell:** Thank you, Madam President.

Before I finish with my wrap-up comments, I just wanted to respond to a couple of the comments of, firstly, my former principal at the Berkeley Institute, our Vice President, Senator Simmons, and basically the recommendation that she made about making signatures mandatory is absolutely noted.

We are consulting, and we will gather additional information and feedback, and we are interested to see what senior school parents and other community members have to say regarding your suggestions.

Students still will have access to the signature subjects and will still have opportunities to do an enrolment, apprenticeships, et cetera.

Regarding Senator Ben Smith's comments, we absolutely agree on the need to ensure benchmarks, measures and assessments.

And to the comments of Senator Wight, we do support your comments in support of critical thinkers. Our young people are naturally creative and critical in thinking and in asking questions. It is the job of educators, along with parents and families, to cultivate these skills. Although the signatures are industry- and secular-focused, within them are skills needed not only for the economy, but also for being a well-rounded citizen.

So, thank you to all Senators who contributed to this debate, as well as my Senate colleagues this evening.

Madam President, in my closing comments I would like to emphasise that education reform is much broader than careers and the economy. But let us not underestimate the power and strength of being able to sustain oneself to have hope for the future of dreams and to be able to find and live one's passion. It is finally time to put in place the necessary changes and ultimately the transformation that the people of Bermuda have asked for. It is incumbent upon us to provide the framework and create the conditions so that all of our children are entitled to a great future.

W. E. B. De Bois once [said] the following, and I want all of us to listen to the words very carefully and take them to heart: “Now is the accepted time, not tomorrow, not some more convenient season. It is today that our best work can be done and not some future day or future year. It is today that we fit ourselves for the greater usefulness of tomorrow. Today is the seed time, now are the hours of work, and tomorrow comes the harvest and the playtime.”

Now is the time for us to hold hands and commit to education reform, not for ourselves but for our children—Tatum, Oliver and their classmates, and all future generations who are to come. We stand here today at the start of something great. We stand here today ready to make the changes that our system needs. The time is now to make the changes that we all know in our hearts our children deserve.

Madam President, thank you for allowing me to make these comments.

**The President:** Thank you.

And now you will do the second reading.

**Sen. Owen Darrell:** Madam President, I move that [Standing Order] 26 be suspended in respect—

**The President:** Senator Darrell, you must first move, read a second time.

**Sen. Owen Darrell:** Madam President, I move that the Bill entitled Education Amendment Act 2021 be read a third time . . . sorry, be read a second time.

**The President:** A second time.

Is there any objection to that motion?

Hearing no objection, carry on, Senator Darrell. [Standing Order] 26.

### SUSPENSION OF STANDING ORDER 26

**Sen. Owen Darrell:** Madam President, I move that [Standing Order] 26 be suspended in respect of this Bill.

**The President:** Is there any objection to that motion?  
No objection.

*[Motion carried: Standing Order 26 suspended.]*

## BILL

### THIRD READING

#### EDUCATION AMENDMENT ACT 2021

**Sen. Owen Darrell:** Madam President, I move that the Bill entitled the Education Amendment Act 2021 now be read a third time.

**The President:** Is there any objection to that motion?  
No objection.

**Sen. Owen Darrell:** Thank you, Madam President.  
Madam President, I move that the Bill do now pass.

**The President:** It has been moved that the Bill entitled the Education Amendment Act 2021 do now pass.  
Is there any objection to that motion?  
No objection.  
The Bill is passed.

*[Motion carried: The Education Amendment Act 2021 was read a third time and passed.]*

**The President:** Thank you, Senator Darrell.

We will now move on to our final Bill, and that is the second reading of the Rent Increases (Domestic Premises) Control Temporary Amendment Act 2021. And this is in the name of Senator Simmons, the Junior Minister for Home Affairs.

You have the floor.

**Sen. Lindsay Simmons:** Madam President, I move that the Bill entitled Rent Increases (Domestic Premises) Control Temporary Amendment Act 2021 be now read a second time.

**The President:** Is there any objection to that motion?  
No objection.

## BILL

### SECOND READING

#### RENT INCREASES (DOMESTIC PREMISES) CONTROL TEMPORARY AMENDMENT ACT 2021

**Sen. Lindsay Simmons:** Madam President, I rise to introduce the Bill entitled [Rent Increases \(Domestic Premises\) Control Temporary Amendment Act 2021](#).

The purpose of this Bill is to (a) increase the length of permitted rental to a Bermuda resident in a rent controlled vacation rental unit from an aggregate of six months in a consecutive twelve-month period to an aggregate of twelve months in a consecutive twenty-four month period; (b) to increase the validity of vacation rental (rent control) certificates from one year to two years; and (c) to make the increase in length of permitted rental to a Bermuda resident and the validity period of vacation rental (rent control) certificates temporary to enable a review of those increases before the expiration of two years.

Madam President, the Rent Commissioner met with the Real Estate Division of the Chamber of Commerce to discuss the challenges associated with holders of one-year residential certificates who are

trying to find suitable rental units. The Chamber noted that there was an inventory shortage of studio and one-bedroom apartment categories, as these rental units are mainly occupied by the local rental market. In addition, those who have been granted a one-year residential certificate are looking for fully furnished apartments without having to enter into a long-term contract with a landlord, as they cannot guarantee that they can or want to remain beyond the term of the certificate.

Landlords renting in the residential market do not normally offer furnished apartments for rent. Additionally, landlords are normally seeking tenants who are prepared to commit to a longer term than one year. As a result, concerns were expressed about the limitations of the six-month aggregated length-of-stay restrictions in a vacation rental unit within the Rent Increases (Domestic Premises) Control Act 1978 (the principal Act). Most studio and one-bedroom apartments fall at or below the threshold of the \$22,800 for rent control units.

Madam President, the vacation rental market offers units that are furnished and, by their very nature, offer short-term rentals without the need for a long-term contract. However, due to the legislative restrictions in section 6 of the principal Act, a landlord of a vacation unit can only rent the property for an aggregate of six months out of a consecutive twelve-month period. This restriction will require the one-year residential certificate holder to secure and move into another rental space for the remaining six months. The Bill proposes to increase the length of stay from an aggregate of six months within a consecutive period of twelve months to an aggregate of twelve months with a consecutive period of twenty-four months.

Madam President, the overarching objective of the proposed amendment is to stimulate economic growth by removing any impediments for the one-year residential certificate holder to reside on the Island. The proposed amendment provides five important components to address the needs identified by the one-year residential certificate holders:

1. They will not be considered tenants; therefore, a long-term lease commitment is not required.
2. They will not have to vacate a rent-controlled vacation rental unit after six months.
3. They will be able to terminate their stay if they wish to leave before their certificate expires.
4. They will have access to fully furnished apartments.
5. The amendment provides an opportunity for holders of vacation rental (rent control) certificates to begin earning revenue for their properties which experience negative financial impact due to the COVID-19 pandemic.

Madam President, the Bill will remain in force for a period of two years from the date the Act becomes operational. The Rent Commissioner and her team will monitor the local rental market during the

two-year period to ensure that locals and helping agencies have access to apartments within the rent control inventory.

Madam President, presently there are 312 rent-controlled vacation rental units in operation, representing approximately 2 per cent of the total rental units under the rent control. By implementing the Rent Increases (Domestic Premises) Control Temporary Amendment Act 2021, we will be supporting the Government's firm commitment to provide financial stimulus for many industries within our economy.

Thank you, Madam President.

**The President:** Thank you, Senator Lindsay Simmons.

Would any other Senator care to speak on this Bill?

Senator Robin Tucker, you have the floor.

**Sen. Robin Tucker:** Thank you, Madam President.

I just wanted to first of all thank Senator Simmons for her brief. And just wanted to say whatever we can do to help stimulate the economy, we are certainly in favour of. So we support the Amendment.

Thank you, Madam President.

**The President:** Thank you, Senator Tucker.

Would any other Senator care to speak on this Bill?

Senator Michelle Simmons, you have the floor.

**Sen. Michelle Simmons:** Madam President, thank you.

Just a very brief comment. I think that this makes complete sense. We have people coming to live in Bermuda for a year. And they certainly do not want to have the headache of finding furniture, kitchen equipment and everything else. The vacation rental apartments are fully furnished and equipped. And they would make ideal locations for people to take up residence for a year. So this Bill just makes sense to me, and I give it my full support. Thank you.

**The President:** Thank you, Senator Michelle Simmons.

Would any other Senator care to speak on this Bill?

Hearing none, then, Senator Lindsay Simmons, it appears you have full support. You have the floor.

**Sen. Lindsay Simmons:** Thank you, Madam President.

Madam President, I move that the Bill entitled Rent Increases (Domestic Premises) Control Temporary Amendment Act 2021 be now read a second time.

**The President:** Is there any objection to that motion?  
No objection.

### SUSPENSION OF STANDING ORDER 26

**Sen. Lindsay Simmons:** Madam President, I move that [Standing Order] 26 be suspended in respect of this Bill.

**The President:** Is there any objection to that motion?  
No objection.

*[Motion carried: Standing Order 26 suspended.]*

## BILL

### THIRD READING

#### RENT INCREASES (DOMESTIC PREMISES) CONTROL TEMPORARY AMENDMENT ACT 2021

**Sen. Lindsay Simmons:** Madam President, I move that the Bill entitled Rent Increases (Domestic Premises) Control Temporary Amendment Act 2021 be now read a third time.

**The President:** Is there any objection to the third reading?  
No objection.

**Sen. Lindsay Simmons:** Madam President, I move that the Bill do now pass.

**The President:** It has been moved that the Bill entitled Rent Increases (Domestic Premises) Control Temporary Amendment Act 2021 do now pass.  
Is there any objection to that motion?  
No objection.  
The Bill is passed.

*[Motion carried: The Rent Increases (Domestic Premises) Control Temporary Amendment Act 2021 was read the third time and passed.]*

**The President:** Thank you all very much.  
We now move on to the final part of the agenda.

## MOTIONS

**The President:** There are none.

### CONGRATULATORY AND/OR OBITUARY SPEECHES

**The President:** Would any other Senator care to speak on this?

**Sen. Owen Darrell:** Yes, Madam President.

**The President:** Who is it? Senator Richardson?

**Sen. Owen Darrell:** Senator Darrell. I will be very brief.

**The President:** Senator Darrell (I am sorry). Senator Darrell, you have the floor.

**Sen. Owen Darrell:** Madam President, I would like to send my congratulations to the Bermuda National Football Team who a few nights ago . . . most of this country tuned in and watched as they took on Canada under some very difficult circumstances in the lead-ups to this campaign.

And what I did see, apart from the final score line, was a lot of young men, some of whom I have taught or watched grow up, put their all on the line for this country. And congratulations to the Bermuda goal-scorer, who was Mr. Kane Critchlow, who did get the lone goal for Bermuda. I think that they put their best foot forward. And I just want to congratulate everyone associated with that team and everything that it took to get them to Florida to take on Canada.

You would have seen in that game that Canada had a juggernaut of a player, who played for one of the top teams in the world. And I think that despite that, our Men's Senior National Team did very well. And I want to go a step further and wish them well, as I think they play Aruba tomorrow night in Florida.

Oh, and just back to that Canada team. I have just gotten word that Canada beat the Cayman Islands this evening 11-nil! So if Canada beat them 11-nil, I think that Bermuda's 5-1 looks pretty good right about now.

So, Madam President, I just wanted to congratulate our team and all associated with that team, as they got their World Cup campaign off to a—

**The President:** A good start.

**Sen. Owen Darrell:** —baptism by fire. But they did represent the country well.

Thank you, Madam President.

**The President:** Thank you, Senator Darrell.  
Would any other Senator care to speak?

**Sen. Lindsay Simmons:** Definitely, Madam President.

**The President:** Senator Lindsay Simmons, you have the floor.

**Sen. Lindsay Simmons:** Yes. I am going to be really brief.

Madam President, I would like to congratulate Keturah Bulford-Trott. She represented Montverde

Academy in Florida for the Women's Track and Field at the Mount Dora Christian Invitational Meet #2 in Florida. Keturah Bulford-Trott clocked in at 12:92, winning Meet #2 of the Women's 100-metre dash, which saw her place first overall. So I would like to take this time to congratulate Keturah. She just nursed herself back from injury and came out like a rocket.

Thank you, Madam President.

**The President:** Thank you, Senator Simmons.

Would any other Senator care to speak?

Senator Robin Tucker, you have the floor.

**Sen. Robin Tucker:** Thank you, Madam President.

I would just like to extend condolences to the family of the late Mr. Keith Rossiter. Keith and I actually worked together for a number of years in one of our law firms. And he was certainly a very likable person, very kind, great sense of humour, a person who got along with absolutely everybody. I most recently had an opportunity to spend a little bit of time with him and his wife, Gillian. So I just wanted to take this moment to extend condolences to her and to Stephen, Keith's son, whom I have also had the opportunity to work with, and the entire Rossiter family.

Thank you, very much, Madam President.

**The President:** Thank you, Senator Robin Tucker.

Would any other Senator care to speak on Congratulatory and/or Obituary Speeches?

Hearing none, then it is the adjournment. I turn it over to Minister Ernest Peets, the Government Leader in the Senate, for the adjournment.

Minister Peets.

## ADJOURNMENT

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam President.

I just want to just say thank you to Senator John Wight and Senator Michelle Simmons for their due diligence in guiding us through Committee. Thank you, everyone, for your hard work.

I would like to make a motion that we adjourn Senate business until Wednesday, March 31.

**The President:** Thank you.

Would any Senator care to speak on the motion to adjourn?

Hearing none, it is a late hour. Senators, I too want to thank each and every one of you for your roles today and for the stamina that you have shown. Have a good night, and we will see you all back here on Wednesday.

Senate stands adjourned. Thank you.

*[At 9:50 pm, the Senate stood adjourned until 10:00 am, Wednesday, 31 March 2021.]*

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**BERMUDA SENATE****OFFICIAL HANSARD REPORT  
VIRTUAL SITTING  
31 MARCH 2021  
10:00 AM***Sitting Number 13 of the 2020/21 Session*

*[Sen. the Hon. Joan E. Dillas-Wright, President, presiding]*

**The President:** Good morning, Senators. It is good to see you all.

The Senate is in session.  
Shall we pray?

**PRAYERS**

*[Prayers read by Sen. the Hon. Joan E. Dillas-Wright, President]*

**CONFIRMATION OF MINUTES**

**The President:** Item two, the confirmation of minutes, Senator Michelle Simmons, you have the floor.

**Sen. Michelle Simmons:** Good morning, Madam President—

**The President:** Good morning.

**Sen. Michelle Simmons:** —and fellow Senate colleagues. Madam President, I move that consideration of the Minutes of the meetings of Wednesday, the 24<sup>th</sup> of March; Thursday, the 25<sup>th</sup> of March; and Monday, the 29<sup>th</sup> of March 2021 be deferred.

**The President:** Is there any objection to that motion?  
No objection. Those Minutes are confirmed.

*[sic]*

Thank you, Senator Michelle Simmons.

**Sen. Michelle Simmons:** Deferred; the Minutes are deferred.

**The President:** Deferred. Yes, they have been deferred. Thank you.

**MESSAGES**

**The Clerk:** There are no messages, Madam President.

**The President:** Thank you, Mr. Somner.

**REPORTS OF COMMITTEES**

**The President:** There are none.

**ANNOUNCEMENTS**

**The President:** We have two announcements. These are in the name of Senator the Honourable E. G. B. Peets, Minister of Youth, Culture and Sport, and Government Leader in the Senate.

Minister Peets, you have the floor.

**Sen. the Hon. Dr. Ernest Peets:** Good morning, Madam President.—

**The President:** Good morning.

**Sen. the Hon. Dr. Ernest Peets:** —Good morning, Senators.

**NATIONAL CULTURAL HERITAGE  
POLICY FOR BERMUDA 2021–2026****NATIONAL CULTURAL HERITAGE  
POLICY FOR BERMUDA—IN BRIEF**

**Sen. the Hon. Dr. Ernest Peets:** Madam President, I hereby present for the information of Senate the National Cultural Heritage Policy for Bermuda 2021–2026, as well as the National Cultural Heritage Policy for Bermuda—In Brief, each as produced by the Department of Culture.

Senators can access a copy of these reports on their tablets and/or on the Parliament website.

**The President:** Thank you, Minister Peets.

**NOTICES OF MOTIONS**

**The President:** There are none.

**PETITIONS**

**The President:** There are none.

## STATEMENTS

**The President:** The Statement is in the name of Senator the Honourable E. G. B. Peets, Minister of Youth, Culture and Sport.

Minister Peets, you have the floor.

### NATIONAL CULTURAL HERITAGE POLICY FOR BERMUDA 2021–2026

### NATIONAL CULTURAL HERITAGE POLICY FOR BERMUDA—IN BRIEF

**Sen. the Hon. Dr. Ernest Peets:** Thank you, very much, Madam President.

Madam President, the 2020 Throne Speech promised a [National Cultural Heritage Policy for Bermuda](#) that would combine the strands that jointly speak of Bermuda's uniqueness and shared identity with those peoples from whom we are descended. One history, many cultures, a shared cultural identity.

Today I am pleased to say that the National Cultural Heritage Policy for Bermuda has been completed and the Department of Culture is preparing to launch the policy during Heritage Month in May.

Today I lay the National Cultural Heritage Policy before this Honourable Chamber, with the hope that we may debate it when Parliament resumes in May.

Madam President, there are two documents before you: the full National Cultural Policy, a detailed 47-page document providing in-depth background, rationale and explanations; and an "In Brief" abridged version that outlines at a high level what the policy intends to achieve. We hope the two documents will cater to varied reading audiences with an interest in the policy.

Madam President, there are six primary goals of the policy, namely to:

- promote culture and develop our creatives;
- preserve and protect our cultural heritage;
- include culture in our national development plans;
- establish cultural connections;
- assist with cultural administration; and
- implement and review the policy.

Madam President, this Government is committed to promoting culture and developing our creatives. Accordingly, the policy speaks to the need to support, maintain and develop our cultural institutions. In addition, we will create programmes and initiatives to assist the growth and employment of our artists and tradition-bearers.

Some of the action points associated with this goal include developing annual programmes and events such as competitions to encourage the production of new artistic materials; and supporting the establishment of arts-related councils such as a film board.

Madam President, the goal of preserving and protecting our cultural heritage speaks to the value of our sense of identity and our tangible cultural assets such as our archaeological wealth and archival records.

Part of our goal here is also to highlight the importance of our oral traditions, histories, and traditional knowledge. Some of the action items outlined to bring this goal to fruition include providing training opportunities to young Bermudians in the fields of culture, heritage and the arts; work with education to have students develop projects on community heroes; and educate the public on the importance of identified days of national significance.

In order for our community to experience our culture as a robust and vibrant force, it is essential for it to be thoughtfully linked to all aspects of national development. Practically speaking, this involves considering how our culture, how our national identity, impacts the directions we choose as we shape our national development strategies. This also requires developing and strengthening synergies between Government, the third sector, creatives and our tradition-bearers.

This kind of holistic, integrated approach would affect our approach to our children's education, our environment, our approach to tourism marketing, and how we integrate technology into our systems. Some of the ways this will be accomplished is by creating a catalogue of cultural materials that can be disseminated to each teacher; publish an annual newsletter providing the community with cultural updates; and establish digital links with cultural industry partners.

Madam President, despite Bermuda's geographic isolation, we have always as a people recognised the importance of fostering cultural connections. Within the contemporary context of this National Cultural Heritage Policy, the connections we wish to emphasise speak to our past, our present, and our future.

This includes the importance of the "core" cultures from which Bermudian identity developed: West and Central African, British, Portuguese/Azorean, indigenous American, and American; as well as the historical, geographical, cultural and economic linkages and affinities that exist between Bermuda and the Caribbean and other small island nations.

Some of the ways that this will be accomplished will be by creating public awareness campaigns on the contributions Bermudians have made at the international level; researching and establishing relationships with cultural industry partners in the Caribbean; and by including cultural manifestations of the core cultures in our national celebrations.

Madam President, the remaining two goals of the National Cultural Heritage Policy involve assisting with cultural administration, implementing the goals of the policy, and conducting a regular review of the policy with our stakeholders to ensure that the goals and

action points of the policy remain relevant and beneficial.

This will include encouraging appropriate cultural legislation and regulation; inspiring the cultural heritage community to review, revise, and recommit to the goals of the policy on an annual basis at a meeting organised by the Department of Culture during Heritage Month. These initiatives are designed to ensure both the short-term and long-term [viability] of these principles.

Madam President, the overarching goal of the policy is to inspire national pride and to support the deepening of our shared identity. The policy also aims to ensure that Bermudian culture is embedded in every level of everyday life.

Although the Department of Culture is responsible for drafting the National Cultural Heritage Policy, the policy belongs to the whole of Bermuda: to our creative communities, to our heritage institutions, our artists, our tradition-bearers, to our students and to our citizenry as a whole.

So, Madam President, although the Department of Culture will obviously enact some of the programming suggested in the policy, the department's most important role is to be the steward of this policy.

The department's role as steward will begin with the launch in May during the department's virtual cultural conference, which will utilise the policy itself as a framework for discussing some of the challenges and opportunities emerging from the culture and heritage sectors.

Madam President, it is our intention to have the National Cultural Heritage Policy exist as an evolving blueprint for the integration of culture into all aspects of Bermudian life.

As we implement aspects of this policy, the Department of Culture will work with our stakeholders to better understand the needs of our tradition-bearers and creatives and develop a plan to accomplish the policy goals, and we will put these strategies into action. We will base all of our work on the principles of respect, collaboration, accountability, and an appreciation for what we share as one community.

Madam President, I have said it before and I think it is worth repeating: Our culture is our nation's soul. It is not just our dress or dance or song, nor our history or customs alone. Our culture is the summation of all we are as a people. It is the sum effect of all of these things, which gives us pride in who we are and helps us rise together to whatever challenges are put before us—be it an international sporting event, a hurricane, social justice, economic trials or fighting this pandemic. National pride in our shared culture unites and strengthens us.

For this reason, Madam President, this policy is such an important milestone for the Government. With it, we seek to promote our interwoven histories and common causes and promote Bermudians' shared cultural identity.

I table this National Heritage Cultural Policy today, and I look forward to debating it in this Honourable Chamber when Parliament resumes in May.

Thank you, very much, Madam President.

*[Pause]*

**The Clerk:** You are muted, Madam President.

**The President:** I beg your pardon.

Thank you, Minister Peets and Government Leader in the Senate for your Statement.

## INTRODUCTION OF BILLS

**The President:** There are none.

## FIRST READING OF PUBLIC BILLS

**The President:** There are none.

## FIRST READING OF PRIVATE BILLS

**The President:** There are none.

## QUESTION PERIOD

**The President:** Does any Senator wish to speak to the Statement that was read by Minister Peets?

Hearing none, we will move on.

## ORDERS OF THE DAY

**The President:** The first Order of the Day is consideration of Draft Regulations entitled the [Electricity (Regulatory Authority Fees) Regulations 2021, and] Electronic Communications (Regulatory Authority Fees) Regulations 2021 (Governor's recommendations signified) in the name of Senator Simmons, Junior Minister for Home Affairs.

You have the floor, Senator Lindsay Simmons.

**Sen. Lindsay Simmons:** Thank you, Madam President. Madam President, is it possible that I could read items 1 and 2 together?

**The President:** Oh, yes, you can do [that].

## DRAFT REGULATIONS

### ELECTRONIC COMMUNICATIONS (REGULATORY AUTHORITY FEES) REGULATIONS 2021

### ELECTRICITY (REGULATORY AUTHORITY FEES) REGULATIONS 2021

**Sen. Lindsay Simmons:** Thank you, Madam President.

Madam President, I move that Senate do now take under consideration the Draft Regulations entitled [Electronic Communications \(Regulatory Authority Fees\) Regulations 2021](#), and the [Electricity \(Regulatory Authority Fees\) Regulations 2021](#).

Madam President, I move that consideration be given to the draft Regulation entitled Electronic Communications (Regulatory Authority Fees) Regulations 2021, and the Electricity (Regulatory Authority Fees) Regulations 2021. I am also seeking the indulgence of the Senate to move these two Regulations en bloc.

Madam President, the fees proposed were published by the Regulatory Authority's Work Plan for 2021/22. And the changes reflect the magnitude of the Regulatory Authority's work involved in the oversight of the sectorial providers and their processing of applications related to the electronic communications and electricity sectors.

Madam President, I will first discuss the Electronic Communications (Regulatory Authority Fees) Regulations 2021. Madam President, the fees specified under the Electronic Communications (Regulatory Authority Fees) Regulations 2021 include fees included in the Regulations listed under clause 4 and have now been revoked, namely, (a) the Electronic Communications (Regulatory Authority Fees) Regulations 2020, (b) the Regulatory Authority (Service Fees) Regulations 2018, and (c) the Electronic Communications (Spectrum Service Fees) Regulations 2016. The changes in the fees include the following:

- A decrease in the fees charged to holders of an integrated communications operating licence known as ICOL, from 1.75 [per cent] to a licensee relevant turnover of 1.70 per cent.
- A new fee of \$85,000 for an application for an ICOL. This fee has been introduced to cover the legal and regulatory costs of assessing an application for new ICOLs, which have been submitted after the lifting of the moratorium on ICOLs.
- An application fee of \$15,000 for high-demand spectrum (HDS), a reduction from the previous fee of \$40,000. A [new] application fee of \$500 for non-HDS (high-demand spectrum).
- A change in the name of the application fee that was formerly described as "mergers and acquisitions" but is now described as "change and control." There is no change in the amount of the fee.

Madam President, I now turn our attention to the Electricity (Regulatory Authority Fees) Regulations 2021. The fees specified under the Electricity (Regulatory Authority Fees) Regulations 2021 include fees included in the regulations listed under clause 4 and have now been revoked, namely, (a) the Electricity (Regulatory Authority Fees) Regulations 2018, and (b)

the Regulatory Authority (Service Fees) Regulations 2018. The change in the fees includes the following, Madam President:

- The fee of 0.00635 per kilowatt hour in the transmission, distribution and retail service provider increased from 0.00475 per kilowatt hour. This is intended to be a temporary increase to cover the cost of a new multi-year tariff and a review of wind studies necessary for the introduction of wind turbines recommended in the Integrated Resource Plan (known as the IRP).
- A new fee of \$6,500 per megawatt for applications for large scale self-supply licences. This fee is higher than the fees for the applications of other bulk electricity generators as it has the potential to increase the share of the grid costs to other customers.
- A new fee of \$10,000 to cover the cost of technical and legal evaluation of bulk generation proposal, both solicited and unsolicited. The fee was created in anticipation of proposals for renewable energy in accordance with the IRP.
- A change in the name of the application fee that was formerly described as "mergers and acquisitions" but is now described as "change and control." There is no change to the amount of the fee.

Madam President, I invite Senators to review the RA's [Regulatory Authority] work plan to view the accomplishments and their plans for the upcoming year.

Madam President, with those introductory remarks I now move that the draft Regulations be approved and the appropriate message be sent from the Senate to Her Excellency the Governor.

Thank you, Madam President.

**The President:** Senator Lindsay Simmons, you needed to have the Senators respond too. So I am going to now open the floor to any Senator who wishes to speak on either one of these Bills.

Senator Robin Tucker, you have the floor.

**Sen. Robin Tucker:** Good morning, Madam President—

**The President:** Good morning.

**Sen. Robin Tucker:** —and good morning to the listening audience, and of course to my Senate colleagues.

I just wanted, if I may, to speak to the [Draft Regulations] individually?

**The President:** Certainly you may.

**Sen. Robin Tucker:** Thank you, Madam President.

The OBA has no objections to the Electronic Communications (Regulatory Authority Fees) Regulations 2021. From our point of view it is administrative in nature and it obviously sets out the fees payable by

holders of integrated communications operating licences and holders of submarine communications operating licences over a 12-month period. It sets the conditions for payment and the payee receiving those payments. So we have no objections to that at all.

As it relates to the Electricity (Regulatory Authority Fees) Regulations 2021, again, this is viewed by us as strictly administrative in nature. It is just setting out the general regulatory fees and the service fees attached. So we have no objection at all.

Thank you, very much, Madam President.

**The President:** Thank you, Senator Robin Tucker.

Would any other Senator care to speak on either one of these [Draft Regulations]?

Hearing none, then it is over to you Senator Lindsay Simmons.

**Sen. Lindsay Simmons:** Thank you, Madam President.

Madam President, I move that the Senate do take under consideration the draft Regulations entitled Electronic Communications (Regulatory Authority Fees) Regulations 2021 and the Electricity (Regulatory Authority Fees) Regulations 2021.

**The President:** Senator Simmons, you have introduced them. It is now—

**Sen. Lindsay Simmons:** I'm sorry. I'm sorry.

Madam President, I now move—

**The President:** First, do your second reading.

Senator Simmons, do the second reading, please.

[Pause]

**The Clerk:** She has a motion to move that they be approved and the message [be sent] to the Governor.

**The President:** Senator Simmons. Yes. You need to read your motion now then, please.

**Sen. Lindsay Simmons:** Madam President, I move that the said Draft Regulations be approved and that the following message be sent to Her Excellency the Governor.

"May it please Your Excellency:

"The Senate, having had under consideration the Draft Regulations entitled the Electronic Communications (Regulatory Authority Fees) Regulations 2021, and the Electricity (Regulatory Authority Fees) Regulations 2021, proposed to be made by the Minister responsible for energy and telecommunications under the provisions of sections 6 and 11 of the Electronic Communications Act 2011, and the Electricity Act 2016, in exercise of the power conferred by section 44 of the Regulatory Authority Act 2011, has the

honour to inform Your Excellency that the Senate has approved said Draft Regulations."

**The President:** Thank you.

Is there any objection to that motion?

No objections.

Senator Lindsay Simmons, a suitable message will be sent. Thank you.

*[Motion carried: Draft Regulations entitled Electronic Communications (Regulatory Authority Fees) Regulations 2021, and the Electricity (Regulatory Authority Fees) Regulations 2021, were approved.]*

**Sen. Lindsay Simmons:** Thank you.

**The President:** Moving on to item number 3, on our Orders of the Day is consideration of the Draft Order entitled the Public Health (COVID-19) Emergency Extension (No. 2) Order 2021. And this is in the name of Senator C. P. Richardson, the Junior Minister for Health.

Senator Curtis Richardson, you have the floor.

**Sen. Curtis Richardson:** Thank you, Madam President.

Madam President, I move that the Senate do now take under consideration the Draft Order entitled Public Health (COVID-19) Emergency Extension (No. 2) Order 2021.

**The President:** Is there any objection to that motion?

No objection, Senator Richardson.

Carry on.

## DRAFT ORDER

### PUBLIC HEALTH (COVID-19) EMERGENCY EXTENSION (NO. 2) ORDER 2021

**Sen. Curtis Richardson:** Madam President, I am pleased to invite this Honourable Chamber to consider the Order entitled [Public Health \(COVID-19\) Emergency Extension \(No. 2\) Order 2021](#).

Madam President, I would like to take this opportunity to remind the public of their civic responsibilities to take steps to protect themselves, their loved ones and their neighbours during this global pandemic caused by the novel coronavirus. We live on a very small Island, and as we have experienced already, and as recently as late last year, COVID-19 can spread quickly and impact our whole community as scores of people test positive and hundreds end up in quarantine.

We can slow the spread of the virus by wearing a mask to cover our nose and mouth, as well as physically distancing, downloading the WeHealth Bermuda app and avoiding the three Cs of closed spaces, crowded places and close-contact settings.

The more barriers and space between you and others, the harder it is for the virus to spread. Also, Madam President, after enormous hard work by scientists around the world, there is another layer of protection we can add, [and that is] the COVID-19 vaccination.

As has been said many times, vaccines save lives. And it is no different with the Pfizer-BioNTech vaccine being used in Bermuda now. Getting the vaccine greatly reduces your chance of contracting COVID-19. In fact, the Pfizer vaccine has been shown to be 95 per cent effective after two doses. [If immunised and] you do get COVID-19, you are likely to experience milder symptoms and become less ill as your body is better able to fight off the virus. This means we can keep people out of the hospital and we will have fewer deaths due to COVID-19.

With the reduced viral load in your system, it is also hoped that you are less likely to transmit the coronavirus as well, although that aspect of the vaccine's power is not fully known at present.

Of the vaccinations administered in Bermuda 55 per cent have been given to women and 45 per cent have been given to men. Bermuda's goal of herd immunity will be achieved when 70 per cent of the population of 64,054 has been immunised. So far, 17 per cent of the population has been vaccinated with one dose and 6 per cent of the population has been immunised with two doses. These are great results so far. And I thank and applaud all of those who have taken the steps to get their vaccination to protect themselves, their families and our community.

As a government, we recognise it will take some time to reach the goal of herd immunity. And so a more immediate goal is the immunisation of 90 per cent of persons who are over [the age] of 65, which is our most vulnerable group. In addition, we continue to encourage our extremely clinically vulnerable persons, our health care workers and essential service workers to please get vaccinated.

To repeat: Preventing infection, the onset of a disease itself, and community spread via mass vaccination, will be a critical part of how we navigate our way out of this current crisis.

We have all felt the impact that COVID-19 has had on us personally, and we all know how it has impacted our Island's economy. Getting vaccinated is an integral part of our ongoing collective effort to reduce the spread of the virus here on the Island. This is essential not only for our health, but also to help us to return to a sense of normalcy with our daily lives.

Madam President and Honourable Senators, as we all now know, COVID-19 was caused by a new virus that spread quickly throughout the world. Unfortunately, it still exists in large part because it can be transmitted so easily between people who are in close contact or through coughs and sneezes. While most infected people suffer mild flu-like symptoms, some become seriously ill and even die.

The Minister of Health has consulted the Chief Medical Officer and determined that a communicable disease of the first or second category, namely, COVID-19, continues to pose a severe threat to public health in Bermuda. This Order will extend the Public Health (COVID-19) Emergency Order 2021, made under the Public Health Act 1949, to permit the Governor to continue the Public Health (COVID-19 Emergency Powers) Regulations 2021, which imposed extraordinary measures necessary in the interest of public health to prevent, control and suppress COVID-19.

Madam President, Honourable Senators will be aware that the Public Health (COVID-19) Emergency Order 2021 was made under the [affirmative] resolution procedure effective the 25<sup>th</sup> of January 2021 for 30 days, expiring on the 24<sup>th</sup> of February 2021. However, the COVID-19 pandemic continues to rage on globally and a public health emergency continues to exist on our shores.

Therefore, in accordance with section 107A(3) of the Public Health Act 1949, I bring this Extension (No. 2) Order to this Honourable Chamber to prolong the state of public health emergency for a further 60 days ending on the 25<sup>th</sup> of April 2021.

Madam President, Honourable Senators and the public will know that the stress of the impact that the coronavirus is putting on us continuously changes on a daily and weekly basis. So the numbers do go up and down as the virus is being monitored. Thank you, Madam President.

**The President:** Thank you, Senator Curtis Richardson, the Junior Minister for Health.

Would any Senator care to speak on this Public Health Extension Order?

Hearing none, then Senator Richardson you can—

**Sen. Robin Tucker:** Madam President.

**The President:** I beg your pardon.

**Sen. Robin Tucker:** I'm sorry. I was having a bit of delay getting my camera back on. May I just add a few words?

**The President:** Senator Robin Tucker.

**Sen. Robin Tucker:** Yes.

**The President:** You have the floor.

**Sen. Robin Tucker:** Thank you, Madam President.

I just wanted to add that the Opposition has no objection to this Bill. I just want to encourage the listening audience as we continue to battle through COVID-19. As of yesterday we have had 417 active cases, which is very, very concerning considering how well we had been doing up until recently. We are all

tired and we all want to get back to a sense of normalcy, but we have to do all that we can to ensure that we contain the spread.

Everyone has a part to play in that. So if we all do our part, then we can more quickly get back to that sense of normalcy. We would all like to have 24th of May, we would all like to have Cup Match, we would all like to have all of the social gatherings and everything that goes along with our day-to-day existence and what we are accustomed to.

So, I just wanted to add that piece as a general reminder for everyone to continue following the protocols of the Ministry of Health, to encourage people to get vaccinated, and to be able to keep each other and ourselves safe.

So, as I said, Madam President, we have no objection to this extension emergency Order which obviously goes a long way to, again, helping to support keeping us safe as well. Thank you, Madam President.

**The President:** Thank you, Senator Robin Tucker.

Would any other Senator care to speak on this emergency Order?

Senator Ben Smith, you have the floor.

**Sen. Ben Smith:** Yes, good morning, Madam President.

**The President:** Good morning.

**Sen. Ben Smith:** I would also like to echo our support on the Bill. I was wondering if we could a little information from the Junior Minister that would just help the public have an understanding of where we are from a vaccine standpoint and how we progress forward.

So, the 6 per cent that we have fully vaccinated right now (I believe is the number that he gave) . . . can he give us an idea of what that actual number is? And then what will [the number be], the 70 per cent to get to herd immunity, so that we can have an understanding of what that looks like? And how long do we think that process will take for us to get to that point considering the amount of vaccinations that we are going through each week? Just so that we have an idea of when we would be able to get to herd immunity at the level that we are vaccinating at presently, just so that we can encourage people for us to get there so we can get our community back to a level of normalcy. Thank you.

**The President:** Thank you, Senator Ben Smith.

Would any other Senator care to speak on this [Order]?

Hearing none, then Senator Curtis Richardson, you can respond.

**Sen. Curtis Richardson:** Thank you, Madam President. And thank you fellow Senators for your questions.

Senator Tucker, we all appreciate your sentiments. For the questions from Senator Smith, I will not be able to give you exact figures right now. I will be able to get them back to you most likely before the end of the day. I do not want to just give the updated numbers before I liaise with my necessary personnel. If you can, just wait for that exact number.

**The President:** Thank you, Senator Richardson.

Are you expecting a response in the next few minutes? Or do you want to—

**Sen. Curtis Richardson:** I am, but I would rather if he could . . . for the expediency of time, for the sake of time, I have two second readings to do. I could close this matter and refer back to the questions once I have the answers, maybe in between the two second readings that I have to give that are also both Health related. So I could get back to him.

**The President:** Indeed, Senator Richardson, then you can proceed.

**Sen. Curtis Richardson:** Thank you, Madam President.

Madam President, I move that the said Draft Order be approved and that the following message be sent to Her Excellency the Governor.

“May it please Your Excellency:

“The Senate, having had under consideration the Draft Order entitled the Public Health (COVID-19) Emergency Extension (No. 2) Order 2021 proposed to be made by the Minister responsible for Health under the provisions of section 107A of the Public Health Act 1949, has the honour to inform Your Excellency that the Senate has approved said Draft Order.”

**The President:** Is there any objection to the message being sent?

Hearing none, then Senator Curtis Richardson, a suitable message will be sent to the Governor.

Thank you, and thank you Senators.

*[Motion carried: The Draft Order entitled the Public Health (COVID-19) Emergency Extension (No. 2) Order 2021 was approved.]*

**The President:** We will now move on to item number 4 on our Order Paper, and that is the second reading of the Public Health Amendment Act 2021. It is also in the name of the Junior Minister of Health, Senator Curtis Richardson.

You have the floor.

**Sen. Curtis Richardson:** Madam President, before I begin with that, I do have the answers to Senator

Smith's questions, if you will allow me to just provide that to him.

**The President:** Absolutely, Senator Richardson. Carry on.

**Sen. Curtis Richardson:** There have been 37,788 vaccines administered. Herd immunity of 70 per cent of the population of 64,054 people. Exact figures were given last night. That is all I have right now for those answers.

I can move to the second reading.

**The President:** Absolutely. You can carry on, Senator Curtis Richardson.

**Sen. Curtis Richardson:** Madam President, I move that the Bill entitled the Public Health Amendment Act 2021 be now read a second time.

**The President:** Is there any objection to that motion?  
No objection, Senator Richardson, carry on.

## BILL

### SECOND READING

#### PUBLIC HEALTH AMENDMENT ACT 2021

**Sen. Curtis Richardson:** Madam President, the [Public Health Amendment Act 2021](#) and the Quarantine Amendment Act 2021 were tabled. Each will be debated in turn; however, they are minor Bills making the same provisions under two Acts. So I will give a full Statement for the Public Health Amendment, but we will be very brief for the Quarantine Amendment to avoid repetition.

Madam President, the Public Health Amendment Act 2021 and the Quarantine Amendment Act 2021 provide for a fixed penalty regime for the enforcement of COVID-19 prevention measures. This will enhance existing enforcement provisions to ensure the safety of our residents, in particular the most vulnerable. The purpose of this legislation is to provide for the creation of a ticketing regime for breaches of the Public Health and Quarantine legislation that relate to COVID-19 in order to regulate actions that present a material risk to the public. The regime is to be along the lines of that of the Traffic Offences (Penalties) Act 1974 where the hearing of any defence to an alleged breach will be in court. The aim is to relieve pressure on the courts in the enforcement of straightforward, existing offences.

Madam President, as we are all aware, the COVID-19 pandemic has been raging locally for over a year and is likely to persist throughout 2021. Compliance with public health and traveller rules is generally high. But when breaches occur, enforcement is difficult because of the prolonged process required to

prosecute offenders through the courts. The types of breaches that occur can be categorised into three types: (a) serious breaches that immediately endanger public health and safety; (b) material breaches that present high risks of COVID-19 transmission; and (c) minor breaches that introduce the risk of COVID-19 threat.

Madam President, serious breaches such as knowingly exposing others to a communicable disease will be prosecuted through the courts as required by the relevant legislation. Minor breaches such as not wearing a mask in a public place can be addressed with a simple reminder by any member of the public or an enforcement or health officer. Material breaches fall between the other two in nature and in risk. Such breaches include, for example, withholding contact tracing information from a health officer or participating in or hosting a gathering above the number legally allowed. The material breaches are the types of offences to which a fixed penalty is intended to be attached.

It is proposed that such breaches can be better enforced with a fixed penalty or ticketing regime by authorised officers. The Ministry of Health consulted with the Bermuda Police Service, with the Director of Public Prosecutions, with the Magistrate's Court, and with the Attorney General's Chambers in the development of the policy for a ticketing regime for the enforcement of COVID-19 enforcement measures. I wish to express my gratitude and the Ministry's gratitude to all of these departments, and in particular to the Director of Public Prosecution, the Attorney General's Chambers and Ministry officials for all of the work undertaken to complete the draft Bills before the Chambers today.

With those introductory remarks, I would welcome any questions, Madam President.

**The President:** Thank you, Senator Curtis Richardson. Would any Senator care to speak on either one of these Bills? And please identify which one you are referring to.

The floor is open.

Senator Robin Tucker, you have the floor.

**Sen. Robin Tucker:** Thank you, Madam President.

I just want to start by saying that I think we're in a bad, bad day when we have to get to the point of issuing tickets to people who—

**The President:** Senator Tucker, can you speak a little louder or closer to the microphone? We are hardly hearing you.

**Sen. Robin Tucker:** Madam President, is this a bit better?

**The President:** That is better. Thank you.

**Sen. Robin Tucker:** Okay. Thank you.

I just want to start by saying that I think it is a bit sad when we get to the point where we have matters of life and death and we have to get to the point of issuing tickets to people to follow the rules to keep everyone safe. However, we are where we are, and I do think that this Bill will relieve the pressures on the courts which are obviously overtaxed and finding it difficult to keep up with scheduling and bringing people into court in a timely manner.

So, I will say from the outset that we have no opposition to this particular Bill. However, I do have a point of concern that I would like to raise. It is really to do with empowering the public health officers to be able to issue tickets. It is a lot of authority given to the public health officers, and that is a little bit of concern, particularly as they are not trained to be able to do such a task.

And then the other side of it is also because the public health officers will be issuing tickets to people who are obviously intent on not following the law, and there are other issues that can arise from that, which the public health officers may not be in a position to be able to deal with. So, that is just a point of concern that I did want to raise, although, as I mentioned, there is no opposition to the Bill itself. But that is a point of concern for me.

Thank you, Madam President.

**The President:** Thank you, Senator Robin Tucker.

Would any other Senator care to speak on this Bill, the Public Health Amendment Act 2021?

Hearing none, then it is back over to your Senator Richardson.

**Sen. Curtis Richardson:** Thank you, Madam President.

This was a kindly reminder, as well, vaccine stats are reported by the Minister of Health every Tuesday for updated numbers.

#### **SUSPENSION OF STANDING ORDER 26**

**Sen. Curtis Richardson:** Madam President, I move that [Standing Order] 26 be suspended in respect of this Bill.

**The President:** Is there any objection to that motion?  
No objection.

*[Motion carried: Standing Order 26 suspended.]*

### **BILL**

### **THIRD READING**

#### **PUBLIC HEALTH AMENDMENT ACT 2021**

**Sen. Curtis Richardson:** Madam President, I move that the Bill entitled the Public Health Amendment Act 2021 be now read a third time.

**The President:** A second time.

**Sen. Curtis Richardson:** This is closing out the second reading for the Public Health Amendment Act 2021, Madam President.

**The President:** Is there any objection to that motion?  
No objection.  
Carry on, Senator Richardson.

**Sen. Curtis Richardson:** Madam President, I move that the Bill do now pass.

**The President:** You need to do the third reading, Senator Richardson.

**The Clerk:** He just did that.

**Sen. Curtis Richardson:** I just did that, Madam President. I did the second reading. I read it.

**The President:** I beg your pardon.

**Sen. Curtis Richardson:** No problem.

**The President:** Is there any objection to that motion, to the third reading?  
No objection.

**Sen. Curtis Richardson:** Madam President, I move that the Bill do now pass.

**The President:** It has been moved that the Bill entitled the Public Health Amendment Act 2021 do now pass.

Is there any objection to that motion?  
No objection.  
The Bill has passed.  
Thank you, Senator Curtis Richardson.

*[Motion carried: The Public Health Amendment Act 2021 was read a third time and passed.]*

**Sen. Curtis Richardson:** Thank you, Madam President.

**The President:** We will now move on to the fourth item which is the Public Health Amendment Act . . . I beg your pardon. We will now move on to the fifth item which is the Quarantine Amendment Act 2021. Senator Curtis Richardson, it is in your name. You have the floor.

**Sen. Curtis Richardson:** Thank you, Madam President.

I move that the Bill entitled Quarantine Amendment Act 2021 be now read a second time.

**The President:** Is there any objection to that motion?  
No objection.

## BILL

### SECOND READING

#### QUARANTINE AMENDMENT ACT 2021

**Sen. Curtis Richardson:** Thank you, Madam President.

Madam President, the [Quarantine Amendment Act 2021](#), was tabled previously [with] the Public Health Amendment Act 2021 we have just discussed. The difference between the two is that the Quarantine Amendment applies to persons before they are landed, and the Public Health Amendment makes provision once persons are landed in Bermuda.

The purpose of this legislation is to provide for the creation of a ticketing regime for breaches of the quarantine legislation that relates to COVID-19 along the lines of that of the Traffic Offences (Penalties) Act 1974 where the hearing of any defence to an alleged breach will be in court. The aim is to relieve pressure on the courts in the enforcement of straightforward offences.

As the provisions are identical, to avoid repetition and save my honourable colleagues time, I will not make any further remarks at this time.

With those brief introductory remarks, I will welcome any questions, Madam President.

**The President:** Thank you, Senator Curtis Richardson.

Would any Senator care to speak on this Bill?  
Senator Robin Tucker, you have the floor.

**Sen. Robin Tucker:** Madam President—

**The President:** Senator Tucker.

**Sen. Robin Tucker:** Yes, Madam President.

**The President:** You need to speak closer to microphone. We are hardly hearing you again.

**Sen. Robin Tucker:** Madam President, can you hear me now?

**The President:** That is better, that is better. Thank you.

**Sen. Robin Tucker:** Again, I just want to express the Opposition's support. Any initiatives for this particular Bill, any initiatives that obviously will help get us back to any sense of normalcy we obviously support.

So, thank you, Madam President, I just wanted to confirm that we have no issues with the Bill.

**The President:** Thank you, Senator Tucker.

Would any other Senator care to speak on this Bill?

*[Inaudible interjections]*

**The President:** It would appear that no other Senator wants to speak on this Bill, so Senator Richardson, you can carry on.

**Sen. Curtis Richardson:** Thank you, Madam President.

I do have some responses to questions after I move this Bill. Do you want me to give the answers after I move it?

**The President:** You can give them now if you have the answers to the questions, absolutely.

**Sen. Curtis Richardson:** Okay. Senator Tucker asked with regard to the enforcement. Only the police will issue tickets, and they will assist in training public health officers in the proper process and procedure. Public health officers will be trained before they issue tickets. That was in regard to our Public Health Amendment Act question.

Yes . . . that is it. I do apologise. That is it right there.

#### SUSPENSION OF STANDING ORDER 26

**Sen. Curtis Richardson:** With that said, Madam President, I move that [Standing Order] 26 be suspended in respect of this Bill—

**The President:** Is there any objection to that motion?  
No objection.  
Carry on.

*[Motion carried: Standing Order 26 suspended.]*

## BILL

### THIRD READING

#### QUARANTINE AMENDMENT ACT 2021

**Sen. Curtis Richardson:** Madam President, I move that the Bill entitled the Quarantine Amendment Act 2021 be now read a third time.

**The President:** Is there any objection to the third reading?

No objection.

**Sen. Curtis Richardson:** Madam President, I move that the Bill do now pass.

**The President:** It has been moved that the Bill entitled the Quarantine Amendment Act 2021 do now pass.

Is there any objection to that motion?

No objection.

The Bill has passed.

Thank you, Senator Curtis Richardson.

*[Motion carried: The Quarantine Amendment Act 2021 was read a third time and passed.]*

**Sen. Curtis Richardson:** Thank you, Madam President and Senators.

**The President:** We will now move on to item number six, which is the second reading of the Criminal Code Amendment (Non-Consensual Sharing of Intimate Images) Act 2021.

This is in the name of the Honourable E. G. B. Peets, spokesman of Legal Affairs and Government Leader in the Senate. Minister Peets, you have the floor.

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam President.

Madam President, I move that the Bill entitled the Criminal Code Amendment (Non-Consensual Sharing of Intimate Images) Act 2021 be now read a second time.

**The President:** Is there any objection to that motion?

No objection.

Carry on.

## BILL

### SECOND READING

#### CRIMINAL CODE AMENDMENT (NON-CONSENSUAL SHARING OF INTIMATE IMAGES) ACT 2021

**Sen. the Hon. Dr. Ernest Peets:** Madam President, I am pleased to introduce to this Honourable Senate the Bill entitled [Criminal Code Amendment \(Non-Consensual Sharing of Intimate Images\) Act 2021](#). I move that it now be read a second time.

This Bill seeks to amend the Criminal Code Act 1907 by creating new criminal offences and penalties relating to the non-consensual sharing of intimate images or prohibit digital recordings that would apply to sending or threatening to send intimate images or recordings without consent.

The Bill also creates the offence of observations or making visual recordings in breach of a persons' privacy.

Madam President, when the Attorney General and Minister of Legal Affairs and Constitutional Reform tabled the Bill in the Honourable House last week, she gave an overview of the aims of the Bill and the problem it intends to address. The Bill is principally modelled on similar amendments to the Queensland, Australia's Criminal Code as enacted in February 2019.

As legislators we know that the law is often in a state of playing catch-up to novel ideas, codifying new offences to capture the evolving ways that humans cause harm to each other and keeping pace with technological advancements in our digital age. The phenomenon of a new technology facilitated abuse, colloquially called "revenge porn," now requires that we consider adding new offences to the Criminal Code Act 1907 to address this abhorrent problem.

What is "revenge porn," some might ask? Revenge porn, sometimes called "non-consensual porn," typically involves a sharing of content that is related to sexual intimate activity without the consent of the person depicted. Often the threat to share or distribute intimate images or recordings is used to cause alarm or distress, to blackmail, or to exert undue control over someone.

Revenge porn is a crime that, regrettably, mostly affects women. It is often thought of in the context of a romantic or intimate relationship between the parties involved. But this need not be the case. By some records, one in eight social media users report being a target of some form of non-consensual porn incident. The rapid advances in technology means that more and more of our human activities are being captured online or in digital content. As a consequence, the speed and connectivity of technological advancements, like the Internet and social media platforms accessible by our smart devices, accelerates and exacerbates the risks and harms associated with sharing intimate images and recordings.

Madam President, it can be said that today's technology-driven society has created new tools for an old phenomenon. In that sense, it is true that limited legal consequences exist under our existing communications laws for conduct which is somewhat similar to what is being proposed in the Bill. For instance, offences in the Telecommunications Act 1986, section 53, and the Electronic Communications Act 2011, section 68, may apply in very limited circumstances. The offence in each of those Acts is for the "improper use" (quote/unquote) of a public communication or telecommunication service. These prevailing offences ban the sending of messages or other matter that are grossly offensive, indecent, obscene or menacing over a communication service or telecommunication service. However, those offences, even if stretched to the widest possible legal interpretation, can be seen as inadequate to address the contempo-

rary issue of revenge porn and the abusive behaviour that it is predicated upon.

Also, there are no expressed criminal provisions in the existing law that deal specifically with the threat to distribute offending images. The public expects an effective law enforcement apparatus for these types of offences. The provisions of this Bill will modernise the criminal law to keep pace with technological advancements.

Madam President, the relevant offences proposed within the Bill for inclusion in the Criminal Code Act 1907 are:

- observations or recordings in breach of privacy;
- distributing intimate images;
- distributing prohibited visual recordings; and
- threats to distribute intimate images or prohibited visual recordings.

Madam President, the offence of observations or recordings in breach of privacy (inserted by section 199A into the Criminal Code Act 1907) protects an individual's dignity as well as expectation to be afforded some privacy. The offence occurs where a person observes or visually records another person without their consent in breach of the other person's privacy. There are two types of breach of privacy offences under this provision. The first deals with situations concerning observing or visually recording private acts like showering, using the bathroom or other activities in a state of undress in a private place. The second relates specifically to observing or recording a person's genital or anal region. Real life situations such as unlawful surveillance or hidden cameras will be captured by this offence.

Madam President, the offence of distributing intimate images criminalises conduct where a person distributes intimate images of another person without consent in a way that would cause a person distress. Intimate images are defined in clause 2 as meaning moving or still video images depicting another person engaged in intimate sexual activity not ordinarily done in public, the person's genital or anal region, bare or covered only by underwear, or a person's breasts. In revenge porn-type cases, victims are often left without justice because of an unfair evidential burden to prove the intent of the perpetrator, or that the victim suffered actual harm as a result of the distribution of the intimate image. To address this, the proposed provisions expressly state that it is not required to prove that the accused person intended to cause distress or that distress was actually caused by the distribution of an intimate image. Distress need only be reasonably arising in all of the circumstances.

Madam President, under this provision a person can be guilty of the offence even if the image has been digitally altered. Digital alternations could be used to create a false intimate image appearing to be of the victim, or an image could be obscured yet still depicts the victim in a sexual way. By ensuring digital-

ly altered intimate images are captured by the new offences, the provisions are also future-looking as they can apply should our local law enforcement officers have to deal with Deep Fake images made using artificial intelligence technology.

A statutory defence of justification in the public good is provided for in this offence. It applies where the distribution of an intimate image is conducted in the interest of justice, science, medicine or education.

Madam President, the proposed offence of distributing prohibited visual recordings applies when a person distributes a prohibited visual recording of a person without that person's consent. A "prohibited visual recording" is defined as a recording taken where there is an expectation of privacy of a person engaged in a private act in a private place or of a person's genital or anal region, whether bare or covered only by underwear. The person distributing the prohibited visual recording must have believed it to be a prohibited visual recording in order to be found guilty of the offence.

Sadly, Madam President, recognising intimate images or prohibited visual recordings may also take the form of threats to distribute the content in ways that undermine trust that formerly existed between the parties, or the images or recordings would simply fall into the wrong hands of someone set to exploit the situation. Oftentimes the threats to distribute may even be made against another person not depicted in the image but who would suffer harm nonetheless.

For example, threats may be made to an employer about an employee, or to a parent or family member of the person depicted in the image or recording. To address this, the proposed amendments also create a new offence of threats to distribute intimate images or prohibited visual recordings. This offence applies to threats made that would cause distress and fear to the person depicted in the image or recording to another person. The intimate image or prohibited visual recording does not have to exist for the offence to occur.

The rights to distribute remain a criminal offence even if the subject matter is imaginary or fictitious. The perpetrator of threats to distribute often hopes to expose, humiliate, embarrass or cause reputational damage to their victim. Undoubtedly, the stress and trauma imposed on the victims of such acts and their families can be far-reaching. Suicide or attempted suicide has been known to happen in some of the gravest cases. For the purpose of the offence of threats to distribute it is immaterial that the person making the threats intends to cause or actually causes fear. This way justice remains accessible to victims.

Madam President, to operate as an appropriate deterrent and to ensure that the seriousness of the offence is understood by the public, the penalties for all of the proposed offences are up to three years of imprisonment on summary conviction and up to five years imprisonment on indictment.

Further, Madam President, victims of the crimes codified in this Bill are likely to want to have a remedy from the court that can seek to stop the distribution of any unlawful images and have them deleted altogether. In this regard, provisions are made in the Bill to allow the court to make a rectification order ordering the removal, retraction, recovery, deletion or destruction of any offending images after a successful prosecution.

Madam President, this Bill deals only with the criminal aspects of revenge porn issues. It achieves this by creating relevant offences and proportionate penalties to dissuade offending behaviour. Provisions in the Bill also ensure that cases can be successfully prosecuted without undue evidential burdens on the part of the victim. We are mindful that the criminal law can sometimes be a harsh instrument to address contemporary social and moral issues. Deterring the offending behaviour and effective punishment [cannot] be the only tool to address the revenge porn problems. Criminal justice approaches must be supported by other solutions encompassing civil law remedies, public awareness, education and other community-wide efforts.

Individually and collectively we all have a responsibility to be vigilant and discerning about the types of images and recordings we participate in, especially if they were captured on the most intimate activities. We ultimately know that in today's digital age, we have little control over most content captured in the digital form.

It is anticipated, Madam President, that the proposed amendments to the Criminal Code will directly protect victims of revenge porn and others whose privacy would be violated by misuse of intimate images and private recordings occasioned by the misuse of the Internet in the 21<sup>st</sup> century advancement of connectivity.

This achieves the Government's Throne Speech commitment to protect victims of such cyber offences. Creating a criminal justice framework will also indirectly protect societal values by upholding privacy and personal protections from the irreparable harm that such violations inevitably impose on others.

With these remarks, Madam President, I move that the Bill be committed. Thank you, Madam President.

**The President:** Thank you, Minister Peets and spokesperson on Legal Affairs and Government Leader in the Senate.

Would any Senator care to speak on this Bill?  
Senator Markus Jones, you have the floor.

**Sen. Marcus Jones:** Good morning, Madam President, and good morning to my fellow Senators, and good morning to the listening audience.

I am a bit saddened that we as legislators have to come to this Chamber and consider and con-

template this particular piece of legislation. But it is timely, it is necessary, and it is critical to protect all of our citizens, not just the adults who have been outlined and can run afoul of the law and be subject to criminal convictions. But, Madam President, I think all of us around this Chamber would recognise and know that this practice of revenge porn through this medium is being practiced by our children—our children under the age of 18.

It has become a scourge in our community and we see the outcome in the damage that has been done. If I would have any hesitancy or concern about this Bill, it would be to question the length of time of imprisonment for such a heinous act that can be done to persons whose reputations, whose state of mind, whose psychological status would possibly be in permanent damage. We need to consider if these actual [penalties] will act as enough of a deterrent. As a community and the Government we need to do our best to educate and inform our children and their parents—or shall I say the parents and then the children—so that they will know that not only can this do much damage, but it can be something on their records as the perpetrators of this.

Now, technology can be good. And technology can be used for the bad. And it is situations like this where we as legislators must ensure that the legislation that we contemplate is modern, is up-to-date, and can deal with these issues head-on. So, my one question to the Senator would be: Does the Government have any remedy that can be followed up on to actually deal head-on with those children under the age of 18 who cannot be convicted by the law? There should be some form of discipline, some form of remedy to address that age group which goes beyond just education, but goes to actually bringing about some form of punishment for that age bracket that runs afoul of this particular piece of legislation.

But we support this, Madam President. It is timely. It is a critical piece of legislation and we have no objections.

Thank you, Madam President.

**The President:** Thank you, Senator Marcus Jones.

Senator Michelle Simmons, you have indicated you would like to speak. You have the floor.

**Sen. Michelle Simmons:** Thank you, Madam President.

I am very happy that the Government has brought this Bill forward today. I just want to say that this revenge porn is really sexual and psychological abuse. Senator Jones has focused on the fact that, yes, unfortunately some of our children are using it at the end of failed relationships, or even in the midst of relationships that are going south. But it has been around for a while, and even amongst adults.

It was as Minister Peets was speaking that I remembered a situation which I had to deal with many

years ago. Unfortunately, it was one which could have ruined the life of an individual. At that time, of course, there was no legislation like this to deal with the matter. This form of abuse has certainly been on the rise. But I just stress, it has been around for a while and adults are using it [and] children are using it to humiliate, intimidate and ridicule the subject of the abuse.

So it is really important that this Bill should pass because steps need to be taken to deal with individuals who are abusing others in our community through these very dastardly acts.

Thank you, Madam President.

**The President:** Thank you, Senator Michele Simmons.

Would any other Senator care to speak?

Senator Robin Tucker, you have the floor.

**Sen. Robin Tucker:** Thank you, Madam President.

I would like to add my sentiments to my fellow Senators who have already spoken. I just wanted to add just a few comments.

This Bill, speaking to the seriousness of the nature of sharing intimate images and the like, is a great thing. It has the potential to create reputational harm, psychological harm and embarrassment. And particularly in this very close community, I think that those impacts could potentially be even worse because we are such a small community. This Bill is definitely something that is needed and has been needed for quite some time, as Senator Simmons has already mentioned.

I just had a couple of observations. One is that the image—

**The President:** Senator Tucker, can you raise . . . we cannot hear you well enough. Can you speak closer to your microphone?

**Sen. Robin Tucker:** Yes, Madam President.

So my observations were just that the offending material will not be able to be removed until after the matter has gone to court and the courts have dealt with it and there is a conviction. So, just by observation I think that it would be great if once the report is made, and the complaint is made, that those images could be removed at that particular point. And as I mentioned, particularly because we are in such a small, close-knit community, by the time the issue actually gets to court, potentially thousands of people will have already seen it and the damage is already done. So that is one observation.

And my second observation is that it would also have been great to be able to see something that speaks to restitution, because, again, there is reputational damage that could be done. People could potentially lose jobs as a result. As I mentioned earlier, [there could be] psychological harm. You know people could potentially have to get counselling and they

would have to bear the cost of that if there is any cost associated with actually having those images removed. And the chances are that the victim may have to actually deal with that. So there should be the potential for restitution having to be awarded to victims of these . . . of the sharing of images.

Those are just two of the observations that I have as I have read through the Bill. As I mentioned, I think that the Bill is a great thing. As Senator Jones mentioned, obviously we are in support, and I think it is a good thing.

Thank you, Madam President.

**The President:** Thank you, Senator Robin Tucker.

Would any other Senator care to speak on this Bill?

**Sen. Owen Darrell:** Yes, Madam President.

**The President:** Senator Darrell.

*[Inaudible interjection]*

**Sen. Owen Darrell:** It was Senator Lindsay [Simmons].

**The President:** Oh, I beg your pardon. I am not seeing and I am not hearing.

Senator Lindsay Simmons, if you are prepared to speak certainly do so.

**Sen. Lindsay Simmons:** Yes, Madam President.

First of all, I would like to thank the Attorney General and her Chambers for bringing this Bill through. I personally know of situations where people have been affected by this. I know of one young lady who could not get a job because of pictures that circulated around about her. I know of another young lady who is depressed, and this happened years ago. She still holds her head down because of images and videos that went around about her. She has not been able to get over the effects of some pictures and images that have been around. So I think that this Bill is very important because it protects women, men as well, and it also gives us an avenue to get justice.

Madam President, I would like to speak of a personal experience that happened to me when I was 23. I did not know that at age 23 I would be raped, stabbed and beaten up [so] badly that my life drastically changed. I have no problem speaking of this because I think it empowers people to know that it can happen to anybody. But, Madam President, what I am actually talking about [is not only] what happened in that moment, but what happened afterward which affected me even more than I thought.

After my case went to trial and he was found guilty, I had some people come up to me and let me know that they had seen pictures of me. I did not know what they were talking about, Madam President.

Intimate pictures. Luckily, when I was 23 social media was not how it is today. It was pretty much dead. These images . . . a few people, and it is only a few people that I could speak of, that came back and told me that they saw these images. It was men and women. And that actually bothered me more than the act itself that happened to me when I was raped and stabbed. For someone to see me in such a vulnerable position was horrible.

So, I do think that this Bill is important because I could not image being in the year 2021 and those images being sent around of me through social media. You know, not only will people in Bermuda see it, but around the world. And I know I had to dig deep to get over my images being seen by a few. But for most to see, Madam President, I am not sure how deep I would have had to dig to get over it.

So I thank the Attorney General and her team for putting this Bill through because this is important and it is long overdue. So thank you. And I think that this is a step in the right direction, definitely.

Thank you, Madam President.

**The President:** Thank you, Senator Lindsay Simons.

Would any other Senator care to speak on this Bill?

Hearing none, I would just like to make a comment myself, as someone who has worked in mental health in my past life in counselling, particularly at St. Brendan's Hospital, as [it was previously] known, and today known as the Mid-Atlantic Wellness Institute.

I have had to counsel individuals who have not only been threatened, but who have been blackmailed with regard to this type of . . . and even though it was not at that time so easy to put it on the Internet, they were threatened physically and mentally and through phone calls. So I too support this Bill.

And I support Senator Tucker's view about that interim period when the person is waiting to go to court. What happens in that situation? I want to know if anything else can be done about such images.

So, Minister Peets I would hand over to you for you to address some of the comments, or the issues, or questions that have been raised.

Senator Peets, spokesperson for Legal Affairs has presented the Bill. It is over to you, sir.

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam President.

I certainly thank all of the Senators on this call as well as all of the parliamentarians who have had input on this Bill. I would imagine that we are doing this for the protection of our community, particularly the most vulnerable among us. And for all of those individuals who have suffered because of this, we certainly thank them for their bravery. We certainly want

to admonish all who are listening about the importance of this particular Bill.

I do have some information that I can give to the Senators this morning who have raised questions. The first question, I believe came from Senator Jones. Yes, Senator Jones, your question I think is a question that will be quite popular when people are talking about this particular Bill. As this Bill is progressing through our deliberation today I can tell you that there is no distinction based on age in the proposed offences in this particular Bill. Offences already exist for child pornography offences which have a higher penalty. So hopefully that will also shed some light on your question.

Also, I can let Senators know that the government has a Cybertips section and they provide a wealth of information as well as putting on workshops and seminars, not just for senior citizens, or for us who are adults but they also spend significant time working with youth and youth organisations engaging them around the responsible use of the Internet and the dangers and the pitfalls of social media, particularly as it relates to these types of behaviours. So we certainly thank them for that and we certainly encourage all of the Senators, please, in every circle of influence that you have, please share more information about this particular Bill so that people are made aware of its provisions.

Regarding remedies and restitutions, which I think was a question from Senator Tucker, victims can independently pursue civil law claims outside of the criminal offences. Persons are always advised to consult with an attorney as to whether any civil remedies or restitutions may be available as such; each case sort of turns on its own particular facts. In other common-law jurisdictions some claims have been for the misuse of information, a breach of confidentiality, defamation of character, harassment, copyright or intellectual property infringement. So in addition to what is provided within this particular Bill there are also restitutions and remedies that can be sought civilly.

Regarding the question, or the suggestion around the removal of images, of course the Bill specifies that upon conviction the court can make an order for the removal of said images, and so on and so forth. I do take that note. I certainly will bring that information to the Attorney General's Chambers about that. But what I can say about that is that while the case is being prosecuted through the courts, it is illegal for any of those images to be disseminated anywhere. And the public need to be aware of that.

So, even though the court at the moment does not have the provision to remove those images from the potential perpetrator's computer or phone while the trial is going on, out there online and on the Internet any circulation of inappropriate material is an offence. And persons need to be guided by that. Perhaps we can do some education so that people know what to do in the event that inadvertently their phone

has received a message from somewhere with materials that will be considered to be inappropriate and in breach of this particular Bill.

Having said that, Madam President, if there are no other questions or comments, I move that the Bill now be read a third time.

**The President:** Minister Peets, you need to do the second reading again.

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam President. I do apologise.

Madam President, I move that the Bill now be read a second time.

**The President:** Is there any objection to that motion?  
No objection.

### SUSPENSION OF STANDING ORDER 26

**Sen. the Hon. Dr. Ernest Peets:** Madam President, I move that [Standing Order] 26 be suspended in respect to this Bill.

**The President:** Are there any objections to that motion?

No objection.

*[Motion carried: Standing Order 26 suspended]*

## BILL

### THIRD READING

#### CRIMINAL CODE AMENDMENT (NON-CONSENSUAL SHARING OF INTIMATE IMAGES) ACT 2021

**Sen. the Hon. Dr. Ernest Peets:** Madam President, I move that the Bill entitled the Criminal Code Amendment (Non-Consensual Sharing of Intimate Images) Act 2021 now be read a third time.

**The President:** Is there any objection to that motion?  
No objection.

**Sen. the Hon. Dr. Ernest Peets:** Madam President, I move that the Bill do now pass.

**The President:** It has been moved that the Bill do now pass.

Is there any objection to that motion?

No objection.

The Bill is passed.

*[Motion carried: The Criminal Code Amendment (Non-Consensual Sharing of Intimate Images) Act 2021 was read a third time and passed.]*

**The President:** Thank you, Minister Peets, spokesperson on Legal Affairs and Government Leader in the Senate. And thank you to all Senators who have spoken on this Bill.

We will now move on.

## MOTIONS

**The President:** There are none.

## CONGRATULATORY AND/OR OBITUARY SPEECHES

**The President:** Would any Senator care to speak on this?

**Sen. the Hon. Dr. Ernest Peets:** Yes, Madam President.

**The President:** Minister Peets.

**Sen. the Hon. Dr. Ernest Peets:** Today I am so excited, Madam President. I was on Facebook Live last night watching the National Men's Football Team at IMG Academy in Florida face against Aruba. It was an exciting match. We are happy to report to the listening audience who were not aware that we won that match 5 to nil. So congratulations to the team, the coach and the entire BFA. I know as a country we are certainly proud.

**The President:** Thank you, Minister Peets.

Senator Michelle Simmons, you have indicated you want to speak. You have the floor.

**Sen. Michelle Simmons:** Thank you, Madam President. And that is excellent news about the Bermuda football team. I would like to join with Minister Peets in sending congratulations.

Madam President, it has been a really busy week for us. And there is another person I would like to mention in order for condolences to be sent to the family. And that is Mr. Kenneth A. A. Richardson, CVO, CBE. He was a gentleman who I found always exuded warmth wherever he was. And it was obvious that he was a real people person. People gravitated toward him. Mr. Richardson was a true family man. And we are also thankful that he was able to serve the people of Bermuda in several different government positions, but most notably in the position in the top civil service position, of Cabinet Secretary. And that was between 1984 and 1993. And I believe I am correct in saying that as Cabinet Secretary then, he was also Head of the Civil Service because the two positions were one.

Mr. Richardson served as Cabinet Secretary during a very critical period in Bermuda's history. And I think that his example as an exemplary public serv-

ant is one we should be encouraging others to emulate. So, Madam President, I am asking that condolences be sent to his wife, Brenda, his children, Andrew and Tammy, his grandchildren and all of his family and friends. We have lost three very notable public servants very recently. And I just could not end this session without mentioning Mr. Kenneth A. Richardson. Thank you, Madam President.

**The President:** Thank you, Senator Michelle Simmons.

Would any other Senator care to speak?  
Senator Ben Smith, you have the floor.

**Sen. Ben Smith:** Yes. Good morning, Madam President.

**The President:** Good morning.

**Sen. Ben Smith:** I would just like to be associated with the comments brought by the Honourable Minister regarding our football team and the amazing result from last night. That result, specifically when you understand the amount of interruptions and things that they have had to change under the COVID-19 regulations with the amount of testing and having their coach separated from them and some of the players separated, just the amount of things that they have to go through in order for them to get to this point, that makes that result even more impressive. I know the entire country is proud of them, and we will continue to root for them on their journey. Thank you.

**The President:** Thank you, Senator Ben Smith.

Senator Robin Tucker, you have indicated you want to speak. You have the floor.

**Sen. Robin Tucker:** Thank you, Madam President. Can you hear me okay?

**The President:** Yes, we can hear you—

**Sen. Robin Tucker:** Okay, great.

**The President:** —very good.

**Sen. Robin Tucker:** Okay. Thank you.

First, I would like to associate my comments with Senator Simmons's remarks concerning condolences for the family of Mr. Kenneth Richardson.

I would also like to send condolences to the family of the former Chief Justice of Bermuda, Sir Austin Ward, who came to Bermuda from Barbados in 1969 and remained here until his retirement in 2004. Chief Justice Ward served Bermuda in a variety of ways, including magistrate, Registrar of the Supreme Court and, of course, as Chief Justice. I believe that we are all thankful for Chief Justice Ward's service to Bermuda. And so I just wanted to extend condolences

to his family overseas and obviously local, his family and his friends.

Next, congratulations. I wanted to say congratulations to Mr. and Mrs. Erwin and Winifred Jones on celebrating their 70 years of marriage. I realise it has been a while since that announcement has been made. But since we have been so focused on budget, I am a little bit behind. But I did not want to miss congratulating them. So 70 years, if anyone has been married, they know that 70 years is a very long time. And they absolutely need to be congratulated for making it that far.

Again, congratulations to Beverly Joan Smith, who has fairly recently celebrated her 100<sup>th</sup> birthday. And that is a very big deal, so congratulations to her.

Also to Shiona Turini, who is a Bermudian consultant, fashion stylist and costume designer who has recently had a feature in the *New York Times T Magazine*, which has a readership of over 4 million people. So that is a big deal for one of our Bermudian celebrities.

Congratulations to Bermudian Dr. Meliseanna Gibbons, who is completing her residency in Bushwick, Brooklyn. Dr. Gibbons was the first medical professional to make a formal declaration of a COVID-19 death in New York. So thank you to her and her commitment to the medical field and doing what she does being on the front lines of COVID-19.

I would also like to say congratulations to Amelia Oatley, who was recently called to the bar. I read Ms. Oatley's story in the newspaper, and something in particular stood out to me as she thanked her pupil master and all of those who helped with her training. She expressed thanks to three strong women who have taught her the skills she needed to succeed. They shared the wisdom and standard that she aspires to succeed. So again, congratulations to Ms. Oatley. And of course, thank you to the three women who have mentored her. And so thank you for women supporting women.

And lastly, I would like to offer congratulations to all of the Ministry of Education Scholarship recipients. If I may, Madam President, I would like to read their names and their programmes of study.

**The President:** Certainly you may, Senator.

**Sen. Robin Tucker:** Thank you.

- Jaiden Furbert-Jacobs, who is studying Actuarial Science;
- DesRon deShield-Burchall, Software Engineering;
- Jah-nai Smith, Psychology;
- Kairo Morton, Computer Science;
- Anna Francoeu, Liberal Arts;
- Jacari Renfroe, Motor Vehicle Technology;
- Alexis Stovell, Mass Communications and Media Studies, with a minor in Business;
- Corynne Edwards, Midwifery;

- Trikeita Outerbridge, Digital News and Media;
- Chiante Roberts, Teacher Certification in Special Education; and
- Sierra Reid, a Master's Degree and Teacher Certification in Moderate Disability Initial License.

So I just wanted to say again thank you to all of those people, and congratulations to the Ministry of Education Scholarship recipients. I just want to send a special note to them letting them know that Bermuda absolutely needs them and looks forward to their contributions in the community during and most definitely after they complete their course of study.

Thank you, Madam President.

**The President:** Thank you, Senator Robin Tucker.

Would any other Senator care to speak?

No? Hearing none, then I would like to associate—

I beg your pardon.

**Sen. the Hon. Dr. Ernest Peets:** Sorry, Madam President. I just wanted to inform Senators that we did lose David Burch, also known as “Papa D.” He is one of our local entertainers, and he of course was very, very special to us as relates to his contribution. Some of you may know that he was the founder and popular singer for the group The Rainbows, which performed all over the Island and participated in many of the battle groups way back in the day. We certainly want to send out our thoughts and prayers to his family and extended friends and family.

Thank you, Madam President.

**The President:** Thank you, Minister Peets.

Would any other Senator care to speak?

*[Pause]*

**The President:** Hearing none and seeing no indication, I would just like to associate myself with the condolences that Senator Michelle Simmons has extended to the family of Mr. Kenneth Richardson and particularly to his wife Brenda, to the children Andrew and Tammy.

I would also like to join Minister Peets, and I am sure all Senators would like to join Minister Peets with regard to Bermuda's win last night. We need some positive information, positive. And so I think the Bermuda team has done exceedingly well, and we congratulate everyone who was involved in helping them achieve that.

So with that, then I turn it over to the Honourable E. G. B. Peets, spokesperson on Legal Affairs and Government Leader in the Senate, with respect to our adjournment.

Minister Peets.

## ADJOURNMENT

**Sen. the Hon. Dr. Ernest Peets:** Thank you, Madam President.

I do apologise for actually speaking twice during congratulatory and obituary remarks. I will make a correction for that in future sessions.

Madam President, thank you for your hard work. Thank you to those who guided us through our committees for the Budget Debate. Thank you to the Opposition and our Independent Senators.

I would like to make a motion that we adjourn the Senate until May the 12<sup>th</sup>.

**The President:** Thank you, Minister Peets.

Would Senator care to speak on the motion to adjourn?

**Some Hon. Senators:** Yes, Madam President. I would.

**The President:** Senator Arianna Hodgson, is that you?

*[Inaudible interjections]*

**The President:** I beg your pardon. I am trying to see who it is. Can you identify who it is, please?

*[Inaudible interjections]*

**The President:** I see “Bermuda Cabinet.”

**Sen. Lindsay Simmons:** I defer to Senator Tucker.

**The President:** Senator Robin Tucker, you have the floor.

**Sen. Robin Tucker:** Madam President, I do apologise. My video was on, but I did not realise that I was talking with my hands.

*[Feedback]*

**The President:** Do you want to speak on the motion to adjourn?

**Sen. Robin Tucker:** No, Madam President. I do not.

**The President:** Senator Lindsay Simmons, then you have the floor.

### SENATOR L. SIMMONS' POLITICAL JOURNEY

**Sen. Lindsay Simmons:** Thank you, Madam President.

Madam President, with my quest to become a better politician, Senator, Junior Minister, I would like to thank a few people who have helped me so far in my journey. I would like to give a big shout-out to the

Deputy Premier Walter Roban, the Minister of Health Kim Wilson, the Attorney General Kathy Lynn-Simmons, the Minister of Social Development and Seniors Tinee Furbert, and also our Premier David Burt.

Madam President, there are so many other people whom I could thank today. But as I said, I wanted to thank them for helping me along my journey. But I would be remiss not to thank Ms. Michelle Simmons, Michelle Gabisi Simmons, because years ago (I will never forget) we had an assembly. I was a third-year at Berkeley. And we had women coming in who spoke to us about empowerment and having a voice. I have never been one who liked the camera or liked to speak to the camera. And after speaking to these ladies and listening to them speak on this empowerment, I decided to join a debate team. And I cannot say I was any good, Madam President. But it was something that taught me that I have a voice and to speak with my voice.

So today, Madam President, I have something that I would like to talk about in my journey to become better and my quest to become a politician.

Madam President, Bermuda has had a Constitutional Order and a constitutional government since 1968. The framework is derived from the Westminster system, which originated in the UK. The constitution outlines the relationship between the different branches of the government—executive, judicial, legislative, civil service and the governor. It seems to have worked pretty well for many years, with a few amendments, such as the electoral boundaries, the Office of the Ombudsman and even the change to Junior Ministers, which I am thoroughly enjoying.

Even though our Constitution and other legislation govern how the Houses of the Legislature work, there are also conventions that dictate how the legislation works. These are adopted from the UK, the motherland of Parliament. And they are followed in the Houses in how the Houses operate. Some of these are actually in the Constitution. The Royal prerogative is exercised by the Governor. The Premier is the person who commands the largest majority in the House. It is the Governor who dissolves Parliament at the request and the advice of the Premier. The Governor grants Royal assent to all legislation. The Senate of the House should not reject a Budget passed by the House.

Another convention that exists, but is not enshrined in our Constitution, is the Salisbury Convention. It states, Madam President, that the upper House in the UK, the House of Lords, shall not oppose legislation from the House that is part of the manifesto of the Government.

Madam President, if you do not mind, can I read something from the UK Parliament?

**The President:** Yes, you may.

**Sen. Lindsay Simmons:** It states, “The Salisbury Doctrine, or ‘Convention’ as it is sometimes called, emerged from the working arrangements reached during the Labour Government of 1945–51, when the fifth Marquess of Salisbury was the Leader of the Conservative Opposition in the Lords. The Convention ensures that major Government Bills can get through the Lords when the Government of the day has no majority in the Lords. In practice, it means that the Lords does not try to vote down at second or third reading, a Government Bill mentioned in an election manifesto.”

Thank you, Madam President, for allowing me to read that.

The PLP Government was elected with a 30-to-6 majority. Our platform, *Rebuilding Bermuda with Bermudians at Heart*, outlines all of our promises and the intent to deliver on all of them. We are a Government that keeps our promises. We have kept Bermuda safe through COVID-19 and created a new economic plan for the way forward. We will continue to keep our promises to our people.

Madam President, I believe that it is important that we, as the PLP Government, remember that we were voted in because of our platform. And we must push forward and continue to do the people’s work here in Bermuda.

Thank you, Madam President.

**The President:** Thank you, Senator Simmons.

Would any other Senator care to speak on the motion to adjourn?

**Sen. Arianna Hodgson:** It is Senator Hodgson, Madam President.

**The President:** Senator Arianna Hodgson, you have the floor.

#### SENATOR A. HODGSON’S POLITICAL JOURNEY

**Sen. Arianna Hodgson:** Thank you, Madam President.

Growing up as a mixed-race child I would always say that I had the best of both worlds. My parents met back in January 1990 in the middle of Strasbourg, France. They crossed paths again sometime during spring break. My mother eventually visited Bermuda, and somewhere along life’s journey I came along. It is actually quite the story. My mother—

**Sen. Marcus Jones:** Point of order, Madam President.

**The President:** I beg your pardon, Senator Jones. What is your point of order?

## POINT OF ORDER

**Sen. Marcus Jones:** I thought I would allow the former speaker to finish. And now we are seeing . . . here is someone else speaking without having a camera on. Can we follow protocol and have the speaker please put their camera on?

**The President:** Arianna Hodgson, Senator Hodgson, can you—

**Sen. Arianna Hodgson:** Of course, Senator Jones. I was just trying to make sure that the WiFi was able to give the best to the sound as opposed to the video. And I will oblige.

**The President:** You need to be seen when you are speaking.

**Sen. Arianna Hodgson:** Thank you, Madam President.

**The President:** There you are. Thank you.

**Sen. Arianna Hodgson:** Madam President, my mother was born and brought up in Brazil, but had Swedish parents. My father on the other hand is the product of a Bermudian father and a Guyanese mother who came to the Island to teach at Sandys Secondary School back in 1966 and never left. My mother is six-one, has bright blonde hair and eyes that change colour to suit her mood. She never left, either. And my father is a tad shorter than my mother, a good bit darker than my sister and me, with my grandmother's face. He is a Black Bermudian man.

Madam President, I was always fully aware that I was half-white and half-Black. I was half-Swedish, 25 per cent Bermudian and 25 per cent Guyanese. And according to genetic researchers, there is a bunch of other stuff added in that mix.

Although I was taught that the colour of one's skin should not matter, I could look in the mirror and see how others saw me. Although I identify as a Black woman, I did not identify with the Black struggle. And I was often unaware of how my life's experiences would later affect me. The experience of being multi-racial and feeling like others are categorising me one way or another is a story for another day, Madam President.

As most of you will know, I recently lost two of my aunts. My aunt Dr. Eva Hodgson, she passed back in May. And my aunt LaVerne passed at the end of January this year. While we can argue their impact, I know that there were mixed opinions about their contributions to our Island over the years.

To be completely transparent, Madam President, there were many times when I could not understand why these two women were so difficult. I knew that they were strong women, that they were sources of endless knowledge, but I generally hated that each

encounter with these women made me a little uncomfortable. Whether it was during Christmas, at Aunt Ruth's, at church or at any other family gathering, I always felt like they had ulterior motives, like there was always something they had brewing in the back of their minds and like they could see something that I could not.

I vaguely remember conversations about race, inequality and injustices. And as one of two mixed-race children in the family, I was often unsure of how to process the emotions that I experienced. Today I can look back and see that they were not trying to cause friction or division, but that they were actually providing space to have these uncomfortable, yet necessary, conversations.

Madam President, when I heard of their passing, I was deeply saddened. I understand the cycle of life, and I know that death is inevitable. But I was not prepared to lose the two women who could have been my greatest help today. I have regretted all of the times that I did not show up, the times that my anger kept me from a family event, and I recognise that I held a responsibility, a call even, to continue the work that was started so many years ago.

Madam President, over the weekend I read a book called *Assemble the Tribe*. This is a book by Bermudian author Leah J. M. Dean. In this book she highlights the importance of female relationships. She explores the complex nature of the female experience and shares the idea that our purpose is something that exists inside of us, not something that needs to be searched for.

So, Madam President, I am on a mission to live my purpose and to create a legacy that inspires others to do more, dream bigger and be the change we so desperately seek.

Today I am humbled by the fact that so many women fought for the progress we see today. I recognise that while things have been relatively easier for me, it is only because I never had to experience the great injustices that these women stood up and spoke out against. Although we have far to go and some days feel like we have made very little progress, I am so glad that we are no longer where we once were. While I walk in the footsteps of women like my aunts, I cannot choose fear. I choose courage to speak for those who cannot, and I choose to challenge and change the things I cannot take.

Madam President, when I pause to think about whether or not I wanted to take this next step and enter the political arena, I thought about a few things. I thought about what my mother would think, of course, and I also thought about what everybody else would think. Immediately after thinking about my mother and my peers, I thought about being the youngest in the room, which I so often am. I thought about the likelihood of someone thinking that I was less intelligent, that I was less capable of getting the job done and that I was less deserving of earning a

competitive salary. Quite frankly, Madam President, I thought about becoming the next target.

Before I even had a chance to sit in this Honourable Chamber, I was personally attacked by an Opposition Senator who claimed that I . . . that we, the Government Senators, were loyal subjects who had been provided with additional streams of income to satisfy some supposed hunger. Madam President, while I have learned that this particular Senator particularly enjoys debate, I am afraid that his values and ideals have been made clear, and at some point we have to demand better.

#### PARLIAMENTARY QUESTION (MINISTERIAL ADVISORS OR CONSULTANTS AND THEIR REMUNERATION) PATI REQUEST

**Sen. Adrianna Hodgson:** Madam President, allow me to tell a story. Nearly two weeks ago, I had gotten calls from six or seven persons who are concerned that their salaries and remuneration have been shared online by media outlets. These young people, who were in their first substantial period of employment, working late nights, weekends and even during public holidays, were confused as to why their names, rate of pay and total remuneration would be sent all over Bermuda. They asked, *What did I do wrong? Why did this happen?* And of course, they were looking to blame the Government.

Madam President, while I explained that members of the public are able to submit PATI requests to obtain government salaries and other relevant information, it was actually an individual who sits in another place who was simply on a wild goose chase to publicly question and publicise the remuneration of one individual, a young, Black, female doctor and research scientist who has helped this Island to navigate this pandemic.

Sadly, Madam President, this was a blatant attempt to divide and conquer. This was a senior elected Member of Parliament blasting innocent hard-working and young health care workers who have risked their lives during a pandemic to keep us all safe.

Madam President, I do not want any of us to take this lightly because these are personal attacks. For the life of me, I cannot understand how—

**Sen. Marcus Jones:** Madam President, point of order.

**The President:** Senator Jones, what is your point of order?

#### POINT OF ORDER

*[Impugning integrity]*

**Sen. Marcus Jones:** The Senator is impugning the character of a person in another place. She was on a

great line. We were listening intently to what she says. But I think she needs to reel back the attack on another Member in another place and keep it above board. Thank you, Madam President.

**The President:** Senator Arianna Hodgson, you can continue.

**Sen. Arianna Hodgson:** Thank you, Madam President.

For the life of me, Madam President, I cannot understand how or why someone would feel the need to attack a woman who packed her things to return to Bermuda and work without pay for five months straight in the middle of a global health crisis, to be blasted for a \$40-an-hour consultant contract a year later.

Madam President, it is truly a shame. And what is even more shameful is this Member's poor attempt to show appreciation—

**Sen. Marcus Jones:** Point of order, Madam President. Point of order.

**The President:** Senator Jones.

*[Crosstalk]*

**The President:** Senator Jones, what is your point of order?

#### POINT OF ORDER

**Sen. Marcus Jones:** She keeps attacking the Member to say that he was attacking this doctor when that was never the case.

**The President:** Senator Jones, you don't know who she is speaking of. And as far as a point of order is concerned, I do not agree with it, and I will ask Senator Arianna Hodgson to continue.

**Sen. Arianna Hodgson:** Thank you, Madam President. Madam President, that whole ordeal was no thank-you letter, but I will continue.

Madam President, when the tumultuous history of the past year is written, no one will argue that our Premier led with safe and steady hands, that our Minister of Health worked tirelessly to lead a team of able health professionals, that our Minister of Education had to make really tough decisions in the best interests of our children or that our Finance Minister managed to navigate the seismic impact of a health crisis and would lead us back to a point where our Island can achieve steady economic growth.

Madam President, they will note that Dr. Carika Weldon made a significant contribution to the COVID-19 response and that she launched the Island's first diagnostic and research lab and that she

managed to foster a cultural science by Bermudians for Bermudians with the help of some of Bermuda's finest young people.

### WOMEN'S HISTORY MONTH

**Sen. Adrianna Hodgson:** Madam President, I know that we typically pause to celebrate the women who came before us. But on this final day of Women's History Month, I give flowers and celebrate some of the women who walk among us today. For starters, I thank Minister Wilson, Dr. Cheryl Peek-Ball, Dr. Carika Weldon and Dr. Amne [Osseyran]. These four ladies in particular have served us exceptionally well during the pandemic. And together they represent the best of Bermuda.

I celebrate the likes of my aunt, Dr. Emma Robinson, Dr. Carla Reese, Dr. Wendy Woods and Dr. Terrylynne Emory, who have each brought thousands of babies into this world. I celebrate women like Charles-Etta Simmons, Charlene A. Scott and Maxanne Caines, who have all made a lasting impact on our justice system.

I acknowledge the work and contributions of women like Trina Roberts, Kim Wilkerson and Catherine Duffy, women who are shattering ceilings and thriving in male-dominated fields.

I think about the fearlessness of Ms. Gina Swanson, who was the first and the only Bermudian to ever win a major international beauty pageant, and reflect on how good it must have felt to walk into her first day of work as Wanda Joell, the first African American flight attendant for Air Force One.

I am proud when I think about the Katura Horton-Perinchief being the first Black woman in the world to dive in the 2004 Olympics, and I celebrate Flora Duffy, a repeat world champion and three-time Olympian. Both of these ladies have inspired so many of us.

**The Speaker:** Senator Hodgson, you have two minutes, two minutes left.

**Sen. Arianna Hodgson:** Thank you, Madam President. Madam President, thank you.

Bermuda's very own Shiona Turini has made her mark as a globetrotting style guru and costume designer. And I am so proud that we get to see beautiful Bermudian women like Lillian Lightbourn and Aliana King featured as international fashion models in some of today's biggest ad campaigns. Madam President, I would also like to pause and recognise Gherdai Hassell, who was featured in a 2020 article that highlighted five emerging Black artists to collect now. She exhibited around the US, as well in China and in Bermuda. If you have seen her work, Madam President, it is exceptionally captivating.

Finally, I salute Tylasha DeSilva, a young Bermudian woman who just recently launched We

BLead, a project that aims to provide feminine care products for women and girls in need and bring awareness to Period Poverty in Bermuda. Madam President, Period Poverty is a global issue that reaches our shores. I am proud to say that one of us has taken up this fight.

Madam President, there are so many others whom I could mention. But today I want to publicly thank each of these women for constantly raising the bar and always choosing to do more.

More women are showing up and standing out like never before. When I look at the calibre of strong, talented Bermudian women, I am glad to know that my daughter and other young Bermudian girls will be encouraged to dream big and know that they too can be doctors and scientists and leaders and entrepreneurs, and even music artists or supermodels.

Madam President, we have to start celebrating the success of our women and committing to lifting one another up. We have to build strong bridges between ourselves, between our young people, between our families and between our communities. And when we do, Madam President, we will have dismantled the systems that were designed to keep us down. Thank you.

**The President:** Thank you, Senator Arianna Hodgson.

Would any other Senator care to speak on the motion to adjourn?

Senator Marcus Jones, you have the floor.

### PARLIAMENTARY QUESTION (MINISTERIAL ADVISORS OR CONSULTANTS AND THEIR REMUNERATION) PATI REQUEST

**Sen. Marcus Jones:** Thank you, Madam President.

I think it is incumbent upon me to respond to the Honourable Senator's remarks about what happened in another place.

I believe first of all before I . . . let me preface what I am about to say, to say this. We as legislators, as parliamentary leaders in this country, must hold that responsibility at a high, high moral ground. There are times when we disagree with one another. And the Westminster system allows for that. It is the tension that helps us come to decisions to make counter-arguments about the policies of the Government, its values and its priorities.

But when we reduce our statements, and in this case motions to adjourn, to mislead the [Senate] by impugning the character of what others are saying, then, Madam President, I have to stand up and get on my soapbox and say, *Let's cease and desist*.

Now, the Member who was referred to, this entire country knows who it was. The Member at the time was questioning a statement made by the Premier in regard to the remuneration of Dr. Weldon.

Now first and foremost let me say that I applaud Dr. Carika Weldon. She is a hero in this country! She has worked tirelessly to herd her team to be able to assist and help in this particular area in this pandemic. So, Madam President, let us not be confused about Members in each Chamber and how they feel about Dr. Weldon. But to make aspersions about the character of a Member, to suggest that they were attacking when they explicitly went out of their way to praise what Dr. Weldon was doing, for the Senator to besmirch the words and to mislead this Chamber is abysmal.

And I am disappointed in the Senator because I have high regard for her. So I am disappointed that at this point we would listen to this.

So, Madam President, let me just say in defence of my colleague in another place that that was not the intention. The words that he used in no way show that he was attacking Dr. Weldon. In fact, it was the complete opposite. And to even suggest otherwise would be disingenuous and below the standards and character that we would expect in this Chamber.

Thank you, Madam President.

**The President:** Thank you, Senator Marcus Jones.

Would any other Senator care to speak on the motion to adjourn?

**Sen. Owen Darrell:** Yes, Madam.

**The President:** Is that Senator Darrell?

**Sen. Owen Darrell:** Yes, it is, Madam President.

**The President:** Senator Owen Darrell, you have the floor.

### WOMEN'S HISTORY MONTH

**Sen. Owen Darrell:** Madam President, first of all, I would say that those two speeches by the two female Senators of the Progressive Labour Party who on this final day, March 31<sup>st</sup>, of Women's History Month . . . I want to say *Job well done!* and it was exceptional.

And I would like to speak to some of the comments that the Opposition Senator who just spoke, decided to get on his (quote) "soapbox" to defend a Member from another place.

Madam President, I wish that that Member got on his soapbox to defend all other women, hard-working women, of this country who have done a great job in the past year to keep this country safe. And I find it laughable, Madam President, that the Senator who just took his seat would forget that there was a line in Senator Hodgson's speech where she reminded us that it was a Senator who went by the pen name "MJ" who decided to go to the daily and start swinging on her and other colleagues being part

of the friends and family package. Oh my, how his memory is short, Madam President!

### PARLIAMENTARY QUESTION (MINISTERIAL ADVISORS OR CONSULTANTS AND THEIR REMUNERATION) PATI REQUEST

**Sen. Owen Darrell:** And, Madam President, you can try to dress it up and seem like all a Member in another place wanted to do was to flaunt the praises of Dr. Carika Weldon. But we all know what a speech in another place along with a witch-hunt in another place was set out to do. It was set out to divide and conquer this country.

In the midst of doing that, Madam President, Members of the Senator's party decided to ask numerous questions in another place multiple times to try to get to what they wanted, and in the meantime drag down numerous other young people from the jobs that they were doing. And these stories are real, just like what Senator Hodgson said. I have a godson who happens to be working in health, loves his job, goes every day helping the people of Bermuda. A week ago at a family celebration he says to me, *Godfather, what was that all about? You guys didn't have to do that.* And I had to sit down and explain to him where the basis of this witch-hunt was coming from.

So I do not take that, you know, certain Members in another place are simply trying to call Dr. Carika Weldon a hero when all they really wanted to do was try to put out in the public domain how much she was getting.

And quite frankly, Madam President, I think it is sickening that the same Members of this party that Senator Jones is a part of said nothing when a certain CEO of the BTA [Bermuda Tourism Authority] was brought to Bermuda making \$295,000 a year, not including bonuses, yet we have a major issue with \$240,000 for a doctor who is down at the lab day in and day out? A doctor who has trained numerous Bermudians to work in a lab? A doctor who is doing genetic sequencing so we could know exactly where we are? A doctor who at any time of the day I can send her a WhatsApp to explain vaccinations or any other scientific features, she would come back and say, *Well, this is how you explain it?* I think it is laughable and sickening actually, Madam President that they would try to defend what happened on Friday night in another place as holding out Dr. Carika Weldon as a hero. I do not buy it for one minute.

### CANNABIS REFORM

**Sen. Owen Darrell:** I want to go back to comments in this motion to adjourn from Senator Simmons at the beginning. And her speech was timely. I want to go back to . . . I would call it a failed debate, a debate that was actually turned down on March 3<sup>rd</sup> in this House, Madam President. And, you know, there are

not many young people who tune into the Senate. There are not many young people who tune into the House of Assembly. But when it is a topic that the Progressive Labour Party has put in their election manifesto, when it is a topic that the Progressive Labour Party has put in the Throne Speech, when it is a topic that affects so many young people, and quite frankly, as I said, Black people in this country, they notice.

And they do not understand. *Well, Senator, explain to me how I went to the polls on October 1<sup>st</sup> and voted for the Progressive Labour Party and you guys told me that you were going to put forward a regulated cannabis industry. And on March 3<sup>rd</sup> you are telling me that it's not going to happen and I have got to wait at least another year?* I wish that the Senator who just took his seat would get on his soapbox and defend his former Leader—yes, the Leader of the Progressive Labour Party—like he defends a Member who also was a former Leader in another place. I wish he would do that.

Madam President, I just want to end by saying I am blessed. And I have said this before. I am blessed to be a Member of the Progressive Labour Party. And what you heard today here, regardless of what another Senator would like to say about their speeches, was two women who work hard for the country of Bermuda.

Madam President, thank you.

**The President:** Thank you, Senator Darrell.

Would any other Senator care to speak on the motion to adjourn?

Senator Ben Smith, you have the floor.

**Sen. Ben Smith:** Yes. Good afternoon, Madam President.

**The President:** Good afternoon.

### CANNABIS REFORM

**Sen. Ben Smith:** Madam President, after the remarks that have been given so far, I just want to kind of change the direction that we are going a little bit. I will have to speak to some of the things that have just been said, but it is important that I start with a thank-you to *everyone* in Bermuda who has been helping to keep our country safe. Thank you to all people in Bermuda in the health care industry. Everybody in our frontline services, the people who are in our grocery stores and retail stores and hospitality who have been going through all of the restrictions that have caused a lot of damage to business, to jobs, to our children in schools. Thank you to our teachers. Thank you to everyone who has been abiding by the rules and regulations to keep our country safe, men and women, Black and white, all citizens of Bermuda.

Madam President, we have recently heard that there are issues in the Government because a Bill was put forward in the House that was passed because it is 30-to-6. But when it reached the Senate, it was turned back. Well, Madam President, it is important that checks and balances exist. Just because a portion of the population wants to have changes done in a certain way does not mean that everyone in the country feels that way. So when you look into the details of the Bill that was turned back, there were more questions than answers. And all of those were brought up during the debate.

Well, Madam President, as we fast-forward since that has happened, many will have noticed that there are advertisements on the radio, and I believe on television, that have come out from National Drug Control talking about all of the bad things that can happen to people by the use of cannabis. It is a very unusual thing that all of the direction that we have heard coming from the Government is on the positive side. And now we are seeing this campaign that is telling us the opposite, what can happen to our young people, how we should be keeping them away from participating in this particular drug, cannabis. That is the reason that the Senate had to go through debate the way we did.

I did not hear anybody just quickly dismiss the Bill. All of the Senators who debated spoke from knowledge, spoke from research. They took their time and energy to go through all of the steps and figure out whether this was what was best for our country. And when we did not have the answers to the questions that we needed so that we could feel comfortable that we were protecting our citizens, that we were putting in the support that is needed if people find themselves on the addiction side, Madam President, you have to have those checks and balances in place. So for it to be just dismissed and now to call into question the character of the people who made that decision . . . it is unfortunate that we have reached that point.

### EASTER GREETINGS

**Sen. Ben Smith:** Madam President, I want to move to the positive side. Our country is about to go into another Good Friday and another Easter weekend under the restrictions and regulations to keep our country safe because of what has happened with COVID-19. I would like to wish everybody a happy Easter, a safe weekend. Spend time in your small bubbles with your family. Understand that for all of the things that we are restricted from, we should be thankful for the lives that we have. For all of the people who are hurting because of the impact that it has had on their jobs, the impact that it is having on how they go about their day-to-day life, I want to say to them, we hope that we can work together to get to a point where everybody

can get back to normalcy and we can start to see Bermuda grow again.

But it is going to take everybody. And not where we are starting to move today to a direction of name-calling and pointing-fingers and dividing each other, when this is not the time for that. I understand that there has been a setup today. There is a real effort to move in that direction. But after the way the debate for a budget has gone, with the long hours and everybody working towards trying to get as much information as possible so that we can help our people to move forward with the little resources that we have, I do not think it is a time for us to be doing what I am seeing so far happening in this motion to adjourn debate.

Bermuda, stay safe. Bermuda, take care of each other. And let us have a safe and, specifically, no more of the spikes in the criminal activity and the bad behaviour on our roads and in our neighbourhoods, because that is what is important. Madam President, I wish everyone in the Senate and everyone in Bermuda a wonderful weekend. And I hope that everybody is healthy and safe when we return in May.

Thank you so much.

**The President:** Thank you, Senator Ben Smith.

Would any other Senator care to speak on the motion to adjourn?

**Sen. Curtis Richardson:** Yes, Madam President. Senator Richardson.

**The President:** Senator Curtis Richardson, you have the floor.

### CANNABIS REFORM

**Sen. Curtis Richardson:** I had a little trouble getting access to the microphone when I heard the [previous] Senator speaking. I just wanted to point out that he mentioned a word that still disturbs me. Cannabis is not a *drug*. And I know we are not here to discuss particular Bills and Acts in this motion to adjourn. However, it bothers me when I hear the declassification of a natural God-given herb that, although has been grown globally under controlled circumstances, can and is also a plant that can grow in the wild. I just wanted to—

**Sen. Ben Smith:** Point of order, Madam President.

**The President:** Yes, Senator Ben Smith. Point of order.

### POINT OF ORDER

**Sen. Ben Smith:** Thank you.

Madam President, when the Junior Minister is referring to the point of cannabis, can he also give us

the information on all of the other plants that have turned into drugs, including cocaine and heroine?

Thank you.

**The President:** Senator Richardson, you can carry on.

**Sen. Curtis Richardson:** Madam President, all I wanted was just to close with saying that the cannabis reform has been something that has been put into the platform, has been a demand of the people of Bermuda for this reform to take place. I just wanted to let the people know that it is about the medicinal use and production of cannabis. Thank you, Madam President.

**The President:** Thank you, Senator Curtis Richardson.

Would any other Senator care to speak on the motion to adjourn?

Senator Michelle Simmons, you have the floor.

**Sen. Michelle Simmons:** Good afternoon, Madam President.

**The President:** Good afternoon.

### EASTER GREETINGS

**Sen. Michelle Simmons:** I would like, before we conclude, to wish you, Madam President and all Members of the Senate, a happy Easter. This is probably going to be another unusual Easter period for a whole country. And my prayer is that all of us will do our part to ensure that we do not make what is happening in our community with regard to COVID-19 any worse. Each of us has to bear individual responsibility for our own behaviour. And I once again want to commend and thank the Premier, the Minister of Health, all of the public health officials, the CMO and everyone who has been working, everyone who has been working tirelessly to ensure that we can eventually return to a more normal way of life. I do not think life will ever be the same as it was a year ago. But we can certainly retain our hope that the future will look better than it does right now, than the current situation appears right now.

Madam President, for Christians it is probably the most important season of the year. And even though the churches are closed and we will not be able to celebrate Easter in the normal way, we can still give thanks for all that we have benefited. Madam President, I hope that when we return to the Senate in May, that we will continue to advance the agenda that is put before us. So with those words, I once again would like to wish you, all of my Senate colleagues and the entire community a happy and safe and blessed Easter.

Thank you, Madam President.

**The President:** Thank you, Senator Michelle Simmons.

Would any other Senator care to speak on the motion to adjourn?

Hearing none, then I would just add my comments. And that is to support the Senate and associate myself with the sentiments that have been expressed by Senator Michelle Simmons. As Senators, this has been a very busy period. And we have done very, very well in terms of what we have had to do with regard to the budget and the Bills that have been passed. I too on this Easter weekend period and the month that we will have ahead of us, wish each and every Senator and everyone in Bermuda a safe Easter weekend and to encourage each one of us to adhere to the restrictions that have been set by the Government. Because these are the ones that have really kept Bermuda in such a position as it is now.

And also, for those of you who want to take your vaccinations, do so. And encourage members of your family to do so. I wish each and every one of you a very, very happy Easter, a blessed Easter. And we look forward to returning on May the 12<sup>th</sup> and ready to continue our business.

So happy Easter to each one of you! Be safe and be well. Good day.

**Some Hon. Senators:** Good day! Thank you, Madam President! Thank you. Happy Easter.

**The President:** Good afternoon, everybody. Happy Easter.

*[At 12:27 pm, the Senate stood adjourned until 10:00 am Wednesday, 12 May 2021.]*

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