



2017/18 SESSION
of the
BERMUDA
HOUSE OF ASSEMBLY

OFFICIAL HANSARD REPORT

3 November 2017
Sitting number 7 of the 2017/18 Session
(pages 455–492)

Hon. Dennis P. Lister, Jr., JP, MP
Speaker

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BERMUDA HOUSE OF ASSEMBLY

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3 NOVEMBER 2017

10:02AM

*Sitting Number 7 of the 2017/18 Session**[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]*

PRAYERS

[Prayers read by Mrs. Shernette Wolffe, Clerk]

MOMENT OF SILENCE

[In memory of Mr. Reginald Burrows, former MP]

The Speaker: Members, before we take our seats, I would like for us to join in a moment of silence for the passing of one of our former long-serving Members, Mr. Reginald Burrows.

For those who did not know, Mr. Burrows passed during the night, and I think it is fitting that we take this moment to recognise him as having been an old soldier of this House, one of those who mentored me when I first came to this House. His passing will not only be a loss to this House, for what he did here for his country, but for his family. We ask that a moment of silence be taken now out of respect for his family.

[The House rose and observed a moment of silence.]

The Speaker: Thank you, Members.

[Gavel]

CONFIRMATION OF MINUTES

[Minutes of 20 October 2017]

The Speaker: Members, you have received the Minutes from the 20th of October. Any objections or amendments?

No objections or amendments; the Minutes have been confirmed.

[Minutes of 20 October 2017 confirmed]

MESSAGES FROM THE GOVERNOR

The Speaker: There are none.

ANNOUNCEMENTS BY THE
SPEAKER OR MEMBER PRESIDING

APOLOGIES

The Speaker: Yes. First, I would like to announce that I received communications from two Members that they will be absent today. That is, MP Famous and MP Wayne Furbert have given notice of their absences today.

PUBLIC ACCOUNTS COMMITTEE MEMBERSHIP

The Speaker: [Second], I should announce a change to the Public Accounts Committee membership. Now that Member Wayne Furbert is a Junior Minister he has been removed from the committee, and he will be replaced by MP Renee Ming.

CONSTITUENCY BOUNDARIES COMMISSION
REPORT 2017 AND 2018

The Speaker: Third, Honourable Members, in accordance with the provisions of section 54(1) of the Bermuda Constitution Order 1968, the Constituency Boundaries Commission Report 2017 and 2018 has been submitted to the Office of the Legislature, and I now table this report in the House for the information of Honourable Members.

Copies have been distributed to Members, and you should find them on your desks. Thank you.

MESSAGES FROM THE SENATE

The Speaker: There are none.

PAPERS AND OTHER
COMMUNICATIONS TO THE HOUSE

The Speaker: There are two.

I recognise Mr. Premier.

CONTRIBUTORY PENSIONS (AMENDMENT OF
BENEFITS AND CONTRIBUTIONS) ORDER 2017

Hon. E. David Burt: Good morning, Mr. Speaker.

Mr. Speaker, I have the honour to attach and submit for the consideration of the Honourable House of Assembly the Contributory Pensions (Amendment of Benefits and Contributions) Order 2017.

The Speaker: Thank you, Mr. Premier.

The second communication is from Minister Foggo. Minister Foggo, you have the floor.

CODE OF PRACTICE FOR PROJECT MANAGEMENT AND PROCUREMENT

Hon. Lovitta F. Foggo: Thank you, Mr. Speaker, and good morning, Members.

Mr. Speaker, I have the honour to attach and submit for the information of this Honourable House of Assembly the Code of Practice for Project Management and Procurement. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

PETITIONS

The Speaker: There are none.

STATEMENTS BY MINISTERS AND JUNIOR MINISTERS

The Speaker: Members, there is one this morning (for a change). Mr. Premier, I see you are the only one with a Statement this morning.

Mr. Premier, you have the floor.

BERMUDA'S NEW GOVERNMENT—THE FIRST 100 DAYS AND BEYOND

Hon. E. David Burt: Thank you very much, Mr. Speaker.

Mr. Speaker, our democracy is a hybrid creature founded in the British parliamentary system and Cabinet-style Government, with a healthy dose of American benchmarks resulting from our proximity to the United States. This Government set for itself a series of goals to be met within [100 days](#) of being elected, and this pledge can trace its origins to the first administration of Franklin D. Roosevelt, who took office amidst one of the most trying times for ordinary people in the United States.

Mr. Speaker, it is with great pride that I rise today to report that since this new Government took office we have successfully completed, or significantly advanced, twenty-one of the twenty-one 100-day pledges that we made to the people of Bermuda.

[Desk thumping]

Hon. E. David Burt: Mr. Speaker, the election of 2017 was a referendum on ideals and vision for this country.

The people of Bermuda were presented with a clear choice. History now records that the people of this country chose a Government who would put Bermudians first, a Government who would no longer subjugate the rights and aspirations of Bermudians to the interests of the privileged few.

Mr. Speaker, the voice of the people resonates even now in our ears, as elected representatives, because the sheer numbers of voters and the margin of the election victory make the phrase “mandate for change” more than a trite political slogan, but translates into a directive for this Government to usher in a period of renewed prosperity for the people of this country.

These first 100 days have been trying and testing as the new Government comes to grips with the enormity of the task before us. However, Mr. Speaker, we are equal to the task, and I am pleased to advise Honourable Members and the public that these 100 days have been a success story—a story of demanding more from ourselves as public servants and a story of charting a course for this country that matches the mandate we received from the people on July 18th.

Mr. Speaker, this Government pledged to improve the standard of governance in Bermuda. Within the first 100 days we have amended the Ministerial Code of Conduct to increase disclosure requirements of ministers, and today we tabled the new Code of Practice for Project Management and Procurement. The Standing Orders and Privileges Committee will submit changes to Standing Orders to create Premier's Question Time and implement the SAGE Commission's recommendation to establish three permanent Parliamentary Oversight Committees. And that committee will soon ask this Honourable House to approve a Code of Conduct for parliamentarians. Promises made, Mr. Speaker, and promises kept!

[Desk thumping]

Hon. E. David Burt: Mr. Speaker, the centrepiece of any modern economy's foundation must be education. As we promised, we have put the needs of Bermudian students, young and old, to the forefront of our policy development. In order to make Bermudians employees of choice in their own country, we must provide our people with the tools required of them to take their place in driving this economy. This is a skills-based economy, and so we have delivered on our promise to make education and training at the Bermuda College available to all.

Mr. Speaker, there have been few prouder moments thus far in my premiership than having a parent thank me for providing the opportunity for their child to attend the Bermuda College, which would have been unlikely without this Governments' financial support. The actions of this Government saw 188 additional Bermudian students gain access to college courses or training programmes.

[Desk thumping]

Hon. E. David Burt: [These are] 188 Bermudians who may not have had that chance to advance their education or learn a new skill, but got that chance because this PLP Government put Bermudians first.

As I said, Mr. Speaker, promise made—promise kept.

Mr. Speaker, it remains a betrayal of our claims to be a modern and sophisticated jurisdiction where in 2017 we have schools without wireless Internet. In keeping with our 100-day promise to commence the installation of Wi-Fi in schools, I can advise Honourable Members that Purvis Primary and East End Primary Schools have commenced Wi-Fi installation; and before the end of this school year, all schools will be equipped with this required technology.

To complement the SCORE Report, an assessment of the health and safety priorities for all of our public schools has been completed. We are committed to acting on the recommendations set out to ensure that our children are being educated in facilities that meet the legitimate expectations of their hardworking tax-paying parents.

Mr. Speaker, very often, the heartbeat of our communities can be found in clubs and community centres. This Government committed to do more than pay lip service to their importance and promised to extend loan guarantees for community clubs seeking to upgrade their facilities. The Cabinet has approved the loan guarantee programme for community clubs, and we will shortly communicate to clubs how they can take advantage of this programme which sees Government at its best: working for the people who work to enrich our communities. We also pledged to build healthier communities, and to that end, the Ministry of Public Works has identified outdoor fitness equipment which will be installed at Astwood Park, the Arboretum, and Shelly Bay Park.

Again, Mr. Speaker, promise made—promise kept.

[Desk thumping]

Hon. E. David Burt: Mr. Speaker, as we pledged to increase job training to prepare Bermudians to fill jobs held by guest workers, this Government implemented initiatives over the first 100 days which will provide business and educational opportunities for our local entrepreneurs and our tradespeople.

With the fee for national certification being waived until the end of the year, the Ministry of Education and Workforce Development is committed to getting persons working in specified occupations registered and certified. To support our entrepreneurs, Cabinet has approved the doubling of the Bermuda Economic Development Corporation's [BEDC] capital from \$1 million to \$2 million, which will increase the flexibility of the BEDC to support local economic growth. The

BEDC will also place an increased focus on cooperative economics, which will be led by a director of cooperative economics at the BEDC.

Again Mr. Speaker, promise made—promise kept.

[Desk thumping]

Hon. E. David Burt: Mr. Speaker, the opportunity presented by this electoral mandate is one which can make the diversification of this economy a reality. Infrastructure-neutral technology-based activities are the next wave of economic development for Bermuda, and this Government has taken the steps required to usher in the era for this Island. As we sit in this Honourable House today, the technology marketplace is actively considering the Request for Information issued by the Ministry of Public Works for a Tech Hub. Additionally, the Government is working aggressively to update our laws and regulations to support new waves of businesses that are emerging which are based on distributed ledger technologies and crypto-currencies.

Mr. Speaker, good ideas know no political allegiance. The stark contrasts of a political campaign must give way to a rational and pragmatic means by which to govern. Bermuda First is the fulfilment of that approach. This Government has assembled the Island's keenest thinkers, the most committed men and women, and challenged them to step beyond the usual partisanship that dominates our engagement with one another. The re-establishment of Bermuda First is critical to the Government's stated aim of building a fairer and better Bermuda. Comfort zones are being abandoned, and as equals, trade unionists, bankers, insurance executives and entrepreneurs will be guided by one single principle: Bermuda First.

It would be impossible to set about building a fairer and better Bermuda without addressing the issue of taxation. The unequal burden borne by hardworking men and women in this country demonstrates a system crying out for reform. In these first 100 days, this Government has established a Tax Reform Commission whose statutory mandate is to make Bermuda's system of taxation fairer and to work towards a basic principle of equity in taxation.

Again, Mr. Speaker, promise made—promise kept.

[Desk thumping]

Hon. E. David Burt: Mr. Speaker, as we knocked on the doors and listened to the people of Bermuda, the illogical, and in some cases unconscionable, prices of food and other goods was constantly mentioned. We cannot, on one hand, promote healthy food options as a means by which to improve quality of life and relieve the stresses on the system of health care, and yet preside over a system that makes fresh vegetables more

expensive than preservative-laden snacks. This operating at cross purposes must end, and I am pleased to advise this Honourable House that Members will be invited this month to consider a Bill to grant additional powers to the Price Control Commission aimed directly at reducing the cost of living in Bermuda.

Mr. Speaker, the high cost of living particularly impacts our seniors, who struggle monthly to make ends meet. During the election we promised that we would increase seniors' pensions by the rate of inflation every year, and today, with the tabling of the Contributory Pensions (Amendment of Contributions and Benefits) Order 2017, this Government has kept its word to our seniors.

[Desk thumping]

Hon. E. David Burt: Pensions will be increased by the rate of inflation, Mr. Speaker, and that is a promise that this Government is honoured to keep.

Mr. Speaker, public sector unions are currently at the negotiating table. A negotiating team is meeting regularly with each representative union, and the mandate given to that team by this Government is to re-establish confidence in the process and to do what is feasible to engender again a respect for the labour of the workers of this country.

Mr. Speaker, to put Bermudians first, we must have an immigration system that works. This Government has established a Bipartisan Committee on Immigration Reform to collaboratively work on what has been a historically divisive issue.

And with regard to the One Bermuda Alliance's immigration policy, which removed the requirement that businesses who bring in overseas entertainers must also employ a Bermudian group at the venue at the same time, the Government is currently reviewing the immigration policy proposed by the Musicians Union. Shortly, stakeholder groups will be consulted before finalising the policy.

Mr. Speaker, voters told us that fresh energy was required to address the issues that directly affect them and their communities. This is especially so with respect to violence and antisocial behaviour. We have changed the conversation, Mr. Speaker. We now speak openly about the need for systemic change to address the multi-generational issues that have given rise to violence in this country. We speak of providing economic opportunities for those who this system has, by design, marginalised and condemned to the fringes of this society.

The Ministry of National Security is leading a joined-up cross-ministry effort to start at the earliest possible age to present our children and young people with alternatives to the lifestyle that has led to death, incarceration or forced emigration. We promised the voters action in our first 100 days, and with the appointment of a gang violence reduction coordinator, it is just

one more promise made that this Government has kept.

Mr. Speaker, it is a sad indictment of this Government's critics that they are confined to travel costs in their assessment of our performance. Mr. Speaker, after a blunt and overt attack on Bermuda from the Leader of the Opposition in the United Kingdom's House of Commons, after the cyberattack on a global law firm with offices in Bermuda, and after regional devastation in other Overseas Territories, only the most small-minded of individuals would question the need for Bermuda to be present and vocal on the international stage. We travel to protect Bermuda's interests; we travel to support our athletes and our cultural ambassadors; and we travel to ensure that investors and tourists always have Bermuda top of mind. Our travel is not only necessary, Mr. Speaker; it is vital.

Mr. Speaker, speaking of travel, this Government is confronted with a contract for the construction and 30-year management of a new terminal at the L. F. Wade International Airport, which has now been upended by the potential sale to a Chinese firm of Canadian Company Aecon.

In keeping with our promise to the people of Bermuda, this latest development and the overall arrangement are the subject of a full review. The people demanded that we examine this contract with a view to improving this deal, and this we shall do. This Government is determined to emerge from this review with a better deal for the Bermudian taxpayer, to mitigate the clear privatisation efforts of the previous administration.

Mr. Speaker, these 100 days have been an incredible period of service. It has been exciting to progress the work of meeting the expectations of the thousands of Bermudians who voted—not just those who voted for this Government, but for all Bermudians. The pace that Ministers, backbench MPs and civil servants have kept has been remarkable. This has been a true team effort, and I am confident that we are now poised for the transformative change to Bermuda that we promised.

Mr. Speaker, building a better and fairer Bermuda could never be described as a 100-day task. It is a promise that seeks to eliminate the vestiges of unearned privilege; a promise that manifests the real hopes and aspirations of people who, for too long, have been spectators to the success of this economy. It is a promise that demands social justice as the norm and not the hard-fought exception. It is a promise that is guided by some very simple words: Bermuda and Bermudians first.

Mr. Speaker, before I take my seat, I would like to thank colleagues in this Honourable House, and the members of the civil service, for their extremely hard work over the past 100 days. Additionally, I would like to thank the members of the wider Bermudian community who have realised that the election is over and now is the time to work together to grow our economy and create that better and fairer Bermuda. Our country is

facing a number of significant threats from overseas. And while some in this House may be tempted to chase headlines in the daily or seek attention on social media, we must remember that it is Bermuda versus the rest of the world. The energy spent fighting each other can be better spent working to ensure that the policies we create are balanced and will lead to the jobs and growth that this Island so desperately needs.

Mr. Speaker, while Bermuda's Government has made strides in the right direction, with twenty-one out of our twenty-one 100-day pledges being completed, or substantially advanced, there is still a long way for us to go. The Government will now shift its focus to delivering on the promises laid out in the Throne Speech and will work tirelessly with stakeholders to grow Bermuda's economy and create jobs.

The business community and our trade unions are responding positively, and now it is time for their political leaders to work collaboratively to advance Bermuda's interests. Our task of creating that better and fairer Bermuda, Mr. Speaker, is underway, and our commitment to the people of Bermuda will be continuously at the forefront of everything that this new Progressive Labour Party Government does.

Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Mr. Premier.

No further Statements.

REPORTS OF COMMITTEES

The Speaker: We have one report, from the Standing Orders and Privileges Committee. And the Deputy Speaker will present that report.

Hon. Derrick V. Burgess, Sr.: Thank you, Mr. Speaker.

STANDING ORDERS AND PRIVILEGES COMMITTEE

Hon. Derrick V. Burgess, Sr.: Honourable Members, I hereby present for the information of the Members the Report of the Standing Orders and Privileges Committee, dated the 3rd of November 2017. Copies of the report and addendum have been distributed to Members. Thank you.

The Speaker: Thank you, Mr. Deputy Speaker.

QUESTION PERIOD

The Speaker: Members, we have four Members who have indicated that they have questions for the Premier in reference to his Statement on the 100 days.

The first Member who has indicated that she would like to ask questions is the Honourable Opposition Leader. Honourable Opposition Leader, you have the floor.

QUESTION 1: BERMUDA'S NEW GOVERNMENT— THE FIRST 100 DAYS AND BEYOND

Hon. Patricia J. Gordon-Pamplin: Thank you, Mr. Speaker.

Mr. Speaker, on page 4 of the Premier's Statement, he indicated that the BEDC capital has been increased from \$1 million to \$2 million, which will increase the flexibility of the BEDC to support local economic growth.

I wonder if the Premier would be good enough to advise the Honourable House how much of the original \$1 million has actually been utilised thus far?

The Speaker: Thank you, Member.

Mr. Premier.

Hon. E. David Burt: Thank you, Mr. Speaker.

Mr. Speaker, in response to the Opposition Leader's statement regarding the amount of the \$1 million . . . (Sorry.)

The question she asked was, how much of the \$1 million guarantee has been utilised? I think I understand the question of which she is really trying to ask, which is, what percentage of the existing guarantee capacity has been used? As it is in the public domain, the existing guarantee capacity, I believe, the total guarantee capacity is about \$6 million, and the amount of which has been used, I believe, is in the range of between \$1 million and \$2 million.

But I think what is clear, Mr. Speaker, and I would like to read from the Statement, is that "the Cabinet has approved the doubling of the Bermuda Economic Development Corporation's [BEDC] capital from \$1 million to \$2 million, which will increase the flexibility of the BEDC to support local economic growth." And the reason why I state this, Mr. Speaker, is that during the election campaign we pledged to double the guarantee capacity.

Yes, we have doubled the guarantee capacity, but as we have been in Government for the first 100 days, we found that the issue with the Bermuda Economic Development Corporation is not the guarantee capacity; it is the flexibility of the BEDC to help to stimulate economic growth. So, when we are talking about small entrepreneurs who might need access to temporary micro-loans, then it may make more sense than in a bureaucratic process; rather than guaranteeing loans in the private sector we can lend that assistance directly to get these businesses up and running and to provide jobs for our people.

So that is what we are doing with the doubling of the capital. It is increasing the flexibility for the BEDC

to increase economic activity and jobs in Bermuda, Mr. Speaker.

The Speaker: Thank you, Mr. Premier.

Supplementary or new question? New question, yes. Continue on, Opposition Leader.

QUESTION 2: BERMUDA'S NEW GOVERNMENT— THE FIRST 100 DAYS AND BEYOND

Hon. Patricia J. Gordon-Pamplin: Thank you, Mr. Speaker.

Mr. Speaker, on page 5 of the Premier's Statement, second paragraph, the Premier indicated that the "Government has established a Tax Reform Commission . . ." Can the Premier advise who the members of that Tax Reform Commission are?

The Speaker: Thank you, Member.
Mr. Premier?

Hon. E. David Burt: Thank you very much, Mr. Speaker.

Mr. Speaker, the Tax Reform Commission Act has been passed and has been assented to by the Governor. As the Opposition Leader knows full well in communications with which we have had, we are going to meet to discuss her appointments to the commission. And I am meeting with the chairman of the Commission on Monday. And the final announcements of all the persons will be announced when we finish meeting and have that consultation period completed.

The Speaker: Thank you, Premier.
Supplementary or new question?

Hon. Patricia J. Gordon-Pamplin: Supplementary.

The Speaker: Supplementary. Yes.

SUPPLEMENTARY

Hon. Patricia J. Gordon-Pamplin: In light of the Premier's response and the current status, would it not have been more correct in the Premier's Statement to indicate that progress has been made towards the *formation* of the Tax Reform Commission, that legislation has been passed? Because this says that the Commission has been *established*, and that is not entirely accurate.

The Speaker: Thank you.

Hon. E. David Burt: Mr. Speaker, I will just . . . I am fine with the Statement as it is constructed.

The Speaker: Any further questions, Member? Opposition Leader, any further questions from you?

[Inaudible interjection]

The Speaker: Okay. The next Member who indicated that he had questions on this Statement is the Honourable Member from constituency 22.

The Honourable Member Gibbons, you have the floor.

QUESTION 1: BERMUDA'S NEW GOVERNMENT— THE FIRST 100 DAYS AND BEYOND

Hon. Dr. E. Grant Gibbons: Good morning, Mr. Speaker, and thank you.

Mr. Speaker, my first question actually is . . . I think it is on page 1, the Premier refers to having "successfully completed or significantly advanced twenty-one of the twenty-one 100-day pledges that we made to the people of Bermuda." Could the Honourable Member give an indication of when the so-called "significantly advanced" pledges will be completed?

The Speaker: Thank you, Member.
Premier.

Hon. E. David Burt: Certainly. Mr. Speaker, I am happy to provide an answer for the Minister on that Statement regarding the 21 items. Sorry, the Honourable Member, not the Minister.

Out of the 21 items which were listed for completion, 14 of which are fully complete, the seven which are not complete . . . and I will be happy to provide an estimate. There is the grant of additional powers to the existing Price Control Commission, as I indicated in my Statement that that will be the Bill coming to Parliament shortly. Regarding the appointed Director of Co-operative Economics at the BEDC, the items have been laid out at the BEDC, and that appointment will be made imminently.

Regarding concluding negotiations with public sector unions, unfortunately, I cannot give a time to the Minister [*sic*]. That process is currently ongoing. But we hope to conclude it as soon as we are able.

Regarding the question about the immigration policy, for reversing the immigration policy regarding musicians as was stated inside of the Statement, the consultation process is about to be complete. And those items will be done. Regarding the installation of fitness equipment in Bermuda's public parks, the equipment has been identified and ordered, and it will be installed soon after it arrives. I cannot give an exact time, but I am assuming by the end of the year. And then the reviewing of the privatisation contract between Aecon and Bermuda Government, as we have noted, and the Deputy Premier has indicated, that process is ongoing. It is a very large contract. But we are going to make sure that we examine all of the Government's options.

The final item, which is the implementation of a Code of Conduct for Members of Parliament, that process will be controlled by the House Standing Orders

and Privileges Committee. And I am sure that when that committee has completed its work, all Honourable Members will be aware.

The Speaker: Thank you.
Further question, Member?

Hon. Dr. E. Grant Gibbons: Actually, it is a supplementary.

The Speaker: Supplementary?

Hon. Dr. E. Grant Gibbons: Yes.

The Speaker: Continue on.

SUPPLEMENTARIES

Hon. Dr. E. Grant Gibbons: If I may. The Honourable Member refers to the revamped Ministerial Code of Conduct. Could the Honourable Member speak to what were the additional disclosure requirements that Ministers now have to provide?

Hon. E. David Burt: Thank you, Mr. Speaker.
Mr. Speaker, I do believe at our last sitting, the Honourable Minister responsible for the Cabinet Office identified those items, and they are a matter for the public record.

The Speaker: Thank you.
Supplementary or new question?

Hon. Dr. E. Grant Gibbons: Actually, supplementary.

The Speaker: Supplementary? Go ahead.

Hon. Dr. E. Grant Gibbons: Yes. Will the Ministerial Code of Conduct be made public? I am not aware if it has or has not at this point.

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, the Ministerial Code of Conduct is always public. And I am sure the Minister for the Cabinet Office will advise when that item will be up on the website. But if it is not there already, then it will certainly be placed there.

The Speaker: Thank you.
New question?

Hon. Dr. E. Grant Gibbons: A new question; thank you, Mr. Speaker.

The Speaker: Yes. Continue on.

QUESTION 2: BERMUDA'S NEW GOVERNMENT— THE FIRST 100 DAYS AND BEYOND

Hon. Dr. E. Grant Gibbons: Yes.
On page 3, the Honourable Member refers to the SCORE Report, or I should say a complementary report to the SCORE Report for public schools. Will this complementary report be released?

The Speaker: Mr. Premier.

[Crosstalk]

The Speaker: Premier, you have the floor.

Hon. E. David Burt: Thank you very much, Mr. Speaker.

Mr. Speaker, I can confirm that that report will be released.

The Speaker: Thank you.
Supplementary?

Hon. Dr. E. Grant Gibbons: Yes, supplementary.
Thank you, Mr. Speaker.

The Speaker: Continue.

SUPPLEMENTARIES

Hon. Dr. E. Grant Gibbons: Have the recommendations that have been made in the supplementary report been costed so far?

The Speaker: Mr. Premier.

Hon. E. David Burt: Mr. Speaker, I can confirm to the Honourable Minister *[sic]* that those things have not yet been costed.

The Speaker: Thank you.
Supplementary or new question?

Hon. Dr. E. Grant Gibbons: Supplementary, yes.

The Speaker: Go ahead.

Hon. Dr. E. Grant Gibbons: Can the Honourable Member speak to when the additional recommendations that have been made will be completed?

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, thank you.
Though I wish that I could have a crystal ball to determine when all the various items inside of this comprehensive report will be completed, what I can assure the Honourable Member is that, in keeping with the transparency that this Government has demonstrated

over the last 100 days, we will put those items in the public domain. And members of the public, especially our students, our parents, and our teachers will be fully aware of the Government's plans in moving forward to address the infrastructure issues in our public schools.

The Speaker: Thank you, Premier.
New question?

Hon. Dr. E. Grant Gibbons: New question. Yes.

The Speaker: Yes. Continue, Honourable Member.

QUESTION 3: BERMUDA'S NEW GOVERNMENT— THE FIRST 100 DAYS AND BEYOND

Hon. Dr. E. Grant Gibbons: Thank you. Thank you, Mr. Speaker. Yes.

On page 7, the Honourable Premier speaks to a reference of the cyberattack on a global law firm with offices in Bermuda. Can the Honourable Member speak to the progress on the implementation of the Personal Information Protection Act, which, as the Honourable Member knows, will require breaches of information on individuals to be made . . . When a breach occurs, it will need to be made public. And I am curious as to where the timing is with respect to the Personal Information Protection Act, which will help provide some protection to Bermudians and others. Thank you.

The Speaker: Thank you.
Mr. Premier.

Hon. E. David Burt: Thank you very much, Mr. Speaker.

Mr. Speaker, I do believe the Honourable Member had asked a similar question of the Deputy Premier either at our last sitting or the sitting before last. But what I will tell the Honourable Minister [*sic*] is that that statement, that process, is continuing. It is ongoing. There are many things that have been advanced on that particular matter. And I will give the Minister a commitment that, either at the next sitting or the sitting after that, a statement will be brought to this House so that the House can be updated as to the progress on that matter.

The Speaker: Thank you, Premier.
Supplementary? Further? No. Thank you.

The other Member who has indicated that he has questions on this Statement is the Honourable Member from constituency 12. The Honourable Member Craig Cannonier, you have the floor.

Mr. L. Craig Cannonier: Thank you. Thank you, Mr. Speaker.

[Inaudible interjections]

[Laughter]

Mr. L. Craig Cannonier: Yes. Good to see you all. Nice to see everyone.

Some Hon. Members: Welcome back! Welcome back!

[Laughter]

QUESTION 1: BERMUDA'S NEW GOVERNMENT— THE FIRST 100 DAYS AND BEYOND

Mr. L. Craig Cannonier: Just a quick question, Mr. Speaker, of the Premier.

On page 3, he mentioned that the East End primary schools, "Purvis Primary and East End Primary Schools have commenced Wi-Fi installation . . ." I want to ask the question, Who is the Wi-Fi provider? And if it is a new provider from the other schools, was a tender process needed for this here?

The Speaker: Thank you, Member.

The Honourable Minister will answer.

Minister, you have the floor. The Minister of Education has the floor.

Hon. Diallo V. S. Rabain: Thank you, Mr. Speaker.

I do not think I can answer this without clarifying what Wi-Fi means within the schools. I think there are some misconceptions, based on the question that was asked about what is the Wi-Fi provider.

Mr. Speaker, all of our schools currently have access to Internet. And in order to add Wi-Fi to that installation, access points need to be installed through the school. At East End Primary and Purvis an access point has been installed to provide Wi-Fi access for educational purposes.

The Speaker: Thank you, Minister.

Supplementary or further question?

Supplementary. Continue on, Member.

SUPPLEMENTARIES

Mr. L. Craig Cannonier: Supplementary. So, I can assume that the provider for the other schools is the same provider for Wi-Fi to East End, then?

The Speaker: Minister.

Hon. Diallo V. S. Rabain: Again, Mr. Speaker, there is no provider. There is access to the Internet that already currently exists within all of our schools. And we just need to put access points to allow that service to be accessed wirelessly.

The Speaker: Thank you, Minister.
Supplementary?

Mr. L. Craig Cannonier: Supplementary, yes.

The Speaker: Continue on, Member.

Mr. L. Craig Cannonier: Thank you, Mr. Speaker.
So, who, then, is doing the installation?

The Speaker: Minister.

Hon. Diallo V. S. Rabain: Mr. Speaker, that would be the Department of Education's IT Department who is responsible for the installation. And they will employ whomever they need to assist with the installation of the access points.

The Speaker: Thank you, Minister.
Further question? No more questions, Member?
Supplementary?

Hon. Dr. E. Grant Gibbons: Supplementary. Yes, thank you, Mr. Speaker.

The Speaker: Supplementary.
The Honourable Member from constituency 22, Dr. Gibbons.

SUPPLEMENTARY

Hon. Dr. E. Grant Gibbons: I think what we are trying to get a sense of from the Minister is, has a vendor been chosen by the department to do this installation? Is it the same vendor that has done the installation in some of the other schools?
Thank you.

The Speaker: Minister.

Hon. Diallo V. S. Rabain: Thank you, Mr. Speaker.
There have been several vendors that the Department of Education works with, cabling vendors. And they will be the ones that will be utilised. So far, the overall cost of this installation throughout the schools is estimated to be about \$80,000. And so, it will be split between various cable installers.

The Speaker: Thank you, Minister.
Supplementary? You used your two supplementaries. Yes. You have a new question?

[Inaudible interjection]

Hon. Patricia J. Gordon-Pamplin: I have a supplementary. I have a supplementary.

The Speaker: Okay.
Hold on. We will recognise the Opposition Leader. She has a supplementary to this.
Honourable Member, you have the floor.

SUPPLEMENTARIES

Hon. Patricia J. Gordon-Pamplin: Thank you.
The supplementary question to the Minister is . . . he has indicated "several vendors." Can the Minister indicate who are the several vendors?

The Speaker: Minister.

Hon. Diallo V. S. Rabain: Mr. Speaker, no.

The Speaker: Further supplementary?

Hon. Patricia J. Gordon-Pamplin: Yes.

The Speaker: Opposition Leader, you have the floor.

Hon. Patricia J. Gordon-Pamplin: Will the Honourable Minister commit to bringing that information to this Honourable House? Or is this something that is being hidden?

[Inaudible interjections]

The Speaker: Minister. Minister.

Hon. Diallo V. S. Rabain: Mr. Speaker, the Honourable Member is asking us to reveal contracts that are made between private companies. I think that is out of the question to bring them here at this point.

An Hon. Member: Why? It makes for full disclosure
Wow!

[Crosstalk]

The Speaker: Thank you.
Any further questions on that?
No further questions. Good.

The final Member who indicated he had questions for this Statement is the Honourable Member from constituency 8. The Honourable Member, Mr. Cole Simons, you have the floor.

QUESTION 1: BERMUDA'S NEW GOVERNMENT— THE FIRST 100 DAYS AND BEYOND

Mr. N. H. Cole Simons: Thank you, Mr. Speaker.
Mr. Speaker, during the first 100 days of the PLP Government we lost the Commissioner of Education and a senior Director of Education by the name of Dr. Matthews. This has an impact on the leadership of Education in this country. Can the Premier give us an update on what Government is doing to address the leadership challenges in Education so that we can be assured that Education will move forward under sound leadership?

[Inaudible interjections]

The Speaker: Member, I was waiting . . . I allowed you to go on because I was trying to see how you were going to tie that into the Statement. Yes, that event took place; but it did not reference what was in the Statement today. So, if you could word it in a way that ties into the Statement, I will allow it. If you cannot, you will have to save it for another time. It has to be subject to what was in the Statement.

Mr. N. H. Cole Simons: Yes. Okay. I will tie it to the SCORE Report.

Mr. Speaker, the Commissioner of Education was leading the charge in the delivery of the SCORE Report and of initiatives. Now that he is not here, and no comment is made by the Government in regard to the replacement of the Commissioner of Education, who is leading that charge in regard to delivery on the SCORE Report and the upcoming strategic plan implementation?

The Speaker: Thank you.
Premier.

Hon. E. David Burt: Good morning. Thank you, Mr. Speaker. And I thank the Honourable Member for his question.

If I may, on a couple of items . . . When it comes to dealing with education, what is key, Mr. Speaker, is that this Government will continue to make sure that the priority . . . or that our students and our teachers are the priority of this Government. And we are going to put the resources in place to support them.

What is also the case is that, in regard to our record on transparency, our record on transparency should be very clear. The questions which were asked earlier, Mr. Speaker, in regard to contracts related to cabling installation . . . any question that is asked will be answered. And I am happy that, from the Finance Ministry's perspective, we can provide that information, as there are no new specific or any other vendors that may be being used. We have a responsibility to declare things to this Parliament, and we will declare anything which is necessary and/or required to be declared.

Regarding the issue of the Commissioner for Education and those ongoing items, I believe that the former Minister of Education should be keenly aware that those matters lie with the Board of Education, that Government is not responsible, specifically, for personnel matters and that it would be improper for us to comment publicly on personnel matters.

What I would say, however, in the broad context, is that this Government is committed to supporting the leadership of the Board of Education and the leadership in what is necessary to transform our education system to deliver on our strategic plan, to increase the educational outcomes and to transform our education system, as the voters of this country [were] promised, which will see us move from a three-tiered system to a

two-tiered system and the eventual elimination of middle schools.

The Speaker: Thank you, Mr. Premier.
Supplementary or new question?

Mr. N. H. Cole Simons: Supplementary based on the Premier's comments.

The Speaker: Member, you have the floor.

SUPPLEMENTARIES

Mr. N. H. Cole Simons: Mr. Speaker, I have heard what the Premier has said, and I acknowledge that the Department of Education, the Board of Education, is responsible for hiring and making recommendations on the appointment of the Commissioner of Education.

There is no Commissioner of Education at this point in time, and we need to ensure that the delivery of education services in this country is not compromised, because, at this point in time, we have no leader in the Department of Education who will guide and provide direction to the Ministry.

An Hon. Member: No leader in the OBA?

[Laughter]

The Speaker: Mr. Premier or Minister?

[Inaudible interjections]

Hon. E. David Burt: Mr. Speaker, I have already answered the questions and the statements on this topic, and I am not going to comment on internal personnel matters.

The Speaker: Thank you.
New question or supplementary, Member?

Mr. N. H. Cole Simons: Supplementary.

The Speaker: Okay. Your second supplementary.

Mr. N. H. Cole Simons: Who is providing current leadership in the Department of Education, given that we have no Commissioner of Education?

The Speaker: You keep sort of waning away from the original Statement, Member. Your question keeps drifting. I brought you back on base with your first question, but this supplementary is taking you back off base. So I am going to save that for another time or a Statement that refers to that particular point that you are trying to raise.

Do you have a further question that you would like to ask?

**QUESTION 2: BERMUDA'S NEW GOVERNMENT—
THE FIRST 100 DAYS AND BEYOND**

Mr. N. H. Cole Simons: Yes, I do.

Page 3, the SCORE Report. Can the Minister or the Premier give an update on what has been achieved in regard to the challenges summarised in the SCORE Report? Do we have a status report on addressing those challenges?

The Speaker: Thank you. Thank you, Member. Minister.

Hon. Diallo V. S. Rabain: Mr. Speaker, considering that the SCORE Report was completed nearly two years ago, I am surprised the Minister of Education [*sic*] does not have any updates for us on the SCORE Report, because we certainly do not. Because we saw the SCORE Report and we determined that it is inadequate. And we have done additional services throughout the schools to see what really needs to be addressed.

The Speaker: Thank you.
Supplementary?

SUPPLEMENTARY

Mr. N. H. Cole Simons: Yes, supplementary.

Is there an ongoing inspection report by the Works and Engineering Department to ensure that our structures are sound and that adequate maintenance programmes are in place?

The Speaker: Premier.

Hon. E. David Burt: Thank you, Mr. Speaker.

To answer the Honourable Member's question, yes, it is continuously ongoing . . . the work. I think the Minister of Public Works and the Minister of Education have made it clear there are issues that continue to present themselves, as we are dealing with buildings which were built since, in some cases, the 1800s. So, yes, there are continuing matters. Yes, the Government will continue to address them. But as was stated inside of the Statement, Mr. Speaker, and I will follow your item insofar as bringing it back to the Statement at hand, Mr. Speaker—

The Speaker: Yes. I appreciate that.

Hon. E. David Burt: —this Government will be guided by the principle of making sure that our students come first.

The Speaker: Thank you, Mr. Premier.
Supplementary? New question. Yes, you had two, so you have one left. You have one left.

Hon. Patricia J. Gordon-Pamplin: Yes, sir.

The Speaker: We recognise the Opposition Leader. Opposition Leader, you have your third question.

**QUESTION 3: BERMUDA'S NEW GOVERNMENT—
THE FIRST 100 DAYS AND BEYOND**

Hon. Patricia J. Gordon-Pamplin: Yes, a third question, Mr. Speaker; thank you.

Mr. Speaker, on page 5, with respect to the Bermuda First Committee that has now been re-established, will the Premier advise whether the accounts from the prior Bermuda First entity have been finally updated and released? And does this organisation still enjoy its charitable status, as had previously existed? Is this a new entity? Are they continuing from before? And is there a level of accountability? Because their accounts had not been presented.

The Speaker: Premier.

Hon. E. David Burt: Mr. Speaker, I thank the Opposition Leader for her question.

The Government has reformed the Bermuda First Committee. Regarding what may have taken place prior, I cannot necessarily speak to that. I am happy to look into those matters. But given that I do not believe that the former Bermuda First was an actual aspect of this Government, we are going to make sure that any monies which are given from the Government in support of this initiative will be properly accounted for and monitored, as is required by the updated financial instructions which the Government has.

The Speaker: Thank you.
Supplementary?

Hon. Patricia J. Gordon-Pamplin: Yes, just a supplementary for clarity.

The Speaker: Sure.

SUPPLEMENTARY

Hon. Patricia J. Gordon-Pamplin: I just want to ensure that the monies that the Bermuda First—we heralded the reconstitution of the Bermuda First—will be accounting for the Bermuda First as previously existed, be made public so that people will be able to know exactly where the money is and what the status was. And if there was any additional money left over from that Bermuda First, where is it and how can it be accounted for publicly?

The Speaker: Thank you.
Mr. Premier.

Hon. E. David Burt: I will try to repeat it again, Mr. Speaker. I cannot speak to what may have happened previously. I cannot. What I can speak to is that, if there are any new funds which are given to Bermuda First, it will make sure that those funds are given and accounted for under the increased measures under financial instructions which we have.

And what I would finally say to the Opposition Leader, if she would like an answer to those questions, she is more than welcome to either (1) submit a question; or (2) have her Member who chairs the Public Accounts Committee look into those matters, as that is her right to do.

The Speaker: Thank you, Mr. Premier.

Any further question?

No supplementary? That brings us to a close of the Question Period.

CONGRATULATORY AND/OR OBITUARY SPEECHES

The Speaker: I recognise the Deputy Premier.
Deputy Premier, you have the floor.

Hon. Walter H. Roban: Thank you, Mr. Speaker.

I rise to give two condolences, one to the family of Rakai Augustus, who unfortunately passed due to a tragic accident in St. George's. I perhaps would like to associate everyone in this House for this tragic incident. I think we all know the challenges we have with road safety, and I am sure everybody in this House is committed to improving that situation. So, I would just like for a condolence letter to be generated to the family of Mr. Augustus for the tragic loss that they have suffered.

The other condolence, I think, has already been addressed partially by your request for the moment of silence, to our former Member of Parliament, the Honourable Reginald Burrows. Mr. Speaker, there are a number of great classes that have had the pleasure of serving in this Parliament—1963, clearly, was a great class, certainly for the PLP; 1968, 1989, 1998, 2007 and, of course, 2017. Mr. Burrows was a member of the great class of 1968.

The Speaker: Mm-hmm, 1968, yes.

Hon. Walter H. Roban: And we know the history of that year, the first election with constitutional government, where universal adult suffrage was realised. Mr. Burrows entered that year with an eminent class of new-generation politicians, including his colleague, the former Speaker, Stanley Lowe.

The Speaker: Yes.

Hon. Walter H. Roban: What perhaps is also significant about that moment for Mr. Burrows is that, if you had the opportunity to speak with him, he told you the story around his journey as a young Bermudian, who I believe went to visit . . . was it Wilberforce?

The Speaker: Wilberforce, yes.

Hon. Walter H. Roban: Wilberforce University in the United States, a known historical black institution, known for educating many a fine citizen of the world. Returning here to get involved with business. But the success of Parliament meant something very important, because, at least for him and his colleagues, it removed the vestige of oligarchical control within the Parish of Southampton. The former Member Gayous Powell, Mr. Reginald Burrows spoke with pride of having *taken out*, if I can use the vernacular. And Mr. Burrows stayed in this House for 40 years, 1958 to 1998, as a Member. I believe it was 1998.

The Speaker: 1998, then he went into the—

[Timer beeps]

Hon. Walter H. Roban: If you can allow me a slight indulgence, Mr. Speaker, just a few moments.

The Speaker: I am just going to let you finish on that point, being you are giving it to a former Member.

Hon. Walter H. Roban: Right.

But he was a Member who helped the PLP get through some of its hardest times, ups and downs, and helped us to get to the point where we had victory, finally. He was a father. He was a mentor to many of us. And we, certainly on this side, although the House has already given its tribute, mourn his passing with his family. And I would just like to say that I am proud to have known Mr. Burrows, to have listened to him and to have been guided by him, as you have said you were. And we look forward to comforting his family during this very important time that they are dealing with.

Thank you.

The Speaker: Thank you, Deputy.

I now recognise the Opposition Leader.

Madam Opposition Leader, you have the floor.

Hon. Patricia J. Gordon-Pamplin: Thank you, Mr. Speaker.

Mr. Speaker, few Members in this House, certainly since my time here, can lay claim to being able to be reaching across the aisle and commanding the respect of both sides of the aisle. Reg Burrows was one of those people who had that ability. He was a gentleman's gentleman, and he was a fine statesman. The example that Mr. Burrows brought to this Honourable House certainly is one that can be exemplified, that can

be copied by Members today. He had a quiet demeanour, but yet a resilient and powerful delivery. When Mr. Burrows left this Honourable House, through his party he was appointed to the Senate and had the ability and the opportunity there to continue to make his mark on the political landscape of Bermuda.

Mr. Burrows and his family—or Mr. Burrows and his wife, I should say more specifically—have been fixtures in this Parliament either during, as well as after when he left the political arena. And to his wife, I would like to say that we on this side offer our deepest, deepest condolences on her loss. And to his family, that the example that Mr. Burrows set is certainly one that I would ask for all Members to attempt to emulate. He was absolutely the gentleman's gentleman. He was absolutely one who commanded and deserved the respect that he commanded. And he was one whose legacy will be eternal in the halls of this hallowed place. Thank you, Mr. Speaker.

The Speaker: Thank you.

I now recognise the Deputy Speaker.
Deputy Speaker, you have the floor.

Hon. Derrick V. Burgess, Sr.: Thank you, Mr. Speaker.

Mr. Speaker, I want to join in the tributes to the Honourable Sir R. B. Burrows. Mr. Speaker, Mr. Burrows served this country for over 40 years as a Parliamentarian, also as a businessman, a very successful businessman. Mr. Speaker, Mr. Burrows also served on the Defence Board. He was the Progressive Labour Party Government's first Chairperson of the Immigration Board. [He was] a long-serving member of the Southampton's Rangers Club when the Southampton Rangers Club, particularly the cricket team, was the joy of cricket in Bermuda.

Mr. Speaker, when I came into this House in February 1998, it seemed, and it is a fact that all Members, particularly younger Members, gravitated to Mr. Burrows.

The Speaker: Yes, yes.

Hon. Derrick V. Burgess, Sr.: He was a quiet fellow, but full of jokes and laughter. And he would guide you, tell you anything. I know that Mr. Burrows was a practical person, a common-sense person, one that would not stand up in this House and speak for 30 minutes when it only took eight minutes to give the message. That is what Reggie Burrows was known for, in my opinion, Mr. Speaker. And he was one who never forgot the people. Mr. Speaker, if I had to be like anyone, if I had a choice to be like anyone, there are two people who always come into mind: Artie Simmons was one, and Reggie Burrows was the other one. Mr. Speaker, I certainly want to give my sincere condolences to his

devoted wife, Sheila, and his children, on the loss, because Burrows was a giant in Bermuda, a gentle giant in Bermuda.

The Speaker: Yes. Mm-hmm.

Hon. Derrick V. Burgess, Sr.: And I am certainly, certainly going to miss him, myself. Thank you, Mr. Speaker.

The Speaker: Thank you, Mr. Deputy.

I recognise the Honourable Member from constituency 8. Mr. Cole Simons, Honourable Member, you have the floor.

Mr. N. H. Cole Simons: Thank you, Mr. Speaker.

Mr. Speaker, I would like to join in the comments in regard to the late Reggie Burrows. When I came to this House in 1998, one thing Reggie meant to me and the rest of the team—he was the storyteller. He was the historian of what transpired in this country.

The Speaker: Yes, yes.

Mr. N. H. Cole Simons: Any piece of legislation that went to the House, he translated that down to the people of this country. And he had the history of why decisions were made.

Having said that, he and those from Dame Lois Browne-Evans . . . there were no better storytellers in regard to the history of this country. They were respected in their own right. And one thing about Mr. Burrows . . . he is a distant relative, and I had met with him outside of politics. And I want to say that he was probably one of those most respected politicians, black politicians, across all spectrums of Bermuda. Black, white, business, church—he was there. He carried himself like a gentleman. He was a gentleman's gentleman, as my colleague said. And he was the ultimate, the ultimate statesman of this country.

I remember him talking about the black community and our challenges. And he went through difficult times himself during segregation. But that never stopped him from achieving what he set out to achieve without any angst, without any animosity. He just knew that he had to get on with life. And he did it so positively, and with dignity and respect. So, to Sheila and the girls, I convey my condolences.

While up, I would like to also send congratulations to Sandys Secondary School on their 90th anniversary. They had a banquet on Saturday night. It was unbelievable!

The Speaker: Quite a nice banquet, was it not?

Mr. N. H. Cole Simons: Pardon me?

The Speaker: I said, it was quite a nice banquet, wasn't it?

Mr. N. H. Cole Simons: Very nice. I want to commend them for their 90 years of service and their contribution to education in this country. They have had some world-class scholars with world-class leadership, and we need more schools like Sandys Middle School, or Sandys Secondary School.

I would like to also commend CedarBridge on their 20th anniversary. Again, another institution that was recently founded that is doing a sterling job, under the leadership of Ms. Kalmar Richards. Again, she needs to be saluted for being there for 20 years. And I would like to also commend other teachers and staff members who have been at CedarBridge from their beginning: Collette Codrington-Ford, Phyllis Harshaw, Al-frieda Dill, Devina Butterfield, Victoria Outerbridge, Karen Simons, Robert Steede, and as I said, Ms. Kalmar Richards, the Queen of CedarBridge.

Again, thank you, CedarBridge, for your contributions, you are gaining momentum. We are proud of your achievements. We are proud of the students whom you have passed through your doors. Keep up the good work, and we trust that you have many, many more successful years. Thank you.

The Speaker: Thank you.

I recognise the Honourable Member, Mr. Commissiong. Honourable Member Commissiong, you have the floor.

Mr. Rolfe Commissiong: Thank you, Mr. Speaker.

Like many, I too am shocked by the news of Mr. Reggie Burrows' passing. We had a little insight into the fact that he was not doing well of late. But, of course, when you reach that point of finality, it is always hard to accept, especially from someone who was so respected in the community and gave so much.

I know I do not have much time. I just want to say this: I gave a speech not too long ago where I talked about the founders of the Progressive Labour Party and how they met in a barn not too far from here. Certainly then, we had the original six. Those were the six MPs who put themselves on the line to represent the Progressive Labour Party and served in this House of Assembly. They were the legislative pioneers. Shortly thereafter, you would have had the individuals such as Stanley Lowe, Walter Roberts, and others—Barbara Ball, Walter King. You would have had Walter Lister coming again, a little after Brother Reggie, but in that same sort of time frame. These were men, including Mr. Reggie Burrows, who committed their time, their devotion, and their treasure to this party, and he was one of those. A quiet giant; but a rock that you could always depend on for wise counsel with respect to his advice to all of us here.

So, I just want to give my condolences to Aunt Sheila, his wife, and his children, on the loss of this man. He was a devoted family man, as well. No matter how much he gave to us, this country, and to us as a

party, he gave triple to his family. And that is the way he was.

Finally, Mr. Speaker, if I have a few seconds, I cannot let this go by. I also want to give condolences, heartfelt, to the family of Mr. Dilton Alonza Lightbourn.

The Speaker: Yes, yes.

Mr. Rolfe Commissiong: He was a major party stalwart. And as I talked earlier about Brother Reggie Burrows and that generation—and I associate all of the House here, and on this side especially—I just want to say you had people like Mr. Lightbourn who were in the trenches with them. These were the support troops of the Progressive Labour Party. And he, too, gave his time and his treasure. And to his lovely wife, as well, I give my heartfelt condolences.

The Speaker: Thank you.

I recognise the Honourable Member . . .

[Inaudible interjections and laughter]

The Speaker: Yes, you are down in that corner. You get left out sometimes.

But I recognise the Honourable Member from constituency 22. The Honourable Member Gibbons, you have the floor. I saw you that time.

Hon. Dr. E. Grant Gibbons: Thank you, Mr. Speaker. I figured sooner or later you would catch me out of the corner of your eye.

Mr. Speaker, I would also like to join others in sending condolences to the family of the late Reginald Burrows. As Honourable Members have said, he was an extraordinary gentleman in many respects. He was a pleasure to serve with in the House. And I think, as my honourable colleague, Pat Gordon-Pamplin, said, a good example for other Members of Parliament, as well.

Mr. Speaker, you will remember this; others, perhaps a little newer, will not. But I think Mr. Burrows actually had the record for the shortest period for passage of the Private Members' Bill. If I remember, it was about 20 seconds.

The Speaker: Yes.

Hon. Dr. E. Grant Gibbons: And it was an important piece of legislation, the Private Members' Bill, because it essentially led to the construction of the XL and the ACE buildings on the old Bermudiana site. Back in, I think it was 1996 or 1997, I was Minister of Finance at the time, exempt companies could not own Bermuda property. And we had a difficult problem because the Bermudiana Hotel site was derelict at the time. And both ACE and XL were prepared to come forward and build buildings, but only on the basis of being able to actually own the property underneath it.

The Speaker: Own the property, mm-hmm.

Hon. Dr. E. Grant Gibbons: A ticklish decision at the time; there were arguments on both sides. But it was Mr. Burrows who was chosen—the government was in favour, but it was Mr. Burrows who was chosen to take that Private Members' Bill through the House, and as history will recall, there was absolutely no debate on it. It was done in about 20 seconds.

The Speaker: Quickly done, yes.

Hon. Dr. E. Grant Gibbons: And everybody agreed with it.

The Speaker: We should remember that with some other deals up around here, too.

[Laughter]

Hon. Dr. E. Grant Gibbons: Yes.

The Speaker: Yes. Quickly processed.

Hon. Dr. E. Grant Gibbons: There were some other Bills as well, but we will not go there, Mr. Speaker.

But anyway, I just thought it would be useful, for those Members who did not know the history, to say that he was a great steward of that particular piece of legislation that, obviously, led to the further development of our reinsurance industry in Bermuda, and obviously a great use for that particular site. Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

I recognise the Minister Foggo. Minister Foggo, you have the floor.

Hon. Lovitta F. Foggo: Thank you, Mr. Speaker.

Mr. Speaker, I would like to be associated with the remarks for Mr. Dilton Lightbourn. He was the father of my constituent and a long-time employee of the Bermuda Government, Mr. Shawn Lightbourn, Acting Director of IDT [Information and Digital Technologies].

Mr. Speaker, I would also like to be associated with remarks regarding young Ms. Le-Jai Simmons. Those remarks were made the last time we sat. She, too, was my constituent. And I would like for condolences to go out to both the Simmons and Burgess families in St. David's.

Mr. Speaker, St. George's and St. David's mourn the loss of Ms. Audrey Fox-Smith, who just, sadly, lost her life yesterday. And she was well known to the St. David's community and the St. George's community, and she will be sadly missed.

Also, well-known St. Georgian, Mr. Reginald Brown, well-known barber in the St. George's community, long-time supporter of the Progressive Labour

Party, recently lost his life. And so, I would like to associate the Honourable Kim Swan, the Honourable Renee Ming with these remarks, Mr. Speaker.

And last, but not least, I too want to be associated with the condolences for Mr. Reginald Burrows. He was definitely a man of great diplomacy, aplomb, indeed resolute. But the reason why I would like to make special mention is because I have had the pleasure over the years, while being an MP, of being a member of a very special club that goes out on Wednesdays for lunch. Though I did not get to sit with them every Wednesday, usually when they dined in the eastern areas, sometimes I invited myself, but I would say I was the one pearl amongst them all. They did allow me to sit with them on Wednesdays and dine with them, and I got to hear some of the secrets!

The Speaker: That is a seniors' club!

Hon. Lovitta F. Foggo: And it is definitely a seniors' club.

[Laughter]

Hon. Lovitta F. Foggo: People like Artie Simmons, Calvin Smith, Walter Roberts—

The Speaker: You got early entry!

Hon. Lovitta F. Foggo: —and definitely the former Speaker, Mr. Stanley Lowe. Those are the main members of that club. And it was also Mr. Burrows. And I used to join them quite frequently. It was a way to get a free lunch, Mr. Speaker.

[Laughter]

Hon. Lovitta F. Foggo: But nonetheless, I did get to get exposure to a lot of history regarding the PLP. And so, he will be greatly missed. So, on that note, Mr. Speaker, I will take my seat.

The Speaker: Thank you, Minister.

I recognise the Honourable Member from constituency 32. Honourable Member Simmons, you have the floor.

Mr. Scott Simmons: Thank you, Mr. Speaker, and good morning.

This morning, Mr. Speaker, I rise in this Honourable House and ask that condolences . . . certainly, I join my colleagues in associating myself to the condolences. And I also recognise, and I mean certainly no deference to Government House or to this House in stating, that Sir Reginald was a statesman's statesman. I believe, Mr. Speaker, that there are times in this House when we rise to recognise individuals in our communities who have passed. He is a significant marker over at Alaska Hall, a significant marker in his

community, and a significant marker throughout Bermuda.

Mr. Speaker, it would be remiss if I did not state that those former Members, former Premiers, also former party leaders who wish at this time to offer their condolences, and we do so on their behalf, former Members . . . Mr. Speaker, when I first joined the Bermuda Progressive Labour Party as a young person, I certainly required the assistance of those who knew about the party, those who were familiar with what the party was made of. And Sir Reginald certainly represented a firm, a firm part in my mind in teaching me what this party was all about. There were many, including so many who assisted me going forward. And he taught me what the party was about, and he never let an opportunity pass, as has been stated by the Deputy Premier, that he instructed us on just what the party was all about.

On behalf of my daughter Isabella, and I believe I can state in this House, her mother, who is a part of the Jimmy family and company down there on Front Street, Gita Blakeney Saltus and Gary Saltus—I know that there are many of us in the community who feel that loss. He will be sorely missed.

Before I take my seat, Mr. Speaker, I want to make clear that a part of the Bermuda Progressive Labour Party was lost last evening (or this morning), and I do believe that we will go forward, but it will be only because of the memory, because of the efforts, and because of the determination of someone such as Sir Reginald Burrows. Thank you, Mr. Speaker.

The Speaker: Thank you.

I recognise the Honourable Member from constituency 26. The Honourable Member Tyrrell, you have the floor.

Mr. Neville S. Tyrrell: Thank you very much, Mr. Speaker; good morning, everyone.

Mr. Speaker, even though these condolences have already been spoken to, I could not let the moment pass without getting up to speak, first, connecting myself to the condolences to Reginald Burrows. I had the privilege of sitting in another place with Reginald Burrows when I started my political career. And I will certainly say that he was a guiding light. He told me when to go and when to stop. And so, I think I learned quite a bit from him at the time, and I certainly want to send my heartfelt condolences to his wife, Sheila.

On another note, Mr. Speaker, my colleague alongside of me certainly stole my thunder concerning my neighbour, my constituent, Mr. Dilton Lightbourn, who recently passed. And I certainly want to associate myself to that, as well. Dilton was a bit of a character, certainly, and that is the word I have not heard yet, describing him.

The Speaker: No, not yet.

Mr. Neville S. Tyrrell: He was an activist, certainly not only in the party, but certainly in our neighbourhood, where he looked out for people. He was certainly known for his musical talents as well, because he played a musical saw.

The Speaker: Yes, that is right.

Mr. Neville S. Tyrrell: And I think he was probably one of the first I saw doing that, and he seemed to be very accomplished in it. And I do believe that he . . . I do not know what year, but he certainly was a candidate for our party. I think he held himself credibly, Mr. Speaker. Thank you very much for that opportunity.

The Speaker: Thank you, Member.

I recognise the Honourable Minister for Education. Honourable Member, you have the floor.

Hon. Diallo V. S. Rabain: Thank you, Mr. Speaker.

Mr. Speaker, I would like this Honourable House to send letters of condolences to [the families of] two constituents of mine who passed this week. One, Mr. Julian Grant, from the Mary Victoria area; and the other one, Ms. Daphne Harris, who was very close to me, who happens to be my wife's aunt. Ms. Daphne Harris and those from St. George's would know the Kellys. She was part of the Kelly family from St. George's. She passed away earlier this week, very peacefully, I might add, I have been led to understand.

I would also like to add my congratulations to CedarBridge Academy (that was mentioned earlier) on the occasion of their 20th anniversary. I attended the gala. It was a wonderful experience to see the talented students on display. They had a jazz band playing. They also had some students dancing, doing an original rap monologue. And they also had one soloist who did sing. And they were all CedarBridge students, and they acquitted themselves quite nicely.

And also, to add congratulations to the 90th anniversary of Sandys Secondary School, as I had always known it when I was in the system, but now I understand it is a middle school. Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

I recognise the Honourable Member from constituency 1. Honourable Member Ming, you have the floor.

Mrs. Renee Ming: Good morning, Mr. Speaker. How are you this morning?

The Speaker: Good morning.

Mrs. Renee Ming: I rise on a sad note today to give condolences to the family of, to me it was *Mr. Brown*, but Egmont Reginald Brown. I did not have the pleasure of sitting in his barber shop, as many did, for a haircut. But I did have the pleasure of, in my first days of

canvassing with Dame Jennifer Smith, being asked what were my intentions? So, you can imagine you are just out for the first time, even trying to feel what canvassing is, and he asked me my intentions. So I am hopeful that, on July 19th, he was happy with whatever the intended was at that time.

Some Hon. Members: Yes, yes.

Mrs. Renee Ming: And I want to make sure that I associate MP Kim Swan with these comments, because he did get haircuts in that barber shop. I also would like to be associated with the condolence notes for Ms. Audrey Smith. And just let Angel, Envy, Chervonne, Adrene, and that whole family know that they are in our thoughts and prayers at this time. And also, the comments for Reginald Burrows.

I want to take this time also, Mr. Speaker, to talk about some positive things that are happening, as well. And that is to do with our young people. I just want to acknowledge Mr. Zenawi Bowen, who was last week named the North Atlantic Conference Soccer Rookie of the Week. And he goes to Thomas College. He lives in St. George's. I associate MP Weeks with that. But he has striven, he has worked hard. I know his mom. I am always asking about him. And I just want him to know that we are so proud of the accomplishments that he is making at this time. And MP Kim Swan [would like to be associated], as well.

And also, another young lady by the name of Kennedy Middleton. She is doing extremely well. She is going to graduate from university early with a degree in cybersecurity and national security. So we have a young lady who will be coming home, who will be looking to bring her talent into the Island.

I do not know how much time I have, but my last one is a young man by the name of Jari Ming, very near and dear to me, who is a math major, who has struggled through mathematics, but he let me know last evening that he is on track for graduation. *Thank the Lord, Hallelujah!*

[Desk thumping]

Mrs. Renee Ming: And that he has maintained that over-3.0. Because if you know anything about mathematics, it is not easy. But he has struggled through it, and he has moved further to his goal of being able to teach mathematics to our males in Bermuda. Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

I now recognise the Minister from constituency 33. Minister, you have the floor. Minister Simmons has the floor.

Hon. Jamahl S. Simmons: Thank you very much, and good morning, Mr. Speaker.

I would like to add my congratulations to Mr. Jari Ming, who I think at about the age of 10 was about a foot taller than me. But he is an outstanding young man.

Mr. Speaker, I have to add my voice to the chorus of praise for our dear departed Member, the Honourable Reginald Burrows, a person who was a mentor to my father when he sat in these halls, and he also was a mentor to me when I began my career. He was a person who chose to be PLP at a time when there were severe consequences.

The Speaker: Yes.

Hon. Jamahl S. Simmons: We all know—we all know the moment you put on that green, there is a bullseye on you. But this was a man who used to boast about, *They could not pull my mortgage because they would not give me one.* He drove a taxi, as a Member of Parliament, to help finish his house. He sacrificed and his family sacrificed, and my heart goes out to Aunt Sheila for what she must be going through right now, because they were truly two peas in a pod. You saw one, you definitely saw the other soon to follow. And his contributions to sports, and the growth and development of the Southampton Rangers; his contribution to the PLP beyond the political, in terms of helping Alaska Hall become what it is today; his contribution to our country as a statesman and a good man in a field of politics . . . I think everyone across the political spectrum can agree he was a good man. He will be truly missed by his family, his loved ones. And I think Bermuda is poorer for his loss because I do not think there will be too many who will come this way again of the calibre, integrity, and character of Mr. Reginald Burrows. Thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

I now recognise the Honourable Member from constituency 2. Honourable Member Swan, you have the floor.

Mr. Hubert (Kim) E. Swan: Yes, good morning, Mr. Speaker.

Mr. Speaker, I would like to associate myself with some of the condolences that have been made to Mr. Egmont Reggie Brown, MBE, to whom yesterday I had the pleasure, the honour, to present a tribute on behalf of the many men who have been in his barber-shop. He indeed was a true community man, who did a great deal. And he possessed that uncommon ability to look throughout the community and recognise and embrace all, no matter what strata they came from. That is what he lived. And as a consequence, his contributions were recognised while he was able to appreciate them.

Also, to my cousin, the late Reginald Burrows. As a young boy going to school, I had the distinct honour and privilege to be able to look up at this House and count more than eight members of my close family who

were here, from both sides of the political divide. And I want to say this, that one of the proudest days was to be able to serve alongside Cousin Reg in the Senate and to witness that statesmanlike ability that he lived. He was respected during his tenure on both sides of the divide for his business abilities, but also the contribution of how he lived by contributing to Southampton Rangers Sports Club; his knowledge of history, whether or not it was the old days of Riddell's Bay from caddying, right along up to one day becoming a member of that club, to his contribution in Rotary and others.

Also, [I would like condolences sent to] the family of Sheila Ruse, particularly Stephen, her widower, and also the Gosling family, who they have been long associated with for many years, as I was once as well. And also, the family of young Rakai Augustus, that tragic road fatality accident that took place in St. George's, and to the Augustus family and his friends and the young people who are grieving as a consequence.

Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

I now recognise the Honourable Member from constituency 30. Honourable Member Scott, you have the floor.

Ms. Leah K. Scott: Good morning, Mr. Speaker, and thank you.

I would like to associate myself with the condolences for Reginald Burrows. Mr. Burrows' sister-in-law, Wynette Tucker, and my mother were very good friends. I have known the family for a very long time. And I offer condolences to his wife and to his daughters.

I would also like to be associated with the condolences for Rakai Augustus. His mother, Gina, and I are very good friends. And that is a tragic loss. And I know that Gina is actually not doing well with her health. So I am very sorry for the loss to her and to her family.

And I would like to associate myself with the condolences for [the family of] Sheila Ruse. I have known Sheila for a long time. My son used to do triathlons, and I do not know if you know much about Sheila and Steve, but they fix bicycles. They have a bicycle shop right in the basement of their house. So I have known them for a very long time. They have a daughter, Laura, their only child. And I would like to send my condolences to the family.

Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

I recognise the Government Whip, the Honourable Member, Mr. Weeks.

Honourable Member Weeks, you have the floor.

Mr. Michael A. Weeks: Thank you, Mr. Speaker, and good morning to you.

Mr. Speaker, as I rise and take to my feet today, I want to be associated with the remarks for young Mr. Rakai Augustus.

The Speaker: Augustus. Yes.

Mr. Michael A. Weeks: I knew his father, the late Raymond Augustus, well. He was a good friend of mine. And his mom, Gina, and I were friends. We all went to school together. So, I would like to associate my remarks with Mr. Augustus and to his grandmother, who is one of my constituents.

Mr. Speaker, I would also like to be associated with the remarks on Mr. Reginald Burrows. I came along as an MP long after he had retired. But whenever I saw Mr. Burrows he always took time to give me a little word of advice and/or encouragement so I could be stronger, not only as a Member of Parliament, but as an MP out in the constituency anyway. So, I take my hat off to him, and my condolences go out to his lovely wife and family.

Thank you, Mr. Speaker.

The Speaker: Thank you, Honourable Member.

Are there any other Members?

I recognise the Honourable Minister from constituency 29. Honourable Minister De Silva, you have the floor.

Hon. Zane J. S. De Silva: Thank you, Mr. Speaker.

Mr. Speaker, much has been happening since we last met two weeks ago. And I would like to quickly acknowledge the efforts by Flora Duffy yet again.

Nahki Bascome [*sic*] scored a hat-trick last night.

The Speaker: Nahki Wells.

Some Hon. Members: Nahki Wells.

Hon. Zane J. S. De Silva: They have Bermuda football team . . . Nahki Wells, sorry. Yes.

And of course, the great team of Burnley is going to do well with him being part of it. We had Jeff Pitcher and Glenn "Cleary" Pitcher, who were honoured down in St. David's last week, Mr. Speaker. Jeff used to bowl left-handed, bat right-handed, first man to score 200 in a 50/50 competition in Bermuda. So [there] has been much going on. But, Mr. Speaker, two things I would like to mention with regard to condolences from not only me, but the entire House—Mr. Clyde Saltus, who was the brother of Howard Saltus, passed away two days ago.

The Speaker: Yes. Yes.

Hon. Zane J. S. De Silva: He was a plumber all of his life, well known up in the Southampton area, Mr. Speaker, and will be sorely missed.

Now, Mr. Speaker, Reggie Burrows, of course. Reggie was an MP for almost 40 years in this House, as you know. I think we could all talk about Reggie for a long time, and I know my time is limited, Mr. Speaker. But a few things that I am sure will be mentioned at his funeral—one is, Alaska Hall might not be where it is today if it were not for Reggie.

The Speaker: Yes.

Hon. Zane J. S. De Silva: Very important. He was admitted to the Hall of Fame at the Wilberforce University, Mr. Speaker. He was honoured by Vernon Temple, his beloved church, recently, Mr. Speaker. Thank God we did it before he passed. And, Mr. Speaker, we talked about his support of Southampton Rangers. But Reggie had helped build Southampton Rangers, block by block, Mr. Speaker. Mr. Speaker, Reggie taught me how to canvass. Now, we all know, with technology as it is these days . . . when I first decided to run for the Progressive Labour Party, and I would be filling those huge shoes, he taught me how to canvass the old-fashioned way, Mr. Speaker. We had our forms; we had our computers and all that. But he said, *Look. Come with me.* And I will talk about that later on, I am sure, in the coming week, Mr. Speaker.

But I would like to end on this note, Mr. Speaker. I would like to thank Reggie, his wife Sheila, and their children for his sacrifice. Mr. Speaker, we all know in this House what politics means in terms of your time. And he sacrificed for almost 40 years, Mr. Speaker, during a time when, you know, black people getting into politics was not popular, and it certainly was not a nice time. I cannot imagine what it was like during those early days as a black man or woman entering the field of politics for the Progressive Labour Party. Because today, even today, Mr. Speaker, it is something to experience. But back then . . . so I take my hat off to him and his family for the sacrifices they made over those years. Thank you.

The Speaker: Thank you, Minister.

I recognise the Premier. Premier, you have the floor.

Hon. E. David Burt: Thank you very much, Mr. Speaker.

Mr. Speaker, I rise today to be associated with the condolences which have been given already. But before I do that, I would like to ask that condolences be sent to the family of Mr. Clifford Swan, who was a constituent of mine. And I would like to associate the Honourable Michael Weeks with those condolences, and ask that a letter be sent to his family, particularly his son, Gerald, and his [Gerald's] wife Vanessa, who are constituents of mine.

Additionally, I would like to be associated with the condolences which have been sent to the family of

Mr. Dilton Lightbourn. As has been indicated by Members, Mr. Lightbourn did run for the Progressive Labour Party, was a member of the Progressive Labour Party, was a supporter of the Progressive Labour Party, and was a stalwart of the Progressive Labour Party. And we, without question, mourn his loss and also send condolences, without question, to his family.

Finally, Mr. Speaker, as we opened our session today in the House with a moment of silence for a former Member, Mr. Reginald Burrows, it was with great sadness that we learned of his passing this morning. As the tributes would be given by those who certainly knew him far better than I did, he was without question a stalwart. He was a giant. He was instrumental, as the Minister who just took his seat [said], insofar as the construction of Southampton Rangers Sports Club and the work of which he did to make sure he supported the Progressive Labour Party at our most trying times, and serving as a trustee of the party for a very long time.

Mr. Burrows was, without question, a fine gentleman and someone whom we would all look up to. I guess I was very privileged, only a month ago, to have attended his home church at Vernon Temple, where he had actually given a tribute to the Progressive Labour Party and our election victory, as that church held a special ceremony for us. And I was there with the Minister of National Security. And it was, honestly, indeed a pleasure. Little would I have known that that would have been the last time that I was able to actually have a conversation with Mr. Burrows.

With that much being said, Mr. Speaker, I send condolences to his family. I spoke to his wife this morning, and the Progressive Labour Party and the Government would like to extend our condolences, and look forward to celebrating his memory and making sure we remember and cherish the contributions of which he made to this country. Thank you, Mr. Speaker.

The Speaker: Thank you, Mr. Premier.

No further speakers?

We now move on.

MATTERS OF PRIVILEGE

The Speaker: There are none.

PERSONAL EXPLANATIONS

The Speaker: There are none.

NOTICE OF MOTIONS FOR THE ADJOURNMENT OF THE HOUSE ON MATTERS OF URGENT PUBLIC IMPORTANCE

The Speaker: There are none.

INTRODUCTION OF BILLS

GOVERNMENT BILLS

The Speaker: I am going to ask the indulgence of the House for an introduction of a Government Bill that did not make it onto the Order Paper. So, with the indulgence of the House, Minister De Silva.

FIRST READING

PUBLIC HOLIDAYS AMENDMENT ACT 2017

Hon. Zane J. S. De Silva: Thank you. Thank you, Mr. Speaker.

Mr. Speaker, I am introducing the following Bill for its first reading so that it may be placed on the Order Paper for the next day of sitting: the Public Holidays Amendment Act 2017.

The Speaker: Thank you, Minister.

OPPOSITION BILLS

The Speaker: There are none.

PRIVATE MEMBERS' BILLS

The Speaker: There are none.

NOTICES OF MOTIONS

The Speaker: Yes, we have one notice of a Motion from the Government Whip. Honourable Member Weeks, you have the floor.

STANDING ORDERS AND PRIVILEGES COMMITTEE REPORT 3 NOVEMBER 2017 MOTION TO APPROVE

Mr. Michael A. Weeks: Thank you, Mr. Speaker.

Mr. Speaker, I give notice that I propose to move the following Motion at the next day of meeting:

That this Honourable House approve the Report of the Standing Orders and Privileges Committee, dated the 3rd of November 2017.

The Speaker: Thank you, Honourable Whip.

ORDERS OF THE DAY

The Speaker: We have one Order to discuss this morning.

Premier?

We will be led by the Honourable Member Jamahl Simmons. Minister, you have the floor.

Hon. Jamahl S. Simmons: Thank you, Mr. Speaker.

I move that the Bill entitled the Companies and Limited Liability Company (Beneficial Ownership) Amendment Act 2017 be now read for the second time.

The Speaker: Go ahead, Minister.

BILL

SECOND READING

COMPANIES AND LIMITED LIABILITY COMPANY (BENEFICIAL OWNERSHIP) AMENDMENT ACT 2017

Hon. Jamahl S. Simmons: Mr. Speaker, on the 20th of October 2017, the Companies and Limited Liability Company (Beneficial Ownership) Amendment Act 2017 was tabled in this Honourable House. I rise today to present this significant piece of legislation which will establish a new beneficial ownership regime for Bermuda, and for Bermuda entities registered under the Companies Act 1981 and the Limited Liability Company Act 2016, both of which I will simply refer to as the principal Acts.

Mr. Speaker, Bermuda has a long-standing history of serving as a jurisdiction of choice for international businesses. In order to improve our competitive standing, we must continuously update our legislative framework to adapt to constant changes in market demands and other factors which impact our position. This includes making adjustments to keep pace with the ever-evolving global standards set by the Financial Action Task Force, commonly referred to as FATF, and the Organization for Economic Cooperation and Development, which is commonly referred to as the OECD.

As Honourable Members are aware, FATF issues guidelines for combatting money-laundering and terrorist financing, while the OECD sets standards for international cooperation and tax information sharing. Both FATF and the OECD measure jurisdictional compliance through assessments of a country's regulatory framework, as well as its effectiveness.

Mr. Speaker, the Bill being debated today will amend the principal Acts in an effort to ensure Bermuda's compliance with FATF and OECD guidelines for transparency regarding the beneficial ownership of legal persons. These amendments are also intended to help meet commitments undertaken pursuant to the exchange of notice agreement between the Government of Bermuda and the Government of the United Kingdom, which was executed in April 2016, also known as the UK Agreement.

For ease of reference, I will refer to the FATF and OECD standards and the requirements under the

UK Agreement, collectively, as “the international standards.”

Mr. Speaker, the underlying goals of the international standards on beneficial ownership are to establish transparency within legal entities, deter and prevent the misuse of legal persons and legal arrangements, and enhance the effectiveness of cooperation and information sharing amongst participating countries and law enforcement authorities. As such, jurisdictions are required to ensure that adequate, accurate, and timely information on the beneficial ownership of a legal entity is available and can be accessed by competent authorities upon request.

More specifically, the international standards impose obligations on jurisdictions to establish appropriate regimes for collecting and maintaining information on the natural persons who ultimately own or control legal entities registered within their borders. Such persons are considered the beneficial owners of those legal entities.

Beneficial ownership information may be maintained by the legal entities, but it must also be available to competent authorities in a timely fashion. In the case of the UK Agreement, this information must be held in a secure, central, electronic database or other similar arrangement.

Mr. Speaker, Bermuda is a forerunner in requiring information on persons who own or control businesses registered in Bermuda. These requirements are embedded in various laws, regulations, and policies governing legal entities in Bermuda. Disclosure of certain details related to beneficial owners is required both during the initial registration process and prior to certain transfers of ownership interests or voting rights in Bermuda entities. The information collected is stored in a central registry which Bermuda has maintained for approximately 70 years.

Currently, the Bermuda Monetary Authority (or BMA) functions as a gatekeeper for registrations of any Bermuda entity, by vetting and consenting to all persons who will own or control 10 per cent or more of the ownership interests or voting rights in any Bermuda entity prior to registration. Once an entity is registered, the 10 per cent threshold for vetting and consent applies to any subsequent issuance or transfer of ownership interest or control to non-residents of Bermuda. While the requirements for vetting and consent generally enable the BMA to capture and maintain a significant level of beneficial ownership data in the central registry, legislative amendments are needed to make Bermuda’s framework more closely aligned with the international standards.

Mr. Speaker, the proposed Bill seeks to close the legislative gaps by establishing new requirements regarding beneficial ownership, which would be applicable to all entities governed by the principal Acts unless expressly exempted. This Bill will amend the principal Acts as follows: A statutory definition for the term

“beneficial owner” will be inserted to ensure there is legal certainty as to the persons who are considered the beneficial owners. Legal entities will be required to collect and hold specified information regarding their beneficial owners, maintain registers which contain accurate and up-to-date information regarding the beneficial owners, and file initial and updated information regarding beneficial ownership with the BMA to be maintained in the central registry.

New provisions are being inserted to require that beneficial ownership information be retained for a period of five years from the date an entity was dissolved or struck off the register. Protections against certain disclosures of beneficial ownership information will be set forth, including protection against any disclosure pursuant to a request made under the Public Access to Information Act 2010. And finally, sanctions for noncompliance, along with other provisions to aid in implementation and enforcement, will be inserted into the principal Acts.

Mr. Speaker, there are obvious reputational and economic risks to Bermuda if we do not strengthen our existing requirements to achieve the requisite level of transparency. It is imperative that Bermuda’s legislative framework can successfully withstand the scrutiny of OECD’s and FATF’s assessors, while also positioning the country to meet its commitments under the UK Agreement.

Mr. Speaker, this Bill will enable Bermuda to address recommendations made by OECD assessors following Bermuda’s assessment in 2016, and it will enhance our framework prior to the upcoming review under the UK Agreement and the impending FATF assessment, both of which will occur in 2018.

This Bill is expected to position Bermuda to achieve ratings on beneficial ownership standards that are similar to or better than our competitor jurisdictions. As such, the benefits to Bermuda of implementing the proposed amendments are clear.

Mr. Speaker, in closing, I would like to thank the members of the private sector for their valuable feedback and collaboration with the Government and the BMA during the policy consideration and drafting processes for this Bill. I would like to thank the BMA for the substantial effort and resources provided to assist with this Bill. And I would like to thank the technical officers within the Ministry of Finance Headquarters, Registrar of Companies, and the National Anti-Money Laundering Committee for their contribution to this initiative.

Finally, I would like to acknowledge the tireless effort and dedication of the Attorney General’s Chambers and the Business Development Unit in completing this initiative. Thank you very much for your hard work. And thank you, Mr. Speaker.

The Speaker: Thank you, Minister.

Does any other Member wish to speak?

I recognise the Honourable Member from constituency 22. The Honourable Member Gibbons, you have the floor.

Hon. Dr. E. Grant Gibbons: Thank you, Mr. Speaker.

Mr. Speaker, first of all, let me start by saying that I appreciate the brief from the Minister, at least his reading of the brief. I think that it helps to put the piece of legislation in perspective.

He mentioned consultation. Indeed, there certainly was consultation. It was a very short period of consultation, but my understanding is that quite a few of the recommendations made by the private sector were actually accepted, which I think is good.

This legislation, this set of amendments, has been worked on for some time now, and, I think, as the Honourable Member said, comes directly out of some of the comments from the OECD assessors, going back a year . . . well, let us see, coming up on a year, anyway. And it is something that, as the Honourable Member said, goes back to the agreement with the British Government in terms of this issue of a register of beneficial ownership.

We will probably have a couple of questions and comments of a technical nature in the House. But what I would like to do is just speak a little bit about the broader principles involved with these amendments to both the Companies Act and the Limited Liability Company Act, as well.

As the Honourable Member said, Bermuda has certainly prided itself for some time now in being quite advanced with respect to our jurisdiction in knowing who does business on the Island and carefully protecting our reputation as an international financial centre. It is important to know who is doing business here because, as we have seen in other places, companies are, I think, quite picky . . . well, some companies are quite picky as to the legislative and the financial environment in which they do business. And this has actually stood us in quite good stead over the years because we have been, one might say, *fussy*, but I think very *selective* in terms of who is actually based here.

And, I think, unlike some of our competitors, particularly to the south, we have sort of approached this in a way that, economically, we did better when we were essentially looking for physical-presence companies as opposed to simply the volume of registering companies, over the years. Physical-presence companies, I think, as Honourable Members are aware, are ones that actually have people on the ground here. They pay tax. They rent buildings. And they make a much broader economic contribution than simply taking a fee for incorporation or for an annual fee for a company being based here. And they have made a real economic contribution, and certainly employed many, many Bermudians and given great opportunity over the years.

So, we have evolved, I think, a little differently than, particularly, the Cayman [Islands] and BVI [British

Virgin Islands], and in some respects that is reflected in the actual number of international businesses that are actually incorporated in Bermuda. This legislation, obviously, applies to both international and local companies, and local LLCs, as well. So, for example, where the Cayman [Islands] may have 100,000 exempt companies (I think it is roughly 100,000) and the British Virgin Islands may have as many as 400,000, at the present time we only have roughly 13,000 exempt companies and exempted partnerships on our register. And I think that has not only allowed us to be more selective in terms of who was actually set up here, but it has also allowed us to be, I think, a little bit more of a privileged club in terms of the type of business we do.

The Speaker: Mm-hmm. Mm-hmm.

Hon. Dr. E. Grant Gibbons: And even as far back as the 1990s, I can remember when I was Minister of Finance, actual company consents were still coming to the Minister of Finance at that time and were individually signed-off on. Obviously, that has changed over the years in an effort to be, shall we say, more rapid in terms of actual incorporation. But I think, from a legacy perspective, it certainly helped to be that much more careful in terms of who was actually setting up here and what the provenance of the money was, as it were, and who was behind many of these companies.

There have been some slips over time. I think we are aware of some of them. But by and large, I think this approach has done very well. Obviously, with the Bermuda Monetary Authority and their ability under exchange control legislation to be able to keep track on changes in ownership, that has helped, as well. But it is pretty clear that, while we have done a very good job—and I think particularly the BMA has done a very good job since their formation in 1969 with respect to what are referred to as “financial institutions”—there have been gaps identified in terms of the broader mix of companies that we have here in terms of the KYC [Know Your Customer] system, particularly gaps in terms of companies that may have been set up, existing companies, as the Amendment says, that may have been here for some time and where information about that beneficial ownership may not have been updated in any consistent way.

And the legislation before us today, not only based on the agreement with the British Government, but also with the observations from the OECD and others, clearly is there to try and address—to fill those gaps and to set up, essentially, a more comprehensive look at beneficial ownership to keep not only the information that is available at registration or incorporation or formation, but also to make sure it is updated, as well. And I think that is really what we are being asked to do to be able to comply with international standards.

The Bill clearly lays out exemptions. And I think those exemptions revolve, to some degree, around what are referred to coming into the auspices of the

BMA, the financial institutions, and certain other classes, as well, because, by and large, I think most people feel they are fairly well regulated and the BMA has a good handle on who is behind the beneficial ownership of these financial institutions and, particularly when it comes to things like insurance companies and banks, has a pretty clear sense of updates as they are, as they come along.

But the legislation is interesting because, in some respects, it is, I will say, bifurcated. There is a role here both for the Registrar of Companies in terms of making sure, under the Companies Act and the LLC Act, that a register of beneficial ownership is kept. And the Registrar of Companies, obviously, has access to that and, under the Bill, is able to request additional information and reports. But also, there is a parallel filing, and that is the bifurcation, with the Bermuda Monetary Authority. And I think, as this piece of legislation sort of evolved after the comments by the OECD and others, there was certainly a fair debate within the Ministry of Finance and, at that time, the Ministry of Economic Development, as to who was best placed to actually keep this central register.

And because the BMA had been doing it for quite a few years, in some respects it made more sense to have that central register and the filing kept with the BMA; but on the other hand, it was pretty clear that it would be useful to have the Registrar of Companies, who will have responsibility for all companies and all LLCs, able to make sure that companies and LLCs are actually keeping up to date and keeping track of it.

So, in many respects . . . and not to forget the corporate service providers; there are obviously provisions in here for that because they have a clear role to play, as well. So, it is interesting in some respects because this will now require companies and LLCs to set up these registers. But the way the Bill is working is that, in the first instance, it applies to those companies that are either continuing into Bermuda, that are converting maybe from a partnership, and also those companies upon formation. So, one of the issues that I think is going to be interesting, particularly the filing, is, in the transition period here there is going to be quite a rush of filings that will be required by existing companies and existing LLCs and corporate service providers. And I would be interested to know how the Minister feels about the ability to be able to handle what is probably going to be a bit of a tsunami of paperwork coming in.

It is fair to say that this does, essentially, put additional burdens—there will be a lot of groaning in the corporate community—additional burdens in terms of creating the register and keeping it up to date. But I think, by and large, the way this piece of legislation has evolved has been pretty good in terms of, essentially, making the responsibility not, as far as I can tell, overly burdensome. I would be interested to know whether the BMA is actually going to have guidance notes in terms of how the information which is required under the

Amendments is provided. But, in essence, it could be a lot worse, I guess in my sense.

We will have some technical questions some of my colleagues will be asking, when we get into committee, about some of the provisions in the guts of the Bill. But one of the other issues that I wanted to touch on is this concern, it has certainly been in Bermuda for some time, as to the public access to this register. And the Minister indeed said that this would be information in this central public register that the BMA is keeping, where the information will be filed in addition to the registers that individual companies must keep. But I think there is going to be continuing concern that we are on the slippery slope here to making this information public. And I think that has been a debate for some time.

My former colleague, Mr. Richards, was very concerned about making sure that we are not heading down that hill where we are being asked to create a public register. And I think he was able to make very cogent arguments to the British Government that Bermuda had been a forerunner in terms of keeping track of this KYC, this “know your customer” information for some time. And I think it would be very helpful if the BMA were prepared to make a statement to the effect that they have no intention at this point, or Government has no intention, of making these registers publicly available. Because there is a very fine balance between privacy in terms of how people do business, and making information available to regulators and other competent authorities who may have reasons for suspecting money-laundering or anti-terrorist financing or things of that sort, to make sure that we are being properly regulated.

And I think it is that fine balance between privacy and making information available that has been pretty critical for Bermuda and other places. And I think it probably needs a slightly stronger statement from Government that their intention, at least as I understand it, is to make sure that this information stays private. And obviously, the BMA would have access in case they get a request, or a reasonable request from another regulator or, I guess, *competent authority*, as the expression goes, for information about a particular company or beneficial owner. But I think it is an issue that is really important for us.

And I think people may say, *Well, why shouldn't people be prepared to operate in the public light of day? Why shouldn't everybody know who owns companies and who doesn't?* And I think the answer to that is, there has always been a certain sense, for competitive reasons or other reasons, that there needs to be, at least from the public, a certain sense of privacy. And, in fact, I can remember going back many, many years, one of the iconic businesses here was actually very concerned about even allowing who their ownership was because they were concerned about kidnappings and other things of that sort. So, there are issues here in terms of protecting private interests, as well. And without belabouring it, I think this issue is a critical

one and one that, I think, from a competitive perspective, Bermuda needs to make sure that they are very clear in terms of protecting this information from public perspective.

There is a provision, as the Minister mentioned, in the Bill to address the issue of a PATI [Public Access to Information] request, which is, obviously, not being allowed. And I think this is a good thing, as well.

There are also some protections in here for the companies and LLCs themselves. One of the issues that I think some of us in the private sector who have been involved with insurance or other financial institutions have found is that, in the last few years, in terms of trying to update legacy information on customers and clients as opposed to beneficial owners, it is sometimes very difficult to get someone to provide that information—date of birth, driver's licence—essentially, information about themselves which is required by the BMA and others. And I think the Bill does a reasonably good job of finding that balance.

Mr. Speaker, you will be aware that some banks have come under fire as a consequence of having to shut down an account because they cannot get the owner of that account to come in and update their KYC information. The Bill takes a nicely balanced approach here and, I think, provides reasonable steps that will protect the company in terms of providing notice to a beneficial owner or those they suspect to be a beneficial owner and their time periods here.

The updates must be done in 14 days. That is going to be pretty tight for some. Beneficial owners need to get back to a company or LLC requesting it within 30 days. That is probably reasonable. But there are also, I guess, for lack of a better word, sanctions, or steps that can be taken, to restrict the use of that beneficial ownership in terms of dividends or other things which will provide, perhaps, additional incentive. But particularly when it comes—this is not so much for new formations, but when it comes to existing legacy things, those of us who have had to deal with this from a compliance perspective have found it very onerous sometimes to get people to, essentially, provide the information.

I think, as I said, we would like to get a little bit more information in terms of how the BMA sees this transition period with respect to existing companies, and whether there could be guidance notes or more direction here. I am also interested, having been there more recently, to know whether the Registrar of Companies is going to have to take on additional compliance people—in other words, inspectors—to make sure companies are actually keeping track of, or actually have, essentially, established, their register of beneficial ownership. It probably should not be too difficult for companies, because they already now have to have a register of directors. Legislation was put through by the past Government, as well.

The other question I am interested in getting an answer to is the degree to which there is going to be

some coordination here between the Registrar of Companies and the BMA with respect to this information. Because, as I said, this requirement is bifurcated in the sense that the Registrar of Companies is responsible for ensuring that companies actually have set up a register at their place of business or registered address. And the BMA is responsible for making sure that filing and updates and that sort of thing are done directly to the BMA. And I am curious as to whether there is going to be a protocol of any sort for coordination, or whether people think that is necessary, as well.

Mr. Speaker, those are the principal comments that I wanted to make. I think there seems to be sort of one error that I found towards the end of this, but maybe the Minister has an amendment; I do not know. But we can deal with that when we get into Committee. So the principal issue, from our side, is, obviously, we support the legislation; we need to do that. There has been consultation; it has been very quick. It may be found that, because of the speed with which this had to be put together, there may need to be some additional tweaking down the road; we hope not. It is, in some respects, a complicated piece of legislation requiring a fair amount of coordination. So I would also compliment the technical officers who were involved in putting it together.

But again, I think this issue of the public—or lack of public nature of the registry and making the intentions [about that] very clear there, is something which is going to be important for Bermuda from a reputational and, essentially, a competitive perspective. Thank you, Mr. Speaker.

The Speaker: Thank you.

Does any other Member wish to speak?

I recognise the Honourable Minister from constituency 34. Honourable Minister Wilson, you have the floor.

Hon. Kim N. Wilson: Thank you, Mr. Speaker.

Mr. Speaker, I would like to join in on this debate on this very important piece of legislation that, effectively, will establish a new beneficial ownership regime that will ensure that Bermuda continues on the right track with respect to meeting our international obligations, those set by the OECD and FATF.

Mr. Speaker, as you know, the OECD is the international body that sets the standards as it relates to international cooperation and the tax information sharing between entities. And then FATF, the Financial Action Task Force, which actually has as its secretariat in . . . (sorry) which actually has its secretariat housed in the OECD, has established procedures and recommendations for addressing money laundering and terrorist financing, which, as you can appreciate, is a huge threat to any nation.

The Financial Action Task Force, Mr. Speaker, just generally, and I would like to speak about that for a

few moments, particularly as it correlates to the importance of this piece of legislation, because Bermuda will be having a mutual evaluation in the spring of 2018. And, Mr. Speaker, the Financial Action Task Force, effectively, has set out 40 recommendations that countries should adhere to towards ensuring that they mitigate against money laundering, and nine recommendations that address mitigation against terrorist financing.

And just real briefly, Mr. Speaker, some of those recommendations relate to KYC, know your client. Everybody who engages in any type of business transaction that is related to specified activities that could be an avenue used for money laundering has to know the nature of the client that they are dealing with. The Honourable Member who just took his seat used one example that I know we all are familiar with, with respect to our bank accounts and having to ensure that we provide them with confirmation of our addresses, our passports, et cetera, et cetera. That is just one of the recommendations.

FATF also has a recommendation related to training, and that they want to ensure that any entity that is dealing specifically with services that could be vulnerable to money laundering has specific training in place so that the staff members know what are the red flags, what to look for, et cetera.

Another recommendation deals with customer due diligence and enhanced due diligence, and what are you doing as an organisation to step up the due diligence that is required insofar as *know your client*, or *know your customer*, depending on the risk that may present. In fact, all of the FATF recommendations are all risk based.

And one of the recommendations, in particular, is recommendation 24. And I am reading from FATF, which speaks specifically to the country's obligation of ensuring transparency in beneficial ownership of legal persons. And, Mr. Speaker, that is something that has to be addressed, which is one of the reasons why we are here today with respect to this legislation, which is to address a loophole that currently exists with respect to that recommendation.

Because one of the areas of vulnerability that has been identified by the Financial Action Task Force, or FATF, is this whole concept of anonymity and whether or not companies or other entities take steps to hide those persons, the legal persons or the beneficial owners' ownership of those particular entities. So, with that in mind, FATF has come up with recommendation 24, and that is what we seek to be looking at, in part, with respect to this piece of legislation. So, FATF is requiring that countries under recommendation 24 make sure that they collect basic information on the company, which includes the information about the legal ownership or the actual control of that particular company, again trying to avoid this aspect of anonymity.

So, what this Bill seeks to do today, Mr. Speaker, is to close a loophole and to ensure that Bermuda reaches the technical compliance of recommendation 24. Well, what do I mean by that? Well, Mr. Speaker, when Bermuda is evaluated in the coming months for our mutual evaluation—and I will speak about that in a hot second—but the reality is that we need to ensure that we take steps to be technically compliant. And that means we have to make sure that we have a legislative framework that is compliant with the recommendations that are coming from FATF.

Mr. Speaker, both the OECD and the Financial Action Task Force, or FATF, evaluate a country's compliance as it relates to, in this case from FATF, money laundering and terrorist financing, by doing mutual evaluations. And as I said previously, Bermuda will be in the midst of a mutual evaluation in 2018. We are undergoing all the preparatory work now, in the final stages of completing our national risk assessment and getting ready for that mutual evaluation, which is incredibly important to Bermuda and our international reputation. And the mutual evaluation, Mr. Speaker, will assess two things: One is the technical compliance—how are the laws of that regime designed to ensure that they meet the obligations and the recommendations, the 40 plus 9 recommendations of FATF? Well, as I indicated previously, recommendation number 24 speaks to a regime that addresses the beneficial ownership issue and the legal persons issue.

The other thing that they will be reviewing Bermuda on is, how effective is our legislation? So we cannot be reviewed insofar as if we have a beneficial ownership regime that is effective if we do not have the legislation to support that regime, which is what we are doing today.

Mr. Speaker, some people may argue that this is burdensome legislation, and that the filing time may be cumbersome to these companies, and that perhaps the time limits with respect to the turnaround of the filing and so forth may be burdensome to the companies involved, and that it may decrease Bermuda's competitive edge as it relates to our financial institution, legal and accounting. However, I would argue, Mr. Speaker, that failure to abide by this legislation and to abide by the recommendations that are being imposed by OECD and FATF would definitely ruin and affect Bermuda's competitive edge, because for us to be seen as a jurisdiction that allows the wide-open gates of money laundering and terrorist financing to enter into our jurisdiction, to poison our jurisdiction, would certainly have detrimental effects to our reputation as a jurisdiction. And for all those comments, I am pleased also to support this piece of legislation. Thank you.

ANNOUNCEMENT BY THE SPEAKER

HOUSE VISITOR

The Speaker: Thank you, Honourable Minister.

Bermuda House of Assembly

Before I recognise any other Member, I would just like to acknowledge the fact that one of our former Members is in the Gallery. I recognise the Honourable former Member, Mr. Lionel Simmons.

Welcome to the proceedings today.

[Desk thumping]

[Companies and Limited Liability Company (Beneficial Ownership) Amendment Act 2017, Second Reading debate continuing.]

The Speaker: Now, does any other Member wish to speak?

I recognise the Honourable Member from constituency 30. Honourable Member Scott, you have the floor.

Ms. Leah K. Scott: Thank you, Mr. Speaker.

I would like to thank both of my colleagues for expounding further on this legislation. I would like to declare my interest. First, I am the President of BALT, the Bermuda Association of Licensed Trustees; I am a member of STEP, the Society of Trust Estate Practitioners; and I am a member of the Trust and Private Client Group for the Bermuda Development Agency. So, I have an interest in this legislation from a trust perspective.

I would like to thank the technical officers, and I would also like to thank Lydia Dickens, who worked along with us in getting our comments in. The consultation period was extremely short. But I believe that there was an election in between the time that the UK notes agreement came into effect. So I guess that caused this delay in the drafting of the legislation.

Be that as it may, Bermuda has always had a central beneficial ownership register. And as a private client lawyer, our concern is reconciling our clients' privacy with also managing revenue-hungry governments who are trying to do whatever they can to get money out of high net worth individuals.

Most high net worth individuals will pay their taxes and do the things that are necessary, but if a client wants to set up a structure to manage their assets, they should not be penalised for doing so.

Bermuda has been a major plank in the trust industry. I went to the National Risk Assessment seminar that was held a week ago, and to date we have 3,500 trusts in Bermuda, 2,200 of which are discretionary trusts. We have approximately \$31 billion of assets under management. The trust industry in Bermuda employs about 650 people. Most of them are Bermudians, and most of the trust officers are black Bermudian women. So, it is an industry that contributes a lot to the country and to the economy.

We are a very transparent and discreet jurisdiction. We were one of the first offshore jurisdictions to be elevated to the OECD White List, making us on par with the G8 and G20 countries. We are compliant with

FATCA [Foreign Account Tax Compliant Act], and we were one of the early adopters to CRS (the common reporting standard) and CbC (country-by-country) reporting. And if we are in receipt of a TIEA (tax information exchange agreement) request, we have to make an application to the court before we pass that information on. So, I think that we have got sufficient regulations in place to make us the premier jurisdiction and to maintain ourselves as a Tier I jurisdiction.

The trust industry, obviously, is concerned with any legislation that will cause us to reveal beneficiaries or any other information, for some of the reasons that my colleague identified. We have the Personal Information Protection Act, but there are people who will take this information and use it for kidnapping or blackmailing or other . . .

An Hon. Member: Nefarious.

Ms. Leah K. Scott: Nefarious, yes, thank you.

—nefarious reasons. So we want to be sure that our clients are protected. We want to be sure that our jurisdiction is protected. And so, we want to be regulated in a way that is fair and efficient. We want to maintain our competitive edge.

There are some things in this legislation that go a bit far in comparison to the Caymans and the BVI. And when we get into Committee, there are some things that I would like to address with the Minister in terms of technical aspects of the Bill. Generally, most of the changes that we made as a group, BALT, STEP, and the BDA, were accepted. There were a couple that we think should have been accepted that were not, and I would like to understand what the Minister's position is on those, or the reason why he did not accept them, and if there is going to be consideration given to accepting them.

Other than that, as a piece of legislation that we are going to have to adopt, the regulatory environment worldwide is what it is.

My other concern is that I would like to see some the smaller jurisdictions stand up to the US and the UK. Nowhere in the US are you required to have a beneficial register. But we kowtow to the US, and, you know, we meet all of their requests, and they are not providing any of the information that we need. When you go to the United States, you do not have to have a passport, a driver's licence, or whatever, [to] open up a bank account.

The Speaker: None of that.

Ms. Leah K. Scott: You know, we are required to keep our records three months up to date. We have had bank accounts frozen because you have not provided your passport, or you have not provided a utility bill, or your utility bill is out of date, or you have moved and you

have not passed on that information. But in other jurisdictions like the US, that does not happen. So why should we be subjected to that?

The US says that FATCA and that tax reporting is not a revenue-generating exercise. Well, it is. They said that it is behaviour modification. You know, *We want people to pay their taxes, and so we're going to put legislation in place so that people will pay their taxes.* You cannot legislate behaviour. People are going to do whatever they want to do. And when you impose regulations like this, you actually create criminals because everybody is now trying to find a way to avoid reporting, to avoid filing, to avoid doing all of the things that they are requiring to recover this revenue.

So, I recognise that we need the legislation. I thank the Minister for bringing it forward. As I said, I thank the technical officers and the drafts-people. And I will have additional comments when we get into Committee. Thank you, Mr. Speaker.

The Speaker: Thank you, Member.

Does any other Member wish to speak?

I recognise the Premier. Premier, you have the floor.

Hon. E. David Burt: Thank you very much, Mr. Speaker.

Mr. Speaker, I want to rise today to commend the sterling work of the technical team which is responsible for advancing this legislation. As members of the civil service will be aware, Mr. Speaker, working for the new PLP Government can sometimes lead to very late nights and long nights. And that is because we have a mandate to deliver, and we are doing our best to make sure that we deliver quickly. And this Bill, as the Honourable Member who just took her seat [said], is something that we wanted to make sure that we got done and advanced so that we would not be held up under a microscope for not meeting the commitments of which we had previously made.

But the Honourable Member who took her seat is right in certain aspects, and right insofar as the aspects that we have regulations that are put on us that may not be put on other countries who are requiring us to put on those items. And that point is not lost, and that point is certainly not lost on this Government. As the Honourable Member would know, this weekend I had the occasion of meeting with five other leaders of Overseas Territories from the Caribbean—the Premier of the British Virgin Islands, the Premier of the Cayman Islands, the Premier of the Turks and Caicos [Islands], the Chief Minister of Anguilla, and the (I believe) Premier of Montserrat. And part of the discussion was the unfairness in some aspects of things which are requested of us, which are not requested by other people.

So what I would state is that I take the Honourable Member's point. That point is not a point that is lost on the Government. We are trying to make sure that we balance what we have to do in order to make sure that

we remain a jurisdiction of choice in our primary business, which is that of insurance and reinsurance, while also ensuring that the risks that may come by not being a good actor, whether it be the OECD, who regards Bermuda very highly, whether it be with FATF with our assessment next year, or whether it be with the United Kingdom and the exchange of notes and the commitment of which we made, noting that the hostility from the current Opposition in the United Kingdom continues . . . so, from that aspect, it is very important that we advance this.

And what I want to make sure is that the commitment of which I have made publicly to members of industry, the commitment of which we have made clear via technical officers, the commitment of which the Minister has made clear in his meetings, the Minister responsible for Economic Development, and the commitment of this Government that we are not going to do things that will put us at a competitive disadvantage, and we are going to make sure that we work with industry in a collaborative fashion to advance Bermuda's interests . . . because the one thing that is necessary, Mr. Speaker, is that Bermuda's economy needs to grow.

As was reported last week, we experienced, I think, what would be considered the ninth year or eighth year of consecutive GDP [gross domestic product] contraction, 2008s contraction, 2009, 2010, 2011, 2012, 2013, 2014, 2015 and 2016. So we have had consecutive years of real GDP contraction, which is continuing. And that is something that is going to require the collective efforts of all of us to turn around. So while we are worried about, while we are focused on this particular aspect today, what I want to encourage is, not only with industry, but also colleagues here inside this House, to make sure that we put together a united front so that we can work to grow the economy, because that is the biggest challenge of which we certainly have.

[Inaudible interjections]

The Speaker: Members in the Gallery! You can be asked to leave if you do that again. You *will* be asked to leave. [When present you are] to remain quiet and not participate in anything that takes place inside of these Chambers. Thank you.

Hon. E. David Burt: So, with that, Mr. Speaker, I do once again want to thank the technical officers, and give specific thanks, as the Honourable Member who just took her seat [said], specific thanks. And I am sure the Minister gave those thanks, as well, specific thanks to Ms. Lydia Dickens, who elected to head this. She volunteered to lead this project. And she has, of course, done very sterling work. And, as I said, there were very late nights, the team of the drafters, the Attorney General's Chambers, and all the rest to make this a reality, so I want to thank them for their commitment. Oftentimes, civil servants get a bad rep. But what we have

found in our time in government is that many work extremely hard to deliver for the people of this country. And for that, we should all be thankful. Thank you, Mr. Speaker.

[Desk thumping]

The Speaker: Thank you, Mr. Premier.

With that, Minister, would you like to wrap up?

Hon. Jamahl S. Simmons: Thank you, Mr. Speaker.

Mr. Speaker, just to address some of the questions that were raised during the debate, we anticipate that the Bermuda Monetary Authority will be working closely with the corporate service providers to ensure an orderly transition. And we expect they are going to need additional guidance. But this will go into immediate effect once it goes into effect for the new entities. But there will be a transitional period for existing entities to get on board.

In reference to the concerns about privacy, I think we share those concerns. I think that we understand, from a business perspective, the need for a degree of privacy. And it is important to note and reiterate that the information in this is exempted from PATI [Public Access to Information Act] and has an extra level of security that we think will help.

To go on further, the . . . (What else do we have here?) With that, Mr. Speaker, I move that we take the Bill to Committee.

The Speaker: Okay.

Mr. Deputy Speaker.

House in Committee at 12:22 pm

[Hon. Derrick V. Burgess, Sr., Chairman]

COMMITTEE ON BILL

COMPANIES AND LIMITED LIABILITY COMPANY (BENEFICIAL OWNERSHIP) AMENDMENT ACT 2017

The Chairman: Honourable Members, we are now in Committee of the whole [House] for further consideration of the Bill entitled [Companies and Limited Liability Company \(Beneficial Ownership\) Amendment Act 2017](#).

Minister, you have the floor.

Hon. Jamahl S. Simmons: Thank you, Mr. Chairman, Mr. Deputy Speaker.

I would like to move clauses 1 through 4.

The Chairman: You may.

Hon. Jamahl S. Simmons: Thank you, Mr. Chairman.

Mr. Chairman, clause 1 provides that this Bill should be cited as the Companies and Limited Liability Company (Beneficial Ownership) Amendment Act 2017.

Clauses 2 through 8 provide for amendments to the Companies Act 1981. Clause 2 amends section 2 of the Act in respect of certain definitions.

Clause 3 amends the definition of the term “subsidiary” as set out in section 86 to take into account the definition of that term as provided in the new Part VIA.

Clause 4 inserts a new Part VIA in the Companies Act as follows:

Section 98C provides for the definition of terms that appear within this new Part VIA to aid in the interpretation of the provisions included therein.

Section 98D applies the provisions of Part VIA to all companies to which the Companies Act applies, except those companies with subsidiaries which are specifically exempted in this section. These are:

- a. certain listed companies;
- b. specified investment vehicles;
- c. permit companies;
- d. financial institutions as defined in the Third Schedule to the Bermuda Monetary Act 1969; and
- e. any other type of company or entity that is exempted by Ministerial Order.

Section 98D also includes the definition of the term “subsidiary” for purposes of Part VIA.

Section 98E defines the term “beneficial owner” and includes further definitions to aid in the interpretation of that term as used in other provisions of Part VIA.

Section 98F requires companies subject to Part VIA to take reasonable steps to identify beneficial owners and all relevant legal entities as that term is defined in Section 98C.

In line with [section] 98F, section 98G requires companies to issue a notice requesting certain information to any person (a) who has been identified as a beneficial owner or relevant legal entity; or (b) which the company has reasonable cause to believe is a beneficial owner or relevant legal entity. [Section] 98G provides further requirements and conditions in relation to the notice, including circumstances where the issuance of a notice is not required.

Mr. Chairman, section 98H requires companies subject to Part VIA to (a) establish and maintain a beneficial ownership register; (b) enter into the register the minimum required information set forth in section 98H(2) in relation to each beneficial owner and relevant legal entity; and (c) keep the register at the company’s registered office or such other place in Bermuda which has been disclosed to the Registrar and which is convenient for inspection by the Registrar.

Section 98I requires that the beneficial ownership register be updated as soon as practicable, but not further than 14 days after a company is made aware of,

and has confirmed the details related to, (a) any change in beneficial owner; or (b) any change in the minimum required information related to any beneficial owner or relevant legal entity included on the register.

Section 98J deals with legal disputes involving the ownership of any shares, voting rights or other interests in a Bermuda company which are in the process of being adjudicated by a court. In such instances, [section] 98J provides that no change shall be recorded in the beneficial ownership register or filed with the Bermuda Monetary Authority prior to determination of the matter unless ordered by the court.

Section 98K grants authority to the court to rectify a beneficial ownership register when necessary.

Mr. Chairman, section 98L requires companies to file beneficial ownership information with the Bermuda Monetary Authority at specified times. Such filing is required for initial registration or continuation into Bermuda, or to update, as necessary, information previously filed which has since changed.

Section 98M permits companies to which Part VIA applies to either impose restrictions, or apply to the court for an order imposing restrictions, on shares held by persons who fail to provide the required information.

Section 98N empowers the Registrar to obtain information and reports for purposes of Part VIA.

Section 98O provides for offences for purposes of Part VIA.

Mr. Chairman, section 98P provides for effectiveness of the requirements of Part VIA, notwithstanding applicable obligations of confidentiality subject to section 98Q.

Section 98Q protects against any disclosure of information that is protected by legal privilege.

Section 98R exempts beneficial ownership information from disclosure pursuant to any request for such information made under the Public Access to Information Act 2010.

Section 98S provides for matters relating to the Personal Information Protection Act 2016.

Section 98T provides for the effects of this part in relation to other statutory provisions concerning beneficial ownership.

And section 98U sets forth for the methods of delivery and timing of receipt of any notice required to be given in accordance with this Part.

Thank you, Mr. Chairman.

The Chairman: Thank you, Minister.

Any further speakers?

The Chair recognises the Honourable Member, Leah Scott.

Ms. Leah K. Scott: Thank you, Mr. Chairman.

I would like to thank the Minister and the technical officers for accepting an amendment to the meaning of “beneficial owner” under section 98E—

The Chairman: One second, Honourable Member. Are you going to be long?

Ms. Leah K. Scott: Probably. So we should probably . . .

The Chairman: Yes. I am suggesting that we adjourn until after lunch.

Ms. Leah K. Scott: Sure. Sure.

The Chairman: Deputy Premier.

Hon. Walter H. Roban: Mr. Chairman, I do ask that we adjourn for lunch.

The Chairman: The House is now adjourned until two o'clock.

Proceedings suspended at 12:28 pm

Proceedings resumed at 2:00 pm

[Hon. Derrick V. Burgess, Sr., Chairman]

COMMITTEE ON BILL

COMPANIES AND LIMITED LIABILITY COMPANY (BENEFICIAL OWNERSHIP) AMENDMENT ACT 2017

[Continuation of Committee thereon]

The Chairman: Honourable Member, Ms. Scott.

Ms. Leah K. Scott: Thank you, Mr. Chairman, good afternoon.

First of all, again, I would like to repeat, thank you to the Minister and to the technical staff for accepting quite a few of the suggestions and amendments that were put forward in respect of the legislation.

I would like to address, first of all, [section] 98F(2), “Companies to obtain information regarding beneficial owners.” There was a definition of “reasonable steps” in the initial legislation and that definition has been removed. So we would like to know whether or not the Minister intends to issue guidance notes or some sort of direction and clarification on what they believe reasonable steps are so that we in the industry can comply with the legislation.

Hon. Jamahl S. Simmons: Thank you, Mr. Chairman. I was a little too eager to my feet, I apologise.

The Chairman: That is all right.

Hon. Jamahl S. Simmons: As mentioned earlier in my brief, we actually will be doing a consultative process—

the BMA with the corporate service providers—to ensure that the guidance is there. There will be some form of guidance notes provided in the future. Thank you.

The Chairman: Madam Scott, you can go ahead.

Ms. Leah K. Scott: Thank you.

Minister, in addition to that, I just thank you for confirming that there will be consultation when those guidance notes are issued. And I understand the dilemma with the timeline in terms of having us be able to research the legislation this go-round, but I would ask that we have sufficient time to review the guidance notes when they are issued the next time so that we can have a longer dialogue, please. Thank you.

The Chairman: Any further speakers?
Honourable Member Grant Gibbons.

Hon. Dr. E. Grant Gibbons: Thank you, Mr. Chairman.

I am on page 4, [section] 98E and it is [section] 98E(1)(a) which is part of the definition of “beneficial owner.” I am just curious. I just want . . . I think it would be useful to get some confirmation, but the definition of “beneficial owner” here is taking the international standard, which is 25 per cent, whereas in the Minister’s brief he referred to the BMA using their own standard, which is 10 per cent. Now, my assumption is that the register will be based on the 25 per cent threshold, which is what is in the Bill here. And I am curious as to whether the BMA is going to start relaxing their standards, whether they will require, for example, a different filing closer to 10 per cent or whether that will just be for financial institutions.

So, if the Minister could give us a little bit of a sense of what that is. I am assuming that obviously this Bill was aiming at 25 [per cent] but the BMA has historically, for their own purposes, used 10 [per cent].

The Chairman: Minister, would you like to respond?

Hon. Jamahl S. Simmons: Thank you, Mr. Chairman.
Yes, that is actually under consideration at this time. Thank you.

The Chairman: Continue.

Hon. Dr. E. Grant Gibbons: Sorry, Mr. Chairman.
What is under consideration? The BMA moving to a 25 per cent threshold. or the BMA looking at moving this to a 10 [per cent threshold]?

The Chairman: Minister?

Hon. Jamahl S. Simmons: Thank you, Mr. Chairman.
Actually, the BMA is actually . . . this relates to the exchange control provisions, and at the moment . . . (I actually have somebody who writes worse than me) but they are actually considering evaluating the whole

process to make sure they get the best mix, in consultation with the stakeholders. Thank you, Mr. Chairman.

The Chairman: Honourable Member Leah Scott?

Ms. Leah K. Scott: Thank you, Mr. Chairman.
And if I could beg your indulgence, some of my queries are kind of lengthy, so do you mind if I read?

The Chairman: Go ahead.

Ms. Leah K. Scott: Okay, thank you.

The Chairman: Go ahead.

Ms. Leah K. Scott: Section 98G, as currently drafted, states that notice is required to be given to beneficial owners and/or registerable persons. The recipient is required within 30 days to provide the requested information.

[Inaudible interjection]

Ms. Leah K. Scott: That is okay. Do you want me to start again?

Hon. Jamahl S. Simmons: Please.

Ms. Leah K. Scott: Okay.

Section 98G, as currently drafted, states that notice is required to be given to beneficial owners and/or registerable persons. The recipient is required within 30 days to provide the requested information.

Section 98I(8) also states that the register should not be updated until the minimum required information has been confirmed by the beneficial owner.

However, section [20](2) also states, “An existing company or a limited liability company” (to which the Act applies) “shall update or verify as the case may be (in such form and manner as the Bermuda Monetary Authority may direct) the minimum required information relating to beneficial owners thereof” not later than 60 days after the date of coming into operation of this Act on 1 January 2018.

Do you not think that that is an unrealistic notice period? And could it be extended, if not by a year to the 1 January 2019, by at least six months to allow beneficial owners to be notified of the requirements, to allow them to get their responses back to us, and then to allow us to compile our registers and do the necessary due diligence?

The challenge for us with regulations like this is that people onshore in the US and in other countries are not regulated in the same way. So they do not understand the request for their passports or their utility bills or any other information, their tax ID numbers. And so usually when we send an initial request out we do not get a response back right away. There has to be

continued follow up. We do not want to be in contravention of the legislation. We also want to allow our customers to have the right to respond to us in a timely manner.

So, if you can give consideration to extending it I would greatly appreciate it.

The Chairman: Minister?

Hon. Jamahl S. Simmons: Thank you.

I think the Honourable Member understands the difficult balancing act in terms of meeting our international requirements as well as being a jurisdiction that is business friendly. And I think that we are open to considering anything that will continue to help that balance as we go forward.

The Chairman: Any further speakers?

The Honourable Member Gibbons.

Hon. Dr. E. Grant Gibbons: Thank you, Mr. Chairman.

I am moving to page 6, [section] 98H. And [section] 98H(2) defines the minimum information that is required for the beneficial ownership register and proceeds through a series of things like the full name, nationality, date of birth, and that sort of thing. It gets down to [section] 98H(2)(d) here where it says, “the effective date on which each person was entered into the register as a registrable person of the company;” . . . very straightforward. So if you are essentially a new beneficial owner, what is the date on which you became that?

If we flip over the page, to the top of page 7, which is [section] 98H(2)(g) it says, “where applicable, the date on which each person who has ceased to be a registrable person in respect of it ceased to be such an owner.”

Now, I guess it was a little unclear to me what “where applicable” means. I guess it would mean somebody who has come off. But then if you follow that a little further along you say to yourself, *Okay, so we’re talking about somebody who was historically a beneficial owner.* And I guess the question for the Minister is, What kind of guidance is he (or the BMA or the Registrar) going to give there? Because some of these companies go back . . . AIG, for example, goes back to 1949. They were probably swapping beneficial owners like it was the tale of the swapping husbands. I mean, Goslings goes back to the 1840s, so I guess the question is, how far back? Is there going to be guidance as to “where applicable” means? And how far back, historically, is that going to be a requirement?

I guess the second part of the question is, Why do you need that section at all? Because, clearly, if you look at the next section, which is 98I, you have got to keep the register up to date and current. So, if somebody is a beneficial owner—either at formation or is an existing beneficial owner now—surely it would be sufficient to simply say when they come off. Then you make

the update and the change and that would be pretty clear.

So, really, I guess what I am asking is, Why this [subsection] (g) here—the one that begins “where applicable”? It just seems, to me, to provide a further burden. Unless there is guidance here, I am not quite sure how far back that is looking for information. Thank you.

The Chairman: Minister?

Hon. Jamahl S. Simmons: Just from consulting my technical officers, the information must be retained for five years in accordance with OECD requirements and we may allow for that in the guidance.

The Chairman: The Honourable Grant Gibbons.

Hon. Dr. E. Grant Gibbons: Yes, thank you.

I guess that is not really getting at the question I am asking.

Let us suppose you have an existing company, and the existing company comes in under the transition period (which we will get to later in the clauses) where the existing company has to set up a register and also has to file with the BMA. So, is the Minister saying that five years of beneficial ownership is what is required here? Or will this be on a prospective basis as opposed to a retrospective basis? In other words, does an existing company have to look back five years (I guess, is the question I am asking)?

The Chairman: Honourable Minister Simmons.

Hon. Jamahl S. Simmons: If the Honourable Member will allow, I am just going to consult with my technical officers and I will get an answer for you shortly.

[Pause]

The Chairman: Yes, Honourable Minister, carry on.

Hon. Jamahl S. Simmons: Thank you for your indulgence, Mr. Chairman.

Yes, the . . . this is interesting. Okay, well, the information must be retained for five years. But we are also relying on the very extensive records held by the Registrar of Companies and the BMA. As I mentioned in my brief, we have got records going back about 70-odd years that we are relying on as well.

The records are only held for five years once a company comes off, once they cease operation or so on. I hope that answers the question.

The Chairman: Honourable Member Grant Gibbons.

Hon. Dr. E. Grant Gibbons: Yes, thank you, Mr. Chairman.

I get the point about winding up a company or a company that goes into dissolution or is struck-off. I

mean, there is a requirement there for the information to be kept for five years. But you are going to have, well, roughly 16,000 companies which will essentially have to abide by this Bill when it comes in. A lot of those are going to be existing companies as opposed to new companies. And as an existing company, the question I am asking is, How much history does that company have to provide when they set up their register of directors? Is it just the current directors? And is there a requirement to also have on that register any director . . . I beg your pardon, I am confusing directors . . . any beneficial owner who would have been a beneficial owner up to five years ago?

In other words, if there have been changes over the last five years in terms of beneficial ownership, those beneficial owners are no longer beneficial owners, but they *were*, does the company when it makes its filing, when it sets up its register, have to have on that register five years' worth of data? That is the question I am asking.

Hon. Jamahl S. Simmons: Gotcha, no. The answer is no.

The Chairman: Minister, just one second.
Honourable Member Scott.

Ms. Leah K. Scott: Could I just interject if I may?

Would you consider having the register reflecting the persons at the current date? You are correct that there is data kept by the BMA and the Registrar of Companies in terms of ultimate beneficial owners; however, with the BMA exempted companies are required to make an application, or to notify the BMA that there has been a change in beneficial ownership for exempted companies. What has happened in the past when a local company is incorporated is that the BMA is advised who the beneficial owners are at the date of incorporation. Going forward, that local company is only required to provide the Registrar of Companies with a Form 14—an Annual Return of Shareholdings. And all that document does is say what the percentage of Bermudian owners are versus the percentage of non-Bermudians, but it does not reflect any share transfers or any changes in beneficial ownership. So, while you are correct in that there are records, I think the records for the local companies are going to be a bit skewed.

In any event, notwithstanding that, would the Minister give consideration to having the registers and the directors registered at the current date rather than going back in history, understanding that the records then will be from the current date going forward to be retained for five years?

The Chairman: Minister Simmons?

Hon. Jamahl S. Simmons: Thank you, Mr. Chairman.

Yes, it is actually . . . I just consulted my technical officers. Companies will not have to look back when they register; it is only current from when they are created. They will not have to look back and the legislation will not be retroactive.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Grant Gibbons.

Hon. Dr. E. Grant Gibbons: Thank you, Mr. Chairman.

And I thank the Minister. That was the answer I was looking forward to because otherwise it is additional paperwork and an additional burden on companies having to go back and try to figure out . . . particularly those where shares are changing fairly frequently.

I am on the same page, actually the earlier page 6, at the very bottom. It says “[f] in respect of a class of beneficial owners of such a size that it is not reasonably practicable to identify each beneficial owner, details sufficient to identify and describe the class of persons who are beneficial owners; . . .”

So, we have a situation where we have a company, let us call it an existing company, and basically it is owned 25 per cent by a publicly listed company, so it is not, by the definition of this Bill, actually a subsidiary of that public company. Is it sufficient for the register to simply say that the ownership is 25 per cent owned, or 25-plus per cent by this public company, without having to do any further description of who the shareholders are of that public company, even though that public company may have hundreds, thousands of shareholders?

I just want clarification on this particular point because, obviously, it could be quite onerous if you have a series of layers of companies where there are multiple beneficial owners and none of them are actually subsidiaries and, therefore, sort of exempted in that sense. So, I guess I am looking for how much work does the company actually really need to do here in terms of identifying beneficial owners, particularly when you may have a company which has . . . could have hundreds, thousands of beneficial owners in its own right?

Thanks.

The Chairman: Minister?

Hon. Jamahl S. Simmons: Thank you, Mr. Chairman.

Thank you for that question. We will not require ownership information for publicly listed companies.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Ms. Scott.

Ms. Leah K. Scott: Just in keeping with that line of questioning, if you have a trust that has a class of beneficiaries, is it intended for the beneficiaries in that class

to be reported? Because if you have a discretionary trust, the beneficiaries of that class get a benefit at the discretion of the trustee. If there is a fixed-interest trust I can see that being a registerable interest, but where you have a class . . . and you know you can be a beneficiary of a trust and the trustee never decides to exercise his discretion in your favour. So what is the intention in terms of registering classes of beneficiaries and the persons that should be identified in that class?

The Chairman: Minister Simmons.

Hon. Jamahl S. Simmons: The Ministry is actually still in consultation looking for guidance—specific guidance—on the issue of trusts.

The Chairman: Thank you.

Any further speakers?

The Honourable Member Leah Scott.

Ms. Leah K. Scott: Thank you, Mr. Chairman.

I would like to go to section 98K, rectification of the beneficial ownership register. And I would like to . . . the original wording states, “an application for a production order under this section may be made ex parte to a judge in Chambers and shall be in camera.” And I would like to know if consideration would be given to the wording being amended to the intent that ‘any application to report under this section 98K may be made to a judge in Chambers and shall be in camera’—and so remove the words “ex parte.”

The Chairman: Honourable Minister Simmons.

Hon. Jamahl S. Simmons: We will take that under advisement.

The Chairman: Okay.

Any further speakers?

Honourable Member Leah Scott.

Ms. Leah K. Scott: I would like to address section 98O(3).

The Chairman: Mm-hmm.

Ms. Leah K. Scott: “Where an offence under subsection (1) committed by a body corporate is proved to have been committed with the consent or connivance of an officer of the body corporate, the officer as well as the body corporate commits the offence and shall be liable to be proceeded against and punished accordingly.”

Every Bermuda company has to have a secretary, and that secretary is not necessarily a lawyer. So you have a person who may be performing the role of a corporate secretary who is liable for an offence that they are probably not even aware of. I am a corporate secretary, and I am covered under our company’s E&O

[Errors and Omissions] insurance. I do not know that a secretary, acting just as a secretary, would be covered under that insurance.

We would also like to . . . even though you have taken away the wording, there was a reference to negligence in the wording, and that has been removed. But it still states that the company can be guilty of an offence. So, the burden of proof is then on the secretary to prove that they did not act or commit the offence. So a company secretary who is not a director is generally not part of the day-to-day administration of the company or the decisions that the directors make. So would you consider amending the wording so that the secretary, if they are not a professional chartered secretary, is not responsible for taking . . . to make sure that the company takes the steps to identify the beneficial owners? That should not be an onus on somebody who is not a chartered secretary or a professional.

The Chairman: Honourable Minister.

Hon. Jamahl S. Simmons: We will definitely consider that. That approach is actually consistent with the one taken in the Companies Act for similar issues, so we will take that under advisement as well.

The Chairman: Any further speakers?

The Honourable Member Leah Scott.

Ms. Leah K. Scott: Thank you, Mr. Chairman.

[Section] 98Q Privileged information, it is page 13 in my . . . okay.

Would consideration be given to deleting [section] 98Q in its entirety and the following wording be inserted: *A person shall not be required under this Part to provide or produce information (a) in respect of which a claim—*

The Chairman: Member, are you presenting an amendment?

Ms. Leah K. Scott: No, I am just asking the question. Would they be . . . in their review would they consider one of these as a change?

The Chairman: Continue.

Ms. Leah K. Scott: *A person shall not be required under this Part to provide or produce information (a) in respect of which a claim to legal or professional privilege could be maintained in legal proceedings; or (b) that the person is prohibited by any law applicable in Bermuda from disclosing.*

So, we would just like to know if they would consider changing . . . I am not asking for an amendment on the floor, I am just asking whether, when they are looking at all of the changes that we are requesting, if they would consider that.

And then in [section] 98R, “Application of Public Access to Information Act 2010,” there has been a new section 98R to address this, but it does not go as far as our competitors. So, for example, in the Cayman [Islands] and BVI [British Virgin Islands], their legislation imposes limits on the persons to whom such information may be released, it requires certification from those persons asking for information, and they have to ensure that the information that they are asking for is proper and lawful and in compliance with the legislation governing the affairs of the authority making the request.

We do not have a similar protection in this legislation, so I wonder if the Minister would give consideration to actually beefing up this clause to provide us with the same sort of protection or at least put us on the same footing as our competitors.

The Chairman: Honourable Minister.

Hon. Jamahl S. Simmons: Thank you, Mr. Chairman.

The Ministry looked at the proposed change to [section] 98Q in the feedback and elected not to make the change at this time. But we will consider that, as well as your request about [section] 98R, as we go forward.

The Chairman: Any further speakers?

The Chair recognises the Honourable Member Grant Gibbons.

Hon. Dr. E. Grant Gibbons: Thank you, Mr. Chairman.

Yes, just going back to [section] 98R here which essentially carves out any PATI requests. This is, obviously, a pretty sensitive area, and all [section] 98R does is essentially say that if there is a PATI request then it can be declined under the basis of this particular Bill.

I think the concern, in addition to what my colleague the Honourable Member Leah Scott said . . . there is a broader concern here as to whether, if there is pressure, let us say, a year or so down the road to make the information filed with the BMA public, is there, as I said in the House, a broader statement that can be made which says essentially that as far as we are concerned—as far as the Government is concerned at the present time, as far as the BMA is concerned—in addition to PATI requests, we are not going to be releasing that beneficial ownership unless it is to another competent authority? Thank you.

The Chairman: Honourable Minister Jamahl Simmons.

Hon. Jamahl S. Simmons: I think that the Honourable Member will be aware that the information held by the BMA is not currently available to the public, and we are committed to maintaining that balance as we go forward.

The Chairman: Thank you.

Any further speakers?

There appear to be none.

Minister, do you want to move those clauses?

Hon. Jamahl S. Simmons: The next ones, okay.

I would like to move clauses 5 and 6, please, Mr. Chairman.

[Inaudible interjection]

Hon. Jamahl S. Simmons: I am sorry, may I move that clauses 1 through 4 be approved?

The Chairman: Yes.

Any objections?

There appear to be no objections.

The clauses are approved.

[Motion carried: Clauses 1 through 4 passed.]

Hon. Jamahl S. Simmons: Okay. I would like to move clauses 5 through 15.

The Chairman: Mm-hmm.

Hon. Jamahl S. Simmons: Mr. Chairman, clauses 5 and 6 amend sections 255 and 261 of the Companies Act, respectively, to require retention of beneficial ownership information for five years following dissolution or strike off from the Register of any company, as the case may be.

Clause 7 inserts a new section 287A to make general provision for regulations.

Clause 8 amends section 289 to provide for savings. This clause provides that a new register is not required if a company already has a register in which it keeps updated and current beneficial ownership information. It also preserves requirements relating to submission of information to the Bermuda Monetary Authority at the time of any application for registration, conversion, or continuation of a company in Bermuda.

Mr. Chairman, clauses 9 through 15 provide for amendments to the Limited Liability Company Act 2016 (the “LLC Act”). These amendments impose similar requirements as those which are being inserted into the Companies Act 1981 with respect to beneficial ownership of LLCs.

Clauses 9 and 10 amend certain definitions in sections 2 and 3 of the LLC Act, respectively, to aid in the interpretation of the new provisions which are being inserted in the LLC Act.

Clause 11 amends section 45 of the LLC Act consequentially on the enactment of the new Part 7A.

Clause 12 inserts a new Part 7A into the LLC Act to set forth requirements in relation to beneficial ownership. These requirements mirror those set forth in the new Part 6A of the Companies Act [1981] *mutatis*

mutandis—mutatis mutandis . . . a little Latin there for us. I think I was a little young to learn Latin in school.

Clauses 13 and 14 amend sections 204 and 210 of the LLC Act, respectively, to require retention of beneficial ownership information for five years following dissolution or strike off from the Register of any LLC as the case may be.

Clause 15—and actually we will be doing an amendment to clause 15—so we will stop at 14, sir, if that is okay.

Thank you.

The Chairman: Any speakers?

The Chair recognises the Honourable Member Leah Scott.

Ms. Leah K. Scott: Thank you, Mr. Chairman.

I am not going to go through the LLC Act clause by clause, but we would ask that the corresponding amendment be made in this legislation as we have asked for in the Companies Act, where applicable.

The Chairman: Minister.

Hon. Jamahl S. Simmons: Thank you.

And I appreciate the positive contribution and ideas coming from the Opposition. At this time I would like to move an amendment to clause 15.

An Hon. Member: Do you want to do [clauses] 5 through 14 first?

Hon. Jamahl S. Simmons: I am being told I need to go through 15 then I can amend it. So I will do that.

[Inaudible interjection]

Hon. Jamahl S. Simmons: Yes.

Clause 15 amends section 257 of the LLC Act to further provide for savings. This clause provides that a new register is not required if a limited liability company already has a register in which it keeps updated and current beneficial ownership information. It also preserves requirements relating to submission of information to the Bermuda Monetary Authority at the time of any application for formation or continuation of a limited liability company in Bermuda.

NEW CLAUSES 15A AND 15B

Hon. Jamahl S. Simmons: And as I mentioned, Mr. Chairman, I have, with the indulgence of the House, a floor amendment to the Bill following clause 15.

After clause 15 we are asking to insert the following:

“Amendment of Exempted Partnerships Act 1992 and Limited Partnership Act 1883.

“Amends Exempted Partnerships Act 1992

“15A. The Exempted Partnerships Act 1992 is amended as follows—

“(a) in section 8(1B)—

“(i) by inserting after the words ‘the exempted partnership’, the words ‘, the partners shall notify the Authority of the appointment (in such form as the Authority may direct) as soon as practicable, but not later than 14 days after such appointment’;

“(ii) by deleting the em dash;

“(iii) by repealing paragraphs (a) and (b);

“(b) in section 13(1B), by deleting the words ‘within thirty days’ and substituting the words ‘as soon as practicable, but not later than 14 days’;

“(c) in section 13(1C)—

“(i) by inserting after the words ‘the exempted partnership’ the words ‘, the partners shall notify the Authority of the change (in such form as the Authority may direct) as soon as practicable, but not later than 14 days after such change’;

“(ii) by deleting the em dash;

“(iii) by repealing paragraphs (a) and (b).”

“Amends Limited Partnership Act 1883

“15B The Limited Partnership Act 1883 is amended as follows—

“(a) in section 5(1B)—

“(i) by inserting after the words ‘the limited partnership’ the words ‘, the partners shall notify the Authority of the appointment (in such form as the Authority may direct) as soon as practicable, but not later than 14 days after such appointment’;

“(ii) by deleting the em dash;

“(iii) by repealing paragraphs (a) and (b);

“(b) in section 8B(3C), by deleting the words ‘within thirty days’ and substituting the words ‘as soon as practicable, but not later than 14 days’;

“(c) in section 8B(3D)—

“(i) by inserting after the words ‘the limited partnership’ the words ‘, the partners shall notify the Authority of the change (in such form as the Authority may direct) as soon as practicable, but not later than 14 days after such change’;

“(ii) by deleting the em dash;

“(iii) by repealing paragraphs (a) and (b).”

The Chairman: The Chair recognises the Honourable Member Leah Scott.

Ms. Leah K. Scott: I am going to be a lawyer here and say that I cannot make a decision in a vacuum. Not that it makes any difference with 24 to 12, but I would like to be able to actually look at the legislation in whole, as opposed to just looking at the amendments.

The Chairman: Minister, are you going to respond to that?

[Pause]

Hon. Jamahl S. Simmons: Mr. Chairman, just for the information of the House, these amendments make requirements for notifying the BMA of appointments or changes in general partner that are consistent with the filing for companies and LLCs.

The Chairman: Okay.

The Chair recognises the Honourable Member Grant Gibbons.

Hon. Dr. E. Grant Gibbons: Thank you, Mr. Chairman.

Mr. Chairman, I appreciate the Minister's comment, but I think I would like to underscore the point made by my colleague. It would have been helpful to perhaps have these amendments before lunch. I do not think they were done over lunch, but I may be wrong about that, because it is very difficult to look at amendments to a Partnership Act, an Exempted Partnership Act, Limited Partnership Act, without actually going back in legislation and seeing how they fit in.

I think one of our jobs up here, essentially, is to catch errors and things of that sort. We may not be as thorough as the parliamentary draftsmen and technical officers, but, on the other hand, we have . . . I think people have caught quite a few things in this House. So, it is a little difficult to insert this kind of stuff at the eleventh hour.

We appreciate what the Minister is saying in terms of the intent of what is required here, but I just think it is a bit . . . well, I think you know what I am saying.

Thank you.

The Chairman: Honourable Minister, your response?

Hon. Jamahl S. Simmons: I am not unsympathetic to the plight being experienced by the Opposition. I am quite familiar with it myself . . . recently.

But, no, I take your point and I appreciate those comments as well. So, with that, I would like to move clauses 5 through 15.

The Chairman: I think you have got to move the amendment first.

Hon. Jamahl S. Simmons: I am sorry.

I would like to move the amendment to [insert the new clauses 15A and 15B into] the Bill following clause 15.

The Chairman: Any objections to the amendment? There appear to be none.

[Motion carried: New clauses 15A and 15B passed.]

Hon. Jamahl S. Simmons: I would like to move clauses 5 through 15, as amended.

The Chairman: Any objections to clauses 5 through 15 being approved? There appear to be none.

[Motion carried: Clauses 5 through 15 passed. New clauses 15A and 15B passed.]

Hon. Jamahl S. Simmons: Thank you, Mr. Chairman. I would like to move clauses 16 through 21.

The Chairman: Continue.

Hon. Jamahl S. Simmons: Clauses 16 and 17 provide for amendment of the Corporate Service Provider Business (Beneficial Ownership) Regulations 2017 and the Exchange Control Amendment Regulations 2017 in consequence of the enactment of the new Part VIA of the Companies Act and Part 7A of the LLC Act.

Clause 18 amends the Companies (Forms) Rules 1982 to clarify the reference to "beneficial owner" therein.

Clause 19 provides for consequential amendments.

Clause 20 provides for transitional matters during implementation of this Act.

Clause 21 provides for commencement of this Act.

Thank you, Mr. Chairman.

The Chairman: Any speakers to these clauses?

The Chair recognises the Honourable Member Leah Scott.

Ms. Leah K. Scott: It is not in relation to these clauses, but I have a general question in relation to the Act.

In terms of the five-year record retention period, is that in line with all existing legislation with regard to record retention? And I should know what that legislation is, but I do not know what the legislation is in terms of how long you are supposed to keep records. I thought that the minimum was seven years (and I could be wrong). And is this legislation going to supersede any other legislation that has a different term?

The Chairman: Minister, do you want to respond?

Hon. Jamahl S. Simmons: The five years actually is consistent in the period.

The Chairman: Any further questions?

The Chair recognises the Honourable Member Grant Gibbons.

Hon. Dr. E. Grant Gibbons: Thank you, Mr. Chairman.

Clause 19. Before lunch I raised a question as to whether this was a typo or needed amendment. It is the last sentence there . . . well, actually, it is the last line. It says:

“The Minister may by order subject to the negative resolution procedure repeal or amend any provision . . .” then it goes on to say “if it appears to him that that provision is inconsistent with, or requires amendment consequentially upon, or has become unnecessary in consequence of, the provisions of the” (and here is where I had a question) “Companies and Limited Liability Company Act 2017.”

I do not think there is such an Act. I think either it should be (quote/unquote) “this Act” or it should be the “Companies and Limited Liability (Beneficial Ownership) Act.” So that was the question I raised before lunch as to whether that needs to be amended.

The Chairman: Honourable Minister Simmons.

[Pause]

The Chairman: The Minister is just conferring with his technical people.

[Pause]

The Chairman: Continue, Minister.

Hon. Jamahl S. Simmons: Thank you, Mr. Chairman.

I am told by the officers this will be a CARLA amendment, so it will be corrected in the system before it goes to the Senate for debate.

The Chairman: Any further speakers?

The Honourable Member Gibbons.

Hon. Dr. E. Grant Gibbons: Sorry, I missed that.

Sorry, so it is considered to be a typographical error, an omission basically? Okay, fair enough.

Mr. Chairman, while I am on my feet, over the page, on page 30, under clause 20(2) I just wanted to get a little more clarity in terms of this six-month filing date. So these would be for existing companies who have to file information with the BMA and it has to be done within a six-month [period] that could be extended by the next subclause (3) here. I am assuming the BMA is going to put out some sort of a form or something because, as I said earlier in the House, I mean, you are going to have a tsunami of information coming in here from . . . if you have got . . . I am assuming the financial institutions have probably already got this data in place with the BMA. But let us say you take out 3,000 companies. You are looking at in excess of 10,000 companies which are going to have to file information with the

BMA. And it just seems to me that this could be quite an arduous process.

Thank you.

The Chairman: The Chair recognises the Honourable Member Leah Scott.

[Crosstalk]

Ms. Leah K. Scott: Thank you, Mr. Chairman.

Just to kind of underscore my colleague's point, the 1st of January is . . . we have got Christmas in between and people kind of start shutting down as of the 8th of December and, again, in terms of getting the notice out to the companies and then getting the information returned, people are going to start going on vacation. So if you could give consideration to extending that date at least by six months—

[Inaudible interjection]

Ms. Leah K. Scott: Well, six more months.

Thank you.

The Chairman: The Chair recognises the Honourable Minister Jamahl Simmons.

Hon. Jamahl S. Simmons: I think the clause 21 will deal with that to a certain extent. The Act comes into operation the day the Minister responsible for the Registrar of Companies made by notice in the *Gazette* appoints. And I think that is important. That will give a little bit of time. So, it will give a little bit of lead time before the six months kicks in.

The Chairman: Any further speakers?

Minister, do you want to move those clauses?

Hon. Jamahl S. Simmons: I move that clauses 16 through 21 be approved.

The Chairman: Any objections to that?

There appear to be none.

[Motion carried: Clauses 16 through 21 passed.]

The Chairman: Do you want to move the Preamble?

Hon. Jamahl S. Simmons: Yes, sir. Give me one second here.

I move that the Preamble be approved, Mr. Chairman.

The Chairman: Any objections?

There appear to be none.

Hon. Jamahl S. Simmons: I now move that the Bill be reported to the House as amended.

The Chairman: Any objections?

There appear to be none.

The Bill will be reported to the House as amended.

[Motion carried: The Companies and Limited Liability Company (Beneficial Ownership) Amendment Act 2017 was considered by a Committee of the whole House and passed with amendments.]

House resumed at 2:42 pm

[Hon. Dennis P. Lister, Jr., Speaker, in the Chair]

REPORT OF COMMITTEE

COMPANIES AND LIMITED LIABILITY COMPANY (BENEFICIAL OWNERSHIP) AMENDMENT ACT 2017

The Speaker: Good afternoon, Members.

The Bill entitled the Companies and Limited Liability Company (Beneficial Ownership) Amendment Act 2017 has been reported back to the House.

Are there any objections?

No objections.

It has been received. Thank you. That brings us to the third reading.

Minister, that brings us to the third reading for your Bill because there are no other Bills on the Order Paper today. So, you can go ahead and do your third reading now.

SUSPENSION OF STANDING ORDER 21

Hon. Jamahl S. Simmons: Thank you, Mr. Speaker.

I move that Standing Order 21 be suspended to enable me to move that the Bill entitled Companies and Limited Liability Company (Beneficial Ownership) Amendment Act 2017 be now read the third time by its title only.

The Speaker: Go ahead, Minister.

[Motion carried: Standing Order 21 suspended.]

BILL

THIRD READING

COMPANIES AND LIMITED LIABILITY COMPANY (BENEFICIAL OWNERSHIP) AMENDMENT ACT 2017

Hon. Jamahl S. Simmons: I move that the Bill be now read a third time by its title only and passed.

The Speaker: No objections to that?

The Bill has now passed.

[Motion carried: The Companies and Limited Liability Company (Beneficial Ownership) Amendment Act 2017 was read a third time and passed.]

The Speaker: And that brings us to the conclusion of the Orders of the Day. There is no other business.

We need a Minister to stand and just . . .

ADJOURNMENT

Hon. Jamahl S. Simmons: I move that the House do now adjourn until Friday next.

The Speaker: Thank you.

[Gavel]

[At 2:43 pm, the House stood adjourned until 10:00 am, Friday, 10 November 2017.]